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DELTA NETWORKS HOLDING LIMITED

(Incorporated in the Cayman Islands with limited liability)

**DELTA NETWORKS, INC.
達創科技股份有限公司***

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 722)

**JOINT ANNOUNCEMENT
PROPOSED PRIVATISATION
OF
DELTA NETWORKS, INC.
BY
DELTA NETWORKS HOLDING LIMITED
BY WAY OF A SCHEME OF ARRANGEMENT
ADJOURNMENT OF THE COURT MEETING AND THE EGM
AND
RESUMPTION OF TRADING**

Financial Adviser to Delta Networks Holding Limited



ADJOURNMENT OF THE COURT MEETING AND THE EGM

Ordinary resolutions were passed at the Court Meeting and the EGM held on 11 June 2009 to adjourn the Court Meeting and the EGM to the date of the Reconvened Court Meeting, being a date which is not less than 21 clear days after the notices of the Reconvened Court Meeting and Reconvened EGM have been provided to the Shareholders.

UPDATE IN RELATION TO THE CONDITIONS

As at the date of this announcement, none of the Conditions have been fulfilled or waived.

SUPPLEMENTAL SCHEME DOCUMENT

The Supplemental Scheme Document will be despatched as soon as practicable, subject to the approval of the Grand Court as to the date of the Reconvened Court Meeting and in compliance with the requirements of the Takeovers Code.

EXPECTED TIMETABLE

Following the adjournment of the Court Meeting and the EGM, the remainder of the expected timetable, after 11 June 2009, as set out in the Scheme Document, will no longer be valid. A new timetable, including the dates of the Reconvened Court Meeting and the Reconvened EGM, will be set out in the Supplemental Scheme Document and in a further announcement to be made at the time of despatch of the Supplemental Scheme Document.

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:30 am on 11 June 2009 pending the release of this announcement. Application has been made to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:30 am on 12 June 2009.

WARNING

Shareholders, MS Participants and investors should be aware that the implementation of the Improved Proposal is subject to the Conditions being fulfilled or waived, as applicable, and thus may or may not become effective. Shareholders, MS Participants and investors are advised to exercise caution when dealing in the Shares.

INTRODUCTION

Reference is made to the scheme document dated 15 May 2009 (the “**Scheme Document**”) and the announcement in relation to the proposed increase in the Cancellation Consideration dated 2 June 2009 (the “**Announcement**”), all jointly issued by Delta Networks, Inc. (the “**Company**”) and Delta Networks Holding Limited (the “**Offeror**”).

Unless the context otherwise requires, terms defined in the Scheme Document and in the Announcement have the same meanings when used in this announcement.

Any information or statements in relation to the voting results of the Court Meeting and the EGM (and the process in arriving at such results) referred to in this announcement is based on the confirmation provided by the Company to the Offeror, with the results of the Court Meeting and the EGM having been certified by Tricor Investor Services Limited (“**Tricor**”), the Company’s branch share registrar. Tricor was also appointed as the scrutineer for the purpose of vote-taking at the Court Meeting and the EGM.

ADJOURNMENT OF THE COURT MEETING AND THE EGM

The Court Meeting and the EGM were held on Thursday, 11 June 2009 at Beijing Suite I, 3/F, Marco Polo Prince Hotel, Harbour City, 23 Canton Road, Kowloon, Hong Kong. Both meetings were chaired by Mr. Cheng An, Victor, an executive Director.

At the Court Meeting and the EGM, the chairman proposed that the meetings be adjourned to a later date in order to allow the Independent Shareholders to consider and vote on the Improved Proposal. Ordinary resolutions were duly passed by way of a poll in accordance with the Listing Rules to adjourn the Court Meeting and the EGM to the date of the Reconvened Court Meeting, being a date which is not less than 21 clear days after the notices of the Reconvened Court Meeting and Reconvened EGM have been provided to the Shareholders. Tricor acted as the scrutineer for the purpose of vote-taking at the Court Meeting and the EGM.

Court Meeting

At the Court Meeting, 72,697,700 Scheme Shares held by Independent Shareholders were voted in favour of the ordinary resolution to adjourn the Court Meeting (representing approximately 92.85% of the total number of Scheme Shares held by Independent Shareholders present in person or by proxy at the Court Meeting which were voted in respect of the resolution to adjourn the Court Meeting), and 5,600,000 Scheme Shares held by Independent Shareholders were voted against the ordinary

resolution to adjourn the Court Meeting (representing approximately 7.15% of the total number of Scheme Shares held by Independent Shareholders present in person or by proxy at the Court Meeting which were voted in respect of the resolution to adjourn the Court Meeting).

The total number of Scheme Shares held by Independent Shareholders present in person or by proxy at the Court Meeting which were voted in respect of the resolution to adjourn the Court Meeting was 78,297,700 Scheme Shares. The total number of Scheme Shares held by the Independent Shareholders entitling their holders to attend and vote for or against the resolution at the Court Meeting was 467,569,000 and the total number of Scheme Shares held by Independent Shareholders entitling their holders to attend and vote only against the resolution at the Court Meeting was nil.

The Shares held by the Offeror and the Concert Parties were not represented or voted at the Court Meeting. As at the date of this announcement, other than the Concert Parties, there are no persons acting in concert with the Offeror.

EGM

At the EGM, 785,348,500 Shares were voted in favour of the ordinary resolution to adjourn the EGM (representing approximately 99.30% of the total number of Shares held by Shareholders present in person or by proxy at the EGM which were voted in respect of the resolution to adjourn the EGM), and 5,570,000 Shares were voted against the ordinary resolution to adjourn the EGM (representing approximately 0.70% of the total number of Shares held by Shareholders present in person or by proxy at the EGM which were voted in respect of the resolution to adjourn the EGM).

The total number of Shares held by Shareholders present in person or by proxy at the EGM which were voted in respect of the resolution to adjourn the EGM was 790,918,500 Shares. The total number of Shares held by the Shareholders entitling their holders to attend and vote for or against the resolution at the EGM was 1,196,886,000 and the total number of Shares held by Shareholders entitling their holders to attend and vote only against the resolution at the EGM was nil.

No Shareholder was required to abstain from voting on the ordinary resolution to adjourn the EGM.

SUPPLEMENTAL SCHEME DOCUMENT

The supplemental scheme document containing details of the Improved Proposal and other relevant information (the “**Supplemental Scheme Document**”) will be despatched as soon as practicable, subject to the approval of the Grand Court as to the date of the Reconvened Court Meeting and in compliance with the requirements of the Takeovers Code.

UPDATE IN RELATION TO THE CONDITIONS

As at the date of this announcement, none of the Conditions have been fulfilled or waived.

EXPECTED TIMETABLE

Following the adjournment of the Court Meeting and the EGM, the remainder of the expected timetable, after 11 June 2009, as set out in the Scheme Document, will no longer be valid. A new timetable, including the dates of the Reconvened Court Meeting and the Reconvened EGM, will be set out in the Supplemental Scheme Document and in a further announcement to be made at the time of despatch of the Supplemental Scheme Document.

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:30 am on 11 June 2009 pending the release of this announcement. Application has been made to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:30 am on 12 June 2009.

WARNING

Shareholders, MS Participants and investors should be aware that the implementation of the Improved Proposal is subject to the Conditions being fulfilled or waived, as applicable, and thus may or may not become effective. Shareholders, MS Participants and investors are advised to exercise caution when dealing in the Shares.

By order of the board of
Delta Networks Holding Limited
CHENG An, Victor
Director

Taipei, Taiwan, 11 June 2009

By order of the board of
Delta Networks, Inc.
LIANG Ker-Uon, Sam
Chairman

As at the date of this announcement, the directors of the Offeror are Mr. Cheng Chung Hua, Bruce, Mr. Cheng An, Victor and Mr. Liang Ker-Uon, Sam.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Group), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Group) 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.

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. LIANG Ker-Uon, Sam and Mr. CHENG An, Victor; two non-executive Directors, namely Mr. CHENG Chung Hua, Bruce and Mr. HAI Ing-Jiunn, Yancey; and three independent non-executive Directors, namely Mr. ZUE Wai To, Victor, Mr. LIU Chung Laung and Mr. SHEN Bing.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Offeror Group), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Offeror Group) 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.

** For identification purpose only*