

Delta Electronics (Thailand) Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2009 and 2008

Report of Independent Auditor

To the Shareholders of Delta Electronics (Thailand) Public Company Limited

I have audited the accompanying consolidated balance sheets of Delta Electronics (Thailand) Public Company Limited and its subsidiaries as at 31 December 2009 and 2008, the related consolidated statements of income, changes in shareholders' equity and cash flows for the years then ended, and the separate financial statements of Delta Electronics (Thailand) Public Company Limited for the same periods. These financial statements are the responsibility of the management of the Company and its subsidiaries as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audits. The financial statements of certain overseas subsidiaries as at 31 December 2009 and 2008 and for the years then ended were audited by the subsidiaries' auditors, whose reports have been furnished to me. My opinion on the consolidated financial statements for the years ended 31 December 2009 and 2008, insofar as they relate to the amounts included for these subsidiaries, is based solely on the reports of those other auditors. The financial statements of those subsidiaries reflect their total assets as at 31 December 2009 and 2008 of approximately Baht 5,793 million and Baht 5,906 million, respectively, total revenues for the years ended 31 December 2009 and 2008 of approximately Baht 11,810 million and Baht 11,816 million, respectively, and net loss for the years ended 31 December 2009 and 2008 of approximately Baht 22 million and Baht 250 million, respectively.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits and the reports of the other auditors referred to in the aforementioned paragraph provide a reasonable basis for my opinion.

In my opinion, based on my audits and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of Delta Electronics (Thailand) Public Company Limited and its subsidiaries and of Delta Electronics (Thailand) Public Company Limited as at 31 December 2009 and 2008, and the results of their operations and cash flows for the years then ended in accordance with generally accepted accounting principles.

Without qualifying my opinion on the aforementioned financial statements, I draw attention to Note 28.3.1 to the financial statements regarding the Company's receipt of notice of a corporate income tax assessment from the Revenue Department, covering the years 1997 through 2000.

Narong Puntawong
Certified Public Accountant (Thailand) No. 3315

Ernst & Young Office Limited
Bangkok: 23 February 2010

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Balance sheets

As at 31 December 2009 and 2008

(Unit: Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Assets					
Current assets					
Cash and cash equivalents		10,552,858,435	9,131,391,349	7,545,051,143	6,551,478,418
Investments in available-for-sale securities	7	178,516,270	52,462,379	-	-
Trade accounts receivable					
Related parties	6	266,562,291	281,715,072	1,646,325,622	1,413,589,819
Unrelated parties		5,274,245,565	5,777,550,472	2,099,680,859	2,492,028,654
Less: Allowance for doubtful accounts		(55,541,098)	(77,241,495)	(7,710,377)	(23,696,645)
Trade accounts receivable - net	8	5,485,266,758	5,982,024,049	3,738,296,104	3,881,921,828
Amounts due from related parties	6	-	4,227,360	-	-
Inventories - net	9	3,829,213,794	4,257,876,422	1,905,651,539	1,970,124,841
Other current assets					
Input tax refundable		276,004,959	202,506,000	51,411,720	51,549,589
Advance payments		114,344,157	72,113,265	1,294,996	28,444,212
Forward contracts receivable	29	11,678,483	57,981,085	3,499,050	-
Prepaid expenses		50,219,724	64,934,724	9,240,963	18,567,966
Prepaid tax		294,736,006	257,365,180	-	-
Other accounts receivable		48,191,951	79,130,414	-	13,319,090
Others		63,623,383	60,016,264	5,769,074	3,633,375
Total current assets		20,904,653,920	20,222,028,491	13,260,214,589	12,519,039,319
Non-current assets					
Deposits at bank with restrictions	10	209,427,887	235,808,133	-	-
Investments in subsidiary companies - net	11	-	-	7,480,389,427	6,485,376,731
Investment in associated company	12	591,494,276	587,422,891	-	-
Other long-term Investments - net	13	495,970,767	642,158,992	-	-
Property, plant and equipment - net	14	3,644,142,844	3,869,630,706	2,072,375,735	2,305,195,979
Intangible assets - net	15	820,691,801	916,067,142	-	-
Deferred tax assets	16	75,075,130	67,098,871	-	-
Other non-current assets					
Consolidation goodwill		306,757,971	306,757,971	-	-
Others		29,690,551	33,849,130	1,775,869	1,765,469
Total non-current assets		6,173,251,227	6,658,793,836	9,554,541,031	8,792,338,179
Total assets		27,077,905,147	26,880,822,327	22,814,755,620	21,311,377,498

The accompanying notes are an integral part of the financial statements.

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Balance sheets (continued)

As at 31 December 2009 and 2008

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	17	1,318,607,054	2,338,848,575	-	-
Trade accounts payable					
Related parties	6	421,610,599	440,675,318	95,843,576	104,060,983
Unrelated parties		4,223,536,964	3,924,385,283	3,288,504,587	2,948,103,942
Total trade accounts payable		4,645,147,563	4,365,060,601	3,384,348,163	3,052,164,925
Amounts due to related parties	6	142,942,626	60,289,857	227,961,664	186,691,154
Short-term provisions	18	114,460,921	131,702,450	4,428,913	4,407,084
Other current liabilities					
Accrued expenses		1,070,959,018	1,162,211,054	345,809,346	392,601,606
Advance received		180,005,727	128,523,910	116,851,764	78,718,970
Other accounts payable		266,982,794	186,186,853	154,533,231	129,730,195
Value added tax payable		103,301,479	29,696,443	-	-
Income tax payable		193,035,749	185,180,388	-	-
Others		182,753,530	187,903,529	91,280,057	136,399,793
Total current liabilities		8,218,196,461	8,775,603,660	4,325,213,138	3,980,713,727
Non-current liabilities					
Long-term provisions	18	1,196,398,948	1,250,120,243	82,340,577	67,300,395
Other non-current liabilities		15,088,546	9,165,496	1,035,000	1,045,000
Total non-current liabilities		1,211,487,494	1,259,285,739	83,375,577	68,345,395
Total liabilities		9,429,683,955	10,034,889,399	4,408,588,715	4,049,059,122

The accompanying notes are an integral part of the financial statements.

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Balance sheets (continued)

As at 31 December 2009 and 2008

(Unit: Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Shareholders' equity					
Share capital					
Registered					
1,259 million ordinary shares of Baht 1 each		<u>1,259,000,000</u>	<u>1,259,000,000</u>	<u>1,259,000,000</u>	<u>1,259,000,000</u>
Issued and fully paid-up					
1,247.38 million ordinary shares of Baht 1 each	19	1,247,380,634	1,247,380,634	1,247,380,634	1,247,380,634
Share premium		1,491,912,500	1,491,912,500	1,491,912,500	1,491,912,500
Unrealised gain (loss) on changes in value of					
available-for-sale securities	7	105,636,106	(19,729,022)	-	-
Translation adjustment		(1,183,016,585)	(1,044,166,184)	-	-
Retained earnings					
Appropriated - Statutory reserve	20	125,900,000	125,900,000	125,900,000	125,900,000
Unappropriated		<u>15,800,567,230</u>	<u>14,983,303,425</u>	<u>15,540,973,771</u>	<u>14,397,125,242</u>
Equity attributable					
to the Company's shareholders		17,588,379,885	16,784,601,353	18,406,166,905	17,262,318,376
Minority interest - equity attributable to minority					
shareholders of subsidiaries		<u>59,841,307</u>	<u>61,331,575</u>	-	-
Total shareholders' equity		<u>17,648,221,192</u>	<u>16,845,932,928</u>	<u>18,406,166,905</u>	<u>17,262,318,376</u>
Total liabilities and shareholders' equity		<u>27,077,905,147</u>	<u>26,880,822,327</u>	<u>22,814,755,620</u>	<u>21,311,377,498</u>
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

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 Directors

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Income statements

For the years ended 31 December 2009 and 2008

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
Revenues					
Sales and service income		26,994,868,646	32,851,352,965	17,500,081,132	21,349,481,803
Other income					
Interest income		71,377,411	210,373,341	52,128,501	146,608,775
Dividend income		37,736,225	44,021,696	-	-
Gain on exchange	23	-	-	41,229,768	276,106,013
Others		159,873,028	189,993,826	65,823,458	105,806,826
Total revenues		27,263,855,310	33,295,741,828	17,659,262,859	21,878,003,417
Expenses					
Cost of sales and services		19,910,375,802	24,829,580,242	12,635,813,531	16,104,518,041
Selling expenses		1,919,467,687	2,086,913,288	1,309,547,949	1,633,607,165
Administrative expenses		922,395,763	999,849,257	534,732,915	522,050,291
Research and development expenses		1,545,477,791	1,632,896,806	525,359,285	495,615,382
Management benefit expenses		246,587,824	231,399,036	17,120,090	14,445,961
Loss on exchange	23	6,881,011	62,475,555	-	-
Other expenses		430,689,205	458,912,045	120,721,863	17,761,934
Total expenses		24,981,875,083	30,302,026,229	15,143,295,633	18,787,998,774
Income before share of income from investment in associated company, finance cost and corporate income tax					
		2,281,980,227	2,993,715,599	2,515,967,226	3,090,004,643
Share of income from investment in associated company		32,976,466	61,270,158	-	-
Income before finance cost and corporate income tax		2,314,956,693	3,054,985,757	2,515,967,226	3,090,004,643
Finance cost		(59,943,471)	(132,108,126)	-	-
Income before corporate income tax		2,255,013,222	2,922,877,631	2,515,967,226	3,090,004,643
Corporate income tax	16	(65,213,554)	(25,039,491)	-	-
Net income for the year		2,189,799,668	2,897,838,140	2,515,967,226	3,090,004,643
Net income attributable to:					
Equity holders of the parent		2,189,382,502	2,897,478,328	2,515,967,226	3,090,004,643
Minority interests of the subsidiaries		417,166	359,812		
		<u>2,189,799,668</u>	<u>2,897,838,140</u>		
Earnings per share					
25					
Basic earnings per share					
Net income attributable to equity holders of the parent		<u>1.76</u>	<u>2.32</u>	<u>2.02</u>	<u>2.48</u>
Diluted earnings per share					
Net income attributable to equity holders of the parent		<u>1.76</u>	<u>2.32</u>	<u>2.02</u>	<u>2.48</u>

The accompanying notes are an integral part of the financial statements.

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the years ended 31 December 2009 and 2008

(Unit: Baht)

Consolidated financial statements

	Issued and fully paid-up share capital		Unrealised gain (loss) on changes in value of available-for-sale securities		Retained earnings		Total equity attributable to the parent's shareholders	Minority interest-equity attributable to minority shareholders of subsidiaries	Total
	Share capital	Share premium	Translation adjustment	Translation adjustment	Retained earnings				
					Appropriated	Unappropriated			
Balance as at 31 December 2007	1,247,378,396	1,491,912,500	(4,833,983)	(1,121,618,967)	125,900,000	14,081,620,220	15,820,358,166	55,148,515	15,875,506,681
Income and expenses recognised directly in equity:									
Unrealised loss on changes in value of available-for-sale securities	-	-	(14,895,039)	-	-	-	(14,895,039)	-	(14,895,039)
Translation adjustment	-	-	-	77,452,783	-	-	77,452,783	5,823,248	83,276,031
Net income and expenses recognised directly in equity	-	-	(14,895,039)	77,452,783	-	-	62,557,744	5,823,248	68,380,992
Net income for the year	-	-	-	-	-	2,897,478,328	2,897,478,328	359,812	2,897,838,140
Total income and expenses for the year	-	-	(14,895,039)	77,452,783	-	2,897,478,328	2,960,036,072	6,183,060	2,966,219,132
Dividend paid (Note 21)	-	-	-	-	-	(1,995,795,123)	(1,995,795,123)	-	(1,995,795,123)
Share capital issued	2,238	-	-	-	-	-	2,238	-	2,238
Balance as at 31 December 2008	<u>1,247,380,634</u>	<u>1,491,912,500</u>	<u>(19,729,022)</u>	<u>(1,044,166,184)</u>	<u>125,900,000</u>	<u>14,983,303,425</u>	<u>16,784,601,353</u>	<u>61,331,575</u>	<u>16,845,932,928</u>

The accompanying notes are an integral part of the financial statements.

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the years ended 31 December 2009 and 2008

(Unit: Baht)

	Consolidated financial statements								
	Issued and fully paid-up share capital	Share premium	Unrealised gain (loss) on changes in value of		Retained earnings		Total equity attributable to the parent's shareholders	Minority interest-equity attributable to minority shareholders of subsidiaries	Total
			available-for -sale securities	Translation adjustment	Appropriated	Unappropriated			
Balance as at 31 December 2008	1,247,380,634	1,491,912,500	(19,729,022)	(1,044,166,184)	125,900,000	14,983,303,425	16,784,601,353	61,331,575	16,845,932,928
Income and expenses recognised directly in equity:									
Unrealised gain on changes in value of available-for-sale securities	-	-	125,365,128	-	-	-	125,365,128	-	125,365,128
Translation adjustment	-	-	-	(138,850,401)	-	-	(138,850,401)	(1,907,434)	(140,757,835)
Net income and expenses recognised directly in equity	-	-	125,365,128	(138,850,401)	-	-	(13,485,273)	(1,907,434)	(15,392,707)
Net income for the year	-	-	-	-	-	2,189,382,502	2,189,382,502	417,166	2,189,799,668
Total income and expenses for the year	-	-	125,365,128	(138,850,401)	-	2,189,382,502	2,175,897,229	(1,490,268)	2,174,406,961
Dividend paid (Note 21)	-	-	-	-	-	(1,372,118,697)	(1,372,118,697)	-	(1,372,118,697)
Balance as at 31 December 2009	<u>1,247,380,634</u>	<u>1,491,912,500</u>	<u>105,636,106</u>	<u>(1,183,016,585)</u>	<u>125,900,000</u>	<u>15,800,567,230</u>	<u>17,588,379,885</u>	<u>59,841,307</u>	<u>17,648,221,192</u>

The accompanying notes are an integral part of the financial statements.

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the years ended 31 December 2009 and 2008

(Unit: Baht)

	Separate financial statements				
	Issued and fully paid-up share capital	Share premium	Retained earnings		Total
			Appropriated	Unappropriated	
Balance as at 31 December 2007	1,247,378,396	1,491,912,500	125,900,000	13,302,915,722	16,168,106,618
Net income for the year	-	-	-	3,090,004,643	3,090,004,643
Total income and expenses for the year	-	-	-	3,090,004,643	3,090,004,643
Dividend paid (Note 21)	-	-	-	(1,995,795,123)	(1,995,795,123)
Share capital issued	2,238	-	-	-	2,238
Balance as at 31 December 2008	<u>1,247,380,634</u>	<u>1,491,912,500</u>	<u>125,900,000</u>	<u>14,397,125,242</u>	<u>17,262,318,376</u>
					-
Balance as at 31 December 2008	1,247,380,634	1,491,912,500	125,900,000	14,397,125,242	17,262,318,376
Net income for the year	-	-	-	2,515,967,226	2,515,967,226
Total income and expenses for the year	-	-	-	2,515,967,226	2,515,967,226
Dividend paid (Note 21)	-	-	-	(1,372,118,697)	(1,372,118,697)
Balance as at 31 December 2009	<u>1,247,380,634</u>	<u>1,491,912,500</u>	<u>125,900,000</u>	<u>15,540,973,771</u>	<u>18,406,166,905</u>

The accompanying notes are an integral part of the financial statements.

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Cash flow statements

For the years ended 31 December 2009 and 2008

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:				
Net income before tax	2,255,013,222	2,922,877,631	2,515,967,226	3,090,004,643
Adjustments to reconcile net income before tax to net cash provided by (paid from) operating activities:				
Depreciation	681,646,533	758,458,103	468,205,829	569,588,439
Amortisation in premium/discount of forward contracts	2,587,349	(8,112,255)	(631,900)	(5,965,937)
Amortisation of intangible assets	57,540,483	55,707,726	-	-
Allowance for doubtful accounts (reversal)	(7,245,519)	28,704,402	(1,531,390)	349,282
Allowance for diminution in value of inventory (reversal)	(24,239,665)	62,267,544	7,894,805	15,416,849
Increase in provisions	80,556,542	144,506,023	16,727,339	6,979,927
Loss from disposal of investments				
in available-for-sale securities	-	31,811,267	-	-
Share dividend received from investments				
in available-for-sale securities	(2,541,110)	(1,929,070)	-	-
(Gain) loss from disposal of property, plant and equipment	610,410	(2,189,111)	344,685	(1,708,580)
Share of income from investments				
in associated company	(32,976,466)	(61,270,158)	-	-
Loss on diminution in value of other long-term investments	102,995,880	-	-	-
Unrealised gain on exchange (Note 23)	(33,701,845)	(168,148,811)	(65,473,282)	(134,109,322)
Interest income	(71,377,411)	(210,373,341)	(52,128,501)	(146,608,775)
Interest expenses	59,943,471	132,108,126	-	-
Income from operating activities before changes in operating assets and liabilities	3,068,811,874	3,684,418,076	2,889,374,811	3,393,946,526
Decrease (increase) in operating assets:				
Trade accounts receivable	444,896,976	937,547,224	86,051,279	1,245,633,349
Amounts due from related parties	4,227,360	38,818,051	-	41,678,550
Inventories	452,902,293	(896,888,922)	56,578,497	(650,231,318)
Other current assets	(51,722,781)	(5,725,262)	58,084,522	(17,213,459)
Other non-current assets	(8,092,209)	34,595,456	(10,400)	285,434
Increase (decrease) in operating liabilities:				
Trade accounts payable	301,101,137	(617,250,457)	353,197,413	(652,479,780)
Amounts due to related parties	92,485,755	2,379,833	51,103,496	(60,849,726)
Other current liabilities	143,685,248	(160,984,157)	(32,855,544)	(170,313,110)
Provisions	(110,480,384)	(180,165,242)	(848,129)	(13,665,255)
Other non-current liabilities	6,737,433	2,170,903	(10,000)	(30,000)
Cash flow from operating activities	4,344,552,702	2,838,915,503	3,460,665,945	3,116,761,211
Cash received from interest income	69,125,205	215,900,695	51,595,635	149,512,671
Cash paid for interest expenses	(83,344,386)	(121,913,724)	-	-
Cash paid for corporate income tax	(102,043,257)	(145,049,333)	(561,101)	(422,555)
Net cash flows from operating activities	4,228,290,264	2,787,853,141	3,511,700,479	3,265,851,327

The accompanying notes are an integral part of the financial statements.

Delta Electronics (Thailand) Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the years ended 31 December 2009 and 2008

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Cash flows from investing activities:				
Proceed from disposal in investments				
in available-for-sale securities	-	15,424,972	-	-
Increase in investments in available-for-sale securities	-	(34,459,945)	-	-
Decrease in deposits at bank with restrictions	26,380,246	29,879,447	-	-
Increase in investments in subsidiary company	-	-	(995,012,696)	(1,034,841,476)
(Increase) Decrease in other long-term investments	17,138,303	(438,508,203)	-	-
Acquisition of property, plant and equipment	(514,767,094)	(933,025,453)	(237,699,939)	(395,754,942)
Proceeds from disposal of property,				
plant and equipment	13,150,359	23,301,474	1,969,669	17,297,075
Increase in intangible assets	(1,645,795)	(361,462)	-	-
Net cash flows used in investing activities	(459,743,981)	(1,337,749,170)	(1,230,742,966)	(1,413,299,343)
Cash flows from financing activities:				
Increase (decrease) in bank overdrafts and short-term loan				
from financial institutions	(1,020,241,521)	372,018,514	-	-
Dividend paid (Note 21)	(1,372,118,697)	(1,995,795,123)	(1,372,118,697)	(1,995,795,123)
Proceeds from increase of share capital	-	2,238	-	2,238
Net cash flows used in financing activities	(2,392,360,218)	(1,623,774,371)	(1,372,118,697)	(1,995,792,885)
Decrease in translation adjustment	(39,547,496)	(28,653,417)	-	-
Net increase (decrease) in cash				
 and cash equivalents	1,336,638,569	(202,323,817)	908,838,816	(143,240,901)
Unrealised gain on exchange				
for cash and cash equivalents	84,828,517	152,135,124	84,733,909	151,757,680
Cash and cash equivalents at beginning of year	9,131,391,349	9,181,580,042	6,551,478,418	6,542,961,639
Cash and cash equivalents at end of year	10,552,858,435	9,131,391,349	7,545,051,143	6,551,478,418
	-	-	-	-

The accompanying notes are an integral part of the financial statements.

Delta Electronics (Thailand) Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the years ended 31 December 2009 and 2008

1. Corporate information

Delta Electronics (Thailand) Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Deltron Holding Limited, which is incorporated in the Channel Islands. The Company is principally engaged in the manufacture and distribution of electronic products and has a registered address at 714 Moo 4, Tambon Prakasa, Amphur Muangsamutprakarn, Samutprakarn.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Profession Act B.E. 2547, except that International Accounting Standard (IAS) No. 12 Income Taxes has been adopted since no related Thai Accounting Standard has yet been announced.

The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 30 January 2009, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

2.2.1 The consolidated financial statements include the financial statements of the Company (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding		Assets as a percentage to the consolidated total assets as at 31 December		Revenues as a percentage to the consolidated total revenues for the year ended 31 December	
			<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
			Percent	Percent	Percent	Percent	Percent	Percent
DET International Holding Limited	Holding business	The Cayman Islands	100	100	38.55	40.39	42.20	33.88
Delta Energy Systems (Switzerland) AG	Holding business, manufacture, trading, research and development of electronic products	Switzerland	100	100	8.89	6.71	13.68	12.31

The subsidiaries which the Company owns through DET International Holding Limited are as follows:

Company's name	Nature of business	Country of incorporation	Percentage of indirect shareholding	
			<u>2009</u> Percent	<u>2008</u> Percent
DET Logistics (USA) Corporation	Trading of electronic products	USA	100	100
DET Video Technology Limited	Trading of electronic products	The British Virgin Islands	100	100
Delta Energy Systems (Slovakia) s.r.o.	Manufacture and trading of electronic products	Slovakia	100	100
Delta Electronics (Slovakia) s.r.o.	Manufacture and trading of electronic products	Slovakia	100	100
Delta Energy Systems (Germany) GmbH.	Research, development and trading of electronic products	Germany	100	100
Delta Energy Systems (India) Private Limited	Manufacture and trading of electronic products	India	100	100
Delta Energy Systems (Romania) S.R.L.	Research and development of electronic products	Romania	100	100
Delta Energy Systems (Arizona) Inc.	Research and development of electronic products	USA	100	100
Delta Electronics Europe Limited	Trading of electronic products	Scotland	100	100
DET SGP Pte. Ltd.	Holding business and marketing and after sales services	Singapore	100	100
Delta India Electronis Private Limited (owned by DET SGP Pte. Ltd.)	Manufacture and trading of electronic products	India	100	100
Delta Greentech International Holding Limited	Holding business	The Cayman Islands	100	100
Delta Greentech SGP Pte. Ltd. (owned by Delta Greentech International Holding Limited)	Holding business	Singapore	100	100
Delta Greentech (Hong Kong) Limited. (owned by Delta Greentech SGP Pte. Ltd.)	Trading of electronic products	Hong Kong	100	100
Delta Power Solutions (India) Private Limited (owned by Delta Greentech SGP Ptd. Ltd.)	Manufacture and trading of electronic products	India	100	100
Delta Greentech (Netherlands) Cooperatie U.A. (owned by Delta Greentech International Holding Limited)	Holding business	The Netherlands	100	100
Delta Greentech (Netherlands) BV. (owned by Delta Greentech (Netherlands) Cooperatie U.A.)	Holding business	The Netherlands	100	100
Delta Greentech Electronics Industry LLC. (owned by Delta Greentech (Netherlands) BV.)	Manufacture, marketing and distribution of electronic products	Turkey	100	100
Delta Greentech (USA) Corporation (owned by Delta Greentech (Netherlands) BV.)	Manufacture and trading of electronic products	USA	100	-

The subsidiaries which the Company owns through Delta Energy Systems (Switzerland) AG are as follows:

Company's name	Nature of business	Country of incorporation	Percentage of indirect shareholding	
			<u>2009</u>	<u>2008</u>
			Percent	Percent
Delta Energy Systems (Czech republic) spol.s.r.o.	Trading of electronic products	Czech Republic	100	100
Delta Energy Systems (Spain) S.L.	Trading of electronic products	Spain	100	100
Delta Energy Systems (France) S.A.	Trading of electronic products	France	100	100
Delta Energy Systems (Italy) s.r.l.	Trading of electronic products	Italy	100	100
Delta Energy Systems (Sweden) AB.	Trading of electronic products	Sweden	100	100
Delta Energy Systems (Finland) Oy.	Manufacture and trading of electronic products	Finland	100	100
Delta Energy Systems (Brazil) S.A.	Manufacture and trading of electronic products	Brazil	100	100
Delta Systems Energia (Curitiba) Limited (owned by Delta Energy Systems (Brazil) S.A.)	Engineering	Brazil	100	100
Delta Energy Systems (Guangzhou) Limited	Trading of electronic products	The People's Republic of China	51	51
Delta Energy Systems (Poland) Sp.zo.o	Trading of electronic products	Poland	100	100
Delta Energy Systems LLC.	Trading of electronic products	Russia	100	100

- 2.2.2 Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- 2.2.3 The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent significant accounting policies.
- 2.2.4 The financial statements of overseas subsidiary companies are translated into Thai Baht at the closing exchange rates as to assets and liabilities, and at monthly average exchange rates as to revenues and expenses. The resultant differences are shown under the caption of "Translation adjustment" in shareholders' equity.
- 2.2.5 Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- 2.2.6 Minority interests represent the portion of net income or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

- 2.3 The separate financial statements, which present investments in subsidiary companies presented under the cost method, have been prepared solely for the benefit of the public.

3. Adoption of new accounting standards

In June 2009, the Federation of Accounting Professions issued Notification No. 12/2552, assigning new numbers to Thai Accounting Standards that match the corresponding International Accounting Standards. The numbers of Thai Accounting Standards as referred to in these financial statements reflect such change.

The Federation of Accounting Professions has issued Notification No. 86/2551 and 16/2552, mandating the use of new accounting standards, financial reporting standard and accounting treatment guidance as follows.

3.1 Accounting standards, financial reporting standard and accounting treatment guidance which are effective for the current year

Framework for the Preparation and Presentation of Financial Statements (revised 2007)

TAS 36 (revised 2007) Impairment of Assets

TFRS 5 (revised 2007) Non-current Assets Held for Sale and Discontinued
Operations

Accounting Treatment Guidance for Leasehold Right

Accounting Treatment Guidance for Business Combination under Common Control

These accounting standards and guidance became effective for the financial statements for fiscal years beginning on or after 1 January 2009. The management has assessed the effect of these standards and believes that TFRS 5 (revised 2007) and Accounting Treatment Guidance for leasehold right are not relevant to the business of the Company, while Framework for Preparation and Presentation of Financial Statements (revised 2007), TAS 36 (revised 2007) and Accounting Treatment Guidance for Business Combination under Common Control do not have any significant impact on the financial statements for the current year.

3.2 Accounting standards which are not effective for the current year

		<u>Effective date</u>
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance	1 January 2012
TAS 24 (revised 2007)	Related Party Disclosures	1 January 2011
TAS 40	Investment Property	1 January 2011

The management of the Company has assessed the effect of these standards and believes that TAS 20 and TAS 40 are not relevant to the business of the Company, while TAS 24 (revised 2007) will not have any significant impact on the financial statements for the year 2011 in which it is initially applied.

4. Significant accounting policies

4.1 Revenue Recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

4.4 Inventories

Finished goods and work in process are valued at the lower of standard cost (which approximates actual cost) and net realisable value. Actual cost includes all production costs and attributable factory overheads.

Raw materials are valued at the lower of standard cost (which approximates actual cost) and net realisable value and are charged to production costs whenever consumed.

4.5 Investments

- a) Investments in available-for-sale securities are stated at fair value. The fair value is based on the latest bid price of the last working day of the year as quoted on the stock exchange. Changes in the carrying amounts of securities are recorded as separate items in shareholders' equity until the securities are sold, when the gain or loss from disposal of securities are then included in determining income.
- b) Investment in associated company is accounted for in the consolidated financial statements using the equity method.
- c) Investments in subsidiary companies are accounted for in the separated financial statements using the cost method.
- d) Investments in the ordinary and preference shares of other companies, which the Company classifies as other investments, are stated at cost net of allowance for loss on impairment (if any).

4.6 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any). Depreciation of plant and equipment is calculated by reference to their costs on a straight-line basis over the following estimated useful lives:

Building	20 - 50 years
Land improvement	10 - 20 years
Machinery and equipment	5 - 10 years
Molds and toolings	2 - 5 years
Installation	5 - 20 years
Furniture, fixtures and office equipment	5 years
Computer	3 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

4.7 Intangible assets

Intangible assets are initially recognised at cost. Following initial recognition, they are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the useful economic life and tested for impairment whenever there is an indication that they may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to the income statement.

The useful life of patents is approximately 20 years.

4.8 Goodwill

Goodwill is initially measured at cost, which is the excess of the cost of the business combination over the Company's share in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised as income in the income statement.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

4.9 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies, individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, directors and key management personnel with authority in the planning and direction of the Company's operations.

4.10 Foreign currencies

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the balance sheet date.

Gains and losses on exchange rate are included in determining income.

4.11 Impairment of assets

Every year, the Company performs impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in the income statement.

4.12 Employee benefits

Salaries, wages, bonuses and contributions to the social security fund and provident fund are recognised as expenses when incurred.

The Company and its subsidiaries recognise post-retirement benefits as liabilities in their financial statements in accordance with the bases and conditions stipulated in the regulations of these companies.

4.13 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

4.14 Corporate income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Tax currently payable is based on the taxable income for the year, using the tax rate enacted at the balance sheet date. Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts. Tax rates enacted, or substantially enacted, by the balance sheet date are used to determine deferred income tax.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilised.

4.15 Derivatives

Forward exchange contracts

Receivables and payables arising from forward exchange contracts are translated into Baht at the rates of exchange ruling at the balance sheet date. Gains and losses from the translation are included in determining income. Premiums or discounts on forward exchange contracts are amortised on a straight-line basis over the contract periods.

5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ. The significant judgments and estimates are as follows:

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, debt collection history, aging profile of outstanding debts and the prevailing economic condition.

Impairment of equity investments

The Company and its subsidiaries treat available-for-sale investments and other investments as impaired when the management judges that there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and salvage values of the Company and its subsidiaries’ plant and equipment and to review estimate useful lives and salvage values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment whenever events indicate that an asset may be impaired and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying cost. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and other intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future profits.

Post-retirement benefits

Post-retirement benefit costs are based on actuarial calculations. Inherent within these calculations are assumptions as to salary increases and discount rate, among others.

Litigation

The subsidiary of the Company has contingent liabilities as a result of litigation. The management has used judgment to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded in the financial statements.

6. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarized below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing policy
	financial statements	financial statements	financial statements	financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Sales of goods and raw materials	-	-	5,592	3,618	With reference to market price
Purchase of raw materials	-	-	125	49	With reference to market price
Commission paid	-	-	145	147	Contract price
Marketing fee	-	-	243	233	Contract price
Design and engineering fee	-	-	638	875	Contract price

(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing policy
	financial statements		financial statements		
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	
<u>Transactions with associated company</u>					
Sales of goods	5	5	5	5	With reference to market price
<u>Transactions with related parties</u>					
Sales of goods and raw materials	807	930	795	927	With reference to market price
Purchase of goods and raw materials	1,088	1,740	100	97	With reference to market price
Commission paid	277	255	277	238	Contract price
Commission received	50	54	-	-	Contract price
Services income	19	31	-	-	Agreed upon basis

The balances of the accounts as at 31 December 2009 and 2008 between the Company and these related companies are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
<u>Trade accounts receivable, related parties</u>				
<u>Subsidiary companies</u>				
DET Logistics (USA) Corporation	-	-	915,336,255	891,876,682
Delta Power Solutions (India) Private Limited	-	-	316,489,660	118,211,438
Delta Energy Systems (Switzerland) AG	-	-	133,886,972	94,957,734
Delta Energy Systems (India) Private Limited	-	-	3,709,269	27,543,419
Delta Electronics (Slovakia) s.r.o.	-	-	20,463,399	47,276,655
Delta Energy Systems (Germany) GmbH.	-	-	10,248,824	5,499,610
Others	-	-	2,094,732	8,347,193
	-	-	1,402,229,111	1,193,712,731
<u>Associated company</u>				
Delta Green (Tianjin) Industries Company Limited	3,575,225	31,325,922	3,575,225	31,168,724
	3,575,225	31,325,922	3,575,225	31,168,724
<u>Other related parties</u>				
Delta Products Corporation Limited	140,896,068	127,995,555	140,893,947	126,386,256
Delta Electronics International Limited	55,273,360	31,167,091	53,746,164	32,640,237
Delta Network International Limited	23,744,555	18,506,750	20,572,755	17,959,883
Delta Electronics Inc.	14,670,776	54,513,246	7,738,787	6,042,154
Delta Electronics (Jiangsu) Limited	2,289,631	1,475,773	2,264,225	1,471,003
Deltronics (Netherlands) BV	9,122,377	8,141,929	454,280	-
Delta Networks Inc.	5,939,536	542,564	5,939,536	542,564
Delta Greentech (China) Company Limited	6,041,438	157,199	6,041,438	-
Others	5,009,325	7,889,043	2,870,154	3,666,267
	262,987,066	250,389,150	240,521,286	188,708,364
Total trade accounts receivable, related parties	266,562,291	281,715,072	1,646,325,622	1,413,589,819

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
<u>Amounts due from related parties</u>				
Delta Electronics Inc.	-	4,227,360	-	-
Total amounts due from related parties	-	4,227,360	-	-
<u>Trade accounts payable, related parties</u>				
<u>Subsidiary companies</u>				
Delta Power Solutions (India) Private Limited	-	-	23,214,340	21,254,657
Delta Energy Systems (Germany) GmbH.	-	-	5,156,484	4,022,285
Delta Electronics (Slovakia) s.r.o.	-	-	5,876,982	730,257
Delta India Electronics Private Limited	-	-	3,136,716	-
Others	-	-	207,563	1,971,721
	-	-	37,592,085	27,978,920
<u>Other related parties</u>				
Delta Electronics International Limited	304,655,636	324,286,751	42,021,920	59,001,110
Delta Electronics International Limited (Macao)	59,808	48,002,134	-	-
Delta Electronics (Shanghai) Limited	26,048,332	6,896,777	-	-
Delta Electronics Inc.	43,061,174	22,916,215	6,707,115	3,992,464
Delta Product Corporation Limited	7,472,587	7,030,951	4,298,011	2,023,738
Delta Networks Inc.	28,831	7,155,090	-	-
Deltronics (Netherlands) BV.	20,352,674	161,208	-	-
Delta Greentech (China) Company Limited	12,745,290	-	-	-
Others	7,186,267	24,226,192	5,224,445	11,064,751
	421,610,599	440,675,318	58,251,491	76,082,063
Total trade accounts payable, related parties	421,610,599	440,675,318	95,843,576	104,060,983
<u>Amounts due to related parties</u>				
<u>Subsidiary companies</u>				
Delta Energy Systems (Germany) GmbH.	-	-	87,498,576	124,184,985
DET Logistics (USA) Corporation	-	-	10,024,485	3,677,115
Delta Energy Systems (India) Private Limited	-	-	-	6,051,836
Delta Electronics Europe Limited	-	-	25,868	3,926,366
Delta Energy Systems (Switzerland) AG	-	-	12,352,723	216,028
Others	-	-	4,369,390	6,530,044
	-	-	114,271,042	144,586,374

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
<u>Other related parties</u>				
Delta Electronics Inc.	81,107,756	19,660,973	80,873,844	11,633,616
Delta Products Corporation Limited	21,346,160	21,243,557	21,346,160	21,243,557
Delta Electronics International Limited	9,385,165	4,366,205	5,341,140	4,366,205
Deltronics (Netherlands) BV	23,551,395	8,994,038	2,283,240	1,386,184
Delta Electronics (Japan) Inc.	3,216,921	2,644,936	3,216,921	2,644,936
Others	4,335,229	3,380,148	629,317	830,282
	<u>142,942,626</u>	<u>60,289,857</u>	<u>113,690,622</u>	<u>42,104,780</u>
Total amounts due to related parties	<u>142,942,626</u>	<u>60,289,857</u>	<u>227,961,664</u>	<u>186,691,154</u>

Directors and management's remuneration

In 2009 the Company and its subsidiaries had expenses related to the salaries, bonuses and meeting allowances to their directors and management totaling Baht 247 million (Separate financial statements: Baht 17 million) (2008: Baht 231 million, Separate financial statements: Baht 14 million).

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 28.2.2 to the financial statements.

7. Investments in available-for-sale securities

The available-for-sale securities were owned by a subsidiary, DET International Holding Limited are as follow:

	(Unit: Baht)	
<u>Company's name</u>	<u>2009</u>	<u>2008</u>
Cyntec Company Limited	86,276,438	83,792,507
Revaluation surplus (deficit) on changes in value of investments in available-for-sales securities	105,636,106	(19,729,022)
Translation adjustment	(13,396,274)	(11,601,106)
Total investments in available-for-sale securities	<u>178,516,270</u>	<u>52,462,379</u>

8. Trade accounts receivable

The balances of trade accounts receivable as at 31 December 2009 and 2008, aged on the basis of due dates, are summarised below.

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
<u>Trade accounts receivable, related parties</u>				
Current	262,431,211	279,134,918	1,601,319,064	1,058,116,202
Past due 1 - 3 months	2,322,074	20,828	43,197,552	335,756,844
Past due 3 - 6 months	-	-	-	8,501,814
Past due 6 - 12 months	-	-	-	6,206,219
Past due over 12 months	1,809,006	2,559,326	1,809,006	5,008,740
Total	<u>266,562,291</u>	<u>281,715,072</u>	<u>1,646,325,622</u>	<u>1,413,589,819</u>
<u>Trade accounts receivable, unrelated parties</u>				
Current	4,704,388,703	4,541,185,920	1,980,150,872	1,996,621,709
Past due 1 - 3 months	498,685,866	1,085,506,243	119,529,987	447,770,621
Past due 3 - 6 months	65,064,733	100,754,434	-	6,870,908
Past due 6 - 12 months	5,830,222	23,799,950	-	18,502,046
Past due over 12 months	276,041	26,303,925	-	22,263,370
Total	<u>5,274,245,565</u>	<u>5,777,550,472</u>	<u>2,099,680,859</u>	<u>2,492,028,654</u>
Total trade accounts receivable	5,540,807,856	6,059,265,544	3,746,006,481	3,905,618,473
Less: Allowance for doubtful accounts	(55,541,098)	(77,241,495)	(7,710,377)	(23,696,645)
Trade accounts receivable - net	<u><u>5,485,266,758</u></u>	<u><u>5,982,024,049</u></u>	<u><u>3,738,296,104</u></u>	<u><u>3,881,921,828</u></u>

9. Inventories

(Unit: Baht)

Consolidated financial statements								
Allowance for diminution in value of inventory								
Reduction cost to net								
	Cost		realisable value		stock obsolescence		Inventories-net	
	2009	2008	2009	2008	2009	2008	2009	2008
Finished goods	1,450,575,940	1,685,445,992	(477,927)	(63,178,365)	(182,134,709)	(130,603,674)	1,267,963,304	1,491,663,953
Work in process	374,761,523	414,474,814	(2,546,618)	(4,611,113)	(795,938)	-	371,418,967	409,863,701
Raw materials	2,162,926,729	2,308,317,814	(3,775,625)	(41,347,877)	(520,580,729)	(494,810,182)	1,638,570,375	1,772,159,755
Goods in transit	551,261,148	584,189,013	-	-	-	-	551,261,148	584,189,013
Total	4,539,525,340	4,992,427,633	(6,800,170)	(109,137,355)	(703,511,376)	(625,413,856)	3,829,213,794	4,257,876,422

(Unit: Baht)

Separate financial statements						
	Cost		Allowance for stock obsolescence		Inventories-net	
	2009	2008	2009	2008	2009	2008
Finished goods	747,822,258	968,782,067	(57,737,319)	(56,085,109)	690,084,939	912,696,958
Work in process	259,061,610	207,888,923	-	-	259,061,610	207,888,923
Raw materials	1,085,335,115	983,920,291	(222,026,603)	(215,784,008)	863,308,512	768,136,283
Goods in transit	93,196,478	81,402,677	-	-	93,196,478	81,402,677
Total	2,185,415,461	2,241,993,958	(279,763,922)	(271,869,117)	1,905,651,539	1,970,124,841

10. Deposits at bank with restrictions

The balance as at 31 December 2009 mainly represented bank deposits of approximately RMB 26 million (2008: approximately RMB 26 million) of a subsidiary in the Republic of China which are subject to restrictions under the laws of the People's Republic of China, and bank deposits of approximately EUR 1.2 million (2008: approximately EUR 1.3 million) of a subsidiary in Germany which are subject to pension fund restrictions.

11. Investments in subsidiary companies

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Baht)

Company's name	Foreign currency	Paid-up capital		Shareholding percentage		Cost	
		2009	2008	2009	2008	2009	2008
				%	%		
DET International Holding Limited	USD	194,776,350	166,595,350	100	100	7,261,475,498	6,266,462,802
Delta Energy Systems (Switzerland) AG	CHF	20,000,000	20,000,000	100	100	2,414,917,694	2,414,917,694
Subtotal						9,676,393,192	8,681,380,496
Less: Loss on impairment of investments in subsidiary companies						(2,196,003,765)	(2,196,003,765)
Net investments in subsidiary companies						<u>7,480,389,427</u>	<u>6,485,376,731</u>

No dividend was received from the subsidiary companies for the year ended 31 December 2009 and 2008.

12. Investment in associated company

12.1 Details of investments in associated company:

(Unit: Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements							
			Shareholding percentage		Cost		Carrying amounts based on equity method		Share of income from investment in associate during the year	
			2009	2008	2009	2008	2009	2008	2009	2008
			%	%						
Delta Green (Tianjin) Industries Company Limited (owned by DET SGP Pte. Ltd.)	Manufacturing and trading of electronic products	The People's Republic of China	50	50	394,383,470	394,383,470	624,034,559	591,321,462	32,976,466	61,270,158
Translation adjustment					-	-	(32,540,283)	(3,898,571)	-	-
Total investment in associated company					<u>394,383,470</u>	<u>394,383,470</u>	<u>591,494,276</u>	<u>587,422,891</u>	<u>32,976,466</u>	<u>61,270,158</u>

12.2 Summarised financial information of associated company:

Financial information of the associated company is summarised below.

(Unit: Million RMB)

Company's name	Paid-up capital		Total assets		Total liabilities		Total revenues for the year ended		Net income for the year ended	
	as at 31 December		as at 31 December		as at 31 December		31 December		31 December	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Delta Green (Tianjin) Industries Company Limited	185	185	290	273	30	25	179	249	13	27

13. Other long-term investments

Company's name	Shareholding percentage		(Unit: Baht) Consolidated financial statements	
	2009	2008	2009	2008
	%	%		
IP Fund One, L.P. (owned by DET International Holding Limited)	3.84	3.84	299,324,991	316,463,295
Ezonics Corporation Company Limited (owned by DET International Holding Limited)	16.49	16.49	50,582,003	50,582,003
Delta Greentech (China) Company Limited (owned by Delta Greentech SGP Pte. Ltd.)	8.21	8.21	456,586,926	456,586,926
Total other long-term investments			806,493,920	823,632,224
Less: Allowance for diminution in value of investments in other long-term investments			(243,786,250)	(143,107,900)
Translation adjustment			(66,736,903)	(38,365,332)
Other long-term investments - net			495,970,767	642,158,992

14. Property, plant and equipment - net

(Unit: Baht)

Consolidated financial statements

	Land	Building	Machinery and equipment	Mold	Installation	Construction in progress	Computer	Others	Total
Cost:									
31 December 2008	384,628,961	2,168,740,930	5,336,339,062	867,575,248	893,201,192	26,850,365	812,724,796	476,858,584	10,966,919,138
Purchase/transfer in	65,075,085	50,959,711	257,656,885	51,595,611	22,167,620	68,310,105	77,041,533	111,600,764	704,407,314
Disposal/write-off/transfer out	-	-	(155,153,397)	(24,723,169)	(4,160,194)	(73,039,688)	(50,364,695)	(135,715,714)	(443,156,857)
Translation adjustment	(2,868,238)	(31,045,266)	(47,004,522)	(915,873)	(2,758,674)	(592,183)	(13,427,326)	(1,580,365)	(100,192,447)
31 December 2009	446,835,808	2,188,655,375	5,391,838,028	893,531,817	908,449,944	21,528,599	825,974,308	451,163,269	11,127,977,148
Accumulated depreciation:									
31 December 2008	-	319,150,711	4,394,669,332	791,150,236	585,132,533	-	703,875,688	257,438,465	7,051,416,965
Depreciation for the year	-	45,011,706	401,969,474	71,537,754	53,757,309	-	71,667,370	37,702,920	681,646,533
Depreciation - disposal/write-off	-	-	(152,271,649)	(22,792,913)	(3,718,238)	-	(46,777,577)	(14,196,582)	(239,756,959)
Translation adjustment	-	(1,423,106)	(37,324,812)	(1,055,243)	(2,321,889)	-	(11,849,267)	(1,369,385)	(55,343,702)
31 December 2009	-	362,739,311	4,607,042,345	838,839,834	632,849,715	-	716,916,214	279,575,418	7,437,962,837
Allowance for impairment loss:									
31 December 2008	-	38,756,892	-	-	6,138,942	-	35,848	939,785	45,871,467
31 December 2009	-	38,756,892	-	-	6,138,942	-	35,848	939,785	45,871,467
Net book value:									
As at 31 December 2008	384,628,961	1,810,833,327	941,669,730	76,425,012	301,929,717	26,850,365	108,813,260	218,480,334	3,869,630,706
As at 31 December 2009	446,835,808	1,787,159,172	784,795,683	54,691,983	269,461,287	21,528,599	109,022,246	170,648,066	3,644,142,844
Depreciation charge (included in income statement):									
Year 2008 (Baht 580 million include in manufacturing cost, and the balance in selling, administrative and research and development expenses)									758,458,103
Year 2009 (Baht 518 million include in manufacturing cost, and the balance in selling, administrative and research and development expenses)									681,646,533

14. Property, plant and equipment – net (continued)

(Unit: Baht)

Separate financial statements

	Land	Building	Machinery and equipment	Mold	Installation	Construction in progress	Computer	Others	Total
Cost:									
31 December 2008	312,646,818	1,205,626,049	3,910,774,541	817,451,990	789,389,577	6,455,893	264,345,174	149,238,278	7,455,928,320
Purchase/transfer in	-	21,025,677	159,275,643	48,479,834	14,794,445	51,319,814	38,507,415	75,153,930	408,556,758
Disposal/write-off/transfer out	-	-	(60,297,224)	(9,310,146)	(1,156,465)	(54,256,287)	(17,670,806)	(121,126,540)	(263,817,468)
31 December 2009	312,646,818	1,226,651,726	4,009,752,960	856,621,678	803,027,557	3,519,420	285,181,783	103,265,668	7,600,667,610
Accumulated depreciation:									
31 December 2008	-	276,391,770	3,276,133,168	747,660,184	506,365,791	-	219,420,698	78,889,263	5,104,860,874
Depreciation for the year	-	21,718,178	297,903,630	66,947,715	45,470,039	-	29,245,177	6,921,090	468,205,829
Depreciation – disposal/write-off	-	-	(59,947,609)	(7,379,890)	(1,090,934)	-	(17,654,227)	(4,573,635)	(90,646,295)
31 December 2009	-	298,109,948	3,514,089,189	807,228,009	550,744,896	-	231,011,648	81,236,718	5,482,420,408
Allowance for impairment loss:									
31 December 2008	-	38,756,892	-	-	6,138,942	-	35,848	939,785	45,871,467
31 December 2009	-	38,756,892	-	-	6,138,942	-	35,848	939,785	45,871,467
Net book value:									
As at 31 December 2008	312,646,818	890,477,387	634,641,373	69,791,806	276,884,844	6,455,893	44,888,628	69,409,230	2,305,195,979
As at 31 December 2009	312,646,818	889,784,886	495,663,771	49,393,669	246,143,719	3,519,420	54,134,287	21,089,165	2,072,375,735
Depreciation charge (included in income statement):									
Year 2008 (Baht 494 million include in manufacturing cost, and the balance in selling, administrative and research and development expenses)									569,588,439
Year 2009 (Baht 399 million include in manufacturing cost, and the balance in selling, administrative and research and development expenses)									468,205,829

As at 31 December 2009, certain machinery and equipment items of the Company had been fully depreciated but were still in use. The original cost of those assets amounted to approximately Baht 3,908 million (2008: Baht 2,990 million).

The outstanding balance of allowance for loss on impairment of assets, amounting to approximately Baht 46 million, was made against plant and equipment relevant to video display production, since the Company has decided to reduce its production video displays in line with its long-term business strategy of not manufacturing products that generate low profit margins. In the current year, the Company had no sales of this product.

15. Intangible assets

	(Unit: Baht)					
	Patent rights		Others		Total	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Balance – beginning of year	914,512,987	939,157,240	1,554,155	2,351,453	916,067,142	941,508,693
Increase during year	134,039	192,456	1,511,756	169,006	1,645,795	361,462
Amortisation	(56,361,976)	(54,947,772)	(1,178,507)	(759,954)	(57,540,483)	(55,707,726)
Translation adjustment	(39,648,624)	30,111,063	167,971	(206,350)	(39,480,653)	29,904,713
Balance – end of year	<u>818,636,426</u>	<u>914,512,987</u>	<u>2,055,375</u>	<u>1,554,155</u>	<u>820,691,801</u>	<u>916,067,142</u>
Remaining useful lives	<u>14 years 11 months</u>	<u>15 years 11 months</u>				

16. Income tax

The income tax expenses for the year 2009 and 2008 consist of the followings:

	(Unit: Baht)	
	For the years ended 31 December	
	<u>2009</u>	<u>2008</u>
Current income tax	73,647,532	59,943,395
Increase in deferred tax assets	(7,976,259)	(27,678,878)
Translation adjustment	(457,719)	(7,225,026)
Income tax expenses in income statements	<u>65,213,554</u>	<u>25,039,491</u>

Reconciliation between tax expense and the product of accounting income multiplied by the applicable tax rate for the year ended 31 December 2009 and 2008 was as follows:

	(Unit: Baht)	
	<u>2009</u>	<u>2008</u>
Income before tax	<u>2,255,013,222</u>	<u>2,922,877,631</u>
Income tax at Thai corporate income tax rate of 30%	676,503,967	876,863,289
Tax effect of intercompany transactions	(56,587,676)	(14,987,459)
Utilisation of previously unrecognised tax losses	(7,206,498)	(21,056,938)
Tax savings from investment promotion	(698,477,529)	(910,160,986)
Difference in tax rates of subsidiaries in overseas countries	125,795,180	100,205,443
Tax effect of loss for the current year of overseas subsidiaries	22,289,715	447,927
Increase in deferred tax assets	(7,976,259)	(27,678,878)
Tax effect of non-deductible expenses	19,045,403	22,180,548
Translation adjustment	(457,719)	(7,225,025)
Others	(7,715,030)	6,451,571
Income tax expenses in income statements	<u>65,213,554</u>	<u>25,039,491</u>

As at 31 December 2009 and 2008, the components of deferred tax assets and deferred tax liabilities were summarised as follows:

	(Unit: Baht)	
	<u>2009</u>	<u>2008</u>
Deferred tax assets		
Allowance for doubtful accounts	4,082,681	6,689,140
Allowance for stock obsolescence	42,033,366	46,819,570
Effect on elimination of intercompany transactions	16,041,369	4,186,319
Others	19,970,922	11,746,610
Total	<u>82,128,338</u>	<u>69,441,639</u>
Deferred tax liabilities		
Others	7,053,208	2,342,768
Total	<u>7,053,208</u>	<u>2,342,768</u>
Net	<u>75,075,130</u>	<u>67,098,871</u>

As at 31 December 2009, the Company and its subsidiary have unused tax losses of approximately Baht 34 million and EUR 65 million. Deferred tax assets have not been recognised in respect of such tax losses because the management determined that

there is uncertainty as to whether adequate sufficient taxable profits will be available to utilize the deferred tax asset.

17. Bank overdrafts and short-term loans from financial institutions

(Unit: Baht)

	Interest rate		Consolidated	
	(percent per annum)		financial statements	
	2009	2008	2009	2008
Bank overdrafts	10.00 - 11.50	10.00 - 11.50	9,820,579	110,216,197
Short-term loans from financial institutions	1.21 - 7.75	4.02 - 13.50	1,308,786,475	2,228,632,378
Total			1,318,607,054	2,338,848,575

Bank overdrafts and short-term loans from financial institutions of the subsidiaries are guaranteed by the Company, as described in Note 28.2.2 to the financial statements.

18. Provisions

These comprise the following:

(Unit: Baht)

	Consolidated financial statements					Separate financial statements		
	Post-retirement	Restructuring		Other	Total	Post-retirement		Total
	benefit costs	costs	Warranty	provisions		benefit costs	Warranty	
Balance as at 31 December 2008	1,055,907,026	60,726,128	204,335,496	60,854,043	1,381,822,693	48,115,903	23,591,576	71,707,479
Add: Recognition during year	97,462,206	12,393,268	56,146,722	146,911,293	312,913,489	19,784,548	15,355,229	35,139,777
Less: Decrease during year	(57,228,363)	(15,580,615)	(2,217,428)	(35,453,978)	(110,480,384)	-	(848,129)	(848,129)
Less: Reversal during year	(69,171,641)	(7,831,656)	(73,217,964)	(82,135,686)	(232,356,947)	(3,079,038)	(15,333,400)	(18,412,438)
Translation adjustment/ unrealized gain on exchange rate	(30,842,779)	(1,613,508)	(6,516,049)	(2,066,646)	(41,038,982)	-	(817,199)	(817,199)
Balance as at 31 December 2009	<u>996,126,449</u>	<u>48,093,617</u>	<u>178,530,777</u>	<u>88,109,026</u>	<u>1,310,859,869</u>	<u>64,821,413</u>	<u>21,948,077</u>	<u>86,769,490</u>
Short-term provisions	54,975,903	27,848,595	8,960,503	39,917,449	131,702,450	-	4,407,084	4,407,084
Long-term provisions	1,000,931,123	32,877,533	195,374,993	20,936,594	1,250,120,243	48,115,903	19,184,492	67,300,395
Balance as at 31 December 2008	<u>1,055,907,026</u>	<u>60,726,128</u>	<u>204,335,496</u>	<u>60,854,043</u>	<u>1,381,822,693</u>	<u>48,115,903</u>	<u>23,591,576</u>	<u>71,707,479</u>
Short-term provisions	6,344,628	20,215,642	6,892,998	81,007,653	114,460,921	-	4,428,913	4,428,913
Long-term provisions	989,781,821	27,877,975	171,637,779	7,101,373	1,196,398,948	64,821,413	17,519,164	82,340,577
Balance as at 31 December 2009	<u>996,126,449</u>	<u>48,093,617</u>	<u>178,530,777</u>	<u>88,109,026</u>	<u>1,310,859,869</u>	<u>64,821,413</u>	<u>21,948,077</u>	<u>86,769,490</u>

19. Share capital/warrants

The Annual General Meeting of the shareholders held on 30 March 2005 approved a resolution to issue up to 59,000,000 warrants for offer to executive directors and other employees of the Company. The warrants can be exercised to subscribe to newly issued ordinary shares in a ratio of 1 warrant per 1 ordinary share, at an exercise price of Baht 1 each. They are a one-time issue and have a life of 5 years, with the exercise period commencing on the last business day of January 2006.

The Meeting of the Board of Directors of the Company held on 13 February 2009 approved resolutions to pay a dividend to shareholders. As a result the Company adjusted the exercise ratio of the warrants in the manner stated in the prospectus, such that 1 warrant can be exercised to purchase 1.168 ordinary shares at a price of Baht 1 per share, effective from 11 March 2009.

During the current year, no warrants were exercised to purchase new ordinary shares, leaving 3,198 warrants unexercised as at 31 December 2009.

20. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

21. Dividend payment

Dividends declared in 2009 and 2008 consisted of the followings:

(Unit: Baht)			
<u>Dividend</u>	<u>Approved by</u>	<u>Total dividends</u>	<u>Dividend per share</u>
Final dividend for year 2008	Annual General Meeting of the shareholders on 3 April 2009	1,372,118,697	1.10
Final dividend for year 2007	Annual General Meeting of the shareholders on 3 April 2008	1,995,795,123	1.60

22. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Salaries, wages and other employee benefits	4,720,504,484	4,860,084,908	1,763,425,077	1,960,044,467
Raw materials used and purchase of finished goods	15,933,836,948	21,789,057,814	10,069,420,250	13,755,105,008
Changes in inventories of finished goods and work in progress	274,583,343	(564,963,645)	169,787,122	(537,258,917)
Depreciation	681,646,533	758,458,103	468,205,829	569,588,439
Commission expenses	709,953,506	666,483,540	464,858,046	504,837,589
Marketing fee	-	-	243,373,767	233,009,567
Design and engineering fee	-	-	637,844,300	875,437,900
Loss on exchange	6,881,011	62,475,555	-	-
Amortisation of intangible assets	57,540,483	55,707,726	-	-
Loss from disposal of available-for-sale securities	-	31,811,267	-	-
Restructuring expenses	44,863,760	35,863,868	-	-
Loss on diminution in value of other long-term investments	102,995,880	-	-	-

23. Gain (loss) on exchange

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Realised gain (loss) on exchange	(40,582,856)	(230,624,366)	(24,243,514)	141,996,691
Unrealised gain on exchange	33,701,845	168,148,811	65,473,282	134,109,322
Gain (loss) on exchange	<u>(6,881,011)</u>	<u>(62,475,555)</u>	<u>41,229,768</u>	<u>276,106,013</u>

24. Promotional privileges

The Company has been granted promotional privileges by the Board of Investment subject to certain significant conditions. Significant privileges of the Company are as follows:

Details										
1. Certificate No.	1404(1)/2544	1523/2543	7030(1)/Aor. Yor.2544	7008(2)/Yor./ 2545	1776(4)/2547	1777(4)/2547	1571(2)/2549	1710(2)/2549	1541(2)/2552	1494(2)/2552
2. Promotional privileges for	Manufacturing of DC FAN	Manufacturing of EMI FILTER	Manufacturing of DC FAN	Manufacturing of EMI FILTER	Manufacturing of monitors and televisions	Manufacturing of electro – magnetic products	Manufacturing of monitors and televisions	Manufacturing of electro – magnetic products	Manufacturing of electro- mangetic	Manufacturing of DC FAN
3. The significant privileges are										
3.1 Exemption from corporate income tax for net income from the promoted operations and exemption from income tax on dividends paid from the income of the operations throughout the period in which the corporate income tax is exempted.	7 years	7 years	7 years	7 years	7 years	7 years	5 years	5 years	7 years	7 years
3.2 Exemption from import duty on machinery as approved by the board.	Granted	Granted	Granted	Granted	Granted	Granted	Granted	Granted	Granted	Granted
3.3 Exemption from import duty on raw materials and significant supplies used in export production.	Granted	Granted	Granted	Granted	Non – granted	Non – granted	Non – granted	Non – granted	Granted	Granted
3.4 Allowance to additionally deduct 5% of any increment in export income over the preceding year for ten years, providing that the export income of that year is not lower than the average export earnings of the three preceding years, except during the first two years.	Non – granted	Granted	Non – granted	Non – granted	Non – granted	Non – granted	Non – granted	Non – granted	Non – granted	Non – granted
4. Date of first earning operating income	12 December 2006	7 January 2004	7 February 2002	17 July 2002	23 May 2005	Applying for to commence operation approval	Waiting for approval to commence operation	Waiting for approval to commence operation	Waiting for approval to commence operation	Waiting for approval to commence operation

The Company's operating revenues, divided between promoted and non-promoted operations, are summarised below.

(Unit: Baht)

	Promoted operations		Non-promoted operations		Total	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
<u>Separate financial statements</u>						
Sales						
Domestic sales	275,473,490	460,207,020	-	-	275,473,490	460,207,020
Export sales	<u>17,144,981,902</u>	<u>20,762,785,914</u>	<u>79,625,740</u>	<u>126,488,869</u>	<u>17,224,607,642</u>	<u>20,889,274,783</u>
Total	<u>17,420,455,392</u>	<u>21,222,992,934</u>	<u>79,625,740</u>	<u>126,488,869</u>	<u>17,500,081,132</u>	<u>21,349,481,803</u>

25. Earnings per share

Basic earnings per share is calculated by dividing net income for the year by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing net income for the year by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date that the potential ordinary shares were issued.

Calculation of basic earnings per share and diluted earnings per share is presented below:

	Consolidated financial statements					
	Net income		Weighted average number of ordinary shares		Earnings per share	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	(Baht)	(Baht)	(shares)	(shares)	(Baht)	(Baht)
Basic earnings per share						
Net income attributable to equity holders of the parent	2,189,382,502	2,897,478,328	1,247,380,634	1,247,380,306	1.76	2.32
Effect of dilutive potential ordinary shares						
Warrants	-	-	3,486	3,727		
Diluted earnings per share						
Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares	<u>2,189,382,502</u>	<u>2,897,478,328</u>	<u>1,247,384,120</u>	<u>1,247,384,033</u>	1.76	2.32

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	Net income		Weighted average number of ordinary shares		Earnings per share	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	(Baht)	(Baht)	(shares)	(shares)	(Baht)	(Baht)
Basic earnings per share						
Net income attributable to equity holders of the parent	2,515,967,226	3,090,004,643	1,247,380,634	1,247,380,306	2.02	2.48
Effect of dilutive potential ordinary shares						
Warrants	-	-	3,486	3,727		
Diluted earnings per share						
Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares	<u>2,515,967,226</u>	<u>3,090,004,643</u>	<u>1,247,384,120</u>	<u>1,247,384,033</u>	2.02	2.48

26. Financial information by segment

The businesses of the Company and its subsidiaries mainly involve the single industry segment of the manufacture, distribution and servicing of electronic products and are mainly carried on both in Thailand and overseas. The financial information of the Company and its subsidiaries by geographical segment for the years ended 31 December 2009 and 2008 is as follows:

	(Unit: Million Baht)												Consolidated	
	Thailand		Asia		America		Europe		Total		Eliminated		financial statements	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Revenue from external customers	11,908	17,731	3,787	4,091	5,409	4,362	5,891	6,666	26,995	32,850	-	-	26,995	32,850
Inter-segment revenues	5,592	3,618	214	66	69	68	4,520	5,775	10,395	9,527	(10,395)	(9,527)	-	-
Total revenues	17,500	21,349	4,001	4,157	5,478	4,430	10,411	12,441	37,390	42,377	(10,395)	(9,527)	26,995	32,850
Segment income (loss)	2,366	2,810	(113)	2	56	(39)	(214)	(218)	2,095	2,555			2,174	2,642
Unallocated income and expenses:														
Other income													267	437
Compensation income from cancellation order													2	-
Share of income from investment in associated company													33	61
Gain (loss) on disposal of property, plant and equipment													(1)	2
Loss from disposal of investment in available-for-sale securities													-	(32)
Amortisation of intangible assets													(58)	(56)
Loss on diminution in value of other long-term investment													(103)	-
Finance cost													(60)	(132)
Corporate income tax													(65)	(25)
Net income													2,189	2,897

	(Unit: Million Baht)												Consolidated	
	Thailand		Asia		America		Europe		Total		Eliminated		financial statements	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Property, plant and equipment – net	2,072	2,305	518	451	35	14	1,017	1,110	3,642	3,880	2	(11)	3,644	3,869
Unallocated assets													23,446	23,011
Total assets													27,090	26,880

Transfer prices between business segments are as set out in Note 6 to the financial statements.

27. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly, at rates of 5 percent of basic salary. The fund, which is managed by TMB Bank Public Company Limited, will be paid to employees upon termination or when employees are promoted to a manager post, in accordance with the fund rules. During the year 2009, the Company contributed Baht 15,827,339 (2008: Baht 18,472,805) to the fund.

28. Commitments and contingent liabilities

28.1 Capital commitments and operating lease commitments

28.1.1 As at 31 December 2009, the Company and its subsidiaries had significant capital commitments amounting to Baht 75 million, EUR 0.2 million and INR 198 million in respect of the purchase of machinery and equipment.

28.1.2 As at 31 December 2009, the subsidiaries had significant operating lease commitments amounting to CHF 1 million, GBP 0.2 million, EUR 5 million and INR 104 million.

28.2 Guarantee obligations

As at 31 December 2009, the Company and its subsidiary companies had the following outstanding significant letters of guarantee required in the ordinary course of their businesses:

28.2.1 Outstanding letters of guarantee totaling approximately Baht 759 million have been issued by banks to meet requirements of the Company (including a letter of guarantee for approximately Baht 740 million issued by a bank to meet obligations of the Company to the Revenue Department in relation to the tax assessment mentioned in note 28.3.1 to the financial statements), and outstanding letters of guarantee for totals of approximately INR 254 million, EUR 0.5 million and USD 0.6 million have been issued by banks to meet requirements of the subsidiary companies.

28.2.2 Outstanding letters of guarantee totaling approximately EUR 15 million and USD 79 million issued by the Company to meet requirements of its subsidiary companies.

28.3 Tax assessment

28.3.1 In 2006, the Company received a corporate income tax assessment letter from the Revenue Department covering the years 1997 through 2000, assessing tax amounting to approximately Baht 740 million (including penalties and surcharges). The Company has submitted a letter appealing the assessment. The independent legal counselor of the Company believes that no significant losses will be incurred by the Company. The Company therefore has not recorded provision for this tax assessment.

28.3.2 Corporate income tax assessment of approximately INR 70 million was made against an overseas subsidiary, covering the years 2004-2006 and sales tax assessment of approximately INR 26 million, covering the years 2005 - 2006. The subsidiary has submitted a letter appealing the assessment and the management of the Company and the subsidiary believe that no significant losses will be incurred. The subsidiary therefore has not recorded provision for this tax assessment.

28.4 Litigation

As at 31 December 2009, two lawsuits had been filed against an overseas subsidiary, claiming a total of INR 6 million. The case is currently being heard by the Court. However, the management of the Company and the subsidiary believe that no significant damage will be suffered by the Company and its subsidiary and no provision for the contingent liability has therefore been set aside in the accounts.

29. Financial instruments

29.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 32 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, other accounts receivable, investments, short-term loans, accounts payable and other accounts payable. The financial risks associated with these financial instruments and how they are managed is described below.

Credit Risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable and other receivable. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentration of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivable and other receivable as stated in the balance sheets.

Interest rate risk

The Company and its subsidiaries are exposed to interest rate risk relating primarily to their cash at banks, bank overdrafts, and short-term borrowings. However, since most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 December 2009 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

	Consolidated financial statements						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-5 years	Over 5 years				
	(Million baht)						
Financial Assets							
Cash and cash equivalents	-	-	-	9,929	624	10,553	0 - 4.763
Trade accounts receivable	-	-	-	-	5,541	5,541	-
Other accounts receivable	-	-	-	-	48	48	-
Deposits at bank with restrictions	71	-	-	138	-	209	0.1 - 4.763
Total	71	-	-	10,067	6,213	16,351	
Financial liabilities							
Bank overdraft and short term							
loans from financial institutions	1,133	-	-	186	-	1,319	1.21 - 11.50
Trade accounts payable	-	-	-	-	4,645	4,645	-
Amount due to related parties	-	-	-	-	143	143	-
Other accounts payable	-	-	-	-	267	267	-
Total	1,133	-	-	186	5,055	6,374	

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	Fixed interest rates					Total	Interest rate (% p.a.)
	Within		Over	Floating	Non-interest		
	1 year	1-5 years	5 years	Interest rate	bearing		
(Million baht)							
Financial Assets							
Cash and cash equivalents	-	-	-	7,544	1	7,545	0 - 0.75
Trade accounts receivable	-	-	-	-	3,746	3,746	-
Total	-	-	-	7,544	3,747	11,291	
Financial liabilities							
Trade accounts payable	-	-	-	-	3,384	3,384	-
Amount due to related parties	-	-	-	-	228	228	-
Other accounts payable	-	-	-	-	155	155	-
Total	-	-	-	-	3,767	3,767	

Foreign currency risk

The Company and its subsidiaries have significant foreign currency risk in respect of the purchase and sales transactions, lending and borrowing, and investments in foreign companies. As at 31 December 2009, outstanding balances of the Company and its subsidiaries' financial assets and liabilities denominated in foreign currencies are as follows:

Foreign currency	Financial assets	Financial liabilities	Average exchange rate as at 31 December 2009
	(Million)	(Million)	(Baht per 1 foreign currency)
Brazil real	16	6	19.1406
US dollar	108	71	33.3688
Euro	21	5	47.7934
New Taiwan dollar	178	0.2	1.0309
Japanese yen	28	93	0.3623
Czech Koruna	32	0.1	1.8147
Russian ruble	24	21	1.12165

The Company and its subsidiaries manage their exposure to foreign currency risk by using derivatives where considered appropriate (except for the foreign currency risk arising from investments in foreign countries, which the Company and its subsidiaries consider to have an insignificant effect to the financial statements).

As at 31 December 2009, the outstanding derivatives are as follows:

Forward contracts

	Amount		Forward rate		Maturity date
Forward contracts to "Sell"					
USD/THB	USD	67 million	33.1700 - 33.7350	THB/USD	January 2010 - March 2010
USD/CHF	USD	6 million	1.0000 - 1.0477	CHF/USD	January 2010
EUR/USD	EUR	10 million	1.4284 - 1.4702	USD/EUR	January 2010
EUR/CHF	EUR	11 million	1.4910 - 1.5135	CHF/EUR	January 2010
PLN/CHF	PLN	5 million	2.7505 - 2.8270	PLN/CHF	January 2010
Forward contracts to "Buy"					
USD/BRL	USD	2 million	1.8022	BRL/USD	January 2010
USD/RUB	USD	1 million	30.6646	RUB/USD	January 2010
USD/INR	USD	9 million	46.4550 - 47.3800	INR/USD	January 2010 - March 2010
USD/TRY	USD	1 million	1.5350	TRY/USD	January 2010

29.2 Fair values of financial instruments

Since the majority of the Company's and its subsidiaries' financial instruments are short-term in nature or bear floating interest rates, their fair values are not expected to be materially different from the amounts presented in the balance sheets.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

30. Capital management

The primary objective of the Company's and its subsidiaries' capital management is to ensure that they have an appropriate financial structure and preserves the ability to continue their business as a going concern.

According to the balance sheet as at 31 December 2009, the Group's debt-to-equity ratio was 0.53:1 (2008: 0.59:1) and the Company's was 0.24:1 (2008: 0.23:1).

31. Approval of financial statements

These financial statements were authorized for issue by the Company's Board of Directors on 23 February 2010.