

To: All Customers
From: Bruce Stromstad
Subject: Holiday Update
Date: December 22, 2011

I would like to take this opportunity to wish all of you a very Merry Christmas and a prosperous New Year. This is also a joyous occasion for all of us at Hana Semiconductor because we have just returned to our Ayutthaya factory after the devastating floods of 2011.

We returned to the factory this week and are in the process of setting up and calibrating our equipment for limited production this week and next. Our test buildings are fully operational and we will start production testing on Monday, December 26. We will be able to produce qualification lots of selected packages in Assembly from January 3, 2012, going forward.

During the flood we relocated our captive lines and clear packages to Hana Bangkok. We were very fortunate in that we had an empty factory that was able to accommodate those customers and packages using these technologies. It is our intention to leave our Customer Specific Operations in Bangkok for at least the next year or two. There is no current plan to return these packages and people to our Ayutthaya facility in the near future.

Our Standard IC Front Of Line and Test operations are starting up again in their original locations since they were not impacted by the flood waters. Our facilities have already been environmentally certified in terms of temperature, humidity, and particle counts. It was our End Of Line Operations (Mold, Laser Mark, Trim/Form, etc.) that were most impacted by the flood waters. We have temporarily relocated these operations to our captive line test building while awaiting the restoration of our Main Building EOL area. Our current thinking is that we should have our recovery work in the Main Building completed by mid-February and should be in a position to have all of our manufacturing lines in their final location by that time.

One of our key strategies was to retain all direct and indirect employees on our payroll and we did not have any reduction in staffing during this crisis. This was a very important decision for both our customers and ourselves because we can now ramp production very quickly to meet our customer demands. We have the experienced staff available to run production at pre-flood capacities. We have ordered new molds and laser markers as required and are also refurbishing as much equipment as possible that was not severely damaged by the floods.

I must now take a moment to personally thank all of our dedicated Hana employees for working long hours in difficult conditions both during and after the flood for bringing our operations up before the end of 2012.