

Delta Electronics (Thailand) PCL.

Q3'13 Press Announcement

November 7, 2013



Time	Topics	Presenter
10:45	Registration	
11:00	Welcome Speech	Mr. Anusorn Muttaraid Director
11:05	Business Outlook	Mr. Henry Shieh President
11:15	Financial Highlight	Mr. Beau Yu Chief Financial Officer
11:25	Q&A	Ms. Kulwadee Kawayawong Investor Relations
11:45	Meeting adjourn	

Business Outlook

Market outlook

- a. Delta India's demands across most products remain strong.
- b. Solar inverter business is still very slow in Europe and Australia.
- c. LTE(4G) adoption and cloud computing have contributed to healthy demand for Telecom and data center power supplies. Expect the same in Q4 '13 outlook.
- d. Local demand for Wind Power converters in India is emerging.

Operations

- a. Increasing investment in manufacturing process automation to mitigate rising wage concern for the long term.
- b. Allocate more resources in developing SEA market on solution/project businesses like data center power solution, factory automation solution, MRT/BTS control room power management and Medium Voltage Motor Drive applications.
- c. Delta Thailand won the Energy Award 2013 in Energy Management Team category. The award is presented by the Ministry of Energy.

Corporate Social Responsibility Overall

Vichai Saksuriya

November 7, 2013



Message from the Board of Directors



*With extreme weather conditions escalating over the years, as a leading power management company, **Delta shall continue our focus on improving energy efficiency through our products and solutions while promoting Green products and building policy to reduce greenhouse gas emissions.***

Thailand Energy Award 2013

Energy Management Team Category



*One of the key success factors is contributed by **DET Energy Management Team's outstanding performance and practices** on energy efficiency and energy saving as well as alternative energy development.*

Thailand Energy Award 2013

Energy Management Team Category



According to our mission “To provide innovative, clean and energy-efficient solutions for a better tomorrow”, we will continue to strive for high standard of environmental protection and energy conservation, as well as global warming reduction.

Thailand Energy Award 2013

Energy Management Team Category

September 18, 2013



Mr. Vichai Saksuriya, Operations Vice President, received the Thailand Energy Award 2013 for Outstanding Personnel in Energy under the “Energy Management Team Category”. Prime Minister, H.E. Yingluck Shinawatra presided over the awards presentation ceremony on Wednesday, 18th September 2013 at Santi Maitree Building, Government House.

Thailand Energy Award 2013

Energy Management Team Category

September 18, 2013



Thailand Energy Award 2013 is an international standard award that is organized by the Ministry of Energy in cooperation with the Department of Alternative Energy Development and Efficiency. It aims to create awareness among relevant agencies in both public and private sectors on the importance of energy conservation and to encourage for continuous development of sustainable energy.

GHG Certificate 2013

Climate Change & Global Warming

October 24, 2013



Mr. Vichai Saksuriya, Operations Vice President, received the “Greenhouse Gas Certificate” for voluntarily participated in developing the infrastructure of Thai GHG standard. The award ceremony took place on Thursday, 24th October 2013 at Miracle Grand Hotel. As a corporate citizen, we are searching for more effective solutions to promote CO₂e reduction program.

GHG Certificate 2013

Climate Change & Global Warming

October 24, 2013



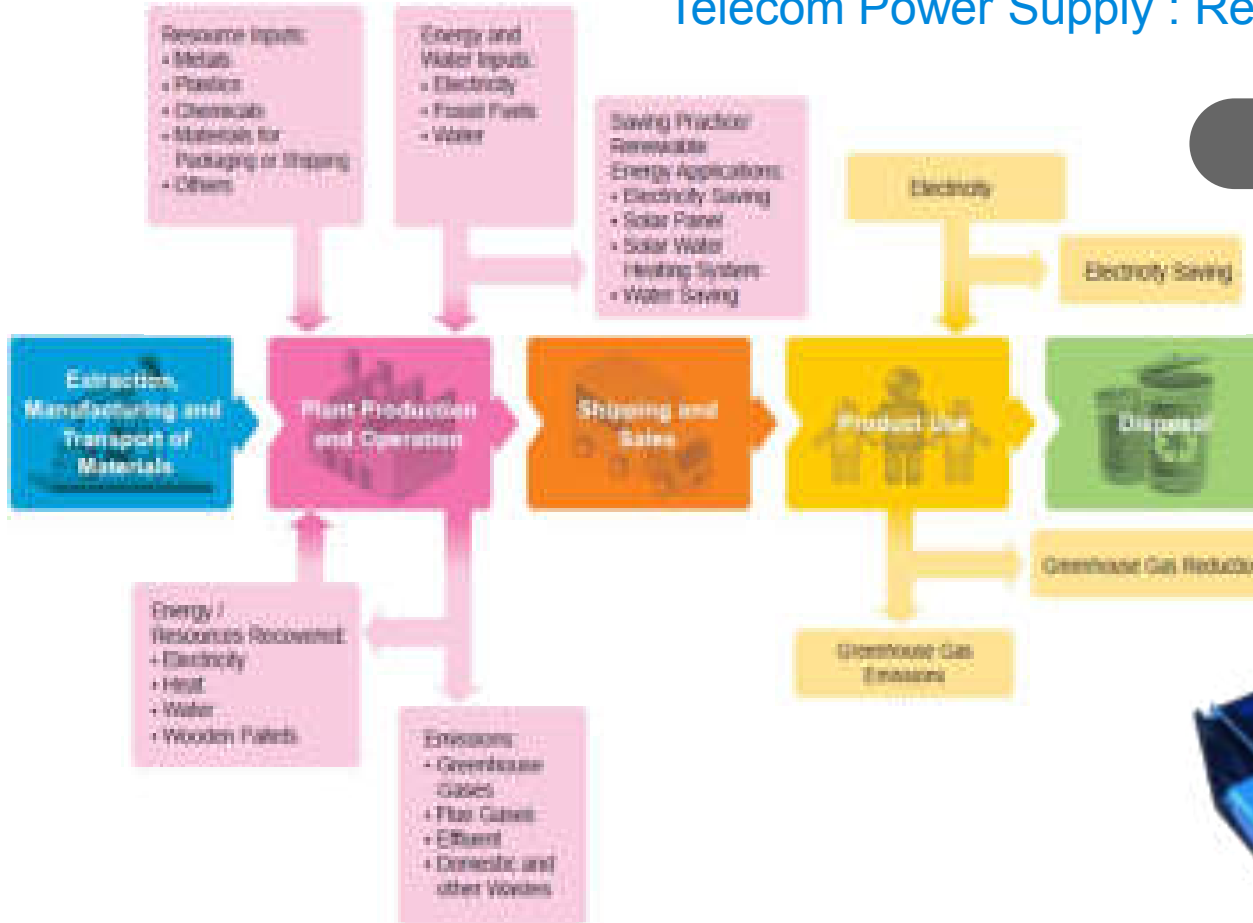
Delta is in step with the leading global enterprises in the field of sustainability as we have received wide acclaim for our efforts. We continue to fulfill our corporate mission of "To provide innovative, clean and energy-efficient solutions for a better tomorrow" to reduce environmental impacts, promote environmental education and green building / operation design philosophy.



Carbon Footprint Product Certified:

Telecom Power Supply : Rectifier Module (1600W)

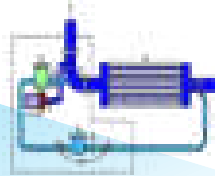
2013: August - November



“Developing environmentally-friendly, energy saving products and implementing sound practices to reduce our impact on the environment” is Delta’s commitment to protect the Earth’s assessment.



Lighting System



Cooling System



Process Improvement



Energy Recycling System



Solar Power System

Green Product & Process

Green Operation

Lighting System

LED Lighting (T8)



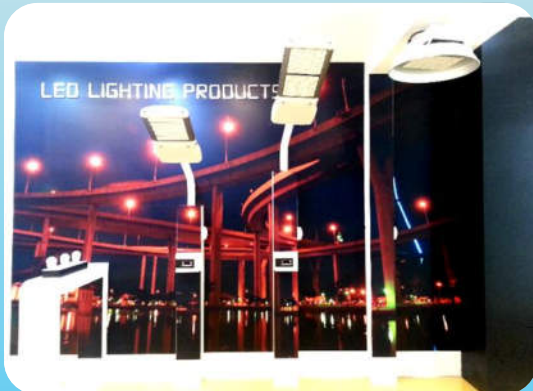
LED Lighting (E27)



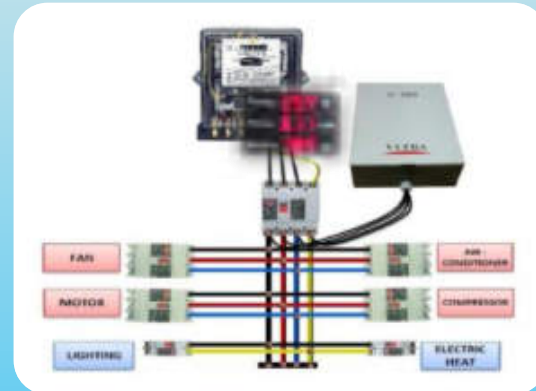
Fluorescent T5



High bay & Street Light



Super Conductor



323,630 kWh
Energy Saving (2013)

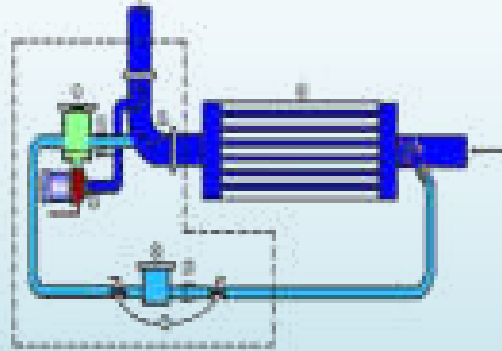
Green Operation

Cooling System

Air Condition (Water Type)



Chiller – Ball Cleaning



VFD Controller



PLC Temperature Controller



AHU Upgrade



614,159 kWh
Energy Saving (2013)



Green Operation

Air Compressor System

Solenoid Control (Air Supply)



Air Compressor



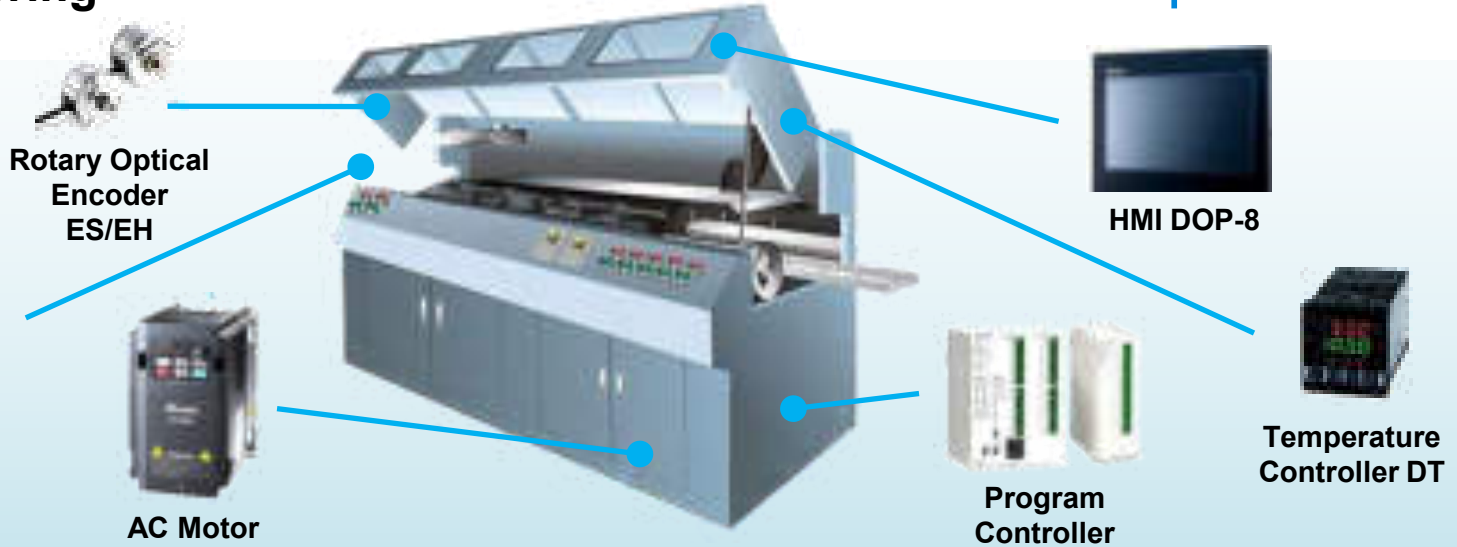
Pressure Control



529,000 kWh
Energy Saving (2013)

Green Operation Process Improvement

Wave Soldering Machine



Exhaust Insulation



Reflow Insulation



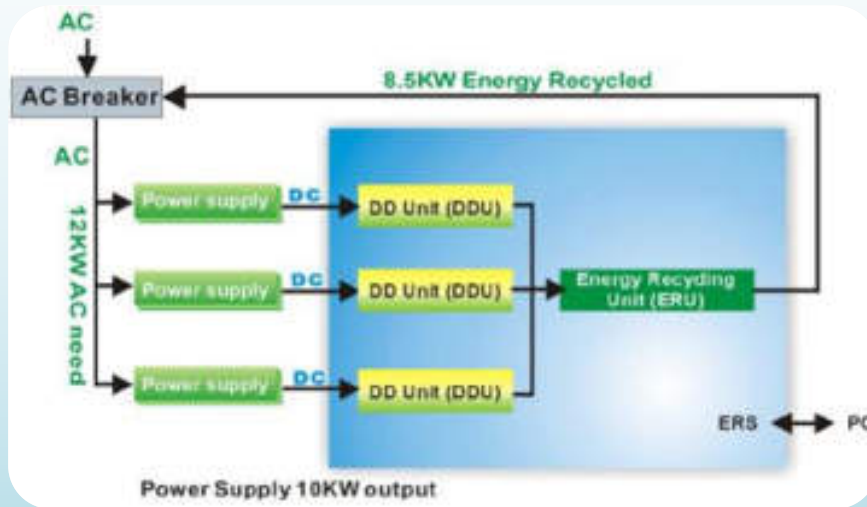
Before

After

583,004 kWh
Energy Saving (2013)

Green Operation Energy Recycling System

Energy Recycling System (Burn-in Testing)

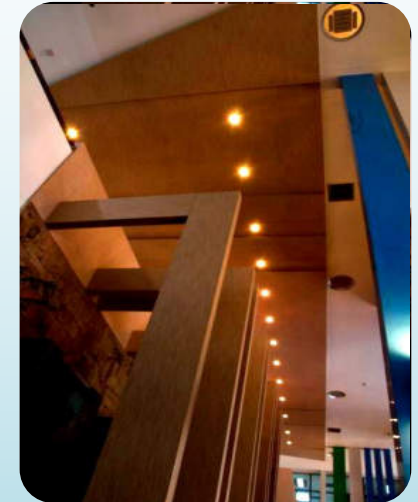


1,842,526 kWh
Energy Saving (2013)

Green Operation

Solar Power System

Solar Power System



6,079 kWh
Energy Saving (2013)

Lighting Break



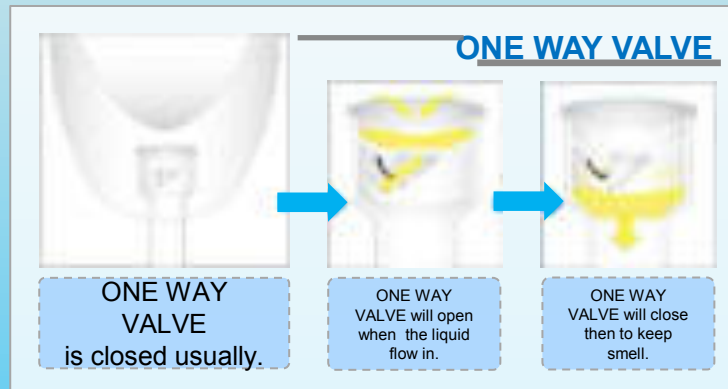
Garden Springer



Water Saving Devices



Urinal Water Free



134,532 M³

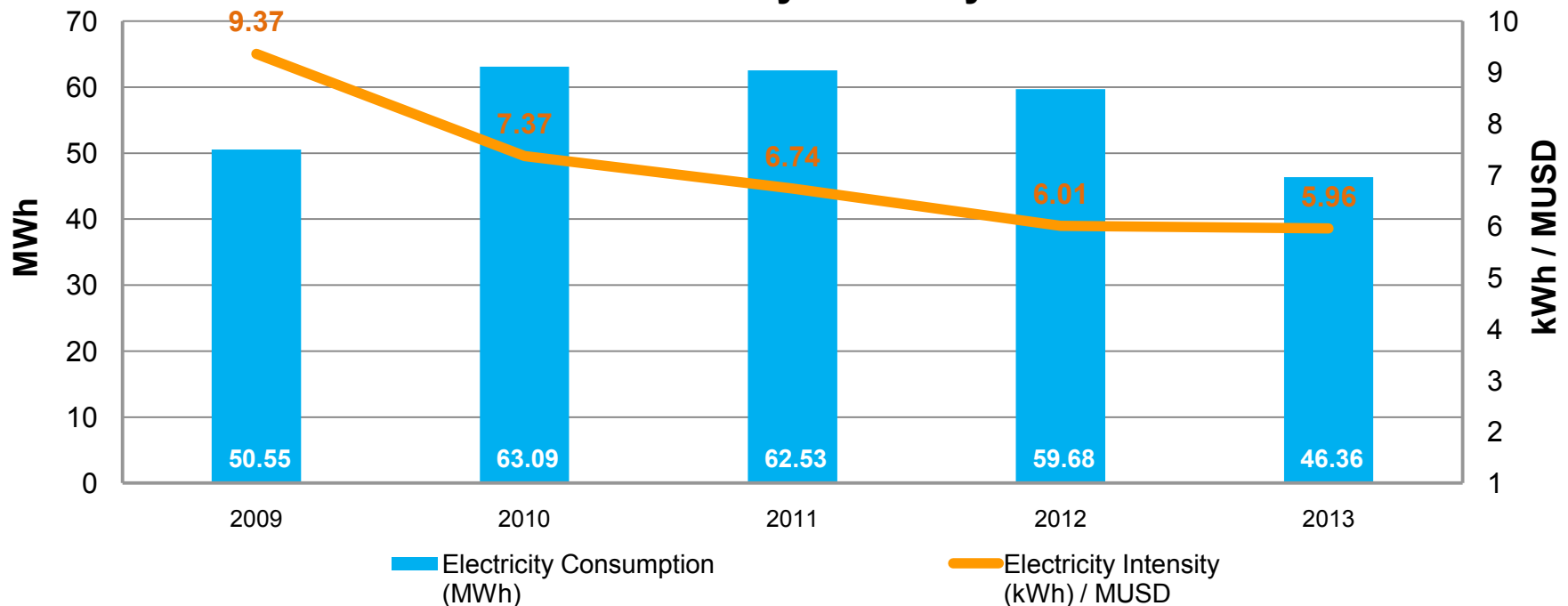
Water Saving (2013)

Green Operation

Goal and Achievement

- **Set up 2009 as Base year to reduce 50% Electricity Intensity (EI) within 5 years (13% per year approximately) [Electricity Intensity = 10K Kwh / MUSD]**
- **Target 2013: Reduce 34.15% EI (compare to Base year)**
- **Actual 2013: Reduce 36.24% EI (September 2013)**

Electricity Intensity



Hana Semiconductor

Green Knowledge Exchange Partner

February 1, 2013



We organize events such as workshops for green-collar architects, design of solar energy buildings, and guided tours of green buildings & operations to provide a wider audience with a better understanding of the positive environmental effects of green buildings & operations. We hope that our good example will popularize green building & operation concepts.

Auto Alliance (Ford & Mazda)

Green Knowledge Exchange Partner

February 18, 2013



We organize events such as workshops for green-collar architects, design of solar energy buildings, and guided tours of green buildings & operations to provide a wider audience with a better understanding of the positive environmental effects of green buildings & operations. We hope that our good example will popularize green building & operation concepts.

Chengteh Chinaware

Green Knowledge Exchange Partner



September 13, 2013



We organize events such as workshops for green-collar architects, design of solar energy buildings, and guided tours of green buildings & operations to provide a wider audience with a better understanding of the positive environmental effects of green buildings & operations. We hope that our good example will popularize green building & operation concepts.



King Mongkut's University

Green Knowledge Exchange Partner

August 28, 2013



We organize events such as workshops for green-collar architects, design of solar energy buildings, and guided tours of green buildings & operations to provide a wider audience with a better understanding of the positive environmental effects of green buildings & operations. We hope that our good example will popularize green building & operation concepts.

Productivity Improvement Overall

Vichai Saksuriya
November 7, 2013



Production Amount per Man-hour

Overall 6 Years Progress



Annual Average Target = 20% improvement (from Base Average of last month)

Productivity Improvement

Technology Improvement

Reengineering “Cell-Line” to “Flexible Manufacturing System”



Cell Production



Flexible Manufacturing System
(FMS)

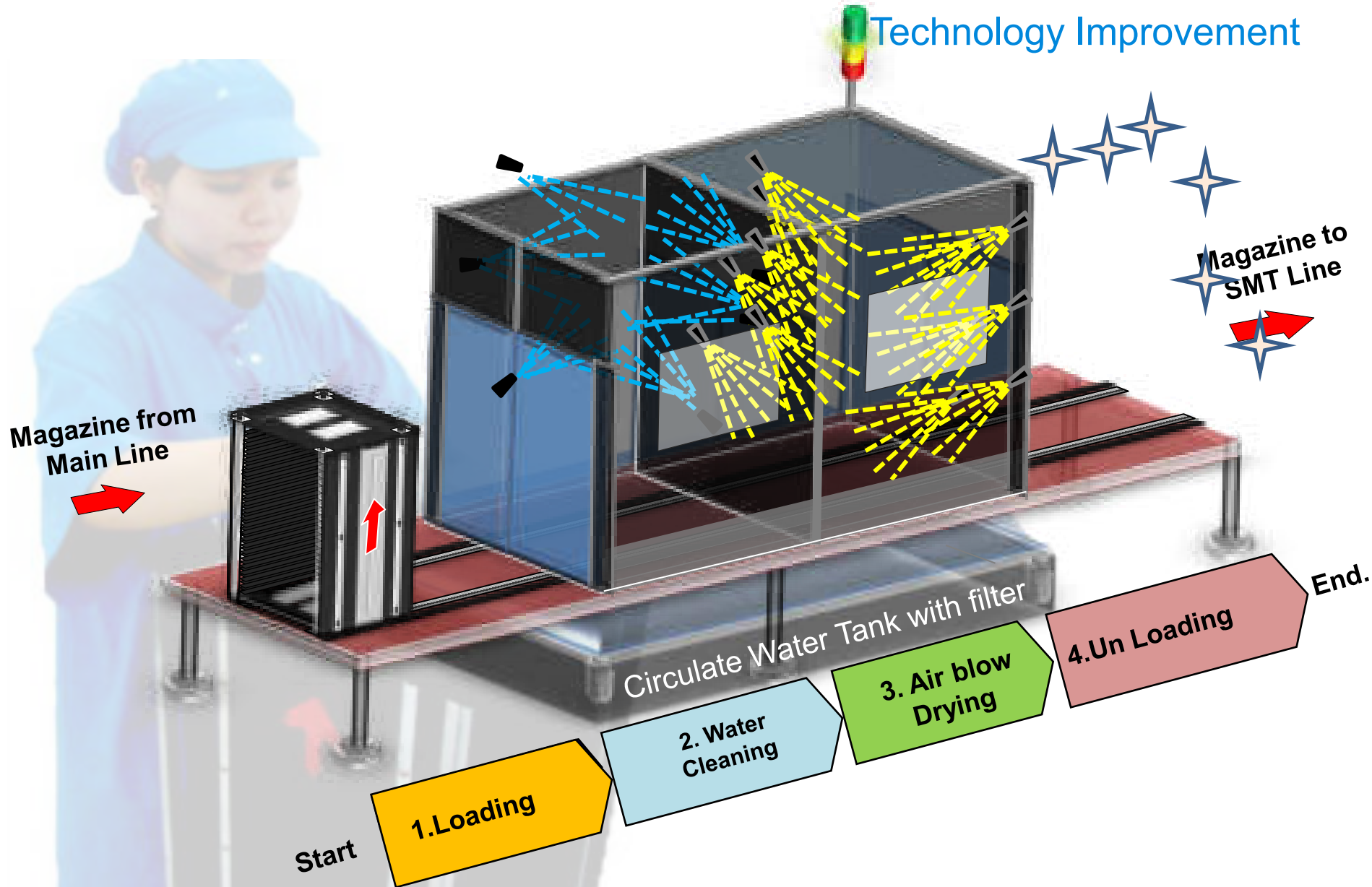
Productivity Improvement

Technology Improvement



Productivity Improvement

Technology Improvement



Productivity Improvement

Technology Improvement

Manual Screw



Auto Fasten Screw

Robotic screw-driving for multi-screws assembly.

Manual Testing



Autonomation

Design testing machine for all model.

Cell-Production Line



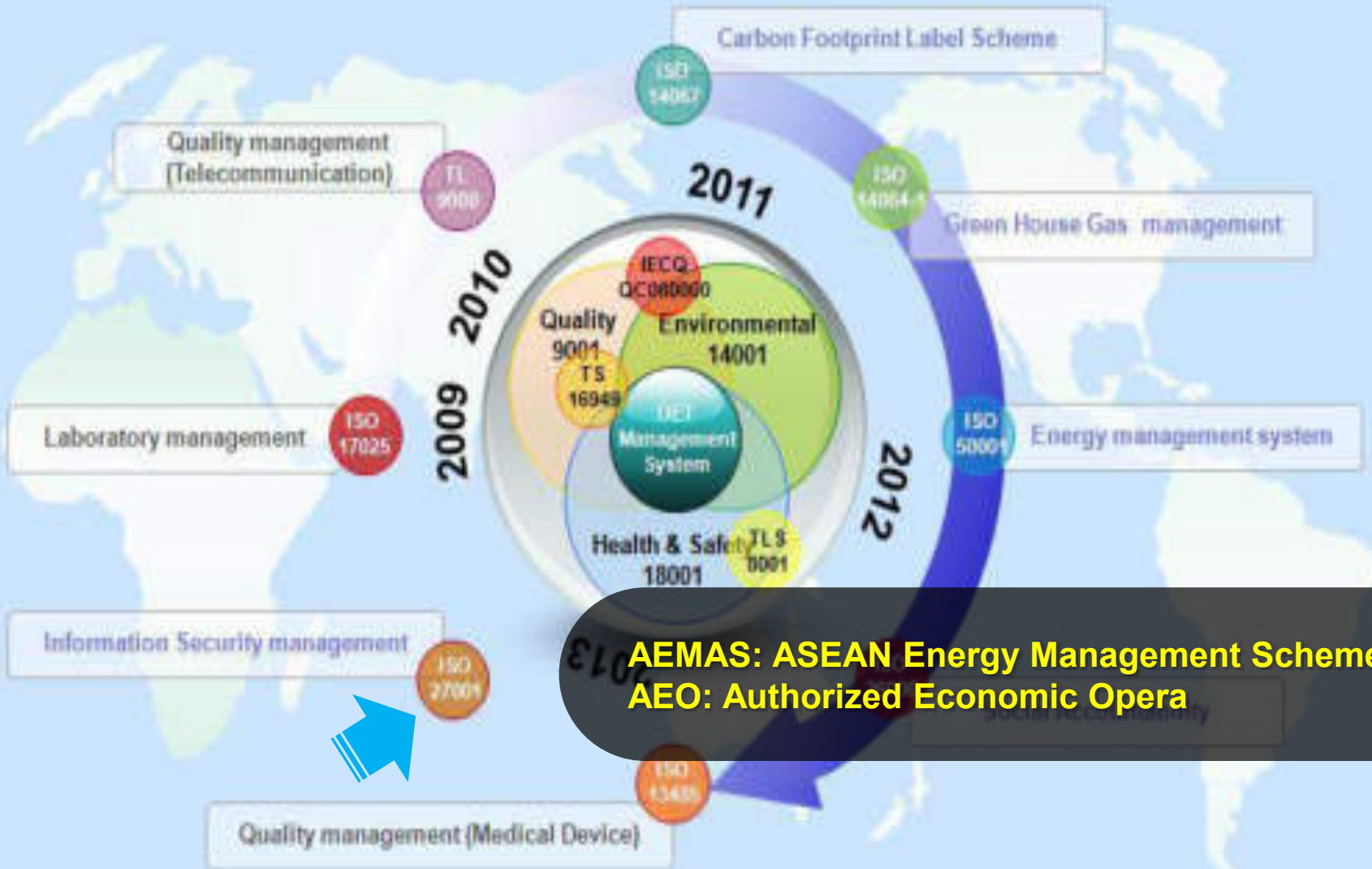
Wireless AGV

Effectively reduce WIP on Shop floor.



Toward AEC

Enhance ISO Management Systems



AEMAS: ASEAN Energy Management Scheme
AEO: Authorized Economic Opera

Financial Highlights

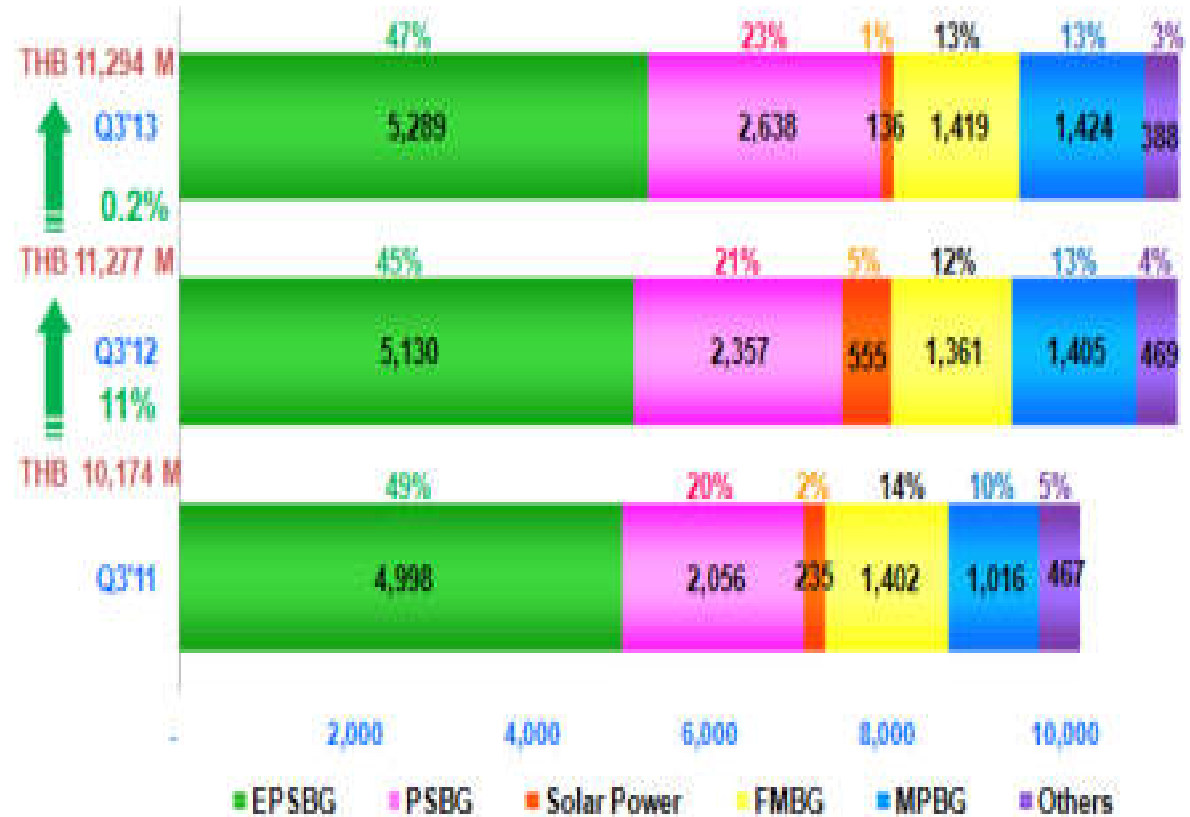
Q3'13 Financial Highlights – 1 Income Statement

Sales revenues :

Total was THB 11.3 billion,
increased 0.2%

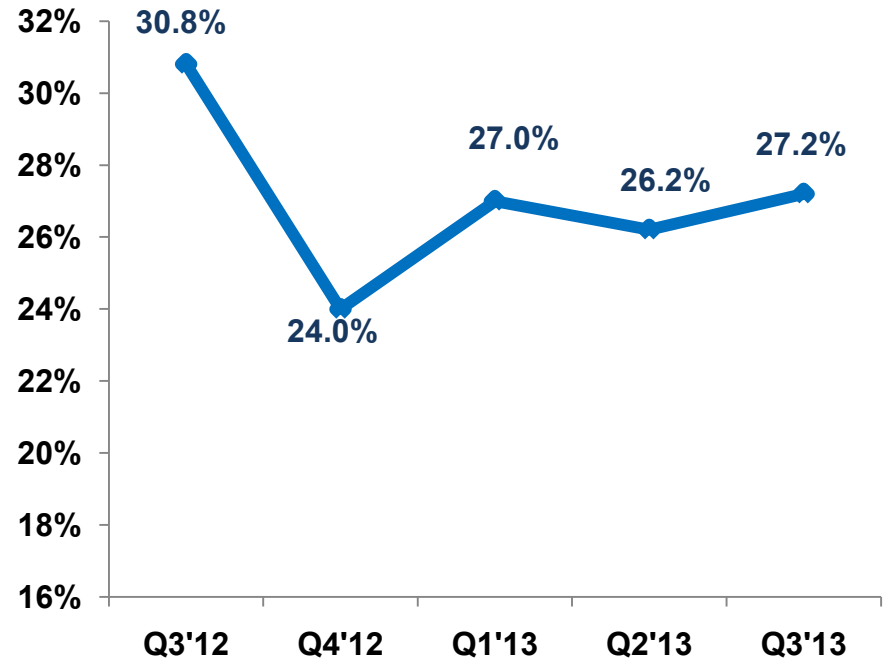
✓ **EPSBG** sales was THB 5.3 billion, increased 3%
- CNBU demand increase from storage

✓ **PSBG** sales was THB 2.6 billion, increased 12%
- TPS was THB 1.9 billion , major grew in EMEA and India



Gross Profit :

- ✓ Total was THB 3.1 billion or 27.2 % of revenue , lower GP when compare with the same period last year, mainly due to release of stock provision THB 175 M in Q3'12 for Solar inverter



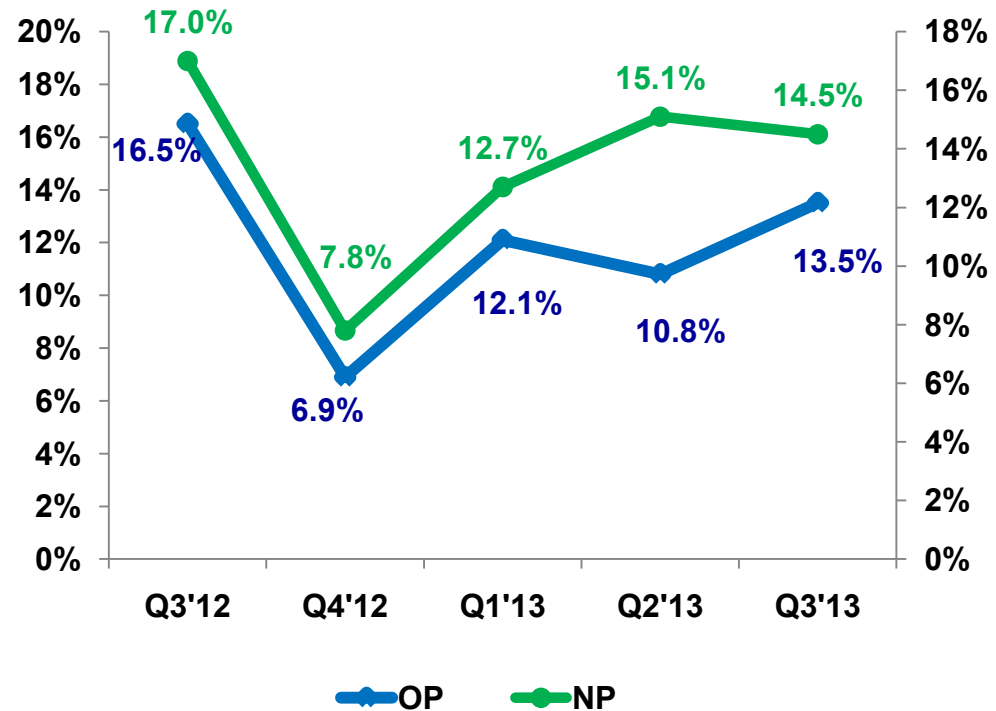


Q3'13 Financial Highlights – 3

Operating Profit and Net Profit :

Net Profit : Total was THB 1.6 billion or 14.5% of revenue , decreased 15%

- ✓ FX gain THB 101 M , mainly due to THB depreciated against USD





2013 Financial Highlight – Key Financial ratio

Item	Unit	2004	2005	2006	2007	2008	2009	2010	2011	2012	YT3Q 2013
Revenue	THB,B	48.34	43.91	43.55	33.77	32.85	27.00	35.73	38.43	40.78	30.50
GP	%	15.6%	18.8%	18.6%	22.3%	24.3%	26.2%	26.7%	23.5%	26.5%	26.8%
OP	%	3.5%	4.9%	5.2%	8.9%	9.2%	9.1%	11.2%	6.7%	10.3%	12.2%
NP	%	2.5%	5.2%	4.5%	9.3%	8.6%	8.1%	11.7%	7.5%	10.7%	14.2%
D/E ratio	Times	1.10	0.83	0.80	0.65	0.60	0.53	0.53	0.51	0.47	0.48
Quick ratio	Times	1.63	1.70	1.45	1.77	1.73	1.97	1.67	1.84	2.12	2.19

Quick ratio : Cash +Invest +Trade AR+ Amt due fm related party/ Curr .Liab

- **Consolidated financials are based on International Accounting Standard No.27**
- **Consolidated numbers are reviewed by CPA (Ernst & Young)**

Revenues

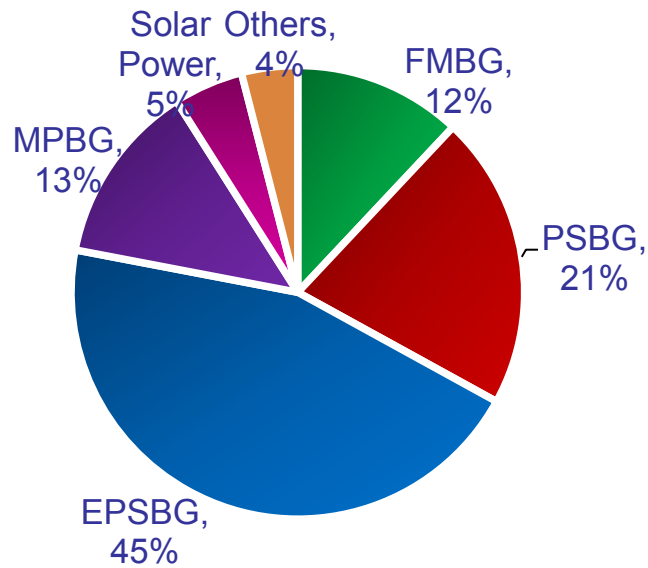
Unit : THB billion



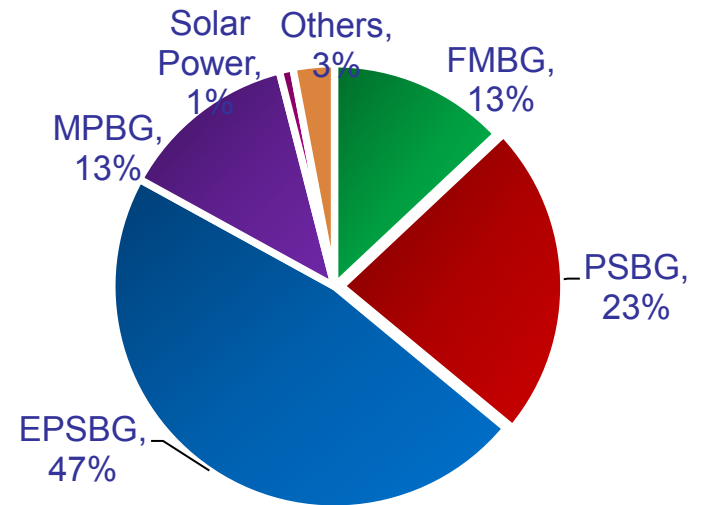


Revenue Contribution (Q3'12 VS Q3'13)

Q3'12



Q3'13





Revenues by Product (Q3'12 VS Q3'13)

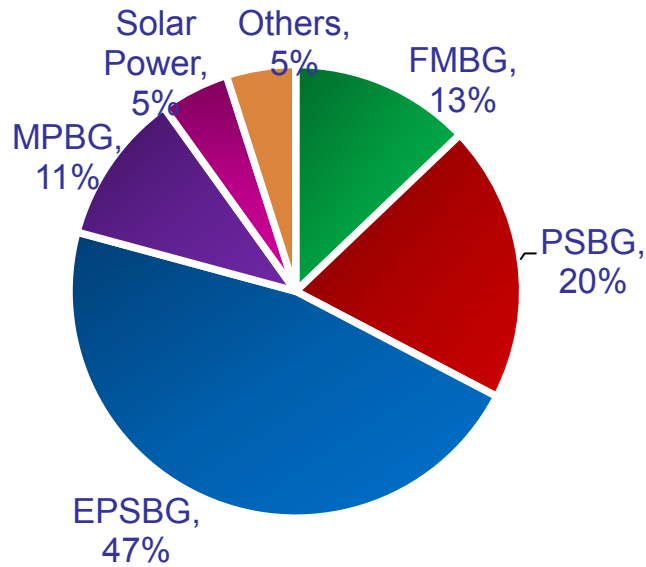
Unit : THB Million

	Q3'12	Q3'13	Change
EPSBG	5,130	5,289	3%
PSBG	2,357	2,638	12%
FMBG	1,361	1,419	4%
MPBG	1,405	1,424	1%
Solar Power	555	136	-75%
Others	469	388	-17%
Total	11,277	11,294	0.2%

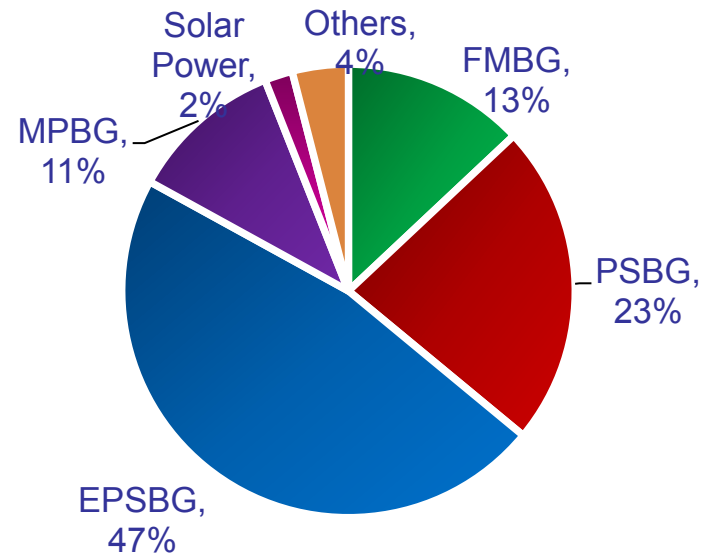


Revenue Contribution (YT3Q'12 VS YT3Q'13)

YT3Q'12



YT3Q'13





DELTA Revenues by Product (YT3Q'12 VS YT3Q'13)

Unit : THB Million

	YT3Q'12	YT3Q'13	Change
EPSBG	14,219	14,473	2%
PSBG	6,040	6,855	14%
FMBG	3,864	3,887	0.6%
MPBG	3,473	3,359	-3%
Solar Power	1,380	593	-57%
Others	1,377	1,332	-3%
Total	30,359	30,499	0.5%

Unit : THB billion and % of Sales



R&D Expense

Unit : THB billion and % of Sales



SG&A Expense

Unit : THB billion and % of Sales



Operating Expenses

Unit : THB billion and % of Sales



Operating Profit

Unit : THB billion and % of Sales



Net Income After tax

Unit : THB billion and % of Sales





Consolidated Balance Sheets

Unit : THB Million

	30 Sep 13	31 Dec 12
Cash and Cash equiv & Short term Invest	13,697	12,782
Accounts receivable , net	8,142	7,027
Inventory	5,994	5,466
Other Cur .Assets	1,032	852
Long-term equity investments	1	412
Fixed assets	4,628	4,984
Other assets	1,701	1,552
Total assets	35,195	33,075

	30 Sep 13	31 Dec 12
Short-term loans	463	661
Accounts payable	9,059	8,144
Dividend payable		
Other Cur. Liab	433	560
Non-Cur Liab	1,381	1,213
Total liabilities	11,336	10,578
Total Equities	23,859	22,497
Total liabilities and Shareholder's equity	35,195	33,075

ขอบคุณ

Thank you for your participation

To learn more about Delta,
please visit www.deltathailand.com

