

FANTASIA  
花樣年

**Fantasia Holdings Group Co., Limited**  
**花樣年控股集團有限公司**

**Stock code: 1777**

**2012 Interim Results Presentation**

**August 2012**

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## Section

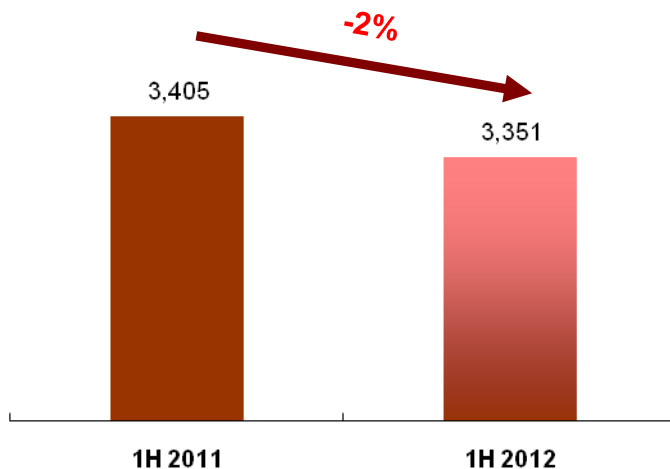
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1. **1H 2012 Results Overview**
  2. 1H 2012 Business Review
  3. Market Outlook and Corporate Strategy
  4. Appendix
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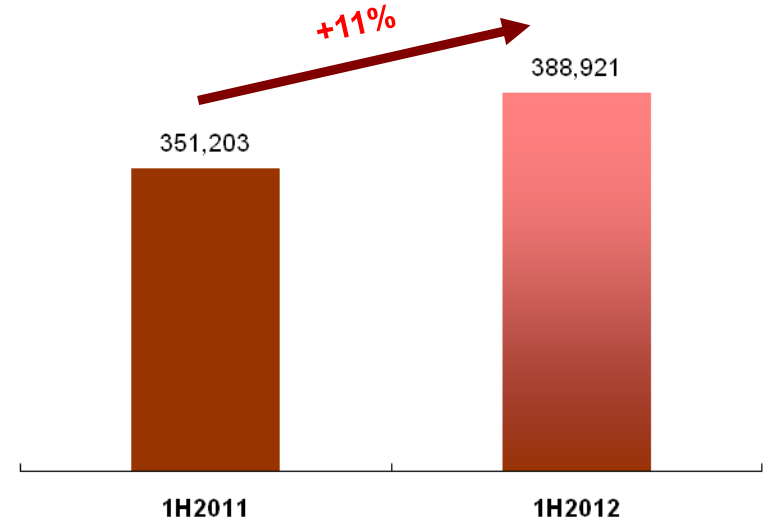
## Steady Growth in Contract Sales

- Contract sales area for 1H 2012 recorded YoY growth of 11%;
- Cumulated contract sales for 1H 2012 reached RMB3.35 billion, achieved 47% of the annual contract sales target;
- Cumulated contract sales for first 7 months of 2012 reached RMB4.02 billion, achieved 55% of the annual contract sales target;

**Contract Sales**  
(RMB mn)



**Contract Sales Area**  
(sq.m)



## Steady Profitability

### ■ Steady profitability

- Gross profit margin: 41.7%
- Net profit margin: 16.7%
- EPS: RMB0.04

### ■ Healthy and steady financial position

- Cash on hand: RMB1.44 billion
- Net Gearing Ratio: 81.6%

## Steady Profitability

RMB mn	June 30		Decrease%
	2011	2012	
Revenue	2,005	1,205	39.9%
Gross Profit	1,053	503	52.2%
Net profit	499	201	59.7%
EPS(RMB)	0.10	0.04	60.0%
Gross Profit margin	52.5%	41.7%	10.8pts
Net profit margin	24.9%	16.7%	8.2pts

(1) Excluding profit attributed to revaluation of investment prosperities

## Healthy and Steady Financial Position

RMB mn	31 Dec 2011	30 Jun 2012	Change %
Cash <sup>(1)</sup>	1,336	1,438	7.6%
Non restricted cash	1,021	1,074	5.2%
Total assets	18,123	20,862	15.1%
Short-term debt	2,100	1,810	(13.8%)
Long-term debt	3,393	4,239	24.9%
Total debt	5,493	6,049	10.1%
Shareholders' equity	5,602	5,653	0.9%
Total debt over total assets ratio	30.3%	29.0%	(1.4pts)
Net gearing ratio	74.2%	81.6%	7.4pts

(1) Including bank balance and cash and restricted bank deposit

## Section

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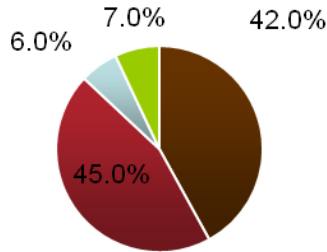
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  2. **1H 2012 Business Review**
  3. Market Outlook and Corporate Strategy
  4. Appendix
-



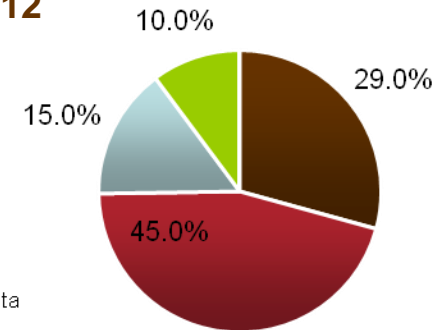
## Increasingly Diversified Revenue and Enhanced Sales Contribution from Multi-regions

### Contract sales breakdown: by region

1H 2011



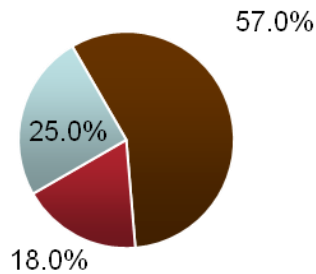
1H 2012



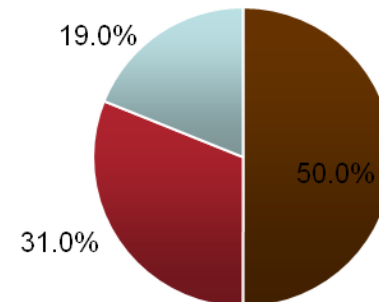
■ Chengdu-Chongqing    ■ The Pearl River Delta  
■ The Yangtze River Delta    ■ Beijing-Tianjin

### Contract sales breakdown: by product

1H 2011



1H 2012



■ Urban Complexes  
■ Boutique Upscale Residences  
■ Mid-to-high End Residences

## Strategic Project Planning and Execution

### 1H 2012 Newly Commenced Projects

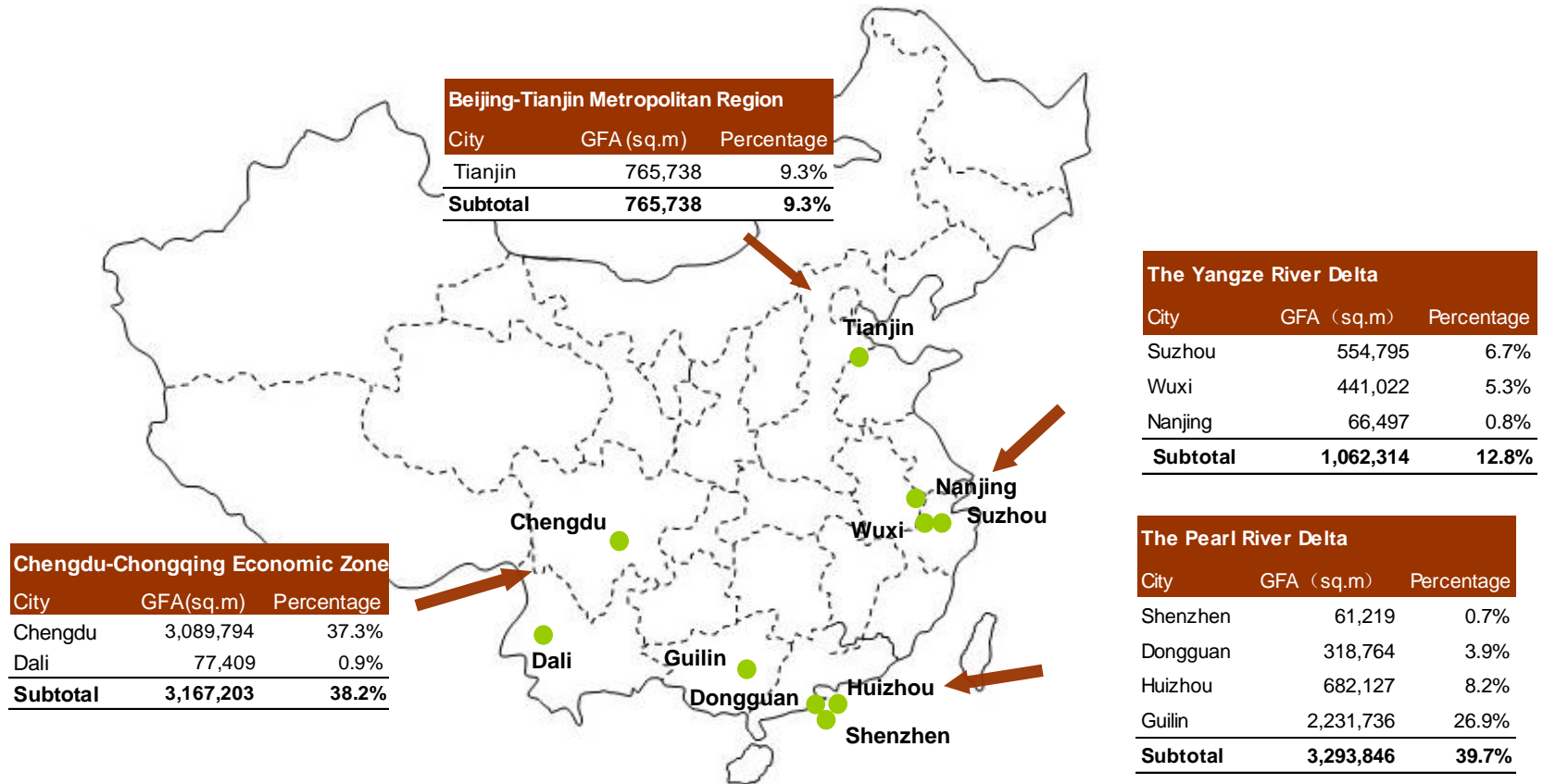
City	Project	Product Category	GFA (sq.m)
Huizhou	Phase 3 of Fantasia Special	Mid-to-high End	160,250
Nanjing	Phase 1 of Yuhuatai Project	Boutique Upscale	6,766
Chengdu	Fantasia Town	Mid-to-high End	161,355
	Meinian International Plaza	Urban Complex	82,906
Dongguan	Wonderland	Boutique Upscale	158,625
Guilin	Lakeside Eden	Boutique Upscale	37,635
<b>Total</b>			<b>607,537</b>

### 1H 2012 Completed Projects

City	Project	Product Category	GFA (sq.m)
Suzhou	Lago Paradise Land Plot No. 6	Boutique Upscale	20,954
<b>Total</b>			<b>20,954</b>

# High Quality Land Bank: prudent investment and cautious operations

*Land bank spanning four major regions and 10 core cities of high strategic importance*



## High Quality and Low Cost Land Bank

### Land bank with use right

City	Project	GFA (sq.m)	Product Category	Avg.Cost (RMB/sqm)
Shenzhen	Funian Plaza	61,219	Urban Complex	2,418
Huizhou	Love Forever	168,545	Mid-to-high End	312
	Fantasia Town	513,582	Mid-to-high End	423
Chengdu	Future Plaza	244,614	Urban Complex	645
	Grand Valley	1,556,986	Boutique Upscale	281
	Mont Conquerant	296,384	Boutique Upscale	823
	Fantasia Town	361,797	Mid-to-high End	81
	Meinian Int'l Plaza	449,845	Urban Complex	669
	Funian Plaza	180,168	Urban Complex	555
Tianjin	Future Plaza	55,080	Urban Complex	2,180
	Yingcheng Lake Project	168,339	Urban Complex	766
Dongguan	Love Forever	542,319	Boutique Upscale	1,183
	Wonderland	318,764	Boutique Upscale	923
Guilin	Fantasia Town	600,000	Mid-to-high End	393
	Lakeside Eden	1,631,736	Boutique Upscale	393
Suzhou	Lago Paradise	554,795	Boutique Upscale	1,522
Wuxi	Love Forever	338,080	Boutique Upscale	1,523
	Hailrun Complex	102,942	Urban Complex	680
Nanjing	Yuhuatai District Project	66,497	Urban Complex	4,337
Dali	Human Art Wisdom	77,409	Mid-to-high End	674
<b>Total</b>		<b>8,289,101</b>		<b>665</b>

### Land bank with framework agreement

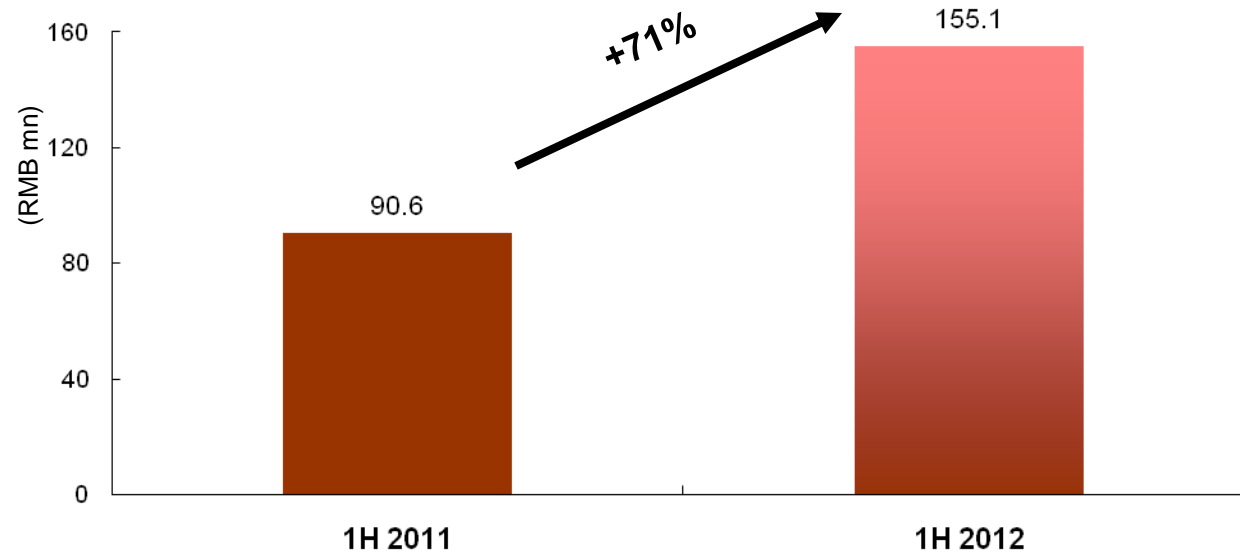
City	Project	GFA (sq.m)	Product Category	Interest
Chengdu	Pixian Project	3,917,332	Urban Complex	100%
Dali	Yunnan Project	996,531	Boutique Upscale	100%
Suzhou	Taihu Hotel	49,246	Hotel	100%
<b>Total</b>		<b>4,963,109</b>		

**Total Land Bank: 13.25 million sq.m**

## Continuous Expansion of Property Services and Business Operating Capacity

*In 1H 2012, our other business such as property operation and hotel services also achieved sustainable growth.*

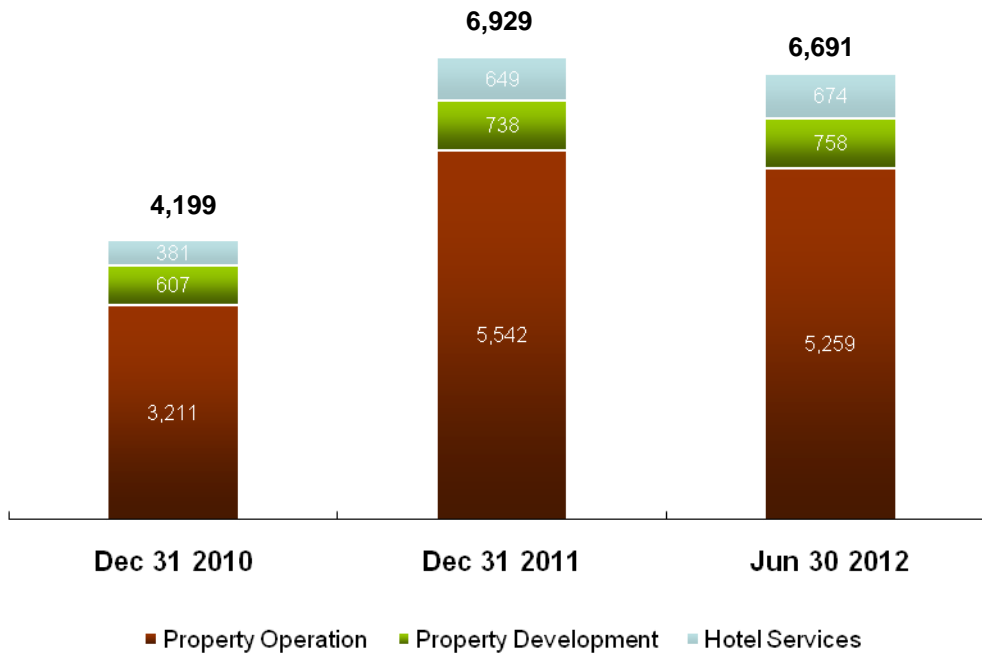
Recurrent revenue from property investment, hotel and community services businesses



## Maintaining Competitive Team Scale

*Maintaining competitive team scale is in line with the expansion of business operations*

Number of Total Employees



Business Segment	2010 Dec 31	2011 Dec 31	2012 Jun 30
Property Development	607	738	758
Property Operation	3,211	5,542	5,259
Hotel Services	381	649	674
<b>Total</b>	<b>4,199</b>	<b>6,929</b>	<b>6,691</b>

## Section

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1. 1H 2012 Results Overview
  2. 1H 2012 Business Review
  - 3. Market Outlook and Corporate Strategy**
  4. Appendix
-

## Market Outlook - 2H 2012

- The US economy is expected to remain sluggish. Meanwhile the development of the European economy will still be shadowed by the debt crisis, whereas the economic growth rate in the emerging markets led by China now facing the downward trend
- As the demand for residential properties are restricted by the austerity measures, the demand for non-residential properties will continuously have a structural growth advantage
- The government emphasized the development of social security housing, so that the launch of such social security housing to the market may pose threats to the general residential market
- Meanwhile, the central government has also extend its efforts on the fine tuning of the monetary policy and has put forward a series of policies for supporting first-time home buyers, including decreasing the deposit reserve rate and the benchmark rates for deposit and loan, to enhance the purchase capability of home buyers, to expand the domestic market demand and to promote the stable development of the China economy



## Corporate Strategy - 2H 2012

- We will continue to maintain a flexible and proactive strategy to boost sales, and to strive to achieve or exceed the planned annual contract sales target
- We will continue to prudently acquire premium land parcels at competitive prices, to reasonably expand the scale of the land bank, and to capture opportunities to enter into one to three core cities
- We will adhere to the project construction schedule in order to lay a solid foundation for the sustainable growth in 2012
- We will actively explore the business model of housing for senior citizens and continuously develop diversified property services and operation capacity such as commercial property development, boutique hotel services, property services and cultural tourism etc
- We will develop a business model driven by financial operations, anchored on services, and supported by property development. We will allocate much resources in developing urban complexes projects and housing for senior citizens. We endeavor to provide extraordinary living environment for experiencing a lifestyle where the residents can enjoy the fun of work and the life through our value-added services.

## 2012 Target

	2012 Target	Achieved in 1H 2012	Achieved Ratio in 1H 2012
<b>Contract sales (RMB mn)</b>	7,200	3,351	47%
<b>GFA of newly commenced projects ('000 sq.m)</b>	1,000	608	61%
<b>GFA of completed projects ('000 sq.m)</b>	800	21	* 3%
<b>GFA of available for sale projects ('000 sq.m)</b>	1,400	963	69%

\* Most of the projects plan to be completed in 2H 2012.

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Make Life in Style

[www.cnfantasia.com](http://www.cnfantasia.com)

## Section

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1. 1H 2012 Results Overview
  2. 1H 2012 Business Review
  3. Market Outlook and Corporate Strategy
  4. **Appendix**
-

## Appendix I: Contract Sales in 1H 2012

City	Project	GFA Sold (sq.m)	Contract sales (RM B'000)	ASP (RM B/sq.m)
Shenzhen	Funian Plaza	11,011	386,739	35,123
	Meinian Int'l Complex	292	8,780	30,068
	Others	99	1,457	14,717
Chengdu	Fantasia Town	40,292	176,505	4,381
	Meinian Int'l Complex	19,979	150,212	7,518
	Future Plaza	12,792	139,989	10,943
	Funian Plaza	23,831	309,932	13,005
	Grand Valley	3,750	33,862	9,030
	Mont Conquerant	2,574	15,286	5,939
Dongguan	Others	1,895	6,441	3,399
	Mont Conquerant	15,736	146,942	9,338
Huizhou	Wonderland	60,275	405,132	6,721
	Fantasia Special Town	54,755	300,470	5,488
Dali	Hum an Art Wisdom	21,598	148,444	6,873
Guilin	Fantasia Town	42,254	252,661	5,980
	Lakeside Eden	2,299	22,241	9,674
Suzhou	Lago Paradise	11,300	143,631	12,711
Nanjing	Yuhuatai Project	5,554	153,028	27,553
Wuxi	Lover Forever	26,244	186,590	7,110
	Hailun Complex	2,401	21,528	8,966
Tianjin	Hailun Plaza	1,766	22,119	12,525
	Future Plaza	18,006	231,345	12,848
	Love Forever	10,218	87,573	8,570
<b>Total</b>		<b>388,921</b>	<b>3,350,907</b>	<b>8,616</b>

## Appendix II: Planned Newly Commenced Projects in 2H 2012

City	Project	Product Category	GFA (sq. m)
Huizhou	Love Forever	Mid-to-high End Residence	81,000
Chengdu	Meinian Int'l Plaza	Urban Complex	90,000
	Belle Epoque	Urban Complex	80,000
	Grande Valley Four Point Hotel	Hotel	35,000
Suzhou	Lago Paradise land Plot No. 4	Boutique Upscale	55,000
Nanjing	Yuhuatai Project	Urban Complex	90,000
<b>Total</b>			<b>431,000</b>

## Appendix III: Planned Completed Projects in 2H 2012

City	Project	Product Category	GFA (sq. m)
Shenzhen	Funian Plaza	Urban Complex	61,000
Dongguan	Wonderland	Boutique Upscale Residence	83,000
Chengdu	Future Plaza	Urban Complex	242,500
	Fanatsia Town	Mid-to-high End Residence	181,000
	Belle Epoque	Mid-to-high End Residence	12,000
Tianjin	Future Plaza	Urban Complex	55,000
Suzhou	Lago Paradise	Boutique Upscale Residence	48,500
Wuxi	Love Forever	Boutique Upscale Residence	96,000
<b>Total</b>			<b>779,000</b>