



Chunghwa Telecom

INVESTOR FACTSHEET

Q3 2019

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 and Technology, or ICT, services**.

Mr. Chi-Mau Sheih, Chairman and CEO of Chunghwa Telecom, stated, "We are glad to see that the overall mobile market was relatively stable during the third quarter, which helped us maintain our leading position by both mobile revenue and market share in Taiwan. Attributable to the launch of the iPhone 11 and certain popular mobile plans, the number of net new users turned positive, and the number of subscribers who signed up for NT\$999 or higher-priced bundle plans increased significantly. In our broadband business, revenue dropped slightly due to a decrease in the number of total broadband subscribers, which was partially offset by our customers' continued migration to higher-speed fiber services. The impact of the subscriber decrease was further mitigated by our broadband and MOD bundled package, which enhanced customer stickiness." "Our MOD/IPTV business continued to outperform during the quarter. We remained the largest video platform in Taiwan, reaching 2.09 million subscribers, and IPTV revenue reached NT\$902 million, representing a 5.9% increase year over year. With our free-to-choose channel package plan, which was launched in September, 75% of these new users chose the highest-priced package, and we expect that the revenue contribution will be reflected in the fourth quarter. As we move forward, in order to further enhance overall MOD/IPTV performance, we will continue enriching our content by introducing OTT services and popular sports events such as the upcoming Tokyo Olympic Games. As for our ICT business, both enterprise customer revenue and ICT revenue increased year over year in the third quarter due to our constant efforts of enhancing ICT initiatives and project acquisitions. We are delighted to announce that we once again obtained the AMI project from the Taiwan Power Company during the quarter to strengthen our IoT deployment and the long-term revenue creation. Going forward, despite intense competition, we are confident that we will be able to maintain our leading position in the industry by providing excellent services, and we will continue our investment in our core businesses."



Mr. Chi-Mau Sheih
Chairman and CEO

MARKET FACT

Market Cap	US\$28.0 Billion
NYSE Share Price	CHT US\$36.56
52 Week Low/High	US\$33.61/36.92
TSE Share Price	2412 NT\$112.5
52 Week Low/High	NT\$104.5/114.0
Shares Outstanding	7,757 Million

as of Oct. 25, 2019 Source: Bloomberg

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

Q3 2019 Consolidated Revenue: NT\$50.85 bn (e)

- Domestic Fixed
 - #1 Local
 - 92.7% share by subs (10.25 mn subs)
 - 83.7% share by minutes
 - #1 DLD
 - 82.1% share by minutes
 - #1 Broadband access
 - 69.7% share by subs ^{(b)(c)} (4.44 mn subs)
- Mobile
 - #1 Mobile subscribers
 - 36.2% market share (10.61 mn subs)
 - #1 Mobile revenue
 - 37.8% market share ^(d)
- Internet
 - #1 ISP
 - 65.8% share by subs (4.04 mn subs)
- International Fixed
 - #1 ILD
 - 68.7% share by minutes

Source: Company data, MOTC, and NCC statistics

- a) Market share as of Aug. 2019
- b) CHT access circuits were not included
- c) Excluding PWLAN subscriber numbers
- d) Revenues are based on T-IFRSs

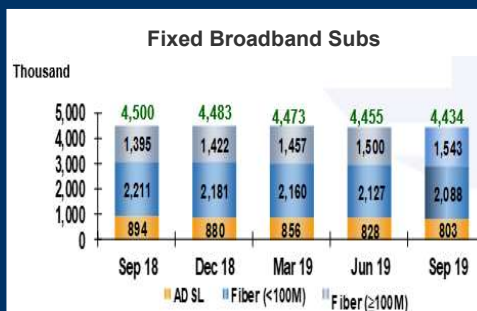
DIFFERENTIATING FACTORS

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

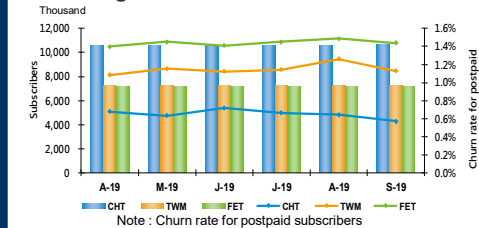
Leading Position in Mobile Market



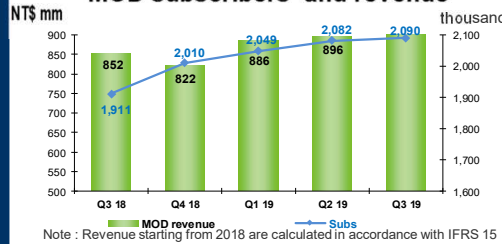
#1 Broadband Provider



Highest Subs & Lowest Churn



MOD subscribers and revenue



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

Note: Revenue starting from 2018 are calculated in accordance with IFRS 15



Chunghwa Telecom

Solid Financial Performance

Consolidated

(NT\$b)	Q3 2019	Q3 2018	Growth %	9M 2019	9M 2018	Growth %
Revenues	50.85	52.70	(3.5)	152.29	160.00	(4.8)
Income from Operations	10.02	10.42	(3.9)	30.72	33.41	(8.1)
Net Income	8.09	8.50	(4.9)	25.01	27.09	(7.7)
Net Income Margin (%)	16.61	16.55	-	16.90	17.36	-
EPS	1.04	1.10	(4.9)	3.22	3.49	(7.7)
EBITDA	18.81	18.38	2.4	57.08	57.31	(0.4)
EBITDA Margin (%)	37.00	34.87	-	37.48	35.82	-

Note: Financials are prepared in accordance with T-IFRSs. Figures for 2019 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). / EBITDA = operating income + Depreciation & Amortization. / The calculation of growth rates is based on NT\$b.

Committed to Improving Shareholder Value

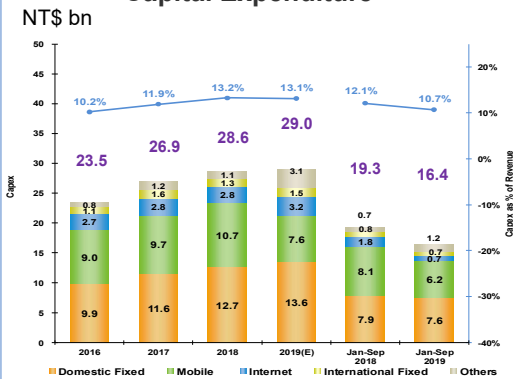


- 2019 AGM resolved to distribute NT\$34.7 billion to shareholders
 - NT\$4.479 per share
 - payout ratio 97.9%

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

Capital Expenditure



- Budgeted capex for 2019: NT\$29.0 bn
- Continue to focus on core businesses for future investments
 - FTTx
 - 4G
 - IDC/ Cloud
 - Service Platforms

Commitment to Corporate Social Responsibility



Awards

- Winner of 4G Service Provider of the year 2019 by Next Magazine
- Winner of 2019 Best Intelligent Customer Service System Application Award and Best Service Innovation Award By Taiwan Contact Center Development Association
- Included in Dow Jones Sustainability Emerging Markets Index simultaneously for the successive 7 years
- Winner of the National Brand of the Year Award awarded by World Branding Forum for the four years in a row
- Trusted Brands Platinum Award- by the Reader's Digest for the successive 14 years



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