

20 November 2012

**Aseana Properties Limited**  
(“Aseana”, the “Company” or the “Group”)

**Interim Management Statement and Quarterly Investor Update**

Aseana Properties Limited (LSE: ASPL), a property developer in Malaysia and Vietnam, listed on the Main Market of the London Stock Exchange, today issues the following Interim Management Statement for the period 1 July 2012 to 19 November 2012.

The Company has also issued its Quarterly Investor Update for the three months ended 30 September 2012, a copy of which can be obtained from Aseana's website at: <http://www.aseanaproperties.com/quarterly.htm>.

**Financial highlights:**

- Unaudited revenue of US\$26.14 million for the nine month period ended 30 September 2012 (30 September 2011: US\$192.25 million)
- Unaudited loss before tax for the nine month period ended 30 September 2012 of US\$3.83 million (30 September 2011: profit of US\$19.78 million)
- Unaudited loss after tax for the nine month period ended 30 September 2012 of US\$5.83 million (30 September 2011: profit of US\$11.43 million)
- Unaudited total comprehensive expense of US\$2.76 million for the nine month period ended 30 September 2012 (30 September 2011: income of US\$7.24 million).
- Unaudited net asset value of US\$199.93 million at 30 September 2012 (30 June 2012 : US\$199.10 million) or US\$0.943 per share (30 June 2012: US\$0.939 per share)
- Unaudited realisable net asset value of US\$268.76 million at 30 September 2012 (30 June 2012: US\$257.66 million) or US\$1.268 per share (30 June 2012: US\$1.215 per share).

**Operational highlights:**

- Harbour Mall Sandakan (Phase 3) and Four Points by Sheraton Sandakan hotel (Phase 4) officially opened after successfully obtaining full Occupational Certificate for both on 17 October 2012.
- The sales of SENI Mont' Kiara have been affected by further tightening of credit for high-end condominium market.
- The sales launch of The RuMa Hotel & Residences (formerly 'KLCC Kia Peng Project') is planned for end November 2012 (residences units) and mid December 2012 (hotel suites). A Letter of Intent was signed with Urban Resort Concepts to operate The RuMa Hotel and the Management Agreement is expected to be signed by end November 2012.

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## Notes to Editors:

London-listed Aseana Properties Limited (LSE: ASPL) is a property developer investing in Malaysia and Vietnam.

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 45 years of 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.

## Commentary

For the nine months ended 30 September 2012, Aseana recorded unaudited revenue of US\$26.14 million, which was mainly attributable to sales of completed properties in SENI Mont' Kiara. No new developments were completed during the period.

The unaudited loss before tax, for the nine month period ended 30 September 2012, of US\$3.83 million was largely due to pre-opening expenses and operational loss recorded by Harbour Mall Sandakan and Four Point Sheraton Hotel Sandakan since opening.

The unaudited consolidated comprehensive expense for the nine months period ended 30 September 2012 was US\$2.76 million, which includes a gain on foreign currency translation differences for foreign operations of US\$3.07 million due to weakening of the US Dollar against the Malaysian Ringgit.

As at 30 September 2012, the unaudited net asset value ("NAV") of the Group was US\$199.93 million (US\$0.943 per share), slightly higher compared to US\$199.10 million as at 30 June 2012 (US\$0.939 per share).

As at 30 September 2012, the unaudited realisable net asset value ("RNAV") of the Group stood at US\$268.76 (US\$1.268 per share), compared to US\$257.66 million (US\$1.215 per share) as at 30 June 2012. The change in value is mainly due to the weakening of the US Dollar against the Malaysian Ringgit. The market value of all projects in their respective local currencies remained unchanged from the 30 June 2012 valuation levels.

The cash and cash equivalent of the Group stood at US\$17.36 million, as at 30 September 2012, (30 June 2012: US\$19.59 million). The cash placed in fixed deposits and money market funds (classified under held-for-trading financial instrument) stood at US\$12.63 million, as at 30 September 2012, compared to US\$16.17 million, as at 30 June 2012. The lower cash and cash equivalents are mainly attributable to planned deployment of capital for on-going projects. In view of tight credit conditions in Vietnam and the Group's cash requirements for its pipeline projects, Aseana will continue with its current strategy for managing its cash balances.

## Performance Summary

	<b>Period ended 30 September 2012 (unaudited)</b>	<b>Period ended 30 September 2011 (unaudited)</b>
(Loss) / Profit before tax (US\$ m)	(3.83)	19.78
(Loss) / Profit after tax (US\$ m)	(5.83)	11.43
Total comprehensive (loss)/ income (US\$ m)	(2.76)	7.24
	<b>Period ended 30 September 2012 (unaudited)</b>	<b>Half year ended 30 June 2012 (unaudited)</b>
Net asset value ("NAV") (US\$ m)	199.93	199.10
NAV per share (US\$) <sup>1</sup>	0.943	0.939
Realisable net asset value ("RNAV") (US\$ m) <sup>4</sup>	268.76	257.66

RNAV per share (US\$) <sup>1</sup>	1.268	1.215
Cash and bank equivalents (net of bank overdrafts) (US\$ m)	17.36	19.59
Debt-to-equity ratio (%) <sup>2</sup>	63.84	58.30
Net debt-to-equity ratio (%) <sup>3</sup>	54.59	45.95

Notes:

- <sup>1</sup> NAV per share and RNAV per share are calculated based on 212,025,000 voting share capital
- <sup>2</sup> Debt-to-equity ratio = (Total Borrowings ÷ Total Equity) x 100%
- <sup>3</sup> Net debt-to-equity ratio = (Total Borrowings less Cash and Cash Equivalent and Held-for-trading Financial Instrument ÷ Total Equity) x 100%
- <sup>4</sup> Aseana has valued each project based on either NAV (using cost or fair value basis) or market values (using discounted cash flow method or residual/comparison method) for the RNAV calculation. NAV and RNAV contribution of each project are listed below:

<b>Projects</b>	<b>Project NAV as at 30 September 2012 US\$ m (unaudited)</b>	<b>Project RNAV as at 30 September 2012 US\$ m (unaudited)</b>
<i>Malaysian projects:</i>		
Tiffani by i-ZEN	2.01	2.01 <sup>1</sup>
1 Mont' Kiara by i-ZEN	12.45	18.26 <sup>2</sup>
Sandakan Harbour Square	27.03	38.84 <sup>4</sup>
SENI Mont' Kiara	80.26	87.36 <sup>3</sup>
KL Sentral Office Towers & Hotel	0.59	7.63 <sup>3</sup>
Aloft Kuala Lumpur Sentral hotel	4.35	4.35 <sup>1</sup>
The RuMa Hotel & Residences ( <i>formerly 'KLCC Kia Peng Project'</i> )	10.60	10.60 <sup>1</sup>
Kota Kinabalu Seafront Resort and Residences	13.14	17.21 <sup>4</sup>
<i>Vietnamese projects:</i>		
International Hi-Tech Healthcare Park	18.51	51.51 <sup>4</sup>
Equity investment in Nam Long	22.06 <sup>5</sup>	22.06 <sup>5</sup>
Waterside Estates	8.65	8.65 <sup>1</sup>
Tan Thuan Dong Project	0.62	0.62 <sup>1</sup>
Queen's Place	0.97	0.97 <sup>1</sup>
<b>Total Project NAV / RNAV</b>	<b>201.24</b>	<b>270.07</b>
<i>Cash and bank</i> <sup>6</sup>	<i>0.44</i>	<i>0.44</i>
<i>Other assets &amp; liabilities</i>	<i>(1.75)</i>	<i>(1.75)</i>
<b>Total NAV / RNAV</b>	<b>199.93</b>	<b>268.76</b>

Notes:

- 1 Projects carried at cost.
- 2 Manager's best estimate pending account finalisation.
- 3 Market value based on the valuation prepared on discounted cash flows by international independent valuers as at 30 June 2012, which excludes any taxes; whether corporate, personal, real property or otherwise, that are payable. These Market values are further adjusted for assumed taxes by the Manager.
- 4 Market values based on residual/comparison method of land value by international independent valuers.
- 5 Fair value determined with reference to the latest transacted price paid by a new investor and comparable companies.
- 6 Relating to cash and cash equivalent solely at Aseana company level.
- 7 Please see Valuation Methodology for further information.

**Property Portfolio Highlights***Malaysia*

The grand opening ceremony of both Harbour Mall Sandakan and Four Points by Sheraton Sandakan Hotel was held on 20 October 2012. To date, occupancy rate at the mall stands at 41%, with notable tenants such as Parkwell, McDonalds, Levi's, Guardian and The Body Shop. Four Points by Sheraton Sandakan Hotel which was soft-opened for business in May 2012, has achieved an average occupancy rate in October 2012 of approximately 41% based on available rooms, with an average daily room rate of RM201 (US\$66) per day.

Sales at SENI Mont' Kiara have been affected by further tightening of credit for the high-end condominium market. The lengthy process for purchasers, of securing finance has resulted in slow sales and cash collection. In those cases where financing is unavailable, buyers have aborted their purchases. The Manager continues to work closely with buyers and financiers to resolve issues in order that the sales can be completed.

Of the 83% sales recorded for SENI Mont Kiara, approximately 5.8% (35 units) relates to a block sale to a single purchaser. Completion of that sale is subject to the purchaser securing debt finance to fund part of the proceeds and as a consequence, the Board and the Manager do not expect the transaction to complete by 30 November 2012. In the event that the purchaser is not able to secure the necessary debt finance, it is possible that they will abort the purchase of some or all of the units.

Although sales at SENI Mont Kiara have been significantly slower than was originally expected, the Manager will continue vigorously to pursue sales and has a number of initiatives to increase sales including:

1. widespread marketing of smaller blocks of units with associated incentives relating to both price and limited rental guarantees; and
2. continued marketing of individual units to the domestic Malaysian and foreign markets.

During the period under review, Aseana has successfully received approval of building plans for The RuMa Hotel & Residences project (*formerly "KLCC Kia Peng Project"*). The RuMa Hotel & Residences is a 42-storey mixed development consisting of 200 units of serviced apartments and 253 hotel suites. On 22 June 2012, Aseana signed the Letter of Intent with Urban Resort Concepts to operate the RuMa Hotel and expect to sign the Management Agreement by end November 2012.

*Vietnam*

Pilling and sub-structure work for three villa show units at the Waterside Estates were completed at the end of October 2012. The private preview of Waterside Estates Phase 1 (37 villas), originally planned for November 2012, is now reschedule to Q1 2013 due to weak market sentiment.

## Sales Update as at 31 October 2012

Projects	% sold*
Tiffani by i-ZEN	96%
SENI Mont' Kiara (Please refer to table below)	83%
Kuala Lumpur Sentral Office Towers & Hotel	100%

\* Based on sales and purchase agreements signed. Please see Snapshot of Property Portfolio below for further information on existing investments.

<i>SENI Mont' Kiara sales breakdown as at 31 October 2012</i>	<i>No. of units</i>	<i>%</i>
SPA signed & proceeds received	452	75%
SPA signed conditional on financing	50	8%
Unsold	103	17%
<b>Total</b>	<b>605</b>	<b>100%</b>

## Construction Update as at 30 September 2012

### *Kuala Lumpur Sentral Office Towers & Hotel, Kuala Lumpur, Malaysia*

Construction of the office towers was completed in August 2012 with the Certificate of Completion and Compliance expected by end November 2012.

Architectural and M&E works are in progress at various levels for the hotel, with completion expected before the end of 2012.

### *Phase 1: City International Hospital, International Hi-Tech Healthcare Park, Ho Chi Minh City, Vietnam*

Architectural and M&E works are in progress at various levels with completion expected before the end of 2012. The Hospital is due to open in Q2 2013.

## Snapshot of Property Portfolio

### *Tiffani by i-ZEN, Kuala Lumpur, Malaysia*

399 units of luxury condominiums within two 28-storey blocks and a 36-storey block

Expected GDV: US\$124 million

Effective Ownership: 100%

Project NAV as at 30/9/2012: US\$2.01 million

Project RNAV as at 30/9/2012: US\$2.01 million <sup>(1)</sup>

Status:

- Construction completed in August 2009
- 96% sold and target to achieve 100% sales by 2013

### *1 Mont' Kiara by i-ZEN, Kuala Lumpur, Malaysia*

Office suites, office tower and retail mall

Expected GDV: US\$166 million

Effective Ownership: 100%

Project NAV as at 30/9/2012: US\$12.45 million

Project RNAV as at 30/9/2012: US\$18.26 million <sup>(2)</sup>

Status:

- Construction completed in November 2010
- 100% sold

- Final payment of approximately US\$1 million subject to issuance of strata titles expected by Q1 2013

***Sandakan Harbour Square, Sandakan, Sabah, Malaysia***

129 retail lots, Harbour Mall Sandakan, 300-room Four Points by Sheraton Sandakan hotel

Expected GDV: US\$170 million

Effective Ownership: 100%

Project NAV as at 30/9/2012: US\$27.03 million

Project RNAV as at 30/9/2012: US\$38.84 million <sup>(4)</sup>

Status:

- Retail lots: Construction completed and 100% sold
- Harbour Mall Sandakan and Four Points by Sheraton Sandakan hotel: Construction completed in Q1 2012 and commenced operation in Q2 2012
- Planned sale by year 2015

***SENI Mont' Kiara, Kuala Lumpur, Malaysia***

605 units of luxury condominiums within two 12-storey and two 40-storey blocks

Expected GDV: US\$490 million

Effective Ownership: 100%

Project NAV as at 30/9/2012: US\$80.26 million

Project RNAV as at 30/9/2012: US\$87.36 million <sup>(3)</sup>

Status:

- Construction completed in April 2011 (Phase 1) and October 2011 (Phase 2)
- 83% sold
- Targeted sales: 85% by end of 2012, 100% by 2013

***Kuala Lumpur Sentral Office Towers & Hotel, Kuala Lumpur, Malaysia***

Two office towers and a business-class hotel

Expected GDV: US\$256 million

Effective Ownership: 40%

Project NAV as at 30/9/2012: US\$0.59 million

Project RNAV as at 30/9/2012: US\$7.63 million <sup>(3)</sup>

Status:

- 100% sold
- Expected completion of construction in Q4 2012
- Full payment expected in Q1 2013

***Aloft Kuala Lumpur Sentral hotel, Kuala Lumpur, Malaysia***

482-room business-class hotel

Expected acquisition cost: US\$89 million

Effective Ownership: 100%

Project NAV as at 30/9/2012: US\$4.35 million

Project RNAV as at 30/9/2012: US\$4.35 million <sup>(1)</sup>

Status:

- Management agreement signed with Starwood
- Target completion and opening in Q1 2013
- Planned sale by year 2014

***The RuMa Hotel & Residences Project, Kuala Lumpur, Malaysia  
(Formerly 'KLCC Kia Peng Project')***

200 luxury residences and a 253-room boutique hotel

Expected GDV: US\$197 million

Effective Ownership: 70%

Project NAV as at 30/9/2012: US\$10.60 million

Project RNAV as at 30/9/2012: US\$10.60 million <sup>(1)</sup>

Status:

- Detailed project planning in final stage
- Construction and sales launch targeted for Q4 2012
- Off-plan sales for residences; off-plan sales and leaseback for hotel suites
- Completion expected in 2016

***Seafront resort and residential development, Kota Kinabalu, Sabah, Malaysia***

Boutique resort hotel, villas and homes on 80 acres

Expected GDV: US\$170 million  
Effective Ownership (Resort villas and hotel): 100%  
Effective Ownership (Resort homes): 80%  
Project NAV as at 30/9/2012: US\$13.14 million  
Project RNAV as at 30/9/2012: US\$17.21 million <sup>(4)</sup>  
Status:

- The Board has decided to delay the commencement of this project.

***International Hi-Tech Healthcare Park, Binh Tan District, Ho Chi Minh City, Vietnam***

37 hectares of commercial and residential development with healthcare theme

Expected GDV: US\$670 million  
Effective Ownership: 66.4%  
Project NAV as at 30/9/2012: US\$18.51 million  
Project RNAV as at 30/9/2012: US\$51.51 million <sup>(4)</sup>  
Status:

- Phase 1: City International Hospital (“CIH”) to be managed by Parkway Holdings Limited
- Expected completion of construction for CIH in Q4 2012 and business commencement in 2013. Planned sale by year 2016
- Other parcels of land to be developed or sold on as-is basis

***Equity Investment in Nam Long Investment Corporation, Ho Chi Minh City, Vietnam***

Private equity investment  
Effective Ownership: 16.4%  
Project NAV as at 30/9/2012: US\$22.06 million <sup>(5)</sup>  
Project RNAV as at 30/9/2012: US\$22.06 million <sup>(5)</sup>  
Status:

- Commenced documentation process for IPO and listing on HCMC Stock Exchange
- Targeted listing by 2013, subject to market conditions

***Waterside Estates, District 9, Ho Chi Minh City, Vietnam***

37 villas and 460 units within high-rise apartments

Expected GDV: US\$100 million  
Effective Ownership: 55%  
Project NAV as at 30/9/2012: US\$8.65 million  
Project RNAV as at 30/9/2012: US\$8.65 million <sup>(1)</sup>  
Status:

- Investment License received in November 2011
- Construction and sales launch targeted in Q1 2013 for Phase 1 (Villas) and in Q4 2013 for Phase 2 (Apartments), subject to market conditions
- Expected completion of construction in 2016

***Tan Thuan Dong Project, District 7, Ho Chi Minh City, Vietnam***

Two high-rise apartment towers with commercial facilities

Expected GDV: US\$91 million  
Effective Ownership: 80%  
Project NAV as at 30/9/2012: US\$0.62 million  
Project RNAV as at 30/9/2012: US\$0.62 million <sup>(1)</sup>  
Status:

- Commenced administrative process to exit project due to market condition

***Queen’s Place, District 4, Ho Chi Minh City, Vietnam***

Mixed residential, office and retail development

Expected GDV: US\$115 million  
Effective Ownership: 65%  
Project NAV as at 30/9/2012: US\$0.97 million  
Project RNAV as at 30/9/2012: US\$0.97 million <sup>(1)</sup>  
Status:

- The Board is currently reviewing the project with a view to exit if administrative delays continue to persist

Notes:

1. Projects carried at cost
2. Manager's best estimate pending account finalisation
3. Market value based on the valuation prepared on discounted cash flows by independent international valuers as at 30 June 2012, which excludes any taxes; whether corporate, personal, real property or otherwise, that are payable. These market values are further adjusted for assumed taxes by the Manager
4. Market values based on residual/comparison method of land value by international independent valuers
5. Fair value determined with reference to the latest transacted price paid by a new investor and comparable companies
6. All NAV and RNAV data is unaudited

*Exchange rate – 30 September 2012: US\$1:RM3.0581; US\$1:VND20,875; 30 June 2012: US\$1:RM3.1776; US\$1:VND20,890 (Source: Bank Negara Malaysia, State Bank of Vietnam)*

**Valuation Methodology**

The RNAV of the Company as at 30 September 2012 has been computed by the Company based on the Company's management accounts for the period ended 30 September 2012 and the market values of the property portfolio as at 30 June 2012. The market value of the property portfolio is determined on a discounted cash flow basis, comparison method or residual method on land values by an independent firm of valuers. The market values, exclude any taxes; whether corporate, personal, real property or otherwise, that are payable.

The valuations by independent firm of valuers have been performed in accordance with the International Valuation Standards ("IVS") or in accordance with the Royal Institution of Chartered Surveyor Guidelines ("RICS").

In arriving at the RNAV of the Company, Aseana has made assumptions on potential taxes deductible from market values, where applicable. These may include corporate income tax, real property gains tax or any transactional taxes, where applicable.