

**THAI STANLEY ELECTRIC PUBLIC COMPANY LIMITED**

**INTERIM FINANCIAL INFORMATION (UNAUDITED)**

**30 SEPTEMBER 2016**

## **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 September 2016, the related statements of income and comprehensive income in which the equity method is applied and the Company only for the three-month and six-month periods ended 30 September 2016, the related statements of changes in shareholders' equity and cash flows in which the equity method is applied and the Company only for the six-month period ended 30 September 2016 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  
28 October 2016

**Thai Stanley Electric Public Company Limited**  
**Statements of Financial Position**  
**As at 30 September 2016**

	Notes	Financial statements in which the equity method is applied		The Company only	
		Unaudited 30 September 2016 Baht	Audited 31 March 2016 Baht	Unaudited 30 September 2016 Baht	Audited 31 March 2016 Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,537,744,352	1,839,887,555	1,537,744,352	1,839,887,555
Short-term investments held to maturity	4	2,914,900,000	2,120,000,000	2,914,900,000	2,120,000,000
Trade and other accounts receivable, net	5, 6	1,940,146,270	2,282,884,697	1,940,146,270	2,282,884,697
Inventories, net		779,216,688	772,442,413	779,216,688	772,442,413
Corporate income tax refundable		-	35,804,368	-	35,804,368
Other current assets		6,219,235	8,485,374	6,219,235	8,485,374
<b>Total current assets</b>		<b>7,178,226,545</b>	<b>7,059,504,407</b>	<b>7,178,226,545</b>	<b>7,059,504,407</b>
<b>Non-current assets</b>					
Corporate income tax refundable		35,804,368	-	35,804,368	-
Investments in associates	7	903,543,857	931,423,285	57,176,689	57,176,689
Long-term investments, net	8	113,881,215	112,681,215	113,881,215	112,681,215
Property, plant and equipment, net	9	5,469,151,303	5,536,093,265	5,469,151,303	5,536,093,265
Intangible assets, net	10	711,091,913	731,687,189	711,091,913	731,687,189
Deferred tax assets, net		-	-	83,026,782	82,069,808
Other non-current assets, net		73,840,455	35,881,524	73,840,455	35,881,524
<b>Total non-current assets</b>		<b>7,307,313,111</b>	<b>7,347,766,478</b>	<b>6,543,972,725</b>	<b>6,555,589,690</b>
<b>Total assets</b>		<b>14,485,539,656</b>	<b>14,407,270,885</b>	<b>13,722,199,270</b>	<b>13,615,094,097</b>

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

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

Date \_\_\_\_\_

The notes to the interim financial information on page 12 to 21 are an integral part of this interim financial information.

**Thai Stanley Electric Public Company Limited**  
**Statements of Financial Position**  
**As at 30 September 2016**

	Note	Financial statements in which the equity method is applied		The Company only	
		Unaudited 30 September 2016 Baht	Audited 31 March 2016 Baht	Unaudited 30 September 2016 Baht	Audited 31 March 2016 Baht
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade accounts payable - other companies		428,105,771	515,856,412	428,105,771	515,856,412
Trade accounts payable - related parties	6	385,795,840	428,296,463	385,795,840	428,296,463
Other accounts payable - other companies		164,035,192	176,226,229	164,035,192	176,226,229
Other accounts payable - related parties	6	143,788,569	141,173,810	143,788,569	141,173,810
Accrued corporate income tax		131,315,881	124,546,267	131,315,881	124,546,267
Accrued expenses		291,782,483	257,133,327	291,782,483	257,133,327
<b>Total current liabilities</b>		<b>1,544,823,736</b>	<b>1,643,232,508</b>	<b>1,544,823,736</b>	<b>1,643,232,508</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities, net		86,246,652	92,779,512	-	-
Provision for post-employment benefits		173,651,817	163,313,497	173,651,817	163,313,497
<b>Total non-current liabilities</b>		<b>259,898,469</b>	<b>256,093,009</b>	<b>173,651,817</b>	<b>163,313,497</b>
<b>Total liabilities</b>		<b>1,804,722,205</b>	<b>1,899,325,517</b>	<b>1,718,475,553</b>	<b>1,806,546,005</b>
<b>Shareholders' equity</b>					
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, 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		11,852,376,727	11,624,962,054	11,073,572,217	10,879,356,592
Other components of equity		(97,246,776)	(42,704,186)	4,464,000	3,504,000
<b>Total shareholders' equity</b>		<b>12,680,817,451</b>	<b>12,507,945,368</b>	<b>12,003,723,717</b>	<b>11,808,548,092</b>
<b>Total liabilities and shareholders' equity</b>		<b>14,485,539,656</b>	<b>14,407,270,885</b>	<b>13,722,199,270</b>	<b>13,615,094,097</b>

The notes to the interim financial information on page 12 to 21 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 30 September 2016**

	Notes	Financial statements in which the equity method is applied		The Company only	
		2016 Baht	2015 Baht	2016 Baht	2015 Baht
Revenues from sales and services	6	2,792,207,116	2,516,443,970	2,792,207,116	2,516,443,970
Costs of sales and services	6	(2,244,351,039)	(2,122,193,319)	(2,244,351,039)	(2,122,193,319)
<b>Gross profit</b>		547,856,077	394,250,651	547,856,077	394,250,651
Other income					
- Dividend income	6	20,218,179	7,928,785	20,218,179	7,928,785
- Gain on exchange rates, net		3,476,260	12,533,123	3,476,260	12,533,123
- Gain on sale of long-term investment		-	261,911,319	-	261,911,319
- Others		30,980,589	31,195,918	30,980,589	31,195,918
<b>Profit before expenses</b>		602,531,105	707,819,796	602,531,105	707,819,796
Selling expenses	6	(122,706,435)	(112,222,551)	(122,706,435)	(112,222,551)
Administrative expenses	6	(79,390,971)	(85,072,335)	(79,390,971)	(85,072,335)
<b>Total expenses</b>		(202,097,406)	(197,294,886)	(202,097,406)	(197,294,886)
<b>Operating profit</b>		400,433,699	510,524,910	400,433,699	510,524,910
Share of profit from investments in associates		54,903,404	48,733,819	-	-
<b>Profit before income tax</b>		455,337,103	559,258,729	400,433,699	510,524,910
Income tax		(88,363,656)	(112,923,275)	(77,382,975)	(103,176,510)
<b>Net profit for the period</b>		366,973,447	446,335,454	323,050,724	407,348,400
<b>Basic earnings per share</b>	11				
Net profit for the period		4.79	5.82	4.22	5.32

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**Thai Stanley Electric Public Company Limited**  
**Statements of Comprehensive Income (Unaudited)**  
**For the three-month period ended 30 September 2016**

	<b>Financial statements in which the equity method is applied</b>		<b>The Company only</b>	
	<b>2016 Baht</b>	<b>2015 Baht</b>	<b>2016 Baht</b>	<b>2015 Baht</b>
<b>Net profit for the period</b>	366,973,447	446,335,454	323,050,724	407,348,400
<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	608,000	288,000	608,000	288,000
Exchange differences relating to investments in associates	(52,346,552)	37,653,365	-	-
<b>Other comprehensive income (loss) for the period, net of tax</b>	<b>(51,738,552)</b>	<b>37,941,365</b>	<b>608,000</b>	<b>288,000</b>
<b>Total comprehensive income for the period</b>	<b>315,234,895</b>	<b>484,276,819</b>	<b>323,658,724</b>	<b>407,636,400</b>

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**Thai Stanley Electric Public Company Limited**  
**Statements of Income (Unaudited)**  
**For the six-month period ended 30 September 2016**

	Notes	Financial statements in which the equity method is applied		The Company only	
		2016 Baht	2015 Baht	2016 Baht	2015 Baht
Revenues from sales and services	6	5,423,992,999	4,932,111,574	5,423,992,999	4,932,111,574
Costs of sales and services	6	(4,474,125,516)	(4,207,468,537)	(4,474,125,516)	(4,207,468,537)
<b>Gross profit</b>		949,867,483	724,643,037	949,867,483	724,643,037
Other income					
- Dividend income	6, 7, 8	23,006,765	7,928,785	85,277,135	57,808,905
- Gain on exchange rates, net		3,543,080	17,316,850	3,543,080	17,316,850
- Gain on sale of long-term investment		-	261,911,319	-	261,911,319
- Others		66,349,453	68,342,674	66,349,453	68,342,674
<b>Profit before expenses</b>		1,042,766,781	1,080,142,665	1,105,037,151	1,130,022,785
Selling expenses	6	(237,883,209)	(227,916,279)	(237,883,209)	(227,916,279)
Administrative expenses	6	(152,729,209)	(161,029,679)	(152,729,209)	(161,029,679)
<b>Total expenses</b>		(390,612,418)	(388,945,958)	(390,612,418)	(388,945,958)
<b>Operating profit</b>		652,154,363	691,196,707	714,424,733	741,076,827
Share of profit from investments in associates	7	103,769,179	93,932,114	-	-
<b>Profit before income tax</b>		755,923,542	785,128,821	714,424,733	741,076,827
Income tax		(145,646,239)	(162,679,952)	(137,346,478)	(153,869,553)
<b>Net profit for the period</b>		610,277,303	622,448,869	577,078,255	587,207,274
<b>Basic earnings per share</b>	11				
Net profit for the period		7.96	8.12	7.53	7.66

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**Thai Stanley Electric Public Company Limited**  
**Statements of Comprehensive Income (Unaudited)**  
**For the six-month period ended 30 September 2016**

	<b>Financial statements in which the equity method is applied</b>		<b>The Company only</b>	
	<b>2016 Baht</b>	<b>2015 Baht</b>	<b>2016 Baht</b>	<b>2015 Baht</b>
<b>Net profit for the period</b>	610,277,303	622,448,869	577,078,255	587,207,274
<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	960,000	800,000	960,000	800,000
Exchange differences relating to investments in associates	(55,502,590)	31,308,236	-	-
<b>Other comprehensive income (loss) for the period, net of tax</b>	<b>(54,542,590)</b>	<b>32,108,236</b>	<b>960,000</b>	<b>800,000</b>
<b>Total comprehensive income for the period</b>	<b>555,734,713</b>	<b>654,557,105</b>	<b>578,038,255</b>	<b>588,007,274</b>

The notes to the interim financial information on page 12 to 21 are an integral part of this interim financial information.



Thai Stanley Electric Public Company Limited  
 Statements of Changes in Shareholders' Equity (Unaudited)  
 For the six-month period ended 30 September 2016

Financial statements in which the equity method is applied									
					Other components of equity				
					Other comprehensive income			Total	Total
					Unrealised gain on	Cumulative	other	Total	
					change in fair value	differences	components	shareholders'	
					of available-for-sale	relating to	of equity	equity	
					investment	investments in			
						associates			
Note	Issued and paid-up share capital Baht	Premium on share capital Baht	Retained earnings Legal reserve Baht	Unappropriated retained earnings Baht	Baht	Baht	Baht	Baht	
<b>Opening balance as at 1 April 2016</b>	383,125,000	504,250,000	38,312,500	11,624,962,054	3,504,000	(46,208,186)	(42,704,186)	12,507,945,368	
Total comprehensive income for the period				610,277,303	960,000	(55,502,590)	(54,542,590)	555,734,713	
Dividends paid	12	-	-	(382,862,630)	-	-	-	(382,862,630)	
<b>Closing balance as at 30 September 2016</b>	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>11,852,376,727</u>	<u>4,464,000</u>	<u>(101,710,776)</u>	<u>(97,246,776)</u>	<u>12,680,817,451</u>	
<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	-	-	-	622,448,869	800,000	31,308,236	32,108,236	654,557,105	
Dividends paid	12	-	-	(367,786,080)	-	-	-	(367,786,080)	
<b>Closing balance as at 30 September 2015</b>	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>10,943,970,682</u>	<u>3,120,000</u>	<u>(46,675,788)</u>	<u>(43,555,788)</u>	<u>11,826,102,394</u>	

The notes to the interim financial information on page 12 to 21 are an integral part of this interim financial information.

**Thai Stanley Electric Public Company Limited**  
**Statements of Changes in Shareholders' Equity (Unaudited)**  
**For the six-month period ended 30 September 2016**

<b>The Company only</b>								
	Note	Issued and paid-up share capital Baht	Premium on share capital Baht	Retained earnings		Other components of equity	Total other components of equity Baht	Total shareholders' equity Baht
				Legal reserve Baht	Unappropriated retained earnings Baht	Unrealised gain on change in fair value of available-for-sale investment Baht		
<b>Opening balance as at 1 April 2016</b>		383,125,000	504,250,000	38,312,500	10,879,356,592	3,504,000	3,504,000	11,808,548,092
Total comprehensive income for the period		-	-	-	577,078,255	960,000	960,000	578,038,255
Dividends paid	12	-	-	-	(382,862,630)	-	-	(382,862,630)
<b>Closing balance as at 30 September 2016</b>		<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>11,073,572,217</u>	<u>4,464,000</u>	<u>4,464,000</u>	<u>12,003,723,717</u>
<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		-	-	-	587,207,274	800,000	800,000	588,007,274
Dividends paid	12	-	-	-	(367,786,080)	-	-	(367,786,080)
<b>Closing balance as at 30 September 2015</b>		<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>10,294,050,541</u>	<u>3,120,000</u>	<u>3,120,000</u>	<u>11,222,858,041</u>

The notes to the interim financial information on page 12 to 21 are an integral part of this interim financial information.

**Thai Stanley Electric Public Company Limited**  
**Statements of Cash Flows (Unaudited)**  
**For the six-month period ended 30 September 2016**

	Notes	Financial statements in which the equity method is applied		The Company only	
		2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Cash flows from operating activities:</b>					
Profit before income tax for the period		755,923,542	785,128,821	714,424,733	741,076,827
Adjustments to reconcile profit before income tax to net cash provided by operations:					
- Depreciation	9	518,559,562	517,540,147	518,559,562	517,540,147
- Amortisation	10	90,763,085	89,103,693	90,763,085	89,103,693
- Interest income		(32,440,832)	(23,678,713)	(32,440,832)	(23,678,713)
- Gain on sale of long-term investment		-	(261,911,319)	-	(261,911,319)
- Share of profit from investments in associates	7	(103,769,179)	(93,932,114)	-	-
- Dividend income from investments in associates	7	-	-	(62,270,370)	(49,880,120)
- Dividend income from long-term investment	8	(23,006,765)	(7,928,785)	(23,006,765)	(7,928,785)
- Gain on disposals of equipment, net		(428,213)	(252,882)	(428,213)	(252,882)
- (Reversal of) allowance for doubtful account		(636,120)	15,022,910	(636,120)	15,022,910
- (Reversal of) allowance for slow-moving inventories and net realisable value lower than cost of inventories		(621,004)	5,131,522	(621,004)	5,131,522
- (Reversal of) provision for post-employment benefits		11,421,720	11,560,260	11,421,720	11,560,260
- Unrealised gain on exchange rates		(924,619)	(1,276,287)	(924,619)	(1,276,287)
Cash flows before changes in operating assets and liabilities		1,214,841,177	1,034,507,253	1,214,841,177	1,034,507,253
Changes in operating assets and liabilities					
- Trade and other accounts receivable		342,804,437	177,828,903	342,804,437	177,828,903
- Inventories		(6,153,271)	192,947,638	(6,153,271)	192,947,638
- Other current assets		2,266,139	1,801,610	2,266,139	1,801,610
- Other non-current assets		(37,958,931)	(21,563,541)	(37,958,931)	(21,563,541)
- Trade accounts payable - other companies		(87,750,641)	(82,319,203)	(87,750,641)	(82,319,203)
- Trade accounts payable - related parties		(42,500,623)	(16,631,831)	(42,500,623)	(16,631,831)
- Other accounts payable - other companies		(20,779,195)	6,288,950	(20,779,195)	6,288,950
- Other accounts payable - related parties		2,595,205	2,832,212	2,595,205	2,832,212
- Accrued expenses		34,649,156	84,476,336	34,649,156	84,476,336
- Payment for post-employment benefits		(1,083,400)	(2,399,400)	(1,083,400)	(2,399,400)
Cash generated from operations		1,400,930,053	1,377,768,927	1,400,930,053	1,377,768,927
- Interest received		11,503,261	12,866,904	11,503,261	12,866,904
- Income tax paid		(131,773,838)	(167,519,887)	(131,773,838)	(167,519,887)
Net cash received from operating activities		1,280,659,476	1,223,115,944	1,280,659,476	1,223,115,944

The notes to the interim financial information on page 12 to 21 are an integral part of this interim financial information.

**Thai Stanley Electric Public Company Limited**  
**Statements of Cash Flows (Unaudited)**  
**For the six-month period ended 30 September 2016**

	Notes	Financial statements in which the equity method is applied		The Company only	
		2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Cash flows from investing activities:</b>					
Purchases of property, plant and equipment		(443,786,686)	(396,729,714)	(443,786,686)	(396,729,714)
Proceeds from disposals of equipment		428,331	377,358	428,331	377,358
Interest received on short-term investments held to maturity		17,694,891	5,760,585	17,694,891	5,760,585
Cash receipts from sale of long-term investment		-	290,000,000	-	290,000,000
Dividends received from investments in associates		66,083,160	59,880,120	66,083,160	59,880,120
Dividends received from long-term investments	8	23,006,765	448,045	23,006,765	448,045
Purchases of intangible assets		(69,391,129)	(171,157,332)	(69,391,129)	(171,157,332)
Cash receipts from short-term investments held to maturity	4	2,682,000,000	1,123,000,000	2,682,000,000	1,123,000,000
Cash payments on short-term investments held to maturity	4	(3,476,900,000)	(3,028,641,585)	(3,476,900,000)	(3,028,641,585)
Net cash used in investing activities		<u>(1,200,864,668)</u>	<u>(2,117,062,523)</u>	<u>(1,200,864,668)</u>	<u>(2,117,062,523)</u>
<b>Cash flow from financing activity:</b>					
Dividends paid	12	<u>(382,862,630)</u>	<u>(367,786,080)</u>	<u>(382,862,630)</u>	<u>(367,786,080)</u>
Net cash used in financing activity		<u>(382,862,630)</u>	<u>(367,786,080)</u>	<u>(382,862,630)</u>	<u>(367,786,080)</u>
<b>Net decrease in cash and cash equivalents</b>		<b>(303,067,822)</b>	<b>(1,261,732,659)</b>	<b>(303,067,822)</b>	<b>(1,261,732,659)</b>
Cash and cash equivalents at beginning of the period		1,839,887,555	2,350,313,187	1,839,887,555	2,350,313,187
Effects of exchange rate changes		924,619	1,276,287	924,619	1,276,287
Cash and cash equivalents at end of the period		<u><u>1,537,744,352</u></u>	<u><u>1,089,856,815</u></u>	<u><u>1,537,744,352</u></u>	<u><u>1,089,856,815</u></u>
<b>Non-cash transactions:</b>					
Outstanding liabilities arisen from purchase of plant, equipment and intangible assets		74,012,887	21,683,797	74,012,887	21,683,797
Accrued dividend income from long-term investment		-	7,480,740	-	7,480,740

The notes to the interim financial information on page 12 to 21 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 28 October 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 annual financial statements for the year ended 31 March 2016.

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 annual financial statements for the year ended 31 March 2016.

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 standard**

Revised accounting standard, effective on 1 January 2016, that is relevant and has an impact on the Company's disclosure in the financial information is as follows:

TAS 36 (revised 2015)                      Impairment of assets

TAS 36 (revised 2015), 'Impairment of assets' is amended to provide additional disclosure requirement when the recoverable amount of the assets is measured at fair value less costs of disposal. The disclosures include 1) the level of fair value hierarchy, 2) when fair value measurement categorised within level 2 and level 3, disclosures is required for valuation technique and key assumption.

**3 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 2016.

**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:

<b>For the six-month period ended 30 September 2016</b>	<b>Unaudited Baht</b>
Opening balance	2,120,000,000
Additions during the period	3,476,900,000
Redemptions during the period	<u>(2,682,000,000)</u>
Closing balance	<u>2,914,900,000</u>

As at 30 September 2016, short-term investments held to maturity bore interest at the average rate of 1.41% - 1.65% per annum (31 March 2016: 1.38% - 2.00% per annum).

**Thai Stanley Electric Public Company Limited**  
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**5 Trade and other accounts receivable, net**

Trade and other accounts receivable, net as at 30 September 2016 and 31 March 2016 are as follows:

	<b>Unaudited 30 September 2016 Baht</b>	<b>Audited 31 March 2016 Baht</b>
Trade accounts receivable - other companies	1,669,085,476	1,892,424,946
<u>Less</u> Allowance for doubtful account	<u>(11,336,078)</u>	<u>(11,972,198)</u>
Trade accounts receivable - other companies, net	1,657,749,398	1,880,452,748
Trade accounts receivable - related parties (Note 6)	173,711,798	274,364,191
Prepaid expenses	29,487,891	42,929,076
Accrued income	26,917,148	29,618,917
Value added tax receivable	13,776,968	22,703,743
Other receivables	38,503,067	32,816,022
	<u>1,940,146,270</u>	<u>2,282,884,697</u>

Trade accounts receivable as at 30 September 2016 and 31 March 2016 can be analysed as follows:

	<b>Trade accounts receivable- other companies</b>		<b>Trade accounts receivable- related parties</b>	
	<b>Unaudited 30 September 2016 Baht</b>	<b>Audited 31 March 2016 Baht</b>	<b>Unaudited 30 September 2016 Baht</b>	<b>Audited 31 March 2016 Baht</b>
Current	1,629,848,332	1,852,861,451	168,487,099	203,115,095
Overdue				
- less than 3 months	5,048,249	9,512,405	649,183	69,944,903
- 3 - 6 months	4,291,281	3,946,286	4,565,427	616,223
- 6 - 12 months	5,004,712	52,478	-	687,970
- more than 1 year	24,892,902	26,052,326	10,089	-
	<u>1,669,085,476</u>	<u>1,892,424,946</u>	<u>173,711,798</u>	<u>274,364,191</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 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:

	<b>Unaudited</b>			
	<b>For the three-month period ended 30 September</b>		<b>For the six-month period ended 30 September</b>	
	<b>2016 Baht</b>	<b>2015 Baht</b>	<b>2016 Baht</b>	<b>2015 Baht</b>
<b>Sales</b>				
Stanley Electric Group companies	175,776,620	128,127,404	359,251,183	322,027,004
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	45,339,656	45,416,006	93,891,675	87,402,113
Associates	72,091,102	59,487,304	155,758,775	110,624,431
	<u>293,207,378</u>	<u>233,030,714</u>	<u>608,901,633</u>	<u>520,053,548</u>
<b>Dividend income</b>				
Stanley Electric Group companies	20,218,179	7,928,785	20,218,179	7,928,785
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	-	-	2,788,586	-
Associates	-	-	62,270,370	49,880,120
	<u>20,218,179</u>	<u>7,928,785</u>	<u>85,277,135</u>	<u>57,808,905</u>
<b>Purchases of goods and services</b>				
Stanley Electric Group companies	430,019,632	380,898,509	874,249,772	650,344,344
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	88,843,804	74,494,911	182,290,076	141,799,222
Associates	68,906,905	44,697,115	132,169,946	90,113,212
	<u>587,770,341</u>	<u>500,090,535</u>	<u>1,188,709,794</u>	<u>882,256,778</u>
<b>Royalty fee</b>				
Stanley Electric Group companies	67,819,876	62,020,412	129,128,893	122,379,800
<b>Design and development fee</b>				
Stanley Electric Group companies	24,732,341	34,608,857	40,005,873	86,679,497
<b>Technical fee</b>				
Stanley Electric Group companies	1,756,676	2,561,882	4,293,102	2,944,178
<b>Training fee</b>				
Stanley Electric Group companies	5,991,615	4,486,547	7,665,653	5,439,807



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**6 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</b>		<b>For the six-month</b>	
	<b>period ended 30 September</b>		<b>period ended 30 September</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Commission</b>				
Stanley Electric Group companies	8,889,601	5,904,834	18,582,387	11,496,685
<b>Directors' and managements' remuneration</b>				
Short-term benefits	14,034,112	12,684,566	24,532,481	24,536,244

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 September 2016 and 31 March 2016 are as follows:

	<b>Unaudited</b>	<b>Audited</b>
	<b>30 September</b>	<b>31 March</b>
	<b>2016</b>	<b>2016</b>
	<b>Baht</b>	<b>Baht</b>
<b>Trade accounts receivable - related parties</b>		
Stanley Electric Group companies	80,234,202	158,338,651
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	48,566,126	43,214,874
Associates	44,911,470	72,810,666
	<u>173,711,798</u>	<u>274,364,191</u>
<b>Trade accounts payable - related parties</b>		
Stanley Electric Group companies	284,374,306	338,431,495
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	32,565,334	38,940,993
Associates	68,856,200	50,923,975
	<u>385,795,840</u>	<u>428,296,463</u>
<b>Other accounts payable - related parties</b>		
Stanley Electric Group companies	<u>143,788,569</u>	<u>141,173,810</u>

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**7 Investments in associates**

a) Movements in investments in associates are as follows:

	<b>For the six-month period ended 30 September 2016</b>	
	<b>Equity Method Unaudited Baht</b>	<b>Cost Method Unaudited Baht</b>
Opening net book amount	931,423,285	57,176,689
Share of profit	103,769,179	-
Dividends received	(62,270,370)	-
Translation adjustments	(69,378,237)	-
Closing net book amount	<u>903,543,857</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	<b>Equity Method</b>			
				<b>Unaudited 30 September 2016</b>		<b>Audited 31 March 2016</b>	
				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	24,419,542	-	24,203,192	3,812,790
Vietnam Stanley Electric Company Limited	Manufacture of automotive lighting equipment	USD 8.30 million	20	879,124,315	62,270,370	907,220,093	49,880,120
				<u>903,543,857</u>	<u>62,270,370</u>	<u>931,423,285</u>	<u>53,692,910</u>
<b>Cost Method</b>							
				<b>Unaudited 30 September 2016</b>		<b>Audited 31 March 2016</b>	
Name	Business activity	Paid-up share capital	% of holding	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	3,812,790
Vietnam Stanley Electric Company Limited	Manufacture of automotive lighting equipment	USD 8.30 million	20	54,044,189	62,270,370	54,044,189	49,880,120
				<u>57,176,689</u>	<u>62,270,370</u>	<u>57,176,689</u>	<u>53,692,910</u>

**Thai Stanley Electric Public Company Limited**  
**Unaudited Condensed Notes to the Interim Financial Information**  
**For the six-month period ended 30 September 2016**

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**8 Long-term investments, net**

Long-term investments, net as at 30 September 2016 and 31 March 2016 are as follows:

**As at 30 September 2016 (Unaudited)**

	<b>Available- for-sale investments Baht</b>	<b>General investments Baht</b>	<b>Total Baht</b>
<b>Equity securities</b>			
- Related parties	8,960,000	104,921,215	113,881,215
- Other companies	-	-	-
Long-term investments, net	<u>8,960,000</u>	<u>104,921,215</u>	<u>113,881,215</u>

**As at 31 March 2016 (Audited)**

	<b>Available- for-sale investments Baht</b>	<b>General investments Baht</b>	<b>Total Baht</b>
<b>Equity securities</b>			
- Related parties	7,760,000	104,921,215	112,681,215
- Other companies	-	-	-
Long-term investments, net	<u>7,760,000</u>	<u>104,921,215</u>	<u>112,681,215</u>

**Thai Stanley Electric Public Company Limited**  
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**8 Long-term investments, net (Cont'd)**

The details of long-term investments are as follows:

Name	Business activity	Paid-up share capital	% of holding	Unaudited 30 September 2016		Audited 31 March 2016	
				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	353,200
Change in fair value of investment				5,580,000	-	4,380,000	-
				<u>8,960,000</u>	<u>-</u>	<u>7,760,000</u>	<u>353,200</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	16,183,642	60,000,000	-
Sirivit Stanley Company Limited	Manufacture of electronic equipment and automotive lighting	Baht 21 million	15.0	3,000,000	2,788,586	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	1,440,580
PT. Indonesia Stanley Electric	Manufacture of molds and automotive lighting	USD 7.5 million	10.0	33,127,500	4,034,537	33,127,500	7,581,963
				<u>104,921,215</u>	<u>23,006,765</u>	<u>104,921,215</u>	<u>9,022,543</u>
<b>Other companies - general investments (at cost)</b>							
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>-</u>	<u>-</u>
<b>Total long-term investments, net</b>				<u>113,881,215</u>	<u>23,006,765</u>	<u>112,681,215</u>	<u>9,375,743</u>

**9 Property, plant and equipment, net**

**For the six-month period ended 30 September 2016**

	<b>Unaudited Baht</b>
Opening net book amount	5,536,093,265
Additions	451,617,718
Disposals/write - offs, net	(118)
Less Depreciation charge	<u>(518,559,562)</u>
Closing net book amount	<u>5,469,151,303</u>

The additions during the period mainly compose of machinery under installation and construction in progress.

As at 30 September 2016, the Company has capital commitments amount of Baht 188 million (31 March 2016: Baht 45 million).

**Thai Stanley Electric Public Company Limited**  
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**10 Intangible assets, net**

**For the six-month period ended 30 September 2016**

	<b>Unaudited Baht</b>
Opening net book amount	731,687,189
Additions	70,167,809
<u>Less</u> Amortisation charge	<u>(90,763,085)</u>
Closing net book amount	<u>711,091,913</u>

The additions during the period mainly compose of product designs.

**11 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 September 2016: 76,625,000 shares and 30 September 2015: 76,625,000 shares).

There are no dilutive ordinary shares in issue for the six-month periods ended 30 September 2016 and 2015.

**12 Dividends paid**

At the Annual General Shareholders' meeting of Thai Stanley Electric Public Company Limited held on 8 July 2016, the shareholders unanimously resolved to pay dividends in respect of the operating results for the year ended 31 March 2016 for 76,625,000 shares of Baht 5 per share, totalling Baht 383,125,000. There are 52,474 shares that were not entitled to receive the dividends, totalling Baht 262,370 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 382,862,630 in the financial statements. The Company paid the dividends to the shareholders on 29 July 2016.

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.

**13 Commitments and contingent liabilities**

For the six-month period ended 30 September 2016, there were no significant changes in commitments and contingent liabilities and other agreements from the year ended 31 March 2016, except the capital commitment as mentioned in Note 9 and the following item:

Forward exchange contracts

As at 30 September 2016 and 31 March 2016, the Company has the outstanding foreign currency forward contracts which the foreign currency contract amount and settlement dates on the contracts are as follows:

	<b>Unaudited 30 September 2016</b>	<b>Audited 31 March 2016</b>
Forward exchange contracts	Yen 60 million USD 1 million	Yen 60 million USD 1 million
Maturity of forward exchange contracts	1 - 2 months	1 - 2 months

**14 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.