

VN Index continues surge

Capital market update

Vietnamese equities surged 28 percent in local currency terms during May, substantially exceeding gains seen across global emerging markets, and notably outperforming the MSCI Emerging Market and Asia indices by 11.1 and 15.4 percent, respectively. For the year to 9 June, the Vietnam Index is up 62.4 percent and is now only 11 percent below the trailing 52-week index high of 575.7.

This rally began in March, extended into April and has now accelerated in May and early June, beyond regional peers. Driven by liquidity and momentum, the risk of a correction is emerging as valuations appear fundamentally stretched. At 8 June, the Ho Chi Minh Stock Exchange (HoSE) traded at 21.6x trailing earnings, almost 33 percent higher than at the end of May. On a price-to-book basis, Vietnamese equities are trading at 2.4x and no are longer within value territory.

Tightening possible to limit loan growth

Loan growth in Vietnam to the end of April was 11.9 percent. This growth accelerated in May to reach 14.9 percent year-to-date. Given the State Bank of Vietnam's soft target of 22 percent loan growth for the year, policy measures may soon be required to slow credit growth and preempt inflationary pressures. Such measures are likely to be enacted in the coming weeks. A tightening will likely lift reserve requirements for banks (currently at 3.0 percent) and be accompanied by a slowdown in the interest subsidy programme, given that VND332 trillion (USD18.2 billion) has been lent since the programme began. Loan and deposit rates could rise quickly as system liquidity tightens or if the interest subsidy programme is phased-out.

In May, asset market liquidity remained strong, due primarily to domestic activity. Foreign institutions, while net buyers during the month, had clearly begun taking profits in the last two weeks of the month. Trading volumes on the HoSE remained strong, with average volumes in May at slightly over 500 million shares traded daily. Traded values were robust, averaging USD95.4 million per day.

The possibility of a market correction cannot be discounted going forward. Furthermore, at current valuations, given a challenging external environment, and robust domestic liquidity conditions, any correction now is likely to be steeper and more substantial in downside percent terms than was previously expected.

Performance summary			
Most recent NAV:	VOF	VNL	VNI
	(31 May 09)	(31 Mar 09)	(31 Mar 09)
NAV per share (USD) ¹	2.05	1.45	0.63
Return (%) ²	(from Apr 09)	(from Dec 08)	(from Dec 08)
Previous NAV	9.1	-5.2	-0.5
YTD	10.1	-5.2	-0.5
Since inception	111.3	49.5	-25.2
	(30 Sep 03)	(22 Mar 06)	(5 Jul 07)
Issued shares ³	324,610,259	499,967,622	402,100,000
Total NAV (USDm)	666	726	251
Market cap (USDm)	506	315	125
Reuters	VOF.L	VNL.L	VNI.L
Bloomberg	VOF LN	VNL LN	VNI LN
ISIN	KYG9361Y1026	KYG936361016	KYG936121022

¹ Unaudited. VOF NAV is updated monthly; VNL and VNI NAVs are updated quarterly.

² Adjusted for dividends/distributions (see VNI, page 5).

³ VNI holds 930,700 shares in a treasury facility.

VN Index	29-May	31-Dec	52 wk low	52 wk high
Close	411.6	315.6	234.7	575.7
Change (%)	28.0	30.4	75.4	(28.5)
Trailing PER (x)	18.1			
Trailing P/B (x)	2.0			

Govt bonds	1 yr	3 yr	5 yr	10 yr
Yield curve (%)	8.5	8.9	9.2	9.5

(Source: VinaSecurities).

Growth resilient

Economy

The government's policy stimulus has buoyed domestic demand and analysts have begun to revise GDP estimates upward, with Citibank raising their 2009 growth forecast to 3.8 from 3.3 percent, and HSBC maintaining a forecast of 4.5 percent while predicting that GDP growth will rebound to 6.5 percent in 2010.

Trade deficit grows

The trade deficit in May was USD1.5 billion on imports of USD5.9 billion and exports of USD4.4 billion. Exports in May were 2.8 percent greater than April, but down 25 percent year-on-year. The only export products to gain in value and volume include rice, tea and tapioca. Oil exports are down sharply for the year but have received a boost recently on rising oil prices and production.

Industrial production rose 4 percent in May, below April's 5.4 percent but above the year-on-year rate recorded for the first quarter. Mining, construction and services have helped compensate for the manufacturing slowdown. The construction sector has grown 7 percent year-on-year as projects stalled during the inflation/interest rate scare in late 2008 come back online, a trend that should continue as government support for infrastructure projects takes effect.

Total FDI registration was USD370 million, bringing year-to-date FDI to USD6.7 billion, a year-on-year decrease of 76.3 percent. Some USD600 million was disbursed during May, for a year-to date total of USD2.8 billion, 29 percent less than the same period last year.

Inflation concerns resurface

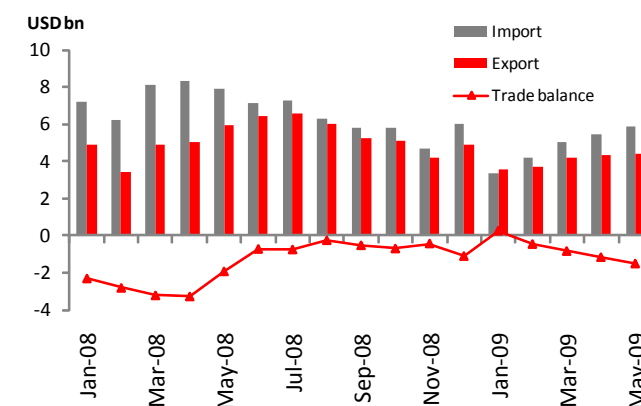
Credit growth of 4.2 percent for May and an increase in total outstanding loans of 14.9 percent year-to-date has raised concerns of renewed inflation and it seems likely the state's fiscal and monetary policies will be tightened in the near future. The month-on-month increase in the CPI was 0.44 percent for May, due mainly to an increase in gasoline prices, along with higher prices for transport, communication, and housing and construction materials. While the year-on-year inflation rate has dropped to 5.6 percent, our projection for 2009 full year has been revised upward to 8-10 percent given the ongoing impact of the fiscal stimulus package and current loose monetary policy.

Macroeconomic indicators and forecast				
	2008E	May-09	YTD	Y-o-Y change
GDP growth	6.2%		3.1%	
Inflation	19.9%	0.4%	2.1%	9.2%
FDI (USDbn)	64.0	0.37	22.9	-76.3%
Imports (USDbn)	80.7	5.9	24.0	-36.5%
Exports (USDbn)	62.7	4.5	16.0	-16.4%
Trade deficit (USDbn)	18.0	1.4	8.0	-72.6%
Exchange rate* (USD/VND)	17,486	17,785	1.71%	
Bank deposit rate (VND %)	7-8.5%	7.9-8.1%	n/a	n/a

Note: GDP figure updated quarterly. Exchange rate is Vietcombank ask rate at end of period.

* Official rate.

Monthly trade balance, 2008-09



Portfolio developments

At the end of May 2009, VOF shares traded at USD1.56, up 35.7 percent from USD1.15 at the end of April. VOF's NAV increased 9.1 percent to USD2.05 per share at the end of May from USD1.88 per share at the end of April 2009, due mainly to gains in the capital market component of the portfolio (up 25.6 percent versus the previous month). VOF's top holding Eximbank was among the top performing OTC stocks, up 22 percent in May. Compared to April, VOF's asset allocation is more balanced, with exposure to real estate dropping 5 percent to 37 percent of NAV, while the capital market component has increased by 5 percent to 39 percent of NAV. At the end of May, VOF had USD71.2 million in cash, or 10.7 percent of NAV.

Regulatory news

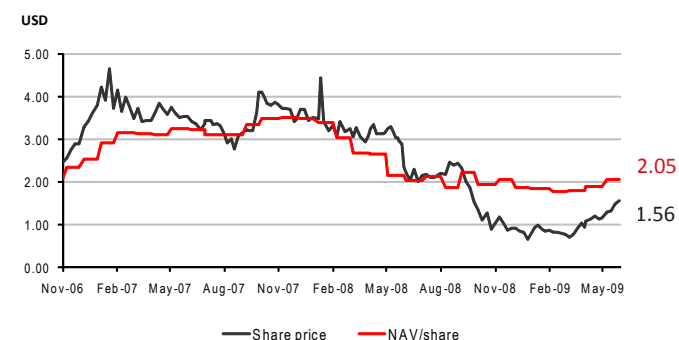
On 19 May, VOF announced that an EGM will be held on 17 June 2009 in Hong Kong. Details are available at www.vinacapital.com.

31 May 2009

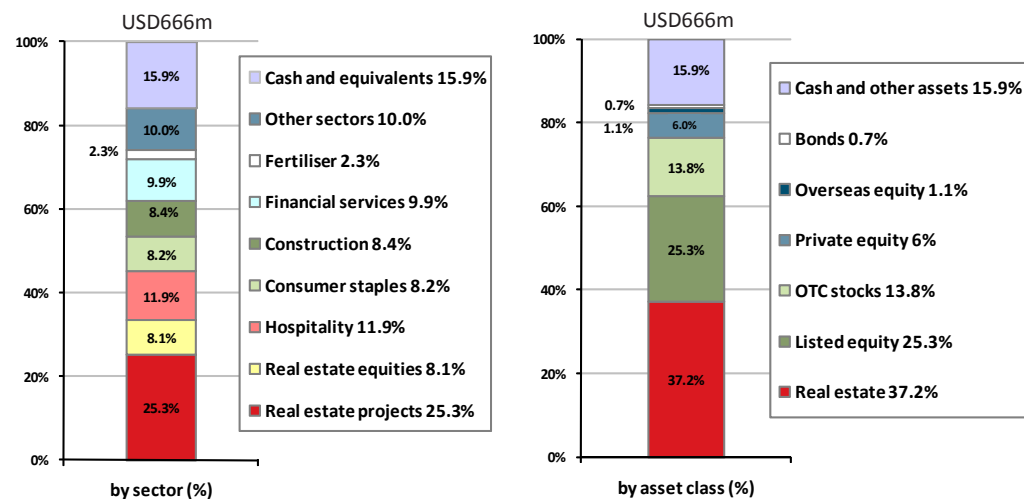
NAV **2.05** per share (↑ 9.1%)

Total NAV: USD666 million

NAV and share price performance (30 April 2009)



VOF portfolio (31 May 2009)



Fund background

VinaCapital Vietnam Opportunity Fund Ltd ("Vietnam Opportunity Fund" or "VOF") is a closed-end fund trading on the London Stock Exchange's Alternative Investment Market (AIM).

VOF targets medium to long term capital gains with some recurring income and short term profit taking. Primary investment focus areas are: privately negotiated equity investments; undervalued/distressed assets; privatisation of state-owned enterprises; real estate; and private placements into listed and OTC-traded companies.

Download the VOF Factsheet at www.vinacapital.com

Major holdings (listed and OTC)

Type	Sector	% NAV	Manager's comment
Eximbank	Financial services	5.9	One of Vietnam's top joint stock banks.
HPG	Manufacturing	4.6	Major steel and materials producer.
VNM	Food products	3.8	Dairy firm with dominant market share.
DPM	Fertiliser	2.3	Top fertiliser firm on local market.
REE	Manufacturing	2.3	Diversified industrial group.

Performance history (% change on NAV)

	2009	2008	2007	2006
Jan	-1.3%	-2.9%	14.6%	3.9%
Feb	-3.7%	-10.2%	8.3%	6.3%
Mar	1.7%	-11.8%	-0.6%	8.8%
Apr	4.4%	-0.8%	-1.3%	7.6%
May	9.1%	-19.5%	5.1%	-1.0%
Jun		-4.7%	-0.8%	1.5%
Jul		5.7%	-3.8%	-6.5%
Aug		9.8%	0.0%	6.4%
Sep		-6.7%	8.1%	3.0%
Oct		-12.4%	4.2%	1.0%
Nov		-1.9%	0.6%	13.5%
Dec		-2.1%	-0.6%	8.1%
YTD	10.1%	-46.6%	37.4%	64.9%
VN Index	33.2%	-66.0%	23.3%	144.5%

Portfolio developments

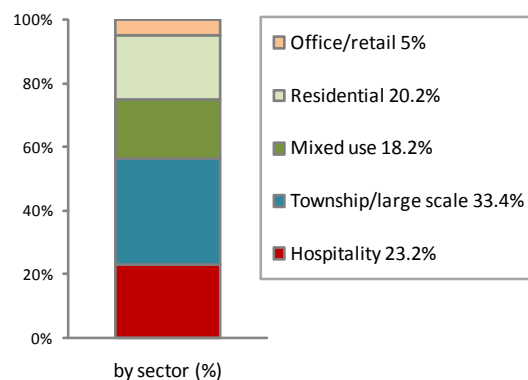
VNL's share price rose 31.3 percent to USD0.63 at the end of May from USD0.48 at the end of April 2009, as investor confidence continued to return and the Vietnam property market showed signs of life, particularly in the low to mid-end residential market. VNL's investment manager continues to record progress with villa sales at the Danang Beach Resort, and condo sales at the Central Garden complex in Ho Chi Minh City and Golden Westlake apartments in Hanoi. As more residential projects approach sales, the investment manager will begin marketing all residential units under a new 'VinaLiving' brand that will target local buyers with a unique brand that denotes quality, value and a modern lifestyle in Vietnam's competitive residential marketplace.

Regulatory news

On 22 May, VNL announced that an EGM will be held on 17 June 2009 in Hong Kong.

On 12 May, VNL announced a change in a significant holding in the fund. Details of both announcements are available at www.vinacapital.com.

VNL portfolio (31 March 2009)



Portfolio by geographic location

Hanoi	17%
Central provinces	29%
Ho Chi Minh City region	54%

Fund background

VinaLand Limited (VNL) is a closed-end fund trading on the London Stock Exchange's Alternative Investment Market (AIM).

VNL targets medium to long term capital gains with some recurring income through investment in the following real estate sectors: office; residential; retail; township/industrial (large scale); and hospitality and leisure.

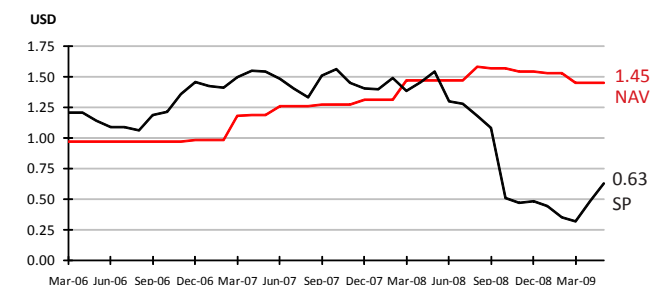
Download the VNL Factsheet at www.vinacapital.com

31 March 2009

NAV **1.45** per share (↓ 5.23%)

Total NAV: USD726 million

NAV and share price performance (31 May 2009)



Performance history (% change on NAV per share)

	2009	2008	2007	2006
Q1	-5.2%	12.5%	22.0%	
Q2		7.1%	6.1%	0.0%
Q3		-0.4%	0.2%	0.0%
Q4		-2.5%	3.2%	0.5%
YTD	-5.2%	17.1%	33.8%	0.5%

Major holdings

Project	Type	Status
Aqua City (Long Hung)	Residential	Under construction
Century 21	Mixed-use	Investment licence
Danang Beach Resort	Mixed-use	Under construction
Dai Phuoc Lotus	Mixed-use	Investment licence
Fideco Binh Duong	Township	Investment licence
Hilton Hanoi	Hospitality	Operating asset
Mandarin Gardens	Residential	Investment licence
VinaSquare Tower	Mixed-use	Investment licence
Vinh Thai Nha Trang	Township	Investment licence
WTC Danang	Mixed-use	Under construction

Portfolio developments

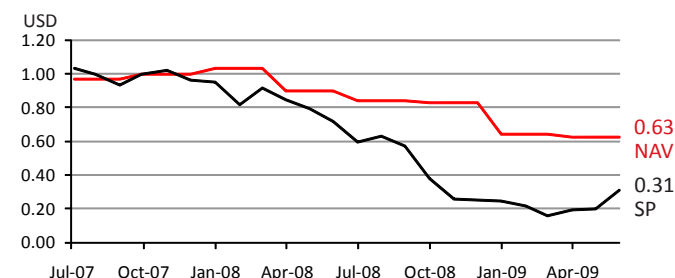
VNI's share price rose 55 percent to USD0.31 at the end of May from USD0.20 at the end of April 2009. The discount to NAV still stands at almost 51 percent, however, which the investment manager continues to believe is unwarranted given the fund's strong cash position, marked-to-market NAV, and strong prospects in the industrial park, telecommunication and power sectors. In transportation, VNI's toll bridge investment, Phu My Bridge, reached a pivotal stage in May as both sides of the bridge were joined. Phu My Bridge remains on schedule to open to local traffic in September (earlier than originally scheduled).

31 March 2009

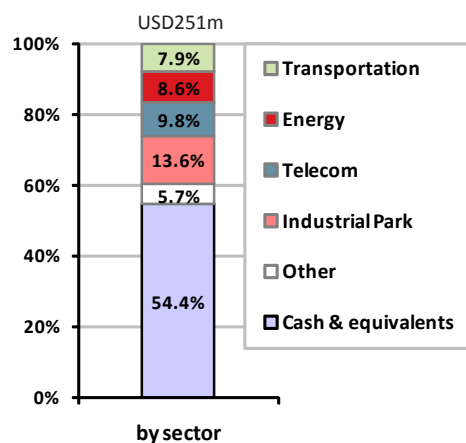
NAV **0.63** per share (↓ 3.08%)

Total NAV: USD251 million

NAV and share price performance (31 May 2009)



VNI portfolio by sector (31 March 2009)



Portfolio by Asset Class

Listed companies	14.2%
OTC	2.0%
Private equity	18.4%
Greenfield projects	7.3%
Bonds	3.1%
Cash and equivalents	54.4%

Fund background

Vietnam Infrastructure Limited (VNI) is a closed-end fund trading on the London Stock Exchange's Alternative Investment Market (AIM).

VNI targets medium to long term capital gains with some recurring income through investment in the following infrastructure sectors: energy; transportation; industrial parks; telecommunication; and water and environmental utilities.

Download the VNI Factsheet at www.vinacapital.com

Performance history (total return)*

	2009	2008	2007
Q1	-0.5%	-12.8%	n/a
Q2		-6.7%	n/a
Q3		-1.0%	2.9%
Q4		-12.0%	3.1%
YTD	-0.5%	-29.1%	6.1%

Total return since inception: -25.2%

* Assumes dividends/distributions reinvested. VNI paid a USD0.10 per share capital distribution on 16 January 2009 (ex date 17 Dec 2008).

Major holdings

Name	Sector	Asset class	NAV (%)
Long An S.E.A.	IP	Greenfield	7.2
Pha Lai (PPC)	Energy	Listed	6.1
VALC	Aviation	Private	5.7
Tan Tao (ITA)	IP	Listed	5.4
MIDC	Telecom	Private	4.0

Important Information

This document, and the material contained therein, is not intended as an offer or solicitation for the subscription, purchase or sale of securities in Vietnam Opportunity Fund Limited, VinaLand Limited or Vietnam Infrastructure Limited (each a “Company”). Any investment in any of the Companies must be based solely on the Admission Document of that Company or other offering document issued from time to time by that Company, in accordance with applicable laws.

The material in this document is not intended to provide, and should not be relied on for accounting, legal or tax advice or investment recommendations. Potential investors are advised to independently review and/or obtain independent professional advice and draw their own conclusions regarding the economic benefit and risks of investment in either of the Companies and legal, regulatory, credit, tax and accounting aspects in relation to their particular circumstances.

The securities of the Companies have not been and will not be registered under any securities laws of the United States of America nor any of its territories or possessions or areas subject to its jurisdiction and, absent an exemption, may not be offered for sale or sold to nationals or residents thereof.

No undertaking, representation, warranty or other assurance, express or implied, is given by or on behalf of either of the Companies or VinaCapital Investment Management Limited or any of their respective directors, officers, partners, employees, agents or advisers or any other person as to the accuracy or completeness of the information or opinions contained in this document and no responsibility or liability is accepted by any of them for any such information or opinions or for any errors, omissions, misstatements, negligence or otherwise.

No warranty is given, in whole or in part, regarding the performance of either of the Companies. There is no guarantee that investment objectives of any of the three Companies will be achieved. Potential investors should be aware that past performance may not necessarily be repeated in the future. The price of shares and the income from them may fluctuate upwards or downwards and cannot be guaranteed.

This document is intended for the use of the addressee and recipient only and should not be relied upon by any persons and may not be reproduced, redistributed, passed on or published, in whole or in part, for any purposes, without the prior written consent of VinaCapital Investment Management Limited.

VinaCapital Group

VinaCapital Investment Management Ltd (VCIM) is the BVI-registered investment manager of VinaCapital’s three AIM-traded funds.

VinaCapital Real Estate Ltd (VCRE) is the development and advisory service for VOF and VNL-owned real estate assets.

Don Lam Chief Executive Officer, VinaCapital Group
Brook Taylor Chief Operating Officer, VinaCapital Group

VCIM

Andy Ho Managing Director, Head of Investment
William Lean Managing Director, Infrastructure
Pham Do Chi Chief Economist
Nguyen Viet Cuong Deputy Managing Director, Capital Markets
Ho Wai Khee Deputy Managing Director, Infrastructure
Dang Hong Quang Deputy Managing Director, Infrastructure

VCRE

David Henry Managing Director, Real Estate
Stephen O’Grady Managing Director, Hospitality
Tran Vu Anh Deputy Managing Director, Investment
David Blackhall Deputy Managing Director, Asset management
James Chew Deputy Managing Director, Planning
Don McLeod Deputy Managing Director, Technical

Contact

Chi Nguyen Investor Relations
 ir@vinacapital.com
 +848-3821-9930
www.vinacapital.com

Broker LCF Edmond de Rothschild Securities
 +44 20 7845 5960 or funds@lcf.co.uk

Nominated advisor Grant Thornton UK LLP
Auditor Grant Thornton (Vietnam)
Custodian HSBC Trustee