

2014/09/01  
English version



**RUENTEX DEVELOPMENT Co. Ltd**  
(TICKER: 9945TW)

潤泰集團

創新 超越 領先 全方位

潤澤社會  
泰安民生

## 1. Company Overview

2. Financial Overview
3. Property Development
4. Retail Business
5. Life Insurance Business
6. Investment Catalysts

### Company Overview

- Name : Ruentex Development
- Chairman : Mr. Tsang Jiunn Jean
- President : Mr. Lee Chih Hung
- Shareholders' equity : TWD11.92bn  
(2014/06/30)
- Main growth drivers :
  - ✓ Property development, Construction, Cement business
  - ✓ Retail business
  - ✓ Life insurance business

# Company history



**1996**

The first RT-Mart in Taiwan was opened



**1997**

Started hypermarket business in China

**2002**

Renamed: Ruentex Development



**2009**

Subsidiary RT-CEMENT Co. Ltd bought the dong shan cement factory in ilan, and start to develop the cement business (2013/12 Renamed: RT-materials)



**2010**

Subsidiary RT-Engineering & Construction Co LTD was IPO



**2011/07**

Sun Art Retail (RT-Mart China and Auchan) was IPO in HK



**2011/07**

FSC has approved the 25%-owned Ruen Chen Holdings' investment in Nan Shan Life



**2012/12**

Subsidiary CITY LINK song shan store was opening, ruentex start to develop commercial real estate business



**1977**

Ruentex Construction was established

**1992**

Ruentex IPO

# Company Structure



Note: Market data as of closed day of 29 Aug, 2014 ; Net worth data as of 30 June, 2014

1. Company Overview



**2. Financial Overview**

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# RUENTEX DEVELOPMENT

## Consolidated I/S

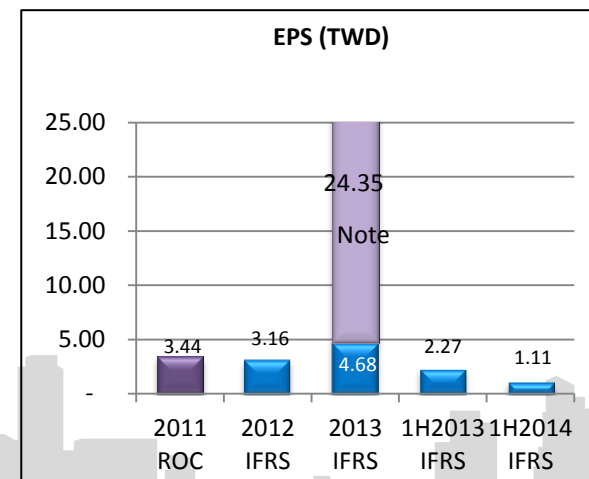
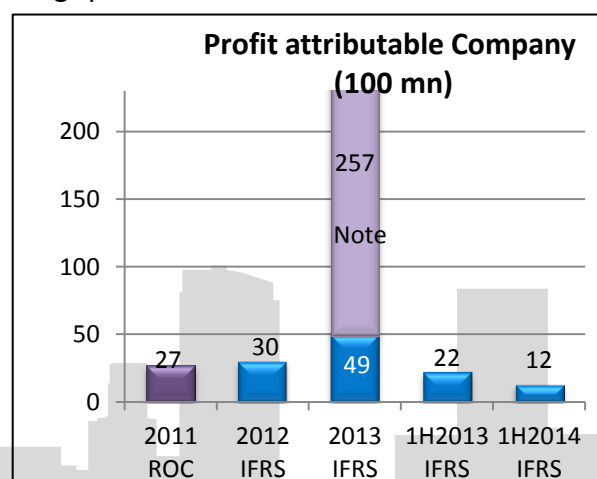
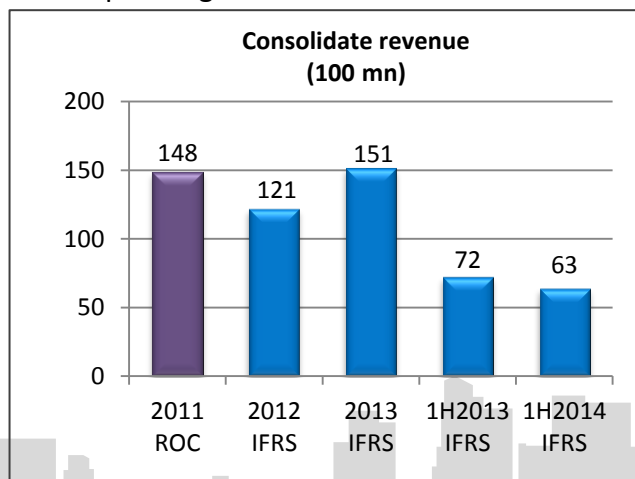


潤泰創新國際股份有限公司  
RUENTEX DEVELOPMENT Co. Ltd

Unit: TWD millions / per share

項目	2011 ROC	2012 IFRS	2013 IFRS	1H2013 IFRS	1H2014 IFRS
Consolidate revenue	14,803	12,140	15,101	7,209	6,377
Consolidate Gross Profit	2,802	2,135	2,958	1,160	1,406
Consolidate Operating Profit	903	145	805	300	532
Consolidate Net Profit (note)	2,792	3,142	31,235	2,490	1,524
Profit attributable to the Company(note)	2,684	2,991	30,593	2,237	1,281
EPS(TWD) (note)	3.44	3.16	29.03	2.27	1.11

Note: Consolidate net profit, profit attributable to the company and eps in 2013, are included CGC re-measured its operating entities of NT 25.7 billion and earnings per share of NT24.35.

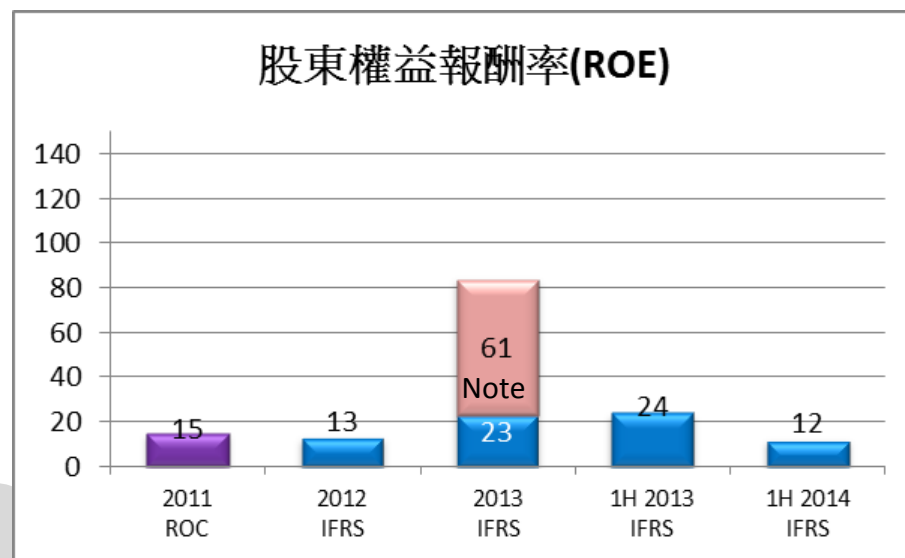
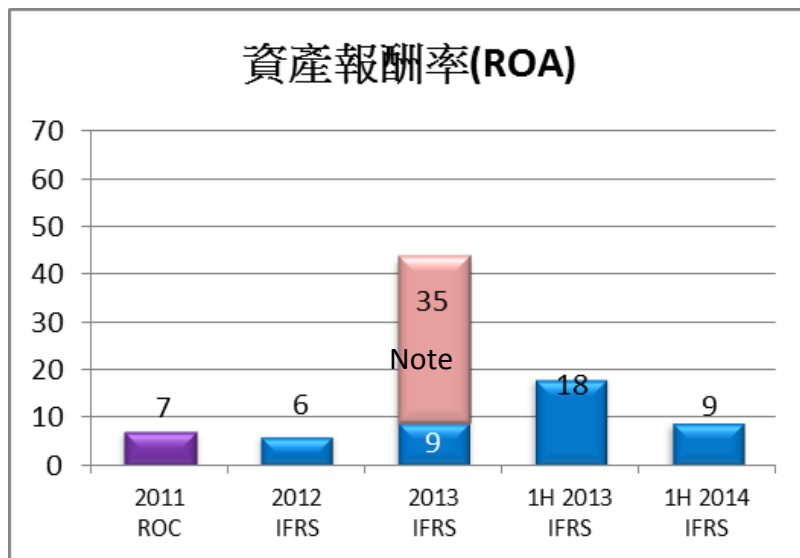




unit : %

項目	2011 ROC	2012 IFRS	2013 IFRS	1H2013 IFRS	1H2014 IFRS
資產報酬率(ROA) (note)	7	6	44	18	9
股東權益報酬率(ROE) (note)	15	13	84	24	12

Note:ROA and ROE in 2013 ,are included CGC re-measured its operating entities of the percentage of interest, accounting for 35% and 61%, respectively.



1. Company Overview
2. Financial Overview
- 3. Property Development**
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6. Investment Catalysts

Residential development

Commercial and BOT

Construction and engineer

Cement manufacture

建設開發



商用不動產



營造及水泥



貫徹品質理念，創造顧客滿意



# Residential project



Self land

## 1. Song Tao

Site Area : 2,982M<sup>2</sup>  
Gross Area : 15,441M<sup>2</sup>  
Sell Area : 12,383M<sup>2</sup>



Self land

## 2. Xin Zhuang

Site Area : 3,795M<sup>2</sup>  
Gross Area : 33,741M<sup>2</sup>  
Sell Area : 27,678M<sup>2</sup>



Self land

## 3. Dun Hua

Site Area : 4,446M<sup>2</sup>  
Gross Area : 29,960M<sup>2</sup>  
Sell Area : 26,092M<sup>2</sup>



Co-develop

## 4. Wan Hua Yan

Site Area : 4,179M<sup>2</sup>  
Gross Area : 37,223M<sup>2</sup>  
Sell Area : 18,393M<sup>2</sup>



Co-develop

## 5. Ming Fong

Site Area : 2,420M<sup>2</sup>  
Gross Area : 14,502M<sup>2</sup>  
Sell Area : 8,234M<sup>2</sup>



Co-develop

## 6. Ci Yan

Site Area : 1,699M<sup>2</sup>  
Gross Area : 9,560M<sup>2</sup>  
Sell Area : 3,547M<sup>2</sup>



Co-develop

## 7. Yan Ping South

Site Area : 661M<sup>2</sup>  
Gross Area : 7,640M<sup>2</sup>  
Sell Area : 5,124M<sup>2</sup>



Co-develop

## 8. Datong

Site Area : 1,345M<sup>2</sup>  
Gross Area : 8,720M<sup>2</sup>  
Sell Area : 3,018M<sup>2</sup>



Government

## 9. Nan Hai

Site Area : 5,382M<sup>2</sup>  
Gross Area : 46,344M<sup>2</sup>  
Sell Area : 7,504M<sup>2</sup>



Government

## 10. Li Ho

Site Area : 2,040M<sup>2</sup>  
Gross Area : 13,219M<sup>2</sup>  
Sell Area : 2,648M<sup>2</sup>



Government

## 11. MRT- Nei hu

Site Area : 8,165M<sup>2</sup>  
Gross Area : 75,684M<sup>2</sup>  
Sell Area : 24,905 M<sup>2</sup>



Government

## 12. MRT- San Chong

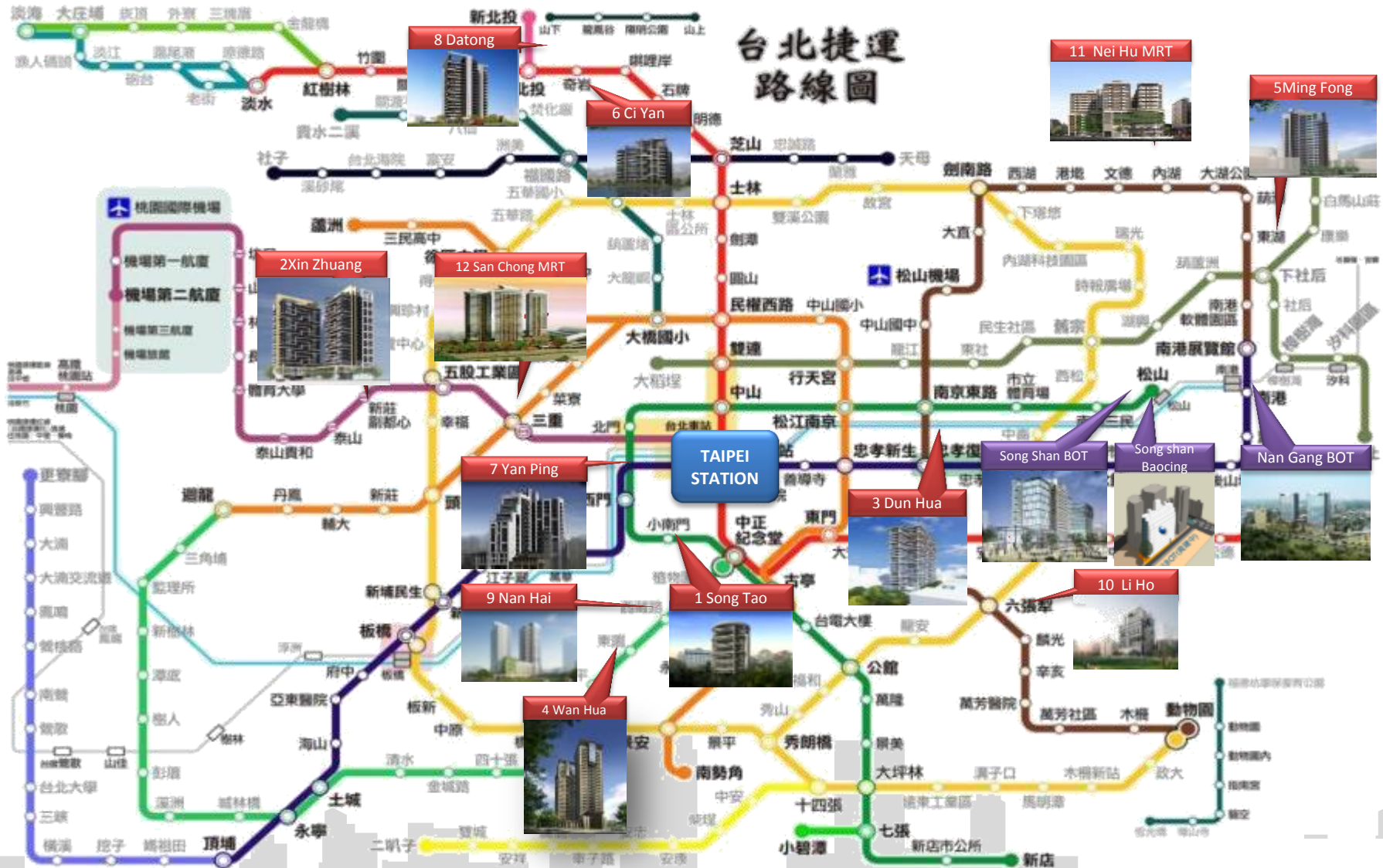
Site Area : 10,116M<sup>2</sup>  
Gross Area : 101,399M<sup>2</sup>  
Sell Area : 36,826M<sup>2</sup>



The sellable Area for Ruentex total 176,352M<sup>2</sup>

# Residential

## - Location of overview



<http://wutonyung.pixnet.net/blog/>

# Residential

## - Revenue Booking Schedule



Projects	Situation	Revenue Booking Schedule				
		2014	2015	2016	2017	2018
1、Song Tao (松濤苑)	• Salable	●	●			
2、Wan Hua (萬花園)	• Completed 70% • Pre-sale over 100%		●			
3、MRT Neihu (內湖站讚)	• Completed 94%		●	●		
4、Ming Fong (明峰)	• Completed 23% • Pre-sale over 100%			●		
5、Xin Zhuang (副都心案)	• Construction permitted • Completed 10%			●	●	
6、Ci Yan (北投奇岩案)	• Planning				●	
9、Nan Hai (南海案)	• planning				●	
8、MRT San Chong (三重站聯開)	• Construction permitted				●	●
7、Yan Ping South (延平南案)	• Planning					●
10、Li Ho (犁和案)	• planning					●
11、Dun Hua (敦化段案)	• planning					●
12、Datong (大同街案)	• planning					●



# Residential – Pre sale project(100% SOLD)

Pre-Sale  
OVER 100%

## Ming Fong



Location: 新北市汐止明峰街138號

Site area: 2,419M<sup>2</sup>

Type : 住二

Floor: 22樓/地下3樓

Floor height : 1樓挑高7.6M/3樓以上3.4M

Households : 84戶

Parking: 80車(平面 ; 機械)

House area : 135M<sup>2</sup>、158M<sup>2</sup>、182M<sup>2</sup>、192M<sup>2</sup>

Gymnasium



Drawing room



Landscape pool



# 明峰



# Residential – Salable project

Salable



Song Tao



- Location: 中正區博愛路221、223號
- Site area: 2,982M<sup>2</sup>
- Type :住三
- Floor:12樓/地下3樓
- Floor height : 1樓挑高5.5M/2樓以上3.5M
- Households : 20戶
- Parking: 114車
- House area : 532M<sup>2</sup>、 598M<sup>2</sup>、 1,064M<sup>2</sup>

Anti-earthquake



Balcony



Garden Landscape



# Residential – Constructing project

## ● Nei Hu MRT– Completed 94%



## ● Wan Hua Yan– Completed 70%(100% SOLD)



# Residential – Constructing project

## ● Ming Fong– Completed 23%



## ● Xin Zhuang– Completed 10%



# Residential – Developing Project



潤泰創新國際股份有限公司  
RUENTEX DEVELOPMENT Co. Ltd

## Wen De Road



Site Area : 4,436M<sup>2</sup>  
Gross Area : 31,030M<sup>2</sup>  
Sell Area : 9,748M<sup>2</sup>

## Chong Qing N. Road



Site Area : 2,481M<sup>2</sup>  
Gross Area : 29,759M<sup>2</sup>  
Sell Area : 11,471M<sup>2</sup>

## Keelung Road



Site Area : 1,014M<sup>2</sup>  
Gross Area : 14,196M<sup>2</sup>  
Sell Area : 4,714M<sup>2</sup>

## Nan King W. Road



Site Area : 1,117M<sup>2</sup>  
Gross Area : 14,025M<sup>2</sup>  
Sell Area : 4,304M<sup>2</sup>

## Xin Hai Road



Site Area : 2,912M<sup>2</sup>  
Gross Area : 27,156M<sup>2</sup>  
Sell Area : 7,930M<sup>2</sup>

## Bei An Road



Site Area : 3,250M<sup>2</sup>  
Gross Area : 33,708M<sup>2</sup>  
Sell Area : 10,615M<sup>2</sup>

## Shan Yuen St.



Site Area : 2,889M<sup>2</sup>  
Gross Area : 22,836M<sup>2</sup>  
Sell Area : 6,416M<sup>2</sup>

## Song jiang Road



Site Area : 1,753M<sup>2</sup>  
Gross Area : 9,914M<sup>2</sup>  
Sell Area : 2,479M<sup>2</sup>



THE % of RUENTEX was integrated above 75% and the sellable Area for RUENTEX total 57,677M<sup>2</sup>



# Commercial- Song Shan BOT



Song Shan BOT : Rental total 54 years (as of 2067)

## CITY LINK SONG SHAN

Site Area :	25,563M <sup>2</sup>
Gross Area :	115,779M <sup>2</sup>
Operating Area:	
1. Retail (Operating)	11,775M <sup>2</sup>
2. Hotel (Ambassador Hotel)	14,231M <sup>2</sup>
3. Office	78,084M <sup>2</sup>



# Commercial- Nan Gang BOT

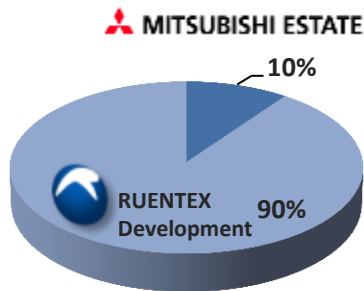


Nan Gang BOT : Rental total 52years (as of 2065)

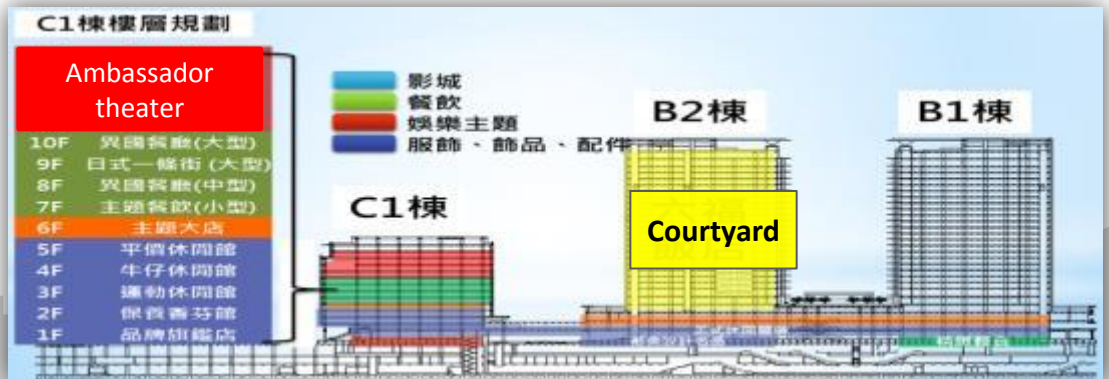
## CITY LINK NAN GANG

Site Area :	42,604M <sup>2</sup>
Gross Area :	187,367M <sup>2</sup>
Operating Area:	
1. Retail (10,201 M <sup>2</sup> for Ambassador theater )	54,312M <sup>2</sup>
2. Hotel ( Courtyard Hotel)	55,751M <sup>2</sup>
3. Office	52,527M <sup>2</sup>

### RXC Shareholding Structure



Note: Ruentex Development and Mitsubishi Estate officially allied to develop the commercial real estate for Nan Gan BOT on 2013/12/24



# Commercial- Song Shan Baoching (Superficies)



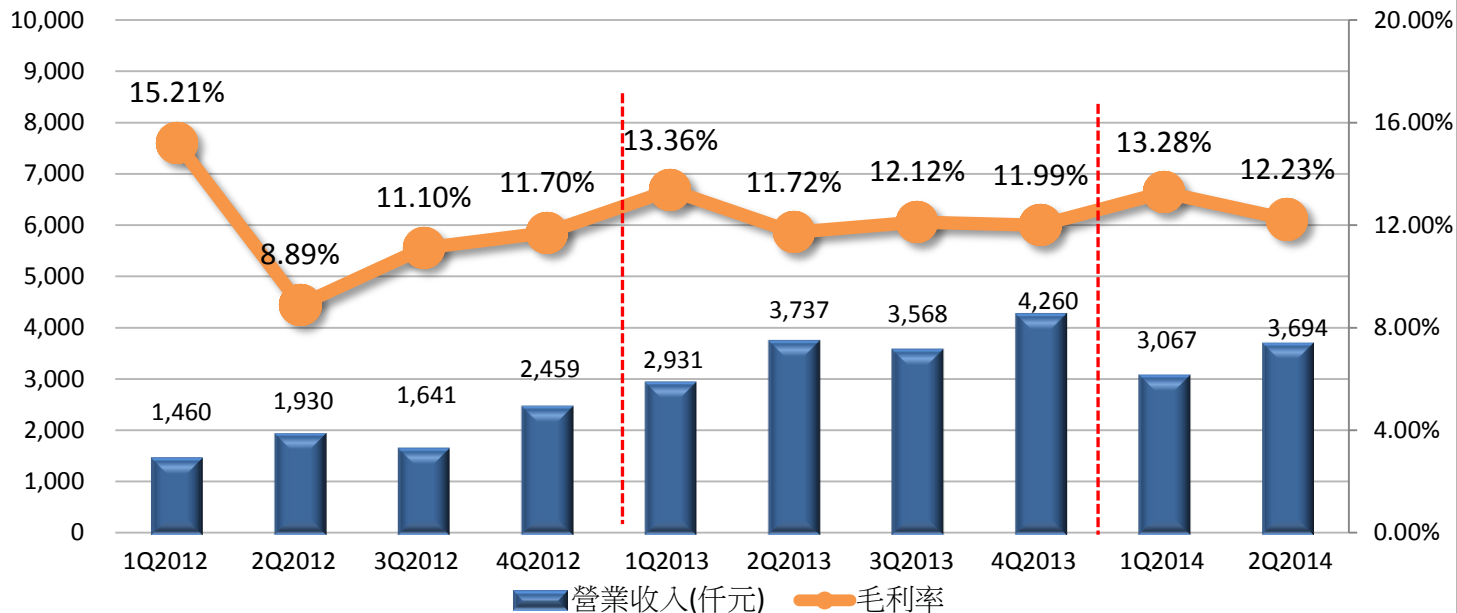
Site Area	1,601M <sup>2</sup>
Usable Type	commercial
Rental period	70 years





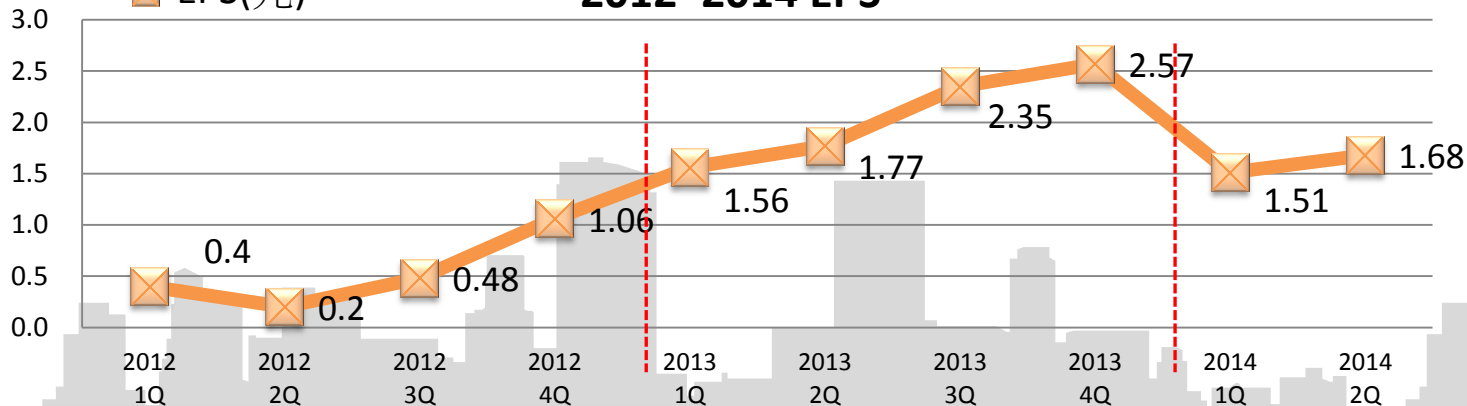
**RT-Construction**  
**潤弘精密**  
 (ticker : 2597TW)

### 2012~2014 Revenue and Gross Margin



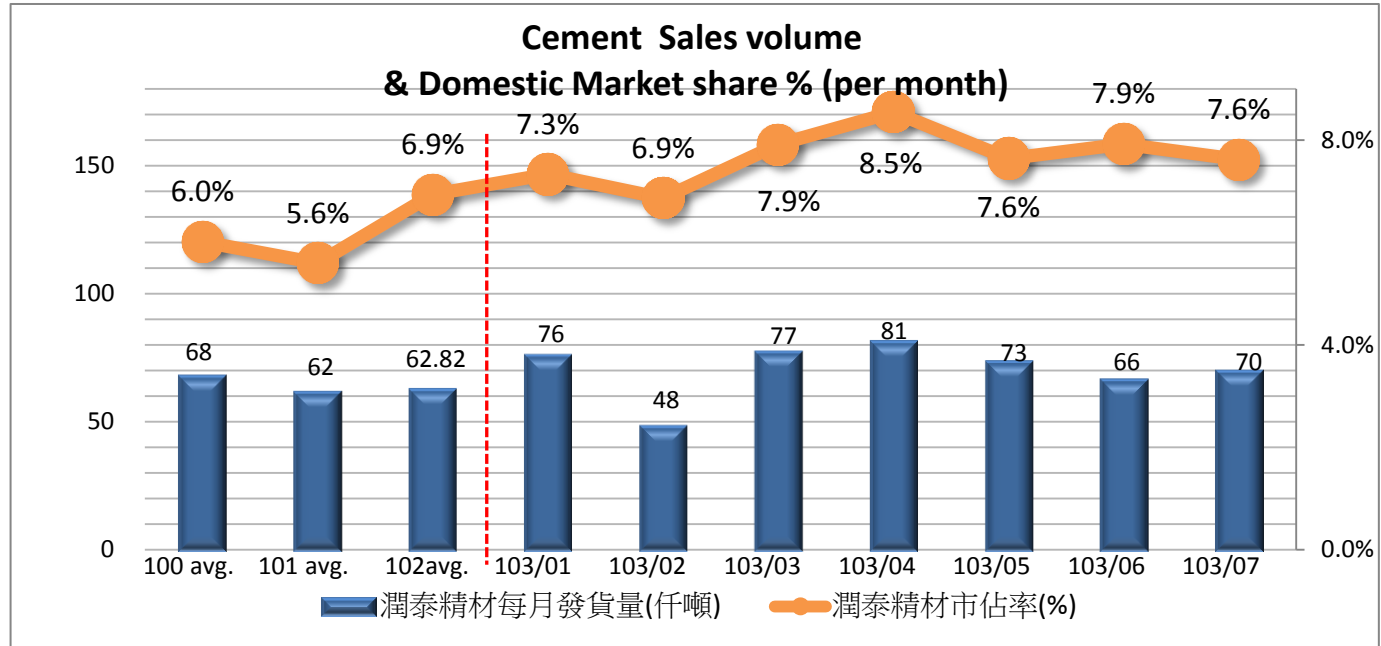
EPS(元)

### 2012~2014 EPS

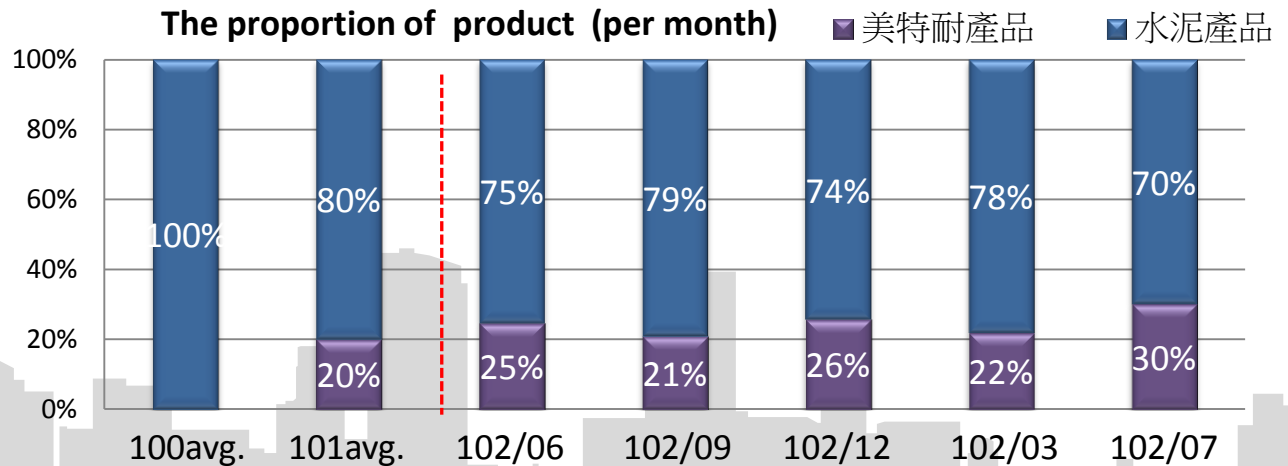




**RT-Materials**  
**潤泰精材**  
 (原名:潤泰水泥)

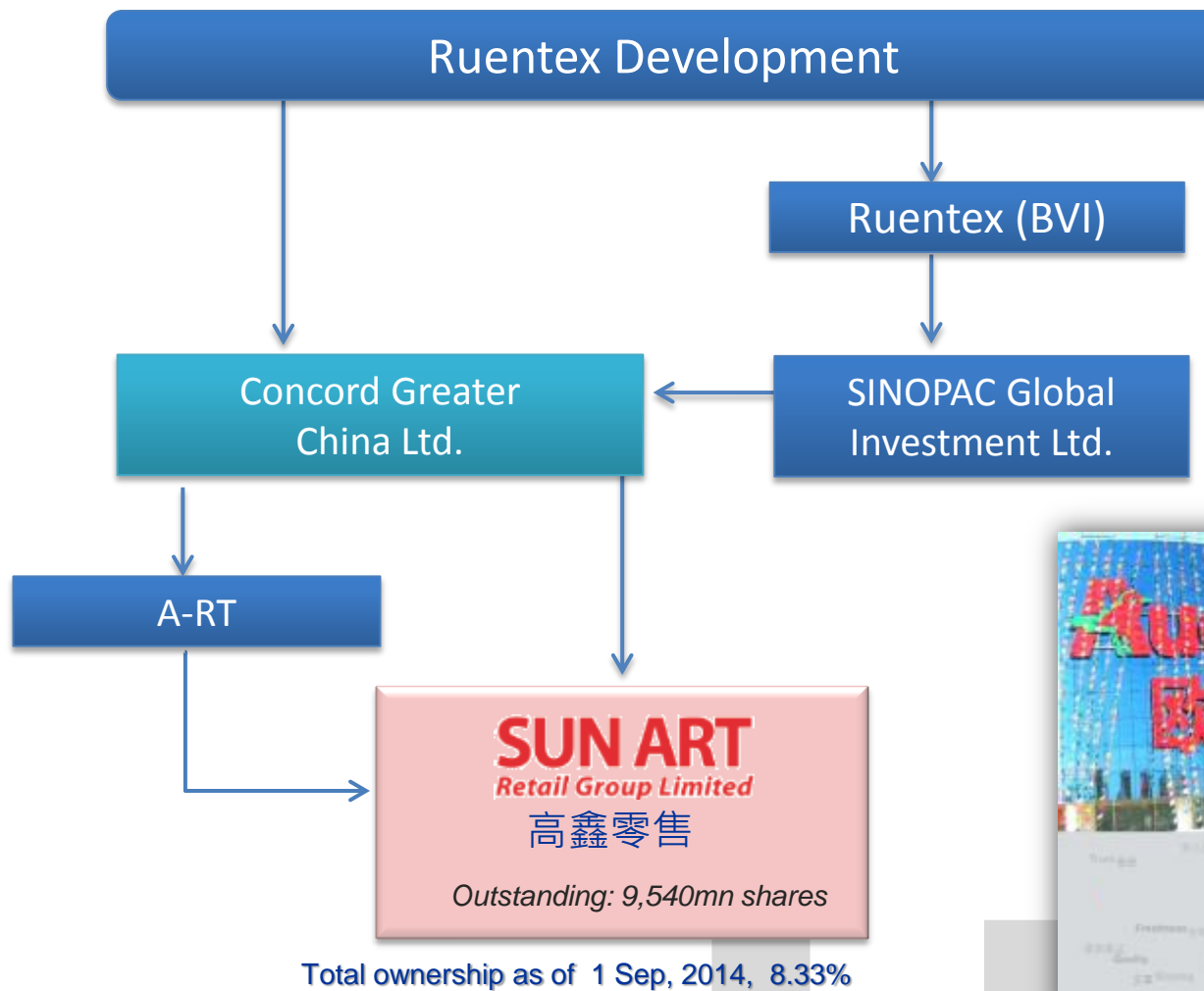


Data : Taiwan Cement Association



1. Company Overview
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3. Property Development
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Note: Total ownership includes Ruentex Development's indirect shareholdings through Ruentex Industries



### SUN ART Retail Group Limited

Unit: RMB million

項目	1H 2013	1H 2014	%
Turnover	44,515	48,038	↑7.9%
Gross Profit	9,231	10,523	↑14.0%
Operating Profit	2,298	2,495	↑8.57%
Net Profit	1,670	1,789	↑7.12%
Profit attributable to equity shareholders of the Company	1,576	1,710	↑8.50%
EPS(RMB)	0.17	0.18	

Source: Sun Art 1H 2014 Interim Result Announcement



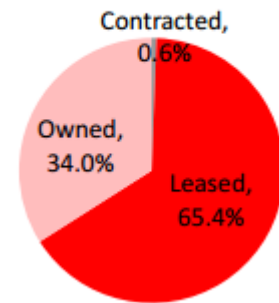


**SUN ART**  
Retail Group Limited



Region	2013Q4	New Open	2014Q1
North Eastern	31	-	31
Northern	40	-	40
Central	44	-	44
Southern	52	2	54
Eastern	141	2	143
Western	15	-	15
<b>Total Shops</b>	<b>323</b>	<b>-</b>	<b>327</b>

**GFA breakdown (30 June 2014)**



City	2014Q2 %
First-tier	10%
Second-tier	18%
Third-tier	45%
Forth-tier	21%
Fifth-tier	6%

- ◎ 4 new hypermarket complexes were opened in 1H 2014
- ◎ A total of 327 hypermarkets across China as at 2014/6/30, covering 26 Provinces, autonomous regions and municipalities. By 2014/6/30, 162 secured sites to open hypermarket complexes in next 3 years, of which 102 were under construction.



# SUN ART

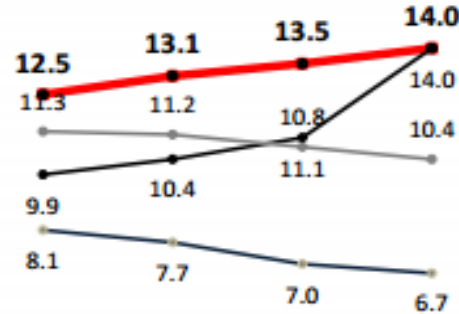
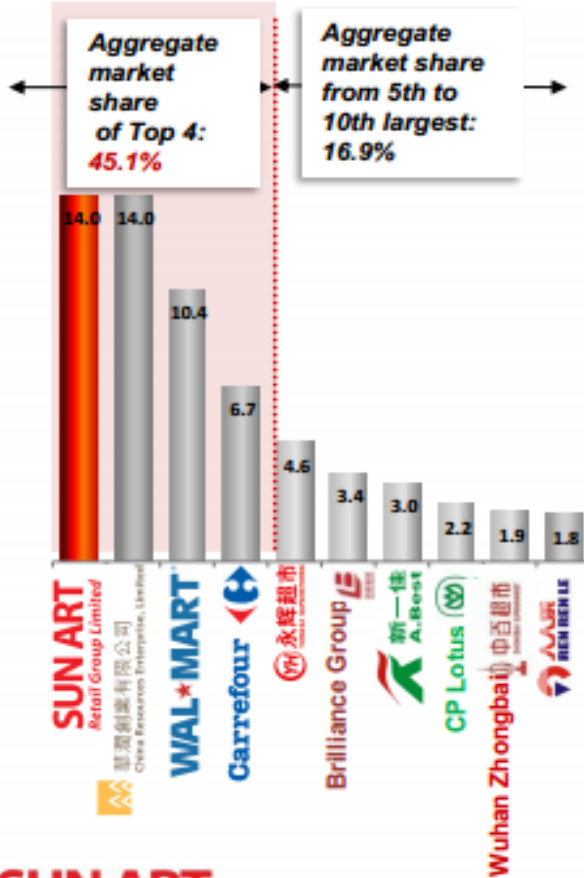
## Retail Group Limited

**Sun Art –Maintaining market leadership through organic growth**

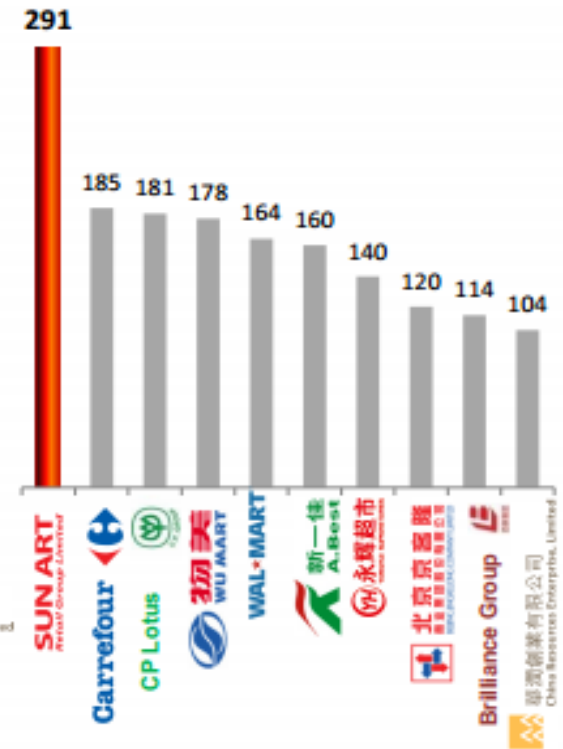
**Market share evolving of top 4 hypermarket players from 2010-2013**

**Sales per average number of store in 2013**

Market share (%)



(RMB m/average no. of stores)



**SUN ART**  
Retail Group Limited  
Stock Code : 6898

Source: Euromonitor

- (1) According to Euromonitor, the retail value of Sun Art and China Resources Hypermarkets in 2013 was RMB 86,926.3 million and 86,802.5 million respectively.
- (2) CRE figure included CRE and Tesco in 2013 in all three charts above.
- (3) Calculated based on figure from Euromonitor: retail value of 2013/(average number of stores between beginning and ending of 2013)

1. Company Overview
2. Financial Overview
3. Property Development
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南山 50  
台灣一定要幸福

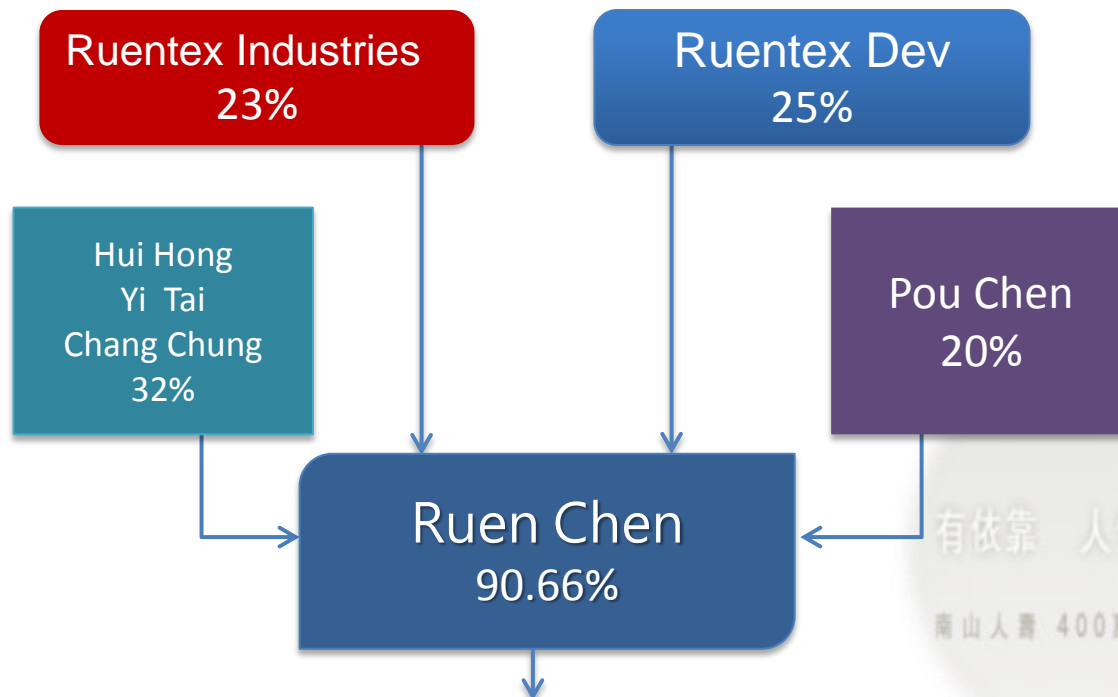



# LIFE INSURANCE

Nan Shan Life - the New Earnings Engine



潤泰創新國際股份有限公司  
RUENTEX DEVELOPMENT Co. Ltd



 **南山人壽**

As of 30 June, 2014  
Common share : TWD92.4bn  
Shareholder : TWD 147.6bn

Total ownership as of 1 Sep, 2014, 25.09%

Note: Total ownership includes Ruentex Development's indirect shareholdings through Ruentex Industries



Unit: TWD 100 mn / per share

item	2012	2013	1H 2014
New Premium	1,719	1,463	787
Revenue	4,635	4,823	2,638
Net Profit	81	164	74
EPS(NT dollar)	0.87	1.78	0.81

Source: Company website, MOPS

# LIFE INSURANCE

Nan Shan Life - Operating Results 1H2014



潤泰創新國際股份有限公司  
RUENTEX DEVELOPMENT Co. Ltd



Unit : In thousands of TWD

	Market share			Revenue	Revenue from per 1% market share
	100年	101年	102年	102年	
Life Insurance	10.10%	14.90%	16.70%	309,026	18,505
Health Insurance	17.20%	16.80%	17.00%	49,395	2,906
Injury Insurance	25.00%	24.80%	25.30%	15,211	601
Annuity Insurance	2.10%	10.20%	3.10%	11,715	3,779

Source: Company website, Nan Shan Life Insurance



南山人壽

	Average Insurance Coverage from new Life Insurance contract			Average Insurance Revenue from new Life Insurance contract		
	2011	2012	2013	2011	2012	2013
Nan Shan	611	695	862	158	348	361
Cathay	450	435	392	273	328	267
Fubon	688	700	630	387	439	320

	Controversial ratio	Claims Litigation ratio
	2013	2014
Nan Shan	0.00033%	0.0016%
Cathay	0.00042%	0.0025%
Fubon	0.00058%	0.0040%



Unit : In thousands of TWD

Source: Company website, Nan Shan Life Insurance

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3. Property Development
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### Profit Engine

- Property development
- Sun Art retail
- Nan Shan Life

### Steady Growth

- Portfolio of Property development , Retail and insurance.
- Long-term and steady cash flow of commercial project.
- Construction projects are all located in Greater Taipei area.

### Potential Value

- Lower cost for the early development project.
- Market value of investment is higher than book value.
- Corporate image and potential Goodwill.



# Q & A

潤泰集團

創新 超越 領先 全方位

潤澤社會  
泰安民生

