

July 21, 2010

Subject: Report on the treasury stocks program

To: President  
The Stock Exchange of Thailand

Attachment: Share Repurchase for Financial Management Disclosure Form ( TS 1.2 )

The meeting of the Board of Directors of KCE Electronic Public Company Limited No. 7/2553 held on July 20, 2010 passed resolutions on the follows:

The Meeting of the Board approve the share repurchase program of the Company for Financial management. The value shall not exceed Baht 90 million, and not exceed the retain earning of The Company. Please see the details on the share repurchase program in the attachment.

Please be informed accordingly

Yours faithfully,

( Mrs.Voraluksana Ongkosit)  
Executive Director

Form TS-1.2

**Share Repurchase Disclosure Form**  
**In the case where repurchasing the company's own shares is for financial management purposes.**  
**(Under Section 66/1 (2) of the Public Company Limited Act)**  
**KCE Electronics Public Company Limited**  
**July 20, 2010**

We, KCE Electronics Public Company Limited, hereby notify the resolution of the board of directors, no 7/2010 held on July 20, 2010 regarding the approval on the proposed share repurchase for financial management purposes, with the details as follows:

**1. The share repurchase project**

- 1.1 The maximum amount for the share repurchase is Baht 90 million.
- 1.2 Number of shares repurchased 10 million shares (at par value 1.00 baht per share) or equal to 2.14% of the total of paid-up capital.
- 1.3 Procedure used for the repurchasing of shares  
/ on the Stock Exchange of Thailand  
offer to general shareholders at the price of .....baht per share (the price being the same)  
The repurchase period will be started from August 9, 2010 to February 8, 2011  
Remarks : The company has to disclose the proposed share repurchase not later than  
14 days prior to the date on which the shares will be repurchased  
1. The implementation period shall not exceed 6 months when a share repurchase scheme is by way of purchasing from the SET.

2. The repurchase period shall not be less than 10 days and shall not exceed 20 days in the case where the offering is from the general shareholders.

- 1.4 The principle used to determine the repurchase price taking into account the average market price during the last 30 days prior to the date on which the company discloses the information of shares repurchase.

The repurchase price shall not exceed 115% of the average closing price of 5 trading days, prior to the repurchase date. The average closing price of 30 days from June 7, 2010 to July 19, 2010, was at 7.46 Baht per share.

## **2. The information of the company**

- 2.1 The company's retained earning and excess liquidity is based on the Reviewed / Audited Financial Statements as of March 31, 2010

- The company's retained earnings is Baht 145.44 million
- The company's debts, which shall become due within the 6 months following from the date on which the shares will be repurchased, is equal to 70 million Baht
- Explain the basis for this ability to repay the abovementioned debts and specify the source of funds for the repayment.

The Company gained cash flow from quarter 1 operation profit at Baht 136 million and in addition, there was Baht 46 million cash on hand as at 31 March 2010. This enables the Company to service debt which shall become due within the next 6 months from the beginning of the repurchase period and the Company still have sufficient liquidity to enter into the share repurchase.

- 2.2 The number of minor shareholders (Free float) as in the share registration book finalized

on April 1, 2010 equal to 303,882,081 shares or 65.62 % of the company's paid up capital. In addition, the company enclosed herewith the report of the company's share distribution.

## **3. Reasons for the proposed share repurchase**

- 3.1 To support financial management for maximized benefits
- 3.2 To increase Return on Equity (ROE)
- 3.3 To improve earnings per share for shareholders

## **4. Likely impacts after the share repurchase.**

- 4.1 Impact on the shareholders

Shareholders will receive a higher dividend per share, as the repurchased share are not eligible for dividend and will also increase the Return on equity.

- 4.2 Impact on the company

Potential reduction in asset, liquidity and the book value of the company.

## **5. The description of the resale of shares and of the shares written off.**

- Procedure for shares resold  
/ on the stock Exchange of Thailand  
by Public Offering
- Period for the resale of share is from August 9, 2011 to February 8, 2012  
(after 6 months from the completion date of share repurchase and not later than 3 years from this time)
- Principle used to determine the resale price  
The resale price shall not lower than 85% of the average closing price of 5 trading days, prior to the resale date.

## **6. Shares repurchased in the past**

The final date of the latest share repurchase project was June 7, 2009

(The new share repurchase project will be implemented after 1 year following the final date of the last share repurchase project)

The company certifies that the information contained in this report and attached document are true and complete in all respects.

Sign .....

(Mrs.Voraluksana Ongkosit)

Executive Director

Note : Listed companies must report any resolutions of the board of directors regarding proposed projects for share repurchase on the date of the abovementioned meeting or up until 9.00 am on the following day of business via facsimile and the Exchange' s ELCID.

### **The Distribution of Ordinary Shares Report Form**

#### **KCE ELECTRONICS PUBLIC COMPANY LIMITED**

**As of 01-Apr-2010**

**Company Paid-up Capital (Ordinary Shares only) 463,061,769.00 Baht Devided into Ordinary Shares 463,061,769 Shares Shares at Par Value of 1.00 Baht**

|  | <b>No. of Shareholders</b> | <b>No. of Shares</b> | <b>% of paid-up capital<br/>(Ordinary shares only)</b> |
|--|----------------------------|----------------------|--|
| <b>1. Strategic Shareholder</b>  |                            |                      |  |
| 1.1 Directors, managers, and executive management including related persons and associated persons | 31                         | 153,197,720          | 33.08  |
| 1.2 Shareholders who have a hoding of 5% or above including related persons                        | -                          | -                    | -  |
| 1.3 Others controlling persons   | -                          | -                    | -  |
| <b>2. Share Repurchase</b>   | 1                          | 5,979,700            | 1.29   |
| <b>3. Minor shareholders (Non-Strategic shareholders)</b>  | 2,885                      | 303,882,081          | 65.62  |
| <b>4. Shareholders who hold less than 1 board lot</b>  | 92                         | 2,268                | 0  |
| <b>Total</b>   | 3,009                      | 463,061,769          | 100  |

The company hereby certifies that the information above contained in this report is true and correct in all respects.

Signature

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(Mrs.Voraluksana Ongkosit)  
Executive Director

