

Delta Electronics (Thailand) Public Company Limited  
and its subsidiaries  
Report and consolidated interim financial statements  
For the three-month and six-month periods ended  
30 June 2012

**Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Delta Electronics (Thailand) Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Delta Electronics (Thailand) Public Company Limited and its subsidiaries as at 30 June 2012, the related consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2012 and 2011, changes in shareholders' equity, and cash flows for the six-month periods ended 30 June 2012 and 2011, as well as the condensed notes to the consolidated financial statements, and have also reviewed the separate financial information of Delta Electronics (Thailand) Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my reviews.

**Scope of review**

I conducted my reviews in accordance with Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

**Conclusion**

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Accounting Standard 34 *Interim Financial Reporting*.

**Emphasis of matter**

I draw attention to Note 18.3.1 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 through 2004. This matter has no impact to a conclusion on the aforementioned interim financial information.

**Statements of financial position as at 31 December 2011 for comparative purposes**

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 2011 in accordance with auditing standards and, under my report dated 10 February 2012, expressed an unqualified opinion on those statements, and drew attention to the Company's receipt of notice of a corporate income tax assessment as mentioned in the preceding paragraph and the Company and its subsidiaries adopted the revised and new accounting standards issued by the Federation of Accounting Professions, and applied them in their preparation and presentation of the financial statements. The consolidated and separate statements of financial position as at 31 December 2011, as presented herein for comparative purposes, formed an integral part of those financial statements. I have not performed any other audit procedures subsequent to the date of the above report.

Supachai Phanyawattano  
Certified Public Accountant (Thailand) No. 3930

Ernst & Young Office Limited  
Bangkok: 9 August 2012

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statements of financial position

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Notes</u>	<u>30 June 2012</u> (Unaudited but reviewed)	<u>31 December 2011</u> (Audited)	<u>30 June 2012</u> (Unaudited but reviewed)	<u>31 December 2011</u> (Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		9,947,330,312	9,512,594,932	6,053,264,369	6,009,434,156
Trade and other receivables	3	7,586,639,255	6,859,442,163	5,580,380,268	4,833,962,450
Inventories	4	5,580,840,633	5,952,441,716	3,364,326,005	3,558,894,811
Other current assets	5	959,992,197	928,927,540	135,238,230	137,929,270
<b>Total current assets</b>		<u>24,074,802,397</u>	<u>23,253,406,351</u>	<u>15,133,208,872</u>	<u>14,540,220,687</u>
<b>Non-current assets</b>					
Deposits at bank with restrictions		113,893,919	116,396,027	-	-
Investments in subsidiary companies	6	-	-	9,235,034,556	8,901,796,746
Other long-term Investments	7	427,652,560	425,839,291	-	-
Property, plant and equipment	8	4,891,200,419	4,723,750,388	2,931,038,403	2,845,437,185
Consolidation goodwill		306,757,971	306,757,971	-	-
Other intangible assets	9	749,318,073	753,214,764	32,359,682	1,069,334
Deferred tax assets	10	274,543,199	260,537,449	-	-
Other non-current assets		45,479,578	43,662,674	1,280,869	1,296,870
<b>Total non-current assets</b>		<u>6,808,845,719</u>	<u>6,630,158,564</u>	<u>12,199,713,510</u>	<u>11,749,600,135</u>
<b>Total assets</b>		<u>30,883,648,116</u>	<u>29,883,564,915</u>	<u>27,332,922,382</u>	<u>26,289,820,822</u>

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

**Delta Electronics (Thailand) Public Company Limited and its subsidiaries**

**Statements of financial position (continued)**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
	<u>Notes</u>	<u>30 June 2012</u>	<u>31 December 2011</u>	<u>30 June 2012</u>	<u>31 December 2011</u>
		(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		794,834,511	1,022,144,521	-	-
Trade and other payables	11	8,285,905,445	7,172,665,919	5,400,884,049	4,908,568,174
Income tax payable		162,894,720	191,380,062	-	-
Short-term provisions	14	406,770,983	255,873,004	-	-
Other current liabilities	12	235,494,926	246,525,872	40,722,620	91,252,138
<b>Total current liabilities</b>		<u>9,885,900,585</u>	<u>8,888,589,378</u>	<u>5,441,606,669</u>	<u>4,999,820,312</u>
<b>Non-current liabilities</b>					
Deferred tax liabilities	10	23,299,714	32,803,092	-	-
Provision for long-term employee benefits	13	857,307,050	851,818,248	100,487,207	80,879,055
Long-term provisions	14	218,384,187	225,524,893	-	16,576,224
Other non-current liabilities		42,138,086	25,739,040	6,706,464	5,733,720
<b>Total non-current liabilities</b>		<u>1,141,129,037</u>	<u>1,135,885,273</u>	<u>107,193,671</u>	<u>103,188,999</u>
<b>Total liabilities</b>		<u>11,027,029,622</u>	<u>10,024,474,651</u>	<u>5,548,800,340</u>	<u>5,103,009,311</u>
<b>Shareholders' equity</b>					
Share capital					
Registered					
1,259 million ordinary shares of Baht 1 each		<u>1,259,000,000</u>	<u>1,259,000,000</u>	<u>1,259,000,000</u>	<u>1,259,000,000</u>
Issued and fully paid-up					
1,247 million ordinary shares of Baht 1 each		1,247,381,614	1,247,381,614	1,247,381,614	1,247,381,614
Share premium		1,491,912,500	1,491,912,500	1,491,912,500	1,491,912,500
Retained earnings					
Appropriated - Statutory reserve		125,900,000	125,900,000	125,900,000	125,900,000
Unappropriated		18,941,533,387	18,825,855,596	18,918,927,928	18,321,617,397
Other components of shareholders' equity		(1,950,109,007)	(1,831,959,446)	-	-
Equity attributable to owners of the Company		<u>19,856,618,494</u>	<u>19,859,090,264</u>	<u>21,784,122,042</u>	<u>21,186,811,511</u>
<b>Total shareholders' equity</b>		<u>19,856,618,494</u>	<u>19,859,090,264</u>	<u>21,784,122,042</u>	<u>21,186,811,511</u>
<b>Total liabilities and shareholders' equity</b>		<u>30,883,648,116</u>	<u>29,883,564,915</u>	<u>27,332,922,382</u>	<u>26,289,820,822</u>
		-	-	-	-

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**  
**Statements of comprehensive income**  
**For the three-month periods ended 30 June 2012 and 2011**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales and services income		10,355,136,781	9,951,240,619	6,970,256,754	6,677,680,945
Other income					
Interest income		42,598,361	27,966,851	36,224,913	22,473,972
Gain on exchange rate		63,473,948	20,103,913	111,114,245	66,154,184
Dividend income from other long-term investments	7	46,059,119	64,668,925	-	-
Others		65,457,932	49,505,015	17,386,109	31,449,888
<b>Total revenues</b>		<b>10,572,726,141</b>	<b>10,113,485,323</b>	<b>7,134,982,021</b>	<b>6,797,758,989</b>
<b>Expenses</b>					
Cost of sales and services		7,788,419,165	7,535,359,340	5,065,419,438	4,930,765,478
Selling expenses		651,824,093	704,468,347	217,776,604	381,464,218
Administrative expenses		446,647,544	398,993,368	317,209,846	209,842,570
Research and development expenses		499,058,538	564,576,787	421,774,959	194,216,989
Other expenses		244,665,664	21,957,275	27,871,440	7,593,335
<b>Total expenses</b>		<b>9,630,615,004</b>	<b>9,225,355,117</b>	<b>6,050,052,287</b>	<b>5,723,882,590</b>
<b>Profit before share of profit from investment in associated company, finance cost and corporate income tax</b>		<b>942,111,137</b>	<b>888,130,206</b>	<b>1,084,929,734</b>	<b>1,073,876,399</b>
Share of profit from investment in associated company		-	3,697,065	-	-
<b>Profit before finance cost and corporate income tax</b>		<b>942,111,137</b>	<b>891,827,271</b>	<b>1,084,929,734</b>	<b>1,073,876,399</b>
Finance cost		(26,484,757)	(24,362,261)	-	-
<b>Profit before corporate income tax</b>		<b>915,626,380</b>	<b>867,465,010</b>	<b>1,084,929,734</b>	<b>1,073,876,399</b>
Corporate income tax		(16,460,765)	44,200,810	-	-
<b>Profit for the period</b>		<b>899,165,615</b>	<b>911,665,820</b>	<b>1,084,929,734</b>	<b>1,073,876,399</b>
<b>Other comprehensive income:</b>					
Exchange differences on translation of financial statements in foreign currency		(53,282,004)	228,940,978	-	-
<b>Other comprehensive income for the period</b>		<b>(53,282,004)</b>	<b>228,940,978</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>845,883,611</b>	<b>1,140,606,798</b>	<b>1,084,929,734</b>	<b>1,073,876,399</b>

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 comprehensive income (continued)**  
**For the three-month periods ended 30 June 2012 and 2011**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
<b>Profit attributable to:</b>					
Equity holders of the Company		899,165,615	911,670,025	<u>1,084,929,734</u>	<u>1,073,876,399</u>
Non-controlling interests of the subsidiary (loss)		-	(4,205)		
		<u>899,165,615</u>	<u>911,665,820</u>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		845,883,611	1,137,393,323	<u>1,084,929,734</u>	<u>1,073,876,399</u>
Non-controlling interests of the subsidiary		-	3,213,475		
		<u>845,883,611</u>	<u>1,140,606,798</u>		
<b>Earnings per share</b>					
	16				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.72</u>	<u>0.73</u>	<u>0.87</u>	<u>0.86</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 comprehensive income**  
**For the six-month periods ended 30 June 2012 and 2011**

(Unit: Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales and services income		19,076,178,681	19,006,024,346	13,225,329,521	12,859,908,142
Other income					
Interest income		88,824,575	54,807,748	76,136,752	46,057,261
Gain on exchange rate		93,487,293	39,984,788	115,055,422	130,620,862
Dividend income from other long-term investments	7	46,059,119	64,668,925	-	-
Others		128,473,779	75,190,994	82,308,405	47,206,479
<b>Total revenues</b>		<b>19,433,023,447</b>	<b>19,240,676,801</b>	<b>13,498,830,100</b>	<b>13,083,792,744</b>
<b>Expenses</b>					
Cost of sales and services		14,266,946,941	14,562,094,752	9,595,183,410	9,738,107,459
Selling expenses		1,393,765,924	1,339,115,760	427,558,160	370,611,581
Administrative expenses		836,291,415	762,939,361	546,005,653	365,744,751
Research and development expenses		976,570,317	1,025,204,507	803,525,264	757,073,201
Other expenses		277,486,875	62,468,906	32,389,145	7,593,335
<b>Total expenses</b>		<b>17,751,061,472</b>	<b>17,751,823,286</b>	<b>11,404,661,632</b>	<b>11,239,130,327</b>
<b>Profit before share of profit from investment in associated company, finance cost and corporate income tax</b>		<b>1,681,961,975</b>	<b>1,488,853,515</b>	<b>2,094,168,468</b>	<b>1,844,662,417</b>
Share of profit from investment in associated company		-	12,196,059	-	-
<b>Profit before finance cost and corporate income tax</b>		<b>1,681,961,975</b>	<b>1,501,049,574</b>	<b>2,094,168,468</b>	<b>1,844,662,417</b>
Finance cost		(51,819,520)	(50,252,260)	-	-
<b>Profit before corporate income tax</b>		<b>1,630,142,455</b>	<b>1,450,797,314</b>	<b>2,094,168,468</b>	<b>1,844,662,417</b>
Corporate income tax	10	(17,606,727)	17,420,194	-	-
<b>Profit for the period</b>		<b>1,612,535,728</b>	<b>1,468,217,508</b>	<b>2,094,168,468</b>	<b>1,844,662,417</b>
<b>Other comprehensive income:</b>					
Exchange differences on translation of financial statements in foreign currency		(118,149,561)	341,509,148	-	-
<b>Other comprehensive income for the period</b>		<b>(118,149,561)</b>	<b>341,509,148</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>1,494,386,167</b>	<b>1,809,726,656</b>	<b>2,094,168,468</b>	<b>1,844,662,417</b>

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 comprehensive income (continued)**  
**For the six-month periods ended 30 June 2012 and 2011**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
<b>Profit attributable to:</b>					
Equity holders of the Company		1,612,535,728	1,468,336,758	<u>2,094,168,468</u>	<u>1,844,662,417</u>
Non-controlling interests of the subsidiary (loss)		-	(119,250)		
		<u>1,612,535,728</u>	<u>1,468,217,508</u>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		1,494,386,167	1,805,355,140	<u>2,094,168,468</u>	<u>1,844,662,417</u>
Non-controlling interests of the subsidiary		-	4,371,516		
		<u>1,494,386,167</u>	<u>1,809,726,656</u>		
<b>Earnings per share</b>					
	16				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>1.29</u>	<u>1.18</u>	<u>1.68</u>	<u>1.48</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

For the six-month periods ended 30 June 2012 and 2011

(Unit: Baht)

<b>Consolidated financial statements</b>									
Equity attributable to shareholders of the Company									
				Other components of shareholders' equity					
				Other comprehensive income					
		Retained earnings		Exchange differences on		Total other	Total equity	Equity attributable	Total
Issued and				translation of		components of	attributable to	to non-controlling	Total
fully paid-up				financial statements		shareholders'	shareholders of	interests of	shareholders'
share capital	Share premium	Appropriated	Unappropriated	in foreign currency		equity	the Company	the subsidiary	equity
<b>Balance as at 31 December 2010 (Audited)</b>	1,247,381,614	1,491,912,500	125,900,000	18,082,070,611	(1,736,897,562)	(1,736,897,562)	19,210,367,163	87,140,051	19,297,507,214
Profit (loss) for the period	-	-	-	1,468,336,758	-	-	1,468,336,758	(119,250)	1,468,217,508
Other comprehensive income for the period	-	-	-	-	337,018,382	337,018,382	337,018,382	4,490,766	341,509,148
Total comprehensive income for the period	-	-	-	1,468,336,758	337,018,382	337,018,382	1,805,355,140	4,371,516	1,809,726,656
Dividend paid (Note 15)	-	-	-	(2,120,548,743)	-	-	(2,120,548,743)	-	(2,120,548,743)
Derecognises the amount of non-controlling interest due to dissolution of the subsidiary	-	-	-	-	-	-	-	(91,511,567)	(91,511,567)
<b>Balance as at 30 June 2011</b>	<u>1,247,381,614</u>	<u>1,491,912,500</u>	<u>125,900,000</u>	<u>17,429,858,626</u>	<u>(1,399,879,180)</u>	<u>(1,399,879,180)</u>	<u>18,895,173,560</u>	<u>-</u>	<u>18,895,173,560</u>
<b>Balance as at 31 December 2011 (Audited)</b>	1,247,381,614	1,491,912,500	125,900,000	18,825,855,596	(1,831,959,446)	(1,831,959,446)	19,859,090,264	-	19,859,090,264
Profit for the period	-	-	-	1,612,535,728	-	-	1,612,535,728	-	1,612,535,728
Other comprehensive income for the period	-	-	-	-	(118,149,561)	(118,149,561)	(118,149,561)	-	(118,149,561)
Total comprehensive income for the period	-	-	-	1,612,535,728	(118,149,561)	(118,149,561)	1,494,386,167	-	1,494,386,167
Dividend paid (Note 15)	-	-	-	(1,496,857,937)	-	-	(1,496,857,937)	-	(1,496,857,937)
<b>Balance as at 30 June 2012</b>	<u>1,247,381,614</u>	<u>1,491,912,500</u>	<u>125,900,000</u>	<u>18,941,533,387</u>	<u>(1,950,109,007)</u>	<u>(1,950,109,007)</u>	<u>19,856,618,494</u>	<u>-</u>	<u>19,856,618,494</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 six-month periods ended 30 June 2012 and 2011**

(Unit: Baht)

	<b>Separate financial statements</b>				<b>Total shareholders' equity</b>
	<b>Issued and fully paid-up share capital</b>	<b>Share premium</b>	<b>Retained earnings</b>		
			<b>Appropriated</b>	<b>Unappropriated</b>	
<b>Balance as at 31 December 2010 (Audited)</b>	1,247,381,614	1,491,912,500	125,900,000	16,966,625,839	19,831,819,953
Total comprehensive income for the period	-	-	-	1,844,662,417	1,844,662,417
Dividend paid (Note 15)	-	-	-	(2,120,548,743)	(2,120,548,743)
<b>Balance as at 30 June 2011</b>	<u>1,247,381,614</u>	<u>1,491,912,500</u>	<u>125,900,000</u>	<u>16,690,739,513</u>	<u>19,555,933,627</u>
					-
<b>Balance as at 31 December 2011 (Audited)</b>	1,247,381,614	1,491,912,500	125,900,000	18,321,617,397	21,186,811,511
Total comprehensive income for the period	-	-	-	2,094,168,468	2,094,168,468
Dividend paid (Note 15)	-	-	-	(1,496,857,937)	(1,496,857,937)
<b>Balance as at 30 June 2012</b>	<u>1,247,381,614</u>	<u>1,491,912,500</u>	<u>125,900,000</u>	<u>18,918,927,928</u>	<u>21,784,122,042</u>
					-

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

(Unaudited but reviewed)

**Delta Electronics (Thailand) Public Company Limited and its subsidiaries****Cash flow statements****For the six-month periods ended 30 June 2012 and 2011**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
<b>Cash flows from operating activities:</b>				
Profit before tax	1,630,142,455	1,450,797,314	2,094,168,468	1,844,662,417
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	401,982,227	355,498,144	270,343,480	234,668,065
Amortisation of premium/discount of forward contracts	683,640	(3,614,976)	764,533	(3,660,034)
Amortisation of intangible assets	41,806,111	33,783,128	3,034,282	594,224
Record allowance for doubtful accounts (reversal)	15,210,302	(1,630,983)	2,410,654	(6,767,510)
Decrease of inventory to net realisable value (reversal)	41,310,839	324,915,600	(19,016,040)	86,736,843
Increase in provision for long-term employee benefits	32,313,962	30,342,875	22,784,992	5,660,592
Record the increase in provisions (reversal)	160,661,174	(2,334,959)	(16,576,224)	(5,845,544)
Share of profit from investment in associated company	-	(12,196,059)	-	-
Loss from dissolution of the subsidiary	-	6,838,932	-	-
Dividend income from other long-term investments	(46,059,119)	(64,668,925)	-	-
(Gain) loss from disposal of property, plant and equipment	23,117,151	(480,933)	21,805,590	(778,599)
Unrealised gain on exchange rate	(22,830,698)	(89,687,616)	(36,648,598)	(87,748,262)
Interest income	(88,824,575)	(54,807,748)	(76,136,752)	(46,057,261)
Interest expense	51,819,520	50,252,260	-	-
Profit from operating activities before changes in operating assets and liabilities	2,241,332,989	2,023,006,054	2,266,934,385	2,021,464,931
Decrease (increase) in operating assets:				
Trade and other receivable	(775,015,940)	(1,248,997,378)	(772,970,983)	(541,222,875)
Inventories	330,290,244	(1,417,607,130)	213,584,846	(860,568,144)
Other current assets	(64,687,479)	22,079,967	3,499,344	(63,821,873)
Other non-current assets	(1,854,942)	7,309,963	16,001	(78,000)
Increase (decrease) in operating liabilities:				
Trade and other payable	1,126,968,380	834,925,646	506,814,369	935,460,120
Other current liabilities	(5,343,341)	14,302,068	(44,449,493)	(33,084,548)
Provision for long-term employee benefits	(5,672,185)	(31,001,030)	(3,176,840)	(2,070,270)
Provisions	(1,397,957)	(9,802,521)	-	-
Other non-current liabilities	16,399,046	2,033,883	972,744	1,960,094
Cash flows from operating activities	2,861,018,815	196,249,522	2,171,224,373	1,458,039,435
Cash received from interest income	88,555,881	69,232,404	76,104,352	45,669,594
Cash paid for interest expense	(48,462,253)	(53,466,655)	-	-
Cash paid for corporate income tax	(51,991,584)	(44,423,614)	(774,689)	(456,343)
<b>Net cash flows from operating activities</b>	<b>2,849,120,859</b>	<b>167,591,657</b>	<b>2,246,554,036</b>	<b>1,503,252,686</b>

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

(Unaudited but reviewed)

**Delta Electronics (Thailand) Public Company Limited and its subsidiaries****Cash flow statements (continued)****For the six-month periods ended 30 June 2012 and 2011**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
<b>Cash flows from investing activities:</b>				
(Increase) decrease in deposits at bank with restrictions	2,502,108	(21,619,431)	-	-
Increase in investments in subsidiary companies	-	-	(333,237,810)	(405,613,550)
Cash received from dissolution of the subsidiary	-	25,999,604	-	-
Dividend received from investment in associated company	-	137,804,030	-	-
Dividend received from other long-term investments	46,059,119	64,668,925	-	-
Acquisition of property, plant and equipment	(666,132,854)	(609,899,178)	(380,214,913)	(363,137,036)
Proceeds from disposal of property, plant and equipment	9,366,308	7,753,175	2,464,625	1,540,203
Increase in other intangible assets	<u>(39,330,110)</u>	<u>(22,502,240)</u>	<u>(34,324,630)</u>	<u>(320,000)</u>
<b>Net cash flows used in investing activities</b>	<u>(647,535,429)</u>	<u>(417,795,115)</u>	<u>(745,312,728)</u>	<u>(767,530,383)</u>
<b>Cash flows from financing activities:</b>				
Decrease in bank overdrafts and short-term loans from financial institutions	(230,559,423)	(191,273,606)	-	-
Dividend paid (Note 15)	<u>(1,496,857,937)</u>	<u>(2,120,548,743)</u>	<u>(1,496,857,937)</u>	<u>(2,120,548,743)</u>
<b>Net cash flows used in financing activities</b>	<u>(1,727,417,360)</u>	<u>(2,311,822,349)</u>	<u>(1,496,857,937)</u>	<u>(2,120,548,743)</u>
<b>Increase (decrease) in translation adjustments</b>	<u>(80,359,891)</u>	<u>304,375,208</u>	<u>-</u>	<u>-</u>
<b>Net decrease in cash and cash equivalents</b>	393,808,179	(2,257,650,599)	4,383,371	(1,384,826,440)
Unrealised gain on exchange for cash and cash equivalents	40,927,201	90,799,755	39,446,842	70,681,142
<b>Cash and cash equivalents at beginning of period</b>	<u>9,512,594,932</u>	<u>9,206,798,949</u>	<u>6,009,434,156</u>	<u>5,566,187,454</u>
<b>Cash and cash equivalents at end of period</b>	<u>9,947,330,312</u>	<u>7,039,948,105</u>	<u>6,053,264,369</u>	<u>4,252,042,156</u>
	-	-	-	-
<b>Supplemental cash flow information:</b>				
Non-cash transactions				
Transfer deposit for purchase of land to property, plant and equipment	-	100,258,186	-	-

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 and six-month periods ended 30 June 2012**

**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. The registered office of the Company is at 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 Accounting Standard No. 34 (revised 2009) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive 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.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

**1.3 Basis of consolidation**

These consolidated financial statements include the financial statements of Delta Electronics (Thailand) Public Company Limited (“the Company”) and its subsidiaries (“the subsidiaries”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2011.

**1.4 New accounting standard not yet effective**

During the current period, the Federation of Accounting Professions issued new Financial Reporting Standards No. 8 "Operating Segments" that is effective for fiscal years beginning on or after 1 January 2013.

The management of the Company and its subsidiaries believe that the above accounting standard will not have any significant impact on the financial statements for the year when it is initially applied.

**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 2011.

**2. Related party transactions**

During the periods, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 30 June				Transfer pricing policies
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	
<b><u>Transactions with subsidiary companies</u></b>					
(eliminated from the consolidated financial statements)					
Sales of goods and raw materials	-	-	2,487	1,894	With reference to market prices
Purchase of raw materials	-	-	26	78	With reference to market prices
Commission paid	-	-	58	67	Contract prices
Marketing fee	-	-	78	62	Contract prices
Design and engineering fee	-	-	286	229	Contract prices
<b><u>Transactions with related parties</u></b>					
Sales of goods and raw materials	381	348	376	331	With reference to market prices
Purchase of goods and raw materials	553	273	113	39	With reference to market prices
Commission paid	84	71	84	71	Contract prices
Commission received	21	22	-	-	Contract prices
Services income	29	13	-	-	Contract prices

(Unaudited but reviewed)

(Unit: Million Baht)

	For the six-month periods ended 30 June				Transfer pricing policies
	Consolidated		Separate		
	financial statements		financial statements		
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	
<b><u>Transactions with subsidiary companies</u></b>					
(eliminated from the consolidated financial statements)					
Sales of goods and raw materials	-	-	4,768	3,737	With reference to market prices
Purchase of raw materials	-	-	90	154	With reference to market prices
Commission paid	-	-	109	119	Contract prices
Marketing fee	-	-	143	90	Contract prices
Design and engineering fee	-	-	545	436	Contract prices
<b><u>Transactions with related parties</u></b>					
Sales of goods and raw materials	643	613	632	585	With reference to market prices
Purchase of goods and raw materials	808	675	163	83	With reference to market prices
Commission paid	166	142	166	142	Contract prices
Commission received	37	22	-	-	Contract prices
Services income	45	24	-	-	Contract prices

The balances of the accounts as at 30 June 2012 and 31 December 2011 between the Company, its subsidiaries and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>30 June</u>	<u>31 December</u>	<u>30 June</u>	<u>31 December</u>
<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	
		(Audited)	(Audited)	
<b><u>Trade accounts receivables, related parties (Note 3)</u></b>				
Subsidiary companies	-	-	2,329,361	1,972,547
Associated company	-	70	-	70
Other related companies (under common control)	421,062	261,591	374,575	203,941
Total trade accounts receivables, related parties	<u>421,062</u>	<u>261,661</u>	<u>2,703,936</u>	<u>2,176,558</u>
<b><u>Amounts due from related parties (Note 3)</u></b>				
Other related companies (under common control)	<u>51</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total amounts due from related parties	<u>51</u>	<u>-</u>	<u>-</u>	<u>-</u>



(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2012	2011	2012	2011
		(Audited)		(Audited)
<b><u>Trade accounts payables, related parties (Note 11)</u></b>				
Subsidiary companies	-	-	30,320	72,303
Other related companies (under common control)	1,173,237	590,981	92,602	41,206
Total trade accounts payables, related parties	<u>1,173,237</u>	<u>590,981</u>	<u>122,922</u>	<u>113,509</u>

**Amounts due to related parties (Note 11)**

Subsidiary companies	-	-	174,075	235,296
Other related companies (under common control)	125,637	126,475	122,322	118,146
Total amounts due to related parties	<u>125,637</u>	<u>126,475</u>	<u>296,397</u>	<u>353,442</u>

**Directors and management's benefits**

For the six-month periods ended 30 June 2012 and 2011, the Company and its subsidiaries had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Short-term employee benefits	129,991	159,335	35,049	31,433
Post-employment benefits	12,127	11,461	682	104
Other long-term benefits	211	238	-	-
Total	<u>142,329</u>	<u>171,034</u>	<u>35,731</u>	<u>31,537</u>

(Unaudited but reviewed)

### 3. Trade and other receivables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	30 June	31 December	30 June	31 December
	2012	2011	2012	2011
		(Audited)		(Audited)
<u>Trade receivables, related parties</u>				
Aged on the basis of due dates				
Current	410,730	256,295	2,550,261	2,174,072
Past due				
Up to 3 months	10,190	5,182	153,150	2,486
3 - 6 months	106	184	525	-
6 - 12 months	36	-	-	-
Total	421,062	261,661	2,703,936	2,176,558
<u>Trade receivables, unrelated parties</u>				
Aged on the basis of due dates				
Current	6,345,031	5,995,956	2,647,361	2,401,828
Past due				
Up to 3 months	697,778	553,705	224,395	235,206
3 - 6 months	45,337	67,052	-	31,080
6 - 12 months	63,695	29,429	7,366	-
Over 12 months	49,944	32,225	-	-
Total	7,201,785	6,678,367	2,879,122	2,668,114
Total trade accounts receivable	7,622,847	6,940,028	5,583,058	4,844,672
Less: Allowance for doubtful accounts	(121,128)	(105,918)	(13,121)	(10,710)
Total trade receivables - net	7,501,719	6,834,110	5,569,937	4,833,962
<u>Other receivables</u>				
Amount due from related parties	51	-	-	-
Other receivables	84,869	25,332	10,443	-
Total other receivables	84,920	25,332	10,443	-
Trade and other receivables - net	7,586,639	6,859,442	5,580,380	4,833,962

(Unaudited but reviewed)

#### 4. Reduce cost to net realisable value of inventories

Movement in the reduce cost to net realisable value of inventory account during the six-month period ended 30 June 2012 is summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Balance as at 1 January 2012</b>	1,216,320	616,890
Add: Reduce cost to net realisable value of inventories increase during the period	117,378	-
Less: Reversal of reduce cost to net realisable value of inventory account during the period	(76,067)	(19,016)
<b>Balance as at 30 June 2012</b>	<u>1,257,631</u>	<u>597,874</u>

#### 5. Other current assets

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
		(Audited)		(Audited)
Input tax refundable	422,554	341,815	90,522	69,605
Prepaid expenses	103,812	102,119	15,652	17,611
Prepaid tax	277,445	310,264	-	-
Forward contracts receivable	-	1,282	-	-
Others	156,181	173,448	29,064	50,713
Total other current assets	<u>959,992</u>	<u>928,928</u>	<u>135,238</u>	<u>137,929</u>

#### 6. Investments in subsidiary companies

Details of investments in subsidiaries at cost as presented in separate financial statements are as follows:

Company's name	(Unit: Thousand Baht)				
	Foreign currency	Paid-up capital		Cost	
		30 June 2012	31 December 2011	30 June 2012	31 December 2011
		(Thousand)	(Thousand)		(Audited)
DET International Holding Limited	USD	243,992	237,413	8,818,524	8,615,286
Delta Energy Systems (Switzerland) AG	CHF	20,000	20,000	2,414,918	2,414,918
Delta Green Industrial (Thailand) Company Limited	THB	190,000	60,000	190,000	60,000
Delta Energy Systems (Singapore) Private Limited	USD	250	250	7,596	7,596
<b>Subtotal</b>				<u>11,431,038</u>	<u>11,097,800</u>
Less: Loss on impairment of investments in subsidiary companies				<u>(2,196,004)</u>	<u>(2,196,004)</u>
<b>Investments in subsidiary companies - net</b>				<u>9,235,034</u>	<u>8,901,796</u>

No dividend was received from the above subsidiary companies during the six-month period ended 30 June 2012 and 2011.

(Unaudited but reviewed)

## 7. Other long-term investments

(Unit: Thousand Baht)

Company's name	Shareholding percentage		Consolidated financial statements	
	30 June	31 December	30 June	31 December
	2012	2011	2012	2011
	%	%	(Audited)	
IP Fund One, L.P. (owned by DET International Holding Limited)	3.84	3.84	241,017	241,017
Delta Greentech (China) Company Limited (owned by Delta Greentech SGP Pte. Ltd.)	8.21	8.21	456,587	456,587
Total other long-term investments			697,604	697,604
Less: Allowance for diminution in value of other long-term investments			(177,938)	(177,938)
Translation adjustment			(92,013)	(93,827)
<b>Other long-term investments - net</b>			<u>427,653</u>	<u>425,839</u>

During the current period, the subsidiary of the Company received dividend amounting to approximately USD 1.49 million from Delta Greentech (China) Company Limited (the six-month period ended 30 June 2011: USD 2.14 million).

## 8. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 30 June 2012 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
<b>Net book value as at 1 January 2012</b>	4,723,750	2,845,437
Acquisitions during period - cost	666,133	380,215
Disposals during period - net book value at disposal date	(32,483)	(24,271)
Depreciation for the period	(401,982)	(270,343)
Translation adjustment	(64,218)	-
<b>Net book value as at 30 June 2012</b>	<u>4,891,200</u>	<u>2,931,038</u>

(Unaudited but reviewed)

## 9. Other intangible assets

Movement of the other intangible asset account during the six-month period ended 30 June 2012 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements				Separate
	Patent rights	Computer software	Others	Total	financial statements Computer software
<b>Net book value as at 1 January 2012</b>	673,381	78,905	929	753,215	1,069
Increase during period	30	39,735	3,057	42,822	34,325
Write-off during period - net book value at write-off date	-	(2,766)	(726)	(3,492)	-
Amortisation for the period	(25,490)	(16,256)	(60)	(41,806)	(3,034)
Translation adjustment	2,299	(3,649)	(71)	(1,421)	-
<b>Net book value as at 30 June 2012</b>	<u>650,220</u>	<u>95,969</u>	<u>3,129</u>	<u>749,318</u>	<u>32,360</u>

## 10. Income tax

Income tax expenses for the six-month periods ended 30 June 2012 and 2011 are made up as follows:

(Unit: Thousand Baht)

	<u>2012</u>	<u>2011</u>
<b>Current income tax:</b>		
Current income tax charge	(49,853)	(34,879)
<b>Deferred tax:</b>		
Increase in deferred tax assets	14,006	68,757
Decrease in deferred tax liabilities	9,503	3,264
Translation adjustment	8,737	(19,722)
<b>Income tax expenses reported in the statement of comprehensive income</b>	<u>(17,607)</u>	<u>17,420</u>

(Unaudited but reviewed)

**11. Trade and other payables**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
		(Audited)		(Audited)
Trade payables - related parties	1,170,237	590,981	122,922	113,509
Trade payables - unrelated parties	4,644,247	4,369,206	3,612,081	3,403,151
Amount due to related parties	125,637	126,475	296,397	353,442
Other payables	418,417	535,792	306,153	364,383
Accrued expenses	1,637,744	1,363,961	881,302	574,997
Advance received	289,623	186,251	182,029	99,086
<b>Total trade and other payables</b>	<b>8,285,905</b>	<b>7,172,666</b>	<b>5,400,884</b>	<b>4,908,568</b>

**12. Other current liabilities**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
		(Audited)		(Audited)
Forward contracts payable	29,694	34,708	12,508	19,865
Withholding tax payable	47,019	86,185	18,474	58,833
Value added tax payable	121,041	63,795	-	-
Others	37,741	61,838	9,741	12,554
<b>Total other current liabilities</b>	<b>235,495</b>	<b>246,526</b>	<b>40,723</b>	<b>91,252</b>

**13. Provision for long-term employee benefits**

Movement of the provision for long-term employee benefit account during the six-month period ended 30 June 2012 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
<b>Balance as at 31 December 2011</b>	851,818	80,879
Add: Recognition during period	57,447	22,785
Less: Decrease during period	(5,672)	(3,177)
Less: Reversal during period	(25,133)	-
Translation adjustment	(21,153)	-
<b>Balance as at 30 June 2012</b>	<b>857,307</b>	<b>100,487</b>

## 14. Provisions

These comprise the following:

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements	
	Restructuring	Warranty	Other	Total	Warranty	Total
	costs		provisions			
<b>Balance as at 31 December 2011 (Audited)</b>	19,706	204,582	257,110	481,398	16,576	16,576
Recognition during period	182,361	635,499	205,747	1,023,607	-	-
Decrease during period	-	-	(1,398)	(1,398)	-	-
Reversal during period	(18,456)	(635,755)	(208,735)	(862,946)	(16,576)	(16,576)
Translation adjustment	(2,761)	(5,466)	(7,279)	(15,506)	-	-
<b>Balance as at 30 June 2012</b>	<u>180,850</u>	<u>198,860</u>	<u>245,445</u>	<u>625,155</u>	<u>-</u>	<u>-</u>
Short-term provisions	17,807	13,568	224,498	255,873	-	-
Long-term provisions	1,899	191,014	32,612	225,525	16,576	16,576
<b>Balance as at 31 December 2011 (Audited)</b>	<u>19,706</u>	<u>204,582</u>	<u>257,110</u>	<u>481,398</u>	<u>16,576</u>	<u>16,576</u>
Short-term provisions	179,372	13,016	214,383	406,771	-	-
Long-term provisions	1,478	185,844	31,062	218,384	-	-
<b>Balance as at 30 June 2012</b>	<u>180,850</u>	<u>198,860</u>	<u>245,445</u>	<u>625,155</u>	<u>-</u>	<u>-</u>

**15. Dividends**

Dividends declared in 2012 and 2011 consisted of the followings:

<u>Dividend</u>	<u>Approved by</u>	<u>Total dividends</u> (Million Baht)	<u>Dividend per share</u> (Baht)
Final dividend for year 2011	Annual General Meeting of the shareholders on 30 March 2012	1,497	1.20
Final dividend for year 2010	Annual General Meeting of the shareholders on 1 April 2011	2,121	1.70

**16. Earnings per share**

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

Consolidated financial statements						
For the three-month periods ended 30 June						
		Weighted average				
Profit for the period		number of ordinary shares		Earnings per share		
<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the company						
899,166	911,670	1,247,382	1,247,382	0.72	0.73	
Consolidated financial statements						
For the six-month periods ended 30 June						
<th colspan="2" style="text-align: center;">Weighted average</th> <td colspan="2"></td>		Weighted average				
Profit for the period		number of ordinary shares		Earnings per share		
<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the company						
1,612,536	1,468,337	1,247,382	1,247,382	1.29	1.18	



(Unaudited but reviewed)

Separate financial statements					
For the three-month periods ended 30 June					
Profit for the period		Weighted average number of ordinary shares		Earnings per share	
<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>					
Profit attributable to equity holders of the company					
1,084,984	1,073,876	1,247,382	1,247,382	0.87	0.86

Separate financial statements					
For the six-month periods ended 30 June					
Profit for the period		Weighted average number of ordinary shares		Earnings per share	
<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>					
Profit attributable to equity holders of the company					
2,094,168	1,844,662	1,247,382	1,247,382	1.68	1.48

(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 servicing 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 and six-month periods ended 30 June 2012 and 2011 are as follow:

(Unit: Million Baht)

Consolidated financial statements																
For the three-month periods ended 30 June																
	Thailand		Asia		Australia		America		Europe		Total		Eliminated		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Revenue from external customers	4,484	4,783	585	756	-	-	3,250	2,305	2,036	2,107	10,355	9,951	-	-	10,355	9,951
Inter-segment revenues	2,488	1,894	27	57	7	4	25	17	1,403	1,401	3,950	3,373	(3,950)	(3,373)	-	-
Total revenues	<u>6,972</u>	<u>6,677</u>	<u>612</u>	<u>813</u>	<u>7</u>	<u>4</u>	<u>3,275</u>	<u>2,322</u>	<u>3,439</u>	<u>3,508</u>	<u>14,305</u>	<u>13,324</u>	<u>(3,950)</u>	<u>(3,373)</u>	<u>10,355</u>	<u>9,951</u>
Segment profit (loss)	1,005	1,038	(51)	(30)	1	-	(10)	33	(155)	(249)	790	792			788	771
Unallocated income (expenses):																
Other income															66	24
Interest income															43	28
Dividend income from other long-term investments															46	65
Share of profit from investment in associated company															-	4
Finance cost															(27)	(24)
Corporate income tax															(17)	44
Profit for the period - attributable to equity holders of the Company															<u>899</u>	<u>912</u>

(Unaudited but reviewed)

(Unit : Million Baht)

Consolidated financial statements																
For the six-month periods ended 30 June																
	Thailand		Asia		Australia		America		Europe		Total		Eliminated		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Revenue from external customers	8,459	9,123	1,279	1,698	-	-	5,772	4,361	3,566	3,824	19,076	19,006	-	-	19,076	19,006
Inter-segment revenues	4,771	3,737	96	147	12	4	40	33	2,492	2,542	7,411	6,463	(7,411)	(6,463)	-	-
Total revenues	<u>13,230</u>	<u>12,860</u>	<u>1,375</u>	<u>1,845</u>	<u>12</u>	<u>4</u>	<u>5,812</u>	<u>4,394</u>	<u>6,058</u>	<u>6,366</u>	<u>26,487</u>	<u>25,469</u>	<u>(7,411)</u>	<u>(6,463)</u>	<u>19,076</u>	<u>19,006</u>
Segment profit (loss)	1,923	1,717	(22)	1	1	-	(202)	21	(244)	(361)	1,456	1,378			1,420	1,305
Unallocated income (expenses):																
Other income															128	64
Interest income															89	55
Dividend income from other long-term investments															46	65
Share of profit from investment in associated company															-	12
Finance cost															(52)	(50)
Corporate income tax															(18)	17
Profit for the period - attributable to equity holders of the Company															<u>1,613</u>	<u>1,468</u>

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

## **18. Commitments and contingent liabilities**

### **18.1 Capital commitments and operating lease commitments**

18.1.1 As at 30 June 2012, the Company and its subsidiaries had significant capital commitments amounting to Baht 9 million in respect of the building construction and amounting to Baht 126 million EUR 0.5 million and INR 3 million in respect of the purchase of machinery and equipment.

18.1.2 As at 30 June 2012, the subsidiaries had significant operating lease commitments amounting to CHF 0.9 million, EUR 4 million and INR 166 million.

### **18.2 Guarantee obligations**

As at 30 June 2012, the Company and its subsidiaries had the following outstanding significant letters of guarantee required in the ordinary course of their businesses:

18.2.1 Outstanding letters of guarantee totaling approximately Baht 1,162 million have been issued by banks to meet requirements of the Company (including a letter of guarantee for approximately Baht 1,135 million issued by a bank to meet obligations of the Company to the Revenue Department in relation to the tax assessment mentioned in Note 18.3.1 to the financial statements).

18.2.2 Outstanding letters of guarantee for totals of approximately INR 129 million, EUR 1 million and USD 2 million have been issued by banks to meet requirements of its subsidiaries.

### **18.3 Tax assessment**

18.3.1 In 2006, the Company received a corporate income tax assessment letter from the Revenue Department, covering the years 1997 through 2000, assessing tax amounting to approximately Baht 740 million (including penalties and surcharges). The Company submitted a letter appealing the assessment to the Tax Appeal Committee of the Revenue Department, and in 2011, the Committee reduced the assessment to approximately Baht 734 million (including penalties and surcharges). However, the Company has petitioned the Central Tax Court to consider revoking this tax assessment.

In addition, during the current period, the Company received a corporate income tax assessment letter from the Revenue Department covering the years 2001 through 2004, assessing tax amounting to approximately Baht 401 million (including penalties and surcharges) and the Company submitted a letter appealing the assessment to the Tax Appeal Committee of the Revenue Department.

However, the independent legal counselor of the Company believes that no significant losses will be incurred by the Company and the Company has therefore not recorded provision for these tax assessments.

(Unaudited but reviewed)

18.3.2 Corporate income tax assessment of approximately INR 102 million was made against the overseas subsidiaries, covering the years 2003 - 2012 and sales tax and excise duties assessment of approximately INR 111 million, covering the years 2005 - 2009. The subsidiaries have submitted a letter appealing the assessment and the management of the Company and the subsidiaries believe that no significant losses will be incurred. The subsidiaries therefore have not recorded provision for this tax assessment.

#### 18.4 Litigation

As at 30 June 2012, two lawsuits had been filed against the subsidiaries in India, claiming a totaling of INR 7 million. The cases are 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 the subsidiary and no provision for the contingent liability has therefore been set aside in such accounts.

#### 19. Financial derivatives

As at 30 June 2012, the significant outstanding balances of the Company and its subsidiaries' financial assets and liabilities denominated in foreign currencies are as follows:

Foreign currency	Financial assets	Financial liabilities	Average exchange rate as at 30 June 2012
	(Million)	(Million)	(Baht per 1 foreign currency unit)
US dollar	139	112	31.8261
Euro	12	7	39.8333
Japanese yen	50	128	0.4014
Polish zloty	9	-	9.2276
Australian Dollar	2	-	32.1435

(Unaudited but reviewed)

The Company and its subsidiaries manage their exposure to foreign currency risk by using derivatives where considered appropriate. As at 30 June 2012, the outstanding derivatives for managing the exposure to foreign currency risk are as follows:

	Amount		Forward rate		Maturity date	
<b>Forward contracts to "Sell"</b>						
USD/THB	USD	97 million	30.87000 - 32.01000	THB/USD	July - September 2012	
USD/CHF	USD	4 million	0.95285 - 0.95870	CHF/USD	July 2012	
USD/TRY	USD	4 million	1.81850 - 1.85000	TRY/USD	July 2012	
EUR/USD	EUR	2 million	1.25120 - 1.25210	USD/EUR	July 2012	
EUR/CHF	EUR	8 million	1.20020 - 1.20150	CHF/EUR	July 2012	
PLN/CHF	PLN	8 million	3.54400 - 3.63200	PLN/CHF	July 2012	
<b>Forward contracts to "Buy"</b>						
USD/RUB	USD	4 million	33.00970 - 33.67380	RUB/USD	July 2012	
USD/INR	USD	4 million	55.89000 - 57.69000	INR/USD	July - August 2012	

## 20. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 9 August 2012.