

(Unaudited but reviewed)

Delta Electronics (Thailand) Public Company Limited
and its subsidiaries
Report and consolidated interim financial statements
For the three-month period ended 31 March 2008

Review report of independent auditor

To the 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 2008, the related consolidated statements of income, changes in shareholders' equity and cash flows for the three-month period ended 31 March 2008, and the separate financial statements of Delta Electronics (Thailand) Public Company Limited for the same period. 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 review. The consolidated interim financial statements of certain overseas subsidiary companies for the three-month period ended 31 March 2008 were reviewed by the subsidiaries' auditors, whose reports have been furnished to me. My report on the consolidated financial statements for the three-month period ended 31 March 2008, insofar as they relate to the amounts included for these subsidiary companies, is based solely on the reports of those other auditors. These financial statements reflect total assets as at 31 March 2008 of approximately Baht 5,442 million, total revenues for the three-month period ended 31 March 2008 of approximately Baht 2,497 million and net loss for the three-month period ended 31 March 2008 of approximately Baht 52 million.

I conducted my review 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.

Based on my review and the reports 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.

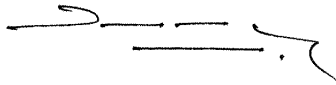
Without qualifying the review report on the aforementioned financial statements, I draw attention to Note 19.3.1 to the financial statements regarding the Company's receipt of notice of a corporate income tax assessment from the Revenue Department, covering the years 1997-2000.

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 2007 were audited in accordance with generally accepted auditing standards by another auditor of our firm who,

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under his report dated 15 February 2008, expressed an unqualified opinion on those statements, and drew attention to the Company's receipt of notice of a corporate income tax assessment. The consolidated and separate balance sheets as at 31 December 2007, as presented herein for comparative purposes, formed an integral part of the financial statements which that auditor audited and reported on.

The consolidated statements of income, changes in shareholders' equity and cash flows of Delta Electronics (Thailand) Public Company Limited and its subsidiaries and the separate financial statements of Delta Electronics (Thailand) Public Company Limited for the three-month period ended 31 March 2007, as presented herein for comparative purposes, formed an integral part of the interim financial statements which were reviewed by the aforementioned auditor who reported, under his report dated 8 May 2007, that nothing had come to his attention that caused him to believe that those financial statements were not presented fairly, in all material respects, in accordance with generally accepted accounting principles and drew attention to the Company's receipt of notice of a corporate income tax assessment from the Revenue Department.



Narong Puntawong

Certified Public Accountant (Thailand) No. 3315

Ernst & Young Office Limited

Bangkok: 14 May 2008

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Balance sheets

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2008 (Unaudited but reviewed)	31 December 2007 (Audited)	31 March 2008 (Unaudited but reviewed)	31 December 2007 (Audited)
Assets					
Current assets					
Cash and cash equivalents		9,839,193,417	9,181,580,042	7,391,424,553	6,542,961,639
Investments in available-for-sale securities	3	63,052,968	79,876,068	-	-
Trade accounts receivable					
Related parties	2	292,074,271	302,754,418	1,247,749,882	1,385,744,065
Unrelated parties		6,042,838,770	6,617,949,480	3,219,475,497	3,689,398,887
Less: Allowance for doubtful accounts		(38,470,144)	(48,537,093)	(11,841,602)	(23,347,363)
Trade accounts receivable - net	4	6,296,442,897	6,872,166,805	4,455,383,777	5,051,795,589
Short-term loan to and amounts due					
from related parties	2	7,950,591	43,045,411	-	41,678,550
Inventories - net	5	3,731,842,417	3,423,255,044	1,497,708,994	1,335,310,372
Other current assets					
Input tax refundable		225,889,086	223,400,029	74,401,746	71,415,008
Advance payments		246,133,831	130,241,674	19,647,330	16,582,703
Forward contracts receivable	20.1	173,153,542	29,215,226	157,249,472	24,055,600
Prepaid expenses		64,731,116	57,493,043	20,690,264	10,405,403
Prepaid tax		223,633,716	192,863,448	-	-
Other accounts receivable		33,652,696	46,209,310	-	-
Others		140,424,369	60,573,636	38,939,300	11,974,727
Total current assets		21,046,100,646	20,339,919,736	13,655,445,436	13,106,179,591
Non-current assets					
Deposits at bank with restrictions	6	234,902,755	265,687,580	-	-
Investments in subsidiary companies - net	7	-	-	5,450,535,255	5,450,535,255
Investment in associated company	8	476,938,771	505,632,220	-	-
Investments in other parties - net	9	173,029,226	185,436,978	-	-
Property, plant and equipment - net	10	3,568,844,153	3,643,647,017	2,405,973,641	2,494,617,971
Intangible assets					
Goodwill on business combination		306,757,971	306,757,971	-	-
Other intangible assets	11	865,698,178	941,508,693	-	-
Other non-current assets		64,780,748	66,125,629	1,765,376	2,050,903
Total non-current assets		5,690,951,802	5,914,796,088	7,858,274,272	7,947,204,129
Total assets		26,737,052,448	26,254,715,824	21,513,719,708	21,053,383,720

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 financial statements		Separate financial statements	
	31 March 2008 (Unaudited but reviewed)	31 December 2007 (Audited)	31 March 2008 (Unaudited but reviewed)	31 December 2007 (Audited)
Liabilities and shareholders' equity				
Current liabilities				
Bank overdrafts and short-term loans				
from financial institutions	12	2,140,411,264	1,966,830,061	-
Trade accounts payable				
Related parties	2	337,402,247	419,492,099	27,870,220
Unrelated parties		4,437,875,316	4,530,635,189	3,422,967,622
Total trade accounts payable		4,775,277,563	4,950,127,288	3,450,837,842
Amounts due to related parties	2	57,868,239	56,370,040	180,759,162
Other current liabilities				
Accrued expenses	13	1,374,022,117	1,331,183,360	561,399,524
Advance received		152,500,042	161,454,504	112,635,223
Other accounts payable		180,701,782	151,239,308	139,156,941
VAT payable		35,809,297	42,632,252	-
Corporate income tax payable		195,943,039	205,032,804	-
Provisions	14	144,289,805	198,895,453	27,178,807
Others		86,556,707	119,339,186	40,539,875
Total current liabilities		9,143,379,855	9,183,104,256	4,512,507,374
Non-current liabilities				
Provisions	14	1,250,178,329	1,188,946,251	43,861,488
Other non-current liabilities		7,301,623	7,158,636	1,070,000
Total non-current liabilities		1,257,479,952	1,196,104,887	44,931,488
Total liabilities		10,400,859,807	10,379,209,143	4,557,438,862

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 financial statements		Separate financial statements	
		31 March 2008 (Unaudited but reviewed)	31 December 2007 (Audited)	31 March 2008 (Unaudited but reviewed)	31 December 2007 (Audited)
Shareholders' equity					
Share capital					
Registered					
1,259 million ordinary shares of Baht 1 each	15	1,259,000,000	1,259,000,000	1,259,000,000	1,259,000,000
Issued and fully paid					
1,247.38 million ordinary shares of Baht 1 each (31 December 2007: 1,247.38 million ordinary shares of Baht 1 each)		1,247,380,073	1,247,378,396	1,247,380,073	1,247,378,396
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	3	(21,554,189)	(4,833,983)	-	-
Translation adjustments		(1,448,365,704)	(1,121,618,967)	-	-
Retained earnings					
Appropriated - Statutory reserve		125,900,000	125,900,000	125,900,000	125,900,000
Unappropriated		14,882,190,761	14,081,620,220	14,091,088,273	13,302,915,722
Equity attributable to the company's shareholders		16,277,463,441	15,820,358,166	16,956,280,846	16,168,106,618
Minority interest - equity attributable to minority					
Shareholders of subsidiary		58,729,200	55,148,515	-	-
Total shareholders' equity		16,336,192,641	15,875,506,681	16,956,280,846	16,168,106,618
Total liabilities and shareholders' equity		26,737,052,448	26,254,715,824	21,513,719,708	21,053,383,720
		-	-	-	-

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**Income statements****For the three-month periods ended 31 March 2008 and 2007**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2008	2007	2008	2007
Revenues					
Sales and services income		7,627,758,847	8,979,975,219	5,140,888,194	6,749,262,938
Other income					
Interest income		68,563,047	58,563,268	37,344,390	39,761,619
Gain on exchange rate		53,347,240	80,872,688	82,651,144	64,854
Compensation income from cancellation order		-	186,757,456	-	-
Others		28,504,511	51,165,327	11,690,877	5,650,293
Share of income from investment					
in associated company	8	5,288,123	11,240,921	-	-
Total revenues		7,783,461,768	9,368,574,879	5,272,574,605	6,794,739,704
Expenses					
Cost of sales and services		5,727,586,805	7,268,235,339	3,868,076,248	5,489,054,172
Selling and administrative expenses		1,206,743,272	1,163,561,012	616,325,296	640,609,334
Amortisation of intangible assets	11	13,340,117	20,745,223	-	-
Restructuring expenses		1,397,842	35,127,740	-	-
Total expenses		6,949,068,036	8,487,669,314	4,484,401,544	6,129,663,506
Income before interest expenses and					
Corporate income tax		834,393,732	880,905,565	788,173,061	665,076,198
Interest expenses		(28,003,094)	(56,180,787)	(510)	-
Corporate income tax		(5,896,021)	(16,059,303)	-	-
Net income for the period		800,494,617	808,665,475	788,172,551	665,076,198
Net income attributable to:					
Equity holders of the parent		800,570,541	808,686,595	788,172,551	665,076,198
Minority interests of the subsidiary (loss)		(75,924)	(21,120)		
		800,494,617	808,665,475		
Earnings per share					
16					
Basic earnings per share					
Net income attributable to equity holders of the parent		0.64	0.65	0.63	0.53
Diluted earnings per share					
Net income attributable to equity holders of the parent		0.64	0.65	0.63	0.53

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 2008 and 2007

(Unit: Baht)

Consolidated financial statements

	Issued and paid-up share capital	Premium on share capital	Unrealised gain (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 2006 (Audited)	1,246,067,451	1,491,912,500	5,344,092	(887,053,299)	125,900,000	12,547,711,602	55,190,166	14,585,072,512
Unrealised gain on investments in available-for-sale securities	-	-	23,711,234	-	-	-	-	23,711,234
Translation adjustments	-	-	-	(120,822,161)	-	-	(1,453,549)	(122,275,710)
Unrealised items in income statements	-	-	23,711,234	(120,822,161)	-	-	(1,453,549)	(98,564,476)
Net income for the period	-	-	-	-	-	808,686,595	(21,120)	808,665,475
Dividend paid	-	-	-	-	-	(1,621,519,968)	-	(1,621,519,968)
Increased share capital	1,255,601	-	-	-	-	-	-	1,255,601
Balance as at 31 March 2007	<u>1,247,323,052</u>	<u>1,491,912,500</u>	<u>29,055,326</u>	<u>(1,007,875,460)</u>	<u>125,900,000</u>	<u>11,734,878,229</u>	<u>53,715,497</u>	<u>13,674,909,144</u>
Balance as at 31 December 2007 (Audited)	1,247,378,396	1,491,912,500	(4,833,983)	(1,121,618,967)	125,900,000	14,081,620,220	55,148,515	15,875,506,681
Unrealised loss on investments in available-for-sale securities	-	-	(16,720,206)	-	-	-	-	(16,720,206)
Translation adjustments	-	-	-	(326,746,737)	-	-	3,656,609	(323,090,128)
Unrealised items in income statements	-	-	(16,720,206)	(326,746,737)	-	-	3,656,609	(339,810,334)
Net income for the period	-	-	-	-	-	800,570,541	(75,924)	800,494,617
Increased share capital (Note 15)	1,677	-	-	-	-	-	-	1,677
Balance as at 31 March 2008	<u>1,247,380,073</u>	<u>1,491,912,500</u>	<u>(21,554,189)</u>	<u>(1,448,365,704)</u>	<u>125,900,000</u>	<u>14,882,190,761</u>	<u>58,729,200</u>	<u>16,336,192,641</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 changes in shareholders' equity (continued)

For the three-month periods ended 31 March 2008 and 2007

(Unit: Baht)

	Separate financial statements				
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Total
			Appropriated	Unappropriated	
Balance as at 31 December 2006 (Audited)	1,246,067,451	1,491,912,500	125,900,000	12,547,711,602	15,411,591,553
Net income for the period	-	-	-	665,076,198	665,076,198
Dividend paid	-	-	-	(1,621,519,968)	(1,621,519,968)
Increased share capital	1,255,601	-	-	-	1,255,601
Balance as at 31 March 2007	<u>1,247,323,052</u>	<u>1,491,912,500</u>	<u>125,900,000</u>	<u>11,591,267,832</u>	<u>14,456,403,384</u>
Balance as at 31 December 2007 (Audited)	1,247,378,396	1,491,912,500	125,900,000	13,302,915,722	16,168,106,618
Net income for the period	-	-	-	788,172,551	788,172,551
Increased share capital (Note 15)	1,677	-	-	-	1,677
Balance as at 31 March 2008	<u>1,247,380,073</u>	<u>1,491,912,500</u>	<u>125,900,000</u>	<u>14,091,088,273</u>	<u>16,956,280,846</u>

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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 2008 and 2007**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:				
Net income before tax	806,390,638	824,724,778	788,172,551	665,076,198
Adjustments to reconcile net income to net cash from (used in) operating activities:				
Depreciation	187,912,552	231,467,418	147,085,915	196,052,480
Amortisation in premium/discount of forward contracts	(3,597,694)	(6,413,750)	(4,202,067)	1,210,771
Amortisation of goodwill	-	6,276,668	-	-
Amortisation of other intangible assets	13,340,117	14,468,555	-	-
Allowance for doubtful accounts (reversal)	(10,066,949)	(33,947,359)	(11,505,761)	(3,901,723)
Allowance for stock obsolescences (reversal)	(99,071,274)	(20,446,902)	2,069,932	14,447,502
Accrual of provisions	39,801,670	81,878,891	6,106,772	19,741,959
Loss from sale of property, plant and equipment	669,528	3,627,051	517,658	1,727,891
Share of income from investment in associated company	(5,288,123)	(11,240,921)	-	-
Unrealised gain on exchange rate	(104,538,923)	(112,400,518)	(93,648,258)	(87,000,022)
Interest expense	28,003,094	56,180,787	510	-
Income from operating activities before changes in operating assets and liabilities	853,554,636	1,034,174,698	834,597,252	807,355,056
Decrease (increase) in operating assets:				
Trade accounts receivable	471,646,964	1,708,070,409	493,773,680	952,151,823
Amounts due from related parties	35,094,820	(23,987,952)	41,678,550	-
Inventories	(209,516,099)	107,405,241	(164,468,553)	(33,335,475)
Other current assets	(196,322,922)	49,654,790	(49,771,756)	(20,373,002)
Advance payment for land	-	(75,027,951)	-	-
Other non - current assets	21,204,701	3,163,455	285,527	16,292
Increase (decrease) in operating liabilities:				
Trade accounts payable	(131,913,082)	(491,406,453)	(178,686,449)	267,064,858
Amounts due to related parties	3,369,789	(11,192,642)	(63,370,144)	37,921
Other current liabilities	38,121,036	(63,300,289)	(18,231,301)	(88,432,674)
Provisions	(57,256,981)	(93,846,184)	(11,257,725)	(16,094,095)
Other non-current liabilities	142,987	(7,433,928)	(5,000)	40,000
Cash flows from operating activities	828,125,849	2,136,273,194	884,544,081	1,868,430,704
Cash paid for interest expense	(28,329,327)	(62,473,928)	(510)	-
Cash paid for corporate income tax	(67,841,098)	(16,740,826)	(16,494)	(9,622)
Net cash flows from operating activities	731,955,424	2,057,058,440	884,527,077	1,868,421,082

(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 2008 and 2007

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Cash flows from investing activities:				
(Increase) decrease in deposits at bank with restrictions	30,784,825	(10,462,976)	-	-
Decrease in short-term loans to related parties	-	1,127,586	-	-
Acquisition of property, plant and equipment	(101,574,194)	(470,153,992)	(60,238,782)	(66,168,207)
Proceeds from sales of property, plant and equipment	3,056,036	9,864,978	1,279,539	7,151,819
Increase in other intangible asset	-	(87,889)	-	-
Net cash flows used in investing activities	(67,733,333)	(469,712,293)	(58,959,243)	(59,016,388)
Cash flows from financing activities:				
Increase in bank overdrafts and short-term loans				
from financial institutions	173,581,203	30,799,574	-	-
Cash received from increase share capital	1,677	1,255,601	1,677	1,255,601
Net cash flows from financing activities	173,582,880	32,055,175	1,677	1,255,601
Decrease in translation adjustments	(203,106,599)	(94,798,875)	-	-
Net increase in cash and cash equivalents	634,698,372	1,524,602,447	825,569,511	1,810,660,295
Cash and cash equivalents at beginning of period	9,181,580,042	6,798,019,213	6,542,961,639	4,632,876,588
Cash and cash equivalents at end of period (Note 17)	9,816,278,414	8,322,621,660	7,368,531,150	6,443,536,883

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

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Notes to consolidated interim financial statements

For the three-month period ended 31 March 2008

1. General information

1.1 Corporate information

Delta Electronics (Thailand) Public Company Limited (“The Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Deltron Holding Limited, which is incorporated in the Channel Islands. The Company is principally engaged in the manufacture and distribution of electronic products and its registered address is 714 Moo 4, Tambon Prakasa, Amphur Muangsamutprakarn, Samutprakarn.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 41 (revised 2007) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the balance sheets, the statements of income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

1.3 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 2007. However, there were the following changes in the composition of the Group during the current period.

As at 5 March 2008, the Company incorporated a new subsidiary in the Netherlands, “Delta Greentech (Netherlands) Cooperatie U.A.”. The subsidiary’s shareholder is Delta Greentech International Holding Limited, with shareholdings of 100 percent.

(Unaudited but reviewed)

As at 13 March 2008, the Company incorporated a new subsidiary in the Netherlands, “Delta Greentech (Netherlands) B.V.”, with a registered capital of EUR 90,000 (900 ordinary shares of EUR 100 each). The subsidiary’s shareholder is Delta Greentech (Netherlands) Cooperatie U.A., with shareholdings of 100 percent.

1.4 Accounting Standards which are effective for the current year

TAS 25 (revised 2007)	Cash Flow Statements
TAS 29 (revised 2007)	Leases
TAS 31 (revised 2007)	Inventories
TAS 33 (revised 2007)	Borrowing Costs
TAS 35 (revised 2007)	Presentation of Financial Statements
TAS 39 (revised 2007)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 41 (revised 2007)	Interim Financial Reporting
TAS 43 (revised 2007)	Business Combinations
TAS 49 (revised 2007)	Construction Contracts
TAS 51	Intangible Assets

These accounting standards become effective for the financial statements for fiscal years beginning on or after 1 January 2008. The management has assessed the effect of these accounting standards and believes that TAS 29, TAS 33 and TAS 49 are not relevant to the business of the Company, whereas TAS 25, TAS 31, TAS 35, TAS 39, TAS 41 and TAS 51 do not have any significant impact on the financial statements for the current period.

The following accounting standard has an impact to the financial statements for the current period.

TAS 43 (revised 2007) “Business Combinations”

TAS 43 (revised 2007) does not require the amortisation of goodwill acquired in a business combination. Such goodwill is instead to be tested for impairment, and measured at cost less accumulated impairment losses. This accounting standard applies to goodwill arising from business combinations for which the agreement date is on or after 1 January 2008. Previously recognised goodwill can be accounted for prospectively, with the Company discontinuing the amortisation of the goodwill and instead testing for impairment, as from the beginning of the first fiscal year starting on or after 1 January 2008.

1.5 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2007, except for the following change in the accounting policy.

Goodwill on business combination

Goodwill on business combination is presented in the balance sheet at cost less accumulated impairment loss.

2. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with related parties, which have been concluded on commercial terms and based agreed upon in the ordinary course of business between the Company and those companies. Below is a summary of those transactions.

(Unit: Million Baht)

	For the three-month periods ended 31 March				Transfer pricing policies
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Sales of goods and raw materials	-	-	797	2,292	With reference to market prices
Purchase of raw materials	-	-	11	6	With reference to market prices
Commission paid	-	-	36	193	Contract prices
Marketing fee	-	-	52	-	Contract prices
Design and engineering fee	-	-	226	-	Contract prices
<u>Transactions with associated company</u>					
Sales of goods	2	2	2	2	With reference to market prices
<u>Transactions with related parties</u>					
Sales of goods and raw materials	274	277	273	276	With reference to market prices
Purchase of goods and raw materials	182	329	16	31	With reference to market prices
Commission paid	56	75	56	75	Contract prices
Commission received	20	23	-	-	Contract prices
Lending (Average balance of loans outstanding during period)	-	22	-	-	Interest at a rate reference to LIBOR+1%

(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, technical information services and after-sales services. Under the agreements, the Company is obliged to pay commission to its subsidiaries and related companies at rates ranging from 0.25 to 5 percent of sales and at total service cost plus the mark up of 5%. The Company also entered into other agreements with the subsidiaries and with the related parties, whereby they will provide raw material purchasing services and the Company is obliged to pay them at a rate not more than 3 percent of the purchasing price. These agreements are not for an identified period but are cancellable.

The balances of the account as at 31 March 2008 and 31 December 2007 between the Company and these related companies are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2008	2007	2008	2007
	(Audited)		(Audited)	
<u>Trade accounts receivable, related parties</u>				
<u>Subsidiary companies</u>				
DET Logistics (USA) Corporation	-	-	767,078,289	798,224,811
Delta Energy Systems (Switzerland) AG	-	-	75,119,445	101,810,397
Delta Energy Systems (Germany) GmbH.	-	-	8,175,275	10,310,170
Delta Energy Systems (India) Private Limited	-	-	74,285,120	181,517,913
Delta Energy Systems (Brazil) S.A.	-	-	9,604,658	-
Delta Electronics (Slovakia) s.r.o.	-	-	19,434,037	8,485,617
Delta Power Solutions India Private Limited	-	-	21,952,141	13,046,379
Others	-	-	1,147,103	763,180
	-	-	976,796,068	1,114,158,467
<u>Associated company</u>				
Delta Green (Tianjin) Industries Company Limited	4,032,933	1,969,289	4,032,933	1,969,289
	4,032,933	1,969,289	4,032,933	1,969,289

(Unaudited but reviewed)

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2008	2007	2008	2007
		(Audited)		(Audited)
<u>Other related parties</u>				
Delta Electronics Inc.	11,379,931	28,664,499	9,536,138	12,463,872
Delta Electronics (Japan) Inc.	4,428,206	3,964,661	4,428,206	3,964,661
Delta Products Corporation Limited	168,209,368	169,956,913	168,209,368	169,609,470
Delta Electronics International Limited	45,910,310	35,296,230	41,406,437	31,963,517
Delta Network International Limited	4,856,131	14,890,412	4,856,131	14,890,412
Delta Electronics (Jiangsu) Limited	31,189,108	35,125,096	29,729,790	35,005,740
Delta Network International Limited (Macao)	6,557,977	-	6,557,977	-
Deltronics (Netherlands) B.V.	8,267,623	6,504,336	-	-
Delta Electronics (Hong Kong) Limited	4,007,074	4,310,422	-	-
Others	3,235,610	2,072,560	2,196,834	1,718,637
	<u>288,041,338</u>	<u>300,785,129</u>	<u>266,920,881</u>	<u>269,616,309</u>
Total trade accounts receivable, related parties	<u>292,074,271</u>	<u>302,754,418</u>	<u>1,247,749,882</u>	<u>1,385,744,065</u>

Short-term loans to and amounts due from related partiesOther related parties

Delta Products Corporation Limited	-	41,678,550	-	41,678,550
Delta Electronics Inc.	4,984,837	-	-	-
Deltronics (Netherlands) B.V.	2,750,062	1,366,861	-	-
Others	215,692	-	-	-
	<u>7,950,591</u>	<u>43,045,411</u>	<u>-</u>	<u>41,678,550</u>
Total short-term loans to and amounts due from related parties	<u>7,950,591</u>	<u>43,045,411</u>	<u>-</u>	<u>41,678,550</u>

Trade accounts payable, related partiesSubsidiary companies

Delta Energy Systems (Germany) GmbH.	-	-	6,076,931	7,783,469
Delta Electronics (Slovakia) s.r.o.	-	-	3,439,596	2,544,791
Delta Power Solutions India Private Limited	-	-	1,663,874	-
Others	-	-	426,342	83,224
	<u>-</u>	<u>-</u>	<u>11,606,743</u>	<u>10,411,484</u>

(Unaudited but reviewed)

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2008	2007	2008	2007
		(Audited)		(Audited)
<u>Other related parties</u>				
Delta Electronics Inc.	9,038,108	17,459,732	1,113,734	1,150,352
Delta Electronics (Japan) Inc.	7,760,809	4,659,640	7,760,809	4,659,640
Delta Electronics International Limited	289,227,055	384,639,985	5,235,214	6,552,157
Delta Electronics International Limited (Macao)	24,879,026	8,040,699	-	-
Others	6,497,249	4,692,043	2,153,720	4,719,471
	<u>337,402,247</u>	<u>419,492,099</u>	<u>16,263,477</u>	<u>17,081,620</u>
Total trade accounts payable, related parties	<u>337,402,247</u>	<u>419,492,099</u>	<u>27,870,220</u>	<u>27,493,104</u>

Amounts due to related partiesSubsidiary companies

DET Logistics (USA) Corporation	-	-	8,297,059	13,487,254
Delta Energy Systems (Germany) GmbH.	-	-	103,397,706	150,068,564
Delta Energy Systems (Switzerland) AG	-	-	-	6,660,043
Delta Energy System (India) Private Limited	-	-	5,707,271	7,093,488
Delta Energy Systems (Arizona) Inc.	-	-	5,654,965	16,011,916
Delta Electronics Europe Limited	-	-	4,553,155	4,916,866
Others	-	-	1,478,793	884,841
	-	-	<u>129,088,949</u>	<u>199,122,972</u>

Other related parties

Delta Electronics Inc.	17,080,023	14,069,966	12,058,287	8,688,135
Delta Electronics (Japan) Inc.	7,612,844	7,921,134	7,612,844	7,921,134
Delta Products Corporation Limited	26,657,740	28,254,922	26,657,740	28,254,922
Others	6,517,632	6,124,018	5,341,342	2,013,733
	<u>57,868,239</u>	<u>56,370,040</u>	<u>51,670,213</u>	<u>46,877,924</u>
Total amounts due to related parties	<u>57,868,239</u>	<u>56,370,040</u>	<u>180,759,162</u>	<u>246,000,896</u>

(Unaudited but reviewed)

Directors and management's remuneration

For the three-month period ended 31 March 2008, the Company paid salaries, bonus, meeting allowances and gratuities to their directors and management totaling approximately of Baht 1 million (31 March 2007: approximately of Baht 9 million).

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 19.2.2 to the financial statements.

3. Investments in available-for-sale securities

(Unit: Baht)

	31 March 2008		31 December 2007	
	Cost/ Book value	Fair value	Cost/ Book value	Fair value
				(Audited)
Available-for-sale securities				
Cyntec Company Limited	47,363,716	52,352,680	47,363,716	65,406,489
Loyalty Founder Enterprise Company Limited	59,083,034	32,539,881	59,083,034	36,206,278
Total	106,446,750	84,892,561	106,446,750	101,612,767
Unrealised loss on investments in available-for-sale securities	(21,554,189)		(4,833,983)	
Translation adjustments	(21,839,593)		(21,736,699)	
Net investments in available-for-sale securities	63,052,968		79,876,068	

4. Trade accounts receivable

The aging of outstanding balances as at 31 March 2008 and 31 December 2007 is as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2008	31 December 2007	31 March 2008	31 December 2007
		(Audited)		(Audited)
<u>Trade accounts receivable, related parties</u>				
Current	271,246,276	290,407,384	1,155,215,108	1,341,804,144
Past due 1 - 3 months	15,284,638	7,586,991	76,207,082	22,788,847
Past due 3 - 6 months	1,148,243	1,732,265	846,280	2,546,746
Past due 6 - 12 months	1,695,255	1,106,167	2,177,184	6,296,756
Past due over 12 months	2,699,859	1,921,611	13,304,228	12,307,572
Total	292,074,271	302,754,418	1,247,749,882	1,385,744,065

(Unaudited but reviewed)

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2008	31 December 2007 (Audited)	31 March 2008	31 December 2007 (Audited)
<u>Trade accounts receivable, unrelated parties</u>				
Current	5,287,943,408	5,712,049,652	2,923,084,765	3,170,381,594
Past due 1 - 3 months	680,237,483	765,272,546	246,117,652	413,185,513
Past due 3 - 6 months	30,310,591	93,162,982	18,682,604	73,186,036
Past due 6 - 12 months	25,323,572	29,447,288	19,765,690	26,194,303
Past due over 12 months	19,023,716	18,017,012	11,824,786	6,451,441
Total	6,042,838,770	6,617,949,480	3,219,475,497	3,689,398,887
Total trade accounts receivable	6,334,913,041	6,920,703,898	4,467,225,379	5,075,142,952
Less: Allowance for doubtful accounts	(38,470,144)	(48,537,093)	(11,841,602)	(23,347,363)
Trade accounts receivable - net	6,296,442,897	6,872,166,805	4,455,383,777	5,051,795,589

5. Allowance for diminution in value of inventory

Movement in the allowance for diminution in value of inventory account during the three-month period ended 31 March 2008 is summarised below.

	(Unit: Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2008	(672,283,667)	(256,452,268)
Add: Allowance increase during the period	-	(2,069,932)
Less: Reversal of allowance during the period	99,071,274	-
Balance as at 31 March 2008	(573,212,393)	(258,522,200)

6. Deposits at bank with restrictions

The balance as at 31 March 2008 mainly represented bank deposits of approximately RMB 26 million of a subsidiary in the Republic of China which is subject to restrictions under the laws of the Republic of China and bank deposits of approximately EUR 2 million of a subsidiary in Germany which are subject to pension fund restrictions.

(Unaudited but reviewed)

7. Investments in subsidiary companies

(Unit: Baht)

Company's name	Separate financial statements						
	Foreign currency	Issued and paid up capital		Shareholding percentage		Cost	
		31 March 2008	31 December 2007	31 March 2008	31 December 2007	31 March 2008	31 December 2007
				%	%		
							(Audited)
<u>Investments in subsidiary companies</u>							
DET International Holding Limited	USD	135,675,626	135,675,626	100	100	5,231,621,326	5,231,621,326
Delta Energy Systems (Switzerland) AG	CHF	20,000,000	20,000,000	100	100	2,414,917,694	2,414,917,694
Total						7,646,539,020	7,646,539,020
Less: Allowance for impairment of investments in subsidiary companies						(2,196,003,765)	(2,196,003,765)
Investments in subsidiary companies - net						5,450,535,255	5,450,535,255

No dividend was received from the above subsidiary companies for the three-month period ended 31 March 2008.

Assets, liabilities and the operating results of the subsidiaries of the Company, DET Video Technology Limited, Delta Electronics Europe Limited, DET SGP Pte. Ltd., Delta Energy Systems (Romania) S.R.L. and Delta Energy Systems (Arizona) Inc., which are included in the Company's consolidated financial statements based on figures prepared by the managements of those subsidiaries which have not yet been reviewed by their auditors. However, the figures for the assets, liabilities and the operating results of those subsidiaries are immaterial to the consolidated financial statements.

(Unaudited but reviewed)

8. Investment in associated company

(Unit: Baht)

Consolidated financial statements										
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method		Share of income from investment in associates for the three-month periods ended	
			31 March 2008	31 December 2007	31 March 2008	31 December 2007	31 March 2008	31 December 2007	31 March 2008	31 March 2007
			%	%		(Audited)		(Audited)		
Investment in associated company										
Delta Green (Tianjin) Industries Company Limited (Owned by DET SGP Pte. Ltd.)	Manufacturing and trading of electronic products	China	50	50	394,383,470	394,383,470	534,707,801	529,568,950	5,288,123	11,240,921
Translation adjustments					-	-	(57,769,030)	(23,936,730)	-	-
Total investment in associated company					<u>394,383,470</u>	<u>394,383,470</u>	<u>476,938,771</u>	<u>505,632,220</u>	<u>5,288,123</u>	<u>11,240,921</u>

Share of income from investment in associated company accounted for under equity method is based on the financial statements as prepared by the management of such associated company which have not yet been reviewed by its auditor.

(Unaudited but reviewed)

9. Investments in other parties

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

	Shareholding percentage		Consolidated financial statements	
	31 March	31 December	31 March	31 December
	2008	2007	2008	2007
	%	%		(Audited)
IP Fund One, L.P. (owned by DET International Holding Limited)	3.84	3.84	334,542,018	334,542,018
Ezonics Corporation Company Limited (owned by DET International Holding Limited)	16.49	16.49	50,582,003	50,582,003
Total investments in other parties			385,124,021	385,124,021
Less: Allowance for diminution in value of investments in other parties			(143,107,900)	(143,107,900)
Translation adjustments			(68,986,895)	(56,579,143)
Investments in other parties - net			<u>173,029,226</u>	<u>185,436,978</u>

10. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2008 are summarized below.

	(Unit: Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2008	3,643,647,017	2,494,617,971
Acquisitions during period - cost	101,574,194	60,238,782
Disposals during period - net book value at disposal date	(3,725,564)	(1,797,197)
Depreciation for period	(187,912,552)	(147,085,915)
Translation adjustments	15,261,058	-
Net book value as at 31 March 2008	<u>3,568,844,153</u>	<u>2,405,973,641</u>

(Unaudited but reviewed)

11. Other intangible assets

(Unit: Baht)

	Consolidated financial statements		
	Patent rights	Others	Total
Net book value as at 1 January 2008	939,157,240	2,351,453	941,508,693
Amortisation for period	(13,272,059)	(68,058)	(13,340,117)
Translation adjustments	(62,462,421)	(7,977)	(62,470,398)
Net book value as at 31 March 2008	<u>863,422,760</u>	<u>2,275,418</u>	<u>865,698,178</u>

Remaining useful lives	<u>16 years 8 months</u>	<u>1 year 4 months</u>
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12. Bank overdrafts and short-term loans from financial institutions

(Unit: Baht)

	Interest rate (percent per annum)	Consolidated financial statements	
		31 March 2008	31 December 2007
Bank overdrafts	9.75 - 11.00	292,501,474	310,164,216
Short-term loans from financial institutions	9.25 - 13.50	<u>1,847,909,790</u>	<u>1,656,665,845</u>
Total		<u>2,140,411,264</u>	<u>1,966,830,061</u>

(Audited)

Bank overdrafts and short-term loans from financial institutions of the subsidiaries are guaranteed by the Company.

13. Accrued expenses

The balance as at 31 March 2008 mainly represented accrued expenses and provisions, totaling approximately Baht 1,165 million related to employee costs, product sales of the Company and its subsidiaries and claims (Separate financial statements: Baht 484 million). The management of the Company and its subsidiaries believe that actual expenditures will be close to the amount estimated and accrued in the records of the Company and its subsidiaries.

(Unaudited but reviewed)

14. Provisions

These comprise the following:

(Unit: Million Baht)

	Consolidated financial statements				Separate financial statements			
	Pension	Restructuring costs	Warranty	Other provisions	Total	Pension	Warranty	Total
Balance as at 31 December 2007	1,004	104	222	58	1,388	42	35	77
Add: Recognition during period	25	1	5	25	56	2	8	10
Less: Decrease during period	(14)	(20)	(8)	(15)	(57)	-	(11)	(11)
Less: Reversal during period	-	-	(13)	(3)	(16)	-	(3)	(3)
Translation adjustments / unrealized gain on exchange rate	15	2	6	1	24	-	(2)	(2)
Balance as at 31 March 2008	<u>1,030</u>	<u>87</u>	<u>212</u>	<u>66</u>	<u>1,395</u>	<u>44</u>	<u>27</u>	<u>71</u>
Current liabilities	5	97	47	50	199	-	35	35
Non-current liabilities	999	7	175	8	1,189	42	-	42
Balance as at 31 December 2007	<u>1,004</u>	<u>104</u>	<u>222</u>	<u>58</u>	<u>1,388</u>	<u>42</u>	<u>35</u>	<u>77</u>
Current liabilities	13	80	37	15	145	-	27	27
Non-current liabilities	1,017	7	175	51	1,250	44	-	44
Balance as at 31 March 2008	<u>1,030</u>	<u>87</u>	<u>212</u>	<u>66</u>	<u>1,395</u>	<u>44</u>	<u>27</u>	<u>71</u>

15. Share capital / warrants

The Annual General Meeting of the 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 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 and listed its warrants on the Stock Exchange of Thailand on 28 December 2005.

The Meeting of the Board of Directors of the Company held on 15 February 2008 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 1.123 ordinary shares at a price of Baht 1 per share, effective from 11 March 2008.

During the current period, warrants were exercised to purchase new ordinary shares as follows:

	Number of warrants	Increase in paid up share capital from warrant exercise	Date of registration of additional shares from warrant exercise with the Ministry of Commerce
	(Unit)	(Baht)	
Outstanding as at 31 December 2007	5,248	59,261,656	
Exercised during January 2008	(1,550)	1,677	13 February 2008
Outstanding as at 31 March 2008	<u>3,698</u>	<u>59,263,333</u>	

As of 31 March 2008 the issued and paid-up share capital of the Company had increased by Baht 1,677 as a result of the exercise of the above warrants, to Baht 1,247,380,073 (1,247,380,073 ordinary shares of Baht 1 each).

(Unaudited but reviewed)

16. Reconciliation of diluted earnings per share

Consolidated financial statements						
For the three-month periods ended 31 March						
	Net income		Weighted average number of ordinary shares		Earnings per share	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
	Baht	Baht	Shares	Shares	Baht	Baht
Basic earnings per share						
Net income attributable to equity holders of the parent	800,570,541	808,686,595	1,247,379,502	1,246,890,567	0.64	0.65
Effect of dilutive potential ordinary shares						
Warrants	-	-	4,532	484,861		
Diluted earnings per share						
Net income of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>800,570,541</u>	<u>808,686,595</u>	<u>1,247,384,034</u>	<u>1,247,375,428</u>	0.64	0.65
Separate financial statements						
For the three-month periods ended 31 March						
	Net income		Weighted average number of ordinary shares		Earnings per share	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
	Baht	Baht	Shares	Shares	Baht	Baht
Basic earnings per share						
Net income attributable to equity holders of the parent	788,172,551	665,076,198	1,247,379,502	1,246,890,567	0.63	0.53
Effect of dilutive potential ordinary shares						
Warrants	-	-	4,532	484,861		
Diluted earnings per share						
Net income of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>788,172,551</u>	<u>665,076,198</u>	<u>1,247,384,034</u>	<u>1,247,375,428</u>	0.63	0.53

(Unaudited but reviewed)

17. Cash flows statements

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

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March		31 March	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Cash and cash equivalents	9,839,193,417	8,292,673,295	7,391,424,553	6,413,583,383
Unrealised (gain) loss on exchange rate	<u>(22,915,003)</u>	<u>29,948,365</u>	<u>(22,893,403)</u>	<u>29,953,500</u>
Cash and cash equivalents in the statements of cash flows	<u>9,816,278,414</u>	<u>8,322,621,660</u>	<u>7,368,531,150</u>	<u>6,443,536,883</u>

(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, 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 2008 and 2007 are as follow:

(Unit: Million Baht)

	Consolidated financial statements													
	For the three-month periods ended 31 March													
	Thailand		Asia		America		Europe		Total		Eliminated		Total	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Revenue from external customers	4,344	4,450	809	364	972	2,754	1,503	1,412	7,628	8,980	-	-	7,628	8,980
Inter-segment revenues	797	2,299	3	-	17	861	1,304	1,122	2,121	4,282	(2,121)	(4,282)	-	-
Total revenues	<u>5,141</u>	<u>6,749</u>	<u>812</u>	<u>364</u>	<u>989</u>	<u>3,615</u>	<u>2,807</u>	<u>2,534</u>	<u>9,749</u>	<u>13,262</u>	<u>(2,121)</u>	<u>(4,282)</u>	<u>7,628</u>	<u>8,980</u>
Segment operation income (loss)	808	728	(19)	34	14	(41)	(100)	(182)	703	539			746	599
Unallocated income and expenses:														
Compensation income from cancellation order													-	186
Other income													97	110
Share of income from investments in associated company													5	11
Amortisation of intangible assets													(13)	(21)
Loss from sale of property, plant and equipment													(1)	(4)
Interest expenses													(28)	(56)
Corporate income tax													(6)	(16)
Net income for the period													<u>800</u>	<u>809</u>

Transfer prices between business segments are as set out in Note 2 to the financial statements.

19. Commitments and contingent liabilities

19.1 Capital commitments and operating lease commitments

19.1.1 As at 31 March 2008, the Company and its subsidiaries had capital commitments amounting to Baht 92 million, INR 116 million, and EUR 0.5 million in respect of the purchase of machinery and equipment.

19.1.2 As at 31 March 2008, the subsidiaries had operating lease commitments amounting to CHF 0.9 million, GBP 0.3 million, EUR 6 million and INR 153 million.

19.2 Letters of guarantee

As at 31 March 2008 the Company and its subsidiary companies had the following outstanding significant letters of guarantee required in the ordinary course of their business:

19.2.1 Outstanding letters of guarantee totalling approximately Baht 776 million have been issued by banks to meet requirements of the Company (including a letter of guarantee for approximately Baht 740 million issued by a bank to meet obligations of the Company to the Revenue Department in relation to the tax assessment mentioned in note 19.3.1 to the financial statement), and outstanding letters of guarantee for totals of approximately INR 251 million, SKK 20 million, USD 0.4 million and EUR 0.4 million have been issued by banks to meet requirements of the subsidiary companies.

19.2.2 Outstanding letters of guarantee totalling approximately SKK 450 million, INR 500 million and USD 53 million issued by the Company to meet requirements of its subsidiary companies.

19.3 Tax assessment

19.3.1 During the year of 2006, the Company received a corporate income tax assessment letter from Revenue Department covering the years 1997-2000, assessing tax amounting to approximately Baht 740 million (including penalties and surcharges). The Company has submitted a letter appealing the assessment. In view of the independent legal counselor of the Company believes that no significant losses will be incurred by the Company. The Company therefore has not recorded provision for this tax assessment.

19.3.2 During the year 2006, an overseas subsidiary was subjected to a duty inspection by the Customs Department in relation to an export permit. The legal counselor of the subsidiary estimated the maximum assessment at not more than EUR 3.57 million. However, the Company has not recorded a provision since there is still uncertainty as to such assessment of duty.

19.3.3 During the year 2006, corporate income tax assessment of approximately INR 27.6 million was made against an overseas subsidiary in relation to transfer pricing, covering the years 2004 – 2005. The subsidiary has submitted a letter appealing the assessment and the management of the Company and the subsidiary believe that no significant losses will be incurred.

19.4 Litigation

As at 31 March 2008, a lawsuit had been filed against an overseas subsidiary company, claiming a total of INR 2 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 such accounts.

20. Financial derivatives

As at 31 March 2008, outstanding significant balances of the Company and its subsidiaries' financial assets and liabilities denominated in foreign currencies are as follows:

<u>Foreign currency</u>	<u>Financial assets</u>	<u>Financial liabilities</u>
	(Million)	(Million)
Brazil real	7	2
US dollar	128	76
Euro	39	14
New Taiwan dollar	94	-
Japanese yen	56	269

As at 31 March 2008, the outstanding derivatives for managing the exposure to foreign currency risk are as follows:

20.1 Forward contracts

	Amount			Forward rate		Maturity date
Forward contracts to “Sell”						
USD/THB	USD	117	million	31.5950 - 33.9300	THB/USD	April - July 2008
USD/CHF	USD	7	million	0.9791 - 1.0240	CHF/USD	April - May 2008
EUR/USD	EUR	7	million	1.5321 - 1.5712	USD/EUR	April 2008
EUR/CHF	EUR	14	million	1.5463 - 1.5800	CHF/EUR	April 2008
Forward contracts to “Buy”						
SKK/EUR	SKK	129	million	32.4300 - 32.5600	SKK/EUR	April - May 2008
USD/INR	USD	6	million	40.1200 - 41.0300	INR/USD	April - May 2008

20.2 Option agreements

A subsidiary of the Company has entered into a buy/sell “Put special-condition option” agreement with an overseas financial institution. The amount of foreign currency to be sold under this contract depend on conditions stipulated in the contracts, with the maximum amount being EUR 4 million at the contractual exchange rate of 1.5000 USD/EUR. This agreement will mature in July 2008.

21. Subsequent events

- 21.1 The meeting of the Annual General Shareholders of the Company held on 3 April 2008 approved resolutions to pay a dividend of Baht 1.60 per share for the year 2007, a total of Baht 1,996 million.
- 21.2 During April 2008, 500 warrants were exercised to purchase 561 new ordinary shares and leaving 3,198 warrants unexercised.
- 21.3 During April 2008, the Company completely incorporated a new subsidiary in Hong Kong, “Delta Greentech (Hong Kong) Limited”.
- 21.4 The meeting of the Company’s Board of Directors held on 3 April 2008 approved the following significant resolutions:
- 21.4.1 To incorporate 2 overseas subsidiary companies in Turkey and India. In this respect, on 18 April 2008, the Company already incorporated a new subsidiary company in Turkey, “Delta Greentech Electronics Industry LLC.”, with a registered capital of TRY 130,000 (5,200 ordinary shares of TRY 25 each). The subsidiary is held by Delta Greentech (Netherlands) BV., which is a subsidiary of DET International Holding Limited, with a shareholding of 100 percent.

- 21.4.2 To invest in Outrival Plan Corporation through Delta Greentech SGP Pte. Ltd. by purchasing common share capital from a shareholder, as a result of which Delta Greentech SGP Pte. Ltd. will have a 30 percent shareholding in this company.
- 21.4.3 To increase the Company's investment in DET International Holding Limited by approximately USD 15 million, with the additional funds to be invested in Delta Power Solutions India Private Limited for use in acquisition of plant and equipment, and as working capital. As a result the Company's investment in DET International Holding Limited increased from USD 136 million to USD 151 million.
- 21.5 After the completion of the purchase of Outrival Plan Corp.'s shares by Delta Greentech SGP Pte. Ltd. as mentioned in 21.4.2 and in order to allow Delta Greentech SGP Pte. Ltd. directly hold the 4.6 percent of shares of Delta-CIMIC Electronics Company Limited that are currently held by Outrival Plan Corp., the meeting of the Company's Board of Directors held on 14 May 2008 approved a resolution to dissolve and liquidate Outrival Plan Corp.

After this liquidation, Delta-CIMIC Electronics Company Limited will increase its share capital and Delta Greentech SGP Pte. Ltd. will subscribe to the newly issued shares of Delta-CIMIC Electronics Company Limited. As a result of this, Delta Greentech SGP Pte. Ltd. will be a shareholder of Delta-CIMIC Electronics Company Limited with a shareholding of approximately 8.2 percent.

22. Reclassification

Certain amounts in the financial statements for the year ended 31 December 2007 and for the three-month period ended 31 March 2007 have been reclassified to conform to the current period's classifications, with no effect on previously reported net income or shareholders' equity.

23. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 14 May 2008.