

Shares in Taiwan's HTC up by daily limit on Apple deal

November 12 2012

Shares in Taiwan's leading smartphone maker HTC surged by their daily 7.0 percent limit Monday after it announced [it had reached a global patent settlement](#) with US technology giant Apple.

HTC climbed to Tw\$241.5 (\$8.33) as dealers welcomed the weekend deal with the [iPhone](#) maker which ends all outstanding litigation between the two companies. It closed at the same price.

"Investors will feel one of the uncertainties shadowing HTC has been removed," said Chen Yu-yu of Capital Securities.

Analysts said the launch of HTC's first cellphone with a 5.0-inch screen—scheduled for Tuesday in the United States—fuelled buying sentiment.

Sunday's 10-year [licensing agreement](#) comes at an important time for HTC as it is hit by competition from Apple and South Korea's Samsung.

Technology giants have routinely pounded each other with patent lawsuits. Apple had accused HTC and other smartphone makers that use [Google's Android](#) mobile operating system of infringing its patents.

But Chen said it remained to be seen how the legal deal with Apple would help lift HTC's revenues.

HTC last month said net profit in the July-September quarter tumbled

79.1 percent from a year earlier to Tw\$3.9 billion (\$133.1 million).

Revenues totalled Tw\$70.2 billion, on the lower side of the Tw\$70 billion-Tw\$80 billion range it had previously forecast and down 48 percent from the same period a year earlier.

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