

**Major Resolutions of the Ninth Meeting of
Chunghwa Telecom's Fifth Board of Directors
(April 25, 2008)**

Reports:

Report 1: Follow-up on implementation report concerning the company's general financial product investment performance, derivative trading information, and knock-out (KO) forward trading during the first quarter of 2008.

Resolutions:

A. Report regarding the performance of general financial product investments during the first quarter:

(1) From this point forward, the company should provide a more detailed explanation regarding the correlation between the company's overall financial allocation structure and financial policies.

(2) The board hopes that a framework concerning the assessment of quarterly assessment reports and choice of performance indicators will be determined and submitted to the board before the next quarterly report.

(3) Apart from reports to be submitted at a board meeting, the Finance Department shall provide adequate explanations in the Management Department's business report with a view of the importance or implementation of the performance on individual items.

B. Follow-up on implementation report concerning knock-out (KO) forward case:

(1) Apart from the active business and financial cooperation in this case, the board hopes that the pertinent departments will cooperate with the legal department to adopt effective measures at the optimum opportunity so as to seek out a legal course of action which most benefits the company.

(2) While preliminary conclusions currently point towards scenario 3,

scenario 3 incorporated with spirit of scenario 1 is expected to be more positive. The case task force has been requested to help the Management Department to continue their study on scenario 3. In addition, the board hopes that the Finance Department, in light of the case task force's recommendation of Case 3, provide a thorough explanation of overall, active implementation with regard to business matters to the parent company's supervisory senior vice president and relevant units at the appropriate time.

(3) With regard to the public's concerns, investigation by any system, or disciplinary action imposed by the competent authority in connection with this case, the company may be subject to doubts concerning its goodwill in the wake of media reports; it is therefore hoped that the relevant executive unit and supervisory senior vice president will control any effect of this case on the company's goodwill, and will adopt a proactive attitude in making the necessary explanations.

C. Other Matters:

Matters for discussion:

1. Summary: The draft of the revised articles of the Articles of Incorporation of Chunghwa Telecom Co., Ltd. were submitted to the board for a vote.

Resolutions: The attending directors unanimously passed the proposal, and requested that the proposal be submitted to the 2008 shareholders meeting for discussion in accordance with procedures.

2. Summary: The company's 2007 distribution of earnings was submitted to the board for a vote.

Resolutions:

A. Except Director Chang Hsu-Chung, who expressed a differing opinion, the remaining attending directors passed the following resolutions:

(1) Of the NT\$43,453,500,881 available for distribution appropriated from the 2007 earnings, a) 0.1% shall be issued as cash bonuses

to directors and supervisors; b) 4% shall be issued as employee bonuses (25% stocks, 75% cash); and c) shareholders shall be issued cash dividends of NT\$4.26 per share and stock dividends of NT\$0.1 per share. The 2007 earnings distribution table is shown in Appendix 4.

(2) After the proposed issuance of dividends is passed at the 2008 shareholders meeting, the Chairman shall be authorized to set a record date and issue such dividends following approval by the competent authority.

(3) Dividends issued to shareholders shall be rounded off to the nearest whole NT dollar, and the Chairman at their sole discretion, shall be authorized to allocate the remaining amounts.

(4) This case shall be submitted to the 2008 shareholders meeting for acknowledgement in accordance with procedures.

B. Director Chang Hsu-Chung expressed the following differing opinion:

Employee bonuses shall constitute 5%, of which 40% shall consist of stocks and 60% of cash.

3. Summary: The company's proposed capital increase by issuing new stock was submitted to the board for a vote.

Resolutions:

A. The attending directors unanimously agreed that shareholder bonuses of NT\$955,777,690 and employee bonuses of NT\$434,535,000 shall be issued from 2007 earnings available for distribution; the total of NT\$1,390,312,690 shall be recapitalized through the issuance 139,031,269 new shares. All shares shall be issued on one occasion, and each share shall have a face value of NT\$10. The new shares shall represent equity equivalent to that of outstanding common stock. Shares shall be issued in non-physical form. It was requested that the resolution be submitted to the 2008 shareholders meeting for discussion.

B. The board shall be authorized to set a record date and carry out

the distributions after shareholder's approval at the shareholders meeting and the approval by the competent authority.

4. Summary: The company's CPA-reviewed 2008 financial forecast was submitted to the board for a vote.

Resolutions: The attending directors unanimously passed the proposal, and requested the Management Department to announce the report in accordance with regulations.

5. Summary: The draft of the revised "Chunghwa Telecom Co., Ltd. Procedures for Acquisition or Disposition of Assets" was submitted to the board for a vote.

Resolutions:

A. The attending directors unanimously passed the draft of the revised "Chunghwa Telecom Co., Ltd. Procedures for Acquisition or Disposition of Assets" following revision of Article 20 in accordance with Resolution 2, and requested the Management Department to implement the proposal in accordance with the prescribed procedures.

B. Article 20 of the Chunghwa Telecom Co., Ltd. Procedures for Acquisition or Disposition of Assets shall be revised as follows:

Paragraph 2 of this article: "Starting from June 20, 2008, the company may engage solely in derivative trading of a hedging nature, and may not engage in trading operations" shall be revised as: "When the company engages in derivative trading, such trading shall be limited to hedging operations, and may not consist of trading operations."

6. Summary: The revised agenda of the company's 2008 shareholders meeting was submitted to the board for a vote.

Resolutions:

A. The attending directors unanimously passed the proposal, and requested the Management Department to implement the proposal in

accordance with the prescribed procedures.

B. The company shall not accept any shareholder (including ADR shareholder) proposal prior to April 21, 2008. Any proposal submitted by a shareholder outside of the company's announced acceptance period shall not be included among the shareholders meeting proposals, and need not be sent to the board for review.

C. Subsidiary resolutions: The time of the shareholders meeting may, if possible, be set in the morning; the location should be in Taipei City.