SAIGON ASSET MANAGEMENT

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Quarterly Report | **Q4 2010** | **December 31st, 2010**

During the fourth quarter, Vietnam Equity Holding (VEH) unaudited NAV per share decreased 1.5% compared to a 8.4% increase of the VN Index in EUR terms or 6.6% in local currency terms. For the full year of 2010, VEH NAV per share decreased 13% against a 0.7% decline of the VN Index in EUR terms. Meanwhile, the share price of VEH advanced 26.7% during 2010. Since inception, VEH NAV declined 8.3%, while the VN-Index lost 54.6% in EUR terms during the same period.

Vietnam Property Holding (VPH) unaudited NAV per share increased 1.2% in Q4. For the full year of 2010, VPH NAV per share increased 1.5%. Since inception, VPH NAV per share gained 11.4%.

	NAV per Share (€)	% Change in NAVPS			Share Price (€)	% Change in Share Price			Discount (%)	NAV (€)
		Quarterly	YTD	Since Inception		Quarterly	YTD	Since Inception		
VEH	2.15	-1.5	-13.0	-8.3	1.90	21.8	26.7	-28.3	-11.5	46,681,800
VPH	2.61	1.2	1.5	11.4	1.69	8.3	43.2	-36.2	-35.3	33,026,316

Summary

Investors remained on the sidelines, awaiting the result of the Vinashin debt restructuring and the outcome of the National Party Congress in mid January.

Vietnam achieved an impressive 7.34% y-o-y GDP growth in Q4 2010, but a series of events at the end of December clouded the outlook for 2011. Vietnam's economic prospects are still among the best in the world but an on-going tug of war between growth and stability seems to have tilted away from stability. On December 20th, state owned shipbuilder Vinashin defaulted on a $60mn payment of its $600mn Credit Suisse syndicated loan. This will make it harder for the government and state owned enterprises to borrow from the international markets in the future. It also triggered a downgrade of Vietnam's country rating by both S&P and Moody's and caused Vietnam's Credit Default Swap (CDS) rate to jump from 250bps to 300bps.

The government has extended the deadline for the recapitalization of the banking system from the end of 2010 to the end of 2011. This impending deadline has been weighing on the stock market and is also driving up interest rates, as banks struggle to meet the new requirements. Many market participants had been looking forward to a "clean" 2011 with this burden lifted, although some are happy about the delay as it puts less short term pressure on the banks.

These three developments (Vinashin default, credit downgrade, recapitalization delay) negatively impact stability at a time of the year which is already difficult in Vietnam. Many Vietnamese businesses derive 30% - 40% of their full year sales in the run up to the Lunar New Year holiday. This seasonal phenomenon typically results in higher inflation and trade deficits in Q4.

The valuation gap between Vietnam and the rest of ASEAN has caught investors attention, which helped foreign indirect investment (FII) reach $1bn for the year. An article in Barron's newspaper, "The Vietnamese Bargain Bin", at the beginning of December caused money to flow into the two Vietnam ETFs. These strong ETF inflows caused one of the funds to trade at a 10% premium to NAV, and contributed to very high price-earnings multiples for some of the large cap stocks held by the ETFs.

At the end of Q4, 86% of VEH's NAV and 67% of VPH's NAV were comprised of listed shares

Corporate Update

In order to enhance the research capability of the team, SAM has established a Research Department to be headed by CIO Michael Kokalari. The team also welcomed Ms. Huong Nguyen to the company as Deputy Director of Investment, working alongside both VEH and VPH. Huong was previously a Vice President at Viet Bridge Capital and brings with her 7 years of experience in the asset management field.

Economic Review

In Q4, monthly inflation rates exceeded the informal 1% “danger level”, while the average monthly trade deficit exceeded $1bn. Up until the middle of December we were not overly concerned as the end of the calendar year in Vietnam is typically characterized by inflation and heightened trade deficits. Companies ramp up production and increase imports to fulfill customer orders of Christmas/New Year and the Vietnamese Lunar New Year holiday (Tet). The economy appeared to be following the usual pattern of over-heating, followed by a benign environment after the Tet holiday.

	2008	2009	2010
GDP growth (y-on-y)	6.2%	5.3%	6.8%
Inflation (y-on-y)	19.9%	6.9%	11.8%
Export turnover	$62.7bn	$56.6bn	$71.6bn
Import turnover	$80.7bn	$68.8bn	$84.0bn
FDI committed	$71.7bn	$21.5bn	$18.6bn
FDI disbursed	$11.7bn	$10.0bn	$11.0bn

Source: GSO, BMI

The high monthly inflation rates during the quarter resulted in a 11.75% CPI for 2010, the highest in two years.

This encouraged domestic savers to shift out of VND and into domestically-held USD and gold. In 2009, this phenomenon led to an enormous 13%-of-GDP, “errors and omissions” in the BOP account because flows out of VND into other domestic assets are not captured in the official accounts. Given continued VND weakness we expect a 5-6% “errors and omissions” for the 2010 BOP.

Inflation, flows out of VND and the high trade deficit all contributed to an unofficial USD/VND exchange rate 10% below the official rate in Q4 (21,500 versus 19,500). Consequently the State Bank of Vietnam (SBV) raised the base rate from 8% to 9% on November 5th and companies faced borrowing costs of up to 20%.

Although we expect a moderate devaluation of the VND after the Tet holiday, we do not believe Vietnam is entering into a period of very high inflation similar to that of 2007/2008 as some market participants worry. At that time, high inflation in Vietnam was largely driven by high commodity prices and excess money supply (i.e. money supply growth higher than GDP growth). This time Vietnam’s General Statistics Office estimated that only 4.6% of the 11.75% inflation was caused by excessive money supply growth.

Inflation was also being driven by high food prices caused by regional flooding, increasing global commodities prices associated with the “Quantitative Easing” in the US, and with an overheating Chinese economy (Vietnam has a considerable bi-lateral trade deficit with China). None of this is good news, but we feel that inflation that is caused by the “real economy” is less damaging than inflation caused by printing money.

We are also not overly concerned about the trade deficit which the government estimates at about $12bn (11% of GDP) for 2010. A significant portion of Vietnam’s imports are capital goods that will produce exports for years to come. Many of these imports will be used by the foreign invested sector which means that they are paid for by incoming FDI flows. In 2010, Vietnam’s imports grew by about 20% but imports by the foreign invested sector grew by 40% and disbursed FDI of around $11bn covered most of the trade deficit.

Going forward we expect inflationary and currency pressures to reduce after the Tet holiday and we look forward to more clarity on the two big outstanding issues, the Vinashin negotiations and the outcome of the 2011 Party Congress, at which time the market will come to know who will occupy key government positions for the next five-year term.

SAIGON ASSET MANAGEMENT

Equity Market Overview

The VN Index hovered around 450 for most of October due to stagnant retail investor sentiment. It fell to 425 in mid-November, because of margin calls and rising interest rates. A narrow based recovery spurred by renewed foreign interest took the VN Index to 484 at year end, a 6.6% overall increase for the quarter. The market ended the year trading on a 2011 PE of about 10 versus expected earnings growth of 20%+ in 2011 and a market average ROE over 20%.

Hopes were high for Vietnam during most of Q4 because the market lagged its ASEAN peers considerably in 2010, with Indonesia up 44%, Philippines up 40%, Thailand up 40% and Malaysia up 19% for the year. This performance lag makes Vietnam's stock market cheap compared to the rest of ASEAN. Indonesia is on about 15x 2011 earnings with expected earnings growth of 25%, Thailand is trading around 14x versus 15% growth, Malaysia 15x versus 20% and Philippines 13x versus 10%.

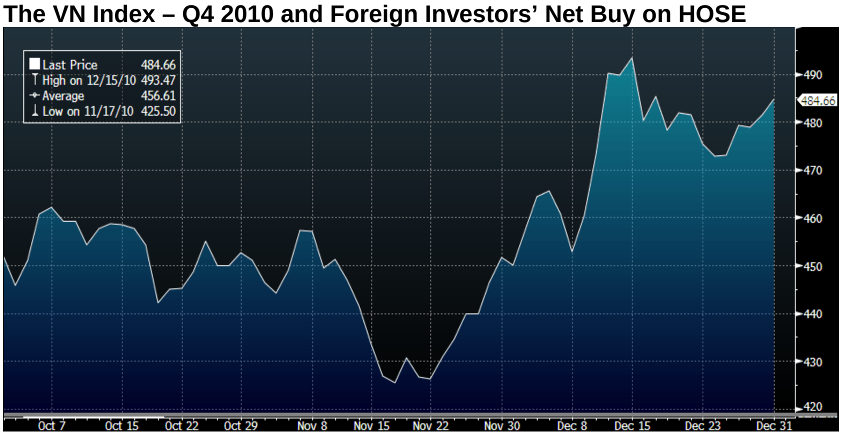
Foreign investors' interest in the market picked up substantially due to expectations that Quantitative Easing in the US (i.e. "QE2") would result in money flowing to Vietnam. This was evidenced by significant foreign net buying throughout the quarter.

However, Vietnam was also hit with a torrent of bad news towards the end of Q4. Uncertainties over inflation and the prospect of currency depreciation continued to weigh on investors' sentiment throughout the quarter. At year end, a 7% gap remained between the official and unofficial USD/VND exchange rate.

The government also capped bank deposit rates to 14% during the quarter in the face of high inflation. At the beginning of the year, the government had deregulated interest rates, which allowed them to rise. Then, as credit growth slowed, it pressured banks to lower deposit rates to 12%. Next it encouraged banks to raise interest rates as the VND weakened in the autumn, and now the government has re-regulated rates. These erratic changes in government policy are not conducive to creating confidence among investors.

We anticipate that investors are ready to buy in once the markets stabilize, and historically, this usually happens after party elections as the political agenda becomes clearer.

The VN Index – Q4 2010 and Foreign Investors' Net Buy on HOSE



Source: Bloomberg

Date	Volume (Mn shares)	Value (US$ mn)
Q4 2010	**126**	**297.6**
Dec - 10	57.8	149.7
Nov-10	32.5	69.6
Oct-10	35.6	78.3
Q3 2010	**40.8**	**131.6**
Sep-10	24.8	59.5
Aug-10	14.6	43.6
Jul-10	1.4	28.5
Q2 2010	**57.9**	**209.3**

Source:HOSE (www.hsx.vn)

Real Estate Market Overview

The property market slowed in the last quarter because of high interest rates. This made it difficult for real estate developers to access financing and for home-buyers to access mortgages.

Many foreign and local developers expect the property market to recover in the second half of 2011. The Association for Foreign Investors in Real Estate (AFIRE) ranked Vietnam the fourth most promising emerging market for 2011 after Brazil, China, and India. Vietnam was also ranked among the 10 most optimistic nations in the world, according to a survey conducted in late 2010 by the France-based BVA Institute. As a result, international real estate developers continued to pour capital into the country. This is evidenced by the fact that most of HCMC's FDI flows are into the property sector.

During 2010, the property market saw many successful M&A deals originated by local developers such as Dat Xanh Group, Bitexco Nam Long and foreign investors such as JSM Indochina, Indochina Capital, and Prudential Vietnam Investment Fund. The M&A trend in the property sector is expected to continue throughout 2011.

The office segment has probably bottomed out. Absorption rates and rents have been improving as more tenants were looking for office space in Q4. Net absorption in HCMC was 220,124sq.m of net lettable area in 2010, up by nearly 50% compared with 2009's net absorption of 154,458sq.m.

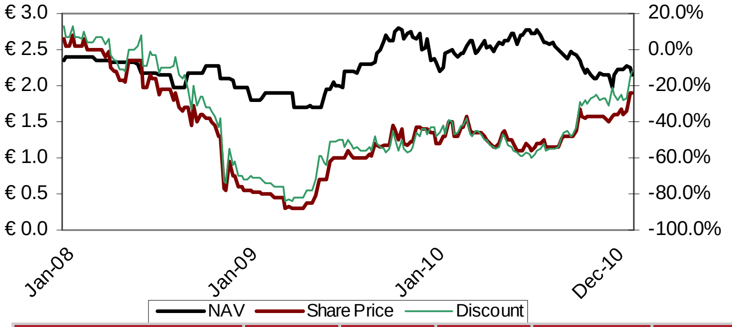
In the residential segment, property developers have been using promotions, extending payment deadlines, and quoting prices in VND instead of USD in an effort to stir up interest. Residential demand is strongest in the mid-range segment catering to Vietnam's emerging middle class.

In the retail segment, Vietnam's retail sales in the first eleven months of 2010 continued to be buoyant with a 25% y-o-y increase. There is fierce competition between local and foreign retail operators. Foreign retailers like Big C, Lotte Mart, Metro Cash & Carry who already gained a foothold in the Vietnamese market are rushing to strengthen their presence as forecasts predict fast-paced growth for the sector through 2014. Local retailer Saigon Co-op has just partnered with Singapore supermarket chain NTUC FairPrice to set up a hypermarket chain in Vietnam.

In the hospitality segment, the occupancy rates increased from last year, but room rates fell. There was increased competition from three-star business hotels and from international operators like Centara and Hilton that expanded their operations. Many two and three-star hotels upgraded their facilities in 2010. In the upper segment of the market there will be limited additional supply of new four or five-star hotels until 2012.

Vietnam Equity Holding (VEH) Performance

In Q4 2010 Vietnam Equity Holding (VEH)'s NAV per share decreased 1.5% to EUR2.15 from EUR2.18 at the end of Q3 2010, compared to an 8.4% rise in the VN Index in Euro terms. Since inception, VEH's NAV has declined 8.3% versus a 54.6% decline of the VN Index in EUR terms.



Performance (%)	Q3 2010	Q4 2010	YTD	12 Months Prior	Inception
VEH NAV	-21.1	-1.5	-13.0	-13.0	-8.3
VEH Share Price	28.9	21.8	26.7	26.7	-28.3
VN Index in EUR	-21.3	8.4	-0.7	-0.7	-54.6
MSCI EM Index in EUR	5.2	9.1	24.4	24.4	2.5
MSCI FM Index in EUR	2.2	9.9	27.2	27.2	-33.7

	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10
Total NAV(€)	53,946,499	47,404,470	46,632,016	48,207,465	46,681,800
NAV per Share (€)	2.48	2.18	2.14	2.22	2.15

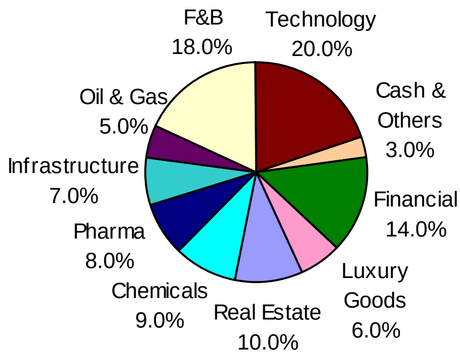
VEH Cash Position

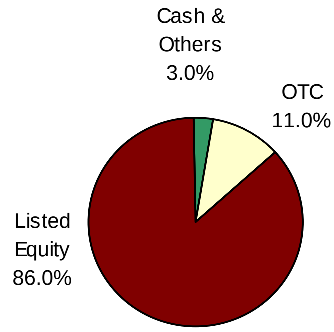
The cash balance at the end of Q4 2010 was 1.5% of NAV, down from 3.4% at the end of Q3 2010.

VEH Strategy

VEH's strategy is value-oriented and focused on finding "Growth at A Reasonable Price" (or GARP) stocks with favorable Price-to-Earnings Growth ratios (PEG ratio). We look for stocks whose earnings growth is driven by the increasing domestic demand of the emerging middle class in Vietnam. The current strategy also calls for a gradual rebalancing of the portfolio away from large cap stocks toward small and mid cap stocks.

Portfolio by Sector and Asset Allocation of VEH





VEH Porfolio Performance

VEH underperformed the VN Index in EUR terms during Q4 because of heavy foreign investment flows concentrated into a limited number of large cap stocks. These stocks, including BVH, VIC, MSN etc. constitute a large portion of the VN Index. In addition, VEH wrote down the valuation of an illiquid OTC stock.

VEH Top Portfolio Holdings

1. FPT Corporation (FPT)

FPT dominates Vietnam's technology industry with four core businesses: Systems Integration, Telecommunications, Software Outsourcing and IT & Mobile Phone Distribution. Net earnings increased 20% per annum over the last 10 years. In 2010, sales are estimated at 22,400bn VND (9% higher than 2009), while profit showed a 20% y-o-y increase, equal to 2,120bn VND. The company is trading at a forward PE of 7.5.

70% of the company's sales are derived from its IT products and mobile phone distribution business, which has a 40% market share in Vietnam. Recently margins in this business have been under pressure due to increased competition, but in 2010 the company took steps to revive the business, including the introduction of their own F-Mobile branded smart phone. FPT's handset incorporates software for mobile banking, securities trading and an "App Store", all developed in-house. The handset enjoys a much larger gross margin than their other 3rd party distributed mobile phones, contributing to a 30% expansion of net margin in FPT's distribution business during H1 2010.

FPT issued a 2,000bn VND corporate bond in November to finance a 44% investment in EVN Telecom. The company has a poor ranking in the industry and only holds a 1.1% market share. However, the EVN investment provides FPT with a good platform to move into the highly competitive mobile telecommunications sector.

2. Vinamilk (VNM)

Vinamilk is one of the largest companies in terms of market capitalization, has a highly regarded management team and is a very popular stock among foreign investors. The company has consistently delivered a solid performance over the last 5 years with revenue growth around 20%, profit growth around 40% and ROE 2009-2010E also around 40%. Vinamilk's foreign ownership quota is full and foreign investors have recently been paying premiums in excess of 10% of the market price to purchase the shares from other foreign sellers.

For 9M 2010 sales were up 50% and profits up 62% y-o-y. VNM's business continues to deliver solid performance as the company focuses on operating efficiency in the core liquid milk business and simultaneously expands the powdered milk, yogurt, ice-cream and beverage businesses. Liquid milk constitutes 35% of VNM's sales and enjoys a 40% market share and a 30% gross margin.

It is likely that Vinamilk's sales growth will remain high well into the future due to demographic factors (i.e. young adults getting married and having children), due to Vietnam's current low per capita milk consumption (about 1/5 the world average), and due to the strong brand name Vinamilk has built. This brand equity has allowed the company to cut selling expenses as a percentage of sales by 4% in 2010 with no impact on revenues. One concern for the business is the slight reduction of gross margins in 2010 due to higher input costs. Another concern is potential future competition from TH Milk which aims to supply half the market by 2017 by investing $1.2bn into dairy farms.

In VNM's milk products business, the current capacity of 550,000 tons per year will be doubled with the completion of a new factory in 2012. The company also aims to grow its market share in high margin powdered milk products from 20% to 35% by 2011. In VNM's beverage business, the first phase of a new beverage factory was completed during Q2. The capacity of this new factory will reach 120 million liters per year within 3-5 years.

3. Development Investment Construction Corporation (DIG)

DIG is one of the largest real estate developers in Vietnam and is 57% owned by Song Da Corp. representing the State's ownership. The company focuses on "new urban area" township development and has a 20 million sqm land bank including attractive, large scale projects in Vietnam's prosperous "Southern Triangle" between HCMC, Dong Nai and Vung Tau.

DIG's business model involves constructing the basic infrastructure of new townships, such as roads, sewers, etc. This construction work attracts a low profit margin but in exchange, DIG is able to purchase large land plots at low prices through its relationship with the Ministry of Construction.

The four key projects driving revenues from 2008 – 2015 include the 465ha, $400mn Dai Phuoc Island project in Dong Nai, the 100ha Chi Linh new urban area in Vung Tau, the 380ha Xuan Thoi Thuong industrial & residential development at the periphery of HCMC and the 447ha, $460mn Nam Vinh new urban area, north of the Hanoi airport. The Dai Phuoc project is the furthest along with 377ha sold and revenues recorded between 2008-2010. Chi Linh is half completed and will contribute to earnings until 2012. The Xuan Thoi Thuong project is still in very early stages. Finally, the company had planned to start sales of Nam Vinh Yen this year but will postpone this until next year due to new regulations in the real estate business.

4. Sacombank (STB)

STB is the 4th largest bank in Vietnam and the second largest privately owned bank after ACB. It is one of the most aggressive banks and has expanded assets by over 60% CAGR for the last 4 years. In response to new regulations requiring increased capital and reduced risk, STB increased the number of shares outstanding by 37% in 2010. Further capital increases are expected going forward due to the new, tighter regulatory environment and because of the banks ambitious expansion plans.

9M 2010, net interest income came in at 2,202bn VND +40% y-o-y, while profit after tax increased 49% y-o-y to 1,504bn VND. Revenue from foreign exchange reached 1.3bn USD for the year up 45% y-o-y.

5. Hau Giang Pharmaceutical Joint Stock Company (DHG)

DHG is the top company in Vietnam's pharmaceutical industry with a 10% market share of locally manufactured drugs. The company has a portfolio of strong brand names including Hapacol (paracetamol), Aticef (antibiotic) and Eugica (herbal remedy). DHG has the highest degree of vertical integration and the most extensive distribution network in Vietnam. For the last 5 years DHG's sales growth outpaced the industry and the company ran out of capacity sooner than anticipated. This lack of capacity will constrain revenue and profit growth until 2012 when a new factory, with double the output of the current factory, is completed.

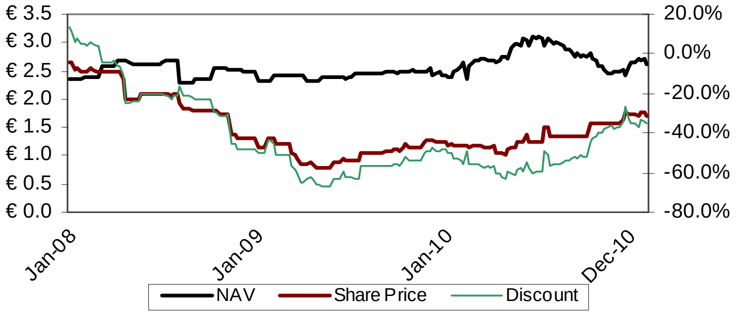
In 2009 the company began measures to circumvent this problem. They are expanding production though outsourcing and selective acquisitions and aim to grow profits by restructuring the product portfolio towards higher margin products, re-launching some products under a different brand name (at 20% higher prices), and by focusing their marketing efforts on the 13 products that comprise 50% of sales. In 2009 the average selling price of their products increased 26% and selling expenses fell from 35% to 23% of sales. Those improvements are unlikely to be repeated in 2010 and 2009's profits were further boosted by the reversal of financial provisions made in 2008. Because of the extraordinary items in 2009 we expect sales to increase about 10% in 2010 with unchanged operating profits.

9M 2010, net revenue income came in at 1,373bn VND +13% y-o-y, while profit after tax increased 10% y-o-y to 246bn VND or 9,081 VND per share.

Our main concern about DHG is that pharmaceutical prices, which rose rapidly from 2002 – 2007, are now under stricter price controls. Going forward we expect the market to grow around 15% per annum.

Vietnam Property Holding (VPH) Performance

During Q4, Vietnam Property Holding (VPH)'s NAV per share advanced 1.2% to EUR2.61 from EUR2.58 at the end of Q3 2010. Since inception, VPH's NAV per share has increased by 11.4%.



Performance (%)	Q3 2010	Q4 2010	YTD	12 Months Prior	Inception
VPH NAV	-15.0	1.2	1.5	1.5	11.4
VPH Share Price	17.3	8.3	43.2	43.2	-36.2
VN Index in EUR	-21.3	8.4	-0.7	-0.7	-54.6
MSCI EM Index in EUR	5.2	9.1	24.4	24.4	2.5
MSCI FM Index in EUR	2.2	9.9	27.2	27.2	-33.7

	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10
Total NAV (€)	35,037,000	32,647,240	31,480,781	33,560,227	33,026,316
NAV per Share (€)	2.77	2.58	2.49	2.65	2.61

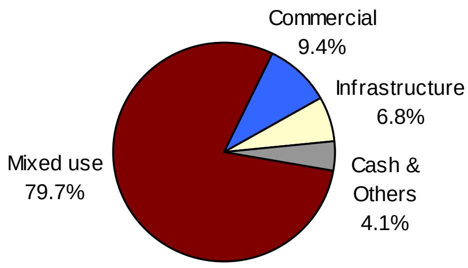
VPH Cash Position

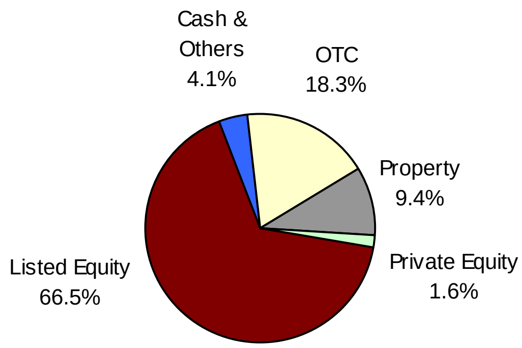
The cash balance at the end of Q4 2010 was 1.6% of NAV, compared to 9.6% at the end of Q3 2010.

VPH Strategy

VPH's strategy is focused on small and mid-cap listed companies with substantial land bank assets. VPH targets companies with share prices at a substantial discount to the market value of the land they own. The Fund aims to add value to portfolio companies by helping them realize the value of their land bank assets within the shortest possible timeframe.

Portfolio by Sector and Asset Allocation of VPH





VPH Portfolio Performance

A 1.2% increase in NAV in Q4 2010 was attributable to a 1.6% rise of the VND against the EUR and a 0.4% decrease in the portfolio value in VND. The VN Index increased 8.4% over the period.

VPH Portfolio Holdings

1. NBB Investment Corporation ("NBB")

NBB is a leading property developer and infrastructure contractor affiliated with CIENCO 5, the state-owned construction company under the Ministry of Transportation. NBB is also the owner of large-scale projects in construction stones, titanium mining, hydro-power and mineral water. The company owns over 100ha of cleared residential land acquired at low cost, as well as 520ha of land in the process of compensation.

In the first nine months of 2010, NBB achieved a net income of 122bn VND (+100% y-o-y), mainly due to the exit from a 40% stake in the 4.1ha Diamond Riverside project. Improved sales of the Carina Plaza and Bac Lieu projects in HCMC also contributed to revenues.

An extraordinary general meeting in Q4 approved the issuance of 2.6mn preferred shares to the DWS Vietnam fund. The preferred shares carry no voting rights and include the following conditions: (i) 1,500 VND cash dividend per share, (ii) minimum net profit of 345bn VND for 2011-2012; (iii) a one-year lock-in period; (iv) conversion of the preferred shares into common stock after one year.

SAM is an exclusive financial consultant to NBB for the purpose of seeking co-investment partners for the three projects in Quang Ngai and NBB II project in HCMC.

2. Phu My Bridge Corporation (PMC)

PMC is the project owner and operator of Phu My Bridge, a new suspension bridge linking HCMC District 2 and District 7. The bridge cuts an hour off the drive from the port area to downtown HCMC and connects the East and West of Southern Vietnam, so the government has taken an active role in this key Build Operate Transfer (BOT) infrastructure project.

Toll revenue improved significantly in Dec 2010 with a 20% m-o-m increase due to the government's ban on heavy trucks in downtown HCMC. PMC also submitted the financial plan in Dec 2010 for the government approval on a new toll ticket plan which would increase prices by 20% every 2 years.

PMC failed to issue 7.45mn shares in Aug 2010. The company will have BOD meeting in mid-Jan 2011 to formulate its next course of action. Also, VPH wrote down PMC's share value in response to new market information.

3. Mo Plaza ("MP")

Mo Plaza is a 25-storey mixed-use retail, office and condo project located on a 14,700 square meter plot in the central business district of Hanoi. The construction will produce 86,000 square meters gross floor area (GFA), consisting of 24,000 square meters of retail space, 47,000 square meters of office space and 90 condo units to be sold on a 50-year leasehold basis.

The project completed two basements and expected to complete the retail podium by Sep 2011. It also received the land use right certificate on a 50-year lease basis.

The company signed a 50-year master lease for the 21,122 sq.m retail podium with a sales price of $1,449 per sq.m GFA. VP Capital made a $12mn deposit that allowed the company to postpone utilizing a 700bn VND credit line from Military Bank.

MP appointed Savills to advise the company on office rental rates and condo selling prices. However, in order to protect the interests of all shareholders, three major shareholders with a combined 45% stake (VP Capital, Viettel, and VPH) requested the company to provide an open tender for the office space with priority given to existing shareholders.

4. Savimex ("SAV")

SAV is one of the leading wooden furniture manufacturers in Vietnam. The company also has a 23ha clear residential land bank which was acquired at low cost. In H1 2010, the company's net income was 6.3bn VND (-6% y-o-y). The net income decline in H1 was due to a decrease in the total value of exported wooden furniture and an increase in raw materials cost. SAV's 2010 revenue is mainly derived from its furniture business with no current contribution from real estate projects.

In the first nine months of 2010, SAV achieved revenue of 248bn VND (-14% y-o-y) and PAT of 10bn (-32% y-o-y). This was due to a decrease in exported furniture as a result of the ongoing economic downturn in Japan and the US.

SAM has been actively engaged in restructuring the wooden furniture business and speeding up real estate project development for the 5.2ha Phu My condo project. SAM has been coordinating with SAV's management team to prepare a restructuring plan for approval by the BOD by the end of Feb 2011.

Capitaland, a leading Singaporean property developer, has shown solid interest in acquiring SAV's 5.2ha residential Phu My condo project. Approval of key commercial terms will be postponed until the extraordinary general meeting. We expect a surprise earnings result in 2011 due to a favorable revaluation of this project.

SAV launched the sales and marketing effort for the Ngoc Lan project in Dec 2010. VPH acquired an additional 407,030 SAV shares, increasing the Fund's stake from 19.3% to 23.4%.

5. Century 21st JSC ("C21")

C21 is a leading local property developer that has its historical roots in a popular newspaper named Tuoi Tre. The Company owns over 217ha of cleared residential land acquired at low cost in prime locations in HCMC. This includes one fully-occupied grade C office building in District 3. The Company also owns 166ha of clear resort land near Nha Trang that includes the Thap Ba resort, a well-known mineral bath resort. The project has a 24% CAGR and attracts more than 40% of all the tourists visiting Nha Trang.

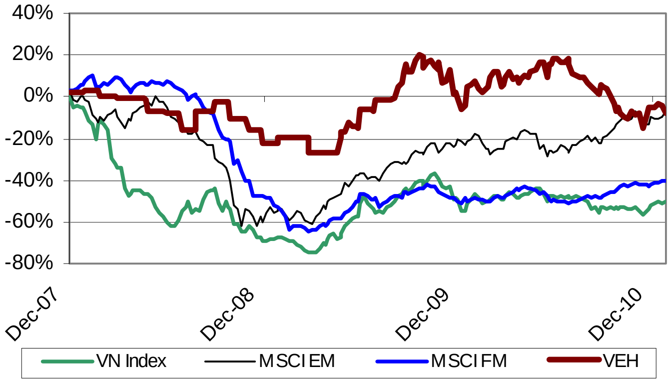
In Q4, VPH acquired a 19.1% equity stake in C21 on the following key terms: (i) C21 is committed to listing on the Ho Chi Minh City Stock Exchange by the end of May 2011 contingent on reaching an agreed minimum listing price; (ii) total EPS for 2011 and 2012 will be a minimum of 10,000 VND; (iii) VPH can secure one BOD seat; (iv) If C21 fails to list at the agreed time, C21 guarantees to buy-back VPH's shares with a guaranteed return of 30% in VND terms on a pro-rata basis;

In the first nine months of 2010, the Company achieved revenue of 91bn VND (+52% y-o-y). This was due to improved performance for the Mom Da Chim beachfront resort and Thap Ba mineral bath resort. The Company achieved PAT of 41bn VND (-2% y-o-y), a decline mainly due to the fact that last year's figure was boosted by extraordinary income from sale of the compensated land outside the approved area of Song Giong project in District 2.

SAIGON ASSET MANAGEMENT

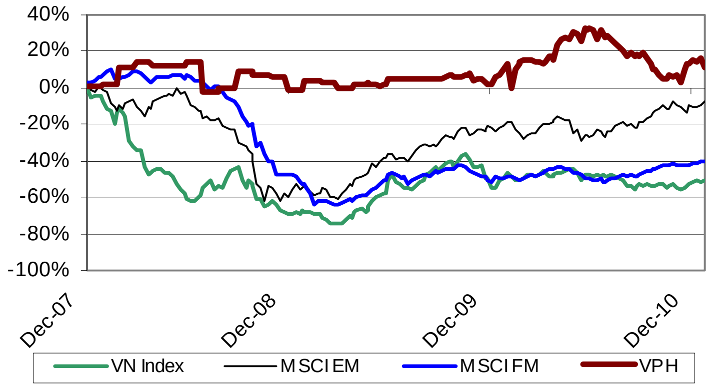
Vietnam Equity Holding

Vietnam Equity Holding (VEH) is an investment fund established as a closed-end company listed on the Frankfurt Stock Exchange and Xetra. The objective of VEH is to maximize capital appreciation by making equity investments in promising listed, pre-listing and private companies in Vietnam. VEH was ranked as the No. 1 performing Vietnam focused equity fund in 2008 by LCF Rothschild. For more information, please visit www.saigonam.com



Vietnam Property Holding

Vietnam Property Holding (VPH) is an investment fund established as a closed-end company listed on the Frankfurt Stock Exchange and Xetra. The objective of VPH is to maximize capital gains from investing in a diversified portfolio of real estate projects and companies in Vietnam. VPH was ranked as the No. 1 performing Vietnam focused real estate fund in 2009 by LCF Rothschild. For more information, please visit www.saigonam.com



VEH and VPH Key Information

Structure	Cayman Islands registered closed-end investment companies	
IPO Date	November 30, 2007	
Duration	5 Years (subject to shareholder vote for extension)	
Fiscal Year End	31 December	
Market	Frankfurt Stock Exchange (FSE) and Xetra	
NAV Frequency	Monthly	
Management Fee	2% of NAV	
Performance Fee	20% of gains over 8% hurdle with high water mark	
Investment Manager	Saigon Asset Management	
Auditor	Grant Thornton	
Legal Counsel	Reed Smith LLP/Appleby	
Administrator and Custodian	Deutsche Bank	
Clearing/Settlement	Euroclear/ Clearstream	
Market Makers	Hiroshi Funaki, **LCF Rothschild** +44 207 845 5900, h.funaki@lcfr.co.uk	
	Judah L. Plotner, **Jefferies** +44 207 898 7114, jplotner@jefferies.com	
Bloomberg	**VEH:** 3MS:GR	**VPH:** 3MT:GR
Reuters	**VEH:** 3MS.DE	**VPH:** 3MT.DE
ISIN	**VEH:** KYG936251043	**VPH:** KYG9361R1074
German Securities	**VEH:** A0M12V	**VPH:** A0M12W

About Saigon Asset Management

Established in 2007 and based in Ho Chi Minh City, SAM employs over 20 professionals with diverse international financial backgrounds and proven track records. SAM currently has approximately US$125 million in assets under management.

Louis Nguyen
Chairman & CEO

Michael Kokalari, CFA
CIO, Head of Research

Chinh Hoang
Director of Equity Investment

Hien Vu
Director of Real Estate Investment

For more information please contact:

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