



Hana Microelectronics Public Co., Ltd.

10/4 Moo 3, Vibhavadi-Rangsit Road, Kwang Talad Bangkhen, Bangkok 10210 Thailand
Tel. 662-551-1297 Fax. 662-551-1299

3 March 2009

Subject: Additional clarification for the offset of excess cost of investments over the net book value of the subsidiary companies

**Attn: President
The Stock Exchange of Thailand**

Re: The Board of Directors' resolution dated 27 February 2009

According to the resolution of the Board of Director's Meeting No. 1/2009 made on 27 February 2009, the board has approved to offset the excess cost of investments over net book value of the subsidiary companies amounting to Baht 154,975,555 which has been deducted in the consolidated shareholders' equity from the un-appropriated profits in consolidated equity presented in the financial statement as of 31 December 2008.

The Company would like to explain more details as follows.

The 154,974,555 baht is the goodwill that came from the acquisition of Omac Sales Limited in 1992 by Hana Microelectronics Limited. Hana Microelectronics Limited at that time was the company before became the listed company whereas Omac Sales was the company in Hong Kong which handled the watch movement sales (which was the major product of the group). Currently, the Company holds 100% shareholding of Omac Sales Limited.

From the restructure, the Company had set the provision of the goodwill by deducting in the consolidated shareholders' equity from the un-appropriated profits which can be done according to the accounting standard at that time. In order to present the clearer financial information and proper management of the Company's equity, the Company shall propose shareholders to approve the offset of excess cost of investments over net book value of the subsidiary companies amounting to Baht 154,975,555 which has been deducted in the consolidated shareholders' equity from the un-appropriated profits in consolidated equity. The result of this adjustment shall reduce the un-appropriated retained earnings in the consolidated financial statement to be Baht 9,235,578,127. However, there is no asset, liability or cash flow impacted on the group at all.

The Company shall process to request approval from shareholders accordingly.

Yours sincerely,

(Mr. Terrence Philip Weir)
Director