

(F 53-4)

**Capital Increase Report Form**  
**Delta Electronics (Thailand) Public Company Limited**  
**February 23, 2010**

We, Delta Electronics (Thailand) Public Company Limited (“**Company**”), hereby report the resolutions of the Board of Directors Meeting No. 1/2010 held on February 23, 2010, from 13.00 p.m. to 18.00 p.m. in respect of a capital increase and shares allotment as follows:

**1. Capital increase**

The Board of Directors' Meeting passed a resolution approving the decrease of a registered capital from Baht 1,259,000,000 to Baht 1,247,385,000 by canceling the Company's unissued and unoffered share of 11,615,000 shares with the par value of Baht 1 each pursuant to the resolution of Annual General Meeting of Shareholders No. 1/2005 held on March 30, 2005 with regard to the issuance, offering and allocation of warrants to the directors and employees of the Company (“**DELTA-W2**”) with the term of 5 years. Up to now, there are 3,198 units of DELTA-W2 being unexercised and which shall reach their 5-year term within this year (December 19, 2010). Consequently, the Company has to cancel the unissued and unoffered shares which have been reserved for the exercise of right under DELTA-W2.

After such decrease of the registered capital, the Company will increase the registered capital from Baht 1,247,385,000 to Baht 1,309,685,000 by issuing 62,300,000 new ordinary shares, at the par value of Baht 1 each, totaling Baht 62,300,000 to reserve for the exercise of right under the Employee Stock Option Plan (“**ESOP 2010**”).

**2. Allotment of new shares**

The Board of Directors' Meeting passed a resolution approving the allotment of 62,300,000 ordinary shares in order to reserve for the exercise of right under ESOP 2010, the details are as follows:

**2.1 Details of allotment**

<b>Allotted to</b>	<b>Type/Number (shares)</b>	<b>Exercise Ratio</b>	<b>Exercise price (Baht)</b>	<b>Date and time of subscription and share payment</b>	<b>Remark</b>
To be reserved for the exercise of right under the ESOP 2010	Ordinary shares / 62,300,000 shares	1:1	Baht 1	Please see the Remark below	Please see the Remark below

**Remark:** See the detail of Warrant Features in the resolution of Board of Directors Meeting No. 1/2010 held on February 23, 2010 which has been disclosed and reported to the Stock Exchange of Thailand on February 23, 2010.

2.2 Action to be taken by the Company when there are fractions of shares

- None -

2.3 Remaining shares not yet allocated

After canceling the Company's unissued and unoffered share of 11,615,000 shares which have been reserved for the exercise of right under DELTA-W2, there are 4,366 ordinary shares of the Company which are allotted in order to be reserved for the exercise of right under DELTA-W2 in an amount of 3,198 units.

**3. Schedule for shareholders meeting to approve the capital increase and the allocation of shares**

The 2010 Annual General Shareholders Meeting of shareholders will be held on April 5, 2010, at 9.30 a.m., at the Company's office ,909 Soi 9, Moo 4, Bangpoo Industrial Estate, Tambol Phraksa, Amphur Muang Samutprakarn, Samutprakarn and arranged to specify the names of the shareholders entitled to attend the Annual General Meeting of shareholders (Record Date) on March 12, 2010, as well as collecting the names of entitled shareholders under Section 225 of the Securities and Exchange Act B.E. 2535 (as amended) by means of share register book closure and suspension of share transfer on March 15, 2010.

**4. Approval of the capital increase/share allotment by relevant governmental agency and related conditions**

4.1 After the approval of increase the registered capital by the shareholders of the Company, the Company is required to register the increase of registered capital and paid-up capital with the Ministry of Commerce.

4.2 The Company is required to request approval for listing of the new shares from the exercise of the right as listed securities on the SET.

**5. Objectives of the capital increase and plans for utilizing proceeds received from the capital increase**

5.1 To reserve for the exercise of the right under the ESOP 2010 in accordance with the resolution of the meeting of the Board of Directors of the Company No. 1/2010 held on February 23, 2010 and the resolution of the Annual General Meeting of Shareholders of the Company held on April 5, 2010

5.2 To utilize in the business operation and working capital.

**6. Benefits which the company will receive from the capital increase/share allotment:**

At the present, the registered capital of the Company is Baht 1,259,000,000. After the decrease of a registered capital from Baht 1,259,000,000 to Baht 1,247,385,000 by canceling the Company's unissued and unoffered share of 11,615,000 shares with the par

value of Baht 1 each which have been reserved for the exercise of right under DELTA-W2, the Company will increase the registered capital from Baht 1,247,385,000 to Baht 1,309,685,000 by issuing 62,300,000 new ordinary shares, at the par value of Baht 1 each, to reserve for the exercise of right under the ESOP 2010. In this regard, the issuance and offering of warrants to the directors and employees of the Company and lowering the exercise price of Baht 1 per share than 90 percent of the market price is intended to maximize the interests of the Company and its subsidiaries by providing employees with additional incentives through the grant of warrants, thereby increasing the personal stake of such employees in the continued success and growth of the Company and encouraging them to remain in the employment of the Company.

**7. Benefits which the shareholders will receive from the capital increase/share allotment:**

- 7.1 The Company has a policy to dividend not less than 30% of net profits. However, the Company may change this policy from time to time under condition to support the business plan and/or the needs for future expansion of the business.
- 7.2 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.
- 7.3 The issuance and offering of warrants to the directors and employees of the Company is intended to motivate and retain those directors and employees to perform their employment in the Company, which increase the personal stake of such directors and employees in the continued success and growth of the Company and benefit to the shareholders finally.

**8. Schedule of action where the Board of Directors of the Company passes a resolution approving the allocation of new shares**

8.1 Price dilution

The exercise price of ESOP Warrants is Baht one (1) per unit which is lower than the market price. As a result, the issuance and offering of ESOP Warrants will cause price dilution.

Exercise price	Baht 1 per share
Market price (Weighted average price from 2 February to 22 February 2010)	Baht 17.80 per share
Price dilution	4.49 %

However, when the directors and employees of the Company and its Subsidiary exercise the Warrants, the price dilution effect will depend upon the company share price on the date when the shares from the exercise of the directors and employees of the Company and its Subsidiary begin to trade on the SET.

## 8.2 Control dilution

In case all Warrants are exercised by the directors and employees of the Company and its Subsidiary, the control dilution effect on the existing shareholders on the ownership and the voting right after the exercise is as follows:

No. of registered and paid-up shares (as of = 1,247,380,634 shares (Par value = Baht 1) February 23, 2010)

No. of shares from the exercise = 62,300,000 shares (Par value = Baht 1)

Total No. of shares after the exercise = 1,309,680,634 shares (Par value = Baht 1)

Control dilution = 4.76 %

## 9. Schedule of action where the Board of Directors of the company passes a resolution approving the capital increase or allotment of new shares:

Procedure	Date/Month/Year
Board of Directors' Meeting No. 1/2010	February 23, 2010
Record Date	March 12, 2010
Collecting names of entitled shareholders under Section 225	March 15, 2010
2010 Annual General Meeting being convened	April 5, 2010
Registration of capital increase with the Ministry of Commerce	Within 14 days from the day of shareholders meeting's resolution

The Company hereby certifies that the information contained in this report form is true and complete in all respects.

Signed \_\_\_\_\_ Authorized Director  
(Niramol Tantipuntum)

Position Director

Signed \_\_\_\_\_ Authorized Director  
(Ming-Cheng Wang)

Position Vice Chairman