

DWS Vietnam Fund Limited

**Condensed Consolidated Interim Unaudited Report
for the six months ended
30 June 2013**

Deutsche Asset Management
Deutsche Bank Group



DWS VIETNAM FUND LIMITED

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DWS VIETNAM FUND LIMITED

GENERAL INFORMATION

The following information is derived from and should be read in conjunction with the full text and definitions section of the Prospectus dated 17 November 2006.

DWS Vietnam Fund Limited (the “Company”) was incorporated in the Cayman Islands on 13 September 2006 under the Companies Law, Cap. 22 (Revised) of the Cayman Islands as an exempted company with limited liability.

The Company is a closed-end investment company, with an authorised share capital of US\$10,000,000 consisting of 1,000,000,000 shares of par value of US\$0.01 each. The Company is listed on the Irish Stock Exchange.

The Company’s assets are managed by the Investment Manager and its Sub-Investment Advisor as detailed below and are subject to the supervision of the Board. The Investment Manager may, in its discretion, appoint any number of Sub-Investment Advisors and Segregated Fund Managers. All investments made on behalf of the Company, whether by the Investment Manager or by a Segregated Fund Manager, comply with all investment objectives, policies and restrictions of the Company.

INVESTMENT MANAGEMENT ARRANGEMENTS

The Company is managed by Deutsche Asset Management (Asia) Ltd. (“DeAM Asia” or the “Investment Manager”) pursuant to the Investment Management Agreement (IMA), dated 15 November 2006. The Investment Manager makes investment decisions based on its knowledge of the Vietnamese securities and investment market in accordance with the investment policies, objectives and restrictions of the Company.

With effect from 30 April 2009 (“the effective date”), DeAM Asia the appointed discretionary investment manager of the DWS Vietnam Fund Limited, pursuant to its authority and discretion under the terms of the amended and restated IMA between DeAM Asia and the Company dated 14 February 2007, delegated certain of its investment management duties under this agreement to Duxton Asset Management Pte. Ltd (“Duxton”), a related party as detailed in Note 17.

Duxton is a specialist asset manager based in Singapore. There is no material change in the personnel responsible for the management of assets of the Company as the key staff of Duxton who carry out the investment management duties are former employees of DeAM Asia, including the core team previously responsible for the management of the Company. This delegation does not change the investment objectives of the Company. After the effective date, Duxton is entitled to appoint Segregated Fund Managers and Investment Advisors (as defined in the IMA and the Prospectus of the Company dated 20 February 2007). Consequently, PXP Vietnam Asset Management Limited has been appointed by Duxton to manage a portion of the investment cash.

Ultimate discretion over the assets of the Company remains with the Board of Directors who have delegated this function to DeAM Asia as the appointed discretionary investment manager under the terms of the IMA. There is no increment in the management fees payable by the Company and any fees due and payable to Duxton are paid by DeAM Asia. However, as disclosed in the Prospectus, the Company will be responsible for all out of pocket costs and expenses incurred by its manager, sub-managers and investment advisers, including Duxton.

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GENERAL INFORMATION CONT/D

CUSTODIAN

The Group has appointed State Street Custodial Services (Ireland) Limited as Custodian of its assets, other than its assets located in Vietnam or assets located in any other jurisdictions which require assets to be held by a local custodian, pursuant to the Custodian Agreement. The assets located in Vietnam and the other jurisdictions are held with a sub-Custodian in the local market. The Custodian and any sub custodian appointed by the Custodian provides safe custody for the Company's assets that can be legally held outside of Vietnam. The Investment Manager ensures that adequate custody arrangements have been entered into by any fund in which the assets of the Company are invested.

The Custodian, and any other duly appointed sub-custodian holds all assets of the Company received by the Custodian in accordance with the terms of the Custodian Agreement. Under the Custodian Agreement, the Custodian acknowledges that investments of the Company made in markets where custodial and/or settlement systems are not fully developed, such as Vietnam, and that the assets of the Company and its subsidiaries which are traded in such markets are required to be held by local sub-custodians operating and established in such jurisdictions.

ADMINISTRATOR

The Group has appointed State Street Fund Services (Ireland) Limited as Administrator pursuant to an agreement dated 10 November 2006.

DIVIDENDS

It is not the current intention of the Directors to pay dividends to the Shareholders.

SHARES

The Shares constitute the only class of shares in the Company. All Shares have the same rights, in relation to voting, dividends, return of share capital and other matters as set out in the Articles of Association.

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STATEMENT OF DIRECTORS' RESPONSIBILITIES IN ACCORDANCE WITH THE TRANSPARENCY DIRECTIVE 2004/109/EC

Each of the directors, whose names and functions are listed on page 49 in the 'Other Information' section of this report confirm that, to the best of each person's knowledge and belief:

- The condensed consolidated financial statements are prepared in accordance with the international accounting standards applicable to the interim financial reporting adopted pursuant to the procedure provided for under Article 6 of Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002 (i.e. IAS 34).
- The condensed consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group.
- The Investment Manager's report includes a fair review of the important events that have occurred during the first six months of the financial year, and their impact on the condensed set of financial statements, together with a description of the principal risks and uncertainties for the remaining six months of the financial year.
- The related party transactions are as disclosed in Note 17 of these financial statements.

On behalf of the Board of Directors

Director

Director

Date: 20 August 2013

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Investment Manager's Report for the six months ended 30 June 2013

NAV Update

The Net Asset Value ("NAV")¹ per share of the DWS Vietnam Fund ("Fund") as of 30th June 2013 was USD 0.5981, up 18.20% from USD 0.5060 as of 31st December 2012.

Economic Overview

GDP growth continued to show weak recovery – Vietnam's GDP in the first half of 2013 stood at approximately USD 71.40 billion (current prices), up 4.90% year on year (YoY) (2010 prices)². This growth rate is slightly lower than the 4.93% YoY growth for the same period last year. The Services sector continued to show the highest growth of 5.92% YoY, while Industry and Construction, which accounted for almost 40% of GDP, grew +5.18% YoY and Agriculture-Forestry-Aquaculture grew +2.07% YoY². Despite the government's efforts to spur growth, consumption and production remained weak, reflected in the Retail Sale and Industrial Production Index figures. Industrial Production for the first six months of the year grew 5.20% YoY, failing to show strong pickup, of which the Manufacturing sub-sector saw a stronger growth of 5.70%². Retail Sale and Services growth stood at 11.90% YoY compared to 19.50% a year ago². In order to see strong economic recovery, we would need to see stronger growth in Manufacturing and Construction sectors, the swing factors of GDP, which are closely driven by credit growth. As the Vietnam Asset Management Company is established in July 2013 (by the government to tackle non-performing bank loans), we would expect to see gradual improvements in credit growth starting from Q4 - 2013, boosting recovery in the Manufacturing and Construction sectors.

Inflation under control, allowing for further rate cuts – The normalisation of the inflation figure continued during the first half of this year with 2.40% YTD and 6.69% YoY driven by several MoM declines of food and foodstuff prices and despite petrol price hikes². This trend has allowed for further policy rate cuts (200 bps YTD) after the 600 bps cuts last year for both the refinancing rate and the discount rate³. The deposit rate ceiling was also lowered 150 bps YTD³. As a result, average lending rate has continued to decline from approximately 19.2% in January 2012 to 14.1% in December 2012 and 12.7% in June 2013⁴, which has been supporting company earnings. However, looking forward, further policy rate cuts are less and less likely given the inflationary pressures coming from petrol prices, electricity prices, healthcare prices and back-to-school items prices coupled with the end-of-year holiday season.

Progress in the resolution of bad debts and improvements in credit growth - On May 18th, the Prime Minister signed Government Decree No 53, effective on 9th July 2013, to allow the establishment of the Vietnam Asset Management Company (VAMC) for the resolution of Non-Performing Loans (NPL)⁵. The State Bank of Vietnam (SBV) provided an update in June according to which the self-reported level of bad debt in the banking system came to 4.65% as of 31st May 2013. The VAMC is expected to help resolve between VND 40 trillion and VND 70 trillion (USD 2 to 3.5 billion) of NPLs in 2013, said the SBV's Governor Nguyen Van Binh at the National Assembly meeting in May⁵. As of end July 2013, the VAMC has effectively come into operation. However, the market seemed to be sceptical of how effective it will be in dealing with bad debts for it was unclear which banks will participate in the programme. Nonetheless, the establishment of the VAMC marks an important step towards solving NPLs to allow strong credit growth that will likely trigger a full-blown recovery in the economy.

¹ These NAV figures are based on the dealing net asset value as at 30 June 2013 and will be different to the percentages as calculated using the net asset values in the Consolidated Portfolio of Investments which excludes 40,100,000 DWS Vietnam Limited shares repurchased through wholly owned subsidiaries of the Company.

² Source: General Statistics Office of Vietnam

³ Source: State Bank of Vietnam

⁴ Source: Monthly banking survey by Ho Chi Minh Securities

⁵ Source: VnExpress

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the six months ended 30 June 2013 cont/d

Economic Overview cont/d

As of 24 July 2013, credit growth was reported to increase 4.91% YTD, according to the SBV. VND credit growth is estimated to have risen about 6.5% during the first six months of the year, while credit in foreign currencies has declined about 8%⁶. The majority of the VND credit growth appears to have come from loan rescheduling (whereby owed interest is capitalised), although there was also underlying growth. The situation has been significantly improved compared to the same period last year when credit growth was just 0.4% YTD. Given this improvement along with the VAMC program, we would expect that at least the SBV's credit growth target of 12% is achieved by year end.

Strong external sector – In contrast to the same period last year which showed a trade surplus of USD 154 million, H1 - 2013 trade balance yielded a trade deficit of USD 1.07 billion⁷. However, we are not concerned by this figure once we examine its breakdown. While export growth has declined slightly, imports have been growing at a much stronger rate (+17.4% YoY) than they had during the same period last year (+6.9% YoY). Breaking the numbers down further, we observed a surge in imports by the domestic sector (+6.3% YoY for the first six months of 2013 compared to a decline of 8.2% for the same period last year)⁷. Meanwhile, imports by Foreign Direct Investment (FDI) enterprises have been relatively strong (+24.0% this year vs. +26.1% last year)⁷. Growth in imports can be traced to a recovery in capital goods and raw material imports, possibly for restocking of inventories by the manufacturing sector, both of which are normally good signs of economic revival. However, in contrast, we observe weak domestic demand reflected in the GDP growth and Retail Sales and Services figures. We thus hope that producers are importing in anticipation of a strong recovery of demand later this year.

Meanwhile, exports have been continuing to perform quite well although the growth rate is lower than the same period last year. The structure of exports continued to shift towards new products including telephones and parts, and electronic goods, which was the result of a steady inflow of industry-specific FDI since Vietnam's entry into the World Trade Organisation in 2007. FDI was another bright spot of this half year with USD 10.5 billion registered FDI (+15.9% YoY) and USD 5.7 billion disbursed FDI (+5.6% YoY) as of end June 2013⁷. The majority of FDI flowed into the manufacturing sector (circa 90%) while only 4% flowed into the real estate sector.

On the foreign exchange side, since the Fed informed the markets of their intention to taper off their Quantitative Easing programme starting from next year, many currencies including most ASEAN's have fallen against the US Dollar. The Vietnam Dong is among the most stable currencies, depreciating 1.72% YTD as of end June, compared to the Indian Rupee (-7.40%), South Korean Won (-6.80%), Philippines Peso (-4.94%), Malaysian Ringgit (-3.24%), Singaporean Dollar (-3.64%) and Indonesian Rupiah (-2.11%)⁸.

Overall – We renew our view that Vietnam's economy is on its way to full recovery although the road is not even. Starting from 1st July, a number of favourable political measures are coming into effect to support the recovery, including the VND 100,000 increase of minimum wage, exemptions of personal income tax for monthly income under VND 9mn, reduction in VAT for social housing, reduction of corporate income tax to 20% for small and medium enterprises, establishment of the Vietnam Asset Management Company and expansion of trading hours on both stock exchanges. We continue to observe foreign investors favouring investments in Vietnam. CLSA Asia's recent research report on Vietnam noted that "Vietnam has emerged from crisis and investors have returned to the market in anticipation of recovery generating high returns".

⁶ Source: Ho Chi Minh Securities

⁷ Source: General Statistics Office of Vietnam

⁸ Source: Bloomberg

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Investment Manager's Report for the six months ended 30 June 2013 cont/d

Economic Overview cont/d

Overall cont/d

They also recognised that the economy has stabilised and GDP growth will be supported above 5% as the export manufacturing sector continues to attract buoyant FDI inflows. Vietnam News reported that foreign retail giants have shown their hunger in developing modern retailing in Vietnam by pouring money into trade centres and supermarkets. The giant fast - food chain McDonald's is finally planning to enter Vietnam early next year to take advantage of the country's huge consumption potential.

Fund exposure and performance

The returns of each asset class are summarised in the table below and discussed in detail in the following sections. Asset classification in this Investment Manager's Report may differ to the classification in the Consolidated Portfolio of Investments in these financial statements.

The below table is at sector level and is before management, performance fees and expenses.

Asset Class	Exposure on 30 June 2013	Performance during 1H2013
Listed Equities	44.12%	21.93%
Unlisted Equities	36.85%	26.34%
Offshore Collective Investment Schemes	17.69%	32.59%
Fixed Income	0.94%	5.78%
Note: The remaining 0.40% of the fund was held in cash including receivables and payables as the end of June 2013.		

Peer Group Analysis⁹

By end of June 2013, the Fund's indicative share price was at USD 0.38, up 61.70% since the beginning of the year. The Fund's share price outperformed peers' average, which is the closest peer based on fund strategy, by 37.86 absolute percentage points. The NAV change of the Fund YTD also outperformed peers' average by 7.84 absolute percentage points.

The discount to NAV for the Fund narrowed significantly to 36% at the end of June 2013, down from 54% at the end of December 2012. The average discount to NAV of the peer group also narrowed from 19% to 14% during the same period. We believe that the narrowing of NAV gap will continue as the stock markets exhibit gradual improvements and with local and foreign investors' continued interest in the Vietnam's stock market.

⁹ The peer group analysis was performed using the information received from multiple sources; mainly from the member fund's published data. Quotes from LCFR (LCF Rothschild Emerging Markets Funds) and JCEF (Jefferies Funds) were used when public prices were not available. However, investors should note that the secondary markets for closed-end funds, such as this Fund, are not very transparent. There may be several market makers for each fund, but price quotes from these market makers may not be publicly recorded or available. Therefore, the analysis presented in this section is only indicative. Also, when analyzing the performance of a fund relative to its peers, one needs to be mindful of the different strategies across the funds. The DWS Vietnam Fund is a multi asset class fund where we look to find opportunities across the economic landscape of Vietnam rather than limiting ourselves solely to the listed equities. Also, this universe of peers may not be complete due to insufficient data of other funds.

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Investment Manager's Report for the six months ended 30 June 2013 cont/d

Peer Group Analysis cont/d

Peer group	Fund size USD mn	Fund Strategy	NAV Analysis			Price Analysis		
			NAV Jun 2013	NAV Change YTD	NAV Change 1 Y	Mid Price (Indicative) 31 Dec 2012	Mid Price (Indicative) 30 Jun 2013	Price Change YTD
DWS Vietnam Fund	291.2	Multi asset class balanced fund	0.5981	18.20%	25.86%	0.24	0.38	61.70%
VOF VinaCapital	550.0	Multi asset class balanced fund	2.86	10.85%	19.17%	1.82	2.13	16.92%
PXP Vietnam	57.6	Primarily listed equity	5.51	23.97%	31.64%	3.38	4.65	37.78%
PXP Vietnam Emerging Equity	28.9		4.81	16.36%	15.53%	3.88	4.55	17.42%
VEIL Dragon Capital	463.0	Primarily listed equity, small allocation to OTC equity	2.83	18.91%	20.43%	1.89	2.19	15.87%
Vietnam Equity Holdings	52.5		2.43	-12.32%	-10.66%	1.33	1.86	40.03%
Vietnam Holding Ltd	69.7		1.65	24.85%	27.26%	0.92	1.24	35.45%
VGF Dragon Capital	254.0	Primarily listed equity & OTC equity, small allocation to private equity	19.75	15.39%	31.26%	13.55	16.53	21.96%
PCA Prudential	282.6	Primarily private equity & OTC equity, small allocation to listed equity	3.72	2.53%	-40.73%	3.05	3.50	14.75%
Market Vectors Vietnam	376.0	ETF	18.87	10.56%	4.26%	18.85	18.57	-1.49%
DB x-trackers Vietnam	223.2		22.55	4.41%	-4.55%	21.95	22.36	1.88%
AVERAGE			7.78	10.36%	6.12%			23.84%
VNINDEX (USD)			0.02280	14.75%	12.76%			
VHINDEX (USD)			0.00297	8.39%	-12.65%			

Source: NAV quoted from Fund website or Bloomberg. Prices are average mid prices from multiple broker quotes including JCEF, LCFR and Numis

Portfolio Analysis

The largest listed and other asset classes of the Fund as of the end of June 2013 are listed below. Asset classification in this Investment Manager's Report may differ to the classification in the Consolidated Portfolio of Investments in these financial statements.

Top 5 Onshore Listed Holdings – 30th June 2013

Security Name	Market Value (USD)	% of Fund
Vietnam Dairy Products JSC (Vinamilk)	37,472,760	11.45%
Hoa Phat Group	8,912,330	2.94%
FPT Corporation	9,038,851	2.92%
PetroVietnam Drilling and Well Services	6,342,914	2.18%
PetroVietnam Gas	4,751,049	1.63%

Top 5 Other Holdings – 30th June 2013

Security Name	Asset Class	Market Value (USD)	% of Fund
Greenfeed	Unlisted	39,199,953	13.46%
DWS Vietnam Fund	CE Fund	15,304,847	5.25%
Vietnam Enterprise Fund	CE Fund	15,283,331	5.25%
Anova	Unlisted	12,911,432	4.43%
Vietnam Growth Fund	CE Fund	12,730,666	4.37%

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Investment Manager's Report for the six months ended 30 June 2013 cont/d

1. Listed Equities (Onshore and Offshore)

The VNIndex of Ho Chi Minh Stock Exchange has had a good run-up during the first six months of 2013, returning +14.75% in USD terms¹⁰. Average daily traded volume increased by just 1.62% compared to the same period last year, while average daily traded value increased by 6.09%¹⁰. The index hit the highest point on June 7 at a level of 528 points before declining back to finish the half year period at 481 points. For the last few weeks of the period, selling pressures were particularly strong from the Market Vectors Vietnam ETF which saw its number of shares decline 1.5mn shares to 19.95mn shares and its market cap decline USD 82mn (18%) compared to end of May¹⁰. Foreign investors left emerging markets in big quantities and at the fastest pace in two years after the Fed signalled that it will wind down its bond-buying program by next year¹⁰. According to Bloomberg data, in June alone, Vietnam saw a net foreign outflow of USD 176mn, Philippines USD 1bn, Thailand USD 6.3bn, Indonesia USD 6.2bn, India USD 8.1bn, and South Korea USD 11.3bn. Nonetheless, there were a number of positive news for Vietnamese stock markets that will be upside catalysts for the next 6 months including extended trading hours starting from 22nd July and the submission of the final draft Decision on Foreign Ownership Limit to the Ministry of Finance, another step towards allowing more foreign investments in Vietnam.

Portfolio

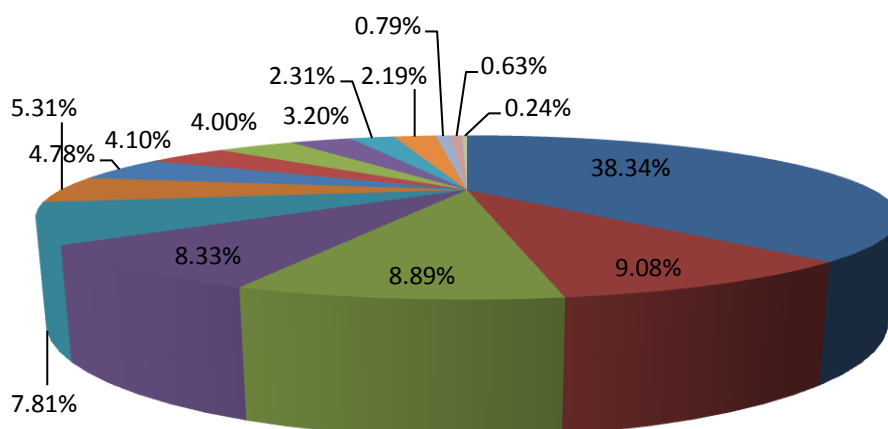
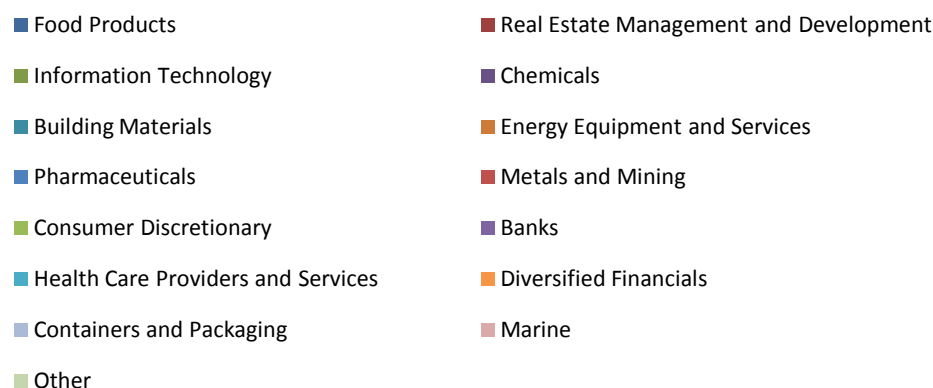
The Fund's exposure to listed equities is 44.12% at 30 June 2013, representing the largest asset class of the Fund. The listed portfolio returned 21.93% in the first half of the year, 718 basis points higher than the performance of the VNIndex in USD terms. The key philosophy of the Fund Manager is to seek long-term gains for investors. The Fund is well-diversified across the key driving industries of the Vietnamese economy. A sector-wise breakdown of the Fund's listed portfolio can be found below:

¹⁰ Source: Bloomberg

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Investment Manager's Report for the six months ended 30 June 2013 cont/d

1. Listed Equities (Onshore and Offshore) cont/d



A short summary on some of the Fund's largest holdings is presented as follows:

- **Vietnam Dairy Products JSC (VNM)**: Vinamilk is broadly recognised as the best dairy company in Vietnam. According to Euromonitor estimates, as of 2012 it had a share of 45.5% in the drinking milk segment and 73.4% market share of the yoghurt and sour milk segment in Vietnam¹¹. Among consumer sector companies, Vinamilk has one of the strongest distribution networks, with 180,000 points of sale as of 2012. With a strong management team and good corporate governance, the company has been able to achieve an average sales growth rate of 32.67% over the past five years¹². During this period, its net margin also increased from 15.21% to 21.91%. The Company's financial situation continues to remain healthy with no short term or long term debt and a very attractive Return on Equity of 41.61% in 2012. Gross profit growth for the first half of 2013 was up by 31.86% as management was able to control raw material costs using a combination of stockpiles created at lower prices and forward contracts. The stock has returned 60.23% YTD compared to 16.29% for the VNIndex (in VND terms)¹³. Since the stock's foreign room is currently full, the price incorporates a premium. As a leader in the consumer segment, with management's proven track record of execution, we believe Vinamilk is uniquely positioned to benefit from the long term growth in the sector.

¹¹ Source: Euromonitor International estimates

¹² Source: Company data/reports

¹³ Source: Bloomberg

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Investment Manager's Report for the six months ended 30 June 2013 cont/d

1. Listed Equities (Onshore and Offshore) cont/d

- Hoa Phat Group JSC (HPG): HPG is a leading steel manufacturer and trader in Vietnam and among the only integrated producers in the country with control over production of its raw material supply, particularly iron ore. It is the second biggest player in the Vietnamese steel sector in terms of capacity and has an estimated market share of 14.2% in 1H 2013¹⁴. At the time of publishing this report, we do not have complete information of its 1H 2013 earnings results. However, for the first six months of 2013, the company's net income surged to VND 1,012 billion, fulfilling 84% of the year's profit target and up by 86.4% YoY. The sale of construction steel was up by 4.75% YoY and steel pipes up by 25% YoY. Sales from its Mandarin Gardens real estate project have also performed relatively better than the broader market due to its premium location, with 70% of units already sold. The stock returned 40.95% YTD¹⁵. HPG expects Phase 2 of its integrated steel complex to be operating by September 2013, raising its production capacity from 650,000 tons/year to 1,150,000 tons/year. Although the real estate and construction sectors are expected to have a slow recovery for the rest of the year, HPG is best positioned among the steel players because of its control over raw material production as well as its strong market share, which helps it benefit from the trend of consolidation in the industry.
- FPT Corporation (FPT): As the largest Information Communication Technology (ICT) firm in Vietnam, the company has strong market share across many segments in technology and telecom. Historically, growth has been driven organically, with little contribution from M&A. For 1H 2013, the company's revenue exceeded the YTD guidance by 8%, increasing 8.87% YoY, showing a gradual recovery compared to last year. Its earnings per share (EPS) were also up by 5.23% YoY. Profit before tax (PBT) from the software development and telecom services segments increased by 52% and 20% respectively over the same period last year. However, PBT from the education segment fell by 20% YoY. The stock price has increased by 20.17% YTD but is still trading at a Price to Earnings (P/E) ratio of 7.4x, compared to a P/E of 14.3x for regional peers¹⁵. The change in the structure of FPT and the launch of the One FPT strategy has allowed the group to position itself more clearly as a leader in technology and telecom. In addition, the company is expanding regionally with contracts to provide software solutions to telecom companies in Laos and Cambodia and services to the Cambodian and Myanmar governments. Thus, with a clear One FPT strategy, strong market position and several organic growth opportunities, we believe FPT can continue to capitalise on the growth in the Information Technology sector in Vietnam and ASEAN. In this context, its attractive valuation gives the stock significant potential for future upside.
- An Phat Plastics and Green Environment JSC: At the end of 2007, the Fund made a USD 2 million equity investment in An Phat Plastics and Green Environment JSC ("An Phat"). In April 2009, the Fund made a follow-on investment of USD 2.8 million via a convertible bond to fund the company's expansion plans.

An Phat is the largest plastic recycler in North Vietnam. The recycled plastic is manufactured into bio-degradable plastic bags and re-usable plastic bags for both the domestic and international markets.

For 2012, An Phat's net sales increased 11% YoY to VND 1,010 billion due to price and volume growth and net income decreased 16% YoY to VND 55 billion due to cost increases for raw materials and transportation.

¹⁴ Source: Company Information

¹⁵ Source: Bloomberg

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the six months ended 30 June 2013 cont/d

1. Listed Equities (Onshore and Offshore) cont/d

- An Phat Plastics and Green Environment JSC cont/d: An Phat was listed on the Hanoi stock exchange in 2010, the Fund exited its equity portion by selling the shares in the open market. In December 2012, the convertible bond of An Phat was partially redeemed and the balance was favourably restructured into ordinary listed shares of An Phat. The overall IRR achieved from the sale of the equity portion and the partial redemption of the convertible bond was 15% or a 1.5x cash multiple, in USD terms. The Fund currently owns 13.3% in An Phat. As of June 2013, the Fund's position was valued at USD 1.65m based on the stock price.
- Vinaconex Advanced Compound Stone ("Vicostone"): In May 2008, the Fund invested USD 8.3m in Vinaconex Advanced Compound Stone ("Vicostone") via USD 2.1m of shares and USD 6.2m of convertible bonds. In April 2011, the Fund invested USD 2.0m to subscribe to shares via the rights issue. In 2012, the Fund invested USD 0.6m to purchase additional shares from the open market. The convertible bonds have been converted and the Fund owns 16.8% of Vicostone via listed ordinary shares.

Listed on the Hanoi stock exchange, Vicostone is one of the few large quartz compound stone manufacturers in Asia. Vicostone's products are used on floors and table tops. Vicostone has access to advanced technology patented by Breton Spa, Italy – a specialist in manufacturing and processing of compound stone. Approximately 60% to 70% of the company's total revenue is derived from exports to developed countries such as the US, EU and Australia.

For 2012, net sales increased 8% YoY to VND 965 billion and net income decreased 55% YoY to VND 55 billion. This was due to increased marketing expenses in a weak market with stiff competition, restructuring cost of converting an associate into a subsidiary, increased employment due to the second plant becoming operational and overall wage increase due to inflation.

As of 30 June 2013, the Fund's position in the company was valued at USD 3.61m, based on the stock price. The stock price was negatively impacted as investors priced in the weaker economic outlook of the developed countries. Vicostone remains a leader in its industry as one of the few large quartz compound stone manufacturers in Asia and we believe has the potential for a trade sale exit to strategic buyers.

Outlook

Over the past 6 months the stock market has continued to recover, as the economy has stabilised and the short-term political instabilities of late last year seem to have dissipated. The Prime Minister remains in office but his role and that of the National Assembly and the Communist Party have been clarified. We are still seeing a lack of confidence by business and consumers as is evidenced by lack of credit growth, retail sales growth and restocking of inventory. Over the next 6 months the market should gain better clarity on how the VAMC is going to play out and the impact of the governments soon to be announced change to foreign ownership limits. While economic growth looks like being tepid from a historical standpoint, though still very good comparatively, it should also provide a much sounder economic footing than previous 'boom-bust' credit and growth cycles. We believe our portfolio is well positioned to take advantage of the economic and demographic growth that Vietnam exhibits. Our major positions are still in consumer product and demand focused companies (Vietnam Dairy and FPT), building materials, and small positions in affordable housing. We still maintain an exposure to raw material companies, though have cut back slightly due to poor near term commodity outlook.

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Investment Manager's Report for the six months ended 30 June 2013 cont/d

2. Fixed Income

The Vietnamese primary bond market enjoyed a fruitful first half of 2013 as the State Treasury successfully placed more than VND 94.3 trillion worth of government bonds in the market. Accordingly, the secondary market also enjoyed prosperous results. However, since late May and as in other emerging markets, we noticed foreign investors' enormous divestments from the Vietnamese bond market. The reasons behind this vast selling are the result of fears on higher USD interest rates after the Fed tapering its bond purchasing program, coupled with concerns on tensions in the foreign exchange market.

The yield on the benchmark 3-year Government bond declined constantly from 9.25% at the end of December 2012 to 7.25% at the end of June 2013. The major downtrend drivers for the G - bond yields in 1H2013 comprised of (1) expectation of further interest rate cut following lower inflationary pressure, (2) excess liquidity in the banking system coupled with limited lending at banks, and (3) excessive amount of G-bonds maturing in FY2013 with an estimate of circa VND 23.4 trillion in 1H2013.

The exposure of the Fund to Fixed Income securities was mainly through a Vietnamese government bond, which gained 5.78% during the first six months of 2013.

Outlook

Given the inflationary pressures, especially from gasoline prices, electricity prices, healthcare costs, and back-to-school items prices, we think interest rates are bottoming out and another rate cut is unlikely. The Fund still held a small percentage of a government bond at the end of June 2013, and will for the time being continue to hold it given the relatively attractive yield.

3. Unlisted Equities Investments

As of 30 June 2013, unlisted investments constituted 36.85% of the Fund's Net Asset Value. In February 2013, the Fund invested USD 12.2 million via a convertible loan in Corbyns International Limited ("Corbyns"), which owns Vietnam Industrial Investments ("VII"). VII is a leading steel manufacturer in Vietnam. In April 2013, the Fund completed the exit of its entire 11.9% stake in Prime Group Joint Stock Company, the largest ceramic tile manufacturer in Vietnam, via a trade sale to SCG Building Materials Co., Ltd., part of The Siam Cement Public Company Limited.

The unlisted equities portfolio returned 26.34% during the first half of the year, positively impacted by the revaluation of private equity ("PE") investments by the Fund's PE valuer – Global Valuation Group ("GVG") of Deutsche Bank AG Singapore Branch - on a quarterly basis. Returns were influenced by company-specific factors as well as macroeconomic factors as explained in the following pages.

3.1. Prime Group Joint Stock Company

Prime Group ("Prime") is by far the largest player in the ceramic tile industry in Vietnam with a 30% market share compared with the other players which are much smaller due to the fragmented market. In October 2008, the Fund invested USD 19.3 million in Prime via the purchase of USD 5.0 million of secondary shares and USD 14.3 million of convertible bonds. Post conversion of the bond, the Fund owned 11.9% of Prime.

For 2012, Prime's net sales increased 17% YoY to VND 3,972 billion and net income increased 8% to VND 185 billion.

In April 2013, the Fund completed the exit of its entire stake in Prime via a trade sale to SCG Building Materials Co., Ltd. Prior to the trade sale, the Fund valued the investment at USD 17.1m. This was revalued to USD 31.5m in December 2012 based on the exit valuation, representing a pick-up of 84%. The IRR achieved is estimated to be 11% or a 1.6x cash multiple, in USD terms.

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the six months ended 30 June 2013 cont/d

3. Unlisted Equities Investments cont/d

3.2. Hoan My Hospital JSC (held in Swindon Limited)

In September 2009, the Fund closed a USD 10 million convertible bond investment in Hoan My Corporation JSC (“Hoan My”), a leading private healthcare provider in Vietnam.

In December 2011, the Fund divested an equivalent of 17.5% in Hoan My to Fortis Healthcare Global Pte Ltd (“Fortis”), reducing the Fund’s stake to 4.9%. Prior to the trade sale, the Fund valued the investment at USD 11.4m (for 22.4% of Hoan My), so the exit valuation of USD 98.5m represents a pick-up of 94%. The IRR achieved was 44% or a 2.3x cash multiple, in USD terms, far exceeding our initial target of 35%.

For 2012, Hoan My’s net sales increased 44% YoY to VND 893 billion due to an increase in medical services and drug sales. Net income increased 57% YoY to VND 60 billion due to margin expansion.

The remaining 4.9% stake held by the Fund in Hoan My is subject to put and call options. As of 30 June 2013, the valuation of this position stood at USD 4.83m, approximately 2.2x the investment cost of USD 2.2m.

3.3. An Giang Plant Protection & Service JSC

In September 2009, the Fund closed an USD 8m investment in An Giang Plant Protection JSC (“AGPPS”), the market leader in the distribution and manufacture of crop protection chemicals in Vietnam. Based in An Giang province, the heart of the Mekong Delta’s rice growing regions, AGPPS is one of the only two product distributors in Vietnam partnering with the well-known Swiss firm, Syngenta. With an extensive distribution network, a valuable strategic partnership with Syngenta and strong financial management, AGPPS remains well-placed to continue its market dominance and evolve as a provider of complete crop solutions. AGPPS also has the advantage of having close relations with the farming community, especially in Mekong Delta. The company provides training and technical support to farmers regularly and is a well-known brand in the agricultural sector. The Fund owns 6.3% of AGPPS via ordinary shares.

For 2012, net sales grew by 30% YoY to VND 6,336 billion as demand for crop protection chemicals and fertilisers remained strong. Net income grew 5% YoY to VND 421 billion. Margins reduced slightly due to increase in costs for chemicals, suppliers, electricity and transportation.

Although not listed yet, shares in AGPPS are traded on the Vietnam OTC market. Shares are re-priced monthly by the Fund’s administrator, by taking an average of quoted prices from three independent brokerage firms in Vietnam. As of 30 June 2013, the shares were valued at USD 10.21m, up 28% since investment.

3.4. Greenfeed Vietnam Corporation

In May 2010, the Fund made an USD 9.5m investment in GreenFeed Vietnam Corporation (“GFVN”), a leading producer of animal feed. The investment was made via USD 4.0m in secondary shares and USD 5.5m in a convertible instrument, for a fully diluted 17.2% stake in the company, following the implementation of an employee stock ownership plan (“ESOP”) in 2013.

GFVN is the 2nd largest domestic player competing against large foreign companies like Charoen Pokphand of Thailand and Cargill of US. The company has 5 feed mills, 9 depots and has an extensive network of more than 1,000 distributors to cover the whole country. At the moment, GFVN is among the top five players (including foreign companies) who collectively account for 60% of total market share. Given the highly fragmented nature of the market, GFVN is gearing up to capture a larger share in the next few years. The company is looking to expand capacity further given that their existing factories are operating at close to 100% utilisation.

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the six months ended 30 June 2013 cont/d

3. Unlisted Equities Investments cont/d

3.4. Greenfeed Vietnam Corporation cont/d

For 1H 2013, net sales increased 19% YoY to VND 4,304 billion due to price and volume growth. Net income decreased 105% YoY due to an increase in raw material costs in 1Q 2013. The increase in raw material costs appears to have peaked in 1Q 2013.

This position is valued by GVG on a quarterly basis as there is no existing market for the instruments. As of 30 June 2013, the valuation of the Fund's position stood at USD 39.20m, up 313% since investment.

3.5. NBB Investment Corporation JSC

In December 2010, the Fund invested USD 10.7 million in redeemable convertible preference shares ("RCPS") issued in a private placement by NBB Investment Corporation JSC ("NBB"). The Fund's fully diluted stake in NBB is 14.4%.

Listed on the Ho Chi Minh City Stock Exchange ("HOSE"), NBB is an investment holding company focused on developing Grade C residential property that is typically priced at USD 700-1,000/sqm. NBB is a play on fundamental trends such as rising urbanization and a growing middle class that are stimulating demand for affordable housing in Vietnam, particularly in Ho Chi Minh City. The company's large, low-cost land bank and a pipeline of projects going out to 2015 and beyond, make it well-positioned to become a direct beneficiary of these trends.

For 2012, net sales increased 3% YoY to VND 426 billion and net income increased 147% YoY to VND 172 billion, due to margin expansion because of the sale of higher margin land plots.

While the ordinary equity shares are listed, there is currently no market for the RCPS. The position is valued by GVG on a quarterly basis. As of 30 June 2013, the investment was valued at USD 8.79m.

3.6. Anova Corporation

In May 2011, the Fund made a USD 8.7 million investment in Anova Corporation ("Anova") via 3-year convertible bonds. In June 2012, the Fund invested USD 1.7m, exercising its pre-emptive right to subscribe to ordinary shares via a rights issue for Anova to acquire an animal feed company. The synergies available between feed, feed additives and animal health products will create opportunities over the next few years for Anova to gain market share and penetrate new markets. The Fund's total fully diluted stake in Anova is 20.5%.

Anova is the leading manufacturer of veterinary health products in Vietnam as well as the leading importer and distributor of raw materials for the animal health and feed sectors. Anova maintains a market share of 17% in the manufacturing and sale of finished veterinary products with the next closest competitor, Vemedin, at 12% of the total market. For raw materials importation and distribution, the company maintains a market share of 29% of the total market, almost double the nearest competitor Ruby, which has a 15% share of the total market.

For 1H 2013, net sales increased 19% YoY to VND 982 billion. Net income was down 39% YoY to VND 23 billion, due to start-up losses from its animal feed business. The feed business will take time to ramp up volumes and production but is likely to become profitable in the near term. The longer-term fundamentals of Anova's businesses remain strong; the animal health sector will continue its steady growth trajectory as more farmers are looking to improve livestock standards to meet consumers demand for higher quality meat. Anova's key businesses of feed additives and animal health will continue to grow due to the continued shift towards protein in the Vietnamese diet.

There is currently no market for the convertible bonds or ordinary shares, this position is valued by GVG on a quarterly basis. As of 30 June 2013, the Fund's position was valued at USD 12.91m, up 24% since investment.

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the six months ended 30 June 2013 cont/d

3. Unlisted Equities Investments cont/d

3.7. VTC Online JSC

In July 2012, the Fund made a USD 10.0 million investment via subscription of ordinary shares, in VTC Online, a leading online games publisher and social media company in Vietnam. The Fund owns 19.5% of VTC Online.

For 2012, the company's net sales decreased 49% YoY to VND 1,787 billion due to underperforming overseas businesses which are being shut down. Net income remained flat at VND 17 billion. For 1H 2013, net sales decreased 28% YoY to VND 739 billion and net income increased 6% YoY to VND 22 billion.

There is currently no market for the ordinary shares, this position is valued by GVG on a quarterly basis. As of 30 June 2013, the Fund's position was valued at USD 8.89m.

3.8. Saigon Beer Alcohol and Beverage JSC

In July 2008, the Fund invested USD 2.5m in Sabeco, the largest domestic brewer in Vietnam with a 47.5% share of the beer market. This is 2.6 times larger than its closest competitor. Sabeco has one of the best known brands in Vietnam and is in a leading position to capitalize on the expected growth in this market. The Fund owns 0.16% of Sabeco via ordinary shares.

For 2012, net sales increased 13% YoY to VND 21,789 billion and net income increased 17% YoY to VND 2,667 billion.

Sabeco shares are traded on the OTC market. Sabeco shares are re-priced monthly by the Fund's administrator, by taking an average of quoted prices from three independent brokerage firms in Vietnam. As of 30 June 2013, the Fund's position in the company was valued at USD 3.15m, up 29% from investment cost.

3.9. Corbyns International Limited

In February 2013, the Fund invested USD 12.2 million via a convertible loan in Corbyns International Limited ("Corbyns"), which owns Vietnam Industrial Investments ("VII"). Listed on the ASX, VII is a leading steel manufacturer, primarily manufacturing wire rods and rebars used in construction and infrastructure projects. The Fund owns 24.4% of Corbyns.

This investment is a special situation opportunity which resulted in favourable terms for the Fund. Corbyns is amongst the top 4 steel manufacturers in Vietnam which control about 50% of the market. VII's key brands are well recognised in the marketplace and they remain the leading brand in their own product segments. VII maintains a robust distribution platform that includes 30 tier I distributors and 100 tier II distributors across all regions of Vietnam; they are, however, particularly strong in Northern Vietnam.

For 2012, revenue decreased 11% YoY to AUD 384 million and net income decreased 137% YoY to AUD (1) million. This was due to weakening steel fundamentals in Vietnam brought on by lower infrastructure and real estate spending.

There is currently no market for the convertible loan, this position is valued by GVG on a quarterly basis. As of 30 June 2013, the Fund's position was valued at USD 12.50m, in line with investment cost.

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the six months ended 30 June 2013 cont/d

3. Unlisted Equities Investments cont/d

3.10. Thu Duc Housing Development Corporation

In November 2010, the Fund purchased a convertible bond issued by Thu Duc Housing Development Corporation ("Thu Duc"), a property development company in Vietnam, for USD 2.6 million.

In line with the sluggishness in the real estate market, the company faced difficulties in recovering. Sale of current projects was slow despite the company's efforts through a promotion campaign offering low interest rate loans and a flexible payment schedule. TDH has also diversified its business by adding divisions specializing in the import and export of fertiliser and agricultural products, targeting annual revenues of around VND 150 billion (22% of total revenue).

For 1Q 2013, revenue improved by 26% to VND 84.5 billion due to growth in the agriculture trading business but net income declining by 66% to VND 775 million. Gross margin improved from 15% in 1Q 2012 to 22% in 1Q 2013. Looking ahead, TDH has a pipeline of 10 real estate projects, most of which are in mid- to high-end segment where demand is particularly weak. Currently, the company is working to change the profile of some of these projects from the mid-high segment towards more affordable housing with a smaller size per unit. However the accompanying procedures will take time.

TDH is listed on the Ho Chi Minh Stock Exchange; however, the convertible bonds are not publicly traded or marketed. The convertible bond position is valued by GVG at USD 1.12m as of 30 June 2013 and will mature in October 2013. At the end of June 2013, the Fund has fully divested from its position in TDH listed shares.

3.11. Lam Son Sugar

In October 2012, the Fund purchased a number of convertible bonds issued by Lam Son Sugar (LSS), the largest sugar producer by capacity in Vietnam, for USD 266,187. The bonds, issued to existing shareholders, will pay 12% annual coupon and will be convertible into ordinary shares in October 2014 with a conversion price of VND 10,000.

For 1Q 2013, the company achieved a revenue increase of 43% YoY to VND 578 billion due to the low base a year ago, as there was a delay in the new factory's operations. Volume increased 50% YoY, while average selling price continued to decline by 5%. Gross margin declined 5% YoY while pre-tax profit declined 61% due to higher financial expense combined with lower financial income.

Operationally, the company has done well with a 20% increase in harvested yield to 69 tonnes/ha for the 2012-2013 crushing season, a 100 basis points increase in sweetness factor to 9.5%, and higher productivity at the new factory. However, LSS has little control over prices as this is affected by the weak global sugar price coupled with the domestic oversupply caused by an uncontrolled smuggling from Laos and Cambodia. Although LSS is best positioned to capitalise on an improvement in the global sugar price due to its economies of scale, LSS would need a sustained increase in sugar price in order to recover strongly.

As of 30 June 2013, the LSS convertible bond position held by the Fund is valued at USD 207,650 by GVG, a decline of 14.21% over the 6-month period.

Outlook

In the next 12-24 months, some of the investee companies could seek to IPO, list on one of Vietnam's two stock exchanges or be acquired by a corporate or strategic investor. Such events will give the Fund Manager an opportunity to consider exiting the investments following a holding period of about 3 years.

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the six months ended 30 June 2013 cont/d

4. Offshore Collective Investment Schemes

As of 30 June 2013, the offshore collective investment schemes portfolio constituted 17.69% of the Fund's Net Asset Value. There were five offshore collective investment schemes*:

- DWS Vietnam Fund**
- PXP Vietnam Fund
- PXP Vietnam Emerging Equity Fund
- Dragon Capital's Vietnam Enterprise Investments
- Dragon Capital's Vietnam Growth Fund

*The Vietnam Blue-Chips Investment Fund and the Vietnam Securities Investment Fund are closed-end funds listed on the Vietnamese stock market and are treated as Listed Equities for the purposes of this Investment Manager's Report.

**Shares purchased in DWS Vietnam Fund are excluded from the Group's financial assets in these financial statements and are instead treated as treasury shares.

Since the beginning of the year, the offshore collective investment schemes portfolio earned a positive return of 32.59%, more than doubled the VNINDEX return of 14.75% in USD terms. The most important contribution to this performance was from DWS Vietnam Fund, whose price increased 61.70% during the semester.

Going forward, the Investment Manager will continue to maintain an allocation to offshore collective investment schemes given the targeted exposure to specific sectors that some of these funds provide and the discount to Net Asset Value these funds are trading at (10 - 20%).

General Risk Management Process

Whilst the Fund Manager is fully aware of the inherent risks of investing in an emerging market such as Vietnam, additional attentions should be drawn to the following uncertainties and principal risks which could impact the Fund's performance negatively over the next twelve-month period:

Inflationary pressure – Planned increases in electricity, healthcare and back-to-school items prices could push inflation higher. Inflation at a double digit level will depress domestic demand further and thus lower the recovery Vietnam has been working on so hard for the past twelve months.

Threat to confidence in the Vietnamese banking sector – This risk still exists although significantly mitigated by the establishment of the Vietnam Asset Management Company (VAMC) and the provisions banks have been taking on non-performing loans. The key issue relies on the VAMC's execution ability to tackle bad debts, which at the moment is still the market's concern. Meanwhile, plans for restructuring weak banks including mergers and acquisitions between them and with bigger, stronger banks are still being carried on. Visible signs of a healthier banking system are crucial to businesses and consumers' confidence.

Money outflows from emerging markets – As a result of the Fed's intention to taper off their Quantitative Easing program, money outflows from emerging markets have been strong and are expected to continue if the U.S. show positive economic data that would trigger the QE program tapering off. Vietnam seems to be less affected than other markets such as Thailand, Indonesia and Philippines since most of the foreign investments in Vietnam are in the forms of country-dedicated, closed-end funds.

DWS VIETNAM FUND LIMITED

Investment Manager's Report for the six months ended 30 June 2013 cont/d

General Outlook and Fund Strategy

We renew our view that Vietnam's economy is on its way to full recovery although the road is not even. Starting from July 1st, a number of favourable political measures are coming into effect to support the recovery, including the VND 100,000 increase of minimum wage, exemptions of personal income tax for monthly income under VND 9mn, reduction in VAT for social housing, reduction of corporate income tax to 20% for small and medium enterprises, establishment of the Vietnam Asset Management Company and expansion of trading hours on both stock exchanges. We remain positive in high growth potential and / or high margin sectors such as product and demand focused companies, building materials, and small positions in affordable housing, while filtering the investment universe by qualifying the management's capabilities and strategy. Vietnam also continues to attract strong M&A interest from long term corporate and strategic investors given the size of the market and growth prospects. This provides excellent exit opportunities for our unlisted portfolio. As an example, we sold a substantial stake in a Hospital Group in 2011 through a trade sale to Fortis Healthcare and achieved a 44% Internal Rate of Return (IRR) in USD terms. In 2013, we exited the largest ceramic tile manufacturer, via a trade sale to SCG Building Materials Co., Ltd. The estimated IRR achieved was 11% in USD terms. We remain confident in the prospects of both the Vietnamese economy and its stock markets.

Deutsche Asset Management (Asia) Ltd.,
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August 2013

DWS VIETNAM FUND LIMITED

Consolidated Portfolio of Investments as at 30 June 2013

Nominal	Security	Coupon %	Maturity	Value US\$	Fund %
Collective Investment Schemes 16.75% (Dec 2012: 12.05%)					
Cayman Islands 13.38% (Dec 2012: 9.78%)					
1,359,944	PXP Vietnam Fund Limited*†			6,323,740	2.29
420,000	PXP Vietnam Emerging Equity Fund†			1,879,500	0.68
7,000,000	Vietnam Enterprise Investment Limited*			15,283,331	5.54
770,000	Vietnam Growth Fund Limited*			12,730,666	4.61
2,192,550	Vietnam Blue-Chips Investment Fund*			713,445	0.26
				36,930,682	13.38
United States 2.17% (Dec 2012: 1.02%)					
322,000	Market Vectors ETF			5,989,200	2.17
Vietnam 1.20% (Dec 2012: 1.25%)					
4,373,910	Vietnam Securities Investment Fund*			3,300,286	1.20
Total Collective Investment Schemes				46,220,168	16.75
Common Stock 65.93% (Dec 2012: 74.55%)					
Vietnam 65.93% (Dec 2012: 74.55%)					
3,900,000	An Giang Plant Protection and Service JSC**			10,207,498	3.70
2,045,454	Anova Corp**			5,014,521	1.82
2,624,549	An Phat Plastics and Green Environment JSC			1,646,145	0.60
361,030	Asia Commercial Bank			274,114	0.10
1,087,000	Bao Minh Insurance Corp			599,760	0.22
20,959	Ben Tre Aquaproduct Import and Export			39,437	0.01
25,000	Bibica Corporation			25,348	0.01
1,605,792	Binh Chanh Construction			1,151,051	0.42
786,036	Can Don Hydro Power JSC			619,043	0.22
293,988	Da Nang Rubber JSC			526,835	0.19
5,145,844	Development Investment JSC			2,523,781	0.91
347,210	Dinh Vu Port Investment and Development			1,121,617	0.41
1,949,300	Dong Phu Rubber JSC			4,458,432	1.61
288,336	Dry Cell and Storage Battery JSC			224,360	0.08
4,585,379	FPT Corporation			9,038,851	3.28
2,500,000	Green Feed Vietnam **			18,284,131	6.63
503,222	Hau Giang Pharmaceutical JSC			2,064,622	0.75
4,147,575	Hoang Anh Gia Lai Group JSC (hagl)			4,048,800	1.47
270,170	Ho Chi Minh City Securities			276,477	0.10
6,701,630	Hoa Phat Group JSC			8,912,330	3.23
105,530	Hoa Sen Group JSC			205,038	0.07
214,478	Imexpharm Pharmaceutical JSC			343,893	0.12
2,400,004	JS Comm Bank Foreign Trade			3,169,069	1.15
1,349,904	Kinh Do Corporation			2,985,640	1.08
1,850,007	Lam Son Sugar JSC			1,203,966	0.44
171,720	Lam Thao Fertilizers and Chemicals			278,574	0.10
70,000	Masan Group Corp			293,799	0.11
5,660,630	Military Commercial JSC			3,523,712	1.28
256,009	My Chau Printing and Packaging			166,608	0.06
150,000	Nam Long Investment Corporation			162,697	0.06
400,000	National Seed JSC			1,509,078	0.55

DWS VIETNAM FUND LIMITED

DWS VIETNAM FUND LIMITED

Consolidated Portfolio of Investments as at 30 June 2013 cont/d

Nominal	Security	Coupon %	Maturity	Value US\$	Fund %
Common Stock 65.93% (Dec 2012: 74.55%) Cont/d					
Vietnam 65.93% (Dec 2012: 74.55%) Cont/d					
2,600,000	NBB Investment Corporation JSC **			8,787,399	3.18
2,849,608	PetroVietnam Drilling and Well Services			6,342,914	2.30
1,737,000	Petro Vietnam Gas JSC			4,751,049	1.72
456,860	Petro Vietnam General Services			461,061	0.17
450,000	Pha Lai Thermal Power JSC			496,581	0.18
1,529,060	Phunhuan Jewelry JSC			1,946,929	0.70
2,090,800	Phuoc Hoa Rubber JSC			2,810,083	1.02
1,369,060	Refrigeration Electrical Engineering			1,568,883	0.57
150,000	Sacombank Securities JSC**			2,978	0.00
1,050,000	Saigon Beer Alcohol and Beverage JSC**			3,152,558	1.14
2,323,610	Saigon Securities			1,928,580	0.70
1,031,285	Saigon Thuong Tin			851,096	0.31
35,000	Savimex Corp			13,204	0.00
330,559	SMC Investment Trading			244,743	0.09
50,000	Songda Urban & Industrial Zone			33,011	0.01
755,000	Southern Rubber Industry JSC			1,392,148	0.50
281,550	Southern Seed Corporation			570,934	0.21
913,332	SSgA Construction Real Estate**			432,524	0.16
2,187	Swindon Limited** ***			4,826,500	1.75
1,052,870	Tay Ninh Rubber Co			2,383,294	0.86
800,000	Truong Thanh Furniture Corp			211,271	0.08
23,697	Vidipha Central Pharmaceutical**			18,439	0.01
6,019,772	Vietnam Dairy Products JSC			37,472,760	13.58
1,020,134	Vietnam Container Shipping			2,020,544	0.73
118,500	Vietnam National Reinsurance Corp			145,296	0.05
8,901,518	Vinaconex Advanced Compound Stone			3,610,142	1.31
1,033,299	Vinh Hoan Corp			1,296,192	0.47
863,900	Vndirect Securities Corp			370,738	0.13
468,238	VTC Online JSC**			8,889,103	3.22
Total Common Stock				181,930,181	65.93
Long Term Bonds 11.91% (Dec 2012: 9.23%)					
Vietnam 11.91% (Dec 2012: 9.23%)					
180,000,000,000	Anova Corp**NR•	6.00%	23/05/2014	7,896,911	2.86
105,000,000,000	Green Feed Vietnam Corp**NR•	8.00%	03/05/2015	20,915,822	7.58
55,500	Lam Son Sugar JSC NR•	12.00%	10/10/2014	207,650	0.08
51,219,600,000	Thu Duc Housing Development**NR•	7.00%	17/11/2013	1,115,914	0.40
2,869,565	Vietnam (Socialist Republic of)** BB	1.50%	12/03/2016	2,724,538	0.99
Total Long Term Bonds				32,860,835	11.91

* Closed end Funds

** Unlisted Securities (all other securities not highlighted are listed)

NR – not rated

JSC is the abbreviation for Joint Stock Company.

• Convertible bonds

† Securities issued / managed by related parties – Note 17.

DWS VIETNAM FUND LIMITED

Consolidated Portfolio of Investments as at 30 June 2013 cont/d

Nominal	Security	Coupon %	Maturity	Value US\$	Fund %
Warrants and Rights Nil (Dec 2012: 0.02%)					
Vietnam Nil (Dec 2012: 0.02%)					
2,600,000	NBB Investment Corporation JSC **			-	-
Total Warrants and Rights				-	-
Convertible Loans 4.53% (Dec 2012: Nil)					
Vietnam 4.53% (Dec 2012: Nil)					
12,200,000	Corbyns International	10.00%	30/06/2016	12,497,680	4.53
Total Convertible Loans				12,497,680	4.53
Portfolio of Investments				273,508,864	99.12
Cash and bank balances held with State Street Bank & Trust Company				12,996,571	4.71
Other Net Current Liabilities				(10,575,239)	(3.83)
Net Asset Value per IFRS financial statements				275,930,196	100.00

The portfolio of investments forms and integral part of these financial statements.

DWS VIETNAM FUND LIMITED

Consolidated Statement of Comprehensive Income for the six months ended 30 June 2013

	Notes	Unaudited 30/06/2013 US\$	Unaudited 30/06/2012 US\$
Income			
Investment income	4	6,402,425	5,346,332
Net gain on investments at fair value through profit & loss	3	43,668,040	41,028,670
Other gains / (losses)	5,11	5,439,283	(76,721)
Total revenue		55,509,748	46,298,281
Operating expenses	6,11	(14,639,743)	(11,645,929)
Profit for the period before taxation		40,870,005	34,652,352
Taxation			
Non-reclaimable withholding tax	16	(17,791)	(20,191)
Total Comprehensive income for the period		40,852,214	34,632,161
Earnings per Share			
Basic	14	9.14c	7.63c
Diluted	14	9.14c	7.63c
Weighted average shares outstanding			
Basic	14	446,831,392	453,834,725
Diluted	14	446,831,392	453,834,725

The accompanying notes form an integral part of these financial statements.

DWS VIETNAM FUND LIMITED

Consolidated Statement of Financial Position as at 30 June 2013

		Unaudited 30/06/2013 US\$	Audited 31/12/2012 US\$
Assets	Notes		
Cash and cash equivalents	9	12,996,571	13,789,452
Accounts receivable	8	4,197,226	1,100,956
Financial Instruments at fair value through profit or loss:			
Investments designated at fair value		273,508,864	225,274,268
Investments held for trading		-	39,584
Total Assets		290,702,661	240,204,260
 Liabilities			
Accounts Payable	10	(14,772,465)	(5,126,278)
Total Liabilities		(14,772,465)	(5,126,278)
 Net Assets		275,930,196	235,077,982
 Shareholder's equity			
Share capital		4,869,314	4,869,314
Share premium	13	471,302,202	471,302,202
Retained losses		(200,241,320)	(241,093,534)
Total shareholder's equity		275,930,196	235,077,982

The accompanying notes form an integral part of these financial statements.

DWS VIETNAM FUND LIMITED

Consolidated Statement of Changes in Equity for the six months ended 30 June 2013

	Share Capital US\$	Share Premium US\$	Retained Gains/(Losses) US\$	Total Equity US\$
Balance at 1 January 2013	4,869,314	471,302,202	(241,093,534)	235,077,982
Issue of Share Capital	-	-	-	-
Repurchase of Share Capital*	-	-	-	-
Total comprehensive gain	-	-	40,852,214	40,852,214
Balance at 30 June 2013	4,869,314	471,302,202	(200,241,320)	275,930,196

	Share Capital US\$	Share Premium US\$	Retained Gains/(Losses) US\$	Total Equity US\$
Balance at 1 January 2012	4,869,314	473,897,228	(291,191,522)	187,575,020
Issue of Share Capital	-	-	-	-
Repurchase of Share Capital*	-	(1,598,262)	-	(1,598,262)
Total comprehensive income	-	-	34,632,161	34,632,161
Balance at 30 June 2012	4,869,314	472,298,966	(256,559,361)	220,608,919

* As noted on pages 29 and 51, the Net Asset Value per the Financial Statements has been reduced by the market value of 40,100,000 DWS Vietnam Fund Ltd. shares (30 June 2012: 35,730,000) purchased by Siglap Ltd., Beira Ltd., and Epsom Ltd. three wholly owned subsidiary companies.

The accompanying notes form an integral part of these financial statements.

DWS VIETNAM FUND LIMITED

Consolidated Statement of Cash Flows for the six months ended 30 June 2013

	Unaudited 30/06/2013 US\$	Unaudited 30/06/2012 US\$
Cash flows from operating activities		
Profit for the period after taxation	40,852,214	34,632,161
<i>Adjustment for non-cash items:</i>		
Net unrealised movement on investments at fair value through profit or loss	(38,769,198)	(43,180,950)
<i>Changes in operating assets and liabilities:</i>		
Cash inflow / (outflow) due to net purchases and sales of investments	(9,425,814)	4,625,254
(Increase) in debtors	(3,096,270)	(341,167)
Increase in creditors	9,646,187	9,150,833
	(792,881)	4,886,131
Cash flows from financing activities		
Repurchase of Share Capital	-	(1,598,262)
	(792,881)	3,287,869
Net increase / (decrease) in cash and cash equivalents		
Cash balance at the start of the period	13,789,452	20,397,157
	12,996,571	23,685,026
Cash balance at the end of the period	12,996,571	23,685,026
Cash flows from operating activities include:		
Interest received	977,865	1,384,378
Dividends received	5,007,645	3,555,950

DWS VIETNAM FUND LIMITED

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

1 Incorporation and principal activity

The DWS Vietnam Fund (the “Company”) is a closed ended exempted company with limited liability formed under the laws of the Cayman Islands on 13 September 2006.

The Company’s investment objective is to achieve long-term capital appreciation of its assets by investing directly or indirectly in a diversified portfolio of securities such as equity and debt instruments of entities that do some or all of their business in Vietnam.

The Company seeks to achieve its investment objective through investing primarily in securities of listed and unlisted entities, including Vietnamese-listed companies, overseas companies and unlisted companies. Such entities include listed and unlisted closed-end fund vehicles. It also invests in securities issued by governmental agencies.

The Company holds all of its investments through wholly owned subsidiary companies which are special purpose holding companies incorporated outside of Vietnam. The Company has 10 wholly-owned special purpose companies, incorporated as exempted companies with limited liability in the Cayman Islands having the purpose of acting as trading conduits of the Company for the sole purpose of opening and operating trading accounts with brokers in Vietnam. These special purpose companies have the following names:

1. Epsom Limited
2. Lionel Hill Limited
3. Beira Limited
4. Prime Limited
5. Greystanes Limited
6. Siglap Limited
7. Teignmouth Limited
8. Tewkesbury Limited
9. Kallang Limited
10. Hephaestus Limited

As at the period end, all of these special purpose Companies were in operation with the exception of Tewkesbury Limited and Kallang Limited. Hephaestus Limited was incorporated on 14 January 2013 and the sale of Kitchener Limited was finalised on 10 April 2013.

As at 30 June 2013 and 31 December 2012, the Company and its subsidiaries (the Group) had no employees. The investment activities of the Group are managed by Deutsche Asset Management (Asia) Limited (the “Investment Manager”) and the administration of the Company is delegated to State Street Fund Services (Ireland) Limited. The registered office of the Company is located at: Second Floor Zephyr House, 122 Mary Street, PO Box 709, George Town, Grand Cayman KY1-1107, Cayman Islands.

2 Significant accounting policies

Statement of Compliance

These consolidated interim financial statements for the six months ended 30 June 2013 have been prepared in accordance with the international accounting standards applicable to the interim financial reporting under IAS 34 which are adopted pursuant to the procedure provided for under Article 6 of Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002. They have also been prepared in accordance with the reporting requirements of the Irish Stock Exchange for closed-ended funds. The condensed consolidated interim financial statements do not contain all of the information and disclosures required in the full annual audited financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2012, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

DWS VIETNAM FUND LIMITED

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

2 **Significant accounting policies cont/d** **Statement of Compliance cont/d**

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2012, as described in those annual financial statements.

a) **Basis of preparation**

The financial statements are presented in US Dollars. The functional currency of the Company and its subsidiaries is the US Dollar reflecting the fact that all subscriptions received were denominated in US Dollars. They are prepared on a fair value basis for financial assets and financial liabilities designated at fair value through profit or loss and for derivative financial instruments which are held for trading. Other financial assets and liabilities are stated at amortised cost.

Accounting estimates and judgements

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the period. Actual results could differ from those estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at year ended 31 December 2012.

b) **New accounting standards adopted**

IFRS 13, "Fair Value Measurement" effective for annual periods beginning on or after 1 January 2013, has been adopted by the Group. The standard improves consistency and reduces complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements. The Group has changed its valuation inputs for listed financial assets and liabilities to last traded prices to be consistent with the inputs prescribed in the Prospectus for the purpose of determining net asset value per share for subscriptions and redemptions. The change in valuation inputs is considered to be a change in estimate in accordance with IAS 8.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Company.

c) **Basis of consolidation**

The condensed consolidated financial statements comprise the financial statements of DWS Vietnam Fund Limited and its subsidiaries for the six months ended 30 June 2013. Subsidiaries are consolidated from the date on which control is transferred to the Company and they cease to be consolidated from the date on which control is transferred from the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain the benefits from its activities. The Company had full control over all its subsidiaries during the period ended 30 June 2013, as the Company has full ownership of the subsidiaries, with the exception of Swindon Ltd following the disposal of 78.13% of the share capital of Swindon Ltd. to Fortis Healthcare International Pte Ltd in 2011.

DWS VIETNAM FUND LIMITED

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

2 Significant accounting policies cont/d

d) Purchase of own shares in DWS Vietnam Fund

The Group holds an amount of the Company's equity shares as part of its investments portfolio. The market value of such investments is included in the dealing net asset value at the period end date. In compliance with International Financial Reporting Standards, such investments are excluded from the Group's financial assets, as calculated for IFRS financial statement reporting purposes and are instead treated as treasury shares. The cost of Company shares purchased by Group Companies is shown as a movement through the share premium account as disclosed in the Consolidated Statement of Changes in Equity. As own shares are not included as a financial asset on the Statement of Financial Position, any unrealised gain / loss on the purchase of its own shares held is excluded from the net gain / loss on investments designated at fair value through profit or loss, Note 3. The Group did not purchase Company shares in the six months ended 30 June 2013.

3 The net gains/(losses) on investments during the period comprise:

	Unaudited	Unaudited
	30/06/2013	30/06/2012
	US\$	US\$
Gains / (losses) realised on investments sold during the period:		
<i>Investments designated at fair value</i>	4,898,842	(5,324,512)
Total unrealised gains / (losses) for the period:		
<i>Investments designated at fair value</i>	38,769,198	46,353,182
Net gain/(loss) on investments	43,668,040	41,028,670

4 Investment income for the six months ended 30 June 2013

	Unaudited	Unaudited
	30/06/2013	30/06/2012
	US\$	US\$
From investments designated at fair value through profit or loss :		
Bond interest	1,036,780	578,417
Dividend income	5,365,327	3,928,504
From assets held at amortised cost:		
Fixed deposit interest	318	839,411
	6,402,425	5,346,332

5 Other gains / (losses)

	Unaudited	Unaudited
	30/06/2013	30/06/2012
	US\$	US\$
Net foreign exchange (loss)	(44,945)	(79,024)
Other income	5,484,228	2,303
	5,439,283	(76,721)

DWS VIETNAM FUND LIMITED

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

6 Expenses

	Note	Unaudited 30/06/2013 US\$	Unaudited 30/06/2012 US\$
Investment Manager			
Investment Manager fee	15	(2,436,363)	(2,004,943)
Investment Advisor fee	15	(141,434)	(108,271)
Performance fee	15	(11,215,277)	(8,993,711)
		(13,793,074)	(11,106,925)
Custodian			
Custody fees	15	(144,374)	(167,235)
Administrator			
Administration fees	15	(170,654)	(140,756)
Transfer Agency fees		(3,000)	(3,000)
		(173,654)	(143,756)
Other expenses			
Directors fees	7,17	(2,500)	(2,500)
Directors Insurance		(30,000)	(31,000)
Professional fees		(204,218)	(35,950)
Miscellaneous expenses		(272,097)	(136,579)
Audit fee		(19,826)	(21,984)
		(528,641)	(228,013)
Total Expenses		(14,639,743)	(11,645,929)

7 Directors' Remuneration

The Board will determine the fees payable to each Director subject to a maximum aggregate amount of US\$75,000 per annum for the Board.

8 Accounts Receivable

	Unaudited 30/06/2013 US\$	Audited 31/12/2012 US\$
Dividend receivable	819,445	461,763
Interest receivable	692,163	632,930
Other receivables	2,685,618	6,263
	4,197,226	1,100,956

9 Cash and cash equivalents

	Unaudited 30/06/2013 US\$	Audited 31/12/2012 US\$
Cash and bank balances	12,996,571	13,789,452

All cash and bank balances are held with State Street Bank & Trust Company, which is rated AA- by Standard & Poor's.

DWS VIETNAM FUND LIMITED

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

10 Accounts Payable	Unaudited 30/06/2013	Audited 31/12/2012
	US\$	US\$
Purchases awaiting settlement	(2,506,846)	(1,019,681)
Performance fee payable	(11,215,277)	-
Accrued expenses	(1,050,342)	(4,106,597)
	<u>(14,772,465)</u>	<u>(5,126,278)</u>

Purchases awaiting settlement are paid on agreed settlement date and expenses are paid within 1 month.

11 Explanatory note on significant movements during the period.

Consolidated Statement of Comprehensive Income:

a) Other gains / (losses): US\$5,439,283 (30 June 2012: US\$(76,721)).

Other income increased from US\$2,303 for the period ended 30 June 2012 to US\$5,484,228 for the period ended 30 June 2013 arising from a fee earned by the Company for services relating to the sale of Prime Group JSC through the disposal of 100% of the share capital of Kitchener Limited, a wholly-owned subsidiary of the Company.

b) Expenses: US\$14,639,743 (June 2012: US\$11,645,929)

A performance fee of US\$11,215,277 was charged for the period ended 30 June 2013 (June 2012: US\$8,993,711), as detailed in Note 6.

12 Share capital

Shares - Equity

On incorporation of the Company on 13 September 2006, the authorised share capital was US\$500,000,000 made up of 500,000,000 shares of a par value of US\$1.00 each, having the rights set out in the Articles. By virtue of an Ordinary Resolution of the Company passed on 19 December 2008 and with the sanction of an Order of the Grand Court of the Cayman Islands dated 31 July 2009, the authorised share capital was amended to US\$10,000,000 made up of 1,000,000,000 shares of a par value of US\$0.01 each. Consequently, and by virtue of a Special Resolution of the Company passed on 19 December 2008 and with the sanction of an Order of the Grand Court of the Cayman Islands dated 31 July 2009, the issued share capital of the Company was reduced from US\$486,931,392 made up of 486,931,392 shares of US\$ 1.00 each, to US\$4,869,314 made up of 486,931,392 shares of US\$0.01 each. Therefore, the number of shares in issue has not changed since the incorporation of the Company.

The Shares constitute the only class of shares in the Company. The Company has originally issued one subscriber share which was subsequently repurchased by the Company at par. All Shares have the same rights, whether in regard to voting, dividends, return of share capital and otherwise.

The objectives of the subsidiary special purpose companies are outlined in the Investment Manager's Report. The Group strives to invest the subscriptions into the Company shares into the subsidiaries in investments that meet the Group's investment objectives while maintaining sufficient liquidity.

At a general meeting on a show of hands every shareholder of record present in person (or, in the case of a shareholder being a corporation by its duly authorised representative) shall have one vote and on a poll every shareholder of record present in person (or, in the case of a shareholder being a corporation by its duly authorised representative) or by proxy shall have one vote for each share registered in his name in the Register.

DWS VIETNAM FUND LIMITED

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

12 Share capital cont/d Shares - Equity cont/d

The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify as such in the notice calling it. The Directors may convene general meetings. Extraordinary general meetings may also be convened on such requisition. Upon a winding up of the Company, the shares carry a right to a return of the nominal capital paid up in respect of such shares, and the right to share in the surplus assets. There are no pre-emptive rights in connection with the shares.

Subject to the approval of the Irish Stock Exchange, the Group may hold shares through one of the its 10 wholly-owned special purpose vehicles as listed in note 1, by way of a re-purchase of any issued shares. The Investment Manager shall have the sole discretion to direct the purchase or sale of such shares of the Group so as to facilitate a market in the shares where, in its discretion, it considers that there is a significant difference between the net asset value per share and the trading price per share on the Irish Stock Exchange, but subject to certain conditions as detailed in the Prospectus to the fund. During the period the wholly owned subsidiary companies did not repurchase DWS Vietnam Fund Ltd. shares as noted on page 25 (Dec 2012: 10,525,000 shares and June 2012: 6,155,000 shares).

The Company has issued share capital of 486,931,392 of which a total of 40,100,000 shares have been purchased by Siglap Ltd., Beira Ltd. and Epsom Ltd., wholly owned subsidiary companies since inception of the Company. The repurchase of own shares has been processed as a movement through the Share Premium in the relevant period, please refer to note 13 for further detail.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as results from operating activities divided by total shareholders' equity.

13 Share premium

	Unaudited 30/06/2013	Audited 31/12/2012
	US\$	US\$
Balance at start of period	471,302,202	473,897,228
Repurchase of parent shares by the Group	-	(2,595,026)
	471,302,202	471,302,202

14 Earnings per share

The calculation of the basic and diluted earnings per share are based on the following data:

	30/06/2013	30/06/2012
	US\$	US\$
	Unaudited	Unaudited
Earnings for the purpose of the basic and diluted earnings per share is net profit attributable to shareholders	40,852,214	34,632,161
Weighted average number of shares for the basic and diluted earnings per share	446,831,392	453,834,725
Basic and diluted earnings per share	9.14c	7.63c

DWS VIETNAM FUND LIMITED

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

14 Earnings / (loss) per share cont/d

Basic earnings per share is calculated by dividing the earnings attributable to shareholders by the weighted average number of shares in issue during the period, excluding those purchased by the wholly owned subsidiary companies as noted on page 25.

Diluted earnings per share is calculated by adjusting the earnings attributable to shareholders and the weighted average number of shares outstanding (excluding those purchased by wholly owned subsidiary companies) for the effects of dilutive potential shares. No dilutive potential shares existed at the period end.

15 Significant Agreements

Custodian

State Street Custodial Services (Ireland) Limited acts as Custodian to the Company and Group, pursuant to the Custodian Agreement dated 10 November 2006. The Custodian fees are charged based on the Net Asset Value of the Group (not to exceed 18 basis points) on a monthly basis in arrears.

Administrator

The Group and the Manager have appointed State Street Fund Services (Ireland) Limited pursuant to an agreement dated 15 November 2006. The Administration fee is billed and payable monthly based on the average monthly assets. The current rates for the Administration fee are 9 basis points for the first US\$100 million net assets, 8 basis points for net assets between US\$100 to US\$300 million and 6 basis points for net assets in excess of US\$300 million, subject to a minimum monthly charge of US\$8,000 per special purpose company, and a maximum fee of 12bps of the Net Asset Value of the fund.

Discretionary Investment Adviser

Pursuant to an agreement dated 15 November 2006, the Group has delegated its discretionary investment management function to Deutsche Asset Management (Asia) Limited (DeAM (Asia)). The Investment Manager fees are charged based on the Net Asset Value of the Group on a monthly basis as defined in the prospectus. The current rate for the Investment Manager Fee is 170 basis points.

In addition to the Investment Manager's fee a performance fee is payable on the achievement of a performance target as set out in the Company's prospectus. All assets of the Group will be divided into Sub-Portfolios. There will be separate Sub-Portfolios for (i) assets under management by the Investment Manager (Duxton Asset Management Pte Ltd.), comprising the Investment Manager's Sub-Portfolio and (ii) assets under management by each Segregated Fund Manager (PXP Vietnam Asset Management Ltd.) Performance fees are calculated and payable separately for each such Sub-Portfolio.

Sub Investment Manager

With effect from 30 April 2009 ("the effective date"), DeAM Asia the appointed discretionary investment manager of the DWS Vietnam Fund Limited, pursuant to its authority and discretion under the terms of the amended and restated Investment Manager Agreement (IMA) between DeAM Asia and the Company dated 14 February 2007, delegated certain of its investment management duties under this agreement to Duxton Asset Management Pte. Ltd., who have been appointed as sub Investment Manager.

DWS VIETNAM FUND LIMITED

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

15 Significant Agreements cont/d

Performance Fees

For the purpose of calculating performance fees, the Investment Manager's Sub-Portfolio excludes any Segregated Funds managed by Segregated Fund Managers. The performance fee earned for the period by DeAM Asia was US\$10,507,596 (June 2012: US\$ 8,520,199) of which US\$ 10,507,596 was outstanding at period end (Dec 2012: US\$ 3,603,422). The performance fee earned for the period by PXP Vietnam Asset Management Ltd was US\$707,681 (June 2012: US\$ 473,512) of which US\$ 707,681 was outstanding at period end (Dec 2012: US\$ Nil).

Duxton is paid a performance fee directly by DeAM Asia, from the performance fee payable to DeAM Asia detailed above. The performance fee payable by DeAM Asia to Duxton for the period ended 30 June 2013 was US\$5,253,798 (June 2012: US\$4,260,100) of which US\$5,253,798 was outstanding at the period end (Dec 2012: US\$1,801,711).

The Company shall pay performance fees to the Investment Manager in arrears within 30 days from the end of each calculation period and shall be calculated by reference to the unaudited accounts of the Group. The calculation periods are between 1 January and the last valuation date in June and between 1 July and 31 December each year. There will be no high-water mark based on which the performance fee is paid. Each calculation period is independent of previous calculation periods i.e. a decline in the Net Asset Value of a sub-fund in one calculation period will not affect the payment of performance fees for this sub-fund in future calculation periods. The Group shall pay a performance fee on the Investment Manager's Sub Portfolio if the Investment Manager's Sub-Portfolio generates a return greater than 8% on an annualized basis during a calculation period. An enhanced performance fee is payable if the Investment Manager's Sub-Portfolio generates a return greater than 10% on an annualised basis during a calculation period. Fees payable to the Investment Manager on termination of the Investment Management Agreement are detailed in the Prospectus.

16 Taxation

There are no taxes on income or gains in the Cayman Islands and the Group has received an undertaking from the Governor in Council of the Cayman Islands, under the Tax Concessions Law (1999 Revision), exempting it from all local income, profits and capital taxes until 26 September 2026. Accordingly, no provision for Cayman income taxes is included in these financial statements.

Dividend and interest income received by the Group may be subject to withholding tax imposed in the country of origin. Investment income is recorded gross of such taxes and the withholding tax is recognised in the tax line as 'Non-reclaimable withholding tax' in the Consolidated Statement of Comprehensive Income.

The Company anticipates that the tax consequences for the Company of its investments in Vietnam will be as follows:

Dividends

The Company will not be subject to any additional corporate income tax in Vietnam on dividends the Company receives from the tax-paid profits of Vietnamese companies. Remittance of the dividends outside of Vietnam is also free of tax as there is no longer any profit remittance tax applicable to foreign investors in Vietnam.

Interest

Effective March 1, 2012, non-resident institutional investors are subject to a 5% withholding tax rate on interest income received from corporate and government bonds and certificates of deposit (CDs). Non-resident institutional investors were previously subject to a 10% withholding tax rate on such interest income.

DWS VIETNAM FUND LIMITED

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

16 **Taxation cont/d**

Disposals

The Company will be subject to a "deemed profits" tax in Vietnam when the Company disposes of any public company securities of its Investee Companies. This tax is equivalent to 0.1% of the value of the securities sold. No relief is allowed for transaction costs and no allowance is taken for the cost of investments (i.e., the existence of actual profits is irrelevant). The tax is netted against the realised gains / (losses) as part of the 'Net gain / (loss) on investments at fair value through profit or loss' within the consolidated statement of comprehensive income.

For Investee Companies where the Company invests in the legal capital or shares in private companies (e.g., certain private equity transactions), the Company will be subject to a "capital assignment" tax on any gain made when the Company sells or transfers this ownership interest or shares to another party. This tax will be charged at a rate of 25% on the difference between the assignment proceeds and the original value of the assigned capital, less the transaction costs. The original value of the assigned capital is the actual capital amount which has been contributed by the transferor as at the assignment date, as supported by and based on accounting books and documents.

17 **Related Party Transactions**

Transactions with entities with significant influence

Deutsche Asset Management (Asia) Limited (a subsidiary of Deutsche Bank AG) has been appointed as Investment Manager to the Group. For these services in the period, Deutsche Asset Management (Asia) Limited earned a fee of US\$2,436,363 (June 2012: US\$2,004,943) of which US\$Nil was outstanding at the period end (Dec 2012: US\$354,743). As detailed in Note 15, the performance fee earned for the period by DeAM Asia was US\$10,507,596 (June 2012: US\$8,520,199) of which US\$ 10,507,596 was outstanding at period end (Dec 2012: US\$3,603,422).

The subsidiaries currently in operation are managed by Deutsche Asset Management (Asia) Limited, all transactions between the company and its subsidiaries are on an arm's length basis.

As at period end the Group held an investment in the collective investment schemes, PXP Vietnam Fund Limited and PXP Vietnam Emerging Equity Fund, which are managed by PXP Vietnam Asset Management Limited and are therefore related parties.

PXP Vietnam Asset Management Limited was appointed by the Group to manage a portion of investment cash during the period. PXP Vietnam Asset Management Limited earned a fee of US\$141,434 (June 2012: US\$108,271) of which US\$Nil was outstanding at the period end (Dec 2012: US\$Nil). The performance fee earned for the period by PXP Vietnam Asset Management Ltd was US\$707,681 (June 2012: US\$473,512) of which US\$ 707,681 was outstanding at period end (Dec 2012: US\$ Nil).

As detailed in note 15, with effect from 30 April 2009, DeAM Asia delegated certain of its investment management duties to Duxton Asset Management Pte. Ltd, who have been appointed as sub- Investment Manager. The fee earned for the period by Duxton Asset Management Pte Ltd was US\$1,486,250 (June 2012: US\$1,195,130). This fee is paid by DeAM Asia to Duxton from the Investment Manager's fee detailed above. Additionally Duxton was paid a performance fee directly by DeAM Asia, from the performance fee paid to DeAM Asia detailed above. The performance fee paid by DeAM Asia to Duxton for the period ended 30 June 2013 was US\$5,253,798 (June 2012: US\$4,260,100) of which US\$5,253,798 was outstanding at the period end (Dec 2012: US\$1,801,711).

The Investment Manager may execute trades on behalf of the Fund with Deutsche Bank London broking division, a member of the Deutsche Bank AG Group of which the Investment Manager is also a member. The total value of trades executed by the Investment Manager was US\$Nil (June 2012: US\$Nil) and which represented commission of US\$Nil (June 2012: US\$Nil) paid to Deutsche Bank, London.

DWS VIETNAM FUND LIMITED

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

17 Related Party Transactions cont/d

Transactions with subsidiaries

During the period there were no purchases of DWS Vietnam Fund Ltd. shares by Epsom Ltd., Beira Ltd. and Siglap Ltd., wholly owned subsidiary companies as noted on page 25 (Dec 2012: 10,525,000 and June 2012: 6,155,000).

The Company has issued share capital of 486,931,392, of which a total of 40,100,000 shares have been purchased by Siglap Ltd., Beira Ltd. and Epsom Ltd., wholly owned subsidiary companies since inception of the Company. The repurchase of own shares has been processed as a movement through the Share Premium in the relevant period, please refer to note 13 for further detail.

Transactions with key management personnel

Directors Tran Van Tri and Rosanna Mak Tsui Shan are employees of a Deutsche Bank A.G. related entity. Tran Van Tri and Rosanna Mak Tsui Shan did not earn fees in the period ended 30 June 2013.

Director Stephen Duerden is also a Director of Duxton Asset Management Ltd. Stephen Duerden did not earn a fee in the period ended 30 June 2013.

The total fees earned by the independent Director in the period was US\$ 2,500 (June 2012: US\$2,500).

18 Net Asset Value per share

The Net Asset Value per Share of the portfolio is determined by dividing the net assets of the portfolio by the total number of Participating Shares in issue.

19 Soft Commission Arrangements

The Company did not enter into any soft commission arrangements during the period.

20 Fair Value Hierarchy

IFRS 13, "Fair value measurement", requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

20 Fair Value Hierarchy cont/d

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. The determination of what constitutes ‘observable’ requires significant judgement by the Company.

The Company considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The following tables analyse within the fair value hierarchy the Company’s financial instruments measured at fair value at 30 June 2013 and 31 December 2012:

As at 30 June 2013:

	Level 1	Level 2	Level 3	Total Fair Value
Financial instruments at fair value through profit or loss	US\$	US\$	US\$	US\$
Collective Investment Schemes	16,326,670	29,893,498	-	46,220,168
Listed Equities	122,314,530	-	-	122,314,530
Unlisted Equities	-	13,378,495	46,237,156	59,615,651
Long Term Bonds	-	2,724,538	30,136,297	32,860,835
Convertible Loans	-	-	12,497,680	12,497,680
Total	138,641,200	45,996,531	88,871,133	273,508,864

As at 31 December 2012:

	Level 1	Level 2	Level 3	Total Fair Value
Financial instruments at fair value through profit or loss	US\$	US\$	US\$	US\$
Collective Investment Schemes	10,316,527	18,019,500	-	28,336,027
Listed Equities & Rights	95,557,034	-	-	95,557,034
Unlisted Equities	-	12,299,925	67,385,706	79,685,631
Warrants and Rights	-	39,584	-	39,584
Long Term Bonds	-	3,075,260	18,620,316	21,695,576
Total	105,873,561	33,434,269	86,006,022	225,313,852

During the period ended 30 June 2013, there was one transfer between all levels of the fair value hierarchy: Sacombank Securities JSC, a listed equity as at 31 December 2012 was delisted on 25 March 2013 and consequently transferred from Level 1 to Level 3 of the fair value hierarchy. The valuation methodology and sensitivity analysis of this Level 3 security is detailed below. There were no transfers between Level 1 and Level 2 and Level 3 of the fair value hierarchy for financial instruments which are recorded at fair value at 31 December 2012.

DWS VIETNAM FUND LIMITED

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

20 Fair Value Hierarchy cont/d

Level 3 Reconciliation

The following table shows a reconciliation of all movements in the fair value of financial instruments categorised within Level 3 for the period ended 30 June 2013:

	Unlisted Equities	Long Term Bonds	Convertible Loan	Total
	US\$	US\$	US\$	US\$
Opening Balance	67,385,706	18,620,316	-	86,006,022
Gains and (Losses) recognised in profit and loss	2,420,272	11,515,981	297,680	14,233,933
Purchases		-	12,200,000	12,200,000
Sales	(23,571,800)	-	-	(23,571,800)
Transfers into Level 3	2,978	-	-	2,978
Closing Balance	46,237,156	30,136,297	12,497,680	88,871,133

As at 30 June 2013, the Fund held investments in ten private companies in the form of a combination of illiquid common stock, convertible bonds and a convertible loan which are categorized as level 3 investments. The companies are valued by Deutsche Bank's Global Valuations Group (GVG) and are detailed below.

As required under IFRS 7, the valuation spread for each level 3 security has been determined based on what management consider are the reasonable possible alternative assumptions used as part of each valuation.

The valuation spread for each level 3 investment held as at 30 June 2013 is detailed below.

	Fair Value per the Financial Statements	Reasonably possible valuation spread for Level 3 Securities
Security	US\$	US\$
Equities		
GreenFeed Vietnam	18,284,131	13,696,609 to 26,242,330
SSgA Construction Real Estate	432,524	241,270 to 636,673
NBB Investment Corporation	8,787,399	8,562,005 to 9,154,341
Sacombank Securities JSC	2,978	1,853 to 4,379
Swindon Limited	4,826,500	N/A*
Anova Corporation	5,014,521	4,581,683 to 5,941,213
VTC Online JSC	8,889,103	6,622,498 to 12,133,090
Long term Bonds		
Green Feed Vietnam	20,915,822	15,633,123 to 30,068,859
Anova Corporation	7,896,911	7,354,406 to 9,320,202
Thu Duc Housing Development	1,115,914	1,001,474 to 1,278,411
Lam Son Sugar JSC	207,650	172,201 to 244,383
Convertible Loans		
Corbyns International	12,497,680	11,217,912 to 14,263,064

*Regarding Swindon Limited, the fair value of the underlying security, Hoan My Hospital is based on the recent trading activity in the market for this security. Consequently, it is not possible to provide a valuation spread on this security as a model was not applied to derive the period end valuation.

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

20 Fair Value Hierarchy cont/d

In relation to the securities valued by the Global Valuation Group (GVG), the valuation of common stock, convertible bonds and the convertible loan involves the use of techniques such discounted cash flow (DCF) and a price earnings multiple (P/E) or a combination of both techniques depending on the circumstances.

The equities were valued by using a price-to-earnings (P/E) multiple approach and a DCF model. In the P/E multiple approach, a basket of market comparables was selected and the mean of its P/E multiple has been calculated. Hence, the value of the equities are determined by the product of the mean of P/E multiple and the actual earnings per share of the company. In the DCF forecast model, the equity value is derived from discounting forecast future cash flows of the company at the current market discount rate.

The convertible bond portions were valued using a convertible bond model sourced from the internal Deutsche Bank (DB) pricing library, DB Analytics. Inputs into the Convertible Bond model include implied volatility of conversion, the spot value of asset (the stock value), recovery rates, credit volatility and credit spreads for both day one and the current valuation date. The implied valuation date price of the bond is compared to the implied day one price of the bond to determine its relative movement. This movement is then translated into actual values of the investment.

Discussion of reasonably possible alternative assumptions to determine the valuation spread of each level 3 security is discussed separately below.

GreenFeed Vietnam Corp

Convertible bond valuation (Fair Valuation at 30 June 2013 US\$ 20,915,822)

Equity valuation (Fair Valuation at 30 June 2013 US\$ 18,284,131)

The convertible bond portion was valued using the internal DB pricing library, DB Analytics. Inputs into the Convertible Bond model include implied volatility of conversion, the spot value of asset (the stock value), recovery rates, credit volatility and credit spreads for both day one and the current valuations date.

Key unobservable inputs which have been changed in the sensitivity analysis are as follows:

Spot value of assets represent the equity value and was valued using the average of the P/E multiple approach and the DCF model. In the base case of the P/E multiple approach, a basket of market comparables was selected and the mean of their P/Es calculated. The mean P/E multiple was then used to calculate the equity value of the company. In the sensitivity analysis, GVG flexed the P/E multiples by +/-5 x to calculate the equity value in the best/ worst case scenario. In the DCF forecast model, the key unobservable inputs are the discount rate, the terminal growth rate and comparable multiples. In the base case, the discount rate was set as 14%, the growth rate was 3% and the comparable multiples at 16x. In the sensitivity analysis, based on judgment, the following variances to the input variables have been applied:

- Changes in the discount rate: +/- 2%
- Changes in the growth rate : +/- 1%
- Changes in the P/E multiple: +/- 5x

Implied volatility of conversion represents the implied volatility of the embedded optionality in the structure. It is closely linked to the probability of IPO; i.e. a lower probability of IPO implies a lower volatility. In the base case, the implied volatility was set at 44%.

DWS VIETNAM FUND LIMITED

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

20 Fair Value Hierarchy cont/d

GreenFeed Vietnam Corp cont/d

- Changes in the implied volatility: +/- 10%

This is based on the historical variance in the market comparable's equity volatilities. A study on the market comparables' equity volatility has been performed and the result shows that the gap between the highest/ lowest volatility and the mean volatility is ~10%. This represents our best estimates of the variation in implied volatility.

- Changes in credit spreads: +/- 500bps

Credit spreads represents the pure credit risk of the company and in the base case which is estimated at 1973 bps. As the availability of credit spreads are harder to quantify due to a lack of observable points, we estimated the credit spreads based on the relative change in the macroeconomic conditions and the change in CDS spreads on 5 year Vietnam sovereign bonds. GVG varied this input by 500bps based on judgment in the sensitivity analysis.

The resulting spread for convertible bond is a valuation range of between US\$ 15,633,123 to US\$ 30,068,859 and the resulting spread for the equity is a valuation range of between US\$ 13,696,609 to US\$ 26,242,330.

Anova Corporation

Convertible bond valuation (Fair Valuation at 30 June 2013 US\$ 7,896,911)

Equity valuation (Fair Valuation at 30 June 2013 US\$ 5,014,521)

The convertible bond portion was valued using the internal DB pricing library, DB Analytics. Inputs into the Convertible Bond model include implied volatility of conversion, the spot value of asset (the stock value), recovery rates, credit volatility and credit spreads for both day one and the current valuation date.

Key unobservable inputs which have been changed in the sensitivity analysis are as follows:

Spot value of assets represent the equity value and was valued using the average of the P/E multiple approach and the DCF model. In the base case of the P/E multiple approach, a basket of market comparables was selected and the mean of their P/Es calculated. The mean P/E multiple was then used to calculate the equity value of the company. In the sensitivity analysis, GVG flexed the P/E multiples by +/- 5 x to calculate the equity value in the best/ worst case scenario. In the DCF forecast model, the key unobservable inputs are the discount rate, the terminal growth rate and comparables multiple. In the base case, the discount rate was set as 16%, the terminal growth rate was 11% and the comparables multiple at 18x. In the sensitivity analysis, based on judgment, the following variances to the input variables have been applied:

- Changes in the discount rate: +/- 1%
- Changes in the terminal growth rate : +/- 1%
- Changes in the P/E multiple: +/- 5x

Implied volatility of conversion represents the implied volatility of the embedded optionality in the structure. It is closely linked to the probability of IPO; i.e. a lower probability of IPO implies a lower volatility. In the base case, the implied volatility was set at 34%. Credit spreads represents the pure credit risk of the company and in the base case, it was estimated at 1944bps.

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

20 Fair Value Hierarchy cont/d

Anova Corporation cont/d

As the availability of credit spreads are harder to quantify due to a lack of observable points, we estimated the credit spreads based on the relative change in the macroeconomic conditions and the change in CDS spreads on 5 year Vietnam sovereign bonds.

- Changes in credit spreads: +/- 500bps

This is based on the historical variance in the market comparable's equity volatilities. A study on the market comparables' equity volatility has been done and the result shows that the gap between the highest/ lowest volatility and the mean volatility is ~10%. This represents our best estimates of the variation in implied volatility.

- Changes in the implied volatility: +/- 10%

The resulting spread for convertible bond is a valuation range of between US\$ 7,354,406 to US\$ 9,320,202 and the resulting spread for the equity is a valuation range of between US\$ 4,581,683 to US\$ 5,941,213.

Thu Duc Housing Development

Equity valuation (Fair Valuation at 30 June 2013 US\$ 1,115,914)

The convertible bond portion was valued using the internal DB pricing library, DB Analytics. Inputs into the Convertible Bond model include implied volatility of conversion, the spot value of asset (the stock value), recovery rates, credit volatility and credit spreads for both day one and the current valuations date.

Key inputs which have been changed in the sensitivity analysis are as follows:

Implied volatility of conversion represents the implied volatility of the embedded optionality in the structure. It is closely linked to the probability of IPO; i.e. a lower probability of IPO implies a lower volatility. In the base case, the implied volatility was set at 34%.

- Changes in the implied volatility: +/- 10%

This is based on the historical variance in the market comparable's equity volatilities. A study on the market comparables' equity volatility has been done and the result shows that the gap between the highest/ lowest volatility and the mean volatility is ~10%. This represents our best estimates of the variation in implied volatility.

- Changes in credit spreads: +/- 500bps

In the base case, credit spreads was set at 2,602 bps by using credit spreads calculated from a proxy approach from similar companies in China. GVG varied this input by 500bps based on judgment in the sensitivity analysis.

- Changes in spot price: +/- 25%

In the base case, spot price is set as the market observable price on TDH (listed entity). Being a key parameter driving the price of a convertible bond, we varied this input by +/- 25% with observations on the historical volatility of TDH which is at 45% as implied by the 1 year historical volatility on Bloomberg (See Figure 1).

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

20 Fair Value Hierarchy cont/d

Thu Duc Housing Development cont/d

Figure 1

Period	Daily: 1Y	Range	02-Jul-2012	-	02-Jul-2013	Ann. Factor	260	CUR	LCL	
Security	TDH VN Equity	Hist Vol	5	15	30	260	T	Model	CLV	Price
Date	Price	Hist Vol (5D:1Y)	Hist Vol (15D:1Y)	Hist Vol (30D:1Y)	Hist Vol (260D:1Y)					
07/02/13	12600.000	28.657	32.795	33.065	45.282					
07/01/13	12400.000	27.964	32.643	32.767	45.303					
06/28/13	12400.000	42.399	33.280	33.599	45.308					
06/27/13	12600.000	42.325	34.399	33.581	45.543					
06/26/13	12300.000	41.683	31.327	33.150	45.529					
06/25/13	12400.000	41.823	32.163	33.431	45.553					
06/24/13	12900.000	30.501	29.377	31.821	45.473					
06/21/13	13100.000	25.959	29.305	33.986	45.461					
06/20/13	12800.000	32.536	26.365	33.697	45.397					

The resulting spread was a valuation range of between US\$ 1,001,474 to US\$ 1,278,411.

NBB Investment Corporation

Equity valuation (Fair Valuation at 30 June 2013 US\$ 8,787,399)

The investment in NBB Investment Corporation is in the form of Redeemable Convertible Preference Shares. The valuation approach used is similar to that of a convertible bond as both instruments have similar features.

The convertible bond portion was valued using the internal DB pricing library, DB Analytics. Inputs into the Convertible Bond model include implied volatility of conversion, the spot value of asset (the stock value), recovery rates, credit volatility and credit spreads for both day one and the current valuations date.

Key inputs which have been changed in the sensitivity analysis are as follows:

Implied volatility of conversion represents the implied volatility of the embedded optionality in the structure. It is closely linked to the probability of IPO; i.e. a lower probability of IPO implies a lower volatility. In the base case, the implied volatility was set at 38%.

- Changes in the implied volatility: +/- 10%

This is based on the historical variance in the market comparable's equity volatilities. A study on the market comparables' equity volatility has been done and the result shows that the gap between the highest/ lowest volatility and the mean volatility is ~10%. This represents our best estimates of the variation in implied volatility.

- Changes in credit spreads: +/- 500bps

In the base case, credit spreads was set at 1,672 bps by using credit spreads of similar companies in China and Vietnam. GVG varied this input by 500bps based on best judgment in the sensitivity analysis.

- Changes in spot price: +/- 25%

In the base case, spot price is set as the market observable price on NBB (listed entity). Being a key parameter driving the price of a convertible bond, we varied this input by +/- 25% with observations on the historical volatility of NBB which is at 50%, as implied by the 1 year historical volatility on Bloomberg (See Figure 2).

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

20 Fair Value Hierarchy cont/d

NBB Investment Corporation cont/d

Figure 2

Period	Daily: 1Y	Range	01-Jul-2012	-	01-Jul-2013	Ann. Factor	260	CUR	LCL	
Security	NBB VN Equity	Hist Vol	10	30	50	260	T	Model	CLV	Price
Date	Price	Hist Vol (10D:1Y)	Hist Vol (30D:1Y)	Hist Vol (50D:1Y)	Hist Vol (260D:1Y)					
07/01/13	16700.000	63.878	47.091	49.503	50.036					
06/28/13	16700.000	68.244	47.102	49.517	50.301					
06/27/13	16500.000	68.831	46.942	49.490	50.442					
06/26/13	16799.990	68.217	46.656	49.476						
06/25/13	17654.227	63.453	44.180	48.252						
06/24/13	18722.023	51.399	40.084	48.410						
06/21/13	17938.973	47.491	39.707	49.461						
06/20/13	16799.990	31.889	34.743	47.103						

The resulting spread was a valuation range of between US\$ 8,562,005 to US\$ 9,154,341.

Lam Son Sugar JSC

Convertible bond valuation (Fair Valuation at 30 June 2013 US\$ 207,650)

The convertible bond portion was valued using the internal DB pricing library, DB Analytics. Inputs into the Convertible Bond model include implied volatility of conversion, the spot value of asset (the stock value), recovery rates, credit volatility and credit spreads for both day one and the current valuations date.

Key inputs which have been changed in the sensitivity analysis are as follows:

Implied volatility of conversion represents the implied volatility of the embedded optionality in the structure. It is closely linked to the probability of IPO; i.e. a lower probability of IPO implies a lower volatility. In the base case, the implied volatility was set at 32%.

- Changes in the implied volatility: +/- 15%

This is based on the historical variance in the market comparable's equity volatilities. A study on the market comparables' equity volatility has been done and the result shows that the gap between the highest/ lowest volatility and the mean volatility is ~15%. This represents our best estimates of the variation in implied volatility.

- Changes in credit spreads: +/- 500bps

In the base case, credit spreads was set at 1,376 bps by using credit spreads of similar companies in China and Vietnam. GVG varied this input by 500bps based on best judgment in the sensitivity analysis.

- Changes in spot price: +/- 20%

In the base case, spot price is set as the market observable price on Lam Som Sugar (LSS) as it is listed. Being a key parameter driving the price of a convertible bond, we varied this input by +/- 20% with observations on the historical volatility of LSS which is at 39%, as implied by the 1 year historical volatility on Bloomberg (See Figure 3).

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

20 Fair Value Hierarchy cont/d

Lam Son Sugar JSC cont/d

Figure 3

Period	Daily: 6M	Range	04-Jan-2013	-	04-Jul-2013	Ann. Factor	260	CUR	LCL	
Security	LSS VN Equity	Hist Vol	10	30	50	260	T	Model	CLV	Price
Date	Price	Hist Vol (10D:6M)	Hist Vol (30D:6M)	Hist Vol (50D:6M)	Hist Vol (260D:6M)					
07/04/13	13700.000	48.198	37.282	33.929	39.056					
07/03/13	13700.000	48.198	38.081	33.929	39.065					
07/02/13	13700.000	48.653	38.117	34.151	39.173					
07/01/13	13200.000	42.316	36.619	33.130	39.020					
06/28/13	13800.000	35.901	33.899	31.426	38.793					
06/27/13	13500.000	34.907	33.350	31.251	38.728					
06/26/13	13400.000	34.915	33.303	31.951	38.720					
06/25/13	13100.000	36.433	32.986	32.497	38.637					
06/24/13	13800.000	34.809	28.818	30.415	38.336					
06/21/13	13900.000	34.804	29.158	30.412	38.334					
06/20/13	13900.000	35.118	29.158	30.412	38.343					

The resulting spread was a valuation range of between US\$ 172,201 to US\$ 244,383.

SSgA Construction Real Estate (Fair Valuation at 30 June 2013 US\$ 432,524)

The method used for the valuation is the NAV model and P/E method. In the base case of the P/E multiple approach, a basket of market comparables was selected and the mean of their P/Es calculated. The mean P/E multiple was then used to calculate the equity value of the company. In the sensitivity analysis, GVG flexed the P/E multiples by +/-5 x to calculate the equity value in the best/ worst case scenario.

In the NAV model, the current discount rate applied is 14.7%. We varied this input by 2% based on judgment in the sensitivity analysis. In addition, GVG utilized a base NAV discount of 65% and in the sensitivity analysis; the input is varied by 15% based on judgment.

The resulting spread was a valuation range of between US\$ 241,270 to US\$ 636,673.

VTC Online JSC

Equity valuation (Fair Valuation at 30 June 2013 US\$ 8,889,103)

Key unobservable inputs which have been changed in the sensitivity analysis are as follows:

Spot value of assets represent the equity value and was valued using the average of the P/E multiple approach and the DCF model. In the base case of the P/E multiple approach, a basket of market comparables was selected and the mean of their P/Es calculated. The mean P/E multiple was then used to calculate the equity value of the company. In the sensitivity analysis, GVG flexed the P/E multiples by +/-5 x to calculate the equity value in the best/ worst case scenario. In the DCF forecast model, the key unobservable inputs are the discount rate, the terminal growth rate and comparables multiples. In the base case, the discount rate was set as 22%, the growth rate was 3% and the comparables multiples at 12x.

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

20 Fair Value Hierarchy cont/d

VTC Online JSC cont/d

In the sensitivity analysis, based on judgment, the following variances to the input variables have been applied:

- Changes in the discount rate: +/- 2%
- Changes in the growth rate : +/- 1%
- Changes in the P/E multiple: +/- 5x

The resulting spread was a valuation range of between US\$ 6,622,498 to US\$ 12,133,090.

Corbyns International

Convertible loan valuation (Fair Valuation at 30 June 2013 US\$ 12,497,680)

The convertible loan portion was valued using the internal DB pricing library, DB Analytics. Inputs into the Convertible Loan model include implied volatility of conversion, the spot value of asset (the stock value), recovery rates, credit volatility and credit spreads for both day one and the current valuations date.

Key unobservable inputs which have been changed in the sensitivity analysis are as follows:

In the DCF forecast model, the key unobservable inputs are the discount rate and the terminal EBITDA multiple. In the base case, the discount rate was set as 17% and the terminal EBITDA multiples at 6x. In the sensitivity analysis, based on judgment, the following variances to the input variables have been applied:

- Changes in the discount rate: +/- 2%
- Changes in the terminal EBITDA multiple : +/- 1x

Implied volatility of conversion represents the implied volatility of the embedded optionality in the structure. It is closely linked to the probability of IPO; i.e. a lower probability of IPO implies a lower volatility. In the base case, the implied volatility was set at 35%.

- Changes in the implied volatility: +/- 10%

This is based on the historical variance in the market comparable's equity volatilities. A study on the market comparables' equity volatility has been performed and the result shows that the gap between the highest/lowest volatility and the mean volatility is ~10%. This represents our best estimates of the variation in implied volatility.

- Changes in credit spreads: +/- 500bps

Credit spreads represents the pure credit risk of the company and in the base case which is estimated at 1475 bps. As the availability of credit spreads are harder to quantify due to a lack of observable points, we estimated the credit spreads based on the relative change in the macroeconomic conditions and the change in CDS spreads on 5 year Vietnam sovereign bonds. GVG varied this input by 500bps based on judgment in the sensitivity analysis.

The resulting spread was a valuation range of between US\$ 11,217,912 to US\$ 14,263,064.

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

20 Fair Value Hierarchy cont/d

Sacombank Securities JSC

Equity valuation (Fair value at 30 June 2013 US\$ 2,978)

The shares of Sacombank Securities JSC were delisted from the Ho Chi Minh City Stock Exchange on 25 March 2013. The previous valuation based on last traded price was replaced by a valuation using comparable Price/Book Value multiples, taking the average P/B for three listed brokerage firms in Vietnam, and applying a marketability discount. P/E multiples approach was not used as the company is forecast to have a negative EPS.

In the base case the average comparable multiples is 0.89 and marketability discount is 50%. In the sensitivity analysis, based on judgment, the following variances to the input variables have been applied:

Changes in the average comparable multiples: +/- 0.2

Changes in marketability discount: +/- 10%

The resulting spread was a valuation range of between US\$ 1,853 to US \$4,379.

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

21 Segmental Reporting

IFRS 8 'Operating Segments' requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes.

The Board of Directors is charged with the overall governance of the Company in accordance with the Prospectus and the Company's Articles of Association and Memorandum of Association. The Board has appointed Deutsche Asset Management (Asia) Ltd as the Fund Manager. Under the terms of this appointment, Deutsche Asset Management (Asia) Ltd has delegated the fund management activities to Duxton Asset Management Pte Ltd. The Board of Directors, Deutsche Asset Management (Asia) Ltd and Duxton Asset Management Pte Ltd are considered the Chief Operating Decision Maker (CODM) for the purposes of IFRS 8.

Duxton Asset Management Pte Ltd is responsible for decisions in relation to both asset allocation, asset selection and any sub manager delegation. Duxton Asset Management Pte Ltd has been given authority to act on behalf of the Company, including the authority to purchase and sell securities and other investments on behalf of the Company and to carry out other actions as appropriate to give effect thereto. Any changes to the investment strategy outside of the fund prospectus must be approved by the Board and then the Company's shareholders in accordance with the terms of the prospectus and the Company's Articles.

The Group operates a single operating segment under IFRS 8 with all investment cash and investment holdings being managed at a Group level. Investment cash is allocated to Duxton Asset Management Pte Ltd who has full responsibility for the investment of cash for the Group. There are four separate asset classes namely listed securities, unlisted securities, fixed income securities and collective investment schemes. However, the allocation of resources is based on an analysis of future market expectations by Duxton Asset Management Pte Ltd rather than the past performance of the asset classes. Duxton Asset Management Pte Ltd can further delegate the investment management responsibility for an amount of investment cash to a sub investment manager if required.

As at 30 June 2013, the Group had investments managed by Duxton Asset Management Pte Ltd and PXP Vietnam Asset Management Limited. PXP Vietnam Asset Management Limited was appointed by the Group to manage a portion of investment cash during the period. Notwithstanding the fact that a performance fee is payable separately to Duxton Asset Management Pte Ltd and PXP Vietnam Asset Management Limited, the decision on the allocation of resources is not based on their individual performance.

The Company is incorporated in the Cayman Islands and its primary objective is to invest directly or indirectly in companies that do some or all of their business in Vietnam. Some of the Group's investments are held in countries other than Vietnam such as United Kingdom, Germany, Hong Kong, Netherlands and the United States of America which give exposure to Vietnam. All of the Company's income is from investments in these entities.

The investments are allocated across four separate asset types namely collective investment schemes, listed securities, unlisted securities and fixed income securities which are separately identified within the Consolidated Portfolio of Investments and the income earned from these investments is reflected in the Consolidated statement of comprehensive income. The Company has a highly diversified portfolio of investments and no single investment accounts for more than 13.58% of the Company's net assets.

DWS VIETNAM FUND LIMITED

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013 CONT/D

22 Exchange rates to USD

	30/06/2013	31/12/2012	30/06/2012
EUR Euro	0.7693	0.7585	0.7880
HKD Hong Kong Dollar	7.7564	7.7508	7.7569
SGD Singapore Dollar	1.2683	1.2215	1.2668
TWD Taiwan Dollar	29.9710	29.0390	29.8850
VND Vietnam Dong	21,205.0000	20,840.0000	20,905.0000

23 Committed Deals at 30 June 2013

There were no commitments as at 30 June 2013.

24 Seasonal or cyclical changes

The Group is not subject to seasonal or cyclical changes.

25 Consolidated portfolio of investments

The consolidated portfolio of investments is on pages 20 - 22 of these financial statements.

26 Significant events during the period

Hephaestus Limited was incorporated on 14 January 2013 as an exempted company with limited liability in the Cayman Islands having the purpose of acting as a trading conduit of the Company for the sole purpose of opening and operating trading accounts with brokers in Vietnam. In February 2013, the Fund invested in Corbyns International Limited and Hephaestus Limited was used as the Special Purpose Vehicle to hold this investment.

In April 2013, the Fund completed the exit of its entire 11.9% stake in Prime Group Joint Stock Company, the largest ceramic tile manufacturer in Vietnam, via a trade sale to SCG Building Materials Co., Ltd. Kitchener Limited, the Special Purpose Vehicle incorporated in Hong Kong which was used to hold Prime Group, was sold to the buyer.

On 31 January 2013 Tran Van Tri was appointed as a non-executive director of DWS Vietnam Fund Limited.

On 31 January 2013 Karim Ghannam was appointed as a non-executive director of DWS Vietnam Fund Limited.

On 31 May 2013 Karim Ghannam resigned as a non-executive director of DWS Vietnam Fund Limited.

On 31 May 2013 Rosanna Mak Tsui Shan was appointed as a non-executive director of DWS Vietnam Fund Limited.

27 Significant events after the period end

There have been no significant events to disclose since the period end date.

28 Approval of the financial statements

The accounts were approved by the Board of Directors on 20 August 2013.

DWS VIETNAM FUND LIMITED

OTHER INFORMATION

Registered Office

Second Floor Zephyr House
122 Mary Street
PO Box 709
George Town
Grand Cayman KY1-1107
Cayman Islands

Directors

Stephen Duerden
Wade Kenny (independent)
Karim Ghannam (appointed 31 January 2013, resigned 31 May 2013)
Tran Van Tri (appointed 31 January 2013)
Rosanna Mak Tsui Shan (appointed 31 May 2013)
All Directors are non-executive.

Investment Manager

Deutsche Asset Management (Asia) Ltd.,
One Raffles Quay,
#17-10,
Singapore 048583

Sub-Investment Manager

Duxton Asset Management Pte Ltd.,
1A Duxton Hill,
Singapore 089587

Custodian

State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay,
Dublin 2
Ireland

Administrator, Registrar and Transfer Agent

State Street Fund Services (Ireland) Limited
78 Sir John Rogerson's Quay,
Dublin 2
Ireland

Placing Agent

Deutsche Asset Management (Asia) Limited
One Raffles Quay,
#17-10,
Singapore 048583

Legal Advisor to the Company on Vietnamese Law

Fresh fields Bruckhaus Deringer
Saigon Tower, Suite 1108
29 Le Duan Boulevard
District 1, Ho Chi Minh City
Vietnam

DWS VIETNAM FUND LIMITED

OTHER INFORMATION CONT/D

Legal Advisor to the Company on Cayman Islands Law

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Cayman Islands
British West Indies

Corporate Secretary

CARD Corporate Services Limited
Zephyr House
122 Mary Street
PO Box 709
George Town
Grand Cayman KY1-1107
Cayman Islands

Auditors

KPMG
Chartered Accountants
1 Harbourmaster Place
International Financial Services Centre
Dublin 1
Ireland

Irish Listing Agent and Irish Paying Agent

NCB Stockbrokers Limited
3 George's Dock
International Financial Services Centre
Dublin 1
Ireland

Dealing Enquiries

Deutsche Asset Management (Asia) Limited
One Raffles Quay,
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Singapore 048583

DWS VIETNAM FUND LIMITED

Supplemental Information to the Condensed Consolidated Financial Statements

Reconciliation to dealing net asset value (unaudited)	30/06/2013	31/12/2012	30/06/2012
	US\$275,930,196	US\$235,077,982	US\$220,608,919
Adjustments:			
Pricing related *	-	US\$1,772,202	US\$1,799,228
Value of shares invested in DWS Vietnam Fund **	US\$15,304,847	US\$9,523,750	US\$8,997,994
Net asset value (per dealing NAV)	US\$291,235,043	US\$246,373,934	US\$231,406,141

* The pricing related adjustment for comparative periods represents the difference between (i) the close of business dealing net asset value at mid market prices, per the prospectus for dealing purposes and (ii) the close of business net asset value at bid prices as required by IAS 39 for financial statement purposes. As detailed in Note 2(b), following adoption of IFRS 13 by the Group effective 1 January 2013, for the preparation of these financial statements the Group has changed its valuation inputs to be consistent with the inputs prescribed in the Prospectus for the purpose of determining net asset value and consequently there is no pricing related adjustment as at 30 June 2013.

** Market value of 40,100,000 DWS Vietnam Fund Ltd. shares purchased by Siglap Ltd., Beira Ltd., and Epsom Ltd. three wholly owned subsidiary companies that are not included as a financial asset for financial statement purposes.