

9 May 2011

To: The President

The Stock Exchange of Thailand

Re: Related party transaction – Disposal of Investment in associated company

We, Delta Electronics (Thailand) Public Company Ltd, hereby notify the resolutions of the board of directors No. 2/2011 held on 6 May 2011 regarding the disposal of investment in an associated company, Delta Green (Tianjin) Industries Ltd, which is a related party transaction with details as follows.

1) **The date on which the transaction occurred:** Within Q3-11

2) **Details of the asset to be disposed**

- **Type of asset :** Equity rights (shares) of Delta Green (Tianjin) Industries Ltd (DGTJ)
- **Parties involved:**
 - **Seller:** DET SGP Pte. Ltd (a wholly owned subsidiary of the Company) holding 50% of DGTJ
 - **Buyer:** Delta Electronics (H.K.) Ltd. (a subsidiary of Delta Electronics Inc. (DEI), a major shareholder holding approx. 20% in the Company. (as 31 Dec 10))
- **Registered & Paid up capital:** 22,650,000 USD
- **Directors:** Mr. Richard Wang, Mr. Ming Yeh, Mr. LW Lee, and Mr. Henry Hsieh
- **Nature of the business:** Manufacturing of Electronic components such as Chip Inductor, Common Mode, Choke, Voltage-Controlled Oscillator (VCO), Bluetooth, Radio Frequency Module, etc
- **Financial Highlights 2009 – 2010** (unit : thousand)

Item	2010		2009	
	KRMB	KUSD	KRMB	KUSD
6.589 RMB / USD (as of 31 Dec 10)				
Sales	201,038	30,511	176,747	26,825
Net profit	7,083	1,075	12,726	1,931
Total assets	301,584	45,771	289,992	44,011
Total liabilities	34,475	5,232	29,963	4,547
Equity before dividend distribution	267,109	40,539	260,028	39,464
Adjusted equity after dividend distribution*	203,590	30,898	n.a.	n.a.

**Remark: During Mar 2011, DGTJ distributed dividend of RMB 63.52 million to its shareholders. Equity as at 31 Dec 10 therefore has been adjusted with the above dividend payment in order to reflect the most current status.(USD/Baht = 30.5)*

- 3) **Offered price:** USD 15,451,799 (approx Baht 471.28 million). The estimated value of the asset to be disposed of as appraised by the Company and using Income Approach as of 31 Dec 10 is USD 15,053,000.
- 4) **Size of connected transaction:** 2.53% of net tangible assets (NTA) of the Company based on its consolidated balance sheet as at 31 Mar 11.
- 5) **Size of disposal transaction** (based on value of asset, 50% of NTA of DGTJ as at 31 Dec 10 after adjusted with dividend distribution made in Mar11) : 2.53% of the Company's NTA (based on consolidated financial statements as at 31 Mar 11). Total NTA of DGTJ is worth Baht 942.39 million.
- 6) **Purpose and Expected benefit:** Investment gain and to have a better focus on the Company's current core business and new businesses to be developed in the future according to the Company's strategic plan. With the more business focus, the resources could be deployed more efficiently.
- 7) **Payment & Condition:** Payment is to be made in cash on or prior the closing date.
- 8) **Utilization of proceeds:** To be working capital and/or used for future investments
- 9) **The Directors who are Interested or Related Persons:** Mr. Chu, Chih-Yuan, the director of the Company who is the management of DEI (the common major shareholder of these two parties) did not attend and vote in this Agenda.

10) The Board of Directors' opinions and the Audit Committee's opinions:

The Board of Directors excluding the director who has interest in the transactions has considered that the disposal of DGTJ meets the Company's business strategy that we will focus more on the Company's current core business and new businesses to be developed in the future according to the Company's strategic plan. With the more business focus, the resources could be deployed more efficiently.

The Board agrees to sell DGTJ under a fair price based on internal valuation using Income Approach as mentioned and external evaluation to be provided by independent third party as a reference price. The Chairman is authorized to decide the final transaction price which should not be lower than the offered price of USD 15,451,799 which has been stated above.

There is no any other different opinion from directors or Audit Committee.

Please be informed accordingly.

Niramol Tantipuntum
Director