

February 16, 2009

To: The President

The Stock Exchange of Thailand

Re: 2008 operating results

Delta Electronics (Thailand) Public Co.,Ltd., would like to inform the Company's operating results for the year 2008 based on its audited consolidated financial statements ended 31 December 2008 as follows.

Delta Electronics Thailand and its subsidiaries, even under the tough period caused by the global economic slowdown, posted total consolidated sales of Baht 32,851 million in 2008, only a slight drop of 3% from those of previous year of Baht 33,766 million. Our telecommunication and higher end custom designed power supplies played a very significant role and performed well with a sales growth of 22% over that of last year, making a total contribution of approx. 60% of total consolidated sales turnover in 2008, compared to 47% in 2007. Consumer power supplies and component (cooling fan, EMI and solenoid) product group represented 14% equally while DC-DC converter and IT power supplies contributed 8% and 5% to 2008 sales contribution, respectively.

Cost of goods sold in 2008 decreased from 77.7% to sales in 2007 to 75.6% in 2008 owing to a significant improvement in the production management and cost control in several product groups such as DES and component product group. The overall gross profit margin, as a result, satisfactorily went up from 22.3% in 2007 to 24.4% in 2008.

SG&A expenses to sales in 2008 rose from Baht 2,952 million or 8.7% to sales in the past year to Baht 3,278 million or 10% to sales. This was primarily attributed to higher selling expenses which significant rose by approximately 19%, from Baht 1,823 million (5.4% of sales) in 2007 to Baht 2,170 million (6.6% of sales) in 2008 following a significant change in product mix to focus more on telecommunication and higher end custom design power supplies which generally require more selling efforts and marketing activities. R&D expense also went up from 4.7% to 5.1% to sales. However, with the support from higher gross margin mentioned earlier, operating profit margin (after R&D expense) was improved from 8.9% previously to 9.4%.

Since the business of some subsidiaries has recently been expanding with impressive growths, this also incurs a larger exposure in foreign exchange position to the Company, especially for the local currencies of those subsidiaries in emerging countries which were quite highly volatile and unpredictable during 2008. The Company, as a consequence, has posted a foreign exchange loss of Baht 62 million in 2008, compared to a large gain of Baht 274 million last year. Net profit was therefore adversely affected by such loss and reduced by 8% from Baht 3,155 million with EPS of Baht 2.53 previously to Baht 2,898 million with EPS of 2.32 in 2008.

Please be informed accordingly.

Yours sincerely,

Niramol Tantipuntum/ Ming-Cheng Wang
Director / Vice Chairman