



# 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.

Q3 2012



**Dr. Shyue-Ching Lu**  
Chairman & CEO

We are pleased with our third quarter financial results and we remain on track to meet our full year financial guidance. In order to meet customer demands in today's quickly evolving digital and mobile world, we continued to leverage our full suite of telecom services to further attract subscribers and steadily increase average revenue per user ("ARPU"). In fact, recent surveys indicated that we offer the highest quality MOD services in Taiwan, which is reflected in our revenue growth and increasing demand from advertisers. On the mobile front, we continued to maintain our leadership with the largest customer base and highest customer loyalty in Taiwan, delivering over 51.5% year-over-year growth in mobile internet services revenue.

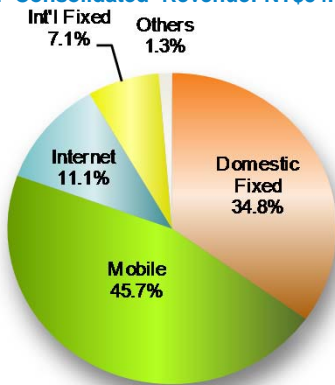
### MARKET FACT

Market Cap	US\$24.25 Billion
NYSE	CHT
Share Price	US\$31.26
52 Week Low/High	US\$29.22/34.31
TSE	2412
Share Price	NT\$92.00
52 Week Low/High	NT\$87.50/104.50
Shares Outstanding	7,757 Million

### Taiwan's Telecom Leader

#### Integrated Services Provider with Dominant Market Positions

Q3 2012 Consolidated Revenue: NT\$54.40bn



- Domestic Fixed
  - #1 Local
    - 95.1% share by subs (11.9 mn subs)
    - 87.2% share by minutes
  - #1 DLD
    - 75.3% share by minutes
  - #1 Broadband access
    - 79.6% share by subs (4.56 mn subs)
- Mobile
  - #1 Mobile subscribers
    - 34.7% market share (10.21 mn subs)
  - #1 Mobile revenue
    - 31.8% market share
- Internet
  - #1 ISP
    - 69.6% share by subs (4.24 mn subs)
- International Fixed
  - #1 ILD
    - 50.4% share by minutes

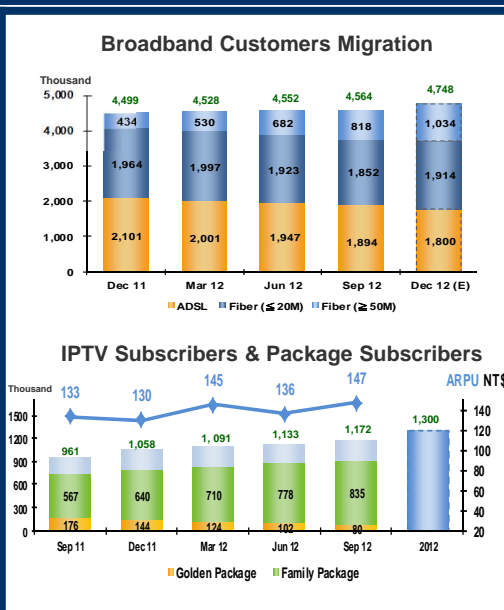
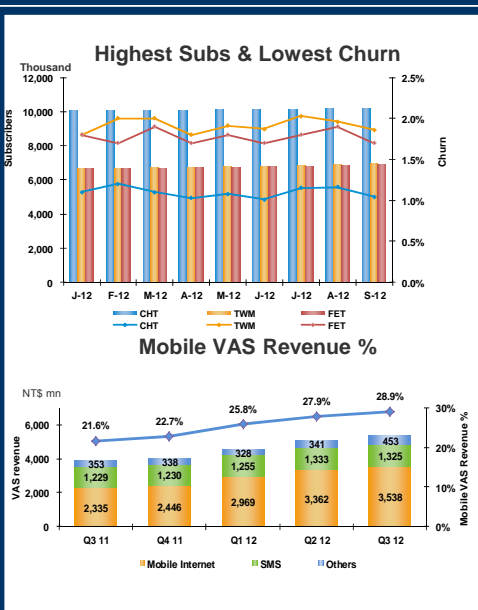
as of Oct. 24, 2012 Source: Bloomberg

### 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



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



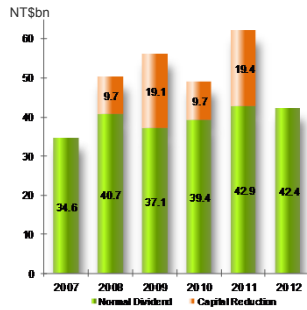
# Chunghwa Telecom

## Solid Financial Performance

ROC GAAP (Consolidated)

(NT\$b)	9M 2011	9M 2012	Δ	3Q 2011	3Q 2012	Δ
Net Revenues	162.61	164.01	0.9%	55.71	54.40	(2.3%)
Income from Operations	119.37	126.14	5.7%	41.83	42.30	1.1%
Net Income	37.07	30.96	(16.5%)	11.93	10.20	(14.6%)
Net Income margin (%)	22.79	18.88		21.42	18.74	
EBITDA	67.36	62.24	(7.6%)	21.94	20.27	(7.6%)
EBITDA margin (%)	41.42	37.95		39.38	37.25	

## Committed to a Stable Dividend



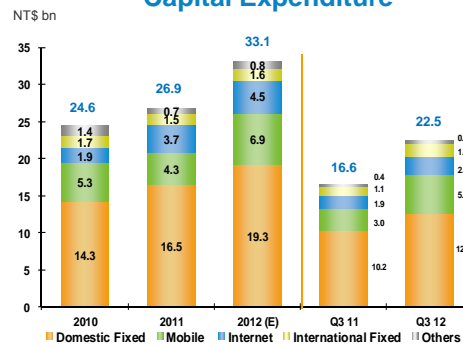
- Expect to maintain a stable dividend
- The company's legal reserve is expected to amount to the total authorized capital in 2~3 years. As a profitable company, our legal reserve and capital surplus is allowed to directly distribute cash to shareholders. Only the portion of legal reserve which exceeds 25% of the paid-in capital may be distributed.

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	2011	2012 (E)	Q3 11	Q3 12
CapEx as % of Revenue	12.2%	12.3%	17.3%	10.2%	13.8%

## Commitment to Corporate Social Responsibility



## Awards

- Financial Disclosure A++ – Securities & Futures Institute
- Customer Relationship Excellence – APCSC
- Trusted Brand 2012 for 9 consecutive years – Reader Digest
- Global Views Service Excellent Service - Global Views Monthly Magazine
- Info Tech Ranking 100 – Business Next Magazine
- Favorite Telecom Brand – 30 Young Generation Research



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