

**Taiwan Mobile Co., Ltd. and Subsidiaries**  
**Consolidated Financial Statements for the**  
**Years Ended December 31, 2012 and 2011, and**  
**Independent Auditors' Report**

## INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
Taiwan Mobile Co., Ltd.

We have audited the accompanying consolidated balance sheets of Taiwan Mobile Co., Ltd. and subsidiaries as of December 31, 2012 and 2011, and the related consolidated statements of income, changes in shareholders' equity and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the Rules Governing the Audit of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Those rules and standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Taiwan Mobile Co., Ltd. and subsidiaries as of December 31, 2012 and 2011, and the consolidated results of their operations and their consolidated cash flows for the years then ended, in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and accounting principles generally accepted in the Republic of China.

KPMG  
Taipei, Taiwan (the Republic of China)  
January 31, 2013

### Notice to Readers

The accompanying consolidated financial statements are intended only to present the financial position, results of operations, and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2012 AND 2011**  
(In Thousands of New Taiwan Dollars, Except Par Value)

ASSETS	2012		2011		LIABILITIES AND SHAREHOLDERS' EQUITY	2012		2011	
	Amount	%	Amount	%		Amount	%	Amount	%
<b>CURRENT ASSETS</b>					<b>CURRENT LIABILITIES</b>				
Cash and cash equivalents (Notes 2, 4(a), 4(s) and 5)	\$ 7,223,640	8	6,693,992	8	Short-term borrowings (Notes 4(k) and 4(s))	\$ 3,158,440	4	9,000,000	10
Financial assets at fair value through profit or loss – current (Notes 2, 4(b) and 4(s))	-	-	60,186	-	Short-term notes and bills payable (Notes 4(l) and 4(s))	-	-	899,273	1
Available-for-sale financial assets – current (Notes 2, 4(c) and 4(s))	205,397	-	217,351	-	Notes payable (Note 4(s))	360,669	-	641,166	1
Notes receivable (Note 4(s))	42,710	-	23,423	-	Accounts payable (Note 4(s))	7,354,917	8	5,703,992	6
Accounts receivable, net (Notes 2, 4(d) and 4(s))	7,947,448	9	7,675,936	9	Accounts payable – related parties (Notes 4(s) and 5)	64,377	-	-	-
Accounts receivable – related parties (Notes 2, 4(s) and 5)	66,570	-	124,601	-	Income taxes payable (Notes 2, 4(q) and 4(s))	1,523,604	2	1,331,623	1
Other receivables (Notes 4(s) and 5)	331,767	-	235,044	-	Accrued expenses (Notes 2, 4(p) and 4(s))	6,281,866	7	6,131,719	7
Inventories (Notes 2 and 4(e))	2,627,754	3	2,070,536	2	Other payables (Notes 2 and 4(s))	3,063,441	3	3,594,997	4
Prepayments (Note 5)	1,120,289	1	877,470	1	Current portion of long-term liabilities (Notes 4(n) and 4(s))	4,000,000	4	4,000,000	4
Deferred income tax assets – current (Notes 2 and 4(q))	46,640	-	28,391	-	Advance receipts (Note 4(m))	3,973,266	4	4,028,165	4
Restricted assets (Notes 4(s), 5, 6 and 7)	406,030	1	73,062	-	Deferred income tax liability – current (Note 4(q))	94	-	193	-
Other current assets	78,941	-	46,041	-	Other current liabilities	968,832	1	774,831	1
<b>Total current assets</b>	<b>20,097,186</b>	<b>22</b>	<b>18,126,033</b>	<b>20</b>	<b>Total current liabilities</b>	<b>30,749,506</b>	<b>33</b>	<b>36,105,959</b>	<b>39</b>
<b>INVESTMENTS</b>					<b>LONG-TERM LIABILITIES</b>				
Investments accounted for using the equity method (Notes 2 and 4(f))	1,248,562	1	562,812	1	Bonds payable (Notes 4(n) and 4(s))	8,995,180	10	4,000,000	4
Financial assets carried at cost – non-current (Notes 2, 4(g) and 4(s))	1,093,791	1	1,098,739	1	<b>OTHER LIABILITIES</b>				
Bonds measured at amortized cost – non-current (Notes 2, 4(h) and 4(s))	500,000	1	500,000	-	Guarantee deposits (Note 4(s))	810,436	1	738,932	1
<b>Total investments</b>	<b>2,842,353</b>	<b>3</b>	<b>2,161,551</b>	<b>2</b>	Deferred income tax liability – non-current (Notes 2 and 4(q))	239,163	-	195,847	-
<b>PROPERTY AND EQUIPMENT (Notes 2 and 4(i))</b>					Others (Note 2)	774,939	1	689,745	1
Cost					<b>Total other liabilities</b>	<b>1,824,538</b>	<b>2</b>	<b>1,624,524</b>	<b>2</b>
Land	6,637,179	7	6,358,920	7	<b>Total liabilities</b>	<b>41,569,224</b>	<b>45</b>	<b>41,730,483</b>	<b>45</b>
Buildings	4,138,060	5	4,095,308	4	<b>SHAREHOLDERS' EQUITY (Notes 2 and 4(p))</b>				
Telecommunication equipment	69,660,556	76	65,987,074	72	Parent's shareholders' equity				
Office equipment	141,867	-	142,497	-	Capital stock – NTS10 par value	34,208,328	37	34,208,328	38
Leased assets	1,285,920	1	1,285,920	2	Authorized:6,000,000 thousand shares ;				
Miscellaneous equipment	2,959,872	3	2,552,662	3	Issued:3,420,833 thousand shares				
	84,823,454	92	80,422,381	88	Capital surplus				
Less accumulated depreciation	(48,793,438)	(53)	(42,293,583)	(46)	From convertible bonds	8,775,819	10	8,775,819	10
Less accumulated impairment – property	(110,482)	-	(110,482)	-	From treasury stock transactions	3,639,302	4	3,639,302	4
Construction in progress and prepayments for equipment	3,914,647	4	2,783,131	3	From long-term investments	4,485	-	4,485	-
<b>Net property and equipment</b>	<b>39,834,181</b>	<b>43</b>	<b>40,801,447</b>	<b>45</b>	Others	12,840	-	12,840	-
<b>INTANGIBLE ASSETS (Note 2)</b>					Retained earnings				
Trademarks (Note 4(j))	2,516,890	3	2,516,674	3	Legal reserve	18,061,894	20	16,715,018	18
3G concession license	4,486,254	5	5,233,964	6	Special reserve	-	-	821,741	1
Computer software cost	537,303	1	587,814	-	Unappropriated earnings	16,021,036	17	15,735,518	17
Goodwill (Note 4(j))	15,844,964	17	15,846,068	17	Other equity				
Customer relationship (Note 4(j))	1,988,999	2	2,168,107	2	Cumulative translation adjustments	2,115	-	17,612	-
Operating rights (Note 4(j))	1,382,000	1	1,382,000	2	Net loss not recognized as pension cost	(24,050)	-	(16,775)	-
Other intangible assets	24,614	-	26,047	-	Unrealized gains on financial instruments	99,351	-	111,306	-
<b>Total intangible assets</b>	<b>26,781,024</b>	<b>29</b>	<b>27,760,674</b>	<b>30</b>	Treasury stock	(31,077,183)	(34)	(31,077,183)	(34)
<b>OTHER ASSETS</b>						49,723,937	54	48,948,011	54
Assets leased to others (Note 2)	299,991	-	302,799	-	Minority interest	1,081,883	1	1,115,874	1
Idle assets (Note 2)	99,685	-	99,813	-	<b>Total shareholders' equity</b>	<b>50,805,820</b>	<b>55</b>	<b>50,063,885</b>	<b>55</b>
Refundable deposits (Notes 4(s) and 5)	574,301	1	516,978	-					
Deferred charges (Note 2)	666,741	1	596,245	1					
Deferred income tax assets – non-current (Notes 2 and 4(q))	496,957	-	743,916	1					
Others (Notes 2, 4(m), 4(o), 4(s), 5, and 6)	682,625	1	684,912	1					
<b>Total other assets</b>	<b>2,820,300</b>	<b>3</b>	<b>2,944,663</b>	<b>3</b>					
<b>TOTAL</b>	<b>\$ 92,375,044</b>	<b>100</b>	<b>91,794,368</b>	<b>100</b>	<b>TOTAL</b>	<b>\$ 92,375,044</b>	<b>100</b>	<b>91,794,368</b>	<b>100</b>

The accompanying notes are an integral part of the consolidated financial statements.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**YEARS ENDED DECEMBER 31, 2012 AND 2011**  
**(In Thousands of New Taiwan Dollars, Except Earnings Per Share)**

	<u>2012</u>		<u>2011</u>	
	Amount	%	Amount	%
<b>OPERATING REVENUES (Notes 2 and 5)</b>	\$ 98,140,954	100	81,369,183	100
<b>OPERATING COSTS (Notes 2, 5, and 11)</b>	<u>62,733,818</u>	64	<u>48,641,510</u>	60
<b>GROSS PROFIT</b>	<u>35,407,136</u>	36	<u>32,727,673</u>	40
<b>OPERATING EXPENSES (Notes 2, 5, and 11)</b>				
Marketing	12,434,471	13	10,802,385	13
Administrative	<u>4,792,207</u>	5	<u>4,335,483</u>	5
<b>Total operating expenses</b>	<u>17,226,678</u>	18	<u>15,137,868</u>	18
<b>OPERATING INCOME</b>	<u>18,180,458</u>	18	<u>17,589,805</u>	22
<b>NON-OPERATING INCOME AND GAINS</b>				
Income from penalty charge	640,822	1	387,128	1
Interest income	55,503	-	99,460	-
Rental income (Notes 2 and 5)	33,825	-	45,210	-
Dividend income (Note 2)	19,888	-	19,114	-
Gain on disposal of property and equipment (Note 2)	3,796	-	1,435	-
Others	<u>87,276</u>	-	<u>120,529</u>	-
<b>Total non-operating income and gains</b>	<u>841,110</u>	1	<u>672,876</u>	1
<b>NON-OPERATING EXPENSES AND LOSSES</b>				
Loss on disposal and retirement of property and equipment (Note 2)	591,714	1	441,413	1
Interest expenses (Notes 2 and 4(i))	328,162	-	240,835	-
Investment loss recognized under the equity method (Notes 2 and 4(f))	10,502	-	24,790	-
Financial charges	10,333	-	12,268	-
Impairment loss (Notes 2 and 4(g))	1,948	-	1,209,970	2
Others	<u>107,487</u>	-	<u>204,836</u>	-
<b>Total non-operating expenses and losses</b>	<u>1,050,146</u>	1	<u>2,134,112</u>	3
<b>INCOME BEFORE INCOME TAX</b>	17,971,422	18	16,128,569	20
<b>INCOME TAX EXPENSES (Notes 2 and 4(q))</b>	<u>3,055,140</u>	3	<u>2,502,389</u>	3
<b>CONSOLIDATED NET INCOME</b>	<u>\$ 14,916,282</u>	<u>15</u>	<u>13,626,180</u>	<u>17</u>
<b>ATTRIBUTED TO</b>				
Shareholders of the parent	\$ 14,691,605	15	13,468,763	17
Minority interest	<u>224,677</u>	-	<u>157,417</u>	-
	<u>\$ 14,916,282</u>	<u>15</u>	<u>13,626,180</u>	<u>17</u>
	<b>Before</b>	<b>After</b>	<b>Before</b>	<b>After</b>
	<b>Income Tax</b>	<b>Income Tax</b>	<b>Income Tax</b>	<b>Income Tax</b>
<b>EARNINGS PER SHARE (Note 4(r))</b>				
Basic	<u>\$ 6.09</u>	<u>5.46</u>	<u>5.18</u>	<u>4.70</u>
Diluted	<u>\$ 6.08</u>	<u>5.45</u>	<u>5.17</u>	<u>4.69</u>

The accompanying notes are an integral part of the consolidated financial statements.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**YEARS ENDED DECEMBER 31, 2012 AND 2011**  
(In Thousands of New Taiwan Dollars, Except Per Share Amounts)

	Retained earnings						Other equity					Total Shareholders' Equity
	Capital Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated	Total	Cumulative Translation Adjustments	Net Loss Not Recognized as Pension Cost	Unrealized Gains (Losses) on Financial Instruments	Treasury Stock	Minority Interest	
<b>BALANCE, JANUARY 1, 2011</b>	\$ 38,009,254	12,432,489	15,332,799	821,741	16,088,941	32,243,481	(5,716)	(10,695)	89,842	(31,889,100)	29,863	50,899,418
Appropriation of the 2010 earnings												
Legal reserve	-	-	1,382,219	-	(1,382,219)	-	-	-	-	-	-	-
Cash dividends – NT\$4.1619 per share	-	-	-	-	(12,439,967)	(12,439,967)	-	-	-	-	-	(12,439,967)
<b>Balance after appropriation</b>	38,009,254	12,432,489	16,715,018	821,741	2,266,755	19,803,514	(5,716)	(10,695)	89,842	(31,889,100)	29,863	38,459,451
Consolidated net income in 2011	-	-	-	-	13,468,763	13,468,763	-	-	-	-	157,417	13,626,180
Capital reduction	(3,800,926)	-	-	-	-	-	-	-	-	-	-	(3,800,926)
Adjustment of stock held by subsidiaries	-	-	-	-	-	-	-	-	-	811,917	-	811,917
Unrealized gains on financial instruments, net	-	-	-	-	-	-	-	21,464	-	-	-	21,464
Adjustments on change of equity in equity-method investments	-	(43)	-	-	-	-	23,328	(6,080)	-	-	-	17,205
Cash dividends paid to minority interests by subsidiaries	-	-	-	-	-	-	-	-	-	-	(599)	(599)
Control effect of the acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	926,756	926,756
Increase in minority interest	-	-	-	-	-	-	-	-	-	-	2,437	2,437
<b>BALANCE, DECEMBER 31, 2011</b>	34,208,328	12,432,446	16,715,018	821,741	15,735,518	33,272,277	17,612	(16,775)	111,306	(31,077,183)	1,115,874	50,063,885
Appropriation of the 2011 earnings												
Legal reserve	-	-	1,346,876	-	(1,346,876)	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(821,741)	821,741	-	-	-	-	-	-	-
Cash dividends – NT\$5.16 per share	-	-	-	-	(13,880,952)	(13,880,952)	-	-	-	-	-	(13,880,952)
<b>Balance after appropriation</b>	34,208,328	12,432,446	18,061,894	-	1,329,431	19,391,325	17,612	(16,775)	111,306	(31,077,183)	1,115,874	36,182,933
Consolidated net income in 2012	-	-	-	-	14,691,605	14,691,605	-	-	-	-	224,677	14,916,282
Unrealized losses on financial instruments, net	-	-	-	-	-	-	-	(11,955)	-	-	-	(11,955)
Adjustments on change of equity in equity-method investments	-	-	-	-	-	-	(15,497)	(7,275)	-	-	-	(22,772)
Cash dividends paid to minority interests by subsidiaries	-	-	-	-	-	-	-	-	-	-	(252,763)	(252,763)
Decrease in minority interest	-	-	-	-	-	-	-	-	-	-	(5,905)	(5,905)
<b>BALANCE, DECEMBER 31, 2012</b>	<u>\$ 34,208,328</u>	<u>12,432,446</u>	<u>18,061,894</u>	<u>-</u>	<u>16,021,036</u>	<u>34,082,930</u>	<u>2,115</u>	<u>(24,050)</u>	<u>99,351</u>	<u>(31,077,183)</u>	<u>1,081,883</u>	<u>50,805,820</u>

Note 1: The remuneration to directors of \$37,306 thousand and the bonus to employees of \$373,059 thousand have been expensed and deducted from 2010 earnings.

Note 2: The remuneration to directors of \$36,284 thousand and the bonus to employees of \$362,844 thousand have been expensed and deducted from 2011 earnings.

**The accompanying notes are an integral part of the consolidated financial statements.**

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2012 AND 2011**  
**(In Thousands of New Taiwan Dollars)**

	<b>2012</b>	<b>2011</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Consolidated net income	\$ 14,916,282	13,626,180
<b>Adjustments to reconcile net income to net cash provided by operating activities:</b>		
Depreciation	8,068,925	7,882,122
Amortization	1,679,114	1,614,705
Loss on disposal and retirement of property and equipment, net	587,918	439,978
Deferred income taxes	271,927	436,627
Bad debts	264,054	141,254
Provision of allowance for loss on inventories	42,532	44,292
Pension cost	(16,464)	(6,616)
Investment loss recognized under equity method	10,502	24,790
Impairment loss	1,948	1,209,970
Amortization of bond issuance costs	63	-
Others	(8,540)	6,242
<b>Changes in operating assets and liabilities</b>		
Financial assets at fair value through profit or loss	60,186	399,931
Notes receivable	(19,287)	22,075
Accounts receivable, net	(596,481)	(1,102,338)
Accounts receivable – related parties	58,031	8,041
Other receivables	(37,411)	292,559
Long-term capital lease receivables	30,533	27,866
Inventories	(599,750)	(602,199)
Prepayments	(239,722)	463,364
Other current assets	(32,900)	51,892
Notes payable	(280,497)	326,327
Accounts payable	1,650,925	306,343
Accounts payable – related parties	64,377	-
Income taxes payable	191,981	(135,592)
Accrued expenses	150,147	413,098
Other payables	(479,901)	(1,305,821)
Advance receipts	(54,899)	570,814
Other current liabilities	194,001	82,129
Other liabilities	(19,211)	9,516
<b>Net cash provided by operating activities</b>	<b>25,858,383</b>	<b>25,247,549</b>

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**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)**  
**YEARS ENDED DECEMBER 31, 2012 AND 2011**  
**(In Thousands of New Taiwan Dollars)**

	<u>2012</u>	<u>2011</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(7,641,770)	(6,207,386)
Increase in long-term investments accounted for using the equity method	(696,450)	(199,600)
Increase in deferred charges	(479,677)	(352,819)
Increase in pledged time deposits	(357,679)	(3,363)
Increase in computer software costs and other intangible assets	(288,851)	(244,831)
Increase in refundable deposits	(57,323)	(19,517)
Proceeds from disposal of property and equipment	6,679	2,622
Decrease (increase) in other assets	5,005	(8,529)
Proceeds from capital reduction of financial assets carried at cost	3,000	-
Proceeds from capital reduction of available-for-sale financial assets	-	5,435
Acquisition of subsidiaries	-	(8,414,168)
<b>Net cash used in investing activities</b>	<u>(9,507,066)</u>	<u>(15,442,156)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash dividends paid	(13,880,940)	(12,439,928)
Proceeds from issuance of bonds	8,995,117	-
(Decrease) increase in short-term borrowings	(5,841,560)	5,797,000
Repayments of bonds	(4,000,000)	-
(Decrease) increase in short-term notes and bills payable	(899,273)	399,541
Cash dividends paid to minority interest	(252,763)	(599)
Increase in guarantee deposits	71,504	41,540
Decrease in long-term borrowings	-	(4,966,667)
Capital reduction	-	(2,988,378)
Increase in long-term borrowings	-	2,666,667
Employee stock option issued by subsidiaries	-	8,300
<b>Net cash used in financing activities</b>	<u>(15,807,915)</u>	<u>(11,482,524)</u>
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	<u>(13,754)</u>	<u>35,963</u>
<b>ACQUISITION OF CASH AND CASH EQUIVALENT FOR SUBSIDIARIES</b>	<u>-</u>	<u>2,285,830</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>529,648</u>	<u>644,662</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>6,693,992</u>	<u>6,049,330</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><u>\$ 7,223,640</u></u>	<u><u>6,693,992</u></u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Interest paid	\$ 324,914	369,262
Less interest capitalized	<u>14,267</u>	<u>10,244</u>
Interest paid – excluding interest capitalized	<u>\$ 310,647</u>	<u>359,018</u>
Income tax paid	<u>\$ 2,980,093</u>	<u>3,370,526</u>
<b>CASH AND NON-CASH INVESTING AND FINANCING ACTIVITIES</b>		
Acquisition of property and equipment	\$ 7,700,772	5,764,963
Decrease in other payables	45,403	530,296
Increase in other liabilities – other	<u>(104,405)</u>	<u>(87,873)</u>
Cash paid for acquisition of property and equipment	<u><u>\$ 7,641,770</u></u>	<u><u>6,207,386</u></u>

The accompanying notes are an integral part of the consolidated financial statements.

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**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)**  
**YEARS ENDED DECEMBER 31, 2012 AND 2011**  
**(In Thousands of New Taiwan Dollars)**

Wealth Media Technology Co., Ltd., the subsidiary of Taiwan Mobile Co., Ltd. (the Corporation), acquired 51% of Fubon Multimedia Technology Co., Ltd.'s shares on July 13, 2011. The fair values of the assets and liabilities upon acquisition were as follows:

Cash	\$ 2,285,830
Financial assets at fair value through profit or loss – current	460,117
Receivables	275,190
Inventories	380,956
Prepayments	666,379
Other current assets	183,684
Property and equipment	464,111
Intangible assets	4,923,979
Other assets	<u>114,421</u>
	<u>9,754,667</u>
Payables	2,446,781
Advance receipts	86,463
Other current liabilities	334,397
Long-term liabilities	7,384
Other liabilities	<u>192,132</u>
	<u>3,067,157</u>
Net	6,687,510
Minority interest	<u>(82,837)</u>
	6,604,673
Percentage of equity interest	<u>51%</u>
	3,368,383
Add: Goodwill	<u>4,979,566</u>
Cash paid for acquisition of Fubon Multimedia Technology Co., Ltd.	<u><u>\$ 8,347,949</u></u>

**The accompanying notes are an integral part of the consolidated financial statements.**

(Continued)



**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)**  
**YEARS ENDED DECEMBER 31, 2012 AND 2011**  
**(In Thousands of New Taiwan Dollars)**

TFN Media Co., Ltd., the Corporation's subsidiary, acquired 45.012% of Taiwan Kuro Times Co., Ltd.'s shares on August 12, 2011. The fair values of the assets and liabilities upon acquisition were as follows:

Cash	\$ 18,584
Receivables	45,597
Prepayments	5,894
Other current assets	1,217
Property and equipment	2,823
Intangible assets	39,922
Other assets	<u>1,528</u>
	<u>115,565</u>
Short-term borrowings	8,000
Payables	66,828
Advance receipts	3,450
Other current liabilities	<u>3,281</u>
	<u>81,559</u>
Net	34,006
Percentage of equity interest	<u>45.012%</u>
	15,307
Add: Goodwill	<u>50,693</u>
Cash paid for acquisition of Taiwan Kuro Times Co., Ltd.	<u><u>\$ 66,000</u></u>

**The accompanying notes are an integral part of the consolidated financial statements.**

(Concluded)

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2012 AND 2011**  
**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

**1. ORGANIZATION AND OPERATIONS**

Taiwan Mobile Co., Ltd. (the Corporation) was incorporated in the Republic of China (ROC) on February 25, 1997. The Corporation's shares began to be traded on the ROC Over-the-Counter Securities Exchange (known as the GreTai Securities Market) on September 19, 2000. On August 26, 2002, the Corporation's shares were listed on the Taiwan Stock Exchange. The Corporation mainly renders wireless communication services.

The Corporation's services are under the type I license issued by the Directorate General of Telecommunications (DGT) of the ROC. The license allows the Corporation to provide services for 15 years from 1997 onwards. The license had been renewed and its expiry date had been extended to June 2017 by the National Communications Commission (NCC) on November 14, 2012. It also entails the payment of an annual license fee consisting of 2% of the second generation (2G) wireless communication service revenues. On March 24, 2005, the Corporation received the third generation (3G) concession operation license issued by the DGT. The 3G license allows the Corporation to provide services from the issuance date of the license to December 31, 2018.

As of December 31, 2012 and 2011, the Corporation and subsidiaries (hereinafter referred to as the "Group") had 6,529 and 6,055 employees, respectively.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The consolidated financial statements were compiled in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and Republic of China generally accepted accounting principles. In conformity with the above, the Group is required to make certain estimates and assumptions that could affect the amounts of allowance for doubtful accounts, provision for losses on decline in value of inventories, depreciation, pension, allowance for deferred income tax assets, bonus to employees, remuneration to directors, impairment loss on assets, etc. Actual results may differ from these estimates.

The consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language financial statements, the Chinese version shall prevail.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**Consolidation**

a. Basis of consolidation

The consolidated financial statements have been prepared in accordance with Statement of Financial Accounting Standards (SFAS) No. 7 “ Consolidated Financial Statements” and include the financial statements of the Corporation, its direct and indirect subsidiaries with at least 50% shareholding, and other investees controlled by the Corporation. If the Corporation obtains the majority of the shareholders’ equity of a subsidiary during the year, the Corporation starts to consolidate the related revenues and expenses of the subsidiary from the date of obtaining the controlling interest.

For foreign subsidiaries using their local currency as their functional currency, assets and liabilities are translated at exchange rates in effect on the balance sheet date; shareholders’ equity accounts are translated using historical exchange rates, and income statement accounts are translated using average exchange rates during the period.

All significant intercompany balances and transactions have been eliminated upon consolidation.

b. Under the above basis of consolidation, the consolidated entities were as follows:

<u>Investor</u>	<u>Subsidiary</u>	<u>Main Business and Products</u>	<u>Percentage of Direct Ownership as of December 31</u>		<u>Note</u>
			<u>2012</u>	<u>2011</u>	
Corporation	Wealth Media Technology Co., Ltd. (WMT)	Investment	100.00	100.00	-
WMT	Taiwan Win TV Broadcasting Co., Ltd. (TWTV)	Entertainment	-	100.00	TWTV is dissolved which was merged by WMT on March 1, 2012.
WMT	Fubon Multimedia Technology Co., Ltd. (FMT)	Wholesale and retail sales via traditional and online shopping channels	50.6358	50.6358	WMT acquired more than 50% equity and consolidated FMT and its subsidiaries into financial statements since July 13, 2011.
FMT	Fu Sheng Travel Service Co., Ltd. (FST)	Travel agent	100.00	100.00	-
FMT	Fuli Life Insurance Agent Co., Ltd. (FLI)	Life insurance agent	100.00	100.00	-
FMT	Fuli Property Insurance Agent Co.,Ltd. (FPI)	Property insurance agent	100.00	100.00	-
FMT	Asian Crown International Co., Ltd (Asian Crown (BVI))	Investment	100.00	100.00	-
Asia Crown (BVI)	Fortune Kingdom Corporation (Fortune Kingdom)	Investment	100.00	100.00	-
Fortune Kingdom	Hong Kong Fubon Multimedia Technology Co., Ltd. (HK Fubon Multimedia)	Investment	100.00	100.00	-
HK Fubon Multimedia	Fubon Gehua (Beijing) Enterprise Ltd. (FGE)	Wholesale and retail sales	80.00	80.00	-

(Continued)

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

<b>Investor</b>	<b>Subsidiary</b>	<b>Main Business and Products</b>	<b>Percentage of Direct Ownership as of December 31</b>		<b>Note</b>
			<b>2012</b>	<b>2011</b>	
WMT	Tai Fu Media Technology Co., Ltd. (TFMT)	Investment	-	100.00	TFMT is dissolved which was merged by WMT on March 1, 2012.
WMT	Global Wealth Media Technology Co., Ltd. (GWMT)	Investment	100.00	100.00	(Note 1)
GWMT	Globalview Cable TV Co., Ltd. (GCTV)	Cable TV service provider	6.831	6.831	-
WMT	Fu Jia Leh Media Technology Co., Ltd. (FJLMT)	Investment	-	100.00	(Note 1 and FJLMT is dissolved which was merged by TFNM on March 2, 2012.)
WMT	Fu Sin Media Technology Co., Ltd. (FSMT)	Investment	-	100.00	(Note 1 and FSMT is dissolved which was merged by TFNM on March 2, 2012.)
WMT	Global Forest Media Technology Co., Ltd. (GFMT)	Investment	100.00	100.00	(Note 1)
GFMT	Union Cable TV Co., Ltd. (UCTV)	Cable TV service provider	0.7628	0.7628	-
WMT	Win TV Broadcasting Co., Ltd. (WTVB)	TV program provider	100.00	100.00	(Note 2)
WMT	TFNM Media Co., Ltd. (TFNM)	Cable broadband and value-added services provider	100.00	100.00	(Note 2)
TFNM	UCTV	Cable TV service provider	99.2243	99.2243	-
TFNM	Yeong Jia Leh Cable TV Co., Ltd. (YJCTV)	Cable TV service provider	100.00	100.00	-
TFNM	Mangrove Cable TV Co., Ltd. (MCTV)	Cable TV service provider	29.53	29.53	Another 70.47% shares were held under trustee accounts
TFNM	Phoenix Cable TV Co., Ltd. (PCTV)	Cable TV service provider	100.00	100.00	(Note 3)
TFNM	GCTV	Cable TV service provider	92.38	92.38	-
TFNM	Taiwan Kuro Times Co., Ltd. (TKT)	Online music platform	100.00	100.00	-
TKT Corporation	ezPeer Multimedia Ltd. (ezPeer Samoa)	Investment	100.00	100.00	-
Corporation	Taiwan Cellular Co., Ltd. (TCC)	Investment	100.00	100.00	-
TCC	Taiwan Fixed Network Co., Ltd. (TFN)	Fixed-line service provider	100.00	100.00	-
TFN	TFN HK Ltd.	Telecommunications service provider	100.00	100.00	-
TFN	TFN Union Investment Co., Ltd. (TUI)	Investment	100.00	100.00	-
TCC	Taiwan Digital Communications Co., Ltd. (TDC)	TV program production and mobile phones wholesale	100.00	100.00	-
TCC	TCC Investment Co., Ltd. (TCCI)	Investment	100.00	100.00	TCCI, TID and TUI collectively owned 730,726 thousand shares of the Corporation representing 21.36% of total outstanding shares as of December 31, 2012.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

<b>Investor</b>	<b>Subsidiary</b>	<b>Main Business and Products</b>	<b>Percentage of Direct Ownership as of December 31</b>		<b>Note</b>
			<b>2012</b>	<b>2011</b>	
TCCI	TCCI Investment & Development Co., Ltd. (TID)	Investment	100.00	100.00	-
TCC	TWM Holding Co., Ltd. (TWM Holding)	Investment	100.00	100.00	-
TWM Holding	TWM Communications (Beijing) Co., Ltd. (TWMC)	Mobile application development and design	100.00	100.00	-
TCC	Taiwan Teleservices & Technologies Co., Ltd. (TT&T)	Call center service and telephone marketing	100.00	100.00	-
TT&T	Taiwan Super Basketball Co., Ltd. (TSB)	Basketball team management	100.00	100.00	-
TT&T	TT&T Holdings Co., Ltd. (TT&T Holdings)	Investment	100.00	100.00	-
TT&T Holdings	Xiamen Taifu Teleservices & Technologies Co., Ltd.	System integration, management, analysis and development of CRM application and information consulting services	100.00	100.00	-

Note 1: Became a subsidiary of WMT which merged TFMT on March 1, 2012.

Note 2: Became a subsidiary of WMT due to the spin-off of WTVB and TFNM into TFMT from TCCI on February 8, 2012. Then, TFMT was merged by WMT on March 1, 2012.

Note 3: Fu Sin Media Technology Co., Ltd. originally owned 3.34% of the shares of Phoenix Cable TV Co., Ltd. Then, Fu Sin Media Technology Co., Ltd was merged by TFNM on March 2, 2012 which subscribed all the shares.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

The Group's significant accounting policies are summarized as follows:

**Classification of Current and Non-current Assets and Liabilities**

Current assets include cash and cash equivalents, assets held for trading, and those expected to be converted to cash, sold or consumed within twelve months from the balance sheet date. Other assets such as property and equipment and intangible assets and other assets, which do not belong to current assets, are classified as non-current. Current liabilities are obligations held for trading and those expected to be due within twelve months from the balance sheet date. All other liabilities are classified as non-current.

**Cash Equivalents**

Government bonds and short-term bills acquired with repurchase rights and having maturities of up to three months from the date of purchase are classified as cash equivalents, whose carrying value approximates fair value.

**Financial Assets at Fair Value through Profit or Loss**

Financial instruments at fair value through profit or loss include financial assets or liabilities held for trading and those designated on initial recognition to be measured at fair value with fair value changes recognized in profit or loss. On initial recognition, the financial assets are recognized at fair value plus transaction costs and are subsequently measured at fair value with fair value changes recognized in profit or loss. The purchase or sale of the financial assets is recognized and derecognized using trade-date accounting.

The fair value of open-end mutual funds is based on the net asset value on the balance sheet date.

**Available-for-sale Financial Assets**

On initial recognition, available-for-sale financial assets are recognized at fair value plus transaction costs. When subsequently measured at fair value, the fair value changes are recognized directly in equity. The cumulative gain or loss that was recognized in equity is recognized in profit or loss when an available-for-sale financial asset is derecognized from the balance sheet. The purchase or sale of the financial instruments is recognized and derecognized using trade-date accounting.

Cash dividends are recognized as dividend income on the ex-dividend date, but are accounted for as reductions of the original cost of investments if such dividends are declared on the earnings of investees attributable to periods prior to the purchase of investments. Stock dividends are not recognized as current income but are accounted for only as an increase in the number of shares held. The cost per share is re-calculated based on the new number of shares.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

An impairment loss is recognized if there is any objective evidence that a financial asset is impaired. If the amount of impairment loss decreases in the subsequent period, such decrease is recognized in equity.

The fair value of listed stocks is based on the closing price on the balance sheet date.

**Receivables**

The Group accesses evidence for impairment of receivables on an individual and collective basis. Accordingly, all individually significant receivables are assessed for specific impairment. The Group receivables that are not individually significant in accordance with credit risks and considers the historical trends of the probability of default, the timing of recoveries, and the amount of loss incurred to make the estimate of impairment.

**Inventories**

Inventories are recorded at the lower of weighted-average cost or net realizable value. When comparing cost and net realizable value, inventories are evaluated by individual item.

**Investments Accounted for Using the Equity Method**

Long-term investments in which the Group owns 20% or more of an investee's outstanding voting shares or exercises significant influence on an investee are accounted for under the equity method.

In accordance with Statement of Financial Accounting Standards (SFAS), the cost of acquisition is subjected to an initial analysis, and goodwill represents the excess of the cost of acquisition over the fair value of the identifiable net asset value. Goodwill is no longer amortized. If the fair value of identifiable net assets acquired exceeds the cost of investments, the excess should be assigned to non-current assets (except for financial assets not under the equity method, assets for disposal, deferred income tax assets, and prepaid pension costs or other retirement benefit costs). If these assets are all reduced to zero, the remaining excess should be recognized as extraordinary gain. Starting January 1, 2006, the unamortized balance of the excess of the acquisition cost of the long-term investment under the equity method over the equity in the investee's net asset value is no longer amortized, and this accounting treatment also applies to goodwill.

The cost and the resulting gain or loss on an investment sold are determined by the weighted-average-cost method.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**Financial Assets Carried at Cost**

If there is no active market for an equity instrument and a reliable fair value cannot be estimated, the equity instrument, including non-publicly traded and emerging stocks, etc., is measured at cost. The accounting for the dividends from financial assets carried at cost is the same as that for an available-for-sale financial asset. Impairment losses are recognized if a decrease in the fair value of the instruments can be objectively related to an event. Reversal of impairment losses is not allowed.

**Bonds Measured at Amortized Cost**

Bond portfolios with fixed or determinable payments and with no quoted prices in an active market are carried at amortized cost using the effective interest method. These bond portfolios are initially recognized at fair value plus transaction costs that are directly attributable to the acquisition or the issuance of the financial assets. Profit or loss is recognized at the time of derecognition, impairment or amortization. A regular purchase or sale of financial assets is recognized and de-recognized using trade-date accounting.

If there is any objective evidence of impairment loss as of the balance sheet date, impairment loss should be recognized. If the impairment loss decreases, and the decrease can be related objectively to an event occurring after impairment loss recognition, the impairment loss should be reversed. However, the increased carrying value of an asset due to impairment loss reversal should not exceed the carrying value that would have been determined (net of amortization) had no impairment loss been recognized for the asset in prior years.

**Property and Equipment, and Assets Leased to Others**

Property and equipment, and assets leased to others are stated at cost less accumulated depreciation and accumulated impairment. Significant additions, renewals, betterments and interest expenses incurred during the construction period are capitalized, while maintenance and repairs are expensed. Leased property and equipment from others covered by agreements qualifying as capital leases are carried at the lower of the present value of future minimum lease payments or the market value of the property on the starting dates of the leases.

For cost associated with dismantling and relocating fixed assets and restoring the leased premises housing fixed assets to the previous state should be recognized as an addition to the fixed assets and accrued as a potential liability accordingly.

Depreciation is calculated using the straight-line method over the estimated service lives, which range as follows: buildings – 20 to 55 years; telecommunication equipment – 2 to 15 years; office equipment – 3 to 8 years; leased assets – 20 years; and miscellaneous equipment – 2 to 9 years.



**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

Upon sale or retirement of property and equipment, the related cost and accumulated depreciation are removed from the accounts, and any gain or loss is credited or charged to non-operating gain or loss in the period of disposal.

**Accounting for Leases**

In accordance with SFAS No. 2 "Leases," a lease is identified as either an operating lease or a capital lease, based on the lease contract terms, the collectability of the rent, and the un-reimbursable costs to be incurred by the lessor.

The asset held under an operating lease is stated at cost and depreciated on a straight-line basis over the estimated useful life. Receivables collected are periodically recognized as rental income during the lease contract.

At the inception date of a capital lease, total rental receivables shall be recognized as all rental receivables plus the pre-determined bargain purchase price offered to the lessee upon maturity or estimated residual value. For a sales-type capital lease, sales revenue should be recognized as the sum of present values derived from all future rental receivables based on an implicit interest rate of the lease. The excess of total rental receivables over the present value of rental receivables should be deferred as unrealized interest income and amortized as interest income by the effective interest method upon each collection.

**Intangible Assets**

a. Franchise

Franchise refers to the payment for the 3G mobile telecommunication services – License C. The 3G concession is recorded at acquisition cost and is amortized by the straight-line method over 13 years and 9 months starting from the launch of 3G services.

b. Computer software

Computer software cost is amortized by the straight-line method over 3 to 10 years.

c. Goodwill

Goodwill is the unidentifiable difference between the cost of acquisition and the equity in the investee's net asset value. In accordance with the newly revised SFAS, goodwill is no longer amortized. Please refer to the accounting policy for investments accounted for by the equity method.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

d. Customer relationship, trademarks and operating rights

The customer relationship, trademarks and operating rights shall be identified when analyzing the excess of acquisition cost over the ownership in net asset value of an investee, and be booked at fair value provided by the purchase price allocation report.

Customer relationship, trademarks and operating rights are measured on the basis of the future economic value and the useful life of the subsidiaries' retailing channel, cable TV and data network businesses. Customer relationship is amortized by straight-line method over 6 to 20 years. Trademarks and operating rights are based on a license about trademark registration and cable TV. Although the license has a statutory period, the subsidiary can apply for license renewal. Therefore, it does not have a definite useful life in the light of future operation. Thus, this intangible asset should be tested annually for impairment instead of being amortized in accordance with SFAS No. 37 "Intangible Assets". An impairment test is also required if there is evidence of trademarks and operating rights impairment due to certain circumstances.

**Idle Assets**

Properties not currently used in operations are stated at the lower of book value or net realizable value, with the difference charged to current loss. Depreciation expense is computed using the straight-line method over the estimated useful lives of the assets.

**Deferred Charges**

Deferred charges, mainly interior decoration costs for offices and directly-managed stores and capitalization for significant repairs, are amortized by the straight-line method over 2 to 5 years.

**Asset Impairment**

If the carrying value of an asset (including property and equipment, intangible assets, idle assets, assets leased to others, investments accounted for using the equity method, and deferred charges) is more than its recoverable amount, which indicates that an impairment exists, an impairment loss should be recognized. Any subsequent reversal of the impairment loss for the increase in recoverable amount is recognized as income, nevertheless, the carrying value after the reversal shall not exceed the carrying value that would have been determined (net of depreciation) had no impairment loss been recognized for the asset in prior years. The reversal of impairment loss on goodwill is not allowed.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**Pension Costs**

The pension costs under the defined benefit pension plan are recognized on the basis of actuarial calculations. The contribution amounts of the pension costs under the defined contribution pension plan are recognized as current expenses during the employees' service years.

**Income Taxes**

The inter-period and intra-period allocation methods are used for income taxes. Deferred income tax assets and liabilities are recognized for the tax effects of temporary differences, unused tax credits, and net operating loss carryforwards. A valuation allowance is provided for deferred income tax assets to the extent that it is more likely than not such assets will not be realized. Deferred tax assets or liabilities are classified as current or non-current according to the classification of related assets or liabilities for financial reporting. However, if deferred tax assets or liabilities do not relate to assets or liabilities in the financial statements, they are classified as current or non-current on the basis of the expected length of time before being realized.

Tax credits for certain purchases of equipment and technology, research and development expenditures, and personnel training expenditures are recognized by the flow-through method.

Adjustments to prior years' tax liabilities are added to or deducted from the current year's tax expense.

Income tax of 10% on unappropriated earnings generated is provided for as income tax in the year when the shareholders resolve to retain the earnings.

**Treasury Stock**

The purchase of issued shares is accounted for by debiting treasury stock, which is a reduction of shareholders' equity. The Corporation's shares held by its subsidiaries are treated as treasury stock and reclassified from investments accounted for using the equity method to treasury stock.

If the proceeds on the disposal of treasury stock exceed the carrying value of treasury stock, the excess is credited to capital surplus from treasury stock. If the proceeds are less than the carrying value of treasury stock, the difference is debited to capital surplus from treasury stock. If the balance of capital surplus from treasury stock is not sufficient to absorb the difference, the rest is recorded as a reduction of retained earnings.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**Foreign-currency Transactions**

Assets, liabilities, revenues or expenses denominated in foreign currencies as a result of foreign-currency transactions involving non-derivative financial instruments are recorded in New Taiwan dollars at the exchange rates prevailing at the dates of transactions.

Monetary assets or liabilities denominated in foreign currencies are translated at the exchange rates prevailing on the balance sheet date, and the resulting exchange differences are included in profit or loss for the current period.

Non-monetary assets or liabilities carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date when the fair value was determined, and the resulting exchange differences are included in profit or loss for the current period except for the differences arising from the retranslation of non-monetary assets and liabilities in respect of which gains and losses are recognized directly in equity. For such non-monetary assets and liabilities, any exchange component of that gain or loss is also recognized directly in equity. Non-monetary assets or liabilities carried at cost that are denominated in foreign currencies are translated at the historical rates prevailing at the dates of transactions.

The above prevailing exchange rates are based on the average of bid and ask rates of major banks.

**Revenue Recognition**

Revenues are recognized when the service rendering process is completed or virtually completed, and earnings are realizable and measurable. Related costs of providing services are concurrently recognized as incurred.

Service revenues from wireless services, value-added services, and fixed network services, net of any applicable discount, are billed at predetermined rates; the fixed monthly fees on the basic cable TV services are accrued; prepaid card services are recognized on the basis of minutes of usage.

**Promotion Expenses**

Commissions and cellular phone subsidy costs pertaining to the Corporation's promotions are recognized as marketing expenses on an accrual basis in the current period.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**3. EFFECTS OF CHANGES IN ACCOUNTING PRINCIPLES**

Effective from January 1, 2011, the Group adopted SFAS No. 41 “Operating Segments.” In accordance with SFAS No. 41, an entity should disclose information to enable users of its financial statements to evaluate the nature and the financial effects of the business activities in which it engages and the economic environments in which it operates. The Group determines and presents operating segments based on the information that is internally provided to the chief operating decision maker. In addition, the segment information should be disclosed in the consolidated financial reports issued by the Corporation, but it does not need to be disclosed in individual financial reports. The Standard also supersedes SFAS No. 20 “Segment Reporting”. The information for the period ended December 31, 2011 has been recast to reflect the new segment reporting requirement. There was no impact on the profit or loss for the year ended December 31, 2011.

Effective from January 1, 2011, the Group adopted the third amended SFAS No. 34 “Financial Instruments: Recognition and Measurement”. In accordance with the revised SFAS No. 34, initial receivables are used in the recognition, valuation, and impairment of receivables. There was no impact on the profit or loss for the year ended December 31, 2011.

**4. SUMMARY OF MAJOR ACCOUNTS**

a. Cash and cash equivalents

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
Time deposits	\$ 3,368,975	2,831,445
Government bonds with repurchase rights	2,316,352	2,607,596
Cash in banks	1,317,845	1,135,422
Cash on hand	207,380	86,982
Revolving funds	13,088	12,558
Short-term notes and bills with repurchase rights	-	19,989
	<b>\$ 7,223,640</b>	<b>6,693,992</b>

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

b. Financial assets at fair value through profit or loss – current

Information of financial instrument held for trading is as follow :

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
Beneficiary certificates		
Open-end mutual fund	\$ -	60,186

c. Available-for-sale financial assets – current

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
Domestic listed stocks		
Chunghwa Telecom Co., Ltd.	\$ 205,397	217,351

d. Accounts receivable, net

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
Accounts receivable	\$ 8,153,490	7,882,460
Less allowance for doubtful accounts	(206,042)	(206,524)
	<b>\$ 7,947,448</b>	<b>7,675,936</b>

In January, 2012, the Group entered into an accounts receivable factoring contract with HC First Asset Management Co., Ltd. The Group sold \$2,380,002 thousand of the overdue accounts receivable, which had been written off, to HC First Asset Management Co., Ltd. The aggregate selling price was \$59,558 thousand. Under this contract, the Group would no longer assume the risk on this receivable.

e. Inventories

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
Inventories	\$ 2,872,854	2,273,104
Less allowance to reduce inventory to net realizable value	(245,100)	(202,568)
	<b>\$ 2,627,754</b>	<b>2,070,536</b>

Allowances for losses were \$42,532 thousand and \$44,292 thousand for the years ended December 31, 2012 and 2011, respectively.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

f. Investments accounted for using the equity method

	December 31			
	2012		2011	
	Carrying	% of	Carrying	% of
	Value	Owner-ship	Value	Owner-ship
Taipei New Horizons Co., Ltd. (TNH)	\$ 811,841	49.90	562,812	49.90
Taiwan Pelican Express Co., Ltd. (TPE)	359,643	20.00	-	-
Kbro Media Co., Ltd.	77,078	32.50	-	-
	<b>\$ 1,248,562</b>		<b>562,812</b>	

(1) TNH

TNH was established to invest in a property development project located on the old Songshan Tobacco Factory site. On January 15, 2009, TNH signed a 50-year BOT contract with the Taipei City Government.

On June 2, 2011, TNH's board of directors resolved to increase TNH's capital by \$400,000 thousand, divided into 40,000 thousand shares with par value of \$10 per share, with a record date of August 1, 2011. The Corporation subscribed for the shares based on its proportion of the shareholding, which remains at 49.9%.

On May 15, 2012, TNH's board of directors resolved to increase TNH's capital by \$550,000 thousand, divided into 55,000 thousand shares with par value of \$10 per share, with a record date of November 6, 2012. The Corporation subscribed for the shares based on its proportion of the shareholding, which remains at 49.9%.

On December 19, 2012, TNH's board of directors resolved to increase TNH's capital by \$1,650,000 thousand, divided into 165,000 thousand shares with par value of \$10 per share. The Corporation subscribed for the shares based on its proportion of the shareholding, which remains at 49.9%. The Corporation paid \$174,650 thousand as of January 31, 2013.

(2) TPE

In August 2012, FMT, the Corporation's subsidiary, acquired 20% of TPE.

(3) Kbro Media Co., Ltd.

In August 2012, TFNM, the Corporation's subsidiary, acquired 32.5% of Kbro Media Co., Ltd.

On December 26, 2012, Kbro Media Co., Ltd.'s board of directors resolved to increase Kbro Media Co., Ltd.'s capital by \$660,000 thousand, divided into 66,000 thousand shares with par value of \$10 per share. TFNM, the Corporation's subsidiary, subscribed for the shares based on its proportion of the shareholding and paid \$214,500 thousand on January 31, 2013.

(4) Equity in investees' net gains or losses

The carrying values of equity-method investments and the related income or losses were determined on the basis of audited financial statements.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

The Corporation's investment income or losses were as follows:

	<b>Years ended December 31</b>	
	<b>2012</b>	<b>2011</b>
TNH	\$ (25,421)	(24,790)
TPE	15,643	-
Kbro Media Co., Ltd.	(724)	-
	<b>\$ (10,502)</b>	<b>(24,790)</b>

g. Financial assets carried at cost – non-current

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
Domestic emerging stocks		
Taiwan High Speed Rail Corporation	\$ 912,463	912,463
Domestic unlisted stocks		
Arcoa Communication Co., Ltd.	67,731	67,731
Great Taipei Broadband Co., Ltd.	39,627	41,241
Parawin Venture Capital Corp.	16,873	20,207
WEB Point Co., Ltd.	6,773	6,773
Foreign unlisted stocks		
Bridge Mobile Pte Ltd.	50,324	50,324
	<b>\$ 1,093,791</b>	<b>1,098,739</b>

Because there is no active market quotation and a reliable fair value cannot be estimated, the above investments are measured at cost. An impairment loss of \$1,948 thousand and \$1,209,970 thousand were recognized for the years ended December 31, 2012 and 2011, respectively.

h. Bonds measured at amortized cost – non-current

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
Taiwan High Speed Rail Corporation – unlisted convertible preferred stock – series A	<b>\$ 500,000</b>	<b>500,000</b>

i. Property and equipment – accumulated depreciation

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
Buildings	\$ 1,093,423	944,292
Telecommunication equipment	44,818,870	39,029,208
Office equipment	112,400	102,026
Leased assets	680,182	615,701
Miscellaneous equipment	2,088,563	1,602,356
	<b>\$ 48,793,438</b>	<b>42,293,583</b>



**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

Capitalized interest for the years ended December 31, 2012 and 2011 were \$14,267 thousand and \$10,244 thousand, respectively, with capitalization rates ranging from 1.44% to 1.92% and 1.68% to 2.88%, respectively.

j. Intangible assets

	Year ended December 31, 2012			
	Trademarks	Goodwill	Customer Relationship	Operating Rights
<u>Cost</u>				
Beginning balance	\$ 2,516,674	15,846,068	2,168,107	1,382,000
Add:				
Acquired in this period	342	-	-	-
Effect of exchange rate changes	-	(1,104)	-	-
Amortization	(126)	-	(179,108)	-
Ending balance	<b>\$ 2,516,890</b>	<b>15,844,964</b>	<b>1,988,999</b>	<b>1,382,000</b>

	Year ended December 31, 2011			
	Trademarks	Goodwill	Customer Relationship	Operating Rights
<u>Cost</u>				
Beginning balance	\$ 19,087	10,529,148	2,341,808	1,382,000
Add:				
Acquired in this period	282	-	5,433	-
Acquisition from merger	2,497,202	5,316,864	-	-
Effect of exchange rate changes	180	56	-	-
Amortization	(77)	-	(179,134)	-
Ending balance	<b>\$ 2,516,674</b>	<b>15,846,068</b>	<b>2,168,107</b>	<b>1,382,000</b>

(1) Customer relationship, trademarks and operating rights

Under SFAS No. 25 "Business Combinations" and No. 37 "Intangible Assets," the Group should measure the fair value of the acquired assets and identify major intangible assets as well as the amortization periods.

- (a) On April 17, 2007, TFN, the Corporation's 100%-owned subsidiary, acquired more than 50% of the former Taiwan Fixed Network Co., Ltd (the former TFN) through a public tender offer. The Corporation divided the former TFN and its subsidiaries into two cash-generating units: fixed network service and cable television business. Accordingly, customer relationship and operating rights are identified as major intangible assets.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

- (b) Taiwan United Communication Co., Ltd. (TUC) was established on April 14, 2007, and was merged into TFN on January 1, 2008. In September 2007, TUC, the Corporation's 100%-owned subsidiary, acquired more than 50% of Taiwan Telecommunication Network Services Co., Ltd. (TTN) shares. TTN was merged into TFN on August 1, 2008. The Corporation measured the fair value of the acquired assets and viewed TTN's ISP services as one cash-generating unit. Accordingly, customer relationship is identified as a major intangible asset.
- (c) On September 1, 2010, TFNM, the Corporation's 100%-owned subsidiary, acquired 55% of TKT. On August 12, 2011, TFNM acquired 45% of TKT. The Corporation measured the fair value of the acquired assets and viewed TKT's wireless services as one cash-generating unit. Accordingly, trademarks and customer relationship are identified as major intangible assets.
- (d) On July 13, 2011, WMT, the Corporation's 100%-owned subsidiary, acquired more than 50% of the FMT. The Corporation measured the fair value of the acquired assets and viewed FMT's retailing as one cash-generating unit. Accordingly, trademarks are identified as major intangible assets.

(2) Goodwill

In conformity with SFAS No. 35 "Impairment of Assets," the Group identified the smallest identifiable group of cash-generating units by year and entity as follows:

The Group's members, which were engaged in mobile or wireless phone services, fixed network services, cable television business and the retail business, were viewed as separate, independent cash-generating units. Thus, the recoverable amounts of the operating assets and goodwill were evaluated by business type, and the critical assumptions used for this evaluation were as follows:

(a) Wireless service

(i) Assumptions on operating revenues

After taking changes in the telecom industry and competitive landscape into consideration, operating revenues were estimated on the basis of the projected changes in subscriber numbers, minutes of incoming and outgoing calls, and average revenue per minute.

(ii) Assumptions on operating costs and expenses

The estimates of activation commissions and customer retention costs were based on the new customer obtained and existing customer maintained. The estimates of remaining costs and expenses were based on the cost drivers of each item.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

(iii) Assumptions on discount rate

In 2012 and 2011, the discount rate used to calculate the asset recoverable amounts of the Corporation was 6.20% and 6.98%, respectively.

(b) Fixed network service

(i) Assumptions on operating revenues

After taking into consideration the changes in the telecom industry and the company's growth of operation, the operating revenues were estimated basing on the demand of the types of data transmission and broadband volume.

(ii) Assumptions on operating costs and expenses

The estimates of operating costs and expenses were based on the cost drivers of each costs and expenses.

(iii) Assumptions on discount rate

In 2012 and 2011, the discount rates were 6.44% and 7.22%, respectively, in calculating the asset recoverable amounts of TFN.

(c) Cable television business

(i) Assumptions on operating revenues

After taking changes in the cable television industry and competitive landscape into consideration, operating revenues were estimated on the basis of the projected changes in subscriber numbers and average revenue per subscriber.

(ii) Assumptions on operating costs and expenses

The estimates of cost of equity, commissions, customer retention costs, network operations and maintenance costs, customer service costs, and bill processing costs were based on the projected changes in subscriber numbers. The estimates of remaining costs and expenses were based on the proportion of the actual costs and expenses to operating revenues.

(iii) Assumptions on discount rate

The discount rates used to calculate the asset recoverable amounts for each system operator ranged from 10.36% to 11.12% and from 8.20% to 8.47% in 2012 and 2011, respectively.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

(d) Retail business

(i) Assumptions on operating revenues

After taking into consideration the changes in the retail business industry and competitiveness of the market, the operating revenues were estimated basing on the classification and the average price of commodities, and the degree of the contribution of the customers.

(ii) Assumptions on operating costs and expenses

The costs and expenses were based on the proportion of the actual costs and expenses of the operating revenues.

(iii) Assumptions on discount rate

In 2012 and 2011, the discount rates were 6.89% and 10.72%, respectively, in calculating the asset recoverable amounts.

Based on the key assumptions of each cash-generating unit, the Group's management believes that the carrying amounts of these operating assets and goodwill will not exceed their recoverable amounts even if there are changes in the critical assumptions used to estimate recoverable amounts as long as these changes are reasonable for the years ended December 31, 2012 and 2011.

k. Short-term borrowings

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
Unsecured loans – financial Institutions	\$ 3,000,000	9,000,000
Secured loans – related parties	158,440	-
	<b>\$ 3,158,440</b>	<b>9,000,000</b>
Interest rate	0.88%~6.3%	0.89%~0.98%

l. Short-term notes and bills payable

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
Commercial paper payable		
China Bills Finance Corporation	\$ -	600,000
Mega Bills Finance Corporation	-	300,000
Less discount on short-term notes and bills payable	-	(727)
Net carrying value	<b>\$ -</b>	<b>899,273</b>
Interest rate	-	0.948%~0.958%
Period	-	2011.12.30~ 2012.01.31

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

m. Advance receipts

- (1) In accordance with NCC's policy, the Corporation entered into a contract with First Commercial Bank Co., Ltd., which provided a performance guarantee for advance receipts from prepaid cards and electronic gift certificates amounted to \$1,416,326 thousand and \$1,696 thousand, respectively, as of December 31, 2012.
- (2) In accordance with NCC's policy, TFN entered into a contract with First Commercial Bank Co., Ltd., which provided performance guarantee for advance receipts from International Direct Dialing (IDD) calling card amounted to \$10,747 thousand as of December 31, 2012.
- (3) In accordance with NCC's policy, cable television companies should provide a performance deposit based on a certain proportion of the advance receipts for a prepaid period. As of December 31, 2012, the cable television companies had received an advance payment of \$448,382 thousand and provided \$54,420 thousand as performance deposit, which is classified as other assets – restricted asset.
- (4) In accordance with the Ministry of Economic Affairs' policy, FMT entered into a contract with Taipei Fubon Commercial Bank Co., Ltd. In order to provide a performance deposit, the trust account balance maintained monthly by FMT should be the same as the amount of the outstanding gift certificates. As of December 31, 2012, FMT's outstanding gift certificates amounted to \$3,030 thousand, and FMT provided \$3,030 thousand as performance deposit, which is classified as other assets – restricted assets.

n. Bonds payable

	<b>December 31</b>			
	<b>2012</b>		<b>2011</b>	
	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
2nd domestic unsecured bonds	\$ 4,000,000	-	4,000,000	4,000,000
3rd domestic unsecured bonds	-	9,000,000	-	-
Less unamortized bond issuance costs	-	(4,820)	-	-
	<b>\$ 4,000,000</b>	<b>8,995,180</b>	<b>4,000,000</b>	<b>4,000,000</b>

(1) 2nd domestic unsecured bonds

On November 14, 2008, the Corporation issued \$8,000,000 thousand of five-year 2nd domestic unsecured bonds, each having a face value of \$10,000 thousand and a coupon rate of 2.88% per annum, with simple interest due annually. Repayment will be made in the fourth and fifth year with equal installments, i.e., \$4,000,000 thousand.

Future repayments of the above-mentioned corporate bonds are as follows:

<b>Year</b>	<b>Amount</b>
2013	\$ <b>4,000,000</b>

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

(2) 3rd domestic unsecured bonds

On December 20, 2012, the Corporation issued \$9,000,000 thousand of seven-year 3rd domestic unsecured bonds, each having a face value of \$10,000 thousand and a coupon rate of 1.34% per annum, with simple interest due annually. Repayment will be made in the sixth and seventh year with equal installments, i.e., \$4,500,000 thousand.

Future repayments of the above-mentioned corporate bonds are as follows:

Year	Amount
2018	\$ 4,500,000
2019	4,500,000
	\$ <b>9,000,000</b>

o. Pension plan

The Labor Pension Act (LPA) provides for a defined contribution pension plan. Starting from July 1, 2005, the Group should contribute monthly an amount equal to 6% of the employees' monthly salaries to the employees' individual pension accounts. The contributed amount was \$222,766 thousand and \$217,419 thousand for the year ended December 31, 2012 and 2011, respectively.

The Labor Standards Act (LSA) provides for a defined benefit pension plan. Benefits are based on the length of service and average basic pay of the six months before retirement. The Group contributes monthly an amount equal to 2% of the employees' monthly salaries to a pension fund. The pension fund is managed by an independently administered pension fund committee and deposited in the committee's name in Bank of Taiwan. As approved by the Department of Labor of the Taipei City Government, the Corporation, TFN and TT&T suspended contributing from February 2007 to September 2013.

Information on the defined benefit pension plan is summarized as follows:

(1) Pension cost

	Years ended December 31	
	2012	2011
Service cost	\$ 3,282	3,346
Interest cost	15,401	15,478
Projected return of pension assets	(13,643)	(13,508)
Amortization	13,593	8,028
Gain on settlement	(2,912)	(14,627)
Pension cost	\$ <b>15,721</b>	<b>(1,283)</b>

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

(2) Changes in the prepaid pension cost

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
Benefit obligation		
Vested	\$ (41,609)	(21,262)
Non-vested	(458,401)	(443,928)
Accumulated	(500,010)	(465,190)
Additional benefits based on future salaries	(302,836)	(298,404)
Projected benefit obligation	(802,846)	(763,594)
Fair value of plan assets	717,130	677,262
Funded status	(85,716)	(86,332)
Unrecognized net transition obligation	10,374	11,932
Unrecognized prior service cost	17,826	20,782
Unamortized net gain or loss	129,139	122,395
Unrecognized net gain	(4,455)	(18,082)
Additional liability	(50,468)	(42,191)
Prepaid pension cost	<b>\$ 16,700</b>	<b>8,504</b>
(3) Vested benefit	<b>\$ (49,494)</b>	<b>(26,701)</b>

(4) Actuarial assumptions

	<b>Years ended December 31</b>	
	<b>2012</b>	<b>2011</b>
Discount rate used in determining present values	1.50%~1.875%	2.00%
Future salary increase rate	2.50%~3.00%	2.75%~3.00%
Expected rate of return on plan assets	1.50%~1.875%	2.00%

p. Shareholders' equity

(1) Capital surplus

Under the Company Act, capital surplus may only be used to offset a deficit. However, capital surplus, generated from the excess of the issue price over the par value of capital stock, including the stock issued for new capital and treasury stock transactions, may be transferred to capital as stock dividends or distributed as cash dividends, and this transfer is restricted to a certain percentage of the paid-in capital. Also, the capital surplus from long-term investments accounted for using the equity method may not be used for any purposes.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

(2) Legal reserve

According to the Company Act, a company shall first set aside ten percent of its income (after taxes) as legal reserve until it equals to the paid-in capital. After offsetting any deficit, the legal reserve may be transferred to capital as stock dividends or distributed as cash dividends within the amount in excess of 25% of the paid-in capital in pursuant to the resolution to be adopted by the shareholders' meeting.

(3) Appropriation of earnings and dividend policy

The Corporation's articles of incorporation provide that a 10% legal reserve should be set aside from the annual net income after the reduction of accumulated deficit. The remainder, less or reversed special reserve based on relevant laws or regulations or business requirements, should be distributed as follows:

- (a) Remuneration to directors – up to 0.3%
- (b) Bonus to employees – 1% to 3%
- (c) Remainder, to be appropriated as dividends as determined in the shareholders' meeting

The Corporation's dividend distribution is based on the availability of excess funds. That is, the Corporation first projects future capital needs through a capital budgeting process and then provides for the projected capital needs by using retained earnings. The remainder is available for cash dividend distribution. However, the amount of stock dividends should not be more than 80% of the total dividends to be distributed in a single year. The final amount, type and percentage of the dividends are subject to the approval of the board of directors and shareholders based on actual earnings and working capital requirements of the Corporation in a particular year.

A regulation issued by the Securities and Futures Bureau requires a special reserve be made from the unappropriated earnings, equivalent to the debit balance of any account (except treasury stock) shown in shareholders' equity. The special reserve appropriated will be reversed to the extent that the net debit balance reverses.

The appropriation of earnings should be resolved by the shareholders in the following year and given effect in the financial statements of that year.

Under the Integrated Income Tax System, ROC resident shareholders are allowed a tax credit for the income tax paid by the Corporation. An imputation credit account (ICA) is maintained by the Corporation for such income tax and the tax credit allocated to each shareholder.

The Corporation's estimated bonuses to employees amounted to \$396,673 thousand and \$362,844 thousand, respectively, as of the year ended December 31, 2012 and 2011, and the estimated remuneration to directors amounted to \$39,667 thousand and \$36,284 thousand, respectively, as of the year ended December 31, 2012 and 2011.



**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

The Corporation's bonuses to employees and remuneration to directors were accrued based on 3% and 0.3%, respectively, of the net income (which did not include the bonuses to employees and remuneration to directors) after setting aside 10% of net income as legal reserve. The significant difference between annual accruals and the amount approved by the board of directors shall be adjusted in the current year. If the board of directors' approval differs from the amount ratified at the annual general shareholders' meeting (AGM), the difference will be treated as changes in accounting estimation and will be adjusted in 2013's P&L. If employee bonuses are paid in the form of company shares, the number of employee bonus shares shall be derived from dividing the approved bonus amount by the closing price one day prior to the AGM, adjusted for cash and/or stock dividends if any.

The 2011 and 2010 earnings appropriations resolved by the AGM on June 22, 2012 and June 15, 2011, were as follows:

	<b>Appropriation of Earnings</b>		<b>Dividend Per Share</b>	
			(NT\$)	
	<b>For Fiscal Year 2011</b>	<b>For Fiscal Year 2010</b>	<b>For Fiscal Year 2011</b>	<b>For Fiscal Year 2010</b>
Appropriation of legal reserve	\$ 1,346,876	1,382,219		
Cash dividends	13,880,952	12,439,967	5.16	4.1619
Reversal of special reserve	(821,741)	-		
	<b>\$ 14,406,087</b>	<b>13,822,186</b>		

The shareholders, on June 22, 2012, resolved to distribute 2011 bonus of \$362,844 thousand to employees and remuneration of \$36,284 thousand to directors. The shareholders, on June 15, 2011, resolved to distribute 2010 bonus of \$373,059 thousand to employees and remuneration of \$37,306 thousand to directors. There were no differences between the above actual distributions and the amounts recognized in 2011 and 2010 of the financial statements.

Information on the appropriation of the earnings, bonus to employees and remuneration to directors proposed by the board of directors and approved at AGM is available on the Market Observation Post System website of the Taiwan Stock Exchange.

(4) Capital reduction by cash

To increase ROE (Return of Equity) and maintain stable EPS (Earnings Per Share) and dividend, the Corporation's AGM resolved on June 15, 2011 a capital reduction of \$3,800,926 thousand, eliminated 380,093 thousand shares, representing 10% of outstanding shares. On July 15, 2011, the authority already approved the application and the Corporation's board of directors resolved the record date of August 1, 2011. Trading suspension started on October 3, 2011 and the new shares resumed trading on October 13, 2011.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

(5) Treasury stock

	(Shares in Thousands)			
Purpose of Buyback	Beginning			Ending
	Shares	Increase	Decrease	Shares
<u>Year ended December 31, 2012</u>				
Shares held by subsidiaries	730,726	-	-	730,726
<u>Year ended December 31, 2011</u>				
Shares held by subsidiaries	811,918	-	81,192	730,726

As of December 31, 2012, the Corporation's stock held by TCCI, TID, and TUI (all are subsidiaries 100% owned by the Corporation) was 730,726 thousand shares and the carrying and market values were \$78,187,666 thousand. The Corporation reclassified \$31,077,183 thousand from investments accounted for using the equity method to treasury stock based on SFAS No. 30 "Accounting for Treasury Stock." Although these shares are treated as treasury stock in the financial statements, the shareholders are entitled to excise their rights over these shares, except for the participation in capital injection by cash. In addition, based on the ROC Company Act, the holders, which are subsidiaries over 50% owned by the Corporation, of treasury stock cannot exercise the voting rights.

(6) Unrealized gain or loss on financial instruments

Changes of unrealized gain or loss on financial instruments for the years ended December 31, 2012 and 2011, are summarized as follows:

	Years ended December 31	
	2012	2011
Available-for-sale financial assets		
Balance, beginning of period	\$ 111,306	89,842
Fair value changes recognized directly in equity	(11,955)	21,464
Unrealized gains on financial instruments	<b>\$ 99,351</b>	<b>111,306</b>

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

q. Income tax expense

(1) The reconciliation of imputed income taxes on pretax income at the statutory tax rate to income tax expense was as follows:

	<b>Years ended December 31</b>	
	<b>2012</b>	<b>2011</b>
Tax on pretax income at statutory tax rate	\$ 5,225,039	4,526,503
Add (deduct) tax effects of:		
Permanent differences		
Investment income from domestic investees accounted for using the equity method	(2,140,037)	(1,747,968)
Others	(1,083)	200,974
Temporary differences	(252,326)	(421,760)
Deferred income taxes	271,927	436,627
Prior years' adjustment	(32,717)	(470,963)
Prior years' loss carryforwards	(11,226)	(13,771)
Investment tax credits	(4,437)	(7,253)
Income tax expense	<b>\$ 3,055,140</b>	<b>2,502,389</b>

(2) Deferred income tax assets (liabilities) were as follows:

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
Unrealized loss on retirement of property and equipment	\$ 674,977	846,775
Amortization of goodwill	(594,229)	(468,873)
Difference in the estimated lives of property and equipment	133,362	134,993
Provision for doubtful accounts	125,200	134,067
Prior years' loss carryforwards	35,830	47,056
Provision for impairment losses on idle assets	20,303	20,979
Others	166,280	95,075
	561,723	810,072
Less valuation allowance	(257,383)	(233,805)
	<b>\$ 304,340</b>	<b>576,267</b>

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
Deferred income tax assets		
Current	\$ 46,640	28,391
Non-current	496,957	743,916
	<b>\$ 543,597</b>	<b>772,307</b>
Deferred income tax liabilities		
Current	\$ (94)	(193)
Non-current	(239,163)	(195,847)
	<b>\$ (239,257)</b>	<b>(196,040)</b>

(3) The loss carryforwards of the Group as of December 31, 2012, were as follows:

<b>Year</b>	<b>Total Creditable Amount</b>	<b>Remaining Creditable Amount</b>	<b>Expiry Year</b>
2006	\$ 2,602	-	2016
2007	125,042	79,903	2017
2008	62,074	61,817	2018
2009	1,124	-	2019
2010	13,050	71	2020
2011	72,907	68,974	2021
	<b>\$ 276,799</b>	<b>210,765</b>	

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

(4) Integrated income tax information was as follows:

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
Balance of imputation credit account (ICA)		
The Corporation	\$ 1,096,985	2,394,350
TCC	15,020	277
WMT	35,208	-
GWMT	1,549	1,624
GFMT	184	89
TDC	747	18
TCCI	1,457	134,533
TID	-	-
TSB	283	5
TFN	1,006,694	665,825
TT&T	5,452	5,629
TUI	-	-
WTVB	-	-
TFNM	366,249	93,389
UCTV	7,481	7,167
YJCTV	48,482	39,570
MCTV	13,257	12,027
PCTV	24,983	18,470
GCTV	24,692	23,371
TKT	12	-
FMT	143,563	140,878
FST	3,615	757
FLI	3,442	3,410
FPI	3,467	3,823
TFMT	Not applicable	6,978
TWTV	Not applicable	-
FJLMT	Not applicable	-
FSMT	Not applicable	2,181

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

As of December 31, 2012, there were no unappropriated earnings generated before December 31, 1997. The estimated and actual creditable ratios for the 2012 and 2011 earnings appropriation, respectively, were as follows:

	<u>2012</u>	<u>2011</u>
The Corporation	17.92%	23.73%
TCC	17.81%	13.97%
WMT	20.48%	20.48%
GWMT	20.48%	20.48%
GFMT	-	-
TDC	20.48%	20.44%
TCCI	1.13%	11.51%
TID	-	-
TSB	20.48%	20.48%
TFN	20.48%	20.48%
TT&T	20.48%	20.48%
TUI	-	-
WTVB	-	-
TFNM	20.50%	4.74%
UCTV	12.34%	10.85%
YJCTV	20.49%	20.48%
MCTV	20.53%	20.53%
PCTV	20.54%	20.54%
GCTV	20.49%	20.49%
TKT	12.87%	-
FMT	20.48%	20.50%
FST	20.48%	20.48%
FLI	20.48%	20.48%
FPI	20.48%	20.48%
TFMT	Not applicable	3.94%
TWTV	Not applicable	-
FJLMT	Not applicable	-
FSMT	Not applicable	23.93%

The imputation credits allocated to the shareholders are based on the ICA balance as of the date of dividend distribution. The estimated creditable ratio for the 2012 earnings appropriation may be adjusted when the imputation credits are distributed.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

- (5) The latest years through which income tax returns had been examined and cleared by the tax authorities were as follows:

	<u>Year</u>
The Corporation	2010
The former TransAsian Telecommunications Inc. (The former TAT)	All applicable
TransAsian Telecommunications Inc. (TAT)	2007
Mobitai Communications (Mobitai)	All applicable
TCC	2010
WMT	2010
GWMT	2010
GFMT	2010
TDC	2010
TCCI	2010
TID	2010
TSB	2010
The former TFN	All applicable
TFN	2009
TTN	2007
TT&T	2010
TUI	2010
TFNI	2008
WTVB	2010
TFNM	2010, only 2008 not applicable (not yet authorized)
UCTV	2010
YJCTV	2010
MCTV	2010
PCTV	2010
GCTV	2010
TKT	2010
FMT	2010
FST	2010
FLI	2010
FPI	2010
TWTV	2012, only 2011 not applicable (not yet authorized)
TFMT	2011
FJLMT	2010
FSMT	2010

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

The Corporation's income tax returns for the years up to 2010 had been examined by the tax authorities. The Corporation disagreed with the following examination results of the income tax returns and had requested for a reexamination for the years 2006, 2008, 2009 and 2010. The Corporation also filed for a correction of its 2006 income tax returns.

The former TAT's income tax returns up to 2006 had been examined by the tax authorities. The former TAT had filed for corrections of its 2002 through 2004 income tax returns.

TAT's income tax returns up to 2007 had been examined by the tax authorities. TAT disagreed with the examination results of the income tax returns for 2006 and 2007 and had filed an appeal.

Mobitai's income tax returns up to 2007 had been examined by the tax authorities. Mobitai disagreed with the examination results on the income tax return for 2006 and 2007 and requested a reexamination.

The former TFN's income tax returns up to 2007 had been examined by the tax authorities. The former TFN disagreed with the examination result of the income tax return for 2007 and had filed for correction.

TFN's income tax returns up to 2009 had been examined by the tax authorities. TFN disagreed with the examination results of the income tax return for 2008 and 2009 and requested a reexamination.

TFNM's income tax returns up to 2010 had been examined by the tax authorities, except for 2008. TFNM disagreed with the examination results of the income tax returns and requested an appeal for 2006 and 2007.

UCTV's income tax returns up to 2010 had been examined by the tax authorities. UCTV disagreed with the examination results for 2006 to 2009 and had requested a reexamination. UCTV also had prepared to request a reexamination for 2010.



**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

r. Earnings per share

	Amounts (Numerator)			EPS (NT\$)	
	Before	After	Shares (Denominator) (Thousands)	Before	After
	Income Tax	Income Tax		Income Tax	Income Tax
<u>Years ended December 31, 2012</u>					
Basic EPS					
Income of common shareholders	\$ 16,384,842	14,691,605	2,690,107	<u>\$ 6.09</u>	<u>\$ 5.46</u>
Add effect of dilutive potential common stock – bonus to employees	-	-	5,649		
Diluted EPS					
Income of common shareholders with dilutive effect of potential common shares	<u>\$ 16,384,842</u>	<u>14,691,605</u>	<u>2,695,756</u>	<u>\$ 6.08</u>	<u>\$ 5.45</u>
<u>Years ended December 31, 2011</u>					
Basic EPS					
Income of common shareholders	\$ 14,842,996	13,468,763	2,863,715	<u>\$ 5.18</u>	<u>\$ 4.70</u>
Add effect of dilutive potential common stock – bonus to employees	-	-	6,030		
Diluted EPS					
Income of common shareholders with dilutive effect of potential common shares	<u>\$ 14,842,996</u>	<u>13,468,763</u>	<u>2,869,745</u>	<u>\$ 5.17</u>	<u>\$ 4.69</u>

The Accounting Research and Development Foundation (ARDF) issued Interpretation No. 2007-052, which requires companies to recognize bonuses paid to employees as compensation expenses beginning January 1, 2008. These bonuses were previously recorded as appropriations from earnings. If the Corporation may settle the bonus to employees by cash or shares, the Corporation should presume that the entire amount of the bonus will be settled in shares, and the potential share dilution should be included in the weighted-average number of shares outstanding used in the calculation of diluted EPS, if the shares have a dilutive effect. In the calculation of diluted EPS, the number of outstanding shares is derived from dividing the entire amount of the bonus by the closing price of the shares at the balance sheet date. Such potential dilutive effect should be taken into consideration in the calculation of diluted EPS until the shareholders resolve the actual number of shares to be distributed to employees at the AGM of the following year.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

s. Financial instrument transactions

(1) Fair value information

	<b>December 31</b>			
	<b>2012</b>		<b>2011</b>	
	<b>Carrying Value</b>	<b>Fair Value</b>	<b>Carrying Value</b>	<b>Fair Value</b>
<u>Financial instruments</u>				
<u>Assets</u>				
Cash and cash equivalents	\$7,223,640	7,223,640	6,693,992	6,693,992
Financial assets at fair value through profit or loss – current	-	-	60,186	60,186
Available-for-sale financial assets – current	205,397	205,397	217,351	217,351
Notes receivable	42,710	42,710	23,423	23,423
Accounts receivable (including related parties)	8,014,018	8,014,018	7,800,537	7,800,537
Other receivables	331,767	331,767	235,044	235,044
Restricted assets (including current and non-current portions)	516,560	516,560	163,886	163,886
Financial assets carried at cost – non-current	1,093,791	-	1,098,739	-
Bonds measured at amortized cost – non-current	500,000	-	500,000	-
Refundable deposits	574,301	574,301	516,978	516,978
<u>Liabilities</u>				
Short-term borrowings	3,158,440	3,158,440	9,000,000	9,000,000
Short-term notes and bills payable	-	-	899,273	899,273
Notes payable	360,669	360,669	641,166	641,166
Accounts payable (including related parties)	7,419,294	7,419,294	5,703,992	5,703,992
Income taxes payable	1,523,604	1,523,604	1,331,623	1,331,623
Accrued expenses	6,281,866	6,281,866	6,131,719	6,131,719
Other payables	3,063,441	3,063,441	3,594,997	3,594,997
Guarantee deposits	810,436	810,436	738,932	738,932
Bonds payable (including current portion)	12,995,180	13,071,134	8,000,000	8,192,952

(2) The methods and significant assumptions applied for determining fair values of financial instruments were as follows:

- (a) Financial assets at fair value through profit or loss-current and available-for-sale financial assets-current – based on quoted prices in an active market at the balance sheet date
- (b) Financial assets carried at cost – non-current and bonds measured at amortized cost – non-current – based on the net worth of the investee or estimated book value; this is because there is no active market for unlisted stocks, and a reliable fair value could only be verified at a more than reasonable cost
- (c) Bonds payable – based on the over-the-counter average quotations in December

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

- (d) The book values of short-term financial instruments approximate their fair value due to their short maturities. Short-term financial instruments include cash and cash equivalents, receivables, pledged time deposits, refundable deposits, other assets – restricted assets, short-term borrowings, short-term notes and bills payable, payables, and guarantee deposits
- (3) The fair values of financial assets and liabilities were not simultaneously determined by quoted prices in active markets and by estimations using a valuation technique.
- (4) The financial assets exposed to fair value interest rate risk amounted to \$3,480,906 thousand and \$2,861,092 thousand as of December 31, 2012 and 2011, respectively, and the financial liabilities exposed to fair value interest rate risk amounted to \$15,995,180 thousand and \$17,899,273 thousand as of December 31, 2012 and 2011, respectively. The financial assets exposed to cash flow interest rate risk amounted to \$3,946,856 thousand and \$3,812,744 thousand as of December 31, 2012 and 2011, respectively, and the financial liabilities exposed to cash flow interest rate risk amounted to \$158,440 thousand and zero as of December 31, 2012 and 2011, respectively.

(5) Information on financial risks

(a) Market risk

The Corporation did not enter into any financial derivative transactions which would cause significant exposure to exchange rate, fair value of interest rate, and price risks. Therefore, the overall market risk is not significant.

(b) Credit risk

Credit risk represents the potential impacts on financial assets that the Group might encounter if counter-parties or third parties breach the contracts. Factors that affect the impacts include credit risk concentration, components of financial instruments, contract amount, and other receivables. The Group's evaluation of credit risk exposure as of December 31, 2012 and 2011 was zero because all counter-parties were reputable financial institutions with good credit ratings.

The Group's maximum credit risk exposure for each financial instrument is the same as its carrying value.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

The credit risk amount listed above is an evaluation of the contracts with positive fair value at the balance sheet date and the contracts with off-balance-sheet commitments and guarantees. Significant concentration of credit risk exists when financial instrument transactions significantly concentrate on one counter-party, or when there are a number of counter-parties in financial instrument transactions, but these counter-parties are engaged in similar business activities and have similar economic characteristics so that their abilities to perform contractual obligations would be concurrently affected by similar economic changes or other situations. The characteristics of credit risk concentration include the nature of the debtors' operating activities. The Group does not rely significantly on a single client or counter-party or clients in the same region.

(c) Liquidity risk

The Group's operating funds are deemed sufficient to meet the cash flow demand; therefore, liquidity risk is not considered to be significant.

**5. RELATED-PARTY TRANSACTIONS**

a. The related parties and their relationships with the Group were as follows:

<u>Related Party</u>	<u>Relationship with the Corporation</u>
Taiwan Mobile Foundation (TWM Foundation)	Over one-third of the Foundation's funds came from the Corporation
Taipei New Horizons Co., Ltd. (TNH)	Equity-method investee
Taiwan Pelican Express Co., Ltd. (TPE)	FMT's equity-method investee (since August 10, 2012)
Kbro Media Co., Ltd.	TFNM's equity-method investee (since August 10, 2012)
Fubon Life Assurance Co., Ltd. (FLA)	Related party in substance
Fubon Securities Investment Trust Co., Ltd.	Related party in substance
Fubon Marketing Co., Ltd. (FMC)	Related party in substance
Fubon Financial Venture Capital Co., Ltd. (FFVC)	Related party in substance
Fubon Multimedia Technology Co., Ltd. (FMT)	Related party in substance (changed relationship from substance to subsidiary since July 13, 2011)
Fubon Asset Management Co., Ltd.	Related party in substance
Chung Hsing Constructions Co., Ltd.	Related party in substance
Fubon Land Development Co., Ltd.	Related party in substance
Fubon Financial Holding Company (FFH)	Related party in substance
Taipei Fubon Commercial Bank Co., Ltd. (TFCB)	Related party in substance
Fubon Securities Co., Ltd. (FSC)	Related party in substance

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

<b>Related Party</b>	<b>Relationship with the Corporation</b>
Fubon Future Co., Ltd.	Related party in substance
Fubon Investment Services Co., Ltd.	Related party in substance
Fubon Insurance Co., Ltd. (Fubon Ins.)	Related party in substance
Fubon Property Management Co., Ltd. (FPM)	Related party in substance
Fubon Real Estate Management Co., Ltd.	Related party in substance
Taiwan Sport Lottery Corporation (TSL)	Related party in substance
Fubon Venture Capital Consulting Co., Ltd.	Related party in substance (dissolved on June 30, 2011)
Dai-Ka Ltd. (DKL)	Related party in substance
Fu Sheng Life Insurance Agency Co., Ltd.	Related party in substance
Fu Sheng General Insurance Agency Co., Ltd.	Related party in substance
Xiamen Bank Co., Ltd. (Xiamen Bank)	Related party in substance

b. Significant transactions with related parties are summarized below:

(1) Operating revenues

	<b>Years ended December 31</b>			
	<b>2012</b>		<b>2011</b>	
	<b>Amount</b>	<b>% of Total Revenues</b>	<b>Amount</b>	<b>% of Total Revenues</b>
TFCB	\$ 74,748	-	82,364	-
FLA	52,569	-	59,406	-
TSL	28,008	-	28,366	-
Fubon Ins.	23,170	-	23,369	-
FSC	18,460	-	19,576	-
FFH	15,506	-	14,109	-
FMC	5,309	-	10,121	-
FMT	-	-	64,503	-
	<b>\$ 217,770</b>		<b>301,814</b>	

The Group mainly rendered telecommunication services to the above companies. The average collection period for notes and accounts receivable was based on regular terms.

(2) Operating costs

	<b>Years ended December 31</b>			
	<b>2012</b>		<b>2011</b>	
	<b>Amount</b>	<b>% of Total Costs</b>	<b>Amount</b>	<b>% of Total Costs</b>
TPE	\$ 292,422	-	-	-
DKL	147,764	-	148,181	-
Fubon Ins.	40,782	-	44,062	-
	<b>\$ 480,968</b>		<b>192,243</b>	

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

The above companies mainly rendered logistics, TV program licensing services and insurance to the Group. The average payment term for notes and accounts payable was based on regular terms.

(3) Rental income

	<u>Leased Sites/Equipment</u>	<u>Years ended December 31</u>	
		<u>2012</u>	<u>2011</u>
FMT	Office and appliances, etc.	<u>\$ -</u>	<u>17,524</u>

The above lease transactions were based on market price and rent was collected monthly.

(4) Cash in banks

	<u>December 31</u>			
	<u>2012</u>		<u>2011</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
(a) Cash in banks				
TFCB	<u>\$ 1,627,620</u>	23	<u>836,606</u>	12
(b) Restricted deposit – current				
TFCB	<u>\$ 17,676</u>	4	<u>27,252</u>	37
(c) Restricted deposit – non-current				
FLA	<u>\$ 12,000</u>	11	<u>12,000</u>	13

(5) Receivables and payables

	<u>December 31</u>			
	<u>2012</u>		<u>2011</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
(a) Accounts receivable				
TFCB (Note)	\$ 22,792	-	54,050	1
FLA (Note)	15,030	-	17,561	-
TSL (Note)	6,759	-	15,038	-
FSC (Note)	5,679	-	17,857	-
Others	16,310	-	20,095	-
	<u>\$ 66,570</u>		<u>124,601</u>	

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

Note: Leasehold receivables of the above-mentioned companies were as follows:

December 31, 2012	Leasehold receivable		Less unrealized interest income	
	Current Portion	Maturities of over One Year (Classified under Other Assets)	Current Portion	Maturities of over One Year (Classified under Other Assets)
TFCB	\$ 3,298	3,758	(124)	(168)
FLA	10,895	16,334	(476)	(811)
TSL	6,738	-	(63)	-
FSC	3,476	1,385	(73)	(72)
	<u>\$ 24,407</u>	<u>21,477</u>	<u>(736)</u>	<u>(1,051)</u>
<b>December 31, 2011</b>				
TFCB	\$ 3,027	7,825	(190)	(489)
FLA	10,843	27,299	(654)	(1,746)
TSL	15,722	4,492	(773)	(63)
FSC	6,823	3,432	(281)	(143)
	<u>\$ 36,415</u>	<u>43,048</u>	<u>(1,898)</u>	<u>(2,441)</u>

	December 31			
	2012		2011	
	Amount	%	Amount	%
(b) Other receivables				
TPE	<u>\$ 166,868</u>	50	<u>-</u>	-
(c) Prepayments				
Fubon Ins.	<u>\$ 9,758</u>	1	<u>11,244</u>	1
(d) Refundable deposits				
FLA	<u>\$ 56,306</u>	10	<u>56,201</u>	11
(e) Accounts payable				
TPE	<u>\$ 64,377</u>	1	<u>-</u>	-

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

(6) Financing from related parties – classified as short-term borrowings

**Years ended December 31, 2012**

	<b>Actual Drawdown Amount</b>	<b>Ending Balance (Note 1)</b>	<b>Maximum Balance (Notes 1 and 2)</b>	<b>Interest Rate Range</b>	<b>Interest Expense</b>	<b>Ending Balance of Interest Payable</b>
Xiamen Bank	<b>\$ 158,440</b>	<b>167,186</b>	<b>167,186</b>	6.30%	<b>467</b>	<b>268</b>

Note 1: Maximum balance and the ending balance represent quotas.

Note 2: Maximum Balance: the highest balance for the period.

(7) Others

	<b>Years ended December 31</b>	
	<b>2012</b>	<b>2011</b>
(a) Rental expense		
FLA	<b>\$ 117,870</b>	<b>47,912</b>
(b) Insurance expense		
Fubon Ins.	<b>\$ 13,330</b>	<b>10,396</b>
(c) Repairs and maintenance		
FPM	<b>\$ 24,618</b>	<b>24,468</b>
(d) Donation		
TWM Foundation	<b>\$ 7,900</b>	<b>11,713</b>
(e) Other expense		
TFCB	\$ 108,515	65,901
FPM	41,986	32,700
	<b>\$ 150,501</b>	<b>98,601</b>

(8) Stock transactions

In order to enhance cross platform synergy and mobile commerce service, the Corporation's board of directors resolved on April 8, 2011, to acquire 58,857 thousand shares, equal 51% of shares of Fubon Multimedia Technology Co., Ltd. which are hold by Fubon Financial Venture Capital Co., Ltd. and priced at \$8,347,949 thousand through its subsidiary, WMT. The authority approved the transaction on June 30, 2011, and the Corporation had paid the purchase price to complete the settlement on July 13, 2011.



**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

c. Compensation to directors, supervisors and managers:

	<b>Years ended December 31</b>	
	<b>2012</b>	<b>2011</b>
Salaries, incentives, and special compensation	\$ 145,816	154,523
Earnings paid as remunerations to directors	39,667	36,284
Earnings paid as bonus to employees	33,948	38,251
Professional fee	2,596	3,396
	<b>\$ 222,027</b>	<b>232,454</b>

**6. ASSETS PLEDGED**

The assets pledged as collateral for bank loans, credit line of deposit overdraft, guarantees, and refundable deposits for construction contracts were as follows:

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
Current assets – time deposits	\$ 403,000	73,062
Other assets – time deposits	56,110	28,369
	<b>\$ 459,110</b>	<b>101,431</b>

FMT, using the above current assets – time deposits amounting to \$380,000 thousand, provided letter of credit (LC) as guarantee for Fubon Gehua (Beijing) Enterprise Ltd. Please see Note 7(e).

**7. COMMITMENTS AND CONTINGENT EVENTS**

- a. To enhance 3G mobile communications, expand network coverage, and increase the service functions, the Corporation entered into 3G expansion contracts with Nokia Siemens Networks Taiwan Co., Ltd. for \$6,650,000 thousand in February 2011. The Corporation increased the total amount of the contract to no higher than 14,600,000 thousand in September 2012. As of December 31, 2012, the purchase amount was \$5,526,374 thousand.
- b. The Corporation provided a maximum \$21,500,000 thousand guarantee for TFN's bank loans. Under bank practices, the Corporation also provided \$21,116,400 thousand in promissory notes outstanding for TFN's borrowings from banks. TFN had drawdown \$500 thousand from the banks within the guarantee amount.
- c. Respond to the rapid development of cloud computing technology and increased Internet Data Center service demand as a result of enterprise outsourcing, TFN entered into a purchase contract of real estate with Han Ya Co., Ltd. at the price of \$2,868,000 thousand in July 2011 and \$650,000 thousand was paid as of December 31, 2012.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

- d. To improve the network quality and bandwidth, TFN, its subsidiary, entered into a purchase contract of transmission facility and IP equipment with Nokia Siemens Networks Taiwan Co., Ltd. in July 2011. The total amount of the contract will be no higher than \$769,576 thousand. As of December 31, 2012, the purchase amount was \$448,776 thousand.
- e. FMT, its subsidiary, provided guarantee for Fubon Gehua (Beijing) Enterprise Ltd. (FGE) with a ceiling of US\$11,400 thousand. The amount of LC, under bank practices, was US\$11,400 thousand deriving from bank loans and the time deposit of \$380,000 thousand was pledged as guarantee for the LC. The ending drawdown balance within the guarantee and endorsement was RMB\$34,022 thousand.
- f. As of December 31, 2012, FGE, its subsidiary, had a commitment for office decoration and film studio construction for RMB\$16,177 thousand and the outstanding amount is RMB\$1,996 thousand.
- g. Future minimum rental payments as of December 31, 2012, for significant operating lease agreements, are summarized as follows:

<u>Year of maturities</u>	<u>Amount</u>
2013	\$ 436,830
2014	491,053
2015	331,861
2016	298,939
2017	280,656

**8. SIGNIFICANT CASUALTY LOSS: NONE**

**9. SIGNIFICANT SUBSEQUENT EVENTS: NONE**

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**10. THE ADOPTION OF IFRSs ON DISCLOSURE IN ADVANCE**

a. Under the order No. 0990004943 issued by Financial Supervisory Commission (FSC) on February 2, 2010, starting 2013, the Corporation is required to prepare the financial report in conformity with the International Financial Reporting Standards (IFRSs), Standing Interpretations Committee (which is the predecessor of IFRIC), and the International Financial Reporting Interpretations Committee endorsed by the Financial Supervisory Commission. To respond to the requirement, the Corporation had established an ad hoc group which is in charged with developing the plan for adopting IFRSs that is being led by the supervisor of Finance Group. The content of the plan, completion date, and implementation status are described in the table below.

<u>Content of the plan</u>	<u>Implementation Units</u>	<u>Implementation Situation</u>
(a) Assessment Stage		
-Educated employee about financial accounting standards	Accounting Division	Completed
-Established the plan on adopting IFRSs and ad hoc group	Accounting Division	Completed
-Compared and analyzed differences between IFRSs and current financial accounting standards	Accounting Division	Completed
-Adjustment for current financial accounting standards	Accounting Division	Completed
-Evaluated applicability of First-time Adoption of IFRSs	Accounting Division	Completed
-Evaluated adjustment for information system and internal control	Finance Group, Business Groups, Information Group, Internal Audit Office	Completed
(b) Preparation Stage		
-Decided how to adjust current accounting policy in conformity with IFRSs	Accounting Division	Completed
-Decided how to adopt "First-time Adoption of IFRSs"	Accounting Division	Completed
-Adjusted for related information system and internal control	Finance Group, Business Groups, Information Group, Internal Audit Office	Completed
(c) Implementation Stage		
-Tested operation of related information system	Finance Group, Business Groups, Information Group, Internal Audit Office	Completed
-Gathered data to prepare balance sheet and compared the financial statements in conformity with IFRSs at the beginning of the year	Accounting Division	Completed
-Prepared comparative financial statements in conformity with IFRSs	Accounting Division	Prepared financial statements compliance with IFRSs as for the year ended December 31, 2012

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

b. As of December 31, 2012, the potential significant differences between current accounting policies and IFRSs for preparing financial statements as evaluated by the Group are listed below:

(a) Reconciliation of Balance Sheet, starting January 1, 2012

(In Thousands of New Taiwan Dollars)

ROC GAAP		Effect of transition to IFRSs		IFRSs		
Items	Amount	Difference of recognition and measurement	Difference of presentation	Amount	Items	Interpretation
<b>CURRENT ASSETS:</b>						
Cash and cash equivalents	\$ 6,693,992	-	-	6,693,992	Cash and cash equivalents	
Financial assets at fair value through profit or loss – current	60,186	-	-	60,186	Financial asset at fair value through profit or loss	
Available-for-sale financial assets – current	217,351	-	-	217,351	Available-for-sale financial assets – current	
Notes receivable	23,423	-	-	23,423	Notes receivable	
Accounts receivable, net	7,675,936	-	-	7,675,936	Accounts receivable, net	
Accounts receivable – related parties	124,601	-	-	124,601	Accounts receivable – related parties	
Other receivables	235,044	-	-	235,044	Other receivables	
Inventories	2,070,536	-	-	2,070,536	Inventories	
Prepayments	877,470	(263,048)	8,214	622,636	Prepayments	2 and 12
Deferred income tax assets – current	28,391	-	(28,391)	-		13
Restricted assets and other current assets	119,103	-	-	119,103	Other current assets	
<b>Total current assets</b>	<b>18,126,033</b>	<b>(263,048)</b>	<b>(20,177)</b>	<b>17,842,808</b>		
<b>INVESTMENTS:</b>						
Investments accounted for using the equity method	562,812	-	-	562,812	Investments accounted for using the equity method	
	-	1,123,144	-	1,123,144	Available-for-sale financial assets – non-current	3
Financial assets carried at cost – non-current	1,098,739	(912,463)	-	186,276	Financial assets carried at cost – non-current	3
Bonds measured at amortized cost – non-current	500,000	-	-	500,000	Bonds measured at amortized cost – non-current	
<b>Total investments</b>	<b>2,161,551</b>	<b>210,681</b>	<b>-</b>	<b>2,372,232</b>		
<b>NET PROPERTY AND EQUIPMENT</b>	<b>40,801,447</b>	<b>-</b>	<b>679,468</b>	<b>41,480,915</b>	Property and equipment	10, 11 and 12
		<b>-</b>	<b>302,799</b>	<b>302,799</b>	Investment Property	
<b>INTANGIBLE ASSETS</b>						
Trademarks	2,516,674	-	-	2,516,674	Trademarks	
3G concession license	5,233,964	-	-	5,233,964	3G concession license	
Computer software cost	587,814	-	(3,379)	584,435	Computer software	11 and 12
Goodwill	15,846,068	(138)	-	15,845,930	Goodwill	8
Customer relationship	2,168,107	-	-	2,168,107	Customer relationship	
Operating rights	1,382,000	-	-	1,382,000	Operating rights	
Other intangible assets	26,047	(25,409)	-	638	Other intangible assets	6
<b>Total intangible assets</b>	<b>27,760,674</b>	<b>(25,547)</b>	<b>(3,379)</b>	<b>27,731,748</b>		

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

ROC GAAP	Effect of transition to IFRSs			IFRSs		
Items	Amount	Difference of recognition and measurement	Difference of presentation	Amount	Items	Interpretation
<b>OTHER ASSETS:</b>						
Assets leased to others	302,799	-	(302,799)	-		9
Idle assets	99,813	-	(99,813)	-		10
	-	-	11,755	11,755	Prepayments for equipment	11
Refundable deposits	516,978	-	-	516,978	Refundable deposits	
Deferred charges	596,245	-	(596,245)	-		12
Deferred income tax assets – non-current	743,916	75,133	362,336	1,181,385	Deferred income tax assets	13
Others	684,912	(8,504)	-	676,408	Others	6
<b>Total other assets</b>	<u>2,944,663</u>	<u>66,629</u>	<u>(624,766)</u>	<u>2,386,526</u>		
<b>TOTAL</b>	<u>\$ 91,794,368</u>	<u>(11,285)</u>	<u>333,945</u>	<u>92,117,028</u>		
<b>CURRENT LIABILITIES:</b>						
Short-term borrowings	\$ 9,000,000	-	-	9,000,000	Short-term borrowings	
Short-term notes and bills payable	899,273	-	-	899,273	Short-term notes and bills payable	
Notes payable	641,166	-	-	641,166	Notes payable	
Accounts payable	5,703,992	-	-	5,703,992	Accounts payable	
Income taxes payable	1,331,623	-	-	1,331,623	Current tax liability	
Accrued expenses and other payables	9,654,514	61,140	-	9,715,654	Other payables	4, 5, and 8
Demolition process payable	72,202	-	-	72,202	Provision – current	
Current portion of long-term liabilities	4,000,000	-	-	4,000,000	Current portion of long-term liabilities	
Advance receipts and other current liabilities	4,802,996	38,172	-	4,841,168	Advance receipts and other current liabilities	1
Deferred income tax liability – current	193	-	(193)	-		13
<b>Total current liabilities</b>	<u>36,105,959</u>	<u>99,312</u>	<u>(193)</u>	<u>36,205,078</u>		
<b>LONG-TERM LIABILITIES:</b>						
Bonds payable	4,000,000	-	-	4,000,000	Bonds payable	
<b>OTHER LIABILITIES:</b>						
Accrued pension liabilities	-	106,748	-	106,748	Accrued pension liabilities	6
Guarantee deposits	738,932	-	-	738,932	Guarantee deposits	
Deferred income tax liability – non-current	195,847	(13,212)	334,138	516,773	Deferred income tax liability	13
Others	689,745	-	-	689,745	Others	
<b>TOTAL OTHER LIABILITIES</b>	<u>1,624,524</u>	<u>93,536</u>	<u>334,138</u>	<u>2,052,198</u>		
<b>TOTAL LIABILITIES</b>	<u>41,730,483</u>	<u>192,848</u>	<u>333,945</u>	<u>42,257,276</u>		
<b>SHAREHOLDERS' EQUITY</b>						
Capital stock						
Common stock	34,208,328	-	-	34,208,328	Common stock	
Capital surplus						
From convertible bonds	8,775,819	-	-	8,775,819	From convertible bonds	
From treasury stock transactions	3,639,302	-	-	3,639,302	From treasury stock transactions	
From long-term investments	4,485	(4,485)	-	-	Adjustments to changes in equity to affiliated companies in equity-method investments	7
	-	3,890	-	3,890	Difference between proceeds of disposal and carrying amount	7
Others	12,840	-	-	12,840	Others	
Retained earnings						
Legal reserve	16,715,018	-	-	16,715,018	Legal reserve	
Special reserve	821,741	-	-	821,741	Special reserve	
Unappropriated earnings	15,735,518	(438,166)	-	15,297,352	Unappropriated earnings	
Other equity						
Cumulative translation adjustments	17,612	16,619	-	34,231	The effects of changes in foreign exchange rates	8
Net loss not recognized as pension cost	(16,775)	16,775	-	-		6
Unrealized gains on financial instruments	111,306	210,681	-	321,987	Unrealized gains on available-for-sale financial asset	3
Treasury stock	(31,077,183)	-	-	(31,077,183)	Treasury stock	
	48,948,011	(194,686)	-	48,753,325		
Minority interest	1,115,874	(9,447)	-	1,106,427	Non-controlling interest	
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<u>50,063,885</u>	<u>(204,133)</u>	<u>-</u>	<u>49,859,752</u>		
<b>TOTAL</b>	<u>\$ 91,794,368</u>	<u>(11,285)</u>	<u>333,945</u>	<u>92,117,028</u>		

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

(b) Reconciliation of Balance Sheet, as of December 31, 2012

(In Thousands of New Taiwan Dollars)

ROC GAAP		Effect of transition to IFRSs		IFRSs		
Items	Amount	Difference of recognition and measurement	Difference of presentation	Amount	Items	Interpretation
<b>CURRENT ASSETS:</b>						
Cash and cash equivalents	\$ 7,223,640	-	-	7,223,640	Cash and cash equivalents	
Available-for-sale financial assets – current	205,397	-	-	205,397	Available-for-sale financial assets – current	
Notes receivable	42,710	-	-	42,710	Notes receivable	
Accounts receivable, net	7,947,448	-	-	7,947,448	Accounts receivable, net	
Accounts receivable –related parties	66,570	-	-	66,570	Accounts receivable – related parties	
Other receivables	331,767	-	-	331,767	Other receivables	
Inventories	2,627,754	-	-	2,627,754	Inventories	
Prepayments	1,120,289	(400,336)	1,410	721,363	Prepayments	2 and 12
Deferred income tax assets – current	46,640	-	(46,640)	-		13
Restricted assets and other current assets	484,971	-	-	484,971	Other current assets	
<b>Total current assets</b>	<b>20,097,186</b>	<b>(400,336)</b>	<b>(45,230)</b>	<b>19,651,620</b>		
<b>INVESTMENTS:</b>						
Investments accounted for using the equity method	1,248,562	-	-	1,248,562	Investments accounted for using the equity method	
	-	1,127,655	-	1,127,655	Available-for-sale financial assets – non-current	3
Financial assets carried at cost – non-current	1,093,791	(912,463)	-	181,328	Financial assets carried at cost – non-current	3
Bonds measured at amortized cost – non-current	500,000	-	-	500,000	Bonds measured at amortized cost – non-current	
<b>Total investments</b>	<b>2,842,353</b>	<b>215,192</b>	<b>-</b>	<b>3,057,545</b>		
<b>NET PROPERTY AND EQUIPMENT</b>	<b>39,834,181</b>	<b>-</b>	<b>758,992</b>	<b>40,593,173</b>	Property and equipment	10, 11 and 12
	<b>-</b>	<b>-</b>	<b>299,991</b>	<b>299,991</b>	Investment Property	9
<b>INTANGIBLE ASSETS</b>						
Trademarks	2,516,890	-	-	2,516,890	Trademarks	
3G concession license	4,486,254	-	-	4,486,254	3G concession license	
Computer software cost	537,303	-	(105,797)	431,506	Computer software	11 and 12
Goodwill	15,844,964	966	-	15,845,930	Goodwill	8
Customer relationship	1,988,999	-	-	1,988,999	Customer relationship	
Operating rights	1,382,000	-	-	1,382,000	Operating rights	
Other intangible assets	24,614	(22,039)	-	2,575	Other intangible assets	6
<b>Total intangible assets</b>	<b>26,781,024</b>	<b>(21,073)</b>	<b>(105,797)</b>	<b>26,654,154</b>		

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

(In Thousands of New Taiwan Dollars)

ROC GAAP		Effect of transition to IFRSs		IFRSs		
Items	Amount	Difference of recognition and measurement	Difference of presentation	Amount	Items	Interpretation
<b>OTHER ASSETS:</b>						
Assets leased to others	\$ 299,991	-	(299,991)	-		9
Idle assets	99,685	-	(99,685)	-		10
	-	-	111,821	111,821	Prepayments for equipment	11
Refundable deposits	574,301	-	-	574,301	Refundable deposits	
Deferred charges	666,741	-	(666,741)	-		12
Deferred income tax assets – non-current	496,957	122,230	453,107	1,072,294	Deferred income tax assets	13
Others	682,625	(21,050)	-	661,575	Others	6
<b>Total other assets</b>	<u>2,820,300</u>	<u>101,180</u>	<u>(501,489)</u>	<u>2,419,991</u>		
<b>TOTAL</b>	<u>\$ 92,375,044</u>	<u>(105,037)</u>	<u>406,467</u>	<u>92,676,474</u>		
<b>CURRENT LIABILITIES:</b>						
Short-term borrowings	\$ 3,158,440	-	-	3,158,440	Short-term borrowings	
Notes payable	360,669	-	-	360,669	Notes payable	
Accounts payable	7,354,917	-	-	7,354,917	Accounts payable	
Accounts payable – related parties	64,377	-	-	64,377	Accounts payable – related parties	
Income taxes payable	1,523,604	-	-	1,523,604	Current tax liability	
Accrued expenses and other payables	9,263,639	67,449	-	9,331,088	Other payables	
Demolition process payable	81,668	-	-	81,668	Provision – current	4, 5 and 8
Current portion of long-term liabilities	4,000,000	-	-	4,000,000	Current portion of long-term liabilities	
Advance receipts and other current liabilities	4,942,098	42,224	-	4,984,322	Advance receipts and other current liabilities	1
Deferred income tax liability	94	-	(94)	-		13
<b>Total current liabilities</b>	<u>30,749,506</u>	<u>109,673</u>	<u>(94)</u>	<u>30,859,085</u>		
<b>LONG-TERM LIABILITIES:</b>						
Bonds payable	8,995,180	-	-	8,995,180	Bonds payable	
<b>OTHER LIABILITIES:</b>						
Accrued pension liabilities	-	116,237	-	116,237	Accrued pension liabilities	6
Guarantee deposits	810,436	-	-	810,436	Guarantee deposits	
Deferred income tax liability – non-current	239,163	4,351	406,561	650,075	Deferred income tax liability	13
Others	774,939	-	-	774,939	Others	
<b>TOTAL OTHER LIABILITIES</b>	<u>1,824,538</u>	<u>120,588</u>	<u>406,561</u>	<u>2,351,687</u>		
<b>TOTAL LIABILITIES</b>	<u>41,569,224</u>	<u>230,261</u>	<u>406,467</u>	<u>42,205,952</u>		
<b>SHAREHOLDERS' EQUITY</b>						
Capital stock						
Common stock	34,208,328	-	-	34,208,328	Common stock	
Capital surplus						
From convertible bonds	8,775,819	-	-	8,775,819	From convertible bonds	
From treasury stock transactions	3,639,302	-	-	3,639,302	From treasury stock transactions	
From long-term investments	4,485	(4,485)	-	-	Adjustments to changes in equity to affiliated companies in equity-method investments	7
	-	3,890	-	3,890	Difference between proceeds of disposal and carrying amount	7
Others	12,840	-	-	12,840	Others	
Retained earnings						
Legal reserve	18,061,894	-	-	18,061,894	Legal reserve	
Unappropriated earnings	16,021,036	(587,634)	-	15,433,402	Unappropriated earnings	
Other equity						
Cumulative translation adjustments	2,115	23,368	-	25,483	The effects of changes in foreign exchange rates	8
Net loss not recognized as pension cost	(24,050)	24,050	-	-		6
Unrealized gains on financial instruments	99,351	215,192	-	314,543	Unrealized gains on available-for-sale financial asset	3
Treasury stock	(31,077,183)	-	-	(31,077,183)	Treasury stock	
	49,723,937	(325,619)	-	49,398,318		
Minority interest	1,081,883	(9,679)	-	1,072,204	Non-controlling interest	
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<u>50,805,820</u>	<u>(335,298)</u>	<u>-</u>	<u>50,470,522</u>		
<b>TOTAL</b>	<u>\$ 92,375,044</u>	<u>(105,037)</u>	<u>406,467</u>	<u>92,676,474</u>		

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

(c) Reconciliation of comprehensive income statement, year ended December 31, 2012

(In Thousands of New Taiwan Dollars)

ROC GAAP		Effect of transition to IFRSs		IFRSs		
Items	Amount	Difference of recognition and measurement	Difference of presentation	Amount	Items	Interpretation
<b>OPERATING REVENUES</b>	\$ 98,140,954	(4,052)	(644,327)	97,492,575	<b>OPERATING REVENUES</b>	1 and 14
<b>OPERATING COSTS</b>	62,733,818	(8,273)	(644,327)	62,081,218	<b>OPERATING COSTS</b>	4, 5, 6 and 14
<b>GROSS PROFIT</b>	35,407,136	4,221	-	35,411,357	<b>GROSS PROFIT</b>	
<b>OPERATING EXPENSES</b>					<b>OPERATING EXPENSES</b>	
Marketing	12,434,471	140,605	-	12,575,076	Marketing	2, 4, 5 and 6
Administrative	4,792,207	(7,026)	128	4,785,309	Administrative	4, 5, 6, 8 and 10
	17,226,678	133,579	128	17,360,385		
<b>OPERATING INCOME</b>	18,180,458	(129,358)	(128)	18,050,972	<b>OPERATING INCOME</b>	
<b>NON-OPERATING INCOME AND GAINS</b>						
Income from penalty charge	640,822	-	-	640,822	Income from penalty charge	
Interest income	55,503	(6)	-	55,497	Interest income	8
Rental income	33,825	-	-	33,825	Rental income	
Others	110,960	-	-	110,960	Other gains and losses	
<b>Total non-operating income and gains</b>	841,110	(6)	-	841,104		
<b>NON-OPERATING EXPENSES AND LOSSES:</b>						
Loss on disposal and retirement of property and equipment	591,714	-	-	591,714	Other gains and losses	
Interest expense	328,162	-	-	328,162	Financial cost	
Investment loss recognized under the equity method	10,502	-	-	10,502	The shares of loss of investment in associating and joint ventures	
Others	119,768	7,576	(128)	127,216	Other gains and losses	8 and 10
<b>Total non-operating expenses and losses</b>	1,050,146	7,576	(128)	1,057,594		
<b>INCOME BEFORE INCOME TAX</b>	17,971,422	(136,940)	-	17,834,482	<b>INCOME BEFORE INCOME TAX</b>	
<b>INCOME TAX EXPENSE</b>	3,055,140	(22,177)	-	3,032,963	<b>INCOME TAX EXPENSE</b>	
<b>CONSOLIDATED NET INCOME</b>	<b>\$ 14,916,282</b>	<b>(114,763)</b>	<b>-</b>	14,801,519	<b>NET INCOME</b>	
				(13,663)	<b>The effects of changes in foreign exchange rates</b>	
				(7,444)	<b>Unrealized gains on available-for-sale financial asset</b>	
				(35,927)	<b>Actuarial gains and losses on defined benefit plans</b>	
				(57,034)	<b>Total other comprehensive income for the period</b>	
				<b>\$ 14,744,485</b>	<b>Total comprehensive income for the period</b>	



**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

c. Explanation to the reconciliation of primary significant differences

(1) Customer Loyalty Programmers

Under ROC GAAP, expenses arising from the credit award plan is estimated and recognized in financial statement as obligation of the plan has incurred. After the adoption of IFRSs, credit award, which is allocated based on the relative fair value method, should be included in deferred revenue and recognized as revenue when the third party fulfills the redemption obligations in accordance with IFRIC No. 13, "Customer Loyalty Programs."

As of January 1, 2012, and December 31, 2012, the above adjustments increased the Corporation's original deferred income by \$38,172 thousand and \$42,224 thousand, respectively. In addition, the operating revenues were adjusted to decrease by \$4,052 thousand for the year ended December 31, 2012.

(2) Prepaid Card Commission

ROC GAAP adopts a revenue and cost matching principle. Revenue from selling prepaid cards and its corresponding commission are recognized as revenue received in advance and expense payment in advance, which will then be recognized as service revenue and selling expense, respectively, based on customer's usage. After the adoption of IFRSs, upon the sales of prepaid cards to customers, the commission paid to the distributors shall be recognized as commission expense, in accordance with IAS (International Accounting Standards) No. 38, "Intangible Assets."

As of January 1, 2012, and December 31, 2012, the above adjustments decreased the Corporation's prepaid commissions by \$263,048 thousand and \$400,336 thousand, respectively. In addition, the commission expense was adjusted to increase by \$137,288 thousand for the year ended December 31, 2012.

(3) Financial Assets – Equity Instruments

Based on SFAS No. 34 and its related regulations, if the fair value of the financial instruments cannot be measured objectively (including the emerging and non-listed stocks), the instruments should be measured at cost. Should any objective evidence of impairment occur, an impairment loss should be recognized. After the adoption of IFRSs, if the fair value (such as market prices) of financial instruments can be obtained, the instruments should be reclassified as available-for-sale financial assets with subsequent re-evaluation based on their fair value. After adopting IFRSs, the Group reclassified the portion of financial assets carried at cost – non-current into available-for-sale financial assets – non-current. The relevant adjustments are as follows:

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

ROC GAAP		IFRS		Difference
Item	Amount of measurement	Item	Amount of measurement	
<b>As of January 1, 2012</b>				
		Available-for-sale financial assets – non-current	1,123,144	1,123,144
Financial assets carried at cost – non-current	1,098,739	Financial assets carried at cost – non-current	186,276	(912,463)
	<u><b>1,098,739</b></u>		<u><b>1,309,420</b></u>	<u><b>210,681</b></u>
<b>As of December 31, 2012</b>				
		Available-for-sale financial assets – non-current	1,127,655	1,127,655
Financial assets carried at cost – non-current	1,093,791	Financial assets carried at cost – non-current	181,328	(912,463)
	<u><b>1,093,791</b></u>		<u><b>1,308,983</b></u>	<u><b>215,192</b></u>
<b>The above adjustment of difference:</b>			<b>As of</b>	<b>As of</b>
Other equity – unrealized gains on available-for-sale financial assets			<b>December 31, 2012</b>	<b>January 1, 2012</b>
			<u><b>215,192</b></u>	<u><b>210,681</b></u>

(4) Employee Benefits – Compensated Absences

Under ROC GAAP, there are no regulations regarding the accumulated compensated absences. After the adoption of IFRSs, if employees' vacation rights are form of accumulated compensated absences, the expected cost of accumulated compensated absences should be recognized when the employees render service and thus increasing future compensated absence rights, in accordance with IAS No. 19, "Employee Benefits."

As of January 1, 2012, and December 31, 2012, the above adjustments increased the Group's accrued salary by \$39,046 thousand and \$39,596 thousand, respectively. In addition, the salary was adjusted to increase by \$550 for the year ended December 31, 2012.

(5) Leases

Under ROC GAAP, the period rental of the leased objective is recognized as expense. After the adoption of IFRSs, it has to be recognized as expense using the straight-line basis in accordance with the amount of contract or the amount of actual hike over the lease term in accordance with IAS No. 17, "Leases."

As of January 1, 2012, and December 31, 2012, the above adjustments increased the Group's accrued rent by \$22,088 thousand and \$27,853 thousand, respectively. In addition, the rent was adjusted to increase by \$5,765 thousand for the year ended December 31, 2012.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

(6) Employee Benefits – Post-Employment Defined Benefits Plan

- (a) Under ROC GAAP, the pension cost and pension liability under the defined benefit pension plan are recognized on the basis of actuarial calculations. After the adoption of IFRSs, the actuarial calculation for the defined benefit obligation is determined in accordance with IAS No. 19, “Employee Benefits.”
- (b) Under ROC GAAP, unrecognized net transition assets or obligations is amortized on a straight-line basis over the employee’s remaining service period. After the adoption of IFRSs, the aforementioned assets or obligations shall be recognized as addition/deduction of retained earnings on the date of transition to IFRSs due to the absence of the requirement under IAS No. 19, “Employee Benefits.”
- (c) Under ROC GAAP, pension actuarial gain and loss is recognized as current pension cost by corridor approach in the income statement. After the adoption of IFRSs, the abovementioned gain or loss shall be recognized as other comprehensive income in the statement of comprehensive income, in accordance with IAS No. 19, “Employee Benefits.”

As of January 1, 2012, and December 31, 2012, the above adjustments decreased the Group’s prepaid pension cost by \$8,504 thousand and \$21,050 thousand, respectively; decreased deferred pension cost by \$25,409 thousand and \$22,039 thousand; increased accrued pension liabilities by \$106,748 thousand and \$116,237 thousand, respectively; decreased net loss not recognized as pension costs by \$16,775 thousand and \$24,050 thousand. In addition, the pension expense was adjusted to decrease by \$17,334 thousand and the actuarial loss on defined benefit plans was adjusted to increase by \$35,927 thousand, respectively, for the year ended December 31, 2012.

(7) Affiliated Companies

Under ROC GAAP, the proportion of share equity arising from additional share issuance by affiliated companies in which the original shareholders acquire new shares un-proportionately will be adjusted as additional paid-in capital or retained earnings. After the adoption of IFRSs, the resulting difference between the net fair value of the identifiable assets in excess of liabilities and the investment cost is included in profit and loss for the current year.

As of January 1, 2012, and December 31, 2012, the above adjustments decreased the Group’s APIC (additional paid-in capital) and increased unappropriated earning by \$595 thousand.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

(8) Functional Currency

Under ROC GAAP, the investment holding companies which are the consolidated entities used US dollars as their functional currency. After the adoption of IFRSs, they have to determine the functional currency based on the requirement under IAS No. 21 “The Effects of Changes in Foreign Exchange Rates.”

As of January 1, 2012, and December 31, 2012, due to the change of the functional currency, the effect of subsidiaries were as follows: the goodwill was decreased by \$138 thousand and increased by \$966 thousand, respectively; other payables increased by \$6 thousand and zero, respectively; the effects of changes in foreign exchange rates increased by \$16,619 thousand and \$23,368 thousand, respectively; for the year ended December 31, 2012, the adjustment of amortization was decreased by \$963 thousand; interest income was decreased by \$6 thousand and other losses – currency exchange losses was increased by \$7,576 thousand with subsidiaries as mentioned above.

(9) Classification of Leased Assets

Under ROC GAAP, leased offices are classified as leased assets under other assets. After the adoption of IFRSs, they are classified as investment properties in accordance with IAS No. 40, “Investment Property.” Therefore, the leased assets of the Group amounting to \$302,799 thousand and \$299,991 thousand, respectively, were reclassified as investment property as of January 1, 2012, and December 31, 2012.

(10) Classification of Idle Assets

Under ROC GAAP, idle assets are classified as other assets. After the adoption of IFRSs, they are reclassified as property, plant and equipment, depending on their nature in accordance with IAS No. 16, “Property, Plant and Equipment.” Therefore, the idle assets of the Group amounting to \$99,813 thousand and \$99,685 thousand, respectively, were reclassified as property, plant and equipment as of January 1, 2012, and December 31, 2012; the amount of depreciation which was reclassified from non-operating expense and losses to operating expense was \$128 thousand for the year ended December 31, 2012.

(11) Classification of Prepayments of Property, Plant and Equipment and Computer Software Costs

Under ROC GAAP, the prepaid item for purchasing property, plant and equipment and computer software costs are classified as fixed assets and computer software costs. Under IFRSs, they are reclassified as prepaid item in the category of other assets. Therefore, prepaid fixed assets and computer software costs of the Group amounting to \$11,755 thousand and \$111,821 thousand, respectively, were reclassified as prepaid item in the category of other assets as of January 1, 2012, and December 31, 2012.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

(12) Classification of Deferred Charges

Under ROC GAAP, deferred charges are classified as other assets. Under IFRSs, they are reclassified as prepayments, computer software costs and property, plant and equipment. Therefore, deferred charges of the Group amounting to \$596,245 thousand and \$666,741 thousand, respectively, were reclassified as prepayments, computer software costs and property, plant and equipment as of January 1, 2012 and December 31, 2012.

(13) Classifications of Deferred Income Tax Assets/Liabilities and Valuation Allowance

Under ROC GAAP, deferred income tax assets or liabilities are classified as current or non-current according to the classification of related assets or liabilities. However, if deferred income tax assets or liabilities do not relate to assets or liabilities in the financial statements, they are classified as either current or non-current based on the expected length of time before realized. After the adoption of IFRSs, deferred tax assets or liabilities are all classified as non-current assets or liabilities. Only if the Group has a legally enforceable right to set off current tax assets against current tax liabilities and meets other related requirements may the Group offset deferred tax assets and deferred tax liabilities.

Currently, valuation allowance is provided for deferred income tax assets to the extent that more likely than not such assets will not be realized. Under IFRSs, deferred tax assets are only recognized to the extent that it is probable that there will be sufficient tax benefits and the valuation allowance account is no longer used. As of January 1, 2012, and December 31, 2012, the Group reclassified deferred income tax assets and liabilities – current as non-current assets, reversed deferred income tax assets and liabilities which were settled on a net basis under ROC GAAP, and increased deferred income tax assets and liabilities – non-current amounting to \$362,336 thousand and \$453,107 thousand, respectively.

(14) Revenue Recognition

There are some differences between the judgment of clients and agents under ROC GAAP and the requirement of IFRSs. After the adoption of IFRSs, a re-judgment is required in accordance with IAS No. 18, “Revenue.” If the transaction is agent relationship, commission will be recognized as revenue instead of the amounts received from clients.

Under ROC GAAP, the slotting fee, promotion fee and others, which were charged from the suppliers, are classified as operating revenue. Under IFRSs, the above-mentioned linked transactions should be recognized as purchase discounts and allowances in accordance with IAS No. 18, “Revenue.”

Therefore, its subsidiaries’ operating revenue and cost were both reclassified by decreasing \$644,327 thousand for the year ended December 31, 2012.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

d. According to IFRS No. 1, except for the optional exemptions and mandatory exceptions, the Group applies the accounting policies which complies with each IFRS effective reporting period and applies them retroactively to the difference between IFRSs and ROC GAAP in its first IFRS financial statement.

The optional exemptions are set out as follows:

(1) Business Combination

The Group elects not to apply IFRS No. 3 and IAS No. 27, “Consolidated and Separate Financial Statements” retroactively to business combination that occurred prior to the date of transition, including investments in associates.

(2) The Group elects to recognize all unrecognized accumulated actuarial gain and loss arising from the pension plan as retained earnings at the date of transition.

e. The Group conducted the evaluation above in accordance with the 2010 editions of IFRSs, the IASs (International Accounting Standards), and the standards interpretations issued by IFRIC (International Financial Reporting Interpretations Committee) and SIC (Standing Interpretation Committee), all of which have been approved by the FSC, and the revised “Guidelines Governing the Preparation of Financial Reports by Securities Issuers.” The preliminary estimates of the aforementioned assessments are all based on the current environment and circumstances of the Group, and are subject to future IFRSs amendments and potential regulation revisions made by authorities.

**11. OTHERS**

a. Labor cost, depreciation, and amortization

	Years ended December 31					
	2012			2011		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Labor cost						
Salary	\$ 1,852,119	3,640,139	5,492,258	1,563,787	3,248,799	4,812,586
Labor and health insurance	148,881	284,460	433,341	116,013	221,220	337,233
Pension	75,653	165,325	240,978	72,612	120,439	193,051
Others	82,146	167,035	249,181	68,666	146,018	214,684
Depreciation	7,566,836	499,044	8,065,880	7,483,385	395,808	7,879,193
Amortization	1,167,255	511,859	1,679,114	1,100,591	514,114	1,614,705

b. Reclassification

Certain accounts in the consolidated financial statements as of and for the year ended December 31, 2011, have been reclassified to conform to the presentation of consolidated financial statements as of and for the year ended December 31, 2012.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**12. ADDITIONAL DISCLOSURES**

The followings were the additional disclosures required by the Securities and Futures Bureau for the Corporation and its investees :

- a. Financing provided: Table 1 (attached)
- b. Endorsement/guarantee provided: Table 2 (attached)
- c. Marketable securities held: Table 3 (attached)
- d. Accumulated acquisition and disposal of the same marketable securities acquired and disposed of at costs or prices of at least \$100 million or 20% of the paid-in capital: Table 4 (attached)
- e. Acquisition of individual real estate at costs of at least \$100 million or 20% of the paid-in capital: Table 5 (attached)
- f. Disposal of individual real estate at prices of at least \$100 million or 20% of the paid-in capital: None
- g. Total purchases from or sales to related parties amounting to at least \$100 million or 20% of the paid-in capital: Table 6 (attached)
- h. Receivables from related parties amounting to at least \$100 million or 20% of the paid-in capital: Table 7 (attached)
- i. Names and locations of, and related information on investees (on which the Corporation exercised significant influence): Table 8 (attached)
- j. Derivative transactions: None
- k. Investment in Mainland China:
  - (1) The name of the investee company in Mainland China, the main businesses and products, issued capital, method of investment, information on inflow or outflow of capital, ownership, investment gain or loss, ending balance, amount received as earnings distributions from the investment, and the limitation on investment: Table 9 (attached)
  - (2) Significant direct or indirect transactions with the investee company, its prices and terms of payment, unrealized gain or loss, and other related information which is helpful to understand the impact of investment in Mainland China on financial reports: None
- l. Business relationships and significant intercompany transactions: Table 10 and Table 11 (attached)

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**13. SEGMENT INFORMATION**

(In Millions of New Taiwan Dollars)

Year ended December 31, 2012	Consumer Business Group (CBG)	Enterprise Business Group (EBG)	Home Business Group (HBG)	Fubon Multimedia Technology (FMT)	Adjustments and Eliminations	Consolidated
Operating Revenues	\$ 62,903	10,391	6,122	18,923	(198)	98,141
Operating Costs	36,838	6,905	2,716	16,266	9	62,734
Operating Expenses	13,493	1,022	743	2,028	(59)	17,227
Operating Income	12,572	2,464	2,663	629	(148)	18,180
EBITDA (Note)	20,477	3,393	3,238	816	4	27,928
Total Assets	-	-	-	-	-	92,375
Year ended December 31, 2011						
Operating Revenues	\$ 58,091	9,877	5,914	7,574	(87)	81,369
Operating Costs	33,024	6,710	2,627	6,261	19	48,641
Operating Expenses	12,614	1,196	759	886	(317)	15,138
Operating Income	12,453	1,971	2,528	427	211	17,590
EBITDA (Note)	20,395	2,779	3,038	516	359	27,087
Total Assets	-	-	-	-	-	91,794

The Group's reportable segments are determined by types of customers to whom it provides different services and products. The Group divides its business into four reportable segments with different market attributes and marketing strategies. The four segments are described as follows.

CBG: Providing voice and data mobile services for individual users.

EBG: Providing integrated mobile and fixed-line services for enterprise users.

HBG: Providing pay TV and cable broadband services for home users.

FMT: TV shopping / E-shopping / Catalog shopping / Physical channel marketing

Note: The Group uses EBIDTA as the measurement for segment profit and the basis of performance assessment.

a. Foreign operations

The Corporation has no revenue-generating unit that operates outside the ROC.

b. Foreign revenues

The Corporation has no foreign revenues.



**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

c. Customers with revenues exceeding 10% of the total net operating revenues were as follows:

Company	Years ended December 31			
	2012		2011	
	Amount	Percentage of Operating Revenue	Amount	Percentage of Operating Revenue
Chunghwa Telecom Co., Ltd.	\$ 5,843,988	6	6,184,364	8

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**FINANCING PROVIDED**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

TABLE 1

(In Thousands of New Taiwan Dollars)

No.	Lending Company	Borrowing Company	Financial Statement Account	Maximum Balance for the Period (Note 1)	Ending Balance (Note 1)	Drawdown Amounts	Interest Rate	Financing Purpose	Transaction Amounts	Reasons for Short-term Financing	Allowance for Doubtful Accounts	Collateral		Lending Limit for Each Borrowing Company	Lending Company's Lending Amount Limits
												Item	Value		
0	Taiwan Mobile Co., Ltd. (the "Corporation")	TFN Media Co., Ltd.	Other receivables	\$ 4,500,000	\$ 3,600,000	\$ 1,800,000	1.186%~1.199%	Short-term financing	-	Operation requirements	-	-	-	\$ 19,889,575 (Note 2)	19,889,575 (Note 2)
		Global Wealth Media Technology Co., Ltd.	Other receivables	10,000	10,000	-	1.206%	Short-term financing	-	Operation requirements	-	-	-	19,889,575 (Note 2)	19,889,575 (Note 2)
		Wealth Media Technology Co., Ltd.	Other receivables	600,000	600,000	-	1.193%~1.208%	Short-term financing	-	Operation requirements	-	-	-	19,889,575 (Note 2)	19,889,575 (Note 2)
		Win TV Broadcasting Co., Ltd.	Other receivables	550,000	-	-	1.092%~1.190%	Short-term financing	-	Operation requirements	-	-	-	19,889,575 (Note 2)	19,889,575 (Note 2)
		Taiwan Kuro Times Co., Ltd.	Other receivables	100,000	100,000	30,000	1.193%	Short-term financing	-	Operation requirements	-	-	-	19,889,575 (Note 2)	19,889,575 (Note 2)
1	Taiwan Cellular Co., Ltd.	The Corporation	Other receivables	900,000	800,000	800,000	1.195%~1.199%	Short-term financing	-	Operation requirements	-	-	-	34,076,600 (Note 2)	34,076,600 (Note 2)
		Taiwan Digital Communications Co., Ltd.	Other receivables	200,000	200,000	53,000	1.198%~1.6%	Short-term financing	-	Operation requirements	-	-	-	34,076,600 (Note 2)	34,076,600 (Note 2)
		TFN Media Co., Ltd.	Other receivables	5,000,000	-	-	1.493%~1.564%	Short-term financing	-	Operation requirements	-	-	-	34,076,600 (Note 2)	34,076,600 (Note 2)
2	Taiwan Fixed Network Co., Ltd.	The Corporation	Other receivables	7,500,000	6,000,000	6,000,000	1.19%~1.208%	Short-term financing	-	Operation requirements	-	-	-	20,536,348 (Note 2)	20,536,348 (Note 2)
		TFN Union Investment Co., Ltd.	Other receivables	500	-	-	1.087%	Short-term financing	-	Operation requirements	-	-	-	20,536,348 (Note 2)	20,536,348 (Note 2)
		Taiwan Cellular Co., Ltd.	Other receivables	8,170,000	-	-	1.093%~1.164%	Short-term financing	-	Operation requirements	-	-	-	20,536,348 (Note 2)	20,536,348 (Note 2)
3	TCC Investment Co., Ltd.	TCCI Investment and Development Co., Ltd.	Other receivables	500	-	-	1.087%	Short-term financing	-	Operation requirements	-	-	-	12,893,299 (Note 2)	12,893,299 (Note 2)
4	Union Cable TV Co., Ltd.	TFN Media Co., Ltd.	Other receivables	715,000	175,000	-	1.087%~1.190%	Short-term financing	-	Repayment of financing	-	-	-	750,171 (Note 3)	13,500,000 (Note 3)
5	Globalview Cable TV Co., Ltd.	TFN Media Co., Ltd.	Other receivables	250,000	250,000	250,000	1.087%~1.190%	Short-term financing	-	Repayment of financing	-	-	-	273,845 (Note 4)	504,922 (Note 4)

(Continued)

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**

**FINANCING PROVIDED**

**FOR THE YEAR ENDED DECEMBER 31, 2012**

No.	Lending Company	Borrowing Company	Financial Statement Account	Maximum Balance for the Period (Note 1)	Ending Balance (Note 1)	Drawdown Amounts	Interest Rate	Financing Purpose	Transaction Amounts	Reasons for Short-term Financing	Allowance for Doubtful Accounts	Collateral	Lending Limit for Each Borrowing Company	Lending Company's Lending Amount Limits
6	Phoenix Cable TV Co., Ltd.	TFN Media Co., Ltd.	Other receivables	\$ 596,000	\$ 560,000	\$ 560,000	1.092%~1.190%	Transactions	\$ 568,433	Business requirements	\$ -	-	\$ 12,000,000 (Note 5)	\$ 12,000,000 (Note 5)
7	Yeong Jia Leh Cable TV Co., Ltd.	TFN Media Co., Ltd.	Other receivables	544,000	400,000	400,000	1.092%~1.208%	Transactions	521,749	Business requirements	-	-	24,000,000 (Note 5)	24,000,000 (Note 5)
8	Wealth Media Technology Co., Ltd.	Win TV Broadcasting Co., Ltd.	Other receivables	600,000	600,000	50,000	1.593%~1.608%	Short-term financing	-	Operation requirements	-	-	6,380,113 (Note 2)	6,380,113 (Note 2)
		Global Wealth Media Co., Ltd.(Note 6)	Other receivables	10,000	-	-	1.087%	Short-term financing	-	Repayment of financing	-	-	6,380,113 (Note 2)	6,380,113 (Note 2)
		Tai Fu Media Technology Co., Ltd. (Note 7)	Other receivables	50,000	-	-	1.186%	Short-term financing	-	Operation requirements	-	-	6,380,113 (Note 2)	6,380,113 (Note 2)
9	TFN Media Co., Ltd	Taiwan Kuro Times Co., Ltd.	Other receivables	100,000	-	-	1.578%~1.590%	Short-term financing	-	Repayment of financing	-	-	3,643,643 (Note 3)	15,000,000 (Note 3)

Note 1: Maximum amount for the period and the ending balance represent quotas, not actual appropriation.

Note 2: For the entities which have short-term financing needs (loaning entities), the aggregate amount of loaned funds shall not exceed 40 percent of the lending company's net worth. The individual loan funds shall be limited to the lowest amount of the following items: 1) 40 percent of the lending company's net worth; 2) the amount that the lending company invests in the borrowing entities; or 3) the amount = (the share portion of the borrowing entities that the lending company invests in)\* (the total loaning amounts of the loaning entities). In the event that a lending company directly or indirectly owns 100% of the counter-party, or the company directly or indirectly owns 100% of the lending company, the individual lending amount and the aggregate amount of loaning funds shall not exceed 40% of the lending company's net worth.

Note 3: Where funds are loaned for reasons of business dealings and short-term financing needs, the amount of loaning funds shall be both limited to the higher amount of the following items: 1) a multiple of the lending company's capital, or 2) the amount of business dealings. A) for reasons of business dealings: the individual lending amount and the aggregate amount of loaning funds shall be both limited to the higher amount of the following items: 1) a multiple of the lending company's capital, or 2) the amount of business dealing. B) For short-term financing needs: the individual lending amount and the aggregate amount of loaning funds shall not exceed 40% of the lending company's net worth.

Note 4: Where funds are loaned for reasons of business dealings and short-term financing needs, the amount of loaning funds shall be limited to the total amount of business dealing and 40% of the lending company's net worth. A) For reasons of business dealings: the individual lending amount and the aggregate amount of loaning funds shall not exceed the amount of business dealing. B) For short-term financing needs: the individual lending amount and the aggregate amount of loaning funds shall not exceed 40% of the lending company's net worth.

Note 5: Where funds are loaned for reasons of business dealings, the individual lending amount and the aggregate amount of loaning funds shall both be limited to the higher amount of the following items: 1) a multiple of the lending company's capital, or 2) the amount of business dealings.

Note 6: Wealth Media Technology Co., Ltd. assumed the amount of financing from related parties derived from TFMT because of the merge.

Note 7: TFMT was dissolved due to the merging on March 1, 2012.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**ENDORSEMENT/ GUARANTEE PROVIDED**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

TABLE 2

(In Thousands of New Taiwan Dollars)

No.	Endorsement/Guarantor (A)	Receiving Party		Maximum Guarantee/ Endorsement Amount That Can Be Provided to Each Receiving Party	Maximum Balance for the Period (Note 1)	Ending Balance (Note 1)	Value of Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Worth of the Guarantor (Note 1)	Maximum Guarantee/ Endorsement That Can Be Provided by the Guarantor/Endorser
		Name (B)	Nature of Relationship (B is A's)						
0	Taiwan Mobile Co., Ltd. (the "Corporation")	Taiwan Fixed Network Co., Ltd.	(Note 2)	\$ 42,000,000 (Note 3)	\$ 21,151,925	\$ 21,116,400	\$ -	42.47%	\$ 49,723,937 (Note 3)
1	Fubon Multimedia Technology Co., Ltd.	Fubon Gehua (Beijing) Enterprise Ltd.	(Note 2)	357,753 (Note 4)	333,450	331,056	331,056	15.41%	2,147,665 (Note 4)

Note 1: Maximum guarantee/endorsement amount for the period and the ending balance represent quotas, not actual appropriation.

Note 2: Direct/indirect subsidiary.

Note 3: For 100% directly/indirectly owned subsidiaries, the aggregate endorsement/guarantee amount provided shall not exceed the net worth of the Corporation, and the upper limit for each subsidiary shall be the double the investment amount.

Note 4: FGE is directly and indirectly owned by FMT more than 50%. The aggregate endorsement/guarantee amount provided by FMT shall be limited to the net worth of FMT, and the individual amount shall be limited to the investment amount in FGE. The above amounts were translated into New Taiwan dollars at the exchange rate of US\$1 = NT\$29.04 as of December 31, 2012.

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

DECEMBER 31, 2012

TABLE 3

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investing Company (A)	Marketable Securities Invested (B)	Relationship with the Investing Company (B is A's)	Financial Statement Account	December 31, 2012				Note
				Shares/Units (Thousands)	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
Taiwan Mobile Co., Ltd. (the "Corporation")	<u>Stock</u> Chunghwa Telecom Co., Ltd.	-	Available-for-sale financial assets – current	2,174	\$ 205,397	0.028	\$ 205,397 (Note 5)	
	Bridge Mobile Pte Ltd.	-	Financial assets carried at cost – non-current	2,200	50,324	10	- (Note 3)	
	Yes Mobile Holdings Company	-	Financial assets carried at cost – non-current	74	-	0.19	- (Note 2)	
	Wealth Media Technology Co., Ltd.	Subsidiary	Long-term investments – equity method	39,065	15,950,282	100	15,950,282	
	Taiwan Cellular Co., Ltd.	Subsidiary	Long-term investments – equity method	370,896	17,653,627	100	85,191,500 (Note 4)	
	Taipei New Horizons Co., Ltd.	Equity-method investee	Long-term investments – equity method	92,315	811,841	49.9	811,841	
Wealth Media Technology Co., Ltd.	<u>Stock</u> Fubon Multimedia Technology Co., Ltd.	Subsidiary	Long-term investments – equity method	64,742	8,564,191	50.64	1,087,488	
	Win TV Broadcasting Co., Ltd.	Subsidiary	Long-term investments – equity method	18,177	257,558	100	249,941	
	TFN Media Co., Ltd.	Subsidiary	Long-term investments – equity method	230,921	6,860,143	100	9,109,106	
	Global Wealth Media Technology Co., Ltd.	Subsidiary	Long-term investments – equity method	8,945	96,318	100	96,318	
	Global Forest Media Technology Co., Ltd.	Subsidiary	Long-term investments – equity method	1,500	17,645	100	17,645	
Global Wealth Media Technology Co., Ltd.	<u>Stock</u> Globalview Cable TV Co., Ltd.	Subsidiary	Long-term investments – equity method	3,825	94,773	6.83	46,765	
Global Forest Media Technology Co., Ltd.	<u>Stock</u> Union Cable TV Co., Ltd.	Subsidiary	Long-term investments – equity method	1,300	15,868	0.76	14,306	

(Continued)

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

DECEMBER 31, 2012

Investing Company (A)	Marketable Securities Invested (B)	Relationship with the Investing Company (B is A's)	Financial Statement Account	December 31, 2012				Note
				Shares/Units (Thousands)	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
Fubon Multimedia Technology Co., Ltd.	<u>Stock</u> Fu Sheng Travel Service Co., Ltd.	Subsidiary	Long-term investments – equity method	600	\$ 27,475	100	\$ 27,475	
	Fuli Life Insurance Agent Co., Ltd.	Subsidiary	Long-term investments – equity method	300	12,530	100	12,530	
	Fuli Property Insurance Agent Co., Ltd.	Subsidiary	Long-term investments – equity method	300	16,671	100	16,671	
	Asian Crown International Co., Ltd.	Subsidiary	Long-term investments – equity method	47	US\$ 3,811	100	US\$ 3,811	
	Taiwan Pelican Express Co., Ltd.	Equity-method investee	Long-term investments – equity method	17,200	359,643	20	219,360	
Asian Crown International Co., Ltd.	<u>Stock</u> Fortune Kingdom Corporation	Subsidiary	Long-term investments – equity method	14,000	US\$ 3,811	100	US\$ 3,811	
Fortune Kingdom Corporation	<u>Stock</u> Hong Kong Fubon Multimedia Technology Co., Ltd.	Subsidiary	Long-term investments – equity method	14,000	US\$ 3,811	100	US\$ 3,811	
Hong Kong Fubon Multimedia Technology Co., Ltd.	<u>Stock</u> Fubon Gehua (Beijing) Enterprise Ltd.	Subsidiary	Long-term investments – equity method	-	US\$ 2,213	80	US\$ 2,213	
Taiwan Cellular Co., Ltd.	<u>Stock</u> Arcoa Communication Co., Ltd.	-	Financial assets carried at cost – non-current	6,998	67,731	5.21	-	(Note 3)
	Parawin Venture Capital Corp.	-	Financial assets carried at cost – non-current	2,700	16,873	3	-	(Note 3)
	Transportation High Tech Inc.	-	Financial assets carried at cost – non-current	1,200	-	12	-	(Note 3)
					(Note 2)		(Note 3)	

(Continued)

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

DECEMBER 31, 2012

Investing Company (A)	Marketable Securities Invested (B)	Relationship with the Investing Company (B is A's)	Financial Statement Account	December 31, 2012				Note
				Shares/Units (Thousands)	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
Taiwan Cellular Co., Ltd.	WEB Point Co., Ltd.	-	Financial assets carried at cost – non-current	803	\$ 6,773	3.17	\$ - (Note 3)	
	TWM Holding Co. Ltd.	Subsidiary	Long-term investments – equity method	1 share	US\$ 8,338	100	US\$ 8,338	
	Taiwan Fixed Network Co., Ltd.	Subsidiary	Long-term investments – equity method	2,100,000	51,340,870	100	51,340,870	
	Taiwan Digital Communication Co., Ltd.	Subsidiary	Long-term investments – equity method	11,200	136,253	100	136,253	
	TCC Investment Co., Ltd.	Subsidiary	Long-term investments – equity method	22,103	32,360,430	100	32,233,247	
	Taiwan Teleservices & Technologies Co., Ltd.	Subsidiary	Long-term investments – equity method	2,484	100,749	100	100,749	
TWM Holding Co., Ltd.	<u>Stock</u> TWM Communications (Beijing) Co., Ltd.	Subsidiary	Long-term investments – equity method	-	US\$ 3,756	100	US\$ 2,866	
Taiwan Teleservices & Technologies Co., Ltd.	<u>Stock</u> TT & T Holdings Co., Ltd.	Subsidiary	Long-term investments – equity method	1,300	45,942	100	45,942	
	Taiwan Super Basketball Co., Ltd.	Subsidiary	Long-term investments – equity method	2,000	21,684	100	21,684	
TT&T Holdings Co., Ltd.	<u>Stock</u> Xiamen Taifu Teleservices & Technologies Co., Ltd.	Subsidiary	Long-term investments – equity method	-	45,661	100	45,661	
TCC Investment Co., Ltd.	<u>Stock</u> Taiwan Mobile Co., Ltd. (the “Corporation”)	The Corporation	Available-for-sale financial assets – non-current	200,497	21,453,153	5.86	21,453,153 (Note 5)	
	TCCI Investment and Development Co., Ltd.	Subsidiary	Long-term investments – equity method	400	12,165,175	100	12,165,175	
	Great Taipei Broadband Co., Ltd.	-	Financial assets carried at cost – non-current	10,000	39,627	6.67	- (Note 3)	
	<u>Preferred stock</u> Taiwan High Speed Rail Corporation Unlisted Convertible Preferred Stock – Series A	-	Bonds measured at amortized cost – non-current	50,000	500,000	1.24	- (Note 3)	
TCCI Investment and Development Co., Ltd.	<u>Stock</u> Taiwan Mobile Co., Ltd. (the “Corporation”)	The Corporation	Available-for-sale financial assets – non-current	119,564	12,793,327	3.50	12,793,327 (Note 5)	

(Continued)

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

DECEMBER 31, 2012

Investing Company (A)	Marketable Securities Invested (B)	Relationship with the Investing Company (B is A's)	Financial Statement Account	December 31, 2012				Note
				Shares/Units (Thousands)	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
TFN Media Co., Ltd.	<u>Stock</u> Yeong Jia Leh Cable TV Co., Ltd.	Subsidiary	Long-term investments – equity method	33,940	\$ 2,229,111	100	\$ 704,630	
	Mangrove Cable TV Co., Ltd.	Related party in substance	Long-term investments – equity method	6,248	624,883	29.53	361,708 (Note 6)	
	Phoenix Cable TV Co., Ltd.	Subsidiary	Long-term investments – equity method	68,090	3,375,919	100	1,051,133	
	Union Cable TV Co., Ltd.	Subsidiary	Long-term investments – equity method	169,141	2,064,066	99.22	1,860,880	
	Globalview Cable TV Co., Ltd.	Subsidiary	Long-term investments – equity method	51,733	1,254,969	92.38	632,449	
	Taiwan Kuro Times Co., Ltd.	Subsidiary	Long-term investments – equity method	14	135,330	100	36,713	
	Kbro Media Co., Ltd.	Equity-method investee	Long-term investments – equity method	7,800	77,078	32.50	76,878	
Taiwan Kuro Times Co., Ltd.	<u>Stock</u> ezPeer Multimedia Limited	Subsidiary	Long-term investments – equity method	1 share	US\$ 338	100	US\$ 338	
Taiwan Fixed Network Co., Ltd.	<u>Stock</u> TFN Union Investment Co., Ltd.	Subsidiary	Long-term investments – equity method	400	41,779,764	100	41,779,764	
	TFN HK LIMITED	Subsidiary	Long-term investments – equity method	1,300	HK\$ 2,687	100	HK\$ 2,687	
	Taiwan High Speed Rail Corporation	-	Financial assets carried at cost – non-current	225,531	912,463	3.46	- (Note 3)	
TFN Union Investment Co., Ltd.	<u>Stock</u> Taiwan Mobile Co., Ltd. (the “Corporation”)	The Corporation	Available-for-sale financial assets – non-current	410,665	43,941,185	12	43,941,185 (Note 5)	

Note 1: Based on the investee's net worth as shown in its audited financial statements if market value was not available.

Note 2: Impairment loss recognized in 2004 reduced the value to zero.

Note 3: As of January 31, 2013, the independent auditors' report date, the investee's net worth was not available.

Note 4: The Corporation's shares held by TCCI, TID and TUI (all are subsidiaries 100% owned by TCC) are classified as treasury shares. Therefore, the Corporation's carrying cost of \$85,191,500 thousand for TCC shall be reduced by 1) downward adjusting \$(31,077,183) thousand, the carrying value of total treasury shares on the Corporation's books, 2) excluding \$(36,922,749) thousand of unrealized gain from financial asset investment, 3) adding back \$475,907 thousand of income tax expenses resulting from TFN's and TFNI's disposal gain from the Corporation's shares, and 4) excluding recognition of upstream transactions gain of \$(13,848) thousand.

Note 5: Based on the closing price on December 31, 2012.

Note 6: 70.47% of shares are held under trustee accounts.

Note 7: The above amounts were translated into New Taiwan dollars at the exchange rate of US\$1 = NT\$29.04 and HK\$1 = NT\$3.747 as of December 31, 2012.



**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**MARKETABLE SECURITIES ACQUIRED OR DISPOSED AMOUNTING TO AT LEAST \$100 MILLION**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

TABLE 4  
(In Thousands of New Taiwan Dollars)

Company Name	Marketable Securities Type and Issuer	Financial Statement Account	Counter-party	Nature of Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares/Units (Thousands)	Amount	Shares/Units (Thousands)	Amount	Shares/Units (Thousands)	Amount	Carrying Value	Gain (Loss) on Disposal	Shares/Units (Thousands)	Amount
Taiwan Mobile Co., Ltd. (the "Corporation")	Stock Wealth Media Technology Co., Ltd.	Long-term investment – equity method	Wealth Media Technology Co., Ltd.	Subsidiary	38,550	\$ 8,862,168	515 (Note 1)	\$ 5,150,000	-	\$ -	\$ -	\$ -	39,065	\$ 15,950,282 (Note 2)
	Taipei New Horizons Co., Ltd.	Long-term investment – equity method	Taipei New Horizons Co., Ltd.	Equity-method investee	64,870	562,812	27,445	274,450	-	-	-	-	92,315	811,841
Wealth Media Technology Co., Ltd.	Stock Tai Fu Media Technology Co., Ltd.	Long-term investment – equity method	Tai Fu Media Technology Co., Ltd.	Subsidiary	20,090	215,600	6,715 (Note 3)	5,342,474 (Note 4)	26,805	-	- (Note 5)	- (Note 5)	-	- (Note 5)
Tai Fu Media Technology Co., Ltd.	Stock TFN Media Co., Ltd.	Long-term investment – equity method	TFN Media Co., Ltd.	Subsidiary	-	-	395 (Note 1)	3,950,000	-	-	-	-	-	-
Taiwan Cellular Co., Ltd.	Stock Tai Fu Media Technology Co., Ltd.	Long-term investment – equity method	Wealth Media Technology Co., Ltd.	Subsidiary	-	-	- (Note 6)	- (Note 6)	6,315	1,342,474	1,343,055 (Note 7)	-	-	-
TCC Investment Co., Ltd.	Stock Win TV Broadcasting Co., Ltd.	Long-term investment – equity method	Tai Fu Media Technology Co., Ltd.	Subsidiary	18,177	264,364	-	-	18,177	215,575	216,370 (Note 8)	-	-	-
	TFN Media Co., Ltd.	Long-term investment – equity method	Tai Fu Media Technology Co., Ltd.	Subsidiary	230,526	2,702,552	-	-	230,526	1,084,150	1,093,195 (Note 8)	-	-	-
Fubon Multimedia Technology Co., Ltd.	Stock Taiwan Pelican Express Co., Ltd.	Long-term investment – equity method	Teco Electric & Machinery Co., Ltd.	Third party	-	-	17,200	344,000	-	-	-	-	17,200	359,643 (Note 2)

Note 1: The shares/units of marketable securities acquired represent new shares issued for capital injection by cash.

Note 2: The ending balance includes the cumulative translation adjustments, investment income or loss recognized under the equity method, and other adjustments in long-term investment using equity method.

Note 3: The shares/units of marketable securities acquired include new shares issued for capital injection and shares by procurement.

Note 4: The amount of marketable securities acquired includes capital injection by cash and shares by procurement.

Note 5: TFMT was dissolved due to the organization reengineering, so it has no gain (loss) from disposal.

Note 6: TCC had no acquisition of marketable securities of TFMT, which came from TFMT's acquisition of WTVB and TFNM from TCCI. Therefore, TCC's investment on TCCI was replaced by TFMT.

Note 7: The difference between the proceeds from the disposal of stock and the book value was adjusted by an additional paid-in capital.

Note 8: On February 8, 2012, TFMT acquired WTVB and TFNM which were 100% held by TCCI and issued new shares to TCC. The difference between the selling price and the book value was adjusted by the additional paid-in capital.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**

**ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL**

**FOR THE YEAR ENDED DECEMBER 31, 2012**

TABLE 5

(In Thousands of New Taiwan Dollars)

Company Name	Type of Properties	Transaction Date	Transaction Amount	Payment Status	Counter-Party	Relationship	Where Counter-party is a Related, Details of Prior Transaction				Price Reference	Date of Acquisition and Status of Utilization	Other Commitments
							Owner	Relationships	Date of Ownership Transfer	Amount			
Taiwan Fixed Network Co., Ltd.	Land and Building	June 22, 2012	\$ 318,088	The amount has been paid as of December 31, 2012	DSM-AGI Co., Ltd.	Third party	-	-	-	-	Based on valuation report of the Top Real Estate Joint Appraisers Firm	Operating requirement	None

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

TABLE 6

(In Thousands of New Taiwan Dollars)

Company Name (A)	Related Party (B)	Nature of Relationship (B is A's)	Transaction Details				Transactions with Terms Different from Others		Notes/Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Taiwan Mobile Co., Ltd. (the "Corporation")	Taiwan Fixed Network Co., Ltd.	Subsidiary	Sale	\$ (2,490,470)	(4)	Based on contract terms	-	-	\$ 389,219	6	(Note 1)
			Purchase	4,289,606	(Note 2)	Based on contract terms	-	-	(483,735)	(Note 3)	
	Taiwan Kuro Times Co., Ltd.	Subsidiary	Purchase	221,673	1	Based on contract terms	-	-	(67,186)	1	(Note 4)
	Taiwan Teleservices & Technologies Co., Ltd.	Subsidiary	Purchase	966,868	(Note 5)	Based on contract terms	-	-	(89,224)	(Note 6)	
	Taiwan Digital Communication Co., Ltd.	Subsidiary	Purchase	531,830	(Note 5)	Based on contract terms	-	-	(67,898)	(Note 6)	
Taiwan Teleservices & Technologies Co., Ltd.	The Corporation	Ultimate parent	Sale	(967,024)	(90)	Based on contract terms	-	-	89,247	92	
	Taiwan Fixed Network Co., Ltd.	Related party in substance	Sale	(110,630)	(10)	Based on contract terms	-	-	8,180	8	
Taiwan Fixed Network Co., Ltd.	The Corporation	Ultimate parent	Sale	(4,278,472)	(34)	Based on contract terms	-	-	480,497	45	(Note 7)
			Purchase	2,494,313	33	Based on contract terms	-	-	(388,599)	(49)	(Note 1)
	TFN Media Co., Ltd.	Related party in substance	Sale	(114,541)	(1)	Based on contract terms	-	-	22,417	2	
	Taiwan Teleservices & Technologies Co., Ltd.	Related party in substance	Purchase	110,630	(Note 5)	Based on contract terms	-	-	(8,180)	(Note 6)	
Taiwan Digital Communication Co., Ltd.	The Corporation	Ultimate parent	Sale	(532,115)	(74)	Based on contract terms	-	-	67,898	56	
Taiwan Kuro Times Co., Ltd.	The Corporation	Ultimate parent	Sale	(222,264)	(71)	Based on contract terms	-	-	69,548	89	(Note 8)
TFN Media Co., Ltd.	Phoenix Cable TV Co., Ltd.	Subsidiary	Channel leasing fee	(486,757)	(16)	Based on contract terms	(Note 9)	(Note 9)	1,147	1	
	Yeong Jia Leh Cable TV Co., Ltd.	Subsidiary	Channel leasing fee	(444,164)	(15)	Based on contract terms	(Note 9)	(Note 9)	1,066	1	
	Union Cable TV Co., Ltd.	Subsidiary	Channel leasing fee	(227,360)	(7)	Based on contract terms	(Note 9)	(Note 9)	595	-	
	Globalview Cable TV Co., Ltd.	Subsidiary	Channel leasing fee	(197,660)	(6)	Based on contract terms	(Note 9)	(Note 9)	711	-	
	Taiwan Fixed Network Co., Ltd.	Related party in substance	Operating cost-rental	110,926	9	Based on contract terms	-	-	(21,866)	(17)	

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

Company Name (A)	Related Party (B)	Nature of Relationship (B is A's)	Transaction Details				Transactions with Terms Different from Others		Notes/Accounts Payable or Receivable		Note
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Yeong Jia Leh Cable TV Co., Ltd.	TFN Media Co., Ltd.	Parent	Royalty for copyright	\$ 444,164	64	Based on contract terms	(Note 9)	(Note 9)	\$ (1,066)	\$ (11)	
Phoenix Cable TV Co., Ltd.	TFN Media Co., Ltd.	Parent	Royalty for copyright	486,757	65	Based on contract terms	(Note 9)	(Note 9)	(1,147)	(16)	
Union Cable TV Co., Ltd.	TFN Media Co., Ltd.	Parent	Royalty for copyright	227,360	59	Based on contract terms	(Note 9)	(Note 9)	(595)	(15)	
Globalview Cable TV Co., Ltd.	TFN Media Co., Ltd.	Parent	Royalty for copyright	197,660	60	Based on contract terms	(Note 9)	(Note 9)	(711)	(10)	
Mangrove Cable TV Co., Ltd.	Dai-Ka Ltd.	Related party in substance	Royalty for copyright	162,440	59	Based on contract terms	(Note 9)	(Note 9)	-	-	
Fubon Multimedia Technology Co., Ltd.	Taiwan Pelican Express Co., Ltd.	Equity-method investee	Purchase	292,422	2	Based on contract terms	-	-	(64,377)	(3)	

Note 1: The \$30,656 thousand accounts receivable amount was the net amount of accounts receivable \$389,219 thousand deducting accounts payable and accrued custodial receipts/payments totaling \$358,563 thousand.

Note 2: Included operating costs and operating expenses.

Note 3: Included accrued expenses and other payable.

Note 4: The \$66,943 thousand accounts payable amount was the net amount of accounts payable \$67,186 thousand deducting accounts receivable \$243 thousand.

Note 5: Recognized as operating expenses.

Note 6: Recognized as accrued expenses.

Note 7: The \$466,778 thousand accounts receivable amount was the net amount of accounts receivable \$480,497 thousand deducting accounts payable and accrued custodial receipts/payments totaling \$13,719 thousand.

Note 8: The \$69,305 thousand accounts receivable amount was the net amount of accounts receivable \$69,548 thousand deducting accounts payable and accrued custodial receipts/payments totaling \$243 thousand.

Note 9: The companies authorized related party to deal with the copyright fees from cable television. As said account item is the only one, there are no comparables.

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL

DECEMBER 31, 2012

TABLE 7

(In Thousands of New Taiwan Dollars)

Company Name (A)	Related Party (B)	Nature of Relationship (B is A's)	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
Taiwan Mobile Co., Ltd. (the "Corporation")	Taiwan Fixed Network Co., Ltd.	Subsidiary	Accounts receivable	6.05	\$ -	-	\$ -	\$ -
			Other receivables					
	TFN Media Co., Ltd.	Subsidiary	Other receivables		-	-	-	-
Taiwan Cellular Co., Ltd	The Corporation	Parent	Other receivables		-	-	-	-
Taiwan Fixed Network Co., Ltd.	The Corporation	Ultimate parent	Accounts receivable	9.52	-	-	9,979	-
			Other receivables				6,203,677	108,722
Phoenix Cable TV Co., Ltd.	TFN Media Co., Ltd.	Parent	Accounts receivable	4.15	-	-	-	-
			Other receivables				560,034	-
Globalview Cable TV Co., Ltd.	TFN Media Co., Ltd.	Parent	Accounts receivable	3.96	-	-	-	-
			Other receivables				250,001	-
Yeong Jia Leh Cable TV Co., Ltd.	TFN Media Co., Ltd.	Parent	Accounts receivable	4.42	-	-	-	-
			Other receivables				400,178	-

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NAMES AND LOCATIONS OF, AND OTHER INFORMATION ON INVESTEES ON WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

TABLE 8  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2012			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				December 31, 2012	December 31, 2011	Shares (Thousands)	Percentage of Ownership	Carrying Value			
Taiwan Mobile Co., Ltd. (the "Corporation")	Taiwan Cellular Co., Ltd.	Taipei, Taiwan	Investment	\$ 44,467,288	\$ 44,467,288	370,896	100	\$ 17,653,627 (Note 1)	\$ 3,695,248	\$ 3,705,904	
	Taipei New Horizons Co., Ltd.	Taipei, Taiwan	Real estate rental and sale	923,150	648,700	92,315	49.9	811,841	(50,945)	(25,421)	
	Wealth Media Technology Co., Ltd.	Taipei, Taiwan	Investment	13,802,000	8,652,000	39,065	100	15,950,282	2,114,687	2,114,687	
Wealth Media Technology Co., Ltd.	Fubon Multimedia Technology Co., Ltd.	Taipei, Taiwan	Wholesale and retail sales via traditional and online shopping channels	8,347,949	8,347,949	64,742	50.64	8,564,191	558,095	NA	
	Win TV Broadcasting Co., Ltd.	Taipei, Taiwan	TV program provider	222,417	188,047 (Note 2)	18,177	100	257,558	46,983	NA	
	TFN Media Co., Ltd.	Taipei, Taiwan	Cable broadband and value added service provider	5,210,443	2,035,714 (Note 2)	230,921	100	6,860,143	2,123,878	NA	
	Global Wealth Media Technology Co., Ltd.	New Taipei City, Taiwan	Investment	92,189	84,000 (Note 3)	8,945	100	96,318	5,137	NA	
	Global Forest Media Technology Co., Ltd.	Taipei, Taiwan	Investment	16,984	15,000 (Note 3)	1,500	100	17,645	798	NA	
Global Wealth Media Technology Co., Ltd.	Globalview Cable TV Co., Ltd.	New Taipei City, Taiwan	Cable TV service provider	91,910	91,910	3,825	6.83	94,773	78,358	NA	
Global Forest Media Technology Co., Ltd.	Union Cable TV Co., Ltd.	Yilan County, Taiwan	Cable TV service provider	16,218	16,218	1,300	0.76	15,868	119,031	NA	
Fubon Multimedia Technology Co., Ltd.	Fu Sheng Travel Service Co., Ltd.	Taipei, Taiwan	Travel agent	6,000	6,000	600	100	27,475	21,269	NA	
	Fuli Life Insurance Agent Co., Ltd.	Taipei, Taiwan	Life Insurance Agent	3,000	3,000	300	100	12,530	4,483	NA	
	Fuli Property Insurance Agent Co., Ltd.	Taipei, Taiwan	Property Insurance Agent	3,000	3,000	300	100	16,671	8,639	NA	
	Asian Crown International Co., Ltd.	British Virgin Islands	Investment	US\$ 14,000	US\$ 14,000	47	100	US\$ 3,811	US\$ (6,955)	NA	
Asian Crown International Co., Ltd.	Taiwan Pelican Express Co., Ltd.	Taipei, Taiwan	Logistics industry	344,000	-	17,200	20	359,643	236,746	NA	
	Fortune Kingdom Corporation	Samoa	Investment	US\$ 14,000	US\$ 14,000	14,000	100	US\$ 3,811	US\$ (6,955)	NA	
Fortune Kingdom Corporation	Hong Kong Fubon Multimedia Technology Co., Ltd.	Hong Kong	Investment	US\$ 14,000	US\$ 14,000	14,000	100	US\$ 3,811	US\$ (6,955)	NA	
Hong Kong Fubon Multimedia Technology Co., Ltd.	Fubon Gehua (Beijing) Enterprise Ltd.	Beijing, China	Wholesale and retail sales	US\$ 12,319	US\$ 12,319	-	80	US\$ 2,213	US\$ (8,698)	NA	
Taiwan Cellular Co., Ltd.	TWM Holding Co. Ltd.	British Virgin Islands	Investment	US\$ 10,800	US\$ 10,800	1 share	100	US\$ 8,338	US\$ (444)	NA	
	Taiwan Fixed Network Co., Ltd.	Taipei, Taiwan	Fixed line service provider	21,000,000	21,000,000	2,100,000	100	51,340,870	3,404,872	NA	
	Taiwan Digital Communication Co., Ltd.	Taipei, Taiwan	TV program production and mobile phones wholesale	112,000	112,000	11,200	100	136,253	25,537	NA	
	TCC Investment Co., Ltd.	Taipei, Taiwan	Investment	20,680,441	22,002,255	22,103	100	32,360,430	173,959	NA	
	Taiwan Teleservices & Technologies Co., Ltd.	Taipei, Taiwan	Call center service and telephone marketing	56,210	56,210	2,484	100	100,749	50,148	NA	
TWM Holding Co. Ltd.	TWM Communications (Beijing) Co., Ltd.	Beijing, China	Mobile application development and design	US\$ 4,936	US\$ 4,936	-	100	US\$ 3,756	US\$ (479)	NA	
Taiwan Teleservices & Technologies Co., Ltd.	TT&T Holdings Co., Ltd.	Samoa	Investment	36,284	36,284	1,300	100	45,942	(1,489)	NA	
	Taiwan Super Basketball Co., Ltd.	Taipei, Taiwan	Basketball team management	3,511	3,511	2,000	100	21,684	1,382	NA	

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NAMES AND LOCATIONS OF, AND OTHER INFORMATION ON INVESTEES ON WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2012			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				December 31, 2012	December 31, 2011	Shares (Thousands)	Percentage of Ownership	Carrying Value			
TT&T Holdings Co., Ltd.	Xiamen Taifu Teleservices & Technologies Co., Ltd.	Xiamen, China	System integration, management, analysis, and development of CRM application and information consulting services	\$ 41,050	\$ 41,050	-	100	\$ 45,661	\$ (1,056)	NA	
TCC Investment Co., Ltd.	TCCI Investment and Development Co., Ltd.	Taipei, Taiwan	Investment	6,498,076	6,498,076	400	100	12,165,175	(66)	NA	
TFN Media Co., Ltd.	Yeong Jia Leh Cable TV Co., Ltd.	New Taipei City, Taiwan	Cable TV service provider	2,061,522	2,061,522	33,940	100	2,229,111	223,437	NA	
	Mangrove Cable TV Co., Ltd.	New Taipei City, Taiwan	Cable TV service provider	510,724	510,724	6,248	29.53	624,883	105,533	NA	
	Phoenix Cable TV Co., Ltd.	Kaohsiung County, Taiwan	Cable TV service provider	3,261,073	3,258,135	68,090	100	3,375,919	221,038	NA	
	Union Cable TV Co., Ltd.	Yilan County, Taiwan	Cable TV service provider	1,986,250	1,986,250	169,141	99.22	2,064,066	119,031	NA	
	Globalview Cable TV Co., Ltd.	New Taipei City, Taiwan	Cable TV service provider	1,221,002	1,221,002	51,733	92.38	1,254,969	78,358	NA	
	Taiwan Kuro Times Co., Ltd.	Taipei, Taiwan	Online music platform	129,900	129,900	14	100	135,330	7,262	NA	
	Kbro Media Co., Ltd.	Taipei, Taiwan	Film distribution, art and literature service and entertainer	78,000	-	7,800	32.5	77,078	(2,841)	NA	
Taiwan Kuro Times Co., Ltd.	ezPeer Multimedia Limited	Samoa	Investment	US\$ 1,522	US\$ 1,522	1 share	100	US\$ 338	US\$ (506)	NA	
Taiwan Fixed Network Co., Ltd.	TFN Union Investment Co., Ltd.	Taipei, Taiwan	Investment	22,314,536	22,314,536	400	100	41,779,764	(66)	NA	
	TFN HK LIMITED	Hong Kong	Telecommunications service provider	HK\$ 744	HK\$ 744	1,300	100	HK\$ 2,687	HK\$ 668	NA	

Note 1: The Corporation's shares held by TCCI, TID and TUI (all are subsidiaries 100% owned by TCC) are classified as treasury shares. Therefore, the Corporation's carrying cost of \$85,191,500 thousand for TCC shall be reduced by 1) downward adjusting \$(31,077,183) thousand, the carrying value of total treasury shares on the Corporation's books, 2) excluding \$(36,922,749) thousand of unrealized gain from financial asset investment, 3) adding back \$475,907 thousand of income tax expenses resulting from TFN's and TFNI's disposal gain from the Corporation's shares, and 4) excluding recognition of upstream transactions gain of \$(13,848) thousand.

Note 2: Became a subsidiary of WMT due to the spin-off of WTVB and TFNM into TFMT from TCCI on February 8, 2012. Then, TFMT was merged by WMT on March 1, 2012.

Note 3: Became a subsidiary of WMT which merged TFMT on March 1, 2012.

Note 4: 70.47% of shares are held under trustee accounts.

Note 5: FSMT originally owned 3.34% of the shares of PCTV. Then, FSMT was merged by TFNM on March 2, 2012 which subscribed all the shares.

Note 6: The above amounts were translated into New Taiwan dollars at the exchange rate of US\$1 = NT\$29.04 and HK\$1 = NT\$3.747 as of December 31, 2012.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**INVESTMENT IN MAINLAND CHINA**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

TABLE 9  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2012	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2012	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Value as of December 31, 2012	Accumulated Inward Remittance of Earnings as of December 31, 2012
					Outflow	Inflow					
Xiamen Taifu Teleservices & Technologies Co., Ltd.	System integration, management, analysis, and development of CRM application and information consulting services	US\$ 1,300 (NT\$ 37,752)	Indirect investment in Mainland China through a third place by the Corporation's subsidiary Taiwan Teleservices & Technologies Co., Ltd.	US\$ 1,300 (NT\$ 37,752)	\$ -	\$ -	US\$ 1,300 (NT\$ 37,752)	100% ownership of indirect investment by the Corporation's subsidiary	\$ (1,056)	\$ 45,661	\$ -
TWM Communications (Beijing) Co. Ltd.	Mobile application development and design	US\$ 3,000 (NT\$ 87,120)	Indirect investment in Mainland China through a third place by the Corporation's subsidiary Taiwan Cellular Co., Ltd.	US\$ 4,872 (NT\$ 141,483)	-	-	US\$ 4,872 (NT\$ 141,483)	100% ownership of indirect investment by the Corporation's subsidiary	US\$ (479) (NT\$ (13,910))	US\$ 3,756 (NT\$ 109,074)	-
Fubon Gehua (Beijing) Enterprise Ltd.	Wholesale and retail sales	RMB100,000 (NT\$ 465,698)	Indirect investment in Mainland China through a third place by the Corporation's subsidiary Fubon Multimedia Technology Co., Ltd.	US\$ 12,319 (NT\$ 357,744)	-	-	US\$ 12,319 (NT\$ 357,744)	80% ownership of indirect investment by the Corporation's subsidiary	US\$ (6,959) (NT\$ (202,089))	US\$ 2,213 (NT\$ 64,266)	-

Accumulated Investment in Mainland China as of December 31, 2012	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment Authorized by Investment Commission, MOEA
US\$1,300 (NT\$37,752)	US\$1,300 (NT\$37,752)	\$30,483,492
US\$4,872 (NT\$141,483)	US\$4,872 (NT\$141,483)	\$51,114,900
US\$12,319 (NT\$357,744)	US\$15,000 (NT\$435,600)	\$30,483,492

Note 1: The above amounts were translated into New Taiwan dollars at the exchange rate of US\$1 = NT\$29.04 and US\$1 = RMB\$6.2358 as of December 31, 2012.

Note 2: Calculation was based on audited financial statements.



**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**BUSINESS RELATIONSHIP AND SIGNIFICANT INTERCOMPANY TRANSACTIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**TABLE 10**  
(In Thousands of New Taiwan Dollars)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
0	Taiwan Mobile Co., Ltd.	Taiwan Digital Communications Co., Ltd.	1	Accounts receivable	\$ 1,454	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Accounts receivable	30,656	Based on regular terms	-
		TFN Media Co., Ltd.	1	Accounts receivable	56	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Accounts receivable	22	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Accounts receivable	45	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Accounts receivable	8	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Accounts receivable	37	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Accounts receivable	13	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Accounts receivable	1	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	1	Accounts receivable	57	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Other receivables	51,579	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Other receivables	122	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	1	Other receivables	23	Based on regular terms	-
		TFN Media Co., Ltd.	1	Other receivables	1,804,962	Based on regular terms	2%
		Union Cable TV Co., Ltd.	1	Other receivables	54	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Other receivables	106	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Other receivables	27	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Other receivables	88	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Other receivables	11	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Other receivables	30,693	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	1	Other receivables	3,427	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Prepayments	67	Based on regular terms	-
		TFN Media Co., Ltd.	1	Prepayments	1	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Prepayments	21	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	1	Short-term borrowings	800,000	Based on regular terms	1%
		Taiwan Fixed Network Co., Ltd.	1	Short-term borrowings	6,000,000	Based on regular terms	6%
		Taiwan Digital Communications Co., Ltd.	1	Accounts payable	235	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Accounts payable	1,070	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Accounts payable	23	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Accounts payable	66,943	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	1	Accrued expenses	1,734	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	1	Accrued expenses	67,898	Based on regular terms	-
		Taiwan Super Basketball Co., Ltd.	1	Accrued expenses	8,606	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Accrued expenses	487,935	Based on regular terms	1%
		Taiwan Teleservices & Technologies Co., Ltd.	1	Accrued expenses	89,224	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Accrued expenses	312	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Accrued expenses	129	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Accrued expenses	172	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	1	Accrued expenses	6	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	1	Other payables	16,436	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Other payables	113,085	Based on regular terms	-
Union Cable TV Co., Ltd.	1	Other payables	1,059	Based on regular terms	-		
Yeong Jia Leh Cable TV Co., Ltd.	1	Other payables	2,038	Based on regular terms	-		
Mangrove Cable TV Co., Ltd.	1	Other payables	318	Based on regular terms	-		
Phoenix Cable TV Co., Ltd.	1	Other payables	3,211	Based on regular terms	-		
Globalview Cable TV Co., Ltd.	1	Other payables	433	Based on regular terms	-		

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Taiwan Kuro Times Co., Ltd.	1	Other payables	\$ 1,177	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Advanced receipts	90	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Other current liabilities	68,365	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Other current liabilities	1,943	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Other current liabilities	4,607	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Other current liabilities	1,374	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Other current liabilities	4,635	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Other current liabilities	1,220	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Other current liabilities	1,614	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Guarantee deposits	830	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	1	Operating revenues	13,750	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Operating revenues	2,490,470	Based on regular terms	3%
		TFN Media Co., Ltd.	1	Operating revenues	1,114	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Operating revenues	1,296	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Operating revenues	1,744	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Operating revenues	845	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Operating revenues	2,262	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Operating revenues	864	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Operating revenues	1,957	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	1	Operating revenues	10,199	Based on regular terms	-
		TWM Communications (Beijing) Co., Ltd.	1	Operating cost	748	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Operating cost	4,223,388	Based on regular terms	4%
		Taiwan Teleservices & Technologies Co., Ltd.	1	Operating cost	156	Based on regular terms	-
		TFN Media Co., Ltd.	1	Operating cost	895	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Operating cost	1,385	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Operating cost	428	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Operating cost	143	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Operating cost	961	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Operating cost	221,673	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	1	Operating cost	5	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	1	Operating expenses	531,891	Based on regular terms	1%
		Taiwan Super Basketball Co., Ltd.	1	Operating expenses	34,425	Based on regular terms	-
		TWM Communications (Beijing) Co., Ltd.	1	Operating expenses	(516)	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Operating expenses	75,089	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Operating expenses	966,868	Based on regular terms	1%
		TFN Media Co., Ltd.	1	Operating expenses	19	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Operating expenses	3	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Operating expenses	10	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Operating expenses	1	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Operating expenses	10	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Operating expenses	3	Based on regular terms	-
		TCC Investment Co., Ltd.	1	Operating expenses	5,806	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Operating expenses	(294)	Based on regular terms	-
		Fu Sheng Travel Service Co., Ltd.	1	Operating expenses	5	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	1	Operating expenses	1,186	Based on regular terms	-
		Wealth Media Technology Co., Ltd.	1	Interest income	103	Based on regular terms	-
		Global Wealth Media Technology Co., Ltd.	1	Interest income	11	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	1	Interest income	1,141	Based on regular terms	-
		TFN Media Co., Ltd.	1	Interest income	26,566	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Interest income	136	Based on regular terms	-
		Wealth Media Technology Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Tai Fu Media Technology Co., Ltd.	1	Rental income	6	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Fu Jia Leh Media Technology Co., Ltd.	1	Rental income	\$ 6	Based on regular terms	-
		Fu Sin Media Technology Co., Ltd.	1	Rental income	6	Based on regular terms	-
		Global Forest Media Technology Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	1	Rental income	199	Based on regular terms	-
		Taiwan Super Basketball Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Rental income	89,042	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	1	Rental income	259	Based on regular terms	-
		TFN Media Co., Ltd.	1	Rental income	10,784	Based on regular terms	-
		TFN Union Investment Co., Ltd.	1	Rental income	34	Based on regular terms	-
		TCCI Investment and Development Co., Ltd.	1	Rental income	34	Based on regular terms	-
		TCC Investment Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Taiwan Win TV Broadcasting Co., Ltd.	1	Rental income	6	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	1	Rental income	37,423	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Miscellaneous revenue	2	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Miscellaneous revenue	6	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	1	Interest expenses	7,737	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Interest expenses	56,301	Based on regular terms	-
1	Wealth Media Technology Co., Ltd.	Win TV Broadcasting Co., Ltd.	1	Other receivables	50,275	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
		Tai Fu Media Technology Co., Ltd.	1	Interest income	54	Based on regular terms	-
		Global Wealth Media Technology Co., Ltd.	1	Interest income	7	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	1	Interest income	948	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	1	Miscellaneous revenue	187	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Interest expenses	103	Based on regular terms	-
2	Taiwan Win TV Broadcasting Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	6	Based on regular terms	-
3	Fubon Multimedia Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	13	Based on regular terms	-
		Fuli Life Insurance Agent Co., Ltd.	1	Accounts receivable	5	Based on regular terms	-
		Fu Sheng Travel Service Co., Ltd.	1	Accounts receivable	23,539	Based on regular terms	-
		Fuli Property Insurance Agent Co., Ltd.	1	Accounts receivable	1	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accounts payable	3,474	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts payable	3,155	Payment terms varied depend on the agreements and Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Accounts payable	120	Based on regular terms	-
		Fu Sheng Travel Service Co., Ltd.	1	Accounts payable	267	Based on regular terms	-
		Fu Sheng Travel Service Co., Ltd.	1	Advanced receipts	3	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Leasehold payable-current	2,649	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Leasehold payable-non-current	3,948	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	1,182	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	1	Payment terms varied depend on the agreements and Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Win TV Broadcasting Co., Ltd.	3	Operating revenues	\$ 286	Payment terms varied depend on the agreements and Based on regular terms	-
		Fu Sheng Travel Service Co., Ltd.	1	Operating revenues	8,140	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	47,740	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	20,261	Payment terms varied depend on the agreements and Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	1,349	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	3	Operating cost	91,429	Payment terms varied depend on the agreements and Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Operating cost	277	Payment terms varied depend on the agreements and Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Operating cost	58	Payment terms varied depend on the agreements and Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Operating cost	9,237	Payment terms varied depend on the agreements and Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating cost	1,125	Payment terms varied depend on the agreements and Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Operating cost	58	Payment terms varied depend on the agreements and Based on regular terms	-
		Fu Sheng Travel Service Co., Ltd.	1	Operating cost	390	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	476	Based on regular terms	-
		Wealth Media Technology Co., Ltd.	2	Operating expenses	187	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	7,361	Payment terms varied depend on the agreements and Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Operating expenses	100	Payment terms varied depend on the agreements and Based on regular terms	-
		Fu Sheng Travel Service Co., Ltd.	1	Operating expenses	2,010	Payment terms varied depend on the agreements and Based on regular terms	-
		Fuli Life Insurance Agent Co., Ltd.	1	Rental income	57	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Miscellaneous revenue	12	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Miscellaneous revenue	6	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Interest expenses	284	Payment terms varied depend on the agreements and Based on regular terms	-
4	Fu Sheng Travel Service Co., Ltd.	Fubon Multimedia Technology Co., Ltd.	2	Accounts receivable	59	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Fubon Multimedia Technology Co., Ltd.	2	Other receivables	\$ 210	Payment terms varied depend on the agreements and Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	2	Accounts payable	1,186	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	2	Accrued expenses	22,353	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	2	Operating cost	8,140	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	2	Rental income	2,400	Payment terms varied depend on the agreements and Based on regular terms	-
5	Fuli Life Insurance Agent Co., Ltd.	Fubon Multimedia Technology Co., Ltd.	2	Accounts payable	5	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	2	Operating expenses	57	Payment terms varied depend on the agreements and Based on regular terms	-
6	Fuli Property Insurance Agent Co., Ltd.	Fubon Multimedia Technology Co., Ltd.	2	Accounts payable	1	Based on regular terms	-
7	Tai Fu Media Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	6	Based on regular terms	-
		Global Wealth Media Technology Co., Ltd.	1	Interest income	7	Based on regular terms	-
		Wealth Media Technology Co., Ltd.	2	Interest expenses	54	Based on regular terms	-
8	Global Wealth Media Technology Co., Ltd.	Globalview Cable TV Co., Ltd.	3	Operating expenses	34	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Interest expenses	11	Payment terms varied depend on the agreements	-
		Wealth Media Technology Co., Ltd.	2	Interest expenses	7	Payment terms varied depend on the agreements	-
		Tai Fu Media Technology Co., Ltd.	2	Interest expenses	7	Payment terms varied depend on the agreements	-
9	Fu Jia Leh Media Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	6	Based on regular terms	-
10	Fu Sin Media Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	6	Based on regular terms	-
11	Global Forest Media Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Payment terms varied depend on the agreements	-
12	Taiwan Cellular Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Other receivables	801,734	Based on regular terms	1%
		Taiwan Digital Communications Co., Ltd.	1	Other receivables	53,103	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Other receivables	28	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Interest income	7,737	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	1	Interest income	475	Based on regular terms	-
		TFN Media Co., Ltd.	3	Interest income	6,776	Based on regular terms	-
		TWM Communications (Beijing) Co., Ltd.	1	Miscellaneous revenue	95	Based on regular terms	-
		TT&T Holdings	1	Miscellaneous revenue	95	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Interest expenses	5,847	Based on regular terms	-
13	Taiwan Fixed Network Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	466,778	Based on regular terms	1%
		TFN HK	1	Accounts receivable	2	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	3	Accounts receivable	177	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Accounts receivable	8	Based on regular terms	-
		TFN Media Co., Ltd.	3	Accounts receivable	22,417	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Accounts receivable	(27)	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Accounts receivable	147	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Accounts receivable	265	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Accounts receivable	518	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Accounts receivable	236	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Accounts receivable	662	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Fubon Multimedia Technology Co., Ltd.	3	Accounts receivable	\$ 6,137	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Other receivables	6,203,677	Based on regular terms	7%
		Win TV Broadcasting Co., Ltd.	3	Other receivables	487	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Other receivables	8	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Other receivables	2	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Other receivables	387	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Prepayments	90	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Refundable deposits	830	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Long-term notes, accounts and overdue receivables	3,881	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accounts payable	30,036	Based on regular terms	-
		TFN Media Co., Ltd.	3	Accounts payable	12,363	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Accounts payable	1	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	52,198	Based on regular terms	-
		TFN HK	1	Accrued expenses	30,946	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	3	Accrued expenses	8,180	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Accrued expenses	222	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Accrued expenses	78	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Accrued expenses	39	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Accrued expenses	17	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Accrued expenses	34	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Advance receipts	117	Based on regular terms	-
		TFN Media Co., Ltd.	3	Advance receipts	2	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Advance receipts	57	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Advance receipts	1	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Advance receipts	1	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Advance receipts	1	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Advance receipts	1	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Advance receipts	2	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Advance receipts	2	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Guarantee deposits	288	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Guarantee deposits	5	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	4,278,472	Based on regular terms	4%
		Win TV Broadcasting Co., Ltd.	3	Operating revenues	223	Based on regular terms	-
		TFN Media Co., Ltd.	3	Operating revenues	114,541	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Operating revenues	4,319	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Operating revenues	424	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Operating revenues	2,479	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating revenues	5,513	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Operating revenues	2,085	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Operating revenues	5,909	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating revenues	25,381	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	2,494,313	Based on regular terms	3%
		TFN HK	1	Operating cost	72,012	Based on regular terms	-
		TFN Media Co., Ltd.	3	Operating cost	27,740	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Operating cost	1,769	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Operating cost	1,003	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Operating cost	69	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating cost	235	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Operating cost	369	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	85,113	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Taiwan Digital Communications Co., Ltd.	3	Operating expenses	\$ 114	Based on regular terms	-
		TWM Communications (Beijing) Co., Ltd.	3	Operating expenses	(58)	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	3	Operating expenses	110,630	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating expenses	1	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Interest income	56,301	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Interest income	5,847	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Interest income	284	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Rental income	19,868	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Rental income	5,330	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Rental income	9	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Rental income	3,385	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Interest expenses	6	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Interest expenses	9	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Interest expenses	2	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Miscellaneous expenses	(1)	Based on regular terms	-
14	Taiwan Digital Communications Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	84,569	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Short-term borrowings	53,000	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accounts payable	1,393	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	62	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Accrued expenses	103	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	532,115	Based on regular terms	1%
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	114	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	8,268	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	5,681	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Interest expenses	475	Based on regular terms	-
15	TCC Investment Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Miscellaneous revenue	5,806	Based on regular terms	-
16	TCCI Investment and Development Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
17	Win TV Broadcasting Co., Ltd.	Yeong Jia Leh Cable TV Co., Ltd.	3	Accounts receivable	420	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Accounts receivable	147	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Other current liabilities	61	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating cost	72	Based on regular terms	-
		TFN Media Co., Ltd.	3	Notes receivable	15,530	Payment terms varied depend on the agreements	-
		Wealth Media Technology Co., Ltd.	2	Short-term borrowings	50,000	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	66	Payment terms varied depend on the agreements	-
		Wealth Media Technology Co., Ltd.	2	Accrued expenses	275	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	487	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	3	Advance receipts	83	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Advance receipts	83	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	3	Advance receipts	83	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	3	Advance receipts	83	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	3	Advance receipts	83	Payment terms varied depend on the agreements	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		TFN Media Co., Ltd.	3	Operating revenues	\$ 60,590	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	3	Operating revenues	500	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	3	Operating revenues	500	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	3	Operating revenues	500	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	3	Operating revenues	500	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	179	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	3	Operating expenses	1,320	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Interest income	5	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Interest expenses	1,141	Payment terms varied depend on the agreements	-
		Wealth Media Technology Co., Ltd.	2	Interest expenses	948	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	3	Other payables	122	Payment terms varied depend on the agreements and Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Operating revenues	1,360	Payment terms varied depend on the agreements and Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating revenues	762	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	3,798	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	110	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	1,750	Payment terms varied depend on the agreements and Based on regular terms	-
18	TFN Media Co., Ltd.	Win TV Broadcasting Co., Ltd.	3	Other receivables	8	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Other receivables	258	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Other receivables	16	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Other current assets	(18)	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	2,063	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	12,363	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Accounts receivable	116	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	1	Accounts receivable	23,695	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Accounts receivable	35,627	Payment terms varied depend on the agreements	-

(Continued)



Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Mangrove Cable TV Co., Ltd.	1	Accounts receivable	\$ 12,235	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Accounts receivable	32,405	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	1	Accounts receivable	14,574	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Short-term borrowings	1,800,000	Payment terms varied depend on the agreements	2%
		Yeong Jia Leh Cable TV Co., Ltd.	1	Short-term borrowings	400,000	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Short-term borrowings	560,000	Payment terms varied depend on the agreements	1%
		Globalview Cable TV Co., Ltd.	1	Short-term borrowings	250,000	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Notes payable	15,530	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	1	Accounts payable	1,676	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Accounts payable	3,531	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	1	Accounts payable	559	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Accounts payable	3,426	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	1	Accounts payable	1,466	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	930	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	21,866	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	3,902	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	1	Other payables	562	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	27,740	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating revenues	1,320	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	1	Operating revenues	227,360	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Operating revenues	481,741	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	1	Operating revenues	8,285	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Operating revenues	528,597	Payment terms varied depend on the agreements	1%
		Globalview Cable TV Co., Ltd.	1	Operating revenues	214,425	Payment terms varied depend on the agreements	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating revenues	91,429	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	60,590	Payment terms varied depend on the agreements	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Union Cable TV Co., Ltd.	1	Operating cost	\$ 22,403	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Operating cost	36,846	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	1	Operating cost	6,419	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Operating cost	37,947	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	1	Operating cost	15,404	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	1	Operating expenses	1,315	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Operating expenses	3,210	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	1	Operating expenses	986	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Operating expenses	2,101	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	1	Operating expenses	1,252	Payment terms varied depend on the agreements	-
		Taiwan Kuro Times Co., Ltd.	1	Interest income	295	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Interest expenses	26,566	Payment terms varied depend on the agreements	-
		Taiwan Cellular Co., Ltd.	3	Interest expenses	6,776	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	1	Interest expenses	3,322	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Interest expenses	5,036	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Interest expenses	6,849	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	1	Interest expenses	2,956	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	1	Accrued expenses	2,104	Payment terms varied depend on the agreements and Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Accrued expenses	3,147	Payment terms varied depend on the agreements and Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Accrued expenses	984	Payment terms varied depend on the agreements and Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Accrued expenses	3,003	Payment terms varied depend on the agreements and Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Accrued expenses	1,286	Payment terms varied depend on the agreements and Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Other payables	943	Payment terms varied depend on the agreements and Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Yeong Jia Leh Cable TV Co., Ltd.	1	Other payables	\$ 2,113	Payment terms varied depend on the agreements and Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Other payables	1,858	Payment terms varied depend on the agreements and Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Other payables	837	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	1,380	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	381	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	112,472	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	11,201	Payment terms varied depend on the agreements and Based on regular terms	-
19	Union Cable TV Co., Ltd.	TFN Media Co., Ltd.	2	Other receivables	1	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	3	Based on regular terms	-
		TFN Media Co., Ltd.	2	Other current liabilities	15	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	3	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	415	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	1,177	Based on regular terms	-
		TFN Media Co., Ltd.	2	Miscellaneous revenue	19	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accounts receivable	2,985	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	222	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Prepayments	57	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Prepayments	83	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Refundable deposits	288	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	595	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	21	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Other payables	66	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other payables	23,100	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	2,546	Payment terms varied depend on the agreements	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating revenues	277	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	3,885	Payment terms varied depend on the agreements	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Win TV Broadcasting Co., Ltd.	3	Operating cost	\$ 500	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating cost	227,360	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Interest income	3,322	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts receivable	4,715	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Operating revenues	23,699	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	1,213	Payment terms varied depend on the agreements and Based on regular terms	-
20	Yeong Jia Leh Cable TV Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Other current assets	39	Based on regular terms	-
		TFN Media Co., Ltd.	2	Other current assets	2	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	11	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Other payables	100	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Other payables	420	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Other payables	1	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Operating revenues	48	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	521	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Operating cost	48	Based on regular terms	-
		TFN Media Co., Ltd.	2	Miscellaneous revenue	48	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accounts receivable	8,526	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	78	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts receivable	8,612	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Prepayments	83	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts payable	6	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	1,066	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Other payables	125	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	1,003	Payment terms varied depend on the agreements	-
		Taiwan Kuro Times Co., Ltd.	3	Operating revenues	1	Payment terms varied depend on the agreements	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating revenues	58	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	500	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating cost	444,164	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating expenses	37,577	Payment terms varied depend on the agreements	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		TFN Media Co., Ltd.	2	Interest income	\$ 5,036	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other receivables	400,178	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Other payables	34,719	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	1,469	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Operating revenues	40,009	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	71	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	1,957	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	357	Payment terms varied depend on the agreements and Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Operating expenses	860	Payment terms varied depend on the agreements and Based on regular terms	-
21	Mangrove Cable TV Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Other current assets	46	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Other current assets	123	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Other payables	162	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Operating revenues	60	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating revenues	45	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	365	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Operating cost	60	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating cost	45	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	289	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating expenses	4	Based on regular terms	-
		TFN Media Co., Ltd.	2	Miscellaneous revenue	33	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accounts receivable	1,123	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	12	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Prepayments	83	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts payable	203	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	717	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other payables	11,519	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	69	Payment terms varied depend on the agreements	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Fubon Multimedia Technology Co., Ltd.	3	Operating revenues	\$ 9,237	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	2,191	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	500	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating cost	4,045	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating expenses	4,240	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts receivable	2,129	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	13	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	44	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Other payables	33	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	429	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Operating revenues	7,372	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	489	Payment terms varied depend on the agreements and Based on regular terms	-
22	Phoenix Cable TV Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accrued expenses	8	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Other payables	109	Based on regular terms	-
		TFN Media Co., Ltd.	2	Other current liabilities	8	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Other current liabilities	(2)	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	10	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Operating revenues	249	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	715	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Operating cost	249	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	981	Based on regular terms	-
		TFN Media Co., Ltd.	2	Miscellaneous revenue	29	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accounts receivable	7,727	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	17	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Prepayments	83	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	1,147	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Other payables	100	Payment terms varied depend on the agreements	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		TFN Media Co., Ltd.	2	Other payables	\$ 31,258	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Advanced receipts	31	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	235	Payment terms varied depend on the agreements	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating revenues	1,125	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	4,534	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	500	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating cost	486,757	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating expenses	41,840	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Interest income	6,849	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Rental income	174	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Rental income	183	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts receivable	8,280	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Other receivables	560,034	Payment terms varied depend on the agreements and Based on regular terms	1%
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	386	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Operating revenues	39,836	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	1,630	Payment terms varied depend on the agreements and Based on regular terms	-
23	Globalview Cable TV Co., Ltd.	Union Cable TV Co., Ltd.	3	Other receivables	1	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Other receivables	1	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Other receivables	1	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Other receivables	1	Based on regular terms	-
		TFN Media Co., Ltd.	2	Other current liabilities	2	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Other current liabilities	1	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	277	Based on regular terms	-
		TFN Media Co., Ltd.	2	Miscellaneous revenue	5	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accounts receivable	1,924	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	34	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts receivable	3,587	Payment terms varied depend on the agreements	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Win TV Broadcasting Co., Ltd.	3	Prepayments	\$ 83	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	711	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	389	Payment terms varied depend on the agreements	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating revenues	58	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	500	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating cost	197,660	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating expenses	16,766	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Interest income	2,956	Payment terms varied depend on the agreements	-
		Global Wealth Media Technology Co., Ltd.	3	Rental income	34	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other receivables	250,001	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts payable	26	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Other payables	12	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Other payables	193	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Other payables	13,879	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	964	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Operating revenues	16,652	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	1,676	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	612	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	431	Payment terms varied depend on the agreements and Based on regular terms	-
24	Taiwan Kuro Times Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	69,305	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	2	Based on regular terms	-

(Continued)



Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Taiwan Mobile Co., Ltd.	2	Other receivables	\$ 444	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Other current assets	(1)	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Refundable deposits	5	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Short-term borrowings	30,000	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts payable	652	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	693	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	395	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	3	Accrued expenses	68	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	222,264	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	27	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	7,702	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	816	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	1,603	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	3	Operating expenses	416	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Operating expenses	1	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Interest income	2	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Interest expenses	136	Based on regular terms	-
		TFN Media Co., Ltd.	2	Interest expenses	295	Based on regular terms	-
25	TWM Communications (Beijing) Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating revenues	748	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Operating expenses	100	Based on regular terms	-
26	Taiwan Teleservices & Technologies Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	89,247	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	8,180	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Accounts receivable	68	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	122	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Accrued expenses	28	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	177	Based on regular terms	-
		TT&T Holdings	1	Accrued expenses	964	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	967,024	Based on regular terms	1%
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	110,630	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Operating revenues	416	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	34	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Accrued expenses	13	Based on regular terms	-
		TT&T Holdings	1	Operating expenses	15,365	Based on regular terms	-
27	Taiwan Super Basketball Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	8,606	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	34,425	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
28	TT&T Holdings	Taiwan Teleservices & Technologies Co., Ltd.	2	Accounts receivable	964	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	2	Operating revenues	15,369	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Operating expenses	100	Based on regular terms	-
		Xiamen Taifu Teleservices & Technologies Co., Ltd.	1	Operating expenses	9,284	Based on regular terms	-
29	Xiamen Taifu Teleservices & Technologies Co., Ltd.	TT&T Holdings	2	Operating revenues	9,263	Based on regular terms	-
30	TFN HK	Taiwan Fixed Network Co., Ltd.	2	Accounts receivable	29,679	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	2	Operating revenues	69,853	Based on regular terms	-
31	TFN Union Investment Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-

Note : 1. Parent to subsidiary

2. Subsidiary to parent

3. Between subsidiaries

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**BUSINESS RELATIONSHIP AND SIGNIFICANT INTERCOMPANY TRANSACTIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**TABLE 11**  
(In Thousands of New Taiwan Dollars)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
0	Taiwan Mobile Co., Ltd.	Taiwan Digital Communications Co., Ltd.	1	Accounts receivable	\$ 2,332	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Accounts receivable	37,125	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Accounts receivable	11	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Accounts receivable	21	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Accounts receivable	2	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Accounts receivable	22	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Accounts receivable	8	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Accounts receivable	1	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	1	Accounts receivable	1,427	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Other receivables	48,058	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	1	Other receivables	471,421	Based on regular terms	1%
		TFN Media Co., Ltd.	1	Other receivables	852,867	Based on regular terms	1%
		Union Cable TV Co., Ltd.	1	Other receivables	22	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Other receivables	59	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Other receivables	8	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Other receivables	84	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Other receivables	6	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Other receivables	2,815	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	1	Other receivables	3,067	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Prepayments	67	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Prepayments	20	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	1	Refundable deposits	273	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Accounts payable	2,365	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Accounts payable	27	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Accounts payable	36,470	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	1	Accrued expenses	78,505	Based on regular terms	-
		Taiwan Super Basketball Co., Ltd.	1	Accrued expenses	8,300	Based on regular terms	-
		TWM Communications (Beijing) Co., Ltd.	1	Accrued expenses	20,646	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Accrued expenses	399,783	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Accrued expenses	88,870	Based on regular terms	-
		TFN Media Co., Ltd.	1	Accrued expenses	321	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	1	Other payables	778	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	1	Other payables	20,835	Based on regular terms	-
		TWM Communications (Beijing) Co., Ltd.	1	Other payables	15,559	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Other payables	130,082	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Other payables	653	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Other payables	1,632	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Other payables	194	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Other payables	2,949	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Other payables	306	Based on regular terms	-
Taiwan Kuro Times Co., Ltd.	1	Other payables	1,713	Based on regular terms	-		

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Taiwan Fixed Network Co., Ltd.	1	Advance receipts	\$ 90	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Other current liabilities	24,326	Based on regular terms	-
		TFN Media Co., Ltd.	1	Other current liabilities	173	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Other current liabilities	1,736	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Other current liabilities	5,375	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Other current liabilities	829	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Other current liabilities	3,822	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Other current liabilities	1,103	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Other current liabilities	1,769	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Guarantee deposits	830	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	1	Operating revenues	4,991	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Operating revenues	2,372,054	Based on regular terms	3%
		TFN Media Co., Ltd.	1	Operating revenues	952	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Operating revenues	993	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Operating revenues	1,471	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Operating revenues	654	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Operating revenues	1,612	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Operating revenues	727	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Operating revenues	2,490	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	1	Operating revenues	1,674	Based on regular terms	-
		TWM Communications (Beijing) Co., Ltd.	1	Operating cost	1,211	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Operating cost	3,322,540	Based on regular terms	4%
		Taiwan Teleservices & Technologies Co., Ltd.	1	Operating cost	172	Based on regular terms	-
		TFN Media Co., Ltd.	1	Operating cost	58	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Operating cost	171	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Operating cost	105,157	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Operating cost	(1)	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Operating cost	(2)	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Operating cost	(2)	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Operating cost	(5)	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Operating cost	(6)	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	1	Operating expenses	237,956	Based on regular terms	-
		Taiwan Super Basketball Co., Ltd.	1	Operating expenses	33,500	Based on regular terms	-
		TWM Communications (Beijing) Co., Ltd.	1	Operating expenses	20,573	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Operating expenses	84,027	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Operating expenses	907,559	Based on regular terms	1%
		TFN Media Co., Ltd.	1	Operating expenses	324	Based on regular terms	-
		TCC Investment Co., Ltd.	1	Operating expenses	5,969	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	1	Operating expenses	1,019	Based on regular terms	-
		Tai Fu Media Technology Co., Ltd.	1	Interest income	312	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	1	Interest income	29,220	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	1	Interest income	279	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	1	Interest income	1,712	Based on regular terms	-
		TFN Media Co., Ltd.	1	Interest income	16,760	Based on regular terms	-
		Wealth Media Technology Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Tai Fu Media Technology Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Fu Jia Leh Media Technology Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Fu Sin Media Technology Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Global Forest Media Technology Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	1	Rental income	34	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Taiwan Super Basketball Co., Ltd.	1	Rental income	\$ 34	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Rental income	106,280	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	1	Rental income	259	Based on regular terms	-
		TFN Media Co., Ltd.	1	Rental income	10,784	Based on regular terms	-
		TFN Union Investment Co., Ltd.	1	Rental income	34	Based on regular terms	-
		TCCI Investment and Development Co., Ltd.	1	Rental income	34	Based on regular terms	-
		TCC Investment Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Taiwan Win TV Broadcasting Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	1	Rental income	17,524	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Miscellaneous revenue	3,696	Based on regular terms	-
		TFN Media Co., Ltd.	1	Miscellaneous revenue	11	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Miscellaneous revenue	9	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Miscellaneous revenue	109	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	1	Miscellaneous revenue	2	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Interest expenses	18,987	Based on regular terms	-
1	Wealth Media Technology Co., Ltd.	Tai Fu Media Technology Co., Ltd.	1	Other receivables	43,091	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
		Tai Fu Media Technology Co., Ltd.	1	Interest income	91	Based on regular terms	-
		Global Wealth Media Technology Co., Ltd.	1	Interest income	11	Based on regular terms	-
2	Taiwan Win TV Broadcasting Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
3	Fubon Multimedia Technology Co., Ltd.	Win TV Broadcasting Co., Ltd.	3	Accounts receivable	16	Based on regular terms	-
		Fuli Life Insurance Agent Co., Ltd.	1	Accounts receivable	5	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accounts payable	2,973	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts payable	653	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Accounts payable	1	Based on regular terms	-
		Fuli Property Insurance Agent Co., Ltd.	1	Accounts payable	136	Based on regular terms	-
		Fu Sheng Travel Service Co., Ltd.	1	Accounts payable	8,192	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Leasehold payable-current	2,772	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Other current liabilities	57	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Leasehold payable-non-current	6,590	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Guarantee deposits	273	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	3	Operating revenues	(44)	Payment terms varied depend on the agreements and Based on regular terms	-
		Fu Sheng Travel Service Co., Ltd.	1	Operating revenues	(13,326)	Based on regular terms	-
		Fuli Property Insurance Agent Co., Ltd.	1	Operating revenues	6	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	1,018	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	1	Payment terms varied depend on the agreements and Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Operating revenues	55	Payment terms varied depend on the agreements and Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Fu Sheng Travel Service Co., Ltd. Taiwan Mobile Co., Ltd.	3 2	Operating cost Operating cost	\$ 168 17,718	Based on regular terms Payment terms varied depend on the agreements and Based on regular terms	- -
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	9,098	Payment terms varied depend on the agreements and Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	270	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	3	Operating cost	43,600	Payment terms varied depend on the agreements and Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Operating cost	139	Payment terms varied depend on the agreements and Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Operating cost	29	Payment terms varied depend on the agreements and Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Operating cost	4,618	Payment terms varied depend on the agreements and Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating cost	563	Payment terms varied depend on the agreements and Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Operating cost	34	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	168	Based on regular terms	-
		Fu Sheng Travel Service Co.,Ltd.	1 3	Operating expenses	831	Based on regular terms Payment terms varied depend on the agreements and Based on regular terms	- -
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	3,349	Payment terms varied depend on the agreements and Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	1	Operating expenses	80	Based on regular terms	-
		Fuli Life Insurance Agent Co.,Ltd.	1	Rental income	24	Payment terms varied depend on the agreements and Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Miscellaneous revenue	3	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Interest expenses	294	Payment terms varied depend on the agreements	-
4	Fu Sheng Travel Service Co., Ltd.	Fubon Multimedia Technology Co., Ltd.	2	Accounts receivable	7,876	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	2	Other receivables	210	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	2	Operating cost	(13,326)	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	2	Rental income	1,000	Payment terms varied depend on the agreements and Based on regular terms	-
5	Fuli Life Insurance Agent Co., Ltd.	Fubon Multimedia Technology Co., Ltd.	2	Accounts payable	136	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	2	Accounts payable	5	Based on regular terms Payment terms varied depend on the agreements and Based on regular terms	- -
		Fubon Multimedia Technology Co., Ltd.	2	Operating expenses	24	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
6	Fuli Property Insurance Agent Co., Ltd.	Fubon Multimedia Technology Co., Ltd.	2	Operating cost	\$ 6	Based on regular terms	-
7	Tai Fu Media Technology Co., Ltd.	Global Wealth Media Technology Co., Ltd.	1	Other receivables	4,000	Payment terms varied depend on the agreements	-
		Wealth Media Technology Co., Ltd.	2	Short-term borrowings	43,000	Payment terms varied depend on the agreements	-
		Wealth Media Technology Co., Ltd.	2	Accrued expenses	91	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Payment terms varied depend on the agreements	-
		Global Wealth Media Technology Co., Ltd.	1	Interest income	30	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Interest expenses	312	Payment terms varied depend on the agreements	-
		Wealth Media Technology Co., Ltd.	2	Interest expenses	91	Payment terms varied depend on the agreements	-
8	Global Wealth Media Technology Co., Ltd.	Tai Fu Media Technology Co., Ltd.	2	Other payables	4,000	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	3	Operating expenses	34	Payment terms varied depend on the agreements	-
		Wealth Media Technology Co., Ltd.	2	Interest expenses	11	Payment terms varied depend on the agreements	-
		Tai Fu Media Technology Co., Ltd.	2	Interest expenses	30	Payment terms varied depend on the agreements	-
9	Fu Jia Leh Media Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Payment terms varied depend on the agreements	-
10	Fu Sin Media Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Payment terms varied depend on the agreements	-
11	Global Forest Media Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Payment terms varied depend on the agreements	-
12	Taiwan Cellular Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Other receivables	778	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	1	Other receivables	40,014	Based on regular terms	-
		TFN Media Co., Ltd.	1	Other receivables	4,124,617	Based on regular terms	5%
		Taiwan Fixed Network Co., Ltd.	1	Short-term borrowings	4,670,000	Based on regular terms	6%
		Taiwan Fixed Network Co., Ltd.	1	Accrued expenses	9,230	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	1	Interest income	14	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	1	Interest income	558	Based on regular terms	-
		TFN Media Co., Ltd.	1	Interest income	49,369	Based on regular terms	-
		TT&T Holdings	2	Miscellaneous revenue	95	Based on regular terms	-
		TWN Communications (Beijing) Co., Ltd.	1	Miscellaneous revenue	95	Based on regular terms	-
Taiwan Mobile Co., Ltd.	2	Interest expenses	29,220	Based on regular terms	-		
Taiwan Fixed Network Co., Ltd.	1	Interest expenses	47,591	Based on regular terms	-		
13	Taiwan Fixed Network Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	398,558	Based on regular terms	-
		TFN HK	2	Accounts receivable	2	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Accounts receivable	8	Based on regular terms	-
		TFN Media Co., Ltd.	3	Accounts receivable	19,362	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Accounts receivable	59	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Accounts receivable	149	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Accounts receivable	252	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Accounts receivable	517	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Accounts receivable	234	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Taiwan Kuro Times Co., Ltd.	3	Accounts receivable	\$ 743	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Accounts receivable	6,722	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Other receivables	157,825	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Other receivables	4,679,230	Based on regular terms	6%
		Win TV Broadcasting Co., Ltd.	3	Other receivables	464	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Other receivables	8	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Other receivables	2	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Other receivables	387	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Prepayments	90	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Refundable deposits	830	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Long-term notes , accounts and overdue receivables	6,485	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accounts payable	36,283	Based on regular terms	-
		TFN Media Co., Ltd.	3	Accounts payable	23,589	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Accounts payable	1	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	48,767	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	3	Accrued expenses	159	Based on regular terms	-
		TFN HK	2	Accrued expenses	51,676	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	3	Accrued expenses	9,954	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Accrued expenses	108	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Accrued expenses	78	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Accrued expenses	17	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Accrued expenses	34	Based on regular terms	-
		TWM Communications (Beijing) Co., Ltd.	3	Accrued expenses	2,619	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Advance receipts	83	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Advance receipts	57	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Advance receipts	1	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Advance receipts	44	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Guarantee deposits	1,003	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Guarantee deposits	288	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Guarantee deposits	631	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	3,388,316	Based on regular terms	4%
		Win TV Broadcasting Co., Ltd.	3	Operating revenues	419	Based on regular terms	-
		TFN Media Co., Ltd.	3	Operating revenues	103,425	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Operating revenues	3,754	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Operating revenues	588	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Operating revenues	2,344	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating revenues	6,270	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Operating revenues	1,909	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Operating revenues	9,877	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating revenues	14,004	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	2,375,441	Based on regular terms	3%
		TFN HK	2	Operating cost	72,545	Based on regular terms	-
		TFN Media Co., Ltd.	3	Operating cost	23,581	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Operating cost	526	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Operating cost	975	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Operating cost	69	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating cost	1,120	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Operating cost	369	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	102,265	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	3	Operating expenses	1,226	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Taiwan Teleservices & Technologies Co., Ltd.	3	Operating expenses	\$ 132,614	Based on regular terms	-
		TWM Communications (Beijing) Co., Ltd.	3	Operating expenses	2,713	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating expenses	2	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Interest income	18,987	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Interest income	47,591	Based on regular terms	-
		TFN Union Investment Co., Ltd.	1	Interest income	2	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Interest income	182	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Rental income	18,138	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Rental income	5,314	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Rental income	3,390	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Interest expenses	12	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Interest expenses	7	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Miscellaneous expenses	3,697	Based on regular terms	-
14	Taiwan Digital Communications Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	99,352	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	167	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Short-term borrowings	40,000	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accounts payable	2,315	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Accrued expenses	14	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	237,956	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	1,226	Based on regular terms	-
		TFN Media Co., Ltd.	3	Operating revenues	30	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	2,999	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	2,026	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Interest expenses	279	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Interest expenses	14	Based on regular terms	-
15	TCC Investment Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
		TCCI Investment and Development Co., Ltd.	1	Interest income	2	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Miscellaneous revenue	5,969	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	1	Miscellaneous revenue	71	Based on regular terms	-
16	TCCI Investment and Development Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
		TCC Investment Co., Ltd.	2	Interest expenses	2	Based on regular terms	-
17	Win TV Broadcasting Co., Ltd.	TFN Media Co., Ltd.	3	Notes receivable	15,519	Payment terms varied depend on the agreements	-
		Fubon Multimedia Technology Co., Ltd.	3	Accounts receivable	84	Based on regular terms	-
		TFN Media Co., Ltd.	3	Accounts receivable	179	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Refundable deposits	1,003	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Short-term borrowings	470,000	Payment terms varied depend on the agreements	1%
		TCC Investment Co., Ltd.	2	Accrued expenses	16	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Accrued expenses	25	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	464	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	3	Accrued expenses	116	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	75	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	1,389	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	3	Advance receipts	83	Payment terms varied depend on the agreements	-

(Continued)



Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
18	TFN Media Co., Ltd.	Yeong Jia Leh Cable TV Co., Ltd.	3	Advance receipts	\$ 83	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	3	Advance receipts	83	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	3	Advance receipts	83	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	3	Advance receipts	83	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	3	Operating revenues	61,263	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	3	Operating revenues	417	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Operating revenues	1,426	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	3	Operating revenues	417	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	3	Operating revenues	417	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	3	Operating revenues	417	Payment terms varied depend on the agreements	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating revenues	424	Payment terms varied depend on the agreements	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating cost	31	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	212	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	4,304	Payment terms varied depend on the agreements and Based on regular terms	-
		TCC Investment Co., Ltd.	2	Operating expenses	71	Based on regular terms	-
		TFN Media Co., Ltd.	3	Operating expenses	1,320	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	113	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	1,861	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Interest income	6	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Interest expenses	1,712	Payment terms varied depend on the agreements	-
Taiwan Cellular Co., Ltd.	2	Interest expenses	558	Payment terms varied depend on the agreements	-		
Taiwan Mobile Co., Ltd.	2	Accounts receivable	34	Payment terms varied depend on the agreements	-		
Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	23,589	Payment terms varied depend on the agreements	-		

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Win TV Broadcasting Co., Ltd.	3	Accounts receivable	\$ 116	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	1	Accounts receivable	20,262	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Accounts receivable	31,546	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	1	Accounts receivable	9,762	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Accounts receivable	27,885	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	1	Accounts receivable	12,350	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Other receivables	327	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Other receivables	31	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Other receivables	332	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Other receivables	30,120	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Short-term borrowings	850,000	Payment terms varied depend on the agreements	1%
		Taiwan Cellular Co., Ltd.	2	Short-term borrowings	4,100,000	Payment terms varied depend on the agreements	5%
		Union Cable TV Co., Ltd.	1	Short-term borrowings	645,000	Payment terms varied depend on the agreements	1%
		Yeong Jia Leh Cable TV Co., Ltd.	1	Short-term borrowings	351,000	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Short-term borrowings	580,000	Payment terms varied depend on the agreements	1%
		Globalview Cable TV Co., Ltd.	1	Short-term borrowings	250,000	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Notes payable	15,519	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Accounts payable	179	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	1	Accounts payable	1,952	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Accounts payable	1,984	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	1	Accounts payable	511	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Accounts payable	5,698	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	1	Accounts payable	1,731	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	950	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	18,946	Payment terms varied depend on the agreements and Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Accrued expenses	4,635	Payment terms varied depend on the agreements and Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Accrued expenses	7,773	Payment terms varied depend on the agreements and Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Accrued expenses	2,272	Payment terms varied depend on the agreements and Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Accrued expenses	5,259	Payment terms varied depend on the agreements and Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Globalview Cable TV Co., Ltd.	1	Accrued expenses	\$ 3,158	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	1,795	Payment terms varied depend on the agreements	-
		Taiwan Cellular Co., Ltd.	2	Accrued expenses	24,617	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	1	Accrued expenses	5	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Other current liabilities	72	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Other current liabilities	160	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Other current liabilities	16	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	58	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	23,581	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating revenues	1,320	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	1	Operating revenues	252,207	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Operating revenues	487,476	Payment terms varied depend on the agreements	1%
		Mangrove Cable TV Co., Ltd.	1	Operating revenues	6,784	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Operating revenues	538,401	Payment terms varied depend on the agreements	1%
		Globalview Cable TV Co., Ltd.	1	Operating revenues	218,174	Payment terms varied depend on the agreements	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating revenues	43,600	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	61,263	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	1	Operating cost	33,682	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Operating cost	54,508	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	1	Operating cost	9,674	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Operating cost	55,669	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	1	Operating cost	23,172	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	333	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	101,721	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	3	Operating expenses	30	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating expenses	471	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Taiwan Mobile Co., Ltd.	2	Operating expenses	\$ 11,502	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	1,666	Payment terms varied depend on the agreements and Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Operating expenses	3,079	Payment terms varied depend on the agreements and Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Operating expenses	5,850	Payment terms varied depend on the agreements and Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Operating expenses	1,578	Payment terms varied depend on the agreements and Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Operating expenses	4,480	Payment terms varied depend on the agreements and Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Operating expenses	2,101	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Interest income	120	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Interest expenses	16,760	Payment terms varied depend on the agreements	-
		Taiwan Cellular Co., Ltd.	2	Interest expenses	49,377	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	1	Interest expenses	6,459	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Interest expenses	3,539	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Interest expenses	5,874	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	1	Interest expenses	2,502	Payment terms varied depend on the agreements	-
19	Union Cable TV Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	2,335	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	108	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts receivable	6,571	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other receivables	645,020	Payment terms varied depend on the agreements and Based on regular terms	1%
		Taiwan Fixed Network Co., Ltd.	3	Prepayments	57	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Prepayments	83	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Refundable deposits	288	Payment terms varied depend on the agreements	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
20	Yeong Jia Leh Cable TV Co., Ltd.	TFN Media Co., Ltd.	2	Accounts payable	\$ 795	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	27	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	29	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Other payables	46	Based on regular terms	-
		TFN Media Co., Ltd.	2	Other payables	19,466	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other current liabilities	13	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	1,246	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating revenues	35,633	Payment terms varied depend on the agreements	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating revenues	139	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	417	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating cost	232,629	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	373	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	3,282	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Operating expenses	19,577	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	883	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	1,212	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Interest income	6,459	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Miscellaneous revenue	1,127	Based on regular terms	-
		Fubon Multimedia Technology Co., Ltd.	3	Notes receivable	5	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Accounts receivable	8,151	Payment terms varied depend on the agreements	-
Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	78	Payment terms varied depend on the agreements	-		
TFN Media Co., Ltd.	2	Accounts receivable	9,471	Payment terms varied depend on the agreements	-		
TFN Media Co., Ltd.	2	Other receivables	351,285	Payment terms varied depend on the agreements and Based on regular terms	-		
Win TV Broadcasting Co., Ltd.	3	Prepayments	83	Payment terms varied depend on the agreements and Based on regular terms	-		

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		TFN Media Co., Ltd.	2	Other current assets	\$ 2	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts payable	6	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	2,174	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	103	Based on regular terms	-
		TFN Media Co., Ltd.	2	Accrued expenses	167	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	75	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	3	Other payables	242	Based on regular terms	-
		TFN Media Co., Ltd.	2	Other payables	29,372	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	3	Operating revenues	596	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Operating revenues	644	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating revenues	644	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Operating revenues	644	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	975	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating revenues	56,863	Payment terms varied depend on the agreements	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating revenues	29	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	3	Operating cost	596	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Operating cost	644	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating cost	644	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Operating cost	644	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	417	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating cost	449,909	Payment terms varied depend on the agreements	1%
		Taiwan Mobile Co., Ltd.	2	Operating cost	484	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	224	Payment terms varied depend on the agreements and Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Operating expenses	1,010	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating expenses	37,577	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	1,652	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	365	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Interest income	3,539	Payment terms varied depend on the agreements	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		TFN Media Co., Ltd.	2	Miscellaneous revenue	\$ 3,495	Based on regular terms	-
21	Mangrove Cable TV Co., Ltd.	Phoenix Cable TV Co., Ltd.	3	Accounts receivable	338	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accounts receivable	314	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts receivable	2,776	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other receivables	8	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Prepayments	83	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Other current assets	46	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Other current assets	123	Based on regular terms	-
		TFN Media Co., Ltd.	2	Accounts payable	836	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts payable	311	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	90	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	22	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other payables	8,926	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	3	Operating revenues	1,708	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating revenues	1,401	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	69	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating revenues	10,420	Payment terms varied depend on the agreements	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating revenues	4,618	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	3	Operating cost	1,708	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating cost	1,401	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	417	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating cost	2,544	Payment terms varied depend on the agreements	-
Taiwan Mobile Co., Ltd.	2	Operating cost	355	Payment terms varied depend on the agreements and Based on regular terms	-		
Taiwan Fixed Network Co., Ltd.	3	Operating cost	2,053	Payment terms varied depend on the agreements and Based on regular terms	-		
Taiwan Mobile Co., Ltd.	2	Operating expenses	4,240	Payment terms varied depend on the agreements	-		
Taiwan Mobile Co., Ltd.	2	Operating expenses	339	Payment terms varied depend on the agreements and Based on regular terms	-		
Taiwan Fixed Network Co., Ltd.	3	Operating expenses	290	Payment terms varied depend on the agreements and Based on regular terms	-		

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		TFN Media Co., Ltd.	2	Miscellaneous revenue	\$ 832	Based on regular terms	-
22	Phoenix Cable TV Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	6,654	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	17	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts receivable	10,902	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Other receivables	39	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other receivables	580,050	Payment terms varied depend on the agreements and Based on regular terms	1%
		Win TV Broadcasting Co., Ltd.	3	Prepayments	83	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	1,423	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	95	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	494	Payment terms varied depend on the agreements and Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Other payables	322	Based on regular terms	-
		TFN Media Co., Ltd.	2	Other payables	26,463	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Other current liabilities	39	Based on regular terms	-
		Yeong Jia Leh Cable Co., Ltd.	3	Operating revenues	412	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	1,120	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating revenues	58,116	Payment terms varied depend on the agreements	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating revenues	563	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable Co., Ltd.	3	Operating cost	412	Payment terms varied depend on the agreements and Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	417	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating cost	496,561	Payment terms varied depend on the agreements	1%
		Taiwan Mobile Co., Ltd.	2	Operating cost	669	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	5,254	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Operating expenses	41,840	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	1,003	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	1,017	Payment terms varied depend on the agreements and Based on regular terms	-

(Continued)



Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		TFN Media Co., Ltd.	2	Interest income	\$ 5,874	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Rental income	171	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Miscellaneous revenue	2,032	Based on regular terms	-
23	Globalview Cable TV Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	1,488	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	34	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts receivable	4,830	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable Co., Ltd.	3	Other receivables	254	Based on regular terms	-
		TFN Media Co., Ltd.	2	Other receivables	250,055	Payment terms varied depend on the agreements and Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Prepayments	83	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	910	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts payable	26	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	190	Based on regular terms	-
		TFN Media Co., Ltd.	2	Accrued expenses	16	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	11	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other payables	11,440	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other current liabilities	8	Based on regular terms	-
		Yeong Jia Leh Cable Co., Ltd.	3	Operating revenues	242	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	389	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating revenues	24,101	Payment terms varied depend on the agreements	-
		Fubon Multimedia Technology Co., Ltd.	3	Operating revenues	29	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable Co., Ltd.	3	Operating cost	242	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	417	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating cost	201,408	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	333	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	1,510	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Operating expenses	16,766	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	422	Payment terms varied depend on the agreements and Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	\$ 410	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Interest income	2,502	Payment terms varied depend on the agreements	-
		Global Wealth Media Technology Co., Ltd.	2	Rental income	34	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Miscellaneous revenue	1,171	Based on regular terms	-
24	Taiwan Kuro Times Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	39,104	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	4	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Accounts receivable	2	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Accounts receivable	2	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Accounts receivable	2	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Accounts receivable	2	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Refundable deposits	631	Based on regular terms	-
		TFN Media Co., Ltd.	2	Short-term borrowings	30,000	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accounts payable	1,622	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts payable	727	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	2,816	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	397	Based on regular terms	-
		TFN Media Co., Ltd.	2	Accrued expenses	120	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	104,673	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	2,877	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	11,955	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	102	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	1,928	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Interest income	7	Based on regular terms	-
		TFN Media Co., Ltd.	2	Interest expenses	120	Based on regular terms	-
25	TWM Communications (Beijing) Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	36,248	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	21,072	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Operating expenses	96	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	2,622	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	2,676	Based on regular terms	-
26	Taiwan Teleservices & Technologies Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	88,894	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	9,954	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Other receivables	2	Based on regular terms	-
		TT&T Holdings	1	Accrued expenses	5,624	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	907,732	Based on regular terms	1%
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	132,614	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
		TT&T Holdings	1	Operating expenses	70,435	Based on regular terms	-
27	Taiwan Super Basketball Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	8,300	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	33,500	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
28	TT&T Holdings	Taiwan Teleservices & Technologies Co., Ltd.	2	Accounts receivable	5,620	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Nature of Relationship (Note)	Transaction Details			Percentage of Consolidated Total Operating Revenues or Total Assets
				Account	Amount	Transaction Terms	
		Xiamen Taifu Teleservices & Technologies Co., Ltd.	1	Other receivables	\$ 2,271	Based on regular terms	-
		Xiamen Taifu Teleservices & Technologies Co., Ltd.	1	Accounts payable	5,169	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	2	Operating revenues	70,575	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Operating expenses	97	Based on regular terms	-
		Xiamen Taifu Teleservices & Technologies Co., Ltd.	1	Operating expenses	61,857	Based on regular terms	-
		Xiamen Taifu Teleservices & Technologies Co., Ltd.	1	Miscellaneous revenue	2,208	Based on regular terms	-
29	Xiamen Taifu Teleservices & Technologies Co., Ltd.	TT&T Holdings	2	Accounts receivable	5,163	Based on regular terms	-
		TT&T Holdings	2	Other payables	2,313	Based on regular terms	-
		TT&T Holdings	2	Operating revenues	62,227	Based on regular terms	-
30	TFN HK	Taiwan Fixed Network Co., Ltd.	2	Accounts receivable	50,578	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	2	Operating revenues	71,262	Based on regular terms	-
31	TFN Union Investment Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	2	Interest expenses	2	Based on regular terms	-

Note : 1. Parent to subsidiary

2. Subsidiary to parent

3. Between subsidiaries