

9 August 2010

To: The President

The Stock Exchange of Thailand

Re: Q2-10 operating results

We, Delta Electronics (Thailand) Public Company Ltd, would like to inform the Company's operating results in the second quarter of 2010 (Apr-Jun 2010) based on its reviewed consolidated financial statements ended 30 June 2010 as follows.

Sales revenues in Q2-10 increased drastically, about 41% from Baht 6,063 million in Q2-09 to Baht 8,544 million. Such growth was mainly due to a surge in the Company's DES Power business (including OEM, Custom Design (CD) Power supplies and solar power) which tremendously rose over 70% against those of Q2-09. Solar inverter is one of the new businesses the Company first initiated with huge R&D efforts since 2006 and becomes fruitful significantly this year. The main market of Delta Thailand's DES Power products now is Europe but planned to expand into other parts of the world such as USA and Asia in the coming years. Following the recovery in automotive and telecommunication markets, cooling fan and DC-DC converter also presented satisfactory performances with a growth of 80% and 70% over its Q2-09 sales respectively.

Gross margin in Q2-10 was further enhanced from 27.4% in Q2-09 to 28.4%. SG&A expenses excluding R&D rose minimally, only 5.5% from those of Q2-09, because most of the expenses are considered semi-fixed items that may not completely correspond with sales change. This resulted in a significant lower in %SG&A/sales, from 13.5% in Q2-09 to 10.1% in Q2-10. Together with a slight decrease in R&D expenses of 6% from Q2-09 or having lowered to 4.7% of sales, compared to around 7% of sales in Q2-09, operating profit (after R&D expense) margin in Q2-10 was improved impressively from 6.9% to 13.7%. Foreign exchange was booked at a gain of THB 5.3 million, compared to a loss of THB 40.5 million in Q2-09. With all of the above positive performances, net profit was posted with a remarkable increase of 267%, from THB 301 million in Q2-09 or EPS of THB 0.24 to THB 1,105 million with EPS of Baht 0.89.

Please be informed accordingly.

Niramol Tantipuntum/ Ming-Cheng Wang
Director/ Vice Chairman