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SAVILLS VIETNAM REPORT ON NHA TRANG REAL ESTATE MARKET

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1H/2015

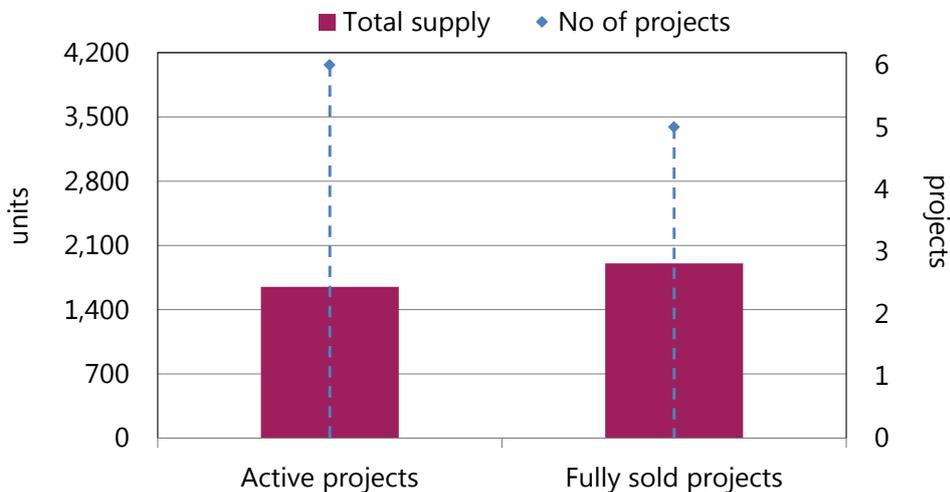
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1. APARTMENT SECTOR

Supply

In 1H/2015, three new projects entered the market, adding more than 1,150 units. There are now approximately 3,550 units from 11 projects. Six active projects supplied 1,649 units and were 60% sold. The remaining stock was fully sold. Sixty percent of stock was developed as studios or 1-bedrooms with sizes of 32-50m². Two bedrooms account for approximately 36 percent.

Figure 1 - Current supply



Source: Savills Research & Consultancy

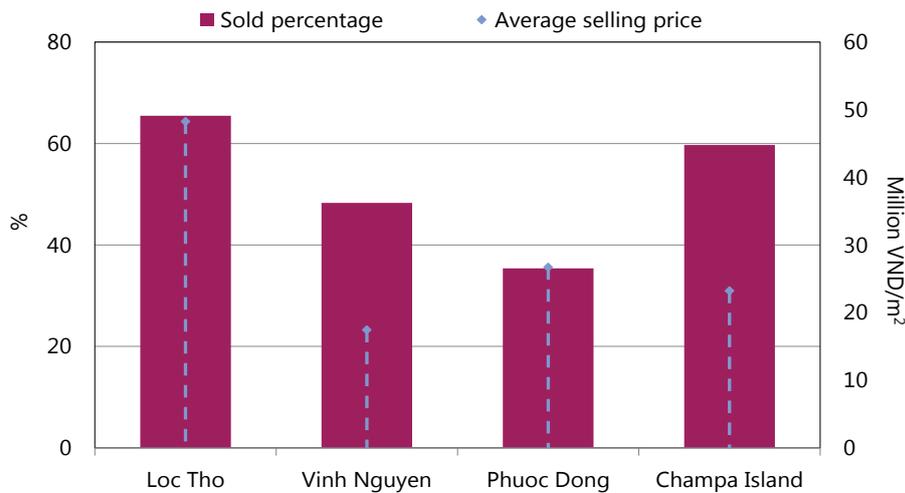
Savills Vietnam

Savills Vietnam is the largest and most experienced real estate practice with offices in Hanoi and Ho Chi Minh City. The company provides comprehensive property services such as: Residential Sales, Commercial Leasing, Residential Leasing, Research & Consultancy, Valuation & Feasibility Study, Banking & Corporate Services, Investment Brokerage & Advisory, Retail Consultancy & Leasing, Property & Asset Management, Tenant Advisory & Representation, Industrial Consultancy & Leasing, Marketing & Creative services. Savills Vietnam has won the Asia Pacific Property Awards 2015 - 2016 for **“Best Real Estate Agency in Vietnam”**, and **“Best Property Consultancy in Vietnam”**. 2015 is also a milestone for Savills Vietnam when the company celebrates its 20 years of operations and growth with the Vietnam market. Currently, Savills Vietnam consists of over 1,000 experienced and professional staff nationwide.

Performance

Projects in Loc Tho had the best performance with an average selling price of VND48 million/m²; 65% of projects were sold. All projects are located on Tran Phu Street and have professional management and good facilities. Buyers are from HCMC and Ha Noi or are foreigners.

Figure 2 - Performance by location



Source: Savills Research & Consultancy

Demand

In the last five years, Khanh Hoa's tourism market has performed well. Annual expenditure grew by 20% and the annual growth rate of arrivals was 18%. The amended Housing Law allows foreigners to have a 50 year leasehold tenure for residential projects.

Outlook

At 1H/2015, there are nine future apartment projects supplying approximately 7,240 units. One project is currently under construction whilst the others are being planned or on hold.

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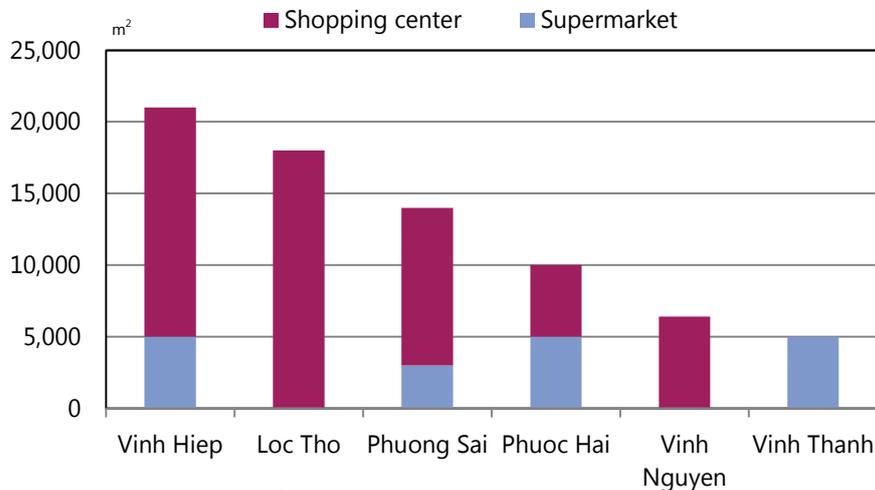
2. RETAIL SECTOR

Supply

At Q2/2015, there was more than 71,400 m² NLA from seven projects. Shopping centres had 76% market share, followed by supermarkets at 24 percent.

Nha Trang's retail market is still dominated by traditional and night markets. Four and 5-star hotels focus on up-scale retailers supplying handicraft, fashion and cosmetics.

Figure 1 - Current retail supply



Source: Savills Research & Consultancy

Performance

Nha Trang's retail market had an average occupancy of 93% and average rent of US\$27/m²/mth.

Four of seven active projects were fully occupied, prices ranged from US\$33/m²/mth to US\$40/m²/mth.

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Figure 2 - Performance



Demand

GDP in Nha Trang has grown at 7% over the last five years. During this period, GDP grew by 11% per year, it stood at US\$3,305 in 2014; 161% higher than the GDP per capita of Vietnam.

In the last three years, average retail sales revenue increased by 17% per annum, reaching US\$1.6 billion in 1H/2015. Revenue from tourism grew at 21% per year from 2010-2014, reaching US\$127million in 1H/2015.

Outlook

Seven future retail projects are either on hold or in planning. Modern retail centres will be found at only four centers.

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