

Details of the Project for Offering for sale of warrants to Directors and Employees (ESOP Project)

Delta Electronics (Thailand) Public Company Limited

1. Objectives

The Objectives of the ESOP is to motivate and compensate the directors and employees of the Company to perform their duties to the best of their abilities for the best interests of the Company. This would be indirectly beneficial to the Company and its shareholders, and to motivate the directors and employees to continuously work for the Company as well as to build the ownership feeling of the Company which would make the directors and employees truly participate and improve their performance.

2. Preliminary Details of Warrants to Purchase the Company's Ordinary shares ("Warrants")

Type of Warrants	Warrants to purchase the Company's ordinary shares of Delta Electronics (Thailand) Public Company Limited.
Characteristic	In registered form and transferable warrants.
Term	Not exceeding 5 years from the date of issuing of said warrants
Total Number of Warrants to be Offered	Not exceeding [59,000,000] units
Offering Price per Unit	Baht 0 (zero Baht)
Exercise Ratio	Subject to the adjustment of the Exercise Price, one unit of Warrant will be entitled to purchase one ordinary share.
Exercise Price	Baht 1 per share.
Exercise Period	The last business day of January, April, July and October of each year. The first Exercise Date will be on the last business day of January 2006 and the last Exercise Date will be on the Maturity Date, provided that the warrant holder has to inform of its intention to purchase the shares within the period of time to be fixed by the Board and/or the person(s) entrusted by the Board.

Term sheet DELTA-W2

Reserved Shares	[59,000,000] shares, or [4.97] percent of the total number of issued shares as at 22 February 2005.
Allocation Method	Allocation of warrants to the directors and qualified employees of the Company, and not offering through the intermediary. And the offering will be commenced within the period of time prescribed by law after the Company has obtained the approval of the shareholders meeting and the approval of the office of the Securities and Exchange Commission. Provided however that in any case, the Company will apply for the offering of the warrants to the SEC only when the existing warrants issued under the previous ESOP Project have expired (i.e. after 30 June 2005)
Secondary Market	Stock Exchange of Thailand
Rights and Interests Other than those Normal Rights and Interests form Ordinary Shares	- None – (The ordinary shares issued pursuant to the exercise of the Warrant shall have the same rights and status as all other ordinary shares previously issued).

3. Allocation Method

The Company shall appoint and set up a Allocation Committee to consider the allocation of the Warrants to the directors and the employees. Such Allocation Committee are comprised of;

1. Mr. Ng Kong Meng Chairman of the Committee
2. Mr. Wang Ming-Cheng
3. Mr. Chu Chih-Yuan
4. Mr. Anusorn Muttaraid
5. Ms. Niramol Tantipuntum

Qualification of the Directors and Employees

- (1) Being the directors of the Company;
- (2) Being an employees of the Company from the Assistance Manager or above which has passed the 120 days probation and not being an employee with temporary employment term.
- (3) In exceptional case other than Clause (2), the case will be proposed to the Company's Allocation Committee for consideration.

Term sheet DELTA-W2

The number of Warrants to be allocated by the Allocation Committee to each of the director and the employees of the Company will not necessarily be the same number, but may be varied depending upon the position, work experience, year of service, working performance and potential, as well as benefits providing to the Company.

4. List of all directors of the Company who are eligible to be allocated Warrants.

Name	Position	Number of Allocated Warrants	% of Total Allocated Warrants
1. Mr. Ng Kong Meng	Chairman	2,000,000	3.39
2. Mr. Wang Ming-Cheng	Vice Chairman	1,500,000	2.54
3. Mr. Chu Chih-Yuan	Director	1,000,000	1.69
4. Mr. Anusorn Muttaraid	Director	1,000,000	1.69
5. Ms. Niramol Tantipuntum	Director	1,000,000	1.69

There is no director entitled to receive the warrants more than 5% of the total Warrants to be issued.

5. List of employee of the Company who is eligible for allocation of warrants in excess of 5 percent of Warrants to be issued and offered this time.

-None-

6. Rights and status of the Reserved Ordinary Shares

Ordinary shares issued pursuant to the exercised Warrants issued this time shall have the same rights and status as ordinary shares of the Company previously issued by the Company in all respects.

7. Expiration of the Warrants

After the expiry of the date set out for the last exercise of the Warrants, if there shall be any Warrants remain unexercised, it shall be deemed that the said Warrants shall cease to have no effect and are not exercisable in any case. In this regard, if there are remaining reserved ordinary shares, the Board of Directors shall propose the Shareholders' meeting to consider the allocation of such remaining ordinary shares.

8. Effects on Shareholders as a result of this Issuance and Offering of Warrants to directors and employees of the Company.

(A) Effects upon price dilution due to exercise of Warrants by Directors and employees the Company

The issuance and offering of said warrant will at first not effect the share price of the Company. However, upon the exercise of the right to purchase ordinary

Term sheet DELTA-W2

shares under the warrants at a discount exercise price, the share price of the Company will be effect as follows:

Exercise Price	Baht 1.00 per share
Market Price (as of 22 February 2005)	Baht 21.70 per share
Price Dilution	4.52 percent

- (B) Effects upon existing shareholders due to reduced ownership ratio or control dilution in case Warrants are exercised by all directors and employees of the Company as calculated from the present paid-up capital:

The issuance and offering of warrants will, at first, not effect the shareholding ratio of the shareholders. However, the shareholding ratio of the shareholders will be diluted upon the exercise of the rights to purchase ordinary shares under the Warrants. Based upon the assumption that the directors and/or employees exercised all rights to purchase ordinary shares in full within 5 years from the date of issuance and offering of the Warrants. The shareholding ratio will be diluted as follows:

Number of the total issued shares as of 22 February 2005	= 1,188,114,464 shares (at a par value of Baht 1 each)
Number of all shares from Warrant exercise	= [59,000,000] shares (at a par value of Baht 1 each)
Total number of share after Warrant exercise	= [1,247,114,464] shares (at a par value of Baht 1 each)
Ratio of the existing shareholders after warrant exercise	= [95.27] percent

9. Description and Conditions of Warrants

Warrants to be issued and offered to directors and employees at executive level and/or the Subsidiaries shall be subject to rules and regulations pursuant to the Notification of the Office of the SEC No. Kor. Jor. 36/2544 Re: Offering of New Securities to Directors or Employees dated 19 October 2001 or any other notification substituting it and any other relevant rules and regulations.

The Warrant holders shall be responsible for payment of tax and duties under the Revenue Code or any other applicable laws in relation to the exercise of the rights to purchase the ordinary shares pursuant to the warrants.

10. Financial assistance from the Company issuing the securities in processing of funds for the employees of the Company (if any).

- None -

Term sheet DELTA-W2

11. Rights of Shareholders in Opposition to the Offering and Sales of Warrants

The issuance and offering of Warrants to the directors and employees shall be approved by the Shareholders' Meeting with votes of not less than three quarters of all votes of shareholders attending the meeting and having the right to vote and must not be opposed by shareholders with an aggregate number of shares exceeding ten percent of all votes of shareholders attending the meeting.

12. Other

The Board of Directors of the Company, and/or Executive Director and/or person(s) entrusted by the Board of Directors or the Executive Director shall have the power to determine, change or add details and other conditions necessary and relevant to the offering of Warrants of the Company to the extent permissible by the laws or to the extent non-material to the decision of the shareholders, such as date, time and procedures of the offering, procedures for the exercise of rights, etc., or such determinations, amendments or changes made in compliance with the laws or orders of the relevant authorities, as well as to have the power to proceed with any actions necessary and relevant to the establishment of the ESOP Project and the issuance and offering of Warrants of the Company in all respects as deemed appropriate and to the extent permitted by the laws, which includes the power to prepare, amend, negotiate, execute, deliver the applications and/or other documents, contact, provide information, submit such applications or other evidencing documents to the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand and/or other authorities relating to the issuance and offering of the Warrants, and to list the warrant on the Stock Exchange of Thailand as well as to list the new shares from the exercise of the rights as listed securities on the Stock Exchange of Thailand.