

## Update on Material Litigation

The Board of Directors (the “**Board**”) of Uni-Asia Finance Corporation (the “**Company**”) wishes to provide an update on the matter referred to in the Company’s announcement dated 28 November 2008 in relation to material litigation involving the Company’s subsidiary, Capital Advisers Co., Ltd (“**CA**”), and Kabushikikaisha Trek (“**Trek**”). The Board wishes to announce that the litigation between CA and Trek has been concluded on 8 October 2009 by way of judicial settlement at the recommendation of the Tokyo High Court.

As announced on 28 November 2008, Trek filed its complaint against CA with the Tokyo District Court claiming for brokerage commission to be paid by CA, in relation to the purchase of a hotel, amounting to JPY 10.5 million and certain other related costs. In the Company’s and CA’s view, the complaint by Trek was baseless as the Sale and Purchase Agreement (as defined below) had been cancelled and no sale and purchase had materialized.

On 28 May 2009, the Tokyo District Court ruled in favour of CA in respect of Trek’s complaint, and Trek had subsequently appealed to the Tokyo High Court which recommended judicial settlement to CA and Trek as a means of resolving the dispute. After taking into consideration, amongst other things, the incurring of further legal costs due to the appeal process, CA accepted the court’s recommendation for judicial settlement. Pursuant to this, on 8 October 2009, CA paid Trek JPY 200,000 and Trek agreed to waive and withdraw all its claims against CA save for the settlement amount. Trek and CA have also affirmed before the court that there are no rights and obligations with regards to the complaint by Trek other than the ones determined by judicial settlement. The judicial settlement, including the payment by CA to Trek of the settlement amount, has been entered into the official record of settlement by the court and has the same effect as a final and binding court judgment in terms of enforceability.

As also announced on 28 November 2008, Kabushikikaisha Land (“**Land**”) filed its complaint against CA with the Tokyo District Court claiming monetary damages of JPY 294 million in relation to a sale and purchase agreement dated 13 July 2007 (the “**Sale and Purchase Agreement**”) pursuant to which CA had agreed to purchase the trust beneficial right of a hotel and which was subsequently cancelled by CA.

As at the date of this announcement, the court decision in relation to the complaint by Land

has not been given. There is no change in the Company's and CA's view that the complaint by Land is baseless as CA has cancelled the Sale and Purchase Agreement in accordance with the provisions of the Sale and Purchase Agreement. As the complaint by Land is independent from the complaint by Trek and involves different issues, the judicial settlement involving Trek is not expected to affect the litigation involving Land.

The Company will announce further updates on the complaint by Land as and when they arise, where appropriate, taking into consideration any need to preserve the strategic legal position of CA in defending against the complaint.

For and on behalf of  
Uni-Asia Finance Corporation

12 Oct 2009