



10 October 2008

Dear Investors,

Those who have followed the performance of our funds for some time know that we are accustomed to having our funds trade at a premium to their net asset values. VOF has traded at a premium for over 80 percent of its five-year life, while VNL traded at a premium for its first two years, until March this year.

We consider our funds to be the top-rated investment vehicles for the Vietnamese market, and so have always viewed it as reasonable that they traded either above net asset value and/or at a premium to other funds.

Obviously, conditions have changed drastically in the world economy, and closed-end emerging market funds have suffered almost across the board. In the past weeks, our funds have seen their share prices fall drastically.

As of 8 October, VOF traded at a 50.9 percent discount to its NAV at 30 September (announced today), VNL at a 57.9 percent discount to NAV, and VNI at a 56.9 percent discount to NAV.

VinaCapital considers this an unwarranted and highly undesirable turn of events, and we are exploring all options to protect shareholder value. Many investors have understandably asked us about share buybacks. Simply put, the funds would be buying shares right now if they could. There are two issues however that prevent us from acting:

- First, we are in a closed period for all three funds until we release final annual results. This is expected on 20 October for VNI, on 6 November for VOF and VNL.
- Second, VOF and VNL do not as currently constituted have a share buyback facility in their articles of association. AIM regulations on this are clear and we need to revise the articles of association to create treasury share facilities, as we have done for VNI.

An EGM for VOF has already been announced for 21 October 2008 and we intend to announce the date of the EGM for VNL very soon. During these meetings we will be asking shareholders to vote on revisions to the articles of association of each company that will allow VOF and VNL to establish share buy-back facilities. We believe it is extremely important for shareholders to support the Board and approve these revisions.

I want to assure our investors in this difficult time that maintaining shareholder value is the core philosophy of this company. We have an excellent track record in this regard, and we recognise that in difficult times such as bear markets we must act to protect shareholder value. We will do this.

Please contact VinaCapital Investor Relations if you have any questions regarding the upcoming EGMs or other questions regarding the performance of our funds. We are as always open to discuss these issues with our shareholders and appreciate your feedback.

Yours truly,

Don Lam
CEO, VinaCapital

Vietnam Opportunity Fund
NAV per share (30 Sep 08)* USD2.21
Change

Sep 2008	-6.7%
YTD	-36.7%
Since inception (30 Sep 03)	121.4%

Issued shares	324,610,259
Total NAV (30 Sep 08, USDm)	719
Market cap (30 Sep 08, USDm)	471

Reuters	VOF.L
Bloomberg	VOF LN

VinaLand Ltd
NAV per share (30 Sep 08)* USD1.57
Change

Sep 2008	-0.6%
YTD:	20.1%
Since inception (22 Mar 06)	57.0%

Issued shares	499,967,622
Total NAV (30 Sep 08, USDm)	786
Market cap (30 Sep 08, USDm)	544

Reuters	VNL.L
Bloomberg	VNL LN

Vietnam Infrastructure Ltd
NAV per share (30 Sep 08)* USD0.83
Change

Sep 2008	-1.2%
YTD:	-19.0%
Since inception (05 Jul 07)	-17.0%

Issued shares**	402,100,000
Total NAV (30 Sept 08, USDm)	334
Market cap (30 Sept 08, USDm)	153

Reuters	VNI.L
Bloomberg	VNI LN

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

** 930,700 VNI shares are held in a treasury share facility.

Economy

September saw continued positive news regarding macroeconomic figures in Vietnam – but this was overshadowed by the negative sentiment created by the spread of the US financial crisis around the world.

Annualised GDP growth over the first three quarters of 2008 was 6.52 percent, compared to 8.16 percent over the same period in 2007. It is unlikely the government target of 7 percent will be met in 2008. Q3 GDP growth was nonetheless an improvement over Q2's rate of 5.5 percent, due in part to faster than expected growth of the agricultural sector at 3.1 percent.

Inflation: The CPI increase was only 0.18 percent in September and the Q3 increase of 2.87 percent was lower than the month-on-month rates seen earlier in the year. The year-on-year rate now stands at 27.9 percent. Food and construction prices actually dropped in September, with marginal increases in other sectors.

Trade: The monthly trade deficit narrowed to USD0.5 billion in September after averaging USD2.37 billion per month over the first half of 2008. Exports valued at USD48.5 billion for the first three quarters have grown 39.0 percent year-on-year and imports have risen 17.2 percent at USD64.2 billion. After three quarters the annual estimate of USD65 billion in exports is on track, however falling commodity prices and the worldwide demand slowdown may cause this target to be missed.

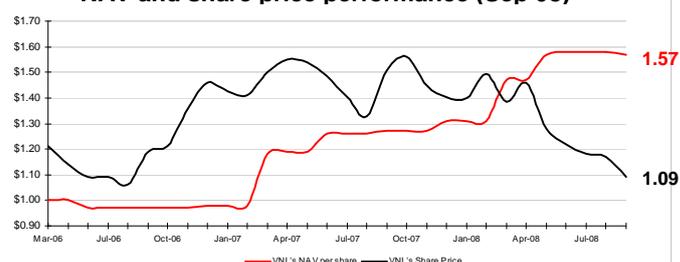
Foreign Direct Investment: FDI surged again in September due to a USD9.8 billion steel project registered in Ninh Thuan project. Seven large projects – in steel, oil refining and real estate development – account for 75 percent of total committed FDI this year, now at USD57.1 billion or a 181.3 percent increase over all of 2007. Commitments are now expected to reach USD60 billion for the year, with disbursements of USD9-10 billion.

Capital markets: The VN Index closed September at 457, down from 539 at the end of August. The rally that saw the VN Index move 50 percent off the 2008 low in mid-June came to an end with the onset of the global financial crisis and its impact on worldwide equities markets. Vietnam's equities have been caught up in this worldwide retreat from capital markets. Traded values averaged about USD50 million/day at the end of September compared to over USD60 million early in the month. In bonds, the yield curve remained fairly flat, with yields still above 16 percent except for the longer durations.

Vietnam Opportunity Fund
NAV and share price performance (Sep 08)



VinaLand Ltd
NAV and share price performance (Sep 08)



Vietnam Opportunity Fund



VinaCapital Investment Management
Don Lam, Andy Ho, Cuong Nguyen

NAV per share (30 Sep 08)* USD2.21

<i>Change</i>	
Sep 2008	-6.7%
YTD	-36.7%
Since inception (30 Sep 03)	121.4%

Issued shares	324,610,259
Total NAV (30 Sep 08, USDm)	719
Market cap (30 Sep 08, USDm)	471

Reuters	VOF.L
Bloomberg	VOF LN

*Unaudited

Portfolio by asset type

Capital markets	44.7%
Listed	27.6%
OTC	17.1%
Property projects	35.4%
Private equity	11.4%
Overseas equity	0.9%
Bonds	1.4%
Cash and others	6.2%

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	-0.75%	-1.28%	7.57%	1.65%
May	-19.54%	5.07%	-1.01%	4.07%
Jun	-4.67%	-0.79%	1.52%	0.00%
Jul	5.70%	-3.75%	-6.50%	0.00%
Aug	9.76%	0.00%	6.42%	3.91%
Sep	-6.66%	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	-36.68 %	37.40%	64.94%	33.91%

Portfolio developments

September 2008 proved to be a difficult month as the financial crisis that started in the US spread around the globe. Vietnam's equity market had risen notably in the two previous months, but September saw a sharp retreat.

The VN Index declined 15.2 percent to close September at 457 points. During the same period, VOF's NAV declined 6.7 percent, to USD2.21 from USD2.37 per share. The capital market component declined by 11.6 percent, consisting of a 14.8 percent drop in listed equities and a 5.5 percent drop in OTC positions.

VOF continues its portfolio restructuring in line with the investment strategy and market conditions. VOF generated USD17.1 million in proceeds from the sale of capital market assets in September. VOF continues to recycle cash into both listed and other blue-chips assets.

During September, VOF signed a purchase agreement with Accor to acquire their shares (14 percent) of the Sofitel Metropole Hotel in Hanoi. This increases VOF's effective ownership in this historic hotel to 50 percent and is in line with VOF's strategy to acquire material stakes in key hotels to increase the quality and attractiveness of the hospitality portfolio for a potential exit.

Regulatory announcements

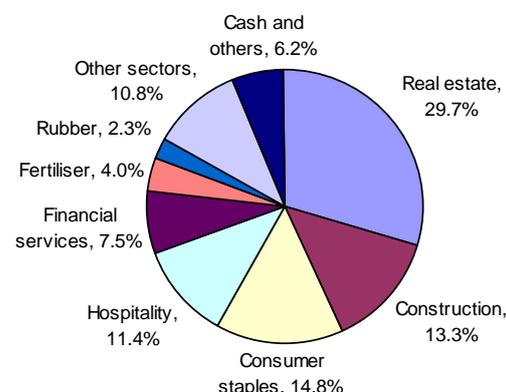
On 22 September, VOF's investment manager released a letter to investors discussing current market conditions.

On 21 October, VOF will hold an extraordinary general meeting of shareholders in Hong Kong. Details are available at www.vinacapital.com.

Major holdings

HPG	Listed equity	5.8% (of NAV)
Sofitel Metropole	Property project	5.3%
VNM	Listed equity	4.5%
DPM	Listed equity	4.0%
REE	Listed equity	2.5%

VOF portfolio by sector as of 30 September 2008



Vietnam Opportunity Fund

Investment Manager

VinaCapital Investment Management Ltd.
17th 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

NAV per share (30 Sep 08)* USD1.57
Change

Sep 2008	-0.6%
YTD:	20.1%
Since inception (22 Mar 06)	57.0%

Issued shares	499,967,622
Total NAV (30 Sep 08, USDm)	786
Market cap (30 Sep 08, USDm)	544

Reuters	VNL.L
Bloomberg	VNL LN

* Unaudited

Portfolio by geographic distribution**

Hanoi	12%
Central provinces	33%
Ho Chi Minh City	55%

** Currently invested projects, 30 Sep 08

Major holdings

<i>Project</i>	<i>Type</i>	<i>Status</i>
Danang Beach Resort 260ha	Mixed-use	Under construction
Dai Phuoc Lotus 200ha	Mixed-use	Investment licence
World Trade Center Danang	Mixed-use	Under construction
Century 21	Mixed-use	Investment licence
Vinh Thai Nha Trang	Mixed-use	Investment licence
Aqua City (Long Hung)	Residential	Under construction
Hilton Hanoi	Hospitality	Operating asset
Movenpick Saigon Hotel*	Hospitality	Operating asset
Central Garden	Residential	Sales underway
Hanoi Golden Westlake	Residential	Sales underway
M Hotel	Hospitality	Operating asset
Sheraton Hoi An Resort	Hospitality	Under construction

* formerly the Omni Hotel.

Portfolio developments

VinaLand's share price closed August at USD1.08 per share, down from USD1.17 per share at the end of July. The fund remains at a substantial discount to the NAV of USD1.57 per share.

Project update
Danang Beach Resort

On 15 September a press conference was held to announce that a long-term management agreement has been signed with Marriott International to introduce the luxury JW Marriott hotel brand as part of the Danang Beach Resort project. VinaLand owns a 75 percent stake in the 260-hectare Danang Beach Resort development.

The JW Marriott Danang Resort will be an integral part of the upscale, mixed-use development that will also include residential villas and a Greg Norman-designed golf course. Future phases include additional residential units, a convention/exhibition centre, retail stores and two mid-tier hotels.

Negotiations with Marriott International are ongoing regarding the timeshare villas adjacent to the hotel. Also ongoing is the construction of The Dunes golf course by Greg Norman Design. Highly regarded branding firm Red, based in Ho Chi Minh City, is now on board to assist in marketing the Danang Beach Resort's 196 beachfront villas, with an expected sales launch in Q2 2009.

Regulatory announcements

On 22 September, VNL's investment manager released a letter to investors discussing current market conditions. Details are available at www.vinacapital.com.

VinaLand Limited**Investment Manager**

VinaCapital Investment Management Ltd.

Development Adviser

VinaCapital Real Estate Ltd.

17th 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 (30 Sep 08)* USD0.83
Change

Sep 2008	-1.2%
YTD:	-19.0%
Since inception (05 Jul 07)	-17.0%

Issued shares	402,100,000
Total NAV (30 Sept 08, USD mill)	334
Market cap (30 Sept 08, USD mill)	153

Reuters	VNI.L
Bloomberg	VNI LN

** Unaudited*
*** 930,700 VNI shares are held in a treasury share facility.*
Major holdings

Company	Business	Type
Tan Tao Industrial Park Corporation (ITA)	Industrial park development / Energy	Listed equity
Vietnam Aircraft Leasing Corp (VASC)	Transport	Private equity
Pha Lai Thermal Power JSC (PPC)	Energy	Listed equity

Project update
VNC-55 Infrastructure Investment Joint Stock Company (VNC-55)

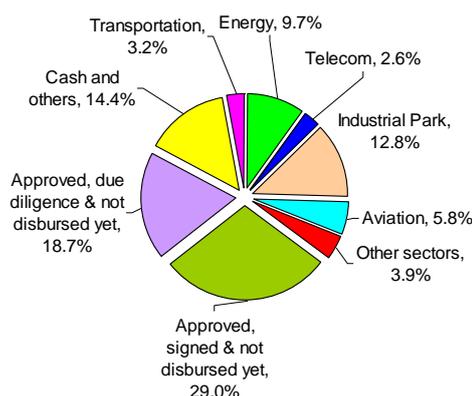
VNI is pleased to announce that it has formed a new joint venture in the area of telecommunications infrastructure. The joint venture, VNC-55 Infrastructure Investment Joint Stock Company, will specialise in building and leasing Base Transceiver Station (BTS) towers to mobile service operators. With this investment, VNI has consolidated its position as Vietnam's largest investor in mobile telecommunications infrastructure. VNI will hold a 40 percent stake in VNC-55.

Vietnam's mobile phone penetration rate is rising quickly from its current level of 41 percent, seeing almost 50 percent growth in 2008 and the country expected to surpass the 100 percent penetration threshold in 2011. The three major mobile phone operators in Vietnam are expected to require about 7,000 new BTS towers in the next two years.

The Company's local partner for VNC-55 is the Commercial Construction and Services Company no. 55 (CSCC-55), based in Danang, Vietnam's fastest growing city. CSCC-55 owns the largest asset base of BTS towers among non-state-owned companies in Vietnam. Under the joint venture, CSCC-55 will transfer the whole of its BTS tower business to VNC-55. By the end of 2008, VNC-55 will have over 600 BTS under its management and expects to complete 1,000 BTS yearly for the next several years.

Regulatory announcements

On 22 September, VNI's investment manager released a letter to investors discussing current market conditions. Details are available at www.vinacapital.com.


VNI portfolio by sector (end Sep 08)


Vietnam Infrastructure Limited**Investment Manager**

VinaCapital Investment Management Ltd.
17th 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.