

QUARTERLY UPDATE SUMMARY

PERIOD ENDED MARCH 31ST, 2008

Economy

Inflation reached a new record high with year over year rise of 16%. Most of this was attributable to increase in food prices and a sharp rise in wages. The government has set policies to curb inflation, but it will take time to affect the CPI. The Growth rate target for GDP was lowered to 7% from 9% by the Government due to inflation and the global economic outlook. Foreign direct investment remains strong at USD5.5bn in the first quarter and is expected to meet the USD20bn target for the year.

While exports remain strong, rising demand for imports of heavy machinery and equipment, oil, steel, and automobiles pushed the trade deficit to a record high of USD8.5bn in the first quarter, which impacted the exchange rate. The USD bank sell rates reached VND16,200 after dropping as low as VND15,500 in late February. During Q1, the State Bank of Vietnam (SBV) ordered commercial banks to buy 7.8% compulsory notes amounting to VND20,300bn. However, the banks did not have enough reserves due to over exuberant real estate loans and had to offer depositors of short-term instruments with rates as high as 18%. The SBV ordered banks to limit the deposit rate to 12% (later 10%) and pumped VND30,000bn into the banking system to help the credit squeeze. In addition, the Prime Minister calmed the market further by issuing directives to reduce real estate speculation, tighten public spending, increase purchases of foreign currencies, and issue more bonds to reduce idle capital. In early March, foreign ownership limitation in OTC companies rose to 40% from 30%. The trading band was narrowly reduced but recently widened to 2% on the Ho Chi Minh Stock Exchange (HOSE) and 3% on the Hanoi Stock Exchange (HaSTC).

Corporate

During the quarter, the securities auction for Sabeco, Vietnam's largest beer company; had disappointing sales at 61% subscribed. The market appears to be unsatisfied in the pricing of shares in these large SOE auctions and expecting more realistic numbers at the next event. For the remainder of the year, investors are anticipating IPOs of large firms such as Vietcombank, Bao Viet Insurance, Sabeco, and Petro Vietnam Finance Corporation (PVFC). The Government allowed Morgan Stanley to purchase a 10% stake in PVFC in early February.

Stock Market

The Vietnam Index (VNI) closed at 927 in December 2007 and ended down 44% to 517 at the end of March 2008. The market experienced high volatility in the early part of the quarter, heavy equity selling in the later part due to SBV's order for commercial banks to tighten credit, which drifted the market downward until the Government implemented a narrow daily trading band as an extreme measure to stop the decline.

Vietnam's two stock markets dropped below USD20bn: USD14bn for the HOSE and USD5bn for the HaSTC. Total companies in the two markets increased slightly to 283: 150 on the HOSE and 133 on the HaSTC.

Valuations are becoming attractive with average forward P/E multiples now in the mid to low teens with 2008 earnings estimated to grow by 20% or greater.

However, institutional investors entering the market have been unable to purchase significant shares as trading volumes has been anemic. Gold trading volume has been ten times greater than the two equity market combined.

Investment Manager Insights

VEH's net asset value decreased by 2.5% compared with a 44% decline in the VNI. We are still bullish on the long term potential of the Vietnam equity market and believe there are many attractive opportunities abound. However, we are very conservative of our cash position and will only make the investment when proper fundamentals, due diligence, and liquidity are in place.

VPH's net asset value increased by 12%. Many new and prime properties have emerged due to the recent inflation fighting measures and credit squeeze. While many observers are concerned that there is an overall bubble in the real estate sector, we believe that there are actually pockets of bubbles which are now being deflated. We are investing selectively into attractive properties and use conservative metrics when evaluating, so that speculative assumptions are minimized and a reasonable return on investment can be realized.

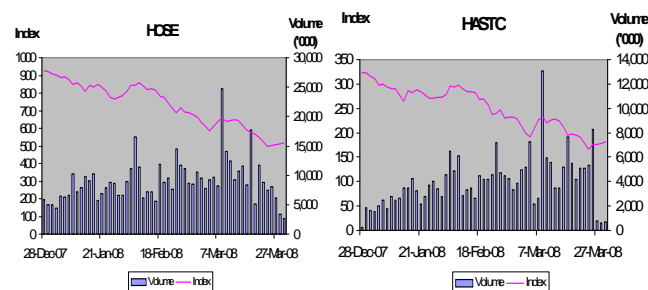
Economic Indicators, 1st quarter-2008F

GDP	US\$77.4 bn	8.48% yoy
CPI	+9.19% ytd	+9.19% ytd
Export turnover	US\$13.03 bn	22.7% same period
Import turnover	US\$20.4 bn	62.5% same period
Trade deficit	US\$7.37 bn	
FDI approvals to Mar08	US\$5.44 bn	31% same period
Industrial production	US\$10.2 bn	16.3% same period
Foreign visitor arrivals	1.3 mn	15.7% same period
VND/ USD 31 Mar, 08	VND15,960	
VN index 31 Mar, 08	516.85	

Source: General Statistic Office of Vietnam (Mar 2008)

HOSTC 516.85

HASTC 181.43



Source: Hose and Hasc ,period Dec- March 2008

	NAV Mar30, 2008 (EUR)*	Quarterly Change (%)	Change since Inception (%)	Price Mar30,2008 (EUR)	Quarterly Change (%)	Change since Inception (%)	Bloomberg	Reuters	Issued Shares
VEH	2.33	-2.50	-0.74	2.07	-18.18	-20.38	3MS GR	/3MS.DE	21,745,510
VPH	2.65	11.81	13.21	2.08	-16.80	-21.51	3MT GR	/3MT.DE	12,893,972

Disclaimer

This document was prepared by Anpha Capital Group and is for information purposes only and does not constitute or form part of, and should not be construed as, any offer, inducement or an invitation to sell, acquire or issue, or any solicitation of any offer to purchase or subscribe for, any shares or securities, including any ordinary shares, in VIETNAM PROPERTY HOLDING or VIETNAM EQUITY HOLDING (both the "Company") in any jurisdiction. No undertaking, representation, warranty or other assurance, express or implied, is made by either Anpha Capital Group or any other person, in relation thereto. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, goals, assumptions or future events or performance are not statements of historical fact and may be "forward looking statements." Forward looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated. All information is based on data obtained from sources we believe to be reliable, but is not guaranteed as to accuracy and does not purport to be complete. Anpha has not made any independent verification of any such information and makes no implied or express warranties on the information provided. Anpha does not guarantee the accurateness and completeness of statements made herein. Any opinions expressed herein are subject to change at any time without notice.