

7 July 2010

**Aseana Properties Limited
("Aseana")**

Aseana to acquire Kuala Lumpur hotel

Aseana Properties Limited (LSE: ASPL), a leading property developer investing in Malaysia and Vietnam, listed on the official list of the London Stock Exchange, announces that it has entered into a Sale and Purchase Agreement ("SPA") through a wholly-owned subsidiary, to acquire a four-star business hotel in Kuala Lumpur, from Excellent Bonanza Sdn. Bhd. ("EBSB"), at a consideration of 112.5% of the total development cost. The consideration is expected to be in the region of RM217 million (approx. US\$66 million), with a RM9 million deposit payable on signing the SPA, while the balance is payable upon issuance of certification of completion for the hotel [by the relevant authorities]. The SPA has been entered into as a result of Aseana exercising its call option to purchase the hotel, pursuant to a Call and Put Option Agreement.

The hotel which will provide 482 rooms with a gross floor area of approx. 350,000 sq ft, is currently under construction and is expected to be completed by the second half of 2012. Aseana is currently in advance negotiations with Starwood Hotel and Resorts Worldwide, Inc. to manage the hotel under its '*aloft*' brand.

EBSB is the developer of two office towers and a four-star business hotel at Lot G, Kuala Lumpur Sentral with a combined gross floor area of approx. 1.2 million sq ft. The two office towers were earlier sold to an Asian real estate fund. EBSB is 60% owned by Malaysian Resources Corporation Berhad and 40% by Aseana.

The hotel is strategically located in Kuala Lumpur Sentral, an exclusive urban centre built around Malaysia's largest transit hub, supporting six rail networks, including the Kuala Lumpur International Airport Express Rail Link, Light Rail Transit, Monorail Commuter and intercity services. It is close to Kuala Lumpur's Central Business District with direct links to the major arterial roads of Kuala Lumpur and a number of major highways. A city-within-a-city, Kuala Lumpur Sentral development encompasses luxury condominiums, corporate office towers and business suites, a shopping mall and premier hotels including the five-star Hilton Kuala Lumpur and Le Meridien Kuala Lumpur. The prime office towers are occupied by multinational companies, Government agencies and local companies including General Electric, British Telecom, Maxis, Samsung, PricewaterhouseCoopers, Cisco Systems, UEM Berhad, Malaysian Industrial Development Authority and Companies Commission of Malaysia. Ongoing and future developments will see more major names establishing offices in Kuala Lumpur Sentral which among others include the new corporate headquarters for CIMB Investment Bank and Shell Group and the luxury St. Regis hotel and residences.

Commenting on this latest acquisition, Dato' Mohammed Azlan bin Hashim, Chairman of Aseana Properties, said:

"This is an excellent opportunity for Aseana to continue its participation in KL Sentral, which is a significant transportation hub for Kuala Lumpur and now a proven location for both office and hotel developments. The KL Sentral area is location to 2 five-star hotels, one of which is a top performing five-star hotel in Kuala Lumpur. We believe a four-star hotel, managed by a recognised international hotel operator, will complement the current five-star hotels in KL Sentral. It will capture demand from business and leisure travellers who are more cost conscious, but at the same time appreciate a location that is easily accessible from anywhere around the city and Malaysia's premier air gateway, the Kuala Lumpur International Airport."

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Notes to Editors:

London-listed Aseana Properties Limited (LSE: ASPL) ("Aseana" or "the Company"), is a property developer in Malaysia and Vietnam.

Aseana typically invests in development projects at pre-construction stage. Investment is made in projects where it is believed there will be a minimum 30% annualised return on equity ("ROE") on investments in Vietnam and a minimum 20% ROE on investments in Malaysia.

Ireka Development Management Sdn Bhd ("IDM") is the exclusive Development Manager for Aseana. It is a wholly-owned subsidiary of Ireka Corporation Berhad, a company listed on the Bursa Malaysia since 1993, which has over 40 years experience in construction and property development. IDM is responsible for the day-to-day management of Aseana's property portfolio and the introduction and facilitation of new investment opportunities.

Fundamentals of Malaysia and Vietnam remain strong for future growth, especially with indications pointing to strong growth in emerging markets this year. In particular, the real estate sectors are likely to flourish due to:

- An increasing standard of living and urbanisation driven by a burgeoning young and middle-class population
- Clear government role in encouraging participation of private sectors in real estate development, as well as encouraging and promoting land and property ownership
- Improving availability of mortgages to encourage property ownership
- Favoured Foreign Direct Investment ("FDI") destinations driving demand for commercial and industrial properties