



## Capital Reduction due to Cancellation of Treasury Shares and Restricted Employee Shares

March 7, 2016

1.Date of the board of directors resolution: 2016/02/29

2.Reason for the capital reduction:

(a) Cancellation of 4,110,000 shares from treasury shares buyback program.

(b) As the vesting conditions of the issuance of restricted employee shares have not been met by the intended employee, HTC will withdraw

issuance to such employee without compensation and cancel 118,060 shares.

3.Amount of the capital reduction: NTD 42,280,600

4.Cancelled shares: 4,228,060 shares

5.Capital reduction ratio: 0.5083%

6.Share capital after the capital reduction: NTD 8,276,414,650

7.Scheduled date of the shareholders' meeting: N/A

8.Estimate listed shares, the ratio of listed shares to outstanding shares, after the capital reduction: N/A

9.Countermeasures of the aforesaid estimate change in shareholding after the capital reduction: N/A

10.Any other matters that need to be specified:

Record date for capital reduction is February 29, 2016