

Hana Microelectronics Public Company Limited  
and its subsidiaries  
Report and interim financial statements  
For the three-month and six-month periods ended  
30 June 2010 and 2009

**Review report of Independent Auditor**

To the Shareholders of Hana Microelectronics Public Company Limited

I have reviewed the accompanying consolidated balance sheet of Hana Microelectronics Public Company Limited and its subsidiaries as at 30 June 2010, the related consolidated statements of income for the three-month and six-month periods ended 30 June 2010 and 2009, and the consolidated statements of changes in shareholders' equity and cash flows for the six-month periods then ended, and the separate financial statements of Hana Microelectronics Public Company Limited for the same periods. These financial statements are the responsibility of the Company's management as to their correctness and the completeness of the presentation. My responsibility is to issue a report on these financial statements based on my reviews.

I conducted my reviews in accordance with the auditing standard applicable to review engagements. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit in accordance with generally accepted auditing standards. I have not performed an audit and, accordingly, I do not express an audit opinion.

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited the consolidated financial statements of Hana Microelectronics Public Company Limited and its subsidiaries, and the separate financial statements of Hana Microelectronics Public Company Limited for the year ended 31 December 2009 in accordance with generally accepted auditing standards and, based on my audit and the report of the other auditor, expressed an unqualified opinion on those statements under my report dated 23 February 2010. The consolidated and separate balance sheets as at 31 December 2009, as presented herein for comparative purposes, formed an integral part of the financial statements which I audited and reported on. I have not performed any other audit procedures subsequent to the date of that report.

Kamontip Lertwitworatep  
Certified Public Accountant (Thailand) No. 4377

Ernst & Young Office Limited  
Bangkok: 10 August 2010

Hana Microelectronics Public Company Limited and its subsidiaries

Balance sheets

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		30 June 2010	31 December 2009	30 June 2010	31 December 2009
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	2	3,254,727	4,272,065	420,112	902,743
Short-term investments - net	4	1,869,742	1,729,129	-	-
Trade accounts receivable					
Subsidiary companies	3, 5	-	-	16,691	20,881
Other companies - net	5	2,574,053	2,293,060	1,123,692	1,052,954
Trade accounts receivable - net		2,574,053	2,293,060	1,140,383	1,073,835
Inventories - net	6	2,156,638	1,756,824	668,998	527,897
Other current assets					
Advances		40,017	8,718	2,769	559
Input tax refundable		51,596	28,093	6,782	6,312
Income tax refundable		8,137	8,137	8,137	8,137
Others		100,630	61,210	15,859	12,681
Total other current assets		200,380	106,158	33,547	27,689
<b>Total current assets</b>		<b>10,055,540</b>	<b>10,157,236</b>	<b>2,263,040</b>	<b>2,532,164</b>
<b>Non-current assets</b>					
Investments in subsidiary companies	7	-	-	3,427,502	3,427,502
Other long-term investment		97	97	97	97
Property, plant and equipment - net	8	5,855,417	5,605,407	1,545,785	1,558,823
Intangible assets - net	9	16,465	16,414	4,448	3,461
Other non-current assets		64,335	31,747	24,251	1,329
<b>Total non-current assets</b>		<b>5,936,314</b>	<b>5,653,665</b>	<b>5,002,083</b>	<b>4,991,212</b>
<b>Total assets</b>		<b>15,991,854</b>	<b>15,810,901</b>	<b>7,265,123</b>	<b>7,523,376</b>

The accompanying notes are an integral part of the financial statements.

Hana Microelectronics Public Company Limited and its subsidiaries

Balance sheets (continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		30 June 2010	31 December 2009	30 June 2010	31 December 2009
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loan from financial institution	10	-	43,906	-	-
Trade accounts payable					
Subsidiary companies	3	-	-	20,954	19,778
Other companies		1,740,381	1,506,486	592,417	559,630
Total trade accounts payable		1,740,381	1,506,486	613,371	579,408
Short-term provisions					
Provision for loss on tax assessment	16.5	150,466	150,466	150,466	150,466
Provision for product warranty		182,079	173,002	-	-
Others		-	9,277	-	-
Total short-term provisions		332,545	332,745	150,466	150,466
Other current liabilities					
Other payable		427,529	512,110	47,268	42,600
Accrued expenses		239,582	151,781	59,060	22,941
Corporate income tax payable		43,507	108,305	17,067	88,539
Advances received from customers		137,949	114,606	7,542	9,216
Others		36,146	34,676	15,045	13,725
Total other current liabilities		884,713	921,478	145,982	177,021
<b>Total current liabilities</b>		<b>2,957,639</b>	<b>2,804,615</b>	<b>909,819</b>	<b>906,895</b>
<b>Total liabilities</b>		<b>2,957,639</b>	<b>2,804,615</b>	<b>909,819</b>	<b>906,895</b>

The accompanying notes are an integral part of the financial statements.

Hana Microelectronics Public Company Limited and its subsidiaries

Balance sheets (continued)

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	As at	As at	As at	As at
	<u>Note</u> <u>30 June 2010</u> (Unaudited but reviewed)	<u>31 December 2009</u> (Audited)	<u>30 June 2010</u> (Unaudited but reviewed)	<u>31 December 2009</u> (Audited)
<b>Shareholders' equity</b>				
Share capital				
Registered				
1,000,000,000 ordinary shares of Baht 1 each	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Issued and fully paid-up				
830,474,960 ordinary shares of Baht 1 each	830,475	830,475	830,475	830,475
Share premium	1,723,219	1,723,219	1,723,219	1,723,219
Unrealised gain - revaluation gain on				
change in fair value of investments	4 59,839	68,996	-	-
Translation adjustment	(191,329)	(14,397)	-	-
Retained earnings				
Appropriated - statutory reserve	320,218	320,218	100,000	100,000
Appropriated - reserve for treasury shares	12 262,987	262,987	262,987	262,987
Unappropriated	<u>10,291,793</u>	<u>10,077,775</u>	<u>3,701,610</u>	<u>3,962,787</u>
<b>Total shareholders' equity</b>	<u>13,297,202</u>	<u>13,269,273</u>	<u>6,618,291</u>	<u>6,879,468</u>
Treasury shares	12 <u>(262,987)</u>	<u>(262,987)</u>	<u>(262,987)</u>	<u>(262,987)</u>
<b>Total shareholders' equity - net</b>	<u>13,034,215</u>	<u>13,006,286</u>	<u>6,355,304</u>	<u>6,616,481</u>
<b>Total liabilities and shareholders' equity</b>	<u>15,991,854</u>	<u>15,810,901</u>	<u>7,265,123</u>	<u>7,523,376</u>
	-	-	-	-

The accompanying notes are an integral part of the financial statements.

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Directors  
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(Unaudited but reviewed)

**Hana Microelectronics Public Company Limited and its subsidiaries****Income statements****For the three-month periods ended 30 June 2010 and 2009**

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
<b>Revenues</b>					
Sales		4,389,478	3,217,911	1,690,814	1,315,580
Other income					
Interest income		48,703	19,189	1,371	968
Dividend income	7	3,665	3,672	100,010	621,549
Gain on exchange		17,336	56,837	12,940	-
Others		76,567	69,268	18,124	10,955
Total other income		146,271	148,966	132,445	633,472
<b>Total revenues</b>		<b>4,535,749</b>	<b>3,366,877</b>	<b>1,823,259</b>	<b>1,949,052</b>
<b>Expenses</b>					
Cost of sales		3,598,999	2,664,173	1,367,844	1,062,931
Selling expenses		28,489	37,440	6,383	5,828
Administrative expenses		109,983	135,493	23,813	38,883
Management benefit expenses	3	21,572	15,509	2,560	1,445
Loss on exchange		-	-	-	12,863
Other expenses		6,736	6,960	-	-
<b>Total expenses</b>		<b>3,765,779</b>	<b>2,859,575</b>	<b>1,400,600</b>	<b>1,121,950</b>
<b>Income before finance cost and corporate income tax</b>					
<b>corporate income tax</b>		769,970	507,302	422,659	827,102
Finance cost		(2,048)	(1,641)	(610)	(497)
<b>Income before corporate income tax</b>		<b>767,922</b>	<b>505,661</b>	<b>422,049</b>	<b>826,605</b>
Corporate income tax		(24,476)	(1,428)	(4,603)	11,128
<b>Net income for the period</b>		<b>743,446</b>	<b>504,233</b>	<b>417,446</b>	<b>837,733</b>
<b>Net income attributable to:</b>					
Equity holders of the parent		743,446	504,233	417,446	837,733
<b>Earnings per share</b>					
Basic earnings per share					
Net income attributable to equity holders of the parent					
(Baht)		0.92	0.62	0.52	1.02
Weighted average number of ordinary shares					
(Thousand shares)		804,879	817,751	804,879	817,751

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Hana Microelectronics Public Company Limited and its subsidiaries****Income statements****For the six-month periods ended 30 June 2010 and 2009**

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
<b>Revenues</b>					
Sales		8,314,385	5,854,102	3,307,199	2,424,114
Other income					
Interest income		70,782	40,563	3,090	2,764
Dividend income	7	3,665	3,672	275,010	621,549
Gain on exchange		39,380	49,543	3,281	-
Others		136,101	98,265	34,552	22,424
Total other income		249,928	192,043	315,933	646,737
<b>Total revenues</b>		<b>8,564,313</b>	<b>6,046,145</b>	<b>3,623,132</b>	<b>3,070,851</b>
<b>Expenses</b>					
Cost of sales		6,823,467	4,935,723	2,672,545	1,948,687
Selling expenses		58,018	80,116	12,002	13,362
Administrative expenses		233,521	261,596	50,775	62,157
Management benefit expenses	3	40,837	33,398	4,003	3,080
Loss on exchange		-	-	-	49,643
Other expenses		13,626	14,064	-	-
<b>Total expenses</b>		<b>7,169,469</b>	<b>5,324,897</b>	<b>2,739,325</b>	<b>2,076,929</b>
<b>Income before finance cost and corporate income tax</b>					
Finance cost		(3,961)	(3,410)	(1,126)	(950)
<b>Income before corporate income tax</b>		<b>1,390,883</b>	<b>717,838</b>	<b>882,681</b>	<b>992,972</b>
Corporate income tax		(50,035)	(12,399)	(17,028)	5,935
<b>Net income for the period</b>		<b>1,340,848</b>	<b>705,439</b>	<b>865,653</b>	<b>998,907</b>
<b>Net income attributable to:</b>					
Equity holders of the parent		1,340,848	705,439	865,653	998,907
<b>Earnings per share</b>					
Basic earnings per share					
Net income attributable to equity holders of the parent (Baht)	13	1.67	0.86	1.08	1.22
Weighted average number of ordinary shares (Thousand shares)		804,879	816,831	804,879	816,831

The accompanying notes are an integral part of the financial statements.



(Unaudited but reviewed)

**Hana Microelectronics Public Company Limited and its subsidiaries****Statements of cash flows****For the six-month periods ended 30 June 2010 and 2009**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<b>Cash flows from operating activities</b>				
Net income before tax	1,390,883	717,838	882,681	992,972
Adjustments to reconcile net income before tax to net cash provided by (paid from) operating activities:				
Depreciation	541,179	498,042	133,743	121,685
Amortisation expenses	1,533	1,534	251	147
Reversal of allowance for doubtful accounts	(2,337)	(11,789)	-	-
Reversal of allowance for diminution in inventory value	(8,327)	(47,484)	(3,302)	(33,688)
Loss on disposals of equipment	3,214	1,622	620	2,550
Provision for product warranty	13,627	14,064	-	-
Dividend income from subsidiary companies	-	-	(275,000)	(621,000)
Dividend income from other companies	(3,665)	(3,672)	(10)	(549)
Interest income from short-term investments	(54,673)	(17,162)	-	-
Gain on disposals of short-term investments	3,977	2,576	-	-
Revaluation gain on investments in securities held for trading	(25,728)	(34,438)	-	-
Unrealised (gain) loss on exchange	(664)	(1,774)	1,072	2,423
Unrealised gain on forward contracts	(11,433)	(96,763)	-	-
Unrealised gain on asset swap contracts	(656)	(524)	-	-
Interest expenses	18	-	-	-
Income from operating activities before changes in operating assets and liabilities	1,846,948	1,022,070	740,055	464,540
Operating assets (increase) decrease				
Trade accounts receivable	(287,972)	(404,315)	(69,213)	(245,063)
Inventories	(391,487)	629,117	(137,799)	270,720
Other current assets	(56,265)	28,520	(5,515)	11,824
Other non-current assets	23	23	-	-
Operating liabilities increase (decrease)				
Trade accounts payable	239,010	56,011	35,452	13,166
Accrued expenses	87,801	51,936	36,119	17,260
Advances received from customers	24,591	(7,216)	(1,548)	527
Other current liabilities	(7,807)	(29,005)	1,320	(13,956)
Cash from operating activities	1,454,842	1,347,141	598,871	519,018
Cash paid for corporate income tax	(115,198)	(61,402)	(88,865)	(24,166)
<b>Net cash from operating activities</b>	<b>1,339,644</b>	<b>1,285,739</b>	<b>510,006</b>	<b>494,852</b>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Hana Microelectronics Public Company Limited and its subsidiaries****Statements of cash flows (continued)****For the six-month periods ended 30 June 2010 and 2009**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<b>Cash flows from investing activities</b>				
Increase in short-term investments	(207,562)	(562,991)	-	-
Proceeds from sales of short-term investments	79,543	93,129	-	-
Interest income from short-term investments	28,237	17,162	-	-
Dividend income from subsidiary companies	-	-	275,000	621,000
Dividend income from other companies	3,665	3,672	10	549
Proceeds from disposals of equipment	11,364	29,735	900	8,147
Acquisitions of property, plant and equipment	(890,348)	(157,078)	(117,557)	(57,442)
Acquisitions of computer software	(1,584)	-	(1,238)	-
Increase in other non-current assets	(32,611)	-	(22,922)	-
<b>Net cash from (used in) investing activities</b>	<u>(1,009,296)</u>	<u>(576,371)</u>	<u>134,193</u>	<u>572,254</u>
<b>Cash flows from financing activities</b>				
Decrease in short-term loan from financial institution	(43,906)	-	-	-
Cash paid for interest expenses	(18)	-	-	-
Cash paid for repurchase of treasury shares	-	(221,950)	-	(221,950)
Dividend paid	(1,126,830)	(981,010)	(1,126,830)	(981,010)
<b>Net cash used in financing activities</b>	<u>(1,170,754)</u>	<u>(1,202,960)</u>	<u>(1,126,830)</u>	<u>(1,202,960)</u>
Decrease in cash and cash equivalents	(840,406)	(493,592)	(482,631)	(135,854)
Translation adjustment	(176,932)	(137,983)	-	-
<b>Net decrease in cash and cash equivalents</b>	<u>(1,017,338)</u>	<u>(631,575)</u>	<u>(482,631)</u>	<u>(135,854)</u>
Cash and cash equivalents at beginning of the period	<u>4,272,065</u>	<u>4,316,298</u>	<u>902,743</u>	<u>610,860</u>
<b>Cash and cash equivalents at end of the period (Note 2)</b>	<u>3,254,727</u>	<u>3,684,723</u>	<u>420,112</u>	<u>475,006</u>
<b>Supplemental cash flow information</b>				
Non-cash related transactions from investing activities				
Net increase (decrease) in other accounts payable				
for purchases of plant and equipment	(84,581)	(58,638)	4,668	24,146
Revaluation gain (loss) from change in fair value of				
investments in available-for-sale securities	(9,157)	41,783	-	-

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

## Hana Microelectronics Public Company Limited and its subsidiaries

## Statements of changes in shareholders' equity

For the six-month periods ended 30 June 2010 and 2009

(Unit: Thousand Baht)

Consolidated financial statements										
Note	Issued and paid up share capital	Share premium	Revaluation gain (deficit) from change in fair value of investments	Translation adjustment	Retained earnings			Excess of cost of investments over net book value of the subsidiary companies	Treasury shares	Total
					Statutory reserve	Reserve for treasury shares	Unappropriated			
<b>Balance as at 31 December 2008</b>	830,475	1,723,219	(24,799)	310,585	322,420	41,037	9,390,553	(154,975)	(41,037)	12,397,478
<b>Income (expenses) recognised directly in equity:</b>										
Investments in available-for-sale securities										
Gain recognised in shareholders' equity	4	-	-	41,783	-	-	-	-	-	41,783
Translation adjustment		-	-	(137,983)	-	-	-	-	-	(137,983)
<b>Net income (expenses) recognised directly in equity</b>		-	-	41,783	(137,983)	-	-	-	-	(96,200)
Net income for the period		-	-	-	-	-	705,439	-	-	705,439
<b>Total income (expenses) for the period</b>		-	-	41,783	(137,983)	-	-	705,439	-	609,239
Dividend paid	15	-	-	-	-	-	(981,010)	-	-	(981,010)
Unappropriated retained earnings										
transferred to statutory reserve		-	-	-	-	489	(489)	-	-	-
transferred to reserve for treasury shares		-	-	-	-	-	221,950	(221,950)	-	-
Offset the excess of cost of investments over net book value of the subsidiary companies										
against retained earnings	17	-	-	-	-	-	(154,975)	154,975	-	-
Treasury shares		-	-	-	-	-	-	-	(221,950)	(221,950)
<b>Balance as at 30 June 2009</b>	<u>830,475</u>	<u>1,723,219</u>	<u>16,984</u>	<u>172,602</u>	<u>322,909</u>	<u>262,987</u>	<u>8,737,568</u>	<u>-</u>	<u>(262,987)</u>	<u>11,803,757</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the six-month periods ended 30 June 2010 and 2009

(Unit: Thousand Baht)

Consolidated financial statements (continued)											
	Note	Issued and paid up share capital	Share premium	Revaluation gain (deficit) from change in fair value of investments	Translation adjustment	Retained earnings			Excess of cost of investments over net book value of the subsidiary companies	Treasury shares	Total
						Appropriated		Unappropriated			
						Statutory reserve	Reserve for treasury shares				
<b>Balance as at 31 December 2009</b>		830,475	1,723,219	68,996	(14,397)	320,218	262,987	10,077,775	-	(262,987)	13,006,286
<b>Expenses recognised directly in equity:</b>											
Investments in available-for-sale securities											
Loss recognised in shareholders' equity	4	-	-	(9,157)	-	-	-	-	-	-	(9,157)
Translation adjustment		-	-	-	(176,932)	-	-	-	-	-	(176,932)
<b>Net expenses recognised directly in equity</b>		-	-	(9,157)	(176,932)	-	-	-	-	-	(186,089)
Net income for the period		-	-	-	-	-	-	1,340,848	-	-	1,340,848
<b>Total income (expenses) for the period</b>		-	-	(9,157)	(176,932)	-	-	1,340,848	-	-	1,154,759
Dividend paid	15	-	-	-	-	-	-	(1,126,830)	-	-	(1,126,830)
<b>Balance as at 30 June 2010</b>		<u>830,475</u>	<u>1,723,219</u>	<u>59,839</u>	<u>(191,329)</u>	<u>320,218</u>	<u>262,987</u>	<u>10,291,793</u>	<u>-</u>	<u>(262,987)</u>	<u>13,034,215</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the six-month periods ended 30 June 2010 and 2009

(Unit: Thousand Baht)

		Separate financial statements						
				Retained earnings				
				Appropriated				
		Issued	Share	Reserve for		Treasury	Total	
Note		and paid up	premium	Statutory reserve	treasury shares	Unappropriated	shares	
		share capital						
		830,475	1,723,219	100,000	41,037	3,628,238	(41,037)	6,281,932
		-	-	-	-	998,907	-	998,907
		-	-	-	-	998,907	-	998,907
	15	-	-	-	-	(981,010)	-	(981,010)
		-	-	-	221,950	(221,950)	-	-
		-	-	-	-	-	(221,950)	(221,950)
		830,475	1,723,219	100,000	262,987	3,424,185	(262,987)	6,077,879
		830,475	1,723,219	100,000	262,987	3,962,787	(262,987)	6,616,481
		-	-	-	-	865,653	-	865,653
		-	-	-	-	865,653	-	865,653
	15	-	-	-	-	(1,126,830)	-	(1,126,830)
		830,475	1,723,219	100,000	262,987	3,701,610	(262,987)	6,355,304

The accompanying notes are an integral part of the financial statements.

**Hana Microelectronics Public Company Limited and its subsidiaries**

**Notes to interim financial statements**

**For the three-month and six-month periods ended 30 June 2010 and 2009**

**1. General information**

**1.1 Corporate information**

Hana Microelectronics Public Company Limited (“the Company”) was incorporated as a limited company under Thai law and transformed to be a public limited company under the Public Limited Companies Act on 27 January 1993. The Company operates its business in Thailand and it is principally engaged in the manufacture of electronic components. Its registered address is at 10/4 Moo 3, Vibhavadi - Rangsit Road, Kwang Talad Bangkhen, Khet Laksi, Bangkok.

**1.2 Basis for the preparation of interim financial statements**

These interim financial statements are prepared in accordance with Accounting Standard No. 34 (revised 2007) “Interim Financial Reporting”, with the Company choosing to present condensed interim financial statements. However, the Company has presented the balance sheets, and the statements of income, changes in shareholders’ equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language interim financial statements.

**1.3 Basis of consolidation**

These consolidated interim financial statements include the financial statements of Hana Microelectronics Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2009. There are no changes in the group structure during the current period.

#### 1.4 Adoption of new accounting standards

During the current period, the Federation of Accounting Professions issued a number of revised and new accounting standards as listed below. These standards are not effective for the current year, except Framework for the Preparation and Presentation of Financial Statements, which is immediately effective.

	<u>Effective date</u>
Framework for the Preparation and Presentation of Financial Statements (revised 2009)	Immediately effective
TAS 1 (revised 2009) Presentation of Financial Statements	1 January 2011
TAS 2 (revised 2009) Inventories	1 January 2011
TAS 7 (revised 2009) Statement of Cash Flows	1 January 2011
TAS 8 (revised 2009) Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2011
TAS 10 (revised 2009) Events after the Reporting Period	1 January 2011
TAS 11 (revised 2009) Construction Contracts	1 January 2011
TAS 12 Income Taxes	1 January 2013
TAS 17 (revised 2009) Leases	1 January 2011
TAS 20 (revised 2009) Accounting for Government Grants and Disclosure of Government Assistance	1 January 2013
TAS 23 (revised 2009) Borrowing Costs	1 January 2011
TAS 24 (revised 2009) Related Party Disclosures	1 January 2011
TAS 27 (revised 2009) Consolidated and Separate Financial Statements	1 January 2011
TAS 28 (revised 2009) Investments in Associates	1 January 2011
TAS 29 Financial Reporting in Hyperinflationary Economies	1 January 2011
TAS 31 (revised 2009) Interests in Joint Ventures	1 January 2011
TAS 33 (revised 2009) Earnings per Share	1 January 2011
TAS 34 (revised 2009) Interim Financial Reporting	1 January 2011
TAS 36 (revised 2009) Impairment of Assets	1 January 2011
TAS 37 (revised 2009) Provisions, Contingent Liabilities and Contingent Assets	1 January 2011
TAS 38 (revised 2009) Intangible Assets	1 January 2011
TAS 40 (revised 2009) Investment Property	1 January 2011

		<u>Effective date</u>
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations	1 January 2011
TFRS 6	Exploration for and Evaluation of Mineral Resources	1 January 2011

The management of the Company has assessed the effect of the accounting standards and financial reporting standards and believes that TAS 11 (revised 2009), TAS 20 (revised 2009), TAS 28 (revised 2009), TAS 29, TAS 31 (revised 2009), TAS 40 (revised 2009) and TFRS 6 are not relevant to the business of the Company, while Framework for the Preparation and Presentation of Financial Statements (revised 2009) and the remaining accounting standards and financial reporting standard described above will not have any significant impact on the financial statements for the year in which they are initially applied, except TAS 12 for which the management is still evaluating the first-year impact to the financial statements, and has yet to reach a conclusion.

### 1.5 Significant accounting policies

These interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2009.

## 2. Cash and cash equivalents

Cash and cash equivalents as reflected in the cash flow statements for the six-month periods ended 30 June 2010 and 2009 consist of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
Cash in hand and at banks	2,743,634	2,124,596	220,112	325,006
Bills of exchange	500,000	270,000	200,000	150,000
Fixed deposits with maturity not over 3 months	11,093	1,290,127	-	-
Cash and cash equivalents	<u>3,254,727</u>	<u>3,684,723</u>	<u>420,112</u>	<u>475,006</u>



(Unaudited but reviewed)

### 3. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with the related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	Separate financial statements				Pricing policies
	For the three-month		For the six-month		
	periods ended 30 June	periods ended 30 June	periods ended 30 June	periods ended 30 June	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	
<b>Transactions with subsidiaries</b> (eliminated from the consolidation)					
Sales	7	57	10	98	Prices agreed between the parties due to the uniqueness of products sold to each customer
Dividend income	100	621	275	621	Declared rate
Rental income	3	3	6	6	Contract price
Purchase of materials	24	16	46	36	Cost plus margin
Service fee expenses	1	1	2	3	Rates stipulated in the agreement
Purchase of fixed assets	-	-	-	12	Cost plus margin

The balances of the accounts as at 30 June 2010 and 31 December 2009 between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Separate financial statements	
	30 June	31 December
	<u>2010</u>	<u>2009</u>
<b>Trade accounts receivable - subsidiary companies</b>		
Hana Microdisplay Technologies, Inc.	8,236	2,127
Omac Sales Limited	7,300	4,220
Hana Semiconductor (BKK) Company Limited	1,123	1,129
Hana Microelectronics International Company Limited	32	33
Hana Semiconductor International Company Limited	-	31
Hana Microelectronics Investment Company Limited	-	13,341
<b>Total trade accounts receivable - subsidiary companies</b>	<u>16,691</u>	<u>20,881</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

## Separate financial statements

	30 June 2010	31 December 2009
<b>Trade accounts payable - subsidiary companies</b>		
Omac Sales Limited	13,924	17,445
Hana Microdisplay Technologies, Inc.	2,572	146
Hana Microelectronics, Inc.	2,266	1,037
Hana Semiconductor (Ayutthaya) Company Limited	1,102	563
Hana Semiconductor International Limited	626	587
Hana Microelectronics Investment Company Limited	464	-
<b>Total trade accounts payable - subsidiary companies</b>	<b>20,954</b>	<b>19,778</b>

**Directors' and management's remuneration**

During the three-month and six-month periods ended 30 June 2010 and 2009, the Company and its subsidiaries paid salaries, meeting allowances and gratuities to their directors and management totaling Baht 21.6 million and Baht 40.8 million, respectively (the Company only: Baht 2.6 million and Baht 4.0 million, respectively) (2009: Baht 15.5 million and Baht 33.4 million, respectively, the Company only: Baht 1.4 million and Baht 3.1 million, respectively).

**4. Short-term Investments**

(Unit: Thousand Baht)

## Consolidated financial statements

	30 June 2010		31 December 2009	
	Cost/ Carrying value	Fair value	Cost/ Carrying value	Fair value
<b>Securities held for trading</b>				
Overseas marketable equity securities	32,463	34,014	33,389	33,420
Domestic marketable equity securities	40,214	107,714	41,361	85,253
Credit linked note	32,463	32,856	33,389	33,182
Total	105,140	174,584	108,139	151,855
Add: Revaluation gain on investments	69,444	-	43,716	-
Total securities held for trading	174,584	174,584	151,855	151,855
<b>Available-for-sale securities</b>				
Overseas marketable corporate bonds	1,245,938	1,289,379	1,221,504	1,279,251
Quoted bonds	389,381	405,779	286,774	298,023
Total	1,635,319	1,695,158	1,508,278	1,577,274
Add: Revaluation gain on investments	59,839	-	68,996	-
Total available-for-sale securities	1,695,158	1,695,158	1,577,274	1,577,274
<b>Total short-term investments</b>	<b>1,869,742</b>	<b>1,869,742</b>	<b>1,729,129</b>	<b>1,729,129</b>

#### **4.1 Securities held for trading**

Since 2008, Hana Microelectronics International Company Limited, an overseas subsidiary company, had invested in mutual fund of a company listed on the Stock Exchange of Cayman Island, warrants and shares of a company listed on the Stock Exchange of Thailand (SET), including the Credit linked note through an overseas bank. These investments are held for trading purpose.

As at 30 June 2010, the subsidiary had assessed the fair value of the equity securities for mutual fund and the remaining shares by referring to the value quoted by the banks for trading securities and by referring to the value quoted by the bank for credit linked note, in which the fair value had increased by HKD 6.5 million or equivalent to approximately Baht 25.7 million for the six-month period ended 30 June 2010 (2009: increased by HKD 7.8 million or equivalent to approximately Baht 34.4 million). The change in fair value of these investments was recognised in the income statements for the period.

#### **4.2 Available-for-sale securities**

In addition, this subsidiary had invested in private corporate bonds issued by various companies listed on the overseas Stock Exchanges and quoted bonds through the three overseas banks. These investments are classified as available-for-sale investments. During the current period, this subsidiary had additionally invested in both listed corporate bonds and quoted bonds.

As at 30 June 2010, the subsidiary had assessed the fair value of the bonds by referring to the value quoted by the above three banks in which the fair value had decreased by HKD 1.7 million or equivalent to approximately Baht 9.2 million for the six-month period ended 30 June 2010 (2009: increased by HKD 9.4 million or equivalent to approximately Baht 41.8 million). The subsidiary recorded gain/loss from the change in the fair value of such bonds as a separate item in the statements of changes in shareholders' equity.

## 5. Trade accounts receivable

The balances of trade accounts receivable as at 30 June 2010 and 31 December 2009, aged on the basis of due dates, are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2010	2009	2010	2009
<b><u>Age of receivable</u></b>				
<u>Accounts receivable - subsidiary</u>				
<u>companies</u>				
Not yet due	-	-	7,773	15,260
Past due				
Up to 3 months	-	-	5,780	4,325
3 - 6 months	-	-	1,501	594
6 - 12 months	-	-	955	436
Over 12 months	-	-	682	266
Total accounts receivable - subsidiary				
companies	-	-	16,691	20,881
<u>Accounts receivable - other companies</u>				
Not yet due	2,147,124	1,922,022	992,554	964,057
Past due				
Up to 3 months	414,371	359,037	130,951	88,632
3 - 6 months	8,648	9,382	187	265
6 - 12 months	7,505	3,266	-	-
Over 12 months	483	5,768	-	-
Total accounts receivable - other				
companies	2,578,131	2,299,475	1,123,692	1,052,954
Less: Allowance for doubtful accounts	(4,078)	(6,415)	-	-
Total trade accounts receivable - other				
companies - net	2,574,053	2,293,060	1,123,692	1,052,954
Total trade accounts receivable - net	2,574,053	2,293,060	1,140,383	1,073,835

(Unaudited but reviewed)

**6. Allowance for diminution in inventory value**

Movements in the allowance for diminution in inventory value account during the six-month period ended 30 June 2010 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Balance as at 31 December 2009</b>	241,069	207,616
Allowance made during the period	66,247	69,545
Write-off obsolete and damaged inventories during the period	(74,562)	(72,847)
Translation adjustment	(12)	-
<b>Balance as at 30 June 2010</b>	<b>232,742</b>	<b>204,314</b>

**7. Investments in subsidiary companies**

Company's name	(Unit: Thousand Baht)								
	Separate financial statements							Dividend received for the six-month periods ended	
	Paid up capital		Shareholding percentage		Cost				
	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	2009	
			Percent	Percent					
Hana Semiconductor (Ayutthaya) Company Limited	1,200,000	1,200,000	58	58	2,142,910	2,142,910	175,000	301,000	
Hana Semiconductor (BKK) Company Limited	1,000,000	1,000,000	100	100	1,011,100	1,011,100	100,000	320,000	
Omac Sales Limited	325	325	100	100	273,492	273,492	-	-	
Hana Microelectronics International Company Limited	-	-	100	100	-	-	-	-	
Hana Microelectronics Investment Company Limited	-	-	100	100	-	-	-	-	
Hana Technologies Group Limited	-	-	100	100	-	-	-	-	
<b>Total investments in subsidiary companies</b>					<b>3,427,502</b>	<b>3,427,502</b>	<b>275,000</b>	<b>621,000</b>	

(Unaudited but reviewed)

## 8. Property, plant and equipment

Movements in the property, plant and equipment account during the six-month period ended 30 June 2010 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
<b>Net book value as at 31 December 2009</b>	5,605,407	1,558,823
Acquisitions during the period - at cost	843,818	122,225
Disposals during the period - net book value at disposal date	(14,578)	(1,520)
Depreciation for the period	(541,179)	(133,743)
Translation adjustment	(38,051)	-
<b>Net book value as at 30 June 2010</b>	<u>5,855,417</u>	<u>1,545,785</u>

## 9. Intangible assets

Movements in the intangible asset account, which represents computer software, during the six-month period ended 30 June 2010 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
<b>Net book value as at 31 December 2009</b>	16,414	3,461
Additions during the period - at cost	1,584	1,238
Amortisation during the period	(1,533)	(251)
<b>Net book value as at 30 June 2010</b>	<u>16,465</u>	<u>4,448</u>

## 10. Short-term loan from financial institution

During 2009, Hana Microelectronics International Company Limited, an overseas subsidiary company, entered into a loan agreement with an overseas commercial bank to borrow short-term loan of AUD 1.5 million. The short-term loan bears interest at the rate of 4.35% per annum and is secured by the pledge of the investments held under the account of the lender by the subsidiary company. The subsidiary company had repaid this short-term loan during the current period.

**11. Warrants**

As at 30 June 2010, the outstanding warrants issued to the Company's employees and directors which remain unexercised are as follows:

Outstanding unexercised warrants	: 20,000,000 warrants
Exercise price	: Baht 27.40 per share
Exercise ratio	: 1 ordinary share: 1 warrant
Exercise period	: From 31 October 2006 to 31 July 2010

Since the exercise price of the above warrants exceeded the weighted average fair value of ordinary shares for the three-month and six-month periods ended 30 June 2010 and 2009, the Company expected that the warrants will not be exercised and had excluded them from the calculation of dilutive potential ordinary shares for diluted earnings per share calculation.

**12. Treasury shares**

As at 30 June 2010 and 31 December 2009, details of treasury shares are as follows:

	Consolidated and separate financial statements	
	30 June 2010	31 December 2009
Cost of treasury shares (Thousand Baht)	262,987	262,987
Number of treasury shares (Thousand shares)	25,596	25,596
Average price per share (Baht)	10.27	10.27
Percentage of treasury shares to the Company's issued shares	3.08	3.08

A resolution of a meeting of the Company's Board of Directors No. 4/2551 held on 7 October 2008 approved the repurchase of shares of the Company with a budget of not more than Baht 1,600 million, in order to manage its excess cash, increase earnings per share and maximise shareholder benefits. The repurchase of shares shall not be more than 83 million shares, or equivalent to 9.99% of total issued and paid-up shares of the Company. The period of repurchase of shares is from 22 October 2008 to 22 April 2009 and these shares are to be sold after 6 months from the date of completing the repurchase of shares, but not more than 3 years.

(Unaudited but reviewed)

Under the notification of the Office of the Securities and Exchange Commission No. Gor Lor Tor. Chor. Sor. (Wor) 2/2548 and the notification of the Federation of Accounting Professions No. Sor. Sor Wor Bor Chor. 016/2548, public limited company is required to set aside retained earnings in an amount equal to the amount paid for treasury shares until either the shares are sold or paid-up capital is reduced by cancellation of any remaining unsold shares. As at 30 June 2010, the Company has set aside approximately Baht 262.99 million as reserve for treasury shares (31 December 2009: Baht 262.99 million).

### 13. Earnings per share

Basic earnings per share is calculated by dividing net income for the period by the weighted average number of ordinary shares held by public and in issue during the period.

Diluted earnings per share is calculated by dividing net income for the period by the weighted average number of ordinary shares held by public and in issue during the period plus the weighted average number of ordinary shares which would need to be issued to convert of all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

#### Weighted average number of ordinary shares

The weighted average number of ordinary shares for the three-month and six-month periods ended 30 June 2010 and 2009 is calculated as follows:

(Unit: Thousand shares)

	Consolidated and separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2010	2009	2010	2009
Balance brought forward (net of treasury shares)	804,879	823,707	804,879	830,475
Less: treasury shares	-	(5,956)	-	(13,644)
Weighted average number of ordinary shares	<u>804,879</u>	<u>817,751</u>	<u>804,879</u>	<u>816,831</u>



The warrants were excluded from the calculation of potential diluted ordinary shares for diluted earnings per share calculation for the three-month and six-month periods ended 30 June 2010 and 2009 since their exercise price exceeded the weighted average fair value of the ordinary shares of the Company.

#### 14. Segment information

The Company and its subsidiaries mainly involve a single industry segment in manufacture and sales of electronic components and mainly carry on their business in the geographic areas in Thailand, Hong Kong, the United States of America, and China. Geographical segment information of the Company and its subsidiaries for the three-month and six-month periods ended 30 June 2010 and 2009 are as follows:

(Unit: Million Baht)

Consolidated financial statements for the three-month periods ended 30 June

	Domestic		Foreign		Eliminated		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
Revenue from external customers	3,419	2,540	970	678	-	-	4,389	3,218
Intersegment revenues	13	59	1,317	726	(1,330)	(785)	-	-
Total revenues	<u>3,432</u>	<u>2,599</u>	<u>2,287</u>	<u>1,404</u>	<u>(1,330)</u>	<u>(785)</u>	<u>4,389</u>	<u>3,218</u>
Segment income	567	438	224	116			791	554
Unallocated income and expenses:								
Gain on exchange							17	57
Other income							129	92
Selling expenses							(28)	(37)
Administrative expenses							(110)	(135)
Management benefit expenses							(22)	(16)
Other expenses							(7)	(7)
Finance cost							(2)	(2)
Corporate income tax							(24)	(2)
Net income for the period							<u>744</u>	<u>504</u>

(Unit: Million Baht)

Consolidated financial statements for the six-month periods ended 30 June

	Domestic		Foreign		Eliminated		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
Revenue from external customers	6,562	4,594	1,752	1,260	-	-	8,314	5,854
Intersegment revenues	22	103	2,190	1,363	(2,212)	(1,466)	-	-
Total revenues	<u>6,584</u>	<u>4,697</u>	<u>3,942</u>	<u>2,623</u>	<u>(2,212)</u>	<u>(1,466)</u>	<u>8,314</u>	<u>5,854</u>
Segment income	1,111	721	380	197			1,491	918
Unallocated income and expenses:								
Gain on exchange							39	50
Other income							211	142
Selling expenses							(58)	(80)
Administrative expenses							(233)	(262)
Management benefit expenses							(41)	(33)
Other expenses							(14)	(14)
Finance cost							(4)	(4)
Corporate income tax							(50)	(12)
Net income for the period							<u>1,341</u>	<u>705</u>

**15. Dividend paid**

During the six-month periods ended 30 June 2010 and 2009, the Company and its subsidiary companies had dividend payments as follows:

	<u>Approved by</u>	Total dividends	Dividend per share
		Thousand Baht	Baht
<b><u>The Company</u></b>			
<b><u>For the year 2010</u></b>			
Dividends on 2009 income	Annual General Meeting of the shareholders on 30 April 2010	1,126,830	1.40
<b><u>For the year 2009</u></b>			
Dividends on 2008 income	Annual General Meeting of the shareholders on 30 April 2009	981,010	1.20
<b><u>Subsidiary companies</u></b>			
<b><u>Hana Semiconductor (BKK) Company Limited</u></b>			
<b><u>For the year 2010</u></b>			
Dividends on the unappropriated retained earnings	Annual General Meeting of the shareholders on 30 April 2010	100,000	1.00
Total for the year 2010		<u>100,000</u>	<u>1.00</u>
Dividends on the unappropriated retained earnings	Annual General Meeting of the shareholders on 30 April 2009	100,000	1.00
Interim dividend in respect of the income for the period from 1 January 2009 to 30 April 2009	Board of Director's Meeting on 4 May 2009	220,000	2.20
Total for the year 2009		<u>320,000</u>	<u>3.20</u>
<b><u>Hana Semiconductor (Ayutthaya) Company Limited</u></b>			
<b><u>For the year 2010</u></b>			
Dividends on the unappropriated retained earnings	Annual General Meeting of the shareholders on 29 March 2010	300,000	2.50
<b><u>For the year 2009</u></b>			
Dividends on the unappropriated retained earnings	Annual General Meeting of the shareholders on 24 April 2009	516,000	4.30

## **16. Commitments and contingent liabilities**

### **16.1 Capital commitments**

As at 30 June 2010, the Company and its subsidiaries had capital commitments of approximately USD 9 million or equivalent to Baht 284 million, relating to construction of new plant and acquisitions of machinery (the Company only: Baht 149 million).

### **16.2 Operating lease commitments**

The Company and its subsidiaries operate their business in Bangkok on a leased premise, the lease agreement of which is made between the landlord and a related company. The lease is for a period as from the year 1986 up to the year 2014 with the annual lease payment of approximately Baht 0.2 million in the year 1992 and subject to an increase at the rate of 10% per annum.

### **16.3 Marketing supportive service agreement**

Since the year 2001, the Company and four subsidiary companies entered into marketing supportive service agreement with an overseas subsidiary company. Under that agreement, the Company and the four subsidiary companies have to pay service fees to that subsidiary company at the rates stipulated in the agreement.

### **16.4 Guarantees**

As at 30 June 2010, there were outstanding bank guarantees of approximately Baht 181 million (the Company only: Baht 154 million) issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business of the Company and the subsidiaries. These included letters of guarantee amounting to Baht 144 million to be security for the tax assessment made by the Revenue Department (as described in Note 16.5), Baht 36 million to guarantee electricity use and Baht 1 million among others.

### **16.5 Tax assessment and litigation**

During the year 2003, the Company received a notification of a corporate income tax assessment for the year 1997 from the Revenue Department for not allocating interest expenses and loss on exchange rate of loans to the promoted operations, causing the under recording of corporate income tax for the year 1997, which together with related penalty and surcharge amounted to Baht 150 million. The Company did not agree with the assessment and appealed it to the Tax Tribunal. In November 2007, the Tax Tribunal rejected the appeal. Currently, the Company is in the process of appealing to the Supreme Court and expects that the Supreme Court will reverse the judgment of the Central Tax Court, which will not result in any tax payment to the Company.

However, the Company has recorded provision for loss on tax assessment of approximately Baht 150 million and has placed a bank guarantee as security against the assessment.

### **17. Excess of cost of investments over net book value of the subsidiary companies**

On 30 April 2009, the Annual General Meeting of the shareholders of the Company No. 16/2009 approved the resolutions on offsetting the excess of cost of investments over net book value of the subsidiary companies amounted to Baht 154,975,555 which the Company has already deducted in the consolidated shareholders' equity as at 31 December 2008, against the unappropriated retained earnings in the consolidated shareholders' equity. The Company recorded such transaction in the consolidated statement of changes in shareholders' equity for the six-month period ended 30 June 2009.

### **18. Foreign currency risk**

The Company's and the subsidiaries' exposure to foreign currency risk arise mainly from trading transactions that are denominated in foreign currencies. The subsidiary of the Company entered into forward exchange contracts to reduce the risk. Generally, the forward contracts will mature within one year.

(Unaudited but reviewed)

The balances of financial assets and liabilities denominated in foreign currencies as at 30 June 2010 are summarised below.

Foreign currency	Financial assets	Financial liabilities	Average exchange rate as at 30 June 2010
	(Million)	(Million)	(Baht per 1 foreign currency unit)
China Yuan	332	81	4.7762
US Dollar	154	39	32.4440
Japan Yen	53	31	0.3664
Euro	8	-	39.8913
Australia Dollar	2	-	27.5831
Singapore Dollar	2	1	23.1246
Pound Sterling	1	-	48.8123

As at 30 June 2010, an overseas subsidiary company had outstanding forward exchange contracts, of which details are presented below.

Sold amount	Maturity date	Contractual exchange rate for amount sold
(Million USD)		(Baht per USD)
10	22 July 2010	32.8600
40	10 September 2010	32.4300
		(USD per Euro)
3	8 November 2010	1.2944
2	15 November 2010	1.2649

In addition, this subsidiary company entered into the linked asset swap agreement with an overseas bank to hedge one of its bond holding. The details of the swap agreement outstanding as at 30 June 2010 are as follows:

Swap agreements	Notional amount	Maturity date	Yield to maturity	Fair value gain (loss)
	(Million USD)		(Percent)	(Million Baht)
Credit default swap - quoted bonds	2	20 June 2013	1.43	0.66

**19. Reclassification**

Certain amounts in the consolidated financial statements for the three-month and six-month periods ended 30 June 2010 have been reclassified to conform to the current period's classification but with no effect to previously reported net income or shareholders' equity. The reclassifications are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month period ended		For the six-month period ended	
	30 June 2010		30 June 2010	
	As reclassified	As previously reported	As reclassified	As previously reported
<b><u>Income statements</u></b>				
Administrative expenses	135,493	140,637	261,596	272,652
Management benefit expenses	15,509	10,365	33,398	22,342

**20. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 10 August 2010.