

Hana Microelectronics Public Company Limited  
and its subsidiaries  
Report and interim financial statements  
For the three-month and nine-month periods ended  
30 September 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 September 2010, the related consolidated statements of income for the three-month and nine-month periods ended 30 September 2010 and 2009, and the consolidated statements of changes in shareholders' equity and cash flows for the nine-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: 15 November 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 September	31 December	30 September	31 December
		2010	2009	2010	2009
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	2	3,062,782	4,272,065	466,305	902,743
Short-term investments - net	4	2,006,649	1,729,129	-	-
Trade accounts receivable					
Subsidiary companies	3, 5	-	-	17,569	20,881
Other companies - net	5	2,725,095	2,293,060	1,144,251	1,052,954
Trade accounts receivable - net		2,725,095	2,293,060	1,161,820	1,073,835
Inventories - net	6	2,365,841	1,756,824	625,115	527,897
Other current assets					
Advances		32,737	8,718	5,106	559
Input tax refundable		88,360	28,093	8,169	6,312
Income tax refundable		8,137	8,137	8,137	8,137
Others		119,081	61,210	12,000	12,681
Total other current assets		248,315	106,158	33,412	27,689
<b>Total current assets</b>		<b>10,408,682</b>	<b>10,157,236</b>	<b>2,286,652</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	6,314,515	5,605,407	1,611,725	1,558,823
Intangible assets - net	9	16,166	16,414	4,796	3,461
Other non-current assets		39,526	31,747	24,251	1,329
<b>Total non-current assets</b>		<b>6,370,304</b>	<b>5,653,665</b>	<b>5,068,371</b>	<b>4,991,212</b>
<b>Total assets</b>		<b>16,778,986</b>	<b>15,810,901</b>	<b>7,355,023</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)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	As at 30 September 2010 (Unaudited but reviewed)	As at 31 December 2009 (Audited)	As at 30 September 2010 (Unaudited but reviewed)	As at 31 December 2009 (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	-	14,137	19,778
Other companies		1,804,606	417,943	559,630
Total trade accounts payable		1,804,606	432,080	579,408
Short-term provisions				
Provision for loss on tax assessment	15.5	150,466	150,466	150,466
Provision for product warranty		178,068	-	-
Others		-	-	-
Total short-term provisions		328,534	150,466	150,466
Other current liabilities				
Other payable		502,968	62,118	42,600
Accrued expenses		323,678	78,005	22,941
Corporate income tax payable		28,663	4,923	88,539
Advances received from customers		141,236	11,559	9,216
Others		55,779	18,834	13,725
Total other current liabilities		1,052,324	175,439	177,021
<b>Total current liabilities</b>		<b>3,185,464</b>	<b>757,985</b>	<b>906,895</b>
<b>Total liabilities</b>		<b>3,185,464</b>	<b>757,985</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 30 September <u>2010</u> (Unaudited but reviewed)	As at 31 December <u>2009</u> (Audited)	As at 30 September <u>2010</u> (Unaudited but reviewed)	As at 31 December <u>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	4 134,680	68,996	-	-
Translation adjustment	(550,503)	(14,397)	-	-
Retained earnings				
Appropriated - statutory reserve	320,218	320,218	100,000	100,000
Appropriated - reserve for treasury shares	11 262,987	262,987	262,987	262,987
Unappropriated	<u>11,135,433</u>	<u>10,077,775</u>	<u>3,943,344</u>	<u>3,962,787</u>
<b>Total shareholders' equity</b>	<u>13,856,509</u>	<u>13,269,273</u>	<u>6,860,025</u>	<u>6,879,468</u>
Treasury shares	11 <u>(262,987)</u>	<u>(262,987)</u>	<u>(262,987)</u>	<u>(262,987)</u>
<b>Total shareholders' equity - net</b>	<u>13,593,522</u>	<u>13,006,286</u>	<u>6,597,038</u>	<u>6,616,481</u>
<b>Total liabilities and shareholders' equity</b>	<u>16,778,986</u>	<u>15,810,901</u>	<u>7,355,023</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 September 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		4,655,923	3,612,466	1,617,215	1,577,862
Other income					
Interest income		35,419	14,748	806	712
Dividend income		9	38,750	9	9
Gain on exchange		103,421	64,636	-	-
Gain on liquidation of subsidiary company	7	-	28,543	-	-
Others		75,496	62,992	19,891	15,380
Total other income		214,345	209,669	20,706	16,101
<b>Total revenues</b>		<b>4,870,268</b>	<b>3,822,135</b>	<b>1,637,921</b>	<b>1,593,963</b>
<b>Expenses</b>					
Cost of sales		3,832,857	2,882,260	1,324,894	1,243,392
Selling expenses		31,249	39,733	4,972	6,183
Administrative expenses		103,712	122,687	25,635	34,427
Management benefit expenses	3	22,869	18,370	1,542	1,940
Loss on exchange		-	-	33,461	1,417
Other expenses		6,544	24,587	-	-
<b>Total expenses</b>		<b>3,997,231</b>	<b>3,087,637</b>	<b>1,390,504</b>	<b>1,287,359</b>
<b>Income before finance cost and corporate income tax</b>					
Corporate income tax		873,037	734,498	247,417	306,604
Finance cost		(1,956)	(1,765)	(584)	(497)
<b>Income before corporate income tax</b>		<b>871,081</b>	<b>732,733</b>	<b>246,833</b>	<b>306,107</b>
Corporate income tax		(27,441)	(45,140)	(5,099)	(35,831)
<b>Net income for the period</b>		<b>843,640</b>	<b>687,593</b>	<b>241,734</b>	<b>270,276</b>
<b>Net income attributable to:</b>					
Equity holders of the parent		843,640	687,593	241,734	270,276
<b>Earnings per share</b>					
Basic earnings per share					
Net income attributable to equity holders of the parent					
(Baht)		1.05	0.85	0.30	0.34
Weighted average number of 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****Income statements****For the nine-month periods ended 30 September 2010 and 2009**

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

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<b>Revenues</b>					
Sales		12,970,308	9,466,568	4,924,414	4,001,976
Other income					
Interest income		106,201	55,311	3,896	3,476
Dividend income		3,674	42,422	275,019	621,558
Gain on exchange		142,801	114,179	-	-
Gain on liquidation of subsidiary company	7	-	28,543	-	-
Others		211,597	161,257	54,443	37,804
Total other income		464,273	401,712	333,358	662,838
<b>Total revenues</b>		<b>13,434,581</b>	<b>9,868,280</b>	<b>5,257,772</b>	<b>4,664,814</b>
<b>Expenses</b>					
Cost of sales		10,656,324	7,817,983	3,997,439	3,192,079
Selling expenses		89,267	119,849	16,974	19,545
Administrative expenses		337,233	384,283	76,410	96,584
Management benefit expenses	3	63,706	51,768	5,545	5,020
Loss on exchange		-	-	30,180	51,060
Other expenses		20,170	38,651	-	-
<b>Total expenses</b>		<b>11,166,700</b>	<b>8,412,534</b>	<b>4,126,548</b>	<b>3,364,288</b>
<b>Income before finance cost and corporate income tax</b>					
Finance cost		(5,917)	(5,175)	(1,710)	(1,447)
<b>Income before corporate income tax</b>		<b>2,261,964</b>	<b>1,450,571</b>	<b>1,129,514</b>	<b>1,299,079</b>
Corporate income tax		(77,476)	(57,539)	(22,127)	(29,896)
<b>Net income for the period</b>		<b>2,184,488</b>	<b>1,393,032</b>	<b>1,107,387</b>	<b>1,269,183</b>
<b>Net income attributable to:</b>					
Equity holders of the parent		2,184,488	1,393,032	1,107,387	1,269,183
<b>Earnings per share</b>					
Basic earnings per share					
Net income attributable to equity holders of the parent (Baht)		2.71	1.72	1.38	1.57
Weighted average number of ordinary shares (Thousand shares)		804,879	809,835	804,879	809,835

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 nine-month periods ended 30 September 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	2,261,964	1,450,571	1,129,514	1,299,079
Adjustments to reconcile net income before tax to net cash provided by (paid from) operating activities:				
Depreciation	826,972	745,568	202,811	184,714
Amortisation expenses	2,344	2,403	415	329
Reversal of allowance for doubtful accounts	(14)	(21,897)	-	-
Reversal of allowance for diminution in inventory value	(30,817)	(29,165)	(20,246)	(293)
Loss (gain) on disposals of equipment	3,084	1,284	(135)	2,567
Provision for product warranty	20,171	20,891	-	-
Short-term provisions - others	-	19,185	-	-
Gain on liquidation of subsidiary company	-	(28,543)	-	-
Loss (gain) on sales of short-term investments	3,977	(9,365)	-	-
Dividend income from subsidiary companies	-	-	(275,000)	(621,000)
Dividend income from other companies	(3,674)	(42,422)	(19)	(558)
Interest income from short-term investments	(82,996)	(24,155)	-	-
Revaluation gain on investments in securities held for trading	(28,516)	(43,956)	-	-
Unrealised loss on exchange	17,735	1,237	29,083	7,125
Unrealised gain on forward contracts	(28,178)	(25,841)	-	-
Unrealised gain on asset swap contracts	(68)	(334)	-	-
Interest expenses	18	-	-	-
Income from operating activities before changes in operating assets and liabilities	2,962,002	2,015,461	1,066,423	871,963
Operating assets (increase) decrease				
Trade accounts receivable	(504,905)	(672,947)	(128,899)	(633,366)
Inventories	(578,200)	536,955	(76,972)	207,319
Other current assets	(87,171)	35,638	(5,431)	8,607
Other non-current assets	73	35	-	-
Operating liabilities increase (decrease)				
Trade accounts payable	337,112	295,899	(135,861)	182,530
Accrued expenses	171,897	94,909	55,064	37,090
Advances received from customers	31,716	(126)	2,780	1,450
Other current liabilities	11,826	(18,772)	5,109	(4,928)
Cash from operating activities	2,344,350	2,287,052	782,213	670,665
Cash paid for corporate income tax	(157,482)	(76,362)	(106,108)	(26,015)
<b>Net cash from operating activities</b>	<b>2,186,868</b>	<b>2,210,690</b>	<b>676,105</b>	<b>644,650</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 nine-month periods ended 30 September 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 investing activities</b>				
Increase in short-term investments	(266,840)	(867,501)	-	-
Interest income from short-term investments	52,586	24,155	-	-
Gain from sales of short-term investments	79,543	9,365	-	-
Dividend income from subsidiary companies	-	-	275,000	621,000
Dividend income from other companies	3,674	42,422	19	558
Return on investments from the liquidated subsidiary company	-	72,403	-	-
Proceeds from disposals of equipment	27,831	32,231	3,937	8,147
Acquisitions of property, plant and equipment	(1,576,137)	(242,615)	(239,997)	(123,460)
Increase in intangible assets	(2,096)	(249)	(1,750)	(249)
Increase in other non-current assets	(7,852)	-	(22,922)	-
<b>Net cash from (used in) investing activities</b>	<u>(1,689,291)</u>	<u>(929,789)</u>	<u>14,287</u>	<u>505,996</u>
<b>Cash flows from financing activities</b>				
Increase (decrease) in bank overdraft and short-term loan				
from financial institution	(43,906)	75,890	-	-
Interest paid	(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>(1,127,070)</u>	<u>(1,126,830)</u>	<u>(1,202,960)</u>
Increase (decrease) in cash and cash equivalents	(673,177)	153,831	(436,438)	(52,314)
Translation adjustment	(536,106)	(332,871)	-	-
<b>Net decrease in cash and cash equivalents</b>	<u>(1,209,283)</u>	<u>(179,040)</u>	<u>(436,438)</u>	<u>(52,314)</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>3,062,782</u>	<u>4,137,258</u>	<u>466,305</u>	<u>558,546</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	(9,142)	29,586	19,518	67,806
Revaluation gain from change in fair value of				
investments in available-for-sale securities	65,684	81,915	-	-

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 nine-month periods ended 30 September 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	-	-	81,915	-	-	-	-	-	-	81,915
Translation adjustment		-	-	-	(289,011)	-	-	-	-	-	(289,011)
<b>Net income (expenses) recognised directly in equity</b>		-	-	81,915	(289,011)	-	-	-	-	-	(207,096)
Net income for the period		-	-	-	-	-	-	1,393,032	-	-	1,393,032
<b>Total income (expenses) for the period</b>		-	-	81,915	(289,011)	-	-	1,393,032	-	-	1,185,936
Dividend paid	14	-	-	-	-	-	-	(981,010)	-	-	(981,010)
Unappropriated retained earnings											
Transferred to statutory reserve		-	-	-	-	489	-	(489)	-	-	-
Transferred to reserve for treasury shares	11	-	-	-	-	-	221,950	(221,950)	-	-	-
Reversal of statutory reserve from liquidation of subsidiary company		-	-	-	-	(2,691)	-	2,691	-	-	-
Offset the excess of cost of investments over net book value of the subsidiary companies against retained earnings	16	-	-	-	-	-	-	(154,975)	154,975	-	-
Treasury shares	11	-	-	-	-	-	-	-	-	(221,950)	(221,950)
<b>Balance as at 30 September 2009</b>		<u>830,475</u>	<u>1,723,219</u>	<u>57,116</u>	<u>21,574</u>	<u>320,218</u>	<u>262,987</u>	<u>9,427,852</u>	<u>-</u>	<u>(262,987)</u>	<u>12,380,454</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 nine-month periods ended 30 September 2010 and 2009**

(Unit: Thousand Baht)

<b>Consolidated financial statements</b>											
	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 2009</b>		830,475	1,723,219	68,996	(14,397)	320,218	262,987	10,077,775	-	(262,987)	13,006,286
<b>Income (expenses) recognised directly in equity:</b>											
Investments in available-for-sale securities											
Gain recognised in shareholders' equity	4	-	-	65,684	-	-	-	-	-	-	65,684
Translation adjustment		-	-	-	(536,106)	-	-	-	-	-	(536,106)
<b>Net income (expenses) recognised directly in equity</b>		-	-	65,684	(536,106)	-	-	-	-	-	(470,422)
Net income for the period		-	-	-	-	-	-	2,184,488	-	-	2,184,488
<b>Total income (expenses) for the period</b>		-	-	65,684	(536,106)	-	-	2,184,488	-	-	1,714,066
Dividend paid	14	-	-	-	-	-	-	(1,126,830)	-	-	(1,126,830)
<b>Balance as at 30 September 2010</b>		<u>830,475</u>	<u>1,723,219</u>	<u>134,680</u>	<u>(550,503)</u>	<u>320,218</u>	<u>262,987</u>	<u>11,135,433</u>	<u>-</u>	<u>(262,987)</u>	<u>13,593,522</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 nine-month periods ended 30 September 2010 and 2009

(Unit: Thousand Baht)

		Separate financial statements						
				Retained earnings				
				Appropriated				
		Issued	Share	Reserve for		Treasury		
		and paid up	premium	Statutory reserve	treasury shares	Unappropriated	shares	Total
Note		share capital						
	<b>Balance as at 31 December 2008</b>	830,475	1,723,219	100,000	41,037	3,628,238	(41,037)	6,281,932
	Net income for the period	-	-	-	-	1,269,183	-	1,269,183
	<b>Total income for the period</b>	-	-	-	-	1,269,183	-	1,269,183
	Dividend paid	-	-	-	-	(981,010)	-	(981,010)
	Unappropriated retained earnings							
	transferred to reserve for treasury shares	-	-	-	221,950	(221,950)	-	-
	Treasury shares	-	-	-	-	-	(221,950)	(221,950)
	<b>Balance as at 30 September 2009</b>	<u>830,475</u>	<u>1,723,219</u>	<u>100,000</u>	<u>262,987</u>	<u>3,694,461</u>	<u>(262,987)</u>	<u>6,348,155</u>
	<b>Balance as at 31 December 2009</b>	830,475	1,723,219	100,000	262,987	3,962,787	(262,987)	6,616,481
	Net income for the period	-	-	-	-	1,107,387	-	1,107,387
	<b>Total income for the period</b>	-	-	-	-	1,107,387	-	1,107,387
	Dividend paid	-	-	-	-	(1,126,830)	-	(1,126,830)
	<b>Balance as at 30 September 2010</b>	<u>830,475</u>	<u>1,723,219</u>	<u>100,000</u>	<u>262,987</u>	<u>3,943,344</u>	<u>(262,987)</u>	<u>6,597,038</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 nine-month periods ended 30 September 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 and sales 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.

- a) Accounting standards that will become effective in fiscal years beginning on or after 1 January 2011 (except Framework for the Preparation and Presentation of Financial Statements, which is immediately effective):

Framework for the Preparation and Presentation of Financial Statements  
(revised 2009)

TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 11 (revised 2009)	Construction Contracts
TAS 17 (revised 2009)	Leases
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property
TFRS 3 (revised 2009)	Business Combinations
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources

- b) Accounting standards that will become effective in fiscal years beginning on or after 1 January 2013:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance

The management of the Company has assessed the effect of these 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 standards 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 impact to the financial statements in the year when it is adopted.

### 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 nine-month periods ended 30 September 2010 and 2009 consist of the following:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Cash and deposits at banks	2,442,430	2,050,633	166,305	158,546
Bills of exchange	600,000	790,000	300,000	400,000
Fixed deposits with maturity not over 3 months	20,352	1,296,625	-	-
Cash and cash equivalents	<u>3,062,782</u>	<u>4,137,258</u>	<u>466,305</u>	<u>558,546</u>

### 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 periods ended 30 September		For the nine-month periods ended 30 September		
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	
<b>Transactions with subsidiaries</b> (eliminated from the consolidation)					
Sales	5	32	15	130	Prices agreed between the parties due to the uniqueness of products sold to each customer
Dividend income	-	-	275	621	Declared rate
Rental income	4	4	10	10	Contract price
Purchase of materials	22	22	68	58	Cost plus margin
Service fee expenses	-	1	2	4	Rates stipulated in the agreement
Purchase of fixed assets	-	-	-	12	Cost plus margin

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

(Unit: Thousand Baht)

	Separate financial statements	
	30 September	31 December
	<u>2010</u>	<u>2009</u>
<b>Trade accounts receivable - subsidiary companies</b>		
Hana Microdisplay Technologies, Inc.	9,158	2,127
Omac Sales Limited	7,065	4,220
Hana Semiconductor (BKK) Company Limited	1,130	1,129
Hana Microelectronics Investment Company Limited	186	13,341
Hana Microelectronics International Company Limited	30	33
Hana Semiconductor International Company Limited	-	31
<b>Total trade accounts receivable - subsidiary companies</b>	<u>17,569</u>	<u>20,881</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

## Separate financial statements

	30 September 2010	31 December 2009
<b>Trade accounts payable - subsidiary companies</b>		
Omac Sales Limited	9,837	17,445
Hana Microdisplay Technologies, Inc.	2,140	146
Hana Semiconductor (Ayutthaya) Company Limited	975	563
Hana Semiconductor International Limited	660	587
Hana Microelectronics, Inc.	525	1,037
<b>Total trade accounts payable - subsidiary companies</b>	<b>14,137</b>	<b>19,778</b>

**Directors' and management's remuneration**

During the three-month and nine-month periods ended 30 September 2010 and 2009, the Company and its subsidiaries paid salaries, meeting allowances and gratuities to their directors and management totaling Baht 22.9 million and Baht 63.7 million, respectively (the Company only: Baht 1.5 million and Baht 5.5 million, respectively) (2009: Baht 18.4 million and Baht 51.8 million, respectively, the Company only: Baht 1.9 million and Baht 5.0 million, respectively).

**4. Short-term investments**

(Unit: Thousand Baht)

## Consolidated financial statements

	30 September 2010		31 December 2009	
	Cost/ Carrying value	Fair value	Cost/ Carrying value	Fair value
<b>Securities held for trading</b>				
Overseas marketable equity securities	30,418	32,533	33,389	33,420
Domestic marketable equity securities	37,681	107,866	41,361	85,253
Credit linked note	30,418	30,350	33,389	33,182
Total	98,517	170,749	108,139	151,855
Add: Revaluation gain on investments	72,232	-	43,716	-
Total securities held for trading	170,749	170,749	151,855	151,855
<b>Available-for-sale securities</b>				
Overseas marketable corporate bonds	1,201,837	1,293,748	1,221,504	1,279,251
Quoted bonds	499,383	542,152	286,774	298,023
Total	1,701,220	1,835,900	1,508,278	1,577,274
Add: Revaluation gain on investments	134,680	-	68,996	-
Total available-for-sale securities	1,835,900	1,835,900	1,577,274	1,577,274
<b>Total short-term investments</b>	<b>2,006,649</b>	<b>2,006,649</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 September 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 in the market for trading securities and the value quoted by the bank for credit linked note, in which the fair value had increased by HKD 8.3 million or equivalent to approximately Baht 28.5 million for the nine-month period ended 30 September 2010 (2009: increased by HKD 10.1 million or equivalent to approximately Baht 43.9 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.

As at 30 September 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 increased by HKD 18.3 million or equivalent to approximately Baht 65.7 million for the nine-month period ended 30 September 2010 (2009: increased by HKD 18.7 million or equivalent to approximately Baht 81.9 million). The subsidiary recorded 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 September 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 September 2010	31 December 2009	30 September 2010	31 December 2009
<b><u>Age of receivable</u></b>				
<u>Accounts receivable - subsidiary</u>				
<u>companies</u>				
Not yet due	-	-	5,458	15,260
Past due				
Up to 3 months	-	-	8,513	4,325
3 - 6 months	-	-	3,113	594
6 - 12 months	-	-	10	436
Over 12 months	-	-	475	266
Total accounts receivable - subsidiary				
companies	-	-	17,569	20,881
<u>Accounts receivable - other companies</u>				
Not yet due	2,290,298	1,922,022	932,125	964,057
Past due				
Up to 3 months	428,085	359,037	212,095	88,632
3 - 6 months	5,641	9,382	28	265
6 - 12 months	7,147	3,266	3	-
Over 12 months	325	5,768	-	-
Total accounts receivable - other				
companies	2,731,496	2,299,475	1,144,251	1,052,954
Less: Allowance for doubtful accounts	(6,401)	(6,415)	-	-
Total trade accounts receivable - other				
companies - net	2,725,095	2,293,060	1,144,251	1,052,954
Total trade accounts receivable - net	2,725,095	2,293,060	1,161,820	1,073,835

## 6. Allowance for diminution in inventory value

Movements in the allowance for diminution in inventory value account during the nine-month period ended 30 September 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	83,331	92,161
Write-off obsolete and damaged inventories during the period	(114,122)	(112,407)
Translation adjustment	(26)	-
<b>Balance as at 30 September 2010</b>	<u>210,252</u>	<u>187,370</u>

## 7. Investments in subsidiary companies

Company's name	Separate financial statements							
	Paid up capital		Shareholding percentage		Cost		Dividend received for the nine-month periods ended	
	30 September r	31 December 2009	30 September r	31 December 2009	30 September r	31 December 2009	30 September	
	2010	2009	2010	2009	2010	2009	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	-	-	-	-
Total investments in subsidiary companies					<u>3,427,502</u>	<u>3,427,502</u>	<u>275,000</u>	<u>621,000</u>

During the third quarter of 2009, Hana Microelectronics Company Limited (Shanghai), a subsidiary company of Hana Microelectronics Investment Company Limited, registered for liquidation. Hana Microelectronics Investment Company Limited received return on its investment in this subsidiary of USD 12.2 million or equivalent to

(Unaudited but reviewed)

approximately Baht 416.0 million, resulting in gain on investment under equity method of approximately Baht 28.5 million.

## 8. Property, plant and equipment

Movements in the property, plant and equipment account during the nine-month period ended 30 September 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	1,683,132	259,515
Disposals during the period - net book value at disposal date	(30,915)	(3,802)
Depreciation for the period	(826,972)	(202,811)
Translation adjustment	(116,137)	-
<b>Net book value as at 30 September 2010</b>	<b>6,314,515</b>	<b>1,611,725</b>

## 9. Intangible assets

Movements in the intangible asset account, which represents computer software, during the nine-month period ended 30 September 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	2,096	1,750
Amortisation during the period	(2,344)	(415)
<b>Net book value as at 30 September 2010</b>	<b>16,166</b>	<b>4,796</b>

## 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 second quarter of 2010.

**11. Treasury shares**

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

	Consolidated and separate financial statements	
	30 September	31 December
	2010	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. During the nine-month period ended 30 September 2009, the Company repurchased 21.12 million ordinary shares with total cost of Baht 221.95 million.

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 September 2010, the Company has set aside approximately Baht 262.99 million as reserve for treasury shares (31 December 2009: Baht 262.99 million).

**12. 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 nine-month periods ended 30 September 2010 and 2009 is calculated as follows:

(Unit: Thousand shares)

	Consolidated and separate financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2010	2009	2010	2009
Balance brought forward (net of treasury shares)	804,879	804,879	804,879	825,998
Less: Treasury shares	-	-	-	(16,163)
Weighted average number of ordinary shares	<u>804,879</u>	<u>804,879</u>	<u>804,879</u>	<u>809,835</u>

**Warrants**

The Company had in 2006 issued warrants to the Company's employees and directors, as detailed below.

Number of 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

However, no warrants were exercised until the exercise period ended on 31 July 2010.

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

### 13. 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 nine-month periods ended 30 September 2010 and 2009 are as follows:

(Unit: Million Baht)

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

	Domestic		Foreign		Eliminated		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
Revenues from external customers	3,537	2,930	1,119	682	-	-	4,656	3,612
Intersegment revenues	12	35	1,549	869	(1,561)	(904)	-	-
<b>Total revenues</b>	<b>3,549</b>	<b>2,965</b>	<b>2,668</b>	<b>1,551</b>	<b>(1,561)</b>	<b>(904)</b>	<b>4,656</b>	<b>3,612</b>
Segment income	591	602	232	128			823	730
Unallocated income and expenses:								
Other income							111	116
Gain on liquidation of subsidiary company							-	29
Gain on exchange							103	65
Selling expenses							(31)	(40)
Administrative expenses							(104)	(123)
Management benefit expenses							(23)	(18)
Other expenses							(6)	(24)
Finance cost							(2)	(2)
Corporate income tax							(27)	(45)
<b>Net income for the period</b>							<b>844</b>	<b>688</b>

(Unit: Million Baht)

Consolidated financial statements for the nine-month periods ended 30 September

	Domestic		Foreign		Eliminated		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
Revenues from external customers	10,099	7,524	2,871	1,943	-	-	12,970	9,467
Intersegment revenues	34	138	3,739	2,232	(3,773)	(2,370)	-	-
<b>Total revenues</b>	<b>10,133</b>	<b>7,662</b>	<b>6,610</b>	<b>4,175</b>	<b>(3,773)</b>	<b>(2,370)</b>	<b>12,970</b>	<b>9,467</b>
Segment income	1,702	1,323	612	326			2,314	1,649
Unallocated income and expenses:								
Other income							321	259
Gain on liquidation of subsidiary company							-	29
Gain on exchange							143	114
Selling expenses							(89)	(120)
Administrative expenses							(337)	(384)
Management benefit expenses							(64)	(52)
Other expenses							(20)	(39)
Finance cost							(6)	(5)
Corporate income tax							(77)	(58)
<b>Net income for the period</b>							<b>2,185</b>	<b>1,393</b>

**14. Dividend paid**

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

	Approved by	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		100,000	1.00
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	Meeting of the Board of Directors on 4 May 2009	220,000	2.20
Total for the year 2009		320,000	3.20
<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

## **15. Commitments and contingent liabilities**

### **15.1 Capital commitments**

As at 30 September 2010, the Company and its subsidiaries had capital commitments of approximately USD 4 million or equivalent to Baht 110 million, relating to construction of new plant and acquisitions of machinery (the Company only: Baht 42 million).

### **15.2 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.

### **15.3 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.

### **15.4 Guarantees**

As at 30 September 2010, there were outstanding bank guarantees of approximately Baht 191 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 15.5), Baht 46 million to guarantee electricity use and Baht 1 million among others.

### **15.5 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.

### **16. 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 passed a resolution approving the offsetting of the excess of cost of investments over net book value of the subsidiary companies amounting 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 second quarter of the current year, which was included in the consolidated statement of changes in shareholders' equity for the nine-month period ended 30 September 2009.

### **17. 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 manage such 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 September 2010 are summarised below.

Foreign currency	Financial assets	Financial liabilities	Average exchange rate as at 30 September 2010
	(Million)	(Million)	(Baht per 1 foreign currency unit)
China Yuan	284	102	4.5471
US Dollar	170	11	30.4160
Euro	8	-	41.4084
Japan Yen	4	-	0.3639
Australia Dollar	2	-	29.4689
Singapore Dollar	2	-	23.0934
Pound Sterling	1	-	48.1552

As at 30 September 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 October 2010	32.2200
40	10 March 2011	30.8700
(Million Euro)		(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 September 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	0.07

**18. Reclassification**

Certain amounts in the consolidated financial statements for the three-month and nine-month periods ended 30 September 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 nine-month period ended	
	30 September 2010		30 September 2010	
	As reclassified	As previously reported	As reclassified	As previously reported
<b><u>Income statements</u></b>				
Administrative expenses	122,687	128,265	384,283	400,917
Management benefit expenses	18,370	12,792	51,768	35,134

**19. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 15 November 2010.