

**18 May 2012**

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

**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 January 2012 to 17 May 2012.

The Company has also issued its Quarterly Investor Update for the quarter ended 31 March 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\$7.47 million for the three months period ended 31 March 2012 (31 March 2011 (unaudited): US\$3.62 million)
- Unaudited loss before tax for the three months period ended 31 March 2012 of US\$1.80 million (31 March 2011 (unaudited): loss of US\$2.54 million)
- Unaudited loss after tax for the three months period ended 31 March 2012 of US\$1.92 million (31 March 2011 (unaudited): loss of US\$2.82 million)
- Gain on foreign currency translation differences for foreign operations of US\$3.26 million (31 March 2011 (unaudited): loss of US\$0.25 million) attributable to the weakening of the US Dollar against the Malaysian Ringgit
- Unaudited consolidated comprehensive income of US\$1.34 million for the three months period ended 31 March 2012 (31 March 2011 (unaudited): expense of US\$3.07 million)
- Unaudited net asset value of US\$204.66 million at 31 March 2012 (31 December 2011 (audited): US\$203.37 million) or US\$0.965 per share\* (31 December 2011 (audited): US\$0.957 per share)
- Unaudited realisable net asset value of US\$251.49 million at 31 March 2012 (31 December 2011 (unaudited): US\$247.23 million) or US\$1.186 per share\* (31 December 2011 (unaudited): US\$1.163 per share), the increase is mainly attributable to the weakening of the US Dollar against the Malaysian Ringgit. The market value of all projects in their respective local currency remained unchanged from the 31 December 2011 valuation levels
- Completed a limited share buy-back programme of 500,000 ordinary shares, now held as treasury shares

**Operational highlights:**

- Successfully completed the construction of Harbour Mall Sandakan (Phase 3) with the Partial Occupational Certificate received in March 2012 and Four Points by Sheraton Sandakan hotel (Phase 4) expected to complete in Q2 2012; both properties are situated in Sandakan Harbour Square, Sandakan, Malaysia and targeted to commence operation in Q2 2012
- Secured an 8-year syndicated term loan of US\$43.3 million to part finance the development of City International Hospital at the International Hi-Tech Healthcare Park, Ho Chi Minh City, Vietnam, which will be drawn down progressively during 2012/2013

- KLCC Kia Peng Project in Kuala Lumpur, Malaysia received its development order approval in March 2012 and sales launch and construction expected to commence in Q4 2012
- Further sales at SENI Mont' Kiara; 79% of development sold at 30 April 2012 (31 January 2012: 71%)

\* NAV per share and RNAV per share as at 31 March 2012 are calculated based on 212,025,000 voting share capital (31 December 2011: 212,525,000 ordinary shares).

For further information:

**Aseana Properties Limited**  
Chan Chee Kian

Tel: +603 6411 6388  
Email: [cheekian.chan@ireka.com.my](mailto:cheekian.chan@ireka.com.my)

**Murphy Richards Capital LLP**  
Paul Richards / Rachel Rees

Tel: 020 3214 9930  
Email: [paul@murphy-richards.com](mailto:paul@murphy-richards.com)

**Panmure Gordon (UK) Limited**  
Richard Gray / Andrew Potts

Tel: 020 7459 3600  
Email: [andrew.potts@panmure.com](mailto:andrew.potts@panmure.com)

**Tavistock Communications**  
Jeremy Carey / James Verstringhe

Tel: 020 7920 3150  
Email: [jcarey@tavistock.co.uk](mailto:jcarey@tavistock.co.uk)

#### **Notes to Editors:**

London-listed Aseana Properties Limited (LSE: ASPL) ("Aseana") is a property developer investing 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 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 three months ended 31 March 2012, Aseana and its group of companies (the “Group”) recorded revenue of US\$7.47 million and a loss before tax of US\$1.80 million. The revenue was attributable to the sale of completed properties in SENI Mont’ Kiara. No new developments were completed during the quarter.

Unaudited consolidated comprehensive income for the three months period ended 31 March 2012 was US\$1.34 million due to a gain on foreign currency translation differences for foreign operations of US\$3.26 million attributable to the weakening of the US Dollar against the Malaysian Ringgit.

As a result, the unaudited net asset value (“NAV”) of the Group as at 31 March 2012 increased to US\$204.66 million (US\$0.965 per share), from US\$203.37 million as at 31 December 2011 (US\$0.957 per share).

As at 31 March 2012, the unaudited realisable net asset value (“RNAV”) of the Group stood at US\$251.49 million (US\$1.186 per share), compared to US\$247.23 million (US\$1.163 per share) (unaudited) as at 31 December 2011. The market value of all projects in its respective local currency remained unchanged from the 31 December 2011 valuation levels.

The cash and cash equivalent of the Group stood at US\$20.93 million as at 31 March 2012 (31 December 2011: US\$32.61 million). The cash invested in money market funds (classified under held-for-trading financial instrument) stood at US\$16.23 million as at 31 March 2012, compared to US\$21.38 million as at 31 December 2011. The lower cash and cash equivalents and held-in-trading financial instrument are mainly attributable to planned deployment of capital for on-going projects.

## Performance Summary

	<b>Period ended 31 March 2012 (unaudited)</b>	<b>Period ended 31 March 2011 (unaudited)</b>
Loss before tax (US\$ m)	(1.80)	(2.54)
Loss after tax (US\$ m)	(1.92)	(2.82)
Total comprehensive income / (expense) (US\$ m)	1.34	(3.07)

  

	<b>Period ended 31 March 2012 (unaudited)</b>	<b>Year ended 31 December 2011 (audited)</b>
Net asset value (“NAV”) (US\$ m)	204.66	203.37
NAV per share (US\$) <sup>1</sup>	0.965	0.957
Realisable net asset value (“RNAV”) (US\$ m) <sup>4</sup>	251.49	247.23
RNAV per share (US\$) <sup>1</sup>	1.186	1.163
Cash and bank equivalents (net of bank overdrafts) (US\$ m)	20.93	32.61
Debt-to-equity ratio (%) <sup>2</sup>	62.85	60.69
Net debt-to-equity ratio (%) <sup>3</sup>	45.18	34.69

Notes:

- <sup>1</sup> NAV per share and RNAV per share as at 31 March 2012 are calculated based on 212,025,000 voting share capital (31 December 2011: 212,525,000 ordinary shares)
- <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 net asset value (using cost or fair value basis) or market values (using discounted cash flow method or residual/comparison method) for the RNAV calculation. RNAV data is unaudited. NAV and RNAV contribution of each project are listed below:

<b>Projects</b>	<b>Project NAV as at 31 March 2012 US\$ m (unaudited)</b>	<b>Project RNAV as at 31 March 2012 US\$ m (unaudited)</b>
<i>Malaysian projects:</i>		
Tiffani by i-ZEN	2.62	2.62 <sup>1</sup>
1 Mont' Kiara by i-ZEN	13.47	18.22 <sup>2</sup>
Sandakan Harbour Square	29.48	33.97 <sup>3</sup>
SENI Mont' Kiara	80.25	86.33 <sup>3</sup>
KL Sentral Office Towers & Hotel	0.65	7.19 <sup>3</sup>
Aloft Kuala Lumpur Sentral hotel	4.36	4.36 <sup>1</sup>
KLCC Kia Peng Project	9.07	9.07 <sup>1</sup>
Kota Kinabalu Seafront Resort and Residences	13.10	17.17 <sup>4</sup>
<i>Vietnamese projects:</i>		
International Hi-Tech Healthcare Park	18.47	39.37 <sup>4</sup>
Equity investment in Nam Long	22.53 <sup>5</sup>	22.53 <sup>5</sup>
Tan Thuan Dong Project	0.90	0.90 <sup>1</sup>
Phuoc Long B Project	8.99	8.99 <sup>1</sup>
Queen's Place	0.97	0.97 <sup>1</sup>
<b>Total Project NAV / RNAV</b>	<b>204.86</b>	<b>251.69</b>
<i>Cash and bank</i> <sup>6</sup>	<i>1.68</i>	<i>1.68</i>
<i>Other assets &amp; liabilities</i>	<i>(1.88)</i>	<i>(1.88)</i>
<b>Total NAV / RNAV</b>	<b>204.66</b>	<b>251.49</b>
<b>NAV / RNAV per share (US\$)</b>	<b>0.965</b>	<b>1.186</b>

Notes:

- <sup>1</sup> Projects carried at cost.
- <sup>2</sup> Manager's best estimate pending account finalisation.
- <sup>3</sup> Market value based on the valuation prepared on discounted cash flows by international independent valuers as at 31 December 2011, 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.
- <sup>4</sup> Market values based on residual/comparison method of land value by international independent valuers.
- <sup>5</sup> Fair value determined with reference to the latest transacted price paid by a new investor and comparable companies.
- <sup>6</sup> Relating to cash and cash equivalent solely at Aseana company level.
- <sup>7</sup> Please see Valuation Methodology for further information.

## Property Portfolio Highlights

### *Malaysia*

During the quarter under review, Aseana's sale of ongoing development units is progressing well. As at end of April 2012, sales of SENI Mont' Kiara had advanced to 79%, compared to 71% in January 2012 with sales and purchase agreements signed. The Company is also pleased to announce that all 129 retail lots for Sandakan Harbour Square Project (Phases 1 and 2) have been sold.

On 13 March 2012, Aseana received the formal Development Order approval for 200 units of luxury residences and a 263-room boutique hotel for KLCC Kia Peng Project. The residences mostly consist of small apartments that will be marketed as an affordable luxury for buyers. It is also intended that the hotel suites be pre-sold on a sale and leaseback basis and operated under an international brand. Detailed project planning is now in its final stage with sales launch and construction targeted for Q4 2012.

Aseana achieved a significant milestone by completing the Harbour Mall Sandakan in March 2012. Leasing activities to both local and international retailers are currently ongoing, with notable tenants such as Parkwell Departmental Store and Supermarket, Levi's, The Body Shop, Watsons, GNC, Tomei and Guardian amongst others. Meanwhile, the construction of the Four Points by Sheraton Sandakan hotel is targeted for completion in Q2 2012. Both Harbour Mall Sandakan and Four Points by Sheraton Sandakan hotel are situated in Sandakan Harbour Square, Sandakan and are targeted to commence operation in Q2 2012.

### *Vietnam*

The Phuoc Long B project is currently undergoing detailed planning following the award of Investment License in November last year. Phase 1 of 37 villas is targeted for sales launch and construction in Q3 2012.

## Sales Update as at 30 April 2012

Projects	% sold*
Tiffani by i-ZEN	96%
1 Mont' Kiara by i-ZEN	100%
Sandakan Harbour Square	
- Phase 1 retail lots (61 units)	100%
- Phase 2 retail lots (68 units)	100%
SENI Mont' Kiara	79%
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.*

## **Construction Update as at 30 April 2012**

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

Construction works for the Harbour Mall Sandakan completed with Partial Occupational Certificate received in March 2012

Architectural and M&E works for Four Points by Sheraton Sandakan hotel in progress at various levels, with expected completion in Q2 2012.

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

Slab works in progress at Level 43 for the office towers and structural works in progress at Level 34 for the hotel.

Architectural and M&E works in progress at various levels for both the office towers and hotel, with expected completion in Q4 2012.

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

Structural works completed.

Architectural and M&E works in progress at various levels with completion expected in Q4 2012.

## **Snapshot of Property Portfolio**

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

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

Expected GDV: US\$124 million

Effective Ownership: 100%

Project NAV as at 31/3/2012: US\$2.62 million

Project RNAV as at 31/3/2012: US\$2.62 million <sup>(1)</sup>

Status:

- Construction completed in August 2009
- 96% sold and target to achieve 100% sales by end 2012

### ***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 31/3/2012: US\$13.47 million

Project RNAV as at 31/3/2012: US\$18.22 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 end 2012

***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 31/3/2012: US\$29.48 million

Project RNAV as at 31/3/2012: US\$33.97 million <sup>(3)</sup>

Status:

- Retail lots: Construction completed and 100% sold
- Harbour Mall Sandakan: Construction completed in March 2012 and expected opening in Q2 2012
- Four Points by Sheraton Sandakan hotel: Expected completion of construction and opening in Q2 2012
- Planned sale in year 2015 upon stabilisation

***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 31/3/2012: US\$80.25 million

Project RNAV as at 31/3/2012: US\$86.33 million <sup>(3)</sup>

Status:

- Construction completed in April 2011 (Phase 1) and October 2011 (Phase 2)
- 79% sold
- Targeted sales: 90% 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 31/3/2012: US\$0.65 million

Project RNAV as at 31/3/2012: US\$7.19 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 31/3/2012: US\$4.36 million

Project RNAV as at 31/3/2012: US\$4.36 million <sup>(1)</sup>

Status:

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

***KLCC Kia Peng Project, Kuala Lumpur, Malaysia***

200 luxury residences and a 263-room boutique hotel

Expected GDV: US\$197 million

Effective Ownership: 70%

Project NAV as at 31/3/2012: US\$9.07 million

Project RNAV as at 31/3/2012: US\$9.07 million <sup>(1)</sup>

Status:

- Development order approval received in March 2012. 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 & 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 31/3/2012: US\$13.10 million

Project RNAV as at 31/3/2012: US\$17.17 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 31/3/2012: US\$18.47 million

Project RNAV as at 31/3/2012: US\$39.37 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
- Sales of CIH upon stabilisation expected in 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 31/3/2012: US\$22.53 million <sup>(5)</sup>

Project RNAV as at 31/3/2012: US\$22.53 million <sup>(5)</sup>

Status:

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

***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 31/3/2012: US\$0.90 million

Project RNAV as at 31/3/2012: US\$0.90 million <sup>(1)</sup>

Status:

- Investment License received in December 2011
- Expected to commence sales launch and construction in Q4 2012
- Completion of construction expected in 2016

***Phuoc Long B Project, 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 31/3/2012: US\$8.99 million

Project RNAV as at 31/3/2012: US\$8.99 million <sup>(1)</sup>

Status:

- Investment License received in November 2011
- Construction and sales launch targeted in Q3 2012 for Phase 1 (Villas) and in 2013 for Phase 2 (Apartments)
- Expected completion of construction in 2016

***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 31/3/2012: US\$0.97 million

Project RNAV as at 31/3/2012: US\$0.97 million <sup>(1)</sup>

Status:

- Resettlement planning underway
- The Board is currently reviewing the project with a view of exiting 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 international independent valuers as at 31 December 2011, 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 – 31 March 2012: US\$1:RM3.0647; US\$1:VND20,835; 31 December 2011: US\$1:RM3.1686; US\$1:VND21,033 (Source: Bank Negara Malaysia, State Bank of Vietnam)*

## **Valuation Methodology**

The Realisable Net Asset Value of the Company as at 31 March 2012 has been computed by the Company based on the Company's management accounts for the period ended 31 March 2012 and the Market Values of the property portfolio as at 31 March 2012 and 31 December 2011. 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, excluded 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 Realisable Net Asset Value of the Company, the Company have 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.