



Mobile · Broadband · Media · International Service

4904 (TWSE) 2014 4Q Investor Update

Yvonne Li
President



2

Disclaimer

This presentation contains forward-looking statements. These forward-looking statements are subject to risks, uncertainties and assumptions, some of which are beyond our control. Actual results may differ materially from those expressed or implied by these forward-looking statements. Because of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation might not occur in the way we expect, or at all. You should not place undue reliance on any forward-looking information.

In preparing the information herein, FET have relied upon and assumed, without independent verification, the accuracy and completeness of all information available from public sources or which was provided to FET or which was otherwise reviewed by FET. Neither FET nor its advisors have made any representation or warranty as to the accuracy or completeness of such information and nor do they assume any undertaking to supplement such information as further information becomes available or in light of changing circumstances. None of FET, nor any of their respective affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation. Neither this presentation nor any of its contents may be reproduced to a third party without the prior written consent of FET.



FAR EASTONE 遠東

Agenda

- I. Market Overview
- II. 2014 4Q Performance and Business Update
- III. 2015 Guidance

3

FAR EASTONE 遠東

Taiwan Mobile Market Market Dynamic

Market Update

- For 4Q14, despite negative impact from MTR, FET continued growing with...
- ✓ Mobile Service Rev up 4.0% YoY
- ✓ Mobile Data Rev up 16.4% YoY
- Overall mobile competitive landscape remains quite stable

Mobile Service Rev Growth (4Q14 vs. 4Q13)

Company	Growth (%)
FET	4.0%
TWM	0.5%
CHT	1.9%

Mobile Service Rev Share Change (4Q14 vs. 4Q13)

Company	4Q13 (%)	4Q14 (%)
APT+VIBO/T-Star	8.8%	7.4%
CHT	34.4%	34.9%
TWM	28.8%	28.7%
FET	27.9%	28.9%

Mobile ARPU Growth (4Q14 vs. 4Q13)

Company	Growth (%)
FET	1.2%
TWM	-3.4%
CHT	-2.6%

Source: Mobile service revenues of FET, CHT, TWM, APT from company's factsheet, Vibo 's from Taiwan M.O.P.S. reported revenue deduct estimated equipment revenue. Y2013 market share % has been restated.

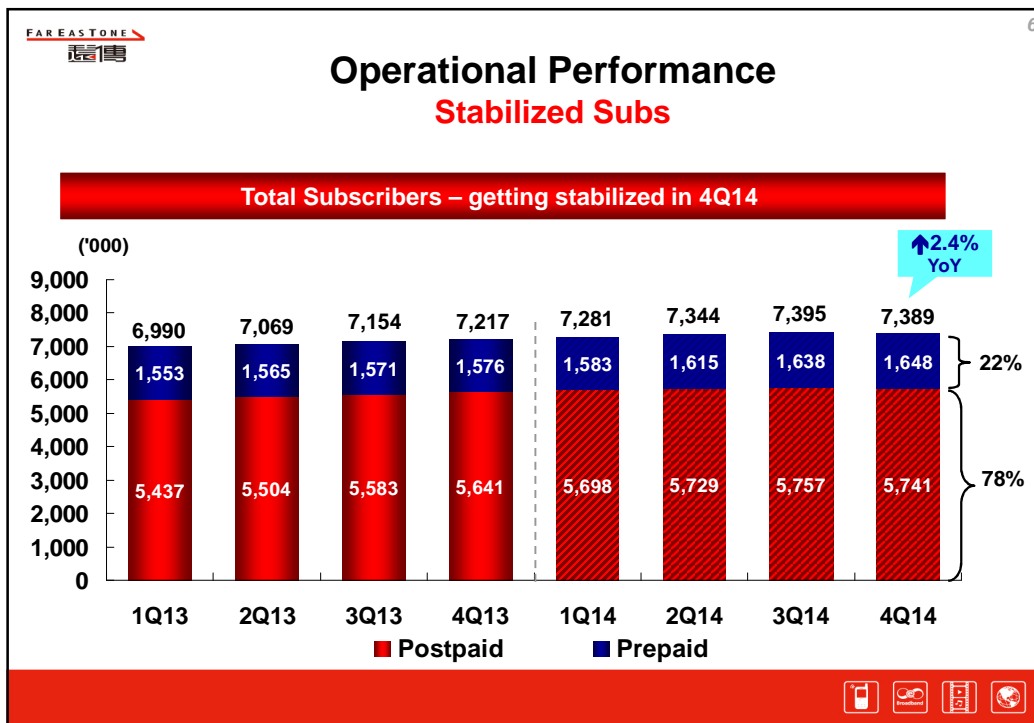
4

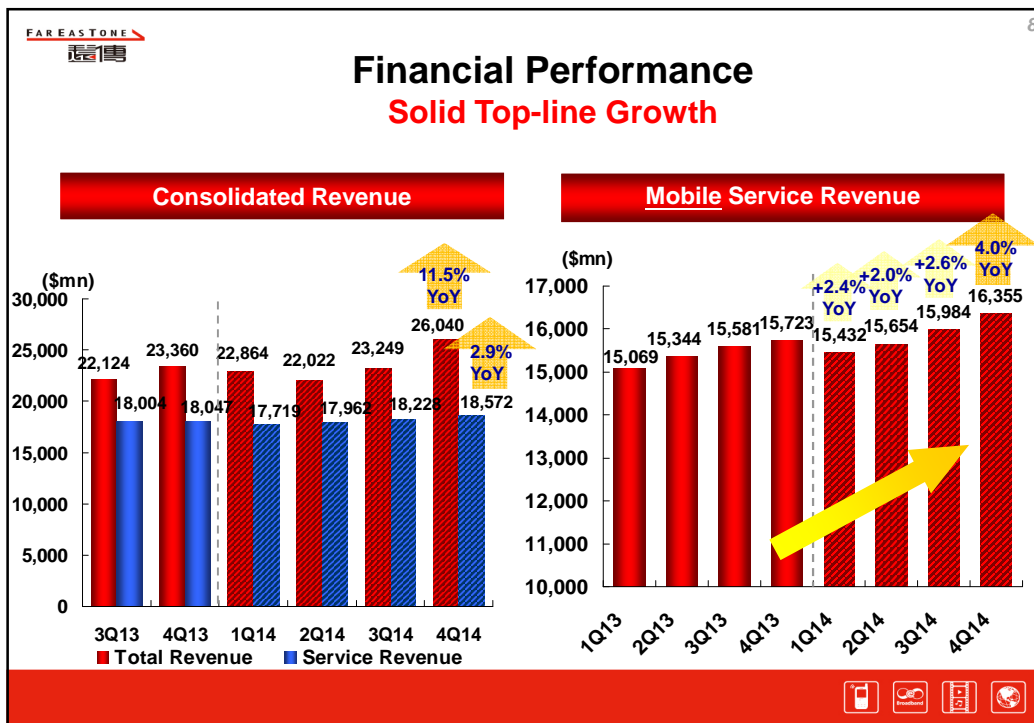
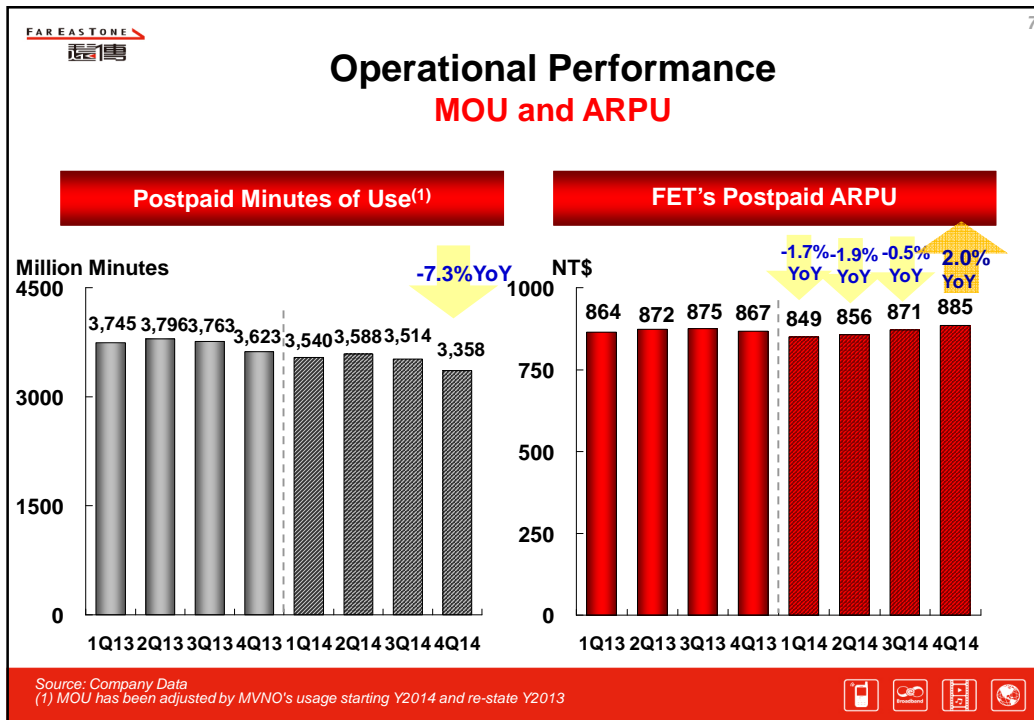
FAR EASTONE 遠東

Agenda

- I. Market Overview
- ▶ II. 2014 4Q Performance and Business Update
- III. 2015 Guidance

5





9

Consolidated Financial Achievement
Actual vs. Forecast

Item Unit: NT\$ mn, except for EPS	FY2014 Actual	FY2013 Actual	YoY %	FY 2014 Guidance	Achieve- ment %
▶ Total Revenue	94,176	89,671	↑5.0%	92,851	101%
▶ Service Revenue	72,481	71,114	↑1.9%	72,620	100%
▶ EBITDA	25,601	25,599	0.0%	25,983	99%
▶ Net Income	11,484	11,829	↓2.9%	10,920	105%
▶ EPS ⁽¹⁾	<u>\$3.52</u>	<u>\$3.63</u>	↓2.9%	<u>3.35</u>	105%

Source: Company Data
(1) EPS was based on current outstanding shares of 3,258,501K

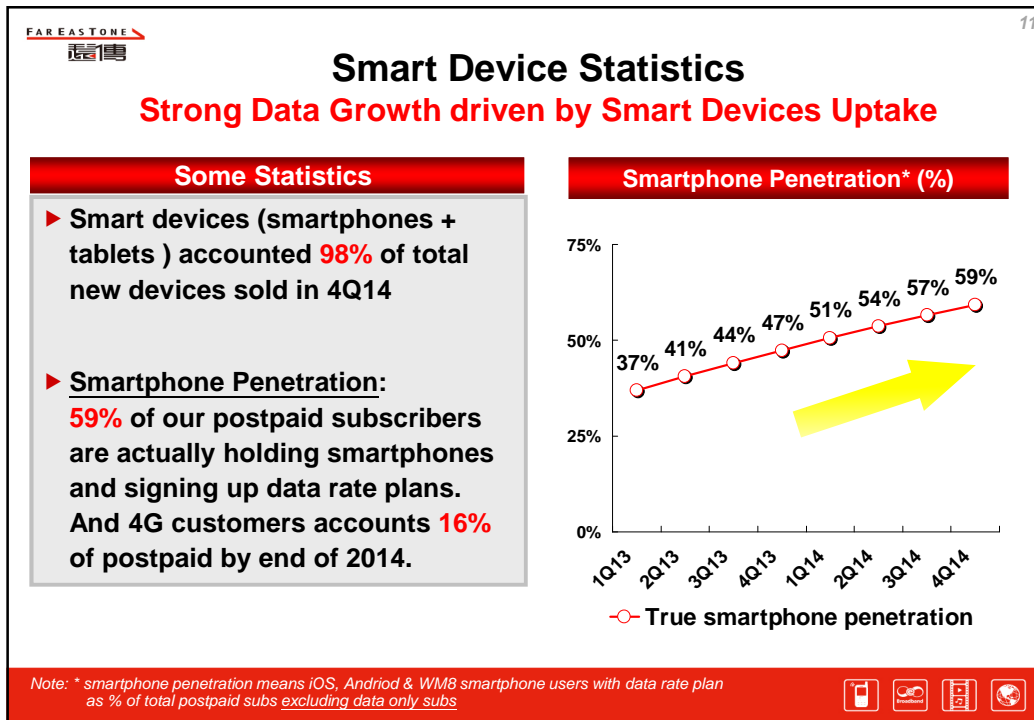
10

Consolidated Financial
4Q14 Financial Stats

(NT\$ mm unless otherwise stated)

	As of 4Q14	As of 3Q14
Cash & Cash Equivalents	6,262	9,689
Available-for-Sale Financial Assets & Derivatives	757	711
Total Borrowing	24,961	29,839
Net Debt ⁽¹⁾	17,942	19,439
Shareholders' Equity	73,532	71,428
Debt/Capitalization Ratio		
— Gross (%)	25.3%	29.5%
— Net (%)	18.2%	19.2%
Free Cashflows – YTD ⁽²⁾	12,412	10,697
Cash-based Capex – YTD	13,173	9,632
EPS(NT\$) – YTD	<u>\$3.52</u>	<u>\$2.90</u>

(1) Net Debt= Total Borrowing – (Cash and Cash Equivalent + Available-for-Sale Financial Assets & Derivatives + Debt investments with no active market)
(2) Free Cashflows = Operating Cash flow- acquisition of fixed-asset & intangible asset
(3) 2013 EPS was restated due to accounting policy change for Investment Property

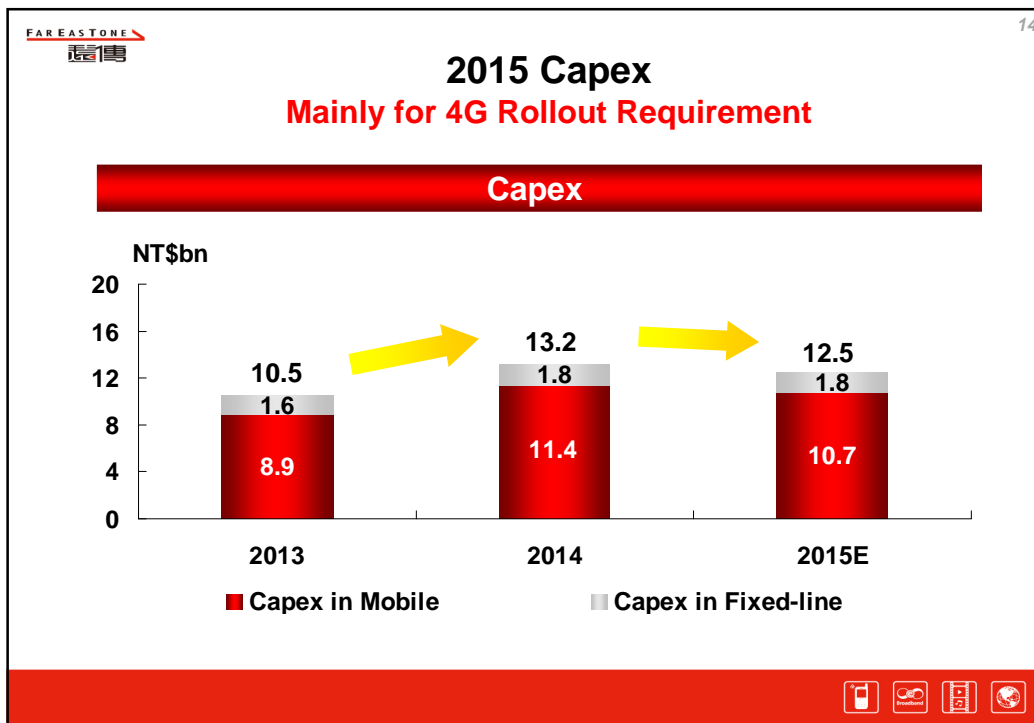


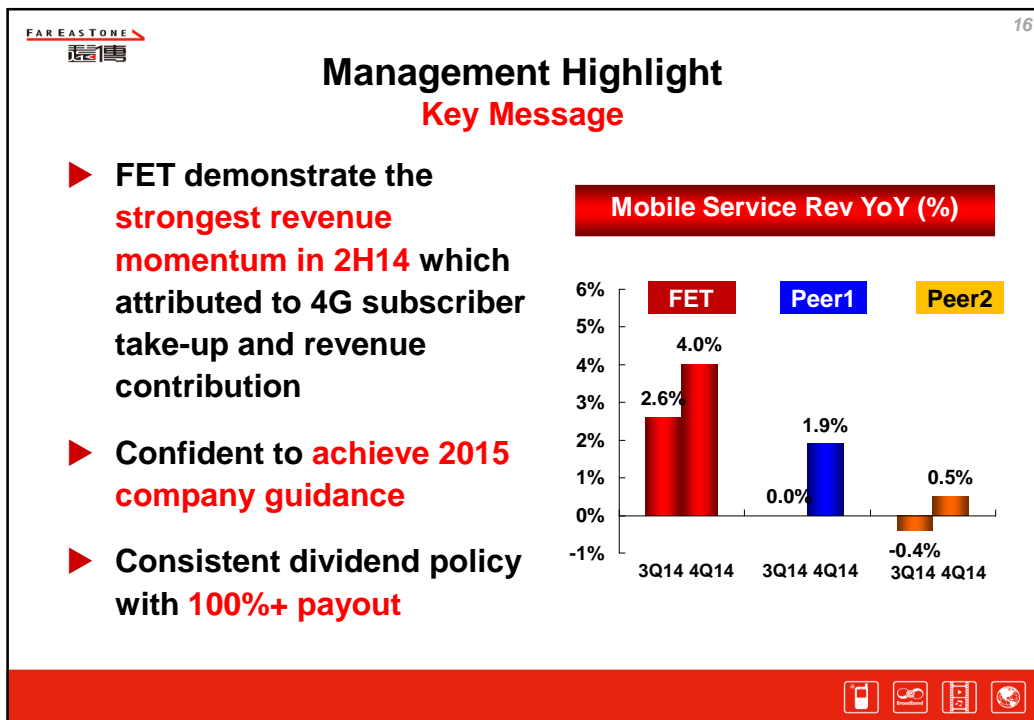
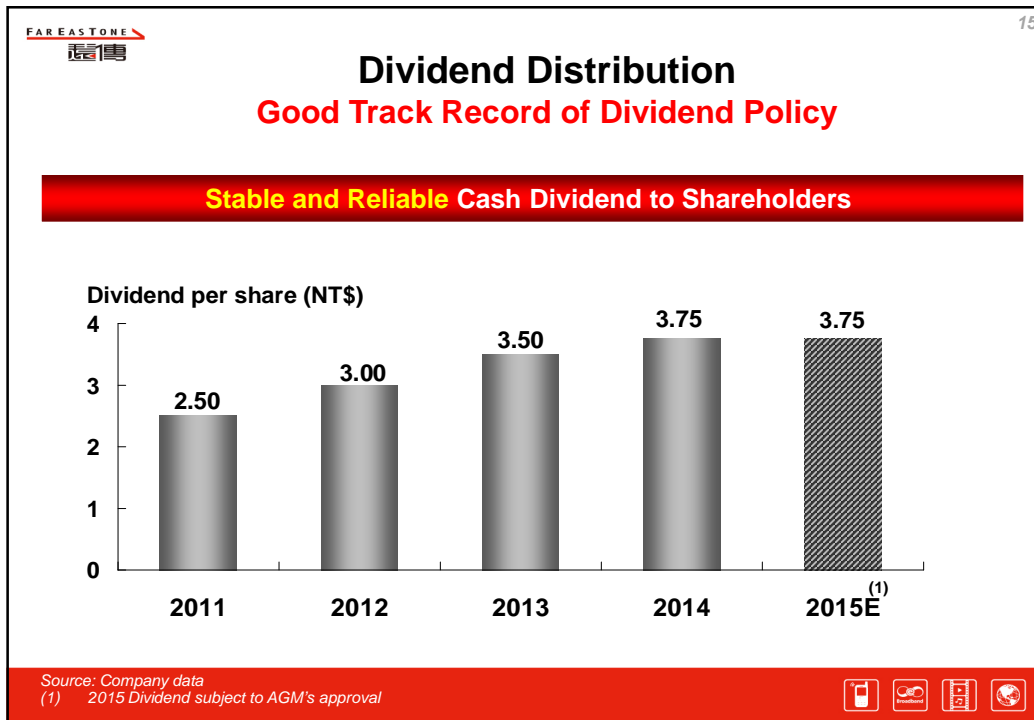
13


Consolidated Financial Forecast
2015 Guidance vs. 2014 Actual

Item (Unit: NT\$ Million, except for EPS & margin)	FY2015 Forecast	FY2014 Actual	YoY%
■ Total Revenue	96,452	94,176	+ 2.4%
■ Service Revenue	74,499	72,481	+ 2.8%
■ EBITDA	26,641	25,601	+ 4.1%
■ Net Income	11,082	11,484	- 3.5%
■ EPS*	<u>\$3.40</u>	<u>\$3.52</u>	- 3.5%

* EPS was based on current outstanding shares of 3,258,501K





FAREASTONE  17

Q & A

For Further Information:

Websites	email
http://corporate.fetnet.net http://www.fetnet.net	Investor Relations IR@fareastone.com.tw

