

**THAI STANLEY ELECTRIC PUBLIC COMPANY LIMITED**

**INTERIM FINANCIAL INFORMATION (UNAUDITED)**

**31 DECEMBER 2015**

## **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 31 December 2015, the related statements of income and comprehensive income in which the equity method is applied and the Company only for the three-month and nine-month periods ended 31 December 2015, the related statements of changes in shareholders' equity and cash flows in which the equity method is applied and the Company only for the nine-month period ended 31 December 2015 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".

Varaporn Vorathitikul  
Certified Public Accountant (Thailand) No. 4474  
PricewaterhouseCoopers ABAS Ltd.

Bangkok  
1 February 2016

**Thai Stanley Electric Public Company Limited**  
**Statements of Financial Position**  
**As at 31 December 2015**

	Notes	Financial statements in which the equity method is applied		The Company only	
		Unaudited 31 December 2015 Baht	Audited 31 March 2015 Baht	Unaudited 31 December 2015 Baht	Audited 31 March 2015 Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		798,901,055	2,350,313,187	798,901,055	2,350,313,187
Short-term investments held to maturity	5	2,935,500,000	727,358,415	2,935,500,000	727,358,415
Trade and other accounts receivable, net	6, 7	1,818,666,166	1,884,059,909	1,818,666,166	1,884,059,909
Inventories, net		912,806,678	939,179,959	912,806,678	939,179,959
Corporate income tax refundable		35,804,368	35,804,368	35,804,368	35,804,368
Other current assets		8,988,729	10,291,260	8,988,729	10,291,260
<b>Total current assets</b>		<b>6,510,666,996</b>	<b>5,947,007,098</b>	<b>6,510,666,996</b>	<b>5,947,007,098</b>
<b>Non-current assets</b>					
Investments in associates	8	875,976,954	728,044,842	57,176,689	57,176,689
Long-term investments, net	9	112,521,215	138,379,738	112,521,215	138,379,738
Property, plant and equipment, net	10	5,590,488,449	5,823,148,164	5,590,488,449	5,823,148,164
Intangible assets, net	11	719,282,406	633,700,194	719,282,406	633,700,194
Deferred tax assets, net		-	-	84,341,983	74,196,279
Other non-current assets, net		39,377,231	23,624,876	39,377,231	23,624,876
<b>Total non-current assets</b>		<b>7,337,646,255</b>	<b>7,346,897,814</b>	<b>6,603,187,973</b>	<b>6,750,225,940</b>
<b>Total assets</b>		<b>13,848,313,251</b>	<b>13,293,904,912</b>	<b>13,113,854,969</b>	<b>12,697,233,038</b>

Director \_\_\_\_\_  
(Mr. Koichi Nakano)

Director \_\_\_\_\_  
(Mr. Apichart Leeissaranukul)

Date \_\_\_\_\_

The notes to the interim financial information on page 12 to 20 are an integral part of this interim financial information.

**Thai Stanley Electric Public Company Limited**  
**Statements of Financial Position**  
**As at 31 December 2015**

	Note	Financial statements in which the equity method is applied		The Company only	
		Unaudited 31 December 2015 Baht	Audited 31 March 2015 Baht	Unaudited 31 December 2015 Baht	Audited 31 March 2015 Baht
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade accounts payable - other companies		434,284,539	499,825,139	434,284,539	499,825,139
- related parties	7	450,927,955	370,910,202	450,927,955	370,910,202
Other accounts payable - other companies		152,946,529	154,772,965	152,946,529	154,772,965
- related parties	7	126,004,029	148,707,283	126,004,029	148,707,283
Accrued corporate income tax		47,939,387	159,832,142	47,939,387	159,832,142
Accrued expenses		309,438,093	217,340,176	309,438,093	217,340,176
<b>Total current liabilities</b>		<u>1,521,540,532</u>	<u>1,551,387,907</u>	<u>1,521,540,532</u>	<u>1,551,387,907</u>
<b>Non-current liabilities</b>					
Deferred tax liabilities, net		79,418,070	59,977,352	-	-
Provision for post-employment benefits		157,778,874	143,208,284	157,778,874	143,208,284
<b>Total non-current liabilities</b>		<u>237,196,944</u>	<u>203,185,636</u>	<u>157,778,874</u>	<u>143,208,284</u>
<b>Total liabilities</b>		<u>1,758,737,476</u>	<u>1,754,573,543</u>	<u>1,679,319,406</u>	<u>1,694,596,191</u>
<b>Shareholders' equity</b>					
Share capital					
Authorised share capital					
76,625,000 ordinary shares, par value of Baht 5 each		<u>383,125,000</u>	<u>383,125,000</u>	<u>383,125,000</u>	<u>383,125,000</u>
Issued and paid-up share capital					
76,625,000 ordinary shares, paid-up 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		11,206,234,536	10,689,307,893	10,505,472,063	10,074,629,347
Other components of equity		(42,346,261)	(75,664,024)	3,376,000	2,320,000
<b>Total shareholders' equity</b>		<u>12,089,575,775</u>	<u>11,539,331,369</u>	<u>11,434,535,563</u>	<u>11,002,636,847</u>
<b>Total liabilities and shareholders' equity</b>		<u>13,848,313,251</u>	<u>13,293,904,912</u>	<u>13,113,854,969</u>	<u>12,697,233,038</u>

The notes to the interim financial information on page 12 to 20 are an integral part of this interim financial information.

**Thai Stanley Electric Public Company Limited**  
**Statements of Income (Unaudited)**  
**For the three-month period ended 31 December 2015**

	Notes	Financial statements in which the equity method is applied		The Company only	
		2015 Baht	2014 Baht	2015 Baht	2014 Baht
Revenues from sales and services	7	2,563,931,532	2,343,073,074	2,563,931,532	2,343,073,074
Costs of sales and services	7	(2,142,133,664)	(1,909,160,355)	(2,142,133,664)	(1,909,160,355)
<b>Gross profit</b>		421,797,868	433,912,719	421,797,868	433,912,719
Other income					
- Dividend income	7	101,222	-	101,222	-
- Gain on sales of property, plant and equipment, net		-	91,448,336	-	91,448,336
- Gain on exchange rates, net		-	5,311,465	-	5,311,465
- Others		38,404,956	35,658,455	38,404,956	35,658,455
<b>Profit before expenses</b>		460,304,046	566,330,975	460,304,046	566,330,975
Selling expenses	7	(113,541,991)	(109,657,518)	(113,541,991)	(109,657,518)
Administrative expenses	7	(84,873,530)	(77,318,762)	(84,873,530)	(77,318,762)
Loss on exchange rates, net		(1,266,936)	-	(1,266,936)	-
<b>Total expenses</b>		(199,682,457)	(186,976,280)	(199,682,457)	(186,976,280)
<b>Operating profit</b>		260,621,589	379,354,695	260,621,589	379,354,695
Share of profit from investments in associates		63,552,914	53,151,374	-	-
<b>Profit before income tax</b>		324,174,503	432,506,069	260,621,589	379,354,695
Income tax		(61,910,649)	(82,632,318)	(49,200,067)	(72,002,044)
<b>Net profit for the period</b>		<u>262,263,854</u>	<u>349,873,751</u>	<u>211,421,522</u>	<u>307,352,651</u>
<b>Basic earnings per share</b>	12				
Net profit for the period		<u>3.42</u>	<u>4.57</u>	<u>2.76</u>	<u>4.01</u>

The notes to the interim financial information on page 12 to 20 are an integral part of this interim financial information.

**Thai Stanley Electric Public Company Limited**  
**Statements of Comprehensive Income (Unaudited)**  
**For the three-month period ended 31 December 2015**

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	<b>Financial statements in which the equity method is applied</b>		<b>The Company only</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Net profit for the period</b>	262,263,854	349,873,751	211,421,522	307,352,651
<b>Other comprehensive income for the period after tax:</b>				
<b>Items that will be reclassified subsequently to profit or loss</b>				
Unrealised gain (loss) on change in fair value of available-for-sale investment	256,000	(672,000)	256,000	(672,000)
Exchange differences relating to investments in associates	953,527	(5,601,609)	-	-
<b>Other comprehensive income (loss) for the period, net of tax</b>	<u>1,209,527</u>	<u>(6,273,609)</u>	<u>256,000</u>	<u>(672,000)</u>
<b>Total comprehensive income for the period</b>	<u><u>263,473,381</u></u>	<u><u>343,600,142</u></u>	<u><u>211,677,522</u></u>	<u><u>306,680,651</u></u>

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**Thai Stanley Electric Public Company Limited**  
**Statements of Income (Unaudited)**  
**For the nine-month period ended 31 December 2015**

	Notes	Financial statements in which the equity method is applied		The Company only	
		2015 Baht	2014 Baht	2015 Baht	2014 Baht
Revenues from sales and services	7	7,496,043,106	6,772,485,509	7,496,043,106	6,772,485,509
Costs of sales and services	7	(6,349,602,201)	(5,614,534,623)	(6,349,602,201)	(5,614,534,623)
<b>Gross profit</b>		1,146,440,905	1,157,950,886	1,146,440,905	1,157,950,886
Other income					
- Dividend income	7, 8, 9	8,030,007	8,900,119	57,910,127	51,646,555
- Gain on sales of property, plant and equipment, net		-	96,277,348	-	96,277,348
- Gain on exchange rates, net		16,049,914	17,426,222	16,049,914	17,426,222
- Gain on sale of long-term investment	9	261,911,319	-	261,911,319	-
- Others		106,747,630	126,846,281	106,747,630	126,846,281
<b>Profit before expenses</b>		1,539,179,775	1,407,400,856	1,589,059,895	1,450,147,292
Selling expenses	7	(341,458,270)	(319,642,368)	(341,458,270)	(319,642,368)
Administrative expenses	7	(245,903,209)	(217,815,691)	(245,903,209)	(217,815,691)
<b>Total expenses</b>		(587,361,479)	(537,458,059)	(587,361,479)	(537,458,059)
<b>Operating profit</b>		951,818,296	869,942,797	1,001,698,416	912,689,233
Share of profit from investments in associates	8	157,485,028	116,277,400	-	-
<b>Profit before income tax</b>		1,109,303,324	986,220,197	1,001,698,416	912,689,233
Income tax		(224,590,601)	(196,695,170)	(203,069,620)	(181,988,978)
<b>Net profit for the period</b>		884,712,723	789,525,027	798,628,796	730,700,255
<b>Basic earnings per share</b>	12				
Net profit for the period		11.55	10.30	10.42	9.54

The notes to the interim financial information on page 12 to 20 are an integral part of this interim financial information.

**Thai Stanley Electric Public Company Limited**  
**Statements of Comprehensive Income (Unaudited)**  
**For the nine-month period ended 31 December 2015**

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	<b>Financial statements in which the equity method is applied</b>		<b>The Company only</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Net profit for the period</b>	884,712,723	789,525,027	798,628,796	730,700,255
<b>Other comprehensive income for the period after tax:</b>				
<b>Items that will be reclassified subsequently to profit or loss</b>				
Unrealised gain on change in fair value of available-for-sale investment	1,056,000	64,000	1,056,000	64,000
Exchange differences relating to investments in associates	32,261,763	(5,006,663)	-	-
<b>Other comprehensive income (loss) for the period, net of tax</b>	<u>33,317,763</u>	<u>(4,942,663)</u>	<u>1,056,000</u>	<u>64,000</u>
<b>Total comprehensive income for the period</b>	<u>918,030,486</u>	<u>784,582,364</u>	<u>799,684,796</u>	<u>730,764,255</u>

The notes to the interim financial information on page 12 to 20 are an integral part of this interim financial information.

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**Thai Stanley Electric Public Company Limited**  
**Statements of Changes in Shareholders' Equity (Unaudited)**  
**For the nine-month period ended 31 December 2015**

<b>Financial statements in which the equity method is applied</b>									
					<b>Other components of equity</b>				
					<b>Other comprehensive income</b>				
						<b>Cumulative</b>			
					<b>Retained earnings</b>	<b>Unrealised gain on</b>	<b>differences</b>	<b>Total</b>	
					<b>Unappropriated</b>	<b>change in fair value</b>	<b>relating to</b>	<b>other</b>	<b>Total</b>
					<b>Legal</b>	<b>of available-for-sale</b>	<b>investments in</b>	<b>components</b>	<b>shareholders'</b>
					<b>reserve</b>	<b>investment</b>	<b>associates</b>	<b>of equity</b>	<b>equity</b>
					<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Note</b>	<b>Issued and</b>	<b>Premium</b>	<b>Retained earnings</b>		<b>Unrealised gain on</b>	<b>Cumulative</b>	<b>Total</b>	<b>Total</b>	
	<b>paid-up</b>	<b>on share</b>	<b>Legal</b>	<b>Unappropriated</b>	<b>change in fair value</b>	<b>exchange</b>	<b>other</b>	<b>Total</b>	
	<b>share capital</b>	<b>capital</b>	<b>reserve</b>	<b>earnings</b>	<b>of available-for-sale</b>	<b>differences</b>	<b>components</b>	<b>shareholders'</b>	
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>investment</b>	<b>relating to</b>	<b>of equity</b>	<b>equity</b>	
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>investments in</b>	<b>Baht</b>	<b>Baht</b>	
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>associates</b>	<b>Baht</b>	<b>Baht</b>	
<b>Opening balance as at 1 April 2015</b>	383,125,000	504,250,000	38,312,500	10,689,307,893	2,320,000	(77,984,024)	(75,664,024)	11,539,331,369	
Total comprehensive income for the period	-	-	-	884,712,723	1,056,000	32,261,763	33,317,763	918,030,486	
Dividends paid	-	-	-	(367,786,080)	-	-	-	(367,786,080)	
	13								
<b>Closing balance as at 31 December 2015</b>	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>11,206,234,536</u>	<u>3,376,000</u>	<u>(45,722,261)</u>	<u>(42,346,261)</u>	<u>12,089,575,775</u>	
<b>Opening balance as at 1 April 2014</b>	383,125,000	504,250,000	38,312,500	9,990,720,384	1,968,000	(86,540,033)	(84,572,033)	10,831,835,851	
Total comprehensive income for the period	-	-	-	789,525,027	64,000	(5,006,663)	(4,942,663)	784,582,364	
Dividends paid	-	-	-	(459,060,000)	-	-	-	(459,060,000)	
	13								
<b>Closing balance as at 31 December 2014</b>	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>10,321,185,411</u>	<u>2,032,000</u>	<u>(91,546,696)</u>	<u>(89,514,696)</u>	<u>11,157,358,215</u>	

The notes to the interim financial information on page 12 to 20 are an integral part of this interim financial information.

**Thai Stanley Electric Public Company Limited**  
**Statements of Changes in Shareholders' Equity (Unaudited)**  
**For the nine-month period ended 31 December 2015**

<b>The Company only</b>							
					<b>Other components of equity</b>		
					<b>Other comprehensive income</b>		
					<b>Unrealised gain on</b>	<b>Total</b>	<b>Total</b>
					<b>change in fair value</b>	<b>other</b>	<b>shareholders'</b>
					<b>of available-for-sale</b>	<b>components</b>	<b>equity</b>
					<b>investment</b>	<b>of equity</b>	<b>equity</b>
<b>Note</b>	<b>Issued and paid-up share capital Baht</b>	<b>Premium on share capital Baht</b>	<b>Retained earnings</b>		<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
			<b>Legal reserve Baht</b>	<b>Unappropriated retained earnings Baht</b>			<b>Baht</b>
<b>Opening balance as at 1 April 2015</b>	383,125,000	504,250,000	38,312,500	10,074,629,347	2,320,000	2,320,000	11,002,636,847
Total comprehensive income for the period	-	-	-	798,628,796	1,056,000	1,056,000	799,684,796
Dividends paid	-	-	-	(367,786,080)	-	-	(367,786,080)
	13						
<b>Closing balance as at 31 December 2015</b>	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>10,505,472,063</u>	<u>3,376,000</u>	<u>3,376,000</u>	<u>11,434,535,563</u>
<b>Opening balance as at 1 April 2014</b>	383,125,000	504,250,000	38,312,500	9,468,671,827	1,968,000	1,968,000	10,396,327,327
Total comprehensive income for the period	-	-	-	730,700,255	64,000	64,000	730,764,255
Dividends paid	-	-	-	(459,060,000)	-	-	(459,060,000)
	13						
<b>Closing balance as at 31 December 2014</b>	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>9,740,312,082</u>	<u>2,032,000</u>	<u>2,032,000</u>	<u>10,668,031,582</u>

The notes to the interim financial information on page 12 to 20 are an integral part of this interim financial information.

**Thai Stanley Electric Public Company Limited**  
**Statements of Cash Flows (Unaudited)**  
**For the nine-month period ended 31 December 2015**

	Notes	Financial statements in which the equity method is applied		The Company only	
		2015 Baht	2014 Baht	2015 Baht	2014 Baht
<b>Cash flows from operating activities:</b>					
Profit before income tax for the period		1,109,303,324	986,220,197	1,001,698,416	912,689,233
Adjustments to reconcile profit before income tax to net cash provided by operations:					
- Depreciation	10	777,047,232	733,213,737	777,047,232	733,213,737
- Amortisation	11	135,328,804	111,307,481	135,328,804	111,307,481
- Interest income		(39,406,331)	(30,909,680)	(39,406,331)	(30,909,680)
- Gain on sale of long-term investment	9	(261,911,319)	-	(261,911,319)	-
- Share of profit from investments in associates	8	(157,485,028)	(116,277,400)	-	-
- Dividend income from investments in associates	8	-	-	(49,880,120)	(42,746,436)
- Dividend income from long-term investment	9	(8,030,007)	(8,900,119)	(8,030,007)	(8,900,119)
- Gain on disposals of property, plant and equipment, net		(239,843)	(96,277,348)	(239,843)	(96,277,348)
- (Reversal of) allowance for doubtful account		22,363,880	(318,060)	22,363,880	(318,060)
- (Reversal of) allowance for slow-moving inventories and net realisable value lower than cost of inventories		7,237,593	(8,740,622)	7,237,593	(8,740,622)
- (Reversal of) provision for post-employment benefits		17,340,390	(5,167,833)	17,340,390	(5,167,833)
- Unrealised gain on exchange rates		(986,553)	(450,944)	(986,553)	(450,944)
Cash flows before changes in operating assets and liabilities		1,600,562,142	1,563,699,409	1,600,562,142	1,563,699,409
Changes in operating assets and liabilities					
- Trade and other accounts receivable		45,208,268	77,465,324	45,208,268	77,465,324
- Inventories		19,135,688	(230,895,943)	19,135,688	(230,895,943)
- Other current assets		1,302,531	(2,429,859)	1,302,531	(2,429,859)
- Other non-current assets		(15,752,355)	(6,643,690)	(15,752,355)	(6,643,690)
- Trade accounts payable - other companies		(65,540,600)	6,678,210	(65,540,600)	6,678,210
- Trade accounts payable - related parties		80,017,753	115,251,983	80,017,753	115,251,983
- Other accounts payable - other companies		6,420,978	(67,752,267)	6,420,978	(67,752,267)
- Other accounts payable - related parties		(22,112,085)	54,053,419	(22,112,085)	54,053,419
- Advances received from customers		-	(12,084,984)	-	(12,084,984)
- Accrued expenses		92,097,917	7,490,478	92,097,917	7,490,478
- Payment for post-employment benefits		(2,769,800)	(500,900)	(2,769,800)	(500,900)
Cash generated from operations		1,738,570,437	1,504,331,180	1,738,570,437	1,504,331,180
- Interest received		15,857,993	27,419,783	15,857,993	27,419,783
- Income tax paid		(325,372,079)	(274,764,036)	(325,372,079)	(274,764,036)
Net cash received from operating activities		1,429,056,351	1,256,986,927	1,429,056,351	1,256,986,927

The notes to the interim financial information on page 12 to 20 are an integral part of this interim financial information.

**Thai Stanley Electric Public Company Limited**  
**Statements of Cash Flows (Unaudited)**  
**For the nine-month period ended 31 December 2015**

	Notes	Financial statements in which the equity method is applied		The Company only	
		2015 Baht	2014 Baht	2015 Baht	2014 Baht
<b>Cash flows from investing activities:</b>					
Purchases of property, plant and equipment		(553,458,032)	(785,325,183)	(553,458,032)	(785,325,183)
Proceeds from disposals of property, plant and equipment		456,875	207,675,618	456,875	207,675,618
Interest received on short-term investments held to maturity		10,459,775	1,140,134	10,459,775	1,140,134
Cash receipts from sale of long-term investment	9	290,000,000	-	290,000,000	-
Dividends received from investments in associates		59,880,120	42,746,436	59,880,120	42,746,436
Dividends received from long-term investments	9	8,030,007	8,900,119	8,030,007	8,900,119
Purchases of intangible assets		(220,896,116)	(217,497,261)	(220,896,116)	(217,497,261)
Cash receipts from short-term investments held to maturity	5	2,051,500,000	159,913,041	2,051,500,000	159,913,041
Cash payments on short-term investments held to maturity	5	(4,259,641,585)	(1,209,207,350)	(4,259,641,585)	(1,209,207,350)
Net cash used in investing activities		(2,613,668,956)	(1,791,654,446)	(2,613,668,956)	(1,791,654,446)
<b>Cash flow from financing activity:</b>					
Dividends paid	13	(367,786,080)	(459,060,000)	(367,786,080)	(459,060,000)
Net cash used in financing activity		(367,786,080)	(459,060,000)	(367,786,080)	(459,060,000)
<b>Net decrease in cash and cash equivalents</b>					
Cash and cash equivalents at beginning of the period		2,350,313,187	2,667,174,874	2,350,313,187	2,667,174,874
Effects of exchange rate changes		986,553	450,944	986,553	450,944
Cash and cash equivalents at end of the period		798,901,055	1,673,898,299	798,901,055	1,673,898,299
<b>Non-cash transactions:</b>					
Outstanding liabilities arisen from purchase of plant, equipment and intangible assets		37,763,077	33,960,491	37,763,077	33,960,491

The notes to the interim financial information on page 12 to 20 are an integral part of this interim financial information.

## **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 Bangpooon-Rungsit Road, Banklang, Amphur Muang, Pathumthanee, 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, molds & dies and product designs.

This interim financial information has been approved by the Company’s Board of directors on 1 February 2016.

This interim financial information has been reviewed, not audited.

## **2 Accounting policies**

### **2.1 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 financial statements for the year ended 31 March 2015.

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.

The accounting policies used in the preparation of the interim financial information are consistent with those used in the financial statements for the year ended 31 March 2015 except for the new accounting policy as mentioned in Note 3.

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.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

## **2 Accounting policies (Cont'd)**

### **2.2 Revised accounting standards and new financial reporting standard**

Revised accounting standards and new financial reporting standard being effective for the accounting periods beginning on or after 1 January 2015 that are relevant and have an impact on the Company's accounting policies and presentation of financial information are as follows:

TAS 1 (revised 2014)	Presentation of financial statements
TAS 19 (revised 2014)	Employee benefits
TFRS 13	Fair value measurement

TAS 1 (revised 2014), the main change is that a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially re-classifiable to profit or loss subsequently (reclassification adjustments).

TAS 19 (revised 2014), the key changes are (a) actuarial gains and losses are renamed 'remeasurements' and will be recognised immediately in 'other comprehensive income' (OCI). Actuarial gains and losses will no longer be deferred using the corridor approach or recognised in profit or loss; and (b) past-service costs will be recognised in the period of a plan amendment; unvested benefits will no longer be spread over a future-service period. This revised standard has an impact to the Company's financial information on accounting policy of past-service cost as described in Note 3. The revision of this standard has no impact to the Company because the Company has an accounting policy to recognise actuarial gains and losses in other comprehensive income and there is no past-service cost transaction.

TFRS 13 aims to improve consistency and reduces complexity by providing a precise definition of fair value, a source of fair value measurement, and disclosure requirements for use across TFRSs. This standard has no significant impact to the Company, except for disclosures only.

The management has considered that the revised accounting standards/ financial reporting standards being effective for the accounting periods beginning on or after 1 January 2016 will have no significant impact to the Company.

## **3 New accounting policy**

### **Employee benefits**

The accounting policies for employee benefits used in the interim financial information are consistent with those used in the financial statements for the year ended 31 March 2015, except for past-service costs that the Company recognises in profit or loss immediately.

## **4 Estimates**

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies, and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 March 2015.

**Thai Stanley Electric Public Company Limited**  
**Unaudited Condensed Notes to the Interim Financial Information**  
**For the nine-month period ended 31 December 2015**

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**5 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:

<b>For the nine-month period ended 31 December 2015</b>	<b>Unaudited Baht</b>
Opening balance	727,358,415
Additions during the period	4,259,641,585
Redemptions during the period	<u>(2,051,500,000)</u>
Closing balance	<u>2,935,500,000</u>

As at 31 December 2015, short-term investments held to maturity bore interest at the average rate of 1.35% - 2.00% per annum (31 March 2015: 1.50% - 1.92% per annum).

**6 Trade and other accounts receivable, net**

Trade and other accounts receivable, net as at 31 December 2015 and 31 March 2015 are as follows:

	<b>Unaudited 31 December 2015 Baht</b>	<b>Audited 31 March 2015 Baht</b>
Trade accounts receivable - other companies	1,509,157,823	1,504,472,662
<u>Less</u> Allowance for doubtful account	<u>(24,821,967)</u>	<u>(2,458,087)</u>
Trade accounts receivable - other companies, net	1,484,335,856	1,502,014,575
Trade accounts receivable - related parties (Note 7)	216,112,542	262,219,706
Prepaid expenses	28,525,769	43,261,182
Accrued income	35,089,536	33,243,832
Value added tax receivable	17,275,997	3,400,157
Others	37,326,466	39,920,457
	<u>1,818,666,166</u>	<u>1,884,059,909</u>

**Thai Stanley Electric Public Company Limited**  
**Unaudited Condensed Notes to the Interim Financial Information**  
**For the nine-month period ended 31 December 2015**

**6 Trade and other accounts receivable, net (Cont'd)**

Trade accounts receivable as at 31 December 2015 and 31 March 2015 can be analysed as follows:

	Trade accounts receivable- other companies		Trade accounts receivable- related parties	
	Unaudited 31 December 2015 Baht	Audited 31 March 2015 Baht	Unaudited 31 December 2015 Baht	Audited 31 March 2015 Baht
Current	1,471,508,380	1,468,125,761	182,857,102	256,826,882
Overdue				
- less than 3 months	8,636,218	10,893,337	31,627,081	5,298,512
- 3 - 6 months	1,988,570	602,522	447,779	-
- 6 - 12 months	53,753	-	1,180,580	94,312
- more than 1 year	26,970,902	24,851,042	-	-
	<u>1,509,157,823</u>	<u>1,504,472,662</u>	<u>216,112,542</u>	<u>262,219,706</u>

**7 Related party transactions**

The Company had the significant transactions with its major shareholder, Stanley Electric Company Limited Group, incorporated in Japan which holds 30.54% 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.

The following significant transactions were carried out with related parties:

	Unaudited			
	For the three-month periods ended 31 December		For the nine-month periods ended 31 December	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
<b>Sales</b>				
Stanley Electric Group companies	158,663,952	117,810,175	480,690,956	441,718,916
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	40,757,646	40,322,459	128,159,759	111,239,126
Associates	93,589,932	63,151,390	204,214,363	172,037,713
	<u>293,011,530</u>	<u>221,284,024</u>	<u>813,065,078</u>	<u>724,995,755</u>
<b>Dividend income</b>				
Stanley Electric Group companies	101,222	-	8,030,007	8,900,119
Associates	-	-	49,880,120	42,746,436
	<u>101,222</u>	<u>-</u>	<u>57,910,127</u>	<u>51,646,555</u>
<b>Purchases of goods and services</b>				
Stanley Electric Group companies	501,571,793	362,549,377	1,151,916,137	884,122,957
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	97,900,139	67,701,693	239,699,361	186,064,830
Associates	53,611,382	41,635,001	143,724,594	129,872,151
	<u>653,083,314</u>	<u>471,886,071</u>	<u>1,535,340,092</u>	<u>1,200,059,938</u>



**Thai Stanley Electric Public Company Limited**  
**Unaudited Condensed Notes to the Interim Financial Information**  
**For the nine-month period ended 31 December 2015**

**7 Related party transactions (Cont'd)**

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

	<b>Unaudited</b>			
	<b>For the three-month periods ended 31 December</b>		<b>For the nine-month periods ended 31 December</b>	
	<b>2015 Baht</b>	<b>2014 Baht</b>	<b>2015 Baht</b>	<b>2014 Baht</b>
<b>Royalty fee</b>				
Stanley Electric Group companies	59,983,023	59,446,592	182,362,823	173,777,034
<b>Design and development fee</b>				
Stanley Electric Group companies	18,251,926	72,200,175	104,931,423	141,560,687
<b>Training fee</b>				
Stanley Electric Group companies	5,821,224	5,653,254	11,261,031	18,885,632
<b>Directors' and managements' remuneration</b>				
Short-term benefits	12,688,692	11,712,170	37,224,936	35,495,154

The amounts due from/to related parties are mainly denominated in foreign currencies and relate to purchases and sales transactions. The outstanding balances as at 31 December 2015 and 31 March 2015 are as follows:

	<b>Unaudited 31 December 2015 Baht</b>	<b>Audited 31 March 2015 Baht</b>
<b>Trade accounts receivable - related parties</b>		
Stanley Electric Group companies	98,720,846	166,980,686
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	60,654,763	38,302,018
Associates	56,736,933	56,937,002
	<u>216,112,542</u>	<u>262,219,706</u>
<b>Trade accounts payable - related parties</b>		
Stanley Electric Group companies	364,361,134	297,011,169
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	32,559,202	27,249,363
Associates	54,007,619	46,649,670
	<u>450,927,955</u>	<u>370,910,202</u>
<b>Other accounts payable - related parties</b>		
Stanley Electric Group companies	126,004,029	148,707,283

**Thai Stanley Electric Public Company Limited**  
**Unaudited Condensed Notes to the Interim Financial Information**  
**For the nine-month period ended 31 December 2015**

**8 Investments in associates**

a) Movements in investments in associates are as follows:

<b>For the nine-month period ended 31 December 2015</b>	<b>Equity Method Unaudited Baht</b>	<b>Cost Method Unaudited Baht</b>
Opening net book amount	728,044,842	57,176,689
Share of profit	157,485,028	-
Dividends received	(49,880,120)	-
Translation adjustments	40,327,204	-
Closing net book amount	<u>875,976,954</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 31 December 2015		Audited 31 March 2015	
				Amount Baht	Dividend Baht	Amount Baht	Dividend Baht
<b>Associates</b>							
Lao Stanley Company Limited	Manufacture of automotive lighting equipment	USD 0.25 million	50	23,599,175	-	24,432,928	15,573,688
Vietnam Stanley Electric Company Limited	Manufacture of automotive lighting equipment	USD 8.30 million	20	852,377,779	49,880,120	703,611,914	37,172,748
				<u>875,976,954</u>	<u>49,880,120</u>	<u>728,044,842</u>	<u>52,746,436</u>
<b>Cost Method</b>							
Name	Business activity	Paid-up share capital	% of holding	Equity Method			
				Unaudited 31 December 2015		Audited 31 March 2015	
				Amount Baht	Dividend Baht	Amount Baht	Dividend Baht
<b>Associates</b>							
Lao Stanley Company Limited	Manufacture of automotive lighting equipment	USD 0.25 million	50	3,132,500	-	3,132,500	15,573,688
Vietnam Stanley Electric Company Limited	Manufacture of automotive lighting equipment	USD 8.30 million	20	54,044,189	49,880,120	54,044,189	37,172,748
				<u>57,176,689</u>	<u>49,880,120</u>	<u>57,176,689</u>	<u>52,746,436</u>

**Thai Stanley Electric Public Company Limited**  
**Unaudited Condensed Notes to the Interim Financial Information**  
**For the nine-month period ended 31 December 2015**

**9 Long-term investments, net**

Long-term investments, net as at 31 December 2015 and 31 March 2015 are as follows:

<b>As at 31 December 2015 (Unaudited)</b>	<b>Available- for-sale investments Baht</b>	<b>General investments Baht</b>	<b>Total Baht</b>
<b>Equity securities</b>			
- Related parties	7,600,000	104,921,215	112,521,215
- Other companies	-	-	-
Long-term investments, net	<u>7,600,000</u>	<u>104,921,215</u>	<u>112,521,215</u>
<b>As at 31 March 2015 (Audited)</b>			
<b>Equity securities</b>			
- Related parties	6,280,000	104,921,215	111,201,215
- Other companies	-	27,178,523	27,178,523
Long-term investments, net	<u>6,280,000</u>	<u>132,099,738</u>	<u>138,379,738</u>

The details of long-term investments are as follows:

Name	Business activity	Paid-up share capital	% of holding	Unaudited 31 December 2015		Audited 31 March 2015	
				Amount Baht	Dividend Baht	Amount Baht	Dividend Baht
<b>Related party - available for sale</b>							
Inoue Rubber (Thailand) Public Company Limited	Manufacture of tyre	Baht 200 million	0.2	3,380,000	-	3,380,000	250,760
Change in fair value of investment				4,220,000	-	2,900,000	-
				<u>7,600,000</u>	<u>-</u>	<u>6,280,000</u>	<u>250,760</u>
<b>Related parties - general investments (at cost)</b>							
Asian Stanley International Company Limited	Manufacture of small bulbs, LED and electronic components	Baht 400 million	15.0	60,000,000	-	60,000,000	-
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	448,045	8,793,715	292,153
PT. Indonesia Stanley Electric	Manufacture of molds and automotive lighting	USD 7.5 million	10.0	33,127,500	7,581,962	33,127,500	8,607,966
				<u>104,921,215</u>	<u>8,030,007</u>	<u>104,921,215</u>	<u>8,900,119</u>
<b>Other companies - general investments (at cost)</b>							
Sum Hitechs Company Limited	Chrome plating on plastic products	Baht 104 million	-	-	-	27,178,523	1,700,400
Top Hitech (Thailand) Company Limited	Manufacture of plastic products and molds	Baht 35.9 million	13.9	5,000,000	-	5,000,000	-
Less Impairment of investment				(5,000,000)	-	(5,000,000)	-
				<u>-</u>	<u>-</u>	<u>27,178,523</u>	<u>1,700,400</u>
<b>Total long-term investments, net</b>				<u>112,521,215</u>	<u>8,030,007</u>	<u>138,379,738</u>	<u>10,851,279</u>

**Thai Stanley Electric Public Company Limited**  
**Unaudited Condensed Notes to the Interim Financial Information**  
**For the nine-month period ended 31 December 2015**

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**9 Long-term investments, net (Cont'd)**

On 7 August 2015, the Company sold all investments in Sum Hitechs Company Limited with the cost of Baht 27 million to C. Uyemura & Co., Ltd., a company incorporated in Japan, at Baht 290 million. The expenses relating to this sale transaction were about Baht 1 million. As a result, the Company had gain on sale of this investment amounting to Baht 262 million.

**10 Property, plant and equipment, net**

**For the nine-month period ended 31 December 2015**

	<b>Unaudited Baht</b>
Opening net book amount	5,823,148,164
Additions	544,604,549
Disposals/write - offs, net	(217,032)
<u>Less</u> Depreciation charge	<u>(777,047,232)</u>
Closing net book amount	<u>5,590,488,449</u>

The additions during the period mainly compose of machines and equipment used in production.

As at 31 December 2015, the Company has capital commitments amount of Baht 66 million (31 March 2015: Baht 90 million).

**11 Intangible assets, net**

**For the nine-month period ended 31 December 2015**

	<b>Unaudited Baht</b>
Opening net book amount	633,700,194
Additions	220,911,016
<u>Less</u> Amortisation charge	<u>(135,328,804)</u>
Closing net book amount	<u>719,282,406</u>

The additions during the period mainly compose of product designs.

**12 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 (31 December 2015: 76,625,000 shares and 31 December 2014: 76,625,000 shares).

There are no dilutive ordinary shares in issue for the nine-month periods ended 31 December 2015 and 2014.

### **13 Dividends paid**

At the Annual General Shareholders' meeting of Thai Stanley Electric Public Company Limited held on 3 July 2015, the shareholders unanimously resolved to pay dividends in respect of the operating results for the year ended 31 March 2015 for 76,625,000 shares of Baht 4.8 per share, totalling Baht 367,800,000. There are 2,900 shares that were not entitled to receive the dividends, totalling Baht 13,920 as the depository terms were not in compliance with practices of the Thailand Security Depository Co., Ltd. The Company recorded actual dividends paid amounting to Baht 367,786,080 in the financial statements. The Company paid the dividends to the shareholders on 29 July 2015.

At the Annual General Shareholders' meeting of Thai Stanley Electric Public Company Limited held on 4 July 2014, the shareholders unanimously resolved to pay dividends in respect of the operating results for the year ended 31 March 2014 for 76,625,000 shares of Baht 6 per share, totalling Baht 459,750,000. There are 115,000 shares that were not entitled to receive the dividends, totalling Baht 690,000 as the depository terms were not in compliance with practices of the Thailand Security Depository Co., Ltd. The Company recorded actual dividends paid amounting to Baht 459,060,000 in the financial statements. The Company paid the dividends to the shareholders on 30 July 2014.

### **14 Commitments and contingent liabilities**

For the nine-month period ended 31 December 2015, there were no significant changes in commitments and contingent liabilities and other agreements from the year ended 31 March 2015, except the capital commitment as mentioned in Note 10 and the following item:

#### Forward exchange contracts

As at 31 December 2015 and 31 March 2015, the balances of financial assets net off with financial liabilities in respect of purchases and sales proceeds due in foreign currencies are as follows:

	<b>Unaudited 31 December 2015</b>	<b>Audited 31 March 2015</b>
Net liabilities	Yen 206.01 million and USD 5.65 million	Yen 214.54 million and USD 1.34 million
Forward exchange contracts	Yen 30 million USD 0.50 million	Yen 60 million and USD 1 million
Maturity of forward exchange contracts	1 month	1-2 months

### **15 Business segment information**

The Company manufactures and sells auto bulbs, automotive lighting equipment, molds & dies and product designs and does not prepare segment information of mold & die and product design businesses, which are different from auto bulb and automotive lighting equipment businesses, because the Company operates at one establishment in Thailand and the revenues, assets and profits of mold & die and product design segments do not meet quantitative thresholds of reportable segment. In addition, the Company's management allocates resources and assesses the Company's performance as a whole.