

May 14, 2008

To: The President

The Stock Exchange of Thailand

Re: Explanation on the operating results in Q1-08

Delta Electronics (Thailand) Public Co.,Ltd., would like to inform on the Company and its subsidiaries operating results in the first quarter of 2008 (Jan-Mar 08) as compared to the same period last year as follows.

Sales revenue in Q1-08 dropped around 15% from Baht 8,980 million in Q1-07 to baht 7,628 million. This was mainly because of the further Baht appreciation against USD and a decrease in LCD TV sales. However, revenue in USD term slightly reduced only 4.8% and most of the Q1-08 sales revenues in USD from most of the existing focused products as compared to Q1-07 satisfactorily increased including those in DES group (such CD and OEM power systems) which rose around 46% and ESBG (Energy systems business group mainly includes telecom power systems, UPS) up by 77%, CPBG (Component products mainly includes EMI filter and solenoid) increased around 35% and also a 26 % increase in FMBG (DC fan).

Gross profit margin significantly improved from 19.1% in Q1-07 to 24.9% in Q1-08 primarily due to the change in product mix by shifting the business to the higher end technology products which generally provide more favorable profit.

Selling and admin expenses (SG&A) in Q1-08 slightly rose by 3.7% from Baht 1,164 million in Q1-07 to Baht 1,207 million mainly because of the higher R&D expense of about 9%. However, due to the significantly higher gross margin, the operating profit margin in Q1-08 was marginally affected and rose to 9.1%, compared to 6.1% of sales in the same period last year.

Even with the comparatively high gross and operating profit, net profit in Q1-08 remained almost unchanged at Baht 800.5 million, compared to that of Baht 808.7 million of Q1-07. This was because in Q1-07, the Company had recorded a high other income mainly generated from a compensation income from cancellation order of Baht 186 million and it is considered rareky arises. EPS in Q1-08 therefore stood at Baht 0.64, compared to Baht 0.65 in Q1-07.

Please be informed accordingly.

Yours sincerely,

Niramol Tantipuntum / Ming-Cheng Wang
Director / Vice Chairman