

Monthly Newsletter---May 2014

Fantasia Continues to Build O2O Social Community Services Operation Platform and Speeds Up International Expansions

In May 2014, on its way to creating China's largest social community services operation platform, Fantasia is registering rapid growth across the full range of its asset-light businesses, from such as Colour Life, financial services, commercial community services, cultural and tourism, commercial services, and senior citizen services. In addition, the sales in traditional property business begins to pick up, the property business of the Company achieved the contract sales of approximately RMB413 million and GFA sold of approximately 67,365 square meters, which represented year-on-year declines of 36% and 17% respectively, but was up by 64% and 102% month-on-month respectively. As of 31 May 2014, Fantasia has recorded accumulated contract sales of approximately RMB1.357 billion and accumulated GFA sold of 220,850 square meters.

Accumulated Contract Sales Amount and Area Sold for 2014 (up to 31 May 2014)

1.City	Project Name	Product Type	GFA Sold (sq.m.)	Sales Amount (RMB0'000)
Chengdu	Love Forever	Mid-to-high residence	360	161
	Meinian Plaza	Urban complex	3,686	3,838
	Huahao Garden	Mid-to-high residence	10,198	4,765
	Future Plaza	Urban complex	4,673	5,534
	Fantasia Town	Mid-to-high residence	38,377	18,009

	Funian Plaza	Urban complex	161	123
	Grande Valley	Boutique upscale	3,393	3,923
	Long Nian International Plaza	Urban complex	25,951	13,358
Dongguan	Mont Conquerant	Boutique upscale	98	116
	Wonderland	Mid-to-high residence	248	145
Tianjin	Flower County	Boutique upscale	1,038	1,131
	Love Forever	Boutique upscale	11,353	8,251
Huizhou	Huiyang Special Town Project	Mid-to-high residence	26,257	13,882
	Love Forever	Mid-to-high residence	9,283	4,193
	Kang Town	Mid-to-high residence	6,989	4,230
	Xiangxie Garden	Mid-to-high residence	343	227
	Palm Garden	Mid-to-high residence	108	57
Suzhou	6# Project	Boutique upscale	1,316	1,024
	4# Project	Boutique upscale	2,208	2,668
	Special Town	Boutique upscale	14,311	8,589
Wuxi	Love Forever	Boutique upscale	8,349	6,492
	Hairun Complex	Urban complex	2,841	2,722
Dali	Human art wisdom	Mid-to-high residence	343	233
Guilin	Fantasia Town	Urban complex	21,582	11,587
	Lakeside Eden	Boutique upscale	11,964	6,684
Ningbo	Beilun, Ningbo	Boutique upscale	6,279	6,194

Singapore	Singapore Project	Boutique upscale	179	1,848
Wuhan	Love Forever	Boutique upscale	8,964	5,696
Total			220,850	135,677

May in review

Despite the lingering tentative mood in China's real estate market during May, Fantasia continued to carry out a market strategy featuring mainstream positioning and proactive sales tactics to capture the dynamic of market changes. In May, Fantasia increased stepped up launches in Tier-2 cities including several rigid-demand residential projects, which recorded positive sales amid weak market sentiment. Suzhou Special Town Phase II continued a strong sales momentum from Phase I of last year, with over 90% subscription rate. Upon the swift launch of Love Forever in Wuhan, the Company's first project in the city, it quickly became a star performer with subscription amount of over RMB120 million for the first batch of launched units. Over two 230 flats in Chengdu Fantasia Town were subscribed; and limited-edition high-rise units in Tianjin Love Forever also opened to warm market reception.

Outlook for June

Mr. PAN Jun, Chairman & CEO of Fantasia, said, "There is a strong seasonal tempo to the cycle of the real estate business with fluctuant monthly sales, and most real estate enterprises' sales mainly come from the second half of the year." Therefore, sales performance for the first 5 months has slight significance in forecasting full-year results." Mr. Pan believes current sales are in line with the Company's beginning-of-the-year plan and expectations, and Fantasia's full-year contract sales will maintain steady growth.

As planned, Fantasia will continue to follow closely market changes and launch additional high-rise rigid-demand units of Huizhou Fantasia Special Town and rigid-demand residential home units of Long Nian International Plaza in June. In the meantime, the Company is actively exploring new programs of to mitigate environmental impacts of property development in a pilot project in Suzhou.

Note: Data in this newsletter is unaudited and is subject to change.

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