



# Farglory Land Development Co., Ltd.

## Empower your Life

*November 2018*



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# Major Milestones



## Farglory from establishment to becoming the largest real estate developer in Taiwan



- Ability to implement large-scale community projects
- First property developer in Taiwan to launch GDR
- Rewarded “Trusted Brand Award in Asia” for consecutive 8 years





**遠雄建設**  
Farglory Land

# Overview and Competitive Strengths

# Competitive Strengths



The largest real estate developer in Taiwan by market capital



遠雄建設  
Farglory Land

1

Large development enjoying economies of scale

2

Effective cost control and prudent financial management

3

Low cost land in strategic locations with high growth potential

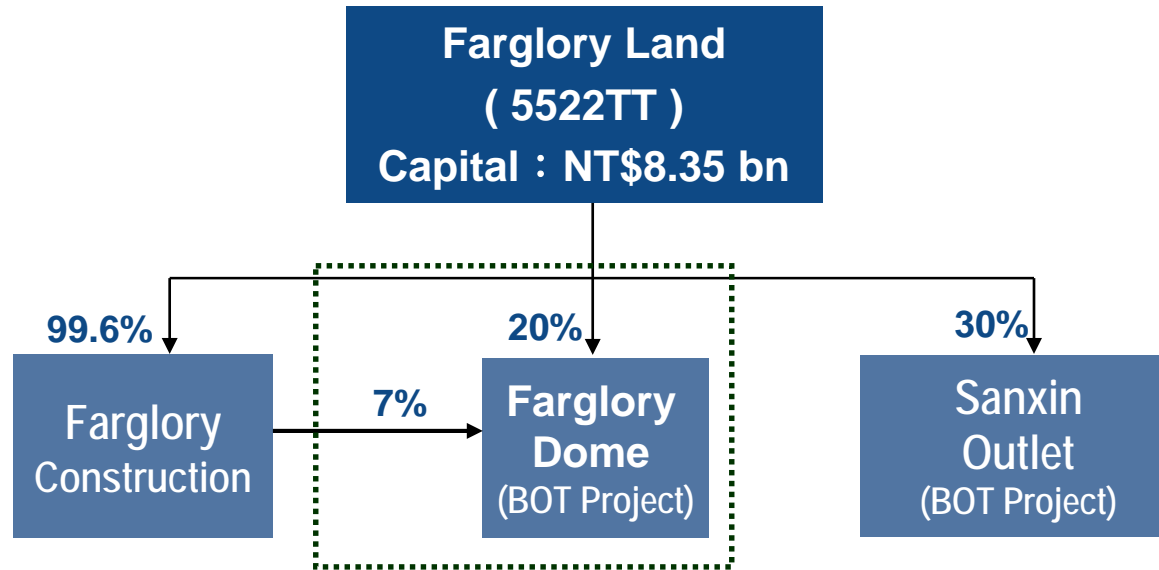
4

Premium brand name with quality and innovation

5

Experienced and visionary management team

# Investment Structure



Company	Investment Book value	Stake %	Method	Note
<b>Farglory Construction</b>	NT\$ 2,414mn	<b>99.6%</b>	Consolidated Entities	<b>Adopt Vertical integration.</b>
<b>Farglory Dome</b>	NT\$ 3,855mn	<b>27%</b>	Equity method	<b>BOT project signed with Taipei City Government.</b>
<b>Sanxin Outlet</b>	NT\$ 654mn	<b>30%</b>		<b>BOT project, JV with Mitsui , an outlet mall in Linkou, New Taipei City, opening in Jan. 2016. A dividend will be paid this year with yield at 3.6%.</b>

# Consolidated Income Statement



Item	2015		2016		2017		First 3Q 2018	
	NT\$bn	% of Rev.	NT\$bn	% of Rev.	NT\$bn	% of Rev.	NT\$bn	% of Rev.
Revenue	27.20	100%	27.72	100%	18.63	100%	16.22	100%
Gross Margin	9.22	34%	7.80	28%	4.22	22%	3.78	23%
Operating Expenses	(2.02)	(8%)	(2.33)	(8%)	(1.72)	(9%)	(1.33)	(8%)
Net Income -Disposal of Investment property	0.18	1%	0.01	-	-	-	-	-
Operating Income	7.38	27%	5.48	20%	2.50	13%	2.46	15%
Profit for the year- attributable to Owners of the parent	6.47	24%	3.50	12%	2.01	11%	1.71	11%
Non-controlling interest	-	-	-	-	-	-	-	-
Consolidated Profit for the year	6.47	24%	3.50	12%	2.01	11%	1.71	11%
EPS (NTD/Share)	7.74		4.19		2.40		2.05	
Cash Dividend (NTD/Share)	3.5		3.8		2.5			

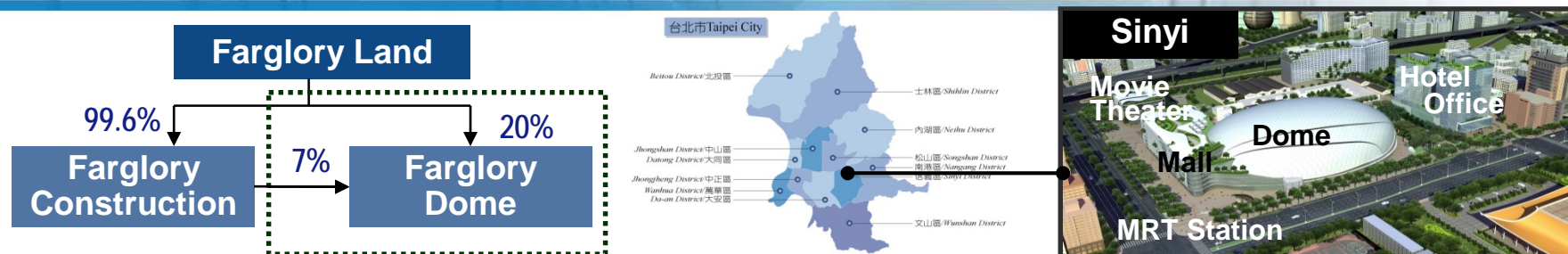
# Consolidated Balance Sheet



Item Alex 96022	Dec.31, 2015		Dec.31, 2016		Dec.31, 2017		Sep. 30, 2018	
	NT\$bn	%	NT\$bn	%	NT\$bn	%	NT\$bn	%
Land	26.77	27%	25.21	28%	17.09	20%	12.07	15%
Construction in process	33.07	34%	26.04	29%	36.33	42%	29.70	37%
Completed inventories	11.31	12%	12.43	14%	12.02	14%	19.64	24%
<b>Inventory Subtotal</b>	<b>71.15</b>	<b>73%</b>	<b>63.88</b>	<b>72%</b>	<b>65.44</b>	<b>76%</b>	<b>61.41</b>	<b>76%</b>
Cash and current financial assets	5.87	6%	5.83	7%	9.99	12%	6.37	8%
Investment property (Dome & rental assets)	2.12	2%	2.10	2%	2.00	2%	1.97	2%
Long-term equity investments	9.23	9%	3.88	4%	4.38	5%	4.51	6%
<b>Total Assets</b>	<b>97.81</b>	<b>100%</b>	<b>88.79</b>	<b>100%</b>	<b>86.64</b>	<b>100%</b>	<b>80.33</b>	<b>100%</b>
<b>Financial debt – bank loans &amp; CB</b>	<b>33.65</b>	<b>34%</b>	<b>27.04</b>	<b>30%</b>	<b>30.65</b>	<b>35%</b>	<b>25.99</b>	<b>32%</b>
<b>Advances from customers</b>	<b>8.77</b>	<b>9%</b>	<b>4.80</b>	<b>5%</b>	<b>4.22</b>	<b>5%</b>	<b>4.81</b>	<b>6%</b>
<b>Total Debts</b>	<b>54.21</b>	<b>55%</b>	<b>45.22</b>	<b>51%</b>	<b>44.26</b>	<b>51%</b>	<b>38.47</b>	<b>48%</b>
Share capital (NT\$10/share)	8.35	9%	8.35	9%	8.35	10%	8.35	10%
Equity controlled by parent company	43.59	45%	43.56	49%	42.36	49%	41.85	52%
<b>Total Equity</b>	<b>43.60</b>	<b>45%</b>	<b>43.57</b>	<b>49%</b>	<b>42.37</b>	<b>49%</b>	<b>41.86</b>	<b>52%</b>
<b>Book Value (NTD/Share)</b>	<b>NTD 52.18</b>		<b>NTD 52.14</b>		<b>NTD 50.71</b>		<b>NTD 50.10</b>	
<b>Current Ratio</b>	<b>165%</b>		<b>191%</b>		<b>194%</b>		<b>190%</b>	
<b>Net Gearing (Financial net debt to equity)</b>	<b>64%</b>		<b>49%</b>		<b>49%</b>		<b>47%</b>	



# Taipei Dome Project (Farglory Dome)



## Major Milestones and Development Pipeline

■ BOT Signed with Taipei City Government (50 years)	■ Land handed by Taipei City Government	■ Construction Permit approved	■ syndicated loan signed (NT\$15bn)	■ Contract expiration
2006/10	2009/3	2011/6	2011/11	2057/7

Business model	Dome	Hotel	Parking Area	Office	Mall	Movie Theater	Dome Square	Total
Gross floor area (pings)	36,000	17,000	42,000	11,000	32,000	4,000	5,000	147,000
Operation type	Self-operation			Rental				

Note1: Farglory Land's consolidated holdings at Farglory Dome is 27% with book value at NT\$3.9bn.

Note2: Arbitration on extension of construction deadline has been awarded to extend till October, 2017.

Note3: In June 2017, The plans of fire prevention and safety escapes for Taipei Dome have been approved by Ministry of Interior.

Note4: In Sep 2017, Administrative litigation on suspending Taipei Dome's construction has been awarded that Taipei Dome may continue construction partially.

# Thank you for your kind attention.



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## Website Information

- **Announcement on TSE website:**  
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