

We shape our buildings;thereafter they shape us



Prince Housing & Development Corp.

2511TT

4Q 2017 Operational Briefing

Disclaimer Statement

- This presentation contains forward looking statements which are estimated based on the current status of Prince Housing & Development Corp and general economic conditions. The forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, rising costs of raw materials, competitive products and pricing pressures and regulatory developments.
- Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved.
- Prince Housing & Development Corp. expressly disclaims any obligation to review, update or correct these materials after the date thereof. Prince Housing & Development Corp. may update, amend, supplement or otherwise alter the information contained in any such materials by subsequent presentations, reports, filings, or other means without notice. This presentation may not be stored, copied, distributed, transmitted,



Content

- **Introduction**
- **Financial Data**
- **Investment Subsidiaries**
- **Future Strategy**



Company Overview



Ticker:
2511

2017
Consolidated
Revenue
10.99Billion

NAV NT
\$14.89

Capital
16.2 Billion

Total Asset
50.28Billion

2015

Corporate Governance Evaluation System 6%~20%

2011

Capital Exceeded 10 Billion

2004

Sign Taipei City Hall Bus Terminal BOT Contract
Sign NTU Dorm \ NCKU Dorm BOT Contract

1997

Investment Hotel Business

1991

Go Public in Taiwan Stock Marker

1973

Founded in Tainan City / Capital NT\$ 150 Million



Financial Data (Consolidated)

Expressed in million of NT dollars

| | 2017Q4 | | Different | | 2016Q4 | |
|---------------------------------|---------|-----|-----------|------|---------|-----|
| | M | % | M | YOY | M | % |
| Construction in Progress | 5,285 | 11 | 1,594 | 43 | 3,691 | 7 |
| Land Held for Construction | 10,150 | 20 | (2,387) | (19) | 12,537 | 24 |
| Building and Land Held for Sale | 5,459 | 11 | 543 | 11 | 4,916 | 10 |
| Prepayment for Land | 187 | 0 | 54 | 41 | 133 | 0 |
| Others | 982 | 2 | (12) | (1) | 994 | 2 |
| Inventories Subtotal | 22,063 | 44 | (208) | (1) | 22,271 | 43 |
| Cash and Other Current Assets | 8,235 | 16 | (553) | (6) | 8,788 | 17 |
| Funds and Investments | 3,897 | 8 | (301) | (7) | 4,198 | 8 |
| Total Assets | 50,275 | 100 | (1,010) | (2) | 51,285 | 100 |
| Loans&Bonds | 19,200 | 38 | 815 | 4 | 18,385 | 36 |
| Receipts in Advance | 1,264 | 3 | (123) | (9) | 1,387 | 3 |
| Total Liabilities | 26,098 | 52 | (560) | (2) | 26,658 | 52 |
| Stockholders Equities | 24,176 | 48 | (452) | (2) | 24,628 | 48 |
| Current Ratio | 197.44% | | | | 254.34% | |
| Debt Ratio | 51.91% | | | | 51.98% | |
| Net Debt to Equity | 62% | | | | 56% | |

Note:Change to IFRS Accounting Principles in 2013



Financial Data (Consolidated)

Expressed in million of NT dollars

| | 2017Q4 | | Different | | 2016Q4 | |
|--------------------|---------|------|-----------|------|---------|------|
| | M | % | M | YOY | M | % |
| Operating Revenue | 10,989 | 100 | (1,071) | (9) | 12,060 | 100 |
| Operating Cost | (7,723) | (70) | 401 | (5) | (8,124) | (67) |
| Gross Profit | 3,266 | 30 | (670) | (17) | 3,936 | 33 |
| Operating Expenses | (2,188) | (20) | 234 | (10) | (2,422) | (20) |
| Operating Income | 1,078 | 10 | (436) | (29) | 1,514 | 13 |
| Pre-tax Income | 1,340 | 12 | (566) | (30) | 1,906 | 16 |
| Net Income | 1,265 | 12 | (334) | (21) | 1,599 | 13 |
| Earnings per Share | 0.79 | | | | 0.99 | |
| Net Assets Value | 14.89 | | | | 15.17 | |
| Return on Equity | 5.23% | | | | 6.49% | |

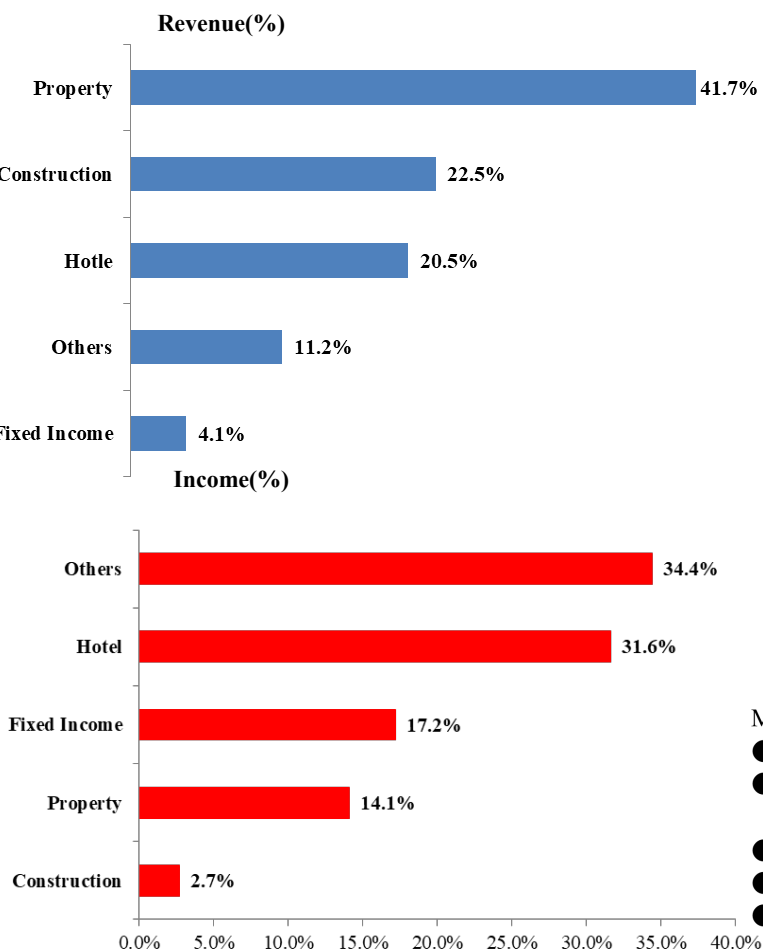
Note: Change to IFRS Accounting Principles in 2013



Financial Data (Consolidated)

Expressed in million of NT dollars

Segment Information 2017 Q4 Breakdown



| Segments | Property | Construction | Hotel | Fixed Income | Others | Total | Adj. | Consolidated |
|-----------------|----------|--------------|--------|--------------|-----------|--------|---------|--------------|
| Segment Revenue | 5,222 | 2,821 | 2,577 | 512 | 1,397 | 12,529 | (1,540) | 10,989 |
| Revenue (%) | 41.7% | 22.5% | 20.5% | 4.1% | 11.2% | 100.0% | | |
| YoY | -4.8% | -28.0% | -4.9% | -1.3% | 132.8% | -5.3% | | -8.9% |
| Segment Income | 115 | 88 | 208 | 186 | 483 | 1,080 | (2) | 1,078 |
| Income (%) | 10.7% | 8.1% | 19.3% | 17.2% | 44.7% | 100.0% | | |
| EBT Margin | 2.2% | 3.1% | 8.1% | 36.3% | 34.6% | 8.6% | | 9.8% |
| YoY | -86.2% | 17.3% | -17.1% | -0.5% | -24250.0% | -19.7% | | -28.8% |

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.
- Fixed 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:Change to IFRS Accounting Principles in 2013

Financial Data (Non-Consolidated)

Expressed in million of NT dollars

| | 2017Q4 | | Different | | 2016Q4 | |
|---------------------------------|---------|-----|-----------|------|---------|-----|
| | M | % | M | YOY | M | % |
| Construction in Progress | 5,338 | 12 | 1,447 | 37 | 3,891 | 9 |
| Land Held for Construction | 9,266 | 21 | (2,159) | (19) | 11,425 | 26 |
| Building and Land Held for Sale | 5,506 | 13 | 531 | 11 | 4,975 | 11 |
| Prepayment for Land | 187 | 0 | 54 | 41 | 133 | 0 |
| Others | 947 | 2 | (8) | (1) | 955 | 2 |
| Inventories Subtotal | 21,244 | 49 | (135) | (1) | 21,379 | 49 |
| Cash and Other Current Assets | 3,739 | 9 | (614) | (14) | 4,353 | 10 |
| Funds and Investments | 7,778 | 18 | 266 | 4 | 7,512 | 17 |
| Total Assets | 43,122 | 100 | (398) | (1) | 43,520 | 100 |
| Loans&Bonds | 15,844 | 37 | 801 | 5 | 15,043 | 35 |
| Receipts in Advance | 942 | 2 | (71) | (7) | 1,013 | 2 |
| Total Liabilities | 19,260 | 45 | 26 | 0 | 19,234 | 44 |
| Stockholders Equities | 23,862 | 55 | (435) | (2) | 24,297 | 56 |
| Current Ratio | 253.56% | | | | 281.74% | |
| Debt Ratio | 44.66% | | | | 44.20% | |
| Net Debt to Equity | 56% | | | | 50% | |

Note: Change to IFRS Accounting Principles in 2013



Prince Housing & Development Corp.

Financial Data (Non-Consolidated)

Expressed in million of NT dollars

| | 2017Q4 | | Different | | 2016Q4 | |
|--------------------|---------|------|-----------|------|---------|------|
| | M | % | M | YOY | M | % |
| Operating Revenue | 5,734 | 100 | (270) | (4) | 6,004 | 100 |
| Operating Cost | (4,421) | (77) | (682) | 18 | (3,739) | (62) |
| Gross Profit | 1,313 | 23 | (952) | (42) | 2,265 | 38 |
| Operating Expenses | (1,012) | (18) | 231 | (19) | (1,243) | (21) |
| Operating Income | 301 | 5 | (721) | (71) | 1,022 | 17 |
| Pre-tax Income | 1,287 | 22 | (571) | (31) | 1,858 | 31 |
| Net Income | 1,281 | 22 | (328) | (20) | 1,609 | 27 |
| Earnings per Share | 0.79 | | | | 0.99 | |
| Net Assets Value | 14.7 | | | | 14.97 | |
| Return on Equity | 5.37% | | | | 6.62% | |

Note: Change to IFRS Accounting Principles in 2013

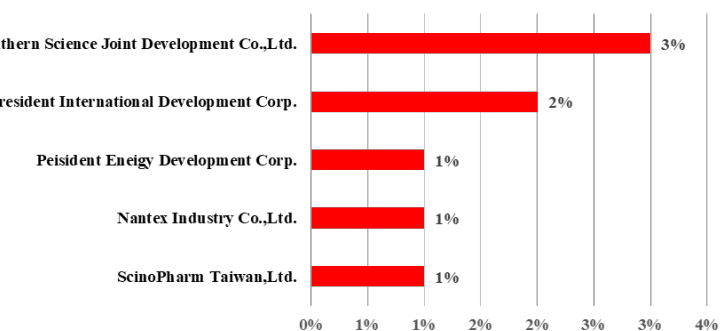
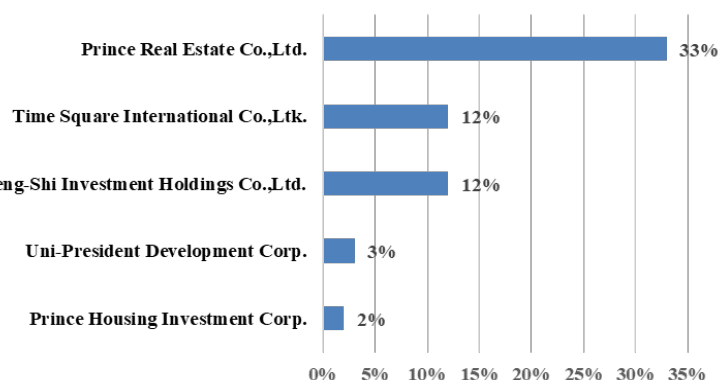


Financial Data (Non-Consolidated)

Expressed in million of NT dollars

Major Profit Contributors Breakdown in 2017

Note: Change to IFRS Accounting Principles in 2013

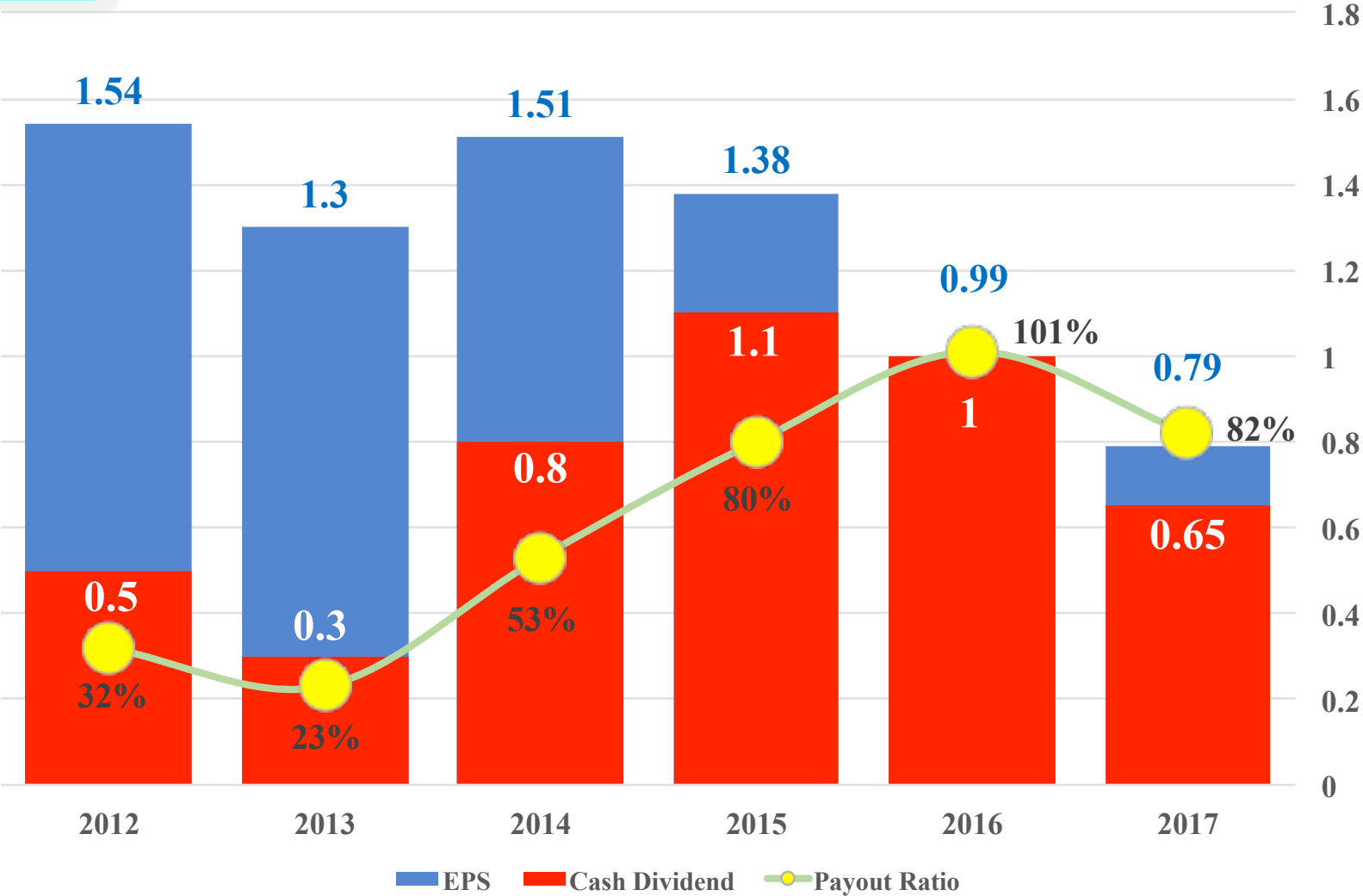


| Unit: NTS in Millions | Ownership | 2017 | | 2015 | |
|---|-----------|--------------|-------------|--------------|-------------|
| | | Amount | % of NI | Amount | % of NI |
| Operating Income | | 301 | 23% | 1,021 | 63% |
| Total Investment Income (Equity Method) | | 789 | 62% | 559 | 35% |
| Major Components of Investment Income: | | | | | |
| Prince Real Estate Co., Ltd. | 99.65% | 421 | 33% | - | 0% |
| Time Square International Co., Ltd. | 100% | 156 | 12% | 180 | 11% |
| Cheng-Shi Investment Holdings Co., Ltd. | 100% | 149 | 12% | 95 | 6% |
| Uni-President Development Corp. | 30% | 34 | 3% | 43 | 3% |
| Prince Housing Investment Co., Ltd. | 100% | 27 | 2% | 46 | 3% |
| Prince Property Management Consulting Co., Ltd. | 100% | 11 | 1% | 14 | 1% |
| Jin Yi Xing Plywood Co., Ltd. | 100% | 10 | 1% | 142 | 9% |
| Geng-Ding Co., Ltd. | 30% | 1 | 0% | 21 | 1% |
| Ming-Da Enterprises Co., Ltd. | 20% | - | 0% | 32 | 2% |
| Total Dividend Income | | 90 | 7% | 94 | 6% |
| Major Components of Dividend Income: | | | | | |
| Southern Science Joint Development Co., Ltd. | 10% | 36 | 3% | 22 | 1% |
| Uni-President International Development Corp. | 6.63% | 30 | 2% | 9 | 1% |
| Peisident Eneigy Development Corp. | 6% | 10 | 1% | 41 | 3% |
| Nantex Industry Co., Ltd. (2108 TT) | 3% | 7 | 1% | 13 | 1% |
| ScinoPharm Taiwan, Ltd. (1789 TT) | 3% | 7 | 1% | 7 | 0% |
| Net Income | | 1,281 | 100% | 1,609 | 100% |



Financial Data

Dividend Policy



Financial Data - Real Estate

Residential Project Area



Financial Data - Real Estate

Residential Project Area -Northern Taiwan

| Project Name | Location | Salable Value (billion) | Sales Rate(%) | Year of completion | | | |
|--------------------------|-----------------|----------------------------|------------------|--------------------|------|------|------|
| | | | | Before 2018 | 2018 | 2019 | 2020 |
| Prince Shinyi | New Taipei City | 2.98 | 20% | ▲ | | | |
| Prince Fu III | Taoyuan City | 2.02 | 34% | ▲ | | | |
| 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 | 70% | | | ▲ | |
| Zhong Chuang Section 222 | New Taipei City | 2.08 | - | | | | |
| | | | - | | | | |
| | | | | | | | |
| Total | | 13.67 | | | | | |

✦ Purchase of land in 2017 Total Sales Size 101,190 square meter

Financial Data - Real Estate

Residential Project Area -Central Taiwan

| Project Name | Location | Salable Value (billion) | Sales Rate(%) | Year of completion | | | |
|---------------------------|---------------|----------------------------|------------------|--------------------|------|------|------|
| | | | | Before 2018 | 2018 | 2019 | 2020 |
| Prince Yu Ding | Taichung City | 1.91 | 5% | | ▲ | | |
| W Epoch | Taichung City | 1.91 | 31% | | ▲ | | |
| Prince Hsinfuliao | Nantou County | 0.61 | 38% | | ▲ | | |
| Ping Hsin Section | Taichung City | 2.44 | - | | | | ▲ |
| Prince County | Nantou County | 0.86 | 94% | | | ▲ | |
| Jin Shuei Wu Show Section | Taichung City | 1.02 | - | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Total | | 8.75 | | | | | |



Purchase of land in 2017 Total Sales Size 112,215 square meter



Financial Data - Real Estate

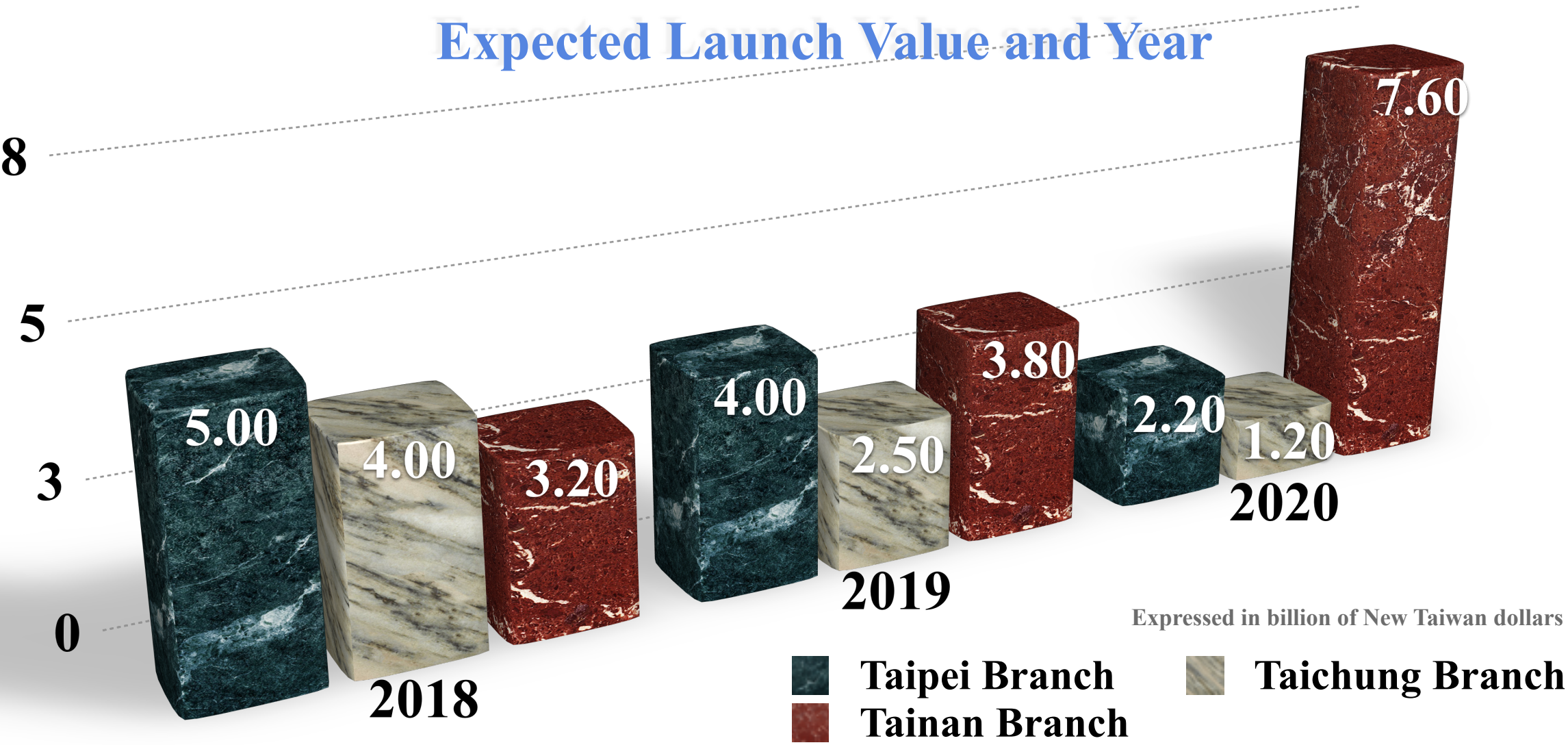
Residential Project Area-Southern Taiwan

| Project Name | Location | Salable Value (billion) | Sales Rate(%) | Year of completion | | | |
|-------------------------------|----------------|----------------------------|------------------|--------------------|------|------|------|
| | | | | Before 2018 | 2018 | 2019 | 2020 |
| Prince CloudC1(Terrace House) | Kaohsiung City | 1.62 | 94% | ▲ | | | |
| Prince CloudC2(Condominium) | Kaohsiung City | 1.77 | 78% | | ▲ | | |
| Prince Jun Fon Huei | Tainan City | 0.97 | 50% | | ▲ | | |
| Prince Travel | Tainan City | 0.97 | - | | ▲ | | |
| Shan Gia Dist. | Tainan City | 0.69 | - | | | | ▲ |
| Prince Feng Yun | Tainan City | 1.77 | - | | | ▲ | |
| Prince Xue A(Terrace House) | Kaohsiung City | 1.94 | - | | | ▲ | |
| Prince Xue B(Condominium) | Kaohsiung City | 5.52 | - | | | | ▲ |
| Jin Hua Sect | Tainan City | 3.02 | - | | | | |
| Prince Cloud E | Kaohsiung City | 2.04 | - | | | | |
| Jin Yi Xing | Kaohsiung City | 10.47 | - | | | | |
| Total | | 30.78 | | | | | |

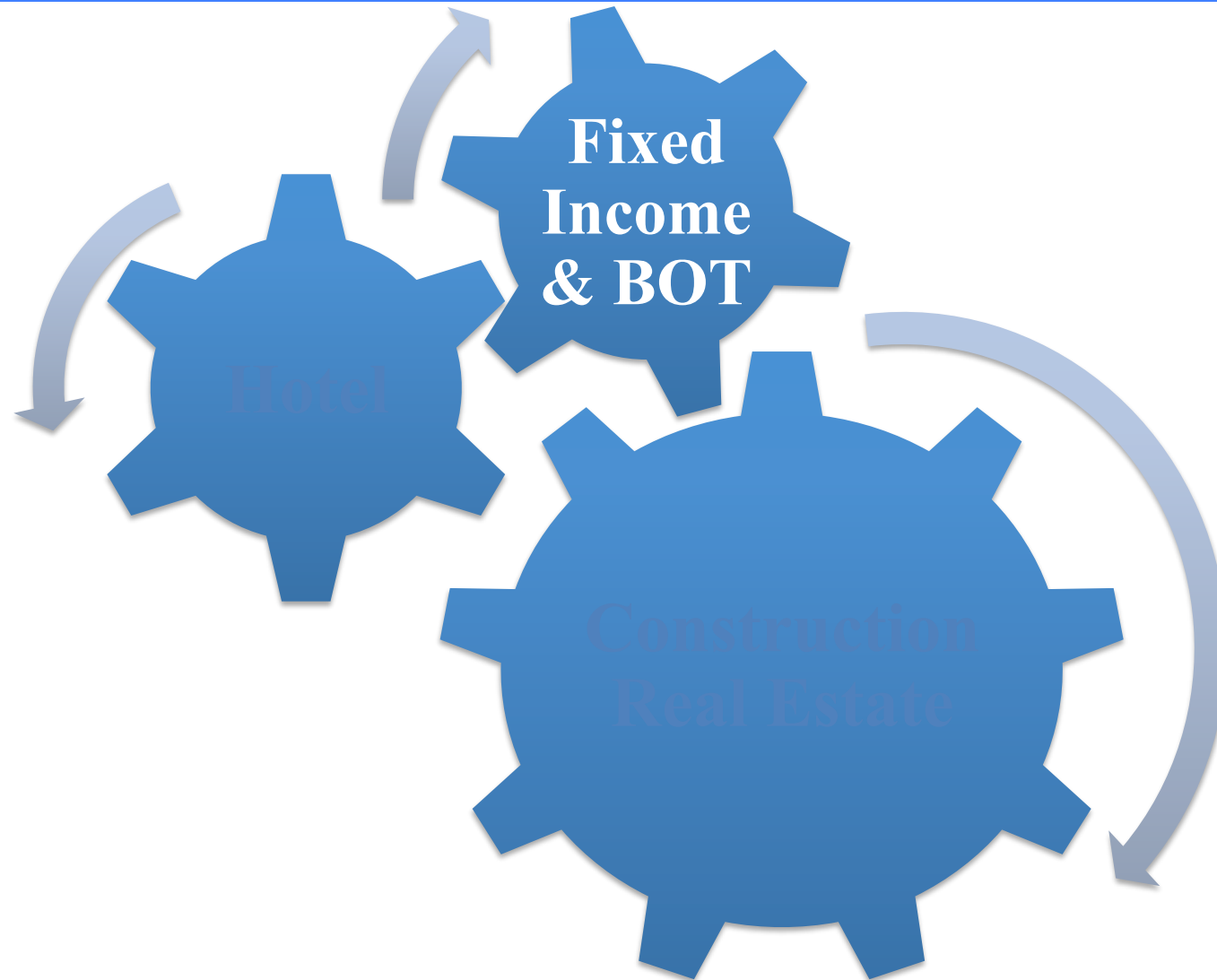
 Purchase of land in 2017 Total Sales Size 580,023square meter

 Prince Housing & Development Corp.

Financial Data - Real Estate



Investment Subsidiaries



Investment Subsidiaries

BOT Income Properties
NTU BOT、NCKU BOT

Chartered period :

NTU 47Y

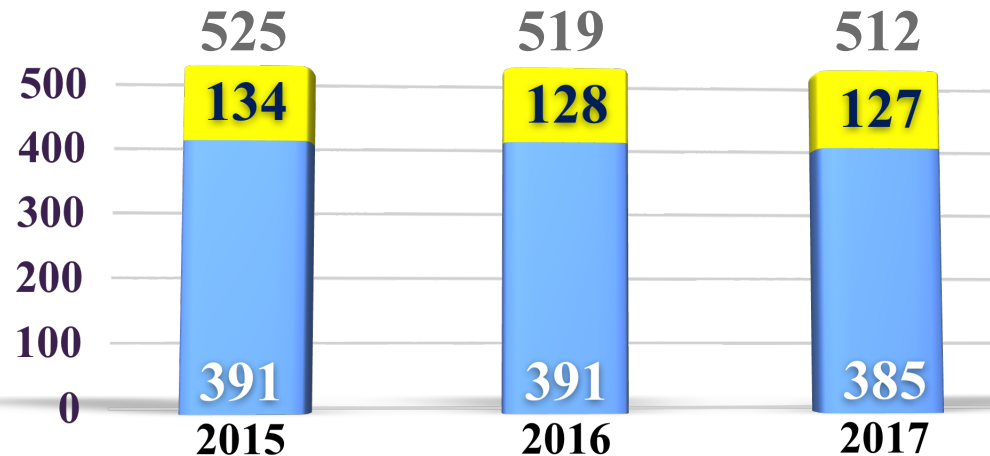
NCKU 35Y



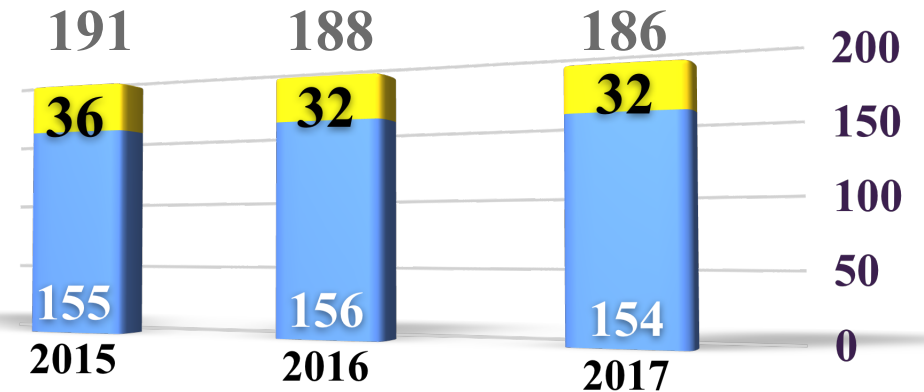
Expressed in million of NT dollars

Revenue

■ NCKU BOT
■ NTU BOT



Profit



2018

2005

Mar. NTU signed
May. NCKU signed

2008

Sep. Started Operating

NTU 34Y
NCKU 22Y

2040

NCKU

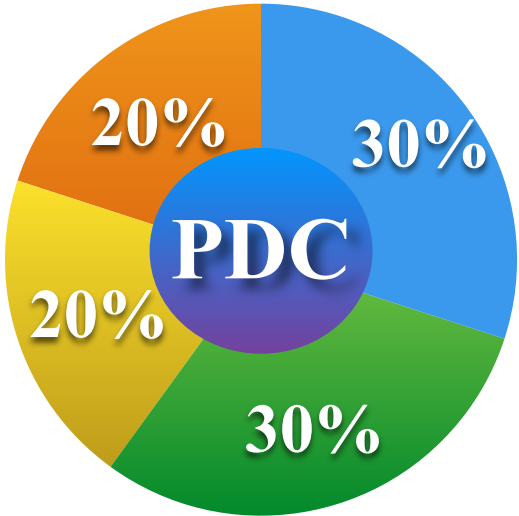
2052

NTU

Investment Subsidiaries



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



Ownership %

- Prince 30%
- Uni_President 30%
- PCSC (7-11) 20%
- PIDC 20%

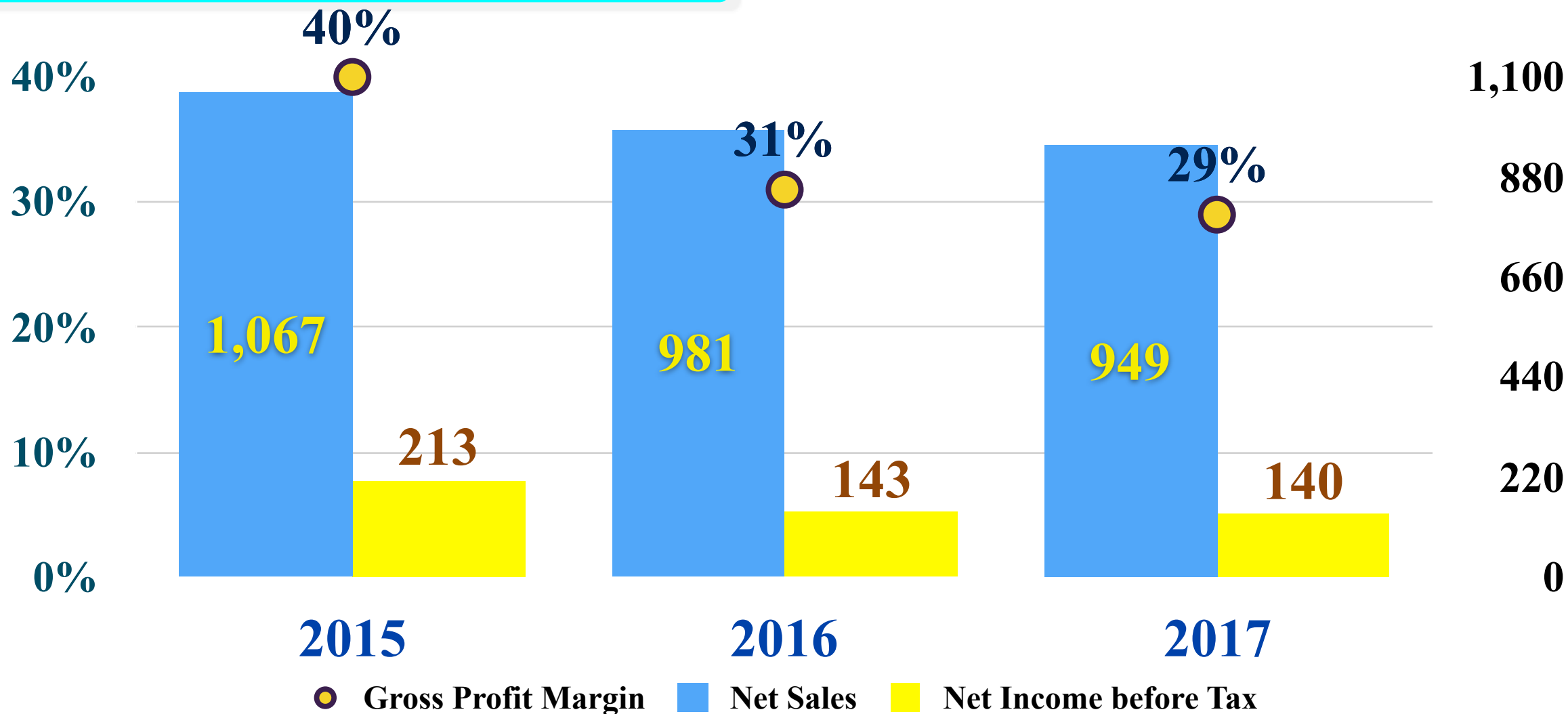
Site Area 16,280 M²
Total Floor Area 144,037 M²

| 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% |

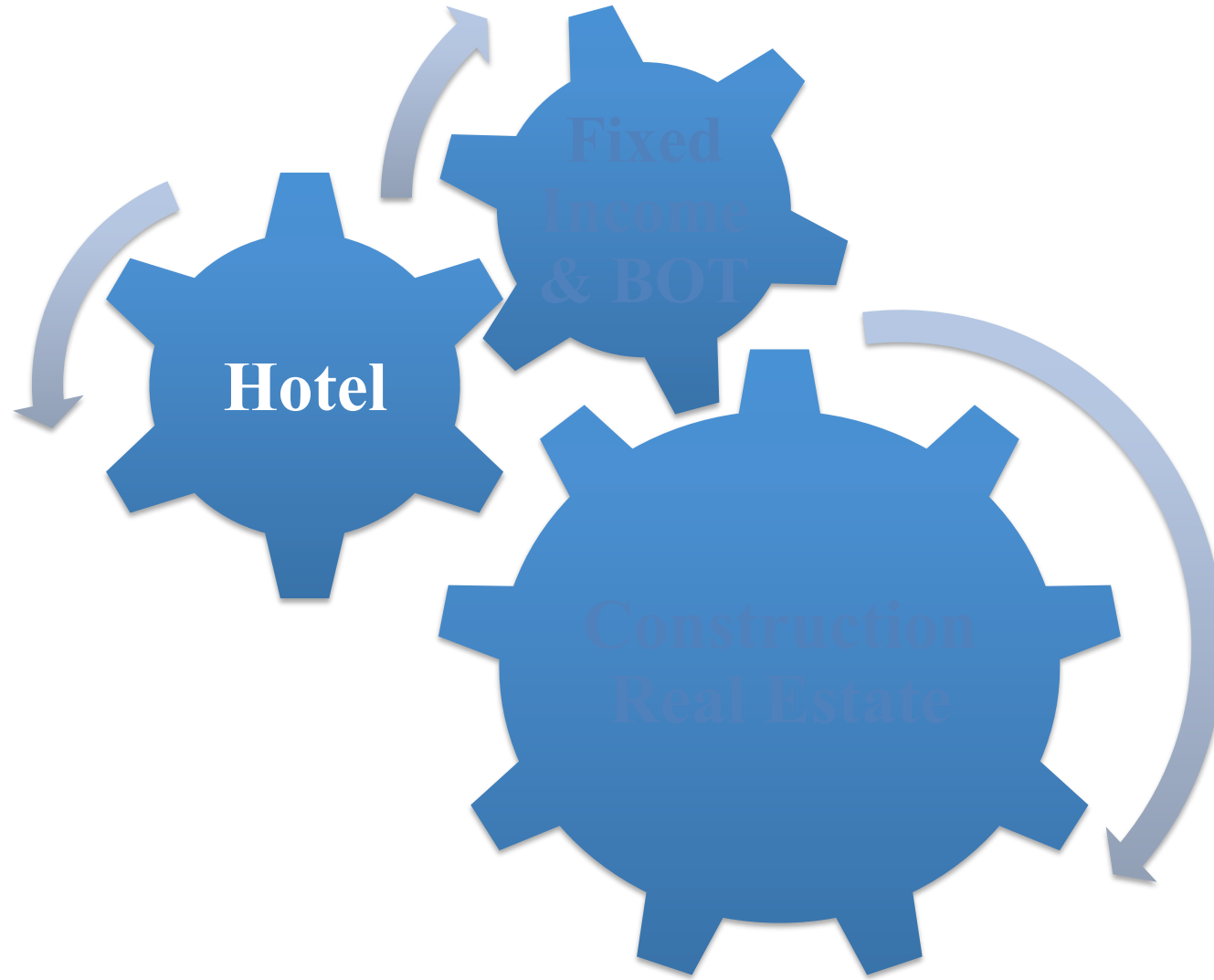
Investment Subsidiaries

PDC Operation 2015~2017

Expressed in million of NT dollars



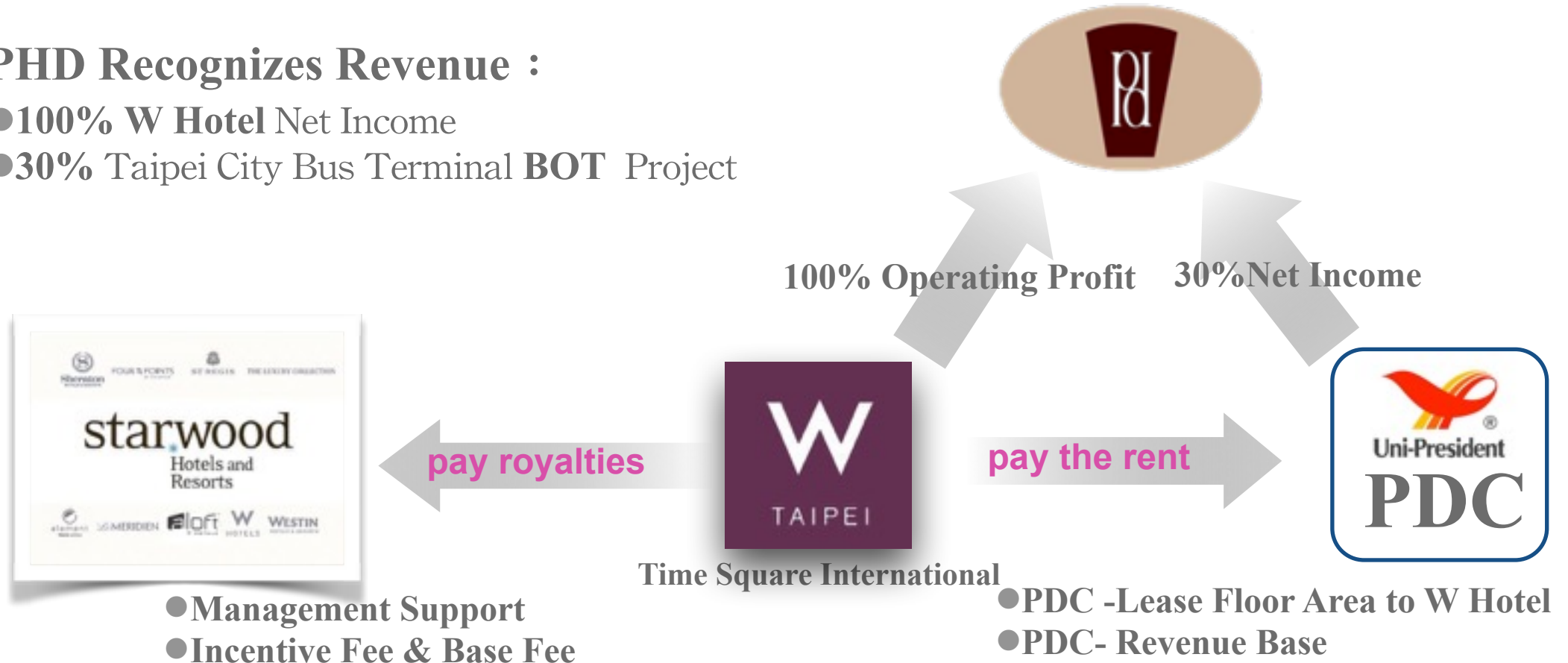
Investment Subsidiaries



Investment Subsidiaries

PHD Recognizes Revenue :

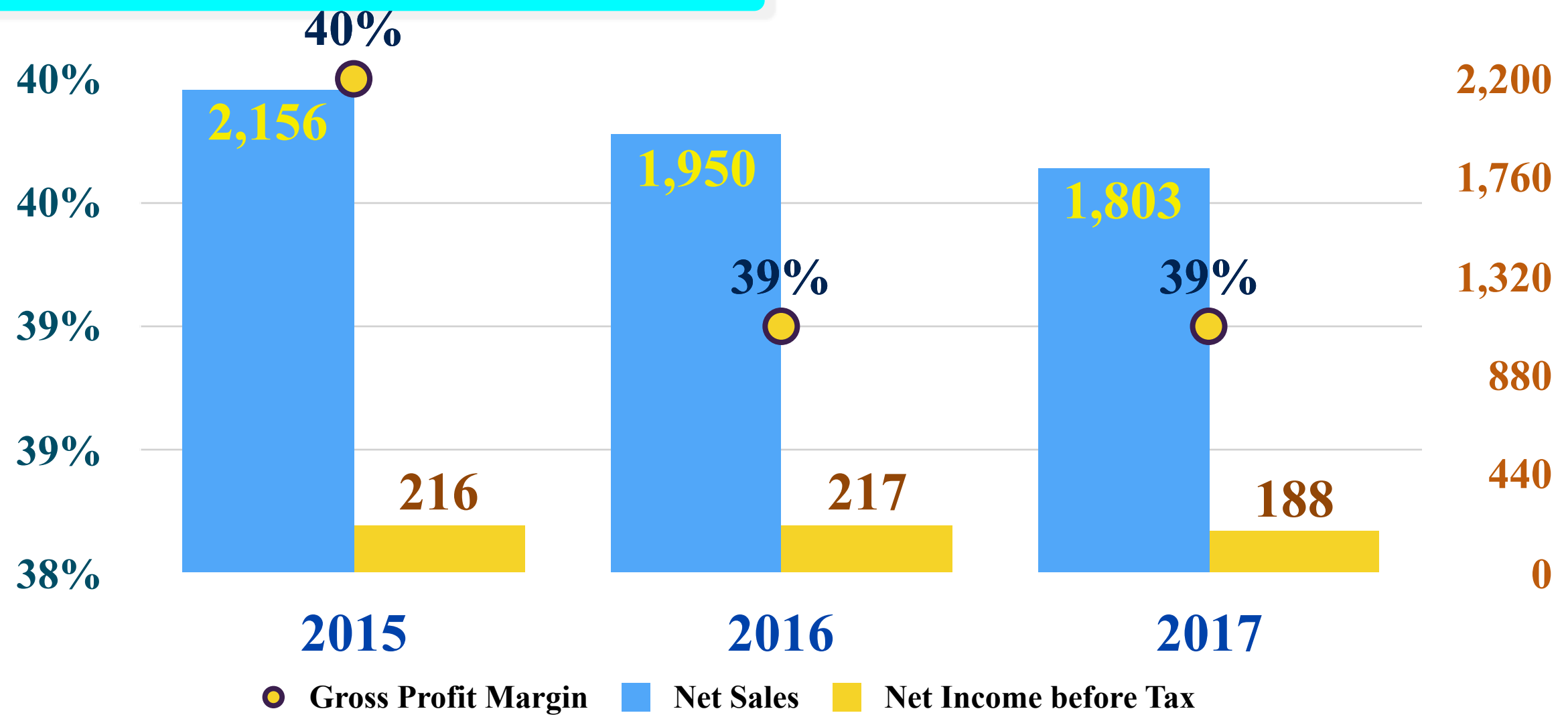
- 100% W Hotel Net Income
- 30% Taipei City Bus Terminal BOT Project



Investment Subsidiaries

Expressed in million of NT dollars

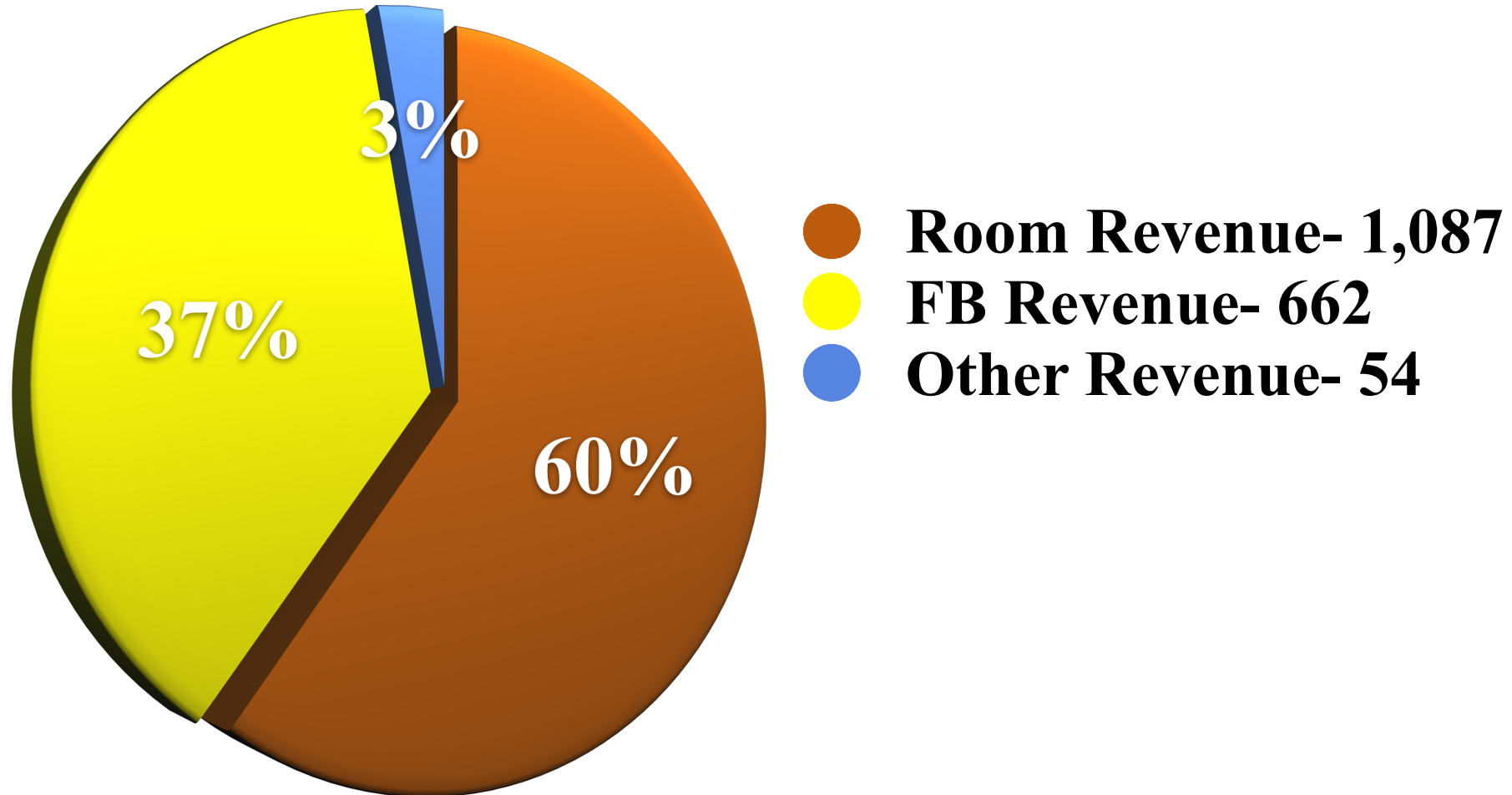
W Hotel Taipei in 2015~2017 Financial data



Investment Subsidiaries

Expressed in million of NT dollars

W Hotel Taipei in 2017 Revenue in BU %



Reference: Tourism Bureau

Investment Subsidiaries

W Hotel Taipei in Y2017 Competitor Set Results

| DEC 2017 YTD | NBR | 2017 | | | | 2016 | | | Variance | | |
|------------------------|-------|-------|-------|--------|--|-------|-------|--------|----------|-------|--------|
| | RMS | OCC | ADR | REVPAR | | OCC | ADR | REVPAR | OCC | ADR | REVPAR |
| W Taipei | 405 | 78.6% | 8,500 | 6,684 | | 76.9% | 9,241 | 71,074 | 2.2% | -8.0% | -6.0% |
| Le Meridien | 160 | 82.5% | 8,605 | 7,100 | | 78.1% | 8,858 | 6,917 | 5.7% | -2.9% | 2.6% |
| Humble House | 232 | 84.7% | 5,986 | 5,068 | | 81.6% | 6,056 | 4,941 | 3.8% | -1.2% | 2.6% |
| Grand Hyatt Taipei | 853 | 70.8% | 6,072 | 4,298 | | 64.7% | 6,303 | 4,077 | 9.4% | -3.7% | 5.4% |
| Grand Formosa Regent | 538 | 75.6% | 5,682 | 4,297 | | 73.8% | 6,072 | 4,479 | 2.5% | -6.4% | -4.1% |
| Westin | 288 | 67.8% | 6,128 | 4,152 | | 74.2% | 6,152 | 4,567 | -8.7% | -0.4% | -9.1% |
| Far Eastern Shangri-la | 420 | 62.3% | 6,342 | 3,953 | | 61.7% | 6,405 | 3,954 | 0.9% | -1.0% | 0.0% |
| Marriott Taipei | 318 | 66.4% | 5,895 | 3,916 | | 50.8% | 6,107 | 3,101 | 30.8% | -3.5% | 26.3% |
| Sheraton | 688 | 69.8% | 5,430 | 3,792 | | 66.9% | 5,777 | 3,866 | 4.4% | -6.0% | -1.9% |
| Total | 3,902 | 71.9% | 6,310 | 4,538 | | 68.4% | 6,608 | 4,521 | 5.1% | -4.5% | 0.4% |

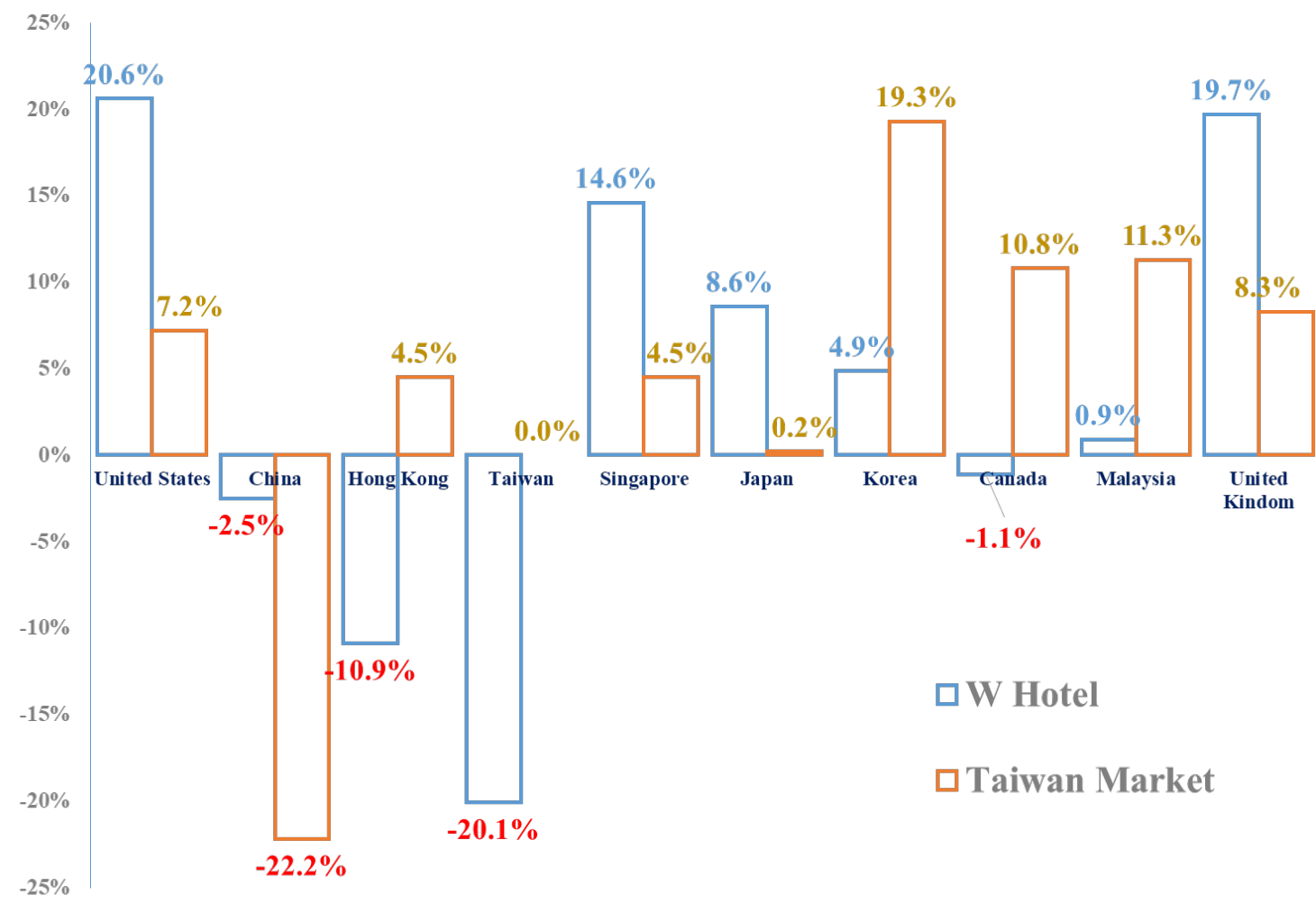
Expressed in million of NT dollars

Reference: Tourism Bureau



Investment Subsidiaries

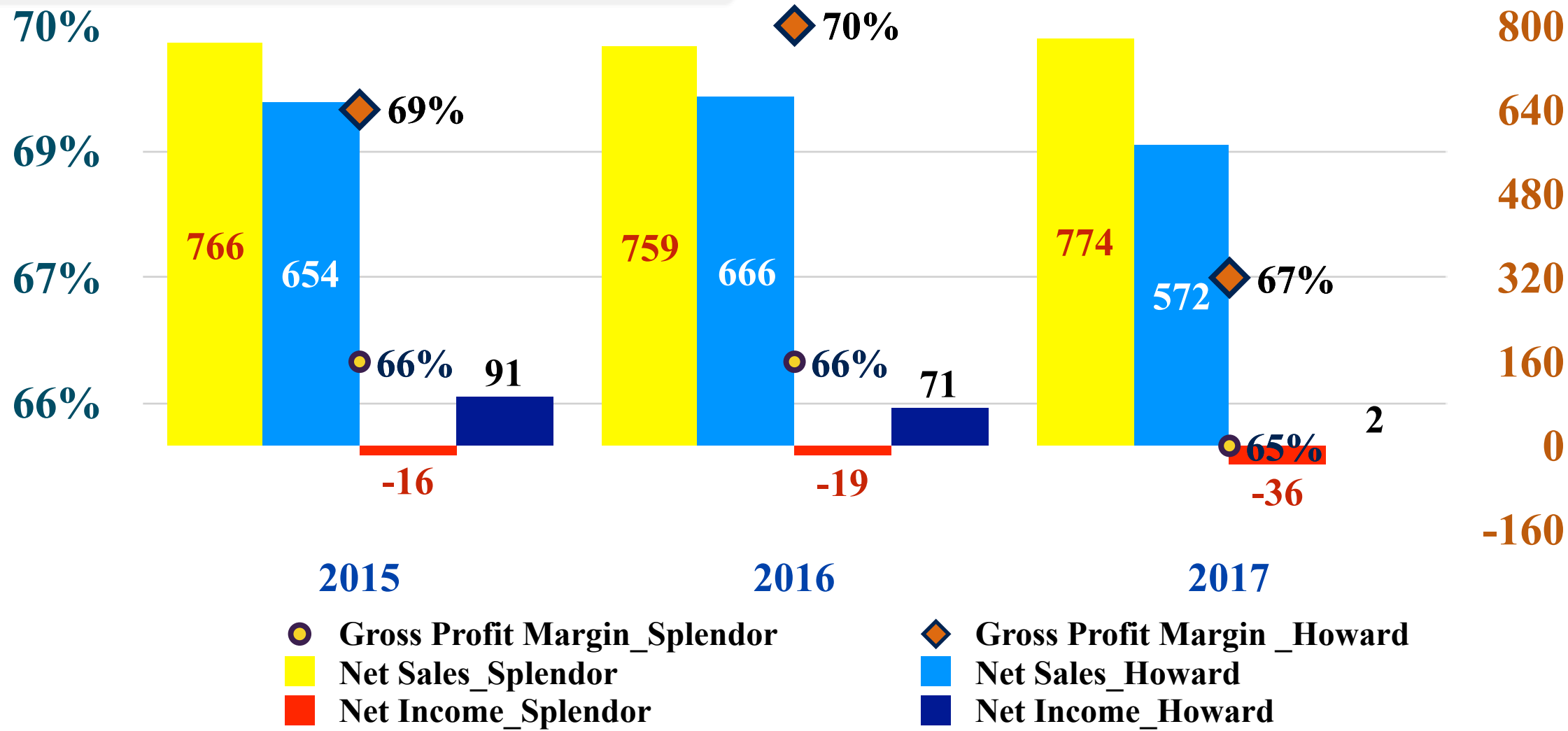
Tourists Breakdown of W Hotel Taipei by Regions



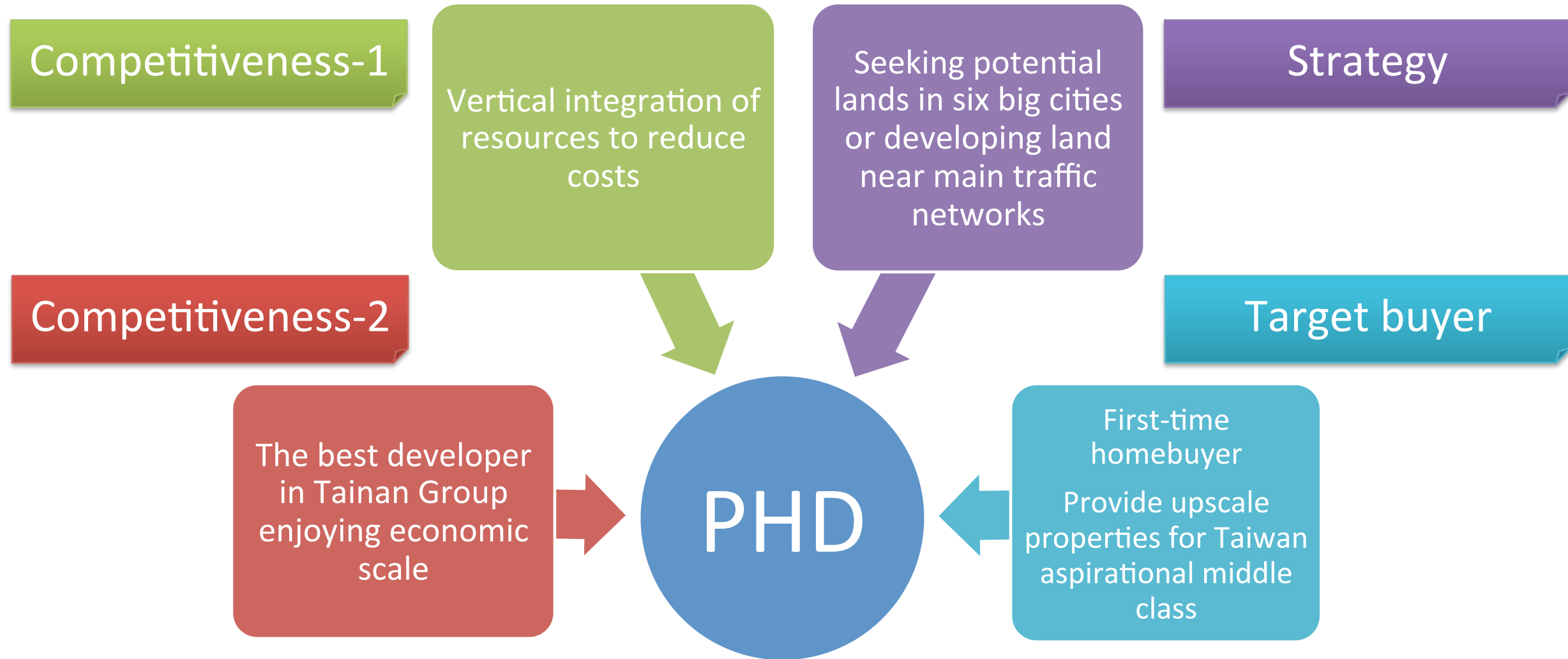
Investment Subsidiaries

Expressed in million of NT dollars

Others in 2015~2017 Financial data



Future Strategy



Tainan Group Members



Prince Housing & Development Corp.

(2511TT/2511TWO)

Please visit Investor
Relation website

<http://www.prince.com.tw/finance.asp>

Please contact us at

9802021@prince.com.tw

1106031@prince.com.tw

1309015@prince.com.tw





Prince Housing & Development Corp.
Thank you for your support