



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, "During the fourth quarter of 2019, we not only maintained our leading market position but also saw a slight uptick in market share in terms of both mobile revenue and subscriber number, which we believe a solid foundation for the upcoming 5G service development. Our fixed broadband ARPU also increased, where subscribers continued to migrate to higher-speed fiber services. Another driver of growth this quarter was in MOD business, where our highest-priced package of our free-to-choose-channel plans remained the most popular choice. ICT business revenue increased as well due to recognition of some large projects and we see streaming revenue from ICT projects continued to grow."

"We believe we are well positioned to capture the growth opportunities of 2020. The first phase of the 5G spectrum auction was completed recently, and we plan to launch 5G services in the third quarter of 2020. In our fixed broadband business, we will maintain our strategy of migrating customers to higher speed services to capture incremental ARPU. In IPTV, we will continue to leverage popular sporting events, such as the upcoming Tokyo Olympic Games, to grow both subscriptions and revenue. Finally, in ICT, we remain committed to expanding our in-house developed services, which we believe will continue to grow as a healthy contributor to our consolidated revenue in 2020. Going forward, we remain focused on investing in our core businesses and on leveraging our competitive advantages to generate shareholder value," concluded Mr. Sheih.



Mr. Chi-Mau Sheih
Chairman and CEO

MARKET FACT

Market Cap	US\$28.0 Billion
NYSE	CHT
Share Price	US\$36.52
52 Week Low/High	US\$33.61/37.57
TSE	2412
Share Price	NT\$109.5
52 Week Low/High	NT\$106.0/114.0
Shares Outstanding	7,757 Million

as of Jan. 17, 2020 Source: Bloomberg

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

Q4 2019 Consolidated Revenue: NT\$55.23 bn (e)

Domestic Fixed

- #1 Local
 - 92.5% share by subs (10.19 mn subs)
 - 83.6% share by minutes
- #1 DLD
 - 82.1% share by minutes
- #1 Broadband access
 - 68.3% share by subs^{(b)(c)} (4.42 mn subs)

Mobile

- #1 Mobile subscribers
 - 36.5% market share (10.67 mn subs)
- #1 Mobile revenue
 - 37.9% market share^(d)

Internet

- #1 ISP
 - 64.7% share by subs (4.01 mn subs)

International Fixed

- #1 ILD
 - 68.9% share by minutes

Source: Company data, MOTC, and NCC statistics

- a) Market share as of Nov. 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

Mobile Service Revenue

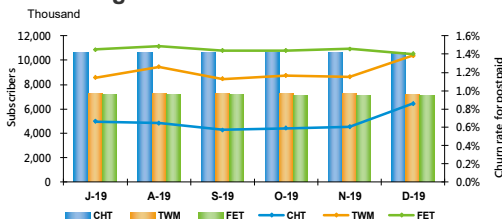


#1 Broadband Provider

Fixed Broadband Subs



Highest Subs & Lowest Churn



Note : Churn rate for postpaid subscribers

MOD subscribers and revenue



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



中華電信股份有限公司
Chunghwa Telecom Co., Ltd.

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Chunghwa Telecom

Solid Financial Performance

Consolidated

(NT\$bn)	Q4 2019	Q4 2018	Growth %	2019	2018	Growth %
Revenues	55.23	55.49	(0.5)	207.52	215.48	(3.7)
Income from Operations	9.98	10.23	(2.4)	40.70	43.64	(6.8)
Net Income	7.80	8.41	(7.3)	32.81	35.50	(7.6)
Net Income Margin (%)	14.59	15.63	-	16.28	16.92	-
EPS	1.01	1.08	(7.3)	4.23	4.58	(7.6)
EBITDA	18.79	18.20	3.2	75.87	75.51	(0.5)
EBITDA Margin (%)	34.03	32.81	-	36.56	35.04	-

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\$mn.

Committed to Improving Shareholder Value

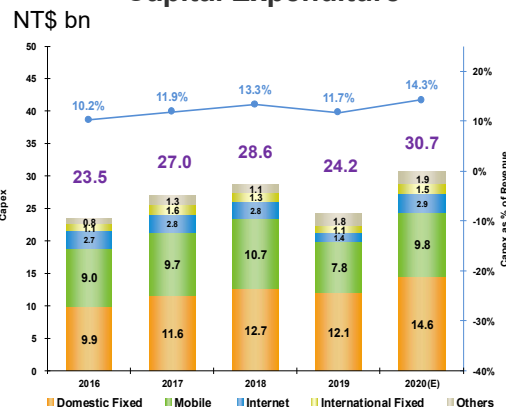


- 2019 AGM resolved to distribute NT\$34.7 billion to shareholders
 - NT\$4.479 per share
 - payout ratio 97.9%

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 2020: NT\$30.7 bn
- Continue to focus on core businesses for future investments
 - FTTx
 - 5G
 - IDC/ Cloud
 - Service Platforms

Commitment to Corporate Social Responsibility



Awards

- The Asset Corporate Platinum Award by The Asset Magazine for 7 consecutive years since 2013
- Taiwan Mobile Service Provider, Taiwan Data Center Service Provider & Asia Pacific Emerging Market Telecom Service Provider of the year 2019 in Frost & Sullivan Best Practices 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
- Trusted Brands Platinum Award- by the Reader's Digest for the successive 15 years



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