

DELTA ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
REPORT AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2004

Review Report of Independent Auditor

To The Board of Directors and Shareholders of
Delta Electronics (Thailand) Public Company Limited

I have reviewed the accompanying consolidated balance sheet of Delta Electronics (Thailand) Public Company Limited and its subsidiaries as at 31 March 2004, and the related consolidated statements of earnings, changes in shareholders' equity and cash flows for the three-month periods ended 31 March 2004 and 2003, and the separate financial statements of Delta Electronics (Thailand) 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.

The consolidated interim financial statements for the three-month period ended 31 March 2004 of an overseas subsidiary and an overseas group of subsidiary companies were reviewed by the subsidiary's auditors, whose reports have been furnished to me. My report on the consolidated and the Company's financial statements for the period ended 31 March 2004, insofar as they relate to the amounts included for this subsidiary and group of subsidiary companies, is based solely on the report of that other auditors. These financial statements reflect total assets as at 31 March 2004 of approximately Baht 8,966 million, total revenues and net loss for the three-month period then ended of approximately Baht 4,278 million and Baht 804 million, respectively. In addition, the Company's financial statements include its investment in this subsidiary and group of subsidiary companies state under the equity method, amounting to Baht 1,610 million as at 31 March 2004, and its share of loss for the three-month period then ended, amounting to Baht 804 million.

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's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

Based on my reviews and the report of the other auditors, 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.

Without qualifying the reviewed report on the aforementioned financial statements, I draw attention to Note 1.2 to the financial statements regarding the purchase of the group of companies is yet to be completed because the valuation of net asset values is not finished that cause the valuation of consolidation goodwill may be changed from the recorded amount.

I have previously audited the consolidated financial statements of Delta Electronics (Thailand) Public Company Limited and its subsidiaries, and the separate financial statements of Delta Electronics (Thailand) Public Company Limited for the year ended 31 December 2003, in accordance with generally accepted auditing standards and, under my report dated 21 January 2004, expressed an unqualified opinion on those statements, based solely on the reports of other auditors in so far as it related to an overseas subsidiary and an overseas group of subsidiary companies (the financial statement of the overseas subsidiary and the overseas group of subsidiary companies which were audited by the subsidiary's auditors presented total assets and total revenues of approximately Baht 9,749 million and Baht 14,703 respectively), drawing attention to the fact that the purchase of the overseas group of companies is yet to be completed because the valuation of net asset values had yet to be completed, meaning that the valuation of consolidation goodwill may differ from the recorded amount. The balance sheets as at 31 December 2003, 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.

Supachai Phanyawattano

Certified Public Accountant (Thailand) No. 3930

Ernst & Young Office Limited

Bangkok : 6 May 2004

DELTA ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

(Unit : Baht)

	Note	Consolidated		The Company Only	
		31 March 2004	31 December 2003	31 March 2004	31 December 2003
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	2	6,074,419,945	5,437,360,125	4,378,663,398	3,305,274,882
Current investments	3				
Investments in available-for-sale securities		75,910,881	68,185,929	-	-
Fixed deposit		197,278,500	198,191,000	-	-
Accounts receivable - trade					
Related parties	14	369,008,991	468,057,894	2,441,630,114	2,632,751,293
Unrelated parties		9,501,529,857	9,633,978,853	6,601,418,255	6,727,192,723
Less : Allowance for doubtful accounts		(363,226,399)	(381,708,011)	(280,665,804)	(296,723,937)
Accounts receivable - trade, net	4	9,507,312,449	9,720,328,736	8,762,382,565	9,063,220,079
Short-term loan to and amount due from related parties	14	64,766,958	22,103,553	-	17,526,791
Inventories - net		5,256,427,266	4,513,920,426	2,523,604,148	2,048,121,165
Other current assets					
Input tax refundable		312,552,191	332,680,449	22,630,894	32,456,636
Advance payments		50,571,198	118,226,376	24,116,445	97,073,618
Forward contracts receivable	8	9,507,838	2,059,824	3,291,400	-
Other accounts receivable		50,236,115	19,744,420	-	-
Others		160,804,488	121,882,439	34,175,001	17,701,845
TOTAL CURRENT ASSETS		21,759,787,829	20,554,683,277	15,748,863,851	14,581,375,016
NON - CURRENT ASSETS					
Investments accounted for under equity method	5	566,629,425	569,882,078	3,624,166,761	3,999,852,422
Other long-term investments					
Investments in other parties	6	247,381,209	255,845,373	-	-
Investments in unit trusts	7	-	120,000,000	-	120,000,000
Long-term loans to related parties	14	1,648,899	61,955,025	-	-
Property, plant and equipment - net		4,710,881,310	4,790,136,340	3,863,542,335	3,794,625,615
Intangible assets					
Consolidation goodwill		2,543,606,028	2,752,569,192	-	-
Other intangible assets		743,564	154,632,676	-	-
Other non-current assets		111,258,405	92,380,996	1,934,762	1,869,762
TOTAL NON-CURRENT ASSETS		8,182,148,840	8,797,401,680	7,489,643,858	7,916,347,799
TOTAL ASSETS		29,941,936,669	29,352,084,957	23,238,507,709	22,497,722,815

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

DELTA ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS (Continued)

(Unit : Baht)

Note	Consolidated		The Company Only	
	31 March 2004	31 December 2003	31 March 2004	31 December 2003
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Bank overdrafts and short-term loan from financial institutions	16,284,272	894,569	-	-
Accounts payable - trade				
Related parties	14 95,679,790	53,604,350	62,877,468	59,580,914
Unrelated parties	7,385,329,752	6,850,018,560	6,384,458,159	6,129,676,573
Total accounts payable - trade	7,481,009,542	6,903,622,910	6,447,335,627	6,189,257,487
Amounts due to related parties	14 488,014,179	424,165,376	500,523,299	437,025,695
Other current liabilities				
Accrued expenses	9 1,191,294,478	1,159,864,468	579,441,980	509,413,341
Advance received	123,316,748	137,221,754	88,175,148	111,183,400
Dividend payable	17 950,481,692	-	950,481,692	-
Other accounts payable	363,605,189	391,943,639	196,544,125	226,224,695
Others	235,185,089	249,332,283	18,217,200	15,716,225
TOTAL CURRENT LIABILITIES	10,849,191,189	9,267,044,999	8,780,719,071	7,488,820,843
NON-CURRENT LIABILITIES				
Long-term loan from related party	14 -	-	1,709,224,767	1,767,203,360
Long-term loan from financial institutions	10 4,340,127,000	4,360,202,000	-	-
Provisions	11 1,885,948,577	2,362,657,614	-	-
Other non-current liabilities	36,454,131	42,364,241	-	-
TOTAL NON-CURRENT LIABILITIES	6,262,529,708	6,765,223,855	1,709,224,767	1,767,203,360
TOTAL LIABILITIES	17,111,720,897	16,032,268,854	10,489,943,838	9,256,024,203

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

DELTA ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS (Continued)

(Unit : Baht)

	Consolidated		The Company Only	
	31 March 2004 (Unaudited but reviewed)	31 December 2003 (Audited)	31 March 2004 (Unaudited but reviewed)	31 December 2003 (Audited)
SHAREHOLDERS' EQUITY				
Share capital				
Registered				
1,200 million ordinary shares of Baht 1 each	1,200,000,000	1,200,000,000	1,200,000,000	1,200,000,000
Issued and fully paid				
1,188.10 million ordinary shares of Baht 1 each	1,188,102,115	1,188,102,115	1,188,102,115	1,188,102,115
Additional paid-in capital				
Premium on share capital	1,491,912,500	1,491,912,500	1,491,912,500	1,491,912,500
Unrealised loss on investments in available-for-sale securities	(17,089,856)	(21,219,555)	(17,089,856)	(21,219,555)
Translation adjustments	(64,390,652)	(3,170,331)	(64,390,652)	(3,170,331)
Retained earnings				
Appropriated - Statutory reserve	120,000,000	120,000,000	120,000,000	120,000,000
Unappropriated	10,030,029,764	10,466,073,883	10,030,029,764	10,466,073,883
EQUITY ATTRIBUTABLE TO THE COMPANY'S SHAREHOLDERS	12,748,563,871	13,241,698,612	12,748,563,871	13,241,698,612
MINORITY INTEREST - equity attributable to minority shareholders of subsidiaries	81,651,901	78,117,491	-	-
TOTAL SHAREHOLDERS' EQUITY	12,830,215,772	13,319,816,103	12,748,563,871	13,241,698,612
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	29,941,936,669	29,352,084,957	23,238,507,709	22,497,722,815
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The accompanying notes are an integral part of the financial statements.

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DIRECTORS

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(UNAUDITED BUT REVIEWED)

DELTA ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

EARNINGS STATEMENTS

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2004 AND 2003

(Unit: Baht)

	Note	Consolidated		The Company Only	
		2004	2003	2004	2003
REVENUES					
Sales		11,701,869,083	8,518,312,171	9,201,955,097	7,482,908,520
Other income					
Interest income		42,263,725	65,019,727	14,695,265	25,163,290
Gain on exchange rate		-	60,199,664	79,849,406	-
Others		39,882,533	23,461,834	10,721,958	7,895,455
Share of profit from investments accounted for under equity method		-	2,262,909	-	130,591,994
TOTAL REVENUES		11,784,015,341	8,669,256,305	9,307,221,726	7,646,559,259
EXPENSES					
Cost of sales		9,883,243,665	7,114,143,336	7,746,086,898	6,133,246,122
Selling and administrative expenses		1,259,506,848	730,524,289	704,935,197	671,066,795
Directors' remuneration		328,000	100,000	328,000	100,000
Loss on exchange rate		59,731,497	-	-	18,184,138
Amortisation of intangible assets		46,267,512	1,171,878	-	-
Restructuring expenses		1,055,472	-	-	-
Share of loss from investments accounted for under equity method		624,981	-	341,434,058	-
TOTAL EXPENSES		11,250,757,975	7,845,939,503	8,792,784,153	6,822,597,055
EARNINGS BEFORE INTEREST EXPENSES AND CORPORATE INCOME TAX		533,257,366	823,316,802	514,437,573	823,962,204
INTEREST EXPENSES		(25,117,607)	(1,395,807)	-	(1,395,807)
CORPORATE INCOME TAX		12,466,488	(764,353)	-	-
EARNINGS AFTER CORPORATE INCOME TAX		520,606,247	821,156,642	514,437,573	822,566,397
MINORITY INTEREST IN NET (EARNINGS) LOSS OF SUBSIDIARIES		(6,168,674)	1,409,755	-	-
NET EARNINGS FOR THE PERIOD		514,437,573	822,566,397	514,437,573	822,566,397
EARNINGS PER SHARE					
<i>13</i>					
Basic earnings per share					
Net earnings		0.43	0.69	0.43	0.69
Weighted average number of ordinary shares (shares)		1,188,102,115	1,188,102,115	1,188,102,115	1,188,102,115
Diluted earnings per share					
<i>13</i>					
Net earnings		0.43	0.69	0.43	0.69
Weighted average number of ordinary shares (shares)		1,188,116,227	1,188,116,088	1,188,116,227	1,188,116,088

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

(UNAUDITED BUT REVIEWED)

DELTA ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2004 AND 2003

(Unit: Baht)

Consolidated

	Issued and paid-up share capital	Premium on share capital	Unrealised loss on investments in available-for-sale securities	Translation adjustments	Retained earnings		Minority interest-equity attributable to minority shareholders of subsidiaries	Total
					Appropriated	Unappropriated		
Balance as at 31 December 2002 (Audited)	1,188,102,115	1,491,912,500	(29,642,143)	116,025,994	120,000,000	11,890,757,925	582,945,051	15,360,101,442
Unrealised gain on investments in available-for-sale securities	-	-	4,579,565	-	-	-	-	4,579,565
Translation adjustments	-	-	-	56,605,958	-	-	-	56,605,958
Unrealised items in earnings statement	-	-	4,579,565	56,605,958	-	-	-	61,185,523
Net earnings for the period	-	-	-	-	-	822,566,397	-	822,566,397
Dividend paid (Note 17)	-	-	-	-	-	(3,326,685,922)	-	(3,326,685,922)
Minority interest - equity attributable to minority shareholders of subsidiaries	-	-	-	-	-	-	(237,424,168)	(237,424,168)
Balance as at 31 March 2003	<u>1,188,102,115</u>	<u>1,491,912,500</u>	<u>(25,062,578)</u>	<u>172,631,952</u>	<u>120,000,000</u>	<u>9,386,638,400</u>	<u>345,520,883</u>	<u>12,679,743,272</u>
Balance as at 31 December 2003 (Audited)	1,188,102,115	1,491,912,500	(21,219,555)	(3,170,331)	120,000,000	10,466,073,883	78,117,491	13,319,816,103
Unrealised gain on investments in available-for-sale securities	-	-	4,129,699	-	-	-	-	4,129,699
Translation adjustments	-	-	-	(61,220,321)	-	-	-	(61,220,321)
Unrealised items in earnings statement	-	-	4,129,699	(61,220,321)	-	-	-	(57,090,622)
Net earnings for the period	-	-	-	-	-	514,437,573	-	514,437,573
Dividend paid (Note 17)	-	-	-	-	-	(950,481,692)	-	(950,481,692)
Minority interest - equity attributable to minority shareholders of subsidiaries	-	-	-	-	-	-	3,534,410	3,534,410
Balance as at 31 March 2004	<u>1,188,102,115</u>	<u>1,491,912,500</u>	<u>(17,089,856)</u>	<u>(64,390,652)</u>	<u>120,000,000</u>	<u>10,030,029,764</u>	<u>81,651,901</u>	<u>12,830,215,772</u>

The accompanying notes are an integral part of the financial statements

DELTA ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2004 AND 2003

(Unit: Baht)

The Company Only

	Issued and paid-up share capital	Premium on share capital	Unrealised loss on investments in available-for-sale securities	Translation adjustments	Retained earnings		Total
					Appropriated	Unappropriated	
Balance as at 31 December 2002 (Audited)	1,188,102,115	1,491,912,500	(29,642,143)	116,025,994	120,000,000	11,890,757,925	14,777,156,391
Unrealised gain on investments in available-for-sale securities	-	-	4,579,565	-	-	-	4,579,565
Translation adjustments	-	-	-	56,605,958	-	-	56,605,958
Unrealised items in earnings statement	-	-	4,579,565	56,605,958	-	-	61,185,523
Net earnings for the period	-	-	-	-	-	822,566,397	822,566,397
Dividend paid (Note 17)	-	-	-	-	-	(3,326,685,922)	(3,326,685,922)
Balance as at 31 March 2003	<u>1,188,102,115</u>	<u>1,491,912,500</u>	<u>(25,062,578)</u>	<u>172,631,952</u>	<u>120,000,000</u>	<u>9,386,638,400</u>	<u>12,334,222,389</u>
Balance as at 31 December 2003 (Audited)	1,188,102,115	1,491,912,500	(21,219,555)	(3,170,331)	120,000,000	10,466,073,883	13,241,698,612
Unrealised gain on investments in available-for-sale securities	-	-	4,129,699	-	-	-	4,129,699
Translation adjustments	-	-	-	(61,220,321)	-	-	(61,220,321)
Unrealised items in earnings statement	-	-	4,129,699	(61,220,321)	-	-	(57,090,622)
Net earnings for the period	-	-	-	-	-	514,437,573	514,437,573
Dividend paid (Note 17)	-	-	-	-	-	(950,481,692)	(950,481,692)
Balance as at 31 March 2004	<u>1,188,102,115</u>	<u>1,491,912,500</u>	<u>(17,089,856)</u>	<u>(64,390,652)</u>	<u>120,000,000</u>	<u>10,030,029,764</u>	<u>12,748,563,871</u>

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

(UNAUDITED BUT REVIEWED)

DELTA ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2004 AND 2003

(Unit: Baht)

	Consolidated		The Company Only	
	2004	2003	2004	2003
Cash flows from (used in) operating activities :-				
Net earnings	514,437,573	822,566,397	514,437,573	822,566,397
Adjustments to reconcile net earnings to net cash from (used in) operating activities :-				
Depreciation and amortisation	353,161,729	184,046,279	192,749,997	183,281,610
Amortisation in premium/discount of forward contracts	(24,969,896)	(4,359,774)	(31,425)	(190,951)
Amortisation of goodwill	186,968,139	1,171,878	-	-
Amortisation of other intangible assets	150,094,192	-	-	-
Allowance for doubtful accounts (reversal)	(18,481,612)	(77,248,629)	(16,058,133)	(77,248,629)
Provision for obsolete inventories	62,702,295	2,517,312	27,766,134	2,517,312
Reversal of Provisions	(348,012,594)	-	-	-
(Gain) loss from sale of fixed assets	(1,373,283)	(26,361,525)	567,904	(26,384,377)
Share of (profit) loss from investments accounted for under equity method	624,981	(2,262,909)	341,434,058	(130,591,994)
Unrealised (gain) loss on exchange rate	(55,236,216)	(36,968,754)	(135,370,816)	1,165,635
Minority interest in net earnings (loss) of subsidiaries	6,168,674	(1,409,755)	-	-
Earnings from operating activities before changes in				
operating assets and liabilities	826,083,982	861,690,520	925,495,292	775,115,003
Decrease (increase) in operating assets :-				
Accounts receivable - trade	328,492,059	1,264,965,465	413,889,807	2,346,743,632
Short-term loan to and amounts due from related parties	17,309,259	-	17,526,791	-
Inventories	(805,209,135)	1,274,135,935	(503,249,117)	145,655,374
Input tax refundable	20,128,258	23,756,983	9,825,742	15,076,997
Advance payments	67,655,178	-	72,957,173	-
Other accounts receivable	(30,491,695)	-	-	-
Other current assets	(36,832,973)	(35,328,797)	(14,384,080)	(40,716,293)
Other non - current assets	(18,877,409)	393,000	(65,000)	393,000
Increase (decrease) in operating liabilities :-				
Accounts payable - trade	531,488,630	(1,726,684,940)	212,180,138	(1,708,439,995)
Amounts due to related parties	64,159,151	(20,529,975)	63,807,952	(304,503,836)
Accrued expenses	25,963,593	47,231,384	64,562,222	48,777,615
Advance received	(15,099,322)	(1,423,862)	(24,202,568)	(1,549,267)
Other accounts payable	(30,476,779)	(52,258,655)	(31,818,899)	(52,258,655)
Other current liabilities	(37,331,437)	(39,080,437)	2,357,075	(2,028,800)
Provisions	(70,217,293)	-	-	-
Other non-current liabilities	(5,910,110)	-	-	-
Net cash flows from operating activities	830,833,957	1,596,866,621	1,208,882,528	1,222,264,775

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

(UNAUDITED BUT REVIEWED)

DELTA ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Continued)

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2004 AND 2003

(Unit: Bah)

	Consolidated		The Company Only	
	2004	2003	2004	2003
Cash flows from (used in) investing activities :-				
Increase in investments in available-for-sale securities	(1,491,308)	-	-	-
Increase in investments in subsidiaries	-	-	(22,839,019)	-
Consolidation goodwill from additional investment	(22,839,019)	-	-	-
Proceeds from return fund of investment in other parties	7,286,215	-	-	-
Proceeds from redemption of investment in unit trusts	120,000,000	-	120,000,000	-
Acquisition of fixed assets	(300,369,830)	(114,205,369)	(263,597,439)	(112,312,581)
Proceeds from sales of fixed assets	1,362,818	41,942,748	1,362,818	41,942,748
Net cash flows used in investing activities	(196,051,124)	(72,262,621)	(165,073,640)	(70,369,833)
Cash flows from (used in) financing activities :-				
Increase (decrease) in short-term loans from financial institutions	15,389,703	(67,356)	-	-
Decrease in minority interest from subsidiary's liquidation	-	(232,003,373)	-	-
Net cash flows from (used in) financing activities	15,389,703	(232,070,729)	-	-
Increase (decrease) in translation adjustments	(45,677,972)	66,517,744	-	-
Net increase in cash and cash equivalent	604,494,564	1,359,051,015	1,043,808,888	1,151,894,942
Cash and cash equivalents - beginning of period	5,437,360,125	7,857,503,429	3,305,274,882	6,044,425,240
Cash and cash equivalents - end of period (Note 16)	6,041,854,689	9,216,554,444	4,349,083,770	7,196,320,182
Supplemental cash flows information				
Cash paid during the period for :				
Interest	5,182,239	1,411,899	-	1,411,899
Corporate income tax	22,608,039	52,439	3,121	51,450

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

(UNAUDITED BUT REVIEWED)

DELTA ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

1.1 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Accounting Standards Pronouncement No. 41 "Interim financial statements", which the Company choosing to present condensed interim financial statements. However, additional line items are presented in the balance sheets, the statements of earnings, changes in shareholders' equity, and cash flows as in 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.

1.2 Basis of consolidation

These consolidated financial statements include the financial statements of Delta Electronics (Thailand) Public Company Limited and its subsidiaries ("the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2003. There have been no change in the composition of the Group during the current quarter.

(UNAUDITED BUT REVIEWED)

During the year 2003, the Company acquired an overseas group of companies. Following the acquisition Delta Energy Systems (Switzerland) AG became the parent of this group of companies. The Company hold 100% of the shares of Delta Energy Systems (Switzerland) AG.

However, at present, the purchase of the group of companies is yet to be completed because the valuation of net asset values is not finished. The Company recorded the cost of the investment based on the value stated in the agreement plus related professional fees, together amounting to approximately Baht 2,004 million. The Company therefore recorded goodwill based on the difference between the cost of the investments and the net asset values computed from the financial statements prepared by the management of this group of companies as at 30 June 2003. However, from the report of an independent financial consultant, it was noted that the net asset value of the group of companies may be lower than the reported amount. The valuation of consolidation goodwill may therefore differ from the recorded amount.

1.3 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as adopted for preparation of the financial statements for the year ended 31 December 2003.

2. CASH AND CASH EQUIVALENTS

Most of the cash at banks of the Company comprises cash deposited with various overseas banks in US Dollar accounts (most of balance is in 5 banks), the balance of which, as at 31 March 2004, amount to approximately USD 110 million (31 December 2003 : approximately USD 82 million).

(UNAUDITED BUT REVIEWED)

3. CURRENT INVESTMENTS

3.1 Investments in available-for-sale securities

(Unit: Baht)

	31 March 2004		31 December 2003	
	Cost/ Book value	Fair value	Cost/ Book value	Fair value
Available-for-sale securities				
a) Cyntec	79,116,183	62,287,973	77,624,875	62,142,430
b) Loyalty Founder Enterprise	20,463,677	20,202,031	20,463,677	14,726,567
Total	99,579,860	82,490,004	98,088,552	76,868,997
Less: Unrealised loss on investments in available-for-sale securities	(17,089,856)		(21,219,555)	
Less: Translation adjustments	(6,579,123)		(8,683,068)	
Net investments in available-for-sale securities	75,910,881		68,185,929	

3.2 Fixed deposit

The amount as at 31 March 2004 was a 6-month fixed deposit of a subsidiary with an overseas financial institution, for which the subsidiary entered into the interest rate swap transaction agreements as mentioned in Note 15.1 to the financial statements. The deposit bore interest at a rate equal to the 6-month LIBOR per annum.

(UNAUDITED BUT REVIEWED)

4. ACCOUNTS RECEIVABLE - TRADE

The aging of outstanding balances as at 31 March 2004 and 31 December 2003 is as follows :-

	Consolidated		The Company Only	
	<u>31 March 2004</u>	<u>31 December 2003</u>	<u>31 March 2004</u>	<u>31 December 2003</u>
		(Audited)		(Audited)
<u>Accounts receivable - trade, related parties</u>				
Current	360,628,143	461,711,664	2,409,039,000	2,576,691,890
Past due 1 - 3 months	6,526,043	4,769,024	29,843,289	54,370,339
Past due 3 - 6 months	892,396	46,725	1,785,416	46,725
Past due 6 - 12 months	29,485	918,752	29,485	1,030,610
Past due over 12 months	932,924	611,729	932,924	611,729
Total	<u>369,008,991</u>	<u>468,057,894</u>	<u>2,441,630,114</u>	<u>2,632,751,293</u>
<u>Accounts receivable - trade, unrelated parties</u>				
Current	8,364,467,683	8,137,857,390	5,684,010,415	5,561,192,053
Past due 1 - 3 months	752,622,324	1,090,826,593	614,586,282	844,795,305
Past due 3 - 6 months	52,134,810	60,672,315	37,589,846	60,672,315
Past due 6 - 12 months	62,095,606	52,855,909	55,444,650	38,063,568
Past due over 12 months	270,209,434	291,766,646	209,787,062	222,469,482
Total	<u>9,501,529,857</u>	<u>9,633,978,853</u>	<u>6,601,418,255</u>	<u>6,727,192,723</u>
Total Accounts receivable - Trade	<u>9,870,538,848</u>	<u>10,102,036,747</u>	<u>9,043,048,369</u>	<u>9,359,944,016</u>
Less : Allowance for doubtful accounts	<u>(363,226,399)</u>	<u>(381,708,011)</u>	<u>(280,665,804)</u>	<u>(296,723,937)</u>
Accounts receivable - trade, net	<u>9,507,312,449</u>	<u>9,720,328,736</u>	<u>8,762,382,565</u>	<u>9,063,220,079</u>

As at 31 March 2004, an account receivable of a subsidiary of the Company with an outstanding balance of USD 5.2 million has filed an application for reorganisation, and the Company does not expect to recover such debt (31 December 2003 : USD 5.2 million). In addition, an account receivable of the Company with an outstanding balance of USD 1.1 million (31 December 2003 : USD 1.3 million) negotiated with the Company to make payment in installments and in the current period, the Company has received partial payment from such account receivable. The Company's management believes that the allowance for doubtful already set aside is adequate in the current circumstances.

(UNAUDITED BUT REVIEWED)

5. INVESTMENTS ACCOUNTED FOR UNDER EQUITY METHOD

These represent investments in ordinary shares of the following companies :-

		Issued and paid up capital		Percentage owned by the Company		Consolidated		The Company Only		
		Foreign currency	2004	2003	2004	2003	31 March 2004	31 December 2003	31 March 2004	31 December 2003
					%	%		(Audited)		(Audited)
Subsidiary companies										
DET International Holding Limited										
- Cost	USD	53,852,576	53,852,576	100	100	-	-	2,133,050,147	2,133,050,147	
- Share of loss (accumulated to 31 March and 31 December)								(83,075,006)	(588,703,350)	
								2,049,975,141	1,544,346,797	
Delta Energy Systems (Switzerland) AG										
- Cost	CHF	1,000,000	1,000,000	100	100	-	-	2,003,762,552	1,980,923,534	
- Share of profit (loss) (accumulated to 31 March and 31 December)								(348,090,424)	498,971,977	
								1,655,672,128	2,479,895,511	
Total investments in subsidiary companies								3,705,647,269	4,024,242,308	
Associated companies										
(owned by DET International Holding Limited)										
Huada Holding Company Limited										
- Cost	USD	16,000,000	16,000,000	45	45	266,009,850	266,009,850	-	-	
- Share of loss (accumulated to 31 March and 31 December)						(117,456,841)	(113,980,330)			
						148,553,009	152,029,520			
Delta Green (Tianjin) Industries Company Limited										
- Cost	USD	20,000,000	20,000,000	50	50	394,383,470	394,383,470	-	-	
- Share of profit (accumulated to 31 March and 31 December)						16,796,527	13,948,849			
						411,179,997	408,332,319			
Deltron Trading (Cambodia) Limited										
- Cost	USD	8,000	8,000	47	47	168,523	168,523	-	-	
- Share of loss (accumulated to 31 March and 31 December)						(168,523)	(168,523)			
						-	-			
Unrealised loss on available-for-sale securities of a subsidiary						-	-	(17,089,856)	(21,219,555)	
Translation adjustments						6,896,419	9,520,239	(64,390,652)	(3,170,331)	
Total investments in associated companies						566,629,425	569,882,078			
Total investments accounted for under equity method						<u>566,629,425</u>	<u>569,882,078</u>	<u>3,624,166,761</u>	<u>3,999,852,422</u>	

Share of profit/loss from subsidiary companies, which are Newton Power Limited and share of profit/loss from associated companies are based on the financial statements as prepared by the management of these companies which have not yet been reviewed by their auditors.

(UNAUDITED BUT REVIEWED)

6. INVESTMENTS IN OTHER PARTIES

These represent investments in ordinary shares and preference shares of the following companies :-

(Unit : Baht)

	The Company's interest in equity capital		Consolidated	
	<u>2004</u>	<u>2003</u>	<u>31 March 2004</u>	<u>31 December 2003</u>
	%	%		(Audited)
IP Fund One, L.P. (owned by DET International Holding Limited)	3.80	3.80	324,835,678	332,121,893
Ezonics Corporation Company Limited (owned by DET International Holding Limited)	16.49	16.49	50,582,003	50,582,003
Total investment in other parties			375,417,681	382,703,896
Less : Provision for diminution in value of investment in other parties			(106,949,572)	(106,949,572)
Translation adjustments			(21,086,900)	(19,908,951)
Investments in other parties - net			<u>247,381,209</u>	<u>255,845,373</u>

7. INVESTMENTS IN UNIT TRUSTS

As at 31 December 2003, the outstanding balance represents investment in 12,000,000 units of Baht 10 each of the Preferred Shares-Subordinated Debentures of Bank of Ayudhya Public Company Limited Fund. These are non-listed securities.

In March 2004, Baht 120 million of the Preferred Shares-Subordinated Debentures were redeemed by Bank of Ayudhya Public Company Limited prior to their maturity date.

8. FORWARD CONTRACTS

The Company and a subsidiary of the Company have entered into forward exchange contracts with local and overseas financial institutions. The outstanding balances under the contracts as at 31 March 2004 and 31 December 2003 are as follows :-

	Amount	
	<u>31 March 2004</u>	<u>31 December 2003</u>
		(Audited)
Forward Contracts to "Sell"		
USD/THB	159.00	75.00
USD/EUR	6.13	-
USD/CHF	50.00	-

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The Company and the subsidiary have recorded the foreign currency assets and liabilities arising from its entering into these contracts in the balance sheets, under the captions of “Forward contracts - receivable/payable”.

9. ACCRUED EXPENSES

The balance mainly represented expenses and provisions related to employee costs and product sales of the Company and its subsidiaries, amounting to approximately Baht 636 million and Baht 345 million, respectively (the Company only : Baht 201 million and Baht 345 million, respectively). The management of the Company and its subsidiaries believes that actual expenditures will be close to the amount estimated and accrued in the Company’s records.

10. LONG-TERM LOAN FROM FINANCIAL INSTITUTIONS

As at 31 March 2004, a subsidiary of the Company had a dollar loan from local and overseas banks amounting to approximately USD 110 million which is guaranteed by the Company. (31 December 2003 : USD 110 million).

The loan is repayable in four equal semi-annual installments beginning in February 2007, and matures in August 2008. It is subject to interest at a rate referenced to LIBOR.

Under the loan agreement the Company and the subsidiary must comply with normal financial covenants relating to various matters, such as the maintenance of certain ratios for consolidated total net liabilities to consolidated tangible net worth and interest bearing debt to consolidated EBITDA.

(UNAUDITED BUT REVIEWED)

11. PROVISIONS

The outstanding balances as at 31 March 2004 and 31 December 2003 are as follows :-

	(Unit : Million Baht)	
	Consolidated	
	31 March 2004	31 December 2003
		(Audited)
Pension	945	965
Restructuring costs	568	1,008
Warranty	163	159
Other provisions	209	231
	<u>1,885</u>	<u>2,363</u>

Pension

Two subsidiaries of the Company have provided retirement benefits for staff who are over 35 years old and have worked with that subsidiary companies for more than 10 years. The liability is calculated in accordance with the basis and conditions stipulated in the subsidiary's regulations.

Restructuring costs

Three subsidiaries of the Company have estimated provision for restructuring because it is reducing its production and laying off staff. The associated liability is calculated in accordance with the basis and conditions stipulated in contracts related to production and employment of the subsidiary.

Warranty

A subsidiary of the Company has estimated its liability under product warranties. The amount of its obligations depends on the type of product, and is calculated in accordance with the basis and conditions of warranty.

12. WARRANTS

The Meeting of the Board of Directors of the Company held on 23 February 2004 approved resolutions to pay a dividend to shareholders. As a result the Company has adjusted the exercise ratio of the warrants in the manner stated in the prospectus, such that 1 warrant can be exercised to purchase 12.34934 ordinary shares at a price of Baht 1 per share, effective from 2 March 2004.

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During the current period, no outstanding warrants have been exercised to purchase new ordinary shares, leaving 1,188 warrants unexercised as at 31 March 2004.

13. RECONCILIATION OF DILUTED EARNINGS PER SHARE

(Unit : Baht)

	For the three-month periods ended 31 March					
	Net earnings		Weighted average number of ordinary shares		Earnings per share	
	2004	2003	2004	2003	2004	2003
Basic earnings per share						
Net earnings	514,437,573	822,566,397	1,188,102,115	1,188,102,115	0.43	0.69
Effect of dilutive potential ordinary shares						
Warrants 1,188 units	-	-	14,112	13,973	-	-
Diluted earnings per share						
Net earnings of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	514,437,573	822,566,397	1,188,116,227	1,188,116,088	0.43	0.69

14. RELATED PARTY TRANSACTIONS

During the period, the Company and its subsidiaries had business transactions with its local and overseas subsidiaries and related parties (related by way of common shareholders and/or common directors) in respect of raw materials and production equipment purchases, sales of manufactured finished goods, commission, technical fee, management fee and inspection fee. The transactions, which were concluded on the terms and basis as specified in the agreements between the Company and those companies and in the ordinary course of business, are summarised as follows :-

(Unit : Baht)

	Pricing policies	For the three-month periods ended 31 March			
		Consolidated		The Company Only	
		2004	2003	2004	2003
Transactions with subsidiary companies (eliminated from the consolidated financial statements)					
Sales of goods	Cost plus certain margin	-	-	1,775,841,461	2,079,585,266
Sales of raw materials	With reference to market prices	-	-	3,656,268	-
Purchase of raw materials	Cost plus certain margin	-	-	26,594,798	-
Inspection fee	Contract prices	-	-	23,719,973	25,800,402

Borrowing (Average balance of loan outstanding during period)	No interest charge	-	-	1,717,285,872	-
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(UNAUDITED BUT REVIEWED)

(Unit : Baht)

		For the three-month periods ended 31 March			
		Consolidated		The Company Only	
	Pricing policies	2004	2003	2004	2003
Transactions with related parties					
Sales of goods	With reference to market prices	355,255,739	616,303,779	355,255,739	616,303,779
Sales of raw materials	With reference to market prices	5,795,860	5,560,872	5,795,860	5,560,872
Purchase of raw materials	With reference to market prices	40,484,222	63,745,932	40,484,222	63,745,932
Purchase of fixed assets	Agreed upon basis	2,087,093	2,461,370	2,087,093	2,461,370
Commission paid	Contract prices	274,029,299	257,494,300	274,029,299	257,494,300
Management fee	Contract prices	-	16,084,063	-	16,084,063
Lending (Average balance of loans outstanding during period)	Rate referenced to LIBOR	61,482,082	65,021,749	-	-
Interest income	Contract prices	237,143	267,986	-	-

The outstanding balances of the above transactions have been separately shown in the balance sheets and are as follows :-

		(Unit : Baht)			
		Consolidated		The Company Only	
	Relationship	31 March 2004	31 December 2003	31 March 2004	31 December 2003
		(Audited)		(Audited)	
Accounts receivable - trade, related parties					
Subsidiary companies					
DET Logistics (USA) Corporation Ltd.	Subsidiary Company	-	-	1,946,637,633	2,045,161,684
DET International Holding Ltd.	Subsidiary Company	-	-	3,832,416	52,638,833
Delta Energy Systems (Switzerland) AG	Subsidiary Company	-	-	81,314,655	49,621,866
Delta Energy Systems (Germany) GmbH.	Subsidiary Company	-	-	31,098,381	11,789,777
Delta Energy Systems (Guangzhou) JV.	Subsidiary Company	-	-	11,262,001	-
Others		-	-	2,048,251	6,516,601
		-	-	2,076,193,337	2,165,728,761
Other related parties					
Delta Electronics Inc.	Shareholder	130,483,012	217,396,886	129,614,166	217,396,886
Delta Electronics (Japan) Ltd.	Common shareholder	28,193,938	26,180,902	28,193,938	26,180,902
Delta Products Corporation Ltd.	Common shareholder	117,203,192	88,848,539	117,203,192	88,848,539
Delta Electronics International Ltd.	Common shareholder	60,139,369	75,629,273	59,723,582	74,920,653
Delta Network International Ltd.	Common shareholder	9,496,949	31,728,172	9,496,949	31,728,172
Delta Electronics Europe Ltd.	Common shareholder	14,280,067	18,331,727	14,280,067	18,076,136
Delta Network Inc.	Common shareholder	2,341,817	5,312,093	2,341,817	5,312,093
Delta Electronics (Jiangsu) Limited	Common shareholder	5,520,085	4,049,145	3,263,930	4,049,145
Others		1,350,562	581,157	1,319,136	510,006
		369,008,991	468,057,894	365,436,777	467,022,532
Total accounts receivable - trade, related parties		369,008,991	468,057,894	2,441,630,114	2,632,751,293
Short-term loan to and amounts due from related parties					
Deltron Trading (Cambodia) Ltd.	Associated company	64,766,958	4,576,762	-	-
Delta Products Corporation Ltd.	Common shareholder	-	17,526,791	-	17,526,791
Total short-term loan to and amounts due from related parties		64,766,958	22,103,553	-	17,526,791
Long - term loans to related parties					
Deltron Trading (Cambodia) Limited	Associated company	-	60,250,064	-	-
Delta Electronics Europe Ltd.	Common shareholder	1,648,899	1,704,961	-	-
Total long-term loans to related parties		1,648,899	61,955,025	-	-

(UNAUDITED BUT REVIEWED)

(Unit : Baht)

Relationship	Consolidated		The Company Only		
	31 March 2004	31 December 2003 (Audited)	31 March 2004	31 December 2003 (Audited)	
<u>Accounts payable - trade, related parties</u>					
<u>Subsidiary companies</u>					
Delta Energy Systems (Hong Kong) Ltd.	Subsidiary company	-	-	18,104,786	3,244,956
Others		-	-	-	2,766,638
		-	-	18,104,786	6,011,594
<u>Other related parties</u>					
Delta Electronics Inc.	Shareholder	72,980,021	33,208,197	22,072,913	33,208,197
Delta Electronics (Japan) Ltd.	Common shareholder	5,805,840	6,626,226	5,805,840	6,626,226
Delta Products Corporation Ltd.	Common shareholder	15,546,825	3,230,837	15,546,825	3,230,837
Delta Network Inc.	Common shareholder	1,220,422	10,089,618	1,220,422	10,089,618
Others		126,682	449,472	126,682	414,442
		95,679,790	53,604,350	44,772,682	53,569,320
Total accounts payable - trade, related parties		95,679,790	53,604,350	62,877,468	59,580,914
<u>Amounts due to related parties</u>					
<u>Subsidiary companies</u>					
Newton Power Limited	Subsidiary Company	-	-	8,222,924	5,890,731
DET Logistics (USA) Corporation Ltd.	Subsidiary Company	-	-	10,177,526	5,292,734
Delta Energy Systems (Switzerland) AG	Subsidiary Company	-	-	204,687	7,222,383
		-	-	18,605,137	18,405,848
<u>Other related parties</u>					
Delta Electronics Inc.	Shareholder	350,793,112	408,860,473	344,697,095	403,314,944
Delta Products Corporation Ltd.	Common shareholder	109,537,719	12,683,153	109,537,719	12,683,153
Delta Electronics Europe Ltd.	Common shareholder	22,841,084	2,185,658	22,841,084	2,185,658
Delta Electronics (Japan) Ltd.	Common shareholder	4,191,641	8,838	4,191,641	8,838
Others		650,623	427,254	650,623	427,254
		488,014,179	424,165,376	481,918,162	418,619,847
Total amounts due to related parties		488,014,179	424,165,376	500,523,299	437,025,695
<u>Long-term loan from related party</u>					
DET International Holding Ltd.	Subsidiary Company	-	-	1,709,224,767	1,767,203,360
Total long-term loan from related party		-	-	1,709,224,767	1,767,203,360

(UNAUDITED BUT REVIEWED)

The Company has entered into agreements with the subsidiaries and with related parties whereby the subsidiaries and the related parties will provide sales services, marketing services, management services, after-sales services, technical information services, and raw material purchasing, and also sell the Company's products. The agreements are not for an identified period and are cancellable. Under the agreements, the Company is obliged to pay remuneration to its related companies at rates ranging from 0.25 to 10 percent of sales, and maximum rate not over than 3 percent of the purchasing price for the raw material purchasing services.

As at 31 December 2003, most of the long-term loans to related parties balance represents a long-term loan of USD 1.52 million which a subsidiary of the Company has provided to an overseas related party, bearing interest at a rate of LIBOR plus 0.5 percent per annum. Full repayment of the loan was due by 19 February 2004. Because the related party repaid the loan to the subsidiary on April 2004, the Company classified it under "short-term loan to and amount due from related parties" as at 31 March 2004.

The balance of long-term loan from related party as at 31 March 2004, represents a loan of CHF 55 million which provided by a subsidiary of the Company. Full repayment of the loan is due by July 2008. There is no interest charge.

15. COMMITMENT AND CONTINGENT LIABILITIES

15.1 Financial derivatives

1) Sell "call/put option" agreements

A subsidiary of the Company has entered into various sell "call option" agreements with overseas financial institutions. The outstanding balances under the "call option" agreements as at 31 March 2004 are USD 40 million against Baht. Contractual exchange rate are 39.39-39.57 Baht per USD (31 December 2003 : Nil)

As at 31 March 2004, the subsidiary have contingent losses amounting to approximately Baht 2.6 million under sell "call option" agreements.

(UNAUDITED BUT REVIEWED)

2) Sell “Special-condition option” agreements

A subsidiary of the Company has entered into various sell “call special-condition option” agreements approximately USD 17.5 million against Baht and USD 16.74 million against EUR (31 December 2003 : USD 26.25 million against Baht and USD 16.74 million against EUR) and entered into various sell “put special-condition option” agreements approximately USD 72.4 million against CHF (31 December 2003 : USD 105 million against CHF).

As at 31 March 2004, the subsidiary have recorded no contingent losses under “Special-condition option” agreements as they are unable to estimate the amount of such contingent losses for the current period.

3) Special - condition forward contracts

A subsidiary of the Company has entered into Special - condition forward contracts to buy approximately USD 67.5 million against CHF (31 December 2003 : USD 150 million against CHF) and has entered into Special - condition forward contracts to sell approximately USD 97 million against Baht in order to hedge exchange rate risk (31 December 2003 : USD 30 million against Baht).

As at 31 March 2004, the exchange rate announced by the BOT is as the following :-

Currency	(Baht per 1 unit of currency)	
	Average buying rate	Average selling rate
USD	39.3629	39.5485
CHF	30.7200	31.0840
EUR	47.9422	48.4696

(UNAUDITED BUT REVIEWED)

4) Interest Rate Swap Transaction agreements

A subsidiary of the Company has entered into the following interest rate swap transaction agreements with overseas financial institutions :

1. An agreement to swap interest with an overseas financial institution totalling USD 30 million. The contract period is 3 years, maturing in August 2006. Every 6 months, the subsidiary is required to pay interest to the financial institution at fixed rates of 0.95 percent per annum in the first year, 1.30 percent per annum in the second year and 1.65 percent per annum in the third year. The financial institution is in turn required to pay interest to the subsidiary at the 6-month LIBOR, pro-rate for the number of days on which the daily interest rate lies within a range stipulated in the agreements.
2. An agreement to swap interest with an overseas financial institution totalling USD 30 million. The contract period is 5 years, maturing in October 2008 or when the subsidiary receives interest in an amount equivalent totalling to 9 percent of USD 30 million. Every 6 months, the subsidiary is required to pay interest to the financial institution at the 6-month LIBOR per annum, while the financial institution is required to pay interest to the subsidiary at 8 percent per annum for the first 6 months and at a rate referenced to LIBOR per annum for the remainder of the period.

15.2 Commitments and contingent liabilities

- As at 31 March 2004, the Company and its subsidiaries had capital commitments amounting to Baht 213 million for the purchase of machinery and equipments (31 December 2003: Baht 125 million) and had operating lease commitments amounting to CHF 1.7 million for equipments (31 December 2003 : CHF 9.2 million).
- During the year 2003, an overseas subsidiary of the Company is being subjected to a tax inspection. Although the results of this inspection are not yet known, for conservative purposes the subsidiary has recorded provision for tax liabilities of approximately CHF 3.5 million. The Company's management believes that losses will not materiality differ from the recorded amount.

(UNAUDITED BUT REVIEWED)

15.3 Letter of guarantees

As at 31 March 2004, there were outstanding bank guarantees of approximately Baht 32 million and USD 5 million (31 December 2003 : Baht 39 million and USD 5 million) issued by the banks on behalf of the Company as required in the ordinary course of business of the Company and there were outstanding bank guarantees of approximately SKK 30 million, EURO 0.1 million and USD 1.5 million (31 December 2003 : Nil) issued by the Company for 3 overseas subsidiaries as required in the ordinary course of business.

15.4 Assets/liabilities-foreign currency not hedged against foreign exchange risk

A summary of foreign-currency assets and liabilities that were unhedged as at 31 March 2004 is set out below.

	<u>Amount</u>
Assets	
Assets denominated in US Dollar	USD 141 million
Assets denominated in YEN	YEN 202 million
Assets denominated in EURO	EUR 24 million
Assets denominated in India Rupee	INR 214 million
Liabilities	
Liabilities denominated in US Dollar	USD 121 million
Liabilities denominated in YEN	YEN 293 million
Liabilities denominated in EURO	EUR 9million
Liabilities denominated in India Rupee	INR 49 million

(UNAUDITED BUT REVIEWED)

16. CASH FLOWS STATEMENTS

For the purpose of the statements of cash flows, cash and cash equivalents include cash in hand and at banks with an original maturity of 3 months or less and without commitment.

Cash and cash equivalents as reflected in the statements of cash flows consist of the following :-

(Unit : Baht)

	Consolidated		The Company Only	
	31 March		31 March	
	2004	2003	2004	2003
Cash and cash equivalents	6,074,419,945	9,218,318,648	4,378,663,398	7,198,084,386
Unrealised gain on exchange rate	(32,565,256)	(1,764,204)	(29,579,628)	(1,764,204)
Cash and cash equivalents in the statements of cash flows	<u>6,041,854,689</u>	<u>9,216,554,444</u>	<u>4,349,083,770</u>	<u>7,196,320,182</u>

17. THE RESOLUTION OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS / DIVIDENDS

At the Annual General Meeting of shareholders held on 29 March 2004, it was resolved that the company pay a dividend of Baht 0.8 per share for the year 2003, a total of Baht 950 million, The dividend was reflected in the first quarter of the year 2004.

At the Annual General Meeting of shareholders held on 17 March 2003, it was resolved that the Company pay a dividend of Baht 2.80 per share for the year 2002, a total of Baht 3,327 million. The dividend was reflected in the first quarter of the year 2003. In addition, it was resolved that the Company would obtain a loan or issue bonds to raise funds amounting to approximately Baht 7,000 million or the equivalent amount in foreign currency.

(UNAUDITED BUT REVIEWED)

18. FINANCIAL INFORMATION BY SEGMENT

The businesses of the Company and its subsidiaries mainly involve the single industry segment of the manufacture and distribution of electronic product and are mainly carried on both in Thailand and overseas. The financial information of the Company and its subsidiaries by geographical segment, for the three-month periods ended 31 March 2004 and 2003, and as at 31 March 2004 and 31 December 2003, is as follow :-

Consolidated for the three-month periods ended 31 March													(Unit : Million Baht)	
	Thailand		Asia		USA		Europe		Total		Eliminated		Total	
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
Sales - external	7,074	4,927	206	-	2,338	2,975	1,728	-	11,346	7,902	-	-	11,346	7,902
Sales - related parties	2,131	2,696	433	-	40	-	1,869	-	4,473	2,696	(4,117)	(2,080)	356	616
	<u>9,205</u>	<u>7,623</u>	<u>639</u>	<u>-</u>	<u>2,378</u>	<u>2,975</u>	<u>3,597</u>	<u>-</u>	<u>15,819</u>	<u>10,598</u>	<u>(4,117)</u>	<u>(2,080)</u>	<u>11,702</u>	<u>8,518</u>
Gross profit	1,456	1,394	45	-	89	10	195	-	1,785	1,404			1,818	1,404
Gain (loss) on exchange rate													(59)	60
Other income													82	88
Share of profit (loss) from investments accounted for under equity method													(1)	2
Selling and administrative expenses													(25)	(1)
Interest expenses													12	(1)
Corporate income tax														
Minority interest in net (earnings) loss of subsidiaries													(6)	1
Net earnings													<u>514</u>	<u>822</u>

Consolidated														(Unit : Million Baht)	
	Thailand		Asia		USA		Europe		Total		Eliminated		Total		
	31 March 2004	31 December 2003	31 March 2004	31 December 2003	31 March 2004	31 December 2003	31 March 2004	31 December 2003	31 March 2004	31 December 2003	31 March 2004	31 December 2003	31 March 2004	31 December 2003	
		(Audited)		(Audited)		(Audited)		(Audited)		(Audited)		(Audited)		(Audited)	
Property, plant and equipment - net	3,864	3,795	17	18	68	148	762	829	4,711	4,790	-	-	4,711	4,790	
Other assets	19,456	18,727	974	984	2,974	3,194	14,271	14,287	37,675	37,192	(12,444)	(12,630)	25,231	24,562	
Total assets	<u>23,320</u>	<u>22,522</u>	<u>991</u>	<u>1,002</u>	<u>3,042</u>	<u>3,342</u>	<u>15,033</u>	<u>15,116</u>	<u>42,386</u>	<u>41,982</u>	<u>(12,444)</u>	<u>(12,630)</u>	<u>29,942</u>	<u>29,352</u>	

(UNAUDITED BUT REVIEWED)

19. RECLASSIFICATION

Certain amounts in the financial statements for the year ended 31 December 2003 and for the three-month period ended 31 March 2003 have been reclassified to conform to the current period's classifications, with no effect on previously reported net earnings or shareholders' equity.

20. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved by the Company's director.