

Taiwan's HTC forecasts first-quarter loss

February 10 2014



A woman walks past HTC advertising in Taipei on May 2, 2013

Taiwan's struggling smartphone maker HTC on Monday forecast a first-quarter net loss of up to Tw\$3.1 billion (\$102.4 million) due to weak sales of new flagship products.

HTC expects revenues of between Tw\$34 billion and Tw\$36 billion for the three months to March, a fall from Tw\$42.8 billion a year earlier, the company said at an earnings conference.

The predicted [sales](#) compare with revenues of NT\$49.2 billion in the fourth quarter of 2013.

In the three months to June last year the company reported its first quarterly loss, at Tw\$3 billion, but swung back to profitability in the fourth with a net profit of Tw\$310 million.

Chief Financial Officer Chang Chia-lin said he anticipated the company's sales to slump in February before picking up in March, before the [company](#) gained more momentum from the launch of new products in the second quarter.

"If they can get one or two new models to sell reasonably well, they could return in the second quarter to the level they were at a year earlier," said Barclays analyst Dale Gai.

"That's still low compared to previous years, but it's a different landscape now."

The Taiwanese firm held a 4.6 percent share of the global smartphone market in 2012, sharply down from 8.8 percent a year earlier.

Samsung held a 30.3 percent stake while Apple had 19.1 percent, according to research firm IDC.

As part of its efforts to boost sales, HTC has launched a range of mid-tier smartphones as analysts warn of waning demand for high-end gadgets.

© 2014 AFP

Citation: Taiwan's HTC forecasts first-quarter loss (2014, February 10) retrieved 11 July 2024 from <https://phys.org/news/2014-02-taiwan-htc-first-quarter-loss.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.