

Taiwan's HTC swings to profit in third quarter

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A billboard shows the latest HTC M8 smartphone in Taipei on June 6, 2014

Taiwanese smartphone maker HTC said Friday it swung to a profit in the third quarter, but revenue continued to decline owing to sluggish sales amid strong competition from low-priced Chinese models.

HTC reported a net profit of Tw\$640 million (\$21 million) in July-September from a net loss of Tw\$2.97 billion in the same period last year.

Revenue in this period came in at Tw\$41.86 billion, down 11 percent on-year and 36 percent on-quarter. It was also lower than a forecast of between Tw\$42 billion and Tw\$47 billion, a company statement said.

HTC has said that sales were expected to slow as initial excitement over its [new products](#) wore off.

The company's second quarter [net profit](#) was up 80 percent on-year and much improved from a net loss of Tw\$1.88 billion in the first quarter, aided by good sales of HTC One M8 and Desire 816 models.

However, analysts warned HTC had a long way to go before regaining lost ground to rivals Samsung and Apple as well as low-cost Chinese rivals such as Lenovo and Huawei.

In the 2013 third quarter, HTC swung to its first [net loss](#) of since listing in 2002, as it fell out of the world's top 10 vendors and has been struggling to increase its foothold in the highly competitive smartphone market.

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