

26 October 2015

To: The President
The Stock Exchange of Thailand

Re: Q3-2015 operating results

We, Delta Electronics (Thailand) Public Company Ltd, would like to notify the Company's Q3-2015 (Jul-Sep) operating results based on its reviewed consolidated financial statements ended 30 September 2015 as follows.

Highlights on Q3-2015 Operating results

Unit : Million Baht	<u>Q3-15</u>		<u>Q3-14</u>		<u>Q2-15</u>		% Change	
	Amount	%	Amount	%	Amount	%	Q3-15 VS Q3-14	Q3-15 VS Q2-15
Sales Revenue	12,103	100.0	11,456	100.0	11,466	100.0	5.6	5.6
Gross profit	3,158	26.1	3,263	28.5	3,124	27.2	(3.2)	1.1
Operating profit	1,502	12.4	1,642	14.3	1,606	14.0	(8.6)	(6.5)
Net profit	1,741	14.4	1,942	17.0	1,703	14.9	(10.3)	2.2
EPS (Baht)	1.40		1.56		1.37			

Sales revenues of this quarter amounting to Baht 12,103 million, went up 5.6% from those of the same period last year. Sales growth remains attributed to Mobile Power Supplier (such as power tools, power supplies for broadband, printer, game machines, etc.), which increased about 18.7% over the same quarter of last year and a significant growth of 71.6% growth in Industrial Automation's sales due to increasing sales in South East Asia and India market. However, PSBG's sales, especially Telecom power supply, reduced about 6.5% from those of the same period last year largely owing to the low sales in Europe market and the depreciation of Euro currency (EUR). However, Telecom power systems' sales in India significantly grew, 48.7%, from the same period last year.

Gross profit of this quarter amounted to Baht 3,158 million, 3.2% down from the same period last year due to higher material costs mainly caused by recent USD appreciation. This resulted in a lower gross margin from 28.5% in the same period last year to 26.1%. Selling and administrative expenses including R&D (SGA) of this quarter marginally rose, 2.2%, from the same period last year. But with a proper control on the expenses, the ratio of SGA/sales was slightly improved from 14.2% in the same period last year to 13.7% in this quarter.

Operating profit of this quarter amounted to Baht 1,502 million, 8.6% lower than the same period last year and resulted in a lower operating profit margin, from 14.3% in the same period last year to 12.4%. Following the depreciation of Thai Baht/USD, the Company has significant gain on foreign exchange in this quarter of Baht 188.9 million, compared to Baht 20 million in the same period last year. Net profit in this quarter reduced 10.3% to Baht 1,741 million with EPS of Baht 1.40, compared to Baht 1.56 in Q3-14.

Highlights on Financial Position

Unit : Million Baht	30 Sep 15	31 Dec 14	%Change
Cash and Cash equivalents	18,968	17,931	5.8%
Trade and other receivables	10,389	8,371	24.1%
Inventories	6,470	5,320	21.6%
Property, plant and equipment	4,802	4,361	10.1%
Others	2,624	2,259	16.2%
Total Assets	43,253	38,242	13.1%
Bank overdrafts and short-term loans	220	250	-12.0%
Trade and other payable	11,256	8,655	30.1%
Non-current liabilities	1,863	1,689	10.3%
Others	867	482	80.1%
Total Liabilities	14,206	11,076	28.3%
Total Shareholders' equity	29,047	27,166	6.9%
Total Liabilities and shareholders' equity	43,253	38,242	13.1%

Total Assets

As of 30 September 2015, total assets of the Company and its subsidiaries stood at Baht 43,253 million, 13.1% up from those of 31 December 2014. Major changes in key assets are summarized below.

Cash and Cash equivalents as of 30 September 2015 amounted to Baht 18,967.8 million, an increase of Baht 1,036.5 million or 5.8% up from 31 December 2014 which mainly earned from its operations. However, the Company during the year had made cash dividend distribution for Baht 3,742.1 million.

Net trade and other receivables as of 30 September 2015 was Baht 10,388.9 million, an increase of Baht 2,018.2 million or 24.1% from 31 December 2014. The Company still keeps closely monitor its trade receivables. Most of the outstanding balance of trade and other receivables, almost 90% of total net trade and other receivables, were under due.

Inventories as of 30 September 2015 was Baht 6,470.3 million, an increase of Baht 1,150.0 million or 21.6% from 31 December 2014. The major inventories are CDBU products (Customized design power supplies) and Telecom power systems. This is to support the expected sales growth.

Property, plant and equipment as of 30 September amounted to Baht 4,801.6 million, an increase of Baht 440.3 million or 10.1% from those of 31 December 2014. Major investment item was a purchase of sales office space in Mumbai totaling Baht 134.2 million to enhance its local sales services.

Total Liabilities

As of 30 September 2015, total liabilities of the Company and its subsidiaries stood at Baht 14,206.7 million, 28.3% up from those of 31 December 2014. Major change in liabilities is described below.

Trade and other payables as of 30 September 2015 were Baht 11,256.1 million, an increase of Baht 2,601.2 million or 30.1% from 31 December 2014. This was partly due to sales growth of the Company itself and its subsidiaries in India together with the Thai Baht and India Rupee depreciation against USD.

Shareholders' Equity

As of 30 September 2015, shareholders' equity of the Company and its subsidiaries were Baht 29,046.8 million, an increase of Baht 1,880.6 million or 6.9% from those of 31 December 2014. This was attributable to the profits generated during the first nine month operations. However, as the dividend payment had been made during the second quarter of this year, part of the equity had been used for this purpose.

Please be informed accordingly.

Anusorn Muttaraid
Director