



UNI-ASIA

UNI-ASIA FINANCE CORPORATION

(Company Regn. No: CR-72229)
(Incorporated in Cayman Islands)

Update on Material Litigation

The Board of Directors (the “**Board**”) of Uni-Asia Finance Corporation (the “**Company**”) wishes to provide an update on the matter referred to in the Company’s announcements dated 28 November 2008 and 12 October 2009 in relation to material litigation involving the Company’s subsidiary, Capital Advisers Co., Ltd (“**CA**”), and Kabushikikaisha Land (“**Land**”). The Board wishes to announce that the litigation between CA and Land has been concluded on 24 December 2009 by way of judicial settlement as advised by the Tokyo District Court and JPY 2 million was paid for settlement by CA to Land on 20 January 2010.

As announced on 28 November 2008 and 12 October 2009, Land filed its complaint against CA with the Tokyo District Court claiming for monetary damages of JPY 294 million in relation to a sale and purchase agreement dated 13 July 2007 (the “**Sale and Purchase Agreement**”), pursuant to which CA had agreed to purchase the trust beneficial right of a hotel from Land and which was subsequently cancelled by CA. In the Company’s and CA’s view, the complaint by Land was baseless as the purchase had been cancelled in accordance with the provisions of the Sale and Purchase Agreement.

After several rounds of oral proceedings and examination of witnesses, the court suggested judicial settlement as a means of resolving the dispute between CA and Land. After taking into consideration, amongst other things, the incurring of further legal costs due to the continuation of the legal proceedings, CA decided to adopt the court’s suggestion of judicial settlement and mutually agreed with Land on judicial settlement on 24 December 2009. Pursuant to this, on 20 January 2010, CA paid Land JPY 2 million and Land agreed to waive and withdraw all its claims against CA save for the settlement amount. Land and CA have also affirmed before the court that there are no rights and obligations other than the ones determined by judicial settlement. The judicial settlement, including the payment by CA to Land of the settlement amount, has been entered into the official record of settlement by the court and has the same effect as a final and binding court judgment in terms of enforceability.

For and on behalf of
Uni-Asia Finance Corporation

20 January 2010