

23 December 2011

The Directors
New City (China) Development Limited
11th Floor,
Effectual Building,
16 Hennessy Road,
Wanchai, Hong Kong

Dear Sirs,

**New City (China) Development Limited (the “Company”) and its subsidiaries
(collectively, the “Group”)**

In accordance with the instruction of the directors of the Company (the “Directors”), we have reviewed the accounting policies adopted and calculations made in arriving at the profit of the Group and (i) French Land Limited; (ii) Fudi International Holding Co., Limited; and (iii) Guangdong Changliu Investment Co., Limited (collectively, referred as the “Enlarged Group”) for the fifteen months from 1 September 2011 to 31 December 2012, for which the directors are solely responsible, as set out in the Appendix (the “Profit Forecast”).

In our opinion, the Profit Forecast, so far as the accounting policies and calculations are concerned, has been properly compiled on the basis of the assumptions made by the directors as set out in the Profit Forecast and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group.

The Profit Forecast, including the bases and assumptions as set out in the Appendix, for which the directors of the Company has been prepared the Profit Forecast and using a set of assumptions that include hypothetical assumptions about future events and other assumptions that may or may not necessarily be expected to occur. Consequently, readers are cautioned that the Profit Forecast may not be appropriate for purposes other than for deriving the profit forecast of the Enlarged Group. Even if the events anticipated under the hypothetical assumptions occur, actual results are still likely to be different from the Profit Forecast since the other anticipated events may or may not occur as expected.

Our engagement was conducted in accordance with Hong Kong Standard on Assurance Engagements 3000 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” with reference to the procedures under Auditing Guideline 3.341 “Accountants’ Report on Profit Forecasts” issued by the Hong Kong Institute of Certified Public Accountants. Our work was performed solely to assist the directors of the Company to evaluate whether the Profit Forecast was complied properly so far as the accounting policies that have been used and the related calculations are concerned. We have reviewed and compared the accounting policies underlying the Profit Forecast with the accounting policies normally adopted by Group. We found that the accounting policies are consistent with those accounting policies normally adopted by the Group. Our work does not constitute any profit forecast of the Enlarged Group and we were unable to obtain sufficient appropriate evidence to evaluate or express any opinion on the appropriateness of the bases and assumptions made.

In our opinion, the Profit Forecast, so far as the calculations are concerned, has been properly compiled in accordance with bases and assumptions adopted by the directors of the Company in preparing the Profit Forecast and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group.

This letter is provided solely for your information. Therefore you cannot, without our prior written consent, refer to or use our name or the letter for any other purpose, refer to them in any documents, or make them available or communicate them to any other party, save as required by the regulatory authorities including but not limited to The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission from time to time. In performing our duties in the subject matter, subject to the industry standards of which we are a member, we accept no liability to any other party who is shown or gains access to this letter.

Yours faithfully,
ASCENDA CACHET CPA LIMITED
Certified Public Accountants
Hong Kong



Chan Chi Yuen
Practising Certificate Number P02671