



October 28, 2019

To: The President
The Stock Exchange of Thailand

Re: Q3-2019 operating results

We, Delta Electronics (Thailand) Public Company Ltd, would like to notify the Company's Q3-2019 (Jul-Sep) operating results based on its reviewed consolidated financial statements ended September 30, 2019 as follows.

Highlights on Q3-2019 Operating results

Unit : Million Baht	Q3-19		Q3-18		Q2-19		% Change	
	Amount	%	Amount	%	Amount	%	Q3-19 VS Q3-18	Q3-19 VS Q2-19
Sales Revenue	12,404	100.0	13,715	100.0	13,915	100	(9.6)	(10.9)
Gross profit	2,373	19.1	3,358	24.5	2,772	19.9	(29.3)	(14.4)
Operating profit	409	3.3	1,500	10.9	658	4.7	(72.7)	(37.8)
Net profit	618	5.0	1,680	12.3	868	6.2	(63.2)	(28.8)
EPS (Baht)	0.50		1.35		0.70			

Sales revenues and service income of this quarter amounting to Baht 12,404 million, 9.6% drop from the same quarter of last year (3.0% drop in term of USD) and 10.9% drop from last quarter major impact from customer demand drop in Industrial Tools, Industrial Power Solutions, Telecom Power Solutions etc.

Gross profit of this quarter amounted to Baht 2,373 million, 29.3% drop from the same quarter of last year and 14.4% drop from last quarter due to the slowdown in telecommunication business in India and the appreciation of THB against USD together with the weaken of demand in electronics component market impact to the inventory revaluation. As a results of the above reasons, Q3'19 gross margin drop to 19.1%, compare to 24.5% in the same quarter of last year and 19.9% in last quarter.

Selling and administrative expenses (including research and development – R&D) in Q3'19 went up 5.7% from Q3'18 due to the R&D and sales force invested for new products development enhancement and 7.6% lower compare to last quarter due to Q2'19 have high R&D outsource service in Europe

Operating profit in Q3-19 totaling Baht 409 million, Baht 1,091 million down from the same quarter of last year making operating profit margin dropped from 10.9% to 3.3% following the increase of Cost and Selling and administrative expenses as mentioned earlier. Net profit in this quarter is Baht 618 million, 63.2% drop down from the same period last year, with EPS of Baht 0.50, compared to Baht 1.35 in Q3-18.



Highlight on Financial Position

Unit : Million Baht	30 Sep 2019	31 Dec 2018	% Change
Cash and cash equivalents	12,420	15,608	(20.4)
Current investments	2	223	(99.2)
Trade and other receivables	11,303	11,558	(2.2)
Inventories	9,462	9,461	0.0
Investments in associated companies	462	536	(13.9)
Consolidation goodwill	416	438	(5.1)
Property, plant and equipment	10,762	8,177	31.6
Other assets	2,649	2,200	20.4
Total Assets	47,474	48,201	(1.5)
Trade and other payables	11,000	11,801	(6.8)
Liabilities and provision from tax assessments	239	239	0.0
Other current liabilities	269	317	(15.2)
Provision for long-term employee benefit	1,302	1,234	5.5
Other non-current liabilities	719	668	7.7
Total liabilities	13,530	14,260	(5.1)
Total shareholders' equity	32,945	33,941	(2.9)
Total liabilities and shareholders' equity	46,474	48,201	(3.6)

Total Assets

As at September 30, 2019, the Company and its subsidiaries had total assets worth Baht 47,474 million, insignificantly changed from those of December 31, 2018. Some changes in key assets are summarized below.

Net trade and other receivables as of September 30, 2019 were Baht 11,303 million, decrease of Baht 255 million or 2.2% down from its balance as of December 31, 2018. Most of the outstanding balance of trade and other receivables, almost 89% of total net trade and other receivables, were under current due.

Inventory (net) as of September 30, 2019 amounted to Baht 9,462 million, no change from those of December 31, 2018. Contribute from the improvement of inventory control from last quarter.



Property, plant and equipment as of September 30, 2019 amounted to Baht 10,762 million, an increase of Baht 2,585 million or 31.6% from those of December 31, 2018. The Company and its subsidiaries have invested in Research & Development center and new factory in India and invested in machinery and equipment for improvement of production capacity and efficiency aiming for a production automation in Thailand under the scheme of “Delta Smart Manufacturing”.

Total Liabilities

As of September 30, 2019, total liabilities of the Company and its subsidiaries stood at Baht 13,530 million, slightly drop from those of December 31, 2018. Major change in Trade and Other Payables.

Shareholders' Equity

As of September 30, 2019, shareholders' equity of the Company and its subsidiaries were Baht 32,945 million, the decrease of Baht 996 million or 2.9% from those of December 31, 2018. This is the net result of profits generated in this year and dividend paid out in last quarter.

Please be informed accordingly.

Anusorn Muttaraid
Director