



20 April 2011

## MPO proposes to return US\$17.9m to shareholders

Proposed capital return follows successful divestment of major residential project

*"We continue to believe in Macau's long term economic prospects and remain committed to our strategy of enhancing shareholder value."*

David Hinde  
MPO Chairman

Macau Property Opportunities Fund Limited, managed by Sniper Capital Limited, today announces that, further to the completion of the sale of its entry-level residential development, *Rua do Laboratório*, the Company proposes to return US\$17.9 million to shareholders.

It is currently expected that the return of capital will be made by way of issue of redeemable B shares.

### Highlights

- Proposed return of capital of US\$17.9 million or approximately US\$0.17 (c. 10.5p\*) per ordinary share
- This represents the net profit derived from the successful divestment of *Rua do Laboratório*, MPO's entry-level residential development
- Distribution proposed to be effected via a B share issue
- The Company's ongoing investment strategy remains unchanged

\* Based on a US Dollar/Sterling exchange rate of 1.625 as at 18 April 2011.

### Background & Rationale

The proposed return of capital of US\$17.9 million represents the net profit after post-closing reconciliation<sup>^</sup> generated from the sale of its entry-level residential development, *Rua do Laboratório*, for c. US\$41 million - completed on 15 April 2011 - and equates to approximately 8% of MPO's prevailing market capitalisation.

While the Manager continues to identify attractive investment opportunities in Macau, the proposed return is aimed at rewarding shareholders following MPO's first major exit and successful completion of an investment cycle.

An issue of B shares, encompassing both a redemption and dividend option, is considered the most equitable method of returning capital to shareholders. Once established, a B Share scheme will also provide an ongoing structure for any potential future capital distributions, thereby minimising ongoing costs to the Company.

The proposed capital return is subject to shareholder approval, which will be sought at an Extraordinary General Meeting (EGM).

<sup>^</sup> Post-closing reconciliation includes final accounts and project costs after 31 December 2010 as well as associated transaction costs.

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### Terms & Mechanics

It is currently expected that the proposed capital return will be achieved via a bonus issue of B shares to all of the Company's shareholders, pro rata to existing shareholdings.

Each B share may either be redeemed for an amount equal to approximately US\$0.17 (c. 10.5p) per ordinary share, or retained, to enable the holder to receive a one-time dividend of the same amount.

A circular outlining the Proposed Return of Capital including the indicative timetable and notice of the EGM will be dispatched to shareholders in due course.

On the basis that approval from shareholders for the proposal is forthcoming at the EGM, it is expected that the B shares will be issued to shareholders by the end of June, with redemption or dividend payment following shortly thereafter.

### Unchanged Investment Strategy

The Board and the Manager believe that Macau remains in a sustained period of significant economic growth and that the value and growth prospects of the local property market remain highly compelling.

MPO's investment strategy remains unchanged, and the Company will seek to reinvest investment capital into new accretive investment opportunities.

The Manager continues to identify attractive investment opportunities and is currently negotiating on a number of pipeline properties with a total combined acquisition value of approximately US\$86 million.

**David Hinde, Chairman of MPO said:** "The divestment of Rua do Laboratório represents MPO's first major exit and we are now pleased to be in a position to reward our shareholders.

"We continue to believe in Macau's long term economic prospects and remain committed to our strategy of enhancing shareholder value through the acquisition and development of undervalued property assets."

-- Ends --

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**About Macau Property Opportunities Fund**

Macau Property Opportunities Fund Limited is a closed-end investment fund registered in Guernsey. Its shares began trading on AIM in June 2006, when it raised £105 million in an institutional placing, before moving to the Main Market of the London Stock Exchange in June 2010. The Company's investment policy is to provide shareholders with an attractive total return through investing in property opportunities in one of the world's fastest growing and most dynamic regions - Macau and the Western Pearl River Delta of Southern China.

The Fund is managed by Sniper Capital Limited, an independent investment manager that specialises in property investment opportunities in niche, undervalued and developing markets.

[www.mpofund.com](http://www.mpofund.com)

**About Sniper Capital Limited**

Founded in 2004, Sniper Capital Limited focuses on generating capital growth from property investment, development and redevelopment opportunities in niche and undervalued markets.

Today, Sniper Capital manages two funds, including Macau Property Opportunities Fund, with combined assets of over US\$350 million. With a team of over 30 professionals, Sniper Capital's expertise covers every aspect of the investment and development cycle, including research, site acquisition, project development, asset management, investor relations and finance.

[www.snipercapital.com](http://www.snipercapital.com)

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**Stock Codes:**

Bloomberg: MPO LN  
Reuters: MPO.L

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