

We shape our buildings, thereafter they shape us.



Prince Housing & Development Corp.

2511TT

2016H1 Operational Briefing

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- **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\$

	2016Q2		2015Q2		Different	
	M	%	M	%	M	YOY
Construction in Progress	2,993	6	3,600	7	(607)	(17)
Land Held for Construction	12,975	25	13,032	24	(57)	(0)
Building and Land Held for Sale	5,218	10	2,934	5	2,284	78
Prepayment for Land	220	0	1,427	3	(1,207)	(85)
Others	1,518	3	1,056	2	462	44
Inventories Subtotal	22,924	44	22,049	40	875	4
Cash and Other Current Assets	2,094	4	3,618	7	(1,524)	(42)
Funds and Investments	4,391	8	4,784	9	(393)	(8)
Total Assets	52,110	100	54,501	100	(2,391)	(4)
Loans&Bonds	17,494	34	18,933	35	(1,439)	(8)
Receipts in Advance	1,955	4	2,869	5	(914)	(32)
Total Liabilities	28,636	55	30,562	56	(1,926)	(6)
Stockholders Equities	23,474	45	23,241	43	233	1
Current Ratio	224.80%		213.17%			
Debt Ratio	54.95%		56.08%			
Net Debt to Equity	66%		66%			

Note: The accounting principle changed to IFRS in 2013.

Financial Data (Consolidated)

Unit: Millions of NT\$

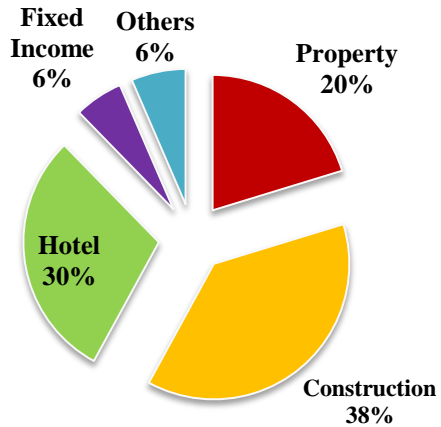
	2016Q2		2015Q2		Different		2015Q4	
	M	%	M	%	M	YOY	M	%
Operating Revenue	4,110	100	5,731	100	(1,621)	(28)	16,108	392
Operating Cost	(2,639)	(64)	(3,685)	(64)	1,046	(28)	(10,933)	(266)
Gross Profit	1,471	36	2,046	36	(575)	(28)	5,175	126
Operating Expenses	(1,195)	(29)	(1,378)	(24)	183	(13)	(2,724)	(66)
Operating Income	276	7	668	12	(392)	(59)	2,451	60
Pre-tax Income	352	9	813	14	(461)	(57)	2,522	61
Net Income	310	8	709	12	(399)	(56)	2,234	54
Earnings per Share	0.2		0.44				1.38	
Net Assets Value	14.46		13.98				15.51	
Return on Equity	1.32%		3.05%				8.90%	

Note: The accounting principle changed to IFRS in 2013.

Financial Data (Consolidated)

Unit: Millions of NT\$

16Q2 Revenue Breakdown



Segments	Property	Construction	Hotel	Fixed Income	Others	Total	Adj.	Consolidated
Segment Revenue	915	1,701	1,342	262	293	4,513	(403)	4,110
Revenue (%)	20%	38%	30%	6%	6%	100%		
YoY	-56%	-22%	-7%	-0.4%	8%	-27%		-28%
Segment Income	(15)	41	109	100	21	256	20	276
Income (%)	-6%	16%	43%	39%	8%	100%		
EBT Margin	-2%	2%	8%	38%	7%	6%		7%
YoY	-106%	-67%	-24%	11%	133%	-60%		-58%

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)

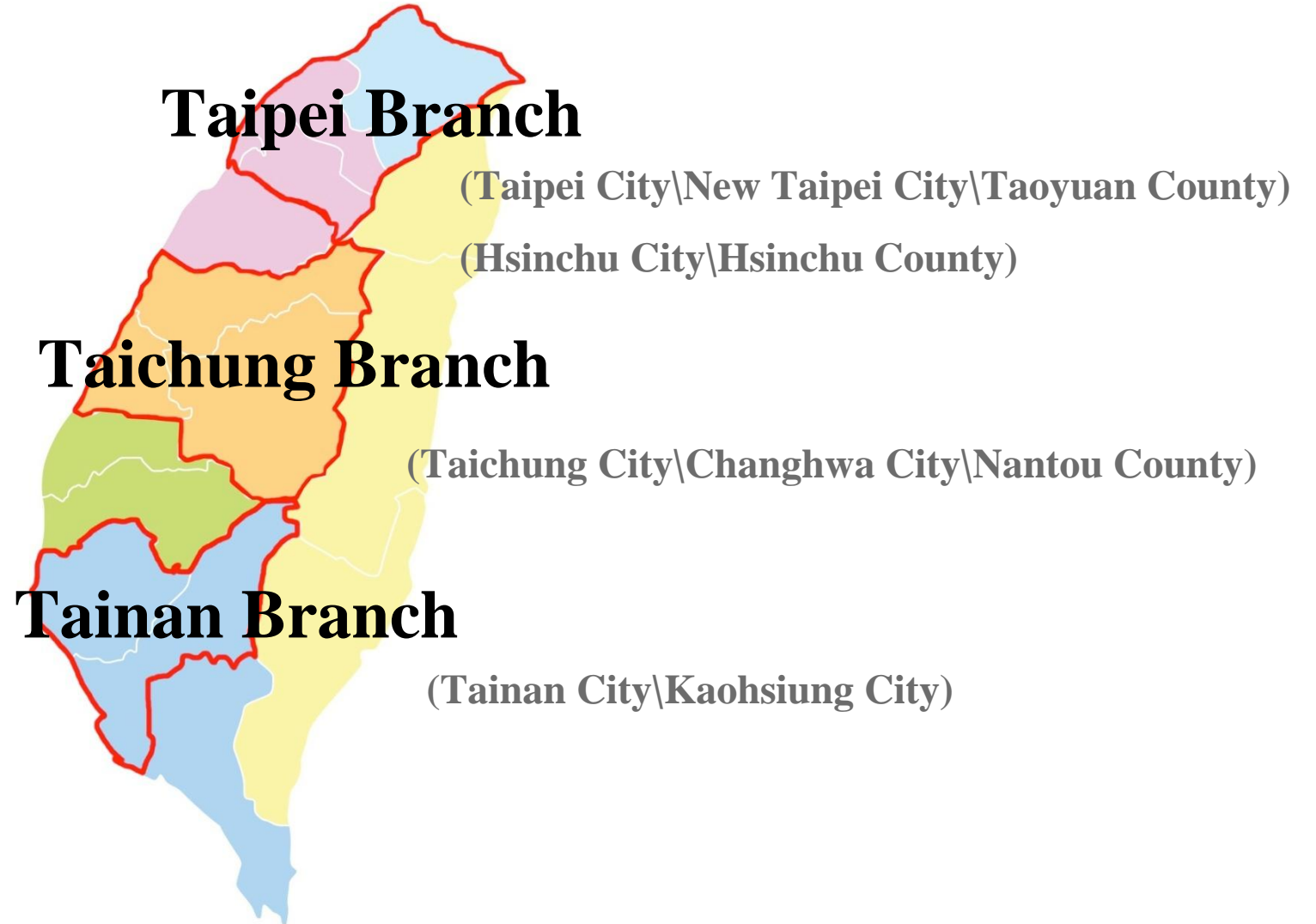
Unit: Millions of NT\$

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	17%
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 - 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	50%				▲
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	45%		▲		
W Epoch	Taichung City	1.91	26%			▲	
Ping Hsin Section	Taichung City	2.44	-			▲	
Total		10.91					

 Total Salable Floor Area in 2016: 140,413 m²

Financial Data - Real Estate

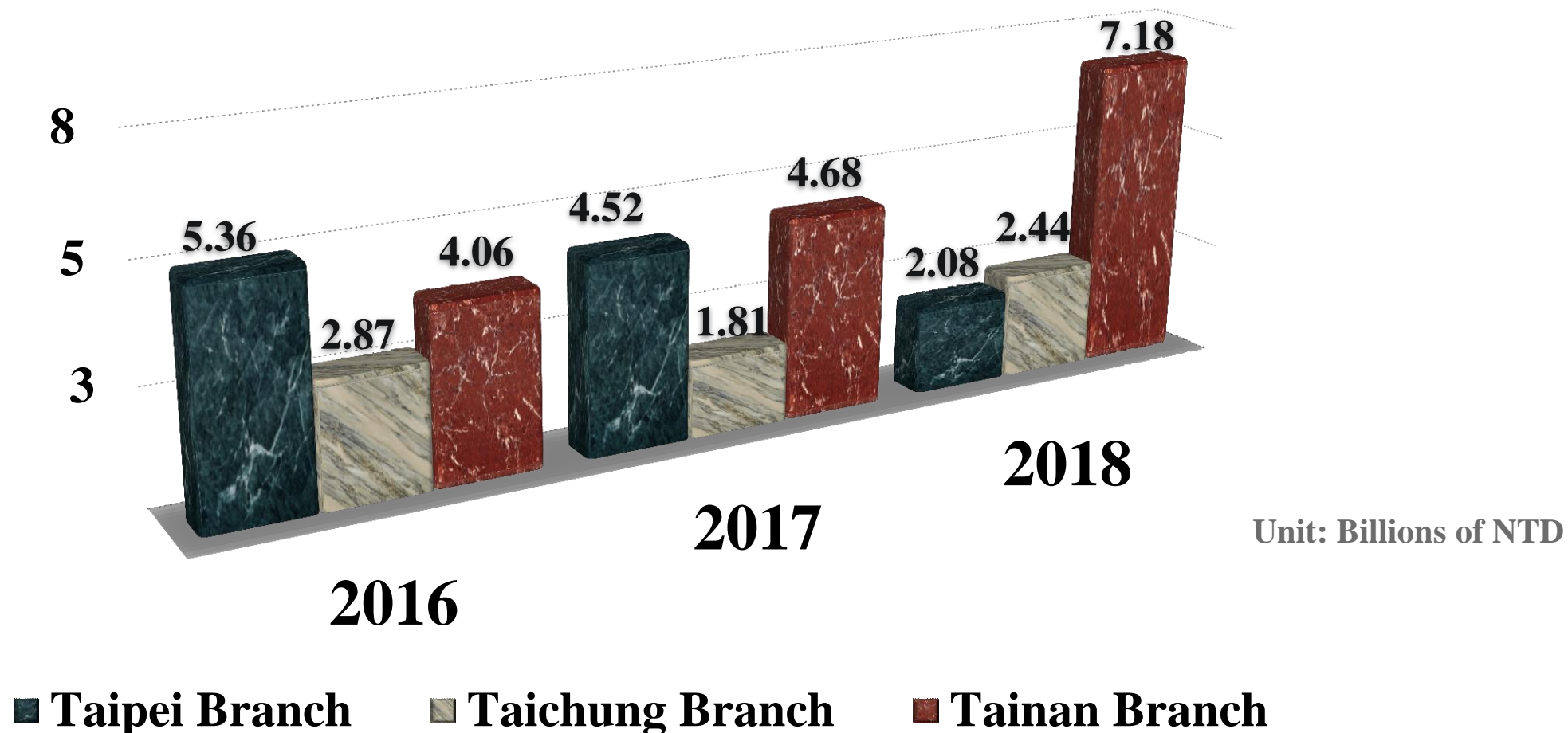
Residential Project – Southern Taiwan

Project Name	Location	Salable Value (billion)	Sales Rate(%)	Year of completion			
				2016	2017	2018	2019
Flower Bo 5	Tainan City	2.14	20%	▲			
Prince Cloud (D area)	Kaohsiung City	0.84	75%	▲			
Prince Feng Yun	Tainan City	1.77	-		▲		
Prince Cloud (C1 area)	Kaohsiung City	1.62	85%		▲		
Prince Xue (Villa area)	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	-			▲	
Prince Cloud (C2 area)	Kaohsiung City	1.77	51%			▲	
Prince Xue (Bilding area)	Kaohsiung City	5.52	-				▲
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

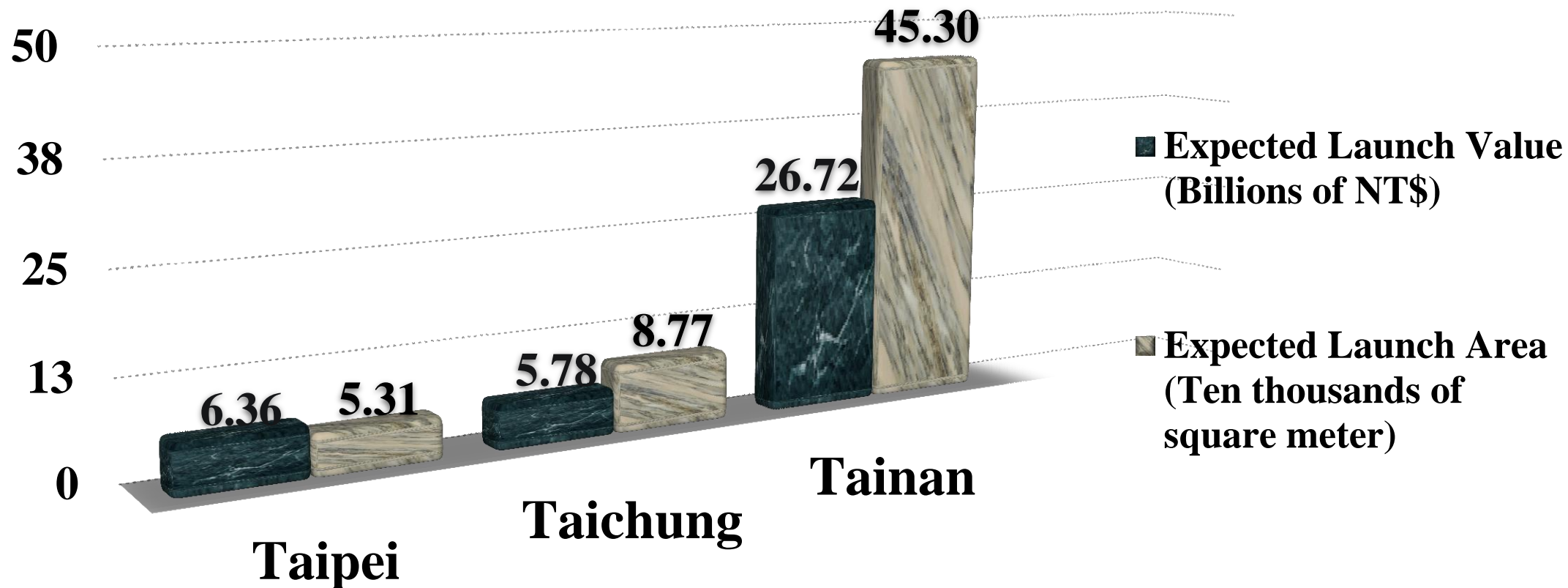
Financial Data - Real Estate

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

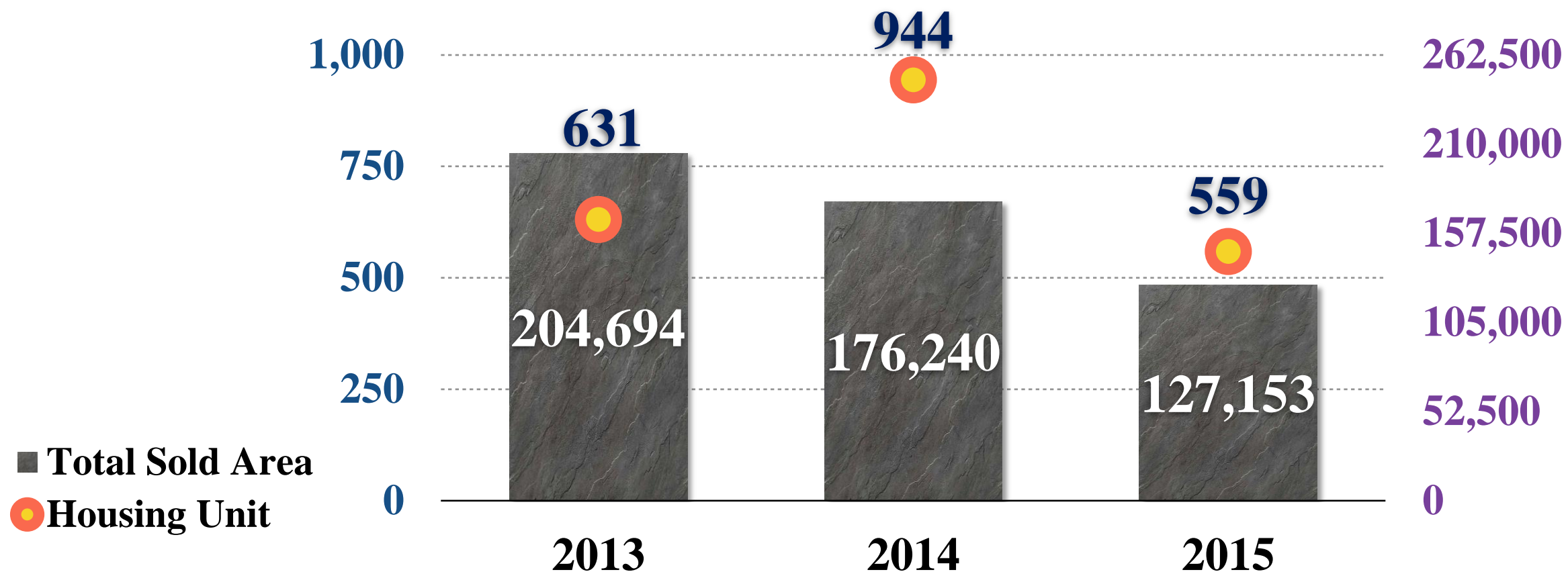
Unit: Millions of NT\$

Branch Revenue in 1Q 2016

Dept.	Taipei Branch		Taichung Branch		Tainan Branch		Total	Adj.	Consolidated
Account	Construction Revenues	Rental Revenues	Construction Revenues	Rental Revenues	Construction Revenues	Rental Revenues			
Revenue	2,500	144	5,207	23	324	40	8,238		8,238
Revenue (%)	30.3%	1.7%	63.2%	0.3%	3.9%	0.6%	100%		100%
YoY	-34.1%	-5.3%	53.0%	0%	-88.4%	2.6%	-20.5%		-20.5%
Income	634	125	900	18	(163)	29	1,543	(128)	1,415
Income (%)	41.1%	8.1%	58.3%	1.2%	-	1.8%	100%		
Margin	25.4%	86.8%	17.3%	78.3%	-	72.5%			17.2%
YoY	-40.8%	-5.5%	55.6%	2.2%	-145.5%	8.0%			-20.6%

Financial Data - Real Estate

Property Development Overview by Years

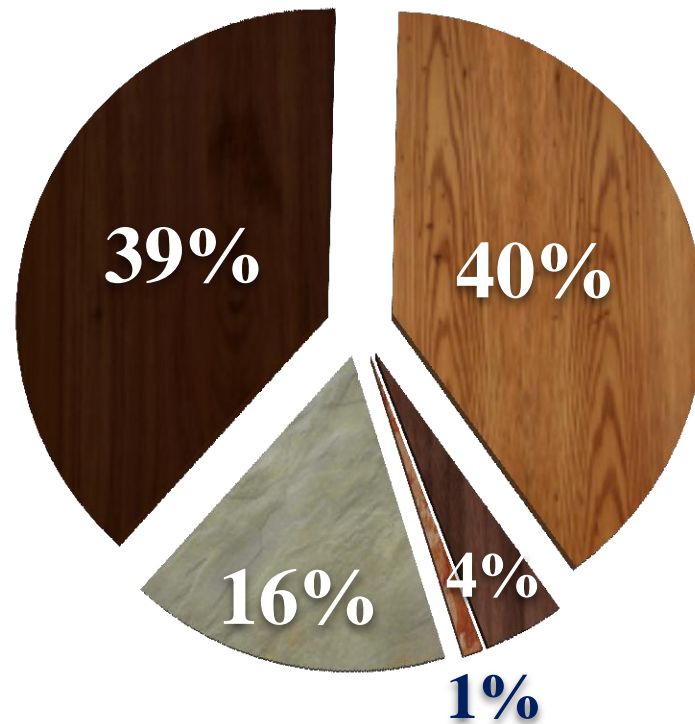


Expressed in square meters

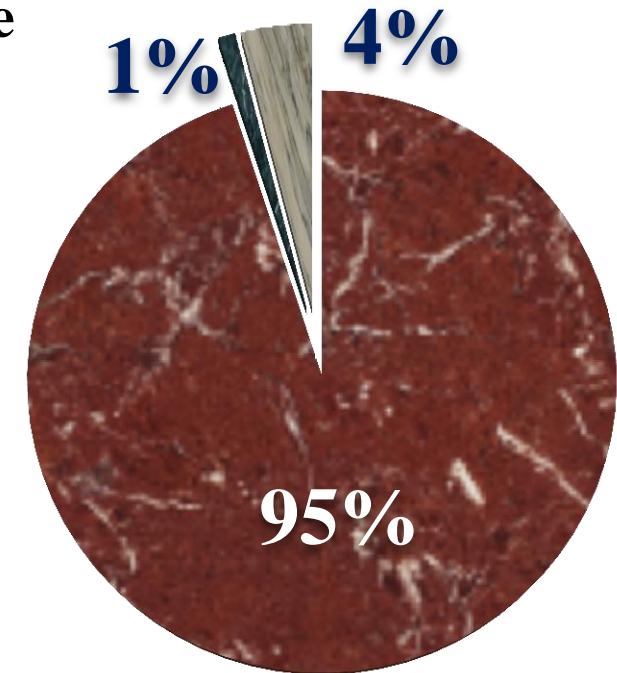
Financial Data - Real Estate

Residential Housing Product Composition in 2015

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



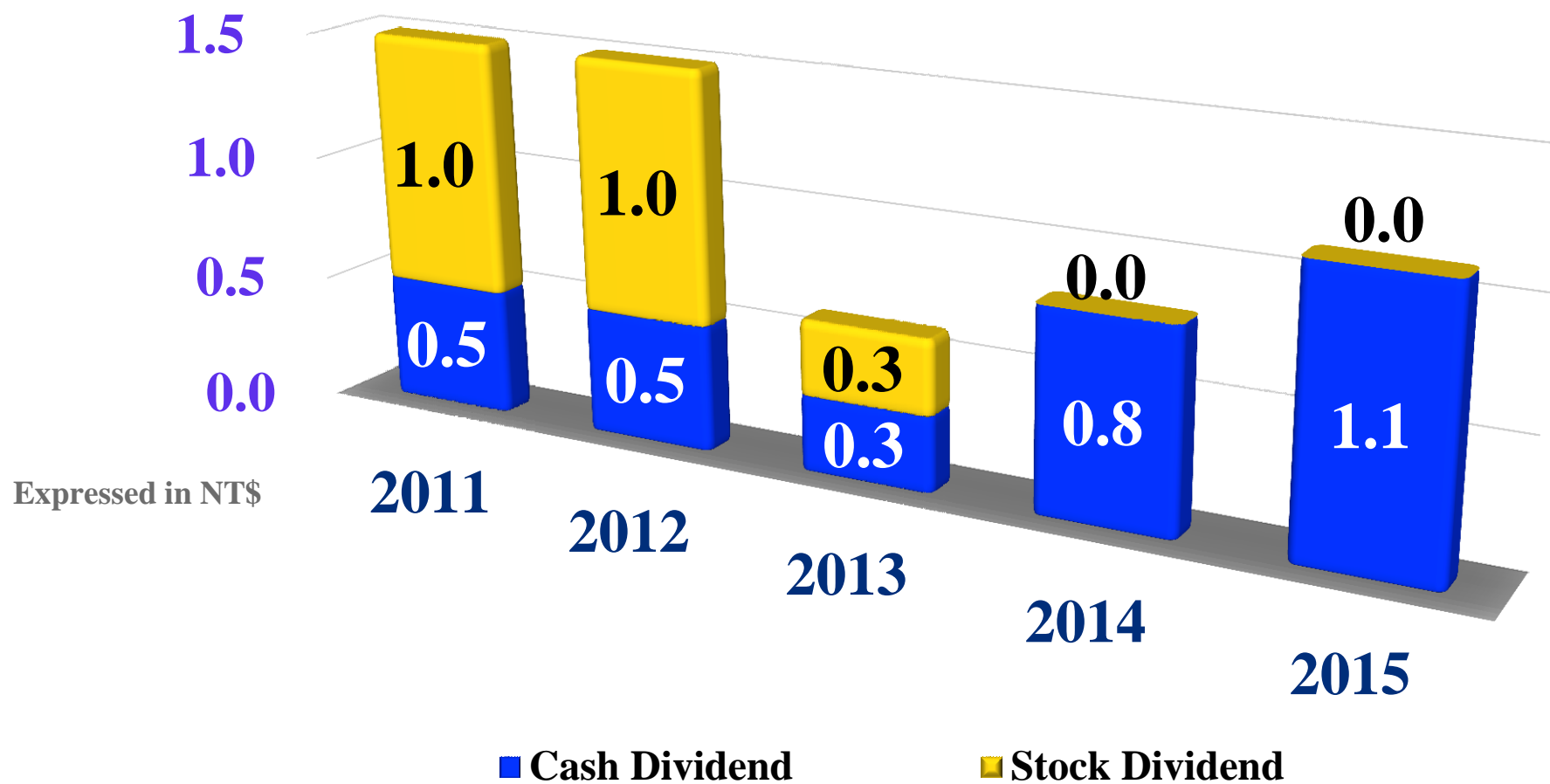
- High-Rise
- Mid-Rise
- Townhouse



Housing Unit Breakdown by Product Categories

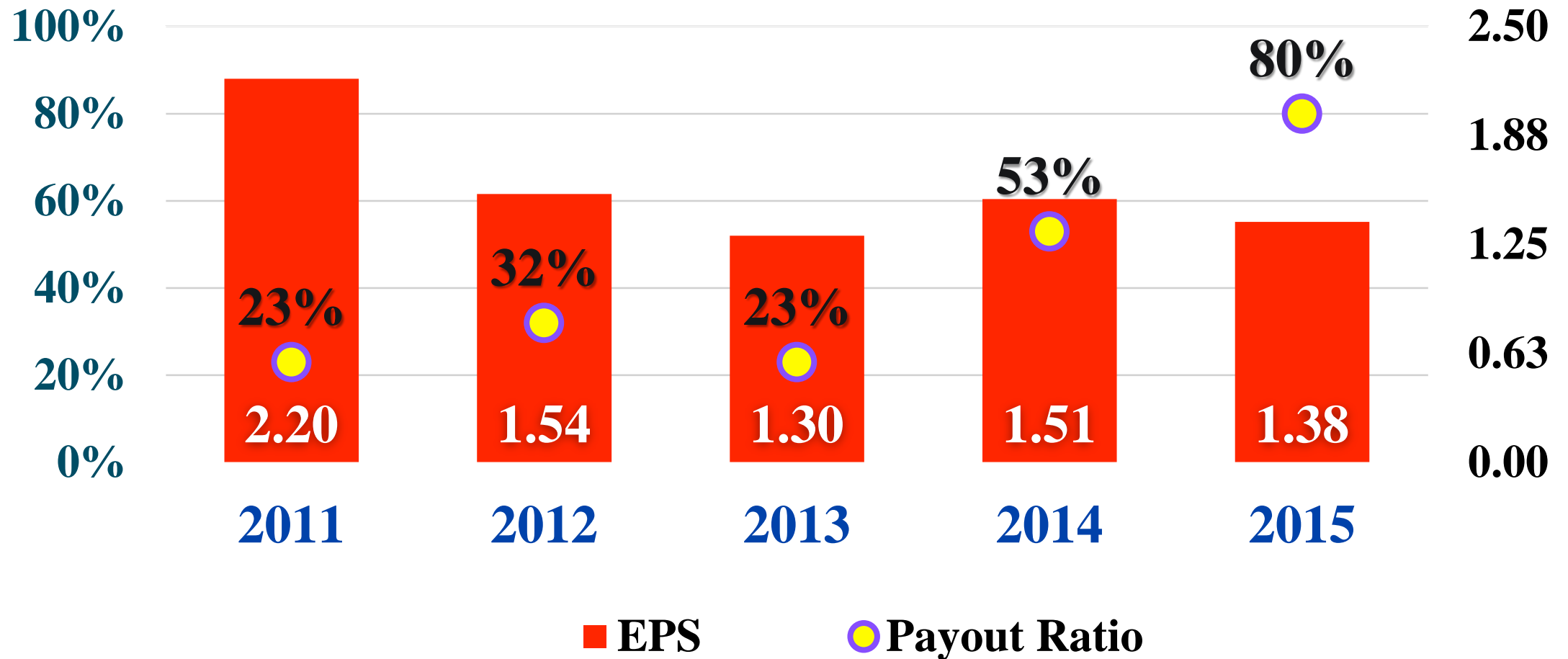
Financial Data

Dividend Policy



Financial Data

Dividend Policy



Investment Subsidiaries



Investment Subsidiaries

Unit: Millions of NT\$

BOT Income Properties
NTU BOT · NCKU BOT

Chartered period :

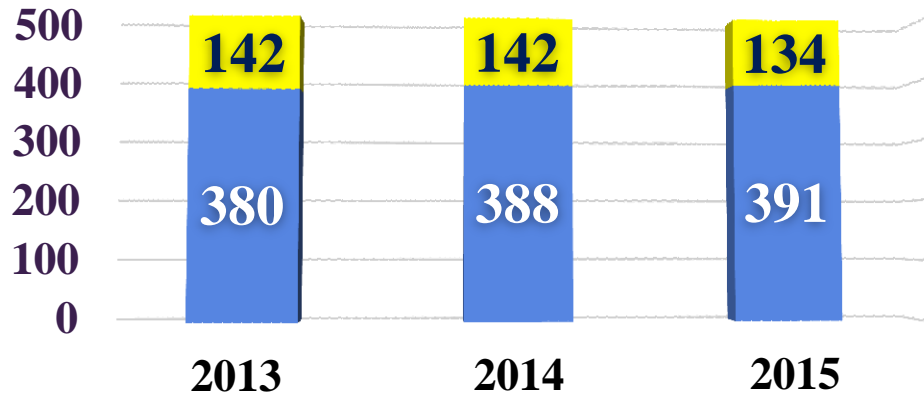
NTU 47Y

NCKU 35Y

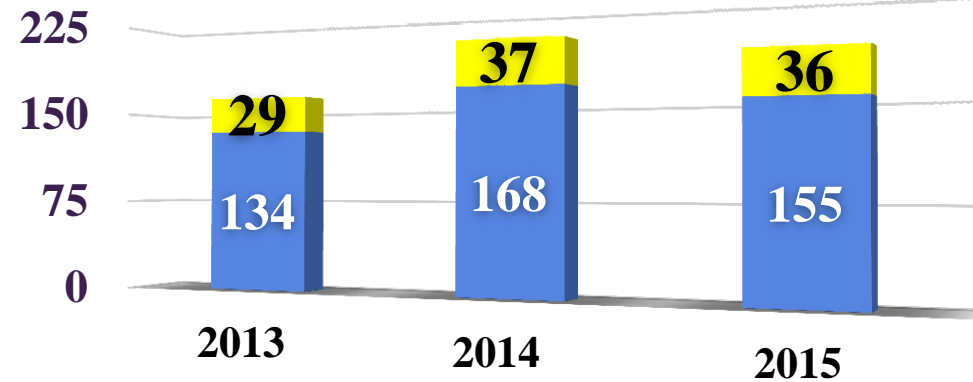


■ NTU BOT
■ NCKU BOT

Revenue



Profit



2016

2005

Mar. NTU signed
May. NCKU signed

2008

Sep. Started Operating

NTU 36Y
NCKU 24Y

2040

NCKU

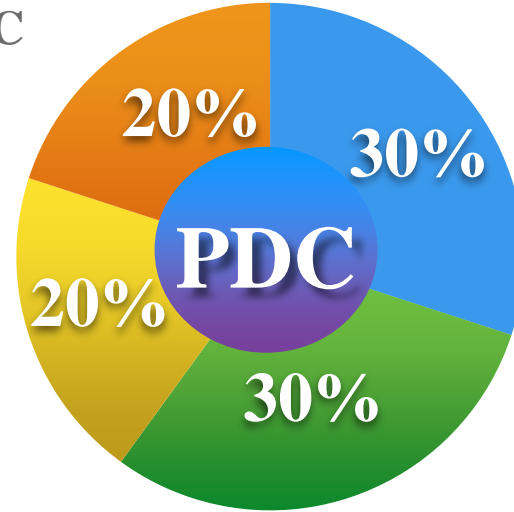
2052

NTU

Investment Subsidiaries



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



Ownership %

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

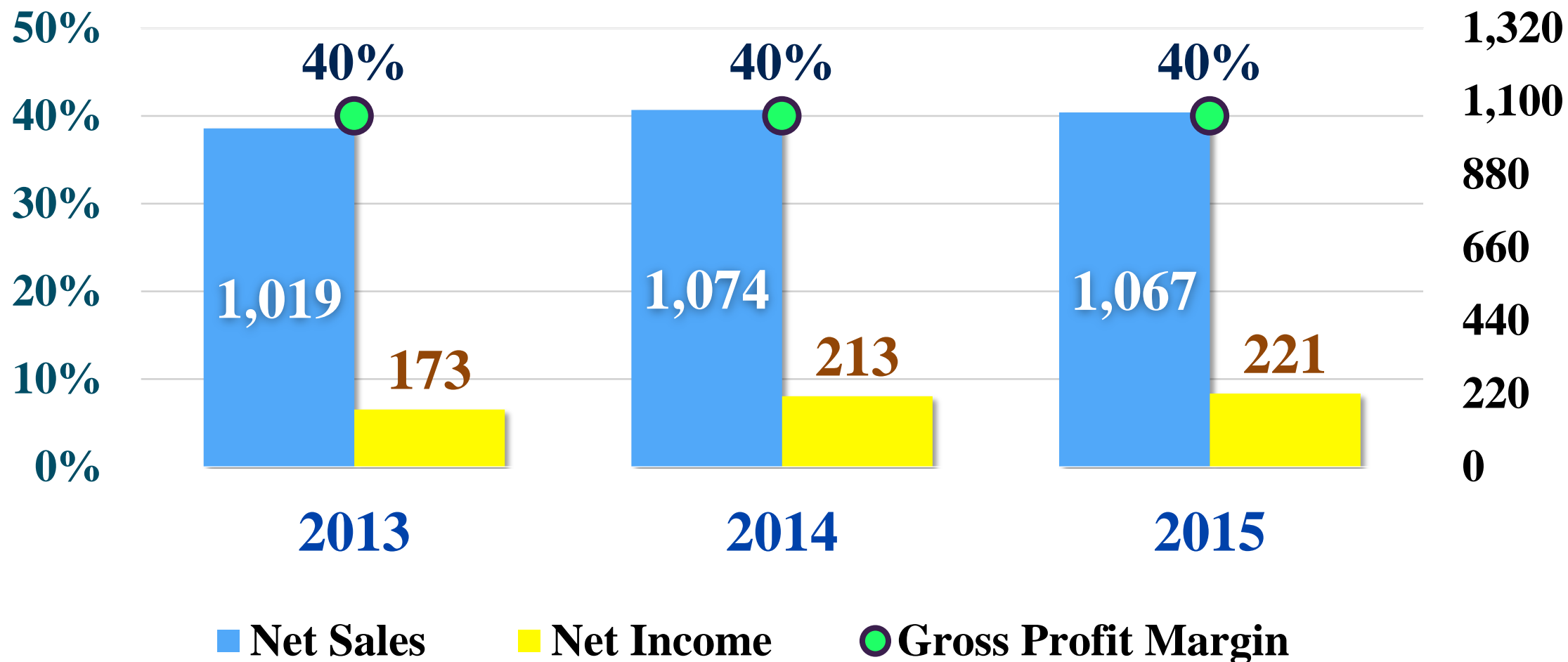
Site Area 16,280 M²
Total Floor Area 144,037 M²

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\$

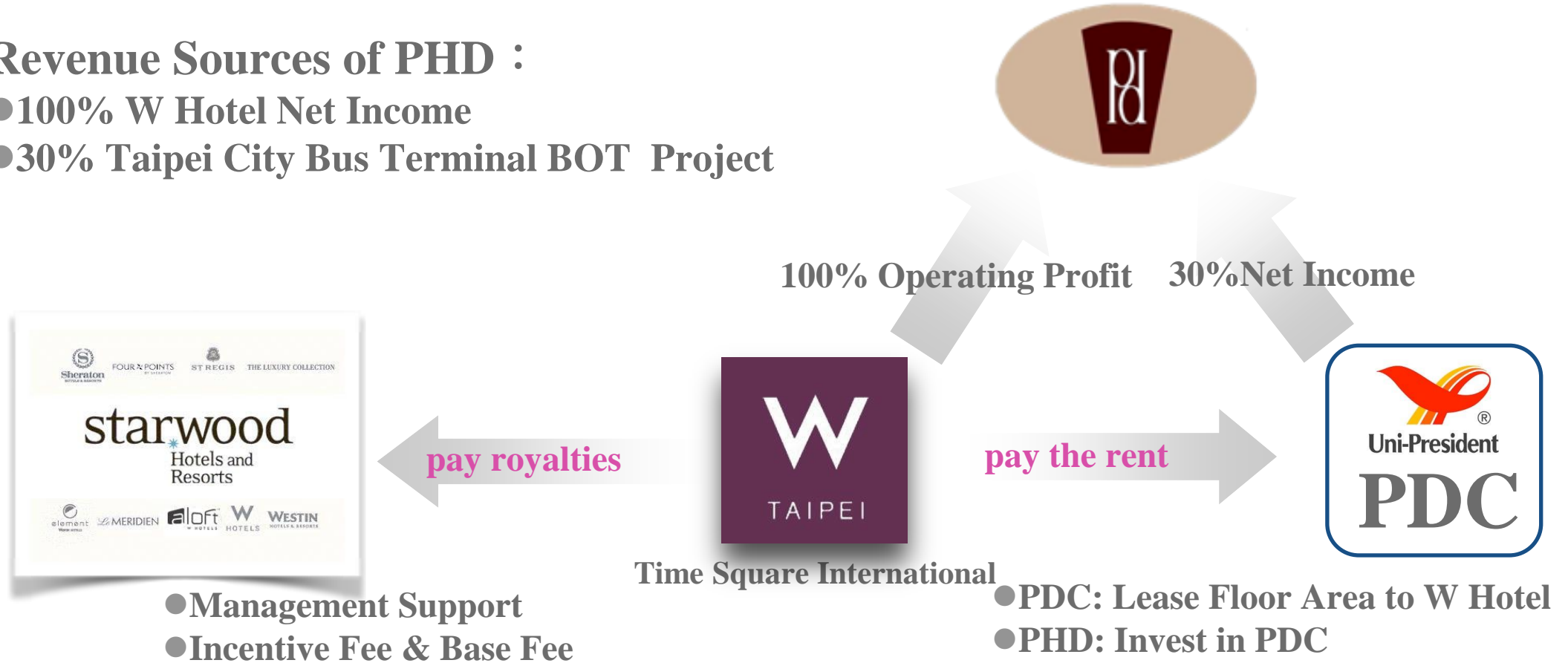
PDC Operation Overview in 2013~2015



Investment Subsidiaries

Revenue Sources of PHD :

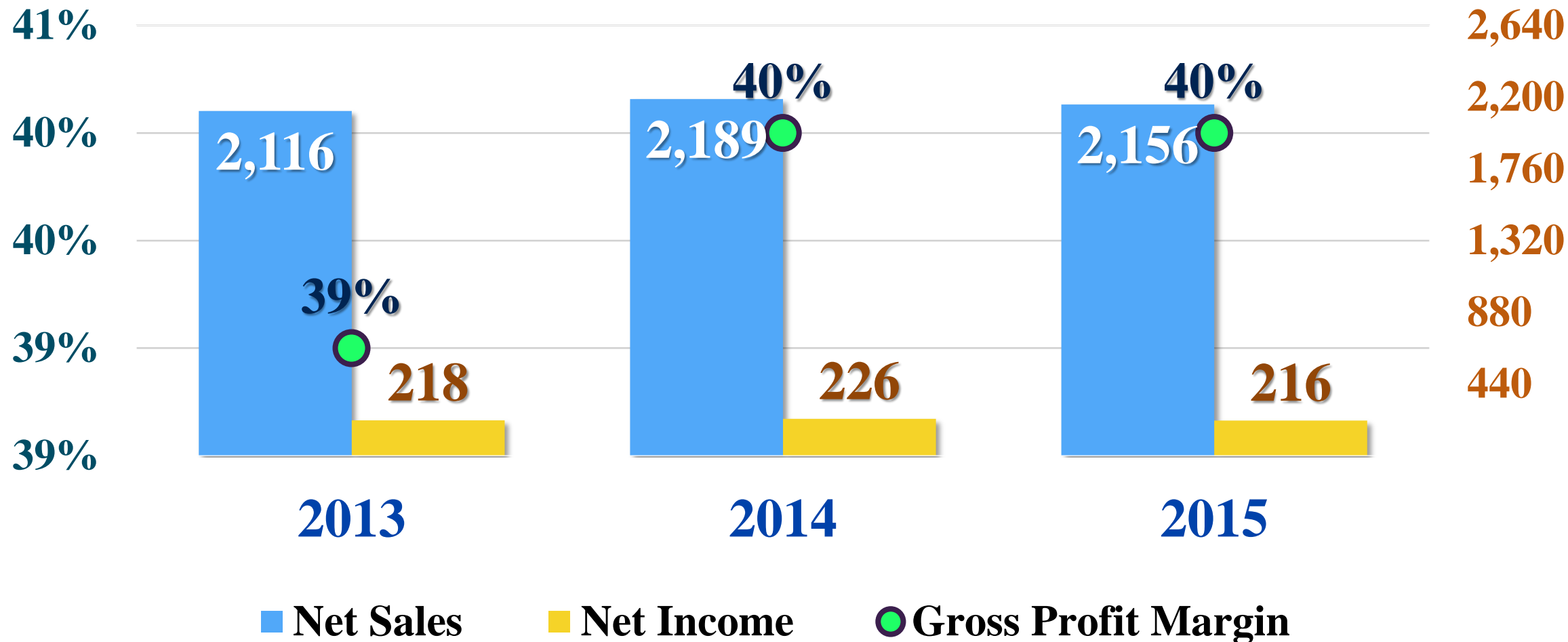
- 100% W Hotel Net Income
- 30% Taipei City Bus Terminal BOT Project



Investment Subsidiaries

Unit: Millions of NT\$

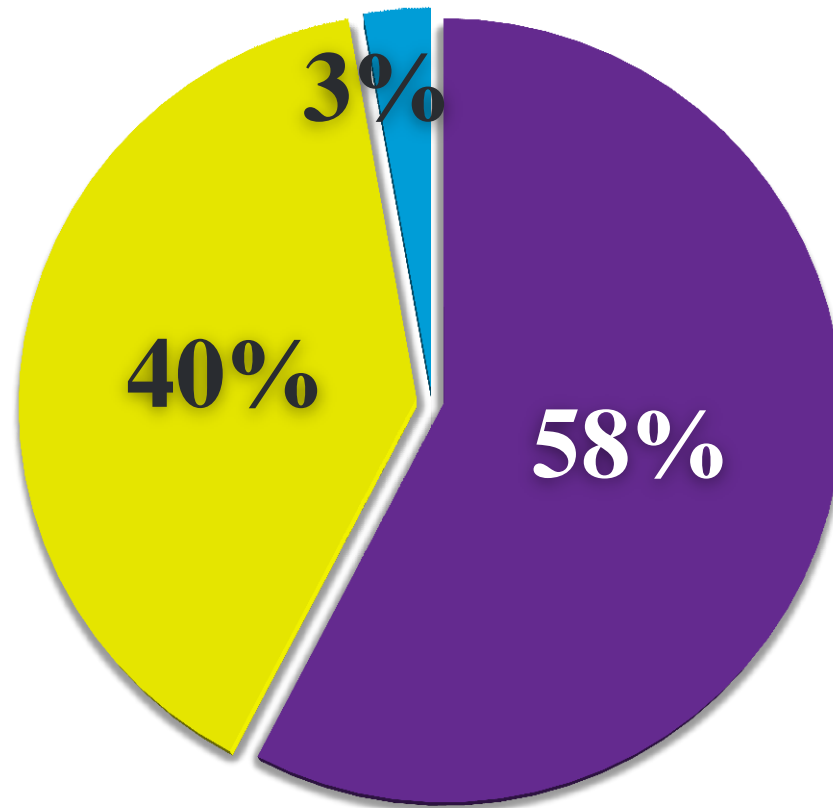
Financial Data of W Hotel Taipei in 2013~2015



Investment Subsidiaries

Unit: Millions of NT\$

W Hotel Taipei Revenue Breakdown in 2015

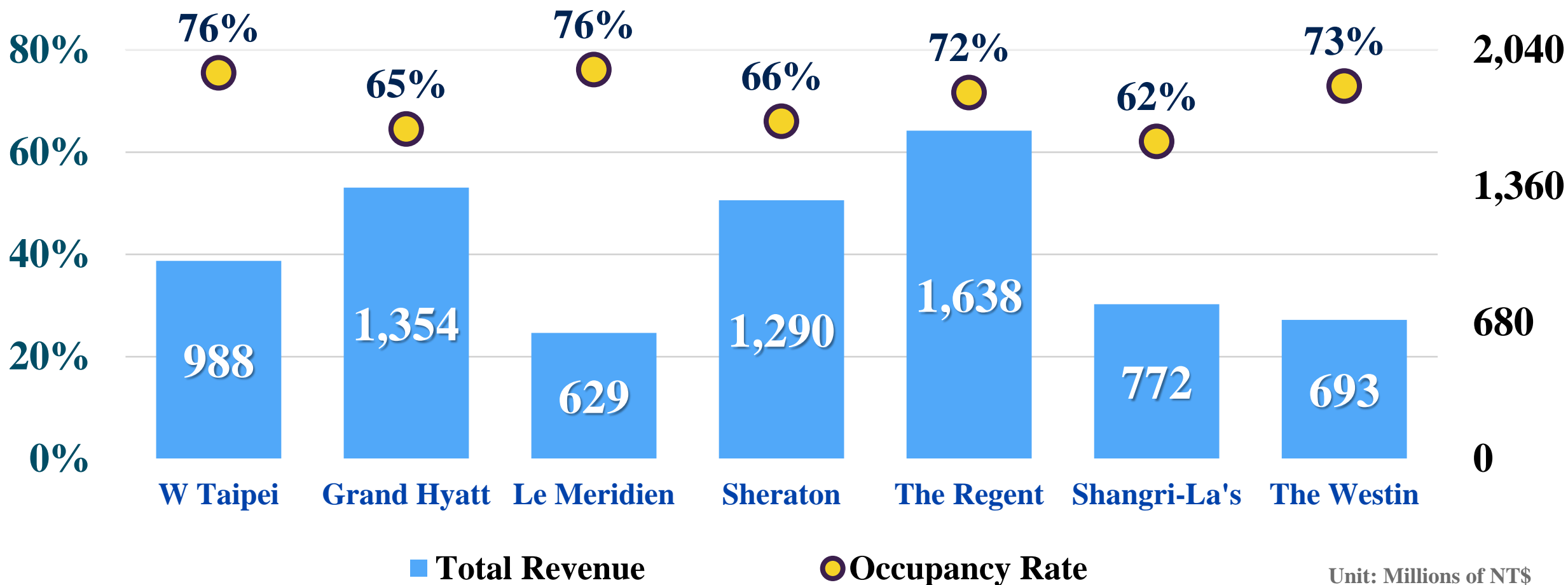


- Room Revenue- 1,243
- F&B Revenue- 853
- Other Revenue- 61

Reference: Tourism Bureau

Investment Subsidiaries

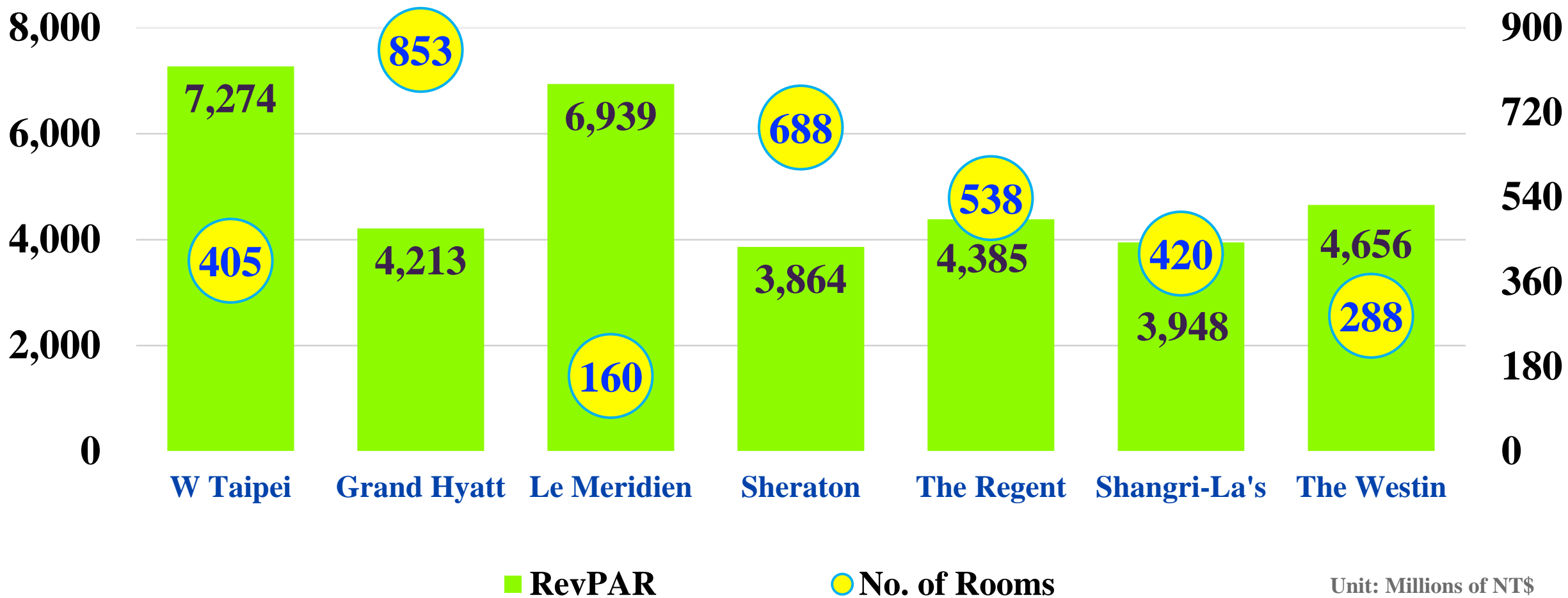
W Hotel Taipei & Competitor Set in 2016Q2



Unit: Millions of NT\$
Reference: Tourism Bureau

Investment Subsidiaries

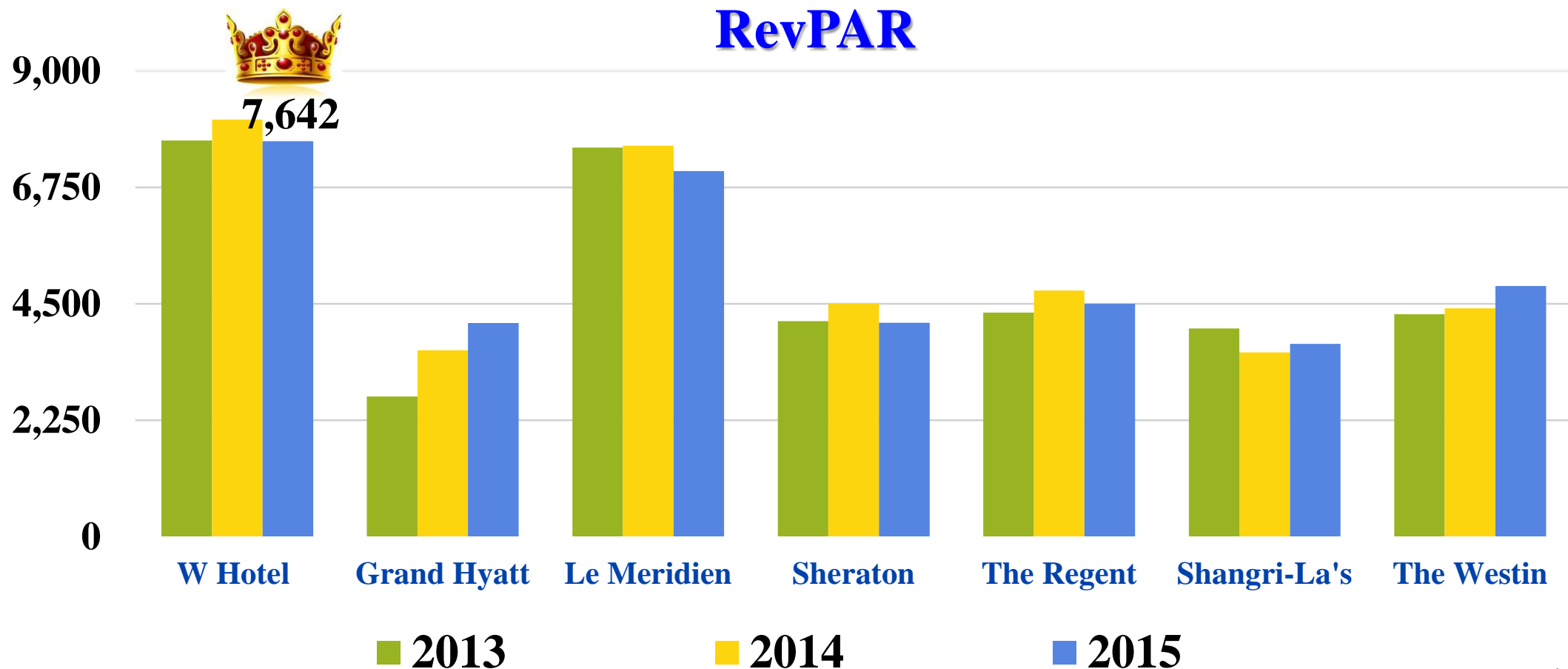
W Hotel Taipei & Competitor Set in 2016Q2



Unit: Millions of NT\$
Reference: Tourism Bureau

Investment Subsidiaries

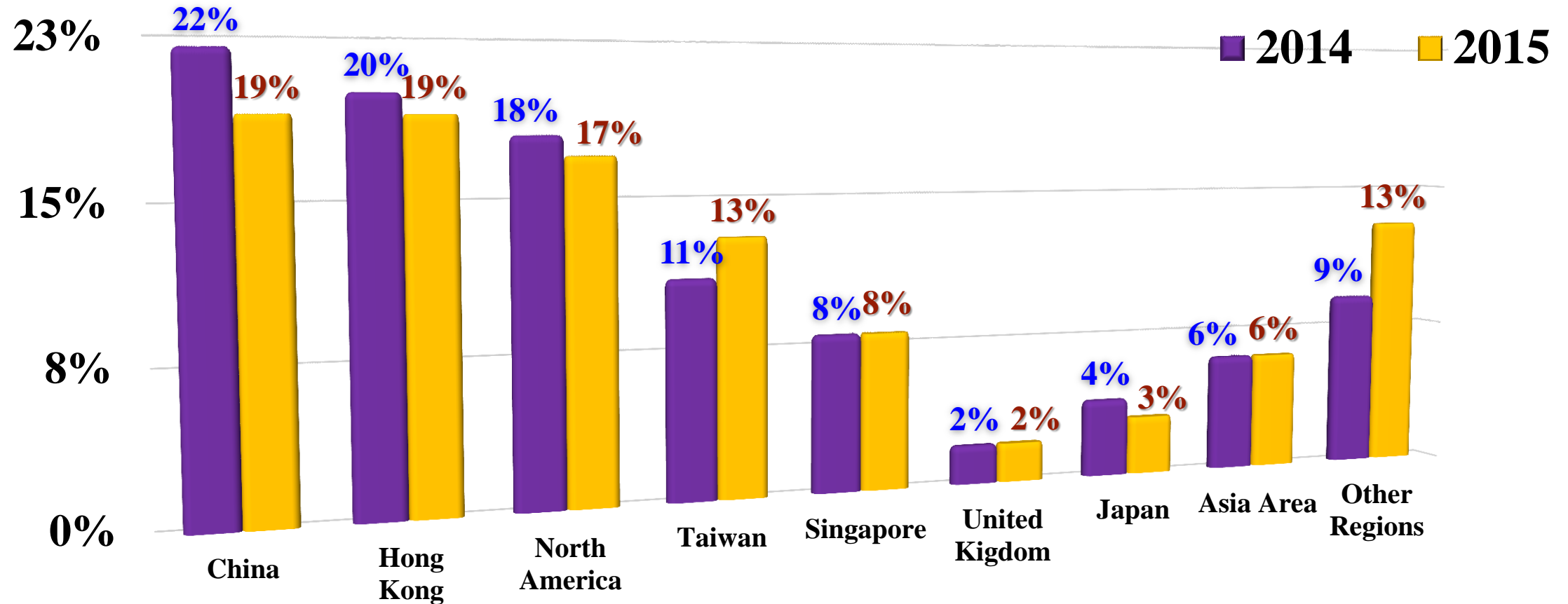
W Hotel Taipei & Competitor Set in 2013~2015



Unit: NT\$
Reference: Tourism Bureau

Investment Subsidiaries

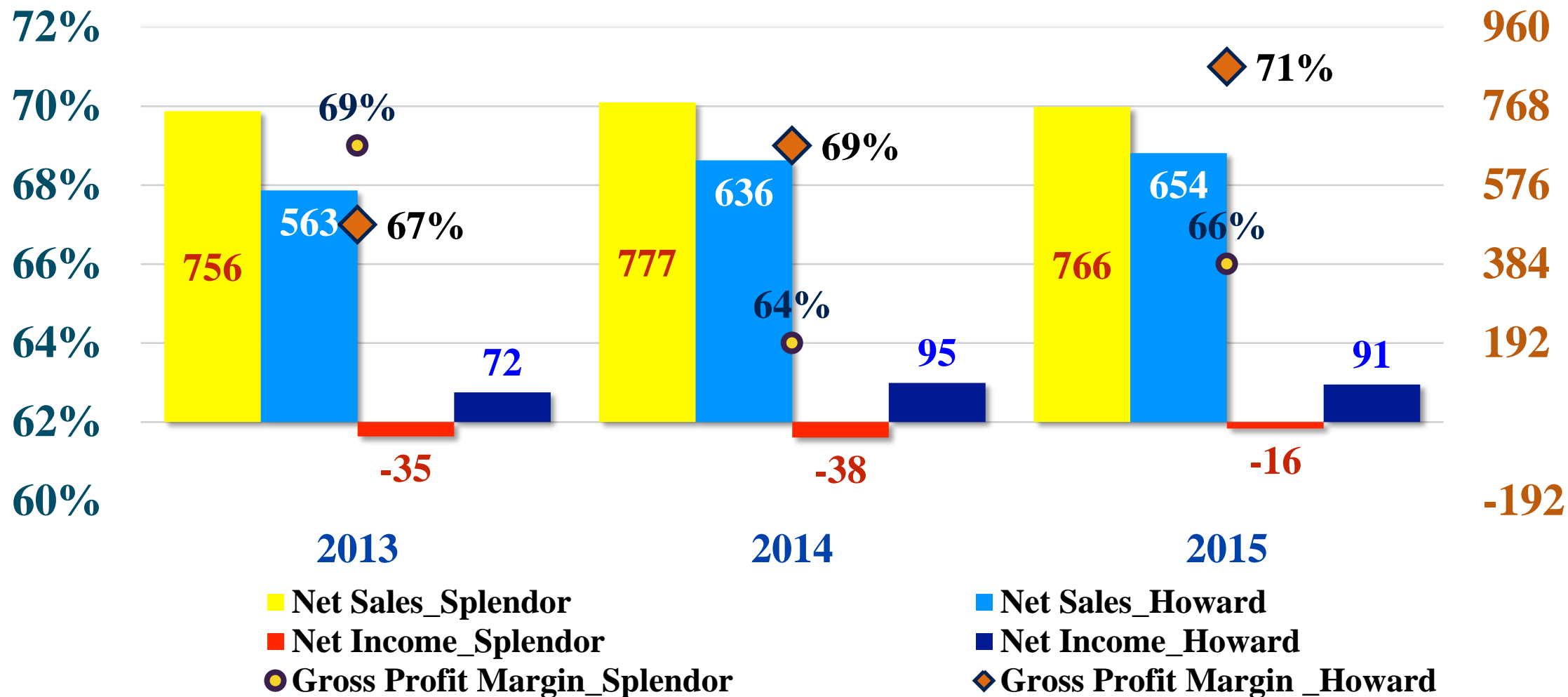
Tourists Breakdown of W Hotel Taipei by Regions



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