

# JUNE 2008 UPDATE

## *ASIA PROPERTIES, INC.*

*EXOTIC ISLANDS IN THE PHILIPPINES AND ASIAN RESORTS*



## **IMPERIAL BEACH, TINAGA ISLAND**

Dear API Shareholders,

We are pleased to report that API continues to make progress in its Philippines island acquisition as well as in China. Last year we had record sales of US\$15 million with US\$2.5 million profit from our Swiss Garden subsidiary.

### **TINAGA ISLAND, PHILIPPINES**

We are pleased to report that API has closed on 2 phases of purchase agreements to acquire an exotic island site on Tinaga Island in Camarines Norte, Philippines. This island is one of the most beautiful beach sites in Asia, with pristine blue water and white sandy beaches. The company intends to develop this as a new tourism destination with numerous 4, 5 and 6 star resorts on this island. International Hotel management firms such as Hyatt, Movenpick and Starwood are all interested in managing resorts on this island.

### **ENTELLIUM**

Asia Properties investment in this CRM software business has appreciated significantly. The company plans a "liquidity event" which we interpret as an IPO in Q2, 2009. The company's main competitor Salesforce.com trades at a US\$7 Billion market cap on NYSE.

### **MCRT**

We are currently restructuring this subsidiary and will be completing the 10 for 1 dividend that we announced last year as soon as this and our regulatory applications have been approved.

### **CHINA PROPERTIES**

Our Swiss Garden property continues to perform well and we expect another excellent year of sales and profits for 2008. We hope to close the Nanning site in China also by Q3 this year.

The company's main goal and mission is to continue to build value for our shareholders. We are currently dealing with a new auditor and patiently trying to get our 2007 audit completed ASAP.

Sincerely,

Daniel Mckinney