

Major Resolutions of the 20th Meeting of Chunghwa Telecom's
Fourth Board of Directors (April 24, 2007)

1. Summary: The Company's CPA-audited financial forecast for 2007 was submitted to the Board for approval.

Resolutions: The attending directors unanimously approved the proposal and requested the management to publicly announce and report the forecast statements in accordance with the prescribed procedures.

2. Summary: The Company's report of the Company's 2006 earning distributions was submitted to the Board for approval.

Resolutions:

A. The attending directors unanimously approved the proposal that, from NT\$35,987,469,576 of the distributable earnings for 2006, NT\$35,903,408,133 shall be distributed as follows: 1) 0.1% be distributed as cash remuneration to directors and supervisors; 2) 3.5% be distributed as employee bonuses (all in cash); and 3) NT\$3.58 per share be distributed as cash dividends to shareholders.

B. The Chairman shall be authorized to determine the ex-dividend record date.

C. Each shareholder shall be paid dividends in cash, rounded to the nearest whole NT dollar, and the Chairman shall be authorized to handle the balance, if any.

D. The proposal shall be presented for acknowledgement at the 2007 annual shareholders meeting in accordance with the prescribed procedures.

E. Director Hsu-Chung Chang expressed a differing opinion as below:

After privatization, the employees of the Company have created more than NT\$40 billion in earnings after tax with almost NT\$12 billion tax contribution, in spite of intense competition in the market and various unbeneficial regulations imposed by the telecom regulator. Comparing with the Asian telecom companies, or with TSMC and China Steel, this performance is not at all inferior. However, the Company's unequal treatment of employees and shareholders after privatization has been a source of constant internal disputes, and employees are feeling increasingly dissatisfied with the Company. Thus, I recommend the Company increase the percentage of employee bonuses to 5% in order to encourage employees.

3. Summary: The proposal to increase capital from capital surplus and issue new shares was submitted to the Board for approval.

Resolutions: The attending directors unanimously approved the proposal to transfer NT\$9,667,845,090 from capital surplus to capital and issue 966,784,509 common shares, and requested that the proposal be submitted to the 2007 annual shareholders meeting for discussion in accordance with the prescribed procedures.

4. Summary: The proposal to conduct cash capital reduction was submitted to the Board for approval.

Resolutions:

A. The attending directors unanimously approved the proposal to conduct a cash capital reduction equivalent to the amount of capital increase after the completion of transfer of capital

surplus to capital. The amount of capital reduction shall be NT\$9,667,845,090, and following capital reduction, the paid-in capital shall be NT\$96,678,450,950 and no share shall be issued in physical form.

B. The proposal shall be submitted to the 2007 annual shareholders meeting for discussion in accordance with the prescribed procedures.

C. The management shall consider strategies for subsequent capital reductions after prudently evaluating an appropriate amount of capital.

D. Subsidiary resolution: This proposal involves the handling of shareholder's equity; however, the Company shall take employees' rights and interests into consideration in other matters involving operational management.

5. Summary: Certain revised articles of the "Articles of Incorporation of Chunghwa Telecom" were submitted to the Board for approval.

Resolutions: The attending directors unanimously approved the proposal, and requested that the revised articles be submitted to the 2007 annual shareholders meeting for discussion in accordance with the prescribed procedures.

6. Summary: A revised agenda for the Company's 2007 annual shareholders meeting was submitted to the Board for approval.

Resolutions: The attending directors unanimously approved the agenda and requested the management to implement the agenda in accordance with the prescribed procedures.

7. Summary: The proposal that the Company participate in stage 1 of bidding on domestic Worldwide Interoperability for Microwave Access licenses was submitted to the Board for approval.

Resolutions: The attending directors unanimously approved the proposal and requested the management to implement the proposal in accordance with the prescribed procedures.

8. Summary: The proposed nomination of independent director of the Company's fifth term Board of Directors was submitted to the Board for approval.

Resolutions: The attending directors unanimously approved the proposal and requested that the proposed nomination of independent directors be submitted to the 2007 annual shareholders meeting for election.

9. Summary: The proposed slate of nominees for directors of the Company's fifth term Board of Directors was submitted to the Board for approval.

Resolutions: The attending directors unanimously approved the proposal and requested the proposal to be submitted to the 2007 annual shareholders meeting for election.