



Chunghwa Telecom

INVESTOR FACTSHEET

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.

Q1 2019

Mr. Chi-Mau Shieh, Chairman and CEO of Chunghwa Telecom, stated, "During the first quarter of 2019, our operating income, net income and EPS met guidance thanks to strengths in our emerging business and core business. In the mobile sector, while other service providers rolled out low-price unlimited mobile data plans, we were able to maintain both stable pricing as well as market share in terms of mobile revenue and subscriber base. We continued to migrate our customers to higher price plans, and we saw the continuation of subscribers migrating to higher-speed fiber services in our broadband business as well. We launched our smart speakers last week, which enables our customers to enjoy smart home and other AI related services while further increasing their stickiness to our network."



Mr. Chi-Mau Shieh
Chairman and CEO

"This was another robust quarter for our MOD business. We continued to be the largest video platform in Taiwan with more than 2 million subscribers. In January, our regulator approved us to freely package MOD channels in order to meet customer demand, which we believe benefits our business in the long term. Our ICT services revenue also grew, and we are fully prepared and optimistic for the upcoming 5G service launch. Above all, we remain committed to leveraging our core strengths and market advantages to maximize value to our shareholders in the face of potential changes to the competitive landscape. To take our business to the next level and to return to a growth trajectory, we rolled out a customer-centric value creation transformation plan this year to strengthen our core businesses, deploy emerging services, optimize our cost structure, and further enhance our fundamentals, which include a next generation network, IT infrastructure, and human resource planning. We believe strongly in our business, our strategy, and ability to execute." Mr. Shieh concluded.

MARKET FACT

Market Cap	US\$28.0 Billion
NYSE Share Price	CHT US\$35.50
52 Week Low/High	US\$34.02/38.20
TSE Share Price	2412 NT\$110.5
52 Week Low/High	NT\$104.5/113.0
Shares Outstanding	7,757 Million

as of Apr. 24, 2019 Source: Bloomberg

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

Q1 2019 Consolidated Revenue: NT\$51.33 bn (e)

- ④ Domestic Fixed
 - #1 Local
 - 92.9% share by subs (10.38 mn subs)
 - 85.5% share by minutes
 - #1 DLD
 - 84.3% share by minutes
 - #1 Broadband access
 - 70.8% share by subs ^{(b)(c)} (4.47 mn subs)
- ④ Mobile
 - #1 Mobile subscribers
 - 36.3% market share (10.59 mn subs)
 - #1 Mobile revenue
 - 38.1% market share ^(d)
- ④ Internet
 - #1 ISP
 - 66.7% share by subs (4.06 mn subs)
- ④ International Fixed
 - #1 ILD
 - 68.4% share by minutes

Source: Company data, MOTC, and NCC statistics

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

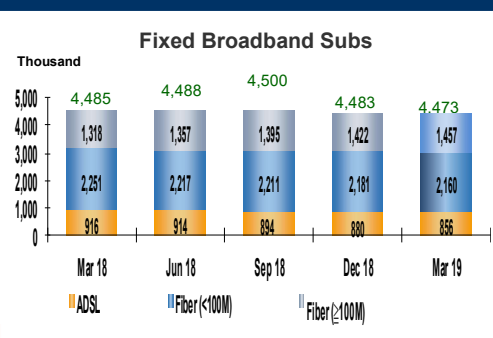
DIFFERENTIATING FACTORS

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

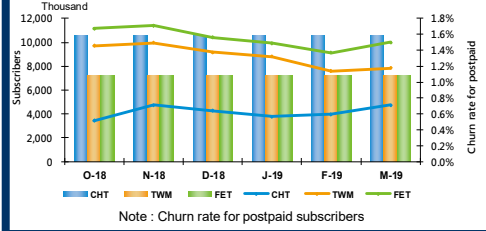
Leading Position in Mobile Market



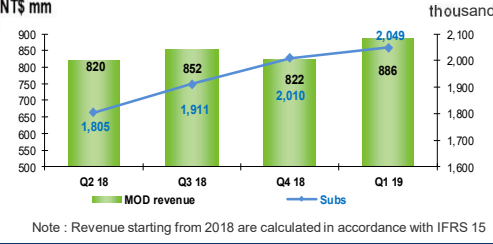
#1 Broadband Provider



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



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Solid Financial Performance

Consolidated

(NT\$b)	Q1 2019	Q1 2018	Growth %	12M 2018 (Upon the adoption of IFRS 15)	12M 2017 (Before the adoption of IFRS 15)	Growth %
Revenues	51.33	53.63	(4.3)	215.48	227.51	(5.3)
Income from Operations	10.40	10.94	(5.0)	43.64	46.70	(6.5)
Net Income	8.35	8.73	(4.3)	35.50	38.87	(8.7)
Net Income Margin (%)	16.61	16.78	-	16.92	17.60	-
EPS	1.08	1.13	(4.3)	4.58	5.01	(8.7)
EBITDA	19.16	18.91	1.3	75.51	78.60	(3.9)
EBITDA Margin (%)	37.33	35.26	-	35.04	34.55	-

Note: Financials are prepared in accordance with T-IFRSs. Figures for Q1 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\$m.

Committed to Improving Shareholder Value

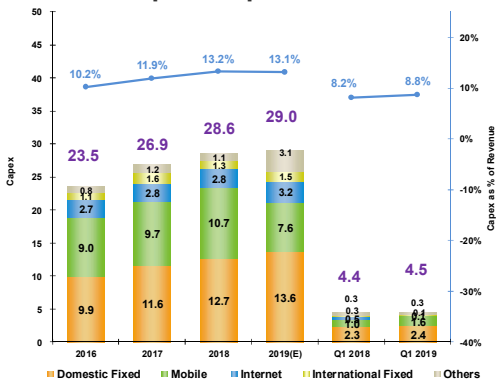


- Board of directors resolved to distribute NT\$34.7 billion to shareholders
 - NT\$4.479 per share
 - payout ratio 97.9%

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

- The Asset Corporate Platinum award by The Asset Magazine for 6 consecutive years since 2013
- Taiwan Mobile Service Provider & Taiwan Data Center Service Provider of the year 2018 in Frost & Sullivan Best Practices Awards
- 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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