



UNI-ASIA
FINANCE CORPORATION
Registration No. CR-72229

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

1H FY2012 Corporate Update Presentation



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1. Financial Performance

2. Recent Developments

3. Market Update

Group Financial Highlights – Income Statement

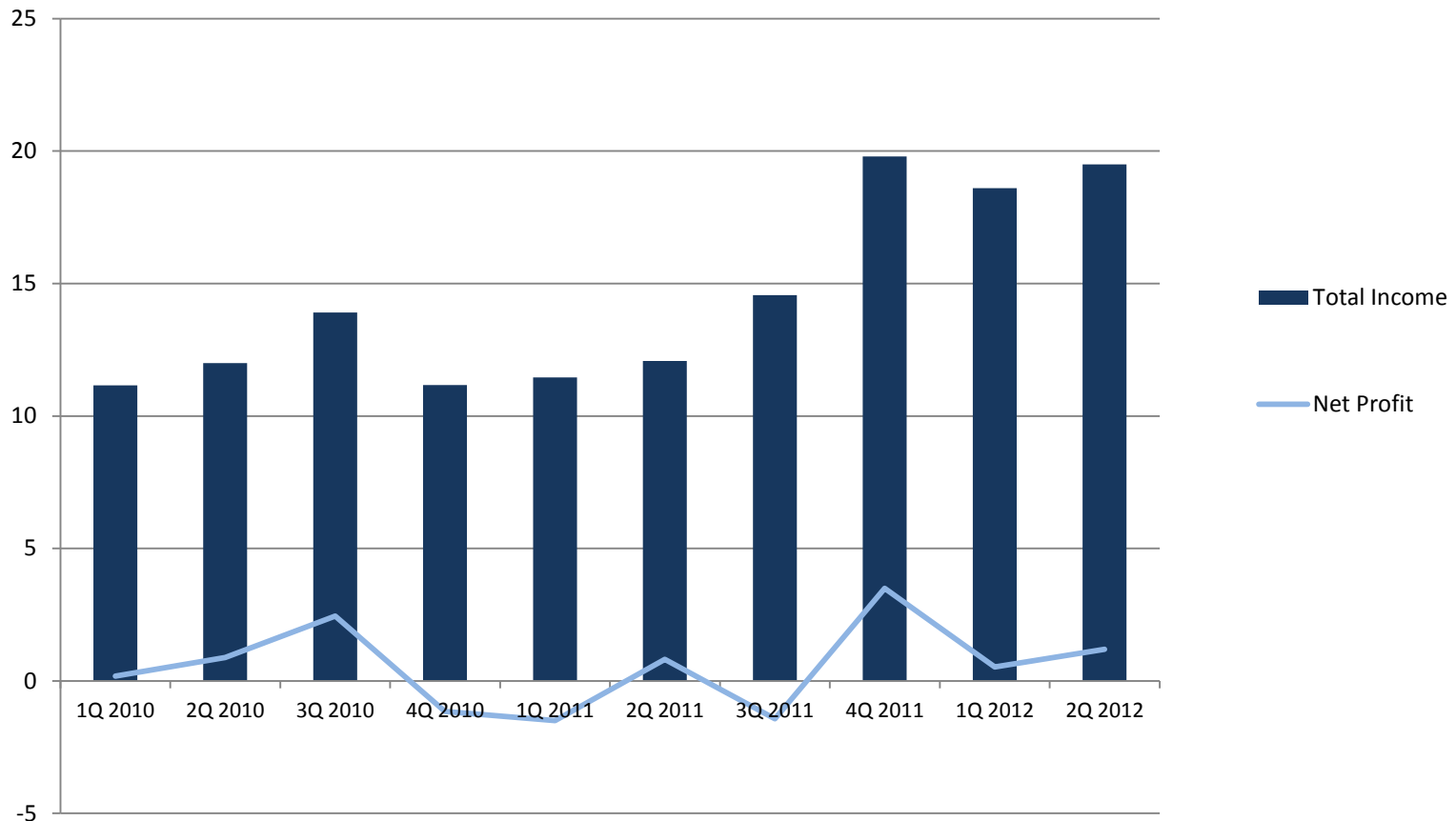
The Group increased profit by US\$1.2mil in 2Q 2012 to US\$1.7mil in 1H 2012.

(US\$'000)	<u>2nd Quarter</u>			<u>1st Half</u>		
	<u>2012</u>	<u>2011</u>	<u>% Change</u>	<u>2012</u>	<u>2011</u>	<u>% Change</u>
Total Income	19,498	12,081	61%	38,094	23,540	62%
Total Expenses	(17,633)	(10,862)	62%	(35,113)	(23,493)	49%
Net FX (Loss)/ Gain	(470)	271	(273%)	524	275	91%
Operating Profit	1,865	1,219	53%	2,981	47	N/M
Profit / (Loss) for the Period	1,198	816	47%	1,721	(682)	352%
Earnings / (Loss) per Share (US Cents)	0.25	0.25	0%	0.35	(0.20)	275%

Uni-Asia Shipping and Uni-Asia Hotels contributed US\$4.4 mil and US\$10.5 mil income increase respectively while Uni-Asia Hotels increased expenses by US\$9.4 mil due to newly acquired hotel operating company in Naha, Okinawa.



Quarterly Income and Net Profit of the Group

The Group maintained consecutive profitable quarters since 4Q 2011.



Group Financial Highlights - Balance Sheet

Net assets increased slightly

(US\$'mil)	<u>30-Jun-12</u>		<u>31-Dec-11</u>	<u>Inc / (Dec)</u>
Total Assets	251.3		249.8	1.5
Total Liabilities	115.8		116.4	(0.6)
Total Equity	135.5		133.4	2.1
Total Debt	100.5 *(A)		99.7	0.8
Total Cash	56.3 *(B)		69.9	(13.6)
(Net Debt) / Net Cash	(44.2)		(29.8)	(14.4)
Total Debt / Total Equity (Gearing)	0.74		0.75	(0.01)
NAV per share (US\$)	0.29		0.28	0.01

*(A): Total Debt includes the following borrowings.

- US\$13.3 mil non-recourse borrowing for the hotel project.
- US\$15.5 mil borrowing secured by the pledged deposits.

*(B): Total Cash includes US\$18.6 mil deposits pledged as collateral.

Group Financial Highlights - Cash Flow Statement

The Group's cash flow from operating activity improved.

(US\$ '000)	<u>Half year ended 30 June</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	(2,659)	(4,288)
Investing Activity	(11,942)	(32,656)
Financing Activity	1,318	31,004
Effect of exchange rate changes	(213)	348
Cash and cash equivalents at the end of the period	37,668	20,936

Net profit before tax after adjusting for non-cash items	US\$ 1,862
Changes in working capital	US\$ (5,041)
Interest received / tax reimbursed	US\$ 520
Net cash used in operation	US\$ (2,659)

Group Revenue and Profit Breakdown

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

2Q results recovered from 1Q loss of US\$1.4 mil mainly due to Fair Value (FV) gains.

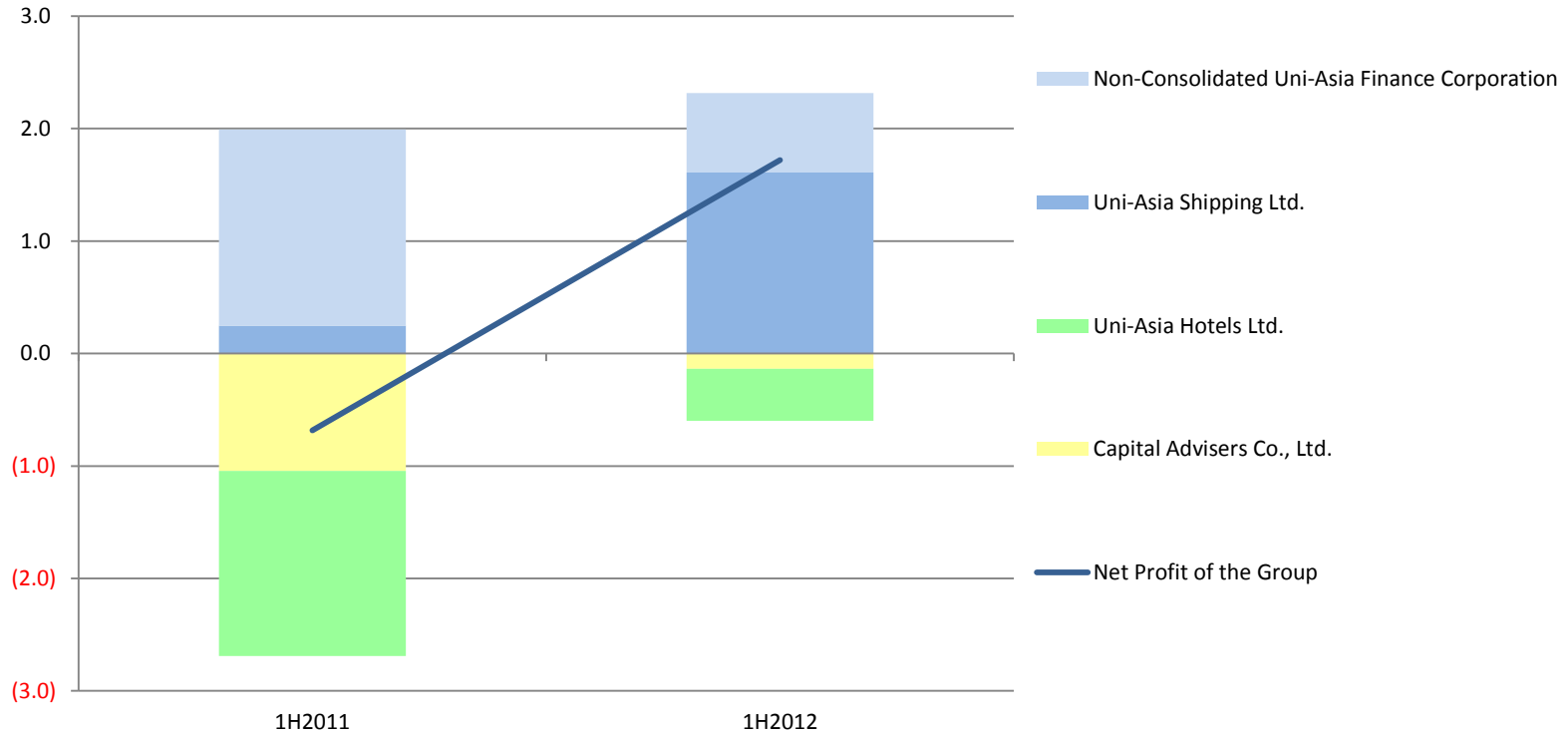
(US\$'000)		2nd Quarter			Half year ended 30 June		
		2012	2011	% Change	2012	2011	% Change
Non-consolidated Uni-Asia Finance <i>Investment & Asset Management of Vessels and Properties in China/Hong Kong</i>	Revenue	4,031	2,543	59%	4,339	4,774	(9%)
	Net Profit	2,130	1,176	81%	705	1,746	(60%)
100% Uni-Asia Shipping Ltd. <i>Ship Owning & Chartering</i>	Revenue	2,462	1,186	108%	5,585	1,186	371%
	Net (Loss)/ Profit	(246)	284	(187%)	1,610	247	552%
99.5% Capital Advisers Co., Ltd. <i>Investment & Asset Management of Properties in Japan</i>	Revenue	1,663	1,284	30%	3,355	3,038	10%
	Net (Loss)	(66)	(462)	86%	(137)	(1,043)	87%
100% Uni-Asia Hotels Ltd. <i>Hotel Operation in Japan</i>	Revenue	11,842	7,275	63%	25,778	15,253	69%
	Net (Loss)	(622)	(212)	(193%)	(460)	(1,647)	72%
Group Total	Revenue	19,498	12,081	61%	38,094	23,540	62%
	Net Profit / (Loss)	1,198	816	47%	1,721	(682)	352%

2Q loss was caused mainly by additional expenses due to expiration of operating contracts for three hotels in Asakusa, Toyochi and Urbain Kamata.

Group Net Profit Breakdown

Gains from Uni-Asia Shipping and reduced losses from operations in Japan made up for reduced gains by non-consolidated Uni-Asia Finance Corporation.

(US\$'mil)



Non-Consolidated Uni-Asia Finance Corporation

2Q performance improved with a profit of US\$2.1 mil, however 1H profit was smaller than 2011 due to a loss of US\$1.4 mil in 1Q.

(US\$'000)	2nd Quarter			Half year ended 30 June		
	2012	2011	Change	2012	2011	Change
Turnover	4,031	2,543	1,488	4,339	4,774	(435)
Fee Income	846	607	239	1,503	1,396	107
Investment Returns	2,535	1,486	1,049	1,820	2,452	(632)
Interest Income	375	367	8	648	726	(78)
Other Income	275	83	192	368	200	168
Expenses	(1,791)	(1,286)	505	(3,409)	(2,867)	542
FX Translation (Loss) / Gain	(11)	308	(319)	126	389	(263)
Profit from Operation	2,240	1,257	983	930	1,907	(977)
Profit after Tax	2,130	1,176	954	705	1,746	(1,041)

The numbers above are before consolidation adjustments.

2Q Investment Returns was achieved mainly due to US\$1.6 mil FV gains from property development project in Hong Kong.

Uni-Asia Shipping Limited

Charter income from three vessels contributed to 1H 2012 net profit despite FX loss incurred in 2Q 2012.

(US\$'000)	<u>2nd Quarter</u>			<u>Half year ended 30 June</u>		
	<u>2012</u>	<u>2011</u>	<u>Change</u>	<u>2012</u>	<u>2011</u>	<u>Change</u>
Turnover	2,462	1,186	1,276	5,585	1,186	4,399
Fee Income (Charter Income etc.)	2,563	1,112	1,451	5,625	1,112	4,513
Investment Returns	(118)	-	(118)	(70)	-	(70)
Interest Income	7	1	6	9	1	8
Other Income	10	73	(63)	21	73	(52)
Expenses	(2,370)	(773)	1,597	(3,331)	(806)	2,525
FX Translation (Loss) / Gain	(459)	(141)	(318)	398	(141)	539
Profit from Operation	92	412	(320)	2,254	380	1,874
(Loss)/ Profit after Tax	(246)	284	(530)	1,610	247	1,363

The numbers above are before consolidation adjustments.

Capital Advisers Co., Ltd.

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

(US\$'000)	2nd Quarter			Half year ended 30 June		
	2012	2011	Change	2012	2011	Change
Turnover	1,663	1,284	379	3,355	3,038	317
Fee Income	651	779	(128)	1,336	1,660	(324)
Hotel Income	931	788	143	1,917	1,585	332
Investment Returns	77	(232)	309	98	(218)	316
Interest Income	-	(39)	39	-	1	(1)
Other Income	4	(12)	16	4	10	(6)
Expenses	(1,453)	(1,396)	57	(2,937)	(3,324)	(387)
FX Translation Gain	-	105	(105)	-	28	(28)
Profit /(Loss) from Operation	210	(112)	322	418	(286)	704
Profit / (Loss) after Tax	(66)	(462)	396	(137)	(1,043)	906

The numbers above are before consolidation adjustments.

Investment Returns increased due to improved returns of both residential properties and hotels in Japan.

Uni-Asia Hotels Limited

Occupancy Rates and Average Daily Rates improved.

(US\$'000)	2nd Quarter			Half year ended 30 June		
	2012	2011	Change	2012	2011	Change
Turnover	11,842	7,275	4,567	25,778	15,253	10,525
Hotel Income	11,732	7,153	4,579	25,257	15,014	10,243
Investment Returns	-	127	(127)	-	188	(188)
Interest Income	1	-	1	1	-	1
Other Income	109	(5)	114	520	51	469
Expenses	(12,429)	(7,490)	4,939	(26,217)	(16,855)	9,362
Addition to Onerous Contracts Provision	-	2	2	-	(1,033)	(1,033)
Reversal of Onerous Contracts Provision	179	1,098	(919)	356	1,476	(1,120)
Profit /(Loss) from Operation	(587)	(215)	(372)	(439)	(1,602)	1,163
Profit / (Loss) after Tax	(622)	(212)	(410)	(460)	(1,647)	1,187
Occupancy Rate	75.8%	68.0%	7.8%	76.7%	69.4%	7.3%
Average Daily Rate (Yen)	7,402	6,150	1,252	7,284	6,260	1,024
No. of hotels operated	11	13		11	13	

The numbers above are before consolidation adjustments.

2Q loss was mainly caused by additional expenses due to expiration of operating contracts for three hotels in Asakusa, Toyochō and Urbain Kamata.

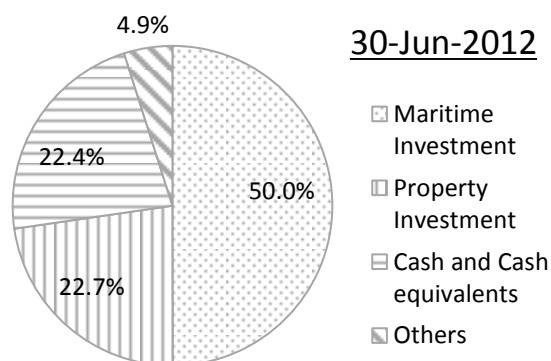
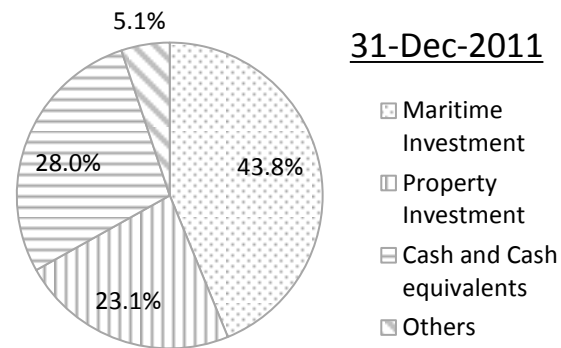
Group Assets Allocation

The Group increased maritime investment by US\$16 mil in 1H 2012.

(US\$'mil)

30-Jun-12 **31-Dec-11**

	30-Jun-12	31-Dec-11
Maritime Investment	125.6	109.4
Non-current assets		
Investments	29.1	27.2
Deposits for purchase of vessels	6.2	19.1
Loan to vessels owning companies	10.0	4.5
Property, Plant and Equipment (Vessel related)	78.7	57.1
Current assets		
Loan to vessels owning companies	1.6	1.5
Property Investment in Hong Kong and China	11.8	9.8
Non-current assets		
Investment property	6.3	6.4
Investment in joint investment company	5.5	3.4
Property Investment in Japan	45.3	47.9
Non-current assets		
Investment property	1.6	1.1
Investment in SPCs and associates	14.0	15.3
Loan to SPCs	3.4	3.8
Property, Plant and Equipment (Hotel)	26.3	27.7
Cash and Cash equivalents (Free Cash)	37.7	51.2
Deposit pledged as collateral	18.6	18.7
Others	12.3	12.8
Total	251.3	249.8



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Business Development

- The following two handysize bulk carriers were delivered in 2Q2012
 - 29,000 dwt handysize bulk carrier acquired with 50% interest with another investor (May 2012).
 - 29,100 dwt handysize bulk carrier acquired with 100% interest by Uni-Asia Shipping Limited, a wholly owned subsidiary (late June 2012).

Both vessels were chartered out to reputable operators.

Business Development

- Progress of office redevelopment project in Hong Kong
 - As previously announced, the Company has invested in an industrial office property redevelopment project in Kwun Tong, Kowloon, Hong Kong, with attributable interest of 10.2% in August 2010. The property has been redeveloped into a 31-storey building.
 - Pre-sale of the property was officially launched on 4 June 2012 and 24 floors out of 26 saleable floors were sold to date. The property is expected to be completed and handed over to owners in 4Q 2013.

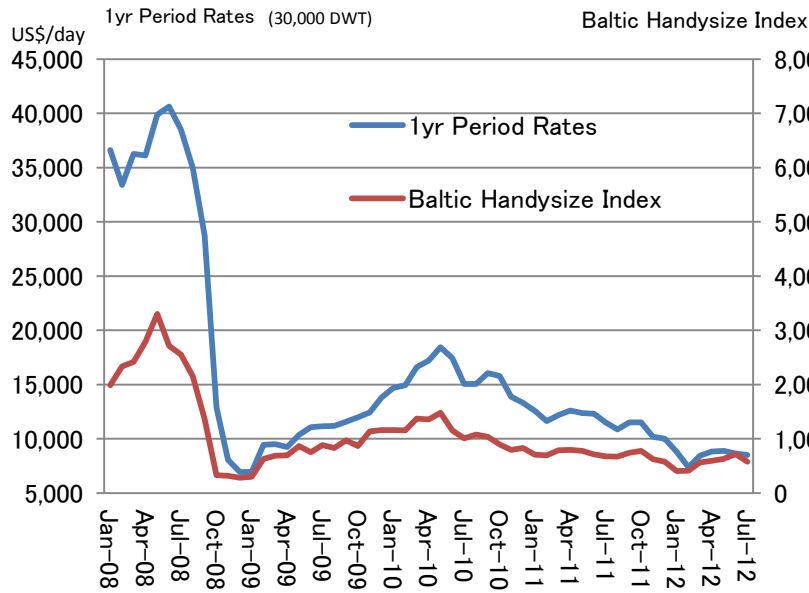
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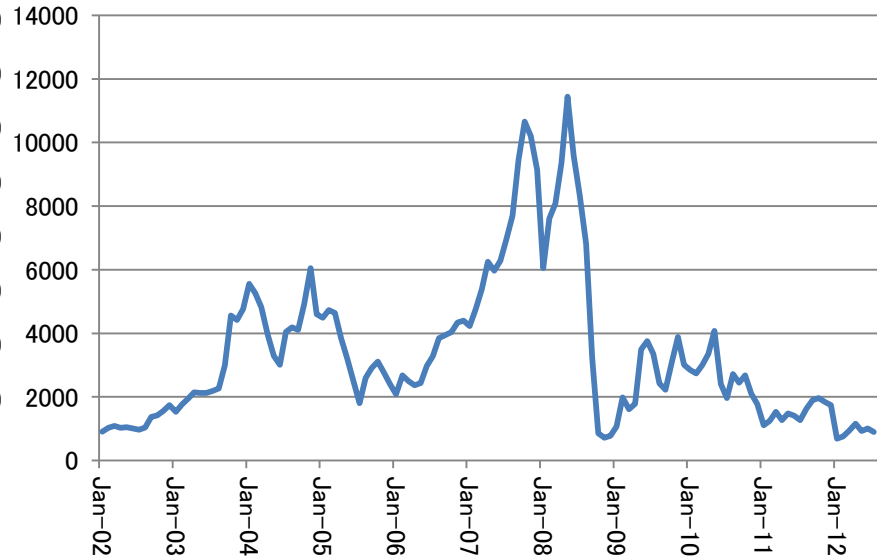
Update of Maritime Industry- Bulk Carrier

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



Source: Bloomberg / Clarksons

Baltic Dry Index
Movement from 2002

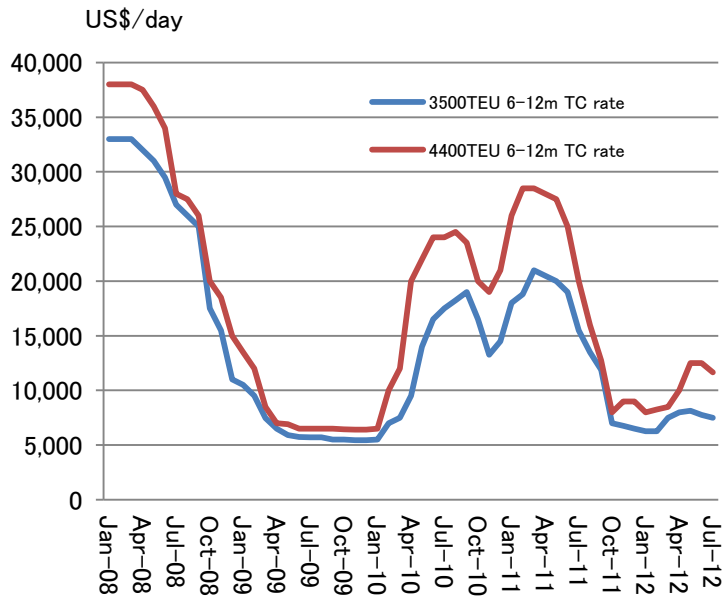


Source: Bloomberg

Market continues to be in an oversupply situation as supply outpaced the slow demand growth of vessels.

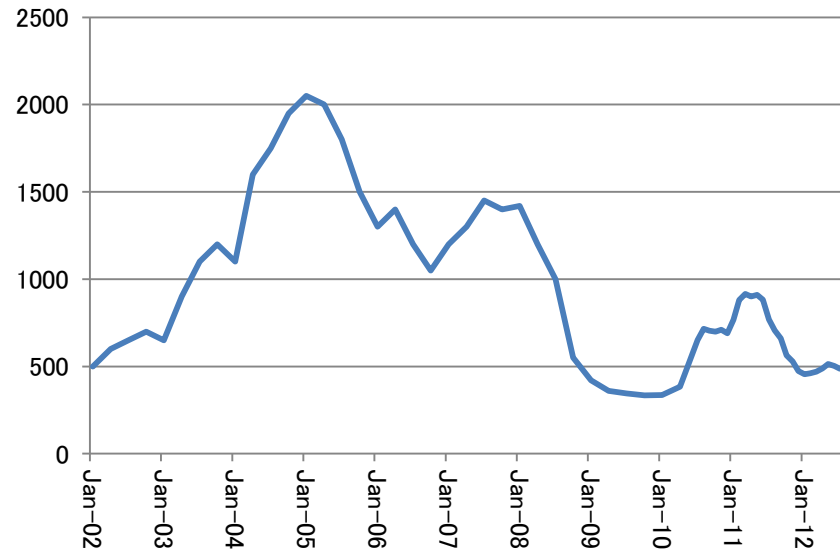
Update of Maritime Industry-Containership

Time Charter Rates Movement from 2008



Source: Clarksons

Howe Robinson Charter Index Movement from 2002

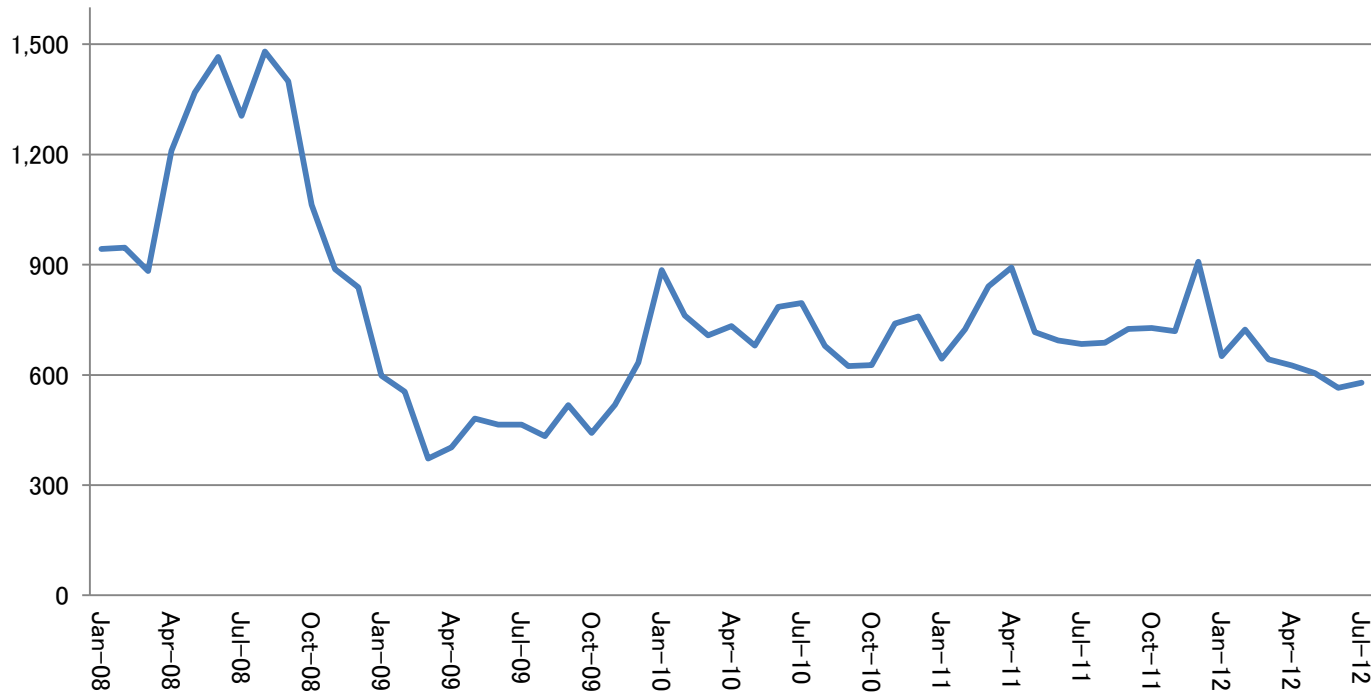


Source: Tradewinds

Containership market is also experiencing an oversupply situation.

Update of Maritime Industry-Product Tanker

Baltic Clean Tanker Index Movement from 2008

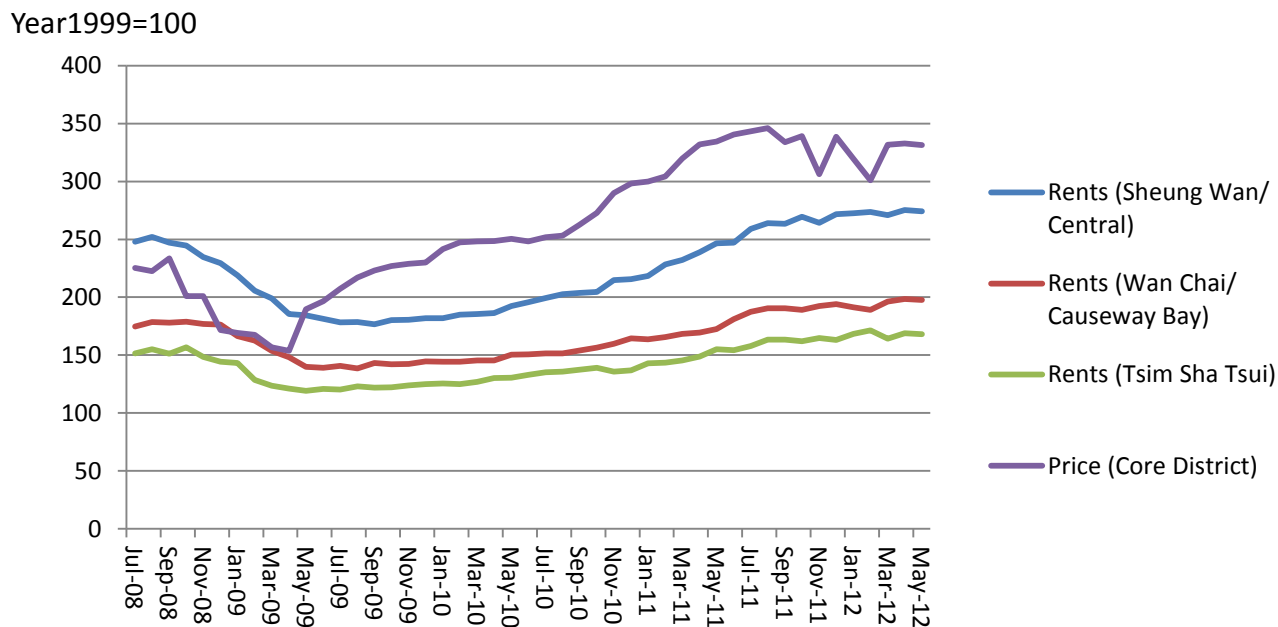


Source: Bloomberg

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)



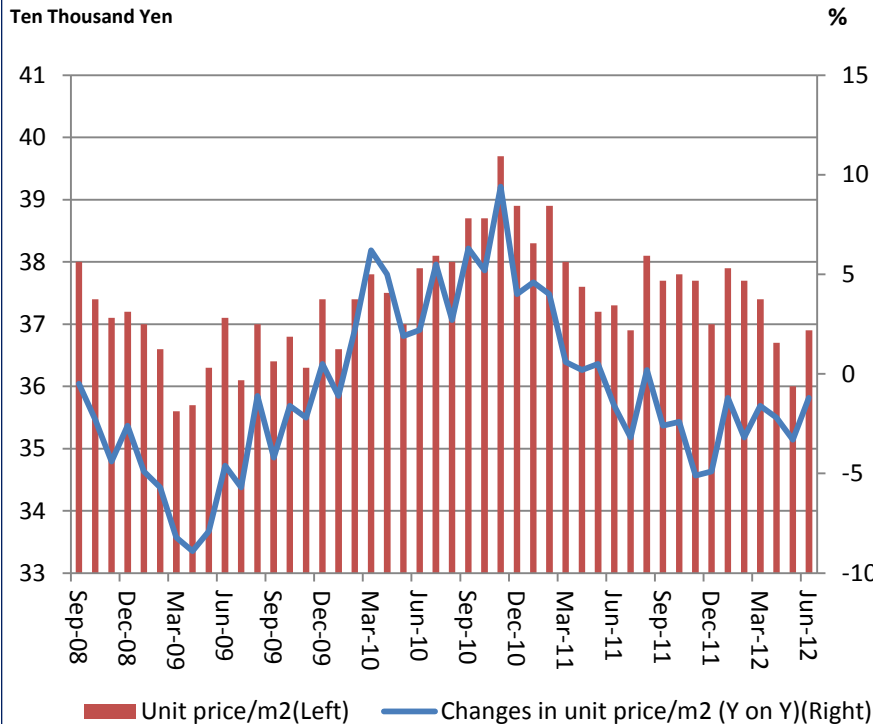
Figures from December 2011 to May 2012 are provisional

Source: Hong Kong Rating and Valuation Department

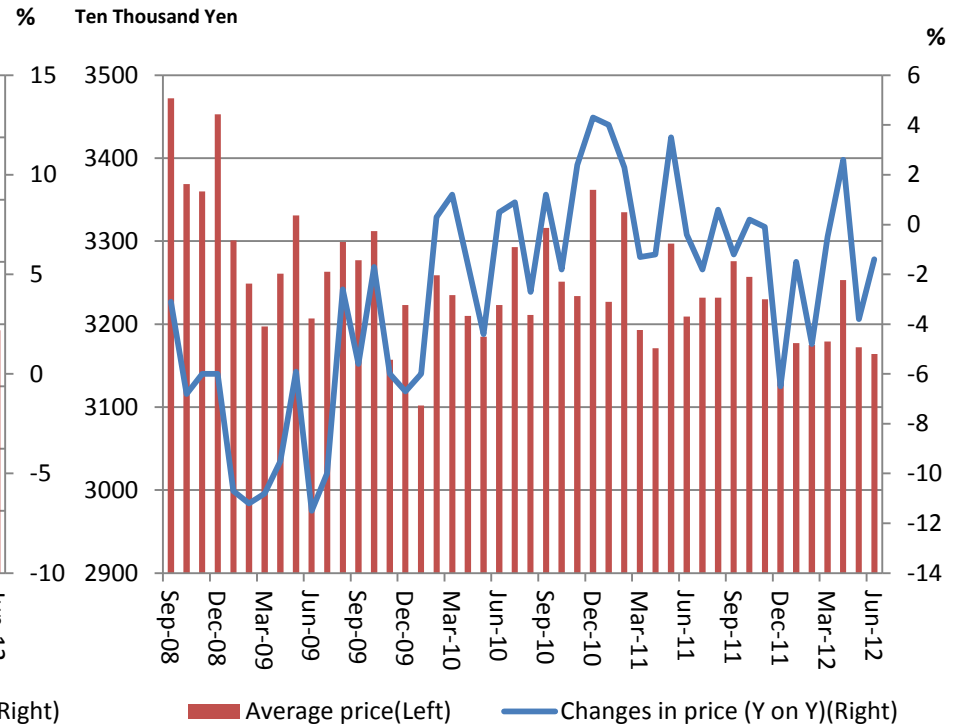
Office rents keep up the momentum of moderate uptrend while office price in core district seems to enter a correction phase.

Update of Property Market in Japan-Residential Property

Unit Price of Condominium in Tokyo Metropolitan Area



Average Price of Detached House Sold in Tokyo Metropolitan Area



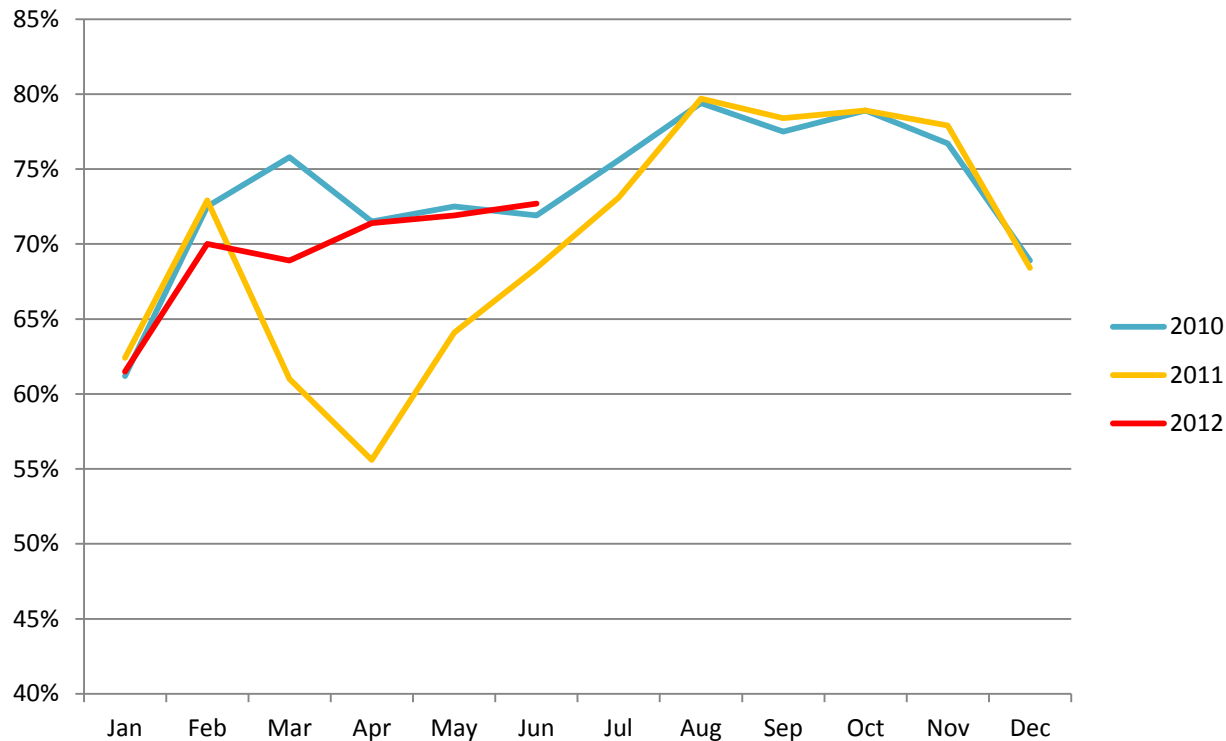
Condominium with space from 40 to 80m²

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

Price of residential property has been stagnant after the 3.11 disaster in 2011.

Update of Hotel Market in Japan

Hotel Occupancy Rate in Japan (Nationwide Hotel Average)



Source: Ohta Publications "Shuukan Hotel Restaurant" volume 47-28

Hotel occupancy rate in 1H2012 showed a recovery from the aftermath of the 3.11 disaster in 2011.



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Thank You

