

**SAIGON ASSET MANAGEMENT FUNDS – NAV PERFORMANCE**

In Q1 2010, Vietnam Equity Holding (VEH) NAV increased 0.78% compared to a 1% increase of the Vietnam Index. Since inception, VEH NAV has increased 6.19%

Vietnam Property Holding (VPH) NAV increased 7.39% in Q1 2010. Since inception, VPH NAV has increased 17.85%.

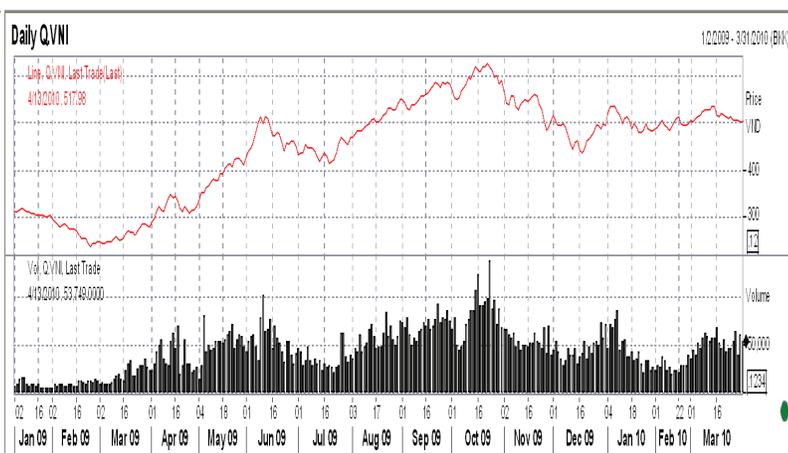
Funds	NAVPS March 31, 2010 (EUR)**	NAVPS Quarterly Change (%)	NAVPS Change Since Inception (%)	YTD Change	Share Price March 31, 2010 (EUR)	Share Price Quarterly Change (%)	Price to NAVPS	Issued Shares	Bloomberg	Reuters	ISIN
Vietnam Equity Holding	2.49	0.78%	6.19%	0.78%	1.15	-23.34%	-53.74%	21,745,510	3MS:GR	3MS.DE	KYG936251043
Vietnam Property Holding	2.76	7.39%	17.85%	7.39%	1.01	-3.8%	-63.43	12,794,267	3MT:GR	3MT.DE	KYG9361R1074

\*Unaudited

**ECONOMY OVERVIEW**

In this quarter, the Government continued its efforts to temper the slight overheating that we saw in the economy at the end of 2009. Monetary policy remained restrictive via tight open market operations (OMO), and a 3.4% drop in the Vietnam Dong value in February. The Government eliminated the ceiling lending rate that banks can charge on loans, although this was mainly a signaling effect because banks had already been circumventing the loan rate ceilings via fees. These measures are working, as reflected in quarter to quarter GDP growth of 5.8% in Q1 (versus 6.9% in Q4 2009). In addition, it appears that month on month inflation peaked in February which was further evidence that the Government has cooled the overheating in the economy (1.36% in January 2010, 1.96% in February, and 0.75% in March). In addition, the trade deficit was US\$3.5bn for the quarter, which has an average of US\$1.17bn per month over the quarter. Both the inflation rate and trade deficit numbers were comforting as they were below the month on month “danger levels” of 1% for the CPI and US\$1.5bn for the trade deficit. Credit growth was only 2.95% for the quarter, compared to 5.9% for Q1 2009 and the black market Dong foreign exchange rate traded in close proximity to the official rate. We believe that the Government’s 2010 targets of 6.5% for GDP and 25% for credit growth look realistic and that inflation is likely to be in the low double digits versus the governments 7% inflation target. We expect the government to gradually start loosening monetary policy through OMO starting in Q2.

	2009	Q1 2010
GDP	US\$91.4bn	US\$19bn
CPI	6.9% yoy	9.46% yoy
Export turnover	US\$56.6bn	US\$14bn
Import turnover	US\$68.8bn	US\$17.5bn
Trade deficit	US\$12.2bn	US\$3.5bn
FDI Committed	US\$21.5bn	US\$2.1bn
Industrial production	US\$38.7bn	US\$3.1bn
Foreign visitor arrivals	2.6 million	1.35 million
VND/USD **	17,941	18,544
VN index	495	499.24



VN Index: 499.24 as of March 31, 2010

Source: Reuters

Source: The General Statistics Office of Vietnam (GSO)  
\* Estimated by the GSO

## **EQUITIES AND REAL ESTATE MARKETS**

The stock market spent most of its time trading in a sideways band between 480 and 520 and finished at 499.24 by March 31, 2010, constrained by opposing positive and negative economic forces.

On the positive side, market expectations for higher credit growth are building, especially given the tame inflation figures. Margin lending has switched from being a drag on the market to being a positive factor. Recall that margin position unwinding had been the main catalyst for the market's sell off in the last quarter of 2009. However, all of that margin unwinding has finished and the market's view is that there is a lot of room for speculators to purchase stocks on margin. Anecdotal evidence "through the grapevine" suggests that this has already started towards the end of Q1.

On the negative side, credit growth during the quarter was only 2.95%. So there was not an abundance of funds in the economy available to flow into the stock market. Also, inflation concerns still weigh on the market, given that month on month inflation only peaked in February. And worries about the trade deficit persist, especially given the imbalance between FDI disbursements of US\$2.5bn and the trade deficit of US\$3.5bn in Q1 2010. Finally, dilution is a real issue now because earnings growth is not being translated into EPS growth.

In the property, market we believe that there are several factors which will re-channel capital flows back into the property market in 2010. These include Government policies to encourage lending to home-buyers, newly-completed infrastructure projects like the East West Highway and the Phu My Bridge in Ho Chi Minh City, the closure of all gold trading floors in Vietnam by end of Mar 2010 and ever present inflation concerns. We believe these factors have already contributed to a tentative recovery in the Vietnam property market. This recovery was evidenced by high absorption rates across the country, such as in Can Tho City and Da Nang. Recently constructed projects were sold much faster than expected and in Hanoi and Ho Chi Minh City, and selling prices in the newly-launched projects were all higher than expected.

## **NEW PERSONNEL**

SAM has appointed Mr. Michael Kokalari as Deputy CEO and new Chief Investment Officer in replacement of Mr. Hoang Nguyen who has been assigned a new role as Senior Advisor, focusing on the launching of the new Smart Money Fund and Capital Market products. We also welcome Ms. Sarah Dang in the position of Investor Relations Manager.

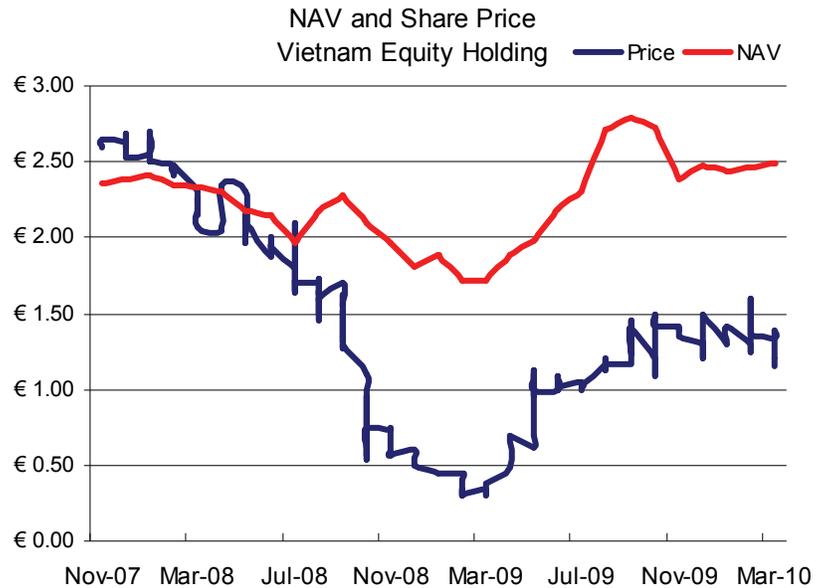
**VIETNAM EQUITY HOLDING**

**Net Asset Value (NAV)**

In Q1 2010, the NAV of Vietnam Equity Holding (VEH) has increased 0.78% compared to a 1% increase of the Vietnam Index. Since inception, VEH NAV has increased 6.19%

Period	NAVPS (€) *	Monthly Change	NAV (€) *
Mar-09	1.72	0.58%	37,315,194
Apr-09	1.88	9.41%	40,827,854
May-09	1.98	5.49%	43,070,285
Jun-09	2.19	10.36%	47,534,347
Jul-09	2.30	5.4%	50,082,660
Aug-09	2.71	17.76%	58,978,439
Sep-09	2.79	2.76%	60,605,051
Oct-09	2.73	-2.40%	59,151,634
Nov-09	2.38	-12.38%	51,829,861
Dec-09	2.47	3.51%	53,646,622
Jan-10	2.44	-0.94%	53,141,349
Feb-10	2.46	0.86%	53,598,140
Mar-10	2.49	0.87%	54,063,491

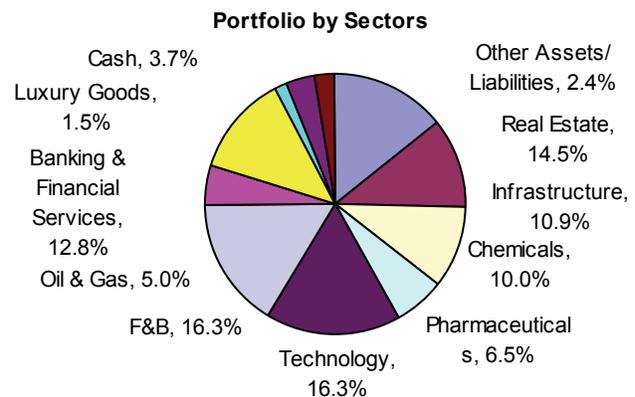
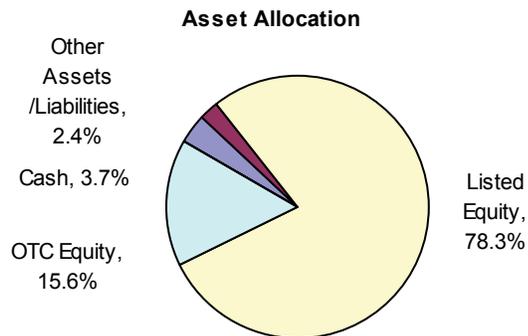
\* Unaudited



**Cash**

Cash increased from 3.3% of NAV in Q4 2009 to 3.7% NAV in Q1, or by EUR200,000. The increased cash position came about from dividends and from the partial liquidation of an investment.

**Strategy**



## VIETNAM EQUITY HOLDING

VEH's strategy is value oriented and focused on finding reasonably priced growth stocks. The current strategy also calls for a gradual rebalancing of the portfolio away from big cap stocks and toward small and mid capitalization growth stocks.

### **Portfolio Performance**

In Q1 2010, VEH did not make any new investment as we are fully invested with 3.7% cash position. We are in the process of finding new potential investments following the fund's new strategy. The increase in VEH's NAV over the quarter was attributable to an increase in the stock prices in the portfolio and from forex gains. Below is an overview of our key investments.

#### **1. FPT Corporation (FPT)**

FPT is the only blue chip company in the telecom and technology industry. In 2009, FPT increased revenue, PAT and EPS by 12%, 34% and 26% respectively, compared to 2008 when revenue and PAT and EPS increased by 22%, 19%, and 12%. For 2010 the company forecasts a 23%, 21% and 19% y-o-y increase in revenue, PAT and EPS. In 2008 the company pursued a diversified expansion strategy, investing in banking, securities and fund management businesses. But the euphoria in Vietnam's stock market seen in 2007 has deflated, and in 2009 the company refocused on its core businesses. A US\$100mn bond issued in October 2009 is earmarked for its telecom and software businesses. FPT paid a 6.7% dividend yield in 2009, comprised of 25% of par value in cash and 33.3% of par value stock. In 2010, FPT expects to pay at least 40% of par value dividend. In an effort to bring more clarity to its corporate governance the company announced that it will separate the Board of Directors positions from management positions when the Chairman, CEO and Deputy CEO all step down from the board this year. Board members also commit not to sell any shares in 2010 and to create a plan in cooperation with large shareholders to improve share price.

#### **2. Development Investment Construction Corporation (DIG)**

DIG is the largest real estate developer in Southern Vietnam, focusing on satellite cities, residential and industrial areas in Vung Tau, Dong Nai, Da Lat and Hau Giang province. The company also has projects in some northern provinces such as Vinh Phuc and Ha Tay. DIG was listed on HOSE in Aug 2009, one and a half years after the IPO. The share price increased more than 100% from initial listing price over the course of the year, reflecting good operating performance. PAT grew 94% in 2009, although EPS only grew 26% because the company increased its capital from VND370 billion to VND700 billion. In 2009, DIG paid a relatively generous 10% dividend yield, comprised of 30% of par in cash and 43% of par in shares. With a land bank of 19 million square meters located throughout Vietnam, DIG has the largest land bank among the listed real estate companies. In March 2010, DIG commenced construction on a 35 hectare commercial and residential project in the Vung Tau province. We expect DIG will continue to perform well in 2010, when it will complete and sell some of its major projects.

#### **3. Vinamilk (VNM)**

Vinamilk is the largest company in HOSE in terms of market capitalization. In 2009 the company achieved 29% growth in revenue and 90% growth in PAT and the company decided to exit the beer and coffee businesses to refocus on its core milk and related products businesses. It exited from beer business with decent profit in 2009 and will exit from coffee business in Q2 2010. In 2009 the company had a 39% market share for milk and is aiming to reach 35% market share for powder milk by 2011. For 2010 the company forecasts a 33% and 15% y-o-y increase in revenue and PAT. We expect VNM will achieve its forecasts because historically VNM management is conservative and VNM has consistently beat its projected PAT in the last 7 years since its IPO in 2003.

#### **4. Phu My Bridge Corporation (PMC)**

The Phu My Bridge is a new suspension bridge linking District 2 and District 7 which opened in September 2009 under a 26 year Build Operate Transfer contract. PMC is the operator and will collect toll fees from April 2010. The bridge cuts an hour off the drive from the port area to downtown Ho Chi Minh City and connects the East and West of Southern Vietnam, so the Government has taken an active role in this key infrastructure project. For example the city government indemnifies the project owner against any shortfall in budgeted toll revenues. The Government has orchestrated a toll sharing agreement between two private operators, PMB and CII. The agreement prevents trucks and cars that approach the bridge from the Hanoi Highway route from having to pay a double toll fee. PMC completed constructing the bridge ahead of schedule, which is unusual for an infrastructure project in Vietnam. This accomplishment has gained the confidence of the Vietnamese Government and given PMC a leading position in the infrastructure industry. In

## VIETNAM EQUITY HOLDING

2009 the company obtained four other important projects in Vietnam; the Thu Thiem Bridge, the Saigon Bridge II and Ca Pass Tunnel, and the Nhon Trach Bridge. Additionally in 2009 the company formed a joint venture with Thanh Danh Corporation to develop the Tramway Line No.1. PMC received approval from the Prime Minister to underwrite a proposed US\$700mn international bond issue to raise funds for Tramline Line No. 1 and the Nhon Trach Bridge. The bond will be guaranteed by the Ministry of Finance, which is the first time Vietnam's Ministry of Finance will issue a guarantee for a bond issued by a private sector entity. The company plans to list in mid 2010. PMC's 2009 financial results were not available at the writing of this report. The AGM is to take place on April 20<sup>th</sup>, 2010.

### **5. Sacombank (STB)**

STB one of the top joint stock commercial banks in Vietnam and the second largest privately owned bank after ACB. In 2009 STB grew assets by 46% and PAT by 55%. 2009 was a difficult year for the banking industry but STB's NPL's remained at a reasonable level of 0.88% compared to the industry average of 2.5%. The company paid out a 10% dividend yield, or 30% of par value. Strategic investors Standard Chartered Bank and ANZ exited from STB to pursue their own local growth strategies, but these exits did not have significant impact on STB's share price. Sacombank Securities (SBS), a 100% subsidiary of STB, IPO'ed on the OTC market at the end of 2009 and is expected to list in HOSE in Q2 2010. For 2010 STB projects growth in total assets of 48% and PBT of 26%. The company just reported 46% y-o-y growth in PBT in Q1 2010.

### **6. Hau Giang Pharmaceutical Joint Stock Company (DHG)**

DHG is the top company in Vietnam's Pharmaceutical industry with around 10% market share of local manufactured drugs. In 2009 revenue grew 17% but PAT grew 186% for two reasons. First because DHG decreased its sales commissions to its distribution channel, and second because of the reversal of provisions made in 2008 for bad debts and financial impairments on long term investments. The company made some short term financial investments in 2008 that declined in value, so DHG exited those investments in 2009 to focus on its core business. DHG began its life as a provisional pharmaceutical company and has employed a growth strategy of buying other small provincial pharmaceutical companies. The company built a warehouse in Tan Tao Industrial Park in Ho Chi Minh City to give it better access to the Ho Chi Minh City area market. DHG is expected to grow revenue by 15% and PAT by 5.5% in 2010. DHG's 2009 financial results were not available at the writing of this report. The AGM is to take place on April 22<sup>nd</sup>, 2010.

### **7. PetroVietnam Fertilizer and Chemicals Corporation (DPM)**

DPM is the largest fertilizer company in Vietnam and a member of the Petro Vietnam group of companies. The company's revenues increased 2.4% y-o-y while PAT decreased 2% in 2009. DPM's production facilities are running at full capacity so the company can not expand its profits substantially without expanding capacity. Currently 58% of the company's sales are fertilizer products they manufacture themselves with a gross margin of 48%. The remaining 42% of sales are distributed fertilizers imported abroad with a 2% gross margin. To expand its capacity DPM wishes to acquire the Dam Ca Mau ("DCM") production facility which would double DPM's output capacity and give it a 64% market share by 2012. The DCM factory is owned by Petro Vietnam and is currently being constructed at a total cost of \$900M. The factory is 40% completed and expect to be operational in early 2012. However the DCM acquisition plan which was rejected in 2008 annual shareholder meeting and would likely to be rejected again because of concerns that it's not cost effective and because of the foreign exchange risk the project entails. The project is financed in \$US but the products produced would be sold into the domestic market. DPM's 2009 financial results were not available at the writing of this report. The AGM is to take place on April 19<sup>th</sup>, 2010.

### **8. PetroVietnam Drilling and Well Services Joint Stock Company (PVD)**

PVD is the only drilling and well maintenance services company in Vietnam and is a subsidiary of Petro Vietnam. In 2009 PVD increased its revenue by 10% but PAT decreased by 10% because of the 5.4% depreciation of VND against USD in late November 2009. The company took delivery on two new oil rigs in Q4 2009 which will increase its revenue significantly from 2010 onwards. In 2010, PVD forecasts revenue to increase 24%, however PAT is expected to drop 1% because rig rental prices typically have a 6 month lag period after an oil price increase. Day rates are likely to be unattractive for most of the year, and will likely increase again in Q4. But demand for drilling rigs is still promising in South East Asia despite declining rig utilization rates and low day-rates caused by the oil price decrease in early 2009. The AGM is to take place on April 17<sup>th</sup>, 2010.

## VIETNAM EQUITY HOLDING

### **9. Saigon Beer-Alcohol-Beverage Corporation (Sabeco)**

Sabeco is the biggest beer and alcohol manufacturer in Vietnam with 38% market share. It has some very strong brand names in its portfolio such as “333” and “Beer Saigon” which are particularly strong in Southern areas. Sabeco also has an extensive nationwide distribution network. Sabeco delayed its listing plan until it can find strategic investors but the company is having difficulty finding strategic investors because the law mandates Sabeco to sell shares to strategic investors at a stock price no lower than IPO price (70,000), which is 55% higher than the current market price (45,000). Sabeco’s share price increased 45% in 2009. Revenue and PAT increased 17% and 112% due to an increase in sales volume and a 15% decrease in raw material (malt)\*. SAM estimates that the company’s revenue and PAT in 2010 will increase 31% and 14% respectively.

(\*) SAM’s estimation

### **10. Dong Phu Rubber Joint Stock Company (DPR)**

Doruco (DPR) is the second largest rubber company in HOSE after PHR in terms of market capitalization and the land area for rubber plantation. The company manages 9,960 ha, of which 7,863 ha in production (exploitation) and 2,097 ha is under cultivation. In 2009 revenue and PAT decreased by 11% and 8% respectively because the natural rubber price plunged in early 2009. In the first two months of 2010, DPR achieved 24.3% of 2010 projected PBT. We expect 2010 is a good year for DPR because increase in export price for natural rubber and because of the VND/USD depreciation. DPR’s 2009 financial results were not available at the writing of this report. The AGM is to take place on April 28th, 2010.

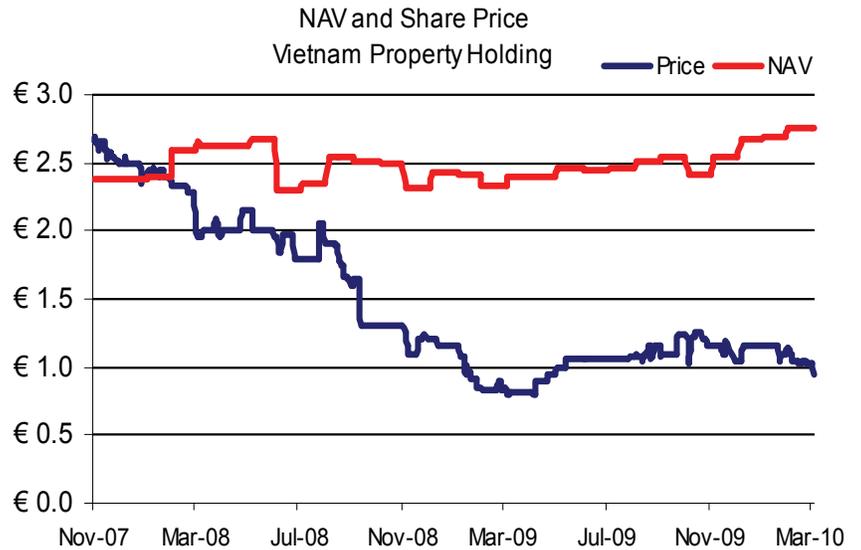
**VIETNAM PROPERTY HOLDING**

**Net Asset Value (NAV)**

In Q1 2010, the NAV of Vietnam Property Holding (VPH) increased 7.39%. Since inception, VPH's NAV increased 17.85%.

Period	NAVPS (€) *	Monthly Change	NAV (€) *
Mar-09	2.33	-3.51%	30,060,497
Apr-09	2.40	3.00%	30,963,000
May-09	2.39	-0.33%	30,862,064
Jun-09	2.46	2.79%	31,722,899
Jul-09	2.45	-0.4%	31,600,915
Aug-09	2.47	0.6%	31,800,037
Sep-09	2.51	1.86%	32,391,316
Oct-09	2.54	1.12%	32,755,254
Nov-09	2.41	-5.17%	31,061,374
Dec-09	2.57	6.76%	32,904,449
Jan-10	2.67	3.25%	34,275,796
Feb-10	2.68	0.14%	34,210,608
Mar-10	2.76	2.95%	35,218,226

\* Unaudited

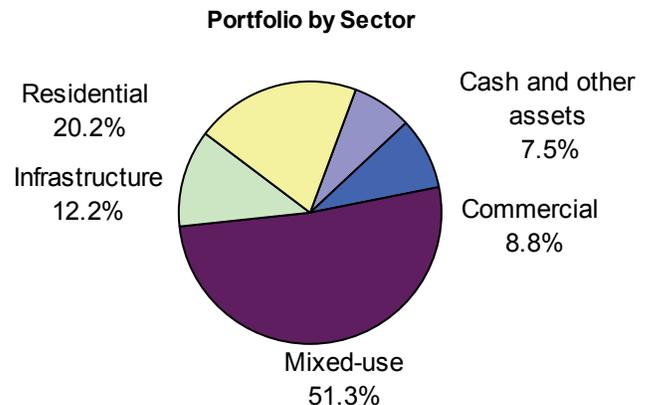
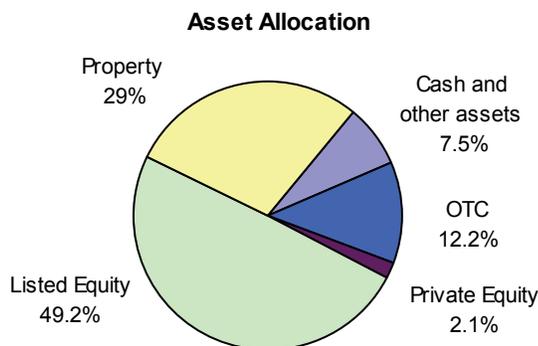


**Cash**

Cash finished at 7.5% of NAV at the end of Q1 2010, compared to 2.2% at the end of Q4 2009. The increase in the cash position was primarily due to the exit from the Thanh Nien bank guarantee deal and investments into NBB and CNT listed securities.

**Strategy**

In 2009 VPH invested in safe bank guaranteed fixed income transactions because of their defensive nature, given the uncertainty in the property market. In Q1 2010, with the recovery in the stock and property markets VPH revised its strategy to focus on investment into small and mid-cap listed companies. The companies targeted have strong land banks but a share price trading at a discount to our assessment of the intrinsic value of their respective company's assets



## VIETNAM PROPERTY HOLDING

### **Portfolio Performance**

In Q1 2010, VPH increased its shareholding in NBB Investment Corporation (NBB: HOSE) and Construction and Materials Trading Joint Stock Company (CNT: HOSE) in accordance with the fund's strategy to invest in those listed securities' companies where we believe that the value of the land assets owned by the companies are greater than the stock market capitalization of the companies. The increase in the fund's NAV was mainly caused by the price change in the value of the listed real estate shares portfolio, and from the realized gain of the bank guarantee deal associated with the Thanh Nien project.

Below is an overview of our key investments.

#### **1. NBB Investment Corporation (NBB)**

In Q1 2010, VPH acquired additional NBB shares to become the largest shareholders in the Company. Investment in NBB listed shares is the largest investment in VPH's total NAV. According to 2009 audited report, the Company achieved an outstanding performance with VND91bn net income (65.3% increase y-o-y) from revenues of VND 343bn (91.8% increase y-o-y). These favorable results were mainly due to good performance in the real estate business (especially Carina condo project, Dist 8, HCMC and low rise land lot projects in Bac Lieu and Phan Thiet province)

An additional significant increase in net income in 2010 is expected from two sources. First, the sales launch of City Gate Tower, NBB Garden III in Dist 8, HCMC. Secondly, the consolidation of financial statements of Quang Ngai Mineral and Investment Corporation ("QMI"), a developer of 1,000ha titanium, construction stone and mineral water). NBB increased its stake in the company to 90% and is now able to consolidate the results into its own accounts.

NBB plans to achieve VND110bn net income in 2010 (increase 21% y-o-y) and pay 2010 cash dividend of 16% (compared to 2009's cash dividend of 10%). The Company plans to increase capital from VND 154bn to VND180bn by selling its shares to a strategic partner to increase its liquidity and raise fund for real estate development.

#### **2. Thanh Nien Project (TNP)**

In January 2010, VPH successfully realized 25% guaranteed return (or 22.2% after 10% withholding tax) from Thanh Nien project. VPH is currently in discussions with Thanh Nien regarding co-investments into other property projects in the companies portfolio, including: a 1700 square meter residential property in Le Quy Don and a 1000 square meter office in Le Van Sy. Additionally VPH is discussing the possibility of a strategic partner relationship, including a private equity investment in this pre-IPO company.

#### **3. Tamexim Project**

The Tamexim bank guarantee deal was a fixed income investment. The bounce back of the Vietnam stock and property markets has created many interesting investment in listed shares so the Investment Committee decided to take a full exit of this investment with 20% ROI in USD. The original investment and 20% p.a. guarantee return by Bank Guarantee was confirmed by issuing bank to repay VPH in due course

#### **4. Phu My Bridge Corporation (PMC)**

The Phu My Bridge is a new suspension bridge linking District 2 and District 7 which opened in September 2009 under a 26 year Build Operate Transfer contract. PMC is the operator and will collect toll fees from April 2010.

The bridge cuts an hour off the drive from the port area to downtown Ho Chi Minh City and connects the East and West of Southern Vietnam, so the Government has taken an active role in this key infrastructure project. For example the city government indemnifies the project owner against any shortfall in budgeted toll revenues. The Government has orchestrated a toll sharing agreement between two private operators, PMB and CII. The agreement prevents trucks and cars that approach the bridge from the Hanoi Highway route from having to pay a double toll fee. PMC completed constructing the bridge ahead of schedule, which is unusual for an infrastructure project in Vietnam. This accomplishment has gained the confidence of the Vietnamese Government and given PMC a leading position in the infrastructure industry. In 2009 the company obtained four other important projects in Vietnam; the Thu Thiem Bridge, the Saigon Bridge II and Ca Pass Tunnel, and the Nhon Trach Bridge. Additionally in 2009 the company formed a joint venture with Thanh Danh Corporation to develop the Tramway Line No.1. PMC received approval from the Prime Minister to underwrite a proposed US\$700mn international bond issue to raise funds for Tramline Line No. 1 and the Nhon Trach Bridge. The bond will be guaranteed by the Ministry of Finance, which is the first time Vietnam's Ministry of Finance will issue a guarantee for a bond issued by a private sector entity. The company plans to list in mid 2010. PMC's 2009 financial results were not

## VIETNAM PROPERTY HOLDING

available at the writing of this report. The AGM is to take place on April 20<sup>th</sup>, 2010.

### **5. Mo Plaza (MP)**

During the annual general meeting (AGM) in March 2010, VPH was voted in as a member of the auditing board of the Company together with two representatives of the Vinaconex Group and VP Capital. A resolution at the AGM's approved a business plan to do the following: head/master lease retail podium to VP Capital on 50-year lease term,, reserve 3,500 square meter of office space for the company's usage occupation and assign CBRE as exclusively marketing agent for the remaining office space. The project is scheduled to be completed by Q3 2012.

### **6. Savimex (SAV)**

In 2009, SAV's net income decreased 1.4% to VND 14.1bn. This was mainly due to provisions for doubtful debts and for obsolete inventory. During AGM meeting in March 2010, the company announced a 16.5bn net income target for year 2010, and plans to pay a 10% cash dividend. The Company decided to concentrate on the more profitable property projects in its portfolio by withdrawing from Lac Long Quan project in District 11, HCMC. This project is not highly profitable because it entails sales of a large number of condo units to the People Committee of Ho Chi Minh City. The Company completed the foundation for the Ngoc Lan project, District 7, HCM City and started to launch the sales of 137 condo units in Q2 2010. This will be the main source of real estate revenue in year 2010. As of end 2009, the Company completed 96% compensation for the 5.2ha residential "Phu My" project in district 7 and is working with consultant to devise the detailed master plan. SAM is assisting SAV to select international property consultant to conduct the best use study for this project.

### **7. Construction and Materials Trading Joint Stock Company (CNT)**

In 2009, net income increased 111% year on year to VND 42.3bn, mainly due to a large realized gain from the transfer of 50% equity in C&T An Phuc, District 8, HCMC to SC5. In Q1 2010, the Company entered into a 50/50 partnership with SDU, a construction and real estate developer listed in Hanoi Stock Exchange, to develop the 1.5ha residential C&T Plaza project in Dist 2, HCMC. This development partnership could bring a significant increase in 2010 net income. The BOD of the Company decided to issue an additional 2mn – 5mn shares to current shareholders and to strategic partners. The company will also issue a VND 100bn convertible bond in 2010 to raise capital for the development of C&T An Phuc project, Dist 8, HCMC and C&T Plaza project, Dist 2, HCMC. SAM is working as financial consultant on this issuance of additional share and bond for the submission to the next AGM meeting on 28 April 2010. In January 2010, the Company signed strategic partnership with Daewon, a Korean company which is one of the largest construction and real estate developer in Vietnam. CNT will become suppliers of construction materials to all Daewon's construction and infrastructure projects and co-developer in other real estate projects. During Q1 2010, VPH acquired additional shares making the fund one of the largest shareholders (19.4%) in the Company.

### **8. Tien Sa Villas (TSV)**

Tien Sa Villas are a block of pristine mountain-side villa land plots overlooking the Da Nang bay beach. This development is currently the only resort-styled residential project on Da Nang's mountain-side which was granted perpetual land use rights. TSV is located within 5-minute drive from Tien Sa Tourist Port and 10 minutes from Da Nang International Airport. TSV offers a private beach exclusively for its residents. The property market in Da Nang is particularly strong for luxury beach front villas, as evidenced by a high absorption rate. Consequently SAM and local partners are working to exit this investment in 2010.

### **9. Dream House Mekong Corporation (DHMC)**

In 2009, the Company's 2009 net income increased 269% y-o-y to VND12bn. This large increase in net income was mainly due to a revaluation of 7,900 square meters of land owned by the company. This revaluation came about because Dream House used the land as capital contribution into a new entity which will build a hospital project that lies on the plot, in cooperation with a US based investor. The Company's land bank appreciated as the property market in Can Tho recovered. According to Savills - property consultant report in Q1 2010, there is an 83% absorption rate in townhouses and villas launched in Q1 2010. Dream House Mekong is an OTC company, and the company has not yet formulated plans to list on the exchange. SAM holds a seat on the board of the company.

## FUNDS DEALING

Funds	Bloomberg	Reuters	ISIN	German Securities No.	Listed
Vietnam Equity Holding	3MS:GR	3MS.DE	KYG936251043	AOM12V	Frankfurt & Xetra
Vietnam Property Holding	3MT:GR	3MT:DE	KYG9361R1074	AOM12W	Frankfurt & Xetra

Price Provider	Funds	Contact
LCF Rothschild Securities	VEH VPH	Hiroshi Funaki 44-20-7845-5960
886 AG	VEH VPH	Michael Duren 49-0-69-9778-8611
Jefferies International Ltd	VEH VPH	Michelle White 44-20-7898-7127

Service Provider	Funds	
Legal Advisor	VEH VPH	Reed Smith LLP
Auditor	VEH VPH	Grant Thornton Vietnam
Clearing Settlement	VEH VPH	Euroclear or Clearstream
Administrator/ Custodian	VEH VPH	Deutsche Bank (Cayman) Ltd/ Deutsche Bank AG (Ho Chi Minh City Branch, Vietnam)

## ABOUT SAM

Established in 2007, Saigon Asset Management (SAM) is the investment manager for Vietnam Equity Holding (VEH) and Vietnam Property Holding (VPH), which are both Cayman Islands investment funds listed on the Frankfurt Stock Exchange and Xetra. SAM is currently managing approximately US\$125m of assets, including listed securities, private equity, and real estate assets.

VEH and VPH have been consistently ranked as the top performing funds since inception. In 2008, VEH was ranked as the No.1 performing equity fund in Vietnam according to LCF Rothschild. In 2009, VPH was ranked as the No.1 performing real estate fund in Vietnam.

SAM is based in Ho Chi Minh City, Vietnam, and currently employs over 20 financial professionals. For more information, please visit our website at [www.saigonam.com](http://www.saigonam.com)

### Contact

Ms. Sarah Dang  
Investor and Media Relations  
Saigon Asset Management Corporation  
TMS Building, 12th Floor  
172 Hai Ba Trung Street, District 1  
Ho Chi Minh City, Vietnam  
Tel: +84-8-5404-3488; Fax: +84-8-5404-3487  
Email: [IR@saigonam.com](mailto:IR@saigonam.com)  
Website: [www.saigonam.com](http://www.saigonam.com)

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