

# Chapter 1 Company Highlights

## Vision

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

## Core Competency

The Company has established a cross-media platform integrating mobile communications, fixed-line, cable TV and broadband services. Through integration, the Company is able to provide seamless digital convergence services across "multiple screens and a cloud" to meet the demands of the consumer, household and corporate markets for excellent service and information security.

## Excellent Brand Image

The Company has taken a human-centric approach in building up its three major brands – Taiwan Mobile, TWM Broadband and TWM Solution – with an emphasis on "integrity, innovation, passion and simplicity." TWM has transformed advanced technologies into simple, practical, user-friendly mobile communications services that can be accessed anytime, anywhere, and via any device to meet the different needs of individual customers and allow them to enjoy the ease, convenience, joy and comfort of a high-tech, mobile lifestyle.

"Together with you" is TWM's brand vision – a reflection of its commitment to customers.

## Date of Incorporation

The Company was founded on February 25, 1997.

## Milestones

1. The Company's merger and acquisition activities and status of affiliates
  - 1) Merger and acquisition activities: Wealth Media Technology Co., Ltd., a subsidiary of the Company, acquired a 51% stake in Fubon Multimedia Technology Co., Ltd. (also known as momo) in July 2011.
  - 2) Status of affiliates: Please refer to Chapter 2 "Direct and indirect investments in affiliated companies".
2. Status of the Company's reorganization: Not applicable
3. Significant changes in shareholding of directors, supervisors and major shareholders: None
4. Changes in management control: None
5. Changes in operation or business scope: None
6. Other major items sufficient to influence shareholders' rights or the Company: None

August	2011	Company's capital was reduced to NT\$34.2bn after a capital reduction of NT\$3.8bn.
June	2011	Richard Tsai and Daniel Tsai were elected Chairman and Vice Chairman, respectively, at the first meeting of the sixth Board of Directors.
April	2011	Board of Directors approved the acquisition of a 51% stake in Fubon Multimedia Technology (also known as momo) for NT\$8.35bn through TWM's 100%-owned subsidiary, Wealth Media Technology.
October	2010	Cliff Lai and Vivien Hsu were appointed Co-Presidents at the 17 <sup>th</sup> meeting of the fifth Board of Directors, effective January 1, 2011.
May	2010	TFN Media (TFNM) Co., Ltd., a TWM affiliate, acquired a 45% stake in ezPeer of Taiwan Kuro Times Co., Ltd. TFNM raised its stake to 100% in August 2011.
January	2009	Founded Taipei New Horizons Co., Ltd. (49.9% holding) with Fubon Land Development Co., Ltd. to develop a cultural park at the site of the old Songshan tobacco plant under a 50-year BOT contract with the Taipei City Government.
June	2008	Richard Tsai and Daniel Tsai were elected Chairman and Vice Chairman, respectively, at the first meeting of the fifth Board of Directors.
April	2008	Acquired a 100% stake in Hurray! Times Communications (Beijing) Ltd.
February	2008	Introduced three new brands – Taiwan Mobile, TWM Broadband and TWM Solution – to provide consumers, households and enterprises with integrated telecommunications services, including wireless communication, cable TV and fixed-line services.
December	2007	Company's capital dropped to NT\$38bn after a capital reduction of NT\$12bn.
August	2007	Acquired a 45% stake in Taiwan Telecommunication Network Services Co., Ltd. (TTN). TWM raised its stake to 100% in August 2008 and merged it into Taiwan Fixed Network Co., Ltd. (TFN).
April	2007	Acquired an 84% stake in TFN. TWM acquired full ownership of TFN in December 2007.
January	2007	Launched 3.5G (HSDPA) service.
August	2006	Richard Tsai and Daniel Tsai were elected Chairman and Vice Chairman, respectively, at the 10 <sup>th</sup> meeting of the fourth Board of Directors.
May	2005	First in Taiwan to launch 3G services, heralding the start of a new era in mobile communications.
November	2004	Joined Bridge Mobile Alliance, the largest mobile alliance in Asia.
August	2004	Acquired a 67% stake in Mobitai, increasing its subscriber base to 8.2 million. TWM acquired full ownership of Mobitai In January 2006 and merged it into TAT in December 2007.
July	2003	Harvey Chang was appointed President & CEO at the 15 <sup>th</sup> meeting of the third Board of Directors.
July	2003	Daniel Tsai and Richard Tsai were elected Chairman and Vice Chairman, respectively, at the 2 <sup>nd</sup> meeting of the third Board of Managing Directors.
June	2003	Taiwan Telecom Group's operating model was discontinued.

August	2002	Moved from the OTC exchange to the Taiwan Stock Exchange's main board.
May	2002	C. S. Chen was appointed President at the second meeting of the third Board of Directors.
May	2002	Set up Taiwan Telecom Group to centralize administration of Taiwan Cellular Corp., TFN and other affiliates. The group was headed by Chairman Jack T. Sun, Vice Chairman Richard Tsai, CEO Joseph Lee, COO S. T. Chang and CSO Ray-Ying Fan.
April	2002	Jack T. Sun and Joseph Lee were re-elected Chairman and Vice Chairman, respectively, at the first meeting of the third Board of Directors.
February	2002	Granted 3G license.
July	2001	Teamed up with an affiliate to acquire a 95.62% stake of TransAsia Telecommunications (TAT), boosting its subscriber base to 6.42 million. TWM acquired full ownership of TAT in June 2006 and merged it into TWM in September 2008.
November	2000	Ray-Ying Fan was appointed President at the 8 <sup>th</sup> meeting of the second Board of Directors.
September	2000	First private telecom operator to start trading on Taiwan's Over-the-Counter market.
June	1999	Jack T. Sun and Joseph Lee were re-elected Chairman and Vice Chairman, respectively, at the 1 <sup>st</sup> meeting of the second Board of Directors.
January	1998	Started commercial services.
December	1997	First nationwide private operator to obtain a GSM 1800 network operating license.
February	1997	Company was incorporated.
January	1997	Jack T. Sun and Joseph Lee were elected Chairman and Vice Chairman, respectively, while Lai-Ting Zou was appointed President at the 1 <sup>st</sup> meeting of the first Board of Directors.
May	1996	Preparatory work for the Company's incorporation.

### **Awards and recognitions from 2011 up to the publication date in 2012**

November	2011	TWM was one of the nine companies featured in "Taiwanese Enterprises: Promoting Trust and Integrity," published by the Industrial Development Bureau under the Ministry of Economic Affairs.
November	2011	Received "CG6006 Advanced Corporate Governance" certification from the Taiwan Corporate Governance Association.
November	2011	TWM Chairman, Richard Tsai, was honored with the "Asia Innovator of the Year Award" at the 10th Asian Business Leaders Awards by CNBC. He was the sole awardee from Taiwan.
November	2011	Ranked No. 2 in <i>Next</i> magazine's "Eighth Annual Top Service Awards" for mobile and fixed-line communications.
October	2011	Received an "R.O.C. Enterprises Environmental Protection Award" from the Environmental Protection Administration under the Executive Yuan. TWM is the only enterprise in the service

		sector to have received such an award for three years in a row.
September	2011	Received ISO/IEC 27001 information security management system certification and passed additional ISO/IEC 27011 inspections for information security management in the telecommunications sector by the National Communications Commission.
August	2011	Awarded "Excellence in Corporate Social Responsibility" by <i>CommonWealth</i> magazine for the fifth year in a row.
July	2011	Received an "A <sup>+</sup> " ranking and ranked as one of the top 10 listed companies for "Transparency and Information Disclosure" by Taiwan's Securities and Futures Institute for the sixth consecutive year.
June	2011	Received the "Corporate Governance Asia Recognition Award" in the Asia-Pacific region by <i>Corporate Governance Asia</i> for the fifth year in a row.
June	2011	Ranked sixth in <i>Business Next</i> Magazine's list of 100 leading tech companies in Taiwan (Info Tech 100 Taiwan); also included in its "Info Tech 100 Asia" list.
May	2011	Received a "Trusted Brand Gold Award" from <i>Reader's Digest</i> for the eighth consecutive year.
May	2011	Won first prize for "Corporate Social Responsibility," education category, by <i>Global Views Monthly</i> .
May	2011	Won first prize in the "2011 Digital Service Awards," ICT category, based on a digital service power survey by <i>Business Next</i> magazine.
March	2011	Awarded "Best Corporate Investor Relations in Taiwan" in <i>Corporate Governance Asia's</i> first Asian Excellence Recognition Awards.
January	2011	Ranked No.1 in <i>Euromoney's</i> survey of "Best Corporate Governance in Taiwan" – the fourth time the Company received such recognition.