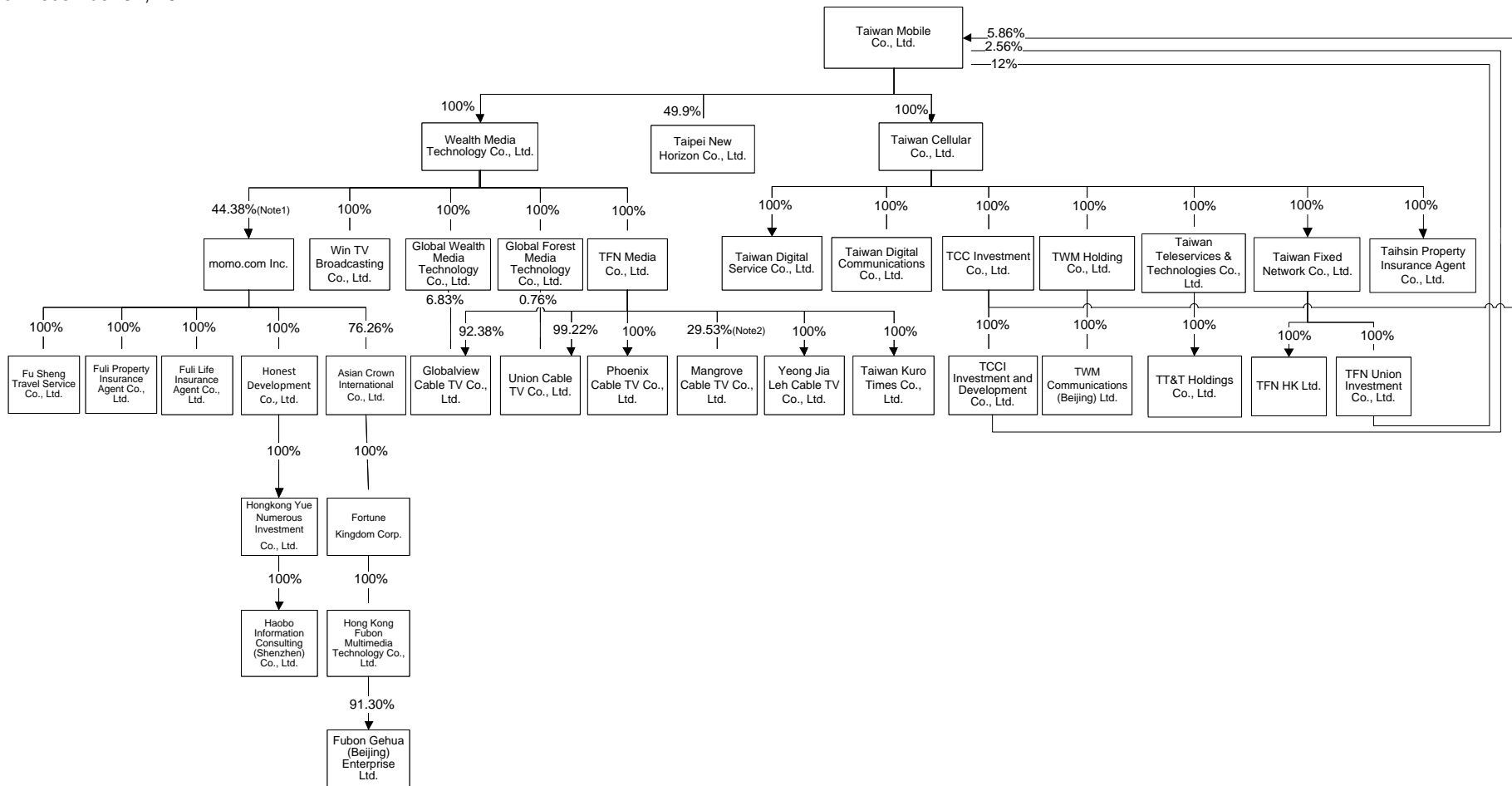


Chapter 7 Special Notes

Affiliates

1. Investment holding structure

As of December 31, 2017



Note 1: Shareholding ratios are calculated based on the number of issued shares (including treasury shares).

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

2. Affiliates' profile

December 31, 2017; Unit: NT\$ (unless otherwise stated)

Name	Date of incorporation	Address	Paid-in capital	Main business
Taiwan Cellular Co., Ltd.	2005.09.20	7F, No. 206, Dunhua S. Rd., Sec. 2, Da-an District., Taipei	5,029,703,090	Investment
Wealth Media Technology Co., Ltd.	2007.08.07	7F, No. 206, Dunhua S. Rd., Sec. 2, Da-an District., Taipei	420,650,000	Investment
Taipei New Horizon Co., Ltd.	2009.01.07	6F, No. 88, Yanchang Rd., Xinyi District, Taipei	3,845,000,000	Property investment and management of Songshan Cultural and Creative Park
Taiwan Fixed Network Co., Ltd.	2007.01.30	4F, No. 111, Dunhua S. Rd., Sec. 1, Da-an District., Taipei	21,000,000,000	Fixed-line service provider
Taiwan Teleservices & Technologies Co., Ltd.	2001.06.08	7F, No. 206, Dunhua S. Rd., Sec. 2, Da-an District., Taipei	24,843,000	Call center service and telemarketing
TWM Holding Co. Ltd.	2006.06.09	Arias, Fabrega & Fabrega Trust Co., BVI Ltd. 325 Waterfront Drive, Road Town, Tortola, British Virgin Islands	US\$1	Investment
TCC Investment Co., Ltd.	2009.08.10	7F, No. 206, Dunhua S. Rd., Sec. 2, Da-an District., Taipei	1,547,213,080	Investment
Taiwan Digital Communications Co., Ltd.	2007.06.06	7F, No. 206, Dunhua S. Rd., Sec. 2, Da-an District., Taipei	112,000,000	TV program producer and mobile phone wholesaler
Taiwan Digital Service Co., Ltd.	2013.04.02	7F, No. 206, Dunhua S. Rd., Sec. 2, Da-an District., Taipei	25,000,000	Service and repair
Taihsin Property Insurance Agent Co., Ltd.	2017.12.29	7F, No. 206, Dunhua S. Rd., Sec. 2, Da-an District., Taipei	5,000,000	Property insurance agent
TFN Media Co., Ltd.	2005.01.25	11F, No. 98, Zhouzi St., Neihu District, Taipei	2,309,213,040	Cable broadband and value-added services provider
Global Forest Media Technology Co., Ltd.	2008.12.26	7F, No. 206, Dunhua S. Rd., Sec. 2, Da-an District., Taipei	15,000,000	Investment
Global Wealth Media Technology Co., Ltd.	2007.10.26	1F, No. 206, Datong Rd., Sec. 2, Xizhi District, New Taipei City	89,448,670	Investment
Win TV Broadcasting Co., Ltd.	2005.10.17	11F, No. 98, Zhouzi St., Neihu District, Taipei	181,773,820	Television network
momo.com Inc.	2004.09.27	4F, No. 96, Zhouzi St., Neihu District, Taipei	1,420,585,000	Wholesale and retail sales
TFN Union Investment Co., Ltd.	2009.09.22	7F, No. 206, Dunhua S. Rd., Sec. 2, Da-an District., Taipei	4,000,000	Investment
TFN HK Ltd.	2003.05.14	Unit 1405-1406, Dominion Centre, 43-59 Queen's Road East, Wanchai, Hong Kong	HK\$1,300,000	Telecommunications service provider
TT&T Holdings Co., Ltd.	2004.10.08	TrustNet Chambers Lotemau Centre, P.O. Box 1225, Apia, Samoa	US\$1,300,000	Investment
TWM Communications (Beijing) Ltd.	2002.09.17	Room 2106, No. 9, Beisihuan West Rd., Haidian District, Beijing, China	US\$3,000,000	Mobile application development and design
TCCI Investment and Development Co., Ltd.	2009.09.22	7F, No. 206, Dunhua S. Rd., Sec. 2, Da-an District., Taipei	1,047,120,000	Investment
Taiwan Kuro Times Co., Ltd.	2009.02.11	12F, No. 88, Yanchang Rd., Xinyi District, Taipei	120,000,000	Digital music service

Name	Date of incorporation	Address	Paid-in capital	Main business
Yeong Jia Leh Cable TV Co., Ltd.	1994.09.26	10F, No. 651-5, Zhongzheng Rd., Xinzhuang District, New Taipei City	339,400,000	Cable TV service provider
Mangrove Cable TV Co., Ltd.	1996.01.23	5F, No. 33, Lane 3, Zhongzheng E. Rd., Sec. 1, Danshui District, New Taipei City	211,600,000	Cable TV service provider
Phoenix Cable TV Co., Ltd.	1996.08.22	No. 312, Fongping 1st Rd., Daliao Township, Greater Kaohsiung	680,901,980	Cable TV service provider
Union Cable TV Co., Ltd.	2005.02.04	No.179, Nujhong Rd., Sec. 1, Yilan City, Yilan County	1,704,632,800	Cable TV service provider
Globalview Cable TV Co., Ltd.	1995.11.25	No. 206, Datong Rd., Sec. 2, Xizhi District, New Taipei City	560,000,000	Cable TV service provider
Asian Crown International Co., Ltd.	2009.01.07	Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands	US\$34,750,000	Investment
Honest Development Co., Ltd.	2015.01.23	TMF Chambers, P.O. Box 3269, Apia, Samoa	US\$21,778,413	Investment
Fuli Life Insurance Agent Co., Ltd.	2005.12.27	7F, No. 98, Zhouzi St., Neihu District, Taipei	5,000,000	Life insurance agency
Fuli Property Insurance Agent Co., Ltd.	2006.01.03	7F, No. 96, Zhouzi St., Neihu District, Taipei	5,000,000	Property insurance agency
Fu Sheng Travel Service Co., Ltd.	2004.12.16	7F, No. 92, Zhouzi St., Neihu District, Taipei	30,000,000	Travel agency
Fortune Kingdom Corp.	2009.01.06	Equity Trust Chambers, P.O. Box 3269, Apia, Samoa	US\$33,632,777	Investment
Hongkong Yue Numerous Investment Co., Ltd.	2015.03.12	Unit 1903, 19/F., Podium Plaza, 5 Hanoi Road, Tsirn Sha Tsui, Kowloon, Hong Kong	HK\$16,600,000	Investment
Hong Kong Fubon Multimedia Technology Co., Ltd.	2010.03.18	Unit 1405-1406, Dominion Center, No. 43-59, Queen's Road East, Wanchai, Hong Kong	US\$33,632,777	Investment
Haobo Information Consulting (Shenzhen) Co., Ltd.	2008.11.14	2208B, Fuchun Eastern Building, Agricultural Science Center, Futian District, Shenzhen, Guangdong Province	RMB11,000,000	Investment
Fubon Gehua (Beijing) Enterprise Ltd.	2010.12.08	Room 102, Building 3, No. 241, Ping Fang Rd., Chaoyang District, Beijing, China	RMB57,500,000	Wholesaler

3. Other significant events affecting shareholders' equity or stock price: None

4. Industries covered by affiliates' business operations

The Company's affiliates have set digital convergence as their core strategy, focusing on building 1) platforms: mobile network, cable TV/digital TV and cable broadband; 2) content: momo TV home shopping broadcasting, momo Family TV Channel, digital content and media, mobile commerce and payment, mobile apps and IoT, and 3) virtual/physical channels: myfone direct stores/online shopping and momoshop, to lay out the Group's T.I.M.E. (Telecom, Internet, Media & Entertainment and E-commerce) footprint.

5. Affiliates' operating highlights

December 31, 2017; Unit: NT\$'000

Company name	Paid-in capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating income	Net income	EPS (NT\$)
Taiwan Cellular Co., Ltd.	5,029,703	86,213,915	6,501	86,207,414	-	(462)	3,483,830	6.93
Wealth Media Technology Co., Ltd.	420,650	20,419,588	260	20,419,328	-	(146)	2,294,077	54.54
Taipei New Horizon Co., Ltd.	3,845,000	7,928,190	4,477,543	3,450,647	577,182	177,574	130,304	0.34
Taiwan Fixed Network Co., Ltd.	21,000,000	58,389,440	2,676,359	55,713,081	9,981,360	3,935,928	3,411,929	1.62
Taiwan Teleservices & Technologies Co., Ltd.	24,843	476,535	371,535	105,000	1,230,275	68,390	53,946	21.71
TWM Holding Co., Ltd.	0.032	248,425	31	248,394	-	(61)	(8,986)	(8,986,422)
TCC Investment Co., Ltd.	1,547,213	29,927,051	564,045	29,363,006	212	(34)	6,170	0.04
Taiwan Digital Communications Co., Ltd.	112,000	115,626	60	115,566	-	(546)	(191)	(0.02)
Taiwan Digital Service Co., Ltd.	25,000	136,422	33,702	102,720	171,032	9,728	8,327	3.33
Taihsin Property Insurance Agent Co., Ltd.	5,000	5,000	58	4,942	-	(58)	(58)	(0.12)
TFN Media Co., Ltd.	2,309,213	13,908,560	4,193,183	9,715,377	3,235,174	1,767,405	1,748,542	7.57
Global Forest Media Technology Co., Ltd.	15,000	17,472	51	17,421	-	(138)	240	0.16
Global Wealth Media Technology Co., Ltd.	89,449	97,098	74	97,024	-	(164)	3,437	0.38
Win TV Broadcasting Co., Ltd.	181,774	805,859	500,055	305,804	890,897	85,474	70,554	3.88
momo.com Inc.	1,420,585	11,439,221	5,562,474	5,876,747	33,173,536	1,394,563	1,270,082	9.07
TFN Union Investment Co., Ltd.	4,000	44,147,363	1,310,066	42,837,297	-	(83)	(83)	(0.21)
TFN HK LIMITED.	4,950	9,389	1,176	8,213	6,028	(186)	40	0.03
TT&T Holdings Co., Ltd.	40,943	49,940	-	49,940	-	(194)	(3,829)	(2.95)
TWM Communications (Beijing) Co., Ltd.	89,310	79,436	104	79,332	-	(321)	673	NA
TCCI Investment and Development Co., Ltd.	1,047,120	9,418,134	279,474	9,138,660	-	(107)	(107)	(0.00)
Taiwan Kuro Times Co., Ltd.	120,000	206,087	114,059	92,028	359,794	(18,368)	(15,177)	(1.26)
Yeong Jia Leh Cable TV Co., Ltd.	339,400	973,619	421,631	551,988	914,604	(21,731)	(14,068)	(0.41)
Mangrove Cable TV Co., Ltd.	211,600	614,318	233,463	380,855	525,623	85,017	71,761	3.39
Phoenix Cable TV Co., Ltd.	680,902	1,519,808	404,480	1,115,328	1,258,827	206,654	179,855	2.64

Company name	Paid-in capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating income	Net income	EPS (NT\$)
Union Cable TV Co., Ltd.	1,704,633	2,175,253	324,362	1,850,891	689,471	56,735	49,469	0.29
Globalview Cable TV Co., Ltd.	560,000	904,099	208,699	695,400	527,715	59,133	52,716	0.94
Asian Crown International Co., Ltd.	1,068,610	4,354	30,794	(26,440)	-	(58)	(22,543)	(0.65)
Honest Development Co., Ltd.	670,448	761,814	-	761,814	-	-	57,713	2.65
Fuli Life Insurance Agent Co., Ltd.	5,000	10,443	307	10,136	2,374	1,415	1,182	2.36
Fuli Property Insurance Agent Co., Ltd.	5,000	9,857	692	9,165	4,194	2,495	1,771	3.54
Fu Sheng Travel Service Co., Ltd.	30,000	332,446	285,084	47,362	25,364	13,477	10,077	3.36
Fortune Kingdom Corporation	1,035,051	-	30,794	(30,794)	-	-	(22,152)	(0.66)
Hongkong Yue Numerous Investment Co., Ltd.	66,035	761,814	-	761,814	-	-	57,713	3.48
Hong Kong Fubon Multimedia Technology Co., Ltd.	1,035,051	253	31,047	(30,794)	-	(110)	(22,152)	(0.66)
Haobo Information Consulting (Shenzhen) Co., Ltd.	50,160	782,078	20,264	761,814	-	(5)	57,713	NA
Fubon Gehua (Beijing) Enterprise Ltd.	262,200	45,892	79,896	(34,004)	35,507	(23,364)	(24,121)	NA

Note : Exchange rates: US\$1=NT\$29.77, HK\$1=NT\$3.808 and RMB1=NT\$4.56 as of December 31, 2017

Average exchange rates: US\$1=NT\$30.437, HK\$1=NT\$3.906 and RMB1=NT\$4.506 for 2017