

Delta Electronics (Thailand) Public Company Limited
and its subsidiaries
Report and interim consolidated financial statements
For the three-month period ended 31 March 2015

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 31 March 2015, the related consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Delta Electronics (Thailand) Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai 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 Thai Standards on Auditing 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 review, 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 Thai Accounting Standard 34 *Interim Financial Reporting*.

Emphasis of matter

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 through 2004. My conclusion is not qualified in respect of this matter.

Narong Puntawong

Certified Public Accountant (Thailand) No. 3315

EY Office Limited

Bangkok: 27 April 2015

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2015

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		31 March 2015	31 December 2014	31 March 2015	31 December 2014
		(Unaudited but reviewed)	(Restated)	(Unaudited but reviewed)	(Restated)
Assets					
Current assets					
Cash and cash equivalents		19,014,140	17,931,328	12,890,325	11,743,380
Trade and other receivables	5	8,600,871	8,370,665	6,486,189	6,020,277
Inventories		5,935,743	5,320,242	3,793,140	3,309,755
Other current assets	7	805,206	671,905	128,865	99,215
Total current assets		34,355,960	32,294,140	23,298,519	21,172,627
Non-current assets					
Deposits at bank with restrictions		64,039	76,768	-	-
Investments in subsidiary companies	8	-	-	10,750,924	10,750,924
Investment properties	9	213,016	245,195	-	-
Property, plant and equipment	10	4,222,982	4,361,267	2,383,218	2,341,438
Consolidation goodwill		306,758	306,758	-	-
Other intangible assets	11	551,868	582,985	5,273	8,401
Deferred tax assets		235,252	317,362	-	-
Other non-current assets		58,173	60,101	2,154	2,573
Total non-current assets		5,652,088	5,950,436	13,141,569	13,103,336
Total assets		40,008,048	38,244,576	36,440,088	34,275,963

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

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2015

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		31 March 2015	31 December 2014	31 March 2015	31 December 2014
		(Unaudited but reviewed)	(Restated)	(Unaudited but reviewed)	(Restated)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions		211,265	249,600	-	-
Trade and other payables	12	9,427,106	8,659,603	6,734,032	5,945,428
Income tax payable		49,481	38,470	-	-
Short-term provisions	15	170,042	139,169	-	-
Dividend payable	16	3,742,145	-	3,742,145	-
Other current liabilities	13	252,816	302,196	75,662	100,586
Total current liabilities		13,852,855	9,389,038	10,551,839	6,046,014
Non-current liabilities					
Deferred tax liabilities		51,371	56,923	-	-
Provision for long-term employee benefits	14	1,259,565	1,334,216	234,250	227,551
Long-term provisions	15	284,580	285,324	180,991	175,623
Other non-current liabilities		11,962	12,874	1,176	1,190
Total non-current liabilities		1,607,478	1,689,337	416,417	404,364
Total liabilities		15,460,333	11,078,375	10,968,256	6,450,378
Shareholders' equity					
Share capital					
Registered					
1,259,000,000 million ordinary shares of Baht 1 each		1,259,000	1,259,000	1,259,000	1,259,000
Issued and fully paid-up					
1,247,381,614 million ordinary shares of Baht 1 each		1,247,382	1,247,382	1,247,382	1,247,382
Share premium		1,491,912	1,491,912	1,491,912	1,491,912
Retained earnings					
Appropriated - Statutory reserve		125,900	125,900	125,900	125,900
Unappropriated		24,028,064	26,260,026	22,606,638	24,960,391
Other components of shareholders' equity		(2,345,543)	(1,959,019)	-	-
Equity attributable to owners of the Company		24,547,715	27,166,201	25,471,832	27,825,585
Total shareholders' equity		24,547,715	27,166,201	25,471,832	27,825,585
Total liabilities and shareholders' equity		40,008,048	38,244,576	36,440,088	34,275,963
		-	-	-	-

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

Directors

(Unaudited but reviewed)

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2015

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014 (Restated)	2015	2014 (Restated)
Profit or loss:					
Revenues					
Sales and service income		10,987,454	10,767,844	7,755,762	7,026,612
Other income					
Interest income		62,068	55,646	51,808	48,742
Gain on exchange		49,232	74,914	-	3,251
Others		57,310	88,882	25,396	43,251
Total revenues		11,156,064	10,987,286	7,832,966	7,121,856
Expenses					
Cost of sales and services		7,949,339	7,854,642	5,599,801	4,972,135
Selling expenses		701,012	691,373	219,468	215,369
Administrative expenses		374,042	466,916	236,517	297,979
Research and development expenses		439,591	477,544	370,078	435,684
Loss on exchange rate		-	-	17,240	-
Other expenses		34,717	37,779	1,470	14,437
Total expenses		9,498,701	9,528,254	6,444,574	5,935,604
Profit before share of profit from investment in an associated company, finance cost and income tax expenses		1,657,363	1,459,032	1,388,392	1,186,252
Share of profit from investment in an associated company		-	63	-	-
Profit before finance cost and income tax expenses		1,657,363	1,459,095	1,388,392	1,186,252
Finance cost		(8,238)	(20,329)	-	-
Profit before income tax expenses		1,649,125	1,438,766	1,388,392	1,186,252
Income tax expenses	17	(90,454)	(44,606)	-	-
Profit for the period		1,558,671	1,394,160	1,388,392	1,186,252
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency - net of income tax		(386,524)	(20,459)	-	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(386,524)	(20,459)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial losses - net of income tax		(48,488)	(44,394)	-	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		(48,488)	(44,394)	-	-
Other comprehensive income for the period		(435,012)	(64,853)	-	-
Total comprehensive income for the period		1,123,659	1,329,307	1,388,392	1,186,252

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

(Unaudited but reviewed)

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 31 March 2015

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
		(Restated)		(Restated)
Profit attributable to:				
Equity holders of the Company	<u>1,558,671</u>	<u>1,394,160</u>	<u>1,388,392</u>	<u>1,186,252</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>1,123,659</u>	<u>1,329,307</u>	<u>1,388,392</u>	<u>1,186,252</u>
Earnings per share				
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>1.25</u>	<u>1.12</u>	<u>1.11</u>	<u>0.95</u>

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

(Unaudited but reviewed)

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2015

(Unit: Thousand Baht)

Consolidated financial statements							
Equity attributable to shareholders of the Company							
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity		
			Appropriated	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Other comprehensive income	Total other components of shareholders' equity
Balance as at 31 December 2013 - as previously reported	1,247,382	1,491,912	125,900	24,098,351	(1,637,864)	(1,637,864)	25,325,681
Cumulative effect of change in accounting policy	-	-	-	(269,008)	-	-	(269,008)
Balance as at 31 December 2013 - as restated	1,247,382	1,491,912	125,900	23,829,343	(1,637,864)	(1,637,864)	25,056,673
Profit for the period	-	-	-	1,394,160	-	-	1,394,160
Other comprehensive income for the period	-	-	-	(44,394)	(20,459)	(20,459)	(64,853)
Total comprehensive income for the period	-	-	-	1,349,766	(20,459)	(20,459)	1,329,307
Dividend paid (Note 16)	-	-	-	(3,367,930)	-	-	(3,367,930)
Balance as at 31 March 2014	<u>1,247,382</u>	<u>1,491,912</u>	<u>125,900</u>	<u>21,811,179</u>	<u>(1,658,323)</u>	<u>(1,658,323)</u>	<u>23,018,050</u>
Balance as at 31 December 2014 - as previously reported	1,247,382	1,491,912	125,900	26,692,071	(1,959,019)	(1,959,019)	27,598,246
Cumulative effect of change in accounting policy (Note 3)	-	-	-	(432,045)	-	-	(432,045)
Balance as at 31 December 2014 - as restated	1,247,382	1,491,912	125,900	26,260,026	(1,959,019)	(1,959,019)	27,166,201
Profit for the period	-	-	-	1,558,671	-	-	1,558,671
Other comprehensive income for the period	-	-	-	(48,488)	(386,524)	(386,524)	(435,012)
Total comprehensive income for the period	-	-	-	1,510,183	(386,524)	(386,524)	1,123,659
Dividend paid (Note 16)	-	-	-	(3,742,145)	-	-	(3,742,145)
Balance as at 31 March 2015	<u>1,247,382</u>	<u>1,491,912</u>	<u>125,900</u>	<u>24,028,064</u>	<u>(2,345,543)</u>	<u>(2,345,543)</u>	<u>24,547,715</u>

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

(Unaudited but reviewed)

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2015

(Unit: Thousand Baht)

	Separate financial statements				Total shareholders' equity
	Issued and fully paid-up share capital	Share premium	Retained earnings		
			Appropriated	Unappropriated	
Balance as at 31 December 2013 - as previously reported	1,247,382	1,491,912	125,900	23,223,078	26,088,272
Cumulative effect of change in accounting policy	-	-	-	(83,494)	(83,494)
Balance as at 31 December 2013 - as restated	1,247,382	1,491,912	125,900	23,139,584	26,004,778
Profit for the period	-	-	-	1,186,252	1,186,252
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	1,186,252	1,186,252
Dividend paid (Note 16)	-	-	-	(3,367,930)	(3,367,930)
Balance as at 31 March 2014	<u>1,247,382</u>	<u>1,491,912</u>	<u>125,900</u>	<u>20,957,906</u>	<u>23,823,100</u>
Balance as at 31 December 2014 - as previously reported	1,247,382	1,491,912	125,900	25,038,522	27,903,716
Cumulative effect of change in accounting policy (Note 3)	-	-	-	(78,131)	(78,131)
Balance as at 31 December 2014 - as restated	1,247,382	1,491,912	125,900	24,960,391	27,825,585
Profit for the period	-	-	-	1,388,392	1,388,392
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	1,388,392	1,388,392
Dividend paid (Note 16)	-	-	-	(3,742,145)	(3,742,145)
Balance as at 31 March 2015	<u>1,247,382</u>	<u>1,491,912</u>	<u>125,900</u>	<u>22,606,638</u>	<u>25,471,832</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 statement****For the three-month period ended 31 March 2015**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u> (Restated)
Cash flows from operating activities:				
Profit before tax	1,649,125	1,438,766	1,388,392	1,186,252
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	191,330	192,114	141,555	131,383
Amortisation of other intangible assets	21,566	26,083	3,618	3,542
Recording of allowance for doubtful accounts (reversal)	(1,587)	(7,475)	218	(3,187)
Decrease of inventory to net realisable value (reversal)	(48,671)	22,465	(23,188)	(8,651)
Losses from write-off of inventories	47,143	40,595	35,290	27,139
Increase in provision for long-term employee benefits	17,462	33,346	7,796	7,052
Recording of the increase in provisions (reversal)	56,232	(47,527)	6,573	6,306
Share of profit from investment in an associated company	-	(63)	-	-
Gain from disposal of property, plant and equipment	(372)	(1,322)	(369)	(1,113)
Loss on disposal of other intangible assets	7	4,715	-	-
Unrealised loss on exchange	120,637	170,981	55,270	189,178
Interest income	(62,068)	(55,646)	(51,808)	(48,742)
Interest expenses	8,238	20,329	-	-
Income from operating activities before changes in operating assets and liabilities	1,999,042	1,837,361	1,563,347	1,489,159
Decrease (increase) in operating assets:				
Trade and other receivables	(306,650)	(424,124)	(551,081)	230,119
Inventories	(613,973)	(112,656)	(495,487)	(354,915)
Other current assets	(101,199)	(166,135)	(16,283)	(39,413)
Other non-current assets	1,928	(16,303)	419	(6,596)
Increase (decrease) in operating liabilities:				
Trade and other payables	788,128	206,893	816,792	32,983
Other current liabilities	(52,126)	(78,701)	(27,165)	(63,501)
Provision for long-term employee benefits	(9,040)	(13,817)	(1,097)	(2,701)
Provisions	(4,163)	(13,641)	-	(2,909)
Other non-current liabilities	(912)	(274)	(14)	140
Cash flows from operating activities	1,701,035	1,218,603	1,289,431	1,282,366
Cash received from interest income	46,697	35,458	36,324	28,802
Cash paid for interest expenses	(8,609)	(16,012)	-	-
Cash paid for corporate income tax	(53,980)	(21,004)	(403)	(602)
Net cash flows from operating activities	1,685,143	1,217,045	1,325,352	1,310,566

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 statement (continued)

For the three-month period ended 31 March 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u> (Restated)
Cash flows from investing activities:				
Decrease in deposits at bank with restrictions	12,729	14,232	-	-
Acquisition of property, plant and equipment	(209,001)	(179,101)	(183,919)	(118,199)
Proceeds from disposal of property, plant and equipment	1,013	5,894	953	3,969
Increase in other intangible assets	(997)	(12,433)	(490)	(1,367)
Net cash flows used in investing activities	<u>(196,256)</u>	<u>(171,408)</u>	<u>(183,456)</u>	<u>(115,597)</u>
Cash flows from financing activities:				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(38,335)	140,344	-	-
Net cash flows from (used in) financing activities	<u>(38,335)</u>	<u>140,344</u>	<u>-</u>	<u>-</u>
Decrease in translation adjustment	<u>(311,357)</u>	<u>(1,531)</u>	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	1,139,195	1,184,450	1,141,896	1,194,969
Unrealised gain (loss) on exchange for cash and cash equivalents	(56,383)	(59,392)	5,049	(48,539)
Cash and cash equivalents at beginning of period	<u>17,931,328</u>	<u>14,952,793</u>	<u>11,743,380</u>	<u>9,591,930</u>
Cash and cash equivalents at end of period	<u>19,014,140</u>	<u>16,077,851</u>	<u>12,890,325</u>	<u>10,738,360</u>

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

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month period ended 31 March 2015

1. General information

1.1 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2014) *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.

1.2 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 2014.

1.3 New financial reporting standards

During the period, the Company and its subsidiaries have adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the financial statements of the Company and its subsidiaries. However, some of these standards involve changes to key principles, which are summarised below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

The Company and its subsidiaries have changed the recognition of actuarial gains and losses in the current period from a gradual recognition in profit or loss to an immediate recognition in other comprehensive income and adjusted the current period's transactions and restated the prior period's financial statements, presented as comparative information, as if the Company had always applied this accounting policy. The cumulative effect of changes in accounting policies is presented in Note 3 to the financial statements.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of *TAS 27 Consolidated and Separate Financial Statements* dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on the financial statements of the Company and its subsidiaries.

TFRS 11 Joint Arrangements

TFRS 11 supersedes *TAS 31 Interests in Joint Ventures*. This standard requires an entity investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the entity is to recognise its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the financial statements in which the equity method is applied or the consolidated financial statements (if any), and at cost in the separate financial statements.

This standard does not have any impact on the financial statements of the Company and its subsidiaries.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact on the financial statements of the Company and its subsidiaries.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the financial statements of the Company and its subsidiaries.

2. 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 2014, except for the changes in accounting policies as a result of the adoption of new and revised standards, as discussed in Note 1.3 to the financial statements.

3. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 1.3 and Note 2 to the financial statements, during the current period, the Company and its subsidiaries have changed some of their accounting policies, as a result of the adoption of new and revised financial reporting standards. The cumulative effect of the change has been separately presented in the statements of changes in shareholders' equity.

(Unaudited but reviewed)

The amounts of adjustments affecting the statements of financial position and the statements of comprehensive income are summarised below.

(Unit: Million Baht)

As at 31 December 2014

	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Statements of financial position		
Increase in provision for long-term employee benefits	432	78
Decrease in unappropriated retained earnings	(432)	(78)

(Unit: Million Baht)

For the three-month period ended
31 March 2014

	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Statements of comprehensive income		
Profit or loss:		
Decrease (increase) in actuarial losses	(5)	1
Increase (decrease) in profit	(5)	1
Other comprehensive income:		
Increase in actuarial losses	(44)	-
Decrease in other comprehensive income	(44)	-
Earnings per share (Baht):		
Increase (decrease) in basic earnings per share	(0.004)	0.001

4. 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 31 March				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Sales of goods and raw materials	-	-	2,498	2,183	With reference to market prices
Purchase of raw materials	-	-	14	15	With reference to market prices
Commission paid	-	-	42	69	Contract prices
Marketing fee	-	-	52	80	Contract prices
Design and engineering fee	-	-	206	268	Contract prices
<u>Transactions with related parties</u>					
Sales of goods and raw materials	322	341	315	265	With reference to market prices
Purchase of goods and raw materials	925	690	92	39	With reference to market prices
Commission paid	102	89	102	89	Contract prices
Commission received	7	16	-	-	Contract prices
Services income	74	49	-	-	Contract prices
Services paid	15	15	15	15	Contract prices

(Unaudited but reviewed)

The balances of the accounts as at 31 March 2015 and 31 December 2014 between the Company, its subsidiaries and those related companies are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2015	2014	2015	2014
		(Audited)		(Audited)
<u>Trade receivables, related parties (Note 5)</u>				
Subsidiary companies	-	-	2,514	2,464
Other related companies (under common control)	401	420	314	343
Total trade receivables, related parties	401	420	2,828	2,807
<u>Trade payables, related parties (Note 12)</u>				
Subsidiary companies	-	-	28	27
Other related companies (under common control)	1,025	810	82	28
Total trade payables, related parties	1,025	810	110	55
<u>Amounts due to related parties (Note 12)</u>				
Subsidiary companies	-	-	141	112
Other related companies (under common control)	120	66	87	25
Total amounts due to related parties	120	66	228	137

Directors and management's benefits

For the three-month periods ended 31 March 2015 and 2014, the Company and its subsidiaries had employee benefit expenses of their directors and management as below.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Short-term employee benefits	66	57	41	23
Post-employment benefits	4	5	2	2
Other long-term benefits	-	1	-	-
Total	70	63	43	25

(Unaudited but reviewed)

5. Trade and other receivables

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2015	2014	2015	2014
		(Audited)		(Audited)
<u>Trade receivables, related parties (Note 4)</u>				
Aged on the basis of due dates				
Not yet due	400	418	2,719	2,745
Past due				
Up to 3 months	-	1	94	59
3 - 6 months	1	1	13	3
6 - 12 months	-	-	2	-
Total	401	420	2,828	2,807
<u>Trade receivables, unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	7,230	7,003	3,429	2,965
Past due				
Up to 3 months	897	881	227	247
3 - 6 months	68	55	2	-
6 - 12 months	56	61	-	1
Over 12 months	54	44	-	-
Total	8,305	8,044	3,658	3,213
Total trade receivables	8,706	8,464	6,486	6,020
Less: Allowance for doubtful accounts	(129)	(131)	(1)	(1)
Total trade receivables - net	8,577	8,333	6,485	6,019
<u>Other receivables</u>				
Other receivables	24	38	1	1
Total other receivables	24	38	1	1
Trade and other receivables - net	8,601	8,371	6,486	6,020

(Unaudited but reviewed)

6. Reduce cost to net realisable value of inventories

Movements in the reduce cost to net realisable value of inventory account during the three-month period ended 31 March 2015 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2015	932	386
Add: Reduce cost to net realisable value of inventories increase during the period	20	-
Less: Reversal of reduce cost to net realisable value of inventory account during the period	(69)	(23)
Balance as at 31 March 2015	<u>883</u>	<u>363</u>

7. Other current assets

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
		(Audited)		(Audited)
Input tax refundable	303	310	60	65
Advance payments	99	64	10	14
Prepaid expenses	128	100	29	6
Prepaid tax	135	126	-	-
Forward contracts receivable (Note 21)	58	15	-	-
Others	82	57	30	14
Total other current assets	<u>805</u>	<u>672</u>	<u>129</u>	<u>99</u>

(Unaudited but reviewed)

8. Investments in subsidiary companies

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

(Unit: Million Baht)

Company's name	Cost	
	31 March 2015	31 December 2014
		(Audited)
DET International Holding Limited	9,450	9,450
Delta Energy Systems (Switzerland) AG	2,415	2,415
Delta Green Industrial (Thailand) Company Limited	190	190
Delta Energy Systems (Singapore) Pte. Ltd.	892	892
Subtotal	12,947	12,947
Less: Allowance for impairment loss of investments in subsidiary companies	(2,196)	(2,196)
Investments in subsidiary companies - net	10,751	10,751

No dividend was received from the above subsidiary companies during the three-month periods ended 31 March 2015 and 2014.

9. Investment properties

Movements of the investment properties account during the three-month period ended 31 March 2015 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements		
	Office building		
	Land for rent	for rent	Total
Net book value as at 1 January 2015	39	206	245
Depreciation for the period	-	(3)	(3)
Translation adjustment	(5)	(24)	(29)
Net book value as at 31 March 2015	34	179	213

(Unaudited but reviewed)

10. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2015 are summarised below.

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2015	4,361	2,341
Acquisitions during period - cost	209	184
Disposals during period - net book value at disposal date	(1)	-
Depreciation for the period	(188)	(142)
Translation adjustment	(158)	-
Net book value as at 31 March 2015	4,223	2,383

11. Other intangible assets

Movements of the other intangible asset account during the three-month period ended 31 March 2015 are summarised below.

	Consolidated financial statements				Separate
	Patent rights				financial statements
	Computer				Computer
	Patent rights	software	Others	Total	software
Net book value as at 1 January 2015	538	39	6	583	8
Increase during period	-	1	-	1	1
Amortisation for the period	(13)	(9)	-	(22)	(4)
Translation adjustment	(7)	(2)	(1)	(10)	-
Net book value as at 31 March 2015	518	29	5	552	5

(Unaudited but reviewed)

12. Trade and other payables

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2015	2014	2015	2014
		(Audited)		(Audited)
Trade payables - related parties (Note 4)	1,025	810	110	55
Trade payables - unrelated parties	5,405	4,750	4,432	3,838
Amount due to related parties (Note 4)	120	66	228	137
Other payables	407	458	331	379
Accrued expenses	2,215	2,237	1,504	1,370
Advance received	255	339	129	166
Total trade and other payables	9,427	8,660	6,734	5,945

13. Other current liabilities

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2015	2014	2015	2014
		(Audited)		(Audited)
Forward contracts payable (Note 21)	5	43	-	6
Withholding tax payable	117	117	45	64
Value added tax payable	82	73	-	-
Others	49	69	31	31
Total other current liabilities	253	302	76	101

14. Provision for long-term employee benefits

Movements of the provision for long-term employee benefit account during the three-month period ended 31 March 2015 are summarised below.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
Balance as at 1 January 2015	1,334		227	
Add: Recognition during period	69		8	
Less: Decrease during period	(9)		(1)	
Less: Reversal during period	(3)		-	
Translation adjustment	(131)		-	
Balance as at 31 March 2015	1,260		234	

(Unaudited but reviewed)

15. Provisions

(Unit: Million Baht)

	Consolidated financial statements				Separate financial statements	
	Restructuring	Warranty	Other	Total	Warranty	Total
	costs		provisions			
Balance as at 31 December 2014 (Audited)	15	318	91	424	176	176
Recognition during period	-	122	157	279	7	7
Decrease during period	(1)	-	(3)	(4)	-	-
Reversal during period	-	(102)	(121)	(223)	-	-
Translation adjustment/unrealised gain on exchange rate	(2)	(7)	(12)	(21)	(2)	(2)
Balance as at 31 March 2015	12	331	112	455	181	181
Short-term provisions	15	81	43	139	-	-
Long-term provisions	-	237	48	285	176	176
Balance as at 31 December 2014 (Audited)	15	318	91	424	176	176
Short-term provisions	12	92	66	170	-	-
Long-term provisions	-	239	46	285	181	181
Balance as at 31 March 2015	12	331	112	455	181	181

(Unaudited but reviewed)

16. Dividends

Dividends declared in 2015 and 2014 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 2014	Annual General Meeting of the shareholders on 30 March 2015	3,742	3.00
Final dividend for year 2013	Annual General Meeting of the shareholders on 31 March 2014	3,368	2.70

17. Income tax

Income tax expenses for the three-month periods ended 31 March 2015 and 2014 are made up as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	
	<u>2015</u>	<u>2014</u>
Current income tax:		
Current income tax charge	(44)	(21)
Deferred tax:		
Decrease in deferred tax assets	(82)	(14)
Decrease (increase) in deferred tax liabilities	6	(10)
Translation adjustment	30	-
Income tax expenses reported in the statement of comprehensive income	<u>(90)</u>	<u>(45)</u>

18. Segment information

The following table presents revenue and profit information regarding the operating segments of the Company and its subsidiaries for the three-month periods ended 31 March 2015 and 2014 which is provided to the president of the group, who is the chief operating decision maker of the Company and its subsidiaries.

(Unit: Million Baht)

	For the three-month periods ended 31 March									
	Power		Energy		Smart green life		Others		Consolidated	
	electronics		management		segment				financial	
	segment		segment		segment				statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenue										
Revenue from external										
customers	7,884	7,271	2,748	3,041	90	149	265	306	10,987	10,767
Total revenue	<u>7,884</u>	<u>7,271</u>	<u>2,748</u>	<u>3,041</u>	<u>90</u>	<u>149</u>	<u>265</u>	<u>306</u>	<u>10,987</u>	<u>10,767</u>
Segment profit (loss)	1,628	1,425	168	221	(14)	(4)	(258)	(365)	1,524	1,277
Unallocated income (expenses):										
Interest income									62	56
Gain on exchange rate									49	75
Other income									57	89
Other expenses									(35)	(38)
Finance cost									(8)	(20)
Profit before income tax expenses									1,649	1,444
Income tax expenses									(90)	(45)
Profit for the period									<u>1,559</u>	<u>1,394</u>

19. Commitments and contingent liabilities**19.1 Capital commitments and operating lease commitments**

19.1.1 As at 31 March 2015, the Company and its subsidiaries had significant capital commitments amounting to Baht 17 million in respect of the building construction (31 December 2014: Baht 6 Million) and amounting to Baht 180 million, EUR 0.3 million or approximately Baht 12 million and INR 10 million or approximately Baht 5 million in respect of the purchase of machinery and equipment (31 December 2014: Baht 108 million, EUR 0.1 million or approximately Baht 4 million and INR 5 million or approximately Baht 2 million).

19.1.2 As at 31 March 2015, the subsidiaries had significant operating lease commitments amounting to SEK 2 million or approximately Baht 8 million, PLN 0.7 million or approximately Baht 6 million, CHF 0.8 million or approximately Baht 28 million, INR 24 million or approximately Baht 13 million and EUR 2 million or approximately Baht 85 million (31 December 2014: SEK 2 million or approximately Baht 7 million, PLN 1 million or approximately Baht 8 million, CHF 1 million or approximately Baht 28 million, INR 36 million or approximately Baht 19 million and EUR 2 million or approximately Baht 94 million).

19.2 Guarantee obligations

As at 31 March 2015, the Company and its subsidiaries had the following outstanding letters of guarantee required in the ordinary course of their businesses:

19.2.1 Outstanding letters of guarantee totaling approximately Baht 1,162 million (31 December 2014: 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 (31 December 2014: 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 19.3.1 to the financial statements).

19.2.2 Outstanding letters of guarantee for totals of approximately INR 495 million or approximately Baht 257 million, EUR 1 million or approximately Baht 46 million, USD 1 million or approximately Baht 30 million, PLN 0.4 million or approximately Baht 3 million and CHF 0.2 million or approximately Baht 7 million have been issued by banks to meet requirements of its subsidiaries (31 December 2014: INR 466 million or approximately Baht 240 million, EUR 1 million or approximately Baht 56 million, USD 0.9 million or approximately Baht 30 million, BRL 0.7 million or approximately Baht 9 million, AUD 0.07 million or approximately Baht 2 million and PLN 0.6 million or approximately Baht 6 million).

19.3 Tax assessment

19.3.1 In 2006, the Company received a corporate income tax assessment notice from the Revenue Department, covering the years 1997 through 2000, and 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 (“the Committee”), and in 2011, the Committee decided to reduce the assessment to approximately Baht 734 million (including penalties and surcharges). However, the Company petitioned the Central Tax Court to consider revoking this tax assessment and, during the year 2012, the Central Tax Court ordered a 50% reduction of the penalties (reduced to Baht 121 million from the amount of Baht 241 million previously calculated by the Revenue Department), while the Company’s remaining petitions were dismissed. However, the Company did not agree with the Central Tax Court’s judgment and therefore submitted a letter appealing the judgment of the Central Tax Court to the Supreme Court. The appeal is currently under the consideration of the Supreme Court.

In addition, during the year 2012, the Company received notice of corporate income tax assessment covering the years 2001 through 2004 from the Revenue Department, assessing tax amounting to approximately Baht 401 million (including penalties and surcharges). The Company submitted a letter appealing the assessment to the Tax Appeal Committee of the Revenue Department. During 2013, the Committee rejected the Company’s appeal. The Company therefore petitioned the Central Tax Court to consider revoking this tax assessment. On 24 June 2014, the Central Tax Court ordered a reduction of the penalties and surcharges to Baht 201 million from the amount of Baht 270 million previously calculated by the Revenue Department, while the Company’s remaining petitions were dismissed. However, the Company did not agree with the Central Tax Court’s judgment and therefore submitted a letter appealing the judgment of the Central Tax Court to the Supreme Court. The appeal is currently under the consideration of the Supreme Court.

However, the independent legal counselor of the Company believes that eventually the Company will win the case and therefore the Company has not recorded provision for the tax assessments in the accounts.

(Unaudited but reviewed)

19.3.2 The Indian tax authorities assessed corporate income tax of approximately INR 78 million or approximately Baht 41 million, covering the years 2003 - 2015, and sales tax and excise duties of approximately INR 370 Million or approximately Baht 192 million, covering the years 2005-2013, against the overseas subsidiaries. The subsidiaries have submitted a letter appealing the assessments. However, as at 31 March 2015, those subsidiaries had recorded prepaid tax amounting to approximately INR 139 million or approximately Baht 72 million and income tax payable amounting to INR 38 million or approximately Baht 20 million in their books of accounts. The management of the Company and the subsidiaries believe that no significant losses will be incurred as a result of this matter and the subsidiaries have therefore not recorded provision for the tax assessment.

20. Financial derivatives

As at 31 March 2015 and 31 December 2014, the significant outstanding balances of the Company and its subsidiaries' financial assets and liabilities denominated in foreign currencies are as follows:

Foreign currency	As at 31 December					
	Financial assets		Financial liabilities		Average exchange rate	
	31 March	31 December	31 March	31 December	31 March	31 December
	2015	2014	2015	2014	2015	2014
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	180	157	134	112	32.5551	32.9630
Euro	26	23	3	3	35.2178	40.0530
Japanese yen	92	124	259	247	0.2709	0.2738
Polish zloty	2	5	-	1	8.6257	9.3164

(Unaudited but reviewed)

The Company and its subsidiaries manage their exposure to foreign currency risk by using derivatives where considered appropriate. As at 31 March 2015 and 31 December 2014, the outstanding derivatives for managing the exposure to foreign currency risk are as follows:

As at 31 March 2015						
	Amount			Forward rate		Maturity date
Forward contracts to “Sell”						
USD/THB	USD	138	million	32.51000 – 33.51500	THB/USD	April - July 2015
USD/CHF	USD	10	million	0.97620 - 1.00455	CHF/USD	April 2015
EUR/CHF	EUR	7	million	1.05390 - 1.06850	CHF/EUR	April 2015
USD/TRY	USD	1	million	2.6065	TRY/USD	April 2015
EUR/TRY	EUR	2	million	2.78200 - 2.82760	TRY/EUR	April 2015
EUR/RUB	EUR	1	million	64.81690 - 66.92680	RUB/EUR	April 2015
EUR/SEK	EUR	1	million	9.33810	SEK/EUR	April 2015
Forward contracts to “Buy”						
USD/INR	USD	12	million	62.42000 - 63.45830	INR/USD	April - May 2015
USD/BRL	USD	1	million	3.17850 - 3.28490	BRL/USD	April 2015
EUR/USD	EUR	3	million	1.06250 - 1.09920	USD/EUR	April 2015
USD/AUD	USD	2	million	0.76300 - 0.78580	USD/AUD	April 2015
USD/THB	USD	6	million	32.56000	THB/USD	April 2015
USD/CHF	USD	3	million	0.96250 - 0.96262	CHF/USD	April 2015
As at 31 December 2014						
	Amount			Forward rate		Maturity date
Forward contracts to “Sell”						
USD/THB	USD	117	million	32.38000 - 33.44000	THB/USD	January - April 2015
USD/CHF	USD	11	million	0.95760 - 0.98180	CHF/USD	January 2015
EUR/CHF	EUR	7	million	1.20080 - 1.20300	CHF/EUR	January 2015
USD/TRY	USD	3	million	2.25150	TRY/USD	January 2015
EUR/TRY	EUR	2	million	2.80900 - 2.86300	TRY/EUR	January 2015
PLN/CHF	PLN	2	million	3.55600 - 3.63000	PLN/CHF	January 2015
EUR/USD	EUR	1	million	1.22050 - 1.25410	USD/EUR	January 2015
Forward contracts to “Buy”						
USD/INR	USD	7	million	62.02000 - 64.45000	INR/USD	January - February 2015
USD/BRL	USD	6	million	2.57720 - 2.70400	BRL/USD	January 2015
EUR/USD	EUR	6	million	1.22510 - 1.25220	USD/EUR	January - February 2015
USD/AUD	USD	3	million	0.83840 - 0.87030	USD/AUD	January 2015
USD/TRY	USD	2	million	2.24300 - 2.33650	TRY/USD	January 2015
USD/CHF	USD	1	million	0.98510	CHF/USD	January 2015

21. Fair value of financial instruments

The Company and its subsidiaries use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company and its subsidiaries endeavor to use relevant observable inputs as much as possible. TFRS 13 *Fair Value Measurement* establishes a fair value hierarchy categorising such inputs into three levels as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

As of 31 March 2015, the Company and its subsidiaries had the following assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated Financial Statements			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Foreign currency forward contracts (Note 7)	-	58	-	58
Financial liabilities measured at fair value				
Foreign currency forward contracts (Note 13)	-	5	-	5

Valuation techniques and inputs to Level 2 valuation

The fair value of derivatives has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies and interest rate yield curves.

During the current period, there were no transfers within the fair value hierarchy.

22. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 27 April 2015.