

THAI STANLEY ELECTRIC PUBLIC COMPANY LIMITED

INTERIM FINANCIAL INFORMATION (UNAUDITED)

30 JUNE 2013

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Thai Stanley Electric Public Company Limited

I have reviewed the accompanying statements of financial position in which the equity method is applied and the Company only as at 30 June 2013, the related statements of income and comprehensive income, changes in shareholders' equity, and cash flows in which the equity method is applied and the Company only for the three-month period then ended and condensed notes to the interim financial information of Thai Stanley Electric Public Company Limited. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Unakorn Phruithithada
Certified Public Accountant (Thailand) No. 3257
PricewaterhouseCoopers ABAS Ltd.

Bangkok
2 August 2013

Thai Stanley Electric Public Company Limited
Statements of Financial Position
As at 30 June 2013

	Notes	Financial statements in which the equity method is applied		The Company only	
		(Restated)		(Restated)	
		Unaudited 30 June 2013 Baht	Audited 31 March 2013 Baht	Unaudited 30 June 2013 Baht	Audited 31 March 2013 Baht
Assets					
Current assets					
Cash and cash equivalents		2,327,391,411	1,706,831,055	2,327,391,411	1,706,831,055
Short-term investments held to maturity	4	109,736,145	109,704,902	109,736,145	109,704,902
Trade and other accounts receivable, net	5, 6	1,773,101,431	2,034,445,035	1,773,101,431	2,034,445,035
Inventories, net		805,764,919	844,326,647	805,764,919	844,326,647
Corporate income tax refundable		35,804,368	35,804,368	35,804,368	35,804,368
Other current assets		9,289,571	7,224,223	9,289,571	7,224,223
Total current assets		5,061,087,845	4,738,336,230	5,061,087,845	4,738,336,230
Non-current assets					
Investments in associates	7	504,672,185	475,826,519	57,176,689	57,176,689
Long-term investments, net	8	139,939,738	139,859,738	139,939,738	139,859,738
Property, plant and equipment, net	9	5,941,790,188	5,905,057,348	5,941,790,188	5,905,057,348
Intangible assets, net	10	500,878,081	465,263,346	500,878,081	465,263,346
Deferred tax assets		-	-	59,302,452	57,343,073
Other non-current assets, net		21,927,629	19,840,167	21,927,629	19,840,167
Total non-current assets		7,109,207,821	7,005,847,118	6,721,014,777	6,644,540,361
Total assets		12,170,295,666	11,744,183,348	11,782,102,622	11,382,876,591

Director _____
(Mr. Koichi Nagano)

Director _____
(Mr. Apichart Leeissaranukul)

Date _____

The notes to the interim financial information on page 10 to 19 are an integral part of this interim financial information.

Thai Stanley Electric Public Company Limited
Statements of Financial Position
As at 30 June 2013

	Notes	Financial statements in which the equity method is applied		The Company only	
		(Restated)		(Restated)	
		Unaudited 30 June 2013 Baht	Audited 31 March 2013 Baht	Unaudited 30 June 2013 Baht	Audited 31 March 2013 Baht
Liabilities and shareholders' equity					
Current liabilities					
Trade accounts payable - other companies		545,602,064	564,389,044	545,602,064	564,389,044
- related parties	6	252,069,509	300,625,020	252,069,509	300,625,020
Other accounts payable - other companies		195,971,159	235,633,141	195,971,159	235,633,141
- related parties	6	154,547,084	130,841,491	154,547,084	130,841,491
Accrued corporate income tax		334,692,788	234,080,227	334,692,788	234,080,227
Advances received from customers		41,090,117	38,639,703	41,090,117	38,639,703
Accrued expenses		221,442,004	246,249,796	221,442,004	246,249,796
Total current liabilities		1,745,414,725	1,750,458,422	1,745,414,725	1,750,458,422
Non-current liabilities					
Deferred tax liabilities		30,196,647	26,386,893	-	-
Provision for post employment benefits		138,297,900	131,762,100	138,297,900	131,762,100
Total non-current liabilities		168,494,547	158,148,993	138,297,900	131,762,100
Total liabilities		1,913,909,272	1,908,607,415	1,883,712,625	1,882,220,522
Shareholders' equity					
Share capital					
Authorised share capital					
76,625,000 ordinary shares, par value of Baht 5 each		383,125,000	383,125,000	383,125,000	383,125,000
Issued and paid-up share capital					
76,625,000 ordinary shares, par value of Baht 5 each		383,125,000	383,125,000	383,125,000	383,125,000
Premium on share capital		504,250,000	504,250,000	504,250,000	504,250,000
Retained earnings					
Appropriated					
- Legal reserve		38,312,500	38,312,500	38,312,500	38,312,500
Unappropriated		9,411,958,968	9,020,393,751	8,969,134,497	8,571,464,569
Other components of equity		(81,260,074)	(110,505,318)	3,568,000	3,504,000
Total shareholders' equity		10,256,386,394	9,835,575,933	9,898,389,997	9,500,656,069
Total liabilities and shareholders' equity		12,170,295,666	11,744,183,348	11,782,102,622	11,382,876,591

The notes to the interim financial information on page 10 to 19 are an integral part of this interim financial information.

Thai Stanley Electric Public Company Limited
Statements of Income (Unaudited)
For the three-month periods ended 30 June 2013

	Notes	Financial statements in which the equity method is applied		The Company only	
		2013 Baht	(Restated) 2012 Baht	2013 Baht	(Restated) 2012 Baht
Sales	6	2,831,169,241	2,539,670,249	2,831,169,241	2,539,670,249
Cost of sales	6	(2,222,619,034)	(1,972,111,526)	(2,222,619,034)	(1,972,111,526)
Gross profit		608,550,207	567,558,723	608,550,207	567,558,723
Other income					
- Dividend income	6, 7	-	10,387,294	39,146,048	52,642,135
- Others	6	57,650,608	46,046,176	57,650,608	46,046,176
Profit before expenses		666,200,815	623,992,193	705,346,863	666,247,034
Selling expenses	6	(136,613,344)	(122,426,436)	(136,613,344)	(122,426,436)
Administrative expenses	6	(68,522,710)	(57,030,007)	(68,522,710)	(57,030,007)
Loss on exchange rates, net		(2,198,493)	(434,611)	(2,198,493)	(434,611)
Other expenses	12	-	(35,294,401)	-	(35,294,401)
Total expenses		(207,334,547)	(215,185,455)	(207,334,547)	(215,185,455)
Operating profit		458,866,268	408,806,738	498,012,316	451,061,579
Share of profit from investments in associates	7	31,515,159	27,286,099	-	-
Profit before income tax		490,381,427	436,092,837	498,012,316	451,061,579
Income tax		(98,816,210)	(99,118,750)	(100,342,388)	(102,112,498)
Net profit for the period		391,565,217	336,974,087	397,669,928	348,949,081
Basic earnings per share	13				
Net profit for the period		5.11	4.40	5.19	4.55

The notes to the interim financial information on page 10 to 19 are an integral part of this interim financial information.

Thai Stanley Electric Public Company Limited
 Statements of Comprehensive Income (Unaudited)
 For the three-month periods ended 30 June 2013

	Notes	Financial statements in which the equity method is applied		The Company only	
		(Restated)		(Restated)	
		2013 Baht	2012 Baht	2013 Baht	2012 Baht
Net profit for the period		391,565,217	336,974,087	397,669,928	348,949,081
Other comprehensive income:					
Unrealised gain on change in fair value of available-for-sale investment	8	64,000	160,000	64,000	160,000
Exchange differences relating to investments in associates	7	29,181,244	1,128,692	-	-
Other comprehensive income for the period, net of tax		29,245,244	1,288,692	64,000	160,000
Total comprehensive income for the period		420,810,461	338,262,779	397,733,928	349,109,081

The notes to the interim financial information on page 10 to 19 are an integral part of this interim financial information.

Thai Stanley Electric Public Company Limited
 Statements of Changes in Shareholders' Equity (Unaudited)
 For the three-month periods ended 30 June 2013

Financial statements in which the equity method is applied									
Notes	Issued and paid-up share capital Baht	Premium on share capital Baht	Retained earnings		Unrealised gain on change in fair value of available-for-sale investment Baht	Other components of equity		Total other components of equity Baht	Total shareholders' equity Baht
			Legal reserve Baht	Unappropriated retained earnings Baht		Other comprehensive income			
						Cumulative exchange differences relating to investments in associates Baht			
Opening balance as at 1 April 2013 - as previously reported	383,125,000	504,250,000	38,312,500	9,071,206,974	7,580,000	(142,511,648)	(134,931,648)	9,861,962,826	
Retrospective adjustments	3.1.1	-	-	(50,813,223)	(4,076,000)	28,502,330	24,426,330	(26,386,893)	
Opening balance as at 1 April 2013 - as restated	383,125,000	504,250,000	38,312,500	9,020,393,751	3,504,000	(114,009,318)	(110,505,318)	9,835,575,933	
Total comprehensive income for the period	-	-	-	391,565,217	64,000	29,181,244	29,245,244	420,810,461	
Closing balance as at 30 June 2013	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>9,411,958,968</u>	<u>3,568,000</u>	<u>(84,828,074)</u>	<u>(81,260,074)</u>	<u>10,256,386,394</u>	
Opening balance as at 1 April 2012 - as previously reported	383,125,000	504,250,000	38,312,500	7,678,162,011	4,220,000	(111,506,534)	(107,286,534)	8,496,562,977	
Retrospective adjustments	3.1.1	-	-	(34,987,049)	(3,404,000)	22,301,307	18,897,307	(16,089,742)	
Opening balance as at 1 April 2012 - as restated	383,125,000	504,250,000	38,312,500	7,643,174,962	816,000	(89,205,227)	(88,389,227)	8,480,473,235	
Total comprehensive income for the period - as previously reported	-	-	-	328,229,189	200,000	1,410,865	1,610,865	329,840,054	
Retrospective adjustments	3.1.1	-	-	8,744,898	(40,000)	(282,173)	(322,173)	8,422,725	
Total comprehensive income for the period - as restated	-	-	-	336,974,087	160,000	1,128,692	1,288,692	338,262,779	
Dividend payable	11	-	-	(229,866,300)	-	-	-	(229,866,300)	
Closing balance as at 30 June 2012	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>7,750,282,749</u>	<u>976,000</u>	<u>(88,076,535)</u>	<u>(87,100,535)</u>	<u>8,588,869,714</u>	

The notes to the interim financial information on page 10 to 19 are an integral part of this interim financial information.

Thai Stanley Electric Public Company Limited
Statements of Changes in Shareholders' Equity (Unaudited)
For the three-month periods ended 30 June 2013

The Company only							
Notes	Issued and paid-up share capital Baht	Premium on share capital Baht	Retained earnings		Other components of equity		Total shareholders' equity Baht
			Legal reserve Baht	Unappropriated retained earnings Baht	Unrealised gain on change in fair value of available-for-sale investment Baht	Other comprehensive income Total other components of equity Baht	
Opening balance as at 1 April 2013 - as previously reported	383,125,000	504,250,000	38,312,500	8,510,045,496	7,580,000	7,580,000	9,443,312,996
Retrospective adjustments	3.1.1 -	-	-	61,419,073	(4,076,000)	(4,076,000)	57,343,073
Opening balance as at 1 April 2013 - as restated	383,125,000	504,250,000	38,312,500	8,571,464,569	3,504,000	3,504,000	9,500,656,069
Total comprehensive income for the period	-	-	-	397,669,928	64,000	64,000	397,733,928
Closing balance as at 30 June 2013	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>8,969,134,497</u>	<u>3,568,000</u>	<u>3,568,000</u>	<u>9,898,389,997</u>
Opening balance as at 1 April 2012 - as previously reported	383,125,000	504,250,000	38,312,500	7,205,963,512	4,220,000	4,220,000	8,135,871,012
Retrospective adjustments	3.1.1 -	-	-	59,452,651	(3,404,000)	(3,404,000)	56,048,651
Opening balance as at 1 April 2012 - as restated	383,125,000	504,250,000	38,312,500	7,265,416,163	816,000	816,000	8,191,919,663
Total comprehensive income for the period - as previously reported	-	-	-	343,197,931	200,000	200,000	343,397,931
Retrospective adjustments	3.1.1 -	-	-	5,751,150	(40,000)	(40,000)	5,711,150
Total comprehensive income for the period - as restated	-	-	-	348,949,081	160,000	160,000	349,109,081
Dividend payable	11 -	-	-	(229,866,300)	-	-	(229,866,300)
Closing balance as at 30 June 2012	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>7,384,498,944</u>	<u>976,000</u>	<u>976,000</u>	<u>8,311,162,444</u>

The notes to the interim financial information on page 10 to 19 are an integral part of this interim financial information.

Thai Stanley Electric Public Company Limited
Statements of Cash Flows (Unaudited)
For the three-month periods ended 30 June 2013

	Notes	Financial statements in which the equity method is applied		The Company only	
		2013 Baht	2012 Baht	2013 Baht	2012 Baht
Cash flows from operating activities:					
Profit before income tax for the period		490,381,427	436,092,837	498,012,316	451,061,579
Adjustments to reconcile profit before income tax to net cash provided by operations:					
- Depreciation	9	219,197,780	164,181,603	219,197,780	164,181,603
- Amortisation	10	29,774,720	29,008,278	29,774,720	29,008,278
- Interest income		(11,473,182)	(10,723,014)	(11,473,182)	(10,723,014)
- Share of profit from investments in associates	7	(31,515,159)	(27,286,099)	-	-
- Dividend income					
- Investments in associates	7	-	-	(39,146,048)	(42,254,841)
- Long-term investments	8	-	(10,387,294)	-	(10,387,294)
- Loss (gain) on disposal of equipment		4,835,977	(330,218)	4,835,977	(330,218)
- Loss on write-off of intangible assets	10	77	-	77	-
- Reversal of allowance for doubtful account		-	(342,090)	-	(342,090)
- Allowance for slow moving inventories and net realisable value lower than cost of inventories		(12,146,495)	(4,482,890)	(12,146,495)	(4,482,890)
- Provision for post employment benefits		6,535,800	5,291,910	6,535,800	5,291,910
- Unrealised gain on exchange rates		(3,482,219)	(1,524,508)	(3,482,219)	(1,524,508)
Cash flows before changes in operating assets and liabilities		692,108,726	579,498,515	692,108,726	579,498,515
Changes in operating assets and liabilities					
- Trade and other accounts receivable		261,283,076	(262,818,376)	261,283,076	(262,818,376)
- Inventories		50,708,223	3,573,686	50,708,223	3,573,686
- Other current assets		(2,065,348)	1,231,488	(2,065,348)	1,231,488
- Other non-current assets		(2,087,462)	1,838,967	(2,087,462)	1,838,967
- Trade accounts payable - other companies		(18,786,980)	53,260,127	(18,786,980)	53,260,127
- Trade accounts payable - related parties		(48,555,511)	(5,511,591)	(48,555,511)	(5,511,591)
- Other accounts payable - other companies		(59,946,123)	(132,392,722)	(59,946,123)	(132,392,722)
- Other accounts payable - related parties		23,707,074	(33,811,646)	23,707,074	(33,811,646)
- Advances received from customers		2,450,414	(5,296,116)	2,450,414	(5,296,116)
- Accrued expenses		(24,807,792)	43,614,606	(24,807,792)	43,614,606
- Payment for post employment benefits		-	(856,800)	-	(856,800)
Cash generated from operations		874,008,297	242,330,138	874,008,297	242,330,138
Interest received		10,763,492	10,694,336	10,763,492	10,694,336
Income tax paid		(1,705,205)	(6,520,023)	(1,705,205)	(6,520,023)
Net cash received from operating activities		883,066,584	246,504,451	883,066,584	246,504,451

The notes to the interim financial information on page 10 to 19 are an integral part of this interim financial information.

	Notes	Financial statements in which the equity method is applied		The Company only	
		2013 Baht	2012 Baht	2013 Baht	2012 Baht
Cash flows from investing activities:					
Purchases of property, plant and equipment		(244,245,445)	(719,342,528)	(244,245,445)	(719,342,528)
Advance payment for purchase of machines		-	(19,575,436)	-	(19,575,436)
Proceeds from disposals of equipment		2,872,507	330,281	2,872,507	330,281
Interest received on short-term investments held to maturity		770,218	853,152	770,218	853,152
Dividend received from investment in associate	7	39,146,048	42,254,841	39,146,048	42,254,841
Purchases of intangible assets		(64,500,532)	(20,031,478)	(64,500,532)	(20,031,478)
Cash receipts from short-term investments held to maturity	4	109,704,902	98,996,308	109,704,902	98,996,308
Cash payments on short-term investments held to maturity	4	(109,736,145)	-	(109,736,145)	-
Net cash used in investing activities		(265,988,447)	(616,514,860)	(265,988,447)	(616,514,860)
Net increase (decrease) in cash and cash equivalents		617,078,137	(370,010,409)	617,078,137	(370,010,409)
Cash and cash equivalents at beginning of the period		1,706,831,055	1,707,851,632	1,706,831,055	1,707,851,632
Effects of exchange rate changes		3,482,219	1,524,508	3,482,219	1,524,508
Cash and cash equivalents at end of the period		<u>2,327,391,411</u>	<u>1,339,365,731</u>	<u>2,327,391,411</u>	<u>1,339,365,731</u>
Non-cash transactions:					
Outstanding liabilities arisen from purchase of plant, equipment and intangible assets		48,017,829	94,424,816	48,017,829	94,424,816
Accrued dividend income from long-term investment		-	10,387,294	-	10,387,294

The notes to the interim financial information on page 10 to 19 are an integral part of this interim financial information.

Thai Stanley Electric Public Company Limited
Unaudited Condensed Notes to the Interim Financial Information
For the three-month period ended 30 June 2013

1 General information

Thai Stanley Electric Public Company Limited (“the Company”) is a public limited company, incorporated in Thailand. The address of its registered office is 29/3 Moo 1 Bangpoon-Rungsit Road, Banklang, Amphur Muang, Pathumthane, Thailand 12000. The Company is listed on the Stock Exchange of Thailand.

The principal business operation of the Company is the manufacture and sales of automotive bulbs, lighting equipment and molds and dies.

This interim financial information has been approved by the Company’s Board of directors on 2 August 2013.

This interim financial information has been reviewed, not audited.

2 Basis of preparation

This interim financial information is prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial information (i.e. statement of financial position, statement of income, statement of comprehensive income, statement of changes in shareholders’ equity and statement of cash flows) is prepared in the full format as required by the Securities and Exchange Commission. The notes to the interim financial information are prepared in a condensed format according to Thai Accounting Standard no. 34, “Interim Financial Reporting” and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2013.

An English version of the interim financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

Thai Stanley Electric Public Company Limited
Unaudited Condensed Notes to the Interim Financial Information
For the three-month period ended 30 June 2013

3 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 March 2013 except as described below.

3.1 New accounting standard and new interpretations

3.1.1 New accounting standard that is mandatory for the accounting periods beginning on or after 1 January 2013 and has an effect on the Company's financial statements

TAS 12, this deals with taxes on income, comprising current tax and deferred tax. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, using tax rates and tax law that have been enacted or substantively enacted by the end of the reporting period. Deferred taxes are measured based on the temporary difference between the tax base of an asset or liability and its carrying amount in the financial statements and using the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax law that have been enacted or substantively enacted by the end of the reporting period. This accounting standard is mandatory for the accounting periods beginning on or after 1 January 2013. The Company has adopted this standard from 1 April 2013 with retrospective adjustments. The effects of the adoption of this standard on the statement of financial position, the statement of income and the statement of comprehensive income are as follows:

	Financial statements in which the equity method is applied Baht Million	The Company only Baht Million
Statement of Financial Position as at 31 March 2013		
Increase in deferred tax assets	64.40	64.40
Increase in deferred tax liabilities	90.79	7.06
Shareholders' equity		
Increase (decrease) in unappropriated retained earnings as at 1 April 2012	(34.99)	59.45
Increase (decrease) in unappropriated retained earnings as at 31 March 2013	(50.81)	61.42
Increase (decrease) in other components of equity as at 1 April 2012	18.90	(3.40)
Increase (decrease) in other components of equity as at 31 March 2013	24.43	(4.08)
Statement of Income for the three-month period ended 30 June 2012		
Decrease in income tax	8.74	5.75
Increase in net profit for the period	8.74	5.75
Increase in basic earnings per share (Baht)	0.11	0.08
Statement of Comprehensive Income for the three-month period ended 30 June 2012		
Decrease in unrealised gain on change in fair value of available-for-sale investment	0.04	0.04
Decrease in exchange differences relating to investments in associates	0.28	-
Increase in total comprehensive income	8.42	5.71

3 Accounting policies (Cont'd)

3.1 New accounting standard and new interpretations (Cont'd)

3.1.2 New interpretations that are mandatory for the accounting periods beginning on or after 1 January 2014

The following new interpretations are mandatory for the accounting periods beginning on or after 1 January 2014, but the Company has not early adopted them.

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economics
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TSIC 29	Service Concession Arrangements: Disclosure

The Company's management has determined that the new interpretations will not significantly impact the financial statements being presented, except for TFRIC 4 : Determining whether an Arrangement contains a Lease.

TFRIC 4 requires the determination of whether an arrangement is or contains a lease to be based on the substance of the arrangement. It requires an assessment of whether: (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. The management is currently assessing the impact of this interpretation.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

3.2 New accounting policies

Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company's associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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4 Short-term investments held to maturity

Short-term investments held to maturity represent bills of exchange, treasury bills and fixed deposits which have original maturities between 3 and 12 months.

Movement in short-term investments held to maturity is as follows:

For the three-month period ended 30 June 2013	Unaudited Baht
Opening net book amount	109,704,902
Additions during the period	109,736,145
Redemptions during the period	<u>(109,704,902)</u>
Closing net book amount	<u>109,736,145</u>

As at 30 June 2013, short-term investments held to maturity bore interest at the average rate at 2.51% - 2.65% per annum. (31 March 2013: 2.65% - 2.73% per annum).

5 Trade and other accounts receivable, net

Trade and other accounts receivable, net as at 30 June 2013 and 31 March 2013 are as follows:

	Unaudited 30 June 2013 Baht	Audited 31 March 2013 Baht
Trade accounts receivable - other companies	1,570,092,050	1,717,846,398
<u>Less</u> Allowance for doubtful account	<u>(3,367,267)</u>	<u>(3,367,267)</u>
Trade accounts receivable - other companies, net	1,566,724,783	1,714,479,131
Trade accounts receivable - related parties (Note 6)	128,706,098	179,626,862
Prepaid expenses	33,909,994	23,987,610
Accrued income	27,424,494	9,920,092
Value added tax receivable	-	82,473,754
Other receivables	16,336,062	23,957,586
	<u>1,773,101,431</u>	<u>2,034,445,035</u>

Trade accounts receivable as at 30 June 2013 and 31 March 2013 can be analysed as follows:

	Trade accounts receivable- other companies		Trade accounts receivable- related parties	
	Unaudited 30 June 2013 Baht	Audited 31 March 2013 Baht	Unaudited 30 June 2013 Baht	Audited 31 March 2013 Baht
Current	1,561,370,512	1,704,026,595	124,448,793	178,291,785
Overdue				
- less than 3 months	5,351,797	10,440,551	1,798,510	585,297
- 3 - 6 months	2,474	11,985	2,458,795	139,250
- 6 - 12 months	-	-	-	-
- more than 1 year	<u>3,367,267</u>	<u>3,367,267</u>	<u>-</u>	<u>610,530</u>
	<u>1,570,092,050</u>	<u>1,717,846,398</u>	<u>128,706,098</u>	<u>179,626,862</u>

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6 Related party transactions

The Company had the significant transactions with its major shareholder, Stanley Electric Company Limited Group, incorporated in Japan which holds 29.95% interest in the Company's share capital. The Company also had significant transactions with a group of individual shareholders who are members of the Company's management who hold 29.08% interest in the Company's share capital. Stanley Electric Group comprises Stanley Electric Company Limited and related companies.

Purchases from related parties mainly comprise specific materials or materials which are manufactured on a large scale at one source for cost saving benefits. Sales to related parties mainly represent export sales, and selling price is determined based on manufacturing cost plus a certain margin. A royalty fee is charged at 3% of the amount of sales less imported material cost from the related party in accordance with the agreement.

A design and development fee and other fees are charged in the normal course of business. The outstanding balances are presented as other accounts payable - related parties.

The following significant transactions were carried out with related parties:

For the three-month periods ended 30 June	2013	Unaudited
	Baht	2012
	Baht	Baht
Sales		
Stanley Electric Group companies	92,001,618	115,711,715
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	41,656,979	51,196,174
Associates	28,665,777	33,652,693
	<u>162,324,374</u>	<u>200,560,582</u>
Dividend income		
Stanley Electric Group companies	-	10,387,294
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	-	-
Associates	39,146,048	42,254,841
	<u>39,146,048</u>	<u>52,642,135</u>
Other income		
Stanley Electric Group companies	2,063,141	483,007
Associates	26,520	220,505
	<u>2,089,661</u>	<u>703,512</u>
Purchases of goods and services		
Stanley Electric Group companies	272,183,512	196,065,092
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	77,350,808	73,459,802
Associates	9,607,945	6,815,856
	<u>359,142,265</u>	<u>276,340,750</u>

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6 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

For the three-month periods ended 30 June	2013	Unaudited
	Baht	2012
		Baht
Royalty fee		
Stanley Electric Group companies	84,666,827	68,572,825
Design and development fee		
Stanley Electric Group companies	37,485,329	250,243
Technical fee		
Stanley Electric Group companies	4,393,138	4,329,361
Training fee		
Stanley Electric Group companies	715,301	4,961,121
Commission		
Stanley Electric Group companies	2,614,401	-
Directors' and managements' remuneration	9,755,783	11,449,675

The amounts due to/from related parties are mainly denominated in foreign currencies and relate to purchases and sales transactions. The outstanding balances as at 30 June 2013 and 31 March 2013 are as follows:

	Unaudited	Audited
	30 June	31 March
	2013	2013
	Baht	Baht
Trade accounts receivable - related parties		
Stanley Electric Group companies	48,637,330	93,182,313
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	54,673,120	56,636,602
Associates	25,395,648	29,807,947
	128,706,098	179,626,862
Trade accounts payable - related parties		
Stanley Electric Group companies	211,926,837	255,659,601
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	30,237,235	35,416,228
Associates	9,905,437	9,549,191
	252,069,509	300,625,020
Other accounts payable - related parties		
Stanley Electric Group companies	154,547,084	130,841,491

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7 Investments in associates

a) Movements in investments in associates are as follows:

	For the three-month period ended 30 June 2013	
	Equity Method Unaudited Baht	Cost Method Unaudited Baht
Opening net book amount	475,826,519	57,176,689
Share of profit	31,515,159	-
Dividends received	(39,146,048)	-
Translation adjustments	36,476,555	-
Closing net book amount	<u>504,672,185</u>	<u>57,176,689</u>

b) The details of investments in associates are as follows:

Name	Business activity	Paid-up share capital	% of holding	Equity Method			
				Unaudited 30 June 2013		Audited 31 March 2013	
				Amount Baht	Dividend Baht	Amount Baht	Dividend Baht
Associates							
Lao Stanley Company Limited	Manufacture of automotive lighting equipment	USD 0.25 million	50	17,462,690	-	13,317,919	2,726,202
Vietnam Stanley Electric Company Limited	Manufacture of automotive lighting equipment	USD 8.30 million	20	487,209,495	39,146,048	462,508,600	42,254,841
				<u>504,672,185</u>	<u>39,146,048</u>	<u>475,826,519</u>	<u>44,981,043</u>
Cost Method							
				Unaudited 30 June 2013		Audited 31 March 2013	
Name	Business activity	Paid-up share capital	% of holding	Amount Baht	Dividend Baht	Amount Baht	Dividend Baht
Associates							
Lao Stanley Company Limited	Manufacture of automotive lighting equipment	USD 0.25 million	50	3,132,500	-	3,132,500	2,726,202
Vietnam Stanley Electric Company Limited	Manufacture of automotive lighting equipment	USD 8.30 million	20	54,044,189	39,146,048	54,044,189	42,254,841
				<u>57,176,689</u>	<u>39,146,048</u>	<u>57,176,689</u>	<u>44,981,043</u>

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8 Long-term investments, net

Long-term investments, net as at 30 June 2013 and 31 March 2013 are as follows:

As at 30 June 2013 (Unaudited)	Available- for-sale investments Baht	General investments Baht	Total Baht
Equity securities			
- Related parties	7,840,000	104,921,215	112,761,215
- Other companies	-	27,178,523	27,178,523
Long-term investments, net	<u>7,840,000</u>	<u>132,099,738</u>	<u>139,939,738</u>
As at 31 March 2013 (Audited)	Available- for-sale investments Baht	General investments Baht	Total Baht
Equity securities			
- Related parties	7,760,000	104,921,215	112,681,215
- Other companies	-	27,178,523	27,178,523
Long-term investments, net	<u>7,760,000</u>	<u>132,099,738</u>	<u>139,859,738</u>

The details of long-term investments are as follows:

Name	Business activity	Paid-up share capital	% of holding	Unaudited 30 June 2013		Audited 31 March 2013	
				Amount Baht	Dividend Baht	Amount Baht	Dividend Baht
Related party - available for sale							
Inoue Rubber (Thailand) Public Company Limited	Manufacture of tyre	Baht 200 million	0.2	3,380,000	-	3,380,000	82,040
Change in fair value of investment				4,460,000	-	4,380,000	-
				<u>7,840,000</u>	<u>-</u>	<u>7,760,000</u>	<u>82,040</u>
Related parties - general investments (at cost)							
Asian Stanley International Company Limited	Manufacture of small bulbs, LED and electronic components	Baht 400 million	15.0	60,000,000	-	60,000,000	10,387,294
Sirivit Stanley Company Limited	Manufacture of electronic equipment and automotive lighting	Baht 21 million	15.0	3,000,000	-	3,000,000	-
Lumax Industries Limited	Manufacture of automotive lighting equipment and auto parts	RS 93.5 million	1.73	8,793,715	-	8,793,715	535,081
PT. Indonesia Stanley Electric	Manufacture of molds and automotive lighting	USD 7.5 million	10.0	33,127,500	-	33,127,500	13,224,767
				<u>104,921,215</u>	<u>-</u>	<u>104,921,215</u>	<u>24,147,142</u>
Other companies - general investments (at cost)							
Sum Hitechs Company Limited	Chrome plating on plastic products	Baht 104 million	16.35	27,178,523	-	27,178,523	-
Top Hitech (Thailand) Company Limited	Manufacture of plastic products and molds	Baht 35.9 million	13.9	5,000,000	-	5,000,000	-
<u>Less</u> Impairment of investment				<u>(5,000,000)</u>	<u>-</u>	<u>(5,000,000)</u>	<u>-</u>
				<u>27,178,523</u>	<u>-</u>	<u>27,178,523</u>	<u>-</u>
Total long-term investments, net				<u>139,939,738</u>	<u>-</u>	<u>139,859,738</u>	<u>24,229,182</u>

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9 Property, plant and equipment, net

For the three-month period ended 30 June 2013	Unaudited Baht
Opening net book amount	5,905,057,348
Additions	263,639,105
Disposals/write - offs, net	(7,708,485)
<u>Less</u> Depreciation charge	<u>(219,197,780)</u>
Closing net book amount	<u>5,941,790,188</u>

The additions during the period mainly compose of land, constructions, machines and equipment for production capacity expansion.

As at 30 June 2013, the Company has capital commitments amount of Baht 114 million (31 March 2013: Baht 84 million). The capital commitment mainly comprises construction and machines for production expansion in the future.

10 Intangible assets, net

For the three-month period ended 30 June 2013	Unaudited Baht
Opening net book amount	465,263,346
Additions	65,389,532
Disposals/write-offs, net	(77)
<u>Less</u> Amortisation charge	<u>(29,774,720)</u>
Closing net book amount	<u>500,878,081</u>

11 Dividend payable

At the Annual General Shareholders' meeting of Thai Stanley Electric Public Company Limited held on 26 June 2012, the shareholders were unanimously resolved to pay dividends in respect of the operating results for the year ended 31 March 2012 for 76,625,000 shares of Baht 3 per share, totalling Baht 229,875,000. There are 2,900 shares that were not entitled to receive the dividends, totalling Baht 8,700 as the depository terms were not in compliance with practices of the Thailand Security Depository Co., Ltd. The Company recorded actual dividends that would be paid amounting to Baht 229,866,300 in the financial statements. The Company paid the dividends to the shareholders on 24 July 2012.

12 Other expenses

The other expenses in the statement of income for the three-month period ended 30 June 2012 were related to expenses arising from floods which mainly comprised repair and rehabilitation expenses.

13 Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of common shares in issue during the period (30 June 2013: 76,625,000 shares and 30 June 2012: 76,625,000 shares).

There are no dilutive ordinary shares in issue for the three-month periods ended 30 June 2013 and 2012.

14 Commitments and contingent liabilities

For the three-month period ended 30 June 2013, there were no significant changes in commitments and contingent liabilities and other agreements from the year ended 31 March 2013, except the capital commitment as mentioned in Note 9 and the following item:

Forward exchange contracts

As at 30 June 2013 and 31 March 2013, the balances of trade accounts receivable net off with trade accounts payable in respect of purchases and sales proceeds due in foreign currencies are as follows:

		Unaudited 30 June 2013	Audited 31 March 2013
- Net payables	Yen	216.21 million	178.25 million
- Net assets	USD	1.95 million	0.62 million
Forward exchange contracts	Yen	5 million	-
Forward exchange contracts	USD	-	0.8 million
Maturity of forward exchange contracts		1 month	1 - 2 month

15 Business segment information

The Company currently manufactures and sells auto bulbs, automotive lighting equipment and molds & dies at one establishment in Thailand. The sales, assets and profit of molds & dies, which are different from auto bulbs and automotive lighting equipment, do not meet quantitative thresholds of reportable segment. Moreover, the Company's management allocates resources and assesses the Company's performance as a whole.

16 Subsequent event after reporting period

At the Annual General Shareholders' meeting of Thai Stanley Electric Public Company Limited held on 5 July 2013, the shareholders were unanimously resolved to pay dividends in respect of the operating results for the year ended 31 March 2013 for 76,625,000 shares of Baht 6.75 per share, totalling Baht 517,218,750. The Company paid the dividends to the shareholders on 31 July 2013.