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

UNAUDITED HALF YEAR FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF YEAR 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.

		2nd Quarter			Half year ended 30 June		
		2009	2008	%	2009	2008	%
	Note	US$'000	US$'000	Change	US$'000	US$'000	Change
Fee income	[1]	4,142	4,612	(10%)	8,268	7,197	15%
Hotel income		7,694	6,199	24%	15,603	12,029	30%
Investment returns	[2]	(294)	6,215	(105%)	(2,700)	9,198	(129%)
Interest income		54	372	(85%)	116	843	(86%)
Other income		119	52	129%	271	54	402%
Total income		11,715	17,450	(33%)	21,558	29,321	(26%)
Employee benefits expense		(4,521)	(5,858)	(23%)	(9,134)	(10,778)	(15%)
Amortization and depreciation		(1,072)	(304)	253%	(2,285)	(577)	296%
Other expenses		(6,696)	(5,304)	26%	(14,113)	(10,913)	29%
Loss on disposal of property, plant and equipment		(366)	(1)	36500%	(366)	(1)	36500%
		(12,655)	(11,467)	10%	(25,898)	(22,269)	16%
Operating (loss)/ profit		(940)	5,983	(116%)	(4,340)	7,052	(162%)
Finance costs – interest expense		(1,157)	(326)	255%	(2,311)	(606)	281%
Finance costs – others		(7)	(126)	(94%)	(17)	(267)	(94%)
Share of results of associates		1	(33)	(103%)	(145)	(43)	237%
(Loss)/ profit before tax		(2,103)	5,498	(138%)	(6,813)	6,136	(211%)
Tax expense		(239)	(563)	(58%)	(303)	(747)	(59%)
(Loss)/ profit after tax before distribution		(2,342)	4,935	(147%)	(7,116)	5,389	(232%)
Loss allocation to TK investors *		201	-	N/M	201	-	N/M
(Loss)/ profit for the period		(2,141)	4,935	(143%)	(6,915)	5,389	(228%)
Other comprehensive income/ (expense) for the period, after tax:							
Exchange differences on translation of foreign operations		943	(1,054)		(1,234)	1,599	
Cash flow hedges		1,823	3,797		6,705	1,804	
Available-for-sale financial assets		(12)	(109)		(67)	(154)	
Other comprehensive income for the period, net of tax		2,754	2,634		5,404	3,249	
Total comprehensive income/ (expense) for the period, net of tax		613	7,569		(1,511)	8,638	
(Loss)/ profit attributable to:							
Owners of the parent		(1,936)	4,983		(6,581)	5,559	
Non-controlling interests		(205)	(48)		(334)	(170)	
		(2,141)	4,935		(6,915)	5,389	
Total comprehensive income/ (expense) attributable to:							
Owners of the parent		810	7,727		(1,138)	8,720	
Non-controlling interests		(197)	(158)		(373)	(82)	
		613	7,569		(1,511)	8,638	

* *Tokumei Kumiai investors ("TK investors")*

NOTES:

[1] Breakdown of fee income

		2nd Quarter			Half year ended 30 June		
		2009	2008	%	2009	2008	%
	Note	US$'000	US$'000	Change	US$'000	US$'000	Change
Arrangement and agency fee		31	1,102	(97%)	152	1,710	(91%)
Brokerage commission		210	368	(43%)	588	756	(22%)
Incentive fee		19	1,789	(99%)	41	1,817	(98%)
Asset management & administration fee *		1,467	1,353	8%	3,020	2,914	4%
Charter income		2,415	-	N/M	4,467	-	N/M
		4,142	4,612	(10%)	8,268	7,197	15%

* *Includes income earned by Capital Advisers Co., Ltd. ("Capital Advisers") as the asset manager of hotels and residential projects of $2.4 million for 1H09 (1H08: $2.2 million).*

[2] Breakdown of investment returns

	2nd Quarter			Half year ended 30 June		
	2009	2008	%	2009	2008	%
	US$'000	US$'000	Change	US$'000	US$'000	Change
Interest on performance notes – shipping	619	5,184	(88%)	619	5,184	(88%)
Interest on performance notes – distressed debt	87	25	248%	87	25	248%
Realized gain on investment – hotel and residential	22	37	(41%)	67	159	(58%)
Realized loss on disposal of properties for sale	(288)	-	N/M	(903)	-	N/M
Property rental income	175	117	50%	455	142	220%
Fair value adjustment on investment properties	(380)	428	(189%)	(41)	428	(110%)
Fair value adjustment on investment – hotel and residential	(319)	334	(196%)	(1,032)	813	(227%)
Fair value adjustment on investment – shipping	311	1,167	(73%)	26	814	(97%)
Fair value adjustment on performance notes – hotel	1	-	N/M	(24)	-	N/M
Fair value adjustment on performance notes – shipping	370	(1,607)	123%	316	1,769	(82%)
Fair value adjustment on performance notes – distressed debt	(46)	(22)	109%	(48)	(23)	109%
Fair value adjustment on listed shares – others	23	(26)	188%	(198)	(113)	75%
Net gain/ (loss) on forward currency contracts	(247)	578	(143%)	(1,041)	-	N/M
Write down of properties for sale to net realizable value – residential	(622)	-	N/M	(983)	-	N/M
	(294)	6,215	(105%)	(2,700)	9,198	(129%)

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 June 2009	31 December 2008	30 June 2009	31 December 2008
	US$'000	US$'000	US$'000	US$'000
ASSETS				
Non-current assets				
Investment properties	4,039	4,082	-	-
Intangible assets	490	534	-	-
Property, plant and equipment	94,626	27,395	53	83
Loans to subsidiaries	-	-	18,017	15,832
Investments	44,139	46,005	27,192	27,935
Investments in subsidiaries	-	-	20,618	15,721
Investments in associates	84	240	-	-
Rental deposit	3,210	3,113	-	-
Deferred tax assets	1,365	1,623	1,280	1,280
Deposits for purchase of vessels	18,408	37,347	1	4,042
Total non-current assets	166,361	120,339	67,161	64,893
Current assets				
Properties for sale	2,367	9,013	-	-
Investments	72	280	-	-
Loans to subsidiaries	-	-	12,310	12,795
Derivative financial instruments	-	773	-	773
Accounts receivable	4,143	4,905	22	39
Amount due from subsidiaries	-	-	4,018	11,729
Prepayments, deposits and other receivables	2,011	1,812	457	433
Tax recoverable	155	293	-	-
Deposits pledged as collateral	11,790	12,448	11,650	12,400
Cash and bank balances	37,741	28,797	24,195	13,689
Total current assets	58,279	58,321	52,652	51,858
Total assets	224,640	178,660	119,813	116,751

	Group		Company	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008
	US$'000	US$'000	US$'000	US$'000
EQUITY				
Equity attributable to owners of the parent				
Share capital	41,759	41,759	41,759	41,759
Share premium	21,402	21,402	21,402	21,402
Fair value reserve	256	322	-	-
Hedging reserve	(3,496)	(10,201)	-	-
Exchange reserve	3,744	4,940	254	609
Retained earnings	27,751	34,332	34,269	36,376
Total equity attributable to owners of the parent	91,416	92,554	97,684	100,146
Non-controlling interests	814	1,187	-	-
Total equity	92,230	93,741	97,684	100,146
LIABILITIES				
Non-current liabilities				
Borrowings	68,032	13,718	-	-
Finance lease obligations	211	228	-	-
Due to TK investors	1,734	2,055	-	-
Retirement benefit allowance	219	656	-	-
Derivative financial instruments	5,344	7,850	-	-
Total non-current liabilities	75,540	24,507	-	-
Current liabilities				
Borrowings	48,379	45,173	21,399	16,055
Finance lease obligations	52	100	-	-
Accounts payable	2,525	3,080	-	2
Amount due to subsidiaries	-	-	8	2
Other payables and accruals	4,917	6,821	722	546
Derivative financial instruments	903	5,103	-	-
Income tax payable	94	135	-	-
Total current liabilities	56,870	60,412	22,129	16,605
Total equity and liabilities	224,640	178,660	119,813	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. Subsequently, the impact was consolidated into the Group statement of comprehensive income. 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 $67.2 million arising primarily from the consolidation/ acquisition of the new vessel held by Prosperity. Investments decreased by $1.9 million due mainly to negative revaluation/ fair valuation on investments and currency translation deficit arising from Capital Advisers' unlisted investments. Deposits for purchase of vessels decreased by $19.0 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 and the refund of $11.4 million in deposit paid on three handy sized bulk carriers upon the cancellation of the shipbuilding contracts.

[2] The major movements in current assets during the period include a decrease in properties for sale (residential properties) by $6.6 million arising from the disposal of two residential properties held by Capital Advisers, during the period and one residential property written down to net realizable value with sales completion in August 2009. The drop in investments to $0.07 million is due to revaluation/ fair value adjustment on an equity investment made into a Singapore IPO. The drop in accounts receivable is partly due to provision on bad and doubtful debt of $0.6 million made by Capital Advisers on the asset management fee during the period.

[3] The movements in non-current liabilities of $51.0 million during the period stem primarily from an increase in borrowings and arise from the drawdown of the loan of $57.8 million from the vessel owning subsidiary. On a quarterly basis, the Group's long term borrowings totaled $71.7 million in 1Q09 and $68.0 million in 1H09.

[4] The major movements in current liabilities include an increase in the Group consolidated borrowings 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 an increase in the hedging reserves of $6.7 million arising from fair value losses on interest rate hedging contracts from Prosperity, offset by a decrease of $0.9 million in exchange reserve due to translation of a foreign operation namely, Capital Advisers, from YEN to the Group's functional currency, USD, upon consolidation and a decrease in retained earnings arising from the Group's losses of $6.9 million during the period.

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

	As at 30 June 2009		As at 31 December 2008	
	Secured	Unsecured	Secured	Unsecured
	US$'000	US$'000	US$'000	US$'000
Amount repayable in one year or less, or on demand	26,213	22,166	28,302	16,871
Amount repayable after one year	57,751	10,281	2,942	10,776
Total	83,964	32,447	31,244	27,647

Details of any collateral

The Group's borrowings are secured by means of:

> a legal mortgage over a cash deposit of the holding company

> legal mortgages over cash deposits and a rental deposit of subsidiaries

> 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	Half year ended 30 June 2009 US$'000	Half year ended 30 June 2008 US$'000
Cash flow from operating activities			
(Loss)/ profit before tax		(6,813)	6,136
Adjustments for:			
Investment returns		2,700	(9,198)
Amortization and depreciation		2,285	577
Gain on liquidation of a subsidiary		(2)	-
Loss on disposal of property, plant and equipment		366	1
Interest income		(116)	(843)
Finance costs – interest expense		2,311	606
Finance costs – others		17	267
Share of results of associates		145	43
Loss allocation to TK investors		(201)	-
Net foreign exchange loss		8	223
		700	(2,188)
Change in working capital:			
Net change in properties for sale		-	(4,100)
Net change in accounts receivable		455	1,200
Net change in prepayments, deposits and other receivables		(101)	335
Net change in retirement benefit allowance		(398)	(1)
Net change in accounts payable		(362)	(1,602)
Net change in other payables and accruals		(3,181)	(2,867)
Cash used in operating activities		(2,887)	(9,223)
Interest received on bank balances		139	575
Tax (paid)/ reimbursed		33	(248)
Net cash used in operating activities	[1]	(2,715)	(8,896)

	Note	Half year ended 30 June 2009 US$'000	2008 US$'000
Cash flow from investing activities			
Acquisition of subsidiaries		-	11,414
Deconsolidation of subsidiaries		-	(210)
Purchase of investments		(374)	(4,631)
Purchase of investment properties		-	(8)
Proceeds from sale of investments		1,024	1,778
Redemption of TK investors		-	(427)
Deposits refunded/ (paid) for purchase of vessels		13,047	(7,101)
Purchase of property, plant and equipment		(64,314)	(269)
Proceeds from sale of properties for sale		4,436	-
Loans repaid		-	6,500
Interest received from syndicated loans		-	277
Net decrease/ (increase) in deposits pledged as collateral		724	(11,669)
Proceeds from interest on investments		467	5,364
Proceeds from property rental		422	45
Net cash (used in)/ generated from investing activities	[2]	(44,568)	1,063
Cash flow from financing activities			
New borrowings		73,865	23,861
Repayment of borrowings		(15,108)	(14,866)
Interest paid on borrowings		(2,057)	(677)
Net change in restricted bank deposit		(1,252)	-
Dividend paid		-	(5,275)
Net cash generated from financing activities	[3]	55,448	3,043
Net increase/ (decrease) in cash and cash equivalents		8,165	(4,790)
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		8,165	(4,790)
Effects of exchange rate changes		(473)	307
Cash and cash equivalents at end of the period		36,489	46,317
Analysis of cash and cash equivalents:			
Cash and bank balances		36,489	46,317
Add: Restricted bank balances		1,252	-
		37,741	46,317

NOTES:

[1] Cash flow used in operating activities improved to ($2.7 million) compared to ($8.9 million) in 1H08 due mainly to working capital outflow stemming from the consolidation of Capital Advisers in 1H08. During the period, the Group recognized a loss from investment returns of $2.7 million arising primarily from negative fair valuation/ revaluation of investments in Japanese properties and 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 reduced to ($44.6 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 $3.0 million in 1H08 to $55.4 million in 1H09 due primarily to 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.**

Group	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	-	-	(6,581)	-	-	-	(6,581)	(334)	(6,915)
Other comprehensive income/ (expense)	-	-	-	(66)	6,705	(1,196)	5,443	(39)	5,404
Total comprehensive income/ (expense)	-	-	(6,581)	(66)	6,705	(1,196)	(1,138)	(373)	(1,511)
Balance at 30 June 2009	41,759	21,402	27,751	256	(3,496)	3,744	91,416	814	92,230
Balance at 1 January 2008	39,709	13,353	42,455	(6)	-	701	96,212	-	96,212
(Loss)/ profit for the period	-	-	5,559	-	-	-	5,559	(170)	5,389
Other comprehensive income/ (expense)	-	-	-	(143)	1,804	1,500	3,161	88	3,249
Total comprehensive income/ (expense)	-	-	5,559	(143)	1,804	1,500	8,720	(82)	8,638
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 June 2008	41,759	21,402	42,946	(149)	1,804	2,201	109,963	1,447	111,410

Company	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	-	-	(2,107)	-	-	-	(2,107)	-	(2,107)
Other comprehensive expense	-	-	-	-	-	(355)	(355)	-	(355)
Total comprehensive expense	-	-	(2,107)	-	-	(355)	(2,462)	-	(2,462)
Balance at 30 June 2009	41,759	21,402	34, 269	-	-	254	97,684	-	97,684
Balance at 1 January 2008	39,709	13,353	37,966	-	-	-	91,028	-	91,028
Profit for the period	-	-	7,440	-	-	-	7,440	-	7,440
Total comprehensive income	-	-	7,440	-	-	-	7,440	-	7,440
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 June 2008	41,759	21,402	40,338	-	-	-	103,499	-	103,499

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.

During the six months ended 30 June 2009, there was no change in share capital.

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 260,996,000 as at 30 June 2009 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.**

	2nd Quarter		Half year ended 30 June	
	2009	2008	2009	2008
(Loss)/ profit attributable to owners of the parent (US$'000)	(1,936)	4,983	(6,581)	5,559
Weighted average number of ordinary shares in issue ('000)	260,996	260,996	260,996	260,785
(Loss)/ earnings per share (US cent per share) - basic and diluted	(0.74)	1.91	(2.52)	2.13

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 June 2009	31 December 2008
Net asset value per ordinary share based on issued share capital at the end of (in US$)	0.35	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 1H09. 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 1H09. Capital Advisers' total income, operating loss and net loss totalled $16.4 million, ($3.7 million) and ($4.6 million), respectively in 1H09.
- Capital Advisers disposed of two wholly-owned residential properties during the period to cash in sale proceeds of close to $4.5 million. The Group recognized losses on disposal of $0.9 million from the two sales. Capital Advisers recently signed a sales and purchase agreement to disposal of a third wholly-owned residential property in August and recognized impairment loss/negative fair value of close to $1.0 million during the period. The Group will realize cash proceeds of $2.2 million from the sale in 3Q09.
- 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 61% in 1H09 as compared to 71% in 1H08 and/or 71% for full year 2008.

Review of Statement of Comprehensive Income

Due primarily to fair value losses from investments in Japanese residential properties, mark to market losses on derivative financial instrument (foreign currency contract), the absence of investment gains arising from disposal of investments during the period and net losses from Capital Advisers, the Group recorded net losses in 1H09 of ($6.9 million), against a net profit of $5.4 million in 1H08. Total income decreased from $29.3 million in 1H08 to $21.6 million in 1H09 following the drop in contribution from investment returns during the period.

The Group's income is classified under fee income, hotel income, investment returns, interest income and other income. Fee income increased by 15% from $7.2 million in 1H08 to $8.3 million in 1H09 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 91% to $0.1 million in 1H09 due to the slowdown in finance arrangement activities and the completion of fewer transactions compared to 1H08.

(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 $0.6 million in 1H09.

(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 $0.04 million in 1H09.

(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 $3.0 million in 1H09.

(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 $4.5 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 $15.6 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 and realized losses on our investments in properties in Japan, investment returns dropped from $9.2 million in 1H08 to ($2.7 million) in 1H09 (*Refer to 1a NOTES [2] for breakdown of investment returns*). Investment returns recognized in 1H09 include gain on investment of $0.07 million from hotel and residential, net loss on foreign currency contract of $1.0 million, property rental income of $0.5 million, fair value adjustment on shipping investments and performance notes of $0.3 million, negative fair value adjustment on residential and hotel properties in Japan of $1.0 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 arising from the weakened YEN during the period. All in all, 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 15% following the Group's cost cutting programme. Capital Advisers' staff cost represented over 77% of the Group's employee benefits expense. Amortization and depreciation grew by 296% to $2.3 million due to the consolidation of a vessel owning subsidiary in 1H09. Depreciation expenses from the vessel owning subsidiary represented close to 82% of the Group's total depreciation charges during the period. Other expenses increased by 29% 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 87% of the Group's total other expenses. Hotel leases, hotel sub-operator fee and hotel operating expenses represented close to 67% of the Group's other expenses.

Finance cost rose as a result of the consolidation of the vessel owning subsidiary in 1H09. Share of losses from our associated company widened from $0.04 million in 1H08 to $0.1 million in 1H09. In summary, the Group's net loss totalled $6.9 million in 1H09.

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 continued to suffer from the downturn of the global economy since 2H08. During the period, most banks remained cautious in the area of ship financing and many focused primarily on lending to domestic clients. Under the credit crunch environment where financing is not freely available and the volume of transactions has seen a sharp contraction, our structured finance business, fee income earned for the Group's ship finance arrangement for third parties/shipping companies, will be affected unless market conditions improved.

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 465 points as at 30 June 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 before the end of 2008 to 347 points as at 29 July 2009. The container market remains under the pressures of a slowdown in trade activities and reduced demand for cargo traffic. While the charterhire of bulk carriers declined substantially in the second half of 2008, the fall has stabilized and recovered moderately this quarter. As a benchmark, the Baltic Handysize Index bottomed out on 12 January 2009 at 268 points and rebounded to 754 points as at 30 June 2009. The value of bulk carriers are still on the decline. As shipping transport is closely linked to global economic activities, the shipping market will be directly impacted by the global recession. In the event the downturn continues, the fair value of our shipping investments may be further impaired.

The Group has a wholly-owned investment in a 4,300 TEU container vessel delivered in January 2009 and financed partly by YEN borrowings. The USD-YEN forward currency contract was exercised on 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, the strengthening of the 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 investment/leasing 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. With the exception of a product tanker to be delivered in 2010, the Group has secured employment for all ten vessels. The charter period for the nine vessels will expire between 1Q2011 and 2018.

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 $13.0 million (YEN 1.26 billion) was fully refunded and the Group has subsequently cancelled the three employment contracts with the charterers.

The property market in Guangzhou where the Group invested has corrected and leveled off putting pressure on rent and occupancy rates since the beginning of the year. 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 term 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 pressures 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 the end of 2008, carrying through to the first half of 2009. The Group focuses on budget and limited service hotel for domestic business travelers. One hotel to be operated by the Group will open for business in 2H2009 in Fukuoka which would increase the number of hotels under the "Hotel Vista" brandname to fourteen.

On 7 August 2009, the Group increased our share by issuing 52.2 million new shares to Yamasa Co., Ltd, representing 16.7% of the Group's enlarged share capital base and raising $17.6 million. 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 half year ended 30 June 2009.

BY THE ORDER OF THE BOARD
Kazuhiko Yoshida
Chairman, CEO
13 August 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 half year ended 30 June 2009 to be false or misleading.

On behalf of the Board of Directors

(Signed)
Kazuhiko Yoshida
Chairman, CEO

(Signed)
Michio Tanamoto
COO

Date: 13 August 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.