

# '08

## Taiwan Mobile Annual Report



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**Listing of Foreign Securities**      None



本年報採用日本王子輕量環保紙，為中性紙，  
使用回收漿，無氯漂白，並符合FSC認證。



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## Northern Taiwan

**Taipei Daan Service Center**  
1F, No. 172-3, 172-4, Jilung Rd., Sec. 2, Daan Dist., Taipei

**Taipei Vieshow Service Center**  
1F, No. 20, Songshou Rd., Sinyi Dist., Taipei

**Taipei Dinghao Service Center**  
1F, No. 71, Sec. 4, Jhongsiao E. Rd., Daan Dist., Taipei

**Taipei Bade Service Center**  
No. 34, Bade Rd., Sec. 3, Songshan Dist., Taipei

**Taipei Jhongsiao Service Center**  
No. 659, 661, Jhongsiao E. Rd., Sec. 5, Sinyi Dist., Taipei

**Taipei Mingsheng E. Service Center**  
1F., No.71, Sec. 4, Minsheng E. Rd., Songshan Dist., Taipei

**Neihu Guangdian Service Center**  
No. 498, Rueiguang Rd., Neihu Dist., Taipei

**Taipei Changchun Service Center**  
No.374, Changchun Rd., Jhongshan District, Taipei

**Taipei Jhancian Service Center**  
1F., No.38, Sec. 1, Jhongsiao W. Rd., Jhongjheng Dist., Taipei

**Taipei Simending Service Center**  
1F, No.12, Emei St., Wanhua Dist., Taipei

**Taipei Nanjing W. Service Center**  
No. 42, Nanjing W. Rd., Datong Dist., Taipei

**Taipei Nanjing E. Service Center**  
No.204, Sec. 2, Nanjing E. Rd., Jhongshan District, Taipei

**Taipei Nongan Service Center**  
No. 19, Nongan Street, Jhongshan Dist., Taipei City

**Taipei Tianmu Service Center**  
1F., No. 11, Tianmu W. Rd., Shihlin Dist., Taipei

**Taipei Wunlin Service Center**  
1F, No. 678, Wunlin Rd., Shihlin Dist., Taipei

**Taipei Yongkang Service Center**  
1F., No.174, Sec. 2, Sinyi Rd., Da-an Dist., Taipei

**Danshuei Jhongcheng Service Center**  
1F, No. 124, Jhongjheng Rd., Danshuei Township, Taipei County

**Taipei Gongguan Service Center**  
No.289, Sec. 3, Roosevelt Rd., Da-an Dist., Taipei

**Sindian Cijhang Service Center**  
No.165, Sec. 2, Beisin Rd., Sindian City, Taipei County

**Taipei Mujha Service Center**  
No.80, Sec. 3, Mujha Rd., Wunshan District, Taipei

**Taipei Sijhih Service Center**  
No.111, Jhongsing Rd., Sijhih City, Taipei County

**Jilung Yiyi Service Center**  
1F, No. 38, Yiyi Rd., Jhongjheng Dist., Jilung City

**Luodong Shingdong Service Center**  
1F, No. 150, Shingdong Rd., Luodong Towership, Yilan County

**Yilan Jhongshan II Service Center**  
No.37, Sec. 3, Jhongshan Rd., Yilan City, Yilan County

**Hualien Jhongjheng Service Center**  
No. 155, Sanmin St., Hualien City, Hualien County

**Sindian Jhongjheng II Service Center**  
No.516-1, Jhongjheng Rd., Sindian City, Taipei County

**Banchiao Minzu Service Center**  
No. 33, Minzu Rd., Panchiao City, Taipei County

**Banchiao Sinhan Service Center**  
No.112, Sec. 1, Wunhua Rd., Banchiao City, Taipei County

**Yonghe Fuhe Service Center**  
No.137, Fuhe Rd., Yunghe City, Taipei County

**Jhonghe Jhonghe Service Center**  
1-2F, No. 304, Jhonghe Rd., Jhonghe City, Taipei County

**Jhonghe Nanshihiao Service Center**  
No.2, Lane 64, Sec. 1, Singnan Rd., Jhonghe City, Taipei County

**Sanchong Tomson Service Center**  
1F-2, No. 2, Lane 609, Chongsin Rd., Sec. 5, Sanchong City, Taipei County

**Sanchong Tiantai Service Center**  
1F, No. 102, Sec. 2, Chongsin Rd., Sanchong City, Taipei County

**Taipei Sinhuang Service Center**  
1F, No.299, Jhongjheng Rd., Sinhuang City, Taipei County

**Taipei Tucheng Service Center**  
1F., No.261, Yumin Rd., Tucheng City, Taipei County

**Sinhuang Singfu II Service Center**  
No.690, Singfu Rd., Sinhuang City, Taipei County

**Sinhuang Fuguo II Service Center**  
No.41, Fuguo Rd., Sinhuang City, Taipei County

**Taoyuan Chenggong Service Center**  
No. 86, Sec. 2, Chenggong Rd., Taoyuan City, Taoyuan County

**Taoyuan Bede Service Center**  
1F., No.780, Sec. 1, Jieshou Rd., Bade City, Taoyuan County

**Jhongli Huanbei Service Center**  
No. 542, Huanbei Rd., Jhongli City, Taoyuan County

**Yangmei Dacheng Service Center**  
No. 140, Dacheng Rd., Yangmei Township, Taoyuan County

**Jhubei Guangming Service Center**  
No. 95, Guangming 6th Rd., Thubei City, Hsinchu County

**Hsinchu Jhongjheng Service Center**  
No. 9-11, Jhongjheng Rd., Hsinchu City

**Hsinchu Jhuke Service Center**  
No.633, Sec. 1, Guangfu Rd., East Dist., Hsinchu City

**Taoyuan Damiao Service Center**  
No.142, Jhongjheng Rd., Taoyuan City, Taoyuan County

**Taoyuan Airport Terminal I Service Center**  
No. 15, Hanghan S. Rd., Puxin Village, Dayuan Township, Taoyuan County (3F, Departure Hall)

**Taoyuan Airport Terminal II Service Center**  
No. 9, Hanghan S. Rd., Dayuan Township, Taoyuan County (3F, Departure Hall)

**Jhongli Sinsheng Service Center**  
No.132, Sinsheng Rd., Jhongli City, Taoyuan County

## Central Taiwan

**Jhunan Boai Service Center**  
No. 142, Boai St., Jhunan Township, Miaoli County

**Miaoli Jhongjheng Service Center**  
No. 501, Jhongjheng Rd., Miaoli City, Miaoli County

**Fongyuan Jhongjheng Service Center**  
No. 448, Jhongjheng Rd., Fongyuan City, Taichung County

**Taichung Wunsin Service Center**  
1F/2F, No. 151, Sec. 4, Wunsin Rd, Beitun Dist., Taichung City

**Taichung Zihyou Service Center**  
1F, No. 43, Sec. 2, Zihyou Rd., Central Dist, Taichung City

**Taichung Liming Service Center**  
No.436, Sec. 2, Liming Rd., Nantun District, Taichung City

**Taichung Taiping Service Center**  
No.69, Shusiao Rd., Taiping City, Taichung County

**Taichung Donghai Service Center**  
No. 20, Dongyuan Lane, Taichunggang Rd., Longjing Township, Taichung County

**Fongjia Fusing Service Center**  
No. 338, Fusing Rd., Situn Dist., Taichung City

**Taichung Shalu Service Center**  
No.124, Shatian Rd., Shalu Township, Taichung County

**Taichung Jhonggang Service Center**  
No. 7, Sec. 2, Taichung Port Rd., Situn Dist., Taichung City

**Taichung Meicun S. Service Center**  
1F., No.62, Meicun S. Rd., South Dist., Taichung City

**Changhua Jhongjheng Service Center**  
No. 1, Sec. 1, Jhongjheng Rd., Changhua City, Changhua County

**Changhua Heping Service Center**  
No.9, Heping Rd., Changhua City, Changhua County

**Changhua Sihu Service Center**  
1F., No.370, Sihuan Rd., Sihu Township, Changhua County

**Changhua Yuanlin Service Center**  
No.4, Jhongshan S. Rd., Yuanlin Township, Changhua County

**Caotun Jhongjheng Service Center**  
No. 859, Jhongjheng Rd., Caotun Township, Nantou County

**Nantou Fusing Service Center**  
1F, No. 207, Fusing Rd., Nantou City, Nantou County

**Yunlin Huwei Service Center**  
No.488-3, Sec. 1, Linsen Rd., Huwei Township, Yunlin County

**Douliou Jhenbei Service Center**  
No. 10-12, Jhenbei Rd., Douliou City, Yunlin County

**Taichung Dali Service Center**  
No.361-1, Sec. 2, Jhongsing Rd., Dali City, Taichung County

## Southern Taiwan

**Chiayi Linsen Service Center**  
No. 185, Linsen W. Rd., West Dist., Chiayi City

**Chiayi Chueiyang Service Center**  
No. 636, Chueiyang Rd., Chiayi City

**Chiayi Puzih Service Center**  
No.28-30, Wunhua S. Rd., Puzih City, Chiayi County

**Tainan Sinying Service Center**  
No.261, Minjih Rd., Sinying City, Tainan County

**Tainan Simen Service Center**  
No.357, Sec. 2, Simen Rd., West Central Dist., Tainan City

**Tainan Minsheng Service Center**  
1F, No. 279, Minsheng Road, Sec. 2, West Central Dist., Tainan City

**Tainan Yongkang Service Center**  
1F., No.663, Jhonghua Rd., Yongkang City, Tainan County

**Tainan Minzu Service Center**  
No.55-1, Sec. 2, Minzu Rd., West Central Dist., Tainan

**Tainan Haidian II Service Center**  
No.163, Sec. 1, Haidian Rd., Annan District, Tainan City

**Tainan Kunshan Service Center**  
No.824, Dawan Rd., Yongkang City, Tainan County

**Tainan Jhonghua Service Center**  
No.48, Sec. 3, Jhonghua E. Rd., East Dist., Tainan

**Tainan Rendu Service Center**  
No.497, Jhongshan Rd., Rendu Township, Tainan County

**Kaohsiung Lingya Service Center**  
No.149, Guangzhou 1st St., Lingya Dist., Kaohsiung City

**Kaohsiung Mingcheng Service Center**  
No.288, Heti Rd., Sanmin Dist., Kaohsiung City

**Kaohsiung Sanduo Service Center**  
1F., No.214-12, Sanduo 3rd Rd., Lingya Dist., Kaohsiung City

**Kaohsiung JyueMin Service Center**  
No. 197, Jyuemin Rd., Sanmin Dist., Kaohsiung City

**Kaohsiung Jyudan Service Center**  
1F., No.179, Sinhuangzai Rd., Zuoying Dist., Kaohsiung City

**Kaohsiung Wufu Service Center**  
No.27, Wufu 3rd Rd., Cianjin District, Kaohsiung City

**Gangshan Liouciao E. Service Center**  
1F., No.32-5, Liouciao E. Rd., Gangshan Township, Kaohsiung County

**Kaohsiung Zihyou Service Center**  
1-2F., No.123, Zihyou 1st Rd., Sanmin District, Kaohsiung City

**Kaohsiung Nanzih Service Center**  
No.250, Nanzihsin Rd., Nanzih District, Kaohsiung City

**Kaohsiung Linsen Service Center**  
No. 243-1, Linsen 1st Rd., Sinsing Dist., Kaohsiung City

**Kaohsiung Sansin Service Center**  
1F., No.279, Sanduo 1st Rd., Lingya Dist., Kaohsiung City

**Kaohsiung Rongzong Service Center**  
No.1, Rongzong Rd., Zuoying District, Kaohsiung City

**Kaohsiung Fongshan Service Center**  
No. 148-1-3, Jhongshan Rd., Fongshan City, Kaohsiung County

**Fongshan Wuja Service Center**  
1F., No.535, Wuja 2nd Rd., Fongshan City, Kaohsiung County

**Pingtung Fusing Service Center**  
1F, No. 586-3, Zihyou Road, Pingtung City, Pingtung County

**Pingtung Minzu Service Center**  
No.174, Minzu Rd., Pingtung City, Pingtung County

**Pingtung Donggang Service Center**  
No.73, Jhongshan Rd., Donggang Township, Pingtung County

**Taitung Jhonghua Service Center**  
No.518, Sec. 1, Jhonghua Rd., Taitung City, Taitung County

**Kaohsiung Rueilong Service Center**  
No.564, Rueilong Rd., Cianjhen District, Kaohsiung City

**Fongshan Cingnian II Service Center**  
No.474, Sec. 2, Cingnian Rd., Fongshan City, Kaohsiung County



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## Letter to Shareholders

Dear Shareholders,

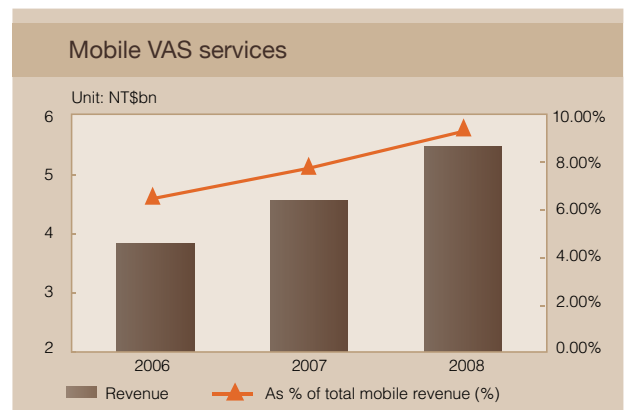
Global economies faced one of their toughest tests in history in 2008, with oil prices scaling new heights and fanning inflationary pressures first, followed by the US subprime mortgage crisis, rapidly triggering an international financial tsunami and stock markets plunge worldwide in the second half. Affected by falling equities and declining private consumption, Taiwan's economy slowed and slipped into a recession in the fourth quarter of 2008. Despite recessionary pressures, Taiwan Mobile ("TWM" or "the Company") was able to weather the financial storm by strengthening its foothold in the marketplace and enhancing its core competencies.

### Steady operation growth

Taiwan Mobile's consolidated revenue and operating income reached NT\$69.3 billion and NT\$21.8 billion in 2008, rising 5% and 2% YoY, respectively. Its consolidated net income and earnings per share were NT\$15.4 billion and NT\$5.18, respectively, achieving 98% of its target for 2008. With the combined efforts of the Company's three business units – consumer, enterprise and home – TWM's consolidated financial results were in line with expectations. Growth was mainly driven by the following:

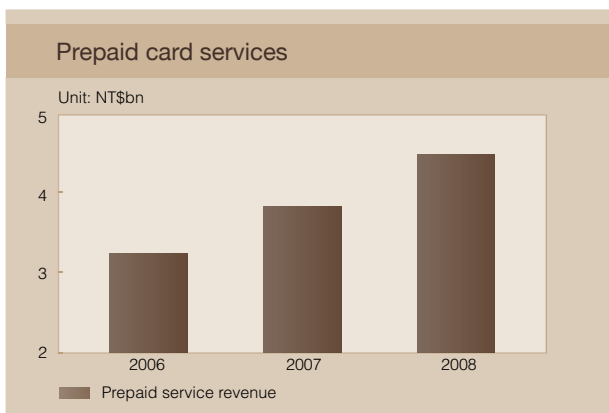
#### 1. Mobile value-added services

By continuously expanding its 3G and 3.5G (HSDPA) coverage and introducing innovative and popular mobile content coupled with flexible data packages, including bundling with data cards, smartphones or netbooks, the Company provided the best mobile internet access services to customers. Non-voice service revenue grew 18% from a year ago.



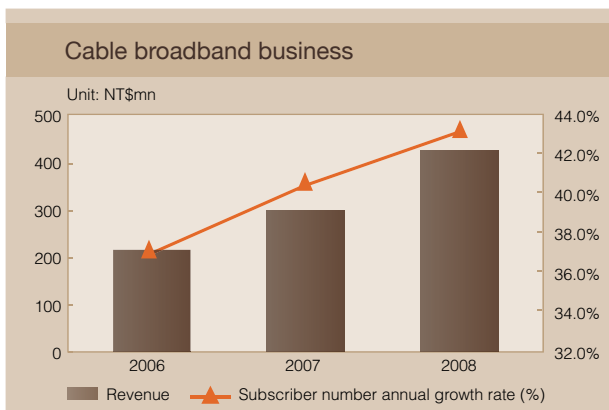
## 2. Pre-paid card services

With its fixed network providing a cost advantage, the Company was able to offer more price competitive pre-paid cards to foreign workers in Taiwan. Launching co-branded pre-paid cards with overseas telecom operators in Southeast Asia helped further expand the Company's lead in the foreign workers' market, boosting its pre-paid service revenue by 16% YoY.



## 3. Cable broadband services

Statistics released by the National Communications Commission on wireline broadband internet access showed that ADSL subscription was on the decline, while FTTx and cable broadband were on the rise. The Company aggressively expanded its footprint in the cable broadband market, leading to a 43% growth in subscriber number in 2008 compared with the previous year. Boosting last mile connectivity to households also raised customer loyalty and lowered churn rates.



## Commitment to corporate governance and shareholders' interests

The Company has continuously worked to maximize shareholders' interests by strengthening its corporate value. The concrete results of our efforts in 2008 were as follows:

### 1. Actions

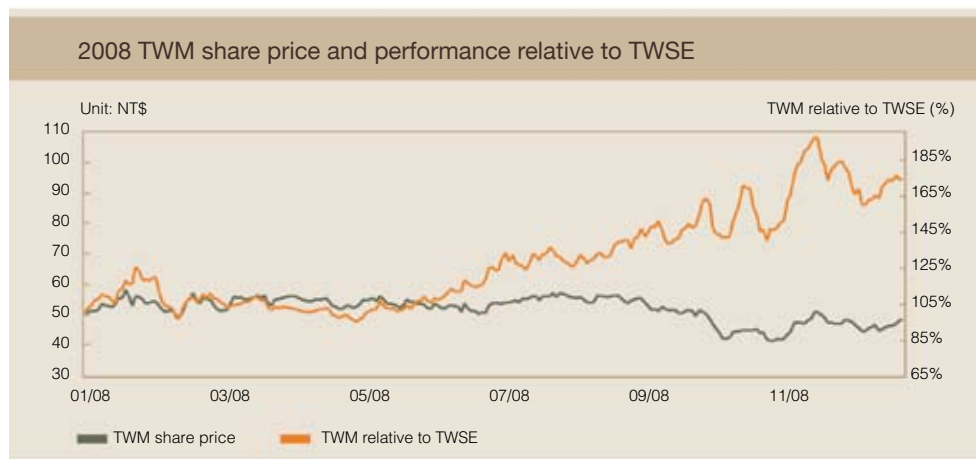
The Company has made relentless efforts in having corporate governance rooted and maintaining shareholders' interests. Independent directors on the Audit Committee replaced board supervisors in overseeing the Company's operations, thus moving the Company a step closer to the global standards in corporate governance. In addition, forfeiture of dividends from the parent company by TFN and TFN Investment has set an unprecedented move for listed companies in Taiwan, evidencing the Company's determination to maximize shareholders' interests. TWM's compliance with the strict rules on corporate governance was duly recognized by the Securities and Futures Institute, which gave the Company an A+ rating for "Information Transparency and Disclosure" for the third year in a row.

### 2. Awards

The company was also recognized for its dedication and care for customers – including the "IT Best Choice" awards in three separate categories from the Institute for Information Industry; the "Top Service Award 2008" in the mobile/fixed-line operators and the 3C store channels categories from the Next Magazine; and an outstanding award for its "myfone" internet shops from the Ministry of Economic Affairs' "e-21 Golden Website Awards." These achievements were a testament to the quality and reputation of the Company's products and its channels' services.

### 3. Profit sharing

The Company continues to maintain a high cash dividend policy. Based on its proposed cash dividend distribution for 2008, dividend yield would be around 10% – higher than the Asian and Taiwanese telecom market average – providing steady and rich returns to its shareholders.



Looking ahead, despite the recession, Taiwan Mobile will carry on its mission of "creating the best experience for customers," focusing on upgrading its channels, innovation of products and services, and exploring businesses with high growth potential to maintain stable revenue contribution. The Company has already implemented a number of plans to further control costs and sustain profitability. We are confident that all three business units will be fully strengthened to navigate through this economic storm.

**Richard Tsai**  
Chairman

**Harvey Chang**  
President