



Taiwan Mobile
台湾大哥大

Taiwan Mobile Co., Ltd.

4Q11 Results Summary

January 19, 2012

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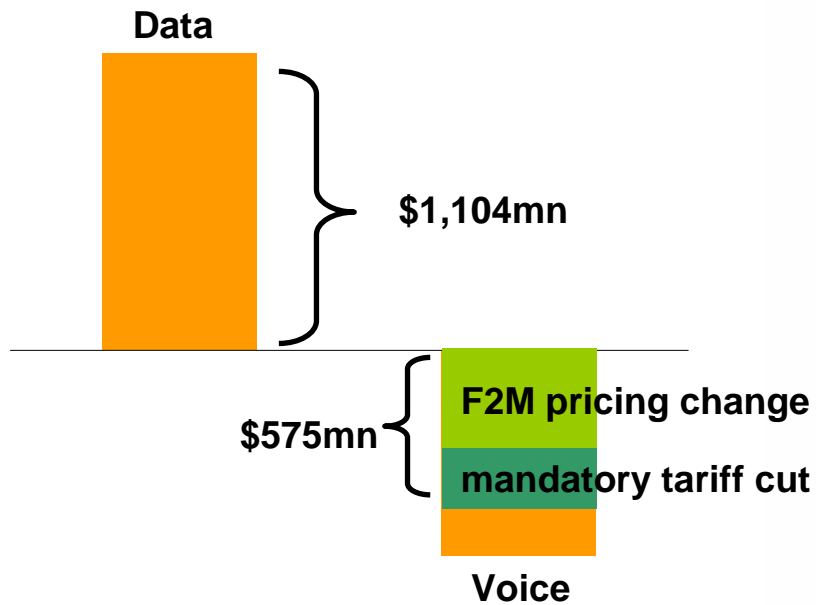
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Business Overview



Robust Wireless Data Growth

Mobile Service Revenue YoY Change in 4Q11

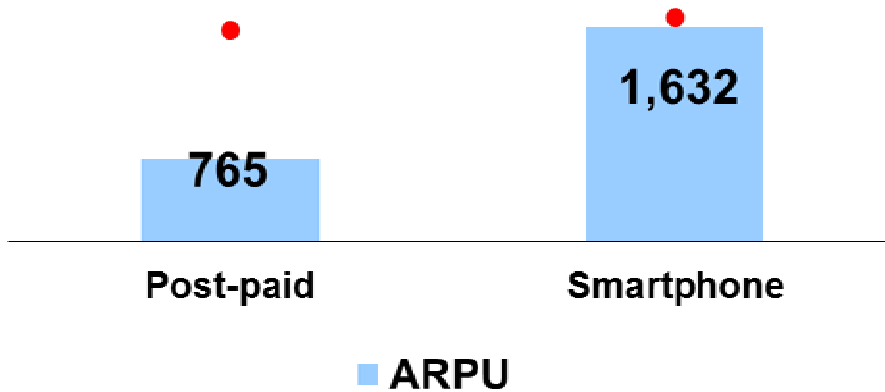


Data Business – 4Q11

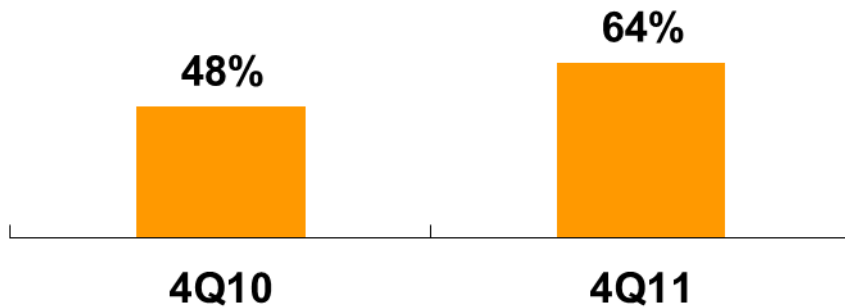
NT\$: bn	CHT	FET	TWM
Data revenue	4.01	3.59	3.61
% of service revenue	22.7%	24.6%	25.3%
Data revenue YoY growth	31%	44%	44%

Our Smartphone Strategy

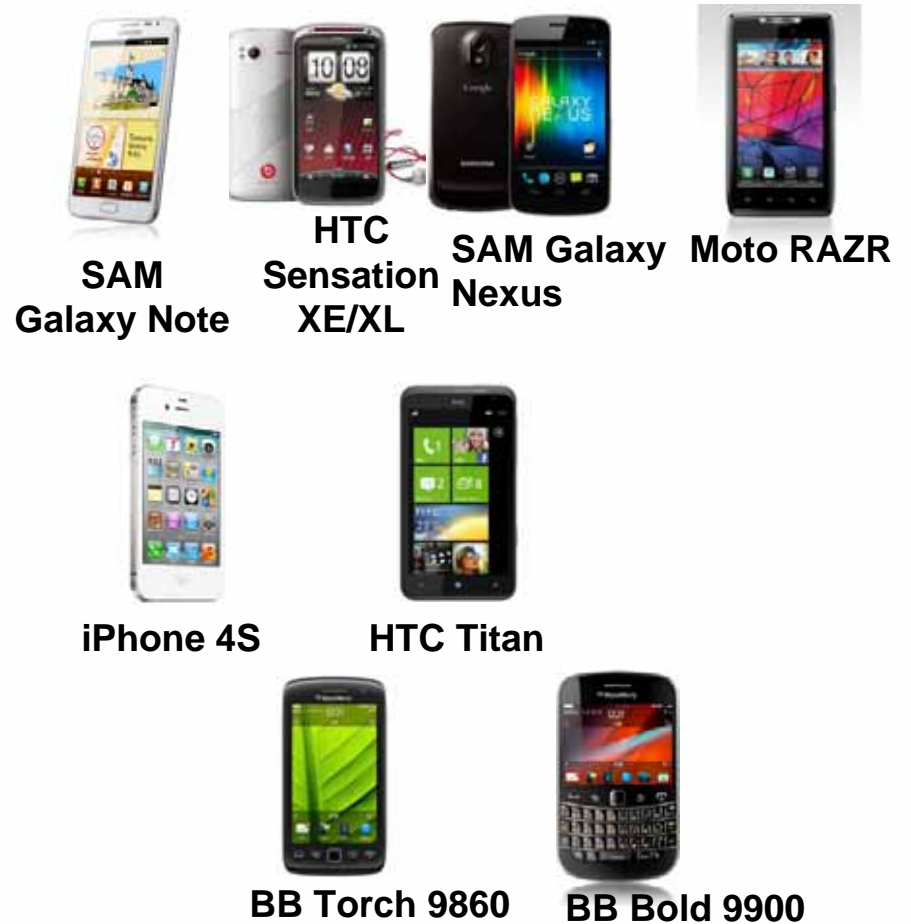
2011 Contribution comparison



Smartphone as % of total handsets sold

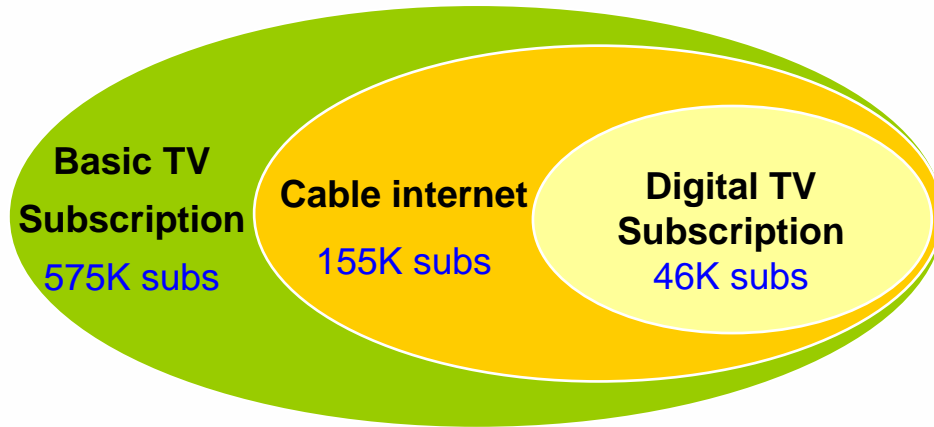


4Q11 new products introduced

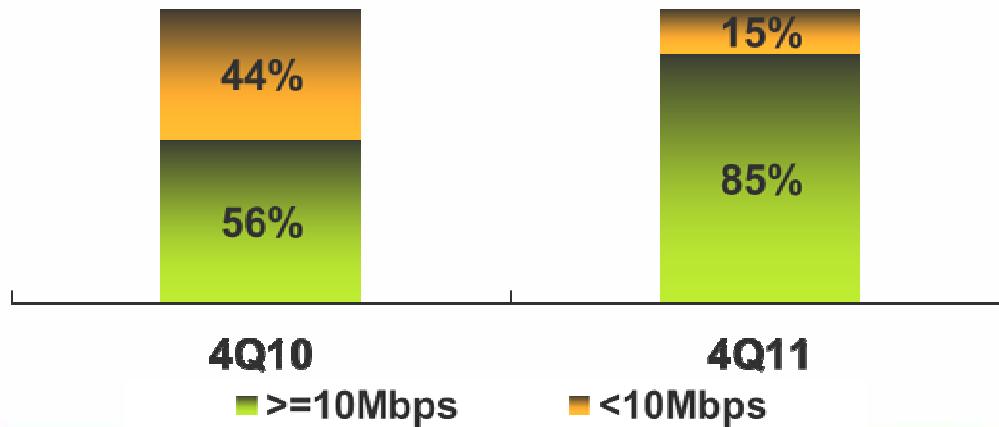




CATV Growth Catalysts



Cable internet
New adds speed mix



4Q11	Sub no. YoY growth	ARPU
Analogue TV	2%	504
Cable internet	13%	536
DTV	77%	150

Blended ARPU	751, +2% YoY
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- Exclusively introduced Google phone - Galaxy Nexus and Moto RAZR in 4Q11, and provided the latest smartphone models such as iPhone 4S, HTC Titan, Sensation XL/XE, Samsung Galaxy Note, BB Torch 9860 and Bold 9900 to customers.
- Extended the mobile e-book service platform, “myBook”, to provide sales of physical books as well as delivery services.
- Introduced high-speed 60Mbps cable broadband service for only NT\$889 per month, the lowest price nationwide.

Financial Overview

Result Summary

Unit: NT\$m

	4Q11	4Q10	YoY	2011 Actual	% of Full Year
Operating revenue	23,443	17,900	31%	81,369	110%
Operating cost	(14,816)	(10,333)	43%	(48,655)	112%
Marketing expense	(3,166)	(2,344)	35%	(10,788)	114%
G&A expense	(1,231)	(1,132)	9%	(4,335)	92%
Operating income	4,230	4,092	3%	17,590	108%
Net non-oper. items	(127)	(81)	NM	(1,461)	NM
Income before tax	4,102	4,011	2%	16,129	102%
Net income	3,313	3,187	4%	13,469	103%
EPS (NT\$)	1.22	1.06	15%	4.70	103%
EBITDA	6,641	6,366	4%	27,087	105%
EBITDA margin	28.33%	35.56%		33.29%	



Divisional Performance

NT\$bn	Revenue					EBITDA				
	CBG	HBG	EBG	momo & Others	Total	CBG	HBG	EBG	momo & Others	Total
4Q11	15.13	1.49	2.56	4.26	23.44	4.89	0.75	0.70	0.30	6.64
% of Total	65%	6%	11%	18%	100%	74%	11%	11%	4%	100%
QoQ	4%	-1%	2%	NM	8%	-15%	-3%	-16%	39%	-12%
YoY	8%	2%	5%	NM	31%	-3%	4%	14%	NM	4%

Balance Sheet Analysis

NT\$bn	4Q11	3Q11	4Q10		4Q11	3Q11	4Q10
Total Assets	91.79	93.22	85.48	Liabilities	41.73	46.56	34.58
Current Assets	18.13	18.85	15.24	Current Liabilities	36.35	37.20	23.23
- Cash & Cash Equivalents	6.69	7.72	6.05	- ST Debts	13.90	14.30	3.70
- Available-for-Sale Financial Assets	0.22	0.22	0.20	- Other Current Liabilities	22.46	22.90	19.53
- Inventories	2.07	1.90	1.13	Long-Term Borrowings	4.00	8.00	10.30
- Other Current Assets	9.15	9.01	7.86	Other Liabilities	1.38	1.37	1.05
Investment	2.16	2.17	3.20	Shareholders' Equity	50.06	46.66	50.90
Property and Equipment	41.31	41.87	43.61	- Paid-in Capital	34.21	34.21	38.01
Intangible Assets	27.25	27.19	20.35	- Capital Surplus	12.43	12.43	12.43
Other Assets	2.94	3.15	3.08	- Legal Reserve	16.72	16.72	15.33
				- Special Reserve	0.82	0.82	0.82
				- Un-appropriated Earnings*	2.27	2.27	2.27
				- Retained Earnings & Others	14.70	11.29	13.93
Interest Coverage (x)	46.8	43.8	49.1	- Treasury Shares	(31.08)	(31.08)	(31.89)
Net Debt (Cash) to Equity	22%	31%	16%				
Net Debt (Cash) to EBITDA (x)	0.41	0.54	0.29				
ROE (annualized)	27%	30%	26%				

*:Excluding YTD profits

Cash Flow Analysis

NT\$bn	4Q11	3Q11	4Q10	2011	2010
Operating Cash Flow	7.85	5.59	7.63	25.26	25.99
Investing Cash Flow	(1.50)	(10.91)	(1.52)	(15.44)	(6.32)
Financing Cash Flow	(7.39)	0.84	(2.80)	(11.50)	(16.63)

NT\$bn	4Q11	3Q11	4Q10	2011	2010
Cash CAPEX	(1.46)	(2.22)	(1.40)	(6.42)	(6.20)
Free Cash Flow	6.38	3.37	6.23	18.84	19.80



NT\$bn	2012	2011	YoY
Revenue	101.83	81.37	25%
Cash Cost ¹	56.62	40.07	41%
SG&A	17.69	15.12	17%
EBITDA	28.56	27.09	5%
<i>EBITDA Margin</i>	<i>28.04%</i>	<i>33.29%</i>	<i>-5.25ppts</i>
Operating Income	18.59	17.59	6%
Non-op. Income	(0.78)	(1.46)	-47%
Net Income	14.36	13.47	7%
EPS (NT\$) ²	5.34	4.70	14%

1. Including handset sales costs, but not including D&A

2. EPS is based on total share counts of 2.69bn for 2012; 2.86bn shares for 2011.

Event Update & Key Message

2012 Capex Guidance

The board has approved 2012 capex of NT\$10.8bn, including NT\$5.8bn for mobile, NT\$4.1bn for fixed-line, NT\$0.7bn for CATV, and the balance for other subsidiaries.

Regulatory Update

In December, 2011, the Legislative Yuan approved revisions to the Company Act to allow direct cash distribution from legal reserve and capital surplus through AGM's approval. For legal reserve, only the excess of 25% of paid-in capital can be used for distribution.

Award & Recognition

- The Chairman of Taiwan Mobile, Richard Tsai, received the “Asia Innovator of the Year Award” from CNBC.
- TWM received the “CG6006 Certification” from the Corporate Governance Association.
- TWM’s efforts in corporate governance have been included in “The Stories of Integrity from Taiwan Enterprises”, published by the Industrial Development Bureau of The Ministry of Economic Affairs.
- TWM was granted the “R.O.C. Enterprises Environmental Protection Award” by the Environmental Protection Administration of the Executive Yuan for the third consecutive year.



In line with our expectations, we have achieved our 2011 target. For 2012, in addition to exceeding consumer expectations with unparalleled communication products & application services in a digital convergence world, TWM will also expedite smart device penetration to maintain growth momentum. The Euro crisis though may cast some economic uncertainties, we are cautiously optimistic about 2012 outlook. As always, enhancing shareholders return remains the top priority of the Company.

 Q & A

