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Nam Tai Electronics, Inc.

*(Incorporated in the British Virgin Islands
with limited liability)*
(NYSE stock code: NTE)



Nam Tai Electronic & Electrical Products Limited

*(Incorporated in the Cayman Islands
with limited liability)*
(Stock code: 2633)

**JOINT ANNOUNCEMENT
OF A NEW OFFER**

**PROPOSED PRIVATIZATION OF
NAM TAI ELECTRONIC & ELECTRICAL PRODUCTS LIMITED
BY NAM TAI ELECTRONICS, INC.
BY WAY OF A VOLUNTARY CONDITIONAL GENERAL CASH OFFER
BY YU MING INVESTMENT MANAGEMENT LIMITED AND SOMERLEY LIMITED
ON BEHALF OF NAM TAI ELECTRONICS, INC.
FOR ALL ISSUED SHARES IN
NAM TAI ELECTRONIC & ELECTRICAL PRODUCTS LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED BY
NAM TAI ELECTRONICS, INC. AND
PARTIES ACTING IN CONCERT WITH IT)
AND
RESUMPTION OF TRADING**

FINANCIAL ADVISERS TO NAM TAI ELECTRONICS, INC.



禹銘投資管理有限公司
YU MING INVESTMENT MANAGEMENT LIMITED



Recent Development

After the Previous Offer failed recently on 6th April, 2009 due to unanticipated administrative irregularities of intermediaries, NTEI and the NTEEP Board respectively sought remedies with a view to return no less than HK\$1.50 to Independent Shareholders, including possibly a judicial review of the Panel Decision by NTEI as well as a voluntary winding up by NTEEP. After due and careful consideration, NTEI was of the view that the New Offer was the most feasible option available to achieve the above purpose. As such, NTEI has ceased its application for a judicial review of the Panel Decision, and the NTEEP Board has decided not to convene an extraordinary general meeting to consider a voluntary winding up of NTEEP as stated in the announcement made by NTEEP on 12th May 2009.

The New Offer

On 18th May, 2009, NTEI informed the NTEEP Board of its intention to make the New Offer to acquire all Shares other than those owned by NTEI and parties acting in concert with it at the New Offer Price of HK\$1.52 per Share. The New Offer Price is the sum of the Previous Offer

Price of HK\$1.50, and a HK\$0.02 per Share subsidy for administrative expenses incurred by Independent Shareholders in accepting the Previous Offer, and represents (i) a premium of approximately 2.0% over the closing price of HK\$1.49 per Share as quoted on the Stock Exchange on 6th April, 2009, being the last trading day prior to the suspension of trading in the Shares pending release of a price sensitive announcement; and (ii) a premium of approximately 166.7% over the closing price of HK\$0.57 per Share as quoted on the Stock Exchange on 20th February, 2009, being the last trading day prior to the announcement of the Previous Offer.

The New Offer is subject to the condition that NTEI receives acceptances and/or purchases made after the posting of the composite offer document totalling at least 90% of the Offer Shares (meaning all Shares other than those owned by NTEI and parties acting in concert with it). After the New Offer becomes unconditional, NTEI intends to exercise any compulsory acquisition rights to which it is entitled under Rule 2.11 of the Takeovers Code and Section 88 of the Companies Law to acquire the remaining Shares, and following which, NTEI intends to withdraw the listing of NTEEP from the Stock Exchange. The first closing date of the New Offer will fall on the 21st day from the date on which the composite offer document is posted.

Independent Financial Adviser

With the approval of the Independent Board Committee, NTEEP has appointed Centurion as the independent financial adviser to advise the Independent Board Committee in respect of the New Offer in accordance with Rule 2.1 of the Takeovers Code.

Composite Offer Document

A composite offer document will be despatched to the Independent Shareholders within 21 days from the Announcement Date in compliance with the requirements of the Takeovers Code. The composite offer document will include, among others, the full terms and conditions of the New Offer, the form of acceptance and transfer of Shares, the expected timetable, the advice from the independent financial adviser and the recommendation of the Independent Board Committee in respect of the New Offer.

Suspension and Resumption of Trading

Trading in the Shares was suspended at the request of NTEEP from 9:30 a.m. on 7th April, 2009. An application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 20th May, 2009.

Warning

Independent Shareholders who hold their Shares through stockbrokers, intermediaries or nominees should note that their intermediaries or nominees may or may not notify them the existence of the New Offer, and may or may not act on their acceptance instructions on time or at all. It is important that Independent Shareholders consult their intermediaries or nominees as to the timetable and the proper acceptance procedure relating to the New Offer, and closely monitor the acceptance progress. Independent Shareholders should also request a written confirmation from their intermediaries or nominees of acceptance instructions. If your intermediaries or nominees are unsure of any of the above matters, you may directly contact Mr. Godfrey Leung of Yu Ming at 2877 2340 for assistance.

Independent Shareholders and potential investors in NTEEP should be aware that the implementation of the New Offer is subject to the condition set out below being fulfilled or waived, as applicable, and consequently the New Offer may or may not become effective. They are advised to exercise caution when dealing in the Shares.

RECENT DEVELOPMENT

After the Previous Offer failed recently on 6th April, 2009 due to unanticipated administrative irregularities of intermediaries, NTEI and the NTEEP Board respectively sought remedies with a view to return no less than HK\$1.50 to Independent Shareholders, including possibly a judicial review of the Panel Decision by NTEI as well as a voluntary winding up by NTEEP. After due and careful consideration, NTEI was of the view that the New Offer was the most feasible option available to achieve the above purpose. As such, NTEI has ceased its application for a judicial review of the Panel Decision, and the NTEEP Board has decided not to convene an extraordinary general meeting to consider a voluntary winding up of NTEEP as stated in the announcement made by NTEEP on 12th May 2009.

The chronology below summarizes the major events that took place since the lapse of the Previous Offer:

2009

Major Events

6th April As at 4:00 p.m., NTEI received valid acceptances in respect of 195,899,531 Offer Shares under the Previous Offer, representing approximately 88.46% of the total number of the Offer Shares.

At or about 7:33 p.m., NTEI and NTEEP jointly announced that the Previous Offer lapsed.

After 7:33 p.m., NTEI and Yu Ming received requests of Independent Shareholders to extend the Previous Offer.

7th April At about 9:30 a.m., trading in the Shares was suspended on the Stock Exchange at the request of NTEEP in order that Yu Ming could consult the Executive about the possibility of extending the Previous Offer without the market freefalling upon the announcement of the lapse of the Previous Offer while the consultation progressed.

The Executive referred the extension request of Yu Ming to the Panel as he considered there were particularly novel, important or difficult points at issue.

9th April Yu Ming made a submission to the Panel requesting its consent to extend the Previous Offer, which had been declared lapsed by NTEI and NTEEP jointly on 6th April, 2009.

14th April The Panel endorsed the view of the Executive that the Previous Offer could not be re-opened as it had been declared lapsed by NTEI.

20th April The 195,899,531 Offer Shares tendered for acceptance under the Previous Offer were returned to Independent Shareholders.

- 21st April The Panel Decision was published by the SFC.
- 7th May NTEEP announced that NTEI was preparing an application for a judicial review of the Panel Decision.
- 11th May NTEEP announced its quarterly results for the three months ended 31st March, 2009.
- 12th May NTEEP announced the NTEEP Board's resolution to convene an extraordinary general meeting to consider a voluntary winding-up of NTEEP upon the request of NTEI, which tendered a letter of support offering to acquire the whole or part of the assets, properties and undertakings of NTEEP in a fair and open manner from NTEEP's liquidators (in the event the voluntary winding up proceeded) which would result in not less than HK\$1.52 in aggregate per Share being made available for distribution to the Independent Shareholders by the liquidators.
- 13th May An application was made by Somerley on behalf of NTEEP to the Executive for his consent under Rule 31.1 of the Takeovers Code for NTEI to make another offer within 12 months from the lapse of the Previous Offer.
- 19th May The Executive issued a public reprimand on Mr. Koo, and a cold-shoulder order on Mr. Koo denying him access to the Hong Kong securities market for 24 months commencing on 25th May, 2009.
- Mr. Koo issued an unreserved apology for causing inconvenience to the Executive and the market through the issue of the NTEEP voluntary winding up announcement on 12th May, 2009.
- The Executive granted his consent under Rule 31.1 of the Takeovers Code for NTEI to make the New Offer within 12 months from the lapse of the Previous Offer.
- NTEI and NTEEP jointly published this announcement about the New Offer.

After the suspension of trading in the Shares on 7th April, 2009, NTEEP and NTEI discovered some administrative irregularities of intermediaries holding Offer Shares for some Independent Shareholders. As it transpired, without those irregularities, the Previous Offer could have crossed the 90% acceptance level to make the Previous Offer unconditional.

The New Offer was a response to the request of certain Independent Shareholders who expressed their strong desire to Yu Ming and NTEI to revive the Previous Offer since the condition as to acceptances was not met by a small margin of 1.54%.

PRINCIPAL TERMS OF THE NEW OFFER

On 18th May, 2009, NTEI informed the NTEEP Board that Yu Ming and Somerley, on behalf of NTEI (the controlling shareholder of NTEEP currently holding approximately 74.88% of the total issued share capital of NTEEP), would make a voluntary conditional general cash offer for the Offer Shares, being all the Shares other than those owned by NTEI and parties acting in concert with it.

For each Offer ShareHK\$1.52 in cash

The Offer Shares to be acquired under the New Offer shall be fully paid and free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature together with all rights attached to them as at the Announcement Date or subsequently becoming attached to them, including all dividends and distributions declared, made or paid on or after the Announcement Date.

The New Offer Price of HK\$1.52 represents:

- (i) a premium of approximately 2.0% over the closing price of HK\$1.49 per Share as quoted on the Stock Exchange on 6th April, 2009 (being the last trading day prior to the suspension of trading in the Shares);
- (ii) a premium of approximately 3.4% over the average closing price of HK\$1.47 per Share for the 10 trading days up to and including 6th April, 2009;
- (iii) a premium of approximately 6.3% over the average closing price of HK\$1.43 per Share for the 30 trading days up to and including 6th April, 2009;
- (iv) a premium of approximately 245.5% to the audited consolidated net asset value per Share of approximately HK\$0.44 as at 31st December, 2008; and
- (v) a premium of approximately 166.7% over the closing price of HK\$0.57 per Share as quoted on the Stock Exchange on 20th February, 2009 (being the last trading day prior to the announcement of the Previous Offer).

The New Offer is conditional upon NTEI having received acceptances and/or purchases made after the posting of the composite offer document totalling at least 90% of the Offer Shares. After the New Offer becomes unconditional, NTEI intends to exercise any compulsory acquisition rights to which it is entitled under Rule 2.11 of the Takeovers Code and Section 88 of the Companies Law to acquire the remaining Shares, and following which, NTEI intends to withdraw the listing of NTEEP from the Stock Exchange. The first closing date of the New Offer will fall on the 21st day from the date on which the composite offer document is posted.

HIGHEST AND LOWEST SHARE PRICES

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period preceding the last trading day prior to the suspension of trading in the Shares were HK\$1.49 on 6th April, 2009 and HK\$0.53 on 12th February, 2009 respectively.

VALUE OF THE NEW OFFER

Based on the New Offer Price of HK\$1.52 per Offer Share and 881,670,588 Shares in issue, of which 221,455,118 were Offer Shares as at the Announcement Date, the maximum amount of cash consideration required to complete the New Offer in full will be approximately HK\$336.6 million. The New Offer values the entire issued share capital of NTEEP at approximately HK\$1,340.1 million.

CONFIRMATION OF FINANCIAL RESOURCES

NTEI will use its internal financial resources to implement the New Offer. Each of Yu Ming and Somerley is satisfied that sufficient financial resources are available to NTEI for the full implementation of the New Offer.

PAYMENT

Payment in cash in respect of the acceptances of the New Offer will be made within 5 days of the later of the date the New Offer becomes unconditional and the date NTEI receives a duly completed form of acceptance and transfer of Shares.

STAMP DUTY

Seller's ad valorem stamp duty for the Offer Shares registered with the Hong Kong branch register arising in connection with the acceptances of the New Offer will be payable by each Independent Shareholder at the rate of HK\$1 for every HK\$1,000 or part thereof of the consideration payable by NTEI for such Independent Shareholder's Shares and will be deducted from the cash amount due to such Independent Shareholders under the New Offer.

SHAREHOLDING STRUCTURE

As at the Announcement Date, the shareholding of NTEEP is as follows:-

	<i>Number of Shares owned</i>	<i>% of the total issued shares</i>
NTEI	660,215,470	74.88
Independent Shareholders	<u>221,455,118</u>	<u>25.12</u>
Total	<u>881,670,588</u>	<u>100.00</u>

Note:

As at the Announcement Date, as far as is known to NTEI, no parties acting in concert with it held any Shares.

As at the Announcement Date, (i) NTEEP does not have other class of securities (other than the Shares), outstanding options, derivatives, warrants or other securities which are convertible or exchangeable into Offer Shares, and (ii) NTEI and the parties acting in concert with it do not own any securities in NTEEP other than those disclosed above.

INFORMATION ON NTEI

NTEI is a company incorporated under the laws of the British Virgin Islands with limited liability. As the controlling shareholder of NTEEP, NTEI is a holding company of an electronics manufacturing and design services provider with a worldwide coverage of customers. Listed on the NYSE, NTEI had a market capitalization of approximately US\$179.7 million (equivalent to approximately HK\$1,401.7 million) as at 18th May, 2009. The audited net profit of NTEI for the financial years ended 31st December, 2007 and 31st December, 2008 were approximately US\$69.5 million (equivalent to approximately HK\$542.1 million) and approximately US\$30.6 million (equivalent to approximately HK\$238.7 million) respectively. The audited net asset value of NTEI was approximately US\$322.3 million (equivalent to approximately HK\$2,513.9 million) as at 31st December, 2008 (all figures prepared in accordance with generally accepted accounting principles in the United States).

NTEI and parties acting in concert with it have not dealt in the Shares in the six-month period up to the Announcement Date (other than the Previous Offer), and have not entered into any contracts in relation to the outstanding derivatives in respect of securities in NTEEP nor borrowed or lent any relevant securities in NTEEP.

INFORMATION ON NTEEP

NTEEP is a company incorporated under the laws of the Cayman Islands with limited liability. Listed on the Stock Exchange, NTEEP is a holding company of an electronics manufacturing and design services provider to a select group of the world's leading original equipment manufacturers of telecommunications and consumer electronics products.

NTEEP had a market capitalization of approximately US\$168.4 million (equivalent to approximately HK\$1,313.7 million) as at 19th May, 2009. The audited net profit of the NTEEP Group for the financial year ended 31st December, 2007 was approximately US\$60.7 million (equivalent to approximately HK\$473.5 million), and the audited net loss of the NTEEP Group for the financial year ended 31st December, 2008 was approximately US\$121.9 million (equivalent to approximately HK\$950.8 million). The audited net asset value of the NTEEP Group was approximately US\$49.4 million (equivalent to approximately HK\$385.3 million) as at 31st December, 2008 (all figures prepared in accordance with Hong Kong Financial Reporting Standards).

INTENTION OF NTEI

If the New Offer becomes unconditional, NTEI will exercise any compulsory acquisition rights to which it is entitled under Rule 2.11 of the Takeovers Code and Section 88 of the Companies Law to acquire the remaining Offer Shares. NTEI Board intends to subsequently withdraw the listing status of the NTEEP Shares on the Stock Exchange pursuant to Rule 6.15 of the Listing Rules, but has no intention to change the existing business of the NTEEP Group. There is no intention of NTEI to introduce significant changes to the existing management of the NTEEP Group.

According to Rule 15.6 of the Takeovers Code, to exercise the power of compulsory acquisition to acquire the Offer Shares not tendered under the New Offer, the New Offer may not remain open for acceptance for more than four months from the posting of the composite offer document, unless NTEI has by that time become entitled to exercise the powers of compulsory acquisition available to it under the Companies Law.

REASONS FOR NTEI TO PRIVATIZE NTEEP

The price of the Shares from 5th December, 2005 (being the day on which the voluntary conditional general cash offer made by NTEI in 2005 lapsed) to the date prior to the announcement of the Previous Offer was down by 61.2% from HK\$1.47 to HK\$0.57 per share. The performance lagged far behind Hang Seng Index, which edged down by 16.2% during the same period. The price weakness of the Shares hampers the fund raising ability of NTEEP. In this regard, one of the main purposes of maintaining NTEEP as a listed company in Hong Kong is compromised. The privatization will enable NTEI simplify its corporate structure, reduce administration time and costs and save significant resources of NTEI on listing compliance and investor relations in Hong Kong.

BENEFITS OF THE NEW OFFER FOR THE INDEPENDENT SHAREHOLDERS

The New Offer is formulated as far as possible on the basis of the Previous Offer which lapsed on 6th April, 2009. Had it not been for the omission of a stockbroker to effect the acceptance instructions of certain Independent Shareholders, and miscommunication of an intermediary with an Independent Shareholder, the acceptances under the Previous Offer could have crossed the 90% level and the Previous Offer could have become unconditional.

The New Offer gives the Independent Shareholders a new opportunity to decide for themselves whether to accept the New Offer, which is priced at HK\$1.52 per Share, slightly above the Previous Offer Price of HK\$1.50 per Share, and at a significant premium of approximately 245.5% to the audited consolidated net asset value per Share of approximately HK\$0.44 as at 31st December, 2008

DEALING DISCLOSURE

The respective associates of NTEI and NTEEP are reminded to disclose their dealings in the securities of NTEEP under Rule 22 of the Takeovers Code.

Stockbrokers, banks and others who deal in the Shares on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rules 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules under the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security (which is in this case the Shares) undertaken for a client during any 7-day period is less than HK\$1 million. This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive under the Takeovers Code in its dealings enquiries. Therefore, those who deal in the relevant securities (and in this case, the Shares) should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.

INDEPENDENT FINANCIAL ADVISER

With the approval of the Independent Board Committee, NTEEP has appointed Centurion as the independent financial adviser to advise the Independent Board Committee in respect of the New Offer in accordance with Rule 2.1 of the Takeovers Code. The advice of Centurion to the Independent Board Committee will be included in the composite offer document to be despatched as soon as practicable in compliance with the Takeovers Code.

GENERAL

NTEEP has established the Independent Board Committee, comprising all independent non-executive directors of NTEEP to advise the Independent Shareholders. Mr. Koo, a non-executive director of NTEEP, is also an executive director of NTEI, a party acting in concert with NTEI. Therefore, he is considered not independent of the NTEEP, and will not become a member of the Independent Board Committee.

A composite offer document will be despatched to the Independent Shareholders within 21 days from the Announcement Date in compliance with the requirements of the Takeovers Code. The composite offer document will include, among others, the full terms and conditions of the New Offer, the form of acceptance and transfer of the Offer Shares, the expected timetable, the advice from Centurion and the recommendation of the Independent Board Committee in respect of the New Offer.

As at the Announcement Date:-

- (i) neither NTEI nor parties acting in concert with it has received an irrevocable commitment from anyone to accept the New Offer;
- (ii) there does not exist of any arrangement (whether by way of option, indemnity or otherwise) in relation to the Shares which might be material to the New Offer; and
- (iii) there does not exist any agreements or arrangements to which NTEI is party which relate to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the New Offer.

SUSPENSION AND RESUMPTION OF TRADING

Trading in the Shares was suspended at the request of NTEEP from 9:30 a.m. on 7th April, 2009. An application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 20th May, 2009.

WARNING

Independent Shareholders who hold their Shares through stockbrokers, intermediaries or nominees should note that their intermediaries or nominees may or may not notify them the existence of the New Offer, and may or may not act on their acceptance instructions on time or at all. It is important that Independent Shareholders consult their intermediaries or nominees as to the timetable and the proper acceptance procedure relating to the New Offer, and closely monitor the acceptance progress. Independent Shareholders should also request a written confirmation from their intermediaries or nominees of acceptance instructions. If your intermediaries or nominees are unsure of any of the above matters, you may directly contact Mr. Godfrey Leung of Yu Ming at 2877 2340 for assistance.

Independent Shareholders and potential investors in NTEEP should be aware that the implementation of the New Offer is subject to the condition set out below being fulfilled or waived, as applicable, and consequently the New Offer may or may not become effective. They are advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“acting in concert” the meaning set out in the Takeovers Code

“Announcement Date”	19 th May, 2009, being the date of this announcement
“associate(s)”	the meaning set out in the Takeovers Code
“Centurion”	Centurion Corporate Finance Limited, a corporation licensed under the Securities and Futures Ordinance to carry out regulated activities of type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management), and a company incorporated in Hong Kong with limited liability
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Executive”	the executive director of the corporate finance division of the SFC or any of his delegates
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of NTEEP comprising Mr. Chan Tit Hee, Charles, Mr. Lai Kin Ki and Mr. Leung Wai Hung to advise the Independent Shareholders in respect of the New Offer
“Independent Shareholders”	Shareholders, other than NTEI and parties acting in concert with it
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Koo”	Mr. Koo Ming Kown, the Non-Executive Chairman of NTEEP and NTEI
“New Offer”	the voluntary conditional general cash offer for all the Shares other than those owned by NTEI and parties acting in concert with it at HK\$1.52 per Share
“New Offer Price”	the offer price of the New Offer at HK\$1.52 per Offer Share
“NTEEP”	Nam Tai Electronic & Electrical Products Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange with a designated stock code of 2633
“NTEEP Board”	the board of directors of NTEEP
“NTEEP Group”	NTEEP and its subsidiaries

“NTEI”	Nam Tai Electronics, Inc, a company incorporated in the British Virgin Islands with limited liabilities and the shares of which are listed on the main board of the NYSE
“NTEI Board”	the board of directors of NTEI
“NYSE”	New York Stock Exchange
“Offer Share(s)”	Shares other than those already owned by NTEI and parties acting in concert with it
“Panel”	The Takeovers and Mergers Panel, a committee established by the SFC under section 8(1) of the Securities and Futures Ordinance (Cap. 571)
“Panel Decision”	the decision of the Panel on 14 th April, 2009 refusing NTEI to re-open the Previous Offer
“Previous Offer”	the voluntary conditional general cash offer by Yu Ming on behalf of NTEI to acquire all the Shares other than those owned by NTEI and parties acting in concert with it at HK\$1.50 per Share announced on 24 th February, 2009, extended to Independent Shareholders on 16 th March, 2009, and lapsed on 6 th April, 2009
“Previous Offer Price”	the offer price of the Previous Offer at HK\$1.50 per Offer Share
“SFC”	The Securities and Futures Commission of Hong Kong
“Share(s)”	existing ordinary share(s) of HK\$0.01 each in the issued share capital of NTEEP
“Shareholder(s)”	holder(s) of the Shares
“Somerley”	Somerley Limited, a corporation licensed under the Securities and Futures Ordinance to carry out regulated activities of type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management), and a company incorporated in Hong Kong with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Yu Ming”	Yu Ming Investment Management Limited, a corporation licensed under the Securities and Futures Ordinance to carry out regulated activities of type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management), and a company incorporated in Hong Kong with limited liability

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“US\$” United States dollars, the lawful currency of the United States

All time references contained in this announcement are to Hong Kong time.

As at the Announcement Date, the non-executive director of NTEEP is Mr. KOO Ming Kown, and the independent non-executive directors of NTEEP are Mr. CHAN Tit Hee, Charles, Mr. LAI Kin Ki and Mr. LEUNG Wai Hung.

The directors of NTEEP jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to NTEEP and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement relating to NTEEP have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The directors of NTEI jointly and severally accept full responsibility for the accuracy of information contained in this announcement (other than those relating to NTEEP) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those relating to NTEEP) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in the announcement misleading.

Exchange rate : US\$1.00 = HK\$7.80

By order of the board of
NAM TAI ELECTRONICS, INC.
Koo Ming Kown
Chairman

By order of the board of
NAM TAI ELECTRONIC & ELECTRICAL PRODUCTS LIMITED
Wong Long Kee
Company Secretary

Hong Kong, 19th, May 2009