



Chunghwa Telecom

INVESTOR FACTSHEET

Chunghwa Telecom is *the largest integrated telecom service provider in Taiwan*. The goal of the company is to be a value-creating and trustworthy company in providing information & communication services.

Q1 2012

MARKET FACT



Dr. Shyue-Ching Lu
Chairman&CEO

We began 2012 with a solid market leadership for all of our major business segments. For the first quarter, our growth was driven primarily by mobile business such as value-added services, increase of mobile internet subscribers, and innovative mobile service marketing. In addition, our MOD/IPTV is also gaining traction due to both increased ARPU and market share. We have executed well against the interim set-backs from the various business and regulatory environment. We will continue to poise Chunghwa Telecom for growth and share gains as markets stabilize. Our strong market leadership, quality product portfolio, strong cash generation and healthy balance sheet give us the confidence in delivering a resilient overall performance.

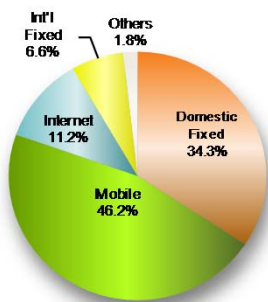
Market Cap	US\$23.98 Billion
NYSE	CHT
Share Price	US\$30.91
52 Week Low/High	US\$29.91/37.46
TSE	2412
Share Price	NT\$91.60
52 Week Low/High	NT\$87.50/111.00
Shares Outstanding	7,757 Million

as of April 27, 2012 Source: Bloomberg

Taiwan's Telecom Leader

Integrated Services Provider with Dominant Market Positions

Q1 2012 Consolidated Revenue:
NT\$55.42bn



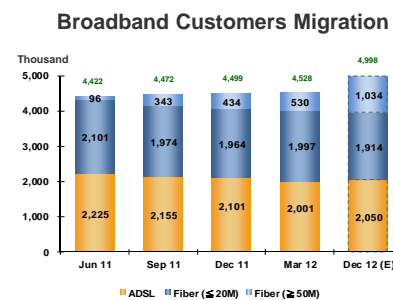
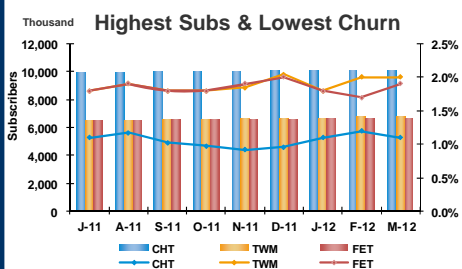
- Domestic Fixed
 - #1 Local
 - 95.3% share by subs (12.0 mn subs)
 - 88.1% share by minutes
 - #1 DLD
 - 76.0% share by minutes
 - #1 Broadband access
 - 79.9% share by subs (b)(c) (4.53 mn subs)
- Mobile
 - #1 Mobile subscribers
 - 34.8% market share (d) (10.09 mn subs)
 - #1 Mobile revenue
 - 31.7% market share (d)
- Internet
 - #1 ISP
 - 69.5% share by subs (4.21 mn subs)
- International Fixed
 - #1 ILD
 - 50.6% share by minutes

DIFFERENTIATING FACTORS

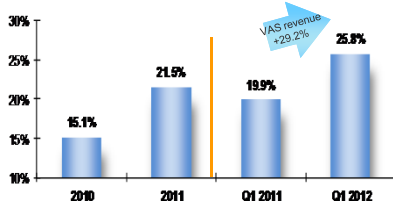
- Leading Position in Customer Access
- Extensive Product Portfolio with High Quality Services
- Branding & Scale Advantages
- Advanced Network & Technology Capabilities
- Financial Strengths

Leading Position in Mobile Market

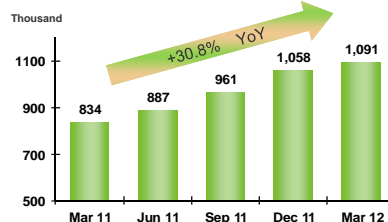
#1 Broadband/Internet Provider



Mobile VAS Revenue %



IPTV Subscriber



中華電信股份有限公司
Chunghwa Telecom Co., Ltd.
For more information visit:
www.cht.com.tw/ir

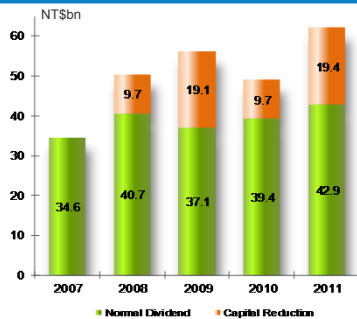


Chunghwa Telecom

Solid Financial Performance

ROC GAAP (Consolidated)						
(NT\$b)	2010	2011	Δ	Q1 2011	Q1 2012	Δ
Net Revenues	202.43	217.49	7.4%	52.48	55.42	5.6%
Income from Operations	57.37	55.08	(4.0%)	13.95	11.33	(18.7%)
Net Income	47.61	47.07	(1.1%)	11.84	9.49	(19.8%)
Net Income margin (%)	23.52	21.64		22.55	17.12	
EBITDA	91.41	87.37	(4.4%)	22.00	19.40	(11.8%)
EBITDA margin (%)	45.16	40.17		41.93	35.00	

Committed to a Stable Dividend



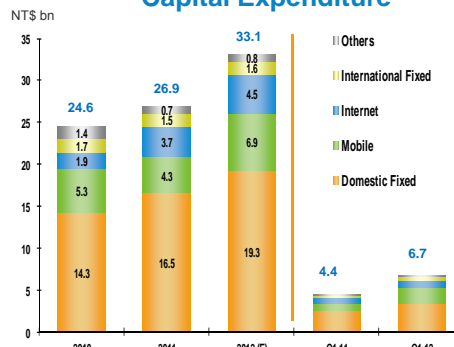
- Expect to maintain a stable dividend
- Company Act was amended on 2012/01/04:
 - A company which is profitable is allowed to directly distribute cash to shareholders from its capital surplus or legal reserve.
 - When the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

Note:
 1. The cash return was calculated based on cash dividend and cash return from capital reduction, stock dividend was not included.
 2. 1 ADR = 10 common shares

Prudent Investments for Sustainable Growth

- Moderately speed up mid-term capital expenditure
 - Focus on Fixed and Mobile broadband
- Budgeted capex for 2012: NT\$33.1 bn
- Continue to focus on core businesses for future investments
 - 2G / 3G / HSPA / HSPA+
 - FTTx
 - Wi-Fi
 - Service Platforms
 - Cloud computing

Capital Expenditure



CapEx as % of Revenue: 2010: 12.2%, 2011: 12.3%, 2012 (E): 17.3%, Q1 11: 8.3%, Q1 12: 12.1%

Commitment to Corporate Social Responsibility



Awards

- Financial Disclosure A+ – Securities & Futures Institute
- Trusted Brand 2011 – Reader Digest
- Corporate Citizenship Awards – CommonWealth Magazine
- Taiwan Corporate Sustainability Report Award – Taiwan's Institute for Sustainable Energy
- Best Financial Disclosure in Asia-Pacific - IRGR



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