

August 13, 2009

To: The President

The Stock Exchange of Thailand

Re: Q2-09 operating results and liquidation of a subsidiary company

Delta Electronics (Thailand) Public Co.,Ltd., would like to inform the Company's operating results in the second quarter of 2009 (April-June 2009) based on its reviewed consolidated financial statements ended 30 June 2009 and the closure and liquidation of Delta Energy Systems (Guangzhou) Ltd, a subsidiary company, with following details.

**1. Q2-09 operating results**

Sales revenues in Q2-09 reduced by 27.3% from Baht 8,342 million in Q2-08 to Baht 6,063 million primarily due to the continued global economic recession. Major reduction in total sales is from IT and consumer electronic product groups e.g. DC fan, adapter and others which their sales contributions reduced around 30-40% while the contributions from other products e.g. telecom power systems decreased only around 15% as compared to those in Q2-08.

Gross profit margin in Q2-09 significantly improved from 22.7% in Q2-08 to 26.4% in Q2-09. This was mainly because of the lower cost of some raw materials which was partly caused by a decline in commodity prices such as copper, aluminum, semiconductor, etc during the first half of this year. According to the new projects relating to product development and efficiency improvement, R&D expenses rosed by almost 10%, from Baht 387 million, representing 4.6% to sales, to Baht 424 million or 7.0% to sales while SG&A expenses went up from 9.8% of sales to 12.4% primarily because of the slowdown in sales turnover as mentioned earlier. As a result, operationg profit dropped by 39%, from Baht 694 million in Q2-08 to Baht 421 million in Q2-09. With a foreign exchange loss of Baht 40.5 million along with some other expenses, net profit was posted at Baht 301 million with the EPS of Baht 0.24, representing a 52% drop from that of Q2-08.

**2. Liquidation of a subsidiary company, Delta Energy Systems (Guangzhou) Ltd**

The Company's subsidiary, Delta Energy Systems (Switzerland) AG (DES) will dispose its investment in its 51% owned subsidiary company, Delta Energy Systems (Guangzhou) Ltd, by way of liquidation. The proceeds to be obtained proportionately from the liquidation are estimated at RMB 12.2 million. (approx. THB 65 million)

Delta Energy Systems (Guangzhou) Ltd. was registered in China with current paid up capital of RMB 24,862,122. Now its operation is no longer needed, so the company is proposed to be closed and liquidated.

Please be informed accordingly.

Yours sincerely,

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Niramol Tantipuntum/ Ming-Cheng Wang  
Director / Vice Chairman