

Hana Microelectronics Public Company Limited  
and its subsidiaries  
Report and consolidated interim financial statements  
For the three-month and six-month periods ended  
30 June 2016

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Hana Microelectronics Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Hana Microelectronics Public Company Limited and its subsidiaries as at 30 June 2016, the related consolidated statements of income and comprehensive income for the three-month and six-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Hana Microelectronics Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Saifon Inkaew

Certified Public Accountant (Thailand) No. 4434

EY Office Limited

Bangkok: 11 August 2016

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2016

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
	As at	As at	As at	As at	
<u>Note</u>	<u>30 June 2016</u>	<u>31 December 2015</u>	<u>30 June 2016</u>	<u>31 December 2015</u>	
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	3	6,758,422	6,104,135	1,411,665	956,167
Short-term investments	5	2,732,212	3,016,908	-	-
Trade and other receivables	4, 6	2,994,066	3,317,966	1,135,156	1,409,354
Inventories	7	3,615,944	3,366,602	1,349,476	1,212,159
Other current assets		221,442	202,024	38,597	30,790
<b>Total current assets</b>		<b>16,322,086</b>	<b>16,007,635</b>	<b>3,934,894</b>	<b>3,608,470</b>
<b>Non-current assets</b>					
Investments in subsidiary companies	8	-	-	3,583,449	3,583,449
Property, plant and equipment	9	6,555,582	6,901,339	2,635,394	2,623,253
Deposit for land purchase		22,500	22,500	22,500	22,500
Land leasehold rights	10	145,505	150,831	-	-
Other intangible assets		26,110	22,354	11,122	12,017
Deferred tax assets		13,906	12,463	7,065	3,651
Other non-current assets		15,378	5,718	2,403	1,426
<b>Total non-current assets</b>		<b>6,778,981</b>	<b>7,115,205</b>	<b>6,261,933</b>	<b>6,246,296</b>
<b>Total assets</b>		<b>23,101,067</b>	<b>23,122,840</b>	<b>10,196,827</b>	<b>9,854,766</b>

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

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2016

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
	As at	As at	As at	As at	
	<u>Note</u>	<u>30 June 2016</u>	<u>31 December 2015</u>	<u>30 June 2016</u>	<u>31 December 2015</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade and other payables	4, 11	2,736,240	2,412,958	1,242,993	1,280,207
Short-term provision - product warranty		351,106	347,248	-	-
Income tax payable		16,204	19,269	6,450	7,284
Other current liabilities		55,538	385,350	21,417	57,312
<b>Total current liabilities</b>		<b>3,159,088</b>	<b>3,164,825</b>	<b>1,270,860</b>	<b>1,344,803</b>
<b>Non-current liabilities</b>					
Provision for long-term employee benefits		561,246	534,440	289,713	279,200
<b>Total non-current liabilities</b>		<b>561,246</b>	<b>534,440</b>	<b>289,713</b>	<b>279,200</b>
<b>Total liabilities</b>		<b>3,720,334</b>	<b>3,699,265</b>	<b>1,560,573</b>	<b>1,624,003</b>
<b>Shareholders' equity</b>					
Share capital					
Registered					
974,403,900 ordinary shares of Baht 1 each		974,404	974,404	974,404	974,404
Issued and fully paid-up					
804,878,860 ordinary shares of Baht 1 each		804,879	804,879	804,879	804,879
Share premium		1,723,219	1,723,219	1,723,219	1,723,219
Retained earnings					
Appropriated - statutory reserve		416,981	416,331	100,000	100,000
Unappropriated		15,587,215	15,491,802	6,008,156	5,602,665
Other components of shareholders' equity		848,439	987,344	-	-
<b>Total shareholders' equity</b>		<b>19,380,733</b>	<b>19,423,575</b>	<b>8,636,254</b>	<b>8,230,763</b>
<b>Total liabilities and shareholders' equity</b>		<b>23,101,067</b>	<b>23,122,840</b>	<b>10,196,827</b>	<b>9,854,766</b>

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

Directors

(Unaudited but reviewed)

**Hana Microelectronics Public Company Limited and its subsidiaries****Income statement****For the three-month period ended 30 June 2016**

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

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
<b>Revenues</b>					
Sales		4,763,679	5,118,622	1,770,292	2,173,255
Interest income		50,159	57,697	4,325	3,179
Dividend income		32	28	880,032	560,028
Gain on exchange		9,450	-	14,579	16,807
Others income		63,633	60,273	7,579	12,204
<b>Total revenues</b>		<b>4,886,953</b>	<b>5,236,620</b>	<b>2,676,807</b>	<b>2,765,473</b>
<b>Expenses</b>					
Cost of sales		4,176,893	4,509,955	1,554,934	1,888,768
Selling expenses		42,107	33,437	10,546	7,963
Administrative expenses		224,607	234,773	80,942	79,252
Loss on exchange		-	42,034	-	-
<b>Total expenses</b>		<b>4,443,607</b>	<b>4,820,199</b>	<b>1,646,422</b>	<b>1,975,983</b>
<b>Profit before finance cost and income tax expenses</b>					
Finance cost		(1,692)	(1,812)	(510)	(567)
<b>Profit before income tax expenses</b>		<b>441,654</b>	<b>414,609</b>	<b>1,029,875</b>	<b>788,923</b>
Income tax expenses	12	(24,574)	(15,360)	(9,936)	(1,900)
<b>Profit for the period</b>		<b>417,080</b>	<b>399,249</b>	<b>1,019,939</b>	<b>787,023</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		417,080	399,249	1,019,939	787,023
<b>Earnings per share</b>					
13					
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)					
		0.52	0.50	1.27	0.98
Number of weighted average ordinary shares (Thousand shares)					
		804,879	804,879	804,879	804,879

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

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2016

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<b>Profit for the period</b>	<u>417,080</u>	<u>399,249</u>	<u>1,019,939</u>	<u>787,023</u>
<b>Other comprehensive income:</b>				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Gain (loss) on change in value of available-for-sale investments	68,961	(23,992)	-	-
Exchange differences on translation of financial statements in foreign currency, net of income tax	12 <u>(83,075)</u>	<u>360,565</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods, net of income tax	<u>(14,114)</u>	<u>336,573</u>	<u>-</u>	<u>-</u>
<b>Other comprehensive income for the period</b>	<u>(14,114)</u>	<u>336,573</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>	<u>402,966</u>	<u>735,822</u>	<u>1,019,939</u>	<u>787,023</u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	<u>402,966</u>	<u>735,822</u>	<u>1,019,939</u>	<u>787,023</u>

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

(Unaudited but reviewed)

**Hana Microelectronics Public Company Limited and its subsidiaries****Income statement****For the six-month period ended 30 June 2016**

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

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<b>Revenues</b>					
Sales		9,506,075	10,112,188	3,691,679	4,474,220
Interest income		101,294	111,893	7,382	5,700
Dividend income		32	28	880,032	560,028
Gain on exchange		137,644	45,971	24,832	32,209
Others income		116,862	109,443	15,295	21,293
<b>Total revenues</b>		<b>9,861,907</b>	<b>10,379,523</b>	<b>4,619,220</b>	<b>5,093,450</b>
<b>Expenses</b>					
Cost of sales		8,337,227	8,905,745	3,213,469	3,904,768
Selling expenses		82,221	63,772	20,117	15,626
Administrative expenses		509,116	460,438	160,808	153,847
<b>Total expenses</b>		<b>8,928,564</b>	<b>9,429,955</b>	<b>3,394,394</b>	<b>4,074,241</b>
<b>Profit before finance cost and</b>					
<b>income tax expenses</b>		<b>933,343</b>	<b>949,568</b>	<b>1,224,826</b>	<b>1,019,209</b>
Finance cost		(3,432)	(3,730)	(1,024)	(1,063)
<b>Profit before income tax expenses</b>		<b>929,911</b>	<b>945,838</b>	<b>1,223,802</b>	<b>1,018,146</b>
Income tax expenses	12	(28,969)	(29,899)	(13,432)	(11,306)
<b>Profit for the period</b>		<b>900,942</b>	<b>915,939</b>	<b>1,210,370</b>	<b>1,006,840</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		900,942	915,939	1,210,370	1,006,840
<b>Earnings per share</b>					
	13				
Basic earnings per share					
Profit attributable to equity holders of					
the Company (Baht)		1.12	1.14	1.50	1.25
Number of weighted average ordinary shares					
(Thousand shares)		804,879	804,879	804,879	804,879

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

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of comprehensive income

For the six-month period ended 30 June 2016

(Unit: Thousand Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<b>Profit for the period</b>		<u>900,942</u>	<u>915,939</u>	<u>1,210,370</u>	<u>1,006,840</u>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Gain (loss) on change in value of available-for-sale investments	5.2	178,550	(26,918)	-	-
Exchange differences on translation of financial statements in foreign currency, net of income tax	12	<u>(317,455)</u>	<u>250,005</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods, net of income tax		<u>(138,905)</u>	<u>223,087</u>	<u>-</u>	<u>-</u>
<b>Other comprehensive income for the period</b>		<u>(138,905)</u>	<u>223,087</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>		<u><u>762,037</u></u>	<u><u>1,139,026</u></u>	<u><u>1,210,370</u></u>	<u><u>1,006,840</u></u>
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		<u><u>762,037</u></u>	<u><u>1,139,026</u></u>	<u><u>1,210,370</u></u>	<u><u>1,006,840</u></u>

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

(Unaudited but reviewed)

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

**Statement of cash flows**

**For the six-month period ended 30 June 2016**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<b>Cash flows from operating activities</b>				
Profit before tax	929,911	945,838	1,223,802	1,018,146
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	586,086	576,485	172,998	160,106
Amortisation expenses	4,925	1,968	895	909
Reversal of allowance for doubtful accounts	(10,623)	(12,269)	-	-
Reduction of inventories to net realisable value	54,455	149,991	46,879	147,250
Write-off obsolete and damaged inventories	(69,625)	(167,568)	(69,625)	(167,439)
Dividend income from subsidiary companies	-	-	(880,000)	(560,000)
Dividend income from other company	(32)	(28)	(32)	(28)
Loss (gain) on disposals/write-off assets	(1,465)	176	(389)	(1,434)
Allowance for impairment loss on assets	-	320	-	320
Provision for product warranty	12,468	11,552	-	-
Provision for long-term employee benefits	37,137	52,703	19,709	21,425
Loss (gain) on sales/redemption of short-term investments	20,111	(3,814)	-	-
Revaluation gain on investments in securities held for trading	(1,614)	(2,893)	-	-
Unrealised loss (gain) on exchange	(29,704)	(449)	(28,608)	3,837
Unrealised gain on forward contracts	(289,469)	(6,374)	-	-
Interest income from short-term investments	<u>(70,643)</u>	<u>(71,551)</u>	<u>-</u>	<u>-</u>
Profit from operating activities before changes in operating assets and liabilities	1,171,918	1,474,087	485,629	623,092

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

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the six-month period ended 30 June 2016

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<b>Cash flows from operating activities (continued)</b>				
Operating assets (increase) decrease				
Trade and other receivables	301,052	95,584	257,498	142,827
Inventories	(234,172)	123,049	(114,571)	52,368
Other current assets	7,601	(20,173)	(8,342)	22,276
Other non-current assets	2,483	(2,344)	-	-
Operating liabilities increase (decrease)				
Trade and other payables	416,501	(40,518)	5,878	(275,108)
Other current liabilities	(69,250)	(70,594)	(35,895)	(38,933)
Cash from operating activities	1,596,133	1,559,091	590,197	526,522
Cash paid for long-term employee benefits	(10,329)	(3,185)	(9,196)	(2,412)
Cash paid for income tax	(33,647)	(163,152)	(17,679)	(8,986)
<b>Net cash from operating activities</b>	<b>1,552,157</b>	<b>1,392,754</b>	<b>563,322</b>	<b>515,124</b>
<b>Cash flows from investing activities</b>				
Increase in fixed deposit with financial institution	-	(9,257)	-	-
Decrease (increase) in short-term investments	256,254	(688,079)	-	-
Interest income from short-term investments	72,106	69,583	-	-
Proceeds from sales/redemption of short-term investments	188,495	169,286	-	-
Dividend income from subsidiary companies	-	-	880,000	560,000
Dividend income from other company	32	28	32	28
Acquisition of plant and equipment	(330,890)	(816,649)	(182,804)	(207,518)
Proceeds from disposals of equipment	53,502	7,321	804	2,166
Increase in intangible assets	(3,355)	(3,172)	-	(934)
Increase in other non-current assets	(12,143)	(23,198)	(977)	(22,500)
<b>Net cash from (used in) investing activities</b>	<b>224,001</b>	<b>(1,294,137)</b>	<b>697,055</b>	<b>331,242</b>

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

(Unaudited but reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the six-month period ended 30 June 2016

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<b>Cash flows from financing activities</b>				
Dividend paid	<u>(804,879)</u>	<u>(804,879)</u>	<u>(804,879)</u>	<u>(804,879)</u>
<b>Net cash used in financing activities</b>	<u>(804,879)</u>	<u>(804,879)</u>	<u>(804,879)</u>	<u>(804,879)</u>
Increase (decrease) in cash and cash equivalents	971,279	(706,262)	455,498	41,487
Translation adjustment	<u>(316,992)</u>	<u>249,754</u>	<u>-</u>	<u>-</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	654,287	(456,508)	455,498	41,487
Cash and cash equivalents at beginning of the period	<u>6,104,135</u>	<u>5,467,223</u>	<u>956,167</u>	<u>743,165</u>
<b>Cash and cash equivalents at end of the period (Note 3)</b>	<u><u>6,758,422</u></u>	<u><u>5,010,715</u></u>	<u><u>1,411,665</u></u>	<u><u>784,652</u></u>

**Supplemental cash flow information**

Non-cash related transactions from investing activities

Net increase (decrease) in accounts payable				
of plant and equipment	(38,524)	(19,440)	2,750	(41,222)
Revaluation gain (loss) on changes in fair value of investments in available-for-sale	178,550	(26,918)	-	-
Translation adjustment for deferred tax assets	463	(251)	-	-

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

(Unaudited and reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2016

(Unit: Thousand Baht)

Consolidated financial statements

	Note	Issued and paid up		Retained earnings		Other components of shareholders' equity			Total shareholders' equity
		share capital	Share premium	Appropriated - Statutory reserve	Unappropriated	value of available-for-sale investments	Exchange differences on translation of financial statements in foreign currency	Total other components of shareholders' equity	
<b>Balance as at 31 December 2014</b>		804,879	1,723,219	386,272	15,028,833	158,870	261,539	420,409	18,363,612
Profit for the period		-	-	-	915,939	-	-	-	915,939
Other comprehensive income for the period		-	-	-	-	(26,918)	250,005	223,087	223,087
Total comprehensive income for the period		-	-	-	915,939	(26,918)	250,005	223,087	1,139,026
Dividend paid	15	-	-	-	(804,879)	-	-	-	(804,879)
Unappropriated retained earnings transferred to statutory reserve		-	-	26,536	(26,536)	-	-	-	-
<b>Balance as at 30 June 2015</b>		<u>804,879</u>	<u>1,723,219</u>	<u>412,808</u>	<u>15,113,357</u>	<u>131,952</u>	<u>511,544</u>	<u>643,496</u>	<u>18,697,759</u>
<b>Balance as at 31 December 2015</b>		804,879	1,723,219	416,331	15,491,802	(70,372)	1,057,716	987,344	19,423,575
Profit for the period		-	-	-	900,942	-	-	-	900,942
Other comprehensive income for the period		-	-	-	-	178,550	(317,455)	(138,905)	(138,905)
Total comprehensive income for the period		-	-	-	900,942	178,550	(317,455)	(138,905)	762,037
Dividend paid	15	-	-	-	(804,879)	-	-	-	(804,879)
Unappropriated retained earnings transferred to statutory reserve		-	-	650	(650)	-	-	-	-
<b>Balance as at 30 June 2016</b>		<u>804,879</u>	<u>1,723,219</u>	<u>416,981</u>	<u>15,587,215</u>	<u>108,178</u>	<u>740,261</u>	<u>848,439</u>	<u>19,380,733</u>

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

(Unaudited and reviewed)

Hana Microelectronics Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2016

(Unit: Thousand Baht)

<b>Separate financial statements</b>					
	Issued and paid up share capital	Share premium	<u>Retained earnings</u>		Total Shareholders' equity
<u>Note</u>			Appropriated - Statutory reserve	Unappropriated	
<b>Balance as at 31 December 2014</b>	804,879	1,723,219	100,000	5,196,505	7,824,603
Profit for the period	-	-	-	1,006,840	1,006,840
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	1,006,840	1,006,840
Dividend paid	-	-	-	(804,879)	(804,879)
<b>Balance as at 30 June 2015</b>	<u>804,879</u>	<u>1,723,219</u>	<u>100,000</u>	<u>5,398,466</u>	<u>8,026,564</u>
<b>Balance as at 31 December 2015</b>	804,879	1,723,219	100,000	5,602,665	8,230,763
Profit for the period	-	-	-	1,210,370	1,210,370
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	1,210,370	1,210,370
Dividend paid	-	-	-	(804,879)	(804,879)
<b>Balance as at 30 June 2016</b>	<u>804,879</u>	<u>1,723,219</u>	<u>100,000</u>	<u>6,008,156</u>	<u>8,636,254</u>

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 2016**

**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 is principally engaged in the manufacture and trading of electronic components. The registered office of the Company is at 65/98, Soi Vibhavadi-Rangsit 64, Junction 2, 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 Thai Accounting Standard No. 34 (revised 2015) “*Interim Financial Reporting*”, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income statement, comprehensive 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 2015. There are no changes in the group structure during the current period.

#### 1.4 New financial reporting standards

During the period, the Company has adopted the revised and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements

#### 2. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2015.

#### 3. Cash and cash equivalents

Cash and cash equivalents as at 30 June 2016 and 31 December 2015 as reflected in the statement of financial position consist of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Cash	1,169	1,270	299	318
Bank deposits	3,359,166	2,533,890	261,366	205,849
Fixed deposits with maturity not over 3 months	3,398,087	3,074,563	1,150,000	750,000
Bills of exchange	-	494,412	-	-
Total cash and cash equivalents	<u>6,758,422</u>	<u>6,104,135</u>	<u>1,411,665</u>	<u>956,167</u>

As at 30 June 2016, bank deposits in savings accounts and fixed deposits carried interests between 0.001 and 4.550 percent per annum (31 December 2015: 0.001 and 4.550 percent per annum).

#### 4. 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 periods		For the six-month periods		
	ended 30 June		ended 30 June		
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	
<b>Transactions with subsidiary companies</b> (eliminated from the consolidated financial statements)					
Sales of goods	30	6	52	11	Prices agreed between the parties due to the uniqueness of products sold to each customer
Dividend income	880	560	880	560	Declared rate
Purchase of materials	31	32	62	66	Cost plus mark up
Purchase of fixed assets	-	-	-	1	Cost plus mark up
Service fee expenses	2	2	4	2	Rates stipulated in the agreement

As at 30 June 2016 and 31 December 2015, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June	31 December	30 June	31 December
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<b>Trade and other receivables (Note 6)</b>				
<b>Trade receivables - related parties</b>				
Subsidiary companies	-	-	21,876	41,106
<b>Total trade receivables - related parties</b>	-	-	21,876	41,106
<b>Other receivable - related party</b>				
Related company (by way of common directors)	76	32	-	-
<b>Total other receivable - related party</b>	76	32	-	-
<b>Total trade and other receivables - related parties</b>	76	32	21,876	41,106

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
<b>Trade and other payables (Note 11)</b>				
<b>Trade payables - related parties</b>				
Subsidiary companies	-	-	402,479	528,583
<b>Total trade payables - related parties</b>	-	-	402,479	528,583
<b>Total trade and other payables - related parties</b>	-	-	402,479	528,583

### **Directors' and management's benefits**

During the three-month and six-month periods ended 30 June 2016 and 2015, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Short-term employee benefits	19.9	18.5	2.7	2.9
Post-employment benefits	0.4	0.2	0.2	0.2
Total	20.3	18.7	2.9	3.1

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Short-term employee benefits	39.8	36.3	5.7	5.7
Post-employment benefits	0.8	0.4	0.4	0.4
Total	40.6	36.7	6.1	6.1

## 5. Short-term investments

(Unit: Thousand Baht)

	Consolidated financial statements			
	30 June 2016		31 December 2015	
	Cost/ Carrying value	Fair value	Cost/ Carrying value	Fair value
<b>Securities held for trading (Note 5.1)</b>				
Overseas marketable equity securities	211,081	226,566	108,266	121,427
Unsecured subordinated notes	24,860	25,270	24,882	26,002
<b>Total</b>	<b>235,941</b>	<b>251,836</b>	<b>133,148</b>	<b>147,429</b>
Add: Gain on changes in fair value of investments	15,895		14,281	
Investments in securities held for trading	251,836		147,429	
<b>Available-for-sale securities (Note 5.2)</b>				
Overseas marketable corporate bonds	1,397,626	1,518,132	1,543,479	1,544,111
Local quoted bonds	35,183	38,395	36,092	37,081
Overseas quoted bonds	932,293	916,753	1,007,144	935,151
<b>Total</b>	<b>2,365,102</b>	<b>2,473,280</b>	<b>2,586,715</b>	<b>2,516,343</b>
Add: Revaluation surplus/(deficit) on changes in fair value of investments	108,178		(70,372)	
Investments in available-for-sale securities	2,473,280		2,516,343	
<b>Fixed deposits with financial institutions</b>				
Investment in fixed deposit with financial institution (Note 5.3)	-	-	345,918	345,918
Fixed deposit within 1 year	7,096	7,096	7,218	7,218
Investment in fixed deposits with financial institution	7,096	7,096	353,136	353,136
<b>Total short-term investments</b>	<b>2,732,212</b>	<b>2,732,212</b>	<b>3,016,908</b>	<b>3,016,908</b>

### 5.1 Securities held for trading

Since the third quarter of 2008, Hana Microelectronics International Company Limited, an overseas subsidiary company, has invested in mutual fund of a company listed on the Stock Exchange of Cayman Island, bond investment trust of an overseas bank, and during 2012 additionally invested in interest bearing unsecured subordinated notes of a company listed on the Stock Exchange of Australia. During the six-month period ended 30 June 2016, the subsidiary additionally invested in mutual fund issued by a company listed on the Stock Exchange of Luxembourg through an overseas bank. The subsidiary has classified these investments as held for trading purpose.

As at 30 June 2016, the subsidiary had assessed the fair value of the equity securities for the mutual funds, the bond investment trust from an overseas bank and the interest bearing unsecured subordinated notes by referring to the latest bid price as quoted on the Stock Exchanges, in which the fair value had increased equivalent to approximately Baht 1.61 million (2015: increased by approximately Baht 2.89 million). The changes in the fair value of these investments were recognised in the income statements.

## **5.2 Available-for-sale securities**

In addition, this subsidiary has invested in private corporate bonds issued by various companies listed on the overseas Stock Exchanges and local and overseas quoted bonds through the three overseas banks. These investments are classified as available-for-sale investments. During the six-month period ended 30 June 2016, the subsidiary additionally invested in the overseas quoted bonds, disposed and redeemed some of the listed corporate bonds and overseas quoted bonds, resulting in loss of USD 0.57 million or equivalent to approximately Baht 20.11 million (2015: gain of USD 0.11 million or equivalent to approximately Baht 3.81 million).

As at 30 June 2016, the subsidiary had assessed the fair value of the bonds by referring to the value quoted by the banks in which there was a revaluation surplus on the fair value of USD 3.07 million or equivalent to approximately Baht 108.18 million (31 December 2015: deficit on the fair value of USD 1.95 million or equivalent to approximately Baht 70.37 million). The subsidiary recognised gain on changes in fair value of the available-for-sale securities approximately Baht 178.55 million as shown as other comprehensive income in the statements of comprehensive income (2015: loss of approximately Baht 26.92 million).

## **5.3 Investment in fixed deposit with financial institution**

During the second quarter of 2014, an overseas subsidiary had invested in a structured deposit with financial institution amounting to CNY 62.4 million for a period of 2 years, with the maturity date on 25 April 2016. The parties mutually agreed that the subsidiary would receive interest income approximately CNY 6.6 million at the maturity date under the condition that CNYmat (the mid spot exchange rate for USDCNH) would be less than or equal to CNY 6.0528 per USD on any agreed determination date otherwise, zero. As at 31 December 2015, the investment in fixed deposit was approximately Baht 345.9 million. Subsequently, on 25 April 2016, the structured deposit reached its maturity date, however, the CNYmat of all agreed determination dates over CNY 6.0528 per USD. Thus, the subsidiary did not receive interest income at the maturity date.

(Unaudited but reviewed)

**6. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
<b><u>Age of receivable</u></b>				
<b>Trade receivables - related parties</b>				
Not yet due	-	-	1,011	2,164
Past due				
Up to 3 months	-	-	17,180	9,116
3 - 6 months	-	-	104	6,310
6 - 12 months	-	-	28	4,147
Over 12 months	-	-	3,553	19,369
Total trade receivables - related parties (Note 4)	-	-	21,876	41,106
<b>Trade receivables - unrelated parties</b>				
Not yet due	2,226,220	2,173,560	883,492	1,075,491
Past due				
Up to 3 months	609,118	936,489	201,447	281,100
3 - 6 months	29,338	61,075	15,860	6,426
6 - 12 months	5,306	2,511	2,087	291
Over 12 months	2,073	1,306	13	4
Trade receivables - unrelated parties	2,872,055	3,174,941	1,102,899	1,363,312
Less: Allowance for doubtful accounts	(13,622)	(24,245)	-	-
Total trade receivables - unrelated parties - net	2,858,433	3,150,696	1,102,899	1,363,312
Total trade receivables - net	2,858,433	3,150,696	1,124,775	1,404,418
Other receivable - related party (Note 4)	76	32	-	-
Other receivables - unrelated parties	135,557	167,238	10,381	4,936
Total other receivables	135,633	167,270	10,381	4,936
Total trade and other receivables - net	2,994,066	3,317,966	1,135,156	1,409,354

(Unaudited but reviewed)

**7. Reduction of inventories to net realisable value (Inventory provision)**

Movements in the inventory provision to reduce inventories to net realisable value during the six-month period ended 30 June 2016 are summarised below.

	(Unit: Thousand Baht)	
Inventory provision	Consolidated financial statements	Separate financial statements
<b>Balance as at 31 December 2015</b>	267,884	233,357
Reduction of inventory value during the period	117,914	91,890
Reversal of reduction of inventory value during the period	(63,459)	(45,011)
Write-off obsolete and damaged inventories during the period	(69,625)	(69,625)
<b>Balance as at 30 June 2016</b>	<b>252,714</b>	<b>210,611</b>

**8. 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 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June		
		Percent	Percent			2016	2015		
Hana Semiconductor (Ayutthaya) Company Limited	1,200,000	1,200,000	58	58	2,142,910	2,142,910	280,000	560,000	
Hana Semiconductor (BKK) Company Limited	1,000,000	1,000,000	100	100	1,011,100	1,011,100	600,000	-	
Omac Sales Limited	325	325	100	100	273,492	273,492	-	-	
Hana Microelectronics (Cambodia) Company Limited	155,947	155,947	100	100	155,947	155,947	-	-	
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>3,583,449</b>	<b>3,583,449</b>	<b>880,000</b>	<b>560,000</b>	

(Unaudited but reviewed)

## 9. Property, plant and equipment

Movements in the property, plant and equipment account during the six-month period ended 30 June 2016 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
<b>Net book value as at 31 December 2015</b>	6,901,339	2,623,253
Acquisitions during the period - at cost	391,274	185,554
Disposals/write-off during the period - net book value at disposal/write-off date	(52,037)	(415)
Depreciation for the period	(586,086)	(172,998)
Translation adjustment	(98,908)	-
<b>Net book value as at 30 June 2016</b>	<u>6,555,582</u>	<u>2,635,394</u>

## 10. Land leasehold rights

Movements in land leasehold rights account during the six-month period ended 30 June 2016 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements
<b>Net book value as at 31 December 2015</b>	150,831
Amortisation for the period	(1,534)
Translation adjustment	(3,792)
<b>Net book value as at 30 June 2016</b>	<u>145,505</u>

## 11. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Trade payables - related parties (Note 4)	-	-	402,479	528,583
Trade payables - unrelated parties	1,967,011	1,739,328	661,441	647,053
Advance received from customers	246,517	205,941	47,292	34,053
Other payables for purchase of machinery	177,039	215,563	46,290	43,540
Accrued expenses	345,673	252,126	85,491	26,978
<b>Total trade and other payables</b>	<u>2,736,240</u>	<u>2,412,958</u>	<u>1,242,993</u>	<u>1,280,207</u>

**12. Income tax**

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and six-month periods ended 30 June 2016 and 2015 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	20,898	13,070	10,082	1,675
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	3,676	2,290	(146)	225
<b>Income tax expense reported in the income statement</b>	<u>24,574</u>	<u>15,360</u>	<u>9,936</u>	<u>1,900</u>

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	30,875	22,136	16,846	4,836
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(1,906)	7,763	(3,414)	6,470
<b>Income tax expense reported in the income statement</b>	<u>28,969</u>	<u>29,899</u>	<u>13,432</u>	<u>11,306</u>

(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 June 2016 and 2015 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Deferred tax relating to exchange differences on translation of financial statements in foreign currency	302	(325)	-	-

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Deferred tax relating to exchange differences on translation of financial statements in foreign currency	463	(251)	-	-

### 13. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares held by public and in issue during the period.

(Unaudited but reviewed)

#### 14. Segment information

The Company and its subsidiaries are organised into business units based on their products and services. During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

The following table presents revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month and six-month periods ended 30 June 2016 and 2015, respectively.

(Unit: Million Baht)

Consolidated financial statements for the three-month periods ended 30 June												
	Printed Circuit Board Assembly (PCBA)		Integrated Circuit (IC)		Others		Total reportable segments		Eliminations		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenue from external customers	2,615	3,519	1,940	1,529	209	71	4,764	5,119	-	-	4,764	5,119
Intersegment revenues	976	948	221	282	363	313	1,560	1,543	(1,560)	(1,543)	-	-
Total revenues	<u>3,591</u>	<u>4,467</u>	<u>2,161</u>	<u>1,811</u>	<u>572</u>	<u>384</u>	<u>6,324</u>	<u>6,662</u>	<u>(1,560)</u>	<u>(1,543)</u>	<u>4,764</u>	<u>5,119</u>
Segment profit	354	447	185	152	25	16	564	615	23	-	587	609
Interest income											50	58
Gain (loss) on exchange											10	(42)
Other income											64	60
Selling expenses											(42)	(34)
Administrative expenses											(225)	(235)
Finance cost											(2)	(2)
Income tax expenses											(25)	(15)
Profit for the period											<u>417</u>	<u>399</u>

(Unaudited but reviewed)

(Unit: Million Baht)

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

	Printed Circuit		Integrated Circuit				Total reportable		Eliminations		Total	
	Board Assembly		(IC)		Others		segments					
	(PCBA)		(IC)		Others		segments		Eliminations		Total	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Revenue from external customers	5,350	6,766	3,819	3,224	337	123	9,506	10,113	-	-	9,506	10,113
Intersegment revenues	1,828	1,828	446	542	637	590	2,911	2,960	(2,911)	(2,960)	-	-
Total revenues	<u>7,178</u>	<u>8,594</u>	<u>4,265</u>	<u>3,766</u>	<u>974</u>	<u>713</u>	<u>12,417</u>	<u>13,073</u>	<u>(2,911)</u>	<u>(2,960)</u>	<u>9,506</u>	<u>10,113</u>
Segment profit	617	837	480	358	49	23	1,146	1,218	23	-	1,169	1,206
Interest income											101	112
Gain on exchange											138	46
Other income											117	110
Selling expenses											(82)	(64)
Administrative expenses											(509)	(460)
Finance cost											(4)	(4)
Income tax expenses											(29)	(30)
Profit for the period											<u>901</u>	<u>916</u>

**15. Dividend paid**

During the six-month periods ended 30 June 2016 and 2015, the Company and its subsidiary companies had dividend payments as follows:

	<u>Approved by</u>	<u>Total dividends</u>	<u>Dividend per</u>
		Thousand Baht	share
			Baht
<b><u>The Company</u></b>			
<u>For the year 2016</u>			
Dividends on 2015 income and unappropriated retained earnings	Annual General Meeting of the shareholders on 29 April 2016	<u>804,879</u>	<u>1.00</u>
<u>For the year 2015</u>			
Dividends on 2014 income	Annual General Meeting of the shareholders on 30 April 2015	<u>804,879</u>	<u>1.00</u>
<b><u>Subsidiary companies</u></b>			
<b>Hana Semiconductor (BKK) Company Limited</b>			
<u>For the year 2016</u>			
Dividends on the unappropriated retained earnings	Annual General Meeting of the shareholders on 28 April 2016	<u>600,000</u>	<u>6.00</u>
<b>Hana Semiconductor (Ayutthaya) Company Limited</b>			
<u>For the year 2016</u>			
Dividends on the unappropriated retained earnings	Annual General Meeting of the shareholders on 18 April 2016	<u>480,000</u>	<u>4.00</u>
<u>For the year 2015</u>			
Dividends on the unappropriated retained earnings	Annual General Meeting of the shareholders on 9 April 2015	<u>960,000</u>	<u>8.00</u>

**16. Commitments and contingent liabilities****16.1 Capital commitments**

As at 30 June 2016, the Company and its subsidiaries had capital commitments relating to acquisitions of machinery totaling USD 5.9 million or equivalent to Baht 210.6 million (31 December 2015: USD 3.6 million or equivalent to Baht 130 million) and the Company only of approximately USD 1.0 million or equivalent to Baht 34.1 million (31 December 2015: USD 2.9 million or equivalent to Baht 103.7 million).

In addition, the Company had capital commitments relating to the purchase and sale agreement of land of approximately Baht 52.5 million (31 December 2015: Baht 52.5 million).

**16.2 Operating lease commitments**

The Company and subsidiary has entered into the lease agreements in respect of the lease of equipment, lease of land and the lease of building, factory and services. The terms of the agreements are generally between 1 and 3 years.

Future minimum lease payments required under these operating leases contracts were as follows.

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Payable:				
In up to 1 year	19.9	10.2	0.7	0.2
In over 1 and up to 3 year	3.1	8.7	0.3	0.3

**16.3 Marketing supportive service agreements**

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

**16.4 Sale representative agreements**

Since the year 2015, an overseas subsidiary entered into sale representative agreement with an unrelated company with the annual service fees of approximately USD 0.6 million.

**16.5 Guarantees**

As at 30 June 2016, there were outstanding bank guarantees of approximately Baht 54 million (31 December 2015: Baht 54 million) and the Company only of approximately Baht 24 million (31 December 2015: Baht 24 million) issued by the 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 to guarantee electricity uses, among others.

**17. Foreign currency risk**

The Company's and its subsidiaries' exposure to foreign currency risk arise mainly from trading transactions that are denominated in foreign currencies. The Company and its subsidiaries seek to reduce this risk by entering into forward exchange contracts when they consider appropriate. 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 2016 and 31 December 2015 are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	as at		as at		as at	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015
	(Million)	(Million)	(Million)	(Million)	(Baht per foreign currency unit)	
China Yuan	234	240	61	69	5.2944	5.5458
US Dollar	206	208	48	32	35.1802	36.0886
Japanese Yen	147	188	13	53	0.3425	0.2996
Hong Kong dollar	9	9	-	1	4.5346	4.6579
Euro	4	5	-	4	39.0597	39.4388
Pound Sterling	2	5	-	-	47.2145	53.5035
Singapore Dollar	2	2	-	-	26.0802	25.5195
Brazilian real	2	1	-	-	10.6800	9.1900
Macanese pataca	1	1	-	-	4.5150	4.6110
Australia dollar	-	1	-	-	26.1877	26.2836
Indian Rupee	-	1	-	-	2.6967	0.5429

As at 30 June 2016, the two overseas subsidiary companies had outstanding forward exchange contracts, of which details are presented below.

As at 30 June 2016		
Sold amount	Contractual maturity date	Contractual exchange rate for amount sold
(Million USD)		(Baht per USD)
10	13 July 2016	35.23
10	13 July 2016	35.23
10	24 August 2016	37.02
10	29 August 2016	35.17
10	31 August 2016	35.62
10	31 August 2016	35.62
10	13 September 2016	35.26
10	13 September 2016	35.26
10	13 September 2016	35.26
10	21 September 2016	35.30
10	17 October 2016	35.23
10	20 October 2016	35.20
20	21 November 2016	35.21

**18. Fair value of financial instruments**

As of 30 June 2016, the Company and its subsidiaries had the following assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated Financial Statements		
	Level 1	Level 2	Total
<b>Financial assets measured at fair value</b>			
Held for trading investments			
Equity instruments	226,566	-	226,566
Unsecured debt instruments	25,270	-	25,270
Available-for-sale investments			
Marketable corporate bonds	1,518,132	-	1,518,132
Quoted bonds	955,148	-	955,148
Derivatives			
Foreign currency forward contracts	-	28,553	28,553

Valuation techniques and inputs to Level 2 valuations

- A) The fair value of investments in quoted bonds has been determined by using the yield rate quoted by the overseas banks.
- B) The fair value of derivatives has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies and interest rate yield curves.

During the current period, there were no transfers within the fair value hierarchy.

**19. Reclassification**

The Company reclassified the following amounts in the consolidated financial statements for the three-month and six-month periods ended 30 June 2015 to conform with current period's classification as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month period ended		For the six-month period ended	
	30 June 2015		30 June 2015	
	As reclassified	As previously reported	As reclassified	As previously reported
Cost of sales	4,509,955	4,504,100	8,905,745	8,894,194
Other expenses	-	5,855	-	11,551

The reclassifications had no effect to previously reported profit or shareholders' equity.

**20. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 11 August 2016.