



UNI-ASIA HOLDINGS LIMITED

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## Uni-Asia Reports 67% Increase in Net Profit to US\$3.5 Million for FY2015

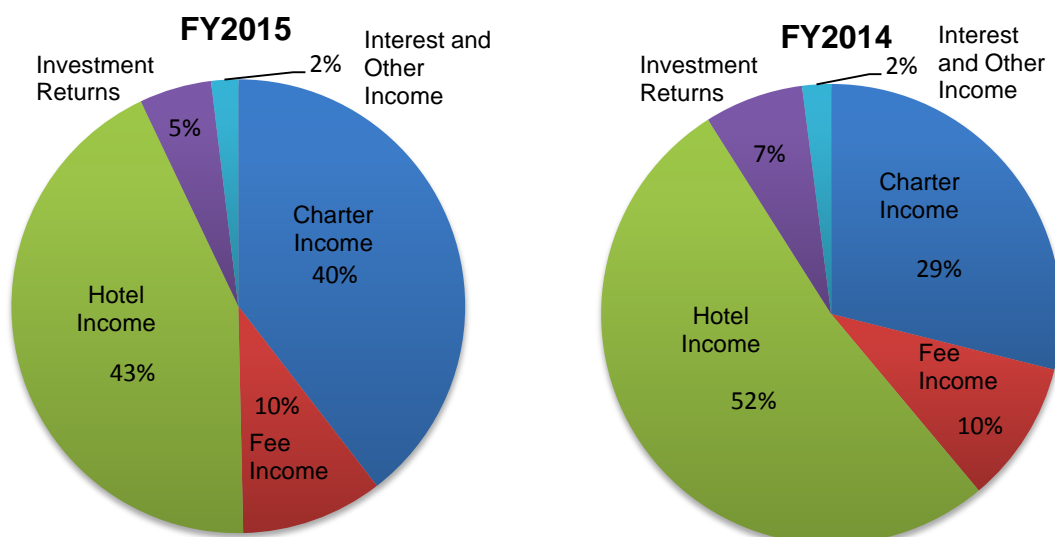
- Group's total income increased 15% to US\$77.1 million for FY2015
- Operating profit increased 59% to US\$8.9 million for FY2015
- Charter income climbed 57% to US\$30.5 million for FY2015 supported by fleet expansion
- Property and hotel business continued to contribute to the Group's bottom line
- Group proposed final dividend of 6.25 Singapore cents per share for FY2015

Singapore, 24 February 2016 – Uni-Asia Holdings Limited (“Uni-Asia” or the “Group”), an alternative investment company and integrated service provider of vessels and properties, reported total income of US\$77.1 million and net profit after tax of US\$3.5 million for the twelve months ended 31 December 2015 (“FY2015”).

Financial Highlights	4Q2015	4Q2014	Chg	FY2015	FY2014	Chg
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Total Income	21,048	16,926	24	77,052	67,134	15
Total Operating Expenses	(19,079)	(16,352)	17	(68,145)	(61,522)	11
Operating Profit	1,969	574	-	8,907	5,612	59
Operating Profit Margin	9.4%	3.4%	-	11.6%	8.4%	-
Net Profit/ (Loss) After Tax	479	(853)	156	3,520	2,108	67
Net Profit Margin	2.3%	-	-	4.6%	3.1%	-
Basic Earnings Per Share (US cents) *	0.01	(1.82)	100	5.74	4.58	25

\* Based on the weighted average of 46,979,280 ordinary shares in issue after 10-to-1 share consolidation

## FY2015 FINANCIAL REVIEW



### **Total Income Composition**

Total income for the Group increased 15% to US\$77.1 million for FY2015 compared to US\$67.1 million for FY2014.

Charter income increased by 57% from US\$19.4 million in FY2014 to US\$30.5 million in FY2015. In FY2014, 6 vessels under the Group's ship owning subsidiary, Uni-Asia Shipping Limited contributed to charter income. The delivery of 2 new vessels in February 2015 and March 2015 increased the fleet size of dry bulk carriers owned by Uni-Asia Shipping Limited to 8 as at 31 December 2015, thereby increasing the charter income for FY2015. Further, a containership acquired in April 2015 by the Group also contributed to the increase in charter income. The increase is in line with the Group's strategy to build up recurring charter income.

Total fee income increased by 16% to US\$7.8 million in FY2015 from US\$6.7 million in FY2014. Asset management and administration fee remained fairly stable in FY2015 as compared to FY2014. Arrangement and agency fee increased by 91% to US\$4.7 million in FY2015 from US\$2.4 million in FY2014 due mainly to deals closed in the last quarter of 2015, resulting in US\$1.8 million arrangement and agency fee in 4Q2015. This helped to offset the decrease in incentive fee income in FY2015 as compared to FY2014. In FY2014, incentive fee income was earned by a subsidiary in Japan when assets under management by the subsidiary were disposed in FY2014.

Hotel income in Japanese Yen terms increased from JPY3.7 billion in FY2014 to JPY4.0 billion in FY2015 supported by good occupancy and daily room rates, and in turn better performance of the

hotels under operations. However, as the average Japanese Yen exchange rate against US Dollars for FY2015 depreciated around 14.3% compared to that of FY2014, hotel income in US Dollars terms reduced by 5% from US\$35.0 million in FY2014 to US\$33.3 million in FY2015.

The continued depressed shipping market resulted in the Group recognising fair value losses of US\$3.2 million from its shipping portfolio in FY2015. On the property segment, the Group recognised US\$1.0 million fair valuation gain for its investment in the second Hong Kong property development project in 4Q2015. It also disposed of some of its investments from its hotel and residential portfolio in Japan, resulting in a classification of realised gain on investment in hotel and residential while reversing fair value adjustments previously recognised for the same investments. Investment returns was US\$4.0 million for FY2015, a decrease of 15% from FY2014.

Total operating expenses for the Group increased 11% from US\$61.5 million in FY2014 to US\$68.1 million in FY2015. Employee Benefits Expenses, Hotel Lease Expenses and Hotel Operating Expenses reduced by 8%, 5% and 8% respectively due to cost control as well as depreciation in Japanese Yen against US Dollars. Amortisation and Depreciation, and Vessel Operating Expenses increased due to new vessels delivered in FY2015. Operating profit increased 59% to US\$8.9 million.

The Group reported net profit of US\$3.5 million for FY2015, an increase of 67% compared to FY2014. Basic earnings per share was 5.74 US cents, an increase of 25% year-on-year. The Group proposed first and final dividend of 6.25 Singapore cents per share for FY2015, representing a dividend yield of 5.6% based on the share price of S\$1.12.

## **OUTLOOK**

In line with the Group's strategy to build up recurring income, the Group has grown its fleet under its subsidiary, Uni-Asia Shipping Limited. In addition, the Group has introduced commercial management business so as to optimise its expertise and enhance fee income. Although the Group, with its relatively young fleet, is in a good position to withstand a downturn in the shipping market and capture the demand growth when the market starts to recover, a prolonged period of depressed shipping charter rates may affect the performance of the Group.

On the other hand, property and hotel business is supporting the Group's bottom line. Small residential property projects continue to contribute to the Group's profit and cash flow. High tourist volume to Japan continue to support the Group's hotel operating business in Japan. With new hotels to be added to the Group's hotel operating portfolio in the next one to two years, hotel operating business is expected to play a bigger role in contributing to the Group's bottom line.

*“The shipping market remained depressed due to weak demand and oversupply of vessels. Although scrapping activities for small handysize bulk carrier are expected to alleviate overcapacity and stabilise charter rates, we don’t expect strong recovery in charter demand in the near term. However, our fee business from financial services driven by demand in Europe could help make up for the underperformance of our shipping portfolio.*

*Meanwhile, our property and hotel operating business are doing well and adding to the profit for the Group. We believe that our property and hotel operating business will continue to contribute to the Group’s profit momentum while the Group rides through the difficult shipping market.”*

**Michio Tanamoto**  
Chairman and CEO, Uni-Asia

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**About Uni-Asia Holdings Limited. (Bloomberg Code: UNIAF SP)**

**Uni-Asia Holdings Ltd** is an alternative investment company performing a variety of roles such as asset owner and manager, operator, co-investor, ship finance arranger, broker and fund manager. Uni-Asia’s investments are focused on cargo vessels and properties in Hong Kong, Japan and China. To improve investment returns, Uni-Asia also provides integrated services for the invested assets, including acting as operator for commercial maritime vessels and invested properties which encompasses commercial, residential and hotel properties.

Listed on the Main Board of the Singapore Exchange in August 2007, Uni-Asia strives to achieve a sustainable growth through a prudent approach. Their offices are located in Hong Kong, Singapore, Tokyo, Taiwan, China and South Korea.

For more information, please refer to the corporate website [www.uni-asia.com](http://www.uni-asia.com)

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Issued for and on behalf of Uni-Asia Holdings Limited.

By Financial PR Pte Ltd

For more information, please contact:

Romil SINGH / Reyna MEI

Tel: (65) 6438 2990 / Fax: (65) 6438 0064

E-mail: [romil@financialpr.com.sg](mailto:romil@financialpr.com.sg) / [reyna@financialpr.com.sg](mailto:reyna@financialpr.com.sg)