

Chap. 1 Company Highlights |

Vision

The Company's core vision is to provide the best communication experience for its customers. Its aim is to become a leader in digital convergence, offering integrated information, telecommunication and media services to enhance the Company's value and maximize shareholders' interests.

Core Competency

The Company has established an expanded platform over mobile, fixed-line, cable TV and broadband services. Through integration, the Company is able to provide "Quadruple Play" services that meet the demands of consumer, home and corporate markets for excellent service and information security.

Company Profile

Taiwan Mobile Co., Ltd. was incorporated in the Republic of China ("ROC") on February 25, 1997, and awarded a Type I telecom license in the same year. TWM was the first private telecommunications company to go public and the first wireless operator to launch 3G services using Wideband Code Division Multiple Access (WCDMA) technology.

TWM's shares began trading on the ROC's Over-the-Counter Securities Exchange in 2000. In 2002, the Company's shares were listed on the Taiwan Stock Exchange (Ticker: 3045) and included in the Taiwan 50 Index and Morgan Stanley Composite Index.

To expand its operational scale, the Company acquired a southern regional operator TransAsia Telecommunications Inc. (TAT) in July 2001 and a cen-



- With a core vision of "creating the best communication experience for customers", TWM aims to provide customers with integrated "Quadruple Play" services.

tral regional operator Mobitai Communications Co., Ltd. (Mobitai) in August 2004, lifting its combined market share to around 30% in terms of telecom service revenue. In September 2008, TAT and Mobitai were merged into the Company, marking the first telecom industry consolidation in Taiwan.

The Company further acquired Taiwan Fixed Network Co. Ltd. and Taiwan Telecommunication Network Services Co., Ltd. in 2007, allowing it to offer "Quadruple Play" services – covering mobile, fixed-line, cable TV and broadband. In 2008, the Company launched three brands – "Taiwan Mobile," "TWM Broadband" and "TWM Solution" – to promote its Quadruple Play services to the consumer, household and enterprise markets in line with its aim to become a leader in the communications and content industry.

The Company has, for the past 10 years, won extensive recognition at home and abroad for its outstanding performance in information security management, customer services, information transparency, corporate governance and corporate social responsibility. It has been recognized as one of the most admired and trusted enterprises in Taiwan.

Looking ahead, the Company will continue its brand equity of providing premium services and enhancing corporate governance, to strengthen its competitiveness in the marketplace based on its solid footing and to achieve its goal of becoming the most reliable telecom operator in Taiwan and create a paradigm for telecom services in the new era.



- Transition to the digital age with services of three brands: "Taiwan Mobile" provides premium mobile communication, mobile data and mobile internet services for individual consumers.

Milestones

2008

2008

September

Taiwan Mobile Co., Ltd. (TWM) launched a new rate plan – New Line 299 – which offers mobile to fixed-line call rates that are lower than fixed-line to fixed-line calls.

September

Taiwan Mobile merged TransAsia Telecommunications and became the first mobile operator to complete its consolidation in Taiwan.

August

Taiwan Fixed Network Co., Ltd., a TWM subsidiary, merged Taiwan Telecommunication Network Services Co., Ltd.

June

Richard Tsai and Daniel Tsai were elected as Chairman and Vice Chairman, respectively, at the first session of the Fifth Board of Directors.

April

Acquired Hurray! Times Communications Co. from Hurray! Holdings in China to facilitate development of mobile content.

February

Introduced three new brands – Taiwan Mobile, TWM Broadband and TWM Solution – to provide consumers, households and enterprises with integrated telecommunication services, including wireless communication, cable TV and fixed-line services.

2007

2007

December

Acquired full ownership of Taiwan Fixed Network.

December

To simplify its investment structure, TWM subsidiary TransAsia Telecommunication merged Mobitai Communications Co., Ltd.

December

Company's capital dropped to NT\$38bn after a capital reduction of NT\$12bn.

September

Acquired the Videoland Hunters basketball team and renamed it Taiwan Mobile Cloud Leopards.

August

Acquired a 45% stake in Taiwan Telecommunication Network Services Co., Ltd., one of the top three internet service providers in Taiwan, to expand its footprint in the corporate market.

April

Acquired an 84% stake in Taiwan Fixed Network (TFN), combining telecommunications and media businesses to enhance its competitiveness.

January

Launched 3.5G (HSDPA) service, which allows maximum access speeds of up to 3.6Mbps.

2006

2006

December

Became the first in Taiwan to provide BlackBerry service, the world's No.1 mobile email solution.

August

Richard Tsai and Daniel Tsai were elected as Chairman and Vice Chairman, respectively, at the tenth session of the Fourth Board of Directors.

June

Acquired full ownership of TransAsia Telecommunications by purchasing the remaining minority stake.

January

Launched a revolutionary rate plan – My Zone – which allows customers to select one of five zones as their home zone and enjoy discounted rates when making calls to people within this designated zone.

January

Acquired full ownership of Mobitai by purchasing the remaining minority stake.

2005

May

The first in Taiwan to launch of 3G services to herald the start of a new era in mobile communications.

2005



• "TWM Solution" provides tailor-made integrated information and communication solutions for enterprise customers.



• "TWM Broadband" provides a richer and easier digital lifestyle for household customers.



2004

2004**November**

Joined Bridge Mobile Alliance, the largest mobile alliance in Asia.

August

Acquired 67% of Mobitai, increasing its subscriber base to 8.2 million.

2003**July**

Harvey Chang was appointed as President at the 15th session of the Third Board of Directors.

July

Daniel Tsai and Richard Tsai were elected as Chairman and Vice Chairman, respectively, at the second session of the Third Board of Managing Directors.

June

Taiwan Telecom Group's operating model was discontinued.

2002

2002**August**

Moved from the OTC exchange to the Taiwan Stock Exchange mainboard.

May

C. S. Chen was appointed as President at the second session of the Third Board of Directors.

May

Set up Taiwan Telecom Group to centralize administration of Taiwan Cellular Corp., Taiwan Fixed Network and other affiliates. Named Group Chairman Jack T. Sun, Vice Chairman Richard Tsai, CEO Joseph Lee, COO S. T. Chang and CSO Ray-Ying Fan.

April

Jack T. Sun and Joseph Lee were re-elected as Chairman and Vice Chairman, respectively, at the first session of the Third Board of Directors.

February

Granted 3G license.

2001**July**

Teamed up with an affiliate to acquire 95.62% of TransAsia Telecommunications, boosting its subscriber base to 6.42 million.

2000**November**

Ray-Ying Fan was appointed as President at the eighth session of the Second Board of Directors.

September

Became the first private telecoms operator to start trading on Taiwan's Over-the-Counter market.

1999

1999**June**

Jack T. Sun and Joseph Lee were re-elected as Chairman and Vice Chairman, respectively, at the first session of the Second Board of Directors.

1998**January**

Started commercial services. Launched mobile numbers with the "0935" prefix.

1997**December**

Became the first nationwide private operator to obtain a GSM 1800 network operating license.

February

Taiwan Cellular Corp. incorporated.

January

Jack T. Sun and Joseph Lee were elected as Chairman and Vice Chairman, respectively, while Lai-Ting Zou was appointed as President at the first session of the First Board of Directors.

1996**May**

Preparation for the Company's incorporation.



• Awarded for "Excellence in Corporate Social Responsibility" three years in a row



• Received an "A+" ranking in "Transparency and Information Disclosure" among listed companies



• Won seven commendations from NCC for the efforts of bridging the digital gap in remote areas



• Awarded the "Gold Trusted Brand" by Reader's Digest five years in a row

Awards & Recognitions

2009

2009 March

Awarded for "Excellence in Corporate Social Responsibility" by *CommonWealth* magazine for the third year in a row.

February

Won seven commendations from NCC, the most among peers, for the efforts of bridging digital gap in remote areas.

2008 December

TWM Vice President James Chang was a recipient of the "Outstanding Manager Award in Information Technology" from the Chinese Professional Management Association's 26th annual awards. He was the sole awardee in the telecom field.

November

TWM President Harvey Chang was recognized for his outstanding contributions in corporate governance by the CFA Association of Taiwan.

November

TWM's myfone e-store won an "e-21 Golden Website Award" in the large enterprise sector from the Ministry of Economic Affairs.

November

TWM was awarded two prizes by *Next* magazine in its "2008 Top Service Awards," placing 2nd in mobile/fixed-line communications and 3rd in 3C store channels. TWM was the only double winner and the first telecommunications company to win in the 3C store channels category.

2008

November

Taiwan Mobile and TWM Foundation both won the 9th "WenXin Gold Award" by the Council of Cultural Affairs.

July

For the third year in a row, TWM received an "A+" ranking in "Transparency and Information Disclosure" from Taiwan's Securities and Futures Institute.

June

TWM won the highest customer satisfaction rating among peers in a survey released by the Consumers' Foundation in 2008.

April

Awarded the "Gold Trusted Brand" by *Reader's Digest* for the fifth year in a row.

March

Ranked among Taiwan's Top 10 in *The Wall Street Journal's* "Asia's 200 Most Admired Companies." TWM was the sole telecom awardee.

March

Awarded for "Excellence in Corporate Social Responsibility" by *CommonWealth* magazine for the second year in a row.

2007 August

Received the "Happy Worker – Best Employer Award" in Taiwan and Asia. TWM was the telecom operator honored with the award in *Cheers* magazine's 2nd annual survey.

2007

July

Received an "A+" rating in "Transparency & Information Disclosure" from Taiwan's Securities and Futures Institute for the second year in a row.

May

Awarded *Global Views Monthly's* third annual "Corporate Social Responsibility Award – Service Sector Category."

April

Awarded the "Gold Trusted Brand" by *Reader's Digest* for the fourth year in a row.

April

Received the "2007 Information Security Contribution Award" by *iSecuTech* magazine and the Executive Yuan's Research, Development and Evaluation Commission for its outstanding contributions in the field of information security. TWM was the sole telecom awardee.

March

Awarded for "Excellence in Corporate Social Responsibility" and ranked No.1 in corporate governance sector by *CommonWealth* magazine.

March

Received "CG6002 certification" from the Corporate Governance Association for the second year in a row.

2006 November

Received the "Best Social Responsibility Award – Corporate Category" and the "Outstanding Management Award" for its CEO, Harvey Chang, during the Fourth Taiwan Business Awards, marking the first time that a company received multiple awards at the annual event.

2006



• Awarded two prizes by Next Magazine in its "2008 Top Service Awards"



• TWM and TWM Foundation both won the "WenXin Gold Award."



• President Harvey Chang was recognized for his outstanding contributions in corporate governance by the CFA Association of Taiwan.



• Vice President James Chang received the "Outstanding Manager Award in Information Technology."

2005

September

Ranked No. 1 by *Euromoney* for "Best Corporate Governance in Taiwan" – the second time TWM received such recognition.

July

Taiwan Mobile and TWM Foundation won the 8th WenXin Gold and Silver awards from the Council of Cultural Affairs in recognition of the Company's contribution to local cultural affairs.

May

Won distinctions for Best Managed Company, Best Corporate Governance and Best Commitment to Strong Dividends by *Finance Asia's* "Taiwan's Best Managed Companies Poll."

April

Received a "Gold Trusted Brand Award" from *Reader's Digest* for the third year in a row.

February

Received the first CG6001 certification from the Corporate Governance Association.

January

TWM and its subsidiary, Taiwan Teleservices & Technologies, obtained the first worldwide ISO 27001 Information Security Management System certification. Also received certifications from England, Sweden and Norway, demonstrating the Company's commitment to providing information security.

2005

November

Led Taiwan delegation in participating in the first World Cyber Game Mobile Tournament and won one gold and one silver medal. Also won first and second place in the first Asia Mobile Tournament held by SingTel.

2004

October

Awarded "2005 Most Admired Company in Taiwan" by *CommonWealth* magazine and ranked No.1 in Taiwan's telecommunications services sector.

October

Awarded "2005 Excellent Service Award" by *Global Views Monthly* and ranked No.1 in Taiwan's telecommunications services sector.

May

Awarded the "Corporate Social Responsibility Award" by *Global Views Monthly* and ranked No.1 in Taiwan's service sector.

April

Awarded the "Gold Trusted Brand Award" by *Reader's Digest* for the second year in a row.

2004

October

Ranked No.1 by *Next* magazine for "Best Customer Service – Mobile Telecom Operator in Taiwan."

September

Ranked No. 1 by *Euromoney* for "Best Corporate Governance in Taiwan."

July

Ranked No. 1 by *Institutional Investor* for "Most Improved Corporate Governance."

June

Ranked No. 1 by the Directorate General of Telecommunications among telecom companies in managing and protecting personal information and privacy.

April

Awarded the "Gold Trusted Brand" by *Reader's Digest*.

2001

2003

December

Ranked No. 1 and No. 2 by *Asiamoney* for "Most Improved Corporate Governance" and "Most Improved Investor Relations," respectively.

2002

January

Ranked as the most desirable brand among telecommunications operators in Taiwan by *Breakthrough Marketing* magazine.

2001

December

Ranked as one of the top 10 companies in Taiwan by *Far Eastern Economic Review* magazine.

October

Voted by mobile subscribers as the "Best Mobile Service Provider" in Taiwan in a poll conducted by the Institute for Information Industry.

2000

March

Network engineering management accredited with ISO 9002 certification.

1999

December

Rated "excellent" by the Directorate General of Telecommunications for service quality, based on three criteria – downtime, blocking rate and coverage in tunnel.

July

Customer service system granted ISO 9002 certification.

1999