

PHS Services in Taiwan

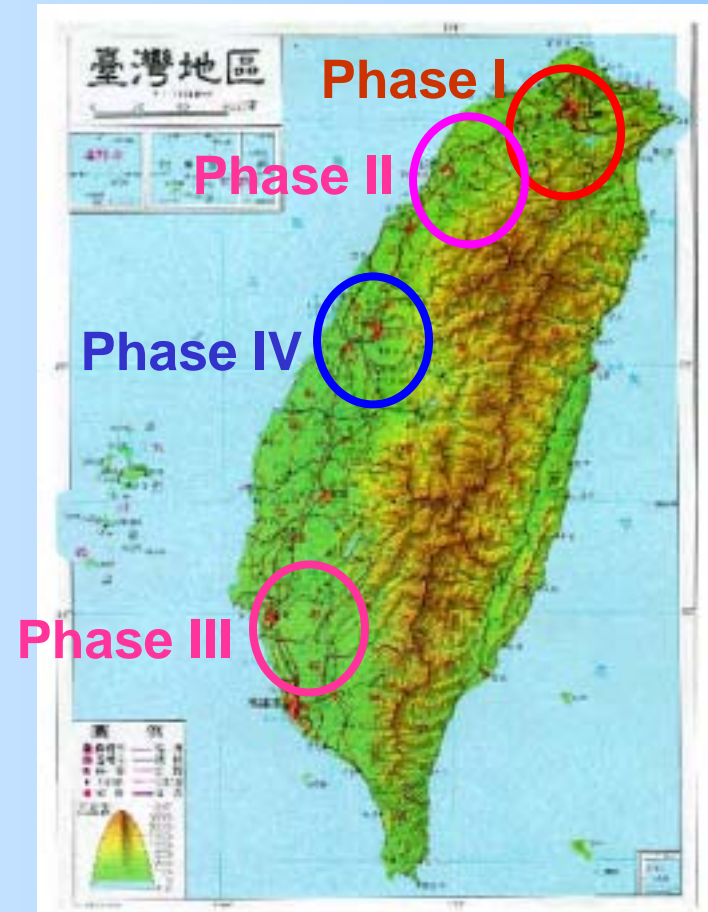
Hann-Bin Chuang

First International Telecom

March 18, 2003

- Apr 1997 Company established
- Jun 2001 PHS service launched in greater Taipei
- Nov 2001 First 100K PHS subs
- Jan 2002 PHS service expanded to TaoYuan & HsinChu
- Feb 2002 200K PHS subs, first color handset launched
- May 2002 Japan Roaming service launched
- Jun 2002 300K PHS subs
- Dec 2002 500K PHS subs

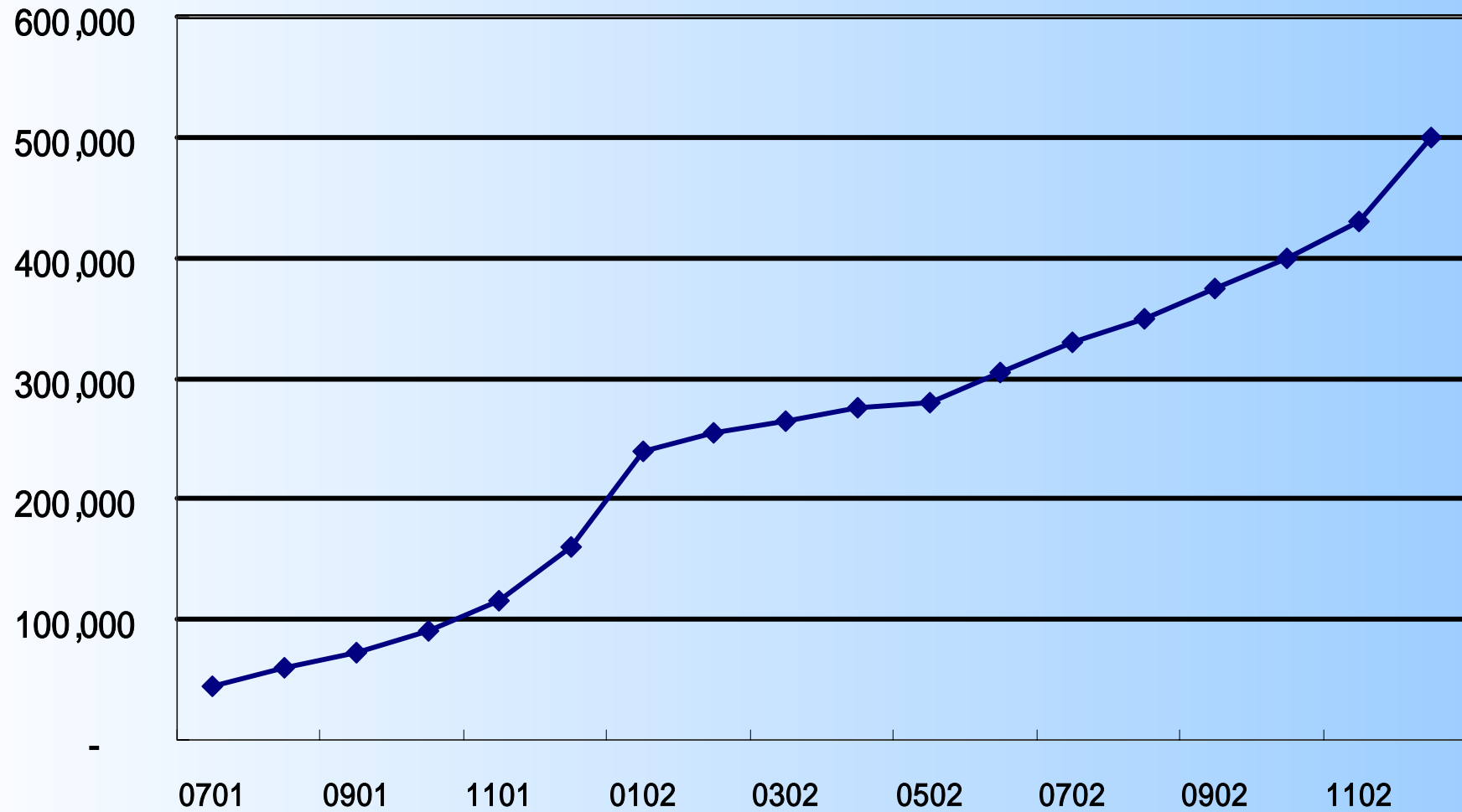
- Phase I (9/00 - 5/01)
 - Greater Taipei
- Phase II (6/01 - 12/02)
 - Optimization for Taipei area
 - HsinChu and TaoYuan
- Phase III (1/03 - 6/04)
 - Optimization for Phase II
 - KaoShiung
- Phase IV
 - Island wide optimization
 - TaiChung



- Basic and value-added voice services
- International Roaming Service in Japan
- Mobile Data Services
 - **SMS** (Short Message Service)
 - **MiMi** (Mobile Information Mobile Internet)
 - E-mail
 - Air-Info
 - **WiWi** (Wireless Information Wireless Internet)
 - Notebook/PDA64k high speed Internet access
 - **Location based services**
 - LTS
 - LDS
- Enterprise VPN application

- First Taiwan -> Japan mobile roaming service
- Provide basic voice and internet access services
- Using the same handset
- Circuit mode operation
- Two numbers operation (+886-968 and +81-70)

Subscriber Growth



Highlights of PHS in Taiwan



- First multi-media color content system in Taiwan
- No. 1 in mobile data service in Taiwan (over 300,000 users, 60% of total user, for GSM < 4%)
- Only system to provide total mobile internet solution
- Only system to provide Japan roaming
- No.1 in mobile data revenue (close to 20% traffic percentage with total revenue of 10%)

- 750K subscribers by the end of 2003
- Annual sales: NT\$ 6.5 billions
- PHS/GSM dual mode handset
- More advanced color handsets
- Service expansion to KaoHsiung
- DDI-P users to roam in Taiwan
- 128K packet data service