

### Vietnam Opportunity Fund

NAV per share (31 Mar 08)\* **USD2.68**

**Change**

Mar 2008 -11.8%  
YTD: -23.2%  
Since inception (30 Sep 03) 168.0%

Issued shares 324,610,259  
Total NAV (31 Mar 08, USD m) 870  
Market cap (31 Mar 08, USD m) 1,001

Reuters VOF.L  
Bloomberg VOF LN

### VinaLand

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 (31 Mar 08, USD m) 692

Reuters VNL.L  
Bloomberg VNL LN

### Vietnam Infrastructure

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 (31 Mar 08, USD m) 340

Reuters VNI.L  
Bloomberg VNI LN

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

### Economy

The Government has officially lowered the 2008 GDP growth target to 7 percent from 9 percent given the global economic outlook and domestic factors. Chief among these factors is inflation, which increased again in March to a year-on-year rate of 19.4 percent, the highest level for 12 years.

**FDI:** Foreign direct investment has maintained its 2007 momentum, with USD 5.4 billion in commitments over the first three months of 2008, and is on target for over USD 20 billion for the year (the same as last year).

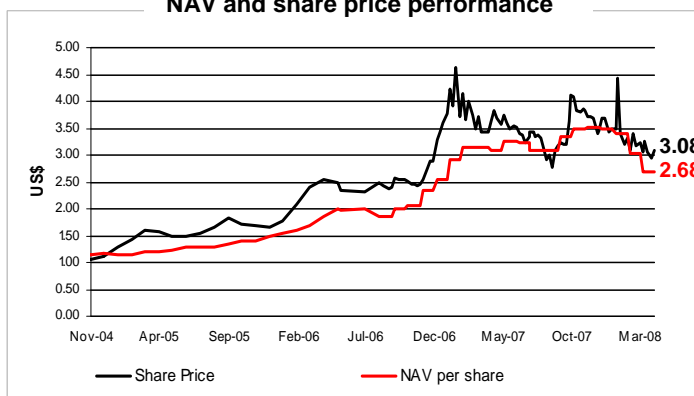
**Foreign exchange:** Imports continued to soar in March to USD 7.3 billion bringing total spending to USD 20.5 billion, up 68.7 percent year-on-year and resulting in a record trade deficit of USD 8.6 billion for the first quarter. This had an impact on exchange rates, as the VND reversed course against the USD after a period of appreciation. Bank sell rates reached VND 16,120 per USD on 31 March after dropping as low as 15,500 in the free market earlier in the month. Reasons for the declining VND at the end of March included strong demand for USD by importers; commercial banks bidding for USD deposits with high interest rates of 5-6 percent (compared to 2-3 percent internationally); and, finally, concern the trade deficit might sharply increase the current account deficit, which usually puts pressure on the local currency.

**Capital markets:** The VN Index drifted below 500 during March as a result of Government policies to control inflation. Near the end of the month the Government imposed a 1 percent daily trading band on the Ho Chi Minh Stock Exchange (HOSE) as an extreme temporary measure to stop the decline. It seems to have worked. The market rebounded slightly and finished March at 517 points. The current valuations of Vietnamese shares are increasingly attractive, with the market's forward P/E coming down to 11x (2008 earnings are expected to grow by 20 percent), now comparable to the regional average of about 12x.

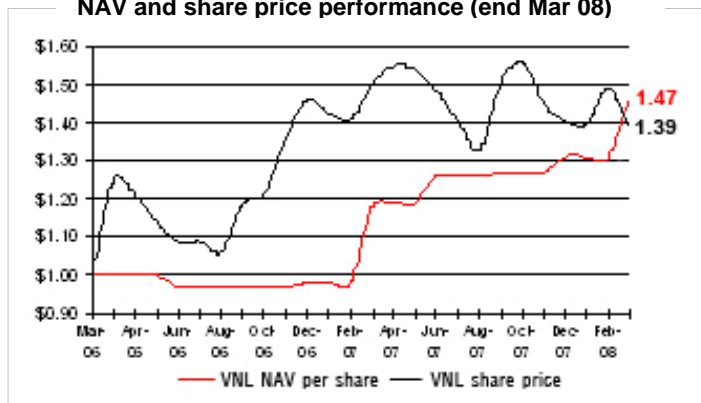
**Policy measures:** On 8 March the Government raised the cap on foreign share ownership in unlisted (OTC) non-bank companies to 40 percent from 30 percent as part of efforts to attract more foreign investment. But then, as mentioned, the Government imposed a narrow trading band of 1 percent on the HOSE and 2 percent on the Hanoi Stock Trading Exchange (HSTE) (down from 5 percent and 10 percent, respectively). The trading band was widened slightly on 7 April 2008 to 2 percent on the HOSE and 3 percent on the HSTE. The Government has also tightened fiscal stance by reducing all ministries' administrative expenditures by 10 percent.

Given the restrictive monetary policy, monetary and credit expansion are expected to slow to some 30% in 2008, compared with close to 50% in 2007. It is expected that the hardest hit in this environment will be small stock banks and rural banks that have recently started urban operations.

**Vietnam Opportunity Fund**  
NAV and share price performance



**VinaLand**  
NAV and share price performance (end Mar 08)



## ★ Vietnam Opportunity Fund



**VinaCapital Investment Management**  
Don Lam, Andy Ho, Cuong Nguyen

**NAV per share (31 Mar 08)\* USD2.68**

Change  
Mar 2008 -11.84%  
YTD: -23.21%  
Since inception (30 Sep 03) 168%

Issued shares 324,610,259  
Total NAV (31 Mar 08, USD m) 870  
Market cap (31 Mar 08, USD m) 1,001

Reuters VOF.L  
Bloomberg VOF LN

\*Unaudited

### Portfolio by asset type

Capital markets **51.7%**  
Listed (including bonds) 30.4%  
OTC 21.3%  
Real estate **26.3%**  
Private equity **8.0%**  
Overseas equities **1.8%**  
Cash, deposits, other **12.2%**

### 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		-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	<b>-23.21%</b>	<b>37.40%</b>	<b>64.94%</b>	<b>33.91%</b>

### Portfolio developments

The continuing market downtrend during March resulted in the listed component of VOF dropping 21 percent and the OTC component dropping 25 percent compared to the prior month. VOF's NAV decreased by 11.84 percent to USD 2.68 at the end of March 2008 from USD 3.04 per share at the end of February 2008. The VN Index is down 44 percent year to date.

Balancing the impact of the wider market downturn was the increased value of some VOF private equity real estate investments. During the month, VOF's property component increased by USD 29 million as a result of independent valuations of projects such as the Danang Golf Course and Resort, Vinh Thai Nha Trang and the Vina Dai Phuoc township project in Dong Nai.

VOF's cash position at the end of the month was about 12.2 percent of total NAV.

### Regulatory announcements

On 31 March 2008 VOF announced the release of its interim results for the six month period ending 31 December 2007.

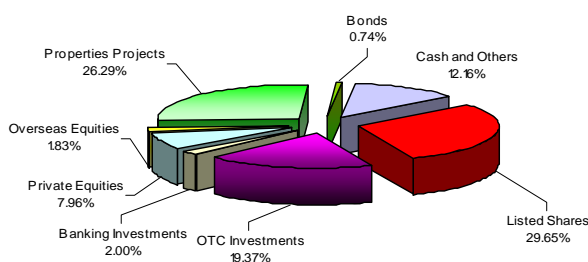
On 20 March 2008 VOF announced changes to its board of directors.

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

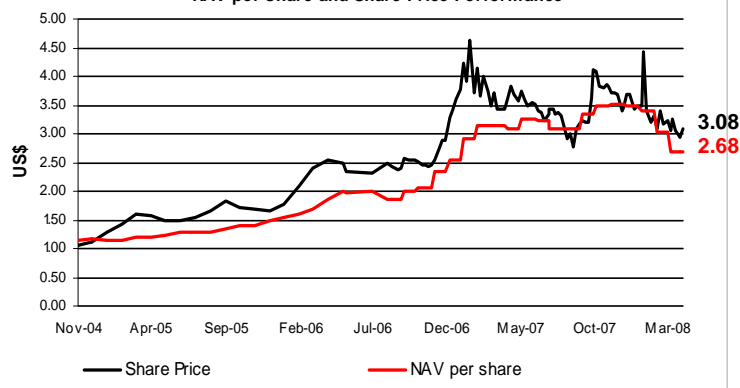
### Major holdings

HPG	Listed equity	5.0% (of NAV)
VNM	Listed equity	5.0%
ITA	Listed equity	2.9%
DPM	Listed equity	2.8%
KDC	Listed equity	2.7%

### VOF value chart as of 31 March 08



### NAV per share and Share Price Performance



**★ 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



**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 (31 Mar 08, USD m)	692
Reuters	VNL.L
Bloomberg	VNL LN

**Portfolio by geographic distribution\***

Hanoi	17.7%
Central provinces	31.7%
Ho Chi Minh City	50.6%

\* Currently invested projects, 31 Mar 08



VinaLand director Don Lam (right) at the Capital Square groundbreaking ceremony in Danang.

### Portfolio developments

NAV per share is now USD 1.47, up from USD 1.31 at end December 2007, an increase of 12.2 percent. VNL shares have consistently traded at a premium to the NAV of 31 December 2007, although the new valuations of 31 March 2008 now mean that shares are at a slight discount to NAV.

The net valuation increase of approximately USD 83 million reflects the updated valuations of five properties during the quarter. The increase (net tax and management fees) represents a 70 percent rise over the previously recorded book values of these properties.

### Acquisitions

VNL has completed investments in two new projects - **Hai Ba Trung (HBT) Court** in District 1 Ho Chi Minh City, and the **Romana Resort** in Phan Thiet. HBT Court features serviced apartments near the CBD. VNL owns 55.6 percent stake in this JV project, with an investment to date of USD 1.4 million. Romana Resort, located in the Phan Thiet coastal area, is on a prime 3.3 ha site with 7.7 ha of vacant land for future development. VNL owns 50 percent of this project, with a cost to date of USD 9.25 million.

### Project update: Capital Square urban centre in Danang

On 27 March 2008 a groundbreaking ceremony was held for the first phase of the Capital Square urban centre project in Danang, a coastal resort and one of Vietnam's top tourism destinations.

VinaLand received an investment licence on 27 July 2007 to develop 2.5 ha of the 9 ha site. The first phase of the project, due for completion in 2011, will see construction of luxury apartments, a commercial centre, a 5-star hotel and an office building.

VinaLand owns a 75 percent interest in the Capital Square project, with VOF holding the remaining 25 percent interest. Total investment for all three phases is expected to reach USD 325 million.

### Regulatory announcements

On 31 March 2008 VNL announced the release of its interim results for the six month period ending 31 December 2007. The report is available at [www.vinacapital.com](http://www.vinacapital.com).

### Major holdings

Project	Type	Value (USD)
Danang Resort 260ha	Mixed-use	85.3 mill
Dai Phuoc Lotus 200ha	Mixed-use	72.5 mill
Century 21	Mixed-use	41.9 mill
Vinh Thai Nha Trang	Mixed-use	39.0 mill
Long Hung project	Residential	26.5 mill
Hilton Hanoi	Hospitality	20.7 mill
Danang Capital Square	Mixed-use	18.5 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	7.2 mill

\* formerly the Guoman Hotel.

**VinaLand****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 (31 Mar 08, USD m)	340

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

NAV per share at 31 March 2008 was revised downward to USD 0.90 compared to USD 1.03 at the end of December 2007. This is a drop of 12.62 percent compared to a VN Index drop of 44.25 percent over the same period.

Infrastructure, as a low volatility sector, was not strongly affected by the wider market downturn. We remain confident about the intrinsic value of the projects the fund has invested in, especially given the prevalent infrastructure shortages in Vietnam.

### Project updates

#### Tan Binh Import Export Joint Stock Corporation (Tanimex)

VNI has successfully completed the purchase of 1.2 million shares, amounting to a 10 percent equity interest, in Tan Binh Import Export Joint Stock Corporation (Tanimex).

Tanimex's key business is investment in industrial parks and construction of infrastructure for industrial parks. The company currently owns Tan Binh Industrial Park, which is one of the closest parks to Ho Chi Minh City's Tan Son Nhat airport.

#### Pha Lai Thermal Power Joint Stock Company (PPC)

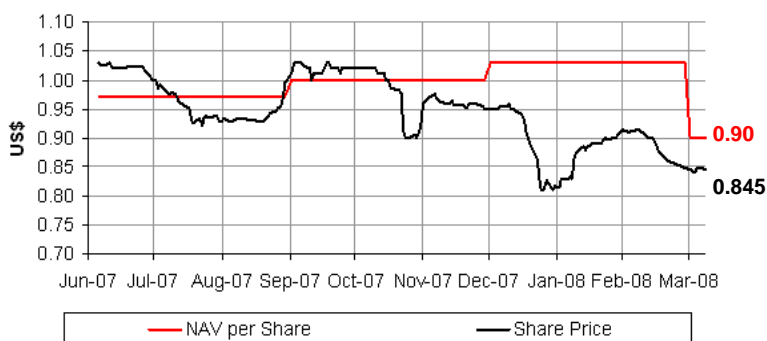
VNI continues to acquire shares in PPC. The company primarily generates electricity derived from thermal (coal) power sources. As of 31 March 2008, we had accumulated a holding in PPC for a total cost of USD 39.0 million, representing 3.39 percent of the company's total equity.

Commenting on the investment, VNI chairman Don Lam said: "PPC is an established market leader in power generation with the potential to double its generating capacity. This is especially relevant in the Vietnam market which is facing power outages today. It is an excellent fit with our investment criteria demonstrating exciting growth potential."

### Regulatory announcement

The investment in PPC described above was announced in a 14 March regulatory release that is available at [www.vinacapital.com](http://www.vinacapital.com).

VNI NAV and share price performance (end Mar 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.