

UNI-ASIA FINANCE CORPORATION
(Company Registration No. CR-72229)

UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2009

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF THIRD QUARTER RESULTS

1 (a) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Note	3 RD Quarter			9 Months ended 30 September		
		2009 US\$'000	2008 US\$'000	% Change	2009 US\$'000	2008 US\$'000	% Change
Fee income	[1]	4,259	2,043	108%	12,527	9,240	36%
Hotel income		7,885	6,368	24%	23,488	18,397	28%
Investment returns	[2]	(94)	58	(262%)	(2,794)	9,256	(130%)
Interest income		44	281	(84%)	160	1,124	(86%)
Other income		152	82	85%	423	136	211%
Total income		12,246	8,832	39%	33,804	38,153	(11%)
Employee benefits expense		(3,617)	(3,817)	(5%)	(12,751)	(14,595)	(13%)
Amortization and depreciation		(1,205)	(292)	313%	(3,490)	(869)	302%
Other expenses		(10,020)	(5,856)	71%	(24,133)	(16,769)	44%
Loss on disposal of property, plant and equipment		-	(32)	N/M	(366)	(33)	1009%
Impairment of goodwill		(404)	-	N/M	(404)	-	NM
		(15,246)	(9,997)	53%	(41,144)	(32,266)	28%
Operating (loss)/ profit		(3,000)	(1,165)	158%	(7,340)	5,887	(225%)
Finance costs – interest expense		(1,161)	(283)	310%	(3,472)	(889)	291%
Finance costs – others		(6)	(169)	(96%)	(23)	(436)	(95%)
Share of results of associates		1	(3)	(133%)	(144)	(46)	213%
(Loss)/ profit before tax		(4,166)	(1,620)	157%	(10,979)	4,516	(343%)
Tax (expense)/credit		(156)	460	(134%)	(459)	(287)	60%
(Loss)/ profit after tax before distribution		(4,322)	(1,160)	273%	(11,438)	4,229	(370%)
Loss allocation to TK investors *		74	-	N/M	275	-	N/M
(Loss)/ profit for the period		(4,248)	(1,160)	266%	(11,163)	4,229	(364%)
(Loss)/ profit attributable to:							
Owners of the parent		(4,145)	(1,130)	267%	(10,726)	4,429	(342%)
Non-controlling interests		(103)	(30)	243%	(437)	(200)	119%
		(4,248)	(1,160)	266%	(11,163)	4,229	(364%)
Other comprehensive income/ (expense) for the period, after tax:							
Exchange differences on translation of foreign operations		1,107	111	897%	(127)	1,710	(107%)
Cash flow hedges		(1,103)	(1,245)	(11%)	5,602	559	902%
Available-for-sale financial assets		(20)	(84)	(76%)	(87)	(238)	(63%)
Other comprehensive income for the period, net of tax		(16)	(1,218)	(99%)	5,388	2,031	165%
Total comprehensive income/ (expense) for the period, net of tax		(4,264)	(2,378)	79%	(5,775)	6,260	(192%)
Total comprehensive income/ (expense) attributable to:							
Owners of the parent		(4,212)	(2,350)	79%	(5,350)	6,370	(184%)
Non-controlling interests		(52)	(28)	86%	(425)	(110)	286%
		(4,264)	(2,378)	79%	(5,775)	6,260	(192%)

* Tokumei Kumiai investors ("TK investors")

NOTES:

[1] Breakdown of fee income

Note	3 rd Quarter			9 Months ended 30 September		
	2009 US\$'000	2008 US\$'000	% Change	2009 US\$'000	2008 US\$'000	% Change
Arrangement and agency fee	65	314	(79%)	217	2,024	(89%)
Brokerage commission	206	202	2%	794	958	(17%)
Incentive fee	141	20	605%	182	1,837	(90%)
Asset management & administration fee *	1,406	1,507	(7%)	4,426	4,421	0%
Charter income	2,441	-	N/M	6,908	-	N/M
	<u>4,259</u>	<u>2,043</u>	108%	<u>12,527</u>	<u>9,240</u>	36%

* Includes income earned by Capital Advisers Co., Ltd. ("Capital Advisers") as the asset manager of hotels and residential projects of \$3.3 million.

[2] Breakdown of investment returns

	3 rd Quarter			9 Months ended 30 September		
	2009 US\$'000	2008 US\$'000	% Change	2009 US\$'000	2008 US\$'000	% Change
Interest on performance notes – shipping	1	-	N/M	620	5,184	(88%)
Interest on performance notes – distressed debt	-	-	N/M	87	25	248%
Realized gain on investment – hotel and residential	13	86	(85%)	80	245	(67%)
Realized gain on investment – others	(1)	-	N/M	(1)	-	N/M
Realized loss on disposal of properties for sale	(927)	-	N/M	(1,830)	-	N/M
Property rental income	125	219	(43%)	580	361	61%
Fair value adjustment on investment properties	2	-	N/M	(39)	428	(109%)
Fair value adjustment on investment – hotel and residential	(301)	(413)	(27%)	(1,333)	400	(433%)
Fair value adjustment on investment – shipping	(544)	(515)	6%	(518)	299	(273%)
Fair value adjustment on performance notes – hotel	-	-	-	(24)	-	N/M
Fair value adjustment on performance notes – shipping	500	723	(31%)	816	2,492	(67%)
Fair value adjustment on performance notes – distressed debt	(128)	(80)	60%	(176)	(103)	71%
Fair value adjustment on listed shares – others	183	38	382%	(15)	(75)	(80%)
Net gain/ (loss) on forward currency contracts	-	-	N/M	(1,041)	-	N/M
Write down of properties for sale to net realizable value – residential	983	-	N/M	-	-	N/M
	<u>(94)</u>	<u>58</u>	(262%)	<u>(2,794)</u>	<u>9,256</u>	(130%)

N/M: Not meaningful

1 (b) (i) A statement of financial position for the group and the issuer, together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30 September 2009 US\$'000	31 December 2008 US\$'000	30 September 2009 US\$'000	31 December 2008 US\$'000
ASSETS				
Non-current assets				
Investment properties	4,044	4,082	-	-
Intangible assets	116	534	-	-
Property, plant and equipment	95,223	27,395	50	83
Loans to subsidiaries	-	-	19,123	15,832
Investments	45,213	46,005	27,646	27,935
Investments in subsidiaries	-	-	20,887	15,721
Investments in associates	90	240	-	-
Rental deposit	2,406	3,113	-	-
Deferred tax assets	1,302	1,623	1,280	1,280
Deposits for purchase of vessels	24,484	37,347	-	4,042
Total non-current assets	172,878	120,339	68,986	64,893
Current assets				
Properties for sale	152	9,013	-	-
Investments	759	280	-	-
Loans to subsidiaries	-	-	18,055	12,795
Derivative financial instruments	-	773	-	773
Accounts receivable	3,747	4,905	23	39
Amount due from subsidiaries	-	-	4,356	11,729
Prepayments, deposits and other receivables	1,465	1,812	335	433
Tax recoverable	20	293	-	-
Deposits pledged as collateral	12,425	12,448	12,274	12,400
Cash and bank balances	40,667	28,797	23,495	13,689
Total current assets	59,235	58,321	58,538	51,858
Total assets	232,113	178,660	127,524	116,751

	Group		Company	
	30 September 2009 US\$'000	31 December 2008 US\$'000	30 September 2009 US\$'000	31 December 2008 US\$'000
EQUITY				
Equity attributable to owners of the parent				
Share capital	50,111	41,759	50,111	41,759
Share premium	30,732	21,402	30,732	21,402
Retained earnings	23,606	34,332	34,540	36,376
Fair value reserve	238	322	-	-
Hedging reserve	(4,599)	(10,201)	-	-
Exchange reserve	4,798	4,940	627	609
Total equity attributable to owners of the parent	104,886	92,554	116,010	100,146
Non-controlling interests	762	1,187	-	-
Total equity	105,648	93,741	116,010	100,146
LIABILITIES				
Non-current liabilities				
Borrowings	70,680	13,718	-	-
Finance lease obligations	172	228	-	-
Due to TK investors	1,784	2,055	-	-
Retirement benefit allowance	238	656	-	-
Derivative financial instruments	6,152	7,850	-	-
Total non-current liabilities	79,026	24,507	-	-
Current liabilities				
Borrowings	39,146	45,173	11,171	16,055
Finance lease obligations	27	100	-	-
Accounts payable	2,875	3,080	-	2
Amount due to subsidiaries	-	-	9	2
Other payables and accruals	4,050	6,821	334	546
Derivative financial instruments	1,199	5,103	-	-
Income tax payable	142	135	-	-
Total current liabilities	47,439	60,412	11,514	16,605
Total equity and liabilities	232,113	178,660	127,524	116,751

NOTES:

On 13 January 2009, the vessel held by a wholly owned subsidiary of the Group was delivered and the loan for the vessel was drawn down. The vessel owning subsidiary has in place USD and YEN borrowings and an interest rate swap to fix its cost of borrowings. Any foreign currency translation gains and losses arising from the YEN loan was charged directly to the Group Other Expenses and any fair value adjustment on interest rate swap was charged directly to the Group reserves. The major movement in the statement of financial position this period arises largely from the consolidation of the vessel owning subsidiary.

- [1] The major movements in non-current assets during the period include an increase in property, plant and equipment of \$67.8 million arising primarily from the consolidation/ acquisition of the new vessel held by Prosperity. Deposits for purchase of vessels decreased by \$12.9 million due to the reclassification of \$7.6 million deposit to property, plant and equipment after the delivery of the container vessel held by Prosperity, the refund of \$11.4 million in deposit paid on three handy sized bulk carriers upon the cancellation of the shipbuilding contracts and additional deposit of \$6.0 million made to a bulk carrier.
- [2] The major movements in current assets during the period include a decrease in properties for sale (residential properties) by \$8.9 million arising from the disposal of three residential properties held by Capital Advisers during the period. The increase in investments by \$0.5 million is due primarily to the successful IPO of an investment which had previously been classified under prepayment. The drop in accounts receivable is partly due to provision on bad and doubtful debt of \$0.7 million made by Capital Advisers on the asset management fee during the period.
- [3] The movements in non-current liabilities of \$54.5 million during the period stem primarily from an increase in borrowings and arise from the drawdown of the loan of \$60.4 million from the vessel owning subsidiary. On a quarterly basis, the Group's long term borrowings totaled \$71.7 million in 1Q09, \$68.0million in 1H09 and \$70.7 million in 3Q09. The drop in derivative financial instrument is due to movement in fair value in interest rate swap from our shipping subsidiary during the period.
- [4] The major movements in current liabilities include a decrease in the Group consolidated borrowings, decrease in other payables and accruals from Capital Advisers and a decrease in derivative financial instruments related to mark to market/ revaluation on the interest rate swap of the vessel owning subsidiary.
- [5] The movement in shareholders' equity is mainly due to the share placement exercise in 3Q09 raising additional proceeds of \$17.7 million, an increase in the hedging reserves of \$5.6 million arising from fair value adjustment on interest rate hedging contracts from Prosperity and a decrease in retained earnings arising from the Group's losses of \$11.2 million during the period. The drop in derivative financial instruments is due largely to the maturity of the foreign exchange contract where the currency contract had been exercised on the drawdown of the Yen loan upon delivery of the vessel.

1 (b) (ii) Aggregate amount of group's borrowings and debt securities.

	As at 30 September 2009		As at 31 December 2008	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Amount repayable in one year or less, or on demand	27,151	11,995	28,302	16,871
Amount repayable after one year	60,411	10,269	2,942	10,776
Total	<u>87,562</u>	<u>22,264</u>	<u>31,244</u>	<u>27,647</u>

Details of any collateral

The Group's borrowings are secured by means of:

- > a legal mortgage over a cash deposit of the holding company
- > a legal mortgage over a cash deposit of a subsidiary
- > a legal mortgage over freehold properties under the category of "Property, plant and equipment" of a subsidiary
- > a legal mortgage over shares and vessel of a vessel owning subsidiary

1 (c) A statement of cash flows for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Note	9 Months ended 30 September	
		2009 US\$'000	2008 US\$'000
Cash flow from operating activities			
(Loss)/ profit before tax		(10,979)	4,517
Adjustments for:			
Investment returns		2,794	(9,256)
Impairment of goodwill		404	-
Amortization and depreciation		3,490	869
Gain on liquidation of a subsidiary		(2)	-
Loss on disposal of property, plant and equipment		366	33
Interest income		(160)	(1,124)
Finance costs – interest expense		3,472	889
Finance costs – others		23	436
Share of results of associates		144	46
Net foreign exchange loss		2,176	360
Other income		(5)	-
		<u>1,723</u>	<u>(3,230)</u>
Change in working capital:			
Net change in inventories		22	(5,322)
Net change in accounts receivable		1,249	4
Net change in prepayments, deposits and other receivables		848	724
Net change in retirement benefit allowance		(425)	(7)
Net change in accounts payable		(405)	(1,918)
Net change in other payables and accruals		(4,141)	(563)
		<u>(1,129)</u>	<u>(10,312)</u>
Cash used in operating activities		(1,129)	(10,312)
Interest received on bank balances		208	857
Tax reimbursed/ (paid)		136	(446)
		<u>136</u>	<u>(446)</u>
Net cash used in operating activities	[1]	<u>(785)</u>	<u>(9,901)</u>

	9 Months ended 30 September	
	2009	2008
Note	US\$'000	US\$'000
Cash flow from investing activities		
Acquisition of subsidiaries	-	10,711
Deconsolidation of subsidiaries	(850)	(210)
Purchase of investments	(668)	(4,634)
Purchase of investment properties	-	(8)
Proceeds from sale of investments	1,141	1,947
Redemption to minority interest of a subsidiary	-	(726)
Deposits refunded/ (paid) for purchase of vessels	7,007	(23,252)
Purchase of property, plant and equipment	(64,397)	(277)
Proceeds from disposal of property, plant and equipment	26	-
Proceeds from sale of properties for sale	7,248	-
Loans repaid	-	6,500
Interest received from syndicated loans	-	383
Net decrease/ (increase) in deposits pledged as collateral	17	(11,261)
Proceeds from interest on investments	503	5,474
Dividend received from an associate	-	19
Proceeds from property rental	554	124
	<u> </u>	<u> </u>
Net cash used in investing activities	[2] (49,419)	(15,210)
	<u> </u>	<u> </u>
Cash flow from financing activities		
Proceeds from issuing shares	17,682	-
New borrowings	73,899	30,904
Repayment of borrowings	(27,682)	(17,819)
Interest paid on borrowings	(2,368)	(1,083)
Payment of lease obligation	(70)	-
Net change in restricted bank deposit	(2,914)	-
Dividend paid	-	(5,275)
	<u> </u>	<u> </u>
Net cash generated from financing activities	[3] 58,547	6,727
	<u> </u>	<u> </u>
Net increase/ (decrease) in cash and cash equivalents	8,343	(18,384)
	<u> </u>	<u> </u>
Movements in cash and cash equivalents:		
Cash and cash equivalents at beginning of the period	28,797	50,800
Net increase/ (decrease) in cash and cash equivalents	8,343	(18,384)
Effects of exchange rate changes	613	1,072
	<u> </u>	<u> </u>
Cash and cash equivalents at end of the period	37,753	33,488
	<u> </u>	<u> </u>
Analysis of cash and cash equivalents:		
Cash and bank balances	37,753	33,488
Add: Restricted bank balances	2,914	-
	<u> </u>	<u> </u>
	40,667	33,488
	<u> </u>	<u> </u>

NOTES:

- [1] Cash flow used in operating activities improved to (\$0.8 million) compared to (\$9.9 million) in 3QFY08 due mainly to working capital outflow stemming from the consolidation of Capital Advisers in the beginning of 2008. During the period, the Group recognized a loss from investment returns of \$2.8 million arising primarily from negative fair valuation/ revaluation and realized losses on disposal of Japanese properties as well as losses from foreign currency contracts used to hedge against the strengthening of the YEN.
- [2] While the level of investing activities slowed down during the period, in view of the Group's conservative cash management philosophy under the current market conditions, cash flow used in investing activities increased to (\$49.4 million) due primarily to the acquisition of the vessel held by the vessel owning subsidiary, as reflected in the increase in property, plant and equipment.
- [3] Cash flow from financing activities increased from \$6.7 million in 3QFY08 to \$58.5 million in 3QFY09 due primarily to the share placement exercise during the period and the consolidation/ acquisition of the vessel owning subsidiary where the Group recognized an increase in bank borrowing from the drawdown of the loan for the container vessel.

1 (d) (i) A statement for the group showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

<u>Group</u>	Share capital US\$'000	Share premium US\$'000	Retained earnings US\$'000	Fair value reserve US\$'000	Hedging reserve US\$'000	Exchange reserve US\$'000	Total US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
Balance at 1 January 2009	41,759	21,402	34,332	322	(10,201)	4,940	92,554	1,187	93,741
Loss for the period	-	-	(10,726)	-	-	-	(10,726)	(437)	(11,163)
Other comprehensive income/ (expense)	-	-	-	(84)	5,602	(142)	5,376	12	5,388
Total comprehensive income/ (expense)	-	-	(10,726)	(84)	5,602	(142)	(5,350)	(425)	(5,775)
Issuance of shares	8,352	9,330	-	-	-	-	17,682	-	17,682
Balance at 30 September 2009	50,111	30,732	23,606	238	(4,599)	4,798	104,886	762	105,648
Balance at 1 January 2008	39,709	13,353	42,455	(6)	-	701	96,212	-	96,212
(Loss)/ profit for the period	-	-	4,429	-	-	-	4,429	(200)	4,229
Other comprehensive income/ (expense)	-	-	-	(221)	559	1,603	1,941	90	2,031
Total comprehensive income/ (expense)	-	-	4,429	(221)	559	1,603	6,370	(110)	6,260
Issuance of shares	2,050	8,049	-	-	-	-	10,099	-	10,099
Acquisition of a subsidiary	-	-	-	-	-	-	-	1,513	1,513
Deconsolidation of subsidiaries	-	-	-	-	-	-	-	16	16
Dividend paid in respect of 2007	-	-	(5,068)	-	-	-	(5,068)	-	(5,068)
Balance at 30 September 2008	41,759	21,402	41,816	(227)	559	2,304	107,613	1,419	109,032
<u>Company</u>	Share capital US\$'000	Share premium US\$'000	Retained earnings US\$'000	Fair value reserve US\$'000	Hedging reserve US\$'000	Exchange reserve US\$'000	Total US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
Balance at 1 January 2009	41,759	21,402	36,376	-	-	609	100,146	-	100,146
Loss for the period	-	-	(1,836)	-	-	-	(1,836)	-	(1,836)
Other comprehensive expense	-	-	-	-	-	18	18	-	18
Total comprehensive expense	-	-	(1,836)	-	-	18	(1,818)	-	(1,818)
Issuance of shares	8,352	9,330	-	-	-	-	17,682	-	17,682
Balance at 30 September 2009	50,111	30,732	34,540	-	-	627	116,010	-	116,010
Balance at 1 January 2008	39,709	13,353	37,966	-	-	-	91,028	-	91,028
Profit for the period	-	-	6,536	-	-	-	6,536	-	6,536
Total comprehensive income	-	-	6,536	-	-	-	6,536	-	6,536
Issuance of shares	2,050	8,049	-	-	-	-	10,099	-	10,099
Dividend paid in respect of 2007	-	-	(5,068)	-	-	-	(5,068)	-	(5,068)
Balance at 30 September 2008	41,759	21,402	39,434	-	-	-	102,595	-	102,595

- 1 (d) (ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

On 7 August 2009, the company issued an additional 52,199,200 ordinary shares through a private placement. Pursuant to the issue of the additional shares, the number of issued shares increased from 260,996,000 to 313,195,200.

- 1 (d) (iii) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares was 313,195,200 as at 30 September 2009 and 260,996,000 and 31 December 2008.

- 1 (d) (iv) **A statement showing all sales, transfers, disposal, cancellation and/ or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 2 **Whether the figures have been audited or reviewed and in accordance with which auditing standard of practice.**

The figures have not been audited or reviewed.

- 3 **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4 **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has adopted the same accounting policies and method of computation in the financial statements for the current financial period as compared with the audited financial statements for the financial year ended 31 December 2008. The presentation of financial statement is in accordance with IAS 1 which is effective from 1 January 2009.

- 5 **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted the same accounting policies and method of computation in the financial statements for the current financial period as compared with the audited financial statements for the financial year ended 31 December 2008. The presentation of financial statement is in accordance with IAS 1 which is effective from 1 January 2009. The adoptions of the other new or revised IFRSs do not have a significant impact on the Group's results of operations and financial position.

- 6 **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	3 rd Quarter		9 Months ended 30 September	
	2009	2008	2009	2008
(Loss)/ profit attributable to owners of the parent (US\$'000)	<u>(4,145)</u>	<u>(1,130)</u>	<u>(10,726)</u>	<u>4,429</u>
Weighted average number of ordinary shares in issue ('000)	<u>289,933</u>	<u>260,996</u>	<u>270,747</u>	<u>260,856</u>
(Loss)/ earnings per share (US cents per share) - basic and diluted	<u>(1.43)</u>	<u>(0.43)</u>	<u>(3.96)</u>	<u>1.70</u>

Basic (loss)/ earnings per share is calculated by dividing the (loss)/ profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume the conversion of all dilutive ordinary shares during the period.

- 7 **Net asset value for the group per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

- (a) **current financial period reported on; and**
(b) **immediately preceding financial year.**

	30 September 2009	31 December 2008
Net asset value per ordinary share based on issued share capital at the end of (in US\$)	0.34	0.36

- 8 **A review of the group performance, to the extent necessary for a reasonable understanding of the group's business. It must include discussion of any significant factors that affected the turnover, costs, and earnings for the current financial period report on, including (where applicable) seasonal or cyclical factors; and any material factors that affected the cash flow, working capital, assets or liabilities of the group during current financial period reported on:**

Major highlights of the period

- A wholly-owned 4,300 TEU container vessel was delivered on 13 January 2009. As the business of a ship owner and operator is capital intensive and debt heavy in nature, the impact was reflected in the Group's consolidated financials from 1Q09. Also, the container vessel was financed partly by YEN borrowings and any subsequent exchange gain or loss from the vessel owning subsidiary will be reflected directly on the Group consolidated statement of comprehensive income.
- Due to the sluggish property and hotel market, low occupancy of the hotels and net losses from disposal of residential properties during the period, Capital Advisers registered net losses in 3QFY09. Capital Advisers' total income, operating loss and net loss totalled \$25.3 million, (\$4.8 million) and (\$6.0 million), respectively in 3QFY09.
- Capital Advisers disposed of three wholly-owned residential properties during the period to cash in sale proceeds of close to \$7.2 million. The Group recognized losses on disposal of \$1.8 million from the sales.
- A new 215 room hotel, Hotel Vista Kyoto, opened for business in June 2009 in Kyoto. Capital Advisers will act as the hotel operator of this hotel.
- During the period, Capital Advisers lost the hotel management contract of Oita Toyo Hotel in Oita Japan.

- The average occupancy of Capital Advisers' hotels was 65% in the first three quarters of 2009 as compared to 72% for the first three quarters of 2008.

Review of Statement of Comprehensive Income

Due primarily to fair value losses from investments in Japanese residential properties, losses on derivative financial instrument (foreign currency contract), translation losses from a shipping subsidiary arising from a yen-denominated loan, net losses from Capital Advisers, the Group recorded net losses in 3QFY09 of (\$11.2 million), against a net profit of \$4.2 million in 3QFY08. Total income decreased from \$38.2 million in 3QFY08 to \$33.8 million in 3QFY09 following the drop in contribution from investment returns and interest income during the period and in the absence of investment gains arising from disposal of investments.

The Group's income is classified under fee income, hotel income, investment returns, interest income and other income. Fee income increased by 36% from \$9.2 million in 3QFY08 to \$12.5 million in 3QFY09 due to the consolidation of the vessel owning subsidiary's charter income (*Refer to 1(a) NOTES [1] for breakdown of fee income*). A description of the Group fee income is summarized below:

- (i) **Arrangement and agency fee** refers to income for the arrangement of syndicated loans or debt financing and for the Group's agency duty in finance arrangement transactions. Finance arrangement and agency fee dropped by 89% to \$0.2 million in 3QFY09 due to the slowdown in finance arrangement activities and the completion of fewer transactions compared to 3QFY08.
- (ii) **Brokerage commission** refers to commission from brokering ship charters on behalf of ship-owners and the income is recurrent for the duration of the charter period/ agreement. Brokerage commission totalled close to \$0.8 million in 3QFY09.
- (iii) **Incentive fee** is received when the assets managed by the Group are divested with a gain exceeding the hurdle rate and is calculated based on a predetermined profit sharing ratio. There was no vessel disposal during the period. Incentive fee totalled \$0.2 million in 3QFY09.
- (iv) **Asset management and administration fee** is the fee for the administration and management of funds/ investments in shipping, properties and distressed assets as well as for Capital Advisers as the asset manager of hotels and residential properties in Japan. Asset management and administration fee totalled \$4.4 million in 3QFY09.
- (v) **Charter income** is the income received from the charterer of a vessel. A wholly-owned container vessel was delivered in January 2009 and the charter income of \$6.9 million received during the period was consolidated on the Group financial statements.

Hotel income refers to all income related to Capital Advisers' hotel business. Capital Advisers currently owns and/ or manages 16 limited service hotels in Japan with over 2,334 rooms. The limited service hotels target the business or leisure segment. Hotel income totalled \$23.5 million. Hotel income would include hotel operator fee (fee as operator of the hotel) and all income received from hotels owned and leased by the Group.

Due to negative fair value adjustment, realized losses on our investments in properties in Japan and losses on forward currency contracts, investment returns dropped from \$9.3 million in 3QFY08 to (\$2.8 million) in 3QFY09 (*Refer to 1a NOTES [2] for breakdown of investment returns*). Investment returns recognized in 3QFY09 include gain on investment of \$0.08 million from hotel and residential, net loss on foreign currency contract of \$1.0 million, property rental income of \$0.6 million, fair value gain on shipping investments and performance notes of \$0.3 million, fair value loss on residential and hotel properties in Japan of \$1.4 million and negative fair value adjustment of \$0.04 million from office investment in China. During the period, the Group entered into a derivative financial instrument (foreign currency contract) to hedge against the strengthening of the YEN and recognized net loss on the forward currency contract during the period. The amount of fair value adjustment to be recognized would be highly dependent on market conditions at the time of reporting.

Employee benefits expenses dropped by 13% following the Group's cost cutting programme. Capital Advisers' staff cost represented over 75% of the Group's employee benefits expense. Amortization and

depreciation grew by 302% to \$3.5 million due to the consolidation of a vessel owning subsidiary in 1Q09. Depreciation expenses from the vessel owning subsidiary represented close to 80% of the Group's total depreciation charges during the period. Other expenses increased by 44% due to the consolidation of the vessel owning subsidiary, leading to an increase in vessel operation expenses and the expansion of Capital Advisers' hotel operation, leading to higher hotel operating expenses. Capital Advisers' other expenses represented close to 79% of the Group's total other expenses. Hotel leases, hotel sub-operator fee and hotel operating expenses represented close to 63% of the Group's other expenses.

Finance cost rose as a result of the consolidation of the vessel owning subsidiary during the period. Share of losses from our associated company widened from \$0.04 million to \$0.1 million. In summary, the Group's net loss totalled \$11.2 million

Refer to 1(b) (i) NOTES for details of statement of financial position and 1(c) NOTES for details of statement of cash flows.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, and variance between it and the actual results.

Not applicable. The Group has not provided a forecast.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operated and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The shipping and financial services sectors have shown modest improvement this quarter. During the period, many banks remained cautious in the area of ship financing and focused primarily on lending to domestic clients. Under the current environment where financing is not freely available and the volume of transactions has contracted, our structured finance business, fee income earned for the Group's ship finance arrangement for third parties/shipping companies, will be affected.

In terms of the shipping market, the charter hire and value of product tankers has seen a decline since the end of 2008. The Baltic Clean Tankers Index (BCTI) dropped from 839 points before the end of 2008 to 518 points as at 30 Sep 2009. The charter hire and value of container vessels continued to be placed under pressure from the decline in freight rate resulting from the drop in cargo traffic. The Howe Robinson Containership Index (HRCI) dropped from 498 points at the end of 2008 to 343 points as at 23 Sep 2009. While the charterhire of bulk carriers declined substantially in the second half of 2008, the fall has stabilized and recovered moderately. As a benchmark, the Baltic Handysize Index bottomed out on 12 January 2009 at 268 points and rebounded to 974 points as at 30 Sep 2009. As shipping transport is closely linked to global economic activities, the shipping market will be directly impacted by the global recession.

The Group's wholly-owned investment in a 4,300 TEU container vessel, delivered in January 2009, was financed partly by YEN borrowings. The USD-YEN forward currency contract was exercised on the delivery of the vessel and any subsequent gains or losses from the YEN loan was charged directly to the Other Expenses. In view of the vessel owning subsidiary's YEN borrowings, a strong YEN would result in foreign exchange translation losses for the Group.

As a summary, the Group's investment strategy/leasing term of container vessels are generally long term in nature while the investment strategy of tankers and bulk carriers tend to be more short-to-medium term. The Group has direct and indirect investments in eleven vessels, three of which are under construction. One bulk carrier was subsequently delivered in November 2009. With the exception of the product tanker to be delivered in 2010, the Group has secured employment for all ten vessels. The charter period for the ten vessels will expire between 3Q2011 and 2019.

The Group announced on 28 April 2009 that the installment payments made by the Group to Kanasashi Heavy Industries Co., Ltd., Japan in the amount of \$13.2 million (YEN 1.26 billion) was fully refunded and the Group has subsequently cancelled the three employment contracts with the charterers.

The office rental market in Guangzhou stabilized this quarter. The prime office project (Tianhe district) where the Group invested is currently fully leased out and occupancy of prime offices in the Tianhe

district has remained firm. The Group's fair value adjustment on office properties in China is dependent on the outlook of the office market in the Tianhe district and the direction of the RMB.

In terms of the Group's property investment/ management in Japan, the tight credit policy of financial institutions and sluggish economic conditions prevailed in Japan and continued to put pressure on the property market. Should the property market continue to deteriorate, the fair value of the Group's investment in Japan properties may be further impaired.

The tourism industry in Japan has been affected by the downturn of the global economy. Hotel occupancy rates have seen a sharp slide since 4Q08, recovering moderately in 3Q09. The Group focuses on budget and limited service hotel for domestic business travelers. The Group's hotel operation and fair value adjustment on hotel investments is dependent on the outlook of the economy and the tourism industry in Japan.

In August 2009, the Group enlarged our share capital by the issuance of 52.2 million new shares to Yamasa Co., Ltd, raising \$17.7 million. This represented 16.7% of the Group's enlarged share capital base. The proceeds from the share placement will be used to strengthen the Group's working capital and financial ability to take advantage of any potential opportunities arising from, inter alia, ship investments.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12 If no dividend has been declared/ recommended, a statement to that effect.

No dividend has been declared/ recommended by the Directors for the 9 months ended 30 September 2009.


BY THE ORDER OF THE BOARD

Kazuhiko Yoshida
Chairman, CEO
13 November 2009

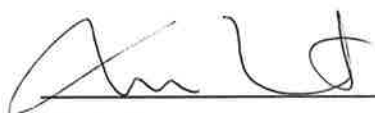
CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the third quarter ended 30 September 2009 to be false or misleading.

On behalf of the Board of Directors



Kazuhiko Yoshida
Chairman, CEO



Michio Tanamoto
COO

Date: 13 November 2009

The initial public offering of shares of Uni-Asia Finance Corporation (the "Offering") commenced on 8 August 2007 and closed on 15 August 2007. In the Offering, DBS Bank Ltd was the Manager, Underwriter and Placement Agent.