



**UNI-ASIA**  
**FINANCE CORPORATION**  
Registration No. CR-72229

Incorporated in the Cayman Islands with  
limited liability on 17 March 1997

# 1QFY2012 Corporate Update Presentation



# Important Notice

*This presentation may contain forward-looking statements which can be identified by the context of the statement and generally arise when the Company is discussing its beliefs, estimates or expectations. Such statements may include comments on industry, business or market trends, projections, forecasts, and plans and objectives of management for future operations and operating and financial performance, as well as any related assumptions. Readers of this presentation should understand that these statements are not historical facts or guarantees of future performance but instead represent only the Company's belief at the time the statements were made regarding future events, which are subject to significant risks, uncertainties and other factors, many of which are outside of the Company's control. Actual results and outcomes may differ materially from what is expressed or implied in such forward-looking statements. The Company cautions readers not to place undue reliance on any forward-looking statements included in this presentation, which speak only as of the date made; and should any of the events anticipated by the forward-looking statements transpire or occur, the Company makes no assurances on what benefits, if any, the Company will derive therefrom.*

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**1. Financial Performance**

**2. Recent Developments**

**3. Market Update/Strategy**

## Group Financial Highlights – Income Statement

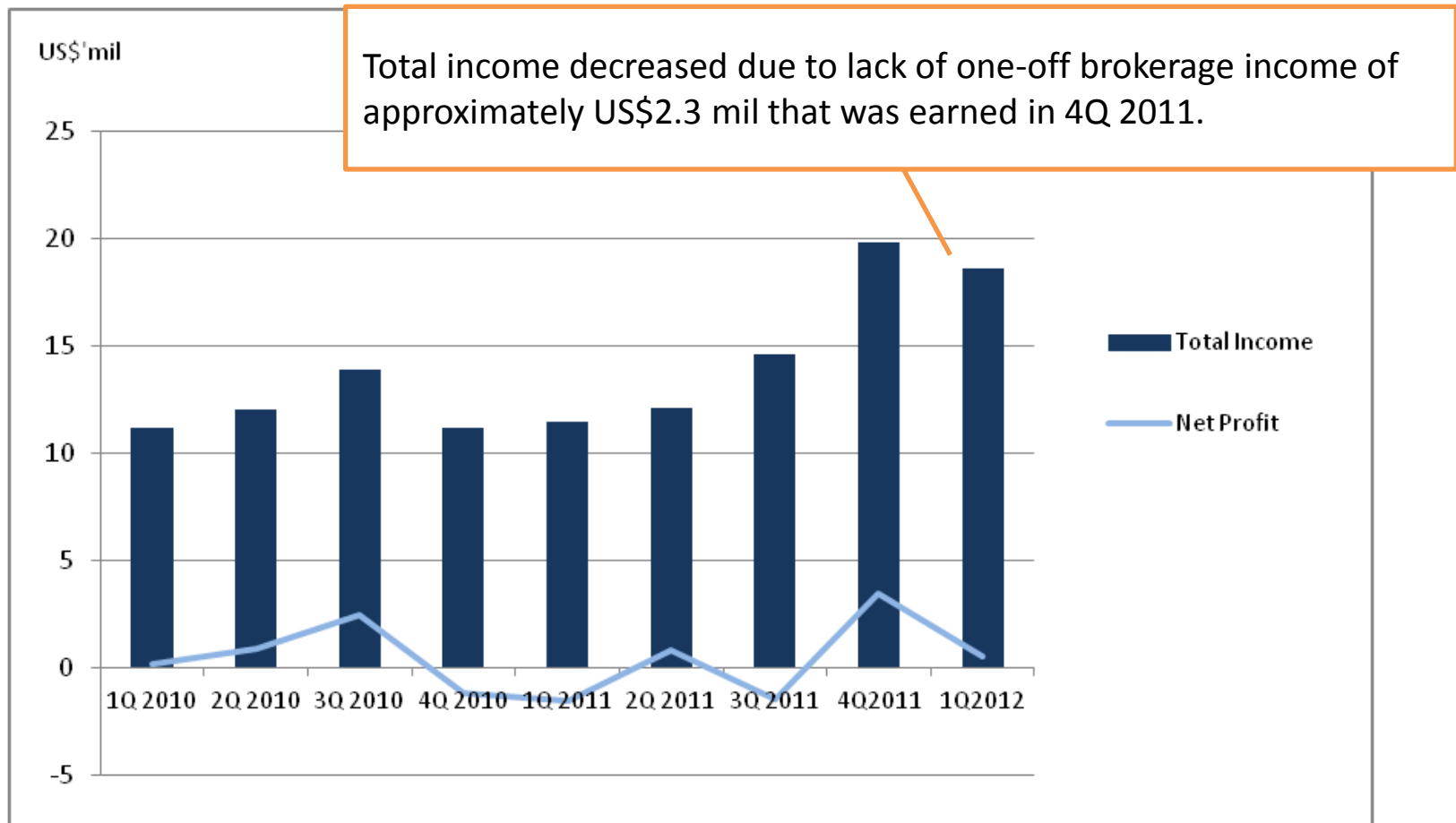
The Group made a good start of 2012 with a profit.

(US\$'000)	<u>1st Quarter</u>		
	<u>2012</u>	<u>2011</u>	<u>% Change</u>
Total Income	18,596	11,459	62%
Total Expenses	(17,480)	(12,631)	38%
Net FX Gain	994	4	N/M
Operating Profit / (Loss)	1,116	(1,172)	195%
Profit / (Loss) for the Period	523	(1,498)	135%
Earnings / (Loss) per Share (US Cents)	0.10	(0.46)	122%

Uni-Asia Shipping and Uni-Asia Hotels contributed US\$3.1 mil and US\$6.0 mil income increase respectively while Uni-Asia Hotels increased expenses by US\$4.4 mil due to newly acquired hotel operating company in Naha, Okinawa.



# Quarterly Income and Net Profit of the Group

The Group maintained back to back profitable quarters despite drop in income.



# Group Financial Highlights-Balance Sheet

Total assets and liabilities decreased slightly.

(US\$'mil)	<u>31-Mar-12</u>		<u>31-Dec-11</u>	<u>Inc / (Dec)</u>
Total Assets	241.0		249.8	(8.8)
Total Liabilities	106.3		116.4	(10.1)
Total Equity	134.7		133.4	1.3
Total Debt	95.3 *1		99.7	(4.4)
Total Cash	64.3 *2		69.9	(5.6)
(Net Debt) / Net Cash	(31.0)		(29.8)	(1.2)
Total Debt / Total Equity (Gearing)	0.71		0.75	(0.04)
NAV per share (US\$)	0.29		0.28	0.01

\*1 Total Debt includes the following borrowings.

- US\$13.0 mil non-recourse borrowing for the hotel project.
- US\$15.1 mil borrowing secured by the pledged deposits.

\*2 Total Cash includes US\$18.0 mil deposits pledged as collateral.

Other than repayment of borrowings, other payables and accruals decreased by US\$3.6 mil mainly due to payment of acquired other payables of subsidiary Sun Vista Naha Co., Ltd.

## Group Financial Highlights-Cash Flow

The Group's cash flow from operating activity has been improved.

(US\$ '000)	<u>3 months ended 31 March</u>	
	<u>2012</u>	<u>2011</u>
Cash and cash equivalents at beginning of the period	51,164	26,528
Cash Inflow / (Outflow)		
Operating Activity	(2,615)	(3,008)
Investing Activity	(309)	(10,286)
Financing Activity	(1,451)	8,104
Effect of exchange rate changes	(490)	(83)
Cash and cash equivalents at the end of the period	46,299	21,255

Net profit before tax after adjusting for non-cash items	US\$ 1,419
Changes in working capital	US\$ (4,387)
Interest received / tax reimbursed	US\$ 353
<u>Net cash used in operation</u>	<u>US\$ (2,615)</u>

# Group Revenue and Profit Breakdown

Uni-Asia Shipping and operations in Japan keep up the momentum of earnings growth.

(US\$'000)

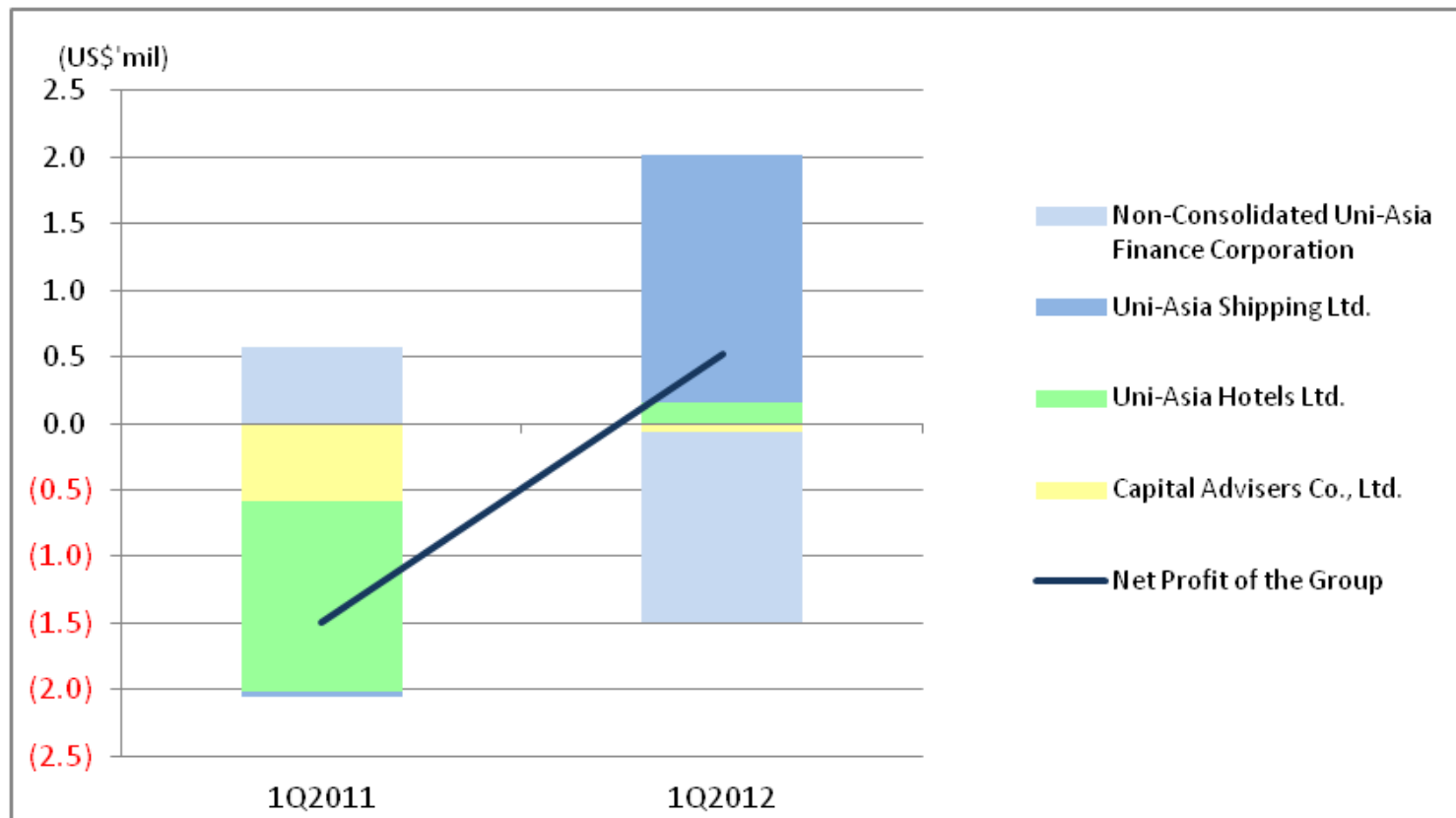
		<u>1st Quarter</u>		
		<u>2012</u>	<u>2011</u>	<u>% Change</u>
<b>Non-consolidated Uni-Asia Finance Corporation</b>				
<i>Investment &amp; Asset Management of Vessels and Properties in China/Hong Kong</i>				
	Revenue	308	2,231	(86%)
	Net (Loss) / Profit	(1,425)	570	(350%)
100%	<b>Uni-Asia Shipping Ltd.</b>			
	<i>Ship Owning &amp; Chartering</i>			
	Revenue	3,123	0	N/M
	Net Profit / (Loss)	1,856	(37)	5116%
99.5%	<b>Capital Advisers Co., Ltd.*</b>			
	<i>Investment &amp; Asset Management of Properties in Japan</i>			
	Revenue	1,692	1,754	(4%)
	Net Profit / (Loss)	(71)	(581)	(88%)
100%	<b>Uni-Asia Hotels Ltd.</b>			
	<i>Hotel Operation in Japan</i>			
	Revenue	13,936	7,978	75%
	Net Profit / (Loss)	162	(1,435)	111%
<b>Group Total</b>				
	Revenue	18,596	11,459	62%
	Net Profit / (Loss)	523	(1,498)	135%

\* The numbers for Capital Advisers in 2011 was reclassified into two business segment including investment / asset management of properties, and hotel operation in Japan for illustration purpose.



# Group Net Profit Breakdown

Gains from Uni-Asia Shipping and operations in Japan more than offset the losses incurred by non-consolidated Uni-Asia Finance Corporation.



## Non-Consolidated Uni-Asia Finance Corporation

Net loss was caused by the reduction of investment returns due to a US\$1.0 mil negative fair valuation adjustment on vessels.

(US\$'000)	<u>1st Quarter</u>		
	<u>2012</u>	<u>2011</u>	<u>Change</u>
Turnover	308	2,231	(1,923)
Fee Income	657	789	(132)
Investment Returns	(715)	966	(1,681)
Interest Income	273	359	(86)
Other Income	93	117	(24)
Expenses	(1,618)	(1,581)	37
FX (Loss) / Gain	137	81	56
(Loss) / Profit from Operation	(1,310)	650	(1,960)
(Loss) / Profit after Tax	(1,425)	570	(1,995)

# Uni-Asia Shipping Limited

Charter income from three vessels together with FX gains has contributed to net profit.

(US\$'000)	<u>1st Quarter</u>		
	<u>2012</u>	<u>2011</u>	<u>Change</u>
Turnover	3,123	0	3,123
Fee Income (Charter Income etc.)	3,062	0	3,062
Investment Returns	48	0	48
Interest Income	2	0	2
Other Income	11	0	11
Expenses	(961)	(33)	928
FX Translation Gain / (Loss)	857	0	857
Profit /(Loss) from Operation	2,162	(32)	2,194
Profit / (Loss) after Tax	1,856	(37)	1,893

The numbers above are before consolidation adjustment.

# Capital Advisers Co., Ltd.

Stable income and cost cutting efforts helped in the sharp reduction of net loss.

(US\$'000)	<u>1st Quarter</u>		
	<u>2012</u>	<u>2011</u>	<u>Change</u>
Turnover	1,692	1,754	(62)
Fee Income	685	881	(196)
Hotel Income	986	797	189
Investment Returns	21	14	7
Interest Income	0	40	(40)
Other Income	0	22	(22)
Expenses	(1,484)	(1,928)	(444)
FX Translation Gain / (Loss)	0	(77)	77
Profit /(Loss) from Operation	208	(174)	382
Profit / (Loss) after Tax	(71)	(581)	510

The numbers above are before consolidation adjustment.

# Uni-Asia Hotels Limited

Hotel income and expenses increased due to newly acquired JAL City Naha contract .

(US\$'000)	1st Quarter		
	2012	2011	Change
Turnover	13,936	7,978	5,958
Hotel Income	13,525	7,861	5,664
Investment Returns	0	61	(61)
Interest Income	0	0	0
Other Income	411	56	355
Expenses	(13,788)	(9,365)	4,423
Addition to Onerous Contracts Provision	0	(1,035)	(1,035)
Reversal of Onerous Contracts Provision	177	378	(201)
Profit /(Loss) from Operation	148	(1,387)	1,535
Profit / (Loss) after Tax	162	(1,435)	1,597
Occupancy Rate	77.4%	70.8%	6.6%
Average Daily Rate (Yen)	7,175	6,370	805
No. of hotels operated	14	13	

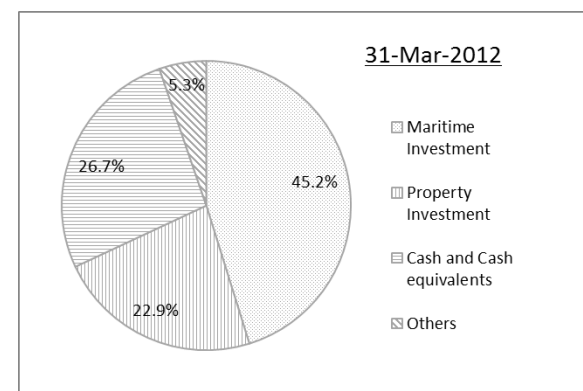
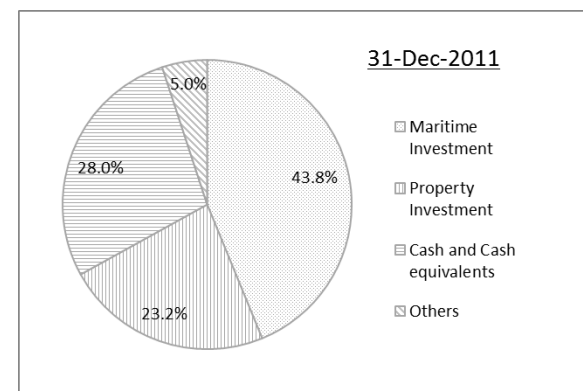
The numbers above are before consolidation adjustment.

Compensation from Tokyo Electric Power in respect of damages by income decrease caused by nuclear crisis has supported P&L for the period.

# Group Investment Portfolio

No major asset acquisition in 1Q 2012 - the Group's portfolio remains almost unchanged.

(US\$'mil)	<u>31-Mar-12</u>	<u>31-Dec-11</u>
<b>Maritime Investment</b>	<b>108.9</b>	<b>109.4</b>
Non-current assets		
Investments	26.3	27.2
Deposits for purchase of vessels	19.2	19.1
Loan to vessels owning companies	4.8	4.5
Property, Plant and Equipment (Vessel related)	56.4	57.1
Current assets		
Loan to vessels owning companies	2.2	1.5
<b>Property Investment in China &amp; Hong Kong</b>	<b>9.7</b>	<b>9.8</b>
Non-current assets		
Investment property	6.3	6.4
Investment in joint investment company	3.4	3.4
<b>Property Investment in Japan</b>	<b>45.4</b>	<b>48.1</b>
Non-current assets		
Investment property	1.5	1.1
Investment in SPCs and associates	14.3	15.3
Loan to SPCs	3.4	3.8
Property, Plant and Equipment	26.2	27.9
<b>Cash and Cash equivalents (Free Cash)</b>	<b>46.3</b>	<b>51.2</b>
<b>Deposit pledged as collateral</b>	<b>18.0</b>	<b>18.7</b>
<b>Others</b>	<b>12.7</b>	<b>12.6</b>
<b>Total</b>	<b>241.0</b>	<b>249.8</b>



**1. Financial Performance**

**2. Recent Developments**

**3. Market Update**

## Business Development

- Acquisition of a new 29,000 dwt handysize bulk carrier with 50% interest with another investor (April 2012)
  - The vessel is scheduled to be delivered in May 2012
  - Immediately chartered out to a reputable operator
  - Asset management service is provided to this co-investment by Uni-Asia Capital (Singapore) Limited, a wholly owned subsidiary of the Company
    - additional asset management fee income



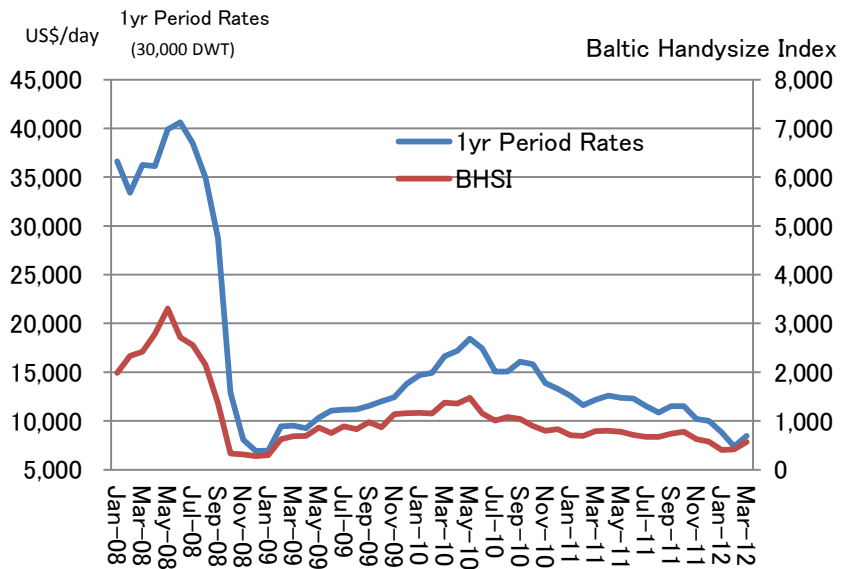
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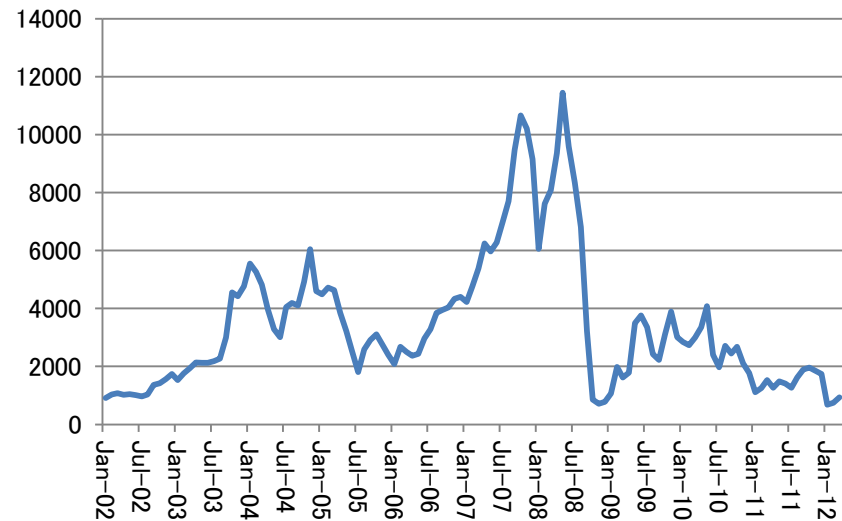
# Update of Maritime Industry- Bulk Carrier

**Baltic Handysize Index / One Year Time Charter Rate**  
Movement from 2008



Source: Bloomberg / Clarksons

**Baltic Dry Index**  
Movement from 2002

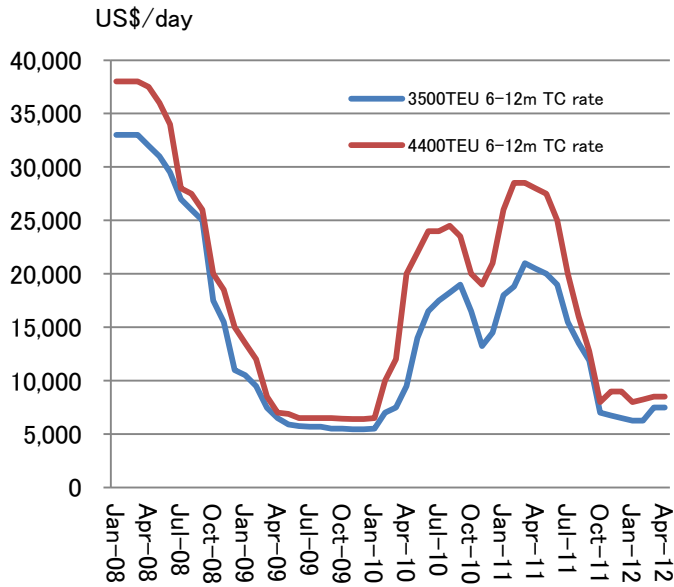


Source: Bloomberg

**Market continues to be suffering from oversupply situation as supply outpaces slow demand growth of vessels.**

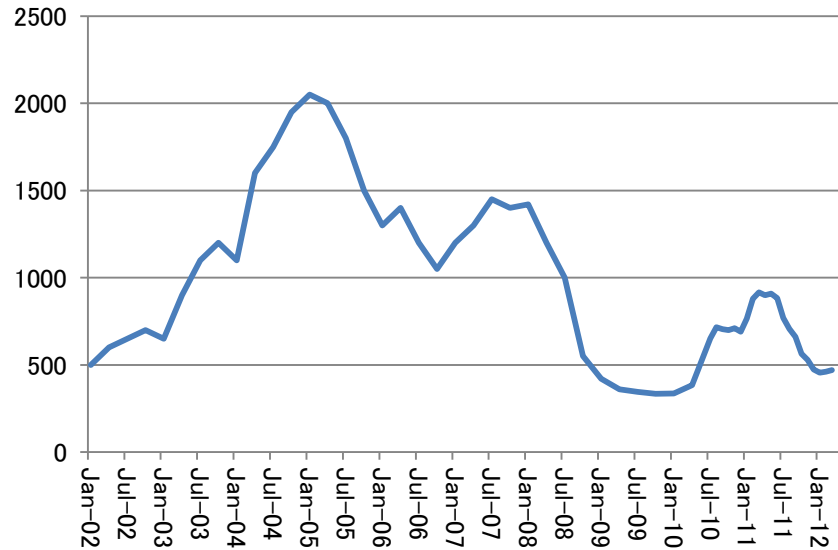
# Update of Maritime Industry-Containership

## Time Charter Rates Movement from 2008



Source: Clarksons

## Howe Robinson Charter Index Movement from 2002

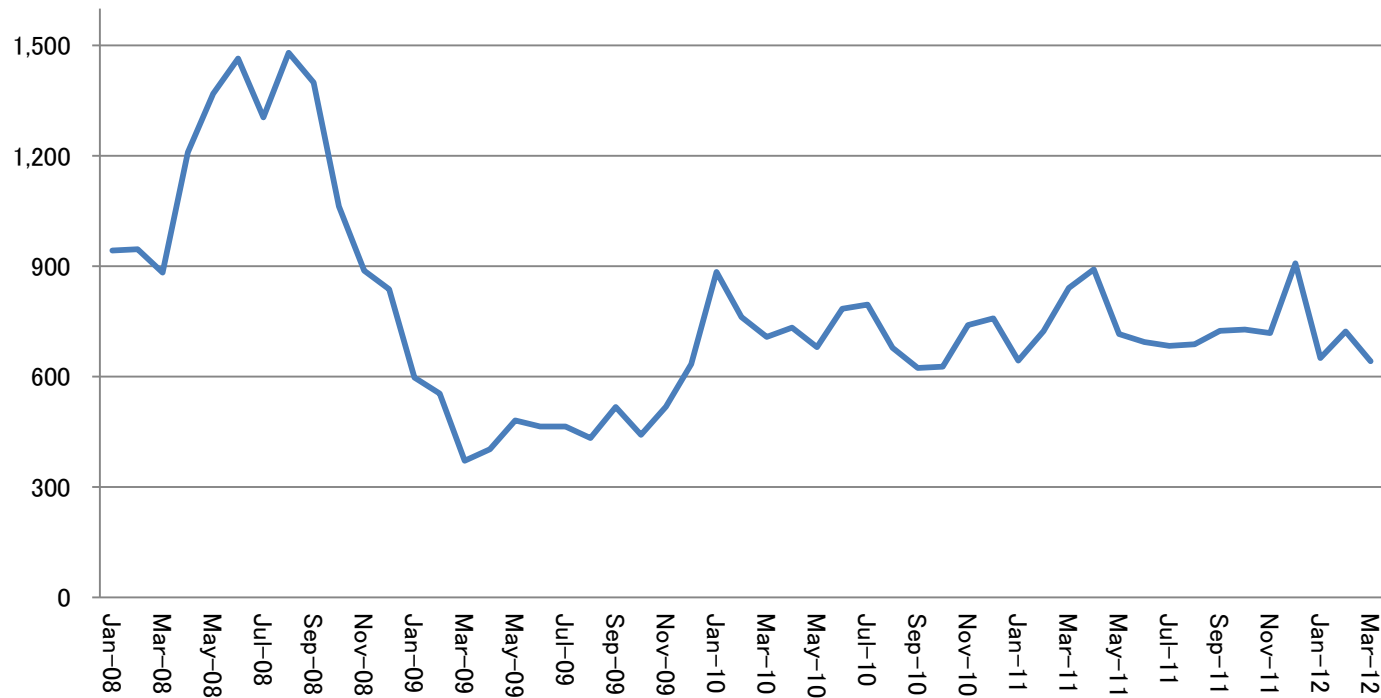


Source: Tradewinds

**Containership market is also dampened by oversupply situation.**

# Update of Maritime Industry-Product Tanker

## Baltic Clean Tanker Index Movement from 2008

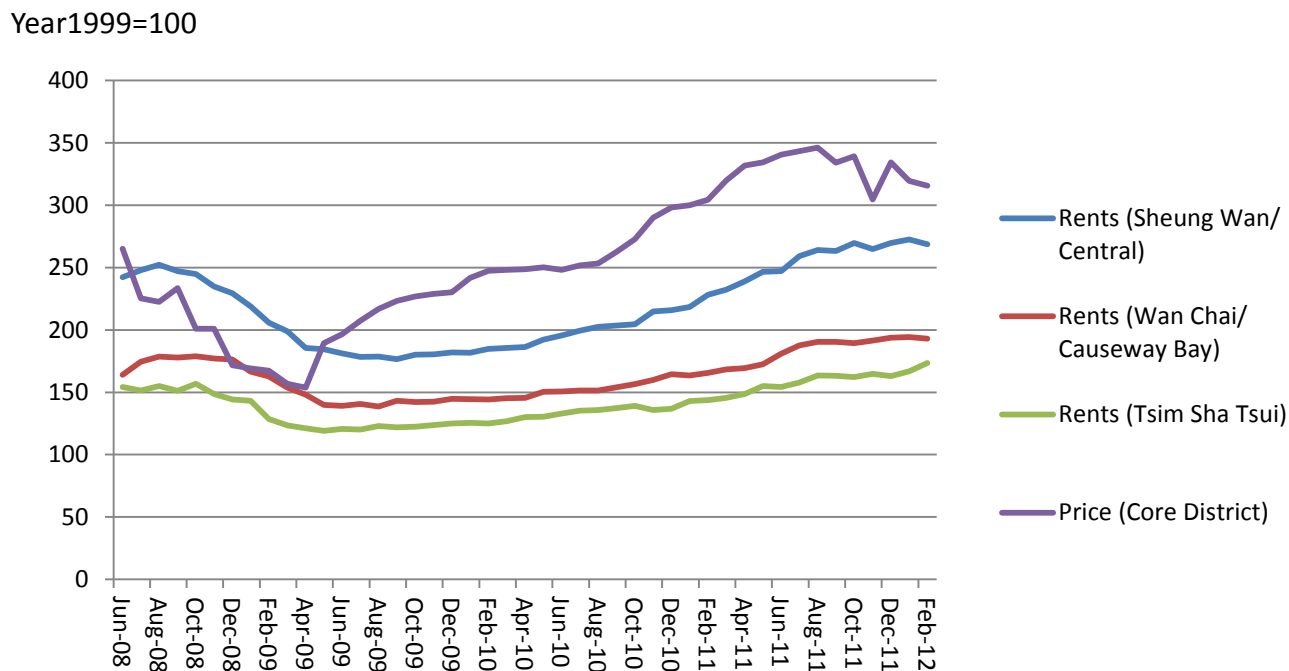


Source: Bloomberg

**The market has experienced sideways trade since 2010.**

# Update of property Market in Hong Kong- Office Market

## Office Rent and Price Indices Movement in Hong Kong (Grade A office)



Figures from September 2011 to February 2012 are provisional

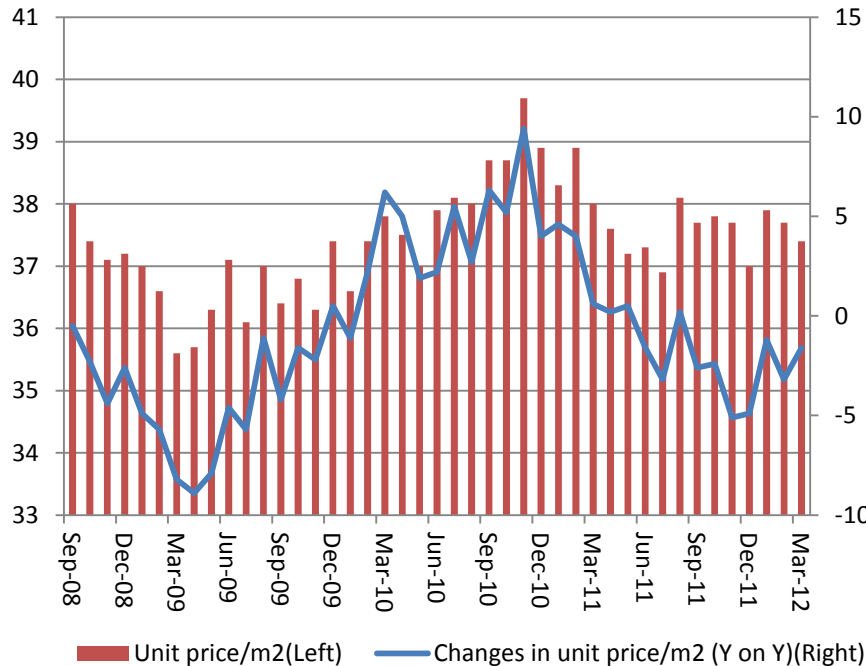
Source: Hong Kong Rating and Valuation Department

**Office rents hover at a high level while price in core district may enter a correction phase.**

# Update of Property Market in Japan-Residential Property

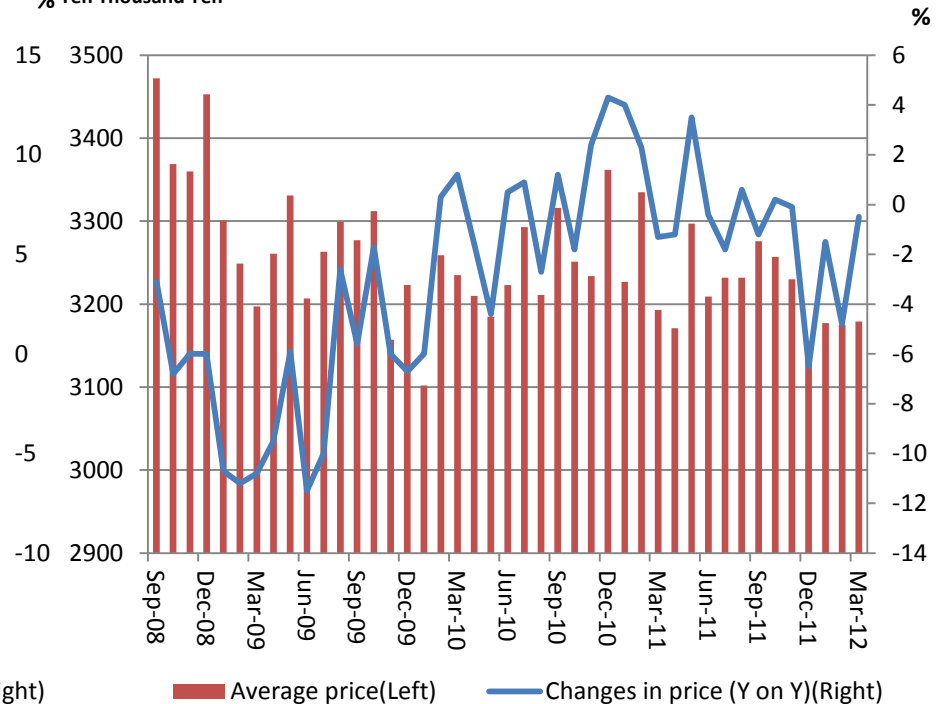
## Unit Price of Condominium in Tokyo Metropolitan Area

Ten Thousand Yen



## Average Price of Detached House Sold in Tokyo Metropolitan Area

% Ten Thousand Yen



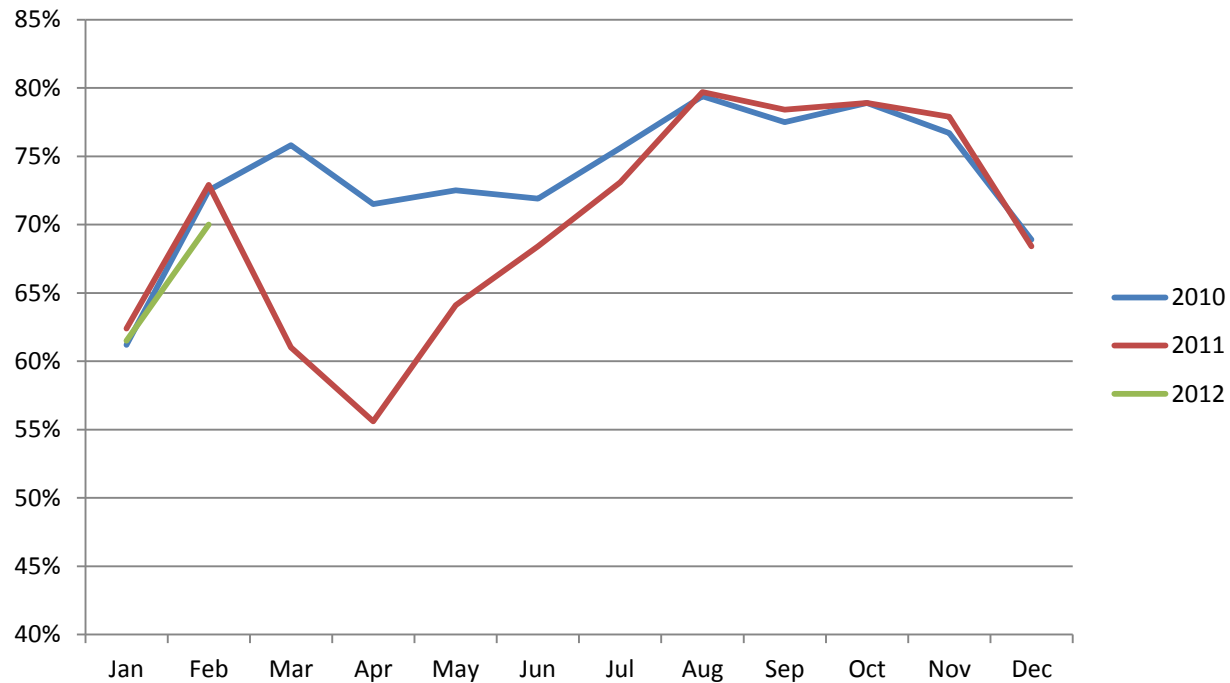
Condominium with space from 40 to 80m<sup>2</sup>

Source: The Real Estate Transaction Modernization Center Foundation  
(Fudosan Ryutsu Kindaika Centre)

**Though the market was resilient after 3.11 Japan disaster, the recovery is at a slow pace.**

# Update of Hotel Market in Japan

## Hotel Occupancy Rate in Japan (Nationwide Hotel Average)



Source: Ohta Publications "Shuukan Hotel Restaurant" volume 47-12

**Hotel occupancy rate has recovered from the aftermath of the 3.11 disaster in 2011.**



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**Thank You**

