

We shape our buildings, thereafter they shape us.



Prince Housing & Development Corp.

2511TT

4Q 2015 Operational Briefing

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Content

- **Introduction**
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- **Investment Subsidiaries**
- **Future Strategy**

Company Overview



Ticker
2511

2015
Consolidated
Revenue
16.11 billion

NAV
NT\$15.51

Capital
16.2 billion

Total Assets
54.48 billion

2011

Capital exceeded NT\$10 billion.

2004

Signed the Taipei City Hall Bus Station BOT contract.
Signed the NTU Dormitory/ NCKU Dormitory BOT contracts.

1997

Invested in hotel business.

1991

Became publicly traded, listed on Taiwan Stock Exchange.

1973

PHD was established in Tainan City, and the capital was NT\$150 million.



Financial Data (Consolidated)

Unit: Millions of NT\$

	2015Q4		2014Q4		Different	
	M	%	M	%	M	YOY
Construction in Progress	2,457	5	2,407	4	50	2
Land Held for Construction	12,700	23	12,162	22	538	4
Building and Land Held for Sale	5,833	11	4,307	8	1,526	35
Prepayment for Land	224	0	1,510	3	(1,286)	(85)
Others	996	2	540	1	456	84
Inventories Subtotal	22,210	41	20,926	37	1,284	6
Cash and Other Current Assets	10,749	20	13,314	24	(2,565)	(19)
Funds and Investments	4,775	9	4,773	9	2	0
Total Assets	54,476	100	56,051	100	(1,575)	(3)
Loans&Bonds	18,681	34	20,169	36	(1,488)	(7)
Receipts in Advance	1,875	3	3,037	5	(1,162)	(38)
Total Liabilities	29,301	54	31,740	57	(2,439)	(8)
Stockholders Equities	25,175	46	24,311	43	864	4
Current Ratio	253.54%		198.84%			
Debt Ratio	53.79%		56.63%			
Net Debt to Equity	59%		74%			

Note: The accounting principle changed to IFRS in 2013.

Financial Data (Consolidated)

Unit: Millions of NT\$

	2015Q4		2014Q4		Different	
	M	%	M	%	M	YOY
Operating Revenue	16,109	100	19,424	100	(3,315)	(17)
Operating Cost	(10,934)	(68)	(14,216)	(73)	3,282	(23)
Gross Profit	5,175	32	5,208	27	(33)	(1)
Operating Expenses	(2,724)	(17)	(2,742)	(14)	18	(1)
Operating Income	2,451	15	2,466	13	(15)	(1)
Pre-tax Income	2,522	16	2,543	13	(21)	(1)
Net Income	2,234	14	2,380	12	(146)	(6)
Earnings per Share	1.38		1.51			
Net Assets Value	15.51		14.62			
Return on Equity	8.87%		9.79%			

Note: The accounting principle changed to IFRS in 2013.

Financial Data (Consolidated)

Unit: Millions of NT\$

Segments	Property	Construction	Hotel	Fix Income	Others	Total	Adj.	Consolidated
Segment Revenue	8,238	4,832	2,923	525	1,738	18,256	(2,148)	16,108
Revenue (%)	45.12%	26.47%	16.01%	2.88%	9.52%	100%		
YoY	-20.5%	-23.7%	-1.4%	-0.9%	2.1%	-12.1%		-17.1%
Segment Income	1,415	213	314	191	736	2,869	(418)	2,451
Income (%)	49.3%	7.4%	10.9%	6.7%	25.7%	100%		
Segment Margin	17.2%	4.4%	10.7%	36.4%	42.3%	15.7%		15.2%
YoY	-20.6%	52.1%	7.5%	-6.8%	3,773.7%	17.7%		-0.6%

Major contributed Companies of each segment

- Property : Prince Housing & Development Corp. (2511TT) etc.
- Construction : Cheng-Shi Investment Co., Ltd. / Ta-Chen Construction & Engineering Corp. / Cheng-Shi Construction Co., Ltd. / Prince Utility Co., Ltd. etc.
- Hotel : Time Square International Co., Ltd. / The Splendor Hotel Taichung Co., Ltd. etc.
- Fix Income : NTU Dormitory BOT / NCKU Dormitory BOT etc.
- Others : Prince Property Management Consulting Co., Ltd. / Prince Security Co., Ltd. / Prince Apartment Management Maintain Co., Ltd. / Prince Housing Investment Co., Ltd. / Prince Real Estate Co., Ltd. etc.

Note: The accounting principle changed to IFRS in 2013.



Financial Data (Non-Consolidated)

Unit: Millions of NT\$

	2015Q4		2014Q4		Different	
	M	%	M	%	M	YOY
Construction in Progress	2,457	5	2,407	5	50	2
Land Held for Construction	11,768	26	10,283	22	1,485	14
Building and Land Held for Sale	5,914	13	4,377	9	1,537	35
Prepayment for Land	224	0	1,771	4	(1,547)	(87)
Others	950	2	512	1	438	86
Inventories Subtotal	21,313	46	19,350	42	1,963	10
Cash and Other Current Assets	5,436	12	9,263	20	(3,827)	(41)
Funds and Investments	8,284	18	6,918	15	1,366	20
Total Assets	45,853	100	46,614	100	(761)	(2)
Loans&Bonds	14,895	32	15,843	34	(948)	(6)
Receipts in Advance	225	0	301	1	(76)	(25)
Total Liabilities	21,022	46	22,650	49	(1,628)	(7)
Stockholders Equities	24,831	54	23,965	51	866	4
Current Ratio	253.54%		198.84%			
Debt Ratio	45.85%		48.59%			
Net Debt to Equity	51%		61%			

Note: The accounting principle changed to IFRS in 2013.

Financial Data (Non-Consolidated)

Unit: Millions of NT\$

	2015Q4		2014Q4		Different	
	M	%	M	%	M	YOY
Operating Revenue	8,763	100	10,892	100	(2,129)	(20)
Operating Cost	(5,631)	(64)	(7,316)	(67)	1,685	(23)
Gross Profit	3,132	36	3,576	33	(444)	(12)
Operating Expenses	(1,526)	(17)	(1,589)	(15)	63	(4)
Operating Income	1,606	18	1,987	18	(381)	(19)
Pre-tax Income	2,447	28	2,501	23	(54)	(2)
Net Income	2,238	26	2,399	22	(161)	(7)
Earnings per Share	1.38		1.51			
Net Assets Value	15.30		14.42			
Return on Equity	9.01%		10.01%			

Note: The accounting principle changed to IFRS in 2013.

Financial Data (Non-Consolidated)

Unit: Millions of NT\$

Unit: NT\$ in Millions	Ownership	2015		2014 (Adjusted)	
		Amount	% of NI	Amount	% of NI
Operating Income		1,606	72%	1,987	83%
Total Investment Income (Equity Method)		843	38%	422	18%
Major Components of Investment Income:					
Prince Real Estate Co., Ltd.	99.65%	330	15%	-	-
Cheng-Shi Investment Holdings Co., Ltd.	100%	243	11%	112	5%
Time Square International Co., Ltd.	100%	225	10%	223	9%
Uni-President Development Corp.	30%	68	3%	79	3%
Prince Housing Investment Co., Ltd.	100%	48	2%	-	-
Geng-Ding Co., Ltd.	30%	27	1%	29	1%
Prince Property Management Consulting Co., Ltd.	100%	16	1%	13	1%
Ming-Da Enterprises Co., Ltd.	20%	16	1%	8	0.3%
Total Dividend Income		134	6%	209	9%
Major Components of Dividend Income:					
Peisident Eneigy Development Corp.	6%	66	3%	5	-
Southern Science Joint Develepment Co., Ltd.	10%	59	3%	176	7%
ScinoPharm Taiwan, Ltd. (1789 TT)	3%	4	-	24	1%
Nantex Industry Co., Ltd. (2108 TT)	2%	2	-	2	-
Net Income		2,238	100%	2,399	100%

Note: The accounting principle changed to IFRS in 2013.

Financial Data (Consolidated)

Unit: Millions of NT\$

	2016Q1		2015Q1		Difference	
	M	%	M	%	M	YOY
Construction in Progress	3,421	7	2,858	5	563	20
Land Held for Construction	12,081	23	12,864	24	(783)	(6)
Building and Land Held for Sale	5,708	11	3,706	7	2,002	54
Prepayment for Land	221	0	1,478	3	(1,257)	(85)
Others	1,531	3	617	1	914	148
Inventories Subtotal	22,962	44	21,523	40	1,439	7
Cash and Other Current Assets	8,274	16	10,153	19	(1,879)	(19)
Funds and Investments	4,700	9	4,684	9	16	0
Total Assets	52,513	100	53,542	100	(1,029)	(2)
Loans&Bonds	17,835	34	19,002	35	(1,167)	(6)
Receipts in Advance	1,896	4	2,915	5	(1,019)	(35)
Total Liabilities	27,327	52	29,160	54	(1,833)	(6)
Stockholders Equities	25,186	48	24,382	46	804	3
Current Ratio	289.43%		222.41%			
Debt Ratio	52.04%		54.46%			
Net Debt to Equity	62%		71%			

Note: The accounting principle changed to IFRS in 2013.

Financial Data (Consolidated)

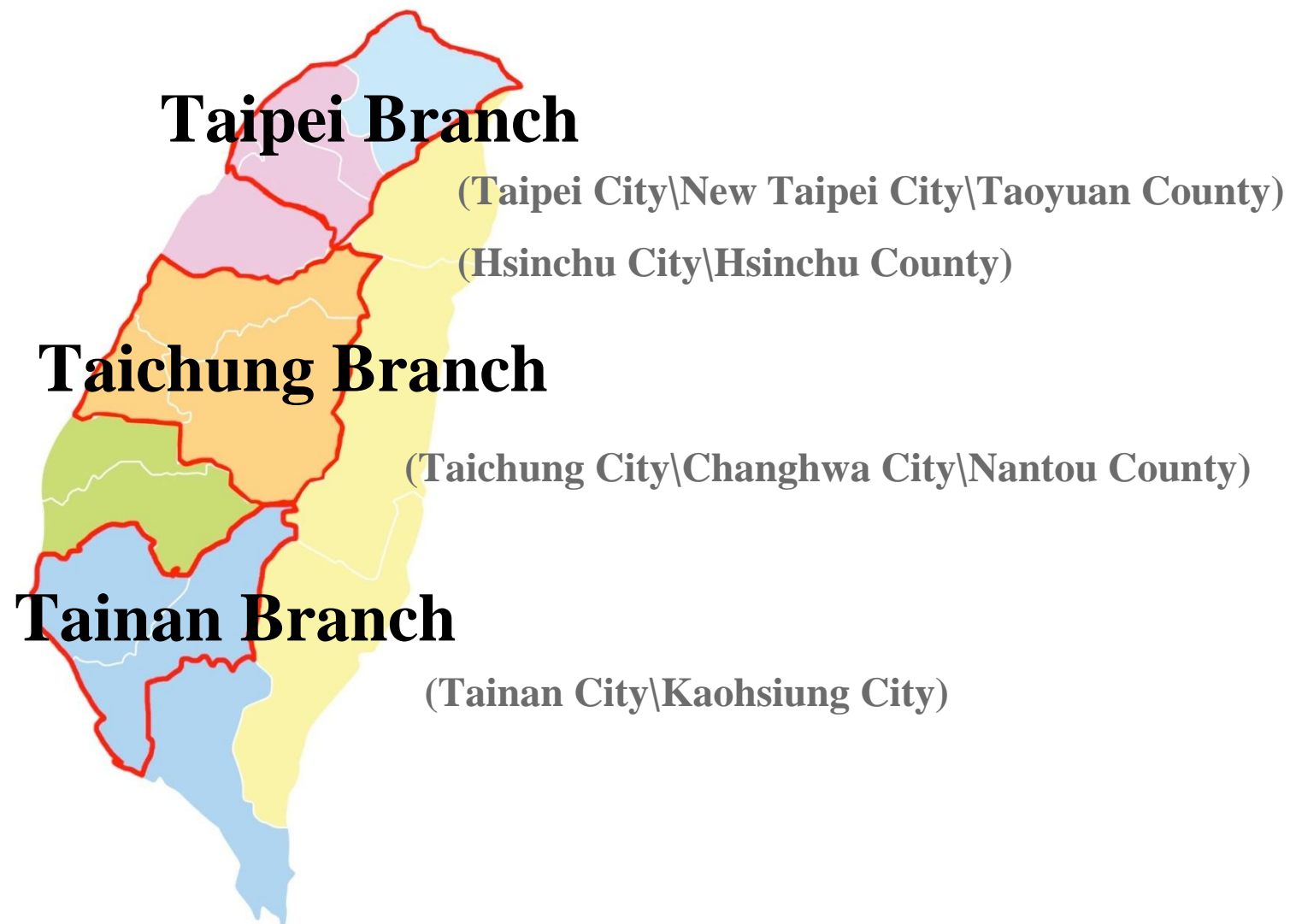
Unit: Millions of NT\$

	2016Q1		2015Q1		Difference		2015Q4	
	M	%	M	%	M	YOY	M	%
Operating Revenue	1,812	100	2,716	100	(904)	(33)	8,763	484
Operating Cost	(1,184)	(65)	(1,769)	(65)	585	(33)	(5,631)	(311)
Gross Profit	628	35	947	35	(319)	(34)	3,132	173
Operating Expenses	(544)	(30)	(662)	(24)	118	(18)	(1,526)	(84)
Operating Income	84	5	285	10	(201)	(71)	1,606	89
Pre-tax Income	117	7	226	8	(109)	(48)	2,447	135
Net Income	105	6	194	7	(89)	(46)	2,238	124
Earnings per Share	0.07		0.12				1.38	
Net Assets Value	15.52		14.67				15.30	
Return on Equity	0.42%		0.80%				9.01%	

Note: The accounting principle changed to IFRS in 2013.

Financial Data - Real Estate

Residential Project Area



Financial Data - Real Estate

Residential Project – Northern Taiwan

Project Name	Location	Salable Value (billion)	Sales Rate(%)	Year of Completion			
				2016	2017	2018	2019
Prince Yun Ding	New Taipei City	2.98	10%	▲			
Prince Fu III	Taoyuan City	2.02	30%		▲		
Shuang Ling Section	Taoyuan City	1.01	-		▲		
Prince Hua Wei	Taipei City	1.8	50%			▲	
Ling Ko Li Shing Section	New Taipei City	2.52	-			▲	
Prince W	New Taipei City	1.26	25%				▲
Chung Chuang Section 222-1	New Taipei City	2.08	-				▲
			-				
Total		13.67					

 **Total Salable Floor Area in 2016: 101,190 m²**

Financial Data - Real Estate

Residential Project – Central Taiwan

Project Name	Location	Salable Value (billion)	Sales Rate(%)	Year of Completion			
				2016	2017	2018	2019
Cloud Century Area SA	Taichung City	2.84	100%	▲			
Prince Yu Ding	Taichung City	1.91	25%		▲		
Ching Shuei Wu Show Section	Taichung City	1.02	-		▲		
Prince County	Nantou County	0.79	20%		▲		
W Epoch	Taichung City	1.91	25%			▲	
Ping Hsin Section	Taichung City	2.44	-			▲	
Total		10.91					

 Total Salable Floor Area in 2016: 140,413 m²

Financial Data - Real Estate

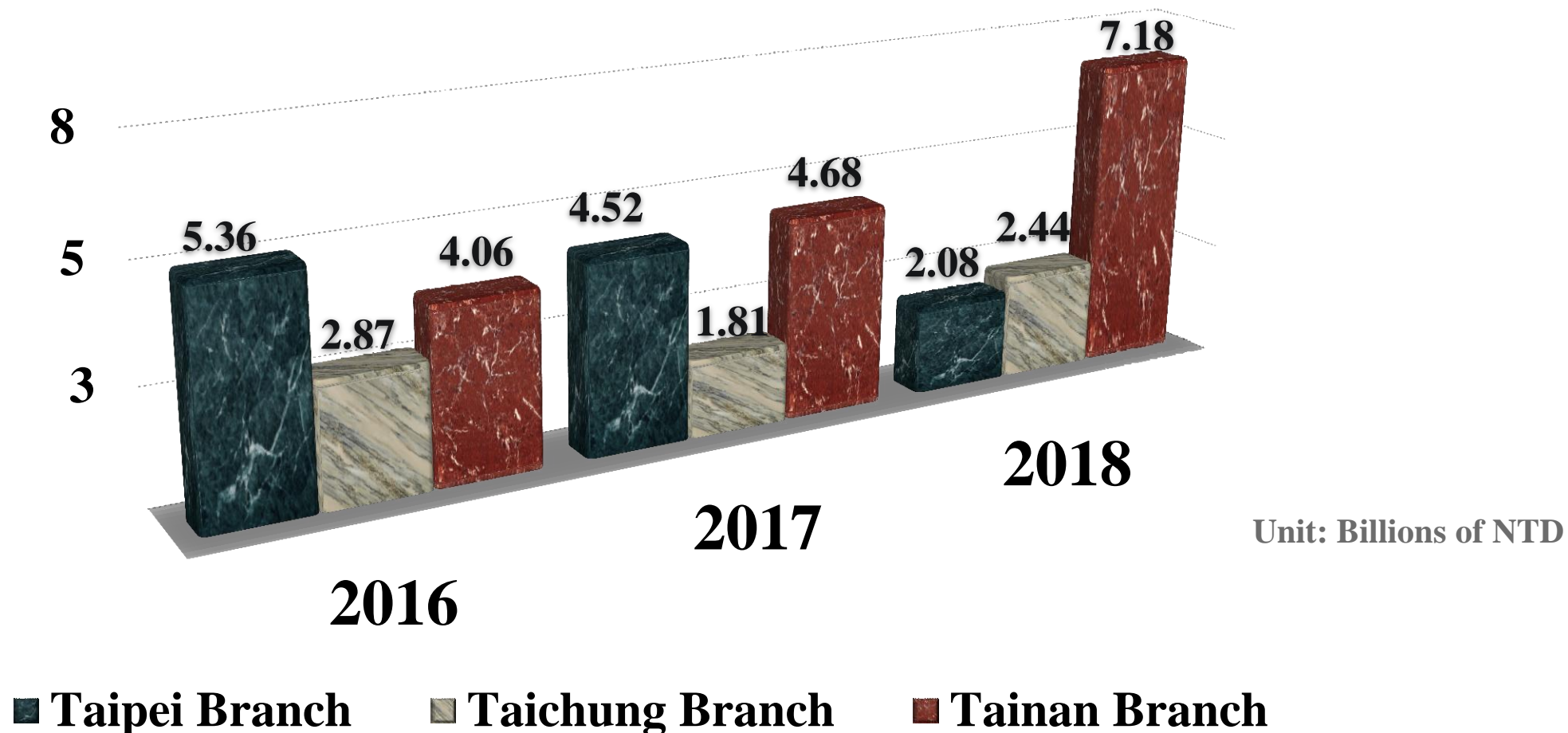
Residential Project – Southern Taiwan

Project Name	Location	Salable Value (billion)	Sales Rate(%)	Year of completion			
				2016	2017	2018	2019
Flower Bo 5	Tainan City	2.14	16%	▲			
Prince Cloud (D area)	Kaohsiung City	0.84	75%	▲			
Prince Feng Yun	Tainan City	1.77	-		▲		
Prince Cloud (C1 area)	Kaohsiung City	1.62	60%		▲		
Zan Zi Section B	Kaohsiung City	1.94	-		▲		
Prince Jun Fon Huei	Tainan City	0.97	55%			▲	
Prince Tavel	Tainan City	0.97	-			▲	
Shan Gia Section	Tainan City	0.69	-			▲	
Zan Zi Section A	Kaohsiung City	5.52	-			▲	
Prince Cloud (C2 area)	Kaohsiung City	1.77	45%			▲	
Jin Hua Section	Tainan City	3.02	-				▲
Jin Yi Xing	Kaohsiung City	12.55	-				
Total		33.8					

 Total Salable Floor Area in 2016: 624,843 m²

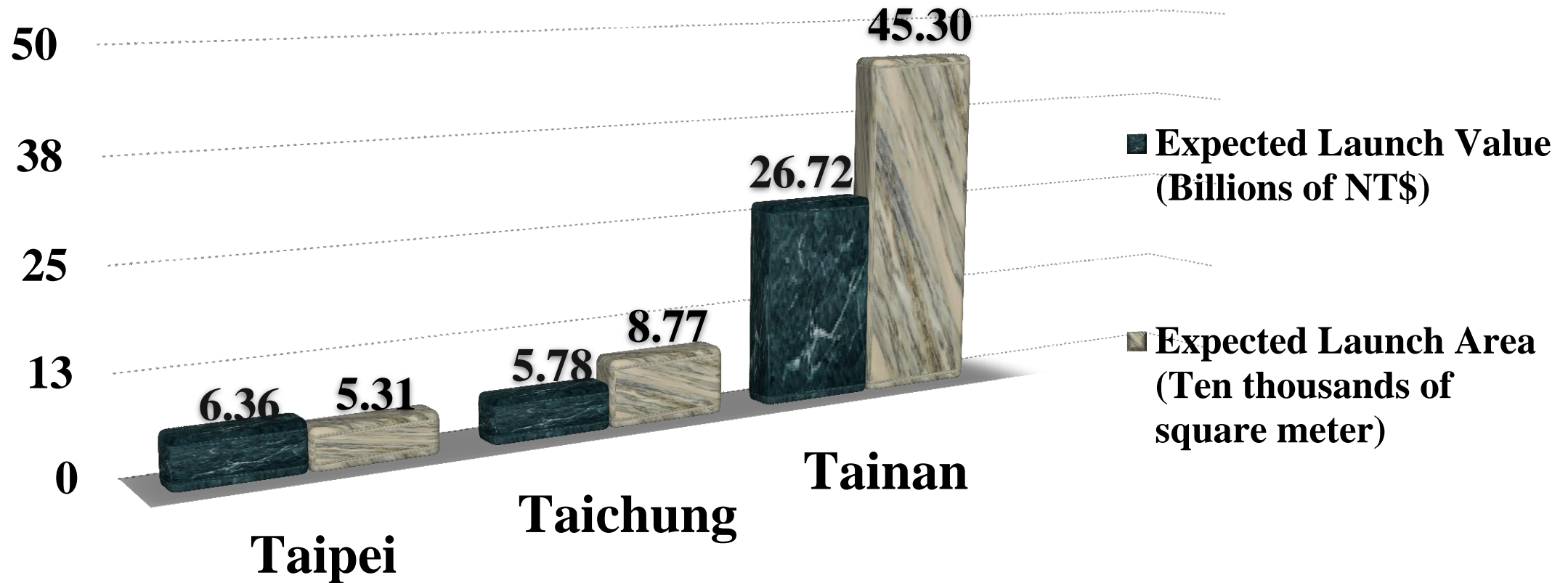
Financial Data - Real Estate

Expected Launch Value



Financial Data - Real Estate

Expected Launch Value and Area of Land Bank

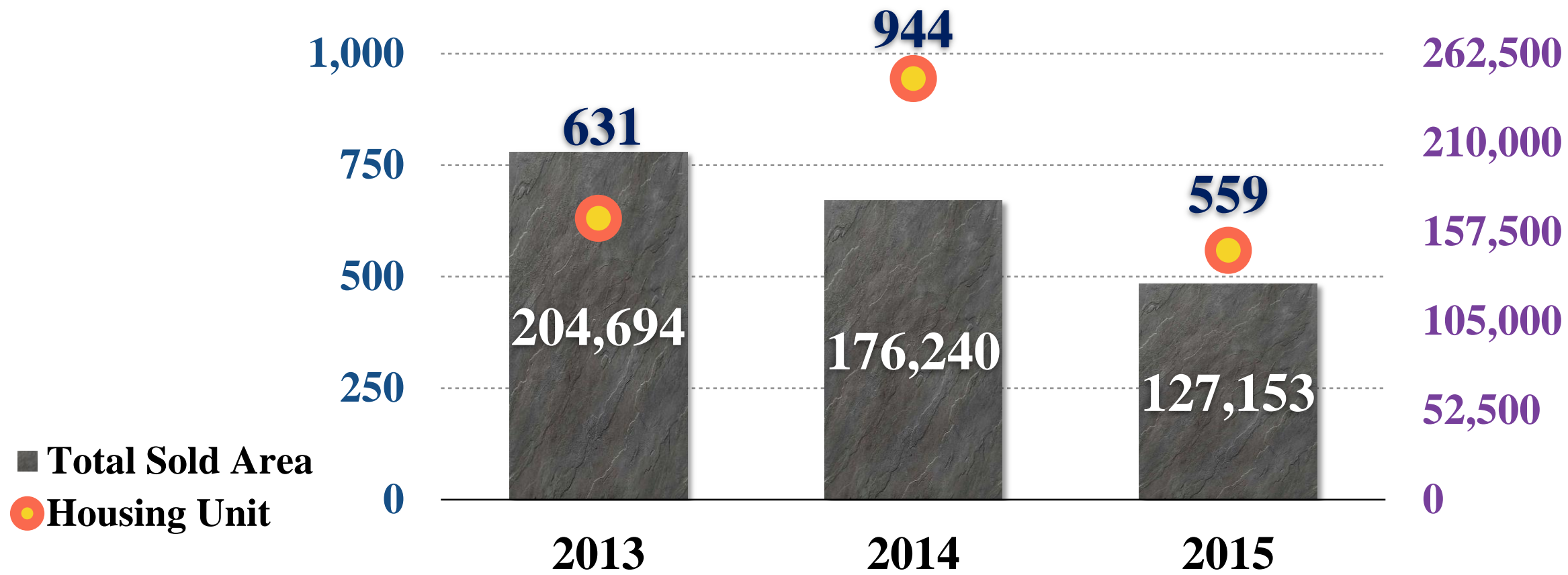


Total Expected Launch Value: NT\$38.86 billion

Total Expected Launch Area: 593,800 M²

Financial Data - Real Estate

Property Development Overview by Years



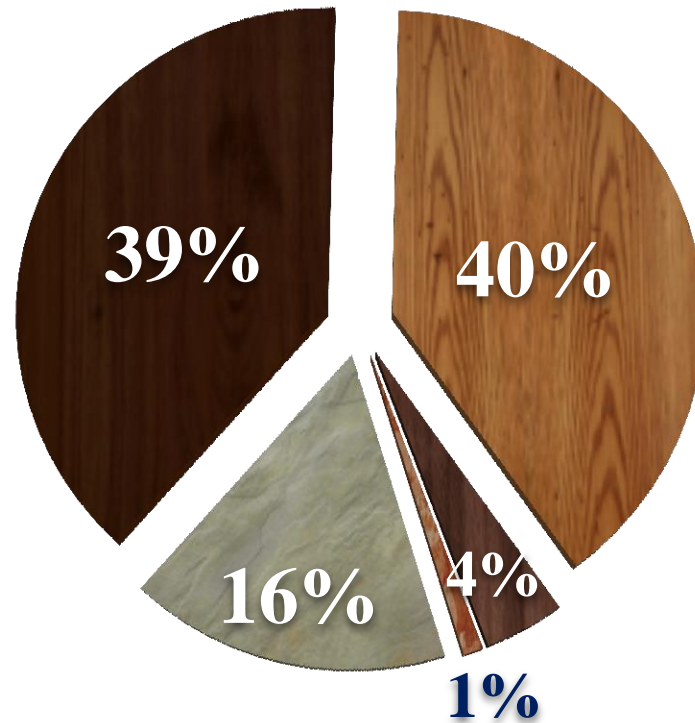
■ Total Sold Area
● Housing Unit

Expressed in square meters

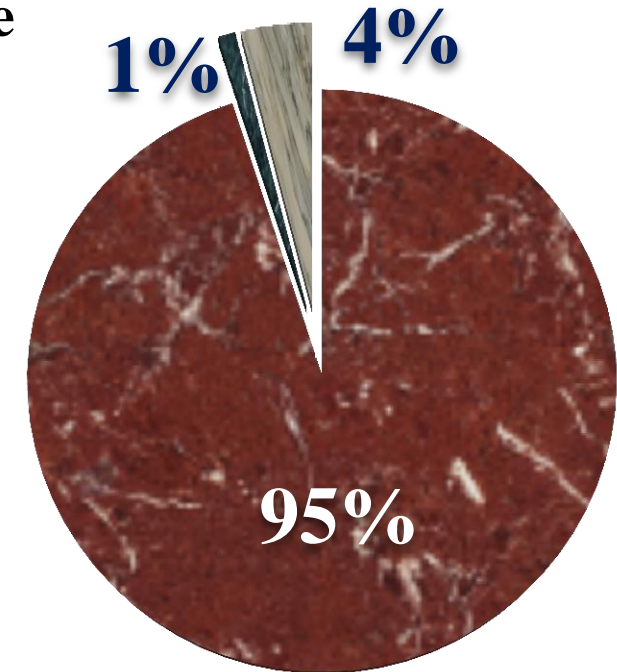
Financial Data - Real Estate

Residential Housing Product Composition in 2015

- 2-bedroom
- 3-bedroom
- 4-bedroom
- Townhouse
- Others



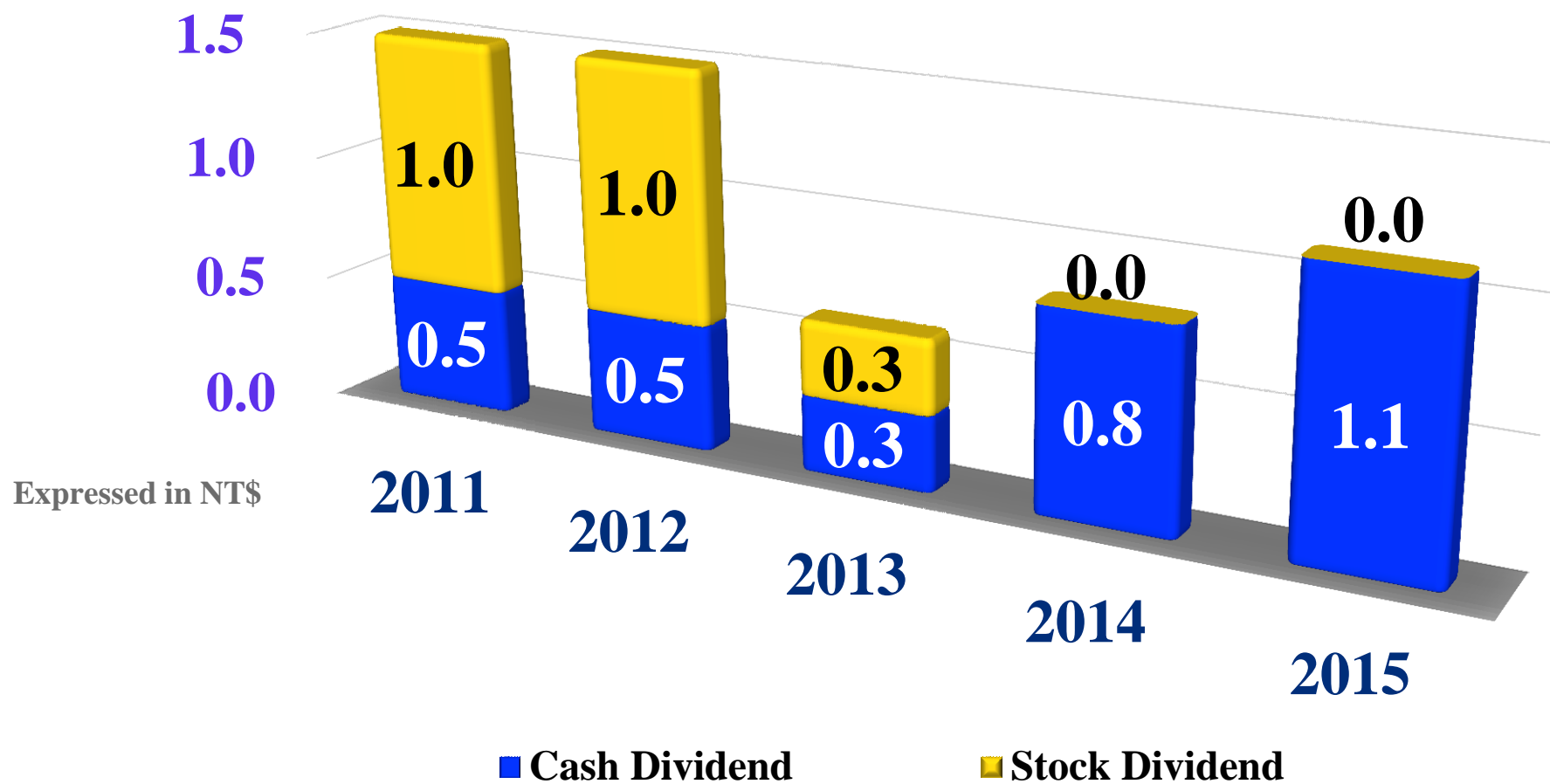
- High-Rise
- Mid-Rise
- Townhouse



Housing Unit Breakdown by Product Categories

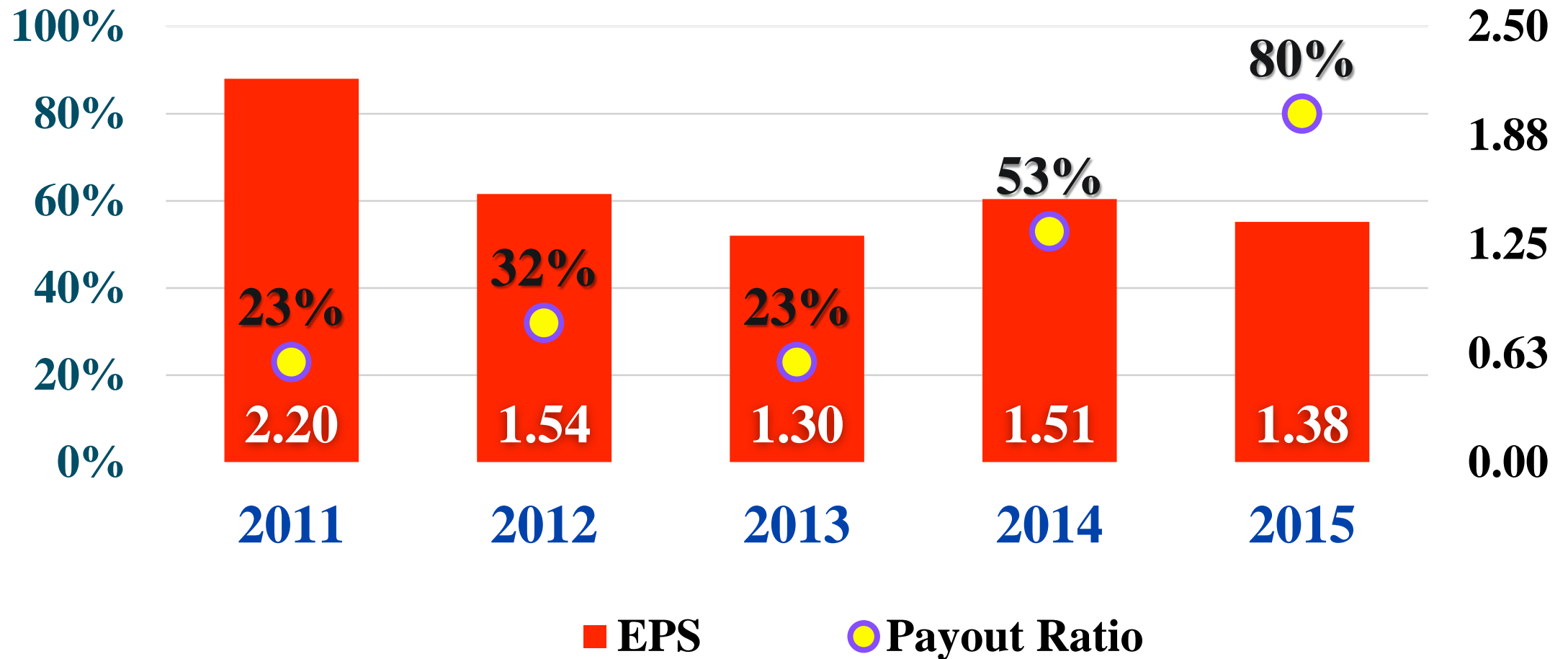
Financial Data

Dividend Policy



Financial Data

Dividend Policy



Investment Subsidiaries



Investment Subsidiaries

Unit: Millions of NT\$

BOT Income Properties
NTU BOT · NCKU BOT

Chartered period :

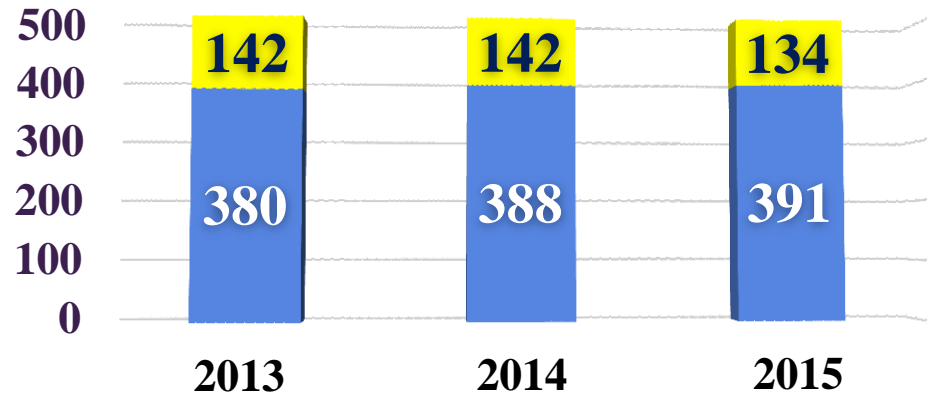
NTU 47Y

NCKU 35Y

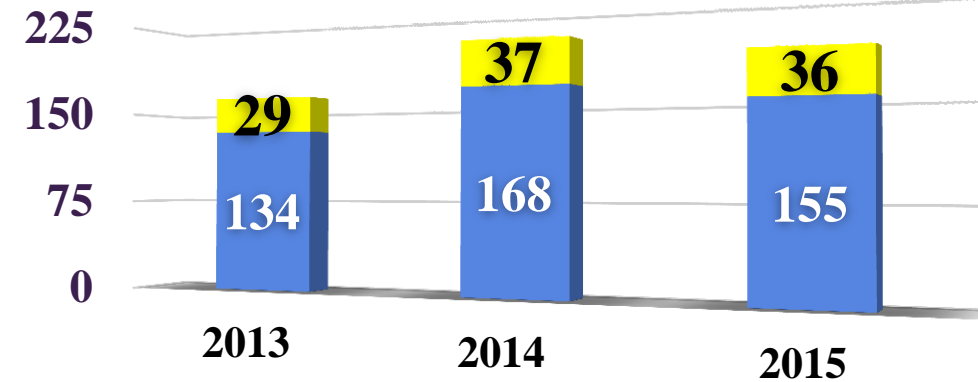


■ NTU BOT
■ NCKU BOT

Revenue



Profit



2016

2005

Mar. NTU signed
May. NCKU signed

2008

Sep. Started Operating

NTU 36Y
NCKU 24Y

2040

NCKU

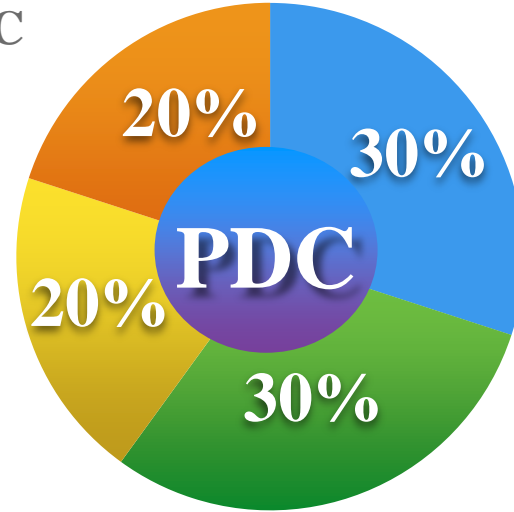
2052

NTU

Investment Subsidiaries



Special Purpose Vehicle (SPV) : PDC
Chartered period 50 Years



Ownership %

- Prince 30%
- Uni-President
- PCSC (7-11)
- PIDC

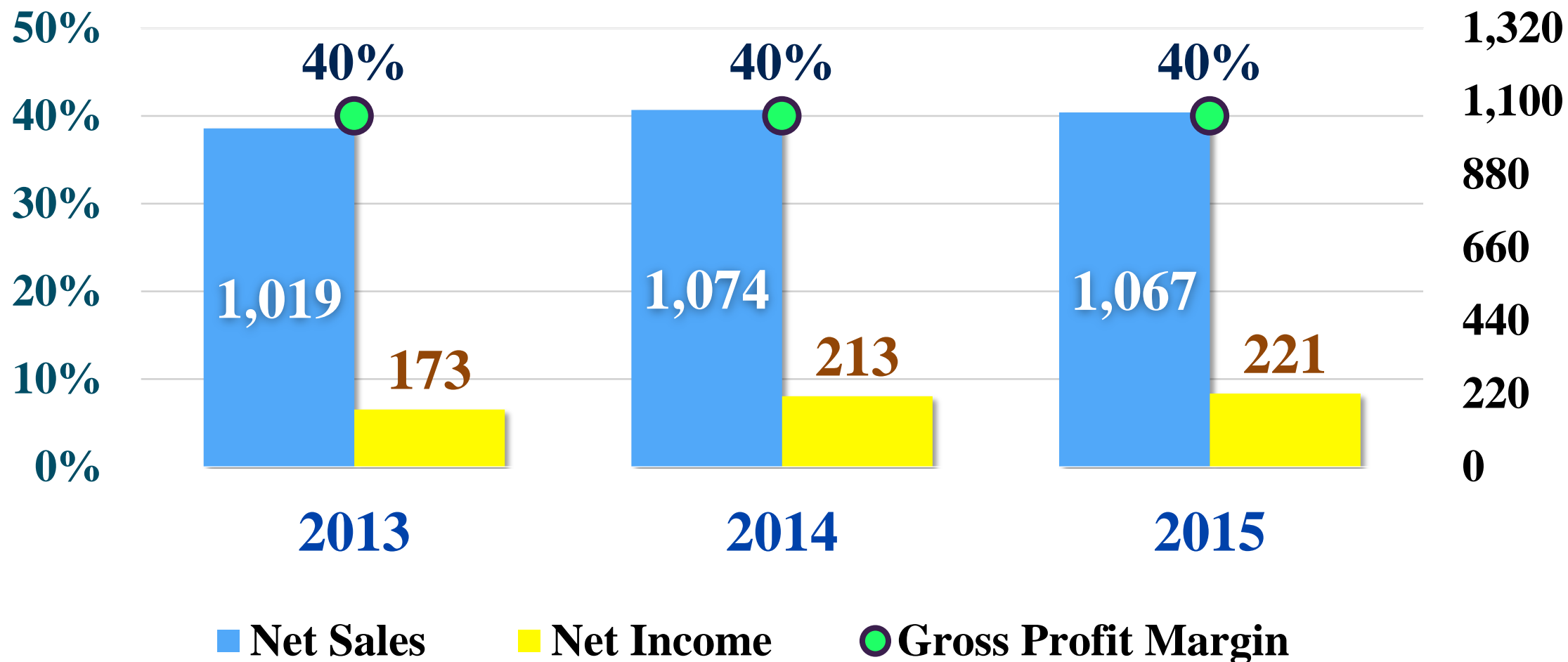
Site Area 16,280 M²
Total Floor Area 144,037 M²

Project	Bus Station & Parking Area	W Taipei Hotel	Uni-Ustyle Department Store
Floor	1F & B4~B5	8F~31F	B2~7F
Operation mode	Operating	Rent out	Rent out
Proprietor	PDC	Time Square International	PDSC
Ownership%	30%	100%	0%

Investment Subsidiaries

Unit: Millions of NT\$

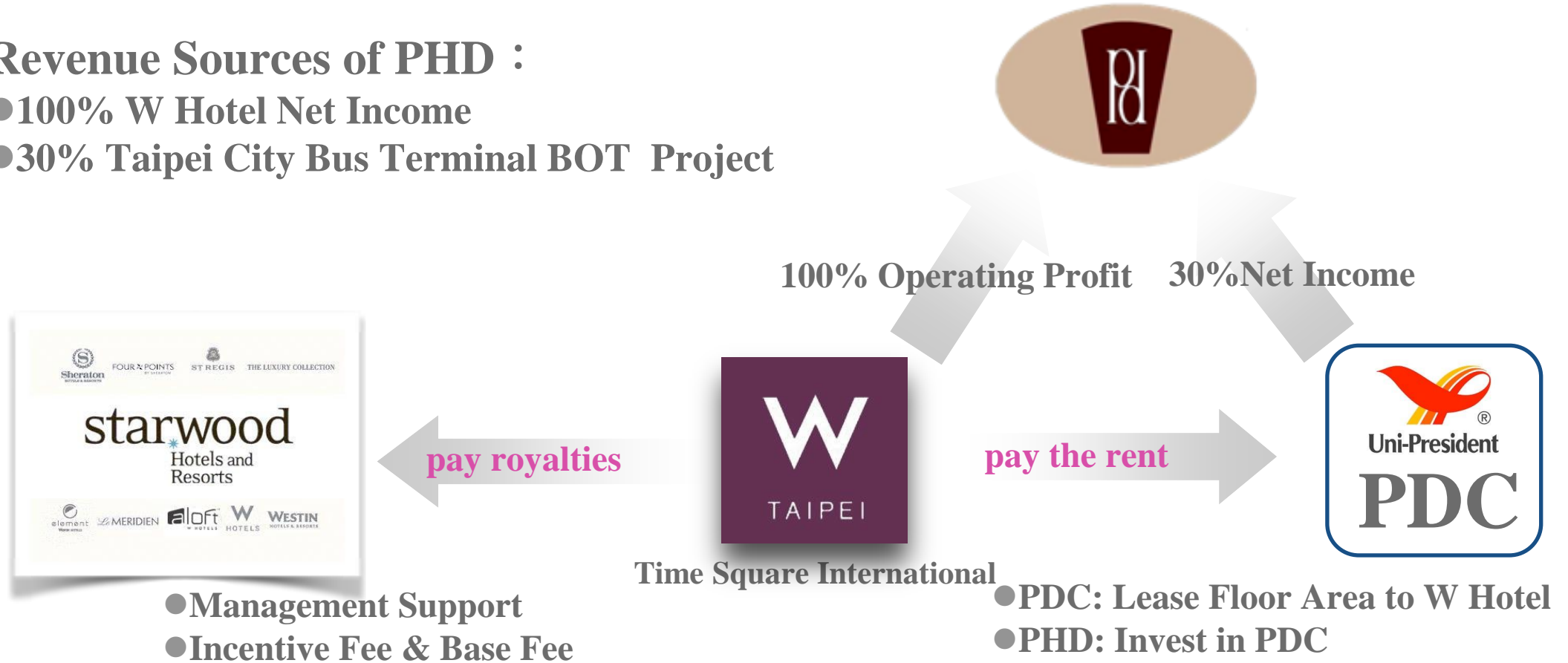
PDC Operation Overview in 2013~2015



Investment Subsidiaries

Revenue Sources of PHD :

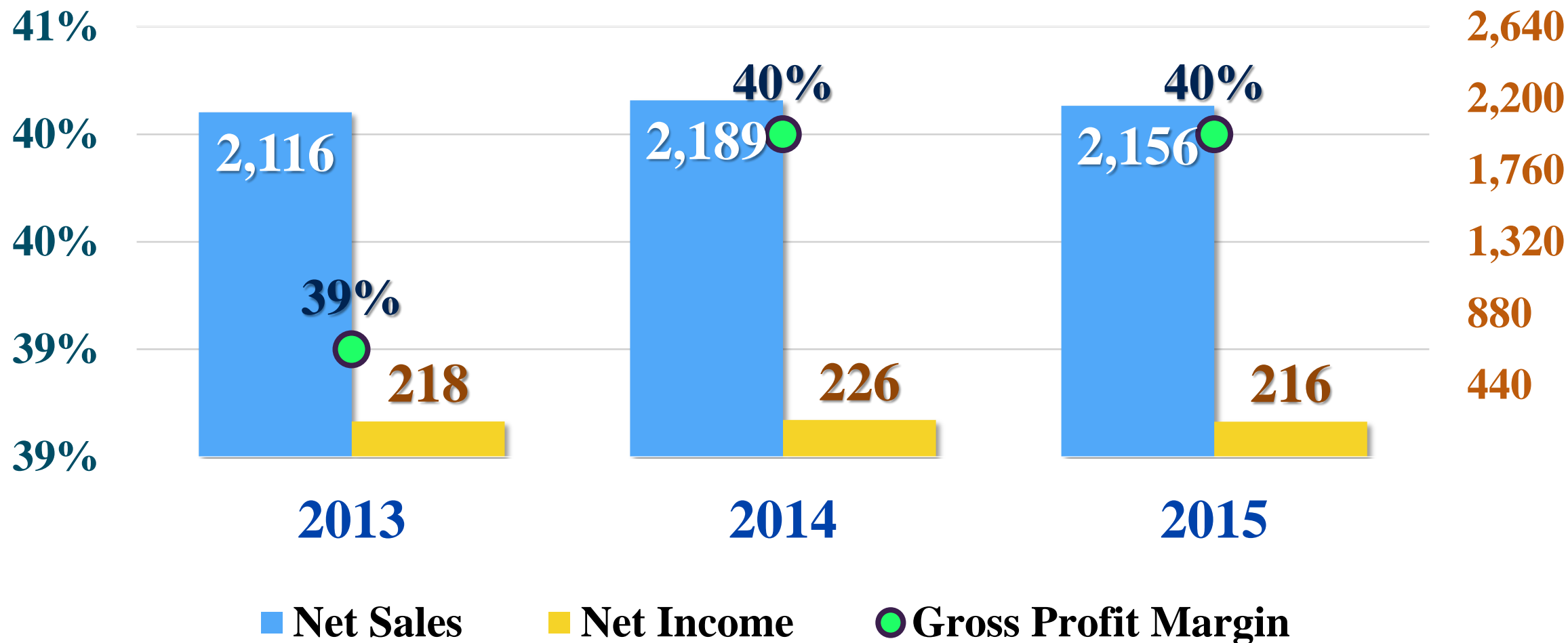
- 100% W Hotel Net Income
- 30% Taipei City Bus Terminal BOT Project



Investment Subsidiaries

Unit: Millions of NT\$

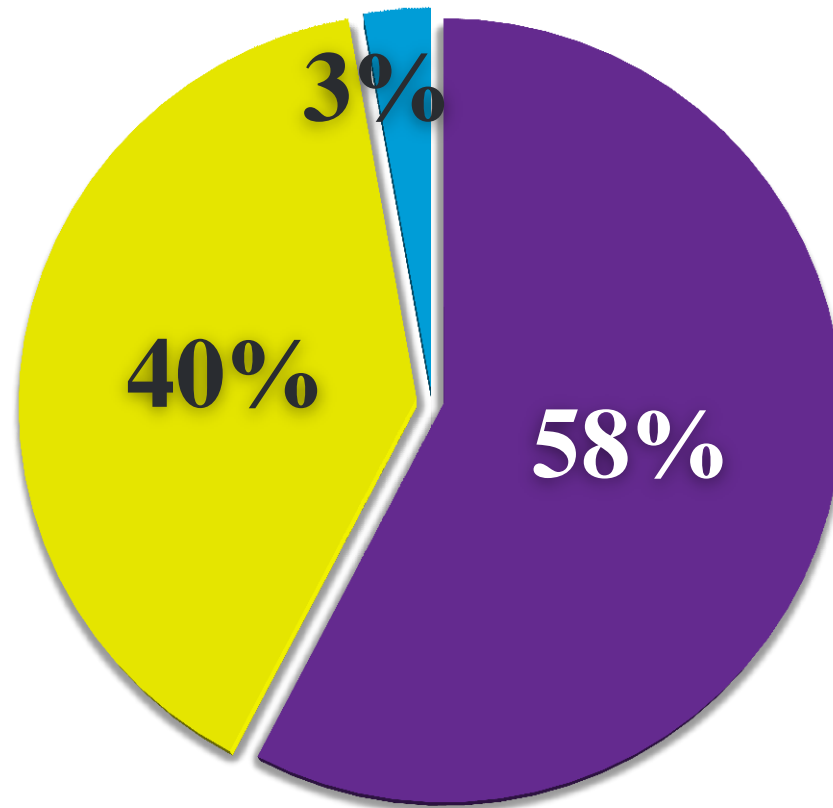
Financial Data of W Hotel Taipei in 2013~2015



Investment Subsidiaries

Unit: Millions of NT\$

W Hotel Taipei Revenue Breakdown in 2015

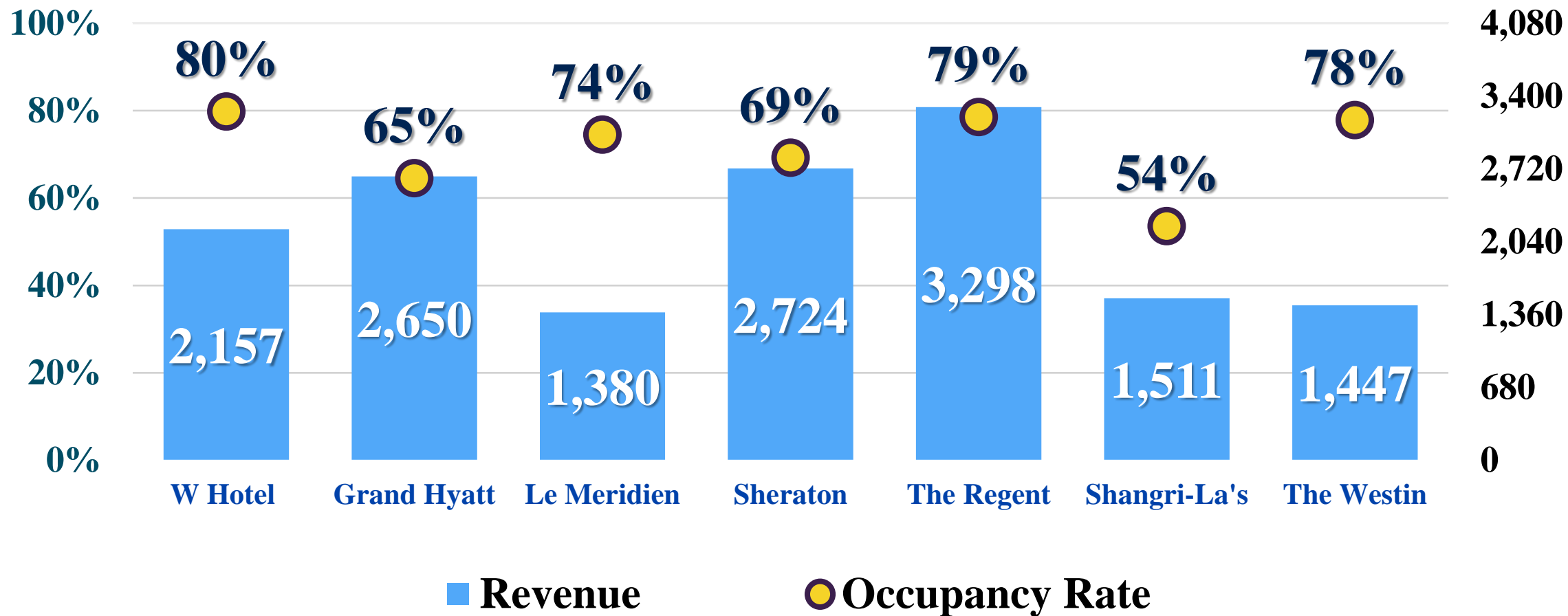


- Room Revenue- 1,243
- F&B Revenue- 853
- Other Revenue- 61

Reference: Tourism Bureau

Investment Subsidiaries

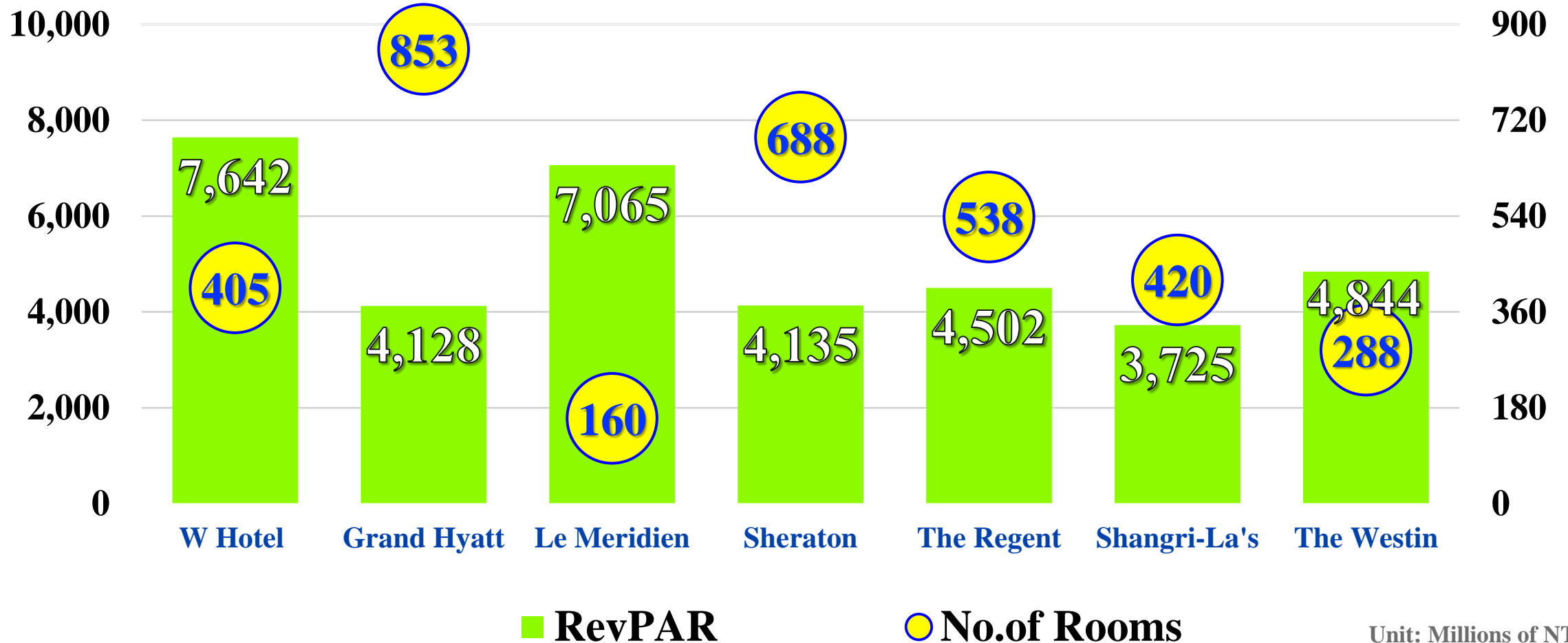
W Hotel Taipei & Competitor Set in 2015



Unit: Millions of NT\$
Reference: Tourism Bureau

Investment Subsidiaries

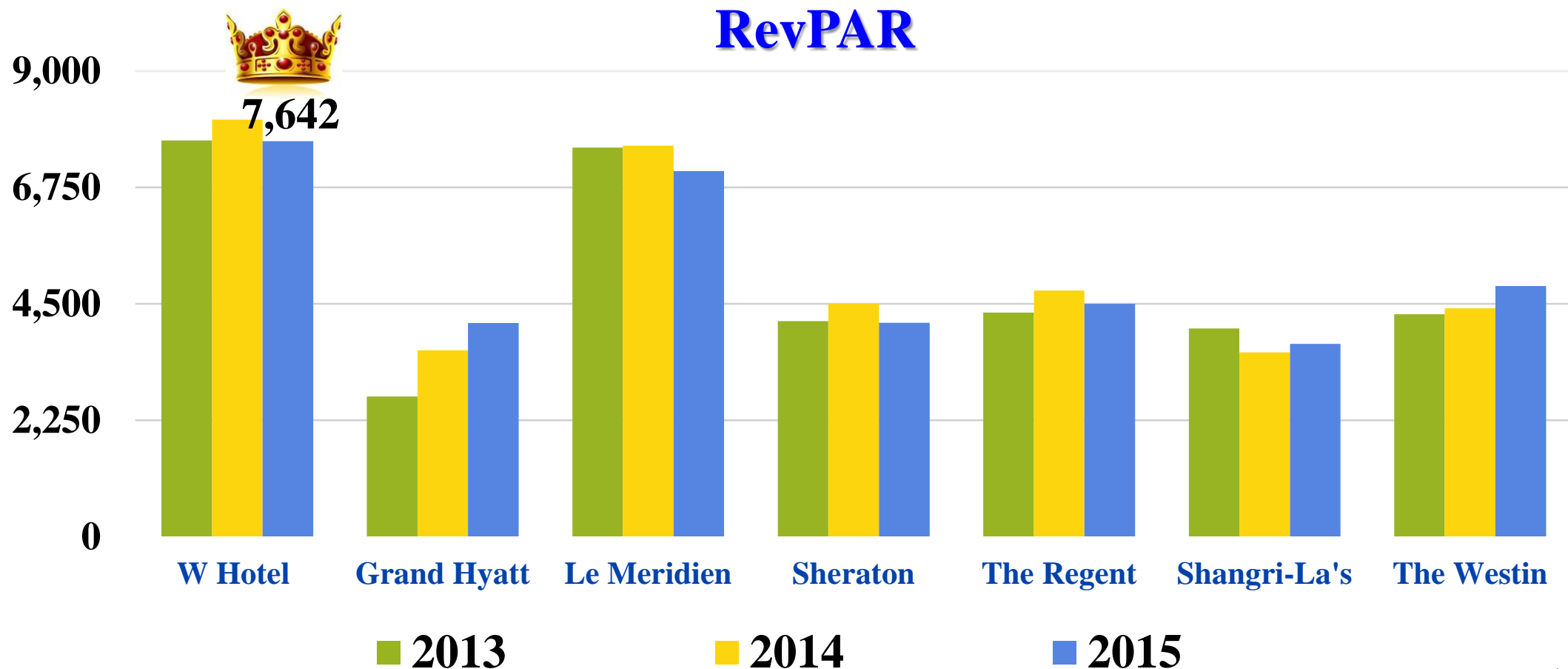
W Hotel Taipei & Competitor Set in 2015



Unit: Millions of NT\$
Reference: Tourism Bureau

Investment Subsidiaries

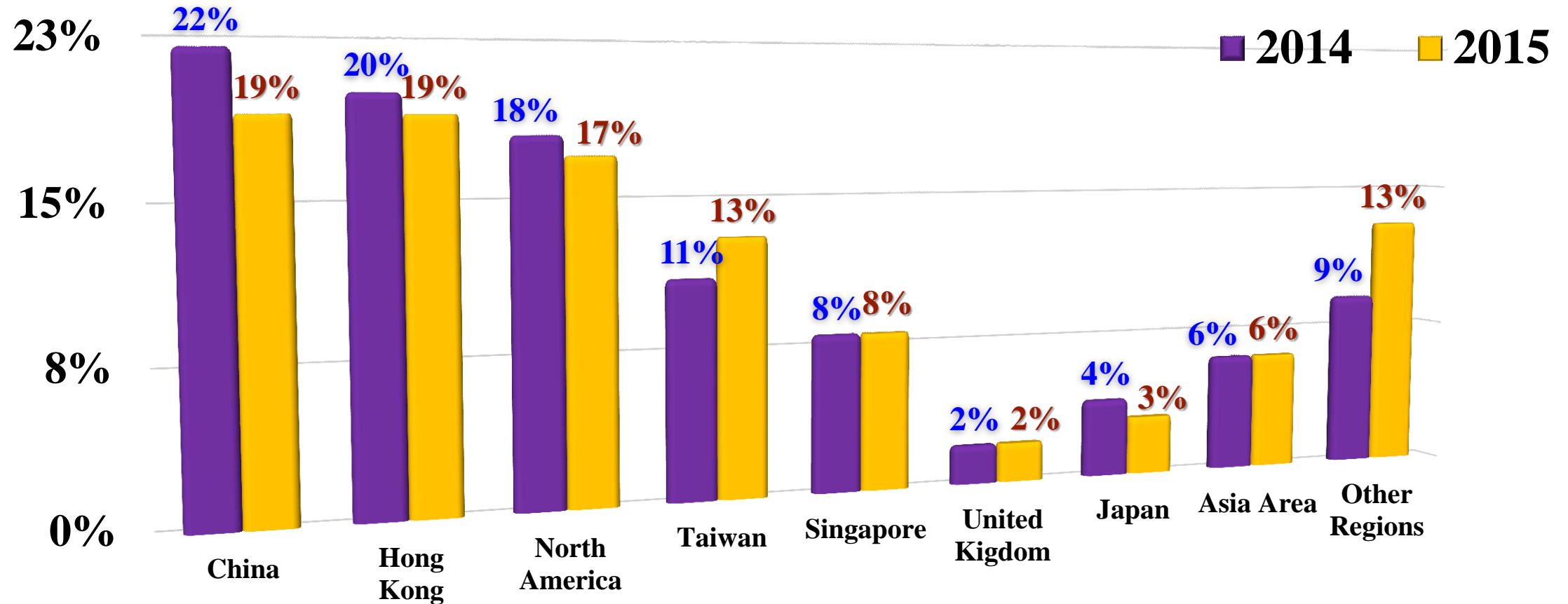
W Hotel Taipei & Competitor Set in 2013~2015



Unit: NT\$
Reference: Tourism Bureau

Investment Subsidiaries

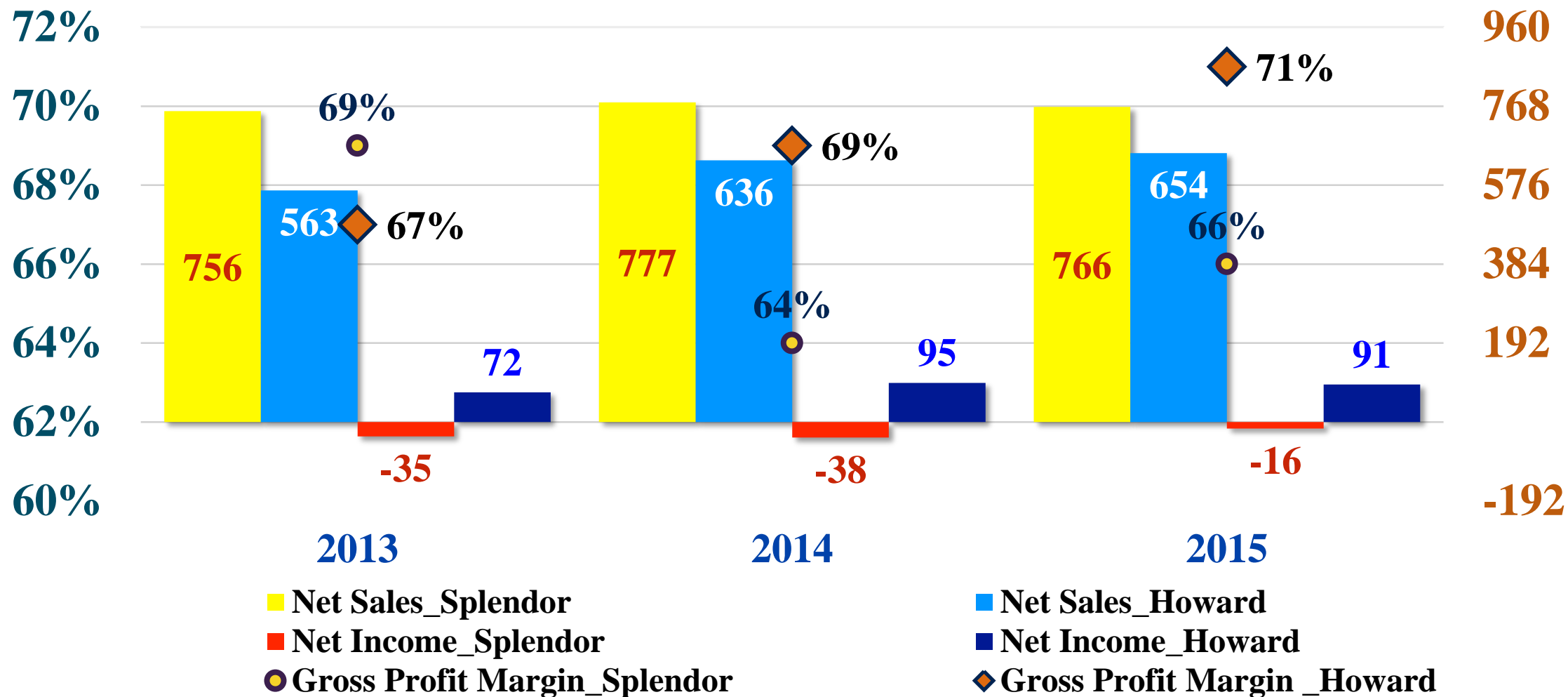
Tourists Breakdown of W Hotel Taipei by Regions



Investment Subsidiaries

Unit: Millions of NT\$

Financial Data of the Other Hotels in 2013~2015



Future Strategy

Competitiveness-1

Vertical integration of resources to reduce costs.

Strategy

Seeking potential lands in six major cities or developing lands near main traffic networks.

Competitiveness-2

The best developer in Tainan Group, enjoying economic scale.

Target Buyer

1. First-time homebuyer
2. Provide upscale properties for Taiwan aspirational middle class

PHD

Tainan Group Members



Prince Housing & Development Corp.
(2511TT/2511TWO)

**Please visit Investor
Relation website**
<http://www.prince.com.tw/finance.asp>

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Prince Housing & Development Corp.
Thank you for your support