



# Chunghwa Telecom

## INVESTOR FACTSHEET

Q2 2015

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.

We are excited to report robust operational and financial results for the second quarter of 2015, with total revenues, operating income, pretax income, net income, and earnings per share all increased year-over-year and outperforming our guidance. The recent quarter saw the continued growth of mobile business, supported by the impressive 19.2% year-over-year growth in mobile Internet subscribers to 5.54 million.

As we move forward, we will continue expanding our 4G customer base, which has already accumulated more than 2.9 million subscribers in July. We expect to reach 3 million 4G subscribers in early August. This growth allows us to achieve favorable economies of scale and helps us generate strong EBITDA growth for our 4G business. We launched a 4G unlimited data promotional plan for NT\$988 back on April 16<sup>th</sup>, but we allowed the plan to expire at the end of June, demonstrating our intention to move towards a tiered pricing approach. We continue to target high-end customers for 4G migration, but have also began targeting mid-to-low end customers as well. Therefore, we launched a new promotional tiered data program launched on July 1<sup>st</sup> for this target group. In addition, we further promoted our mobile value-added services along with the promotional plans, which bundle Hami services such as mobile TV, audio, and video streaming. We expect these initiatives to help support the 4G service growth momentum and allow us to reach our 4.2 million subscriber target by the end of this year. Ultimately, we are pleased with our performance thus far in 2015, and expect the ongoing strength of our mobile and 4G services to further fortify Chunghwa's position as the leading integrated telecommunications service provider in Taiwan.



Dr. Rick L. Tsai  
Chairman and CEO

### MARKET FACT

Market Cap	US\$23.54 Billion
NYSE Share Price	CHT US\$30.34
52 Week Low/High	US\$28.95/32.85
TSE Share Price	2412 NT\$95.5
52 Week Low/High	NT\$90.0/99.8
Shares Outstanding	7,757 Million

as of July 24, 2015 Source: Bloomberg

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

Q2 2015 Consolidated Revenue: NT\$56.92 bn (e)

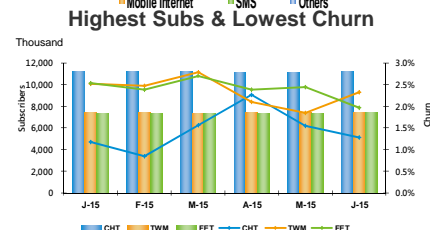
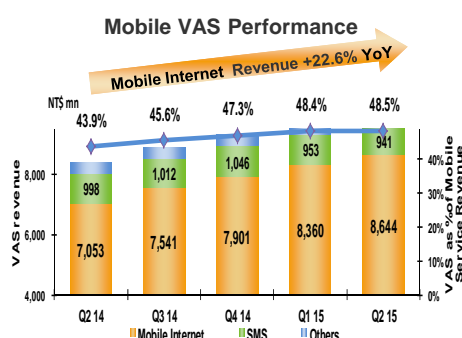
- Domestic Fixed
  - #1 Local
    - 94.2% share by subs (11.29 mn subs)
    - 85.7% share by minutes
  - #1 DLD
    - 82.4% share by minutes
  - #1 Broadband access
    - 76.3% share by subs <sup>(b)(c)</sup> (4.52 mn subs)
- Mobile
  - #1 Mobile subscribers
    - 38.1% market share <sup>(d)</sup> (11.10 mn subs)
  - #1 Mobile revenue
    - 36.9% market share <sup>(e)</sup>
- Internet
  - #1 ISP
    - 68.3% share by subs (4.22 mn subs)
- International Fixed
  - #1 ILD
    - 58.0% share by minutes

Source: Company data, MOTC, and NCC statistics  
 a) Market share as of May 2015  
 b) CHT access circuits were not included  
 c) Excluding PWLAN subscriber numbers  
 d) Includes 2G, 3G and 4G  
 e) Revenues are based on T-IFRSs.

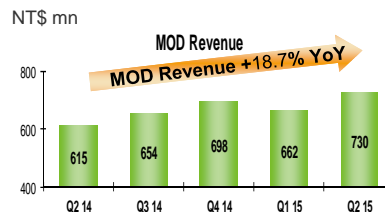
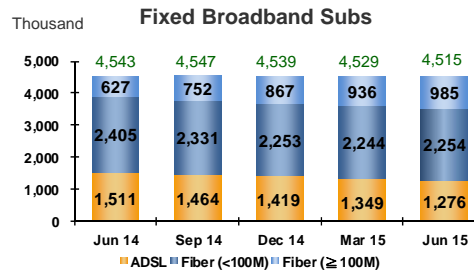
### DIFFERENTIATING FACTORS

- 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 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)



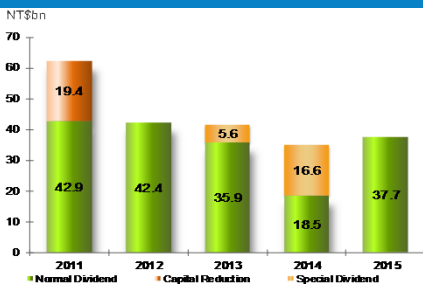
# Chunghwa Telecom

## Solid Financial Performance

Consolidated						
(NT\$b)	Q2 2014 (T-IFRSs)	Q2 2015 (T-IFRSs)	Growth Rate	1H 2014 (T-IFRSs)	1H 2015 (T-IFRSs)	Growth Rate
Revenues	55.78	56.92	2.0	110.83	113.39	2.3
Income from Operations	12.33	13.17	6.8	24.23	24.95	3.0
Net Income	10.58	11.13	5.1	20.82	21.55	3.5
Net Income Margin (%)	19.18	19.96	-	19.02	19.34	-
EPS	1.36	1.44	5.1	2.68	2.78	3.5
EBITDA	20.85	21.57	3.4	41.12	41.91	1.9
EBITDA Margin (%)	37.38	37.89	-	37.10	36.96	-

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 growth rates is based on NT\$m. / Figures of 2015 are unaudited.

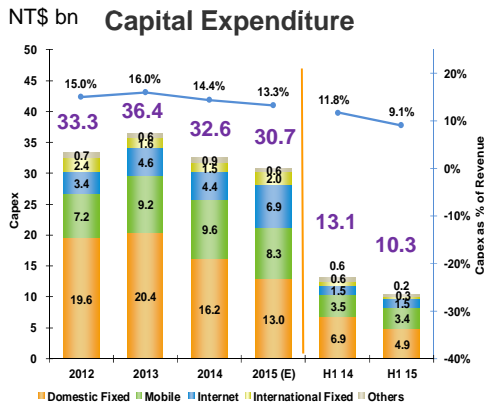
## Committed to Improving Shareholder Value



2015 AGM resolved to distribute NT\$37.7 billion or NT\$4.8564 per share to shareholders

Note:  
 1. The cash return was calculated based on cash dividend and cash return from capital reduction.  
 2. 1 ADR = 10 common shares  
 3. 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 2015: NT\$30.7 bn
- Continue to focus on core businesses for future investments
  - 4G
  - FTTx
  - Service Platforms
  - IDC/ Cloud

## Commitment to Corporate Social Responsibility



## Awards

- Included in Dow Jones Sustainability World Index and Emerging Markets 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
- Best Benchmarking Enterprise – by the CommonWealth magazine



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