



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.

Q2 2019

Mr. Chi-Mau Shieh, Chairman and CEO of Chunghwa Telecom, stated, "Even though the market remained competitive during the second quarter of 2019, we were able to maintain our leading position in terms of mobile revenue and subscriber number in Taiwan. To offset the down-sell triggered by the 499 plan last year, we continued to migrate our subscribers to higher value plans, and we saw continuous increase of iPhone users. In our broadband business, we experienced a slight subscriber loss in the first half of this year due to cable competition. However, we also noticed that our subscribers continued to migrate to higher-speed fiber services. Going forward, we will remain focused on providing multi-service, home-centric digital plans to attract more subscribers."



Mr. Chi-Mau Shieh
Chairman and CEO

"This was another robust quarter for our MOD/IPTV business. We continued to be the largest video platform in Taiwan, reaching 2.08 million subscribers. We also introduced a flexible package plan, which allows our customers to make their own packages fully based on their preferences, and expect to help us further increase our subscriber base, enhance current customer stickiness, and differentiate ourselves from our competitors. To seek more opportunities and to maximize revenue in our ICT business, we will focus on selected verticals. We have acquired several Fintech projects in the financial industry to leverage our advantages in the IDC and information security business, and we aim to develop our AI- and IoT-related capabilities to enhance overall ICT performance. We are confident in the strength of our business and our ability to further fuel our sustainable development for our shareholders in the years to come," Mr. Shieh concluded.

MARKET FACT

Market Cap	US\$27.0 Billion
NYSE Share Price	CHT US\$34.75
52 Week Low/High	US\$34.02/36.92
TSE Share Price	2412 NT\$107.5
52 Week Low/High	NT\$104.5/114.0
Shares Outstanding	7,757 Million

as of Jul. 26, 2019 Source: Bloomberg

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

Q2 2019 Consolidated Revenue: NT\$50.11 bn (e)

- Domestic Fixed
 - #1 Local
 - 92.8% share by subs (10.32 mn subs)
 - 83.8% share by minutes
 - #1 DLD
 - 82.3% share by minutes
 - #1 Broadband access
 - 70.2% share by subs ^{(b)(c)} (4.46 mn subs)
- Mobile
 - #1 Mobile subscribers
 - 36.2% market share (10.60 mn subs)
 - #1 Mobile revenue
 - 37.8% market share ^(d)
- Internet
 - #1 ISP
 - 66.2% share by subs (4.05 mn subs)
- International Fixed
 - #1 ILD
 - 69.6% share by minutes

Source: Company data, MOTC, and NCC statistics

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

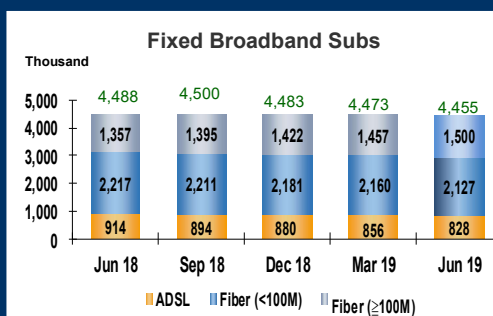
DIFFERENTIATING FACTORS

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

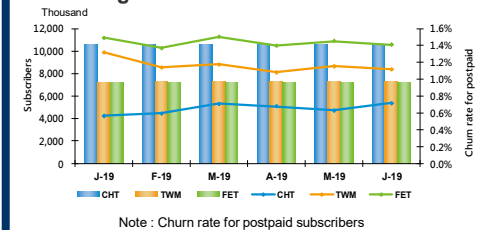
Leading Position in Mobile Market



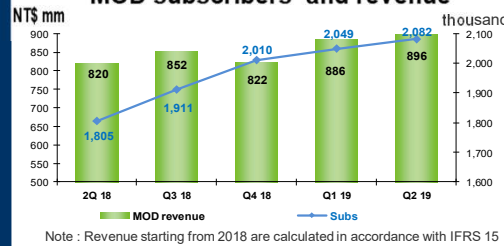
#1 Broadband Provider



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



Chunghwa Telecom

Solid Financial Performance

Consolidated

(NT\$b)	Q2 2019	Q2 2018	Growth %	H1 2019	H1 2018	Growth %
Revenues	50.11	53.66	(6.6)	101.44	107.29	(5.5)
Income from Operations	10.30	12.05	(14.5)	20.71	23.00	(10.0)
Net Income	8.57	9.86	(13.1)	16.92	18.59	(9.0)
Net Income Margin (%)	17.48	18.75	-	17.04	17.77	-
EPS	1.10	1.27	(13.1)	2.18	2.40	(9.0)
EBITDA	19.11	20.02	(4.6)	38.27	38.93	(1.7)
EBITDA Margin (%)	38.13	37.31	-	37.72	36.29	-

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\$m.

Committed to Improving Shareholder Value

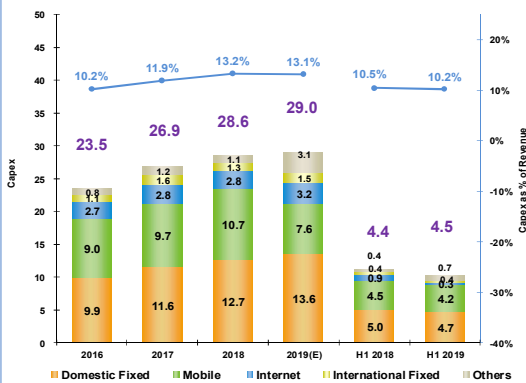


- 2019 AGM resolved to distribute NT\$34.7 billion to shareholders
 - NT\$4.479 per share
 - payout ratio 97.9%

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

NT\$ bn 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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