



Chunghwa Telecom

INVESTOR FACTSHEET

Q4 2017

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.

Mr. Yu Cheng, Chairman and CEO of Chunghwa Telecom, stated, "We are pleased to report another quarter of solid financial and operating performance, rounding out a strong 2017, during which our full year income from operations, net income and EBITDA exceeded guidance. Our solid market leading position is underscored by a 36.6% market share in mobile subscribers and a 37.2% market share in mobile revenue. At the same time, we maintained the lowest churn rate and the lowest decline of mobile service revenue among our peers despite an increasingly competitive landscape."

"We are also pleased with solid progress in our other segments. The number of users signing up for, or upgrading to, connection speeds of 100Mbps or higher grew by 9.5% year over year to 1.28 million in the fourth quarter as a result of broadband subscribers consistently migrating to our higher-speed, higher-value fiber services. Furthermore, our IPTV subscribers exceeded 1.6 million in the fourth quarter of 2017, representing a 20.3% increase year over year, driving a 15.7% year-over-year growth in IPTV revenue, which was also helped by the healthy growth of SVOD subscribers.

"Going forward, we remain focused on margin expansion and will continue to guide mobile subscribers toward higher-end plans and encourage our broadband subscribers to migrate to higher-speed services. We are confident in our ability to carry our strong growth momentum into 2018 and, with our competitive advantages in network infrastructure, IDC, and CDN, we will be able to further consolidate our market leading position." Mr. Cheng concluded.



Mr. Yu Cheng
Chairman and CEO

MARKET FACT

Market Cap	US\$28.83 Billion
NYSE Share Price	CHT US\$37.16
52 Week Low/High	US\$31.28/37.53
TSE Share Price	2412 NT\$109.5
52 Week Low/High	NT\$99.5/111.0
Shares Outstanding	7,757 Million

as of Jan. 29, 2018 Source: Bloomberg

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

Q4 2017 Consolidated Revenue: NT\$60.92 bn (e)

- Domestic Fixed
 - #1 Local
 - 93.3% share by subs (10.71 mn subs)
 - 84.1% share by minutes
 - #1 DLD
 - 82.7% share by minutes
 - #1 Broadband access
 - 73.3% share by subs (b)(c) (4.47 mn subs)
- Mobile
 - #1 Mobile subscribers
 - 36.6% market share (d) (10.50 mn subs)
 - #1 Mobile revenue
 - 37.2% market share (d)(e)
- Internet
 - #1 ISP
 - 67.7% share by subs (4.14 mn subs)
- International Fixed
 - #1 ILD
 - 62.0% share by minutes

Source: Company data, MOTC, and NCC statistics

- a) Market share as of November 2017
- b) CHT access circuits were not included
- c) Excluding PWLAN subscriber numbers
- d) Includes 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

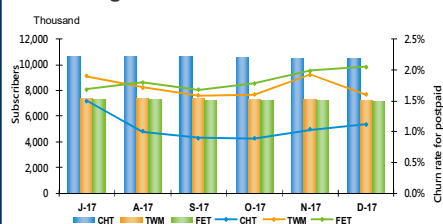
Leading Position in Mobile Market

Mobile Internet Subs as % of Postpaid Subs



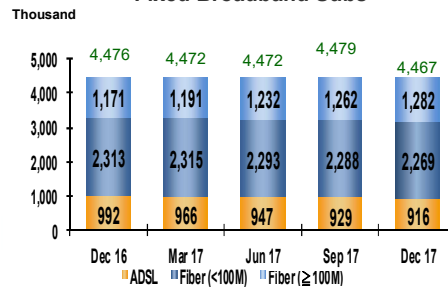
Note: Subscribers with mobile internet plan subscription.

Highest Subs & Lowest Churn

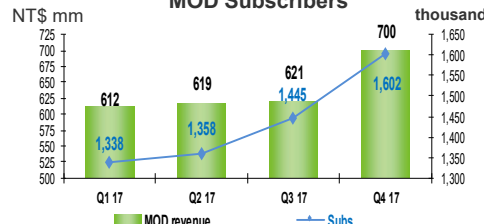


#1 Broadband Provider

Fixed Broadband Subs



MOD Subscribers



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

Consolidated						
(NT\$b)	Q4 2017 (T-IFRSs)	Q4 2016 (T-IFRSs)	Growth Rate	2017 (T-IFRSs)	2016 (T-IFRSs)	Growth Rate
Revenues	60.92	58.33	4.4	227.55	229.99	(1.1)
Income from Operations	10.46	9.96	5.1	46.73	48.11	(2.9)
Net Income	8.67	7.76	11.7	38.86	40.07	(3.0)
Net Income Margin (%)	14.65	13.80	-	17.60	17.93	-
EPS	1.12	1.00	11.7	5.01	5.16	(3.0)
EBITDA	18.45	18.09	2.0	78.63	80.58	(2.4)
EBITDA Margin (%)	30.29	31.01	-	34.55	35.04	-

Note: Financials are prepared in accordance with T-IFRSs. Figures for 2017 are unaudited. /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.

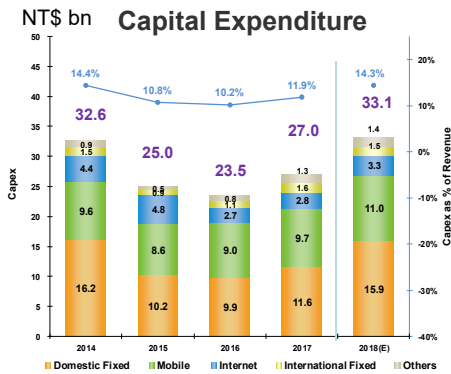
Committed to Improving Shareholder Value



- 2017 AGM resolved to distribute NT\$38.3 billion to shareholders
 - NT\$4.9419 per share
 - payout ratio 95.7%

Note:
 1. 1 ADR = 10 common shares
 2. 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 2018: NT\$33.1 bn
- Continue to focus on core businesses for future investments
 - FTTx
 - 4G
 - IDC/ Cloud
 - Service Platforms

Commitment to Corporate Social Responsibility



Awards

- The Asset Corporate Platinum award by The Asset Magazine for 5 consecutive years since 2013
- Included in Dow Jones Sustainability Emerging Markets Index simultaneously for the successive 6 years
- Winner of the National Brand of the Year Award awarded by World Branding Forum for the three years in a row
- Trusted Brands Platinum Award– by the Reader's Digest for the successive 13 years
- Excellence in Corporate Social Responsibility Award– by the Global Views Monthly magazine for the successive 2 years



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