

Ch. 1

Company Highlights

Vision

The Company's core vision is to create the best mobile experience. Through constant innovation, the Company strives to satisfy the needs of its customers at all times to create the highest level of customer satisfaction. The Company also continuously works on increasing customer value to maximize Company and shareholder value.

Core Competency

The Company aims not only to satisfy customers' existing needs, but also to anticipate and meet future needs. The Company also offers the best communication standards and customer service, and works continuously on improving the quality of its network and developing innovative products and services.



Company Profile

Taiwan Mobile Co., Ltd. was incorporated in the Republic of China (“ROC”) on February 25, 1997. Along with the popularization of mobile services in Taiwan, the Company has developed and achieved technological breakthroughs in line with its commitment to providing customers with world-class telecommunications services. The first non-state owned company to receive a GSM 1800 license, TWM was also 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 operational scale has expanded over the past decade as a result of acquisitions and business integration. The Company’s subscriber base reached 1 million in 1998, making it the fourth largest GSM1800 telecommunications operator globally and the biggest operator in Asia. In 2000, the Company was selected as one of “Asia’s Top 100 Corporations” by HSBC, with its total number of subscribers exceeding 5 million. To expand its operational scale, the Company acquired southern regional operator TransAsia Telecommunications Inc. and was honored as one of “Taiwan’s Top 10 Businesses” by Far Eastern magazine in 2001. In June 2004, the Company further acquired central regional operator Mobitai Communications, and its consolidated subscriber base surged to 8.2 million making it the largest mobile operator in Taiwan. Despite the intense competition in the telecommunications market, the Company continues to lead with a market share of around 30% of local subscribers.

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. In 2004 and 2006, in

recognition of the improvements in its corporate governance, the Company was cited for “Best Corporate Governance” in Taiwan by Euromoney. The Company also received the “CG6001 Corporate Governance Association Certification” in 2006.

Since its inception, the Company has strived to provide customers with products that best meet their needs, as well as high-quality and safe communication services. TWM was the first company worldwide to obtain an ISO 27001 Information Security Management System certification, demonstrating its dedication to protecting customer privacy and providing world-class security. The Company’s customer service has also won numerous commendations from different media outlets. In 2004, the Company won Next magazine’s “Best Customer Service Mobile Telecom Operator in Taiwan” award. The following year, the Company garnered the “2005 Excellent Service Award” from Global Views Monthly and ranked No.1 in Taiwan’s telecommunications service sector. The Company was also a recipient of Reader’s Digest’s “Gold Trusted Brand Award” from 2004 to 2006.

Looking ahead, the Company will focus on improving its operating performance, cultivating existing customers, simplifying its investment structure, increasing financial transparency, effectively controlling its costs, and developing products that best meet customers’ needs. The Company is committed to enhancing corporate governance, creating a satisfying working environment, and providing customers, society, investors and employees with top satisfaction to achieve its goal of becoming a world-class enterprise.



TWM was awarded "2005 Most Admired Company in Taiwan" by *Common Wealth* magazine and ranked No.1 in Taiwan's telecommunications services sector; also received the “Corporate Social Responsibility Award” by *Global Views Monthly* and ranked No.1 in Taiwan's service sector in the same year. In 2006, TWM received the “Best Social Responsibility Award – Corporate Category” during the Fourth Taiwan Business Awards and the “Excellence in Corporate Social Responsibility” by *Common Wealth* magazine.

Milestones

- 1996** May Preparation for the Company's incorporation.
- 1997** 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.
- February Taiwan Cellular Corp. (TCC) incorporated.
- December Became the first nationwide private operator to obtain a GSM 1800 network operating license.
- 1998** January Launched commercial service and mobile numbers with the "0935" prefix.
- August Set up Taiwan Tele-Shop Co. Ltd. to handle TCC's franchises and handset procurement businesses.
- November Subscriber base surpassed one million.
- 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.
- 2000** September Became the first private telecoms operator to start trading on Taiwan's OTC Exchange.
- November Ray-Ying Fan was appointed as President at the eighth session of the Second Board of Directors.
- December Subscriber base surpassed five million.
- 2001** June Set up operating affiliates Taiwan Teleservices & Technologies to handle its customer services and Taiwan Elitec to take charge of its information technology businesses. Invested in Howin Technologies to handle its network operations and maintenance service.
- July Teamed up with an affiliate to acquire 95.62% of TransAsia Telecommunications, boosting its subscriber base to 6.42 million.
- September Founded Taiwan Infotainment Co., Ltd. to provide electronic yellow page directory services.
- 2002** February Granted 3G license.
- 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.



- May Set up Taiwan Telecom Group to centralize administration of TCC, Taiwan Fixed Network and other affiliates. Group Chairman, Vice-Chairman, CEO, COO, and CSO were Jack T. Sun, Richard Tsai, Joseph Lee, S. T. Chang, and Ray-Ying Fan, respectively.
- May C. S. Chen was appointed as President at the second session of the Third Board of Directors.
- August Moved from the OTC exchange to the TSE mainboard.
- October Included in the “TAIWAN 50 INDEX”.
- November Included in the MSCI INDEX.

2003

- June Taiwan Telecom Group’ operating model was discontinued.
- 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.
- July Harvey Chang was appointed as President at the 15th session of the Third Board of Directors.

2004

- July Launched “myfone” corporate identity and marketing campaign.
- August Acquired 67% stake in Mobitai, increasing its subscriber base to 8.2 million.
- November Joined Bridge Mobile Alliance, the largest mobile alliance in Asia.

2005

- April Changed its English name from Taiwan Cellular Corp. to Taiwan Mobile Co., Ltd., and instituted a colorful, new logo symbolizing the Company's customer and service-oriented approach as Taiwan enters the 3G era.
- May Soft launch of its 3G services – “catch 3! catch your eyes!” – to symbolize the start of a new era in mobile communications in Taiwan.
- June Merged Taiwan Tele-Shop and integrated 132 of TTS’ employees.
- July Began handling Mobitai’s business with 218 of Mobitai’s employees being transferred to the Company to enhance synergy.
- August Launched OneNet service with TransAsia Telecommunications and Mobitai to provide discounted intranet calls and uniform services to customers of all three companies



- 2006**
- January Acquired full ownership of Mobitai by purchasing the remaining minority stake.
 - January Launched a revolutionary rate plan called “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.
 - March Demonstrated the first IP-MVPN (Mobile Virtual Private Network) in Taiwan that integrated WiMax, WiFi, 2G and 3G networks, and facilitated video telephony applications between 3G handsets and PCs in Nankang Software Park, Taiwan.
 - June Acquired full ownership of TransAsia Telecom by purchasing the remaining minority stake.
 - August Richard Tsai and Daniel Tsai were elected as Chairman and Vice Chairman, respectively, at the tenth session of the fourth Board of Directors,.
 - September Formed a cooperation with one of the Philippines’ leading mobile service operators Globe to launch the first transnational joint pre-paid card in Taiwan, OK Kababayan Card.
 - December Launched the first exclusive dual-mode GSM/WiFi handset TG310 and provided mobile campus packages in Tamkang and Feng Chia universities.
 - December Became the first in Taiwan to provide BlackBerry service, the world’s No.1 mobile email solution.
- 2007**
- January Announced plans to introduce Asia’s first NFC (Near Field Communication) Mobile PayPass™ handset with MasterCard International and Taipei Fubon Bank.
 - January Launched 3.5G (HSDPA) service which allows maximum access speed of 3.6Mbps in Taipei and Hsinchu.



Awards & Recognitions

- 2007**
- March Received the CG6002 certification from the Corporate Governance Association for the second year in a row.
 - March Awarded the “Excellence in Corporate Social Responsibility” by *Common Wealth* magazine and ranked No.1 in corporate governance sector.
- 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.
 - September Ranked No. 1 by *Euromoney* for “Best Corporate Governance in Taiwan” – the second time TWM received such recognition.
 - July TWM 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 Best Managed Companies Poll."
 - April Received a Gold Trusted Brand Award from *Reader's Digest* for the third year in a row.
 - March Taiwan Ratings Corp. raised its long-term corporate credit rating and its unsecured corporate bond rating of Taiwan Mobile from ‘twAA’ to ‘twAA+’.
 - February Received the first CG6001 certification from the Corporate Governance Association.
 - January TWM and its subsidiary, Taiwan Teleservices & Technologies Co., Ltd., 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.
 - October Awarded “2005 Most Admired Company in Taiwan” by *Common Wealth* 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** December Taiwan Ratings Corp. raised TWM’s long-term corporate credit rating and its unsecured corporate bond rating from ‘twA+’ to ‘twAA’.
- 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 the *Institutional Investor* for “Most Improved Corporate Governance.”
- June Ranked No. 1 by the Directorate General of Telecommunications for “Best Telecommunications Company” in respect to personal information and privacy.
- 2003** December Ranked No. 3 by *The Asset* for “Best Corporate Governance in Taiwan.”
- December Ranked No. 1 and No. 2 by *Asiamoney* for “Most Improved Corporate Governance” and “Most Improved Investor Relations,” respectively.
- 2002** April Ranked No. 6 by *Common wealth* magazine for Top 500 companies in Taiwan’s service sector.
- 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.
- September Ranked the 7th largest mobile operator in Asia Pacific by *Asia Pacific Mobile Analyst*.
- January Selected by *Asiamoney* magazine's poll as the “Best New Taiwan Listed Company.”
- 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 accredited with ISO 9002 certification.



"Best Social Responsibility Award",
Taiwan Business Awards



"Corporate Social Responsibility",
Global Views Monthly



"Excellence in Corporate Social Responsibility",
Common Wealth magazine



"Best Corporate Governance in Taiwan",
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