

**Major Resolutions of the Fourth Meeting of
Chunghwa Telecom's Fifth Board of Directors
(August 28, 2007)**

The Discussion:

1. Summary: The Company's financial report and CPA audit report for the first half of 2007 were submitted to the Board for approval and to the supervisors' for acknowledgement in accordance with the regulations requiring to do so.

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

2. Summary: The "Chunghwa Telecom Co., Ltd. Affiliated Enterprise Mutual Financial Operation Operating Standards (Draft)" was submitted to the Board for approval.

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

3. Summary: The "Draft of the Revised Certain Articles of the Chunghwa Telecom Co., Ltd. Internal Control System" was submitted to the Board for approval.

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

4. Summary: The "Draft of the Revised Certain Articles of the Chunghwa Telecom Co., Ltd. Internal Audit Implementation Rules" was submitted to the Board for approval.

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

5. Summary: The proposal that the Company, in order to increase return on investment and disperse risk, allocates USD \$200 million to two foreign asset management companies (with USD \$100 million to each asset management company) engaged to perform offshore discretionary investment was submitted to the Board for approval.

Resolutions:

A. The attending directors unanimously agreed to revise items (3) and (5), paragraph 2, Article 8 of "2007 Offshore Discretionary Investment Regulations", concerning scope and restrictions of investment in foreign securitized asset products, and implement selection of asset management companies on the basis of the revised 2007 Offshore Discretionary Investment Regulations.

B. The Company's current Offshore Discretionary Investment Restrictions Guidelines shall be subjected to a comprehensive review in accordance with recommendations of the directors and supervisors and quickly revised; when necessary, the revised content shall simultaneously be incorporated into the current Discretionary Investment Regulations.

6. Summary: The proposal that the Company invests in the ST-1 follow-up satellite was submitted to the Board for approval.

Resolutions:

A. The attending directors unanimously passed the proposal, and specified that investment be provided in proportion to each investor's transponder ratio.

B. The Company shall endeavor to raise the confidentiality level of management during the implementation procedures of any future cases that similarly involve sensitive information.

7. Summary: The proposal that the Company, in order to make best use of corporate assets and to improve the Company's real estate business efficiency by establishing a specialized real estate corporate entity, invests in the establishment of a property development subsidiary was submitted to the Board for approval.

Resolutions: The attending directors unanimously passed the proposal, and requested the management implement tasks in connection with establishment of a property development subsidiary in accordance with the following principles:

A. The property development subsidiary shall be established with authorized capital of NT\$5 billion, and shall be a wholly-owned subsidiary. The initial offering of capital shares shall be for NT\$3 billion. A capital increase shall be implemented after three years, and the Company shall be requested to submit an IPO plan.

B. Immediately after the subsidiary has been established, the Company shall perform a balanced review of the amount and locations of parent Company's land to be allocated to the subsidiary on the basis of existing site selection principles and in view of the subsidiary's opportunity to achieve stable operation during the initial period.

C. The goal of establishing this subsidiary shall be to ensure the effective management of existing land assets. With regard to Chunghwa Telecom's existing land, however, in view of the two major environmental variables of changes in the development of a Next Generation Network (NGN) and current land use, the management shall train professional manpower and establish a unit consisting of at least the departmental level to achieve effective management and allocate land needed for development.

8. Summary: With regard to the Central Deposit Insurance Corporation's transfer of shares of the Taipei Financial Center Co., Ltd. (herein referred to as the "Taipei 101 Co.") held by the China United Trust & Investment Corporation, the proposal that, in order to maintain the Company's investment rights and interests, the Board authorizes the management to implement relevant matters so as to obtain the greatest benefit for the Company, was submitted to the Board for approval.

Resolutions: The Board will temporarily not pass this case, and further action shall be taken in accordance with the results of bidding after all bids have been received.

Extraordinary Motions:

Summary: The proposal that, in order to maintain the Company's credit and stockholder's equity, the Company buys back 250 million of the Company's shares (constituting 2.35% of total shares issued after conversion of capital surplus to capital stock) from the Taiwan Exchange during the two-month period from the 29th of August to the 28th of October, and perform cancellation, with the buy-back prices ranging from NT\$38.36 to NT\$85.23, was submitted to the Board for approval.

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