



Taiwan Mobile  
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# Taiwan Mobile Co., Ltd.

**Impairment loss**

**-Taiwan High Speed Rail**

**August 26, 2011**

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Taiwan Mobile's and Taiwan Fixed Network's (TFN) board meetings today (August, 26, 2011) resolved to recognize TFN's NT\$1.208bn of impairment loss from Taiwan High Speed Rail (THSR) investment (carrying cost reduced to NT\$4.05 per share).

	Holding (000 shares)	Invested by	Pre-impairment		Post-impairment	
			Carrying cost (\$m)	Cost per share (\$)	Carrying cost (\$m)	Cost per share (\$)
Common stock	225,531	TFN	2,121	9.40	913	4.05
Preferred stock	50,000	TCCI	500	10.00	500	10.00
Total			2,621		1,413	

TFN :Taiwan Fixed Network

TCCI : TCC Investment

- TFN's NT\$1.208bn impairment loss will be provisioned in August.
- We expect the recognition of NT\$1.208bn of impairment loss to have minimal impact on full-year consolidated earnings on the back of
  - 1) better-than-expected core business performance
  - 2) reversal of over-accrued tax expense after the final assessment by Taiwan tax authorities in August
- We have confidence in achieving the full-year target