

## Vietnam Opportunity Fund

NAV per share (30 Apr 08)\* **USD2.66**

Apr 2008 -0.75%  
 YTD: -23.78%  
 Since inception (30 Sep 03) 166.00%

Issued shares 324,610,259  
 Total NAV (30 Apr 08, USD m) 864  
 Market cap (30 Apr 08, USD m) 1,030

Reuters VOF.L  
 Bloomberg VOF LN

## VinaLand Ltd

NAV per share (31 Mar 08)\* **USD1.47**

Change  
 Mar 2008 12.2%  
 YTD: 12.2%  
 Since inception (22 Mar 06) 47.0%

Issued shares 499,967,622  
 Total NAV (31 Mar 08, USD m) 735  
 Market cap (30 Apr 08, USD m) 730

Reuters VNL.L  
 Bloomberg VNL LN

## Vietnam Infrastructure Ltd

NAV per share (31 Mar 08)\* **USD0.90**

Change  
 Mar 2008 -12.6%  
 YTD: -12.6%  
 Since inception (22 Mar 06) -10.0%

Issued shares 402,100,000  
 Total NAV (31 Mar 08, USD m) 361  
 Market cap (30 Apr 08, USD m) 318

Reuters VNI.L  
 Bloomberg VNI LN

\* Unaudited. Note: VOF NAV is updated monthly; VNL and VNI NAVs are updated quarterly.

## Economy

Inflation eased a little in April on a month-to-month basis but the year-on-year CPI increase is still a very high 21.4 percent. Besides higher food prices, other contributors to the CPI increase were construction materials (22.6 percent) and transport (15.8 percent).

**Trade:** The deficit continues to widen as imports in April rose by 71 percent year-on-year while exports increased by only 27.6 percent. Imports rose to USD 8.96 billion in April from USD 7.3 billion in March. Most significantly, imported steel saw a two-fold increase in volume (and more than that in terms of price). Exports earned USD 5.23 billion over the last month. The four strongest export goods were crude oil, garments, shoes and seafood, together almost half of year-to-date total exports of USD 18.26 billion.

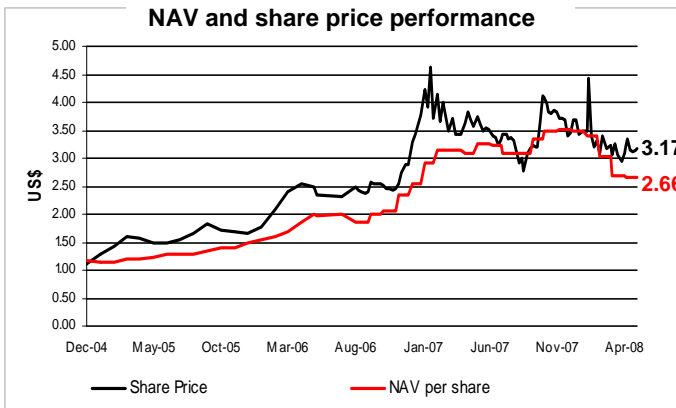
**FDI:** Despite the slowdown of the world economy, foreign direct investment commitments still increased by USD 2.16 billion for the month to reach USD 7.6 billion year-to-date; a pace that if it continues will see more FDI in 2008 than last year's record USD 20.3 billion in commitments.

**Capital markets:** The VN Index closed at 522 points at the end of April, only marginally higher than the March close of 517. On 7 April the Government slightly widened the trading band that had been imposed on stock exchanges in March (to 2 percent for the Ho Chi Minh City Stock Exchange and 3 percent for the Hanoi Stock Trading Centre; up from 1 and 2 percent, respectively). Going by the VN Index numbers, the market appears frozen. However there is still some relevant buying and selling taking place. Net foreign buying again heavily outweighed net foreign selling, with popular stocks at the end of the month including Dam Phu My (DPM), Saigon Securities (SSI) and Pha Lai Thermal (PPC).

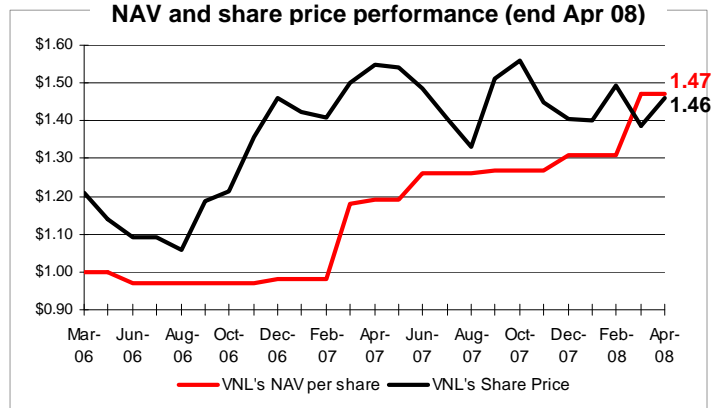
**Banking sector:** Banks continue to face a restrictive environment due to Government policies to fight inflation. Margins are decreasing with banks borrowing short at high interest rates and lending long mostly at past lower rates. As a consequence the yield curve is abnormally inverted with 1-month to 1-year rates all capped at 12 percent while longer maturities are mainly under 10 percent. Loan portfolios will likely decrease sharply as the 12 percent deposit rates mean banks have to lend out at 15-22 percent to make a meaningful profit. The high lending rates along with State Bank imposed credit limits and the international economic slowdown will likely affect many business plans this year.

The next few months will continue to be trying times for both the market and the economy. However it is important to note that current difficulties are largely a product of Vietnam's exceptional growth over the past 10 years. It is not a product of global events. All economies go through growing pains, and we remain positive about the medium to long-term outlook.

Vietnam Opportunity Fund  
 NAV and share price performance



VinaLand  
 NAV and share price performance (end Apr 08)



## ★ Vietnam Opportunity Fund



VinaCapital Investment Management  
Don Lam, Andy Ho, Cuong Nguyen

**NAV per share (30 Apr 08)\* USD2.66**

Change  
Apr 2008 -0.75%  
YTD: -23.78%  
Since inception (30 Sep 03) 166%

Issued shares 324,610,259  
Total NAV (30 Apr 08, USD m) 864  
Market cap (30 Apr 08, USD m) 1,030

Reuters VOF.L  
Bloomberg VOF LN

\*Unaudited

### Portfolio by asset type

Capital markets	52.4%
Listed (including bonds)	31.8%
OTC	20.6%
Real estate	25.4%
Private equity	8.0%
Overseas equity	1.5%
Cash, deposits, other	12.7%

### Performance history (% change on NAV)

	2008	2007	2006	2005
Jan	-2.87%	14.57%	3.90%	0.00%
Feb	-10.17%	8.25%	6.25%	4.35%
Mar	-11.84%	-0.63%	8.82%	0.83%
Apr	-0.75%	-1.28%	7.57%	1.65%
May		5.07%	-1.01%	4.07%
Jun		-0.79%	1.52%	0.00%
Jul		-3.75%	-6.50%	0.00%
Aug		0.00%	6.42%	3.91%
Sep		8.06%	3.02%	4.51%
Oct		4.18%	0.98%	0.72%
Nov		0.57%	13.53%	5.71%
Dec		-0.57%	8.09%	4.05%
YTD	-23.78%	37.40%	64.94%	33.91%

### Portfolio developments

Despite the poor performance of the VN Index most listed companies announced good earnings for 2007 at their recent AGMs. Earnings growth of the top 20 companies on the Ho Chi Minh City Stock Exchange is forecast to increase by 20 percent in 2008.

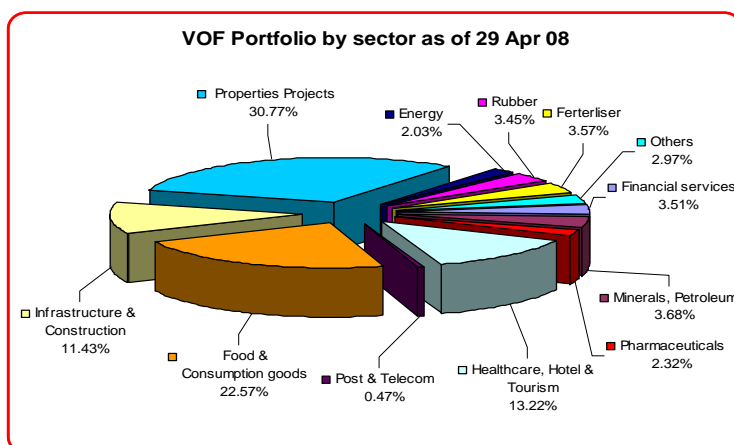
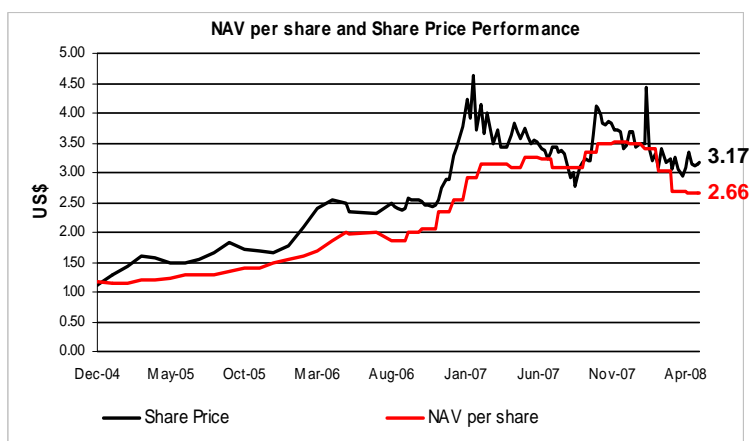
It has been a relatively quiet trading time for VOF. Taking into account the current market situation, VOF is updating its fundamental analysis of leading companies on both the listed and OTC market to consider new investments in the coming months.

During April, the listed component of VOF gained 4.5 percent but the OTC component lost 4.2 percent compared to the prior month. VOF's NAV at the end of April decreased 0.7 percent to USD 2.66 from USD 2.68 per share at the end of March 2008.

VOF expects to receive approximately USD 10 million in dividends from its capital market portfolio over the next month. This will boost its cash position which at the end of April was 12.7 percent of NAV.

### Major holdings

VNM	Listed equity	6.1% (of NAV)
HPG	Listed equity	4.8%
DPM	Listed equity	3.1%
KDC	Listed equity	3.0%
ITA	Listed equity	2.9%



**★ Vietnam Opportunity Fund****Investment Manager**

VinaCapital Investment Management Ltd.  
17<sup>th</sup> Floor, Sun Wah Tower  
115 Nguyen Hue Boulevard  
District 1, Ho Chi Minh City, Vietnam  
Tel: 84 821 9930  
Fax: 84 821 9931  
www.vinacapital.com  
info@vinacapital.com

**Broker Details**

*Claire Heathfield*  
LCF Rothschild Country Funds  
Tel: +44 20 7845 5968  
Fax: +44 20 7557 5968  
www.countryfunds.co.uk  
Reuters Page LCFR01  
Bloomberg Page LCFR <go>

**Fund Administrator**

HSBC Institutional Trust Services (Asia) Ltd.  
39/F Dorset House  
979 King's Road  
Quarry Bay  
Hong Kong

**ISIN**

KYG9361G1010

**Fund background**

The Vietnam Opportunity Fund (VOF) is a closed-end fund launched in September 2003 and listed on the AIM market of the London Stock Exchange. The investment strategy is to enhance net asset value by an average of 25 percent yearly on a consistent basis through medium and long-term investments with profit taking when appropriate. On a macro basis, VOF focuses on sectors that support Vietnam's growing economy such as financial services, property development, consumer goods for domestic consumption, and healthcare services and products. On a company basis, VOF focuses on publicly traded assets, property, privately held assets and state-owned enterprises being privatised, with the highest emphasis on private equity structure and protections.

**Fund manager**

VOF is managed by VinaCapital Investment Management (VCIM) and requires investment approvals from a four member investment committee consisting of Horst Geicke, Don Lam, Chris Gradel and Andy Ho. VCIM is led by Andy Ho, head of investment; Nguyen Viet Cuong, head of capital markets; and Due Quach, head of private equity.

**Management and performance fees**

The baseline management fee is 2 percent of funds under management and the performance fee is 20 percent of gains in excess of an 8 percent hurdle rate, with a high water mark and a catch-up.

**Valuation policy**

The Net Asset Value is the value of all assets of VOF less all the liabilities of VOF determined in accordance with the valuation guidelines adopted by the Directors from time to time. Under the current valuation guidelines of VOF, such values are as follows:

- the value of any cash in hand and other monetary assets is deemed to be the full amount less any discount determined as appropriate by the Directors;
- the value of quoted securities (including any securities traded on an "over the counter market") is based on the last traded prices less any discount determined as appropriate by the Directors;
- unquoted investments and real estate projects are initially valued at cost. They are subsequently revalued in accordance with international valuation guidelines when the Directors determine that there may have been a material change in the value of an investment.
- any values other than those in US Dollars are translated at officially set exchange rates at the date of revaluation.

**Buy-back policy**

VOF's board of directors may elect to make an annual tender offer, at which time shareholders have the opportunity to sell their shares to VOF at a price equal to the NAV per share at year end.

## VinaLand Limited



**VinaCapital Real Estate**  
Don Lam, David Blackhall, Anh Tran, Seth Lim

<b>NAV per share (31 Mar 08)*</b>	<b>USD1.47</b>
<i>Change</i>	
Mar 2008	12.2%
YTD:	12.2%
Since inception (22 Mar 06)	47%
Issued shares	499,967,622
Total NAV (31 Mar 08, USD m)	735
Market cap (30 Apr 08, USD m)	730
Reuters	VNL.L
Bloomberg	VNL LN

<b>Portfolio by geographic distribution*</b>	
Hanoi	18%
Central provinces	31%
Ho Chi Minh City	51%
* Currently invested projects, 31 Mar 08	

### Portfolio developments

After VNL's NAV per share was announced at USD 1.47 at the end of the March 2008 quarter, the fund traded throughout most of April at a discount to NAV. This was the first time since inception that the fund traded below NAV. VNL's share price closed at USD 1.46 on 30 April as the market began to recognise the discrepancy.

### Project update: Hanoi Opera Plaza

VinaLand is pleased to announce a highly satisfactory outcome to the delay of the Hanoi Opera Plaza project in Hanoi. The initial project plan called for development of a 1,900 sq.m plot in central Hanoi across from the Opera House and the Hilton Opera Hotel. The intention was to build an 800 sq.m retail and office facility with a gross floor area (GFA) of 10,400 sq.m.

The Hanoi City People's Committee determined the site should be reserved for park space – after VNL had received an investment licence.

This situation was resolved when the City People's Committee offered VNL an alternate site of 25,000 sq.m, of which the final building area will be 11,200 sq.m. This is significantly larger than the original site. The new development is in close proximity to the National Convention Centre site in the fastest growing area of Hanoi. The new development site is cleared and construction is ready to commence as soon as design is completed and a construction permit is obtained. The increase in GFA is approximately 210,000 sq.m. Although a final valuation has not yet been determined, VNL is satisfied this is a positive development for our expanding portfolio.

### Regulatory announcements

On 16 April VNL announced the release of a letter to shareholders to convene an extraordinary general meeting (EGM) which took place on 29 April 2008.

On 29 April VNL announced the results of the EGM. The results included increasing the authorised share capital of the Company to USD 100 million.

Details are available at [www.vinacapital.com](http://www.vinacapital.com).

### Major holdings

Project	Type	Value (USD)
Danang Resort 260ha	Mixed-use	87.9 mill
Dai Phuoc Lotus 200ha	Mixed-use	72.5 mill
Century 21	Mixed-use	48.6 mill
Vinh Thai Nha Trang	Mixed-use	39.0 mill
Aqua City (Long Hung)	Residential	22.3 mill
Hilton Hanoi	Hospitality	20.7 mill
World Trade Center Danang	Mixed-use	20.3 mill
Omni Hotel	Hospitality	17.9 mill
Hanoi Golden Westlake	Residential	15.0 mill
M Hotel*	Hospitality	14.6 mill
Central Garden	Residential	10.1 mill
Hoi An Royal Bay Resort	Hospitality	8.2 mill

\* formerly the Guoman Hotel.

**VinaLand Limited****Investment Manager**

VinaCapital Investment Management Ltd.

**Development Adviser**

VinaCapital Real Estate Ltd.

17<sup>th</sup> Floor, Sun Wah Tower  
115 Nguyen Hue Boulevard  
District 1, Ho Chi Minh City, Vietnam  
Tel: 84 821 9930  
Fax: 84 821 9931  
www.vinacapital.com  
info@vinacapital.com

**Broker Details**

*Claire Heathfield*

LCF Rothschild Country Funds

Tel: +44 20 7845 5968

Fax: +44 20 7557 5968

www.countryfunds.co.uk

Reuters Page

LCFR01

Bloomberg Page

LCFR <go>

**Fund Administrator**

HSBC Institutional Trust Services (Asia) Ltd.

39/F Dorset House

979 King's Road

Quarry Bay

Hong Kong

ISIN

KYG936361016

**Fund background**

Launched March 2006, VinaLand (VNL) is a closed-end property fund admitted to trading on the AIM market of the London Stock Exchange. The fund focuses on the key growth sectors of Vietnam's emerging real estate market including residential, office, retail, hospitality and leisure and high-tech industrial. The fund is managed by VinaCapital Investment Management, with VinaCapital Real Estate acting as an adviser.

**Investment manager**

VinaCapital Investment Management (VCIM) comprises a team of over 130 professionals whose areas of expertise cover a full range of investment types.

A team of three experienced Deputy Managing Directors, lead by Don Lam, manage the VinaCapital Real Estate team of approximately 45 staff. The real estate team includes Mr David Blackhall (Asset Management), Mr Vu Anh Tran (Investments), and Mr Seth Lim (Development). The team brings together a wealth of both international and local property experience covering investment, development and asset management.

**Management and performance fees**

The baseline management fee is 2% of funds under management and the performance fee is 20% of gains in excess of an 8% hurdle rate, with a high watermark and a catch-up.

**Valuation policy**

VNL adheres to international valuation guidelines. The investment manager presents two independent valuations to the VNL board of directors' valuation sub-committee twice yearly. The valuation sub-committee will accept or reject the valuation reports and may require the investment manager to obtain other third-party valuation reports if deemed necessary.

**Buy-back policy**

VNL's board of directors may elect to make an annual tender offer, at which time shareholders have the opportunity to sell their shares to VNL at a price equal to the NAV per share at year end.

## Vietnam Infrastructure Limited



Vietnam Infrastructure Limited board and advisors.

**NAV per share (31 Mar 08)\* USD0.90**

*Change*

Mar 2008	-12.62%
YTD:	-12.62%
Since inception (30 Sep 03)	-10%

Issued shares	402,100,000
Total NAV (31 Mar 08, USD m)	361
Market cap (30 Apr 08, USD m)	318

Reuters	VNI.L
Bloomberg	VNI LN

### Major holdings

Company	Business	Cost (USD)
Tan Tao Industrial Park Corporation (ITA)	Industrial park development / Energy	43.6 mill
Pha Lai Thermal Power JSC (PPC)	Energy	39.0 mill
Song Da Urban Industrial Zone Development and Investment (SJS)	Industrial park development	16.9 mill

### Portfolio developments

After VNI's NAV was revised to USD 0.90 per share at 31 March 2008, the share price dropped to USD 0.79 at the end of April compared to USD 0.845 at the end of March. This represents a 12.2 percent discount to NAV.

### Project updates

#### Mobile Infrastructure Development Company

VNI has established a joint venture company, Mobile Infrastructure Development Company (MIDC) with several local partners. VNI has a 49 percent equity stake in MIDC and is the single largest shareholder.

MIDC will build Base Transceiver Station (BTS) towers and lease them to mobile phone operators. The telecommunications market in Vietnam has been growing rapidly (second fastest rate in the world) and the need for mobile lines has translated into demand for telecoms infrastructure such as BTS towers. The three major mobile phone operators are estimated to require about 7,000 BTS over the next two years. MIDC is expected to secure a large number of BTS deals covering the whole of Vietnam. Since incorporation, MIDC has already secured orders to build and lease 350 of these towers, with deals for 100 more expected next month. It is now securing the sites and tendering the construction contracts.

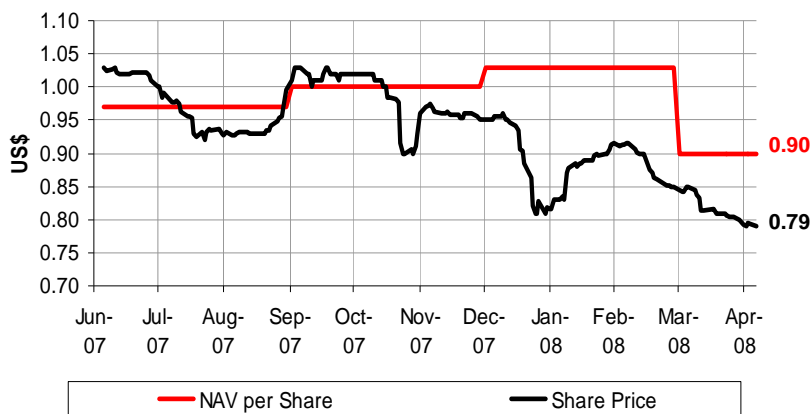
This represents VNI's first major direct investment in the telecommunications infrastructure industry.

#### Ba Thien II Industrial Park

VNI has established a joint venture company, Vina-CPK, to develop Ba Thien Industrial Park (BTII) in Vinh Phuc Province. VNI owns an 80 percent stake in the joint venture. The initial land cost is USD 18 million and the total project cost is expected to reach USD 56 million.

The joint venture is preparing the investment plan to submit to the Vinh Phuc Province People's Committee. Located 25km north of Hanoi's Noi Bai International Airport, the 300ha BTII is expected to serve light industry and the high-tech sector, such as spare parts and electric components manufacturing. Compal, the world's second largest laptop maker, is setting up its industrial park, Ba Thien 1 (BT1) across the street from BTII. BT1 is expected to be operational by Q4 2008, and this is expected to impact positively on BTII when it opens in 2009.

VNI NAV and share price performance (end Apr 08)



**Vietnam Infrastructure Limited****Investment Manager**

VinaCapital Investment Management Ltd.  
17<sup>th</sup> Floor, Sun Wah Tower  
115 Nguyen Hue Boulevard  
District 1, Ho Chi Minh City, Vietnam  
Tel: 84 821 9930  
Fax: 84 821 9931  
www.vinacapital.com  
info@vinacapital.com

**Broker Details**

*Claire Heathfield*  
LCF Rothschild Country Funds  
Tel: +44 20 7845 5968  
Fax: +44 20 7557 5968  
www.countryfunds.co.uk  
Reuters Page LCFR01  
Bloomberg Page LCFR <go>

**Fund Administrator**

HSBC Institutional Trust Services (Asia) Ltd.  
39/F Dorset House  
979 King's Road  
Quarry Bay  
Hong Kong

**ISIN**

KYG936121022

**Fund background**

Vietnam Infrastructure Limited (VNI), a USD 402 million closed-end fund dedicated to investment in Vietnam's rapidly growing infrastructure sector, was admitted to trading on the AIM market of the London Stock Exchange under the symbol "VNI" on 5 July 2007. It is the first publicly traded fund to focus investment on key strategic infrastructure and infrastructure-related assets in Vietnam, including the energy, transport, water and telecommunications sectors.

**Fund manager**

The fund is managed by VinaCapital Investment Management (VCIM) which comprises a team of over 130 professionals whose areas of expertise cover a full range of investment types. All investments are approved by a four member investment committee headed by William Lean.

**Management and performance fees**

The baseline management fee is 2% of gross asset value and the performance fee is 20% of gains in excess of an 8% hurdle rate, with a high watermark and a catch-up.

**Valuation policy**

The Net Asset Value is the value of all assets of the Company less all the liabilities of the Company determined in accordance with IFRS. Under the current valuation guidelines of the Company, such values are as follows:

- the value of any cash in hand and other monetary assets is deemed to be the full amount less any discount determined as appropriate by the Investment Manager;
- the value of quoted securities (including any securities traded on an "over the counter market") is based on the last traded prices less any discount determined as appropriate by the Investment Manager;
- unquoted investments and real estate projects are initially valued at cost. They are subsequently revalued from time to time in accordance with IFRS when the Investment Manager determines appropriate.
- any values other than those in US Dollars are translated at officially set exchange rates at the date of revaluation.

**Buy-back policy**

VNI's board of directors may elect to make an annual tender offer, at which time shareholders have the opportunity to sell their shares to VNI at a price equal to the NAV per share at year end.

## **Important Information**

This document, and the material contained therein, is not intended as an offer or solicitation for the subscription, purchase or sale of securities in the Vietnam Opportunity Fund Limited, VinaLand Limited or Vietnam Infrastructure Limited (together "the Companies," individually "Company"). Any investment in any of the Companies must be based solely on the Admission Document of that Company or other offering document issued from time to time by that Company, in accordance with applicable laws.

The material in this document is not intended to provide, and should not be relied on for accounting, legal or tax advice or investment recommendations. The information in this document should be assumed to be unaudited unless otherwise stated. Potential investors are advised to independently review and/or obtain independent professional advice and draw their own conclusions regarding the economic benefit and risks of investment in any of the Companies and legal, regulatory, credit, tax and accounting aspects in relation to their particular circumstances.

The securities of these Companies have not been and will not be registered under any securities laws of the United States of America nor any of its territories or possessions or areas subject to its jurisdiction and, absent an exemption, may not be offered for sale or sold to nationals or residents thereof.

No undertaking, representation, warranty or other assurance, express or implied, is given by or on behalf of either of the Companies or VinaCapital Investment Management Limited or any of their respective directors, officers, partners, employees, agents or advisers or any other person as to the accuracy or completeness of the information or opinions contained in this document and no responsibility or liability is accepted by any of them for any such information or opinions or for any errors, omissions, misstatements, negligence or otherwise.

No warranty is given, in whole or in part, regarding the performance of any of the Companies. There is no guarantee that investment objectives of any of the Companies will be achieved. Potential investors should be aware that past performance may not necessarily be repeated in the future. The price of shares and the income from them may fluctuate upwards or downwards and cannot be guaranteed.

This document is intended for the use of the addressee and recipient only and should not be relied upon by any persons and may not be reproduced, redistributed, passed on or published, in whole or in part, for any purposes, without the prior written consent of VinaCapital Investment Management Limited.