

TRIO TECH INTERNATIONAL
Form DEF 14A
October 17, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

SCHEDULE 14A
(RULE 14a-101)
SCHEDULE 14A INFORMATION

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

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

Check the appropriate box:

- o Preliminary Proxy Statement
- o Confidential, for Use of the Commission only (as permitted by Rule 14a-6(e)(2))
- x Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material Pursuant to Rule 240.14a-12

TRIO-TECH INTERNATIONAL
(Name of Registrant as Specified In Its Charter)

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

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- x No fee required.
- o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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- (3) Filing Party: _____
- (4) Date Filed: _____

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To Be Held December 6, 2011

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of Trio-Tech International, a California corporation (the "Company"), will be held at the Peninsula Hotel, 9882 S. Santa Monica Blvd., Beverly Hills, California 90212, on Tuesday, December 6, 2011 at 10:00 A.M., local time, for the following purposes, as set forth in the attached Proxy Statement:

1. Election of directors to hold office until the next Annual Meeting of Shareholders; and
2. Transaction of such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors of the Company (the "Board of Directors" or the "Board") has fixed the close of business on October 10, 2011 as the record date for determining the shareholders entitled to notice of and to vote at the Annual Meeting and any adjournment and postponements thereof (the "Record Date").

After careful consideration, the Trio-Tech International Board of Directors recommends a vote IN FAVOR OF the nominees for director named in the accompanying Proxy Statement.

Shareholders are cordially invited to attend the Annual Meeting in person. Whether you plan to attend the Annual Meeting or not, please complete, sign and date the enclosed Proxy Card and return it without delay in the enclosed postage-prepaid envelope. If you do attend the Annual Meeting, you may withdraw your Proxy and vote personally on each matter brought before the meeting.

By Order of the Board of Directors

A. CHARLES WILSON
Chairman

October 17, 2011
Van Nuys, California

IMPORTANT

WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, YOU ARE REQUESTED TO MARK, DATE AND SIGN THE ENCLOSED PROXY CARD AND RETURN IT AS PROMPTLY AS POSSIBLE IN THE ENCLOSED POSTAGE-PREPAID RETURN ENVELOPE SO THAT IF YOU ARE UNABLE TO ATTEND THE ANNUAL MEETING, YOUR SHARES MAY BE VOTED.

THANK YOU FOR ACTING PROMPTLY

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to be Held on December 6, 2011: The Proxy Statement and our 2011 Annual Report to Shareholders are available at http://www.triotech.com/ind_rel.htm, which does not have “cookies” that identify visitors to the site.

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PROXY STATEMENT

FOR THE ANNUAL MEETING OF STOCKHOLDERS
OF
TRIO-TECH INTERNATIONAL, INC.

To Be Held on December 6, 2011

This Proxy Statement is furnished in connection with the solicitation of the enclosed Proxy on behalf of the Board of Directors of Trio-Tech International, a California corporation (“Trio-Tech” or the “Company”), for use at the annual meeting of shareholders of the Company (the “Annual Meeting”) to be held at the Peninsula Hotel, 9882 S. Santa Monica Blvd., Beverly Hills, California 90212, at 10:00 a.m., local time, on Tuesday, December 6, 2011, and at any adjournments thereof, for the purposes of electing directors and such other business as may properly come before the Annual Meeting. For directions to the Peninsula Hotel, please call 818-787-7000. This Proxy Statement and the enclosed proxy card are intended to be mailed to shareholders on or about November 1, 2011.

Record Date and Voting Securities

The Board of Directors fixed the close of business on October 10, 2011 as the record date for shareholders entitled to notice of and to vote at the Annual Meeting. As of that date, there were 3,321,555 shares of the Company’s common stock (the “Common Stock”) outstanding and entitled to vote, the holders of which are entitled to one vote per share.

Voting Generally

The presence in person or by proxy of holders of a majority of the shares entitled to vote at the Annual Meeting is necessary to constitute a quorum at the Annual Meeting. Abstentions will be counted for purposes of determining the presence of a quorum.

Because a shareholder's broker may not vote on behalf of the shareholder on the election of directors unless the shareholder provides specific instructions by completing and returning the voting instruction form, for a shareholder's vote to be counted, we ask that our shareholders communicate his/her voting decisions to the broker or other nominee before the date of the Annual Meeting or obtain a legal proxy to vote his/her shares at the meeting.

In the election of directors, a shareholder may cumulate his votes for one or more candidates, but only if each such candidate's name has been placed in nomination prior to the voting and the shareholder has given notice at the meeting, prior to the voting, of his intention to cumulate his votes. If any shareholder has given such notice, all shareholders may cumulate their votes for the candidates in nomination. If the voting for directors is conducted by cumulative voting, each share will be entitled to a number of votes equal to the number of directors to be elected. These votes may be cast for a single candidate or may be distributed among two or more candidates in such proportions as the shareholder thinks fit. The five candidates receiving the highest number of affirmative votes will be elected. Abstentions will be counted for purposes of determining the presence of a quorum, but votes against a candidate or withheld from voting (whether by abstention, broker non-votes or otherwise) will not be counted and will have no legal effect on the vote. Discretionary authority to cumulate votes is solicited hereby.

Deadline for Voting by Proxy

In order to be counted, votes cast by proxy must be received prior to the Annual Meeting.

Revocability of Proxies

Shareholders are requested to date, sign and return the enclosed Proxy to make certain their shares will be voted at the Annual Meeting. Any Proxy given may be revoked by the shareholder at any time before it is voted by delivering written notice of revocation to the Secretary of the Company, by filing with the Secretary of the Company a Proxy bearing a later date, or by attending the Annual Meeting and voting in person. All Proxies properly executed and returned will be voted in accordance with the instructions specified thereon. If no instructions are specified, Proxies will be voted FOR the election of the five nominees for directors named under "Election of Directors."

TRIO-TECH INFORMATION

Our principal executive offices are located at 16139 Wyandotte Street, Van Nuys, California 91406. The telephone number of our principal offices is (818) 787-7000.

PROPOSAL 1
ELECTION OF DIRECTORS

Information With Respect to Directors

The Board has nominated the persons listed below for election to the Board at the Annual Meeting, to hold office until the next Annual Meeting and until their respective successors are elected and qualified. There is one vacancy on the Board of Directors. The Board does not intend to fill the vacancy at this time due to the costs associated therewith. It is intended that the Proxies received, unless otherwise specified, will be voted FOR the five nominees named below, all of whom are incumbent directors of the Company and, with the exception of Mr. Yong and Mr. Ting, are "independent" as specified in Section 803 of the NYSE Amex rules and Rule 10A-3 under the Securities and Exchange Act of 1934, as amended (the "Exchange Act"). It is not contemplated that any of the nominees will be unable or unwilling to serve as a director but, if that should occur, the persons designated as proxies will vote in accordance with their best judgment. In no event will Proxies be voted for a greater number of persons than the number of nominees named in this Proxy Statement. The following sets forth, as of October 10, 2011, the names of each of the five nominees for election as a director, his principal occupation, age, the year he became a director of the Company, and additional biographical data.

| NAME | AGE | PRINCIPAL OCCUPATION |
|-------------------------------|-----|--|
| A. Charles Wilson | 87 | Chairman of the Board of Trio-Tech International Chairman of the Board of Ernest Paper Packaging Solutions, Inc. Attorney at Law & Business Consultant, Chairman of the Board of Daico Industries, Inc. |
| S. W. Yong | 58 | Chief Executive Officer and President of Trio-Tech International |
| R i c h a r d M . Horowitz | 71 | President of Management Brokers Insurance Agency Chairman of the Board of Dial 800, Inc. International President of Ash Ha Torah Institutions |
| Jason T. Adelman | 42 | Chairman and CEO of Burnham Hill Capital Group |
| Victor H.M. Ting | 57 | Chief Financial Officer and Vice President of Trio-Tech International |

A. Charles Wilson

Mr. Wilson has served as a Director of Trio-Tech since 1966, and was President and Chief Executive Officer of the Company from 1981 to 1989. In 1989, he was elected Chairman of the Board. Mr. Wilson is also Chairman of the Board of Ernest Packaging Solutions, Inc., Attorney at Law & Business Consultant, and Chairman of Daico Industries, Inc., as well as an attorney admitted to practice law in California.

In determining that Mr. Wilson should serve on the Company's Board of Directors, the Board has considered, among other qualifications, his professional background and experience, his leadership skills as a result of his nine years serving as President and Chief Executive Officer of the Company, his service as a Chairman on other corporate boards

and his broad range of knowledge of the Company's history and business through his 45 years of service as a director of the Company.

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Siew Wai Yong

Mr. Yong has been a Director, Chief Executive Officer and President of Trio-Tech since 1990. He joined Trio-Tech International Pte. Ltd. in Singapore in 1976 and was appointed as its Managing Director in August 1980. Mr. Yong holds a Masters Degree in Business Administration, a Graduate Diploma in Marketing Management and a Diploma in Industrial Management.

In determining that Mr. Yong should serve on the Company's Board of Directors, the Board has considered, among other qualifications, his 35 year history with the Company, his intimate knowledge of the Company's history, business and operations and the markets in which the Company operates, as well as the Company's customers and suppliers, and his detailed in-depth knowledge of the issues, opportunities, and challenges facing the Company and its principal industry.

Richard M. Horowitz

Mr. Horowitz has served as a Director of Trio-Tech since 1990. He has been President of Management Brokers Insurance Agency since 1974. He also serves as Chairman of Dial 800, Inc., a national telecommunications company. He is the international president of Aish HaTorah. Mr. Horowitz holds a Masters Degree in Business Administration from Pepperdine University.

In determining that Mr. Horowitz should serve on the Company's Board of Directors, the Board has considered, among other qualifications, his extensive experience and expertise in administration and management based on his position as President of Management Brokers Insurance Agency for more than 37 years and his broad range of knowledge of the Company's history and business through his 21 years of service as a director of the Company.

Jason T. Adelman

Mr. Adelman was elected to the Board of Trio--Tech in April 1997. Mr. Adelman is the Chairman and CEO of Burnham Hill Capital Group, LLC, a privately held financial services holding company headquartered in New York City. In addition, Mr. Adelman is a managing member of Cipher Capital Partners LLC, a private investment fund. Prior to founding Burnham Hill Capital Group, LLC in 2003, Mr. Adelman served as Managing Director of Investment Banking at H.C. Wainwright and Co., Inc. Mr. Adelman graduated Cum Laude with a BA in Economics from the University of Pennsylvania and earned a JD from Cornell Law School where he served as Editor of the Cornell International Law Journal.

In determining that Mr. Adelman should serve on the Company's Board of Directors, the Board has considered, among other qualifications, his experience and expertise in finance, accounting, banking and management based on his positions as Managing Member of Cipher Capital Partners LLC for six years and as Senior Managing Director for Burnham Hill Partners LLC for seven years, as well as his position as Managing Director of Investment Banking in the New York offices of H. C. Wainwright & Co. for five years.

Victor H.M. Ting

Mr. Ting was appointed as a Director of Trio-Tech on September 16, 2010. Mr. Ting is the Vice-President and Chief Financial Officer of the Company. Mr. Ting joined Trio-Tech as the Financial Controller for the Company's Singapore subsidiary in 1980. He was promoted to the level of Business Manager during 1985 and in December 1989, he was promoted to the level of Director of Finance and Sales & Marketing and later, he was promoted to the level of General Manager of the Singapore subsidiary. Mr. Ting was elected Vice-President and Chief Financial Officer of Trio-Tech International in November 1992. Mr. Ting holds a Bachelor of Accountancy Degree and Masters Degree in Business

Administration.

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In determining that Mr. Ting should serve on the Company's Board of Directors, the Board has considered, among other qualifications, his expertise in finance, accounting and management based on his nineteen year history as Vice-President and Chief Financial Officer of the Company and his intimate knowledge of the Company's operations.

Vote Required for Election

The five persons receiving the highest number of affirmative votes will be elected as directors of the Company. Votes against a nominee or withheld from voting (whether by abstention, broker non-votes or otherwise) will have no legal effect on the vote.

CORPORATE GOVERNANCE

Corporate Governance Program

Our Board of Directors has established a written Corporate Governance Program to address significant corporate governance issues that may arise. It sets forth the responsibilities and qualification standards of the members of the Board of Directors and is intended as a governance framework within which the Board of Directors, assisted by its committees, directs our affairs.

Code of Ethics

The Company has adopted a written code of business conduct and ethics applicable to all directors, officers, management and employees and a separate code of ethics applicable to its principal executive officer, principal financial officer and principal accounting officer or controller or persons performing similar functions. A copy of the Company's code of business conduct and ethics and code of ethics may be obtained, without charge, upon written request to the Secretary of the Company at 16139 Wyandotte Street, Van Nuys, California 91406.

Board Leadership Structure

The Board of Directors believes it is important to select its Chairman and the Company's Chief Executive Officer in the manner it considers in the best interests of the Company at any given point in time. The Chairman of the Board and CEO of the Company are held by separate persons as an aid in the Board's oversight of management. Our Chairman, Mr. Wilson, served as a President and Chief Executive Officer of the Company from 1981 to 1989. The duties of the non-executive Chairman of the Board include:

- presiding over all meetings of the Board;
- preparing the agenda for Board meetings in consultation with the CEO and other members of the Board;
- calling and presiding over meetings of the independent directors;
- managing the Board's process for annual director self-assessment and evaluation of the Board and of the CEO; and
- presiding over all meetings of stockholders.

The Board believes that there may be advantages to having an independent chairman for matters such as communications and relations between the Board, the CEO, and other senior management; in assisting the Board in reaching consensus on particular strategies and policies; and in facilitating robust director, Board, and CEO evaluation processes.

Risk Management

The Chief Executive Officer and senior management are primarily responsible for identifying and managing the risks facing the Company, and the Board of Directors oversees these efforts. The Chief Executive Officer and senior management report to the Board of Directors regarding any risks identified and steps it is taking to manage those risks. In addition, the Audit Committee identifies, monitors and analyzes the priority of financial risks, and reports to the Board of Directors regarding its financial risk assessments.

Certain Relationships and Related Transactions

The Board's Audit Committee is responsible for review, approval, or ratification of "related-person transactions" between the Company or its subsidiaries and related persons. Under SEC rules, a related person is a director, officer, nominee for director, or 5% stockholder of the Company since the beginning of the last fiscal year and their immediate family members. The Company's code of business conduct and ethics provides guidance for addressing actual or potential conflicts of interests, including those that may arise from transactions and relationships between the Company and its executive officers or directors. The Company's code of business conduct and ethics provides guidance to the Audit Committee for addressing actual or potential conflicts of interests that may arise from transactions and relationships between the Company and its executive officers or directors. Potential conflicts relating to other personnel must be addressed by the Chief Executive Officer or the Chief Financial Officer. There was no related party transaction during fiscal year 2011.

BOARD MEETINGS AND COMMITTEES

The Board held four regularly scheduled and special meetings during the fiscal year ended June 30, 2011. All of the directors attended (in person or by telephone) at least 75% of the meetings of the Board and any committees of the Board on which they served during the fiscal year. Directors are expected to use their best efforts to be present at the Annual Meeting of Shareholders. All of our directors attended the Annual Meeting of Shareholders held in December 2010.

The Company does not have a standing nominating committee. The entire Board nominates the directors for election at the Annual Meeting. Because the Company currently has only five Board members, three of whom are "independent" (as defined under the rules of the NYSE Amex upon which the Company's securities are listed), the Board of Directors does not believe that a separate nominating committee is necessary as any selection of nominees, by virtue of the composition of the current Board, would be by a vote that would be the same as the vote of any separate committee consisting of only the independent directors. Furthermore, the Board values the input of each of its members and believes that input is important in determining the Board nominees. At such time, if any, as the Board composition changes, the Company may establish a separate nominating committee. As a result, the entire Board participates in the consideration of Board nominees and nominates the candidates for election named in this Proxy Statement.

The Board has adopted a resolution addressing the nomination process and related matters. That resolution states, among other things, that the Board believes that the continuing service of qualified incumbents promotes stability and continuity in the boardroom, contributing to the Board's ability to work as a collective body, while giving the Company the benefit of the familiarity and insight into the Company's affairs that its directors have accumulated during their tenure. The resolution further states that the Board will evaluate the performance of its Board members on an annual basis in connection with the nomination process. The Board may solicit recommendations for nominees from persons that the Board believes are likely to be familiar with qualified candidates, including without limitation members of the Board and management of the Company. The Board may also determine to engage a professional search firm to assist in identifying qualified candidates if the need arises. In addition, the Committee has the authority to retain third-party consultants to provide advice regarding compensation issues. In fiscal year 2011 the

Compensation Committee did not retain a third-party consultant to review the Company's current policies and procedures with respect to executive compensation. The Board has not adopted specific minimum qualifications for a position on the Company's Board or any specific skills or qualities that the Board believes are necessary for one or more of its members to possess. However, the Board will consider various factors including without limitation the candidate's qualifications, the extent to which the membership of the candidate on the Board will promote diversity among the directors, and such other factors as the Board may deem to be relevant at the time and under the then existing facts and circumstances. The Company does not have a formal policy with regard to the consideration of diversity in identifying nominees for director. The Board of Directors seeks to nominate directors with a variety of skills and experience so that the Board will have the necessary expertise to oversee the Company's business. The Company did not receive any recommendations as to nominees for election of directors for the Annual Meeting of Shareholders to be held on December 6, 2011.

The Board will consider candidates proposed by shareholders of the Company and will evaluate all such candidates upon criteria similar to the criteria used by the Board to evaluate other candidates. Shareholders desiring to propose a nominee for election to the Board must do so in writing sufficiently in advance of an annual meeting so that the Board has the opportunity to make an appropriate evaluation of such candidate and his or her qualifications and skills and to obtain information necessary for preparing all of the disclosure required to be included in the Company's proxy statement for the related meeting should such proposed candidate be nominated for election by shareholders. Shareholder candidate proposals should be sent to the attention of the Secretary of the Company at 16139 Wyandotte Street, Van Nuys, California 91406.

The Board has a standing Compensation Committee, which currently consists of the three independent directors, namely Messrs. Jason T. Adelman, Richard M. Horowitz and A. Charles Wilson, Chairman. The Compensation Committee determines salary and bonus arrangements. The Compensation Committee met four times during the fiscal year ended June 30, 2011. The current Compensation Charter was included as an appendix to the Proxy Statement relating to the Annual Meeting held in December 2010.

The Board has a separately-designated standing Audit Committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended. The members thereof consist of Messrs. Jason T. Adelman, Richard M. Horowitz and A. Charles Wilson, Chairman. The Board of Directors has determined that the Audit Committee has at least one financial expert, namely A. Charles Wilson. The Board of Directors has affirmatively determined that Mr. Wilson does not have a material relationship with the Company that would interfere with the exercise of independent judgment and is "independent" as independence is defined in Section 803 of the rules of the NYSE Amex. Pursuant to its written charter, which charter was adopted by the Board of Directors, the Audit Committee is charged with, among other responsibilities, selecting our independent public accountants, reviewing our annual audit and meeting with our independent public accountants to review planned audit procedures. The Audit Committee also reviews with the independent public accountants and management the results of the audit, including any recommendations of the independent public accountants for improvements in accounting procedures and internal controls. The Audit Committee held seven meetings during the fiscal year ended June 30, 2011. Each of the members of the Audit Committee satisfies the independence standards specified in Section 803 of the rules of the NYSE Amex and Rule 10A-3 under the Securities Exchange Act of 1934, as amended. The Audit Committee Charter was amended on March 5, 2007 and is included as an appendix A to this Proxy Statement.

DIRECTORS' COMPENSATION

Our directors play a critical role in guiding our strategic direction and overseeing our management. In order to compensate them for their substantial time commitment, we provide a mix of cash and equity-based compensation. In order to align the long-term interests of our directors with those of shareholders, a substantial portion of director compensation is provided in the form of equity. We do not provide pension or retirement plans for non-employee directors. Our employee directors, S.W. Yong and Victor Ting, do not receive separate compensation for Board service.

On December 14, 2010, in recognition of the contributions from the directors and the fact that our directors' fees are less than those paid to directors of comparable public companies, the Compensation Committee agreed to increase the Board fees for the non-employee Directors from \$20,000 per year to \$30,000 per year. The Committee also agreed to increase the Chairman's compensation for services rendered to the Company from \$10,000 per quarter to \$16,000 per quarter.

During the fiscal year ended June 30, 2011, Richard M. Horowitz and Jason Adelman, as non-employee directors, received quarterly fees in an amount equal to \$5,000 for the first and second quarter in which they attended Board and/or Committee meetings and for service on the various committee meetings of which they are a member, \$7,500

for the third and the fourth quarter in which they attended Board and/or Committee meetings and for service on the various committee meetings of which they are a member. Mr. Wilson, as a non-employee director, Chairman of the Board, Chair of the Audit Committee and Chairman of the Compensation Committee, received \$10,000 in quarterly fees for the first and second quarter in which he attended a Board meeting and for service on the various committee meetings of which he is a member, and quarterly fees in an amount equal to \$16,000 for the third and the fourth quarter in which he attended a Board meeting and for service on the various committee meetings of which he is a member. The directors were also reimbursed for out-of-pocket expenses incurred in attending meetings.

Each of our directors is entitled to participate in our 2007 Directors Equity Incentive Plan (the “2007 Directors Plan”), which was approved by the Company’s shareholders on December 3, 2007. The 2007 Directors Plan was amended to increase the number of shares covered thereby, which amendment was approved by the Company’s shareholders’ on December 14, 2010. On December 14, 2010, pursuant to the 2007 Directors Plan, each of Messrs. Horowitz, Adelman, Ting and Yong were granted an option to purchase 25,000 shares of Common Stock at an exercise price of \$4.35 per share and Mr. Wilson was granted an option to purchase 50,000 shares of Common Stock at an exercise price of \$4.35 per share. All options vested immediately upon grant and will terminate five years from the date of grant unless terminated sooner upon termination of the optionee’s status as a director or otherwise pursuant to the 2007 Directors Plan. On the same date, pursuant to the 2007 Employee Plan (as defined below) and its amendment, Mr. Yong and Mr. Ting were granted options to purchase 25,000 and 15,000 shares of Common Stock at an exercise price of \$4.35 per share, respectively. These options vest as follows: 25% vesting on the grant date, and the balance vesting in equal installments on the next three succeeding anniversaries of the grant date. The exercise price under the options was set at 100% of fair market value (as defined in the 2007 Directors Plan) of the Company’s Common Stock on the date of grant of each such option.

The Compensation Committee reviewed the average directors’ fees for comparable public companies. The Committee believes that the director fees paid to its directors were substantially less than the fees paid to directors of comparable public companies. Directors’ compensation may be increased based on their total responsibility taken during the year and the profitability of the Company.

The following table contains information on compensation for our non-employee members of our Board of Directors during fiscal 2011.

DIRECTORS' COMPENSATION

| Name | Fees Earned | | Total (\$) |
|-------------------------|----------------------|-----------------------|------------|
| | or Paid in Cash (\$) | Option Awards (\$)(1) | |
| A. Charles Wilson (2) | 52,000 | 135,000 | 187,000 |
| Richard M. Horowitz (3) | 25,000 | 67,500 | 92,500 |
| Jason T. Adelman (4) | 25,000 | 67,500 | 92,500 |

- (1) The option awards are based on the fair value of stock options on the grant date computed in accordance with FASB ASC Topic 718.
- (2) The total shares of option awards outstanding as of June 30, 2011 were 50,000.
- (3) The total shares of option awards outstanding as of June 30, 2011 were 25,000.
- (4) The total shares of option awards outstanding as of June 30, 2011 were 25,000.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS, DIRECTORS AND MANAGEMENT

The following table sets forth, as of October 10, 2011, certain information regarding the beneficial ownership of the Common Stock by (i) all persons known by the Company to be the beneficial owners of more than 5% of its Common Stock, (ii) each of the directors of the Company, (iii) each of the Named Executive Officers, and (iv) all executive officers and directors of the Company as a group. To the knowledge of the Company, unless otherwise indicated, each of the shareholders has sole voting and investment power with respect to shares beneficially owned, subject to applicable community property and similar statutes.

| Name | Amount of Shares Owned Beneficially (1) | Percent of Class (1) |
|--|---|----------------------|
| S. W. Yong (2) | 467,818 | 13.70% |
| A. Charles Wilson (3) | 350,500(4) | 10.13% |
| Richard M. Horowitz (5) | 379,364 | 11.22% |
| Jason Adelman (6) | 60,000 | 1.78% |
| Victor H. M. Ting (7) | 132,052 | 3.91% |
| Hwee Poh Lim (8) | 16,375 | 0.49% |
| All Directors and Executive Officers as a group (6 persons) | 1,406,109(9) | 37.63% |
| FMR LLC | 322,543(10) | 9.71% |
| WEDBUSH, LLC | 208,206(11) | 6.27% |

(1) The percentage shown for each individual and for all executive officers and directors as a group is based upon 3,321,555 shares outstanding. The number of shares indicated and the percentage shown for each individual assumes the exercise of options that are presently exercisable or may become exercisable within 60 days from October 10, 2011 which are held by that individual or by all executive officers and directors as a group, as the case may be. The address for each of the directors and executive officers above is in care of the Company at 16139 Wyandotte Street, Van Nuys, California 91406.

(2) Includes vested options to purchase an aggregate of 93,750 shares from the Company at exercise prices from \$1.72 to \$9.57 per share.

(3) Includes vested options to purchase an aggregate of 140,000 shares from the Company at exercise prices from \$1.72 to \$9.57 per share.

(4) The shares are held in a revocable family trust.

(5) Includes vested options to purchase an aggregate of 60,000 shares from the Company at exercise prices from \$1.72 to \$9.57 per share.

(6) Includes vested options to purchase an aggregate of 45,000 shares from the Company at exercise prices from \$1.72 to \$9.57 per share.

(7) Includes vested options to purchase an aggregate of 60,000 shares from the Company at exercise prices from \$1.72 to \$9.57 per share.

- (8) Includes vested options to purchase an aggregate of 16,375 shares from the Company at exercise prices from \$1.72 to \$9.57 per share.
- (9) Includes vested options to purchase an aggregate of 415,125 shares from the Company at exercise prices from \$1.72 to \$9.57 per share.
- (10) Based on Form 13G filed by FMR LLC on February 16, 2010. The address of FMR LLC is 82 Devonshire Street, Boston, MA 02109-3641.
- (11) Based on Form 13G/A filed by WEDBUSH LLC on February 15, 2011. The address of WEDBUSH LLC is 1000 Wilshire Boulevard Suite 830. Los Angeles, CA 90017.

The Company does not know of any arrangements that may at a subsequent date result in a change of control of the Company.

EXECUTIVE OFFICERS

The following persons were our executive officers as of October 10, 2011:

S.W. Yong - Mr. Yong, age 58, is our President and Chief Executive Officer. He is also a member of our Board of Directors. Biographical information regarding Mr. Yong is set forth under the section entitled "Election of Directors."

Victor H.M. Ting - Mr. Ting, age 57, is our Vice-President and Chief Financial Officer. He is also a member of our Board of Directors as of September 5, 2011. Biographical information regarding Mr. Ting is set forth under the section entitled "Election of Directors."

Hwee Poh Lim - Mr. Lim, age 51, is our Corporate Vice-President-Testing. Mr. Lim joined Trio-Tech in 1982 and became the Quality Assurance Manager in 1985. He was promoted to the position of Operations Manager in 1988. In 1990 he was promoted to Business Manager and was responsible for the Malaysian operations in Penang and Kuala Lumpur. Mr. Lim became the General Manager of the Company's Malaysia subsidiary in 1991. In February 1993, all test facilities in Southeast Asia came under Mr. Lim's responsibility. He holds diplomas in Electronics & Communications and Industrial Management and a Masters Degree in Business Administration. He was elected Corporate Vice-President-Testing in July 1998.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires that directors, certain officers of the Company and beneficial owners of more than 10% of our Common Stock file reports of ownership and changes in ownership with the SEC as to the Company's securities beneficially owned by them. Such persons are also required by SEC rules to furnish the Company with copies of all Section 16(a) forms they file.

Based solely on its review of copies of such forms received by the Company, or on written representations from certain reporting persons, the Company believes that all Section 16(a) filing requirements applicable to its officers, directors and greater than ten percent beneficial owners were complied with during the fiscal year ended June 30, 2010, except for one Form 4 filed late by Richard Horowitz, a director of the Company, which late filing reported one transaction.

EQUITY COMPENSATION PLAN INFORMATION

The Company's 2007 Employee Stock Option Plan (the "2007 Employee Plan") and 2007 Directors Plan were approved by the Board on September 24, 2007 and by the shareholders on December 3, 2007 and were subsequently amended, which amendments were approved by the Company's shareholders on December 14, 2010. The purpose of these two plans is to enable the Company to attract and retain top-quality employees, officers, directors and consultants and to provide them with an incentive to enhance shareholder return.

The following table provides information as of June 30, 2011 with respect to shares of our Common Stock that may be issued pursuant to our existing equity compensation plans.

| EQUITY COMPENSATION PLAN INFORMATION | | | |
|--------------------------------------|--|--|---|
| Plan Category | Number of securities to be issued upon exercise of outstanding | Weighted average exercise price of outstanding options | Number of securities remaining available for future issuance under equity |

| | options | | compensation plans (excluding securities reflected in column (a)) |
|---|---------|---------|--|
| | (a) | (b) | |
| Equity compensation plans approved by shareholders | | | |
| 2007 Employee Plan | 159,625 | \$ 4.64 | 203,000 |
| 2007 Directors Plan | 335,000 | \$ 4.86 | 250,000 |
| Equity compensation plans not approved by shareholders | - | - | - |
| Total | 494,625 | \$ 4.79 | 453,000 |

COMPENSATION DISCUSSION AND ANALYSIS

The Compensation Committee

The Compensation Committee reviews and approves corporate goals and objectives relating to the compensation of the Chief Executive Officer; reviews goals and objectives of other executive officers; establishes the performance criteria (including both long-term and short-term goals) to be considered in light of those goals and objectives; evaluates the performance of the executives; determines and approves the compensation level for the Chief Executive Officer; and reviews and approves compensation levels of other key executive officers.

Compensation Objectives

The Company operates in a highly competitive and rapidly changing industry. The key objectives of the Company's executive compensation programs are to:

- attract, motivate and retain executives who drive Trio-Tech's success and industry leadership;
- provide each executive, from Vice-President to Chief Executive Officer, with a base salary based on the market value of that role, and the individual's demonstrated ability to perform that role;
- motivate executives to create sustained shareholder value by ensuring all executives have an "at risk" component of total compensation that reflects their ability to influence business outcomes and financial performance.

What Our Compensation Program is Designed to Reward

Our compensation program is designed to reward each individual named executive officer's contribution to the advancement of the Company's overall performance and execution of our goals, ideas and objectives. It is designed to reward and encourage exceptional performance at the individual level in the areas of organization, creativity and responsibility while supporting the Company's core values and ambitions. This in turn aligns the interest of our executive officers with the interests of our shareholders, and thus with the interests of the Company.

Determining Executive Compensation

The Compensation Committee reviews and approves the compensation program for executive officers annually after the closing of each fiscal year. Reviewing the compensation program at such time allows the Compensation Committee to consider the overall performance of the past fiscal year and the financial and operating plans for the upcoming fiscal year in determining the compensation program for the upcoming fiscal year.

The Compensation Committee also annually reviews market compensation levels with comparable jobs in the industry to determine whether the total compensation for our officers remains in the targeted median pay range. This assessment includes evaluation of base salary, annual incentive opportunities, and long-term incentives for the key executive officers of the Company. The Company did not hire any compensation consultants in fiscal year 2009.

The Committee's compensation decisions are based on the Company's operation performance, the performance and contribution of each individual officer, and the compensation budget and objectives of the Company. The Compensation Committee also considers other factors, such as the experience and potential of the officer and the market compensation level for the similar position.

Role of Executive Officers in Determining Executive Compensation

The Compensation Committee determines compensation for the Chief Executive Officer, which is based on different factors, such as level of responsibility and contributions to the performance of the Company. The Chief Executive Officer recommends the compensation for the Company's executive officers (other than the compensation of the Chief Executive Officer) to the Compensation Committee. The Compensation Committee reviews the recommendations made by the Chief Executive Officer and determines the compensation of the Chief Executive Officer and the other executive officers.

Components of Executive Compensation

The Company's compensation program has two major components: (1) base annual salary; and (2) long-term incentive compensation in the form of stock options.

Base Salary

Base Salaries are provided as compensation for day-to-day responsibilities and services to the Company and to meet the objective of attracting and retaining the talent needed to run the business.

Base salary for our executive officers was determined utilizing the following factors.

One factor that was taken into account in determining base salary for our executive officers was the compensation policies of other companies comparable in size to and within substantially the same industry as Trio-Tech. Keeping our executive officers' salaries in line with the market ensures the Company's competitiveness in the marketplace in which the Company competes for talent.

The other factor that was taken into account in determining base salary for our executive officers was salaries paid by us to our named executive officers during the immediately preceding year and increases in the cost of living.

The Compensation Committee will review the Company's financial condition, macroeconomic conditions and the lowered base salaries at least quarterly in order to ascertain the appropriate time to restore base salaries to pre-reduction levels.

The salary increase for each in fiscal year 2011 was as follows:

| Executives | Base Salary | Percent Increased (1) |
|---|-------------|-----------------------|
| S. W. Yong, Chief Executive Officer | \$ 280,578 | 25 % |
| Victor Ting, Vice President and Chief Financial Officer | \$ 179,875 | 57% |
| Hwee Poh Lim, Vice President-Testing | \$ 110,620 | 58% |

(1) Percent increase is based on the increase in base salary in the currency of Singapore. The appreciation of Singapore dollars against U.S. dollars is excluded in the calculation. The fiscal year 2011 base cash compensation for the above named officers of the Company, each of whom resides in Singapore, was denominated in the currency of Singapore. The exchange rate therefor was established as of June 30, 2011 and was computed to be 1.30 Singapore dollars to each U.S. dollar.

Singapore executive officers' base salaries are credited with a compulsory contribution ranging from 1.2% to 5.9% of base salary as required under Singapore's provident pension fund.

Option Grants

Stock options are intended to align the interests of key executives and shareholders by placing a portion of the key executives' compensation at risk, tied to long-term shareholder value creation. Stock options are granted at 100% of the fair market value of the Company's Common Stock on the date of grant. The Committee believes that stock options are flexible and relatively inexpensive to implement when compared with cash bonuses. It also has no negative impact on the Company's cash flow. The Committee believes that long-term incentives in the form of stock options can better encourage the executive officers to improve operations and increase profits for the Company through participation in the growth in value of the Company's Common Stock.

The number and type of options granted to the Chief Executive Officer are recommended by the Committee and approved by the Board of Directors.

The Compensation Committee views any option grant portion of our executive officer compensation packages as a special form of long-term incentive compensation to be awarded on a limited and non-regular basis. The objective of these awards is to ensure that the interests of our executives are closely aligned with those of our shareholders. These awards provide rewards to our executive officers based upon the creation of incremental shareholder value and the attainment of long-term financial goals. Stock options produce value to our executive officers only if the price of our stock appreciates, thereby directly linking the interests of our executive officers with those of our shareholders.

When granted, stock options are priced at the "fair market value" of the Company's Common Stock on the grant date. Awards of stock options are determined based on the Compensation Committee's subjective determination of the amount of awards necessary, as a supplement to an executive officer's base salary, to retain and motivate the executive officer.

In fiscal 2011, we granted the following stock options covering the following officers pursuant to the 2007 Employee Plan and 2007 Directors Plan as indicated below:

| Executives | Stock Options Granted |
|---|-----------------------|
| S. W. Yong, Chief Executive Officer (1) | 50,000 |
| Victor Ting, Vice President and Chief Financial Officer (2) | 40,000 |
| Hwee Poh Lim, Vice President-Testing | 7,500 |

- (1) Options covering 25,000 shares of the Company's Common Stock were granted pursuant to the 2007 Directors Plan.
- (2) Options covering 25,000 shares of the Company's Common Stock were granted pursuant to the 2007 Directors Plan.

The exercise price of these stock options equaled the fair market value of the Company's Common Stock (as defined under the 2007 Employee Plan in conformity with Regulation 409A of the Internal Revenue Code of 1986, as amended) at the date of grant. The options granted under the 2007 Employee Plan vest as follows: 25% vesting on the grant date and the balance vesting in equal installments on the next three succeeding anniversaries of the grant date. The fair market value of 47,500 shares of the Company's Common Stock issuable upon exercise of stock options granted was approximately \$150,100 based on the fair value of \$3.16 per share determined by using the Black Scholes option pricing model. The options granted to S. W. Yong and Victor Ting pursuant to the 2007 Directors Plan have five-year contractual terms and are exercisable immediately as of the grant date. The fair market value of 50,000 shares of the Company's Common Stock issuable upon exercise of stock options granted was approximately \$135,000 based on the fair value of \$2.70 per share determined by using the Black Scholes option pricing model.

Our current compensation method, which has the element of a base salary and stock options, reflects our objective, which is to motivate executives to create sustained shareholder value by ensuring all executives have an “at risk” component of total compensation that reflects their ability to influence business outcome and financial performance.

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REPORT OF THE AUDIT COMMITTEE

During the fiscal year ended June 30, 2011, the Audit Committee fulfilled its duties and responsibilities as outlined in its charter. The Audit Committee reviewed and discussed the Company's audited consolidated financial statements and related footnotes for the fiscal year ended June 30, 2011, and the independent auditor's report on those financial statements, with the Company's management and independent auditor. Management presented to the Audit Committee that the Company's financial statements were prepared in accordance with accounting principles generally accepted in the United States of America. The Audit Committee has discussed with Mazars LLP (Mazars) the matters required to be discussed with the Audit Committee by the statement on Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1 AU Section 380) as adopted by the Public Company Accounting Oversight Board in Rule 3200T. The Audit Committee's review included a discussion with management and the independent auditor of the quality (not merely the acceptability) of the Company's accounting principles, the reasonableness of significant estimates and judgments, and the disclosures in the Company's financial statements, including the disclosures relating to critical accounting policies.

The Audit Committee recognizes the importance of maintaining the independence of the Company's independent auditor, both in fact and appearance. The Audit Committee has evaluated Mazars's qualifications, performance, and independence, including that of the lead audit partner. As part of its auditor engagement process, the Audit Committee considers whether to rotate the independent audit firm. The Audit Committee has established a policy pursuant to which all services, audit and non-audit, provided by the independent auditor must be pre-approved by the Audit Committee or its delegate. The Company's pre-approval policy is more fully described in this proxy statement under the caption "Policy for pre-approval of audit and non-audit services." The Audit Committee has concluded that provision of the non-audit services described in that section is compatible with maintaining the independence of Mazars. In addition, the Audit Committee has received the written disclosure and the letter from Mazars required by the applicable requirements of the Public Company Accounting Oversight Board regarding Mazars' communications with the Audit Committee concerning independence and has discussed with Mazars its independence.

Based on the above-described review, written disclosures, letter and discussions, the Audit Committee recommended to the Board of Directors of the Company that the audited financial statements for the fiscal year ended June 30, 2011 be included in the Company's Annual Report on Form 10-K.

Dated October 17, 2011

THE AUDIT COMMITTEE
A. Charles Wilson, Chairman
Jason T. Adelman
Richard M. Horowitz

EXECUTIVE COMPENSATION

The following table shows compensation information concerning compensation awarded to, earned by or paid for services to the Company in all capacities during the fiscal years ended June 30, 2011 and 2010 by our Chief Executive Officer, our Chief Financial Officer, and our one other executive officer who had annual compensation in excess of \$100,000 for the fiscal years ended June 30, 2011 and 2010 (the "Named Executive Officers"). The Company has no other executive officers.

SUMMARY COMPENSATION TABLE

| Name and Principal Position | Fiscal Year | Salary (\$) | Bonus (\$) | Option Awards (\$ (1)) | All Other Compensation (\$) | Total (\$) |
|--|-------------|-------------|------------|------------------------|-----------------------------|------------|
| S. W. Yong (2) President and Chief Executive Officer | 2011 | 280,578 | - | 146,500(3) | 18,410 (4) | 445,488 |
| | 2010 | 207,206 | - | - | 18,010 (5) | 225,216 |
| Victor H. M. Ting, Vice President and Chief Financial Officer | 2011 | 179,875 | - | 114,900(6) | 17,090(7) | 311,865 |
| | 2010 | 105,588 | - | - | 13,238(8) | 118,826 |
| Hwee Poh Lim Vice President - Testing | 2011 | 110,620 | - | 23,700(10) | 20,025 (11) | 154,345 |
| | 2010 | 64,741 | 20,246(9) | - | 14,427 (12) | 99,414 |

- (1) The option awards are based on the fair value of stock options on the grant date computed in accordance with ASC Topic 718.
- (2) Neither the Chief Executive Officer nor the Vice President and Chief Financial Officer received any fees for services rendered as a director of Trio-Tech International.
- (3) Stock options covering 25,000 shares of Common Stock were granted pursuant to the 2007 Directors Plan, and 25,000 shares of Common Stock were granted pursuant to the 2007 Employee Plan. Stock options granted pursuant to the 2007 Directors Plan have five-year contractual terms and are exercisable immediately as of the grant date. Stock options granted under the 2007 Employee Plan are exercisable within five years after the date of grant, and vest as follows: 25% vesting on the grant date and the remaining balance vesting in equal installments on the next three succeeding anniversaries of the grant date.
- (4) The amount shown in the other compensation column includes total central provident fund contributions of \$3,362, car benefits of \$11,070, and director fees of \$2,587 for the service as a director for Trio-Tech Malaysia and Trio-Tech Kuala Lumpur, which are 55% owned by the Company. Singapore officers are credited with a compulsory contribution to their central provident fund at a certain percentage of their base salaries in accordance with Singapore law, except for bonuses in this context. The compulsory contribution with respect to Mr. Yong was 1.4% for fiscal 2011. The Company is not the beneficiary of the life insurance for the Chief Executive Officer. There were no remaining premiums as of June 30, 2011.
- (5) The amount shown in the other compensation column includes total central provident fund contributions of \$2,878, car benefits of \$12,777, and director fees of \$2,355 for the service as a director for Trio-Tech Malaysia and Trio-Tech Kuala Lumpur, which are 55% owned by the Company. Singapore officers are credited with a compulsory contribution to their central provident fund at a certain percentage of their base salaries in accordance with Singapore law, except for bonuses in this context. The compulsory contribution with respect to Mr. Yong was 1.4% for fiscal 2010. The Company is not the beneficiary of the life insurance for the Chief Executive Officer.

There were no remaining premiums as of June 30, 2010.

- (6) Stock options covering 25,000 shares of Common Stock were granted pursuant to the 2007 Directors Plan and 15,000 shares of Common Stock were granted pursuant to the 2007 Employee Plan. Stock options granted pursuant to the 2007 Directors Plan have five-year contractual terms and are exercisable immediately as of the grant date. Stock options covering 15,000 shares of Common Stock were granted pursuant to the 2007 Employee Plan. These stock options are exercisable within five years after the date of grant, and vest as follows: 25% vesting on the grant date and the remaining balance vesting in equal installments on the next three succeeding anniversaries of the grant date.

- (7) The amount shown in the other compensation column includes total central provident fund contributions of \$4,469, car benefits of \$9,886, and director fees of \$2,587 for the service as a director for Trio-Tech Malaysia and Trio-Tech Kuala Lumpur, which are 55% owned by the Company. Singapore officers are credited with a compulsory contribution to their central provident fund at a certain percentage of their base salaries in accordance with Singapore law, except for bonuses in this context. The compulsory contribution with respect to Mr. Ting was 2.7% for fiscal 2011.
- (8) The amount shown in the other compensation column includes total central provident fund contributions of \$2,878, car benefits of \$9,477, and director fees of \$883 for the service as a director for Trio-Tech Malaysia and Trio-Tech Kuala Lumpur, which are 55% owned by the Company. Singapore officers are credited with a compulsory contribution to their central provident fund at a certain percentage of their base salaries in accordance with Singapore law, except for bonuses in this context. The compulsory contribution with respect to Mr. Ting was 3.7% for fiscal 2010.
- (9) The bonuses for Mr. Lim in fiscal year 2010 were based on a certain percentage of net profit before tax for all operations under his responsibility and approved by the Chief Executive Officer.
- (10) Stock options covering 7,500 shares of Common Stock were granted pursuant to the 2007 Employee Plan. These stock options are exercisable within five years after the date of grant, and vest as follows: 25% vesting on the grant date and the remaining balance vesting in equal installments on the next three succeeding anniversaries of the grant date.
- (11) The amount shown in the other compensation column includes total central provident fund contributions of \$6,506, car benefits of \$12,152, and director fees of \$1,294 for the service as a director for Trio-Tech Malaysia and Trio-Tech Kuala Lumpur, which are 55% owned by the Company. Singapore officers are credited with a compulsory contribution to their central provident fund at a certain percentage of their base salaries in accordance with Singapore law, except for bonuses in this context. The compulsory contribution with respect to Mr. Lim was 5.9% for fiscal 2011.
- (12) The amount shown in the other compensation column includes total central provident fund contributions of \$4,028, car benefits of \$9,958, and director fees of \$3,151 for the service as a director for Trio-Tech Malaysia and Trio-Tech Kuala Lumpur, which are 55% owned by the Company. Singapore officers are credited with a compulsory contribution to their central provident fund at a certain percentage of their base salaries in accordance with Singapore law, except for bonuses in this context. The compulsory contribution with respect to Mr. Lim was 6.2% for fiscal 2010.

Narrative Disclosure to Summary Compensation Table

Base Salary. Base salaries for the fiscal year ending June 30, 2011 for Messrs. Yong, Ting and Lim were \$280,578, \$179,875 and \$110,620, respectively.

Bonus. Bonus to the Vice Presidents is suggested by the Chief Executive Officer and approved by the Compensation Committee. The bonus is based on the annual performance of the Vice Presidents and profitability of the Company.

Option Awards. Stock options are granted at 100% of the fair market value of the Company's Common Stock on the date of grant. Awards of stock options are determined based on the Compensation Committee's subjective determination of the amount of awards necessary, as a supplement to an executive officer's base salary, to retain and motivate the executive officer.

All Other Compensation. All other compensation includes central provident fund contributions at a certain percentage of the base salaries in accordance with Singapore law, car benefits and director fees for the service as a director for the subsidiaries of the Company.

The Company does not generally provide its executive officers with payments or other benefits at, following, or in connection with retirement. The Company does not have a nonqualified deferred compensation plan that provides for deferral of compensation on a basis that is not tax-qualified for its executive officers.

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Outstanding Equity Awards at Fiscal Year-End

The following table provides information concerning shares of our Common Stock covered by exercisable and un-exercisable options held by the Named Executive Officers on June 30, 2011.

OUTSTANDING EQUITY AWARDS AT JUNE 30, 2011

| Name | Number of Securities Underlying Unexercised Options | | Number of Securities Underlying Unexercised Options | | Option Exercise Price (\$) | Option Expiration Date |
|-------------------|---|-----|---|-----|----------------------------|------------------------|
| | (#) | (#) | (#) | (#) | | |
| S. W. Yong | 31,250 | (1) | 18,750 | | \$ 4.35 | 12/14/2015 |
| | 20,000 | (2) | - | | \$ 9.57 | 12/4/2012 |
| | 20,000 | (3) | - | | \$ 4.81 | 7/11/2013 |
| | 22,500 | (4) | 22,500 | | \$ 1.72 | 4/13/2014 |
| Victor H. M. Ting | 28,750 | (5) | 11,250 | | \$ 4.35 | 12/14/2015 |
| | 10,000 | (6) | - | | \$ 9.57 | 12/4/2012 |
| | 11,250 | (7) | 3,750 | | \$ 4.81 | 7/11/2013 |
| | 10,000 | (8) | 10,000 | | \$ 1.72 | 4/13/2014 |
| | 1,875 | (9) | 5,625 | | \$ 4.35 | 12/14/2015 |
| Hwee Poh Lim | 7,000 | (6) | - | | \$ 9.57 | 12/4/2012 |
| | 3,750 | (7) | 1,250 | | \$ 4.81 | 7/11/2013 |
| | 3,750 | (8) | 1,250 | | \$ 1.72 | 4/13/2014 |

- (1) Stock options covering 25,000 shares of Common Stock granted on December 14, 2010 pursuant to the 2007 Directors Plan that were fully vested immediately. Stock options covering 25,000 shares of Common Stock granted on December 14, 2010 pursuant to the 2007 Employee Plan that will be fully vested on December 14, 2013 (one-fourth of the grant vested every year beginning on December 14, 2010).
- (2) Stock options granted on December 4, 2007 pursuant to the 2007 Directors Plan that were fully vested immediately.
- (3) Stock options granted on July 11, 2008 pursuant to the 2007 Directors Plan that were fully vested immediately.
- (4) Stock options granted on April 13, 2009 that will be fully vested on April 13, 2012 (one-fourth of the grant vested every year beginning on April 13, 2009).
- (5) Stock options covering 25,000 shares of Common Stock granted on December 14, 2010 pursuant to the 2007 Directors Plan that were fully vested immediately. Stock options covering 15,000 shares of Common Stock granted on December 14, 2010 pursuant to the 2007 Employee Plan that will be fully vested on December 14, 2013 (one-fourth of the grant vested every year beginning on December 14, 2010).
- (6) Stock options granted on December 4, 2007 that were fully vested on December 4, 2010 (one-fourth of the grant vested every year beginning on December 4, 2007).
- (7)

Stock options granted on July 11, 2008 that were fully vested on July 11, 2011 (one-fourth of the grant vested every year beginning on July 11, 2008).

- (8) Stock options granted on April 13, 2009 that will be fully vested on April 13, 2012 (one-fourth of the grant vested every year beginning on April 13, 2009).
- (9) Stock options granted on December 14, 2010 that will be fully vested on December 14, 2013 (one-fourth of the grant vested every year beginning on December 14, 2010).

Employment Agreements

None of our executive officers has an employment agreement with the Company other than the standard offer letters signed by all employees upon employment.

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INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee has selected Mazars as the independent registered public accounting firm for the fiscal year ending June 30, 2011. A representative of Mazars is expected to be present at the Annual Meeting and will have an opportunity to make statements and respond to appropriate questions.

The following table shows the fees that we paid or accrued for audit and other services provided by Mazars in 2011 and in 2010. All of the services described in the following fee table were approved in conformity with the Audit Committee's pre-approval process.

| | 2011 | 2010 |
|--------------------|------------|------------|
| Audit Fees | \$ 208,300 | \$ 171,000 |
| Audit Related Fees | - | - |
| Tax Fees | 27,000 | 22,570 |
| All Other Fees | - | 54,863 |
| Total: | \$ 235,300 | \$ 243,433 |

Audit Fees

The amounts set forth opposite "Audit Fees" above reflect the aggregate fees billed by Mazars or to be billed for professional services rendered for the audit of the Company's fiscal 2011 and fiscal 2010 annual financial statements and for the review of the financial statements included in the Company's quarterly reports during such periods.

Tax Fees

The amounts set forth opposite "Tax Fees" above reflect the aggregate fees billed for fiscal 2011 and fiscal 2010 for professional services rendered for tax compliance and return preparation. The compliance and return preparation services consisted of the preparation of original and amended tax returns and support during the income tax audit or inquiries.

All Other Fees

The amount set forth opposite "All Other Fees" above for fiscal year 2010 was paid to Mazars for work related to the Sarbanes-Oxley Act.

The Audit Committee's policy is to pre-approve all audit services and all non-audit services that our independent accountants are permitted to perform for us under applicable federal securities regulations. The Audit Committee's policy utilizes an annual review and general pre-approval of certain categories of specified services that may be provided by the independent accountant, up to pre-determined fee levels. Any proposed services not qualifying as a pre-approved specified service, and pre-approved services exceeding the pre-determined fee levels, require further specific pre-approval by the Audit Committee. The Audit Committee has delegated to the Chairman of the Audit Committee the authority to pre-approve audit and non-audit services proposed to be performed by the independent accountants. Since June 30, 2004, all services provided by our auditors required pre-approval by the Audit Committee. The policy has not been waived in any instance.

ADDITIONAL MEETING INFORMATION

Shareholder Proposals

Shareholders who wish to present proposals at the Annual Meeting to be held following the end of the fiscal year ended June 30, 2011 should submit their proposals in writing to the Secretary of the Company at the address set forth on the first page of this Proxy Statement. Proposals must be received no later than June 24, 2012 for inclusion in next year's Proxy Statement and Proxy Card. If a shareholder intends to present a proposal at the next Annual Meeting but does not seek inclusion of that proposal in the proxy statement for that meeting, the holders of Proxies for that meeting will be entitled to exercise their discretionary authority on that proposal if the Company does not have notice of the proposal by September 8, 2012.

Proxy Solicitation

The cost of soliciting the enclosed form of Proxy will be borne by the Company. In addition, the Company will reimburse brokerage firms and other persons representing beneficial owners of shares for their expenses in forwarding solicitation material to such beneficial owners. Directors, officers and regular employees of the Company may, for no additional compensation, also solicit proxies personally or by telephone, electronic transmission, telegram or special letter.

Annual Report

The Company's Annual Report to Shareholders for the year ended June 30, 2011 is being mailed with this proxy statement to shareholders entitled to notice of the meeting. The Annual Report includes the consolidated financial statements, unaudited selected consolidated financial data and management's discussion and analysis of financial condition and results of operations.

Upon the written request of any shareholder, the Company will provide, without charge, a copy of the Company's Annual Report on Form 10-K filed with the Commission for the year ended June 30, 2011. This request should be directed to the Corporate Secretary, Trio-Tech International, 16139 Wyandotte St., Van Nuys, CA 91406.

OTHER MATTERS

The shareholders and any other persons who would like to communicate with the Board can access the website www.triotech.com and fill in the contact form for any enquiries or information. The form will be sent directly to the Secretary and the communications for specified individual directors of the Board will be given to them personally by the Secretary. In addition, the contact number is listed on the website and the messages will be passed to the Board accordingly.

At this time, the Board knows of no other business that will come before the Annual Meeting. However, if any other matters properly come before the Annual Meeting, the persons named as Proxy holders will vote on them in accordance with their best judgment.

By Order of the Board of Directors

A. CHARLES WILSON
Chairman

Appendix A

TRIO-TECH INTERNATIONAL AUDIT COMMITTEE CHARTER

One committee of the board of directors will be known as the audit committee. Only independent directors will serve on the audit committee. An independent director is free of any relationship that could influence his or her judgment as a committee member. An independent director may not be associated with a major vendor to, or customer of, the company. When there is some doubt about independence, as when a member of the committee has short-term consulting contract with a major customer, the director should excuse himself from any decisions that might be influenced by that relationship.

The primary function of the audit committee is to assist the board in fulfilling its oversight responsibilities by reviewing the financial information that will be provided to the shareholders and others, the systems of internal controls management and the board of directors have established and all audit processes.

- General responsibilities

1. The audit committee provides open avenues of communication among the internal auditors, the independent accountant and the board of directors.
2. The audit committee must report committee actions to the full board of directors and may make appropriate recommendations.
3. The audit committee has the power to conduct or authorize investigations into matters within the committee's scope of responsibilities. The committee is authorized to retain independent counsel, accountants or others it needs to assist in an investigation.
4. The committee will meet at least four times each year, more frequently if circumstances make that preferable.
5. The audit committee chairman has the power to call a committee meeting whenever he or she thinks there is a need. An audit committee member should not vote on any matter in which he or she is not independent. The committee may ask members of management or others to attend the meeting and is authorized to receive all pertinent information from management.
6. The committee will do whatever else the law, the company's charter or bylaws or the board of directors require.

- Responsibilities for engaging independent accountants and appointing the internal auditor

1. The audit committee will select the independent accountants for company audits. The committee's selection is subject to approval by the full board of directors. The audit committee also will review and set any fees paid to the independent accountants and review and approve dismissal of the independent accountants.
2. The audit committee will review and have veto power over the appointment, replacement, reassignment or dismissal of the director of internal audit.
3. The audit committee will confirm and assure the independence of the internal auditor and the independent accountant, including a review of management consulting services provided by the independent accountant and the fees paid for them.
- 4.

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The audit committee will consider, in consultation with the independent accountant and the director of internal auditing, the audit scope and procedural plans made by the internal auditors and the independent accountant.

5. The audit committee will listen to management and the primary independent auditor if either thinks there might be a need to engage additional auditors. The audit committee will decide whether to engage an additional firm and, if so, which one.
 6. The audit committee will make sure that the director of internal auditing and the independent accountant coordinate the internal and external audits. The purpose of coordinating these efforts is to assure completeness of coverage, reduce redundancy and use audit resources effectively.
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- Responsibilities for reviewing internal audits, the annual external audit and the review of quarterly and annual financial statements
- 1. The audit committee will ascertain that the independent accountant views the board of directors as its client, that it will be available to the full board of directors at least annually and that it will provide the committee the committee with a timely analysis of significant financial reporting issues.
- 2. The audit committee will ask management, the director of internal auditing and the independent accountant about significant risks and exposures and will assess management's steps to minimize them.
- 3. The audit committee will review the following with the independent accountant and the director of internal auditing:
 - a. The adequacy of the company's internal controls, including computerized information system controls and security.
 - b. Any significant findings and recommendations made by the independent accountant or internal auditing, together with management's responses to them.
- 4. Shortly after the annual examination is completed, the audit committee will review the following with management and the independent accountant.
 - a. The company's annual financial statements and related footnotes.
 - b. The independent accountant's audit of and report on the financial statements.
 - c. The auditor's qualitative judgments about the appropriateness, not just the acceptability, of accounting principles and financial disclosures and how aggressive (or conservative) the accounting principles and underlying estimates are.
 - d. Any serious difficulties or disputes with management encountered during the course of the audit.
 - e. Anything else about the audit procedures or findings that GAAS requires the auditors to discuss with the committee.
- 5. The audit committee will consider and review with management and the director of Internal auditing.
 - a. Any significant findings during the year and management's responses to them.
 - b. Any difficulties the internal auditor encountered while conducting audits, including any restrictions on the scope of their work or access to required information.
 - c. Any changes to the planned scope of management's internal audit plan that the committee thinks advisable.
 - d. The internal auditing department's charter.
 - e. Whether the internal auditing department has complied with the Institute of Internal Auditing's Standards for the Professional Practice of Internal Auditing.

6. The audit committee will review annual filings with the SEC and other published documents containing the company's financial statements.
7. The audit committee will review the interim financial reports with management, the independent accountant and the director of internal auditing before those interim reports are released to the public or filed with the SEC or other regulators.
8. The audit committee will prepare a letter for inclusion in the annual report that describes the committee's composition and responsibilities and how the responsibilities were fulfilled.

- Periodic responsibilities

1. Review and update the committee's charter annually.
2. Review policies and procedures covering officers' expense accounts and perquisites including their use of corporate assets, and consider the results of any review of those areas by the internal auditor or the independent accountant.
3. Review, with the director of internal auditing and the independent accountant, the results of their examination of compliance with the company's code of conduct.
4. Review legal and regulatory matters that may have a material effect on the organization's financial statements, compliance policies and programs and reports from regulators.
5. Meet with the director of internal auditing, the independent accountant and management in separate executive sessions to discuss any matters the committee or these groups believe should be discussed privately with the audit committee.