



Dr. Yen-Sung Lee
Chairman&CEO

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.

Dr. Yen-Sung Lee, Chairman and CEO of Chunghwa Telecom, commented, "During the second quarter, Chunghwa Telecom continued to expand its market leadership in terms of both revenue and market share in our key growth segments. Through aggressive promotion of our data plans and strategic targeting of the fast-growing, low-to-mid tier smartphone market, we were not only able to rapidly attract new customers, but also effectively facilitate customers' adoption of data service. Benefiting from this concerted effort, our mobile internet subscriber market share expanded to 33.5%, helping us maintain our leading position with over 3.17 million subscribers as of the end of June. In addition, our mobile data revenue outperformed our peers during the quarter and increased by 35.1% year-over-year. We believe that this growth is a testament having the right strategy and strong execution capabilities, making it possible to capitalize on these growth opportunities. We recognize the growing demand in Taiwan for faster connections across all platforms and are uniquely positioned to take advantage of this as well as the upcoming mobile broadband spectrum auctions. We believe that with our current plans and the potential for mobile broadband expansion, we will be able to continue to capitalize on the markets demand for digital convergence services, further strengthening our overall business."

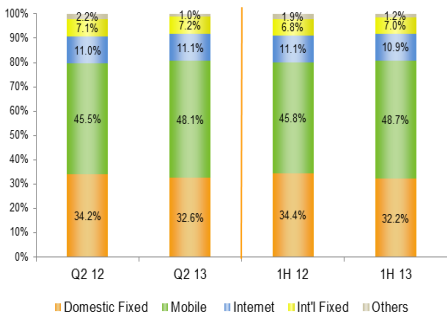
MARKET FACT

Market Cap	US\$24.47Billion
NYSE Share Price	CHT US\$31.55
52 Week Low/High	US\$29.57/33.49
TSE Share Price	2412 NT\$93.90
52 Week Low/High	NT\$88.72/101.23
Shares Outstanding	7,757 Million

as of Aug. 13, 2013 Source: Bloomberg

Taiwan's Telecom Leader / Dominant Market Positions (a)

Q2 2013 Consolidated Revenue: NT\$55.84bn (e)



Source: Company data, MOTC, and NCC statistics

- a) Market share as of June 2013
- b) CHT access circuits were not included
- c) Excluding PWWAN subscriber numbers
- d) Includes 2G, 3G and PHS
- e) Revenues are based on T-IFRSs

- Domestic Fixed
 - #1 Local
 - 94.8% share by subs (11.7 mn subs)
 - 86.7% share by minutes
 - #1 DLD
 - 76.4% share by minutes
 - #1 Broadband access
 - 78.1% share by subs (b)(c) (4.55 mn subs)
- Mobile
 - #1 Mobile subscribers
 - 35.3% market share (d) (10.42 mn subs)
 - #1 Mobile revenue
 - 35.1% market share (d)
- Internet
 - #1 ISP
 - 68.9% share by subs (4.24 mn subs)
- International Fixed
 - #1 ILD
 - 53.7% share by minutes

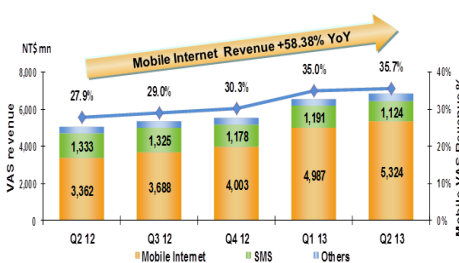
DIFFERENTIATING FACTORS

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

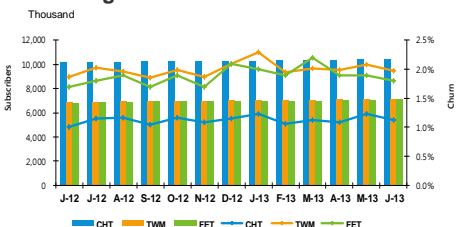
Leading Position in Mobile Market

#1 Broadband/Internet Provider

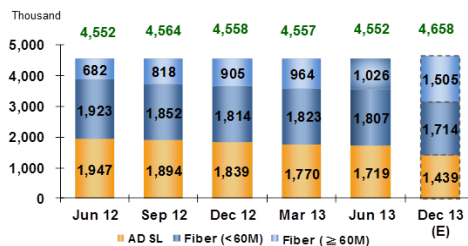
Mobile VAS Performance



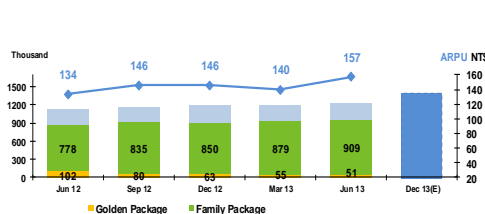
Highest Subs & Lowest Churn



Fixed Broadband Subs



IPTV Subscribers & Package Subscribers



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



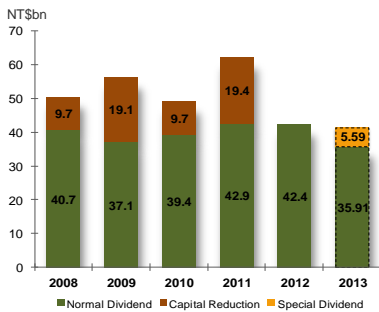
Solid Financial Performance

Consolidated

(NT\$bn)	Q2 2012 (T-IFRSs)	Q2 2013 (T-IFRSs)	Δ	1H 2012 (T-IFRSs)	1H 2013 (T-IFRSs)	Δ
Revenues	54.40	55.84	2.6%	109.89	112.45	2.3%
Income from Operations	13.40	12.65	(5.6%)	24.88	23.90	(3.9%)
Net Income	11.44	10.64	(7.0%)	21.03	19.84	(5.7%)
Net Income margin (%)	21.02	19.05	-	19.14	17.64	-
EBITDA	21.47	20.66	(3.8%)	40.95	39.86	(2.7%)
EBITDA margin (%)	39.47	36.99	-	37.27	35.45	-

Note: Net income attributable to owners of the parent. / The calculation of figures is based on NT\$m.

Committed to Improving Shareholder Value



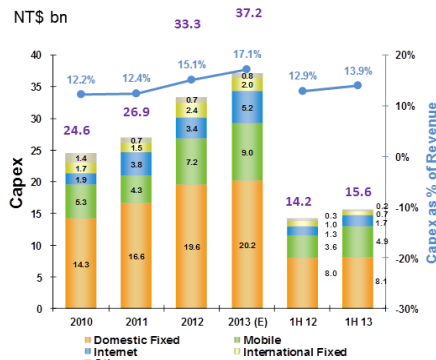
- Board resolved to distribute special cash dividend of NT\$0.7205 per share from capital surplus
- Total payment is NT\$5.35 per share or NT\$41.5 billion including the earnings distribution of NT\$4.6295 per share for fiscal year 2012

Note:
 1. The special dividend for year 2013 is distributed from capital surplus.
 2. The cash return was calculated based on cash dividend and cash return from capital reduction, stock dividend was not included.
 3. 1 ADR = 10 common shares
 4. The cash dividend has been calculated based on total share number 7,757,446,545 since year 2012.

Effective and Efficient Capital Expenditure

- Increase capital expenditure
 - Fixed and Mobile broadband
 - Cloud deployment including cloud data center build out
- Budgeted capex for 2013: NT\$37.2 bn
- Continue to focus on core businesses for future investments
 - 3G / HSPA / HSPA+
 - FTTx
 - Wi-Fi
 - Service Platforms
 - Cloud computing

Capital Expenditure



Note: Figures are on consolidated basis.

Commitment to Corporate Social Responsibility



Awards

- Included in Dow Jones Sustainability Emerging Markets Index in Feb. 2013
- Favorite Telecom Brand – 2013 Young Generation Research
- Most Effective Brand – Manager Today Magazine 2013 Research
- Financial Disclosure A++ – Securities & Futures Institute
- Customer Relationship Excellence – APCSC
- Trusted Brand 2013 for 10 consecutive years – Reader Digest



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