

DELTA ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED  
AND ITS SUBSIDIARIES  
REPORT AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2006

**Review Report of Independent Auditor**

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

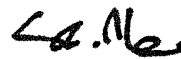
I have reviewed the accompanying consolidated balance sheets of Delta Electronics (Thailand) Public Company Limited and its subsidiaries as at 31 March 2006, the related consolidated statements of earnings, changes in shareholders' equity and cash flows for the three-month periods ended 31 March 2006 and 2005, and the separate financial statements of Delta Electronics (Thailand) Public Company Limited for the same periods. These financial statements are the responsibility of the management of the Company and its subsidiaries as to their correctness and completeness of the presentation. My responsibility is to issue a report on these financial statements based on my reviews. The consolidated interim financial statements of an overseas subsidiary and an overseas group of subsidiary companies for the three-month periods ended 31 March 2006 and 2005 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 three-month periods ended 31 March 2006 and 2005, insofar as they relate to the amounts included for this subsidiary and the group of subsidiary companies, are based solely on the reports of those other auditors. These financial statements reflect total assets as at 31 March 2006 of approximately Baht 4,881 million, total revenues for the three-month periods ended 31 March 2006 and 2005 of approximately Baht 2,773 million and Baht 4,359 million respectively, net loss for the three-month periods ended 31 March 2006 and 2005 of approximately Baht 6 million and Baht 56 million, respectively. In addition, the Company's financial statements include investments in this subsidiary and the group of subsidiary companies stated under the equity method amounting to Baht 850 million as at 31 March 2006, share of loss for the three-month periods ended 31 March 2006 and 2005 amounting to Baht 6 million and Baht 56 million, respectively.

I conducted my reviews in accordance with the auditing standards 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.

(UNAUDITED BUT REVIEWED)

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.

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 2005, in accordance with generally accepted auditing standards and, under my report dated 9 February 2006, expressed an unqualified opinion on those statements, based solely on the reports of other auditors insofar 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 7,466 million and Baht 19,056 million respectively). The balance sheets as at 31 December 2005, 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 : 10 May 2006

DELTA ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

(Unit : Baht)

	Note	Consolidated		The Company Only	
		31 March 2006	31 December 2005	31 March 2006	31 December 2005
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	2	7,487,300,013	7,145,819,576	3,626,462,555	5,309,825,378
Investments in available-for-sale securities	3	80,288,695	91,273,764	-	-
Accounts receivable - trade					
Related parties	13	372,873,136	643,388,168	3,471,724,962	2,943,821,584
Unrelated parties		7,413,006,961	8,036,658,591	4,285,227,533	4,914,135,153
Less : Allowance for doubtful accounts		(321,457,864)	(363,059,219)	(242,735,855)	(261,695,236)
Accounts receivable - trade, net	4	7,464,422,233	8,316,987,540	7,514,216,640	7,596,261,501
Short-term loan to and amounts due from related parties	13	97,784,596	53,210,802	-	-
Inventories - net		6,304,694,264	4,244,370,304	2,655,949,617	1,891,567,045
Other current assets					
Input tax refundable		126,365,167	114,900,964	22,409,802	22,642,995
Advance payments		66,819,686	29,429,346	38,815,434	21,748,453
Forward contracts receivable		-	29,898,873	-	-
Other accounts receivable		5,195,229	49,672,266	-	-
Others		251,393,196	181,524,756	51,811,778	31,050,094
<b>TOTAL CURRENT ASSETS</b>		<b>21,884,263,079</b>	<b>20,257,088,191</b>	<b>13,909,665,826</b>	<b>14,873,095,466</b>
<b>NON - CURRENT ASSETS</b>					
Investments accounted for under equity method	5	530,376,140	547,056,485	4,161,801,116	2,818,944,021
Investments in other parties	6	243,326,450	257,322,436	-	-
Property, plant and equipment - net		3,635,154,113	3,795,044,499	3,273,778,087	3,396,080,738
Intangible assets					
Consolidation goodwill	7	425,278,135	1,055,292,092	-	-
Other intangible assets		1,194,198,296	1,278,137,915	-	-
Other non-current assets		294,190,297	307,358,386	2,197,431	2,197,431
<b>TOTAL NON-CURRENT ASSETS</b>		<b>6,322,523,431</b>	<b>7,240,211,813</b>	<b>7,437,776,634</b>	<b>6,217,222,190</b>
<b>TOTAL ASSETS</b>		<b>28,206,786,510</b>	<b>27,497,300,004</b>	<b>21,347,442,460</b>	<b>21,090,317,656</b>

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 2006	31 December 2005	31 March 2006	31 December 2005
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Bank overdrafts and short-term loans from financial institutions		253,256,260	216,312,363	-	-
Accounts payable - trade					
Related parties	13	204,980,058	377,844,285	144,068,301	143,814,723
Unrelated parties		7,075,524,374	5,730,724,532	5,087,811,473	4,745,801,603
Total accounts payable - trade		7,280,504,432	6,108,568,817	5,231,879,774	4,889,616,326
Short-term loan from and amounts due to related parties	13	219,167,065	111,262,701	166,207,942	128,668,278
Other current liabilities					
Accrued expenses	8	1,223,787,567	1,383,397,749	731,440,750	763,779,606
Advance received		226,462,689	282,925,619	141,235,654	166,392,805
Dividend payable	16	1,486,302,528	-	1,486,302,528	-
Other accounts payable		266,953,937	222,909,870	195,702,936	161,447,720
VAT payable		48,329,560	127,900,664	-	-
Others		134,625,380	116,967,829	15,856,369	18,310,031
<b>TOTAL CURRENT LIABILITIES</b>		<b>11,139,389,418</b>	<b>8,570,245,612</b>	<b>7,968,625,953</b>	<b>6,128,214,766</b>
<b>NON-CURRENT LIABILITIES</b>					
Long-term loan from financial institutions	9	2,019,903,600	2,136,087,200	-	-
Provisions	10	1,575,496,551	1,735,591,161	-	-
Other non-current liabilities		37,708,194	35,003,402	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>3,633,108,345</b>	<b>3,906,681,763</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>14,772,497,763</b>	<b>12,476,927,375</b>	<b>7,968,625,953</b>	<b>6,128,214,766</b>

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 2006	31 December 2005	31 March 2006	31 December 2005
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>SHAREHOLDERS' EQUITY</b>					
Share capital					
Registered					
1,259 million ordinary shares of Baht 1 each	11	1,259,000,000	1,259,000,000	1,259,000,000	1,259,000,000
Issued and fully paid					
1,238.58 million ordinary shares of Baht 1 each (2005 : 1,188.12 million ordinary shares of Baht 1 each)	11	1,238,585,440	1,188,116,740	1,238,585,440	1,188,116,740
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		(7,318,722)	(13,122,460)	(7,318,722)	(13,122,460)
Translation adjustments		(507,936,083)	97,195,102	(507,936,083)	97,195,102
Retained earnings					
Appropriated - Statutory reserve		125,900,000	125,900,000	125,900,000	125,900,000
Unappropriated		11,037,673,372	12,072,101,008	11,037,673,372	12,072,101,008
<b>EQUITY ATTRIBUTABLE TO THE COMPANY'S SHAREHOLDERS</b>		<b>13,378,816,507</b>	<b>14,962,102,890</b>	<b>13,378,816,507</b>	<b>14,962,102,890</b>
MINORITY INTEREST - equity attributable to minority shareholders of subsidiaries		55,472,240	58,269,739	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>13,434,288,747</b>	<b>15,020,372,629</b>	<b>13,378,816,507</b>	<b>14,962,102,890</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>28,206,786,510</b>	<b>27,497,300,004</b>	<b>21,347,442,460</b>	<b>21,090,317,656</b>
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The accompanying notes are an integral part of the financial statements.

DIRECTORS

(UNAUDITED BUT REVIEWED)

## DELTA ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## EARNINGS STATEMENTS

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2006 AND 2005

(Unit: Baht)

	Note	Consolidated		The Company Only	
		2006	2005	2006	2005
<b>REVENUES</b>					
Sales and services income		9,420,155,837	10,164,773,903	7,688,167,758	8,364,044,428
<b>Other income</b>					
Interest income		74,298,924	19,177,277	51,989,154	15,230,728
Gain on exchange rate		-	41,054,715	-	187,643,246
Share of gain from investments accounted for under equity method		13,240,158	-	88,090,096	-
Others		120,097,866	29,044,328	6,779,257	12,995,869
<b>TOTAL REVENUES</b>		<b>9,627,792,785</b>	<b>10,254,050,223</b>	<b>7,835,026,265</b>	<b>8,579,914,271</b>
<b>EXPENSES</b>					
Cost of sales and services		7,459,447,433	8,474,121,088	6,124,185,026	7,145,407,617
Selling and administrative expenses		1,363,954,984	1,487,905,345	790,396,011	896,258,261
Directors' remuneration		2,214,999	1,034,990	2,214,999	1,034,990
Loss on exchange rate		275,935,029	-	463,788,241	-
Amortisation of intangible assets		23,501,446	28,820,300	-	-
Restructuring expenses		5,174,425	13,391,564	-	-
Share of loss from investments accounted for under equity method		-	9,056,234	-	353,498,186
<b>TOTAL EXPENSES</b>		<b>9,130,228,316</b>	<b>10,014,329,521</b>	<b>7,380,584,277</b>	<b>8,396,199,054</b>
<b>EARNINGS BEFORE INTEREST EXPENSES AND CORPORATE INCOME TAX</b>		<b>497,564,469</b>	<b>239,720,702</b>	<b>454,441,988</b>	<b>183,715,217</b>
<b>INTEREST EXPENSES</b>		<b>(41,493,573)</b>	<b>(38,135,021)</b>	<b>(2,567,096)</b>	<b>-</b>
<b>CORPORATE INCOME TAX</b>		<b>(4,463,996)</b>	<b>(18,049,876)</b>	<b>-</b>	<b>-</b>
<b>EARNINGS AFTER CORPORATE INCOME TAX</b>		<b>451,606,900</b>	<b>183,535,805</b>	<b>451,874,892</b>	<b>183,715,217</b>
<b>MINORITY INTEREST IN NET LOSS OF SUBSIDIARIES</b>		<b>267,992</b>	<b>179,412</b>	<b>-</b>	<b>-</b>
<b>NET EARNINGS FOR THE PERIOD</b>		<b>451,874,892</b>	<b>183,715,217</b>	<b>451,874,892</b>	<b>183,715,217</b>
<b>EARNINGS PER SHARE</b>					
<i>12</i>					
<b>Basic earnings per share</b>					
Net earnings		0.37	0.15	0.37	0.15
Weighted average number of ordinary shares (shares)		1,221,762,540	1,188,112,955	1,221,762,540	1,188,112,955
<b>Diluted earnings per share</b>					
<i>12</i>					
Net earnings		0.36	0.15	0.36	0.15
Weighted average number of ordinary shares (shares)		1,245,782,352	1,188,115,614	1,245,782,352	1,188,115,614

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 2006 AND 2005

(Unit: Baht)

	Consolidated		The Company Only	
	2006	2005	2006	2005
<b>Cash flows from (used in) operating activities :-</b>				
Net earnings	451,874,892	183,715,217	451,874,892	183,715,217
Adjustments to reconcile net earnings to net cash from (used in) operating activities :-				
Depreciation and amortisation	261,034,427	299,446,305	208,046,272	218,538,820
Amortisation in premium/discount of forward contracts	2,996,944	(375,384)	-	-
Amortisation of goodwill	7,580,868	77,909,551	-	-
Amortisation of other intangible assets	16,009,890	15,645,600	-	-
Allowance for doubtful accounts (reversal)	(41,601,355)	(30,939,043)	(18,959,381)	(17,281,343)
Provision for obsolete inventories (reversal)	(27,301,210)	(188,478,354)	(43,316,784)	(46,419,890)
Accrual of Provisions	4,562,997	37,939,103	-	-
Loss from sale of fixed assets	11,044,327	11,288,459	8,513,025	1,360,380
Loss from sale of investments in available-for-sale securities	450,249	-	-	-
Share of (gain) loss from investments accounted for under equity method	(13,240,158)	9,056,234	(88,090,096)	353,498,186
Unrealised (gain) loss on exchange rate	262,523,738	(328,912,835)	358,912,852	(414,324,452)
Minority interest in net loss of subsidiaries	(267,992)	(179,412)	-	-
Earnings from operating activities before changes in				
operating assets and liabilities	935,667,617	86,115,441	876,980,780	279,086,918
Decrease (increase) in operating assets :-				
Accounts receivable - trade	742,779,147	2,145,436,450	(50,383,273)	1,357,461,672
Amounts due from related parties	(16,610,543)	-	-	-
Inventories	(2,033,022,750)	(292,543,968)	(721,065,788)	(206,291,701)
Other current assets	(74,911,544)	(8,469,215)	(38,344,570)	(24,226,354)
Other non - current assets	12,307,197	(114,477,445)	-	(292,669)
Increase (decrease) in operating liabilities :-				
Accounts payable - trade	1,224,229,258	(489,405,672)	394,557,091	(479,432,562)
Amounts due to related parties	96,403,836	(12,003,492)	37,854,236	(7,304,685)
Other current liabilities	(201,820,762)	18,945,449	(202,303)	81,416,673
Provisions	(109,612,509)	(41,155,839)	-	-
Other non-current liabilities	2,704,792	1,209,664	-	-
Net cash flows from operating activities	578,113,739	1,293,651,373	499,396,173	1,000,417,292

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 2006 AND 2005

(Unit: Baht)

	Consolidated		The Company Only	
	2006	2005	2006	2005
<b>Cash flows from (used in) investing activities :-</b>				
Proceed from sales of investments in available-for-sale securities	10,626,824	-	-	-
Increase in short-term loans to related parties	(27,963,251)	-	-	-
Increase in investments in subsidiaries	-	-	(2,015,320,680)	-
Proceeds from return fund of investment in subsidiaries	-	-	161,226,234	-
Decrease in consolidation goodwill from investment (Note 7)	622,173,570	-	-	-
Proceeds from return fund of investment in other parties	-	9,069,905	-	-
Acquisition of fixed assets	(129,008,772)	(203,560,617)	(95,301,838)	(154,823,701)
Proceeds from sales of fixed assets	4,119,634	1,268,275	1,045,192	1,268,275
Net cash flows from (used in) investing activities	479,948,005	(193,222,437)	(1,948,351,092)	(153,555,426)
<b>Cash flows from (used in) financing activities :-</b>				
Increase in bank overdrafts and short-term loans from financial institutions	36,943,897	6,490,270	-	-
Increase (decrease) in short-term loan from related parties	11,815,099	(738,655)	-	-
Cash received from increase share capital	50,468,700	12,349	50,468,700	12,349
Net cash flows from financing activities	99,227,696	5,763,964	50,468,700	12,349
<b>Decrease in translation adjustments</b>	(531,193,922)	(56,466,666)	-	-
Net increase (decrease) in cash and cash equivalent	626,095,518	1,049,726,234	(1,398,486,219)	846,874,215
Cash and cash equivalents - beginning of period	7,145,819,576	3,833,527,262	5,309,825,378	2,417,913,321
Cash and cash equivalents - end of period (Note 15)	7,771,915,094	4,883,253,496	3,911,339,159	3,264,787,536
<b>Supplemental cash flows information</b>				
Cash paid during the period for :				
Interest	15,397,786	61,230,721	2,567,096	-
Corporate income tax	46,471,485	15,634,221	98,646	213,583

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  
FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2006 AND 2005

(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		
<b>Balance as at 31 December 2004 (Audited)</b>	1,188,102,115	1,491,912,500	(41,001,868)	(150,241,673)	120,000,000	10,743,792,453	61,268,839	13,413,832,366
Unrealised gain on investments in available-for-sale securities	-	-	20,584,866	-	-	-	-	20,584,866
Translation adjustments	-	-	-	12,458,984	-	-	-	12,458,984
Unrealised items in earnings statement	-	-	20,584,866	12,458,984	-	-	-	33,043,850
Net earnings for the period	-	-	-	-	-	183,715,217	-	183,715,217
Dividend paid (Note 16)	-	-	-	-	-	(950,491,571)	-	(950,491,571)
Increased share capital	12,349	-	-	-	-	-	-	12,349
Minority interest - equity attributable to minority shareholders of subsidiaries	-	-	-	-	-	-	(630,925)	(630,925)
<b>Balance as at 31 March 2005</b>	<u>1,188,114,464</u>	<u>1,491,912,500</u>	<u>(20,417,002)</u>	<u>(137,782,689)</u>	<u>120,000,000</u>	<u>9,977,016,099</u>	<u>60,637,914</u>	<u>12,679,481,286</u>
<b>Balance as at 31 December 2005 (Audited)</b>	1,188,116,740	1,491,912,500	(13,122,460)	97,195,102	125,900,000	12,072,101,008	58,269,739	15,020,372,629
Unrealised gain on investments in available-for-sale securities	-	-	5,803,738	-	-	-	-	5,803,738
Translation adjustments	-	-	-	(605,131,185)	-	-	-	(605,131,185)
Unrealised items in earnings statement	-	-	5,803,738	(605,131,185)	-	-	-	(599,327,447)
Net earnings for the period	-	-	-	-	-	451,874,892	-	451,874,892
Dividend paid (Note 16)	-	-	-	-	-	(1,486,302,528)	-	(1,486,302,528)
Increased share capital (Note 11)	50,468,700	-	-	-	-	-	-	50,468,700
Minority interest - equity attributable to minority shareholders of subsidiaries	-	-	-	-	-	-	(2,797,499)	(2,797,499)
<b>Balance as at 31 March 2006</b>	<u>1,238,585,440</u>	<u>1,491,912,500</u>	<u>(7,318,722)</u>	<u>(507,936,083)</u>	<u>125,900,000</u>	<u>11,037,673,372</u>	<u>55,472,240</u>	<u>13,434,288,747</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 2006 AND 2005

(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	
<b>Balance as at 31 December 2004 (Audited)</b>	1,188,102,115	1,491,912,500	(41,001,868)	(150,241,673)	120,000,000	10,743,792,453	13,352,563,527
Unrealised gain on investments in available-for-sale securities	-	-	20,584,866	-	-	-	20,584,866
Translation adjustments	-	-	-	12,458,984	-	-	12,458,984
Unrealised items in earnings statement	-	-	20,584,866	12,458,984	-	-	33,043,850
Net earnings for the period	-	-	-	-	-	183,715,217	183,715,217
Dividend paid (Note 16)	-	-	-	-	-	(950,491,571)	(950,491,571)
Increased share capital	12,349	-	-	-	-	-	12,349
<b>Balance as at 31 March 2005</b>	<u>1,188,114,464</u>	<u>1,491,912,500</u>	<u>(20,417,002)</u>	<u>(137,782,689)</u>	<u>120,000,000</u>	<u>9,977,016,099</u>	<u>12,618,843,372</u>
<b>Balance as at 31 December 2005 (Audited)</b>	1,188,116,740	1,491,912,500	(13,122,460)	97,195,102	125,900,000	12,072,101,008	14,962,102,890
Unrealised gain on investments in available-for-sale securities	-	-	5,803,738	-	-	-	5,803,738
Translation adjustments	-	-	-	(605,131,185)	-	-	(605,131,185)
Unrealised items in earnings statement	-	-	5,803,738	(605,131,185)	-	-	(599,327,447)
Net earnings for the period	-	-	-	-	-	451,874,892	451,874,892
Dividend paid (Note 16)	-	-	-	-	-	(1,486,302,528)	(1,486,302,528)
Increased share capital (Note 11)	50,468,700	-	-	-	-	-	50,468,700
<b>Balance as at 31 March 2006</b>	<u>1,238,585,440</u>	<u>1,491,912,500</u>	<u>(7,318,722)</u>	<u>(507,936,083)</u>	<u>125,900,000</u>	<u>11,037,673,372</u>	<u>13,378,816,507</u>

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 INTERIM 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 interim consolidation**

These consolidated financial statements include the financial statements of Delta Electronics (Thailand) Public Company Limited and its subsidiaries ("the Group") had have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2005. However, there were the following change in the composition of the Group during the current quarter :-

At a meeting of the Board of Directors of a subsidiary company, DET International Holding Limited, held on 14 February 2006, its was resolved that the subsidiary would acquire 4 overseas companies, Delta Energy Systems (Germany) GmbH, Delta Energy Systems (Slovakia) s.r.o., Delta Energy Systems (India) Private Ltd. and Delta Electronics Europe Ltd., from another overseas subsidiary of the Company, Delta Energy Systems (Switzerland) AG. The value of the acquisitions totaled approximately CHF 1.3 million.

The change in the composition of the Group has had no impact on the percentage shareholdings of the Company in this group of subsidiary companies.

(UNAUDITED BUT REVIEWED)

### 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 2005.

## 2. CASH AND CASH EQUIVALENTS

Most of the Company's cash at banks comprises cash deposited with various banks in US dollar accounts, amounting to approximately USD 91 million as at 31 March 2006. Most of this amount is in 2 foreign banks and 2 local banks (31 December 2005 : approximately USD 127 million, most of balance is in 2 overseas banks).

## 3. INVESTMENTS IN AVAILABLE-FOR-SALE SECURITIES

(Unit: Baht)

	31 March 2006		31 December 2005	
	Cost/ Book value	Fair value	Cost/ Book value	Fair value
<b>Available-for-sale securities</b>				
a) Cyntec Company Limited	37,989,608	42,652,709	48,009,064	45,130,885
b) Loyalty Founder Enterprise Company Limited	59,008,527	47,026,704	60,060,509	49,816,228
Total	96,998,135	89,679,413	108,069,573	94,947,113
Unrealised loss on investments in available-for-sale securities	(7,318,722)		(13,122,460)	
Translation adjustments	(9,390,718)		(3,673,349)	
Net investments in available-for-sale securities	80,288,695		91,273,764	

(UNAUDITED BUT REVIEWED)

#### 4. ACCOUNTS RECEIVABLE - TRADE

The aging of outstanding balances as at 31 March 2006 and 31 December 2005 is as follows :-

	Consolidated		The Company Only	
	31 March 2006	31 December 2005	31 March 2006	31 December 2005
		(Audited)		(Audited)
<u>Accounts receivable - trade, related parties</u>				
Current	313,950,565	556,744,809	3,375,954,875	2,548,445,303
Past due 1 - 3 months	55,460,775	83,057,337	83,103,081	395,145,835
Past due 3 - 6 months	3,373,467	3,577,075	12,611,425	230,446
Past due 6 - 12 months	71,364	8,947	55,581	-
Past due over 12 months	16,965	-	-	-
Total	372,873,136	643,388,168	3,471,724,962	2,943,821,584
<u>Accounts receivable - trade, unrelated parties</u>				
Current	6,281,082,014	6,993,799,066	3,403,442,284	4,094,156,827
Past due 1 - 3 months	765,042,306	685,778,340	614,553,325	510,755,728
Past due 3 - 6 months	52,335,111	73,034,378	10,974,985	39,719,527
Past due 6 - 12 months	31,179,641	25,122,592	11,371,764	19,738,368
Past due over 12 months	283,367,889	258,924,215	244,885,175	249,764,703
Total	7,413,006,961	8,036,658,591	4,285,227,533	4,914,135,153
Total Accounts receivable - Trade	7,785,880,097	8,680,046,759	7,756,952,495	7,857,956,737
Less : Allowance for doubtful accounts	(321,457,864)	(363,059,219)	(242,735,855)	(261,695,236)
Accounts receivable - trade, net	7,464,422,233	8,316,987,540	7,514,216,640	7,596,261,501

(UNAUDITED BUT REVIEWED)

**5. INVESTMENTS ACCOUNTED FOR UNDER EQUITY METHOD**

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

	Consolidated		The Company Only	
	31 March 2006	31 December 2005	31 March 2006	31 December 2005
	Baht	Baht (Audited)	Baht	Baht (Audited)
<u>Subsidiary companies</u>				
DET International Holding Limited				
- Cost	-	-	4,148,370,826	2,133,050,147
- Share of loss (accumulated to 31 March and 31 December)			(745,793,922)	(769,434,140)
			3,402,576,904	1,363,616,007
Delta Energy Systems (Switzerland) AG				
- Cost	-	-	2,414,917,694	2,576,143,928
- Share of loss (accumulated to 31 March and 31 December)			(1,140,438,677)	(1,204,888,556)
			1,274,479,017	1,371,255,372
Total investments in subsidiary companies			4,677,055,921	2,734,871,379
<u>Associated companies</u>				
(owned by DET International Holding Limited)				
Huada Holding Company Limited				
- Cost	266,009,850	266,009,850	-	-
- Share of loss (accumulated to 31 March and 31 December)	(173,905,223)	(177,850,845)		
	92,104,627	88,159,005		
Delta Green (Tianjin) Industries Company Limited				
- Cost	394,383,470	394,383,470	-	-
- Share of gain (accumulated to 31 March and 31 December)	45,488,531	36,359,631		
	439,872,001	430,743,101		
Unrealised loss on available-for-sale securities of a subsidiary	-	-	(7,318,722)	(13,122,460)
Translation adjustments	(1,600,488)	28,154,379	(507,936,083)	97,195,102
Total investments in associated companies	530,376,140	547,056,485		
<b>Total investments accounted for under equity method</b>	<b>530,376,140</b>	<b>547,056,485</b>	<b>4,161,801,116</b>	<b>2,818,944,021</b>

Share of profit/loss from subsidiary company, which is 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)

During February 2006, a subsidiary company, DET International Holding Limited, increased its registered share capital from USD 54 million to USD 106 million and the meeting of the Board of Directors of the Company held on 9 February 2006 approved resolutions to acquire all of such additional share capital. As a result there is no impact on the composition of the Group.

At a meeting of the Board of Directors of a subsidiary of the Company, DET International Holding Limited, held on 23 March 2006, it was resolved that the subsidiary would sell its investment in a subsidiary company, Newton Power Limited, to a related company, Delta International Holding Limited, at net book value, and that it would dispose of its investment in an associated company, Huada Holding Company Limited, by dissolution and liquidation of such company.

#### Subsequent event

- On 1 April 2006, the subsidiary entered into an agreement to sell the whole of its investment in 2,020,688 ordinary shares of Newton Power Limited to Delta International Holding Limited for USD 0.97 million.
- The subsidiary disposes its investment in an associated company, Huada Holding Company Limited, by means of dissolving and liquidating such company. The dissolution is in process.

The management of the Company and the subsidiary believe that the above disposal of investment will have no significantly impact to the consolidated financial statements.

## 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	
	31 March 2006	31 December 2005	31 March 2006	31 December 2005
	%	%		(Audited)
IP Fund One, L.P. (owned by DET International Holding Limited)	3.84	3.84	352,964,104	352,964,104
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			403,546,107	403,546,107
Less : Provision for diminution in value of investment in other parties			(135,027,026)	(135,027,026)
Translation adjustments			(25,192,631)	(11,196,645)
<b>Investments in other parties - net</b>			<b>243,326,450</b>	<b>257,322,436</b>



**7. CONSOLIDATION GOODWILL**

During the current quarter there was a restructuring of shareholding within the group of companies belonging to a subsidiary of the Company, Delta Energy Systems (Switzerland) AG. This reorganization has resulted in a change to the amount of consolidation goodwill recognised by the Company.

**8. ACCRUED EXPENSES**

The balance as at 31 March 2006 mainly represented accrued expenses and provisions related to employee costs and product sales of the Company and its subsidiaries, amounting to approximately Baht 638 million and Baht 395 million, respectively (the Company only : Baht 214 million and Baht 452 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.

**9. LONG-TERM LOAN FROM FINANCIAL INSTITUTIONS**

As at 31 March 2006, a subsidiary of the Company had a dollar loan from local and overseas banks amounting to approximately USD 52 million which is guaranteed by the Company. (31 December 2005 : USD 52 million).

Under the loan agreement, 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.

Subsequent event

The meeting of the Board of Directors of a subsidiary company held on 14 February 2006 approved resolutions to make full settlement of a long-term loan from financial institutions. The subsidiary made such settlement on 26 April 2006.

(UNAUDITED BUT REVIEWED)

## 10. PROVISIONS

The outstanding balances as at 31 March 2006 and 31 December 2005 are as follows :-

	(Unit : Million Baht)	
	Consolidated	
	31 March 2006	31 December 2005
		(Audited)
Pension	908	935
Restructuring costs	345	465
Warranty	178	184
Other provisions	144	152
	<u>1,575</u>	<u>1,736</u>

## 11. SHARE CAPITAL / WARRANTS

The Annual General Meeting of shareholders held on 30 March 2005 approved a resolution to issue up to 59,000,000 warrants for offer to executive directors and other employees of the Company. The warrants can be exercised to subscribe to newly issued ordinary shares in a ratio of 1 warrant per 1 ordinary share, at an exercise price of Baht 1 each. They are a one-time issue and have a life of 5 years, with the exercise period commencing on the last business day of January 2006. The warrants were listed on the stock Exchange of Thailand on 28 December 2005. The meeting also approved a resolution to increase the Company's registered share capital by 59,000,000 shares to support the exercise of the warrants, resulting in an increase in the number of ordinary shares comprising the registered share capital from 1,200,000,000 shares to 1,259,000,000 shares. The Company registered the increase in its registered share capital with the Ministry of Commerce on 7 April 2005.

During January 2006, 50,468,700 warrants were exercised to purchase 50,468,700 new ordinary shares, leaving 8,531,300 warrants unexercised as at 31 March 2006.

As of 31 March 2006 the issued and paid-up share capital of the Company has increased by Baht 50,468,700 as a result of the exercise of the warrants, to Baht 1,238,585,440. The Company registered this capital increase with the Ministry of Commerce on 8 February 2006.

The Meeting of the Board of Directors of the Company held on 9 February 2006 approved resolutions to pay a dividend to shareholders. As a result the Company adjusted the exercise ratio of the warrants in the manner stated in the prospectus, such that 1 warrant can be exercised to purchase 1.031 ordinary shares at a price of Baht 1 per share, effective from 7 March 2006.

(UNAUDITED BUT REVIEWED)

Subsequent event

In April 2006, 4,522,500 warrants were exercised to purchase 4,662,692 new ordinary shares and leaving 4,008,800 warrants unexercised.

**12. RECONCILIATION OF DILUTED EARNINGS PER SHARE**

	For the three-month periods ended 31 March					
	Net earnings		Weighted average number of ordinary shares		Earnings per share	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
	Baht	Baht	Shares	Shares	Baht	Baht
<b>Basic earnings per share</b>						
Net earnings	451,874,892	183,715,217	1,221,762,540	1,188,112,955	0.37	0.15
<b>Effect of dilutive potential ordinary shares</b>						
Warrants	-	-	24,019,812	2,659		
<b>Diluted earnings per share</b>						
Net earnings of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>451,874,892</u>	<u>183,715,217</u>	<u>1,245,782,352</u>	<u>1,188,115,614</u>	<u>0.36</u>	<u>0.15</u>

**13. RELATED PARTY TRANSACTIONS**

During the period, the Company and its subsidiaries had significant business transactions with its overseas subsidiaries and related parties (related by way of common shareholders and/or common directors). Such transactions, which have been concluded on the terms and basis as determined by the Company and those companies, are in the ordinary course of business and are summarised as follows :-

	Pricing policies	(Unit : Baht)			
		For the three-month periods ended 31 March			
		Consolidated		The Company Only	
		<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
<b>Transactions with subsidiary companies</b> (eliminated from the consolidated financial statements)					
Sales of goods	With reference to market prices	-	-	2,755,864,781	2,529,675,243
Sales of raw materials	With reference to market prices	-	-	11,232,896	9,035,792
Purchase of raw materials	With reference to market prices	-	-	39,308,152	16,189,777
Commission paid	Contract prices	-	-	176,442,813	123,879,578
Inspection fee	Contract prices	-	-	-	28,558,973
Borrowing (Average balance of loans outstanding during period)	No interest charge	-	-	-	1,753,766,223

## (UNAUDITED BUT REVIEWED)

(Unit : Baht)

		For the three-month periods ended 31 March			
		Consolidated		The Company Only	
<u>Pricing policies</u>		<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
<b><u>Transactions with related parties</u></b>					
Sales of goods	With reference to market prices	296,408,598	420,285,082	284,174,308	413,332,640
Sales of raw materials	With reference to market prices	18,729,048	7,728,208	18,729,048	7,728,208
Purchase of raw materials	With reference to market prices	164,029,024	68,600,768	67,139,719	68,600,768
Commission paid	Contract prices	179,819,122	251,378,493	178,156,252	251,378,493
Commission received	Contract prices	15,872,204	13,166,108	-	-
Inspection fee	Contract prices	9,971,506	-	-	-
Lending (Average balance of loans outstanding during period)	Interest at a rate reference to LIBOR+1%	36,173,569	-	-	-
Borrowing (Average balance of loans outstanding during period)	Interest at a rate reference to LIBOR+1%	29,315,875	43,198,429	-	-

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	
<u>Relationship</u>		<u>31 March 2006</u>	<u>31 December 2005</u>	<u>31 March 2006</u>	<u>31 December 2005</u>
		(Audited)		(Audited)	
<b><u>Accounts receivable - trade, related parties</u></b>					
<b><u>Subsidiary companies</u></b>					
DET Logistics (USA) Corporation	Subsidiary Company	-	-	2,347,094,573	2,044,128,543
DET International Holding Ltd.	Subsidiary Company	-	-	345,596	2,316,066
Delta Energy Systems (Switzerland) AG	Subsidiary Company	-	-	67,771,405	87,770,889
Delta Energy Systems (Germany) GmbH.	Subsidiary Company	-	-	89,346,779	105,788,786
Delta Energy Systems (India) Private Ltd.	Subsidiary Company	-	-	67,760,817	33,175,309
Delta Energy Systems (Brazil) S.A.	Subsidiary Company	-	-	5,697,476	6,225,174
Delta Energy Systems (Slovakia) s.r.o.	Subsidiary Company	-	-	2,056,715	2,471,736
Delta Electronics Europe Ltd.	Subsidiary Company	-	-	7,750,672	11,919,940
DET Video Technology Limited	Subsidiary Company	-	-	547,042,409	88,219,350
Others		-	-	-	62,998
		-	-	3,134,866,442	2,382,078,791
<b><u>Other related parties</u></b>					
Delta Electronics Inc.	Shareholder	13,424,945	40,456,357	9,239,684	10,733,124
Delta Electronics (Japan) Ltd.	Common shareholder	27,517,510	19,209,882	27,517,510	19,209,882
Delta Products Corporation Ltd.	Common shareholder	165,127,258	164,064,630	164,126,148	161,854,752
Delta Electronics International Ltd.	Common shareholder	39,376,156	52,762,836	22,456,376	36,550,924
Delta Video Technology Ltd.	Common shareholder	25,071,060	235,535,231	25,071,060	235,535,231
Delta Network International Ltd.	Common shareholder	17,796,708	22,207,041	17,796,708	22,207,041
Delta Network Inc.	Common shareholder	1,216,843	1,079,099	1,216,843	1,079,099
Delta Electronics (Jiangsu) Limited	Common shareholder	19,394,345	21,514,146	15,902,160	9,279,920
Addtron Technology (Japan) Limited	Common shareholder	53,222,251	63,398,383	53,222,251	63,398,383
Deltronics (Netherland) BV	Common shareholder	1,022,416	8,711,012	-	-
Delta Electronics Component (Wujiang) Ltd.	Common shareholder	-	1,011,205	-	1,011,205
Delta Electronics (Hong Kong) Ltd.	Common shareholder	7,366,147	12,505,072	-	-
Others		2,337,497	933,274	309,780	883,232
		372,873,136	643,388,168	336,858,520	561,742,793
Total accounts receivable - trade, related parties		372,873,136	643,388,168	3,471,724,962	2,943,821,584

## (UNAUDITED BUT REVIEWED)

(Unit : Baht)

Relationship	Consolidated		The Company Only	
	31 March 2006	31 December 2005 (Audited)	31 March 2006	31 December 2005 (Audited)
<b>Short-term loan to and amounts due from related parties</b>				
Delta Electronics Inc.	Shareholder	12,718,568	-	-
Deltronics (Netherland) BV	Common shareholder	82,099,520	50,283,624	-
Others		2,966,508	2,927,178	-
Total short-term loan to and amounts due from related parties		97,784,596	53,210,802	-
<b>Accounts payable - trade, related parties</b>				
<u>Subsidiary companies</u>				
Delta Energy Systems (Germany) GmbH.	Subsidiary company	-	-	44,737,673
Delta Energy Systems (Switzerland) AG	Subsidiary company	-	-	735,112
Delta Energy Systems (Slovakia) s.r.o.	Subsidiary company	-	-	1,477,402
Delta Energy Systems (Sweden) AB	Subsidiary company	-	-	815,259
Delta Energy Systems (Finland) Oy	Subsidiary company	-	-	1,085,195
Delta Energy Systems (Arizona) Inc.	Subsidiary company	-	-	-
Others		-	-	513,693
		-	-	49,364,334
<u>Other related parties</u>				
Delta Electronics Inc.	Shareholder	168,720,715	330,957,674	59,920,548
Delta Electronics (Japan) Ltd.	Common shareholder	7,290,810	6,864,462	7,290,810
Delta Products Corporation Ltd.	Common shareholder	9,685,430	15,295,640	9,227,174
Addtron Technology (Japan) Limited	Common shareholder	-	2,470,476	-
Delta Video Technology Ltd.	Common shareholder	12,468,959	8,219,224	12,468,959
Delta Electronics International Ltd.	Common shareholder	3,867,244	1,541,754	3,860,029
Others		2,946,900	12,495,055	1,936,447
		204,980,058	377,844,285	94,703,967
Total accounts payable - trade, related parties		204,980,058	377,844,285	144,068,301
<b>Short-term loan from and amounts due to related parties</b>				
<u>Subsidiary companies</u>				
DET Logistics (USA) Corporation	Subsidiary Company	-	-	16,982,345
Delta Energy Systems (Germany) GmbH.	Subsidiary Company	-	-	56,946,844
Delta Energy Systems (Arizona) Inc.	Subsidiary Company	-	-	-
Delta Electronics Europe Ltd.	Subsidiary Company	-	-	9,528,813
Others		-	-	174
		-	-	83,458,176
<u>Other related parties</u>				
Delta Electronics (Japan) Ltd.	Common shareholder	16,917,804	31,479	16,917,804
Delta Electronics (Scotland) Ltd.	Common shareholder	56,269,624	34,502,221	9,952,303
Delta Products Corporation Ltd.	Common shareholder	54,893,603	74,989,922	54,893,603
Deltronics (Netherland) BV	Common shareholder	61,562,311	-	-
Delta Video Technology Ltd.	Common shareholder	28,924,318	-	-
Others		599,405	1,739,079	986,056
		219,167,065	111,262,701	82,749,766
Total short-term loan from and amounts due to related parties		219,167,065	111,262,701	166,207,942

(UNAUDITED BUT REVIEWED)

The Company has entered into agreements with the subsidiaries and with the 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 commission to its subsidiaries and 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.

#### **14. COMMITMENT AND CONTINGENT LIABILITIES**

##### **14.1 Financial derivatives**

###### Interest Rate Swap Transaction agreements

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

1. Under an agreement to swap interest on a principal balance of USD 50 million, maturing in December 2006. Every 3 months, the subsidiary is required to pay interest to the financial institution at a rate referenced to 3-month LIBOR plus 1 percent per annum. The financial institution is in turn required to pay interest to the subsidiary at a rate referenced to in-arrear 3-month LIBOR plus 1 percent per annum, pro-rate for the number of days on which the daily interest rate lies within a range stipulated in the agreement.
2. Under an agreement to swap interest on a principal balance of USD 28 million, maturing in December 2007, from 25 September 2005 the subsidiary is required to pay interest to the financial institution every quarter, at a rate of 3.25 percent per annum if the 3-month LIBOR is less than 4 percent per annum or at a rate of 2.50 percent per annum if the 3-month LIBOR is more than 4 percent per annum. The financial institution is in turn required to pay interest to the subsidiary at a rate referenced to the 3-month LIBOR.

##### **14.2 Commitments and contingent liabilities**

- As at 31 March 2006, the Company and its subsidiaries had capital commitments amounting to Baht 126.5 million, EUR 0.2 million and INR 5 million for the purchase of machinery and equipments (31 December 2005 : Baht 99 million) and had operating lease commitments amounting to CHF 1.4 million, GBP 0.4 million, EUR 4.4 million, INR 20.2 million and SKK 1.1 million (31 December 2005 : CHF 10 million).

(UNAUDITED BUT REVIEWED)

- In the present, 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 EUR 1 million. The Company's management believes that losses will not materially differ from the recorded amount.
- As at 31 March 2006, a lawsuit had been filed against an overseas subsidiary company, claiming a total of INR 4.6 million. The case is currently being heard by the Court. However, the management of the Company and the subsidiary believe that no significant damage will be suffered by the Company and its subsidiary and no provision for the contingent liability has therefore been set aside in the accounts.

### 14.3 Letter of guarantees

As at 31 March 2006 the Company and its subsidiary companies have the following outstanding letters of guarantee required in the ordinary course of their business:-

- Outstanding letters of guarantee for totals of approximately Baht 30 million, INR 91 million, EUR 1 million and CHF 0.6 million issued by banks to meet requirements of the Company and its subsidiary companies.
- Outstanding letter of guarantee for totals of approximately SKK 30 million and USD 10 million issued by the Company to meet requirements of its subsidiary companies.
- Outstanding letter of guarantees issued by the subsidiary companies to meet requirements of other subsidiaries in the Group, for totals of approximately USD 0.07 million and EUR 0.01 million and for an undefined amount related to purchases of raw materials.

### 14.4 Assets/Liabilities-foreign currency not hedged against foreign exchange risk

Significant foreign currency assets and liabilities of the Company and its subsidiaries which were unhedged as at 31 March 2006, most of which are current balances, are summarised below.

	<u>Amount</u>	
<b>Assets</b>		
Assets denominated in US Dollar	USD	220 million
Assets denominated in YEN	YEN	285 million
Assets denominated in EURO	EUR	6 million
Assets denominated in New Taiwan Dollar	NTD	108 million
<b>Liabilities</b>		
Liabilities denominated in US Dollar	USD	93 million
Liabilities denominated in YEN	YEN	231 million
Liabilities denominated in EURO	EUR	4 million

(UNAUDITED BUT REVIEWED)

## 15. 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	
	2006	2005	2006	2005
Cash and cash equivalents	7,487,300,013	4,918,768,987	3,626,462,555	3,300,303,027
Unrealised (gain) loss on exchange rate	284,615,081	(35,515,491)	284,876,604	(35,515,491)
Cash and cash equivalents in the statements of cash flows	<u>7,771,915,094</u>	<u>4,883,253,496</u>	<u>3,911,339,159</u>	<u>3,264,787,536</u>

## 16. DIVIDENDS

At the Annual General Meeting of shareholders held on 30 March 2006, it was resolved that the Company pay a dividend of Baht 1.20 per share for the year 2005, a total of Baht 1,486 million. The dividend was reflected in the first quarter of the year 2006.

At the Annual General Meeting of shareholders held on 30 March 2005, it was resolved that the Company pay a dividend of Baht 0.80 per share for the year 2004, a total of Baht 950 million. The dividend was reflected in the first quarter of the year 2005.



(UNAUDITED BUT REVIEWED)

**17. FINANCIAL INFORMATION BY SEGMENT**

The businesses of the Company and its subsidiaries mainly involve the single industry segment of the manufacture, distribution and service of electronic products 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 2006 and 2005, and as at 31 March 2006 and 31 December 2005, is as follow :-

(Unit : Million Baht)

Consolidated for the three-month periods ended 31 March														
	Thailand		Asia		USA		Europe		Total		Eliminated		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Sales and services income - external	4,619	5,406	347	219	2,344	2,297	1,772	1,802	9,082	9,724	-	-	9,082	9,724
Sales and services income- related parties	3,070	2,960	11	32	417	12	1,555	1,485	5,053	4,489	(4,715)	(4,048)	338	441
	<u>7,689</u>	<u>8,366</u>	<u>358</u>	<u>251</u>	<u>2,761</u>	<u>2,309</u>	<u>3,327</u>	<u>3,287</u>	<u>14,135</u>	<u>14,213</u>	<u>(4,715)</u>	<u>(4,048)</u>	<u>9,420</u>	<u>10,165</u>
Gross profit	1,564	1,219	61	47	(19)	61	566	516	2,172	1,843			1,961	1,691
Gain (loss) on exchange rate													(276)	41
Other income													194	48
Share of gain (loss) from investments accounted for under equity method													13	(9)
Selling and administrative expenses													(1,395)	(1,531)
Interest expenses													(41)	(38)
Corporate income tax													(4)	(18)
Net earnings													<u>452</u>	<u>184</u>

(Unit : Million Baht)

Consolidated														
	Thailand		Asia		USA		Europe		Total		Eliminated		Total	
	31 March 2006	31 December 2005	31 March 2006	31 December 2005	31 March 2006	31 December 2005	31 March 2006	31 December 2005	31 March 2006	31 December 2005	31 March 2006	31 December 2005	31 March 2006	31 December 2005
	(Audited)		(Audited)		(Audited)		(Audited)		(Audited)		(Audited)		(Audited)	
Property, plant and equipment - net	3,274	3,396	52	48	11	11	298	340	3,635	3,795	-	-	3,635	3,795
Other assets	18,074	17,694	851	813	5,436	3,404	12,819	11,583	37,180	33,494	(12,608)	(9,792)	24,572	23,702
Total assets	<u>21,348</u>	<u>21,090</u>	<u>903</u>	<u>861</u>	<u>5,447</u>	<u>3,415</u>	<u>13,117</u>	<u>11,923</u>	<u>40,815</u>	<u>37,289</u>	<u>(12,608)</u>	<u>(9,792)</u>	<u>28,207</u>	<u>27,497</u>

**18. PRESENTATION**

The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 14 September 2001, as issued under the Accounting Act B.E. 2543.

Certain amounts in the financial statements for the year ended 31 December 2005 and for the three-month periods ended 31 March 2005 have been reclassified to conform to the current period's classifications, with no effect on previously reported net earnings or shareholders' equity.

**19. APPROVAL OF INTERIM FINANCIAL STATEMENTS**

These interim financial statements were authorized for issue by the Authorised Directors on 10 May 2006.