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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)

VOLUNTARY ANNOUNCEMENT

This is a voluntary announcement made by the Company.

The Board announced that on 24 December 2010, the Company and HannStar Samoa, a company incorporated in Samoa and a wholly owned subsidiary of the Company, entered into a share repurchase agreement whereby HannStar Samoa agreed to repurchase, and the Company agreed to sell, an aggregate of 68,999,999 shares with a nominal value of US\$1.00 each in the capital of HannStar Samoa at an aggregate purchase price of US\$68,999,999. The Board further announced that on 24 December 2010, the board of directors of HannStar Samoa resolved to distribute dividend to the Company in an aggregate amount of US\$79,538,262.97. HannStar Samoa will remain a wholly owned subsidiary of the Company after completion of the Share Repurchase and the Distribution. The Share Repurchase and the Distribution are effected in partial settlement of the Intra-Group Debt due from the Company to HannStar Samoa arising from the intra-group transfer of 100% equity interest in HannStar Jiangyin from HannStar Samoa to HannStar HK at a consideration satisfied by the issue of shares by HannStar HK to the Company at the direction of HannStar Samoa.

This is a voluntary announcement made by HannStar Board International Holdings Limited 瀚宇博德國際控股有限公司 (the “**Company**”, together with its subsidiaries, the “**Group**”).

SHARE REPURCHASE BY HANNSTAR SAMOA AND DISTRIBUTION OF DIVIDEND TO THE COMPANY

The board of directors (the “**Board**”) of the Company announced that on 24 December 2010, the Company and HannStar Board (SAMOA) Holdings Corp. (“**HannStar Samoa**”), a company incorporated in Samoa and a wholly owned subsidiary of the Company, entered into a share repurchase agreement whereby HannStar Samoa agreed to repurchase, and the Company agreed to sell, an aggregate of 68,999,999 shares with a nominal value of US\$1.00 each in the capital of HannStar Samoa at an aggregate purchase price of US\$68,999,999, pursuant to section 46(2) of the International Companies Act 1987 and Article 117 of HannStar Samoa’s articles of association (the “**Share Repurchase**”). The shares repurchased by HannStar Samoa will be cancelled in accordance with the law of Samoa.

The Board further announced that on 24 December 2010, the board of directors of HannStar Samoa resolved to distribute dividend to the Company in an aggregate amount of US\$79,538,262.97 (the “**Distribution**”).

HannStar Samoa will remain a wholly owned subsidiary of the Company after completion of the Share Repurchase and the Distribution.

REASON FOR THE SHARE REPURCHASE AND THE DISTRIBUTION

In December 2007, the Group underwent an internal restructuring. Prior to such restructuring, 瀚宇博德科技(江陰)有限公司 (“**HannStar Jiangyin**”), the operating subsidiary of the Group established in the People’s Republic of China (the “**PRC**”), was wholly owned by HannStar Samoa. For the purpose of allowing the Group to claim the tax benefit arising from the Enterprise Income Tax Law of the PRC, HannStar Samoa transferred 100% equity interest in HannStar Jiangyin to HannStar Board Holdings (Hong Kong) Limited 瀚宇博德控股(香港)有限公司 (“**HannStar HK**”), a company incorporated in Hong Kong and a wholly owned subsidiary of the Company (the “**Equity Transfer**”). The consideration of the Equity Transfer amounted to US\$157,221,947.97 (the “**Equity Transfer Consideration**”) which was determined based on the net asset value of HannStar Jiangyin as at 30 November 2007. The Equity Transfer Consideration was settled by HannStar HK issuing 105,000,000 ordinary shares with a nominal value of US\$1.00 to the Company at premium at the direction of HannStar Samoa (the “**Consideration Issue**”). After the Consideration Issue, the Company was indebted to HannStar Samoa in the amount of US\$157,221,947.97 (the “**Intra-Group Debt**”). The Share Repurchase and the Distribution are effected in partial settlement of the Intra-Group Debt due from the Company to HannStar Samoa. After completion of the Share Repurchase and the Distribution which set off the amount of US\$157,221,947.97 payable by the Company to HannStar Samoa, the remaining balance of US\$8,683,686.00 indebted to HannStar Samoa by the Company shall be settled on such terms as the Company and HannStar Samoa may agree.

For and on behalf of the Board
HannStar Board International Holdings Limited
瀚宇博德國際控股有限公司
Chang Chia-ning
Chairman

24 December 2010

*As at the date of this announcement, the Board of directors of the Company (the “**Directors**”) comprises the following members:*

Executive Director: Mr. Yeh Shin-jiin

Non-executive Directors: Mr. Chang Chia-ning 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