



Taiwan Mobile
台湾大哥大

Taiwan Mobile Co., Ltd.

3Q09 Results Summary

Harvey Chang - CEO
October 29, 2009

The information contained in this presentation, including all forward-looking information, is subject to change without notice, whether as a result of new information, future events or otherwise, and Taiwan Mobile Co., Ltd. (the “Company”) undertakes no obligation to update or revise the information contained in this presentation. No representation or warranty, either expressed or implied, is provided in relation to the accuracy, completeness or reliability of the information contained herein, nor is the information intended to be a complete statement of the Company, markets or developments referred to in this presentation.

- 3Q results summary
 - 3Q P&L
 - 3Q divisional performance
 - 3Q mobile operational analysis
 - Balance sheet and cash flow analysis
- 4Q and full-year forecast
- Event update
- Key message

Result Summary

Unit: NT\$m

	3Q Actual	3Q Forecast	Execution %
Operating revenue	17,359	17,568	99%
Cost	(8,331)	(8,311)	100%
Marketing expense	(2,615)	(2,820)	93%
G&A expense	(1,203)	(1,345)	89%
Operating income	5,211	5,092	102%
Net non-oper. items	(528)	(449)	118%
Income before tax	4,683	4,644	101%
Net income	3,512	3,483	101%
EPS (NT\$)	1.18	1.17	101%
EBITDA	7,429	7,355	101%
EBITDA margin	42.80%	41.87%	

3Q Divisional Performance

NT\$bn	CBG	YoY Chg.	HBG ¹	YoY Chg.	EBG	YoY Chg.	Consolidated	YoY Chg.
Revenue	13.70	-2%	1.35	23%	2.36	-8%	17.36	-1%
EBITDA	6.24	-6%	0.63	15%	0.51	13%	7.43	-3%
EBITDA %	45.5%	-2.1pps	46.6%	-3.1pps	21.7%	4.0pps	42.8%	-0.7pps

Note:

1. HBG numbers included content business from 2009.

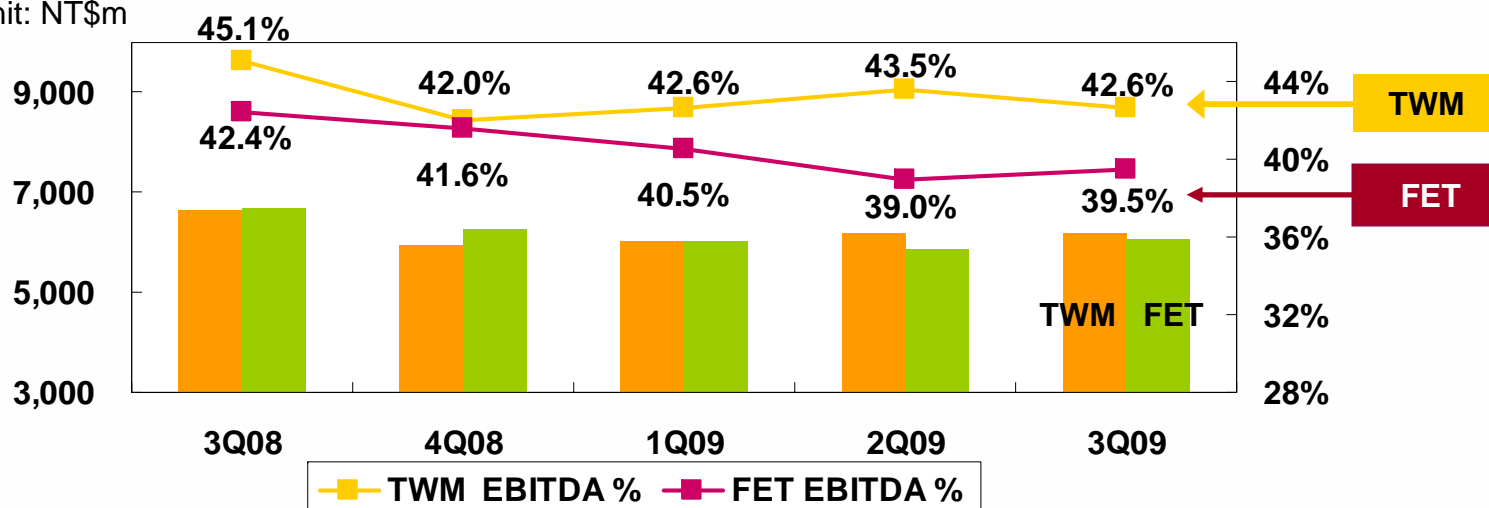
Wireless Peer Comparison

Subs (K)	CHT	FET	TWM	Total
3Q09	9,130*	6,249	6,415	21,794
3Q08	8,870	6,264	6,224	21,357
3Q YoY	2.9%	-0.2%	3.1%	2.0%

*: CHT is based on August number.

Mobile EBITDA Margin

Unit: NT\$m



NT\$m	CHT		FET		TWM	
	VAS ¹	% of service rev.	VAS	% of service rev.	VAS	% of service rev.
3Q09	2,067	11.3%	1,935	13.8%	1,743	12.4%
3Q08	1,742	9.5%	1,779	12.3%	1,366	9.4%
3Q YoY	19%		9%		28%	
2Q YoY	20%		12%		26%	

1. CHT Sept. VAS revenue is an estimate.

3G post-paid

3Q09	3G Service
3G SIM number ²	3,076K up 59% YoY
3G device adoption	48% of 3G SIMs up 1.9x YoY
3G data revenue	up 91% YoY

Main VAS drivers

3Q09	YoY Growth
Mobile Internet	67%
% of Total VAS	46%
Data Card Sub Number	2.1x

2. There are another 304K 3G SIM users using pre-paid service.

Balance Sheet Analysis

NT\$bn	3Q09	2Q09		3Q09	2Q09
Total Assets	87.07	91.88	Liabilities	38.46	47.26
Current Assets	11.91	15.70	Current Liabilities	27.16	38.24
- Cash & Cash Equivalents	2.81	6.50	- ST Debts	11.30	7.50
- Available-for-Sale Financial Assets	0.17	0.32	- Other Current Liabilities	15.86	30.74
- Other Current Assets	8.93	8.88	Long-Term Borrowings	10.30	8.00
Investment	3.22	3.22	Other Liabilities	1.00	1.02
Property and Equipment	46.99	47.76	Shareholders' Equity	48.61	44.62
Intangible Assets	21.44	21.69	- Paid-in Capital	38.01	38.01
Other Assets	3.51	3.50	- Capital Surplus	12.43	12.37
			- Legal Reserve	13.94	13.94
			- Special Reserve	3.35	3.35
			- Un-appropriated Earnings*	2.27	2.27
			- Retained Earnings & Others	10.49	6.94
	3Q09	2Q09	- Treasury Shares	(31.89)	(32.27)
Interest Coverage (x)	41.5	46.4	*:Excluding YTD profits		
Net Debt to Equity	39%	20%			
Net Debt to EBITDA (x)	0.64	0.31			
ROE (annualized)	30%	29%			

Cash Flow Analysis

NT\$bn	3Q09	2Q09	3Q08
Operating Cash Flow ¹	4.92	4.05	5.71
Investing Cash Flow	(1.13)	(2.10)	(1.79)
Financing Cash Flow	(7.49)	(0.16)	(4.45)
Cash CAPEX	(1.25)	(2.09)	(2.01)
Free Cash Flow	3.67	1.95	3.70

Note 1: Inclusive of cashflow for cash managements

NT\$bn	4Q09	QoQ	YoY	2009
Revenue	17.52	1%	3%	69.11
EBITDA	7.39	-1%	5%	29.25
<i>EBITDA Margin</i>	<i>42.17%</i>	<i>-0.63pps</i>	<i>0.65pps</i>	<i>42.33%</i>
Operating Income	5.09	-2%	4%	20.36
Assets Write-off	(0.37)	-22%	-47%	(1.70)
Pre-Tax Income	4.70	0%	12%	18.53
Tax Expense	(1.17)	0%	12%	(4.64)
Net Income	3.52	0%	12%	13.89
EPS (NT\$) ¹	1.18	0%	11%	4.67

Note:

1. EPS is based on 2.98bn shares, net of treasury shares.
2. 4Q forecast was issued in January 2009 which did not factor in content aggregation related revenue and profits.

Acquisition

- Filing with FTC (Fair Trade Commission) on October 9th to acquire Carlyle's cable assets in Taiwan

Award

- Awarded A+, the highest ranking in Information Disclosure and Transparency Assessments conducted by Securities and Futures Institute, four times in a row

- Expect to meet the guidance for the year for our existing businesses
- Look forward to further enhancing shareholder return after completion of the cable acquisition



Q & A

