

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.*



## **HannStar Board International Holdings Limited**

**瀚宇博德國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 00667)**

### **ANNOUNCEMENT**

### **RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2010**

The board of directors (the “Board”) of HannStar Board International Holdings Limited 瀚宇博德國際控股有限公司 (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the three months ended 31 March 2010.

#### **CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

*For the three months ended 31 March 2010*

	Three months ended 31 March	
	<u>2010</u>	<u>2009</u>
	<i>US\$'000</i>	<i>US\$'000</i>
	<b>(unaudited)</b>	<b>(unaudited)</b>
Revenue	<b>160,488</b>	108,892
Cost of sales	<b>(142,883)</b>	(97,989)
Gross profit	<b>17,605</b>	10,903
Other income	<b>2,950</b>	1,910
Distribution and selling expenses	<b>(4,013)</b>	(2,597)
Administrative expenses	<b>(5,363)</b>	(3,796)
Finance costs	<b>(725)</b>	(1,824)
Profit before taxation	<b>10,454</b>	4,596
Income tax expenses	<b>(2,212)</b>	(770)
Profit for the period	<b>8,242</b>	3,826
<b>Other comprehensive income</b>		
Exchange difference arising on translation to presentation currency	<b>(304)</b>	(541)
Fair value adjustment on available-for-sale investments	<b>78</b>	-
Total comprehensive income for the period	<b>8,016</b>	3,285
Earnings per share US\$ - basic	<b>0.006</b>	0.003

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2010

	As at 31 March <u>2010</u> US\$'000 (unaudited)	As at 31 December <u>2009</u> US\$'000 (audited)
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	324,101	329,183
Prepaid lease payments	5,486	5,516
Available-for-sale investments	3,511	3,436
	<u>333,098</u>	<u>338,135</u>
<b>CURRENT ASSETS</b>		
Inventories	55,613	56,736
Trade and other receivables	236,069	238,574
Prepaid lease payments	127	126
Amount due from ultimate holding company	1,864	1,422
Pledged bank deposits	675	1,147
Bank balances and cash	77,973	95,664
	<u>372,321</u>	<u>393,669</u>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	145,130	143,509
Derivative financial instruments	532	549
Tax liabilities	3,089	3,217
Bank borrowings - due within one year	71,114	102,751
	<u>219,865</u>	<u>250,026</u>
<b>NET CURRENT ASSETS</b>	<u>152,456</u>	<u>143,643</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<u>485,554</u>	<u>481,778</u>
<b>NON-CURRENT LIABILITY</b>		
Bank borrowings - due after one year	134,800	139,040
	<u>350,754</u>	<u>342,738</u>
<b>CAPITAL AND RESERVES</b>		
Share capital	16,925	16,925
Reserves	333,829	325,813
	<u>350,754</u>	<u>342,738</u>

## **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

### **1. Basis of preparation of financial statements**

The unaudited condensed consolidated financial statements of the Group have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Financial Reporting Standards as issued by the Hong Kong Institute of Certified Public Accountants.

### **2. Principal accounting policies**

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the annual financial statements of the Group for the year ended 31 December 2009.

## **BUSINESS AND FINANCIAL REVIEW**

As you may find from the regular monthly revenue announcement, the revenue for the first quarter of 2010 was kept at a relatively high level. From the historical point of view, the first quarter is usually not that good, but this 2010 first quarter broke a record to capture sales revenue close to the revenue of the fourth quarter of 2009. As the leading supplier in the notebook printed circuit boards (“PCB”) industry, we are ready to keep on the trend.

For the three months ended 31 March 2010, the total revenue of the Group was increased by approximately US\$51.6 million to approximately US\$160.5 million from approximately US\$108.9 million in the same period of 2009. The profit for the three months ended 31 March 2010 amounted to US\$8.2 million, representing an increase of 115.4% compared with US\$3.8 million of the same period in 2009.

As at 31 March 2010, the Group’s total assets were US\$705.4 million, a decrease of US\$26.4 million as compared with approximately US\$731.8 million as at 31 December 2009.

The debt ratio of the Group was 50.3% as at 31 March 2010, a decrease of 2.9% as compared with 53.2% as at 31 December 2009. The Group’s gearing ratio (calculated as bank borrowings divided by total assets) as at 31 March 2010 was approximately 29.2%, a drop of 3.8% as compared with 33.0% as at 31 December 2009.

The amounts of bank balances and cash denominated in US dollars were US\$78.0 million as at 31 March 2010 (31 December 2009: US\$95.7 million). Pursuant to the Group’s treasury policy, the Group keeps its cash reserves appropriately to withstand the unexpected working capital requirement.

The inventory amounted to US\$55.6 million as at 31 March 2010 (31 December 2009: US\$56.7 million). The average inventory turnover period was 35 days, increased by 1 day compared with 34 days for the year 2009.

The accounts receivable amounted to US\$221.1 million as at 31 March 2010 (31 December 2009: US\$221.7 million). The average credit period of accounts receivable was 124 days, decreased by 8 days compared with 132 days for the year 2009.

The accounts payable amounted to US\$118.7 million as at 31 March 2010 (31 December 2009: US\$118.2 million). The average credit period of accounts payable was 75 days, decreased by 4 days from 79 days for the year 2009.

As at 31 March 2010, the bank borrowings of the Group were US\$205.9 million, of which US\$71.1 million is due within one year while US\$134.8 million is due after one year.

As mentioned in the latest 2009 annual report, we will execute development strategies such as production capacity expansion and secondary focused product extension. We will endeavor to improve the operation more efficiently and to advance the Company's value for all shareholders in the future.

On behalf of the Board  
**HannStar Board International Holdings Limited**  
瀚宇博德國際控股有限公司  
**Chiao Yu-heng**  
*Chairman*

28 April 2010

*As at the date of this announcement, the Board of the Company comprises the following members:*

*Executive Director: Mr. Yeh Shin-jiin*

*Non-executive Directors: Mr. Chiao Yu-heng and Ms. Cao Jianhua*

*Independent non-executive Directors: Mr. Chao Yuan-san, Ms. Chen Shun Zu, Deborah, Mr. Yeh Yu-an, Ms. Chang Pi-lan and Mr. Yen Chin-chang*