



PRESS RELEASE

HTC REPORTS 2014 SECOND-QUARTER RESULTS

TAIPEI, Taiwan – July 31, 2014 – HTC Corporation (the Company, TWSE: 2498), a global leader in mobile innovation and design, today announced consolidated results for its fiscal 2014-second quarter ended June 30, 2014. Key figures:

- Quarterly revenue of NT\$65.1 billion
- Quarterly net profit of NT\$2.3 billion, or NT\$2.74 per share
- Gross margin of 22.2 percent and operating margin of 3.7 percent.

HTC's return to profitability has been driven by the sales momentum of its HTC One (M8), HTC One mini 2 and Desire 816 products around the world. In the United States, HTC One (M8) continues to impress the market with availability through all four major operators, while across Europe the HTC One mini 2 has extended the best-in-class HTC One (M8) experience in a more compact format. The HTC Desire franchise also experienced significant gains, led by the success of Desire 816.

"As is demonstrated by this quarter's results, we have continued to improve all aspects of our business, while building on the incredible excitement around our current line of products," said Peter Chou, HTC's CEO. "This profitable quarter is a positive step that is the result of having focused on delivering the best possible smartphone to the world, in the HTC One (M8) and expanding our offerings with the HTC One mini 2 and our Desire line."

The HTC One (M8) and Desire 816 continued to dominate in Taiwan, and for the first time, HTC ranked #1 in both unit share and value share. Overall sales momentum was sound in China and India, as a result of a well-catered product portfolio to the very fast-growing market.

HTC's superior design and engineering capabilities continue to impress, with the HTC One (M8) and HTC Dot View case once again claiming the Gold Medal in Design and Innovation at the Computex d&i awards in June, organized by the Taiwan External Trade Development Council (TAITRA) and iF (International Forum Design).

3Q 2014 Outlook

HTC is providing the following guidance for this quarter:

- Revenue is expected to be in the range of NT\$42 billion to NT\$47 billion
- Gross profit margin is expected to be 22.50% to 23.00%
- EPS is expected to be in the range of NT\$0.05 to NT\$0.69

2Q 2014 Conference Call and Webcast

HTC will provide live streaming of its 2Q 2014 financial results conference call in English beginning at 3 p.m. (Taiwan Time, GMT+8) on July 31, 2014 at: <http://www.media-server.com/m/p/nz77fcs2>



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About HTC

Founded in 1997, HTC Corp. (HTC) is the creator of many award-winning mobile devices and industry firsts. By putting people at the center of everything it does, HTC pushes the boundaries of design and technology to create innovative and personal experiences for consumers around the globe. HTC's portfolio includes smartphones and tablets powered by the HTC Sense® user experience. HTC is listed on the Taiwan Stock Exchange (TWSE: 2498). For more information, please visit www.htc.com.

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