Uni-Asia Reports Lower Net Profit of US$0.3 million for 1Q2015 due mainly to fair valuation adjustments of ship investments

- Charter income registered a 30% increase year-on-year to US$6.0 million.
- The Group’s strategy of having a fleet of wholly/majority owned vessels providing recurring charter income base is gradually taking shape.
- Group to explore new products and new markets for future growth.

Singapore, 14 May 2015 – 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$16.2 million and net profit after tax of US$0.3 million for the quarter ended 31 March 2015 (“1Q2015”).

<table>
<thead>
<tr>
<th>Financial Highlights</th>
<th>1Q2015</th>
<th>1Q2014</th>
<th>Chg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income</td>
<td>16,242</td>
<td>16,349</td>
<td>(1)</td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>(15,179)</td>
<td>(14,580)</td>
<td>4</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>1,063</td>
<td>1,769</td>
<td>(40)</td>
</tr>
<tr>
<td>Operating Profit Margin</td>
<td>6.5%</td>
<td>10.8%</td>
<td>-</td>
</tr>
<tr>
<td>Net Profit After Tax</td>
<td>285</td>
<td>1,192</td>
<td>(76)</td>
</tr>
<tr>
<td>Net Profit Attributable to Equity Holders</td>
<td>201</td>
<td>1,224</td>
<td>(84)</td>
</tr>
<tr>
<td>Net Profit Margin</td>
<td>1.2%</td>
<td>7.5%</td>
<td>-</td>
</tr>
<tr>
<td>Basic Earnings Per Share (US cents) *</td>
<td>0.04</td>
<td>0.26</td>
<td>(85)</td>
</tr>
</tbody>
</table>

* Based on the weighted average of 469,792,800 ordinary shares in issue
In 1Q2015, charter income made up 37% of the total income, compared to 28% for 1Q2014. Charter income increased by 30% year-on-year (“yoy”) to US$6.0 million. The increase was primarily attributable to the deliveries of three vessels in July 2014, February 2015 and March 2015 respectively. In line with the Group’s strategy to build up recurring charter income, the Group’s delivered fleet grew to eight vessels as at 31 March 2015.

Fee income increased 97% yoy to US$2.4 million, of which, arrangement and agency fee increased 178% yoy to US$1.5 million.

Hotel income in US$ terms declined by 8% to US$7.7 million in 1Q2015, as Japanese Yen (“JPY”) depreciated more than 14% yoy. In JPY terms, hotel income increased yoy as supported by the better performance of the hotels under operations.

Investment returns were a negative US$0.2 million for 1Q2015. Realized gain from an investment property and small residential development properties resulted in realized gains of US$1.5 million and US$0.5 million respectively with corresponding reversals of fair value previously recognized of US$1.3 million and US$0.5 million respectively. Fair value losses of US$0.7 million were recognized for shipping investments as shipping market remained weak.

Group reported a total income of US$16.2 million for 1Q2015, around the same level as US$16.3 million for 1Q2014.

Total operating expenses increased 4% to US$15.2 million in 1Q2015. Employee benefits expenses, hotel lease expenses and hotel operating expenses were reduced by 13%, 9% and 11% respectively following Group’s continued cost control effort, as well as the
depreciation of JPY against US$. Amortization and Depreciation, and Vessel Operating Expenses increased due to fleet size expansion as compared to 1Q2014.

The Group posted a net profit of US$0.3 million for 1Q2015 as compared to US$1.2 million for 1Q2014.

**STRATEGY**

Uni-Asia Shipping took delivery of the seventh and eighth vessels under its direct ownership in February and March 2015 respectively. All the eight vessels are time chartered out. According to Group’s schedule, another 37,000DWT bulk carrier under Uni-Asia Shipping will be delivered in 1Q2016, and the charter has been fixed. As these medium-term charters were fixed prior to the recent decline in the Baltic Dry Index, the charter rates were less susceptible to the weak dry bulk market.

Under one of the Group’s joint investment companies, one vessel was delivered in January 2015. The Group is expecting the delivery of another two bulk carriers under the joint venture in 4Q2015 and 2Q2016 respectively. These three vessels will be commercially managed by Uni-Asia Shipping on a long term basis, and will expand the total fleet of Uni-Asia Shipping to 12 vessels.

In Japan, the Group continues to expand small residential property development business. This business had contributed positively to the Group’s bottomline for the past two years.

The overall quality of Group’s hotel operating contracts has improved over last year, setting the Group on a stronger footing to tap on the tourism boom in Japan.

In order to enhance the bottomline, the Group will explore growth opportunities in new products, such as financing solution arrangement, and new markets beyond Hong Kong, Singapore and Japan.

“Our charter income continued to increase in the first quarter in line with our strategic fleet expansion, as well as the charters being fixed previously before further downturn in the market. While the general consensus is that it may take some time for the shipping market to recover, we have positioned ourselves to ride the upturn. We are positive that the persistent effort in growing recurring income base and exploring new business frontiers will pave our way for stronger growth in the future.”

Michio Tanamoto
Chairman and CEO, Uni-Asia

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About Uni-Asia Holdings Limited. (Bloomberg Code: UNI.AF 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 and China.

For more information, please refer to the corporate website www.uni-asia.com

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

By Financial PR Pte Ltd
For more information, please contact:
Romil SINGH / Reyna MEI / Kathy ZHANG
Tel: (65) 6438 2990 / Fax: (65) 6438 0064
E-mail: romil@financialpr.com.sg / reyna@financialpr.com.sg / staff@financialpr.com.sg