

	Telecom business		Cable business	Retail business
	Mobile business	Fixed-line business		
Market position	Second-largest mobile operator in a five-player market, with a market share of around 29% in terms of mobile service revenue	A market share of around 1.3% for ADSL/FTTx business. One of the top three internet service providers (ISP), with a market share of 4.5% (including 199K cable broadband subscribers from its cable business)	Fourth-largest multisystem operator (MSO), covering about 11% of households in Taiwan	Ranked among the top three in both online shopping and TV home shopping businesses
Subscriber base	● 7,453K mobile subscribers	● Around 60K ADSL/FTTx internet access users	● 589K CATV subscribers ● 199K cable broadband subscribers	Not applicable
2015 revenue*	83,781		6,555	25,640
As a % of group revenue	72%		6%	22%
2015 EBITDA*	27,229		3,564	1,191
As a % of group EBITDA	84%		11%	4%

\* Source: 2015 financial reports. The difference between the sum of each division and consolidated numbers was due to inter-division adjustments and eliminations.

## Operating Results Review

### Telecom Business

4G service take-up rate reached 43% of the Company's postpaid installed base as of the end of 2015, up from 16% a year ago. Given 4G postpaid's higher ARPU compared with 2G/3G, the increase in 4G subscribers boosted TWM's mobile postpaid ARPU by 3% YoY in 2015. Total telecom revenue, including handset sales, rose 2% YoY. Telecom EBITDA turned positive, growing 4% YoY, as a result of its solid 4G strategy and improved operating leverage.

### Cable Business

Revenue in 2015 rose 3% from a year ago, driven by growth in digital TV and cable broadband businesses. Growth was attributed to a successful bundling strategy, which lifted the Company's digital TV penetration rate and cable broadband service adoption rate. Accordingly, EBITDA from the cable TV business rose 4% YoY.

## Retail Business

The main growth driver came from the continuous expansion of the online shopping business, which surged 15% YoY in 2015. However, given higher expenses from TV channel expansion and a lower revenue mix from its higher-margin TV home shopping business, momo's EBITDA fell short of target, but still contributed 4% to the Company's consolidated EBITDA.

## Scope of Business

### Business overview

#### Telecom Business

#### 1. Telecom products and services

##### Consumer Business Group (CBG)

The Consumer Business Group is mainly engaged in providing mobile communication services to individual users. The Company offers a wide range of products, including SIM cards for postpaid subscribers, as well as SIM and reloadable cards for prepaid subscribers that can be used for making/receiving calls and value-added services, such as short messaging service (SMS), data and multimedia.

Target customers	Service category	Description	Highlights
Individual consumers	Mobile	Voice	Basic telecommunication voice services, including making and receiving calls from fixed-line and mobile phones
		Data	Value-added services, including voice mail, call forwarding, call waiting, conferencing, SMS, roaming, call barring, video calls, multimedia and content (e.g. mobile TV, music, games, financial information, online bookstore, messaging apps, video clips, video streaming), and internet access using 4G/HSDPA/3G transmission
	IDD	International direct dialing services	