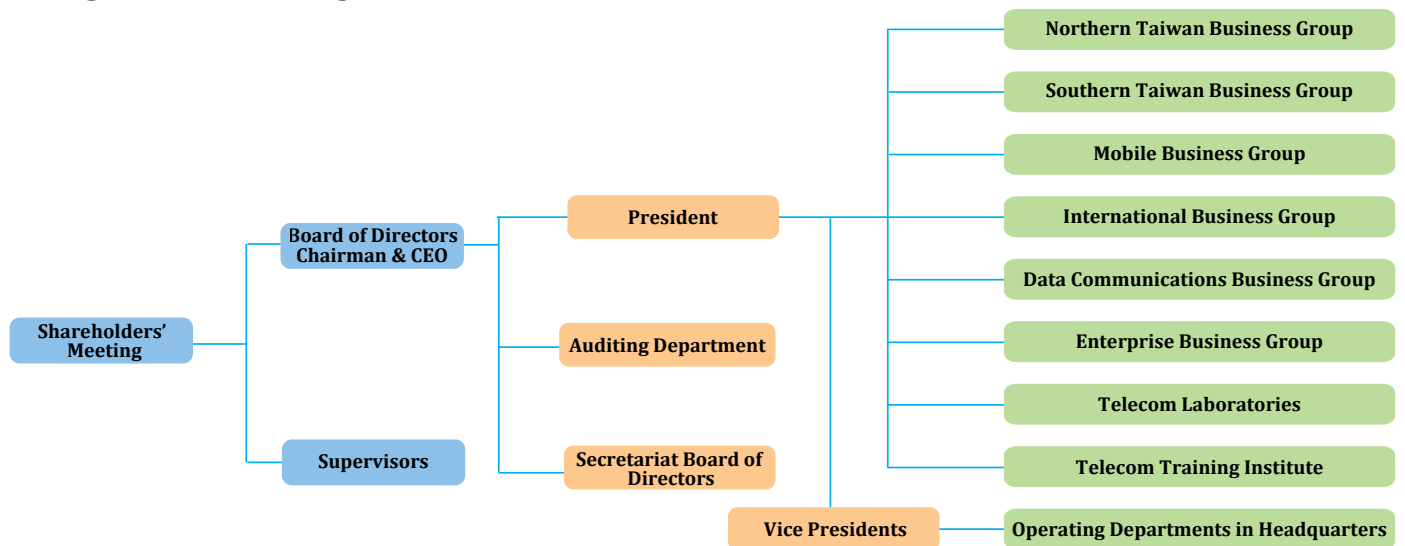


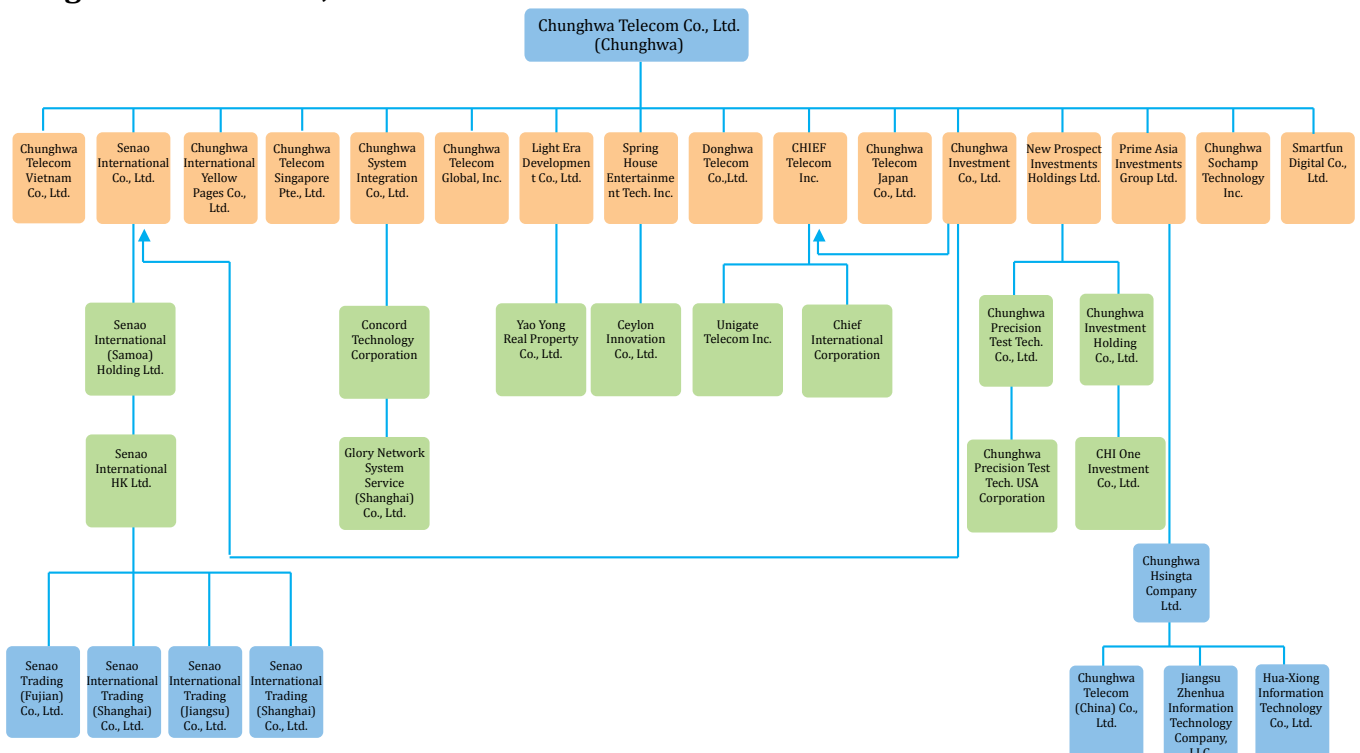
Profile of Chunghwa Telecom

Chunghwa Telecom is committed innovative technologies and providing compassionate service to lead Taiwanese industries into a new era of development. We intend to turn our managerial direction towards promoting economic development and service, fitting our ideology: "Strengthening Taiwan, Connecting with China, and Global Deployment."

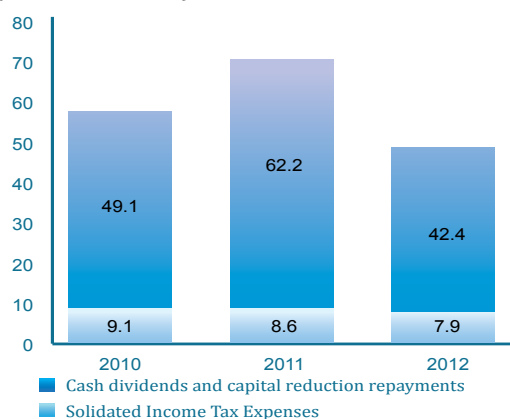
Chunghwa Telecom Organizational Chart



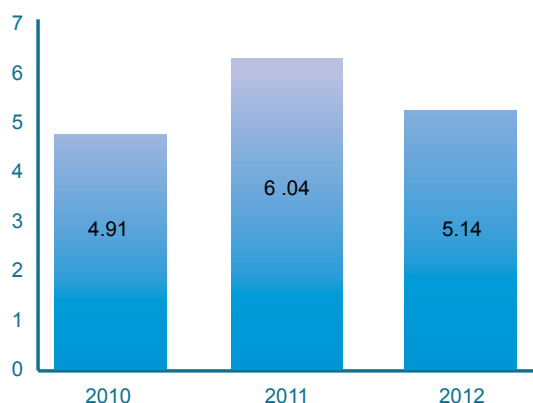
Chunghwa Telecom Co., Ltd and Subsidiaries 2.3



Chunghwa Telecom Economic Contribution (Billions of NT\$)



Earnings per Share (NT\$)



Stable Performance

In 2012, an increase in the number of smart phones and the economic recovery reinvigorated communications, increased volume, and spurred the potential for growth in the telecommunications industry.

Through the diligence of all our colleagues, growth continued in mobile added value, cell phone sales, and internet operations. Consolidated revenues reached NT\$ 220.131 billion, while consolidated net income attributable to shareholders of the parent company was NT\$ 39.904 billion, and earnings after tax were NT\$ 5.14 per share. Consolidated income tax expenses totaled NT\$ 7.858 billion and we continue to compensate our investors. In 2012, a total of NT\$ 42.362 billion was issued as cash dividends and capital reduction repayments.

In addition to traditional telecommunications services, we have successfully introduced many information, communications, and digital convergence services, providing clients with cloud computation and customized comprehensive solutions, continuing our corporate transformation into an information service provider.

Effective Management of Capital Expenditure

Combined capital expenditure for 2012 totaled NT\$ 33.28 billion, of which NT\$ 19.55 billion was spent on fixed domestic communications (including dial-up and broadband networks), NT\$ 7.23 billion on mobile communications, NT\$ 3.44 billion on the Internet, NT\$ 2.38 on fixed international communications and 0.68 billion on others.

Broadband operations consisted primarily of installing fiber optic networks to encourage ADSL clients to upgrade and catalyze user base growth and increase network efficiency. Mobile operations consisted primarily of upgrading coverage rates of 3G/ HSPA/HSPA+ and other high-speed networks while maintaining network communication quality. In the next two to three years, there will be capital expenditures related to cloud operations.

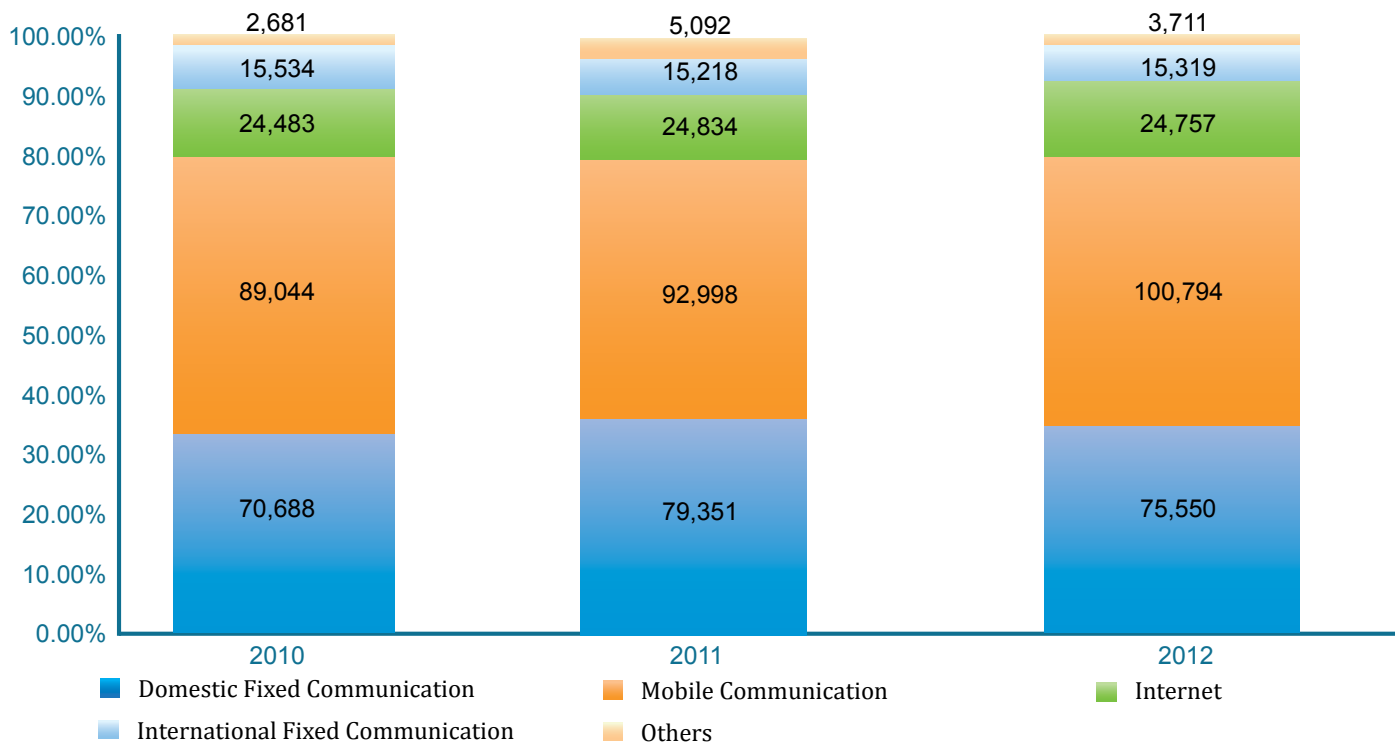
Our equipment purchasing and R & D expenses enjoy investment tax credits and incentives. Please find the disclosure in our financial report in 2012.

Management of Subsidiaries

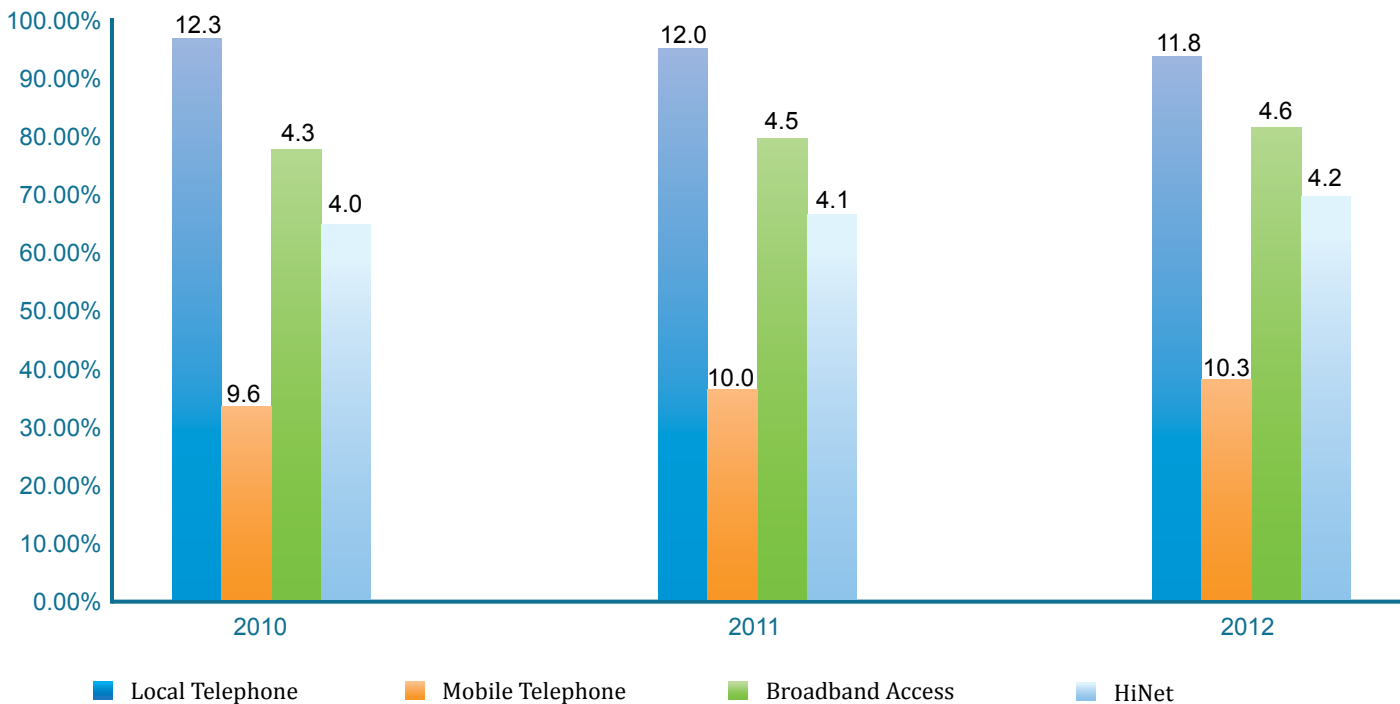
We are proceeding cautiously with strategic planning, assessment, evaluation, post investment management, performance assessment, withdrawal mechanisms, discipline, etc. with respect to transfer investments. Not only do we regularly analyze business conditions and the performance of the transfer investment industries, but we also assist our subsidiaries in the formulation and promotion of performance management systems.

Our internal control covers group level risk management and administrative level business activities, to enforce risk control mechanisms for subsidiaries. At the same time we have formulated a management mechanism to manage the appointments of the CEO, President, and shareholder representatives of transfer investment businesses, in order to facilitate examination and managerial duties.

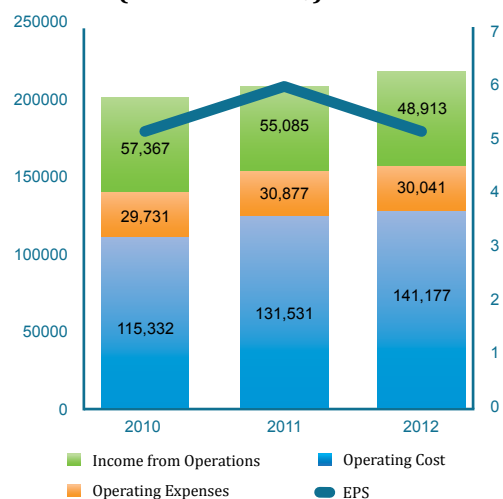
Consolidated Financial Performance of Chunghwa Telecom and Subsidiaries (Millions of NT\$)



Market Position of Chunghwa Telecom (User Number in Millions and Market Share)



Consolidated Revenue of Chunghwa Telecom (Millions of NT\$)



Expanding Overseas Operations 2.5

Chunghwa Telecom and its affiliated companies focus primarily on the telecommunication services industry. We ensure continuing provision of the best professional service for our clients, and also our leadership position in the market through effects of mutual support between technology, production, sales, and service.

Through our subsidiaries in the U.S., Hong Kong, Singapore and Japan, we export international fixed network business to overseas markets to enhance operational competitiveness, maintain high quality service standards and provide international corporate clients with international communications routing rental, IPVPN, IP transit, voice and data sales and other services.

In order to broaden overseas markets and develop new room for growth, we have actively integrated the ecological power of the cloud and smart networking industry and coordinated with subsidiaries to make the full manufacturing output of ICT integration services, China and Southeast Asia are the preeminent development zones. In China, we have invested in Chunghwa Telecom (China) and partnered with China Telecom on the mainland to establish a smart city and cloud network center.

In Southeast Asia, we have established a wholly owned subsidiary, and simultaneously signed cooperation agreements with three telecom operators in Vietnam; we have also built more service equipment facilities.

