

**Taiwan Mobile Co., Ltd. and Subsidiaries**  
**Consolidated Financial Statements for the**  
**Nine Months Ended September 30, 2010 and 2009, and**  
**Independent Accountants' Review Report**

## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

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

We have reviewed the accompanying consolidated balance sheet of Taiwan Mobile Co., Ltd. (the "Corporation") and subsidiaries as of September 30, 2010, and the related consolidated statements of income and cash flows for the nine months then ended. These consolidated financial statements are the responsibility of the Corporation's management. Our responsibility is to issue a report based on our review. The consolidated financial statements of Taiwan Mobile Co., Ltd. as of September 30, 2009, and for the nine months then ended have been reviewed by other auditors, who have issued a review report dated October 13, 2009, with an standard unqualified review report.

We conducted our review in accordance with Statement of Auditing Standards No. 36 - "Engagements to Review Financial Statements" of the Republic of China. A review consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of China, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review as of September 30, 2010, we are not aware of any material modifications that should be made to the consolidated financial statements referred to above for them to be in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers, the order VI-0960064020 issued by Financial Supervisory Commission under the Executive Yuan as of November 15, 2007, and accounting principles generally accepted in the Republic of China.

KPMG  
Taipei, Taiwan (the Republic of China)  
October 13, 2010

### 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 review such consolidated financial statements are those generally accepted and applied in the Republic of China.

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

**CONSOLIDATED BALANCE SHEETS**  
**SEPTEMBER 30, 2010 AND 2009**  
(In Thousands of New Taiwan Dollars, Except Par Value)  
(Reviewed, Not Audited)

	2010		2009			2010		2009	
	Amount	%	Amount	%		Amount	%	Amount	%
<b>ASSETS</b>					<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>CURRENT ASSETS</b>					<b>CURRENT LIABILITIES</b>				
Cash and cash equivalents (Notes 2, 4.a, 4.t and 5)	\$ 2,749,158	3	2,805,015	3	Short-term borrowings (Notes 4.k and 4.t)	\$ 8,500,000	10	3,300,000	4
Financial assets at fair value through profit or loss – current (Notes 2, 4.b and 4.t)	199,120	-	-	-	Short-term notes and bills payable (Notes 4.l and 4.t)	299,719	-	499,758	1
Available-for-sale financial assets - current (Notes 2, 4.c and 4.t)	190,182	-	173,039	-	Notes payable (Note 4.t)	234,605	-	116,789	-
Hedging derivative financial assets – current (Notes 2, 4.t, and 11)	-	-	54,181	-	Accounts payable (Notes 4.t and 5)	3,365,900	4	3,035,148	3
Notes receivable (Note 4.t)	51,397	-	39,577	-	Income taxes payable (Notes 4.r and 4.t)	773,364	1	820,973	1
Accounts receivable, net (Notes 2, 4.d and 4.t)	6,464,759	8	6,978,868	8	Accrued expenses (Note 4.t)	5,358,871	6	5,387,146	6
Accounts receivable - related parties (Notes 2, 4.t and 5)	231,627	-	216,034	-	Other payables (Notes 2 and 4.t)	4,061,357	5	4,214,360	5
Other receivables (Note 4.t)	335,224	1	393,398	1	Advance receipts (Note 4.m)	2,902,972	4	1,731,407	2
Inventories (Note 2)	964,749	1	401,157	1	Current portion of long-term liabilities (Notes 4.n and 4.t)	-	-	7,500,000	9
Prepayments (Note 5)	797,002	1	767,041	1	Guarantee deposits – current (Note 4.t)	57,495	-	63,879	-
Deferred income tax assets - current (Notes 2 and 4.r)	5,651	-	30,522	-	Other current liabilities	572,191	1	491,905	-
Pledged time deposits (Notes 4.t, 5 and 6)	1,100	-	15,000	-	<b>Total current liabilities</b>	<b>26,126,474</b>	<b>31</b>	<b>27,161,365</b>	<b>31</b>
Other current assets	8,642	-	15,622	-					
<b>Total current assets</b>	<b>11,998,611</b>	<b>14</b>	<b>11,889,454</b>	<b>14</b>	<b>LONG-TERM LIABILITIES</b>				
<b>INVESTMENTS</b>					Bonds payable (Notes 4.n and 4.t)	8,000,000	10	8,000,000	9
Investments accounted for using the equity method (Notes 2 and 4.e)	194,557	-	217,957	-	Long-term borrowings (Note 4.o)	-	-	2,300,000	3
Prepayment for long-term investments (Note 4.e)	49,900	-	-	-		<b>8,000,000</b>	<b>10</b>	<b>10,300,000</b>	<b>12</b>
Financial assets carried at cost - non-current (Notes 2, 4.f and 4.t)	2,308,709	3	2,498,980	3	<b>OTHER LIABILITIES</b>				
Bonds measured at amortized cost - non-current (Notes 2, 4.g and 4.t)	500,000	1	500,000	1	Guarantee deposits (Note 4.t)	326,047	-	324,278	-
<b>Total investments</b>	<b>3,053,166</b>	<b>4</b>	<b>3,216,937</b>	<b>4</b>	Deferred income tax liability - non-current (Notes 2 and 4.r)	143,224	-	112,120	-
					Other (Note 2)	588,957	1	566,772	1
<b>PROPERTY AND EQUIPMENT (Notes 2 and 4.h)</b>					<b>Total other liabilities</b>	<b>1,058,228</b>	<b>1</b>	<b>1,003,170</b>	<b>1</b>
Land	6,118,708	7	6,097,370	7	<b>Total liabilities</b>	<b>35,184,702</b>	<b>42</b>	<b>38,464,535</b>	<b>44</b>
Buildings	3,933,737	5	3,922,356	5	<b>SHAREHOLDERS' EQUITY (Notes 2 and 4.q)</b>				
Telecommunication equipment	59,727,200	72	61,489,741	71	Parent's shareholders' equity				
Office equipment	118,886	-	161,816	-	Capital stock - NT\$10 par value				
Leased assets	1,285,920	2	1,285,920	1	Authorized: 6,000,000 thousand shares				
Miscellaneous equipment	2,779,761	3	2,783,008	3	Issued: 3,800,925 thousand shares	38,009,254	46	38,009,254	44
	73,964,212	89	75,740,211	87	Capital surplus				
Less accumulated depreciation	(32,960,589)	(40)	(31,612,110)	(36)	From convertible bonds	8,775,819	11	8,775,819	10
Construction in progress and prepayments for equipment	2,890,258	4	2,863,037	3	From treasury stock transactions	3,639,302	4	3,639,302	4
<b>Net property and equipment</b>	<b>43,893,881</b>	<b>53</b>	<b>46,991,138</b>	<b>54</b>	From long-term investments	4,528	-	3,743	-
					Other	12,840	-	12,840	-
<b>INTANGIBLE ASSETS (Note 2)</b>					Retained earnings				
3G concession license	6,168,600	7	6,916,309	8	Legal reserve	15,332,799	18	13,943,913	16
Computer software cost	50,533	-	75,077	-	Special reserve	821,741	1	3,350,000	4
Goodwill (Note 4.i)	10,515,718	13	10,486,064	12	Unappropriated earnings	12,902,262	16	12,638,725	15
Customer relationship (Note 4.i)	2,380,673	3	2,555,455	3	Other equity				
Operating rights (Note 4.i)	1,396,009	2	1,382,000	1	Cumulative translation adjustments	5,653	-	13,721	-
Other intangible assets	81,826	-	30,075	-	Net loss not recognized as pension cost	(3,797)	-	285	-
<b>Total intangible assets</b>	<b>20,593,359</b>	<b>25</b>	<b>21,444,980</b>	<b>24</b>	Unrealized gains on financial instruments	78,703	-	99,478	-
					Treasury stock	(31,889,100)	(38)	(31,889,100)	(37)
<b>OTHER ASSETS</b>						<b>47,690,004</b>	<b>58</b>	<b>48,597,980</b>	<b>56</b>
Assets leased to others (Notes 2 and 4.j)	407,466	1	439,544	1	Minority interest	34,382	-	9,476	-
Idle assets (Notes 2 and 4.j)	310,281	-	310,289	-	<b>Total shareholders' equity</b>	<b>47,724,386</b>	<b>58</b>	<b>48,607,456</b>	<b>56</b>
Refundable deposits (Note 4.t)	396,207	1	389,315	-					
Deferred charges (Note 2)	385,681	-	416,251	1	<b>Commitments and Contingencies (Note 7)</b>				
Deferred income tax assets - non-current (Notes 2 and 4.r)	1,185,995	1	1,818,250	2					
Other (Notes 2, 4.p, 5, and 6)	684,441	1	155,833	-					
<b>Total other assets</b>	<b>3,370,071</b>	<b>4</b>	<b>3,529,482</b>	<b>4</b>					
<b>TOTAL</b>	<b>\$ 82,909,088</b>	<b>100</b>	<b>87,071,991</b>	<b>100</b>	<b>TOTAL</b>	<b>\$ 82,909,088</b>	<b>100</b>	<b>87,071,991</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  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010 AND 2009  
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)  
(Reviewed, Not Audited)**

	<b>2010</b>		<b>2009</b>	
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>OPERATING REVENUES (Notes 2 and 5)</b>	\$ 52,245,880	100	51,590,480	100
<b>OPERATING COSTS (Notes 2, 5, and 10)</b>	27,829,634	53	25,132,953	48
<b>GROSS PROFIT</b>	24,416,246	47	26,457,527	52
<b>OPERATING EXPENSES (Notes 2, 5, and 10)</b>				
Marketing	6,816,513	13	7,578,670	15
Administrative	3,384,099	7	3,607,936	7
<b>Total operating expenses</b>	10,200,612	20	11,186,606	22
<b>OPERATING INCOME</b>	14,215,634	27	15,270,921	30
<b>NON-OPERATING INCOME AND GAINS</b>				
Income from penalty charge	207,017	1	194,086	1
Gain on disposal of investments(Note 4.f)	51,499	-	-	-
Rental income (Notes 2 and 5)	46,528	-	54,478	-
Interest income	11,515	-	13,237	-
Dividend income	11,031	-	10,405	-
Gain on disposal of property and equipment (Note 2)	154	-	992	-
Other (Note 2)	174,991	-	147,730	-
<b>Total non-operating income and gains</b>	502,735	1	420,928	1
<b>NON-OPERATING EXPENSES AND LOSSES</b>				
Loss on disposal and retirement of property and equipment (Note 2)	1,306,158	3	1,333,755	3
Interest expenses (Notes 2, 4.h, and 11)	236,064	-	339,762	1
Investment loss recognized under the equity method (Notes 2 and 4.e)	19,612	-	31,543	-
Financial charges	17,901	-	18,492	-
Impairment loss (Notes 2 and 4.f)	3,229	-	16,188	-
Loss on disposal of investments	-	-	48,328	-
Other	44,993	-	68,674	-
<b>Total non-operating expenses and losses</b>	1,627,957	3	1,856,742	4
<b>INCOME BEFORE INCOME TAX</b>	13,090,412	25	13,835,107	27
<b>INCOME TAX EXPENSE (Notes 2 and 4.r)</b>	2,455,573	5	3,461,890	7
<b>CONSOLIDATED NET INCOME</b>	<b>10,634,839</b>	<b>20</b>	<b>10,373,217</b>	<b>20</b>
<b>ATTRIBUTED TO</b>				
Shareholders of the parent	\$ 10,635,507	20	10,371,971	20
Minority interest	(668)	-	1,246	-
	<b>\$ 10,634,839</b>	<b>20</b>	<b>10,373,217</b>	<b>20</b>
	<b>Before</b>	<b>After</b>	<b>Before</b>	<b>After</b>
	<b>Income</b>	<b>Income</b>	<b>Income</b>	<b>Income</b>
	<b>Tax</b>	<b>Tax</b>	<b>Tax</b>	<b>Tax</b>
<b>EARNINGS PER SHARE (Note 4.s)</b>				
Basic	\$ 4.21	3.56	4.53	3.49
Diluted	\$ 4.20	3.55	4.52	3.47

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

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

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010 AND 2009  
(In Thousands of New Taiwan Dollars)  
(Reviewed, Not Audited)**

	<b>2010</b>	<b>2009</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Consolidated net income</b>	\$ 10,634,839	10,373,217
<b>Adjustments to reconcile net income to net cash provided by operating activities:</b>		
Depreciation	6,061,255	5,776,098
Loss on disposal and retirement of property and equipment, net	1,306,004	1,332,763
Amortization	821,854	816,989
Deferred income taxes	486,324	808,054
Bad debts	346,545	472,341
Loss (gain) on disposal of investments	(51,499)	48,328
Investment loss recognized under the equity method	19,612	31,543
Provision (reversal) of allowance for loss on inventories	9,298	(8,231)
Impairment loss	3,229	16,188
Pension cost	2,872	2,718
Compensation cost recognized from employee stock options	-	134,541
Other	4,375	12,536
<b>Changes in operating assets and liabilities</b>		
Financial assets at fair value through profit or loss	(199,120)	-
Notes receivable	17,103	27,012
Accounts receivable, net	(155,751)	(1,290,035)
Accounts receivable – related parties	(67,629)	16,995
Other receivables	(18,148)	32,138
Long-term capital lease receivables	(20,156)	(7,736)
Inventories	(502,109)	(31,910)
Prepayments	(81,888)	56,490
Other current assets	(4,670)	(2,970)
Notes payable	(46,180)	(67,874)
Accounts payable	749,174	154,182
Income taxes payable	(1,367,787)	(1,977,380)
Accrued expenses	(308,036)	(480,466)
Other payables	(167,279)	(131,455)
Advance receipts	841,643	(552,887)
Other current liabilities	46,851	328,576
<b>Net cash provided by operating activities</b>	18,360,726	15,889,765
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(4,791,864)	(4,841,912)
Proceeds from disposal of Financial assets carried at cost	238,541	-
Increase in investments accounted for using the equity method	(103,000)	-
Increase in deferred charges	(67,588)	(180,954)
(Increase)decrease in pledged time deposits	(38,448)	358
Acquisition of subsidiaries	(10,800)	(11,066)
Increase in computer software costs and other intangible assets	(8,771)	(7,728)
(Increase) decrease in refundable deposits	(7,815)	4,123
Increase in goodwill	(5,634)	(3,742)
Proceeds from investees' capital reduction	2,717	5,356

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

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010 AND 2009  
(In Thousands of New Taiwan Dollars)  
(Reviewed, Not Audited)**

	<b>2010</b>	<b>2009</b>
Proceeds from disposal of property and equipment	727	51
Decrease in other assets	142	10,105
Proceeds from disposal of available-for-sale financial assets	-	139,855
Proceeds from disposal of idle assets	-	952
<b>Net cash used in investing activities</b>	<b>(4,791,793)</b>	<b>(4,884,602)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash dividends paid	(15,028,201)	(13,968,840)
Increase in short-term borrowings	1,700,000	3,300,000
(Decrease)increase in short-term notes and bills payable	(499,919)	499,758
Decrease in minority interest	(4,958)	(3,474)
Decrease in guarantee deposits	(1,325)	(26,255)
Cash dividends paid to minority interest	(323)	(592)
Decrease in long-term borrowings	-	(5,400,000)
Increase in long-term borrowings	-	2,500,000
Transfer of treasury stock to employees	-	1,056,478
Capital returned to minority interest	-	(21,401)
<b>Net cash used in financing activities</b>	<b>(13,834,726)</b>	<b>(12,064,326)</b>
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	<b>(4,931)</b>	<b>(3,884)</b>
<b>ACQUISITION OF CASH AND CASH EQUIVALENT FOR SUBSIDIARIES</b>	<b>20,846</b>	<b>-</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(249,878)</b>	<b>(1,063,047)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD</b>	<b>2,999,036</b>	<b>3,868,062</b>
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	<b>\$ 2,749,158</b>	<b>2,805,015</b>
 <b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Interest paid	\$ 24,787	95,773
Less interest capitalized	4,968	11,643
Interest paid - excluding interest capitalized	<b>\$ 19,819</b>	<b>84,130</b>
Income tax paid	<b>\$ 3,260,776</b>	<b>4,766,901</b>
 <b>NON-CASH INVESTING AND FINANCING ACTIVITIES</b>		
Current portion of long-term liabilities	<b>\$ -</b>	<b>7,500,000</b>
<b>CASH INVESTING AND FINANCING ACTIVITIES</b>		
Acquisition of property and equipment	\$ 4,686,153	4,400,967
Decrease in notes payable	-	1,843
Increase in accrued expenses	(28)	-
Decrease in other payables	89,291	375,151
Decrease in other liabilities – other	16,448	63,951
Cash paid for acquisition of property and equipment	<b>\$ 4,791,864</b>	<b>4,841,912</b>

(Continued)

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

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010 AND 2009  
(In Thousands of New Taiwan Dollars)  
(Reviewed, Not Audited)**

The Corporation acquired 54.988% of Taiwan Kuro Times Co., Ltd.'s shares on September 1, 2010. The fair values of the assets and liabilities upon acquisition, were as follows:

Cash	\$	20,846
Receivables		18,102
Prepayments		18,835
Other current assets		2,002
Investments accounted for using the equity method		48,600
Property and equipment		955
Intangible assets		14,334
Other assets		1,366
		125,040
Payables		52,104
Advance receipts		3,686
Other current liabilities		447
Other liabilities		232
		56,469
Net		68,571
Percentage of equity interest		54.988%
		37,706
Add: Goodwill		24,907
Less: Fair value of 45% stake owned before tender offer (including investment loss recognized under the equity method from May 2, 2010, to August 31, 2010, and the difference between preceding and following fair market value of purchase price allocation)		(51,813)
Cash paid for acquisition of Taiwan Kuro Times Co., Ltd.	\$	<b>10,800</b>

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

(Concluded)

# TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010 AND 2009 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise) (Reviewed, Not Audited)

### 1. ORGANIZATION AND OPERATIONS

Taiwan Mobile Co., Ltd. was incorporated in the Republic of China (ROC) on February 25, 1997. The Corporation's shares began trading on the ROC Over-the-Counter Securities Exchange (known as 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. It also entails the payment of an annual license fee consisting of 2% of total 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 September 30, 2010 and 2009, the Corporation and subsidiaries had 4,440 and 4,400 employees, respectively.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Presentation

The consolidated financial statements were compiled in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the order VI-0960064020 issued by Financial Supervisory Commission under the Executive Yuan as of November 15, 2007, and Republic of China generally accepted accounting principles. In conformity with the above, the Corporation and subsidiaries (hereinafter referred to as the "Group") are 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 and supervisors, 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 September 30</u>		<u>Note</u>
			<u>2010</u>	<u>2009</u>	
Corporation	Wealth Media Technology Co., Ltd. (WMT)	Investment	100.00	100.00	-
WMT	Tai Fu Media Technology Co., Ltd. (TFMT)	Investment	100.00	100.00	-
WMT	Taiwan Win TV Broadcasting Co., Ltd. (TWTV)	Entertainment	100.00	-	Established on April 14, 2010
TFMT	Global Wealth Media Technology Co., Ltd. (GWMT)	Investment	100.00	100.00	-
TFMT	Fu Jia Leh Media Technology Co., Ltd. (FJLMT)	Investment	100.00	100.00	-
TFMT	Fu Sin Media Technology Co., Ltd. (FSMT)	Investment	100.00	100.00	-
TFMT	Global Forest Media Technology Co., Ltd. (GFMT)	Investment	100.00	100.00	-
GWMT	Globalview Cable TV Co., Ltd. (GCTV)	Cable TV SO (System Operator)	6.813	6.694	-
FSMT	Phoenix Cable TV Co., Ltd. (PCTV)	Cable TV SO (system Operator)	3.34	3.34	-
GFMT	Union Cable TV Co., Ltd. (UCTV)	Cable TV SO (System Operator)	0.0002	-	-
Corporation	Taiwan Cellular Co., Ltd. (TCC)	Equipment installation and IT service	100.00	100.00	-

(Continued)

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

<u>Investor</u>	<u>Subsidiary</u>	<u>Main Business and Products</u>	<u>Percentage of Direct Ownership as of September 30</u>		<u>Note</u>
			<u>2010</u>	<u>2009</u>	
TCC	Tai Yi Digital Broadcasting Co., Ltd. (TYDB)	Broadcasts business and cell phone number agency	-	-	Liquidated on February 28, 2009
TCC	Taiwan Fixed Network Co., Ltd. (TFN)	Fixed network service	100.00	100.00	-
TCC	Taiwan Digital Communications Co., Ltd. (TDC)	Equipment installation and IT service	100.00	100.00	-
TCC	TCC Investment Co., Ltd. (TCCI)	Investment	100.00	100.00	Established on August 10, 2009
					As of September 30, 2010, TCCI, TID and TUI collectively owned 811,918 thousand shares of the Corporation representing 21.36% of total outstanding shares.
TCCI	TCCI Investment & Development Co., Ltd. (TID)	Investment	100.00	100.00	Established on September 22, 2009
TCCI	Win TV Broadcasting Co., Ltd. (WTVB)	TV program producing	100.00	98.50	(Note 1)
TCCI	TFN Media Co., Ltd. (TFNM)	Cable broadband service	100.00	100.00	(Note 1)
TFNM	UCTV	Cable TV SO (System Operator)	99.99	99.99	-
TFNM	Yeong Jia Leh Cable TV Co., Ltd. (YJCTV)	Cable TV SO (System Operator)	100.00	100.00	-
TFNM	Mangrove Cable TV Co., Ltd. (MCTV)	Cable TV SO (System Operator)	29.53	29.53	Another 70.47% shares were held under trustee accounts
TFNM	PCTV	Cable TV SO (System Operator)	96.66	96.66	-
TFNM	GCTV	Cable TV SO (System Operator)	92.38	92.38	-
TFNM	Shin Ho Cable TV Co., Ltd. (SHCTV)	Cable TV SO (System Operator)	-	30.15	Liquidated on December 1, 2009. Another 69.85% shares were held under trustee accounts.
TFNM	Taiwan Kuro Times Co., Ltd. (TKT)	The platform of musics supplied	54.988	-	TFNM acquired more than 50% equity and consolidated TKT into financial statements since September 1, 2010.
TKT	ezPeer Multimedia Limited. (ezPeer Samoa)	Investment	100.00	-	-
TCC	TWM Holding Co., Ltd. (TWM Holding)	Investment	100.00	100.00	-
TWM Holding	TWM Communications (Beijing) Ltd. (formerly named Hurray! Times Communications (Beijing) Ltd.) (TWMC)	Mobile application development and design	100.00	100.00	-
TCC	Taiwan Teleservices & Technologies Co., Ltd. (TT&T)	Call center service and international simple resale (ISR)	100.00	-	(Note 2)

(Continued)

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

<u>Investor</u>	<u>Subsidiary</u>	<u>Main Business and Products</u>	<u>Percentage of Direct Ownership as of September 30</u>		<u>Note</u>
			<u>2010</u>	<u>2009</u>	
TT&T	Taiwan Super Basketball Co., Ltd. (TSB)	Basketball team management and related business	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	-
TFN	TFN HK LIMITED	Telecommunications	100.00	100.00	-
TFN	Taiwan Teleservices & Technologies Co., Ltd. (TT&T)	Call center service and international simple resale (ISR)	-	100.00	(Note 2)
TFN	TFN Union Investment Co., Ltd. (TUI)	Investment	100.00	100.00	Established on September 22, 2009
TFN	TFN Investment Co., Ltd. (TFNI)	Investment	-	-	Merged into TCCI on September 19, 2009
TFNI	Reach & Range Inc. (R&R)	Telecom equipment sales and maintenance	-	-	Merged into TFN on May 1, 2009

(Concluded)

Note 1: Became a subsidiary of TCCI, which merged with TFNI on September 19, 2009.

Note 2: Became a subsidiary of TCC, which purchased 100% of the shares of TT&T from TFN on May 14, 2010.

**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 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 Instruments 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 instruments 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 instruments 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.

**Allowance for Doubtful Accounts**

Allowance for doubtful accounts is provided on the basis of past experience and an evaluation of the aging and collectibility of all receivables on the balance sheet date.

**Inventories**

Inventories are recorded at weighted-average cost. Before January 1, 2009, inventories were stated at the lower of the cost or market value. Market value was evaluated on the basis of replacement cost or net realizable value. Effective from January 1, 2009, however, inventories are stated at the lower of cost or net realizable value. When comparing cost and net realizable value, inventories are evaluated by individual items.

**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 a newly revised 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 by 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 of an investment sold is 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 of an available-for-sale financial assets. 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 derecognized, 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 (net of amortization) had no impairment loss 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 our fixed assets to the previous state should be recognized as an addition to the fixed assets and accrued as a potential liability accordingly, based on the Interpretation No. 2008-340 issued by the Accounting Research and Development Foundation (ARDF) in November 2008.

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

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.

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, "Accounting for Leases," a lease is identified as either an operating lease or a capital lease, based on the lease contract terms, the collectability of the leasehold, 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 the 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 leasehold 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 value derived from each future rental receivable based on an implicit interest rate of the lease. The excess of total leasehold receivables over sales revenue should be deferred as unrealized interest income and amortized as interest income by the effective interest method upon each collection. For a financing-type of capital lease, leasehold receivables should be recognized as the sum of present value derived from each future rental receivable based on an implicit interest rate of the lease. The excess of total leasehold receivables over the present value of leasehold 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 service - License C. The 3G concession is recorded at acquisition cost and is amortized by 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 2 to 5 years.

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

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 of investments accounted for by the equity method.

d. Customer relationship and operating rights

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

Customer relationship and operating rights are measured on the basis of the future economic value and the useful life of the subsidiaries' cable TV and data network businesses. Customer relationship is amortized by straight-line method over 6 to 20 years. Operating rights is based on a license issued by the Ministry of Transportation and Communications. Although the license has a statutory period, the subsidiary can file for license renewal. Furthermore, it does not have a definite useful life in the light of future competition from IPTV. Thus, this intangible asset should be tested annually for impairment instead of being amortized in accordance with SFAS No. 37. An impairment test is also required if there is evidence of operating rights impairment due to certain circumstances.

Operating rights refer to the payment for acquiring the membership and related business about on-line music downloading. The operating rights are recorded at acquisition cost and are amortized by straight-line method over 5 years.

**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, are amortized by the straight-line method over 3 to 5 years.



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

**Asset Impairment**

If the carrying value of assets (including property and equipment, intangible assets, idle assets, assets leased to others and investments accounted for using 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. The reversal of impairment loss on goodwill is not allowed.

**Share-based Compensation**

Employee stock options granted on or after January 1, 2008, are accounted for under SFAS No 39, "Accounting for Share-based Payment." Under the statement, the value of the stock options granted, which is equal to the best available estimate of the number of stock options expected to vest multiplied by the grant-date fair value, is expensed on a straight-line basis over the vesting period with a corresponding adjustment to capital surplus-employee stock options.

**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. Valuation allowance is provided for deferred income tax assets to the extent that 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 realized.

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

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

**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.

**Foreign-currency Transactions**

Assets, liabilities, revenues or expenses denominated in foreign currencies as a result of foreign-currency transactions of 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.

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

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.

**Hedging Derivative Financial Instruments**

Derivatives that qualify as effective hedging instruments are measured at fair value, with subsequent changes in fair value recognized either in earning or shareholders' equity, depending on the nature of the hedge.

**Hedge Accounting**

When hedge accounting is applied, gain or loss from changes in the fair value of the derivatives (hedging instruments) shall be offset by that of financial assets or liabilities (hedged position).

Because the Corporation entered into interest rate swaps (IRS) contracts to hedge against cash flow risk from inverse floating interest rates of liabilities, it was qualified to apply hedge accounting. The accounting treatment is as follows: Gain or loss from changes in the fair value of the derivatives, which is recognized in shareholder's equity, shall be reclassified in earnings, if gain or loss from the expected transaction of the hedged position occurs. When there is any objective evidence that the net loss recognized in shareholders' equity is expected to be unrecoverable, the mentioned net loss should be reclassified as earnings as well.

**3. EFFECTS OF CHANGES IN ACCOUNTING PRINCIPLES : None**

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

**4. SUMMARY OF MAJOR ACCOUNTS**

a. Cash and cash equivalents

	<b>September 30</b>	
	<b>2010</b>	<b>2009</b>
Government bonds with repurchase rights	\$ 1,356,647	1,733,702
Short-term notes and bills with repurchase rights	245,594	-
Cash in banks	831,362	710,080
Time deposits	271,161	319,644
Cash on hand	34,483	33,058
Revolving funds	9,911	8,531
	<b>\$ 2,749,158</b>	<b>2,805,015</b>

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

Information of financial instrument held for trading is as follow :

	<b>September 30</b>	
	<b>2010</b>	<b>2009</b>
<u>Trading financial assets</u>		
Beneficiary certificates		
Open-end mutual fund	<b>\$ 199,120</b>	<b>-</b>

c. Available-for-sale financial assets – current

	<b>September 30</b>	
	<b>2010</b>	<b>2009</b>
Domestic listed stocks		
Chunghwa Telecom Co., Ltd.	<b>\$ 190,182</b>	<b>173,039</b>

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

d. Accounts receivable, net

	<b>September 30</b>	
	<b>2010</b>	<b>2009</b>
Accounts receivable	\$ 6,854,323	7,430,661
Less allowance for doubtful accounts	(389,564)	(451,793)
	<b>\$ 6,464,759</b>	<b>6,978,868</b>

For the first quarter of 2010, the Corporation entered into an accounts receivable factoring contract with HC First Asset Management Co., Ltd. The Corporation sold \$1,867,628 thousand of the overdue accounts receivable, which had been written off, to HC First Asset Management Co., Ltd. The aggregate selling price was \$27,268 thousand. Under this contract, the Corporation would no longer assume the risk on this receivable.

e. Investments accounted for using the equity method

	<b>September 30</b>			
	<b>2010</b>		<b>2009</b>	
	<b>Carrying</b>	<b>% of</b>	<b>Carrying</b>	<b>% of</b>
	<b>Value</b>	<b>Owner-</b>	<b>Value</b>	<b>Owner-</b>
	<b>ship</b>	<b>ship</b>	<b>ship</b>	<b>ship</b>
Taipei New Horizons Co., Ltd. (TNH)	\$ 194,557	49.9	217,957	49.9
Prepayment for long-term investments				
Taipei New Horizons Co., Ltd. (TNH)	49,900		-	
	<b>\$ 244,457</b>		<b>217,957</b>	

(1) Taipei New Horizons Co., Ltd. (TNH)

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

On January 25, 2010, TNH's Board of Directors resolved to increase TNH's capital by \$500,000 thousand, divided into 50,000 thousand shares with par value of \$10 per share, with record date of December 1, 2010. On June 1, 2010, the Corporation paid \$49,900 thousand for this capital increase and recorded such prepayment as prepaid investment.

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

(2) Taiwan Kuro Times Co., Ltd. (TKT)

The subsidiary of the Corporation, TFNM, acquired 45% of the TKT's shares in May, 2010. On September 1, 2010, it further acquired more than 50% of the TKT's shares, and thus it had control over the TKT. The Corporation recognized investment loss of \$2,196 thousand from May 2 to August 31, on its investment in the TKT and TKT's subsidiaries.

(3) Equity in investees' losses

The financial statements used as basis for calculating the carrying values of equity-method investments and the related losses were all not reviewed. The Corporation's management considered that, had these financial statements been reviewed, any adjustments would have been immaterial and would thus have had no material effects on the Corporation's financial statements.

The Corporation's investment losses were as follows:

	<b>For the nine months ended</b>	
	<b>September 30</b>	
	<b>2010</b>	<b>2009</b>
TNH	\$ 17,416	31,543
TKT	2,196	-
	<b>\$ 19,612</b>	<b>31,543</b>

f. Financial assets carried at cost — non-current

	<b>September 30</b>	
	<b>2010</b>	<b>2009</b>
Domestic emerging stocks		
Taiwan High Speed Rail Corporation	\$ 2,120,829	2,120,829
Domestic unlisted stocks		
New Century Information Tech. Co., Ltd.	-	187,042
Arcoa Communication Co., Ltd.	67,731	67,731
Great Taipei Broadband Co., Ltd.	42,845	46,074
Parawin Venture Capital Corp.	20,207	20,207
WEB Point Co., Ltd.	6,773	6,773
Foreign unlisted stocks		
Bridge Mobile Pte Ltd.	50,324	50,324
	<b>\$ 2,308,709</b>	<b>2,498,980</b>

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

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 \$3,229 thousand and \$16,188 thousand were recognized for the nine months ended September 30, 2010 and 2009, respectively.

In August, 2010, TFN, a subsidiary of the Corporation, sold the stock of New Century Information Tech. Co., Ltd. for \$238,541 thousand. The book value of the stock was \$187,042 thousand, and the gain on disposal of investments was \$51,499 thousand.

g. Bonds measured at amortized cost—non-current

	<b>September 30</b>	
	<b>2010</b>	<b>2009</b>
Taiwan High Speed Rail Corporation - unlisted convertible preferred stock - series A	<b>\$ 500,000</b>	<b>500,000</b>

h. Property and equipment—accumulated depreciation

	<b>September 30</b>	
	<b>2010</b>	<b>2009</b>
Buildings	\$ 659,790	574,771
Telecommunication equipment	30,271,780	29,228,607
Office equipment	61,639	67,621
Leased assets	534,318	469,167
Miscellaneous equipment	1,433,062	1,271,944
	<b>\$ 32,960,589</b>	<b>31,612,110</b>

Capitalized interests for the nine months ended September 30, 2010 and 2009, were \$4,968 thousand and \$11,643 thousand, respectively, with capitalization rates ranging from 1.56%-2.88% and 2.4%-2.76%, respectively.

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

i. Intangible assets

	<b>For the nine months ended September 30, 2010</b>		
	<b>Goodwill</b>	<b>Customer Relationship</b>	<b>Operating Rights</b>
<u>Cost</u>			
Beginning balance	\$ 10,485,941	2,511,760	1,382,000
Add:			
Acquired from merger	30,541	-	14,334
Effect of exchange rate changes	(764)	-	-
Amortization	-	(131,087)	(325)
Ending balance	<b>\$ 10,515,718</b>	<b>2,380,673</b>	<b>1,396,009</b>
	<b>For the nine months ended September 30, 2009</b>		
	<b>Goodwill</b>	<b>Customer Relationship</b>	<b>Operating Rights</b>
<u>Cost</u>			
Beginning balance	\$ 10,485,048	2,686,541	1,382,000
Add:			
Acquired from merger	3,742	-	-
Adjustment in contingent consideration of acquisition transaction	(2,371)	-	-
Effect of exchange rate changes	(355)	-	-
Amortization	-	(131,086)	-
Ending balance	<b>\$ 10,486,064</b>	<b>2,555,455</b>	<b>1,382,000</b>

(1) Customer relationship and operating rights

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



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

- (a) On April 17, 2007, TFN, the Corporation's 100%-owned subsidiary, acquired more than 50% of the former TFN through a public tender offer at the price of NT\$8.3 per share. 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.
- (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 at NT\$13.843 per share. 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 major intangible asset.

In May 2009, TKT, the Corporation's subsidiary, acquired the membership and related business about on-line music downloading at a price of NT\$19,547 thousand from Darling Digital Co., Ltd. As of September 30, 2010, the carrying amounts after amortization is NT\$14,009 thousand.

(2) Goodwill

In conformity with SFAS No. 35, "Accounting for Asset Impairment," the Group identified the smallest identifiable group of cash-generating units by years and entities as follows:

The Group's members, which were engaged in mobile or wireless phone services, fixed network services, and the cable television 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.

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

(ii) Assumptions on operating costs and expenses

The estimates of commissions, customer retention 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

In 2009 and 2008, the discount rate used to calculate the asset recoverable amounts of the Corporation was 8.50% and 7.48%, respectively.

(b) Fixed network 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, the types of data transmission, bandwidth on demand, minutes of incoming and outgoing calls, and average revenue per minute.

(ii) Assumptions on operating costs and expenses

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

(iii) Assumptions on discount rate

In 2009 and 2008, the discount rates were 8.31% and 7.60%, 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 copyright cost, network 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.

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

(iii) Assumptions on discount rate

The discount rates used to calculate the asset recoverable amounts for each System Operation was ranging 2.90% to 6.42% and 3.21% to 5.92% in 2009 and 2008, respectively.

Based on the key assumptions of each cash-generating unit, the Group's management believes that the carrying amounts of these assets for operating 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, 2009 and 2008.

j. Assets leased to others and idle assets

	<u>September 30</u>	
	<u>2010</u>	<u>2009</u>
Assets leased to others		
Cost	\$ 441,179	471,664
Less accumulated depreciation	(23,122)	(21,529)
Less accumulated impairment	(10,591)	(10,591)
	<u>\$ 407,466</u>	<u>439,544</u>
Idle assets		
Cost	\$ 517,137	731,178
Less allowance for value decline	(35,928)	(187,519)
Less accumulated depreciation	(44,499)	(105,021)
Less accumulated impairment	(126,429)	(128,349)
	<u>\$ 310,281</u>	<u>310,289</u>

k. Short-term borrowings

	<u>September 30</u>	
	<u>2010</u>	<u>2009</u>
Unsecured loans	<u>\$ 8,500,000</u>	<u>3,300,000</u>
Interest rate	0.60%~0.72%	0.59%~0.6163%

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

l. Short-term notes and bills payable

	<b>September 30</b>	
	<b>2010</b>	<b>2009</b>
Commercial paper payable		
Mega Bills Finance Corporation	\$ 200,000	350,000
International Bills Finance Corporation	100,000	-
China Bills Finance Corporation	-	150,000
Less discount on short-term notes and bills payable	(281)	(242)
Net carrying value	<b>\$ 299,719</b>	<b>499,758</b>
Interest rate	0.53%~0.638%	0.588%
Period	2010.09.30~ 2010.11.30	2009.9.30~ 2009.10.30

m. Advance receipts

In accordance with NCC's policy, the Corporation entered into a contract with Mega International Commercial Bank Co., Ltd., which provided performance guarantee for advance receipts from prepaid card customers. The guaranteed advance receipts from prepaid card customers were \$1,006,687 thousand as of September 30, 2010.

In accordance with NCC's policy, TFN, the Corporation's subsidiary, entered into a contract with Mega International Commercial Bank Co., Ltd., which provided performance guarantee for advance receipts from IDD calling card customers. The Corporation also bears the repayment liability with respect to TFN's drawdown from its credit line with Mega Bank. The guaranteed advance receipts from above-mentioned IDD calling card customers were \$41,282 thousand as of September 30, 2010.

n. Bonds payable

	<b>September 30</b>			
	<b>2010</b>		<b>2009</b>	
	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
Domestic unsecured bonds	\$ -	<b>8,000,000</b>	<b>7,500,000</b>	<b>8,000,000</b>

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

(1) 1st domestic unsecured bonds

On December 13, 2002, the Corporation issued \$15,000,000 thousand of domestic unsecured bonds, each having a face value of \$5,000 thousand. There are four different types of bonds based on terms and dates. Types I and II both consist of A to L tranches. Types III and IV both consist of A to M tranches. Types I and II are five-year bonds and Types III and IV are seven-year bonds. The interest rates and payment terms are as follows:

	<u>Principal</u>	<u>Rate</u>	<u>Terms</u>
Type I	\$ 2,500,000	2.60%	Repayment of \$1,250,000 thousand each in the fourth and fifth years, interest payable annually
Type II	2,500,000	5.21%-6M LIBOR	Repayment on maturity date, interest payable semiannually
Type III	5,000,000	2.80%	Repayment of \$2,500,000 thousand each in the sixth and seventh years, interest payable annually
Type IV	5,000,000	5.75%-6M LIBOR	Repayment on maturity date, interest payable semiannually
	<u><u>\$ 15,000,000</u></u>		

The last installments of the above-mentioned corporate bonds were repaid by the Corporation in December 2009.

(2) 2nd domestic unsecured bonds

On November 14, 2008, the Corporation issued \$8,000,000 thousand five-year 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, respectively.

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

<u>Year</u>	<u>Amount</u>
2012	\$ 4,000,000
2013	4,000,000
	<u><u>\$ 8,000,000</u></u>

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

o. Long-term borrowings

	<b>September 30</b>	
	<b>2010</b>	<b>2009</b>
Unsecured loans	\$ -	<b>2,300,000</b>
Interest rate	-	0.7042%~0.7084%

To provide medium-term working capital, the Corporation and its subsidiary, TFN, entered into a syndicated loan with a joint credit line of \$13,500,000 thousand with 9 banks led by Chinatrust Commercial Bank on February 21, 2008. This joint credit facility covers a period of three years commencing from May 20, 2008. Based on the terms of this agreement, the credit line will be decreased by 50% after two years from the commencing date. As of May 20, 2010, the credit line has been reduced to \$6,750,000 thousand. Also, interests are payable monthly. Upon maturity, the loan is allowed to revolve within its credit limits. The contract requires the Corporation to maintain certain financial ratios including debt ratios, interest coverage, and tangible net asset ratio based on semi-annual financials. The Corporation also bears the repayment liability with respect to TFN's borrowing. Please refer to Note 7 for further information.

p. 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 \$126,736 thousand and \$130,213 thousand for the nine months ended September 30, 2010 and 2009, 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 the Bank of Taiwan (formerly the Central Trust of China, which was merged into the Bank of Taiwan in July 2007.) Approved by Department of Labor, Taipei City Government, the Corporation suspended contributing from February 2007 to January 2011.

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

q. 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 the buyback of treasury stock, may be transferred to capital as stock dividends, and this transfer is restricted to a certain percentage of the paid-in capital and may be made only within prescribed limits each time. Also, the capital surplus from long-term investments may not be used for any other purposes.

(2) 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 special reserve based on relevant laws or regulations or business requirements, should be distributed as follows:

- (a) Dividends and bonus to preferred shareholders.
- (b) Remuneration to directors and supervisors - up to 0.3%.
- (c) Bonus to employees - 1%-3%.
- (d) 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 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 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.

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

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.

For the nine months ended September 30, 2010, the bonuses to employees and remuneration to directors and supervisors were accrued respectively based on 3% and 0.3% of net income (net of the bonus to employees and remuneration to directors and supervisors) after setting aside 10% net income as legal reserve. The significant difference between annual accruals and the amount approved by the Board shall be adjusted in the current year. If the Board of Director's 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 2011'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 its closing price one day prior to the AGM, adjusted for cash and/or stock dividends if any.

The 2009 and 2008 earning appropriations resolved by the AGMs on June 18, 2010, and June 19, 2009, were as follows:

	<b>Appropriation of Earnings</b>		<b>Dividend Per Share(NT\$)</b>	
	<b>For Fiscal</b>	<b>For Fiscal</b>	<b>For Fiscal</b>	<b>For Fiscal</b>
	<b>Year 2009</b>	<b>Year 2008</b>	<b>Year 2009</b>	<b>Year 2008</b>
Appropriation of legal reserve	\$ 1,388,886	1,537,138		
Reversal of special reserve	(2,528,259)	(56,744)		
Cash dividends	<u>15,028,235</u>	<u>13,968,864</u>	5.02783	4.68704
	<b><u>\$ 13,888,862</u></b>	<b><u>15,449,258</u></b>		

The shareholders on June 18, 2010, resolved to distribute 2009 bonus of \$374,826 thousand to employees and remuneration of \$37,483 thousand to directors and supervisors.

The shareholders on June 19, 2009, resolved to distribute 2008 bonus of \$414,697 thousand to employees and remuneration of \$41,470 thousand to directors and supervisors.

The information related to the appropriation of the Company's earnings as resolved by the Board of Directors and approved by the AGM will be posted in the "Market Observation Post System" on the website of the Taiwan Stock Exchange.



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

(3) Treasury stock

	(Shares in Thousands)			
Purpose of Buyback	Beginning Shares	Increase	Decrease	Ending Shares
<u>For the nine months ended September</u>				
<u>30, 2010</u>				
Shares held by subsidiaries	811,918	-	-	811,918
 <u>For the nine months ended September</u>				
<u>30, 2009</u>				
To be transferred to employees	24,193	-	24,193	-
Shares held by subsidiaries	811,918	-	-	811,918

(a) Transfer of stock to employees

For the nine months ended September 30, 2009, the Corporation transferred 24,193 thousand shares bought back from the market to employees at NT\$43.8 per share, resulting in a reduction of \$3,254 thousand in capital surplus.

Under the Securities and Exchange Act, the buyback amount of treasury stock should not exceed 10% of total issued shares, and the buyback cost should not exceed the sum of the retained earnings, additional paid-in capital in excess of par value, and realized capital surplus. In addition, the Corporation should not provide treasury stock as collateral and should not exercise shareholders' rights on those shares before transfer.

(b) Shares held by subsidiaries

As of September 30, 2010, the carrying and market value of the Corporation's stocks held by TCCI, TID and TUI (all are subsidiaries 100%-owned by the Corporation) were \$52,368,686 thousand. The Corporation reclassified \$31,889,100 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 consolidated financial statements, the shareholders are entitled to exercise their rights on these shares, except for the participation in capital injection by cash. In addition, based on the ROC Company Act, the shareholders of treasury stocks cannot exercise the voting right.

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

(4) Unrealized gain or loss on financial instruments

Unrealized gain or loss on financial instruments for the nine months ended September 30, 2010 and 2009 was summarized as follows:

	<b>For the nine months ended September 30</b>	
	<b>2010</b>	<b>2009</b>
Available-for-sale financial assets		
Balance, beginning of period	\$ 63,624	54,455
Fair value changes recognized directly in equity	15,079	4,387
	<u>78,703</u>	<u>58,842</u>
Changes in unrealized gains (losses) of cash flow hedge		
Balance, beginning of period	-	61,864
Fair value changes recognized directly in equity	-	(21,228)
	<u>-</u>	<u>40,636</u>
Changes in unrealized gains (losses) recognized by the equity accounted investees		
Balance, beginning of period	-	(122,216)
Fair value changes recognized directly in equity	-	122,216
	<u>-</u>	<u>-</u>
Unrealized gains on financial instruments	<u><b>\$ 78,703</b></u>	<u><b>99,478</b></u>

r. Income tax expense

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

	<b>For the nine months ended September 30</b>	
	<b>2010</b>	<b>2009</b>
Tax on pretax income at statutory tax rate	\$ 3,436,176	4,714,328
Add (deduct) tax effects of:		
Permanent differences		
Investment income from domestic investees accounted for using the equity method	(1,190,009)	(1,538,223)
Other	(4,840)	(13,928)
Temporary differences	(149,464)	(334,176)
Deferred income taxes	486,321	808,054
Prior years' adjustment	(82,171)	(147,585)
Investment tax credits	(30,521)	(7,984)
Prior years' loss carryforward	(9,919)	(18,852)
Tax on short-term bills	-	256
Income tax expense	<u><b>\$ 2,455,573</b></u>	<u><b>3,461,890</b></u>

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

In January 2009, the Article 39 of the Income Tax Act regarding the operating losses carryforward period was amended, which is changed from five years to ten years. On May 27, 2009, the Legislative Yuan passed the amendment of Article 5 of the Income Tax Act, which reduced a profit-seeking enterprise's income tax rate from 25% to 20%, effective January 1, 2010. On June 15, 2010, the Legislative Yuan passed the amendment of Article 5 of the Income Tax Act to reduce corporate statutory income tax rate from 20% to 17%, effective January 1, 2010. The Group recalculated its deferred tax assets and liabilities in accordance with the amended Article and recorded the resulting difference as an income tax expense.

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

	<b>September 30</b>	
	<b>2010</b>	<b>2009</b>
Unrealized loss on retirement of property and equipment	\$ 1,122,622	1,582,263
Amortization of goodwill	(312,179)	(220,243)
Provision for doubtful accounts	263,994	501,264
Difference in the estimated lives of property and equipment	111,982	55,872
Prior years' loss carryforward	46,615	83,717
Provision for impairment losses on idle assets	25,445	49,004
Investment tax credits	9,924	56,027
Unrealized gain on financial instruments	-	(13,545)
Other	35,546	25,695
	1,303,949	2,120,054
Less valuation allowance	(255,527)	(383,402)
	<b>\$ 1,048,422</b>	<b>1,736,652</b>
Deferred income tax assets		
	\$ 5,651	30,522
Non-current	1,185,995	1,818,250
	<b>\$ 1,191,646</b>	<b>1,848,772</b>
Deferred income tax liabilities		
Non-current	<b>\$ (143,224)</b>	<b>(112,120)</b>

(3) As of September 30, 2010, the Group' investment tax credits consisted of the following:

<b>Regulatory Basis of Tax Credits</b>	<b>Item</b>	<b>Total Creditable Amount</b>	<b>Remaining Creditable Amount</b>	<b>Expiry Year</b>
Statute for Upgrading Industries	Purchase of machinery and equipment	\$ 39,368	8,847	2014
	Personnel training	1,077	1,077	2013
		<b>\$ 40,445</b>	<b>9,924</b>	

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

(4) Followings were the net operating loss carryforwards of the Group as of September 30, 2010:

<u>Year</u>	<u>Total Creditable Amount</u>	<u>Remaining Creditable Amount</u>	<u>Expiry Year</u>
2006	\$ 139,148	80,799	2016
2007	126,539	126,539	2017
2008	62,951	62,951	2018
2009	3,917	3,917	2019
	<u>\$ 332,555</u>	<u>274,206</u>	

(5) Integrated income tax information was as follows:

	<u>September 30</u>	
	<u>2010</u>	<u>2009</u>
Balance of imputation credit account (ICA)		
The Corporation	\$ 651,908	1,165,940
TCC	-	-
WMT	-	-
TFMT	5,029	2,674
TWTV	-	Not applicable
FJLMT	-	-
GWMT	1,672	1,627
FSMT	2,247	2,370
GFMT	-	-
TDC	-	-
TCCI	115,841	-
TID	-	-
TSB	-	-
TFN	510,604	394,683
TT&T	4,324	-
TUI	-	-
WTVB	-	-
TFNM	48,505	110,845
UCTV	-	17,331
SHCTV	Not applicable	9,641
YJCTV	24,301	26,806
MCTV	2,273	2,285
PCTV	390	157
GCTV	14,558	17,296
TKT	-	Not applicable

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

As of September 30, 2010, there were no unappropriated earnings generated before January 1, 1998. The actual creditable ratios for the 2009 and 2008 earnings appropriation were as follows:

	<u>2009</u>	<u>2008</u>
The Corporation	28.67%	35.28%
TCC	30.56%	29.90%
WMT	-	-
TFMT	33.33%	33.33%
TWTV	Not applicable	Not applicable
FJLMT	-	-
GWMT	33.33%	33.33%
FSMT	33.33%	33.33%
GFMT	-	-
TYDB	Not applicable	-
TDC	-	-
TCCI	33.33%	Not applicable
TID	-	Not applicable
TSB	-	25.98%
TFN	33.33%	33.33%
TT&T	27.61%	0.05%
TUI	-	Not applicable
TFNI	Not applicable	30.52%
R&R	Not applicable	-
WTVB	-	-
TFNM	31.08%	33.35%
UCTV	29.75%	33.33%
SHCTV	Not applicable	-
YJCTV	33.33%	33.33%
MCTV	33.39%	33.37%
PCTV	33.37%	32.59%
GCTV	33.34%	33.34%
TKT	Not applicable	Not applicable

The imputation credits allocated to the shareholders are based on the ICA balance as of the date of dividend distribution.

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

(6) 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	2007, only 2006 not applicable
The former TransAsian Telecommunications Inc.	All applicable
TransAsian Telecommunications Inc.	2007
Mobitai Communications	2006
TCC	2007
WMT	2008
TWTV	Not applicable
TFMT	2008
FJLMT	2008
GWMT	2008
FSMT	2008
GFMT	2008
TDC	2008
TCCI	Not applicable
TID	Not applicable
TSB	2007
TFN	2008
TTN	2007
TT&T	2008
TUI	Not applicable
TFNI	2008
R&R	All applicable
WTVB	2008
TFNM	2007
UCTV	2008
SHCTV	All applicable
YJCTV	2008
MCTV	2008
PCTV	2008
GCTV	2008
TKT	Not applicable

The Corporation's income tax returns for the years up to 2007 had been examined by the tax authorities, except for 2006. The Corporation filed for corrections of its 1999 through 2001 income tax returns. In addition, the Corporation disagreed with the results on the income tax returns of 2002 through 2005, 2007 and had filed requests for reexamination.

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

TAT's income tax returns as of 2007 had been examined by the tax authorities. TAT disagreed with the examination results of the income tax returns and had requested a reexamination for the 2006 and 2007 income tax returns.

The former TAT's income tax returns as of 2006 had been examined by the tax authorities. The former TAT disagreed with the examination results of the 2002 and 2003 income tax returns and had filed an appeal of retrial, which is reviewed by the Supreme Court of the R.O.C. The former TAT also filed administrative proceedings for 2004 and 2005 income tax returns.

Mobitai's income tax returns as of 2006 had been examined by the tax authorities. Mobitai disagreed with the result of the income tax returns and had requested a reexamination of the 2006 income tax return.

The former TFN's income tax returns as of 2007 had been examined by the tax authorities. The former TFN disagreed with the result of the income tax returns and planed to apply for a correction of the 2007 income tax return.

TFN's income tax returns as of 2008 had been examined by the tax authorities. TFN disagreed with the result of the income tax returns of 2008, and planed to apply for a reexamination.

TFNM's income tax returns as of 2007 had been examined by the tax authorities. TFNM disagreed with the examination results of the income tax returns and had requested a reexamination for the 2006 and 2007 income tax returns.

s. Earnings per share

	<u>Amounts (Numerator)</u>			<u>EPS (NT\$)</u>	
	<u>Before Income Tax</u>	<u>After Income Tax</u>	<u>Shares (Denominator) (Thousands)</u>	<u>Before Income Tax</u>	<u>After Income Tax</u>
<u>For the nine months ended September 30, 2010</u>					
Basic EPS					
Income of common shareholders	\$ 12,581,908	10,635,507	2,989,008	<u>4.21</u>	<u>3.56</u>
Add effect of dilutive potentially common stock-bonus to employees	-	-	8,290		
Diluted EPS					
Income of common shareholders with dilutive effect of potential common shares	<u>\$ 12,581,908</u>	<u>10,635,507</u>	<u>2,997,298</u>	<u>4.20</u>	<u>3.55</u>
<u>For the nine months ended September 30, 2009</u>					
Basic EPS					
Income of common shareholders	\$ 13,495,163	10,371,971	2,976,043	<u>4.53</u>	<u>3.49</u>
Add effect of dilutive potentially common stock-bonus to employees	-	-	9,863		
Diluted EPS					
Income of common shareholders with dilutive effect of potential common shares	<u>\$ 13,495,163</u>	<u>10,371,971</u>	<u>2,985,906</u>	<u>4.52</u>	<u>3.47</u>

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

The ARDF issued Interpretation No. 2007-052 that requires companies to recognize bonuses paid to employees, and remunerations to directors and supervisors as compensation expenses beginning January 1, 2008. These bonuses and remunerations 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 dilutions 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 resolved the actual number of shares to be distributed to employees at the AGM of the following year.

t. Financial instrument transactions

(1) Fair value information

	September 30			
	2010		2009	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<u>Financial instruments</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 2,749,158	2,749,158	2,805,015	2,805,015
Financial assets at fair value through profit or loss – current	199,120	199,120	-	-
Available-for-sale financial assets – current	190,182	190,182	173,039	173,039
Hedging derivative financial assets – current	-	-	54,181	54,181
Notes receivable	51,397	51,397	39,577	39,577
Accounts receivable (including related parties)	6,696,386	6,696,386	7,194,902	7,194,902
Other receivables	335,224	335,224	393,398	393,398
Pledged time deposits	1,100	1,100	15,000	15,000
Financial assets carried at cost – non-current	2,308,709	-	2,498,980	-
Bonds measured at amortized cost – non-current	500,000	-	500,000	-
Refundable deposits	396,207	396,207	389,315	389,315
<u>Liabilities</u>				
Short-term borrowings	8,500,000	8,500,000	3,300,000	3,300,000
Short-term notes and bills payable	299,719	299,719	499,758	499,758
Notes payable	234,605	234,605	116,789	116,789
Accounts payable	3,365,900	3,365,900	3,035,148	3,035,148
Income taxes payable	773,364	773,364	820,973	820,973
Accrued expenses	5,358,871	5,358,871	5,387,146	5,387,146
Other payables	4,061,357	4,061,357	4,214,360	4,214,360
Guarantee deposits(including Current portion)	383,542	383,542	388,157	388,157
Bonds payable (including current portion)	8,000,000	8,292,016	15,500,000	15,752,533
Long-term borrowings	-	-	2,300,000	2,300,000



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

- (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 and available-for-sale financial assets—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 quotations in September
  - (d) Fair values of long-term borrowings—based on the present values of expected cash flows, which are discounted at the interest rates for the Group with similar maturities
  - (e) Derivative financial instruments—based on valuation results provided by Australia and New Zealand Banking Group Limited and Citibank Taiwan Limited. As of September 30, 2010, the financial instrument held by the Corporation was evaluated by the bid price of counter party
  - (f) 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, 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 valuation technique.
- (4) The financial assets exposed to fair value interest rate risk amounted to \$1,794,880 thousand and \$1,980,280 thousand as of September 30, 2010 and 2009, respectively, and the financial liabilities exposed to fair value interest rate risk amounted to \$16,762,719 thousand and \$13,800,000 thousand as of September 30, 2010 and 2009, respectively. The financial assets exposed to cash flow interest rate risk amounted to \$979,556 thousand and \$856,869 thousand as of September 30, 2010 and 2009, respectively, and the financial liabilities exposed to cash flow interest rate risk amounted to \$37,000 thousand and \$7,799,758 thousand as of September 30, 2010 and 2009, respectively.

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

(5) Information on financial risks:

(a) Market risk

The Group did not enter into any financial derivatives transactions, which will have big exposure to exchange rate and interest rate risks.

(b) Credit risk

Credit risk represents the potential impacts to 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 September 30, 2010 and 2009, were both zero because all counter-parties are reputable financial institutions with good credit ratings.

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

The credit risk amount listed above is an evaluation over the contracts with positive fair value at the balance sheet date and the contracts of off-balance-sheet commitments and guarantees. Significant concentration of credit risk exists when counter-parties in financial instrument transactions significantly concentrate on one individual, 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 in 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 single transaction and transact with single client or 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.

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

**5. RELATED-PARTY TRANSACTIONS**

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

<b>Related Party</b>	<b>Relationship with the Group</b>
Taiwan Mobile Foundation (TWM Foundation)	Over one third of the Foundation's issued fund came from the Corporation
Taipei New Horizons Co., Ltd. (TNH)	Equity-method investee
Fubon Life Assurance Co., Ltd. (FLA)	Same chairman
Fubon Securities Investment Trust Co., Ltd.	Related party in substance
Chung Hsing Constructions Co., Ltd.	Related party in substance
Fubon Land Development Co., Ltd.	Related party in substance
Taipei Fubon Commercial Bank Co., Ltd. (TFCB)	Related party in substance
Fubon Securities Co., Ltd. (FSC)	Related party in substance
Fubon Insurance Co., Ltd. (Fubon Ins.)	Related party in substance
Fubon Multimedia Technology Co., Ltd. (FMT)	Related party in substance
Fubon Property Management Co., Ltd. (FPM)	Related party in substance
Fubon Real Estate Management Co., Ltd.	Related party in substance
Fubon Marketing Co., Ltd. (formerly named Fubon Direct Marketing Consulting Co., Ltd.)	Related party in substance (renamed on April 13, 2009)
Fubon Financial Holding Company (FFH)	Related party in substance
Fubon Asset Management Co., Ltd.	Related party in substance
Fubon Financial Venture Capital Co., Ltd.	Related party in substance
Fubon Future Co., Ltd.	Related party in substance
Fubon Investment Services Co., Ltd.	Related party in substance
Fubon Venture Capital Consulting Co., Ltd.	Related party in substance
Dai-Ka Ltd. (DKL)	Related party in substance
Taiwan Sport Lottery Corporation (TSL)	Related party in substance

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

b. Significant transactions with related parties were summarized below:

(1) Operating revenues

	<b>For the nine months ended September 30</b>			
	<b>2010</b>		<b>2009</b>	
		<b>% of</b>		<b>% of</b>
	<b>Amount</b>	<b>Total</b>	<b>Amount</b>	<b>Total</b>
	<b>Revenues</b>	<b>Revenues</b>	<b>Revenues</b>	
FMT	\$ 89,994	-	80,408	-
TFCB	60,569	-	114,769	-
FLA	37,045	-	16,275	-
TSL	21,593	-	17,897	-
FSC	14,171	-	12,316	-
Fubon Ins.	8,348	-	13,375	-
FFH	6,595	-	16,644	-
	<b>\$ 238,315</b>		<b>271,684</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>For the nine months ended September 30</b>			
	<b>2010</b>		<b>2009</b>	
		<b>% of</b>		<b>% of</b>
	<b>Amount</b>	<b>Total</b>	<b>Amount</b>	<b>Total</b>
	<b>Costs</b>	<b>Costs</b>	<b>Costs</b>	
DKL	\$ 108,463	-	124,995	1
Fubon Ins.	40,362	-	52,465	-
	<b>\$ 148,825</b>		<b>177,460</b>	

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

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

(3) Rental income

		<b>For the nine months ended</b>	
		<b>September 30</b>	
<b>Leased Sites/Equipment</b>		<b>2010</b>	<b>2009</b>
FMT	Office appliance, etc.	\$ 26,222	24,784

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

(4) Cash in banks

		<b>September 30</b>			
		<b>2010</b>		<b>2009</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
(a) Cash in banks					
	TFCB	\$ 473,621	17	388,996	14
(b) Pledged time deposits					
	TFCB	\$ 1,100	100	15,000	100

(5) Receivables and payables

		<b>September 30</b>			
		<b>2010</b>		<b>2009</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
(a) Accounts receivable					
	TFCB	\$ 146,275	2	105,830	1
	TSL (Note)	20,886	-	35,317	-
	FSC (Note)	17,568	-	22,770	-
	FLA (Note)	13,283	-	16,077	-
	Fubon Ins.	11,511	-	15,512	-
	Other	22,104	-	20,528	-
		\$ 231,627		216,034	

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

Note: Leasehold receivables from TSL was as follows:

	<b>Current Portion</b>	<b>Maturities of over One Year (Classified under Other Assets)</b>	<b>Total</b>
<u>September 30, 2010</u>			
Leasehold receivable	\$ 19,091	22,460	41,551
Less unrealized interest income	(1,804)	(1,161)	(2,965)
	<b><u>\$ 17,287</u></b>	<b><u>21,299</u></b>	<b><u>38,586</u></b>
<u>September 30, 2009</u>			
Leasehold receivable	\$ 20,793	36,789	57,582
Less unrealized interest income	(2,629)	(3,035)	(5,664)
	<b><u>\$ 18,164</u></b>	<b><u>33,754</u></b>	<b><u>51,918</u></b>

Note: Leasehold receivables from FSC was as follows:

	<b>Current Portion</b>	<b>Maturities of over One Year (Classified under Other Assets)</b>	<b>Total</b>
<u>September 30, 2010</u>			
Leasehold receivable	\$ 5,134	6,651	11,785
Less unrealized interest income	(528)	(399)	(927)
	<b><u>\$ 4,606</u></b>	<b><u>6,252</u></b>	<b><u>10,858</u></b>
<u>September 30, 2009</u>			
Leasehold receivable	\$ 4,897	10,211	15,108
Less unrealized interest income	(729)	(918)	(1,647)
	<b><u>\$ 4,168</u></b>	<b><u>9,293</u></b>	<b><u>13,461</u></b>

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

Note: Leasehold receivables from FLA was as follows:

	<b>Current Portion</b>	<b>Maturities of over One Year (Classified under Other Assets)</b>	<b>Total</b>
<b>September 30, 2010</b>			
Leasehold receivable	\$ 5,581	17,631	23,212
Less unrealized interest income	(394)	(1,267)	(1,661)
	<b>\$ 5,187</b>	<b>16,364</b>	<b>21,551</b>
<b>September 30, 2009</b>			
Leasehold receivable	\$ 5,523	10,090	15,613
Less unrealized interest income	(220)	(758)	(978)
	<b>\$ 5,303</b>	<b>9,332</b>	<b>14,635</b>

	<b>September 30</b>			
	<b>2010</b>		<b>2009</b>	
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
(b) Other receivables				
FMT	<b>\$ 3,032</b>	<b>1</b>	<b>11,877</b>	<b>3</b>
(c) Prepayments				
Fubon Ins.	<b>\$ 22,398</b>	<b>3</b>	<b>23,469</b>	<b>3</b>
(d) Accounts payable				
DKL	<b>\$ -</b>	<b>-</b>	<b>83,775</b>	<b>3</b>
(6) Other				

	<b>For the nine months ended September 30</b>	
	<b>2010</b>	<b>2009</b>
	(a) Donation	
TWM Foundation	<b>\$ 7,007</b>	<b>30,400</b>
(b) Repairs and maintenance		
FPM	<b>\$ 16,788</b>	<b>17,237</b>
(c) Other expense		
FPM	\$ 19,242	19,775
TFCB	14,164	931
	<b>\$ 33,406</b>	<b>20,706</b>

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

(7) Endorsement/guarantee provided

The Group provides guarantee contracts for related party. Please see Note 7.

**6. ASSETS PLEDGED**

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

	September 30	
	2010	2009
Current assets - time deposits	\$ 1,100	15,000
Other assets - time deposits	71,105	22,657
	\$ 72,205	37,657

**7. COMMITMENTS AND CONTINGENT EVENTS**

- a. To enhance 3G mobile communications, expand network coverage, and increase the service functions, the Corporation entered into a 3G expansion contract with Nokia Siemens Networks Taiwan Co., Ltd. for \$4,800,000 thousand in September 2006 and \$3,672,092 thousand in May 2009, respectively. As of September 30, 2010, the purchase amount was \$4,735,510 thousand and \$2,651,458 thousand, respectively.
- b. The Corporation provided \$21,500,000 thousand guarantee for TFN's bank loans. The Corporation also provided \$21,298,300 thousand in promissory notes outstanding for TFN's borrowings with banks. TFN has drawn down \$1,544,420 thousand from banks within the guarantee amount.
- c. The Corporation and its subsidiary, TFN, obtained \$13,500,000 thousand of syndicated loan from 9 banks led by Chinatrust Commercial Bank. Based on the terms of the agreement, the credit line will be decreased by 50% after two years commencing from May 20, 2008. As of May 20, 2010, the credit line has been reduced to \$6,750,000 thousand. The Corporation provided a guarantee for TFN's bank loan. As of September 30, 2010, the Corporation and TFN had not made any drawdown on this loan.
- d. As of September 30, 2010, the Corporation had provided TFN \$50,000 thousand as performance guarantee for IDD calling card service issued by July 31, 2008, in accordance with NCC's new policy effective from April 1, 2007.
- e. As of September 30, 2010, TT&T provided an \$146 thousand guarantee for TFN's obligation of construction and equipment sales.



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

- f. Future minimum rental payments as of September 30, 2010, for significant operating lease agreements, were summarized as follows:

	<b>Amount</b>
The fourth quarter of 2010	\$ 37,769
2011	154,332
2012	148,587
2013	26,758
2014	26,310

**8. SIGNIFICANT CASUALTY LOSS: NONE**

**9. SIGNIFICANT SUBSEQUENT EVENTS: NONE**

**10. OTHER**

- a. Labor cost, depreciation, and amortization expense

	For the nine months ended September 30					
	2010			2009		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Labor cost						
Salary	\$ 1,024,751	2,376,514	3,401,265	1,014,051	2,499,390	3,513,441
Labor and health insurance	68,909	138,284	207,193	65,881	136,170	202,051
Pension	44,940	90,860	135,800	43,741	92,079	135,820
Other	45,327	98,994	144,321	43,211	95,471	138,682
Depreciation	5,575,467	480,589	6,056,056	5,321,860	448,306	5,770,166
Amortization	712,363	109,491	821,854	723,337	93,652	816,989

- b. Reclassification

Certain accounts in the consolidated financial statements as of and for the nine months ended September 30, 2009, have been reclassified to conform to the presentation of consolidated financial statements as of and for the nine months ended September 30, 2010.

**11. ADDITIONAL DISCLOSURES**

Following 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)

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

- d. Marketable securities acquired and disposed of at costs or prices of at least \$100 million or 20% of the paid-in capital: Table 4
- e. Acquisition of individual real estate at costs of at least \$100 million or 20% of the paid-in capital: None
- f. Disposal of individual real estate at prices of at least \$100 million or 20% of the paid-in capital: None
- g. Total purchase from or sale to related parties amounting to at least \$100 million or 20% of the paid-in capital: Table 5 (attached)
- h. Receivables from related parties amounting to at least \$100 million or 20% of the paid-in capital: Table 6 (attached)
- i. Names, locations, and related information of investees on which the Corporation exercised significant influence: Table 7 (attached)
- j. Derivative transactions

The Corporation entered into interest rate swap (IRS) contracts in December 2002 to hedge fluctuation on inverse floating interest rates of bonds, which are settled semiannually. Please refer to Note 4.t for the related information.

<b>Financial Instrument</b>	<b>Term</b>	<b>Contract Amount</b>	<b>Due Date</b>
Interest rate swap contracts	Inverse floating interest rate in exchange for fixed interest rate of 2.45%	\$ 5,000,000	December 2009

The Corporation entered into IRS contracts to hedge inverse floating interest rate fluctuation. For the year ended 2009, the Corporation recognized gains of \$84,485 thousand, recorded as deduction to interest expense.

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

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 8 (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 9 and Table 10 (attached)

**12. SEGMENT INFORMATION**

Financial information disclosure by industry segment is not required for interim report.

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

**FINANCING PROVIDED**

**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010**

TABLE 1

(In Thousands of New Taiwan Dollars)

No.	Lending Company	Borrowing Company	Financial Statement Account	Maximum Balance for the Period	Ending Balance	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")	Wealth Media Technology Co., Ltd.	Other receivables	\$ 59,000	\$ -	0.838%~0.851%	Short-term financing	\$ -	Operation requirements	\$ -	-	-	\$ 19,076,001 (Note 1)	\$ 19,076,001 (Note 1)
		TFN Media Co., Ltd.	Other receivables	6,150,000	5,950,000	0.838%~0.893%	Short-term financing	-	Operation requirements	-	-	-	19,076,001 (Note 1)	19,076,001 (Note 1)
		Taiwan Cellular Co., Ltd.	Other receivables	6,560,000	6,560,000	0.893%~0.896%	Short-term financing	-	Operation requirements	-	-	-	19,076,001 (Note 1)	19,076,001 (Note 1)
1	Taiwan Cellular Co., Ltd.	TFN Media Co., Ltd.	Other receivables	4,670,000	-	0.838%~0.847%	Short-term financing	-	Operation requirements	-	-	-	21,600,631 (Note 1)	21,600,631 (Note 1)
		TCC Investment Co., Ltd.	Other receivables	2,286,000	-	0.845%~0.854%	Short-term financing	-	Operation requirements	-	-	-	21,600,631 (Note 1)	21,600,631 (Note 1)
		Win TV Broadcasting Co., Ltd.	Other receivables	123,000	123,000	0.847%~0.896%	Short-term financing	-	Operation requirements	-	-	-	21,600,631 (Note 1)	21,600,631 (Note 1)
2	Taiwan Fixed Network Co., Ltd.	Taiwan Cellular Co., Ltd.	Other receivables	8,040,000	-	0.838%~0.847%	Short-term financing	-	Operation requirements	-	-	-	14,239,846 (Note 1)	14,239,846 (Note 1)
		The Corporation	Other receivables	7,145,000	6,645,000	0.893%	Short-term financing	-	Operation requirements	-	-	-	14,239,846 (Note 1)	14,239,846 (Note 1)
3	Union Cable TV Co., Ltd.	TFN Media Co., Ltd.	Other receivables - related parties	742,000	-	0.838%~0.940%	Transactions	280,431	Business requirements	-	-	-	13,500,000 (Note 2)	13,500,000 (Note 2)
				580,000	580,000	0.851%~0.893%	Short-term financing	-	Repayment of financing	-	-	-	735,044 (Note 2)	13,500,000 (Note 2)
4	Globalview Cable TV Co., Ltd.	TFN Media Co., Ltd.	Other receivables - related parties	220,000	220,000	0.845%~0.940%	Transactions	232,096	Business requirements	-	-	-	232,096 (Note 3)	491,580 (Note 3)
5	Phoenix Cable TV Co., Ltd.	TFN Media Co., Ltd.	Other receivables - related parties	760,000	490,000	0.838%~0.893%	Transactions	578,711	Business requirements	-	-	-	12,000,000 (Note 4)	12,000,000 (Note 4)
6	Yeong Jia Leh Cable TV Co., Ltd.	TFN Media Co., Ltd.	Other receivables - related parties	410,000	255,000	0.838%~1.068%	Transactions	517,971	Business requirements	-	-	-	24,000,000 (Note 4)	24,000,000 (Note 4)
7	TFN Media Co., Ltd.	Win TV Broadcasting Co., Ltd.	Other receivables - related parties	307,000	-	0.839%~0.845%	Transactions	59,712	Business requirements	-	-	-	15,000,000 (Note 4)	15,000,000 (Note 4)
8	Wealth Media Technology Co., Ltd.	Tai Fu Media Technology Co., Ltd.	Other receivables - related parties	45,000	33,000	0.838%	Short-term financing	-	Repayment of financing	-	-	-	119,492 (Note 1)	119,492 (Note 1)
		Global Wealth Media Technology Co., Ltd.	Other receivables - related parties	4,000	4,000	0.851%	Short-term financing	-	Repayment of financing	-	-	-	119,492 (Note 1)	119,492 (Note 1)
9	Tai Fu Media Technology Co., Ltd.	Global Wealth Media Technology Co., Ltd.	Other receivables - related parties	4,000	-	0.867%	Short-term financing	-	To meet its financing needs in acquiring minorities	-	-	-	79,007 (Note 1)	79,007 (Note 1)

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

Note 2: 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 financing company's capital, or 2) the amount of business dealing. 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 financing 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 financing 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 limited to the total amount of business dealing and 40% of the financing 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 financing company's net worth.

Note 4: Where funds are loaned 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 financing company's capital, or 2) the amount of business dealing.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**ENDORSEMENT/GUARANTEE PROVIDED**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010**

TABLE 2  
(In Thousands of New Taiwan Dollars)

No.	Endorsement/Guarantor (A)	Receiving Party		Maximum Guarantee/ Endorsement Amount Can Be Provided to Each Receiving Party	Maximum Balance for the Period (Note 1)	Ending Balance (Note 1)	Value of Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Worth of the Guarantor (Note 1)	Maximum Guarantee/ Endorsement 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)	\$ 34,878,330	\$ 28,098,300	\$ -	58.92%	\$ 47,690,004
1	Taiwan Teleservices & Technologies Co., Ltd.	Taiwan Fixed Network Co., Ltd.	(Note 4)  (Note 6)	20,000 (Note 5)/ (Note 6)	146	146	-	0.20%	72,803 (Note 5)

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

Note 2: Direct/indirect subsidiary

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

Note 4: Parent company

Note 5: TT&T is directly and indirectly 100% owned by TFN. The endorsement/guarantee amount provided by TT&T, shall be limited within the net worth of TT&T, and not over the double of the investment amount in TT&T.

Note 6: Following the sale by TFN of its 100% shareholdings in TT&T on May 14, 2010, the endorsement/guarantee provided by TT&T is for transaction. The aggregate endorsement/guarantee amount shall not exceed the net worth of TT&T, and the individual endorsement/guarantee amount shall not exceed the amount of business dealing. The amount of business dealing is \$145,552 thousands.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**MARKETABLE SECURITIES HELD**  
**SEPTEMBER 30, 2010**

TABLE 3  
(In Thousands of New Taiwan Dollars or stated otherwise)

Investing Company (A)	Marketable Securities Invested (B)	Relationship with the Investing Company (B is A's)	Financial Statement Account	September 30, 2010				Note
				Shares/Units (Thousands)	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
Taiwan Mobile Co., Ltd. (the "Corporation")	<u>Beneficiary certificates</u> Fubon Yield Enrichment Fund of Funds	-	Financial assets at fair value through profit or loss-current	20,000	\$ 199,120	-	\$ 199,120 (Note 5)	
	<u>Stock</u> Chunghwa Telecom Co., Ltd.	-	Available-for-sale financial assets - current	2,717	190,182	0.028	190,182 (Note 6)	
	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 3)
	Wealth Media Technology Co., Ltd.	Subsidiary	Long-term investments - equity method	37,200	298,729	100	298,729	
	Taiwan Cellular Co., Ltd.	Subsidiary	Long-term investments - equity method	30,000	9,627,292 (Note 4)	100	54,001,577	
	Taipei New Horizons Co., Ltd.	Equity-method investee	Long-term investments - equity method	24,950	194,557	49.9	194,557	
			Prepayment for long-term investments	-	49,900	-	-	
Wealth Media Technology Co., Ltd.	<u>Stock</u> Tai Fu Media Technology Co., Ltd.	Subsidiary	Long-term investments - equity method	27,000	197,516	100	197,516	
	Taiwan Win TV Broadcasting Co., Ltd.	Subsidiary	Long-term investments - equity method	16	9,949	100	9,949	
Tai Fu Media Technology Co., Ltd.	<u>Stock</u> Global Wealth Media Technology Co., Ltd.	Subsidiary	Long-term investments - equity method	8,400	88,413	100	88,413	
	Fu Jia Leh Media Technology Co., Ltd.	Subsidiary	Long-term investments - equity method	100	779	100	779	
	Fu Sin Media Technology Co., Ltd.	Subsidiary	Long-term investments - equity method	13,500	139,415	100	139,415	
	Global Forest Media Technology Co., Ltd.	Subsidiary	Long-term investments - equity method	100	654	100	654	
Global Wealth Media Technology Co., Ltd.	<u>Stock</u> Globalview Cable TV Co., Ltd.	Subsidiary	Long-term investments - equity method	3,815	92,102	6.813	44,197	
Fu Sin Media Technology Co., Ltd.	<u>Stock</u> Phoenix Cable TV Co., Ltd.	Subsidiary	Long-term investments - equity method	2,272	130,533	3.34	30,253	
Global Forest Media Technology Co., Ltd.	<u>Stock</u> Union Cable TV Co., Ltd.	Subsidiary	Long-term investments - equity method	326 shares	4	0.0002	4	
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	3,000	20,207	3	-	(Note 3)

(Continued)

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**MARKETABLE SECURITIES HELD**  
**SEPTEMBER 30, 2010**

Investing Company (A)	Marketable Securities Invested (B)	Relationship with the Investing Company (B is A's)	Financial Statement Account	September 30, 2010				Note
				Shares/Units (Thousands)	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
	Transportation High Tech Inc.	-	Financial assets carried at cost - non-current	1,200	\$ -	12	\$ -	
	WEB Point Co., Ltd.	-	Financial assets carried at cost - non-current	803	(Note 2) 6,773	3.17	(Note 3) -	
	TWM Holding Co. Ltd.	Subsidiary	Long-term investments - equity method	1 share	US\$ 7,353	100	US\$ 7,353	
	Taiwan Fixed Network Co., Ltd.	Subsidiary	Long-term investments - equity method	2,100,000	35,599,616	100	35,599,616	
	Taiwan Digital Communication Co., Ltd.	Subsidiary	Long-term investments - equity method	1,200	10,845	100	10,845	
	TCC Investment Co., Ltd.	Subsidiary	Long-term investments - equity method	3,950	24,342,742	100	24,215,559	
	Taiwan Teleservices & Technologies Co., Ltd.	Subsidiary	Long-term investments - equity method	1,000	72,803	100	72,803	
TWM Holding Co., Ltd.	<u>Stock</u> TWM Communications (Beijing) Ltd.	Subsidiary	Long-term investments - equity method	-	US\$ 2,810	100	US\$ 1,919	
Taiwan Teleservices & Technologies Co., Ltd.	<u>Stock</u> TT & T Holdings Co., Ltd.	Subsidiary	Long-term investments - equity method	1,300	US\$ 1,365	100	US\$ 1,365	
	Taiwan Super Basketball Co., Ltd.	Subsidiary	Long-term investments - equity method	2,000	22,652	100	22,652	
TT&T Holdings Co., Ltd.	<u>Stock</u> Xiamen Taifu Teleservices & Technologies Co., Ltd.	Subsidiary	Long-term investments - equity method	-	US\$ 1,353	100	US\$ 1,353	
TCC Investment Co., Ltd.	<u>Stock</u> Taiwan Mobile Co., Ltd. (the "Corporation")	The Corporation	Available-for-sale financial assets - non-current	222,774	14,368,935	5.86	14,368,935	(Note 6)
	Win TV Broadcasting Co., Ltd.	Subsidiary	Long-term investments - equity method	18,177	257,464	100	249,847	
	TFN Media Co., Ltd.	Subsidiary	Long-term investments - equity method	230,526	1,981,638	100	3,923,702	
	TCCI Investment and Development Co., Ltd.	Subsidiary	Long-term investments - equity method	400	8,374,725	100	8,374,725	
	Great Taipei Broadband Co., Ltd.	-	Financial assets carried at cost - non-current	10,000	42,845	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	132,849	8,568,739	3.50	8,568,739	(Note 6)
TFN Media Co., Ltd.	<u>Stock</u> Yeong Jia Leh Cable TV Co., Ltd.	Subsidiary	Long-term investments - equity method	33,940	2,067,465	100	542,985	

(Continued)

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**MARKETABLE SECURITIES HELD**  
**SEPTEMBER 30, 2010**

Investing Company (A)	Marketable Securities Invested (B)	Relationship with the Investing Company (B is A's)	Financial Statement Account	September 30, 2010				Note
				Shares/Units (Thousands)	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
	Mangrove Cable TV Co., Ltd.	Related party in substance	Long-term investments - equity method	6,248	\$ 569,548	29.53	\$ 306,373 (Note 7)	
	Phoenix Cable TV Co., Ltd.	Subsidiary	Long-term investments - equity method	65,818	3,100,966	96.66	876,461	
	Union Cable TV Co., Ltd.	Subsidiary	Long-term investments - equity method	170,441	2,042,117	99.99	1,837,369	
	Globalview Cable TV Co., Ltd.	Subsidiary	Long-term investments - equity method	51,733	1,221,803	92.38	599,283	
	Taiwan Kuro Times Co., Ltd.	Subsidiary	Long-term investments - equity method	667	60,232	54.988	35,325	
Taiwan Kuro Times Co., Ltd.	<u>Stock</u> ezPeer Multimedia Limited	Subsidiary	Long-term investments - equity method	1,519	US\$ 1,518	100	US\$ 1,518	
Taiwan Fixed Network Co., Ltd.	<u>Stock</u> TFN Union Investment Co., Ltd.	Subsidiary	Long-term investments - equity method	400	28,764,766	100	28,764,766	
	TFN HK LIMITED	Subsidiary	Long-term investments - equity method	1,300	HK\$ 1,155	100	HK\$ 1,155	
	Taiwan High Speed Rail Corporation	-	Financial assets carried at cost - non-current	225,531	2,120,829	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	456,295	29,431,012	12	29,431,012 (Note 6)	

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

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

Note 3: As of October 13, 2010, 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 \$54,001,577 thousand on TCC shall be reduced by 1) downward adjusting \$31,889,100 thousand, the carrying value of total treasury shares on the Corporation's book, 2) excluding \$12,954,942 thousand unrealized gain from financial assets investment, 3) adding back \$475,907 thousand income tax expenses resulted from TFN and TFNI's disposal gain from the Corporation's shares, and 4) excluding recognition of upstream transactions gain of \$6,150 thousand.

Note 5: Based on the net asset value on September 30, 2010.

Note 6: Based on the closing price on September 30, 2010.

Note 7 70.47% shares are held under trustee accounts.

(Concluded)



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

**MARKETABLE SECURITIES ACQUIRED OR DISPOSED AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL**

**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010**

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")	Beneficiary certificates	Financial assets at fair value through profit or loss-current	-	-	-	\$ -	20,000	\$ 200,000	-	\$ -	\$ -	-	20,000	\$ 199,120
	Stock Wealth Media Technology Co., Ltd.	Long-term investment-equity method	Wealth Media Technology Co., Ltd.	Subsidiary	27,200	192,615	10,000 (Note 1)	100,000	-	-	-	-	37,200	298,729 (Note 2)
Taiwan Cellular Co., Ltd.	Stock TCCI investment Co., Ltd.	Long-term investment-equity method	TCCI investment Co., Ltd.	Subsidiary	2,100	21,092,818	1,850 (Note 1)	1,850,000	-	-	-	-	3,950	24,342,742 (Note 2)
Taiwan Fixed Network Co., Ltd.	Stock New Century infocomm Technology Co., Ltd.	Financial assets Carried at cost –non-current	Yuan Cing Infocomm Tech Co., Ltd.	-	21,890	187,042	-	-	21,890	238,541	187,042	51,499	-	-

Note 1: The shares/units and amount of marketable securities acquired do not include stock dividends from investees.

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

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**TOTAL PURCHASE FROM OR SALE TO RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010**

TABLE 5  
(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	\$ (1,667,688)	(4)	Based on contract terms	-	-	\$ 369,257	6	(Note 1)
			Purchase	1,476,900	(Note 2)	Based on contract terms	-	-	(395,051)	(Note 3)	
	Taiwan Teleservices & Technologies Co., Ltd.	Subsidiary	Purchase	628,283	(Note 4)	Based on contract terms	-	-	(99,713)	(Note 5)	
Taiwan Teleservices & Technologies Co., Ltd.	The Corporation	Ultimate parent	Sale	(628,415)	(85)	Based on contract terms	-	-	99,729	86	
Taiwan Fixed Network Co., Ltd.	The Corporation	Ultimate parent	Sale	(1,473,692)	(19)	Based on contract terms	-	-	395,051	36	
			Purchase	1,669,503	32	Based on contract terms	-	-	(368,708)	(48)	
TFN Media Co., Ltd.	Phoenix Cable TV Co., Ltd.	Subsidiary	Channel leasing fee	(363,390)	(18)	Based on contract terms	(Note 6)	(Note 6)	1,708	1	
	Yeong Jia Leh Cable TV Co., Ltd.	Subsidiary	Channel leasing fee	(328,740)	(16)	Based on contract terms	(Note 6)	(Note 6)	2,731	2	
	Union Cable TV Co., Ltd.	Subsidiary	Channel leasing fee	(170,560)	(8)	Based on contract terms	(Note 6)	(Note 6)	968	1	
	Globalview Cable Co., Ltd.	Subsidiary	Channel leasing fee	(146,652)	(7)	Based on contract terms	(Note 6)	(Note 6)	1,241	1	
Union Cable TV Co., Ltd.	TFN Media Co., Ltd.	Parent	Royalty of copyright	170,560	62	Based on contract terms	(Note 6)	(Note 6)	(968)	(9)	
Yeong Jia Leh Cable TV Co., Ltd.	TFN Media Co., Ltd.	Parent	Royalty of copyright	328,740	62	Based on contract terms	(Note 6)	(Note 6)	(2,731)	(16)	
Phoenix Cable TV Co., Ltd.	TFN Media Co., Ltd.	Parent	Royalty of copyright	363,390	65	Based on contract terms	(Note 6)	(Note 6)	(1,708)	(10)	
Globalview Cable Co., Ltd.	TFN Media Co., Ltd.	Parent	Royalty of copyright	146,652	63	Based on contract terms	(Note 6)	(Note 6)	(1,241)	(11)	
Mangrove Cable Co., Ltd.	Dai-Ka Ltd.	Related party in substance	Royalty of copyright	118,769	60	Based on contract terms	(Note 6)	(Note 6)	-	-	

Note 1: The \$369,257 thousand accounts receivable amount was expressed on a gross basis in accordance with sales amount. The net accounts receivable should be \$39,296 thousand after deducting accounts payable and accrued custodial receipts/payments totaled \$329,961 thousand.

Note 2: Included operating costs and operating expenses.

Note 3: Included accounts payable and accrued expenses.

Note 4: Recognized as operating expenses.

Note 5: Recognized as accrued expenses.

Note 6: No comparables on such kind of transactions.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL**  
**SEPTEMBER 30, 2010**

TABLE 6  
(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 \$ 369,257 Other receivables 57,214	6.03	\$ -	-	\$ -	\$ -				
	TFN Media Co., Ltd.	Subsidiary	Other receivables 5,964,388						-	-	9,940	-
	Taiwan Cellular Co., Ltd.	Subsidiary	Other receivables 6,570,340						-	-	120,185	-
Taiwan Cellular Co., Ltd.	Win TV Broadcasting Co., Ltd.	Subsidiary	Other receivables 123,171		-	-	-	-				
Taiwan Teleservices & Technologies Co., Ltd.	The Corporation	Ultimate parent	Accounts receivable 99,729	10.12	-	-	17	-				
Taiwan Fixed Network Co., Ltd.	The Corporation	Ultimate parent	Accounts receivable 395,051 Other receivables 6,842,199	5.70	-	-	169,244 67,282	- -				
Phoenix Cable TV Co., Ltd.	TFN Media Co., Ltd.	Parent	Accounts receivable 24,758 Other receivables 491,367	4.12	-	-	-	- -				
Union Cable TV Co., Ltd.	TFN Media Co., Ltd.	Parent	Accounts receivable 16,544 Other receivables 581,358	3.28	-	-	-	- -				
Globalview Cable TV Co., Ltd.	TFN Media Co., Ltd.	Parent	Accounts receivable 11,117 Other receivables 220,556	3.44	-	-	-	- -				
Yeong Jia Leh Cable TV Co., Ltd.	TFN Media Co., Ltd.	Parent	Accounts receivable 23,391 Other receivables 255,839	4.07	-	-	-	- -				

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEEES ON WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010**

TABLE 7

(In Thousands of New Taiwan Dollars or stated otherwise)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2010			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				September 30, 2010	December 31, 2009	Shares (Thousands)	Percentage of Ownership	Carrying Value			
Taiwan Mobile Co., Ltd. (the "Corporation")	Taiwan Cellular Co., Ltd.	Taipei, Taiwan	Telecom engineering and IT service	\$ 37,558,330	\$ 37,558,330	30,000	100	\$ 9,627,292	\$ 2,661,509	\$ 2,662,886	
	Taipei New Horizons Co., Ltd.	Taipei, Taiwan	Real Estate Rental and Sale	249,500	249,500	24,950	49.9	(Note 1) 194,557	(34,902)	(17,416)	
	Wealth Media Technology Co., Ltd.	Taipei, Taiwan	Investment	372,000	272,000	37,200	100	298,729	6,114	6,114	
Wealth Media Technology Co., Ltd.	Tai Fu Media Technology Co., Ltd.	Taipei, Taiwan	Investment	270,000	270,000	27,000	100	197,516	6,338	NA	
	Taiwan Win TV Broadcasting Co., Ltd.	Taipei, Taiwan	TV program producing	10,000	-	16	100	9,949	(51)	NA	
Tai Fu Media Technology Co., Ltd.	Global Wealth Media Technology Co., Ltd.	Taipei County, Taiwan	Investment	84,000	84,000	8,400	100	88,413	3,650	NA	
	Fu Jia Leh Media Technology Co., Ltd.	Taipei, Taiwan	Investment	1,700	1,700	100	100	779	(190)	NA	
	Fu Sin Media Technology Co., Ltd.	Taipei, Taiwan	Investment	135,000	135,000	13,500	100	139,415	3,404	NA	
	Global Forest Media Technology Co., Ltd.	Taipei, Taiwan	Investment	1,000	1,000	100	100	654	(126)	NA	
Global Wealth Media Technology Co., Ltd.	Globalview Cable TV Co., Ltd.	Taipei County, Taiwan	Cable TV service provider	91,691	90,099	3,815	6.813	92,102	57,509	NA	
Fu Sin Media Technology Co., Ltd.	Phoenix Cable TV Co., Ltd.	Kaohsiung County, Taiwan	Cable TV service provider	133,358	133,358	2,272	3.34	130,533	108,100	NA	
Global Forest Media Technology Co., Ltd.	Union Cable TV Co., Ltd.	Yilan County, Taiwan	Cable TV service provider	4	-	326 shares	0.0002	4	101,813	NA	
Taiwan Cellular Co., Ltd.	TWM Holding Co. Ltd.	British Virgin Islands	Investment	US\$ 10,800	US\$ 10,800	1 share	100	US\$ 7,353	US\$ (1,101)	NA	
	Taiwan Fixed Network Co., Ltd.	Taipei, Taiwan	Fixed line service provider	21,000,000	21,000,000	2,100,000	100	35,599,616	1,502,754	NA	
	Taiwan Digital Communication Co., Ltd.	Taipei, Taiwan	Telecom engineering and IT service	12,000	12,000	1,200	100	10,845	(105)	NA	
	TCC Investment Co., Ltd.	Taipei, Taiwan	Investment	22,301,000	20,451,000	3,950	100	24,342,742	1,179,717	NA	
	Taiwan Teleservices & Technologies Co., Ltd. (Note 3)	Taipei, Taiwan	Call center service and ISR (international simple resales)	10,000	10,000	1,000	100	72,803	31,699	NA	
TWM Holding Co. Ltd.	TWM Communications (Beijing) Ltd.	Beijing, China	Mobile application development and design	US\$ 4,936	US\$ 4,936	-	100	US\$ 2,810	US\$ (1,101)	NA	
Taiwan Teleservices & Technologies Co., Ltd.	TT&T Holdings Co., Ltd.	Samoa	Investment	US\$ 1,300	US\$ 1,300	1,300	100	US\$ 1,365	US\$ (69)	NA	
	Taiwan Super Basketball Co., Ltd.	Taipei, Taiwan	Basketball team management	20,000	20,000	2,000	100	22,652	2,642	NA	
TT&T Holdings Co., Ltd.	Xiamen Taifu Teleservices & Technologies Co., Ltd.	Xiamen, China	Call center service	US\$ 1,300	US\$ 1,300	-	100	US\$ 1,353	US\$ (37)	NA	
TCC Investment Co., Ltd.	Win TV Broadcasting Co., Ltd.	Taipei, Taiwan	TV program provider	188,047	179,047	18,177	100	257,464	60,777	NA	
	TFN Media Co., Ltd.	Taipei, Taiwan	Cable broadband and value added service provider	2,035,714	2,035,714	230,526	100	1,981,638	1,231,596	NA	
	TCCI Investment and Development Co., Ltd.	Taipei, Taiwan	Investment	6,629,149	6,629,149	400	100	8,374,725	-	NA	
TFN Media Co., Ltd.	Yeong Jia Leh Cable TV Co., Ltd.	Taipei County, Taiwan	Cable TV service provider	1,616,824	1,616,824	33,940	100	2,067,465	99,950	NA	
	Mangrove Cable TV Co., Ltd.	Taipei County, Taiwan	Cable TV service provider	397,703	397,703	6,248	29.53	569,548	66,119	NA	
	Phoenix Cable TV Co., Ltd.	Kaohsiung County, Taiwan	Cable TV service provider	2,294,967	2,294,967	65,818	96.66	3,100,966	108,100	NA	
	Union Cable TV Co., Ltd.	Yilan County, Taiwan	Cable TV service provider	1,904,436	1,904,440	170,441	99.99	2,042,117	101,813	NA	
	Globalview Cable TV Co., Ltd.	Taipei County, Taiwan	Cable TV service provider	841,413	841,413	51,733	92.38	1,221,803	57,509	NA	
	Taiwan Kuro Times Co., Ltd.	Taipei, Taiwan	The platform of music supplied	63,900	-	667	54.988	60,232	(6,989)	NA	
	ezPeer Multimedia Limited	Samoa	Investment	US\$ 1,519	-	1,519	100	US\$ 1,518	US\$ (2)	NA	
Taiwan Kuro Times Co., Ltd.	TFN Union Investment Co., Ltd.	Taipei, Taiwan	Investment	22,769,109	22,769,109	400	100	28,764,766	-	NA	
Taiwan Fixed Network Co., Ltd.	TFN HK LIMITED	Hong Kong	Telecommunications service provider	HK\$ 1,300	HK\$ 1,300	1,300	100	HK\$ 1,155	HK\$ 350	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 \$54,001,577 thousand on TCC shall be reduced by 1) downward adjusting \$31,889,100 thousand, the carrying value of total treasury shares on the Corporation's book, 2) excluding \$12,954,942 thousand unrealized gain from financial assets investment, 3) adding back \$475,907 thousand income tax expenses resulted from TFN and TFNI's disposal gain from the Corporation's shares, and 4) excluding recognition of upstream transactions gain of \$6,150 thousand.

Note 2: 70.47% shares are held under trustee accounts.

Note 3: On May 14, 2010, TFN sold to TCC its 100% shareholdings in TT&T.

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

**INVESTMENT IN MAINLAND CHINA**

**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010**

TABLE 8  
(In Thousands of New Taiwan Dollars or U.S. Dollars)

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, 2010	Investment Flows		Accumulated Outflow of Investment from Taiwan as of September 30, 2010	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 3)	Carrying Value as of June 30, 2010	Accumulated Inward Remittance of Earnings as of September 30, 2010
					Outflow	Inflow					
Xiamen Taifu Teleservices & Technologies Co., Ltd.	Call center service	US\$ 1,300 (NT\$ 40,794)	Indirect investment in Mainland China through a third place by the Corporation's subsidiary, Taiwan Teleservices & Technologies Co., Ltd.	US\$ 1,300 (NT\$ 40,794)	\$ -	\$ -	US\$ 1,300 (NT\$ 40,794)	100% ownership of indirect investment by the Corporation's subsidiary	(US\$ 37) (NT\$ (1,161))	US\$ 1,353 (NT\$ 42,457)	\$ -
TWM Communications (Beijing) Ltd.	Mobile application development and design	US\$ 3,000 (NT\$ 94,140)	Indirect investment in Mainland China through a third place by the Corporation's subsidiary, Taiwan Cellular Co., Ltd.	US\$ 4,872 (NT\$ 152,883)	-	-	US\$ 4,872 (NT\$ 152,883)	100% ownership of indirect investment by the Corporation's subsidiary	(US\$ 1,101) (NT\$ (34,549))	US\$ 2,810 (NT\$ 88,178)	-

Accumulated Investment in Mainland China as of June 30, 2010	Investment Amounts Authorized by Investment Commission, MOEA (Note 2)	Upper Limit on Investment Authorized by Investment Commission, MOEA (Note 2)
US\$1,300 (NT\$40,794)	US\$1,300 (NT\$40,794)	\$80,000
US\$4,872 (NT\$152,883)	US\$4,872 (NT\$152,883)	\$54,001,577

Note 1: The above amounts were translated into New Taiwan dollars at the exchange rate of US\$1 = NT\$31.38, and RMB1 = NT\$4.6828 as of September 30, 2010.

Note 2: The indirect investment made by Taiwan Teleservices & Technologies Co., Ltd. and Taiwan Cellular Co., Ltd., subsidiaries of the Corporation.

Note 3: Calculation was based on unreviewed financial statements.

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**  
**BUSINESS RELATIONSHIP AND SIGNIFICANT INTERCOMPANY TRANSACTIONS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010**

**TABLE 9**

(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	Account receivable	\$ 238	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Account receivable	39,296	Based on regular terms	-
		TFN Media Co., Ltd.	1	Account receivable	586	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Account receivable	27	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Account receivable	52	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Account receivable	12	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Account receivable	107	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Account receivable	10	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	1	Other receivables	6,570,340	Based on regular terms	13%
		Taiwan Fixed Network Co., Ltd.	1	Other receivables	57,214	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	1	Other receivables	29	Based on regular terms	-
		TFN Media Co., Ltd.	1	Other receivables	5,964,388	Based on regular terms	11%
		TFN Union Investment Co., Ltd.	1	Other receivables	6	Based on regular terms	-
		TCCI Investment and Development Co., Ltd.	1	Other receivables	6	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Prepayments	38	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Prepayments	29	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Short-term borrowing	6,645,000	Based on regular terms	13%
		Taiwan Teleservices & Technologies Co., Ltd.	1	Accounts payable	16	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Accounts payable	1,060	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	1	Accrued expenses	845	Based on regular terms	-
		Taiwan Super Basketball Co., Ltd.	1	Accrued expenses	9,000	Based on regular terms	-
		TWM Communications (Beijing) Ltd.	1	Accrued expenses	200	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Accrued expenses	380,324	Based on regular terms	1%
		Taiwan Teleservices & Technologies Co., Ltd.	1	Accrued expenses	99,713	Based on regular terms	-
		TWM Communications (Beijing) Ltd.	1	Other payables	16,898	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Other payables	90,538	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Other payables	725	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Other payables	1,409	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Other payables	291	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Other payables	2,698	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Other payables	312	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Other payables	96	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Advance receipts	66	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Other current liabilities	87,524	Based on regular terms	-
		TFN Media Co., Ltd.	1	Other current liabilities	285	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Other current liabilities	1,547	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Other current liabilities	3,370	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Other current liabilities	701	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Other current liabilities	3,171	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Other current liabilities	894	Based on regular terms	-
Taiwan Kuro Times Co., Ltd.	1	Other current liabilities	144	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	Guarantee deposits	\$ 830	Based on regular terms	-
		Taiwan Digital Communications Co., Ltd.	1	Operating revenues	476	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Operating revenues	1,667,688	Based on regular terms	3%
		TFN Media Co., Ltd.	1	Operating revenues	2,302	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Operating revenues	483	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Operating revenues	730	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Operating revenues	377	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Operating revenues	1,005	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Operating revenues	378	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Operating revenues	150	Based on regular terms	-
		TWM Communications (Beijing) Ltd.	1	Operating cost	200	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Operating cost	1,425,489	Based on regular terms	3%
		Taiwan Teleservices & Technologies Co., Ltd.	1	Operating cost	653	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Operating cost	129	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	1	Operating cost	646	Based on regular terms	-
		Taiwan Super Basketball Co., Ltd.	1	Operating expenses	27,000	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Operating expenses	67,649	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Operating expenses	628,933	Based on regular terms	1%
		TFN Media Co., Ltd.	1	Operating expenses	(8)	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Operating expenses	(15)	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Operating expenses	(30)	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Operating expenses	(5)	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Operating expenses	(35)	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Operating expenses	(17)	Based on regular terms	-
		TCC Investment Co., Ltd.	1	Operating expenses	5,408	Based on regular terms	-
		Wealth Media Technology Co., Ltd.	1	Interest income	235	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	1	Interest income	10,340	Based on regular terms	-
		TFN Media Co., Ltd.	1	Interest income	18,944	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	-
		Taiwan Super Basketball Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Rental income	89,399	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	194	Based on regular terms	-
		TFN Media Co., Ltd.	1	Rental income	8,088	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	26	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Misellaneous revenue	3,344	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Interest expenses	10,646	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	
1	Wealth Media Technology Co., Ltd.	Tai Fu Media Technology Co., Ltd.	1	Other receivables	\$ 33,118	Payment terms varied depend on the agreements	-
		Global Wealth Media Technology Co., Ltd.	1	Other receivables	4,009	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Payment terms varied depend on the agreements	-
		Tai Fu Media Technology Co., Ltd.	1	Interest income	251	Payment terms varied depend on the agreements	-
		Global Wealth Media Technology Co., Ltd.	1	Interest income	12	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Interest expenses	235	Payment terms varied depend on the agreements	-
2	Taiwan Win TV Broadcasting Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	26	Based on regular terms	-
3	Tai Fu Media Technology Co., Ltd.	Wealth Media Technology Co., Ltd.	2	Accrued expenses	118	Based on regular terms	-
		Wealth Media Technology Co., Ltd.	2	Other payables	33,000	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
		Global Wealth Media Technology Co., Ltd.	1	Interest income	14	Based on regular terms	-
		Wealth Media Technology Co., Ltd.	2	Interest expenses	251	Based on regular terms	-
4	Global Wealth Media Technology Co., Ltd.	Globalview Cable TV Co., Ltd.	1	Prepayments	9	Based on regular terms	-
		Wealth Media Technology Co., Ltd.	2	Accrued expenses	9	Based on regular terms	-
		Wealth Media Technology Co., Ltd.	2	Other payables	4,000	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Operating expenses	26	Based on regular terms	-
		Wealth Media Technology Co., Ltd.	2	Interest expenses	12	Based on regular terms	-
		Tai Fu Media Technology Co., Ltd.	2	Interest expenses	14	Based on regular terms	-
5	Fu Jia Leh Media Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
6	Fu Sin Media Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
7	Global Forest Media Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
8	Taiwan Cellular Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Other receivables	855	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	1	Other receivables	123,171	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Short-term borrowing	6,560,000	Based on regular terms	13%
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	10,340	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	1	Interest income	171	Based on regular terms	-
		TFN Media Co., Ltd.	1	Interest income	19,147	Based on regular terms	-
		TCC Investment Co., Ltd.	1	Interest income	10,987	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Interest expenses	10,340	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Interest expenses	35,837	Based on regular terms	-
9	Taiwan Fixed Network Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Account receivable	361,720	Based on regular terms	1%
		TFN HK	1	Account receivable	2	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Account receivable	9	Based on regular terms	-
		TFN Media Co., Ltd.	3	Account receivable	16,922	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Account receivable	62	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Account receivable	163	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Account receivable	182	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	
		Phoenix Cable TV Co., Ltd.	3	Account receivable	\$ 597	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Account receivable	200	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Account receivable	842	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Other receivables	6,841,649	Based on regular terms	13%
		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 Mobile Co., Ltd.	2	Prepayments	43	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Prepayments	186	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Refundable deposits	830	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accounts payable	38,747	Based on regular terms	-
		TFN Media Co., Ltd.	3	Accounts payable	18,726	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	57,763	Based on regular terms	-
		TFN HK	1	Accrued expenses	25,192	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	3	Accrued expenses	16,486	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Accrued expenses	53	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Advance receipts	38	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Other current liabilities	29	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	1,473,692	Based on regular terms	3%
		Win TV Broadcasting Co., Ltd.	3	Operating revenues	375	Based on regular terms	-
		TFN Media Co., Ltd.	3	Operating revenues	63,822	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Operating revenues	2,236	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Operating revenues	502	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Operating revenues	1,606	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating revenues	4,985	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Operating revenues	1,430	Based on regular terms	-
		Taiwan Kuro Times Co., Ltd.	3	Operating revenues	715	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	1,669,503	Based on regular terms	3%
		TFN HK	1	Operating cost	35,912	Based on regular terms	-
		TFN Media Co., Ltd.	3	Operating cost	18,726	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Operating cost	866	Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Operating cost	667	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Operating cost	51	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating cost	1,259	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Operating cost	248	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	86,761	Based on regular terms	-
		TWM Communications (Beijing) Ltd.	3	Operating expenses	6	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	3	Operating expenses	107,909	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Interest income	10,646	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Interest income	35,837	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Interest income	14,990	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Misellaneous revenue	3,683	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Miscellaneous expense	3,344	Based on regular terms	-
10	Taiwan Digital Communications Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts payable	238	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	476	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	\$ 34	Based on regular terms	-
11	TCC Investment Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Misellaneous revenue	5,408	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	1	Misellaneous revenue	31	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Interest expenses	10,987	Based on regular terms	-
12	TCCI Investment and Development Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accrued expenses	6	Based on regular terms	-
13	Win TV Broadcasting Co., Ltd.	TFN Media Co., Ltd.	3	Note receivable	14,894	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	3	Account receivable	179	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	29	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Accrued expenses	171	Payment terms varied depend on the agreements	-
		Taiwan Cellular Co., Ltd.	2	Other payables	123,000	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	3	Other payables	116	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	3	Advance receipts	125	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Advance receipts	157	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	3	Advance receipts	125	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	3	Advance receipts	125	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	3	Advance receipts	125	Payment terms varied depend on the agreements	-
		Taiwan Teleservices & Technologies Co., Ltd.	3	Operating revenues	143	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	3	Operating revenues	44,257	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	3	Operating revenues	375	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Operating revenues	1,105	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	3	Operating revenues	10,729	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	3	Operating revenues	575	Payment terms varied depend on the agreements	-
Globalview Cable TV Co., Ltd.	3	Operating revenues	423	Payment terms varied depend on the agreements	-		
		Taiwan Mobile Co., Ltd.	2	Operating cost	133	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	
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	\$ 310	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	62	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	65	Based on regular terms	-
		TFN Media Co., Ltd.	3	Operating expenses	990	Payment terms varied depend on the agreements	-
		TCC Investment Co., Ltd.	2	Operating expenses	31	Payment terms varied depend on the agreements	-
		Taiwan Cellular Co., Ltd.	2	Interest expenses	171	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	3	Interest expenses	176	Payment terms varied depend on the agreements	-
14	TFN Media Co., Ltd.	Taiwan Fixed Network Co., Ltd.	3	Account receivable	18,726	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Account receivable	116	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	1	Account receivable	19,093	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Account receivable	68,613	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	1	Account receivable	7,874	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Account receivable	22,955	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	1	Account receivable	9,619	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Notes payable	14,894	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	9,494	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Accounts payable	18,211	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Accounts payable	20,274	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	1	Accounts payable	8,125	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	14,690	Payment terms varied depend on the agreements and	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	16,514	Based on regular terms 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	
		Union Cable TV Co., Ltd.	1	Accrued expenses	\$ 8,408	Payment terms varied depend on the agreements and Based on regular terms	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Accrued expenses	6,034	Payment terms varied depend on the agreements and Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	1	Accrued expenses	2,800	Payment terms varied depend on the agreements and Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Accrued expenses	5,851	Payment terms varied depend on the agreements and Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Accrued expenses	3,564	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Other payables	5,950,000	Payment terms varied depend on the agreements	11%
		Union Cable TV Co., Ltd.	1	Other payables	580,000	Payment terms varied depend on the agreements	1%
		Yeong Jia Leh Cable TV Co., Ltd.	1	Other payables	255,000	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Other payables	490,000	Payment terms varied depend on the agreements	1%
		Globalview Cable TV Co., Ltd.	1	Other payables	220,000	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	18,726	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating revenues	990	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	1	Operating revenues	185,243	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Operating revenues	356,923	Payment terms varied depend on the agreements	1%
		Mangrove Cable TV Co., Ltd.	1	Operating revenues	4,789	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Operating revenues	394,770	Payment terms varied depend on the agreements	1%
		Globalview Cable TV Co., Ltd.	1	Operating revenues	159,226	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	248	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	62,563	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 cost	\$ 44,162	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	1	Operating cost	26,062	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Operating cost	38,887	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	1	Operating cost	7,748	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Operating cost	41,052	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	1	Operating cost	16,314	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	9,981	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	1,241	Payment terms varied depend on the agreements and Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Operating expenses	2,009	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Operating expenses	3,410	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	1	Operating expenses	1,219	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Operating expenses	3,370	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	1	Operating expenses	1,156	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Interest income	176	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Interest expenses	18,944	Payment terms varied depend on the agreements	-
		Taiwan Cellular Co., Ltd.	3	Interest expenses	19,147	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	1	Interest expenses	4,119	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	1	Interest expenses	2,261	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	1	Interest expenses	4,018	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	1	Interest expenses	1,361	Payment terms varied depend on the agreements	-
15	Union Cable TV Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Account receivable	2,262	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	Account receivable	\$ 16,544	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other receivables	581,358	Payment terms varied depend on the agreements and Based on regular terms	1%
		Win TV Broadcasting Co., Ltd.	3	Prepayments	125	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	968	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Accounts payable	302	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	55	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	29	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Accrued expenses	2	Based on regular terms	-
		TFN Media Co., Ltd.	2	Other payables	18,125	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	935	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating revenues	27,434	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	232	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	1,355	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	375	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating cost	170,560	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	271	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	951	Based on regular terms	-
		TFN Media Co., Ltd.	2	Operating expenses	14,683	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Interest income	4,119	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Misellaneous revenue	636	Based on regular terms	-
16	Yeong Jia Leh Cable TV Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Account receivable	4,606	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Account receivable	23,391	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	3	Account receivable	302	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Account receivable	302	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Account receivable	773	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.	3	Account receivable	\$ 420	Based on regular terms	-
		TFN Media Co., Ltd.	2	Other receivables	255,839	Payment terms varied depend on the agreements and Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Prepayments	157	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Other current assets	15	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts payable	22	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	2,731	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Co., Ltd.	3	Accounts payable	18	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	54	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	82	Based on regular terms	-
		TFN Media Co., Ltd.	2	Accrued expenses	176	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Other payables	65,882	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	667	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating revenues	40,304	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	3	Operating revenues	288	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Operating revenues	221	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating revenues	736	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Operating revenues	350	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	353	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	216	Payment terms varied depend on the agreements and Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	375	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating cost	328,740	Payment terms varied depend on the agreements	1%
		Union Cable TV Co., Ltd.	3	Operating cost	288	Based on regular terms	-
		Mangrove Cable TV Co., Ltd.	3	Operating cost	221	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating cost	736	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Operating cost	350	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	408	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	275	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 expenses	\$ 683	Based on regular terms	-
		TFN Media Co., Ltd.	2	Operating expenses	28,183	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Interest income	2,261	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Misellaneous revenue	1,993	Based on regular terms	-
17	Mangrove Cable TV Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Account receivable	908	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Account receivable	2,701	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Account receivable	18	Based on regular terms	-
		TFN Media Co., Ltd.	2	Other receivables	99	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Prepayments	125	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts payable	119	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Accounts payable	989	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Accounts payable	302	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	12	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	49	Based on regular terms	-
		TFN Media Co., Ltd.	2	Accrued expenses	1	Based on regular terms	-
		TFN Media Co., Ltd.	2	Other payables	6,885	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	51	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating revenues	8,188	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	205	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	1,362	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	10,681	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating cost	1,609	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	177	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	243	Based on regular terms	-
		TFN Media Co., Ltd.	2	Operating expenses	3,180	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Misellaneous revenue	780	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	
18	Phoenix Cable TV Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Account receivable	\$ 5,572	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Account receivable	53	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Account receivable	24,758	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other receivables	491,367	Payment terms varied depend on the agreements and Based on regular terms	1%
		Win TV Broadcasting Co., Ltd.	3	Prepayments	125	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	1,708	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Accounts payable	773	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	107	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	578	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Other payables	21,248	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Advance receipts	186	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	1,259	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating revenues	42,655	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	488	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	4,038	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	375	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating cost	363,390	Payment terms varied depend on the agreements	1%
		Taiwan Mobile Co., Ltd.	2	Operating expenses	549	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	947	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Operating expenses	200	Based on regular terms	-
TFN Media Co., Ltd.	2	Operating expenses	31,380	Payment terms varied depend on the agreements	-		
TFN Media Co., Ltd.	2	Interest income	4,018	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	
		Taiwan Mobile Co., Ltd.	2	Rental income	\$ 129	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Misellaneous revenue	1,766	Based on regular terms	-
19	Globalview Cable TV Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Account receivable	1,165	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Account receivable	11,117	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other receivables	220,556	Payment terms varied depend on the agreements and Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Prepayments	125	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other current assets	16	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts payable	28	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	1,241	Payment terms varied depend on the agreements	-
		Yeong Jia Leh Cable TV Co., Ltd.	3	Accounts payable	420	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	11	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	154	Payment terms varied depend on the agreements and Based on regular terms	-
		TFN Media Co., Ltd.	2	Accrued expenses	16	Based on regular terms	-
		TFN Media Co., Ltd.	2	Other payables	8,378	Payment terms varied depend on the agreements	-
		Global Wealth Media Technology Co., Ltd.	3	Advance receipts	9	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	264	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating revenues	16,854	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	198	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	1,415	Payment terms varied depend on the agreements and Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Operating cost	375	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating cost	146,652	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	197	Payment terms varied depend on the agreements and Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	32	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	Operating expenses	\$ 12,574	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Interest income	1,361	Payment terms varied depend on the agreements	-
		Global Wealth Media Technology Co., Ltd.	2	Rental income	26	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Misellaneous revenue	615	Based on regular terms	-
20	Taiwan Kuro Times Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Account receivable	3,291	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	835	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	474	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	1,557	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating cost	6	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating cost	44	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	156	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	350	Based on regular terms	-
21	TWM Communications (Beijing) Ltd.	Taiwan Mobile Co., Ltd.	2	Account receivable	17,013	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	200	Based on regular terms	-
22	Taiwan Super Basketball Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Account receivable	99,729	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Account receivable	16,486	Based on regular terms	-
		TT&T Holdings	1	Accrued expenses	7,273	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	628,415	Based on regular terms	1%
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	107,909	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
		TT&T Holdings	1	Operating expenses	65,696	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Operating expenses	150	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Rental income	1,171	Based on regular terms	-
23	Taiwan Super Basketball Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Account receivable	9,000	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	27,000	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
24	TT&T Holdings	Taiwan Teleservices & Technologies Co., Ltd.	2	Account receivable	7,245	Based on regular terms	-
		Xiamen Taifu Teleservices & Technologies Co., Ltd.	1	Accounts payable	6,234	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	2	Operating revenues	65,805	Based on regular terms	-
		Xiamen Taifu Teleservices & Technologies Co., Ltd.	1	Operating expenses	55,390	Based on regular terms	-
25	Xiamen Taifu Teleservices & Technologies Co., Ltd.	TT&T Holdings	2	Account receivable	6,224	Based on regular terms	-
		TT&T Holdings	2	Operating revenues	55,328	Based on regular terms	-
26	TFN HK	Taiwan Fixed Network Co., Ltd.	2	Account receivable	23,951	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	2	Operating revenues	34,811	Based on regular terms	-
27	TFN Union Investment Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accrued expenses	6	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 NINE MONTHS ENDED SEPTEMBER 30, 2009**

**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 Fixed Network Co., Ltd.	1	Accounts receivable	\$ 13,782	Based on regular terms	-
		TFN Media Co., Ltd.	1	Accounts receivable	61	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Accounts receivable	13	Based on regular terms	-
		Yeong Jia leh Cable TV Co., Ltd.	1	Accounts receivable	29	Based on regular terms	-
		Mangrove Cable TV Corporation	1	Accounts receivable	8	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Accounts receivable	42	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Accounts receivable	8	Based on regular terms	-
		Tai Fu Media Technology Co., Ltd.	1	Other receivables	2,052,508	Based on regular terms	2%
		Taiwan Fixed Network Co., Ltd.	1	Other receivables	55,436	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Other receivables	5	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	1	Other receivables	5	Based on regular terms	-
		TFN Media Co., Ltd.	1	Other receivables	944	Based on regular terms	-
		TCC Investment Co., Ltd.	1	Other receivables	51	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Prepayments	71	Based on regular terms	-
		Mangrove Cable TV Corporation	1	Prepayments	30	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Accounts payable	17	Based on regular terms	-
		Taiwan Super Basketball Co., Ltd.	1	Accrued expenses	10,000	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Accrued expenses	228,104	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Accrued expenses	70,353	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Other payables	111,475	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Other payables	503	Based on regular terms	-
		Yeong Jia leh Cable TV Co., Ltd.	1	Other payables	1,213	Based on regular terms	-
		Mangrove Cable TV Corporation	1	Other payables	341	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Other payables	1,742	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Other payables	366	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Advance receipts	95	Based on regular terms	-
		TCC Investment Co., Ltd.	1	Advance receipts	34	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Other current liabilities	88,067	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Other current liabilities	679	Based on regular terms	-
		Yeong Jia leh Cable TV Co., Ltd.	1	Other current liabilities	2,088	Based on regular terms	-
		Mangrove Cable TV Corporation	1	Other current liabilities	542	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Other current liabilities	1,389	Based on regular terms	-
Globalview Cable TV Co., Ltd.	1	Other current liabilities	681	Based on regular terms	-		
Taiwan Fixed Network Co., Ltd.	1	Guarantee deposits	830	Based on regular terms	-		
Taiwan Fixed Network Co., Ltd.	1	Operating revenues	1,722,753	Based on regular terms	3%		
TFN Media Co., Ltd.	1	Operating revenues	566	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	
		Union Cable TV Co., Ltd.	1	Operating revenues	\$ 452	Based on regular terms	-
		Shin Ho Cable TV Co., Ltd.	1	Operating revenues	101	Based on regular terms	-
		Yeong Jia leh Cable TV Co., Ltd.	1	Operating revenues	571	Based on regular terms	-
		Mangrove Cable TV Corporation	1	Operating revenues	321	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Operating revenues	780	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Operating revenues	331	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Operating costs	1,002,933	Based on regular terms	2%
		Taiwan Teleservices & Technologies Co., Ltd.	1	Operating costs	725	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Operating costs	129	Based on regular terms	-
		Taiwan Super Basketball Co., Ltd.	1	Operating expenses	30,004	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Operating expenses	69,569	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Operating expenses	651,482	Based on regular terms	1%
		TFN Investment Co., Ltd.	1	Operating expenses	3,157	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	1	Operating expenses	(549)	Based on regular terms	-
		TFN Media Co., Ltd.	1	Operating expenses	(500)	Based on regular terms	-
		Union Cable TV Co., Ltd.	1	Operating expenses	(7)	Based on regular terms	-
		Yeong Jia leh Cable TV Co., Ltd.	1	Operating expenses	(16)	Based on regular terms	-
		Mangrove Cable TV Corporation	1	Operating expenses	(2)	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	1	Operating expenses	(20)	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	1	Operating expenses	(8)	Based on regular terms	-
		Tai Fu Media Technology Co., Ltd.	1	Interest income	36,268	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	37	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	-
		Taiwan Super Basketball Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Rental income	89,594	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Rental income	34	Based on regular terms	-
		TFN Investment Co., Ltd.	1	Rental income	34	Based on regular terms	-
		Reach & Range Inc.	1	Rental income	34	Based on regular terms	-
		TFN Media Co., Ltd.	1	Rental income	8,088	Based on regular terms	-
		TCC Investment Co., Ltd.	1	Rental income	14	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Miscellaneous revenue	18	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Interest expenses	16,869	Based on regular terms	-
1	Wealth Media Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Payment terms varied depend on the agreements	-
2	Tai Fu Media Technology Co., Ltd.	Global Wealth Media Technology Co., Ltd.	1	Other receivables	9,025	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	20,508	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	
		Taiwan Mobile Co., Ltd.	2	Other payables	\$ 2,032,000	Payment terms varied depend on the agreements	2%
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Payment terms varied depend on the agreements	-
		Global Wealth Media Technology Co., Ltd.	1	Interest income	25	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Interest expenses	36,268	Payment terms varied depend on the agreements	-
3	Fu Jia Leh Media Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Payment terms varied depend on the agreements	-
4	Fu Sin Media Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Payment terms varied depend on the agreements	-
5	Global Wealth Media Technology Co., Ltd.	Globalview Cable TV Co., Ltd.	1	Prepayments	9	Payment terms varied depend on the agreements	-
		Tai Fu Media Technology Co., Ltd.	2	Accrued expenses	25	Payment terms varied depend on the agreements	-
		Tai Fu Media Technology Co., Ltd.	2	Other payables	9,000	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	1	Operating expenses	26	Payment terms varied depend on the agreements	-
		Tai Fu Media Technology Co., Ltd.	2	Interest expenses	25	Payment terms varied depend on the agreements	-
6	Global Forest Media Technology Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	37	Payment terms varied depend on the agreements	-
7	Taiwan Cellular Co., Ltd.	TFN Media Co., Ltd.	1	Other receivables	1,303,040	Based on regular terms	1%
		Taiwan Fixed Network Co., Ltd.	1	Short-term borrowing	950,000	Based on regular terms	1%
		Taiwan Fixed Network Co., Ltd.	1	Accrued expenses	440	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
		TFN Media Co., Ltd.	1	Interest income	5,010	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	1	Interest expenses	440	Based on regular terms	-
8	Taiwan Digital Communications Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
9	Taiwan Super Basketball Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	10,000	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	30,004	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating costs	1	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	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	
10	TT&T Holdings Co., Ltd.	Taiwan Teleservices & Technologies Co., Ltd.	2	Accounts receivable	\$ 7,346	Based on regular terms	-
		Xiamen Taifu Teleservices & Technologies Ltd.	1	Accounts payable	5,659	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	2	Accounts payable	3,687	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	2	Operating revenues	29,254	Based on regular terms	-
		Xiamen Taifu Teleservices & Technologies Ltd.	1	Operating expenses	18,009	Based on regular terms	-
11	Xiamen Taifu Teleservices & Technologies Ltd.	TT&T Holdings Co., Ltd.	2	Accounts receivable	5,659	Based on regular terms	-
		TT&T Holdings Co., Ltd.	2	Operating revenues	18,004	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	2	Operating revenues	34,167	Based on regular terms	-
		TT&T Holdings Co., Ltd.	2	Operating expenses	1	Based on regular terms	-
12	Taiwan Fixed Network Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Notes receivable	39	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accounts receivable	221,345	Based on regular terms	-
		TFN HK	1	Accounts receivable	2	Based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Accounts receivable	10	Based on regular terms	-
		TFN Media Co., Ltd.	3	Accounts receivable	11,134	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Accounts receivable	63	Based on regular terms	-
		Yeong Jia leh Cable TV Co., Ltd.	3	Accounts receivable	86	Based on regular terms	-
		Mangrove Cable TV Corporation	3	Accounts receivable	190	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Accounts receivable	483	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Accounts receivable	116	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Other receivables	205,758	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Other receivables	950,440	Based on regular terms	1%
		Union Cable TV Co., Ltd.	3	Other receivables	8	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Other receivables	3	Based on regular terms	-
		TCC Investment Co., Ltd.	3	Other receivables	26,367,129	Based on regular terms	30%
		Taiwan Mobile Co., Ltd.	2	Prepayments	95	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Prepayments	157	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Other current assets	32	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Refundable deposits	830	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accounts payable	13,391	Based on regular terms	-
		TFN Media Co., Ltd.	3	Accounts payable	18,292	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	54,760	Based on regular terms	-
		TFN HK	1	Accrued expenses	8,211	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Accrued expenses	12,638	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Advance receipts	71	Based on regular terms	-
		TFN HK	1	Other current liabilities	189	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	1,045,962	Based on regular terms	2%
		Win TV Broadcasting Co., Ltd.	3	Operating revenues	381	Based on regular terms	-
		TFN Media Co., Ltd.	3	Operating revenues	47,370	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Operating revenues	1,143	Based on regular terms	-
Yeong Jia leh Cable TV Co., Ltd.	3	Operating revenues	489	Based on regular terms	-		
Mangrove Cable TV Corporation	3	Operating revenues	1,323	Based on regular terms	-		
Phoenix Cable TV Co., Ltd.	3	Operating revenues	3,869	Based on regular terms	-		
Globalview Cable TV Co., Ltd.	3	Operating revenues	537	Based on regular terms	-		
Taiwan Mobile Co., Ltd.	2	Operating costs	1,719,231	Based on regular terms	3%		

(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 HK	1	Operating costs	\$ 21,022	Based on regular terms	-
		Reach & Range Inc.	1	Operating costs	426	Based on regular terms	-
		TFN Media Co., Ltd.	3	Operating costs	18,292	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Operating costs	986	Based on regular terms	-
		Yeong Jia leh Cable TV Co., Ltd.	3	Operating costs	140	Based on regular terms	-
		Mangrove Cable TV Corporation	3	Operating costs	34	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating costs	1,464	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Operating costs	264	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	88,330	Based on regular terms	-
		Taiwan Teleservices & Technologies Co., Ltd.	1	Operating expenses	118,631	Based on regular terms	-
		TFN Media Co., Ltd.	3	Operating expenses	20	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Interest income	16,869	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Interest income	440	Based on regular terms	-
		TFN Media Co., Ltd.	3	Interest income	11,162	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Rental income	15,979	Based on regular terms	-
		Union Cable TV Co., Ltd.	3	Rental income	69	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Rental income	23	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Miscellaneous revenue	5,720	Based on regular terms	-
		TFN Media Co., Ltd.	3	Miscellaneous revenue	1,268	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Miscellaneous revenue	18	Based on regular terms	-
13	TFN HK	Taiwan Fixed Network Co., Ltd.	2	Accounts receivable	7,862	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	2	Operating revenues	20,365	Based on regular terms	-
14	Taiwan Teleservices & Technologies Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	70,370	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	2	Accounts receivable	12,638	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	5	Based on regular terms	-
		TT&T Holdings Co., Ltd.	1	Accrued expenses	3,642	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	650,701	Based on regular terms	1%
		Taiwan Fixed Network Co., Ltd.	2	Operating revenues	118,563	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
		TT&T Holdings Co., Ltd.	1	Operating expenses	28,897	Based on regular terms	-
		Xiamen Taifu Teleservices & Technologies Ltd.	1	Operating expenses	34,448	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	2	Operating expenses	(68)	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Rental income	1,506	Based on regular terms	-
15	TFN Investment Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Operating expenses	36	Based on regular terms	-
		TFN Media Co., Ltd.	1	Interest income	43,524	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Miscellaneous revenue	3,157	Based on regular terms	-
16	Reach & Range Inc.	Taiwan Fixed Network Co., Ltd.	2	Operating revenues	426	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	34	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	2	Miscellaneous revenue	170	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	
17	Win TV Broadcasting Co., Ltd.	TFN Media Co., Ltd.	3	Accounts receivable	\$ 51,078	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	5	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	(9)	Based on regular terms	-
		TFN Media Co., Ltd.	3	Accrued expenses	524	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	3	Other payables	354,231	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	3	Advance receipts	75	Payment terms varied depend on the agreements	-
		Yeong Jia leh Cable TV Co., Ltd.	3	Advance receipts	75	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Corporation	3	Advance receipts	75	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	3	Advance receipts	75	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	3	Advance receipts	75	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating revenues	231	Payment terms varied depend on the agreements and based on regular terms	-
		TFN Media Co., Ltd.	3	Operating revenues	51,078	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	3	Operating revenues	225	Payment terms varied depend on the agreements	-
		Yeong Jia leh Cable TV Co., Ltd.	3	Operating revenues	260	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Corporation	3	Operating revenues	225	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	3	Operating revenues	225	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	3	Operating revenues	225	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating costs	315	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	700	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	66	Based on regular terms	-
TFN Media Co., Ltd.	3	Operating expenses	440	Payment terms varied depend on the agreements	-		
TFN Media Co., Ltd.	3	Interest expenses	558	Payment terms varied depend on the agreements	-		
18	TFN Media Co., Ltd.	Taiwan Fixed Network Co., Ltd.	3	Accounts receivable	18,292	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Accounts receivable	231	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.	2	Accounts receivable	\$ 85,985	Payment terms varied depend on the agreements	-
		Yeong Jia leh Cable TV Co., Ltd.	1	Accounts receivable	145,815	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Corporation	1	Accounts receivable	5,424	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	2	Accounts receivable	169,531	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	2	Accounts receivable	6,131	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Other receivables	354,524	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Prepayments	2	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Other current assets	16	Based on regular terms	-
		Yeong Jia leh Cable TV Co., Ltd.	1	Other current assets	19	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Accounts payable	51,078	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	2	Accounts payable	13,057	Payment terms varied depend on the agreements	-
		Yeong Jia leh Cable TV Co., Ltd.	1	Accounts payable	23,838	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Corporation	1	Accounts payable	8,854	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	2	Accounts payable	28,313	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	2	Accounts payable	11,240	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	1,005	Payment terms varied depend on the agreements and based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Accrued expenses	3,040	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	10,407	Payment terms varied depend on the agreements	-
		TCC Investment Co., Ltd.	2	Accrued expenses	7,675	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	2	Accrued expenses	6,439	Payment terms varied depend on the agreements and based on regular terms	-
		Shin Ho Cable TV Co., Ltd.	2	Accrued expenses	857	Payment terms varied depend on the agreements and based on regular terms	-
		Yeong Jia leh Cable TV Co., Ltd.	1	Accrued expenses	5,126	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	
		Mangrove Cable TV Corporation	1	Accrued expenses	\$ 2,379	Payment terms varied depend on the agreements and based on regular terms	-
		Phoenix Cable TV Co., Ltd.	2	Accrued expenses	6,082	Payment terms varied depend on the agreements and based on regular terms	-
		Globalview Cable TV Co., Ltd.	2	Accrued expenses	2,755	Payment terms varied depend on the agreements and based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Other payables	1,300,000	Payment terms varied depend on the agreements	1%
		TCC Investment Co., Ltd.	2	Other payables	3,450,000	Payment terms varied depend on the agreements	4%
		Union Cable TV Co., Ltd.	2	Other payables	610,000	Payment terms varied depend on the agreements	1%
		Shin Ho Cable TV Co., Ltd.	2	Other payables	200,000	Payment terms varied depend on the agreements	-
		Yeong Jia leh Cable TV Co., Ltd.	1	Other payables	230,000	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Corporation	1	Other payables	188,000	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	2	Other payables	580,000	Payment terms varied depend on the agreements	1%
		Globalview Cable TV Co., Ltd.	2	Other payables	200,000	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	18,292	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating revenues	440	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	2	Operating revenues	173,656	Payment terms varied depend on the agreements	-
		Yeong Jia leh Cable TV Co., Ltd.	1	Operating revenues	319,380	Payment terms varied depend on the agreements	1%
		Mangrove Cable TV Corporation	1	Operating revenues	13,508	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	2	Operating revenues	376,476	Payment terms varied depend on the agreements	1%
		Globalview Cable TV Co., Ltd.	2	Operating revenues	150,941	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating costs	228	Payment terms varied depend on the agreements and based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating costs	45,849	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 costs	\$ 51,078	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	2	Operating costs	27,545	Payment terms varied depend on the agreements	-
		Shin Ho Cable TV Co., Ltd.	2	Operating costs	1,350	Payment terms varied depend on the agreements	-
		Yeong Jia leh Cable TV Co., Ltd.	1	Operating costs	37,749	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Corporation	1	Operating costs	13,336	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	2	Operating costs	44,143	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	2	Operating costs	16,132	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	8,683	Payment terms varied depend on the agreements and based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	2,381	Based on regular terms	-
		Union Cable TV Co., Ltd.	2	Operating expenses	1,926	Payment terms varied depend on the agreements and based on regular terms	-
		Shin Ho Cable TV Co., Ltd.	2	Operating expenses	64	Payment terms varied depend on the agreements and based on regular terms	-
		Yeong Jia leh Cable TV Co., Ltd.	1	Operating expenses	1,904	Payment terms varied depend on the agreements and based on regular terms	-
		Mangrove Cable TV Corporation	1	Operating expenses	1,061	Payment terms varied depend on the agreements and based on regular terms	-
		Phoenix Cable TV Co., Ltd.	2	Operating expenses	2,499	Payment terms varied depend on the agreements and based on regular terms	-
		Globalview Cable TV Co., Ltd.	2	Operating expenses	713	Payment terms varied depend on the agreements and based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Interest income	558	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Miscellaneous revenue	1	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Miscellaneous revenue	20	Based on regular terms	-
		Taiwan Cellular Co., Ltd.	2	Interest expenses	5,010	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Interest expenses	11,162	Payment terms varied depend on the agreements	-
		TFN Investment Co., Ltd.	2	Interest expenses	44,847	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.	2	Interest expenses	\$ 8,469	Payment terms varied depend on the agreements	-
		Shin Ho Cable TV Co., Ltd.	2	Interest expenses	3,092	Payment terms varied depend on the agreements	-
		Yeong Jia leh Cable TV Co., Ltd.	1	Interest expenses	2,583	Payment terms varied depend on the agreements	-
		Mangrove Cable TV Corporation	1	Interest expenses	2,079	Payment terms varied depend on the agreements	-
		Phoenix Cable TV Co., Ltd.	2	Interest expenses	7,260	Payment terms varied depend on the agreements	-
		Globalview Cable TV Co., Ltd.	2	Interest expenses	4,264	Payment terms varied depend on the agreements	-
19	Union Cable TV Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	1,164	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts receivable	16,967	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other receivables	612,529	Payment terms varied depend on the agreements and based on regular terms	1%
		Win TV Broadcasting Co., Ltd.	3	Prepayments	75	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	70,674	Payment terms varied depend on the agreements	-
		Yeong Jia leh Cable TV Co., Ltd.	3	Accounts payable	655	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	28	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	29	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other payables	15,310	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	986	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating revenues	28,803	Payment terms varied depend on the agreements	-
		Yeong Jia leh Cable TV Co., Ltd.	3	Operating revenues	258	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating costs	227	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating costs	247	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating costs	225	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating costs	158,947	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	237	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	\$ 968	Payment terms varied depend on the agreements and based on regular terms	-
		TFN Media Co., Ltd.	2	Operating expenses	14,709	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Interest income	8,469	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Miscellaneous revenue	669	Based on regular terms	-
20	Shin Ho Cable TV Co., Ltd.	TFN Media Co., Ltd.	2	Other receivables	200,857	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating revenues	1,350	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating costs	57	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	45	Payment terms varied depend on the agreements and based on regular terms	-
		TFN Media Co., Ltd.	2	Interest income	3,092	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Miscellaneous revenue	64	Based on regular terms	-
21	Yeong Jia leh Cable TV Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	3,159	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts receivable	28,231	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	3	Accounts receivable	655	Based on regular terms	-
		Mangrove Cable TV Corporation	3	Accounts receivable	1,955	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Accounts receivable	1,155	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Accounts receivable	739	Based on regular terms	-
		TFN Media Co., Ltd.	2	Other receivables	230,704	Payment terms varied depend on the agreements and based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Prepayments	75	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other current assets	29	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts payable	22	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	129,495	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	30	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	50	Based on regular terms	-
		TFN Media Co., Ltd.	2	Accrued expenses	19	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other payables	16,320	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	
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	\$ 140	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating revenues	38,817	Payment terms varied depend on the agreements	-
		Union Cable TV Co., Ltd.	3	Operating revenues	655	Based on regular terms	-
		Mangrove Cable TV Corporation	3	Operating revenues	1,955	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating revenues	1,155	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Operating revenues	739	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating costs	279	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating costs	192	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating costs	225	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating costs	290,657	Payment terms varied depend on the agreements	1%
		Union Cable TV Co., Ltd.	3	Operating costs	913	Based on regular terms	-
		Mangrove Cable TV Corporation	3	Operating costs	1,955	Based on regular terms	-
		Phoenix Cable TV Co., Ltd.	3	Operating costs	1,476	Based on regular terms	-
		Globalview Cable TV Co., Ltd.	3	Operating costs	739	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	309	Payment terms varied depend on the agreements and based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	299	Payment terms varied depend on the agreements and based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Operating expenses	35	Based on regular terms	-
		TFN Media Co., Ltd.	2	Operating expenses	28,723	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Interest income	2,583	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Miscellaneous revenue	836	Based on regular terms	-
22	Mangrove Cable TV Corporation	Taiwan Mobile Co., Ltd.	2	Accounts receivable	1,036	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts receivable	10,488	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other receivables	188,745	Payment terms varied depend on the agreements and based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Prepayments	75	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts payable	120	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	248	Payment terms varied depend on the agreements	-
		Yeong Jia leh Cable TV Co., Ltd.	3	Accounts payable	1,955	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	Accrued expenses	\$ (1)	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	54	Based on regular terms	-
		TFN Media Co., Ltd.	2	Other payables	5,176	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	34	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating revenues	13,615	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating costs	157	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating costs	1,026	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating costs	225	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating costs	248	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	125	Payment terms varied depend on the agreements and based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	296	Based on regular terms	-
		TFN Media Co., Ltd.	2	Operating expenses	13,259	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Interest income	2,079	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Miscellaneous revenue	782	Based on regular terms	-
23	Phoenix Cable TV Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	3,073	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts receivable	32,985	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other receivables	581,409	Payment terms varied depend on the agreements and based on regular terms	1%
		Win TV Broadcasting Co., Ltd.	3	Prepayments	75	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	153,177	Payment terms varied depend on the agreements	-
		Yeong Jia leh Cable TV Co., Ltd.	3	Accounts payable	1,155	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	44	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	471	Payment terms varied depend on the agreements and based on regular terms	-
		TFN Media Co., Ltd.	2	Other payables	16,354	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	
		Taiwan Fixed Network Co., Ltd.	3	Advance receipts	\$ 157	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	1,464	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating revenues	45,463	Payment terms varied depend on the agreements	-
		Yeong Jia leh Cable TV Co., Ltd.	3	Operating revenues	321	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Operating costs	342	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating costs	2,691	Payment terms varied depend on the agreements	-
		Win TV Broadcasting Co., Ltd.	3	Operating costs	225	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating costs	344,591	Payment terms varied depend on the agreements	1%
		Taiwan Mobile Co., Ltd.	2	Operating expenses	458	Payment terms varied depend on the agreements and based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	1,180	Payment terms varied depend on the agreements and based on regular terms	-
		TFN Media Co., Ltd.	2	Operating expenses	31,886	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Interest income	7,260	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Rental income	129	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Miscellaneous revenue	1,179	Based on regular terms	-
24	Globalview Cable TV Co., Ltd.	Taiwan Mobile Co., Ltd.	2	Accounts receivable	1,029	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts receivable	12,867	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other receivables	201,112	Payment terms varied depend on the agreements and based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Prepayments	75	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Other current assets	17	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Accounts payable	30	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Accounts payable	49	Payment terms varied depend on the agreements	-
		Yeong Jia leh Cable TV Co., Ltd.	3	Accounts payable	739	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	9	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Accrued expenses	67	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 payables	\$ 6,082	Payment terms varied depend on the agreements	-
		Global Wealth Media Technology Co., Ltd.	2	Advance receipts	9	Payment terms varied depend on the agreements	-
		Taiwan Fixed Network Co., Ltd.	3	Operating revenues	264	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating revenues	16,479	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating costs	191	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating costs	461	Payment terms varied depend on the agreements and based on regular terms	-
		Win TV Broadcasting Co., Ltd.	3	Operating costs	225	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Operating costs	136,831	Payment terms varied depend on the agreements	-
		Taiwan Mobile Co., Ltd.	2	Operating expenses	148	Payment terms varied depend on the agreements and based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Operating expenses	98	Based on regular terms	-
		TFN Media Co., Ltd.	2	Operating expenses	14,110	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Interest income	4,264	Payment terms varied depend on the agreements	-
		Global Wealth Media Technology Co., Ltd.	2	Rental income	26	Payment terms varied depend on the agreements	-
		TFN Media Co., Ltd.	2	Miscellaneous revenue	365	Based on regular terms	-
25	TCC Investment Co., Ltd.	TFN Media Co., Ltd.	1	Other receivables	3,457,675	Based on regular terms	4%
		Taiwan Mobile Co., Ltd.	2	Prepayments	34	Based on regular terms	-
		Taiwan Mobile Co., Ltd.	2	Accrued expenses	51	Based on regular terms	-
		Taiwan Fixed Network Co., Ltd.	3	Other payables	26,367,129	Based on regular terms	30%
		Taiwan Mobile Co., Ltd.	2	Operating expenses	14	Based on regular terms	-
		TFN Media Co., Ltd.	1	Interest income	1,323	Based on regular terms	-

Note: 1. Parent to subsidiary.

2. Subsidiary to parent.

3. Between subsidiaries.

(Concluded)