

DGT HOLDINGS CORP.

FORM DEF 14A (Proxy Statement (definitive))

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14A

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
 CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY (AS PERMITTED BY RULE 14a-6(e)(2))
 Definitive Proxy Statement
 Definitive Additional Materials
 Soliciting Material pursuant to ss. 240.14a-12

DEL GLOBAL TECHNOLOGIES CORP.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
 Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies:
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- (1) Amount Previously Paid:
(2) Form, Schedule or Registration Statement No. :
(3) Filing Party:
(4) Date Filed:

-2-

Del
Global
[GRAPHIC OMITTED] Technologies
Corp.
DEL GLOBAL TECHNOLOGIES CORP.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD MARCH 20, 2007

To the Stockholders:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders (the "Meeting") of DEL GLOBAL TECHNOLOGIES CORP., a New York corporation (the "Company"), will be held at the offices of Del Global Technologies Corp., 11550 West King Street, Franklin Park, Illinois 60131 on Tuesday, March 20, 2007 at 10 a.m., central time, or at any adjournment or postponement thereof, for the following purposes:

1. To elect four (4) members of the board of directors of the Company (the "Board") to serve until the next annual meeting of shareholders and until their successors have been duly elected and qualify;
2. To approve the Company's 2007 Incentive Stock Plan;
3. To ratify the appointment of BDO Seidman, LLP as our independent registered public accountants for the fiscal year ending July 31, 2007; and
4. To transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

These proposals are more fully described in the proxy statement accompanying this notice. The Company's Board recommends that you vote FOR each of these proposals. The Meeting may be postponed or canceled by action of the Board upon public notice given prior to the time previously scheduled for the Meeting or adjourned by action of the chairman of the Meeting. Only shareholders of record at the close of business on February 14, 2007 are entitled to vote at the Meeting.

All shareholders are cordially invited to attend the Meeting in person. However, to ensure your representation at the Meeting, you are urged to mark, sign, date and return the enclosed proxy card as promptly as possible in the postage-prepaid envelope enclosed. Any shareholder attending the Meeting may vote in person even if such shareholder has returned a proxy, as long as the shares are held in the shareholder's name or the brokerage firm, bank or other holder of record acting as the shareholder's nominee confirms the shareholder's ownership in writing. A list of shareholders entitled to vote at the Meeting will be available for inspection at our offices. If you have any further questions concerning the Meeting or any of the proposals, please contact James A. Risher at (847) 288-7000.

By Order of the Board of Directors

/s/ James A. Risher

James A. Risher
President and Chief Executive Officer

Franklin Park, Illinois
Dated: February 26, 2007

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DEL GLOBAL TECHNOLOGIES CORP.
11550 WEST KING STREET
FRANKLIN PARK, ILLINOIS 60131

PROXY STATEMENT
FOR
ANNUAL MEETING OF STOCKHOLDERS

FEBRUARY 26, 2007

INTRODUCTION

This Proxy Statement is being furnished to shareholders by the Board of Directors of DEL GLOBAL TECHNOLOGIES CORP., a New York corporation (the "Company"), in connection with the solicitation of the proxies in the accompanying form for use at the 2007 Annual Meeting of Stockholders of the

Company (the "Meeting") to be held at the offices of Del Global Technologies Corp., 11550 West King Street, Franklin Park, Illinois 60131 on Tuesday, March 20, 2007 at 10 a.m., central time, or at any adjournment or postponement thereof.

The date of this Proxy Statement is February 26, 2007, the approximate date on which this Proxy Statement and the accompanying form of proxy were first sent or given to shareholders.

GENERAL INFORMATION

PLACE AND TIME. The Meeting will be held at the offices of Del Global Technologies Corp., 11550 West King Street, Franklin Park, Illinois 60131 on Tuesday, March 20, 2007 at 10 a.m., central time,

RECORD DATE AND VOTING. The Board of Directors fixed the close of business on Wednesday, February 14, 2007, as the record date (the "Record Date") for the determination of holders of outstanding shares of the Company entitled to notice of and to vote on all matters presented at the Meeting. Such shareholders will be entitled to one vote for each share held on each matter submitted to a vote at the Meeting. On the Record Date, there were 12,027,378 shares of the Company's Common Stock, \$0.10 par value per share (the "Common Stock"), issued and outstanding, each of which is entitled to one vote on each matter to be voted upon. Stockholders may vote in person or by proxy.

PURPOSES OF THE MEETING. The purpose of the Meeting is to vote upon (i) the election of four (4) directors for the ensuing year; (ii) the approval of the Company's 2007 Incentive Stock Plan; (iii) the ratification of the appointment of BDO Seidman, LLP as our independent registered public accountants for the fiscal year ending July 31, 2007; and (iv) such other business as may properly be brought before the Meeting and any adjournment or postponement thereof.

QUORUM. The required quorum for the transaction of business at the Meeting is a majority of the votes eligible to be cast by holders of shares of Common Stock issued and outstanding on the Record Date. Shares that are voted "FOR," "AGAINST" or "WITHHELD FROM" a matter are treated as being present at the Meeting for purposes of establishing a quorum and are also treated as shares entitled to vote at the Meeting (the "Votes Cast") with respect to such matter.

ABSTENTIONS AND BROKER NON-VOTES. Broker "non-votes" and the shares of Common Stock as to which a shareholder abstains are included for purposes of determining whether a quorum of shares of Common Stock is present at a meeting. A broker "non-vote" occurs when a nominee holding shares of Common Stock for the beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received instructions from the beneficial owner. Neither broker "non-votes" nor abstentions are included in the tabulation of the voting results on the election of directors or issues requiring approval of a majority of the Votes Cast and, therefore, they do not have the effect of votes in opposition in such tabulations.

VOTING OF PROXIES. The Board of Directors of the Company is asking for your proxy. Giving the Board of Directors your proxy means you authorize it to vote your shares at the Meeting in the manner you direct. You may vote for all, some or none of the director nominees. You may also vote for or against the other proposals or abstain from voting. All valid proxies received prior to the Meeting will be voted. All shares represented by a proxy will be voted, and where a shareholder specifies by means of the proxy a choice with respect to any matter to be acted upon, the shares will be voted in accordance with the specification so made. If no choice is indicated on the proxy, the shares will be voted FOR the Company's four (4) director nominees, FOR the approval of the Company's 2007 Incentive Stock Plan, FOR the ratification of the appointment of BDO Seidman, LLP as the Company's independent registered public accountants for the fiscal year ending July 31, 2007 and as the proxy holders may determine in their discretion with respect to any other matters that properly come before the Meeting. A shareholder giving a proxy has the power to revoke his or her proxy, at any time prior to the time it is voted, by delivering to the Secretary of the Company a written instrument that revokes the proxy or a validly executed proxy with a later date, or by attending the Meeting and voting in person. The directors receiving a plurality of Votes Cast will be elected to fill the seats of our Board of Directors. The affirmative vote of a majority of the Votes Cast is required to approve the 2007 Incentive Stock Plan and to ratify the appointment of the independent registered public accountants. As of the Record Date, there were 12,027,378 shares of the Company's Common Stock issued and outstanding. The form of proxy accompanying this Proxy Statement confers discretionary authority upon the named proxyholders with respect to amendments or variations to the matters identified in the accompanying Notice of Meeting

and with respect to any other matters which may properly come before the Meeting. As of the date of this Proxy Statement, management of the Company knows of no such amendment or variation or of any matters expected to come before the Meeting which are not referred to in the accompanying Notice of Annual Meeting.

ATTENDANCE AT THE MEETING. Only holders of Common Stock, their proxy holders and the Company's invited guests may attend the Meeting. If you wish to attend the Meeting in person but you hold your shares through someone else, such

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as a stockbroker, you must bring proof of your ownership and identification with a photo at the Meeting. For example, you could bring an account statement showing that you beneficially owned shares of Common Stock of the Company as of the Record Date as acceptable proof of ownership.

COSTS OF SOLICITATION. The cost of soliciting proxies will be borne by the Company. Such costs include the reasonable expenses of brokerage firms and others for forwarding the proxy materials to beneficial owners of Common Stock. In addition to solicitation by mail, solicitation may be made by certain directors, officers and employees of the Company, or firms specializing in solicitation; and may be made in person or by telephone or telegraph. No additional compensation will be paid to any director, officer or employee of the Company for such solicitation.

CERTAIN FINANCIAL INFORMATION. Please take note that the Company's Annual Report on Form 10-K for the fiscal year ended July 29, 2006 (the "2006 Annual Report") (without exhibits) and Amendment No. 1 thereto filed on November 22, 2006 (the "2006 Amendment") (without exhibits) are enclosed with this Proxy Statement.

ANY SHAREHOLDER OF THE COMPANY MAY OBTAIN WITHOUT CHARGE COPIES OF THE 2006 ANNUAL REPORT AND THE 2006 AMENDMENT, INCLUDING THE COMPANY'S CERTIFIED FINANCIAL STATEMENTS AND ANY EXHIBITS, AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (THE "COMMISSION"), BY WRITING TO THE CORPORATE SECRETARY, DEL GLOBAL TECHNOLOGIES CORP., 11550 WEST KING STREET, FRANKLIN PARK, ILLINOIS 60131.

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PROPOSAL I--ELECTION OF DIRECTORS

NOMINEES

The Board is presently comprised of four (4) directors, all of whom were elected at the Company's Annual Meeting of Stockholders held on June 13, 2006. Unless otherwise specified, all Proxies received will be voted in favor of the election of the persons named below as directors of the Company. Directors must be elected by a plurality of the votes cast by the holders of shares entitled to vote in the election. Directors elected at the Meeting will serve until the next Annual Meeting of Stockholders of the Company and until their successors shall be duly elected and qualify. Each of the nominees currently serves as a director of the Company. The terms of office of the current directors expire at the Meeting and when their successors are duly elected and qualify. The Company has no reason to believe that any of the nominees will be unable or unwilling to serve as a director, if elected. Should any of the nominees not remain a candidate for election at the date of the Meeting, the Proxies will be voted in favor of those nominees who remain candidates and may be voted for substitute nominees selected by the Board of Directors. The Board of Directors has no reason to believe that any nominee listed below will be unwilling or unable to serve as director of the Company.

INFORMATION WITH RESPECT TO NOMINEES

The names and ages of each nominee for director of the Company, each of their principal occupations at present and for the past five (5) years and certain other information about each of the nominees are set forth below:

Name	Age	All Offices With the Company(1)	Director Since
Gerald M. Czarnecki	67	Director	2003
James R. Henderson	49	Chairman of the Board and Director	2003
General Merrill A. McPeak	71	Director	2005
James A. Risher	64	Director, President and Chief Executive Officer	2005

(1) See also the "Committee Membership" chart included in this Proxy Statement.

GERALD M. CZARNECKI has been a member of the Company's Board of Directors since June 3, 2003. He has served as the Chairman of The Deltennium Corporation, a privately held holding company ("Deltennium"), since November 1995. Deltennium operates as a holding company for various operating businesses of which Mr. Czarnecki is the principal shareholder, including Deltennium Capital, Inc., a venture capital firm. Prior to forming Deltennium, Mr. Czarnecki had a broad career as a corporate executive including serving as Chairman & CEO of Honfed Bank, a multi-billion dollar bank; President of UNC Inc., a manufacturing and services company in the aviation industry; and Senior Vice President of Human Resources and Administration of IBM, the world's largest computer company. Mr. Czarnecki is a frequent speaker and seminar leader on a broad range of corporate governance issues and serves on a number of corporate boards. He has served as a

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member of the Board of Directors and Chairman of the Audit Committee of State Farm Insurance Companies since 1998; and serves as a member of the Board of Directors and Lead Director of Software Interational, Inc. He is Chairman of the Board of Directors of the National Association of Corporate Directors, Florida Chapter and is Chairman of The National Leadership Institute, a non-profit organization committed to improving non-profit Leadership and Corporate Governance. Mr. Czarnecki has a B.S. in Economics from Temple University and an M.A. in Economics from Michigan State University.

JAMES R. HENDERSON has been a member of the Company's Board of Directors since November 20, 2003 and Chairman of the Board since May 12, 2005. Mr. Henderson has served as a Vice President of Steel Partners, Ltd., a management and advisory company, since March 2002. Mr. Henderson served as a Vice President of Steel Partners Services, Ltd. from August 1999 through March 2002. Mr. Henderson has served as President and Chief Operating Officer of WebFinancial Corporation ("WebFinancial"), which, through its operating subsidiaries, operates in niche banking markets, since November 2003 and as Chief Operating Officer and Director since June 2005. He has also served as a director of the WebBank subsidiary of WebFinancial, an FDIC insured, State of Utah Industrial Loan Corporation since March 2000, as Acting Chief Executive Officer of WebBank from November 2004 until May 2005 and as Chairman of WebBank since November 2004. He has also served as President of Gateway Industries, Inc., a provider of database development and website design and development services, since December 2001. Mr. Henderson has served as a director of SL Industries, Inc. ("SLI"), a manufacturer and marketer of power and data quality systems and equipment for industrial, medical, aerospace and consumer applications since January 2002. Mr. Henderson has served as a director of BNS Corporation since June 2004. Mr. Henderson served as a director of ECC International Corp., a manufacturer and marketer of computer controlled simulators for training personnel to perform maintenance and operation procedures on military weapons, from December 1999 until September 2003, and as acting Chief Executive Officer from July 2002 until March 2003. From January 2001 to August 2001, Mr. Henderson served as President of MDM Technologies, Inc., a direct mail and marketing company. From 1996 to July 1999, Mr. Henderson was employed in various positions with Aydin Corporation, which included a tenure as President and Chief Operating Officer from October 1998 to June 1999. Prior to his employment with Aydin Corporation, Mr. Henderson was employed as an executive with UNISYS Corporation, an e-business solutions provider. Mr. Henderson earned a B.S. in Accounting from the University of Scranton.

GENERAL MERRILL A. MCPEAK has been a member of the Company's Board of Directors since April 27, 2005. General McPeak has served as President of McPeak & Associates, a management consulting firm he founded in 1995. He was Chief of Staff, United States Air Force, from November 1990 to October 1994, when he retired. He is Chairman of the Board of Ethicspoint, Inc. and a director of several other private companies. He also serves as a director of Quintessence Photonics Inc., a designer and manufacturer of high brightness, high power semiconductor lasers, GigaBeam Corporation, a supplier of high performance high availability fiber-speed wireless communication, Mathstar, a designer and marketer of specialized semiconductor integrated circuits, and CenterSpan Communications, a provider of communications infrastructure enabling peer-to-peer content exchange. He received a bachelor of arts degree in

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economics from San Diego State College and a master of science degree in international relations from George Washington University.

JAMES A. RISHER has been a member of the Company's Board of Directors

since April 27, 2005. On July 22, 2006, Mr. Risher became the Interim President and CEO of Del Global. On August 31, 2006 Mr. Risher became the President and CEO of the Company. Mr. Risher has been the Managing Partner of Lumina Group, LLC, a private company engaged in the business of consulting and investing in small and mid-size companies, since 1998. From February 2001 to May 2002, Mr. Risher served as Chairman and Chief Executive Officer of BlueStar Battery Systems International, Inc., a Canadian public company that is an e-commerce distributor of electrical and electronic products to selected automotive aftermarket segments and targeted industrial markets. From 1986 to 1998, Mr. Risher served as a director, Chief Executive Officer and President of Exide Electronics Group, Inc. ("Exide"), a global leader in the uninterruptible power supply industry. He also served as Chairman of Exide from December 1997 to July 1998. Mr. Risher has also been a director of SLI since May 2003 and a director of New Century Equity Holdings Corp., a holding company seeking to acquire a new business, since October 2004.

During the Company's fiscal year ended July 29, 2006, the Board of Directors held 21 regularly scheduled and special meetings. During this period, all of the directors attended or participated in more than 75% of the aggregate of the total number of meetings of the Board of Directors and the total number of meetings held by all committees of the Board of Directors on which each such director served (during the periods during which such director served on such committee).

Each director is expected to make reasonable efforts to attend Board meetings, meetings of committees of which such director is a member and the Annual Meeting of Stockholders. Four (4) board members attended the 2006 Annual Meeting of Stockholders.

The Company has three standing committees: the Audit Committee (the "Audit Committee"), the Compensation and Stock Option Committee (the "Compensation Committee"), and the Nominating and Governance Committee (the "Nominating Committee"). Each of these committees has a written charter approved by the Board of Directors. On February 14, 2006, the Board of Directors amended the Audit Committee Charter to comply with the Marketplace Rules of the National Association of Securities Dealers, Inc. ("NASD"). A copy of each charter can be found under the "Investor Relations" section of our website at WWW.DELGLOBAL.COM.

The members of the committees are identified in the following table.

COMMITTEE MEMBERSHIP

Director -----	Audit Committee -----	Compensation and Stock Option Committee -----	Nominating and Governance Committee -----
GERALD M. CZARNECKI	CHAIR	X	X
JAMES R. HENDERSON		X	CHAIR
GENERAL MERRILL A. McPEAK	X	CHAIR	X
JAMES A. RISHER			

The Audit Committee is responsible for reviewing the financial information which will be provided to shareholders and others, the systems of internal controls, which management and the Board of Directors have established, the performance and selection of independent auditors, and the Company's audit and financial reporting processes. The Audit Committee held 8 meetings during the last fiscal year. The Board of Directors has determined that Mr. Czarnecki is an "audit committee financial expert" as defined in Item 407(d) of Regulation S-K. Although the Company is currently not listed on any exchange, each of Mr. Czarnecki and the other member of the Audit Committee is an "independent director" as defined in Rule 4200 of the Marketplace Rules of NASDAQ.

The basic responsibility of the Compensation Committee is to review the performance and development of management in achieving corporate goals and objectives and to ensure that the Company's senior executives are compensated effectively in a manner consistent with the Company's strategy, competitive practice, and the requirements of the appropriate regulatory bodies. Toward that end, the Compensation Committee oversees all of the Company's compensation, equity and employee benefit plans and payments, including the Company's Option Plan (as defined herein). This committee held 2 meetings during the last fiscal year. Although the Company is not listed on any exchange, each of the members of

the Compensation Committee is an "independent director" as defined in Rule 4200 of the Marketplace Rules of NASDAQ, and an "outside director" as defined in Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code").

The Nominating Committee is responsible for recommending to the full Board of Directors candidates for election to the Board of Directors. This committee held one meeting during the last fiscal year. The Nominating Committee considers nominees proposed by shareholders. To recommend a prospective nominee for the Nominating Committee's consideration, shareholders should submit the candidate's name and qualifications to the corporate secretary in writing to the following address: Del Global Technologies Corp., 11550 West King Street, Franklin Park, Illinois 60131, Attn: James A. Risher, with a copy to the Company's General Counsel at the following address: Olshan Grundman Frome Rosenzweig & Wolosky LLP, Park Avenue Tower, 65 East 55th Street, New York, New York 10022, Attn: Jeffrey Spindler, Esq. Each member of this committee is an "independent director" as defined in Rule 4200 of the Marketplace Rules of NASDAQ.

In considering Board candidates, the Nominating Committee takes into consideration the Company's Corporate Governance Guidelines, the Company's policy regarding shareholder recommended director candidates, as set forth above, and all other factors that it deems appropriate, including, but not limited to, the individual's independence, character, education, experience, knowledge and skills. The Nominating Committee will also consider: the extent of the individual's experience in business, education or public service; his or her ability to bring a desired range of skills, diverse perspectives and experience to the Board; and whether the individual possesses high ethical standards, a strong sense of professionalism and is capable of serving the interests of

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shareholders. In addition to reviewing a candidate's background and accomplishments, candidates for director nominees are reviewed in the context of the current composition of the Board and the evolving needs of the Company's businesses. It is the Board's policy that at all times at least a majority of its members meet the standards of independence promulgated by the NASD and the SEC and as set forth in the Company's Corporate Governance Guidelines. Additionally, the Nominating Committee will consider the number of boards on which the candidate already serves when assessing whether the candidate has the appropriate time to devote to Board service.

Except as set forth above, the Nominating Committee does not currently have a formal policy regarding the handling or consideration of director candidate recommendations received from a shareholder, or a formal process for identifying and evaluating nominees for directors (including nominees recommended by shareholders). These issues will be considered by the Committee, which will then make a recommendation to the Board.

DIRECTOR COMPENSATION

Board compensation consists generally of the following:

- o Each non-employee director will receive an annual retainer of \$20,000, which is up from \$16,000 for fiscal year 2006;
- o Each non-employee director will receive an additional fee of \$1,000 per each full length Board meeting attended (with lesser compensation for telephonic meetings, at the discretion of the chair of the Board or committee, as applicable);
- o Each non-employee member of each standing committee will receive a fee of \$500 per each full-length committee meeting attended; and \$250 for shorter duration committee meetings attended;
- o Chairs of the Board and the various standing committees, excepting the Audit Committee, will receive double meeting fees. In lieu of the foregoing, the Chair of the Audit Committee will receive an additional \$1,000 per Audit Committee meeting;
- o In addition to the above meeting fees, the Chairman of the Board receives \$750 per each day other than Board meeting days, where he or she spends more than half of such day working at the Company facilities; and
- o Each non-employee member of the Board receives a one-time grant of 25,000 options to purchase the Company's Common Stock, with an exercise price equal to the fair market value on the date of grant. Effective June 13, 2006, directors additionally receive annual

grants of 10,000 options commencing after their first year of service as a director. The Chairman of the Audit Committee receives an additional grant of 2,500 options. The Chairman of the Stock Option and Compensation Committee receives an additional grant of 1,500 options. The Chairman of the Governance and Nominating Committee receives an additional grant of 1,000 options (as long as such person is not the Chair of any other committee of the Board). The Chairman of the Board receives an additional grant of 5,000 options.

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From July 30, 2005 through July 29, 2006, non-employee directors were paid quarterly retainers, at a rate of \$16,000 per annum for serving on the Board of Directors. Directors who are also Company employees receive no compensation for serving as directors.

There were no options granted to non-employee directors during the last fiscal year, except for the following option grants:

- (i) 12,500 options to purchase the Company's Common Stock granted to Gerald M. Czarnecki on June 13, 2006 with an exercise price equal to \$2.26.
- (ii) 16,000 options to purchase the Company's Common Stock granted to James Henderson on June 13, 2006 with an exercise price equal to \$2.26.
- (iii) 11,500 options to purchase the Company's Common Stock granted to General Merrill A. McPeak on June 13, 2006 with an exercise price equal to \$2.26.

RECOMMENDATION

THE COMPANY'S BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE ELECTION OF EACH OF THESE NOMINEES.

PROPOSAL II--APPROVAL OF 2007 INCENTIVE STOCK PLAN

On February 22, 2007, the Board of Directors adopted resolutions approving and authorizing, subject to stockholder approval, the proposed 2007 Incentive Stock Plan (the "Plan"). Stockholders are being asked to approve the Plan. As of the Record Date, we have not granted any options to purchase shares of Common Stock under the Plan.

The following is a summary of the principal features of the Plan. However, the following summary is qualified in its entirety by the specific language of the Plan, a copy of which is attached hereto as Exhibit A and a copy of which is available to any shareholder upon written request to the Secretary of the Company.

PURPOSE

The purpose of the Plan is to serve as an incentive, to retain in the employ of and as directors, officers, consultants, advisors and employees to the Company and any Subsidiary of the Company, within the meaning of Section 424(f) of the United States Internal Revenue Code of 1986, as amended (the "Code"), persons of training, experience and ability, to attract new directors, officers, consultants, advisors and employees whose services are considered valuable, to encourage the sense of proprietorship and to stimulate the active interest of such persons in the development and financial success of the Company and its Subsidiaries.

ADMINISTRATION

The Plan, if approved, will be administered by a committee appointed by the Board of Directors, consisting of two or more outside, non-employee directors (the "Committee"). The Committee will have full power and authority to designate recipients of options (as defined in the Plan) and restricted stock (as defined in the Plan) under the Plan and to determine the terms and conditions of the respective option and restricted stock agreements and to interpret the provisions and supervise the administration of the Plan. The Committee will also have the authority to designate which options granted under the Plan will be incentive options (as defined in the Plan) and which shall be nonqualified options (as defined in the Plan).

ELIGIBILITY

Options and restricted stock may be granted under the Plan to directors, officers and employees of the Company, as well as consultants who meet the eligibility requirements of Rule 701 under the Securities Act of 1933 (collectively, the "Participants"). Incentive options may only be granted to employees of the Company and any subsidiary. In selecting Participants under the Plan, and in determining the number of shares to be covered by each option or shares of restricted stock granted to Participants, the Committee may consider any factors it deems relevant, including the office or position held by the Participant or the Participant's relationship to the Company, the Participant's degree of responsibility for and contribution to the growth and success of the Company or any subsidiary, the Participant's length of service, promotions and potential.

STOCK RESERVED FOR THE PLAN

A total of 1,000,000 shares of the Company's Common Stock shall be subject to the Plan. The maximum number of shares of Stock that may be subject to options granted under the Plan to any individual in any calendar year shall not exceed 200,000 shares and the method of counting such shares shall conform to any requirements applicable to performance-based compensation under Section 162(m) of the Code if qualification as performance-based compensation under Section 162(m) of the Code is intended. The shares of Common Stock subject to the Plan shall consist of unissued shares, treasury shares or previously issued shares held by any subsidiary of the Company, and such amount of shares of Common Stock shall be and is hereby reserved for such purpose.

TERMS AND CONDITIONS OF OPTIONS

Options granted under the Plan shall be subject to the following conditions and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan.

(a) OPTION PRICE. The purchase price of each share of Common Stock purchasable under an incentive option shall be determined by the Committee at the time of grant, but shall not be less than 100% of the fair market value (as in the Plan) of such share of Common Stock on the date the option is granted; provided, however, that with respect to an optionee who, at the time such incentive option is granted, owns more than 10% of the total combined voting power of all classes of stock of the Company or of any subsidiary, the purchase price per share of Common Stock shall be at least 110% of the fair market value per share of Common Stock on the date of grant. The purchase price of each share of Common Stock purchasable under a nonqualified option shall not be less than 100% of the fair market value of such share of Common Stock on the date the option is granted.

(b) OPTION TERM. The term of each option is fixed by the Committee, but no option under the Plan is exercisable more than ten years after the date such option is granted and in the case of an incentive option granted to an optionee who, at the time such incentive option is granted, owns more than 10% of the total combined voting power of all classes of stock of the Company or of any

subsidiary, no such incentive option shall be exercisable more than five years after the date such incentive option is granted.

(c) EXERCISABILITY. Options shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee at the time of grant; provided, however, that in the absence of any option vesting periods designated by the Committee at the time of grant, options shall vest and become exercisable as to one-quarter of the total amount of shares subject to the option on each of the first, second, third and fourth anniversaries of the date of grant; and provided further that no options shall be exercisable until such time as any vesting limitation required by Section 16 of the Exchange Act, and related rules, shall be satisfied if such limitation shall be required for continued validity of the exemption provided under Rule 16b-3(d)(3).

(d) NON-TRANSFERABILITY OF OPTIONS. Options are not transferable and may be exercised solely by the optionee during his lifetime or after his death by the person or persons entitled thereto under his will or the laws of descent and distribution. The Committee, in its sole discretion, may permit a transfer of a nonqualified option to (i) a trust for the benefit of the optionee, (ii) a member of the optionee's immediate family (or a trust for his or her benefit) or (iii) pursuant to a domestic relations order. Any attempt to transfer, assign,

pledge or otherwise dispose of, or to subject to execution, attachment or similar process, any option contrary to the provisions of the Plan shall be void and ineffective and shall give no right to the purported transferee.

(e) TERMINATION BY DEATH. Unless otherwise determined by the Committee, if any optionee's employment with or service to the Company or any subsidiary terminates by reason of death, the option may thereafter be exercised, to the extent then exercisable (or on such accelerated basis as the Committee shall determine at or after grant), by the legal representative of the estate or by the legatee of the optionee under the will of the optionee, for a period of one (1) year after the date of such death (or, if later, such time as the option may be exercised pursuant to Section 14(d) of the Plan) or until the expiration of the stated term of such option as provided under the Plan, whichever period is shorter.

(f) TERMINATION BY REASON OF DISABILITY. Unless otherwise determined by the Committee, if any optionee's employment with or service to the Company or any subsidiary terminates by reason of total and permanent disability, any option held by such optionee may thereafter be exercised, to the extent it was exercisable at the time of termination due to disability (or on such accelerated basis as the Committee shall determine at or after grant), but may not be exercised after three (3) months after the date of such termination of employment or service (or, if later, such time as the option may be exercised pursuant to Section 14(d) of the Plan) or the expiration of the stated term of such option, whichever period is shorter; PROVIDED, HOWEVER, that, if the optionee dies within such three (3) month period, any unexercised option held by such optionee shall thereafter be exercisable to the extent to which it was exercisable at the time of death for a period of one (1) year after the date of such death (or, if later, such time as the option may be exercised pursuant to Section 14(d) of the Plan) or for the stated term of such option, whichever period is shorter.

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(g) TERMINATION BY REASON OF RETIREMENT. Unless otherwise determined by the Committee, if any optionee's employment with or service to the Company or any subsidiary terminates by reason of normal or early retirement (as such terms are defined in the Plan), any option held by such optionee may thereafter be exercised to the extent it was exercisable at the time of such retirement (or on such accelerated basis as the Committee shall determine at or after grant), but may not be exercised after three (3) months after the date of such termination of employment (or, if later, such time as the option may be exercised otherwise pursuant to the Plan) or service or the expiration of the stated term of such option, whichever date is earlier; provided, however, that, if the optionee dies within such three (3) month period, any unexercised option held by such optionee shall thereafter be exercisable, to the extent to which it was exercisable at the time of death, for a period of one (1) year after the date of such death (or, if later, such time as the option may be exercised otherwise pursuant to the Plan) or for the stated term of such option, whichever period is shorter.

(h) OTHER TERMINATION. Unless otherwise determined by the Committee upon grant, if any optionee's employment with or service to the Company or any subsidiary terminates for any reason other than death, disability or normal or early retirement, the option shall thereupon terminate, except that the portion of any option that was exercisable on the date of such termination of employment or service may be exercised for the lesser of thirty (30) days after the date of termination or the balance of such option's term if the optionee's employment or service with the Company or any subsidiary or affiliate is terminated by the Company or such subsidiary without cause (the determination as to whether termination was for cause to be made by the Committee). The transfer of an optionee from the employ of or service to the Company to the employ of or service to a subsidiary, or vice versa, or from one subsidiary to another, is not deemed to constitute a termination of employment or service for purposes of the Plan.

TERMS AND CONDITIONS OF RESTRICTED STOCK

Restricted stock may be granted under this Plan aside from, or in association with, any other award and shall be subject to the following conditions and shall contain such additional terms and conditions (including provisions relating to the acceleration of vesting of restricted stock upon a change of control), not inconsistent with the terms of the Plan, as the Committee shall deem desirable:

(a) GRANTEE RIGHTS. A grantee shall have no rights to an award of restricted stock unless and until grantee accepts the award within the period prescribed by the Committee and, if the Committee shall deem desirable, makes payment to the Company in cash, or by check or such other instrument as may be acceptable to the Committee.

(b) FORFEITABILITY, NON-TRANSFERABILITY OF RESTRICTED STOCK. Shares of restricted stock are forfeitable until the terms of the restricted stock grant

have been satisfied. Shares of restricted Stock are not transferable until the date on which the Committee has specified such restrictions have lapsed. Unless otherwise provided by the Committee at or after grant, distributions in the form of additional shares or property in respect of shares of restricted stock shall be subject to the same restrictions as such shares of restricted stock.

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(c) CHANGE OF CONTROL. Upon the occurrence of a change in control (as defined in the Plan), the Committee may accelerate the vesting of outstanding restricted stock, in whole or in part, as determined by the Committee, in its sole discretion.

(d) TERMINATION OF EMPLOYMENT. Unless otherwise determined by the Committee at or after grant, in the event the Grantee ceases to be an employee or otherwise associated with the Company for any other reason, all shares of restricted stock theretofore awarded to him which are still subject to restrictions shall be forfeited and the Company shall have the right to complete the blank stock power. The Committee may provide (on or after grant) that restrictions or forfeiture conditions relating to shares of restricted stock will be waived in whole or in part in the event of termination resulting from specified causes, and the Committee may in other cases waive in whole or in part restrictions or forfeiture conditions relating to restricted stock.

TERM OF PLAN

No option or shares of restricted stock shall be granted pursuant to the Plan on or after the date that is ten years from the effective date of the Plan, but options or shares of restricted stock theretofore granted may extend beyond that date.

CAPITAL CHANGE OF THE COMPANY

In the event of any merger, reorganization, consolidation, recapitalization, stock dividend, or other change in corporate structure affecting the Common Stock, the Committee shall make an appropriate and equitable adjustment in the number and kind of shares reserved for issuance under the Plan and in the number and option price of shares subject to outstanding options granted under the Plan, to the end that after such event each optionee's proportionate interest shall be maintained (to the extent possible) as immediately before the occurrence of such event. The Committee shall, to the extent feasible, make such other adjustments as may be required under the tax laws so that any incentive options previously granted shall not be deemed modified within the meaning of Section 424(h) of the Code. Appropriate adjustments shall also be made in the case of outstanding restricted stock granted under the Plan.

TAXES

(a) The Company may make such provisions as it may deem appropriate, consistent with applicable law, in connection with any options or restricted stock granted under the Plan with respect to the withholding of any taxes (including income or employment taxes) or any other tax matters.

(b) If any grantee, in connection with the acquisition of restricted stock, makes the election permitted under Section 83(b) of the Code (that is, an election to include in gross income in the year of transfer the amounts specified in Section 83(b)), such grantee shall notify the Company of the election with the Internal Revenue Service pursuant to regulations issued under the authority of Code Section 83(b).

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(c) If any grantee shall make any disposition of shares of Common Stock issued pursuant to the exercise of an incentive option under the circumstances described in Section 421(b) of the Code (relating to certain disqualifying dispositions), such grantee shall notify the Company of such disposition within ten (10) days.

AMENDMENT AND TERMINATION

The Board may amend, suspend, or terminate the Plan, except that no amendment shall be made that would impair the rights of any Participant under any option or restricted stock theretofore granted without the Participant's consent, and except that no amendment shall be made which, without the approval of the stockholders of the Company would:

(a) materially increase the number of shares that may be issued under the Plan, except as otherwise provided in the Plan;

(b) materially increase the benefits accruing to the Participants under the Plan;

(c) materially modify the requirements as to eligibility for participation in the Plan;

(d) decrease the exercise price of an incentive option to less than 100% of the fair market value per share of Common Stock on the date of grant thereof or the exercise price of a nonqualified option to less than 100% of the fair market value per share of Common Stock on the date of grant thereof; or

(e) extend the term of any option beyond that provided for in the Plan.

The approval of the Plan requires the affirmative vote of a majority of the Votes Cast on the proposal at the Meeting.

RECOMMENDATION

THE COMPANY'S BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE APPROVAL OF THE 2007 INCENTIVE STOCK PLAN.

PROPOSAL III--RATIFICATION OF THE APPOINTMENT OF BDO SEIDMAN, LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS FOR THE FISCAL YEAR ENDING JULY 31, 2007

The Board of Directors has retained BDO Seidman, LLP as independent registered public accountants to report on the consolidated financial statements of the Company for the fiscal year ending July 31, 2007 and to perform such other services as may be required of them. The Board of Directors has directed that management submit the appointment of independent registered public accountants for ratification by the stockholders at the Meeting. A representative of BDO Seidman, LLP is expected to be present at the Meeting,

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will have the opportunity to make a statement if he desires to do so and will be available to respond to appropriate stockholder questions. The affirmative vote of a majority of the Votes Cast will constitute ratification.

RECOMMENDATION

THE COMPANY'S BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE RATIFICATION OF BDO SEIDMAN, LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS FOR THE FISCAL YEAR ENDING JULY 31, 2007.

MANAGEMENT

ADDITIONAL EXECUTIVE OFFICERS OF THE COMPANY WHO ARE NOT DIRECTORS OR DIRECTOR NOMINEES

MARK A. ZORKO, 54, has served as our Chief Financial Officer since August 30, 2006. He has also served as CFO Partner at Tatum CFO Partners, LLP, a professional services firm where he has held financial leadership positions with public and private client companies. From 1996 to 1999, Mr. Zorko was Chief Financial Officer and Chief Information Officer for Network Services Co., a privately held distribution company. His prior experience includes Vice President, Chief Financial Officer and Secretary of Comptronix Corporation, a publicly held electronic systems manufacturing company, corporate controller for Zenith Data Systems Corporation, a computer manufacturing and retail electronics company, and finance manager positions with Honeywell, Inc. Mr. Zorko was a senior staff consultant with Arthur Andersen & Co. Mr. Zorko served in the Marine Corps. from 1970 to 1973. He currently serves as a director and chairs the audit committee for Software International, Inc. Mr. Zorko is on the audit committee for Opportunity Int'l, a microenterprise development organization, and on the operations review committee for St. Alexius Medical Center. Mr. Zorko earned a BS degree in Accounting from The Ohio State University, an MBA from the University of Minnesota, and completed the FEI's Chief Financial Officer program at Harvard University. He is a certified public accountant and a member of the National Association of Corporate Directors.

MARK A KOCH, 48, served as our Treasurer and Principal Accounting Officer from August 24, 2004 and our Secretary from September 17, 2004, until his resignation from all positions held with the Company on October 30, 2006. Prior to his appointment as Treasurer and Principal Accounting Officer, Mr. Koch served as our Corporate Controller and Assistant Secretary since February 2003.

CORPORATE GOVERNANCE

Our business, property and affairs are managed by, or are under the direction of, the Board of Directors pursuant to the New York Business Corporation Law and our by-laws and certificate of incorporation. Members of the Board of Directors are kept informed of our business through discussions with James A. Risher, our Chief Executive Officer and President, and with key members of management, by reviewing materials provided to them and by participating in meetings of the Board of Directors and its committees.

The Company maintains a corporate governance page on its website which includes key information about its corporate governance initiatives, including the Company's Corporate Governance Guidelines, Code of Business Conduct and Ethics and charters for the Audit Committee, the Stock Option and Compensation Committee and the Nominating and Corporate Governance Committee of the Board of Directors. The corporate governance page can be found at WWW.DELGLOBAL.COM, by clicking on "Investor Relations," and then "Corporate Governance."

The Company's policies and practices are compliant with the corporate governance requirements of the Sarbanes-Oxley Act of 2002. The Company's initiatives have included:

- o The Board of Directors has adopted clear corporate governance policies;
- o A majority of the board members are independent of the Company and its management;
- o All members of the standing board committees -- the Audit Committee, the Compensation Committee, and the Nominating Committee -- are independent;
- o The independent members of the Board of Directors meet regularly without the presence of management;
- o The charters of the board committees clearly establish their respective roles and responsibilities;
- o The Company's employees have received training on, and affirmed the Company's Code of Business Conduct and Ethics;
- o The Chairman of the Company's Audit Committee serves as the Company's Compliance Officer and monitors a hotline available to all employees for reporting business abuses, including the anonymous submission of employee complaints on accounting, internal controls, or auditing matters;
- o The Company has adopted a code of ethics that applies to its principal executive officer and all members of its finance department, including the principal financial officer and principal accounting officer; and

- o The Company has an outsourced internal audit control function that maintains critical oversight over the key areas of its business and financial processes and controls, and meets regularly with the Company's Audit Committee without the presence of management.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The following table sets forth information concerning beneficial ownership of Common Stock of the Company by each person or entity (including any "Group" as such term is used in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), known by the Company to be the beneficial owner of more than five percent of its outstanding Common Stock. The percentage ownership of each beneficial owner is based upon 12,027,378 shares of Common Stock issued and outstanding as of February 20, 2007, plus shares issuable upon exercise of options, warrants or convertible securities (exercisable within 60 days after said date) that are held by such person or entity, but not those held

by any other person or entity. The information presented in this table is based upon the most recent filings with the Commission by such persons or upon information otherwise provided by such persons to the Company. Unless otherwise indicated, the address for each beneficial holder is 11550 West King Street, Franklin Park, Illinois 60131.

Name and address Of beneficial owner -----	Amount and nature of beneficial ownership(1) -----	percent of class -----
Benson Associates LLC 111 SW 5th, Suite 2130 Portland, OR 97204	1,159,163(2)	9.6%
Royce & Associates LLC 1414 Avenue of the Americas New York, NY 10019	501,810(3)	4.1%
Warren G. Lichtenstein c/o Steel Partners II, L.P. 590 Madison Avenue 32nd Floor New York, NY 10022	1,867,062(4)	15.5%
Wells Fargo & Company 420 Montgomery Street San Francisco, CA 94104	1,068,557(5)	8.9%
Wellington Management Co. LLP 75 State Street Boston, MA 02109	971,481(6)	8.1%

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Samuel P. Sporn c/o Schoengold & Sporn, P.C. 19 Fulton Street, Suite 406 New York, NY 10038	1,166,666(7)	9.7%(7)
Francis Capital Management, LLC 429 Santa Monica Boulevard, Suite 320 Santa Monica, CA 90401	771,056(8)	6.4%

(1) Unless otherwise noted, each beneficial owner has sole voting and investment power with respect to the shares shown as beneficially owned by him or it.

(2) According to information contained in a Schedule 13G/A dated March 5, 2003, Benson Associates, LLC ("Benson"), an investment advisor registered under the Investment Advisors Act of 1940 ("Investment Act"), is the beneficial owner of 1,159,163 shares of Common Stock. In its role as investment advisor, Benson has sole power to vote and dispose of the shares of Common Stock but disclaims beneficial ownership of such shares owned by it in a fiduciary capacity.

(3) According to information contained in Amendment No. 4 to a Schedule 13G dated February 9, 2006 Royce & Associates, LLC ("Royce"), an investment advisor registered under the Investment Act, is the beneficial owner of 501,810 shares of Common Stock. In its role as investment advisor, Royce has sole power to vote and dispose of the shares of Common Stock owned by Royce.

(4) According to information contained in a Form 4 dated April 22, 2005, Steel Partners II, L.P., a Delaware limited partnership ("Steel Partners"), Warren G. Lichtenstein, and Steel Partners, LLC, a Delaware limited liability corporation ("Partners LLC") collectively is the beneficial owner of 1,838,416 shares of our Common Stock. Partners LLC is the general partner of Steel Partners. Mr. Lichtenstein is the sole executive officer and managing member of Partners LLC. By virtue of his positions with Steel Partners and Partners LLC, Mr. Lichtenstein has the sole power to vote and dispose of the 1,838,416 shares of our Common Stock owned by Steel Partners and Partners LLC. According to information contained in an amendment to Schedule 13D filed on a Schedule 13D/A

dated October 16, 2003 filed jointly by Steel Partners, Mr. Lichtenstein and WebFinancial Corporation, a Delaware corporation ("WebFinancial"), (collectively, the "Group"), WebFinancial has sole power to vote and dispose of 28,646 shares of our Common Stock. Mr. Lichtenstein is also the Chief Executive Officer and director of WebFinancial Corporation. Mr. Lichtenstein disclaims beneficial ownership of the 28,646 shares owned by WebFinancial.

(5) According to information contained in Amendment No. 5 to a Schedule 13G dated December 31, 2006, Wells Fargo & Company ("Wells Fargo"), the parent company of Wells Capital Management Incorporated ("Wells Capital"), an investment adviser registered under the Investment Act, may be deemed the beneficial owner of 1,068,557 shares of Common Stock of the Company. In its role as investment advisor, Wells Fargo has sole power to vote as to 1,001,757 shares of our Common Stock and sole power to dispose of 1,068,557 shares of our Common Stock.

(6) According to information contained in Amendment No. 6 to a Schedule 13G dated December 31, 2006, Wellington Management Company, LLP ("Wellington"), an investment advisor registered under the Investment Act, may be deemed the beneficial owner of 971,481 shares of Common Stock of the Company. Clients of Wellington are the owners of record of the shares held by Wellington. Accordingly, in its role as investment advisor, Wellington has shared power to

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vote as to 680,458 of our Common Stock and shared power to dispose of all 971,481 shares of our Common Stock owned by Wellington.

(7) According to public record, as described below, Mr. Sporn beneficially owns 1,166,666 shares. However, the Company believes that Mr. Sporn has sold all or a significant portion of these shares and has not filed a report of such sale with the Commission. According to information contained in a Schedule 13D dated January 21, 2003, Schoengold & Sporn, P.C. ("Schoengold"), a New York professional corporation, engaged in the practice of law, may be deemed the beneficial owner of 833,333 shares of Common Stock. Messrs. Samuel P. Sporn, Joel P. Laitman and Christopher Lometti are attorneys with Schoengold. None of Messrs. Sporn, Laitman or Lometti beneficially own any shares or have individual power to vote or dispose or direct the disposition of the shares of our Common Stock owned by Schoengold. Accordingly, Schoengold has sole power to direct the vote and sole power to dispose or direct the disposition of the shares of our Common Stock owned by Schoengold. The beneficial ownership of Schoengold also includes a warrant to purchase 333,333 shares of our Common Stock.

(8) According to information contained in a Schedule 13G dated February 2, 2007, Francis Capital Management, LLC, a California limited liability company ("FCM"), FCM, in its capacity as investment adviser to two pooled investment vehicles, Catalysis Partners, LLC ("Catalysis LLC"), a California limited liability company and Catalysis Partners, Ltd. ("Catalysis Ltd." and together with Catalysis LLC, the "Funds"), a Cayman Islands exempted company, may be deemed to be the beneficial owner of 771,056 shares of the Common Stock owned by the Funds, as in its capacity as investment adviser it has the power to dispose, direct the disposition of, and vote the shares of the Common Stock owned by the Funds. Specifically, Catalysis LLC is the record and beneficial owner of 420,954 shares of the Common Stock and Catalysis Ltd. is the record and beneficial owner of 350,102 shares of the Common Stock. John P. Francis is a part-owner of FCM and its Managing Member. As the controlling person of FCM, he may be deemed to beneficially own 771,056 shares of the Common Stock owned by the Funds. Pursuant to Rule 13d-4 promulgated under the Securities Exchange Act of 1934, John P. Francis disclaims beneficial ownership of the securities owned by the Funds.

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SECURITY OWNERSHIP OF DIRECTORS AND MANAGEMENT

The following table sets forth information concerning beneficial ownership of Common Stock of the Company by (i) each director; (ii) each executive officer of the Company (as identified in the Summary Compensation table) and (iii) by all directors and executive officers of the Company as a group. The percentage ownership of each beneficial owner is based upon 12,027,378 shares of Common Stock issued and outstanding as of February 20, 2007, plus shares issuable upon exercise of options, warrants or convertible securities (exercisable within 60 days after said date) that are held by such person or entity, but not those held by any other person or entity. The information presented in this table is based upon the most recent filings with the Commission by such persons or upon information otherwise provided by such persons to the Company. Unless otherwise indicated, the address for each beneficial holder is 11550 West King Street, Franklin Park, Illinois 60131.

Name and address of beneficial owner	Amount and nature of beneficial ownership(1)	Percent of Class
Walter F. Schneider(4)	133,500(2)	1.1%
Mark A. Koch(5)	12,500(2)	*
Mark A. Zorko	15,000(2)	*
Gerald M. Czarnecki	39,725(2)	*
James A. Risher	15,000(2)	*
James R. Henderson	35,250(2)(3)	*
Merrill McPeak	30,375(2)	*
Edgar J. Smith, Jr.(6)	29,300(2)	*
All Directors and Named Executive Officers as a group (8 persons)	310,650(2)	2.6%

* Represents less than 1% of the outstanding shares of our Common Stock

(1) Unless otherwise noted, each director and executive officer has sole voting and investment power with respect to the shares shown as beneficially owned by him.

(2) Includes shares of our Common Stock which may be acquired upon the exercise of stock options which are presently exercisable or will become exercisable within 60 days of February 20, 2007, in the following amounts: Mark A. Zorko -- 15,000, Walter F. Schneider -- 133,500, Mark A. Koch -- 10,000, James A. Risher -- 15,000, Edgar J. Smith, Jr. -- 25,000, Gerald M. Czarnecki -- 28,125, Merrill A. McPeak -- 15,375 and James R. Henderson -- 35,250.

(3) Mr. Henderson is a Vice President of Steel Partners, Ltd., an entity of which Warren G. Lichtenstein is an affiliate by virtue of his ownership of Steel Partners, Ltd. directly and through Steel Partners II, L.P. (collectively, the "Group"), and Mr. Henderson is also the President and Chief Operating Officer of WebFinancial. Mr. Henderson disclaims beneficial ownership of the 1,838,416 shares of our Common Stock collectively owned by the Group and the 28,646 shares of our Common Stock owned by WebFinancial.

(4) Mr. Schneider resigned as Chief Executive Officer of the Company, effective July 18, 2006, and resigned from the Company's Board of Directors, effective July 21, 2006.

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(5) Mr. Koch resigned as Treasurer and Principal Accounting Officer, effective October 30, 2006.

(6) Mr. Smith, Jr. resigned from the Company's Board of Directors, effective May 3, 2006.

PROCEDURES FOR CONTACTING DIRECTORS

The Company has adopted a procedure by which shareholders may send communications to one or more directors by writing to such director(s) or to the whole Board care of the Corporate Secretary, Del Global Technologies Corp., 11550 West King Street, Franklin Park, Illinois 60131. Any such communications will be promptly distributed by the Secretary to such individual director(s) or to all directors if addressed to the whole Board.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's officers and directors, and persons who own more than ten percent of a registered class of the Company's equity securities, to file reports of ownership on Form 3 and changes in ownership on Form 4 or Form 5 with the Securities and Exchange Commission (the "Commission"). Such officers, directors and 10% shareholders are also required by Commission rules to furnish the Company with copies of all Section 16(a) forms they file. Based solely on its review of the copies of such forms received by it, or written representations from certain reporting persons, the Company believes that during the fiscal year ended July 29, 2006, there was compliance with all Section 16(a) filing requirements applicable to its officers, directors and 10% shareholders, except that each of Mr. Risher, Gen. McPeak, Mr. Henderson and Mr. Czarnecki filed one late Form 4 with respect to a stock option grant dated as of June 13, 2006. The Company knows of no failures to file a required Section 16(a) form during the fiscal year ended July 29, 2006.

EXECUTIVE COMPENSATION AND OTHER INFORMATION

SUMMARY OF CASH AND CERTAIN OTHER COMPENSATION

The current Chief Executive Officer, James A. Risher, and the current Chief Financial Officer, Mark A. Zorko, became employees of the Company in August 2006 and accordingly are not included in the following table which details compensation for Fiscal 2006 and prior years.

The following Summary Compensation Table sets forth the compensation of Walter Schneider, our former Chief Executive Officer, and our other four most highly compensated executive officers during our fiscal years ended July 29, 2006, July 30, 2005 and July 31, 2004. All of the following executive officers were no longer employed by the Company, as of July 29, 2006, with the exception of Mr. Koch who resigned effective October 30, 2006.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Annual Compensation		Other Annual Compensation(\$)(2)	Long-term Compensation	
		Salary(\$)	Bonus(\$)(1)		Securities Underlying Options	All Other Compensation(\$)
Walter F. Schneider(4) Former President and Chief Executive Officer	2006	\$300,000	\$ --	\$10,200	--	\$ --
	2005	284,181	96,000	10,200	100,000(8)	--
	2004	269,365	--	10,200	50,000(5)	--
Mark A. Koch(9) Treasurer and Principal Accounting Officer	2006	\$165,000	\$ --	\$ --	\$ --	\$ --
	2005	167,366	26,400	--	--	--
	2004	135,937	0	--	--	--
Thomas V. Gilboy(6) Former Chief Financial Officer	2006	\$ --	\$ --	\$ --	\$ --	\$ --
	2005	17,084	--	--	--	140,000(10)
	2004	206,519	--	--	--	--
Edward Ferris(7) Former Senior Vice President, Corporate and Organizational Development	2006	\$ --	\$ --	\$ --	\$ --	--
	2005	132,998	--	--	--	499,491(11)
	2004	199,149	--	53,250(3)	--	--

(1) The figures reported in the bonus column represent amounts earned and accrued for each year.

(2) The amounts in this column represent payments on behalf of Messrs. Schneider and Ferris related to company apartments for their use. Other than as disclosed herein, the aggregate amount of any perquisites or other personal benefits for any individual executive officer was less than \$50,000 or 10% of the total annual salary and bonus for such officer, and is therefore not included in the above table.

(3) With regard to Mr. Ferris, fiscal year 2004 amounts include an apportionment of reimbursements of part of the calendar year 2004 tax liability related to the use of the company apartments of \$21,300.

(4) Mr. Schneider was hired on September 18, 2000 and was appointed as President, Medical Systems Group on April 22, 2002, with an annual base salary of \$220,000. Effective October 10, 2003, Mr. Schneider became President and Chief Executive Officer, positions which he held until July 18, 2006.

(5) Includes nonqualified stock options granted on October 20, 2003. Such stock

options become exercisable immediately with an exercise price of \$2.10. They are exercisable through October 20, 2013.

(6) Mr. Gilboy was hired as Chief Financial Officer on February 27, 2001, at an annual base salary of \$180,000. Mr. Gilboy resigned from the Company on August 23, 2004.

(7) Mr. Ferris was hired as Senior Vice President, Corporate and Organizational Development on July 1, 2002, at an annual base salary of \$200,000. Mr. Ferris resigned from the Company on April 1, 2005.

(8) Includes nonqualified stock options granted on April 27, 2005. Such stock options become exercisable in increments of 25% per year with an exercise price of \$2.70. They are exercisable through April 27, 2015.

(9) Mark A. Koch served as the Company's Treasurer and Principal Accounting Officer until October 30, 2006.

(10) Includes \$140,000 paid pursuant to a separation agreement and release dated September 1, 2004 with Thomas Gilboy.

(11) Includes \$499,491 paid pursuant to a separation agreement and release dated September 1, 2004 with Edward Ferris.

The following options were granted in the fiscal year ended July 29, 2006 to the executive officers named in the Summary Compensation Table in this Proxy Statement:

OPTION GRANTS IN LAST FISCAL YEAR

Individual Grants

Name	Number of Securities Underlying Options/SARS Granted #	% of Total Options/SARS Granted to Employees in Fiscal Year(1)	Exercise or Base Price Per Share (\$/Sh)(2)	Expiration Date	Potential Realizable Value At Assumed Annual Rates of Stock Price Appreciation for Option Term(3)	
					5%(\$)	10%(\$)
Walter F. Schneider	--					
Mark A. Koch	--					
Thomas V. Gilboy	--					
Edward Ferris	--					

(1) Options to purchase an aggregate of 50,000 shares of Common Stock were granted to employees during the fiscal year ended July 29, 2006. The foregoing total excludes 50,000 options granted to non-employee directors.

(2) The exercise price per share of each option was equal to the quoted fair market value of the shares of Common Stock on the date of grant.

(3) The potential realizable value is calculated based on the term of the option at its time of grant. It is calculated by assuming that the stock price on the date of grant appreciates at the indicated annual rate, compounded annually for the entire term of the option and that the option is exercised and sold on the last day of its term for the appreciated stock price. The 5% and 10% rates

represent certain assumed rates of appreciation only, in accordance with the rules of the Commission, and do not reflect the Company's estimate or projection of future stock price performance. Actual gains, if any, are dependent on the actual further performance of the shares of Common Stock, and no gain to the

optionee is possible unless the stock price increases over the option term.

AGGREGATED OPTION EXERCISES IN LAST FISCAL YEAR AND
FISCAL YEAR-END OPTION VALUES

Name	Shares Acquired On Exercise (#)	Value Realized (\$)	Number Of Securities Underlying Unexercised Options At Fiscal Year-End		Value Of Unexercised In-The-Money Options At Fiscal Year-End(\$)(1)	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Walter F Schneider	--	--	158,500	--	\$97,400	\$ 5,625
Mark A. Koch	--	--	10,000	--	--	--
Thomas V. Gilboy	--	--	--	--	--	--
Edward Ferris	--	--	--	--	--	--

(1) Difference between the fair market value of the underlying Common Stock, \$2.70, and the exercise price for in-the-money options on July 29, 2006.

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EQUITY COMPENSATION PLAN INFORMATION

The following table provides information as of July 29, 2006 with respect to our shares of Common Stock that may be issued under our existing equity compensation plans:

Plan Category	(a) Number of Securities to be issued upon exercise of outstanding options, warrants and rights	(b) Weighted- average exercise price of outstanding options, warrants and rights	(c) Number of securities remaining available for future issuance under equity compensation plans(1)
EQUITY COMPENSATION PLANS APPROVED BY SECURITY HOLDERS:			
Stock Option Plan	1,545,996	\$ 3.93	425,002
EQUITY COMPENSATION PLANS NOT APPROVED BY SECURITY HOLDERS:			
Warrants issued in settlement of class action lawsuit(2)	940,370	\$ 1.50	Not applicable

(1) Excludes securities to be issued upon exercise of outstanding options, warrants and rights.

(2) Pursuant to our class action settlement with our shareholders concerning allegations that the Company had violated federal Securities laws, we issued 2.5 million shares of our Common Stock and one million warrants to purchase our Common Stock at \$2.00 per share. The issuance of these securities was pursuant to a court order issued in connection with the settlement of this class action lawsuit in January 2002, and therefore was exempt from the registration requirements of the Securities Act of 1933 pursuant to Section 3(a) (10) thereof. These warrants were originally set to expire in March 2008. In a motion filed in February 2004, a plaintiff class claimed damages due to Del Global's failure to timely complete a registration statement for

the shares of Common Stock issuable upon exercise of these warrants. The class sought damages of \$1.25 million together with interest and costs, and a declaration that \$2 million in subordinated notes issued as part of the 2002 class action settlement were immediately due and payable. In settlement of this matter, Del Global modified the exercise, or "strike," price of the warrants issued in 2002 from \$2.00 to \$1.50 per share, and extended the expiration date of such warrants by one year to March 28, 2009.

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EMPLOYMENT AGREEMENTS

SEPARATION AGREEMENTS WITH CERTAIN FORMER EXECUTIVE OFFICERS.

WALTER F. SCHNEIDER AND MARK A. KOCH

Walter F. Schneider served as the Company's Chief Executive Officer until July 18, 2006.

Mark A. Koch served as the Company's Treasurer and Principal Accounting Officer until October 30, 2006.

On July 18, 2006, Walter F. Schneider voluntarily resigned as President and Chief Executive Officer of the Company, as well as a director of the Company, effective July 21, 2006. On July 24, 2006, the Company entered into a Separation Agreement and General Release dated as July 24, 2006, (the "Schneider Separation Agreement") with Mr. Schneider. This summary of the Schneider Separation Agreement does not purport to be complete and is subject to and qualified in its entirety by reference to the actual text of such agreement. The Schneider Separation Agreement was filed as Exhibit 99.01 to Company's Current Report on Form 8-K filed on July 24, 2006. The Schneider Separation Agreement provides for a payment of one (1) year's base salary payable pro-rata over 12 months by the Company to Mr. Schneider; provided, however, that in the event the Company sells any of its assets for cash and such sale results in net cash proceeds to the Company of at least \$5.0 million, then the Company shall pay to Mr. Schneider any balance outstanding of the severance payment within ten (10) days after receipt by the Company of such net cash proceeds from such asset sale. Mr. Schneider agreed to release and discharge the Company, as more fully described in the Schneider Separation Agreement.

The Schneider Separation Agreement supersedes a certain former Severance Benefits Agreement, dated May 23, 2005, between the Company and Mr. Schneider except that the terms and conditions of Article IV of the former Severance Benefits Agreement which concern obligations with respect to Company confidential information and trade secrets, survive and remain in full force and effect.

The Company entered into a Separation Agreement and General Release dated as of September 7, 2006, (the "Koch Separation Agreement") with Mark A. Koch, the Company's former Principal Accounting Officer. This summary of the Koch Separation Agreement does not purport to be complete and is subject to and qualified in its entirety by reference to the actual text of such agreement. The Koch Separation Agreement was filed as Exhibit 99.01 to the Company's Current Report on Form 8-K filed on September 7, 2006. The Koch Separation Agreement provides that Mr. Koch's last day of employment with the Company will be the first business day following the filing by the Company with the SEC of its Annual Report on Form 10-K for the fiscal year ending July 29, 2006, but in no event later than November 30, 2006, unless mutually agreed in writing by the parties (the "Termination Date"). The Separation Agreement also provides for a payment of one (1) year's base salary payable pro-rata over 12 months by the Company to Mr. Koch commencing with the first pay-day following the Termination Date; provided, however, that in the event the Company sells any of its assets or the assets of any of its U.S. Subsidiaries for cash and such sale results in

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net cash proceeds to the Company of at least \$5.0 million, then the Company shall pay to Mr. Koch any balance outstanding of the severance payment within ten (10) days after receipt by the Company of such net cash proceeds from such asset sale. Mr. Koch agreed to release and discharge the Company, as more fully described in the Koch Separation Agreement. Pursuant to the Koch Separation Agreement, Mr. Koch's last day of employment with the Company was October 30, 2006.

The Koch Separation Agreement supersedes a certain former Severance Benefits Agreement, dated May 23, 2005, between the Company and Mr. Koch, except that the terms and conditions of Article IV of the former Severance Benefits

Agreement which concern obligations with respect to Company confidential information and trade secrets, survive and remain in full force and effect.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Not applicable.

STOCK OPTIONS AND COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION.

The Compensation Committee consists of Merrill A. McPeak as Chairman, James A. Risher and James R. Henderson. Other than Mr. Risher, who was appointed Interim Chief Executive Officer on July 22, 2006, none of these individuals was at any time during the fiscal year ended July 29, 2006 or at any other time one of our officers or employees. None of our executive officers serves as a member of the board of directors or the compensation committee of any other entity which has one or more executive officers serving as a member of our Board of Directors or Compensation Committee.

REPORT OF THE STOCK OPTION AND COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS

The Stock Option and Compensation Committee of the Board of Directors generally determines our executive compensation policies. Presently, the Compensation Committee consists of Merrill A. McPeak as Chairman, James A. Risher and James R. Henderson. After evaluating our performance and the performance of our executive officers, the Compensation Committee recommended, and the Board of Directors subsequently ratified, the fiscal 2006 year end bonus levels for the executive officers of the Company. Set forth below is a report submitted by the Compensation Committee of the Board of Directors addressing our compensation policies for the fiscal year ended July 29, 2006 as they affected our executive officers.

COMPENSATION PHILOSOPHY

The goals of the executive compensation program are to attract, retain and award executive officers that contribute to our success. Compensation opportunities are aligned with our business objectives. The compensation programs are designed to motivate executive officers to meet annual corporate objectives and performance goals and enhance long-term shareholder value.

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Working with the Company in designing and administering the executive compensation program, the Compensation Committee strives to balance short and long-term incentive objectives and use prudent judgment in establishing objectives and performance criteria, evaluating performance and determining actual incentive awards. The Compensation Committee believes that stock ownership by executive officers is beneficial in aligning the common interests of management and shareholders to enhance shareholder value.

COMPONENTS OF EXECUTIVE COMPENSATION

The three components of our executive compensation program are base salary, annual bonus and stock option grants. These three elements are structured by the Compensation Committee to cumulatively provide our executive officers with levels of total compensation consistent with our executive compensation philosophy described above.

Our executive salary levels are intended to be consistent with competitive salary levels and job responsibilities of each executive. Salary increases reflect competitive and economic trends, our overall financial performance and the performance of the individual executive.

RELATIONSHIP OF COMPANY PERFORMANCE TO EXECUTIVE COMPENSATION

The Compensation Committee takes into account the executives' performance in special projects undertaken during the past fiscal year, contribution to improvements in our financial situation, development of new products, marketing strategies, manufacturing efficiencies and other factors. During the last year, the Compensation Committee focused particularly on progress with respect to improvement in the Company's working capital management, progress with respect to returning the Company to profitability and the development of a long-term strategic plan for the Company that provides a platform for growth and a return to shareholders.

Satisfaction of certain performance criteria (including initiative, contribution to overall corporate performance and managerial ability) is

evaluated after informal discussions with other members of the Board and, for all of the executives other than the Chief Executive Officer, after discussions with the Chief Executive Officer.

COMPENSATION OF CHIEF EXECUTIVE OFFICER

Walter Schneider was appointed Chief Executive Officer of the Company on October 10, 2003 at an annual base salary of \$275,000. Mr. Schneider's annual base salary for the fiscal year ended July 29, 2006 was \$300,000. The Compensation Committee believes that Mr. Schneider's salary was reasonable and consistent with competitive salary levels. Pursuant to the Company's Fiscal 2006 Senior Management Incentive Plan discussed below, the amount of Mr. Schneider's annual bonus was based primarily on the Company's achievement of financial targets in its operating plan and, secondarily, on Mr. Schneider's management abilities in directing the Company's progress with respect to its previously announced legal, regulatory and financial reporting matters as well as continuing to develop the Company's business.

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COMPENSATION OF EXECUTIVE OFFICERS

In addition to the factors mentioned above, the Compensation Committee's general approach in setting executive officer compensation is to seek to be competitive with other companies in our industry and to get the best talent for the management position. In determining bonuses, the Compensation Committee reviews the Company's performance as a whole as well as each executive officer's achievement.

On December 19, 2005, the Board of Directors of the Company adopted the Fiscal 2006 Senior Management Incentive Plan (the "2006 Plan") formally to provide incentives to senior management of the Company and its subsidiaries, including certain of the Company's executive officers, in the form of incentive payments for achieving certain performance goals established for them. Participants in the 2006 Plan who are executive officers of the Company included Walter F. Schneider, President and Chief Executive Officer of the Company and Mark A. Koch, Principal Accounting Officer, Treasurer and Secretary of the Company. No other executive officers of the Company participated in the 2006 Plan.

Under the 2006 Plan, a specific pre-defined revenue goal (the "Incentive Plan Goal") and individual performance standards must have been attained in order for participants to qualify for incentive payments. The amount of a participant's payout under the 2006 Plan was determined as a percentage of the participant's annual base salary (the "Incentive Percentage"), with the Incentive Percentage being different depending upon the participant's level within the organization. Incentive Percentages for participants under the 2006 Plan range from 10% to 40% of the participant's annual base salary. The amount of a participant's payment under the 2006 Plan is subject to proportional adjustment in the event actual results are at least 90% of the Incentive Plan Goal, and in the event that actual results exceed the Incentive Plan Goal (with a maximum payment of 1.5 times an employee's Incentive Percentage). If the actual results were less than 90% of the Incentive Plan Goal, then no payments would be made under the 2006 Plan.

The maximum Incentive Percentage that could have been earned by Mr. Schneider under the 2006 Plan was 40%, and the corresponding maximum incentive payment under the 2006 Plan for Mr. Schneider was \$120,000. The maximum Incentive Percentage that could have been earned by Mr. Koch under the 2006 Plan was 30%, and the corresponding maximum incentive payment under the 2006 Plan for Mr. Koch was \$49,500.

There were no incentive payments awarded to the executive officers of the Company under the 2006 Plan.

On December 19, 2005, the Board of Directors of the Company approved an Incremental Executive Incentive Plan (the "Incremental Plan") for Mr. Schneider for the 2006 fiscal year. Under the Incremental Plan, Mr. Schneider would be paid \$20,000 for each \$2 million of gross revenue that the Company recognizes in the 2006 fiscal year over a certain revenue budget goal set for the year. The maximum payment to Mr. Schneider under the Incremental Plan was \$120,000. Eligibility to receive such payments was contingent upon the Company maintaining or exceeding a certain consolidated gross margin target throughout the 2006 fiscal year.

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There were no incentive payments awarded to the executive officers of the

Company under the Incremental Plan.

Stock options are awarded to the executives by the Compensation Committee. In determining the size of option awards for a particular executive officer, the Compensation Committee considers the amount of stock options previously awarded to other executive officers in a like position, the amount of unexercised stock options held by such executive in addition to the other compensation considerations discussed above.

The Compensation Committee feels that actions taken regarding executive compensation are appropriate in view of the individual and corporate performance.

In the event total compensation for any named executive officer exceeds the \$1 million threshold at which tax deductions are limited under Internal Revenue Code Section 162(m), the Compensation Committee intends to balance tax deductibility of executive compensation with its responsibility to retain and motivate executives with competitive compensation programs. As a result, the Compensation Committee may take such actions as it deems to be in the best interests of the shareholders, including: (i) provide non-deductible compensation above the \$1 million threshold; (ii) require deferral of a portion of the bonus or other compensation to a time when payment may be deductible by the Company; and/or (iii) modify existing programs to qualify bonuses and other performance-based compensation to be exempt from the deduction limit.

The information contained in this report by the Compensation Committee shall not be deemed to be "soliciting material" or "filed" or incorporated by reference in future filings with the Commission, or subject to the liabilities of Section 18 of the Exchange Act, except to the extent that the Company specifically incorporates it by reference into a document filed under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act.

General Merrill A. McPeak (Chair)
James A. Risher
James R. Henderson

PERFORMANCE GRAPH

The following graph compares the yearly percentage change in the cumulative shareholder return on the Common Stock with The Nasdaq Market Index and the peer group index for the Standard Industrial Classification Code ("SIC Code") 3844 for the period commencing July 27, 2001 and ending July 28, 2006. The peer group for SIC Code 3844 (X-Ray Apparatus and Tubes) consists of 3 companies and includes: American Science Engineering Inc., Hologic Inc., and Sirona Dental Systems, Inc. The graph assumes that \$100 was invested on July 27,

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2001 in the Common Stock and in each of the other indices and assumes monthly reinvestment of all dividends.

COMPARISON OF CUMULATIVE TOTAL RETURN OF ONE OR MORE COMPANIES, PEER GROUPS, INDUSTRY INDEXES AND/OR BROAD MARKETS

COMPANY/INDEX/MARKET	FISCAL YEAR ENDING					
	7/27/2001	8/03/2002	8/02/2003	7/31/2004	7/30/2005	7/29/2006
DEL GLOBAL TECH CORP	100.00	242.31	173.08	200.00	208.38	130.77
X-RAY APPARATUS & TUBES	100.00	266.96	232.15	301.83	433.68	752.72
NASDAQ US ONLY	100.00	67.71	87.61	97.65	112.47	111.32

This stock price performance graph shall not be deemed to be "soliciting material" or "filed" or incorporated by reference in future filings with the Commission, or subject to the liabilities of Section 18 of the Exchange Act, except to the extent that the Company specifically incorporates it by reference into a document filed under the Securities Act or the Exchange Act.

INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS

The Audit Committee selects our independent registered public accountants. BDO Seidman, LLP served as the Company's independent registered public accountant for the fiscal year ended July 29, 2006.

It is anticipated that a representative of BDO Seidman, LLP will be present at the Meeting. Such representative will be afforded an opportunity to make a statement at the Meeting if he so desires and he will be available to respond to appropriate questions from shareholders during the Meeting.

AUDIT FEES

The aggregate fees billed by BDO Seidman, LLP for professional services rendered for the audit of our annual financial statements set forth in our Annual Report on Form 10-K for the fiscal years ended July 29, 2006 and July 30, 2005 and for the reviews of the interim financial statements included in our Quarterly Reports on Form 10-Q for those fiscal years were \$277,000, and \$250,000, respectively.

AUDIT-RELATED FEES

There were no fees billed by BDO Seidman, LLP for Audit-Related services for the fiscal years ended July 29, 2006 and July 30, 2005.

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TAX FEES

The aggregate fees billed by BDO Seidman, LLP for tax services for the fiscal years ended July 29, 2006 and July 30, 2005 were \$139,737 and \$78,445, respectively. In both fiscal years, these fees related to tax planning and consulting work.

ALL OTHER FEES

There were no fees for other professional services rendered during the fiscal years ended July 29, 2006 or July 30, 2005.

The Audit Committee's policy is to pre-approve services to be performed by the Company's independent registered public accountants in the categories of audit services, audit-related services, tax services and other services. Additionally, the Audit Committee will consider on a case-by-case basis and, if appropriate, approve specific engagements that are not otherwise pre-approved. The Audit Committee has approved all fees and advised us that it has determined that the non-audit services rendered by BDO Seidman, LLP during our most recent fiscal year are compatible with maintaining the independence of such auditors.

AUDIT COMMITTEE REPORT

The Audit Committee operates pursuant to a written charter adopted by the Board of Directors.

The role of the Audit Committee is to assist the Board of Directors in its oversight of our financial reporting process, as more fully described in this proxy statement. As set forth in the Charter, our management is responsible for the preparation, presentation and integrity of our financial statements, our accounting and financial reporting principles and internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. Our independent auditors are responsible for auditing our financial statements and expressing an opinion as to their conformity with generally accepted accounting principles.

In the performance of its oversight function, the Audit Committee has reviewed and discussed the audited financial statements with the management of the Company and has discussed matters required to be discussed by SAS 61 (Codification of Statements on Auditing Standards, AU Section 380), as modified or supplemented, with BDO Seidman, LLP, the Company's independent auditors for the fiscal year ended July 29, 2006. The Audit Committee has received the written disclosures and the letter from BDO Seidman, LLP, as required by the Independence Standards Board Standard No. 1, Independence Discussions with Audit Committees, as modified or supplemented, and has discussed with BDO Seidman, LLP the independence of BDO Seidman, LLP. The Audit Committee also considered whether BDO Seidman, LLP's non-audit services, including tax planning and consulting, are compatible with maintaining BDO Seidman, LLP's independence.

Based upon the reports and discussions described in this report, and subject to the limitations on the role and responsibilities of the Audit

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to the Board of Directors that the audited financial statements be included in our Annual Report on Form 10-K for the year ended July 29, 2006, as amended by Amendment No. 1 thereto, filed with the Commission.

SUBMITTED BY THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

Gerald M. Czarnecki (Chair)
General Merrill A. McPeak

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ANNUAL REPORT

All shareholders of record as of the Record Date have been sent, or are concurrently herewith being sent, a copy of the Company's 2006 Annual Report (without exhibits) and the 2006 Amendment (without exhibits) which contains certified financial statements of the Company for the fiscal year ended July 29, 2006.

ANY STOCKHOLDER OF THE COMPANY MAY OBTAIN WITHOUT CHARGE A COPY OF THE COMPANY'S 2006 ANNUAL REPORT AND THE 2006 AMENDMENT, INCLUDING THE COMPANY'S CERTIFIED FINANCIAL STATEMENTS AND ANY EXHIBITS, UPON REQUEST, BY WRITING TO THE CORPORATE SECRETARY, DEL GLOBAL TECHNOLOGIES CORP., 11550 WEST KING STREET, FRANKLIN PARK, ILLINOIS 60131.

STOCKHOLDER PROPOSALS

DEADLINE FOR RECEIPT OF STOCKHOLDER PROPOSALS

Stockholder proposals that are intended to be presented at the Company's 2008 annual meeting of shareholders must be received by the Company at the Company's principal executive office located at 11550 West King Street, Franklin Park, Illinois 60131 no later than October 29, 2007 in order to be included in the proxy statement for that meeting. Stockholders wishing to nominate directors or bring a proposal before the 2007 annual meeting of shareholders (but not include it in the Company's proxy material) must provide written notice of such nomination or proposal to the attention of the corporate secretary, no later than November 28, 2007.

DISCRETIONARY VOTING AUTHORITY

On May 21, 1998, the SEC adopted an amendment to Rule 14a-4, as promulgated under the Exchange Act. The amendment to Rule 14a-4(c)(1) governs the Company's use of its discretionary proxy voting authority with respect to a shareholder proposal that is not addressed in the Company's proxy statement. This amendment provides that if the Company does not receive notice of a proposal at least 45 days prior to the first anniversary of the date of mailing of the prior year's proxy statement, then the Company will be permitted to use its discretionary voting authority when the proposal is raised at the annual meeting, without any discussion of the matter in the proxy statement. The date by which such notice must be received by the Company for the 2008 annual meeting is January 12, 2008. If during the prior year the Company did not hold an annual meeting, or if the date of the annual meeting has changed more than 30 days from the prior year, then notice must not have been received a reasonable time before the Company mails its proxy materials in order for the Company to be allowed to use its discretionary voting authority when the proposal is raised.

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MATTERS TO BE CONSIDERED AT THE ANNUAL MEETING

As of the date of this Proxy Statement, management knows of no matters other than those set forth herein which will be presented for consideration at

the Meeting. If any other matters properly come before the Meeting, or any continuation of the Meeting pursuant to adjournment or postponement thereof, it is the intention of the persons named in the enclosed form of proxy to vote the shares they represent as the Board may recommend.

BY ORDER OF THE BOARD OF DIRECTORS

James A. Risher
President and Chief Executive Officer

February 26, 2007

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THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

DEL GLOBAL TECHNOLOGIES CORP.

PROXY -- ANNUAL MEETING OF STOCKHOLDERS
MARCH 20, 2007

The undersigned, a shareholder of Del Global Technologies Corp., a New York corporation (the "Company"), does hereby appoint Mark A. Zorko and James A. Risher and each of them (with full power to act alone), the true and lawful attorneys and proxies with full power of substitution, for and in the name, place and stead of the undersigned, to vote all of the shares of Common Stock of the Company which the undersigned would be entitled to vote if personally present at the 2007 Annual Meeting of Stockholders of the Company to be held at the principal executive offices of Del Global Technologies Corp., 11550 West King Street, Franklin Park, Illinois 60131 on March 20, 2007 at 10 a.m., central time, or at any adjournment or postponement thereof.

The undersigned hereby revokes any proxy or proxies heretofore given and acknowledges receipt of a copy of the Notice of Annual Meeting and Proxy Statement, both dated February 26, 2007, and a copy of the Company's Annual Report on Form 10-K and Amendment No. 1 thereto for the fiscal year ended July 29, 2006.

THIS PROXY WILL BE VOTED IN ACCORDANCE WITH ANY DIRECTIONS HEREIN GIVEN. UNLESS OTHERWISE SPECIFIED, THIS PROXY WILL BE VOTED TO ELECT THE COMPANY'S FOUR (4) NOMINEES FOR DIRECTOR, TO APPROVE THE COMPANY'S 2007 INCENTIVE STOCK PLAN AND TO RATIFY THE APPOINTMENT OF BDO SEIDMAN, LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS.

THE BOARD OF DIRECTORS RECOMMENDS
A VOTE FOR PROPOSALS 1, 2 AND 3

1. ELECTION OF DIRECTORS:

The election of the following nominees to the Board of Directors, to serve until the 2008 Annual Meeting of Stockholders and until their respective successors are elected and shall qualify:

GERALD M. CZARNECKI
JAMES R. HENDERSON
GENERAL MERRILL A. McPEAK
JAMES A. RISHER

FOR ALL WITHHOLD AUTHORITY
NOMINEES _____ TO VOTE FOR ALL
NOMINEES _____

TO WITHHOLD AUTHORITY TO
VOTE FOR ANY INDIVIDUAL
NOMINEE(S),
PRINT NAME(S) ABOVE.

2. TO APPROVE THE COMPANY'S 2007 INCENTIVE STOCK PLAN:

_____ FOR _____ AGAINST _____ ABSTAIN

3. TO RATIFY THE APPOINTMENT OF BDO SEIDMAN, LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS OF THE COMPANY FOR THE FISCAL YEAR ENDING JULY 31, 2007:

_____ FOR _____ AGAINST _____ ABSTAIN

4. DISCRETIONARY AUTHORITY:

In their discretion, the proxies are authorized to vote upon such other and further business as may properly come before the meeting.

THIS PROXY WILL BE VOTED IN ACCORDANCE WITH ANY DIRECTIONS HEREINBEFORE GIVEN. UNLESS OTHERWISE SPECIFIED, THIS PROXY WILL BE VOTED TO ELECT THE FOUR (4) NOMINEES AS DIRECTORS, TO APPROVE THE COMPANY'S 2007 INCENTIVE STOCK PLAN AND TO RATIFY THE APPOINTMENT OF BDO SEIDMAN, LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS.

The undersigned hereby revokes any proxy or proxies heretofore given, and ratifies and confirms all action the herein named attorneys and proxies, or any of them, or their substitutes, may lawfully take or cause to be taken by virtue hereof.

Dated _____, 2007

_____ (L.S.)

_____ (L.S.)

Signature(s)

NOTE: PLEASE SIGN EXACTLY AS YOUR NAME OR NAMES APPEAR HEREON. WHEN SIGNING AS ATTORNEY, EXECUTOR, ADMINISTRATOR, TRUSTEE OR GUARDIAN, PLEASE INDICATE THE CAPACITY IN WHICH SIGNING. WHEN SIGNING AS JOINT TENANTS, ALL PARTIES IN THE JOINT TENANCY MUST SIGN. WHEN A PROXY IS GIVEN BY A CORPORATION, IT SHOULD BE SIGNED WITH FULL CORPORATE NAME BY A DULY AUTHORIZED OFFICER WITH THE CORPORATE SEAL AFFIXED.

PLEASE MARK, DATE, SIGN AND MAIL THIS PROXY IN THE ENVELOPE PROVIDED FOR THIS PURPOSE. NO POSTAGE IS REQUIRED IF MAILED IN THE UNITED STATES.

MARK HERE FOR ADDRESS CHANGE AND NOTE BELOW

EXHIBIT A

DEL GLOBAL TECHNOLOGIES CORP.

2007 INCENTIVE STOCK PLAN

1. PURPOSE OF THE PLAN.

This 2007 Incentive Stock Plan (the "Plan") is intended as an incentive, to retain in the employ of and as directors, officers, consultants, advisors and employees to Del Global Technologies Corp., a New York corporation (the "Company"), and any Subsidiary of the Company, within the meaning of Section 424(f) of the United States Internal Revenue Code of 1986, as amended (the "Code"), persons of training, experience and ability, to attract new directors, officers, consultants, advisors and employees whose services are considered valuable, to encourage the sense of proprietorship and to stimulate the active interest of such persons in the development and financial success of the Company

and its Subsidiaries.

It is further intended that certain options granted pursuant to the Plan shall constitute incentive stock options within the meaning of Section 422 of the Code (the "Incentive Options") while certain other options granted pursuant to the Plan shall be nonqualified stock options (the "Nonqualified Options"). Incentive Options and Nonqualified Options are hereinafter referred to collectively as "Options."

The Company intends that the Plan meet the requirements of Rule 16b-3 ("Rule 16b-3") promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and that transactions of the type specified in subparagraphs (c) to (f) inclusive of Rule 16b-3 by officers and directors of the Company pursuant to the Plan will be exempt from the operation of Section 16(b) of the Exchange Act. Further, the Plan is intended to satisfy the performance-based compensation exception to the limitation on the Company's tax deductions imposed by Section 162(m) of the Code with respect to those Options for which qualification for such exception is intended. In all cases, the terms, provisions, conditions and limitations of the Plan shall be construed and interpreted consistent with the Company's intent as stated in this Section 1.

2. ADMINISTRATION OF THE PLAN.

The Board of Directors of the Company (the "Board") shall appoint and maintain as administrator of the Plan a Committee (the "Committee") consisting of two or more directors who are "Non-Employee Directors" (as such term is defined in Rule 16b-3) and "Outside Directors" (as such term is defined in Section 162(m) of the Code), which shall serve at the pleasure of the Board. The Committee, subject to Sections 3, 5 and 6 hereof, shall have full power and authority to designate recipients of Options and restricted stock ("Restricted Stock") and to determine the terms and conditions of the respective Option and Restricted Stock agreements (which need not be identical) and to interpret the provisions and supervise the administration of the Plan. The Committee shall have the authority, without limitation, to designate which Options granted under the Plan shall be Incentive Options and which shall be Nonqualified Options. To the extent any Option does not qualify as an Incentive Option, it shall constitute a separate Nonqualified Option.

Subject to the provisions of the Plan, the Committee shall interpret the Plan and all Options and Restricted Stock granted under the Plan, shall make such rules as it deems necessary for the proper administration of the Plan, shall make all other determinations necessary or advisable for the administration of the Plan and shall correct any defects or supply any omission or reconcile any inconsistency in the Plan or in any Options or Restricted Stock granted under the Plan in the manner and to the extent that the Committee deems desirable to carry into effect the Plan or any Options or Restricted Stock. The act or determination of a majority of the Committee shall be the act or determination of the Committee and any decision reduced to writing and signed by all of the members of the Committee shall be fully effective as if it had been made by a majority at a meeting duly held. Subject to the provisions of the Plan, any action taken or determination made by the Committee pursuant to this and the other Sections of the Plan shall be conclusive on all parties.

In the event that for any reason the Committee is unable to act or if the Committee at the time of any grant, award or other acquisition under the Plan does not consist of two or more Non-Employee Directors, or if there shall be no such Committee, then the Plan shall be administered by the Board, and references herein to the Committee (except in the proviso to this sentence) shall be deemed to be references to the Board, and any such grant, award or other acquisition may be approved or ratified in any other manner contemplated by subparagraph (d) of Rule 16b-3; provided, however, that grants to the Company's Chief Executive Officer or to any of the Company's other four most highly compensated officers that are intended to qualify as performance-based compensation under Section 162(m) of the Code may only be granted by the Committee.

3. DESIGNATION OF OPTIONEES AND GRANTEEES.

The persons eligible for participation in the Plan as recipients of Options (the "Optionees") or Restricted Stock (the "Grantees" and together with Optionees, the "Participants") shall include directors, officers and employees of the Company and consultants subject to their meeting the eligibility requirements of Rule 701 promulgated under the Securities Act of 1933, as amended (the "Securities Act"), provided that Incentive Options may only be granted to employees of the Company and any Subsidiary. In selecting Participants, and in determining the number of shares to be covered by each Option or shares of Restricted Stock granted to Participants, the Committee may consider any factors it deems relevant, including without limitation, the office or position held by the Participant or the Participant's relationship to the Company, the Participant's degree of responsibility for and contribution to the growth and success of the Company or any Subsidiary, the Participant's length of service, promotions and potential. A Participant who has been granted an Option or Restricted Stock hereunder may be granted an additional Option or Options, or

Restricted Stock if the Committee shall so determine.

4. STOCK RESERVED FOR THE PLAN.

Subject to adjustment as provided in Section 8 hereof, a total of 1,000,000 shares of the Company's Common Stock, par value \$0.10 per share (the "Stock"), shall be subject to the Plan. The maximum number of shares of Stock

that may be subject to Options granted under the Plan to any individual in any calendar year shall not exceed 200,000 shares and the method of counting such shares shall conform to any requirements applicable to performance-based compensation under Section 162(m) of the Code, if qualification as performance-based compensation under Section 162(m) of the Code is intended. The shares of Stock subject to the Plan shall consist of unissued shares, treasury shares or previously issued shares held by any Subsidiary of the Company, and such amount of shares of Stock shall be and is hereby reserved for such purpose. Any of such shares of Stock that may remain unissued and that are not subject to outstanding Options at the termination of the Plan shall cease to be reserved for the purposes of the Plan, but until termination of the Plan the Company shall at all times reserve a sufficient number of shares of Stock to meet the requirements of the Plan. Should any Option or share of Restricted Stock expire or be canceled prior to its exercise or vesting in full or should the number of shares of Stock to be delivered upon the exercise or vesting in full of an Option or share of Restricted Stock be reduced for any reason, the shares of Stock theretofore subject to such Option or share of Restricted Stock may be subject to future Options or shares of Restricted Stock under the Plan, except where such reissuance is inconsistent with the provisions of Section 162(m) of the Code where qualification as performance-based compensation under Section 162(m) of the Code is intended.

5. TERMS AND CONDITIONS OF OPTIONS.

Options granted under the Plan shall be subject to the following conditions and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Committee shall deem desirable:

(a) OPTION PRICE. The purchase price of each share of Stock purchasable under an Incentive Option shall be determined by the Committee at the time of grant, but shall not be less than 100% of the Fair Market Value (as defined below) of such share of Stock on the date the Option is granted; provided, however, that with respect to an Optionee who, at the time such Incentive Option is granted, owns (within the meaning of Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of stock of the Company or of any Subsidiary, the purchase price per share of Stock shall be at least 110% of the Fair Market Value per share of Stock on the date of grant. The purchase price of each share of Stock purchasable under a Nonqualified Option shall not be less than 100% of the Fair Market Value of such share of Stock on the date the Option is granted. The exercise price for each Option shall be subject to adjustment as provided in Section 8 below. "Fair Market Value" means the closing price on the date of grant on the principal securities exchange on which shares of Stock are listed (if the shares of Stock are so listed), or on the NASDAQ Stock Market (if the shares of Stock are regularly quoted on the NASDAQ Stock Market), or, if not so listed or regularly quoted, the mean between the closing bid and asked prices of publicly traded shares of Stock in the over the counter market, or, if such bid and asked prices shall not be available, as reported by any nationally recognized quotation service selected by the Company, or as determined by the Committee in a manner consistent with the provisions of the Code. Anything in this Section 5(a) to the contrary notwithstanding, in no event shall the purchase price of a share of Stock be less than the minimum price permitted under the rules and policies of any national securities exchange on which the shares of Stock are listed.

(b) OPTION TERM. The term of each Option shall be fixed by the Committee, but no Option shall be exercisable more than ten years after the date such Option is granted and in the case of an Incentive Option granted to an Optionee who, at the time such Incentive Option is granted, owns (within the meaning of Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of stock of the Company or of any Subsidiary, no such Incentive Option shall be exercisable more than five years after the date such Incentive Option is granted.

(c) EXERCISABILITY. Subject to Section 5(j) hereof, Options shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee at the time of grant; provided, however, that in the absence of any Option vesting periods designated by the Committee at the time of grant, Options shall vest and become exercisable as to one-quarter of the total amount of shares subject to the Option on each of the first, second, third and fourth anniversaries of the date of grant; and provided further that no Options shall be exercisable until such time as any vesting limitation required by Section 16 of the Exchange Act, and related rules, shall

be satisfied if such limitation shall be required for continued validity of the exemption provided under Rule 16b-3(d)(3).

For purposes of the Plan, a Change in Control shall be deemed to have occurred if:

(i) An acquisition (other than directly from the Company) of any voting securities of the Company (the "Voting Securities") by any "Person" (as the term "person" is used for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), immediately after which such Person has "Beneficial Ownership" (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than fifty percent (50%) of (1) the then-outstanding shares of common stock of the Company (or any other securities into which such shares of common stock are changed or for which such shares of common stock are exchanged) (the "Shares") or (2) the combined voting power of the Company's then-outstanding Voting Securities; PROVIDED, HOWEVER, that in determining whether a Change in Control has occurred pursuant to this paragraph (a), the acquisition of Shares or Voting Securities in a "Non-Control Acquisition" (as hereinafter defined) shall not constitute a Change in Control. A "Non-Control Acquisition" shall mean an acquisition by (i) an employee benefit plan (or a trust forming a part thereof) maintained by (A) the Company or (B) any corporation or other Person the majority of the voting power, voting equity securities or equity interest of which is owned, directly or indirectly, by the Company (for purposes of this definition, a "Related Entity"), (ii) the Company or any Related Entity, or (iii) any Person in connection with a "Non-Control Transaction" (as hereinafter defined);

(ii) The individuals who, as of the Effective Date, are members of the board of directors of the Company (the "Incumbent Board"), cease for any reason to constitute at least a majority of the members of the board of directors of the Company or, following a Merger (as hereinafter defined), the board of directors of (x) the corporation resulting from such Merger (the "Surviving Corporation"), if fifty percent (50%) or more of the combined voting power of the then-outstanding voting securities of the Surviving Corporation is not Beneficially Owned, directly or indirectly, by another Person (a "Parent Corporation") or (y) if there is one or more than one Parent Corporation, the ultimate Parent Corporation; PROVIDED, HOWEVER, that, if the election, or nomination for election by the Company's common stockholders, of any new

director was approved by a vote of at least two-thirds of the Incumbent Board, such new director shall, for purposes of the Plan, be considered a member of the Incumbent Board; and PROVIDED, further, HOWEVER, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of an actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the board of directors of the Company (a "Proxy Contest"), including by reason of any agreement intended to avoid or settle any Proxy Contest; or

(iii) The consummation of:

(a) A merger, consolidation or reorganization (1) with or into the Company or (2) in which securities of the Company are issued (a "Merger"), unless such Merger is a "Non-Control Transaction." A "Non-Control Transaction" shall mean a Merger in which:

(i) the stockholders of the Company immediately before such Merger own directly or indirectly immediately following such Merger at least fifty percent (50%) of the combined voting power of the outstanding voting securities of (x) the Surviving Corporation, if there is no Parent Corporation or (y) if there is one or more than one Parent Corporation, the ultimate Parent Corporation;

(ii) the individuals who were members of the Incumbent Board immediately prior to the execution of the agreement providing for such Merger constitute at least a majority of the members of the board of directors of (x) the Surviving Corporation, if there is no Parent Corporation, or (y) if there is one or more than one Parent Corporation, the ultimate Parent Corporation; and

(iii) no Person other than (1) the Company, (2) any Related Entity, or (3) any employee benefit plan (or any trust forming a part thereof) that, immediately prior to the Merger, was maintained by the Company or any Related Entity, or (4) any Person who, immediately prior to the Merger had Beneficial Ownership of twenty percent (20%) or more of the then outstanding Shares or Voting Securities, has Beneficial Ownership, directly or indirectly, of twenty percent (20%) or more of the combined voting power of the outstanding voting securities or common stock of (x) the Surviving Corporation, if fifty percent (50%) or more of the combined voting power of

the then outstanding voting securities of the Surviving Corporation is not Beneficially Owned, directly or indirectly by a Parent Corporation, or (y) if there is one or more than one Parent Corporation, the ultimate Parent Corporation;

(b) A complete liquidation or dissolution of the

Company; or

(c) The sale or other disposition of all or

substantially all of the assets of the Company and its subsidiaries taken as a whole to any Person (other than (x) a transfer to a Related Entity, (y) a

transfer under conditions that would constitute a Non-Control Transaction, with the disposition of assets being regarded as a Merger for this purpose or (z) the distribution to the Company's stockholders of the stock of a Related Entity or any other assets).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the then outstanding Shares or Voting Securities as a result of the acquisition of Shares or Voting Securities by the Company which, by reducing the number of Shares or Voting Securities then outstanding, increases the proportional number of shares Beneficially Owned by the Subject Persons; PROVIDED, that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Shares or Voting Securities by the Company and, after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Shares or Voting Securities and such Beneficial Ownership increases the percentage of the then outstanding Shares or Voting Securities Beneficially Owned by the Subject Person, then a Change in Control shall occur.

(d) METHOD OF EXERCISE. Options to the extent then exercisable may be exercised in whole or in part at any time during the option period, by giving written notice to the Company specifying the number of shares of Stock to be purchased, accompanied by payment in full of the purchase price, in cash, or by check or such other instrument as may be acceptable to the Committee. As determined by the Committee, in its sole discretion, at or after grant, payment in full or in part may be made at the election of the Optionee (i) in the form of Stock owned by the Optionee (based on the Fair Market Value of the Stock) which is not the subject of any pledge or security interest, (ii) in the form of shares of Stock withheld by the Company from the shares of Stock otherwise to be received with such withheld shares of Stock having a Fair Market Value equal to the exercise price of the Option, or (iii) by a combination of the foregoing, such Fair Market Value determined by applying the principles set forth in Section 5(a), provided that the combined value of all cash and cash equivalents and the Fair Market Value of any shares surrendered to the Company is at least equal to such exercise price and except with respect to (ii) above, such method of payment will not cause a disqualifying disposition of all or a portion of the Stock received upon exercise of an Incentive Option. Notwithstanding the foregoing, an Optionee may not take any actions that are prohibited by the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated by the Securities and Exchange Commission or any agency thereunder. An Optionee shall have the right to dividends and other rights of a stockholder with respect to shares of Stock purchased upon exercise of an Option at such time as the Optionee (i) has given written notice of exercise and has paid in full for such shares, and (ii) has satisfied such conditions that may be imposed by the Company with respect to the withholding of taxes.

(e) NON-TRANSFERABILITY OF OPTIONS. Options are not transferable and may be exercised solely by the Optionee during his lifetime or after his death by the person or persons entitled thereto under his will or the laws of descent and distribution. The Committee, in its sole discretion, may permit a transfer of a Nonqualified Option to (i) a trust for the benefit of the Optionee, (ii) a member of the Optionee's immediate family (or a trust for his or her benefit) or (iii) pursuant to a domestic relations order. Any attempt to transfer, assign, pledge or otherwise dispose of, or to subject to execution, attachment or similar process, any Option contrary to the provisions hereof shall be void and ineffective and shall give no right to the purported transferee.

(f) TERMINATION BY DEATH. Unless otherwise determined by the Committee, if any Optionee's employment with or service to the Company or any Subsidiary terminates by reason of death, the Option may thereafter be exercised, to the extent then exercisable (or on such accelerated basis as the Committee shall determine at or after grant), by the legal representative of the estate or by the legatee of the Optionee under the will of the Optionee, for a period of one (1) year after the date of such death (or, if later, such time as the Option may be exercised pursuant to Section 14(d) hereof) or until the expiration of the stated term of such Option as provided under the Plan, whichever period is shorter.

(g) TERMINATION BY REASON OF DISABILITY. Unless otherwise determined by the Committee, if any Optionee's employment with or service to the Company or any Subsidiary terminates by reason of total and permanent disability, any Option held by such Optionee may thereafter be exercised, to the extent it was exercisable at the time of termination due to disability (or on such accelerated basis as the Committee shall determine at or after grant), but may not be exercised after three (3) months after the date of such termination of employment or service (or, if later, such time as the Option may be exercised pursuant to Section 14(d) hereof) or the expiration of the stated term of such Option, whichever period is shorter; PROVIDED, HOWEVER, that, if the Optionee dies within such three (3) month period, any unexercised Option held by such Optionee shall thereafter be exercisable to the extent to which it was exercisable at the time of death for a period of one (1) year after the date of such death (or, if later, such time as the Option may be exercised pursuant to Section 14(d) hereof) or for the stated term of such Option, whichever period is shorter.

(h) TERMINATION BY REASON OF RETIREMENT. Unless otherwise determined by the Committee, if any Optionee's employment with or service to the Company or any Subsidiary terminates by reason of Normal or Early Retirement (as such terms are defined below), any Option held by such Optionee may thereafter be exercised to the extent it was exercisable at the time of such Retirement (or on such accelerated basis as the Committee shall determine at or after grant), but may not be exercised after three (3) months after the date of such termination of employment or service (or, if later, such time as the Option may be exercised pursuant to Section 14(d) hereof) or the expiration of the stated term of such Option, whichever date is earlier; provided, however, that, if the Optionee dies within such three (3) month period, any unexercised Option held by such Optionee shall thereafter be exercisable, to the extent to which it was exercisable at the time of death, for a period of one (1) year after the date of such death (or, if later, such time as the Option may be exercised pursuant to Section 14(d) hereof) or for the stated term of such Option, whichever period is shorter.

For purposes of this paragraph (h), "Normal Retirement" shall mean retirement from active employment with the Company or any Subsidiary on or after the normal retirement date specified in the applicable Company or Subsidiary pension plan or if no such pension plan, age 65, and "Early Retirement" shall mean retirement from active employment with the Company or any Subsidiary pursuant to the early retirement provisions of the applicable Company or Subsidiary pension plan or if no such pension plan, age 55.

(i) OTHER TERMINATION. Unless otherwise determined by the Committee upon grant, if any Optionee's employment with or service to the Company or any Subsidiary terminates for any reason other than death, disability or Normal or Early Retirement, the Option shall thereupon terminate, except that the portion

of any Option that was exercisable on the date of such termination of employment or service may be exercised for the lesser of thirty (30) days after the date of termination or the balance of such Option's term if the Optionee's employment or service with the Company or any Subsidiary or Affiliate is terminated by the Company or such Subsidiary without cause (the determination as to whether termination was for cause to be made by the Committee). The transfer of an Optionee from the employ of or service to the Company to the employ of or service to a Subsidiary, or vice versa, or from one Subsidiary to another, shall not be deemed to constitute a termination of employment or service for purposes of the Plan.

(j) LIMIT ON VALUE OF INCENTIVE OPTION. The aggregate Fair Market Value, determined as of the date the Incentive Option is granted, of Stock for which Incentive Options are exercisable for the first time by any Optionee during any calendar year under the Plan (and/or any other stock option plans of the Company or any Subsidiary) shall not exceed \$100,000.

(k) GRANTS TO FOREIGN EMPLOYEES. The terms of grants to foreign employees may vary from the terms of this Section 5 provided that the terms shall only be more restrictive than any term in this Section 5.

6. TERMS AND CONDITIONS OF RESTRICTED STOCK.

Restricted Stock may be granted under this Plan aside from, or in association with, any other award and shall be subject to the following conditions and shall contain such additional terms and conditions (including provisions relating to the acceleration of vesting of Restricted Stock upon a Change of Control), not inconsistent with the terms of the Plan, as the Committee shall deem desirable:

(a) GRANTEE RIGHTS. A Grantee shall have no rights to an award of Restricted Stock unless and until Grantee accepts the award within the period prescribed by the Committee and, if the Committee shall deem desirable, makes payment to the Company in cash, or by check or such other instrument as may be acceptable to the Committee. After acceptance and issuance of a certificate or

certificates, as provided for below, the Grantee shall have the rights of a stockholder with respect to Restricted Stock subject to the non-transferability and forfeiture restrictions described in Section 6(d) below.

(b) ISSUANCE OF CERTIFICATES. The Company shall issue in the Grantee's name a certificate or certificates for the shares of Common Stock associated with the award promptly after the Grantee accepts such award.

(c) DELIVERY OF CERTIFICATES. Unless otherwise provided, any certificate or certificates issued evidencing shares of Restricted Stock shall not be delivered to the Grantee until such shares are free of any restrictions specified by the Committee at the time of grant.

(d) FORFEITABILITY, NON-TRANSFERABILITY OF RESTRICTED STOCK. Shares of Restricted Stock are forfeitable until the terms of the Restricted Stock grant have been satisfied. Shares of Restricted Stock are not transferable until the date on which the Committee has specified such restrictions have lapsed. Unless otherwise provided by the Committee at or after grant, distributions in the form of additional shares or property in respect of shares of Restricted Stock shall be subject to the same restrictions as such shares of Restricted Stock.

(e) CHANGE OF CONTROL. Upon the occurrence of a Change in Control as defined in Section 5(c), the Committee may accelerate the vesting of outstanding Restricted Stock, in whole or in part, as determined by the Committee, in its sole discretion.

(f) TERMINATION OF EMPLOYMENT. Unless otherwise determined by the Committee at or after grant, in the event the Grantee ceases to be an employee or otherwise associated with the Company for any other reason, all shares of Restricted Stock theretofore awarded to him which are still subject to restrictions shall be forfeited and the Company shall have the right to complete the blank stock power. The Committee may provide (on or after grant) that restrictions or forfeiture conditions relating to shares of Restricted Stock will be waived in whole or in part in the event of termination resulting from specified causes, and the Committee may in other cases waive in whole or in part restrictions or forfeiture conditions relating to Restricted Stock.

7. TERM OF PLAN.

No Option or shares of Restricted Stock shall be granted pursuant to the Plan on or after the date that is ten years from the effective date of the Plan, but Options or shares of Restricted Stock theretofore granted may extend beyond that date.

8. CAPITAL CHANGE OF THE COMPANY.

In the event of any merger, reorganization, consolidation, recapitalization, stock dividend, or other change in corporate structure affecting the Stock, the Committee shall make an appropriate and equitable adjustment in the number and kind of shares reserved for issuance under the Plan and in the number and option price of shares subject to outstanding Options granted under the Plan, to the end that after such event each Optionee's proportionate interest shall be maintained (to the extent possible) as immediately before the occurrence of such event. The Committee shall, to the extent feasible, make such other adjustments as may be required under the tax laws so that any Incentive Options previously granted shall not be deemed modified within the meaning of Section 424(h) of the Code. Appropriate adjustments shall also be made in the case of outstanding Restricted Stock granted under the Plan.

The adjustments described above will be made only to the extent consistent with continued qualification of the Option under Section 422 of the Code (in the case of an Incentive Option) and Section 409A of the Code.

9. PURCHASE FOR INVESTMENT/CONDITIONS.

Unless the Options and shares covered by the Plan have been registered under the Securities Act, or the Company has determined that such registration is unnecessary, each person exercising or receiving Options or Restricted Stock under the Plan may be required by the Company to give a representation in writing that he is acquiring the securities for his own account for investment and not with a view to, or for sale in connection with, the distribution of any part thereof. The Committee may impose any additional or further restrictions on awards of Options or Restricted Stock as shall be determined by the Committee at the time of award.

10. TAXES.

(a) The Company may make such provisions as it may deem appropriate,

consistent with applicable law, in connection with any Options or Restricted Stock granted under the Plan with respect to the withholding of any taxes (including income or employment taxes) or any other tax matters.

(b) If any Grantee, in connection with the acquisition of Restricted Stock, makes the election permitted under Section 83(b) of the Code (that is, an election to include in gross income in the year of transfer the amounts specified in Section 83(b)), such Grantee shall notify the Company of the election with the Internal Revenue Service pursuant to regulations issued under the authority of Code Section 83(b).

(c) If any Grantee shall make any disposition of shares of Stock issued pursuant to the exercise of an Incentive Option under the circumstances described in Section 421(b) of the Code (relating to certain disqualifying dispositions), such Grantee shall notify the Company of such disposition within ten (10) days hereof.

11. EFFECTIVE DATE OF PLAN.

The Plan shall be effective on February 22, 2007; provided, however, that if, and only if, certain options are intended to qualify as Incentive Stock Options, the Plan must subsequently be approved by majority vote of the Company's stockholders no later than February 21, 2008, and further, that in the event certain Option grants hereunder are intended to qualify as performance-based compensation within the meaning of Section 162(m) of the Code, the requirements as to shareholder approval set forth in Section 162(m) of the Code are satisfied.

12. AMENDMENT AND TERMINATION.

The Board may amend, suspend, or terminate the Plan, except that no amendment shall be made that would impair the rights of any Participant under any Option or Restricted Stock theretofore granted without the Participant's consent, and except that no amendment shall be made which, without the approval of the stockholders of the Company would:

(a) materially increase the number of shares that may be issued under the Plan, except as is provided in Section 8;

(b) materially increase the benefits accruing to the Participants under the Plan;

(c) materially modify the requirements as to eligibility for participation in the Plan;

(d) decrease the exercise price of an Incentive Option to less than 100% of the Fair Market Value per share of Stock on the date of grant thereof or the exercise price of a Nonqualified Option to less than 100% of the Fair Market Value per share of Stock on the date of grant thereof;

(e) extend the term of any Option beyond that provided for in Section 5(b); or

(f) except as otherwise provided in Sections 5(c), 5(l) and 8 hereof, reduce the exercise price of outstanding Options or effect repricing through cancellations and re-grants of new Options.

Subject to the forgoing, the Committee may amend the terms of any Option theretofore granted, prospectively or retrospectively, but no such amendment shall impair the rights of any Optionee without the Optionee's consent.

It is the intention of the Board that the Plan comply strictly with the provisions of Section 409A of the Code and Treasury Regulations and other Internal Revenue Service guidance promulgated thereunder (the "Section 409A Rules") and the Committee shall exercise its discretion in granting awards hereunder (and the terms of such awards), accordingly. The Plan and any grant of an award hereunder may be amended from time to time (without, in the case of an award, the consent of the Participant) as may be necessary or appropriate to comply with the Section 409A Rules.

13. GOVERNMENT REGULATIONS.

The Plan, and the grant and exercise of Options or Restricted Stock hereunder, and the obligation of the Company to sell and deliver shares under such Options and Restricted Stock shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies, national securities exchanges and interdealer quotation systems as may be required.

14. GENERAL PROVISIONS.

(a) CERTIFICATES. All certificates for shares of Stock delivered under the Plan shall be subject to such stop transfer orders and other

restrictions as the Committee may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, or other securities commission having jurisdiction, any applicable Federal or state securities law, any stock exchange or interdealer quotation system upon which the Stock is then listed or traded and the Committee may cause a legend or legends to be placed on any such certificates to make appropriate reference to such restrictions.

(b) EMPLOYMENT MATTERS. Neither the adoption of the Plan nor any grant or award under the Plan shall confer upon any Participant who is an employee of the Company or any Subsidiary any right to continued employment or, in the case of a Participant who is a director, continued service as a director, with the Company or a Subsidiary, as the case may be, nor shall it interfere in any way with the right of the Company or any Subsidiary to terminate the employment of any of its employees, the service of any of its directors or the retention of any of its consultants or advisors at any time.

(c) LIMITATION OF LIABILITY. No member of the Committee, or any officer or employee of the Company acting on behalf of the Committee, shall be personally liable for any action, determination or interpretation taken or made in good faith with respect to the Plan, and all members of the Committee and each and any officer or employee of the Company acting on their behalf shall, to the extent permitted by law, be fully indemnified and protected by the Company in respect of any such action, determination or interpretation.

(d) REGISTRATION OF STOCK. Notwithstanding any other provision in the Plan, no Option may be exercised unless and until the Stock to be issued upon the exercise thereof has been registered under the Securities Act of 1933, as amended, and applicable state securities laws, or are, in the opinion of counsel to the Company, exempt from such registration in the United States. The Company shall not be under any obligation to register under applicable federal or state securities laws any Stock to be issued upon the exercise of an Option granted hereunder in order to permit the exercise of an Option and the issuance and sale of the Stock subject to such Option, although the Company may in its sole discretion register such Stock at such time as the Company shall determine. If the Company chooses to comply with such an exemption from registration, the Stock issued under the Plan may, at the direction of the Committee, bear an appropriate restrictive legend restricting the transfer or pledge of the Stock represented thereby, and the Committee may also give appropriate stop transfer instructions with respect to such Stock to the Company's transfer agent.

15. NON-UNIFORM DETERMINATIONS.

The Committee's determinations under the Plan, including, without limitation, (i) the determination of the Participants to receive awards, (ii) the form, amount and timing of such awards, (iii) the terms and provisions of such awards and (iv) the agreements evidencing the same, need not be uniform and may be made by it selectively among Participants who receive, or who are eligible to receive, awards under the Plan, whether or not such Participants are similarly situated.

16. GOVERNING LAW.

The validity, construction, and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with the internal laws of the State of Delaware, without giving effect to principles of conflicts of laws, and applicable federal law.

DEL GLOBAL TECHNOLOGIES CORP.
February 22, 2007