



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 2014

In the third quarter, we witnessed a ramp up of 4G services throughout the Taiwanese telecom market. In the most recent two months, we saw acceleration in the number of average daily 4G subscribers. We are working aggressively within our Company and with our partners to further drive 4G service adoption throughout Taiwan. We maintain our year-end target goal of acquiring 40% of the 4G market. In addition, we believe that we will be able to reach 90% of Taiwan's population by the end of 2014 and up to 99% by year-end 2015 through our 4G network deployment, further cementing our position as Taiwan's largest integrated telecommunications services company.

Furthermore, as we continue to regularly and carefully review our capital expenditures budget and execution plan, we will continue to focus on ensuring optimal return through the cost effective spending as well as the precision construction. We believe that it is possible to realize more than a 10% reduction in budgeted capital expenditures this year due to having our fiber broadband investment focus primarily on FTTH construction instead of network coverage. By focusing on efficiencies through precision construction and resource allocation, we will be able to position Chunghwa Telecom for more sustainable long-term value.



Dr. Rick L. Tsai
Chairman and CEO

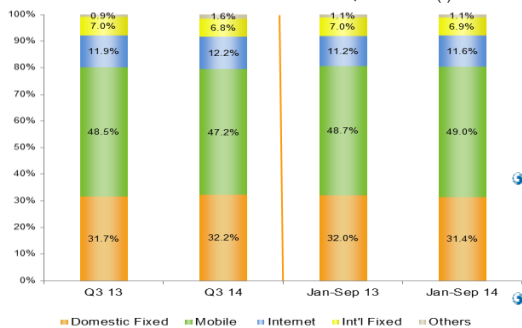
MARKET FACT

Market Cap	US\$23.35Billion
NYSE Share Price	CHT US\$30.10
52 Week Low/High	US\$28.43/31.71
TSE Share Price	2412 NT\$91.70
52 Week Low/High	NT\$87.74/94.68
Shares Outstanding	7,757 Million

as of Oct. 24, 2014 Source: Bloomberg

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

Q3 2014 Consolidated Revenue: NT\$56.14bn (f)



Source: Company data, MOTC, and NCC statistics

- a) Market share as of August 2014
- b) CHT access circuits were not included
- c) Excluding PWLAN subscriber numbers
- d) Includes 2G, 3G, 4G and PHS
- e) Includes 2G, 3G and PHS
- f) Revenues are based on T-IFRSs.

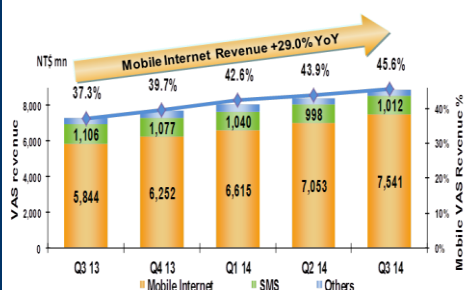
- Domestic Fixed
 - #1 Local
 - 94.4% share by subs (11.43 mn subs)
 - 85.1% share by minutes
 - #1 DLD
 - 79.9% share by minutes
 - #1 Broadband access
 - 76.8% share by subs ^{(b)(c)} (4.54 mn subs)
- Mobile
 - #1 Mobile subscribers
 - 36.6% market share ^(d) (11.02 mn subs)
 - #1 Mobile revenue
 - 35.6% market share ^(e)
- Internet
 - #1 ISP
 - 68.4% share by subs (4.24 mn subs)
- International Fixed
 - #1 ILD
 - 55.7% share by minutes

DIFFERENTIATING FACTORS

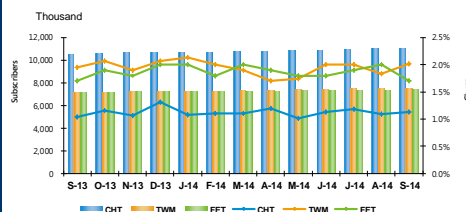
- Leading Position in Customer Access
- Extensive Product Portfolio with High Quality Services
- Branding & Scale Advantages
- Advanced Network & Technology Capabilities
- Financial Strengths

Leading Position in Mobile Market

Mobile VAS Performance

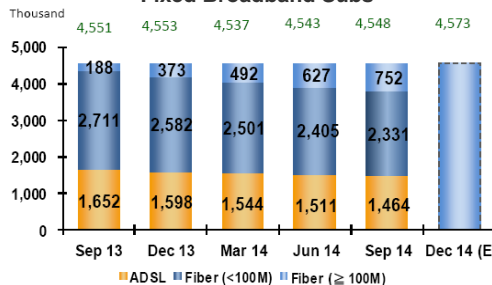


Highest Subs & Lowest Churn



#1 Broadband Provider

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

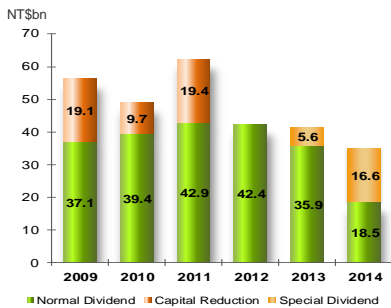


Solid Financial Performance

Consolidated						
(NT\$bn)	Q3 2013 (T-IFRSs)	Q3 2014 (T-IFRSs)	Growth Rate	Jan-Sep 2013 (T-IFRSs)	Jan-Sep 2014 (T-IFRSs)	Growth Rate
Revenues	56.72	56.14	(1.0)	169.18	166.97	(1.3)
Income from Operations	12.59	11.16	(11.3)	36.47	35.39	(3.0)
Net Income	10.65	9.73	(8.8)	30.48	30.55	0.3
Net Income Margin (%)	19.20	17.45	-	18.56	18.49	-
EBITDA	20.63	19.76	(4.2)	60.48	60.88	0.7
EBITDA Margin (%)	36.36	35.19	-	35.75	36.46	-

Note: Net income attributable to owners of the parent. / Net income margin is based on consolidated net income (including net income attributable to NCI). / The calculation of figures is based on NT\$m. / The figures of 2014 are un-audited.

Committed to Improving Shareholder Value



- 2014 AGM resolved to distribute NT\$35.1 billion or NT\$4.5251 per share to shareholders
 - NT\$2.3881 per share from earnings distribution for 2013
 - NT\$2.137 per share from capital surplus
- Special dividend from capital surplus is allocated to compensate for the decrease of earnings upon the first adoption of T-IFRSs in 2013

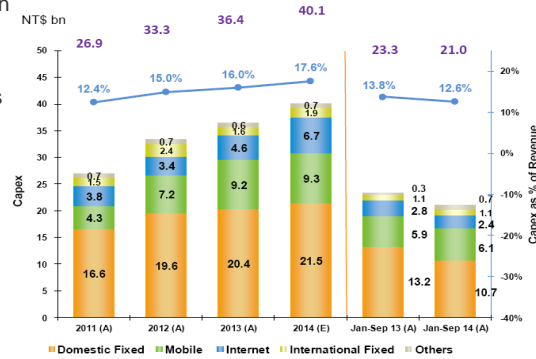
Note:

- The cash return was calculated based on cash dividend and cash return from capital reduction, stock dividend was not included.
- 1 ADR = 10 common shares
- The normal dividend has been calculated based on total share number 7,757,446,545 since year 2011.

Effective and Efficient Capital Expenditure

- Budgeted capex for 2014: NT\$40.1 bn
 - Expect to see more than 10% reduction
- Continue to focus on core businesses for future investments
 - 4G
 - FTTx
 - Service Platforms
 - Cloud / IDC

Capital Expenditure



Note: Figures are on consolidated basis

Commitment to Corporate Social Responsibility



Awards

- Included in Dow Jones Sustainability Emerging Markets Index and World Index
- Included in MSCI Global Sustainability Indexes
- Financial Disclosure A++ – by Securities & Futures Institute for the successive 9 years
- Certificate of Corporate Governance System CG6008 Advanced Assessment
- Most Admired Company – by the CommonWealth magazine



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