

**THAI STANLEY ELECTRIC PUBLIC COMPANY LIMITED**

**INTERIM FINANCIAL STATEMENTS (UNAUDITED)**

**30 SEPTEMBER 2011**

## **AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS**

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

I have reviewed the accompanying statement of financial position in which the equity method is applied and the Company only as at 30 September 2011, and 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 2011 and 2010, 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 periods ended 30 September 2011 and 2010 of Thai Stanley Electric Public Company Limited. The Company's management is responsible for the correctness and completeness of information in these interim financial statements. My responsibility is to issue a report on these interim financial statements based on my reviews.

I conducted my reviews in accordance with the standard on auditing applicable to review engagements. This standard requires that I plan and perform a review to obtain moderate assurance as to whether the interim financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit, and accordingly, I do not express an audit opinion.

Based on my reviews, nothing has come to my attention that causes me to believe that the interim financial statements referred to above are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have audited the financial statements in which the equity method is applied and the Company only for the year ended 31 March 2011 of Thai Stanley Electric Public Company Limited in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements in my report dated 20 May 2011. The statement of financial position in which the equity method is applied and the Company only as at 31 March 2011, presented herewith for comparative purposes, is part of the financial statements that I have audited and issued a report thereon as stated above, and I have not performed any other auditing procedures subsequent to the date of that report.

Nangnoi Charoenthavesub  
Certified Public Accountant (Thailand) No. 3044  
PricewaterhouseCoopers ABAS Ltd.

Bangkok  
14 November 2011

**Thai Stanley Electric Public Company Limited**  
**Statements of Financial Position**  
**As at 30 September 2011 and 31 March 2011**

	Notes	Financial statements in which the equity method is applied		The Company only	
		Unaudited	Audited	Unaudited	Audited
		30 September 2011 Baht	31 March 2011 Baht	30 September 2011 Baht	31 March 2011 Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		2,889,825,737	3,133,889,742	2,889,825,737	3,133,889,742
Short-term investments held to maturity	5	-	560,985,995	-	560,985,995
Trade accounts receivable					
- other companies	6	1,404,695,867	1,319,060,943	1,404,695,867	1,319,060,943
- related parties	6, 7	80,368,109	79,530,332	80,368,109	79,530,332
Inventories, net		735,345,844	584,334,488	735,345,844	584,334,488
Other current assets		92,740,087	68,666,983	92,740,087	68,666,983
<b>Total current assets</b>		<b>5,202,975,644</b>	<b>5,746,468,483</b>	<b>5,202,975,644</b>	<b>5,746,468,483</b>
<b>Non-current assets</b>					
Investments in associates	8	343,935,312	291,218,231	57,176,689	57,176,689
Long-term investments, net	9	150,492,523	151,667,138	150,492,523	151,667,138
Property, plant and equipment, net	10	4,079,519,119	3,268,205,285	4,079,519,119	3,268,205,285
Intangible assets, net	11	412,621,300	389,393,430	412,621,300	389,393,430
Other non-current assets, net		21,265,496	18,361,471	21,265,496	18,361,471
<b>Total non-current assets</b>		<b>5,007,833,750</b>	<b>4,118,845,555</b>	<b>4,721,075,127</b>	<b>3,884,804,013</b>
<b>Total assets</b>		<b>10,210,809,394</b>	<b>9,865,314,038</b>	<b>9,924,050,771</b>	<b>9,631,272,496</b>

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

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

Date \_\_\_\_\_

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

**Thai Stanley Electric Public Company Limited**  
**Statements of Financial Position**  
**As at 30 September 2011 and 31 March 2011**

	Note	Financial statements in which the equity method is applied		The Company only	
		Unaudited 30 September 2011 Baht	Audited 31 March 2011 Baht	Unaudited 30 September 2011 Baht	Audited 31 March 2011 Baht
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade accounts payable - other companies		500,649,569	501,769,591	500,649,569	501,769,591
- related parties	7	285,487,642	191,707,677	285,487,642	191,707,677
Other accounts payable - other companies		147,299,979	205,281,113	147,299,979	205,281,113
- related parties	7	195,795,366	171,195,962	195,795,366	171,195,962
Accrued income tax		256,638,222	269,432,571	256,638,222	269,432,571
Advances received from customers		70,101,939	85,710,323	70,101,939	85,710,323
Other current liabilities		206,901,659	107,543,896	206,901,659	107,543,896
<b>Total current liabilities</b>		<b>1,662,874,376</b>	<b>1,532,641,133</b>	<b>1,662,874,376</b>	<b>1,532,641,133</b>
<b>Non-current liabilities</b>					
Retirement benefit obligation		102,385,670	92,290,415	102,385,670	92,290,415
<b>Total non-current liabilities</b>		<b>102,385,670</b>	<b>92,290,415</b>	<b>102,385,670</b>	<b>92,290,415</b>
<b>Total liabilities</b>		<b>1,765,260,046</b>	<b>1,624,931,548</b>	<b>1,765,260,046</b>	<b>1,624,931,548</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, 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		7,627,356,228	7,449,618,260	7,229,203,225	7,076,033,448
Other components of equity		(107,494,380)	(134,923,270)	3,900,000	4,620,000
<b>Total shareholders' equity</b>		<b>8,445,549,348</b>	<b>8,240,382,490</b>	<b>8,158,790,725</b>	<b>8,006,340,948</b>
<b>Total liabilities and shareholders' equity</b>		<b>10,210,809,394</b>	<b>9,865,314,038</b>	<b>9,924,050,771</b>	<b>9,631,272,496</b>

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

**Thai Stanley Electric Public Company Limited**  
**Statements of Income (Unaudited)**  
**For the three-month periods ended 30 September 2011 and 2010**

	Notes	Financial statements in which the equity method is applied		The Company only	
		2011 Baht	2010 Baht	2011 Baht	2010 Baht
Sales	7	2,488,845,373	2,170,772,149	2,488,845,373	2,170,772,149
Cost of sales	7	(1,868,977,906)	(1,607,101,504)	(1,868,977,906)	(1,607,101,504)
<b>Gross profit</b>		619,867,467	563,670,645	619,867,467	563,670,645
Other income					
- Dividend income	7, 8, 9	62,882,134	50,080,269	62,882,134	50,080,269
- Others	7	62,588,120	36,652,910	62,588,120	36,652,910
<b>Profit before expenses</b>		745,337,721	650,403,824	745,337,721	650,403,824
Selling expenses		(111,256,157)	(100,276,831)	(111,256,157)	(100,276,831)
Administrative expenses		(53,661,386)	(49,967,754)	(53,661,386)	(49,967,754)
Loss on exchange rates, net		(7,400,457)	(145,196)	(7,400,457)	(145,196)
Directors' and managements' remuneration	7	(6,878,744)	(6,998,850)	(6,878,744)	(6,998,850)
<b>Total expenses</b>		(179,196,744)	(157,388,631)	(179,196,744)	(157,388,631)
<b>Operating profit</b>		566,140,977	493,015,193	566,140,977	493,015,193
Share of profit from investments in associates		32,632,213	16,423,605	-	-
<b>Profit before income tax</b>		598,773,190	509,438,798	566,140,977	493,015,193
Income tax		(155,058,251)	(144,107,233)	(155,058,251)	(144,107,233)
<b>Net profit for the period</b>		443,714,939	365,331,565	411,082,726	348,907,960
<b>Basic earnings per share</b>	12				
Net profit for the period		5.79	4.77	5.36	4.55

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

**Thai Stanley Electric Public Company Limited**  
**Statements of Comprehensive Income (Unaudited)**  
**For the three-month periods ended 30 September 2011 and 2010**

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	<b>Financial statements in which the equity method is applied</b>		<b>The Company only</b>	
	<b>2011 Baht</b>	<b>2010 Baht</b>	<b>2011 Baht</b>	<b>2010 Baht</b>
<b>Net profit for the period</b>	443,714,939	365,331,565	411,082,726	348,907,960
<b>Other comprehensive income:</b>				
Unrealised loss on change in fair value of available-for-sale investment	(600,000)	(320,000)	(600,000)	(320,000)
Exchange differences relating to investments in associates	1,407,596	(25,623,955)	-	-
<b>Other comprehensive income (expenses) for the period</b>	807,596	(25,943,955)	(600,000)	(320,000)
<b>Total comprehensive income for the period</b>	<u>444,522,535</u>	<u>339,387,610</u>	<u>410,482,726</u>	<u>348,587,960</u>

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

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**Thai Stanley Electric Public Company Limited**  
**Statements of Income (Unaudited)**  
**For the six-month periods ended 30 September 2011 and 2010**

	Notes	Financial statements in which the equity method is applied		The Company only	
		2011 Baht	2010 Baht	2011 Baht	2010 Baht
Sales	7	4,438,403,632	4,397,429,281	4,438,403,632	4,397,429,281
Cost of sales	7	(3,407,727,206)	(3,205,584,099)	(3,407,727,206)	(3,205,584,099)
<b>Gross profit</b>		<b>1,030,676,426</b>	<b>1,191,845,182</b>	<b>1,030,676,426</b>	<b>1,191,845,182</b>
Other income					
- Dividend income	7, 8, 9	63,390,593	50,703,044	102,514,984	76,616,263
- Others	7	122,664,689	71,810,677	122,664,689	71,810,677
<b>Profit before expenses</b>		<b>1,216,731,708</b>	<b>1,314,358,903</b>	<b>1,255,856,099</b>	<b>1,340,272,122</b>
Selling expenses		(207,653,972)	(201,505,523)	(207,653,972)	(201,505,523)
Administrative expenses		(104,308,173)	(97,575,414)	(104,308,173)	(97,575,414)
Loss on exchange rates, net		(9,442,509)	(3,248,287)	(9,442,509)	(3,248,287)
Directors' and managements' remuneration	7	(12,937,445)	(13,151,635)	(12,937,445)	(13,151,635)
<b>Total expenses</b>		<b>(334,342,099)</b>	<b>(315,480,859)</b>	<b>(334,342,099)</b>	<b>(315,480,859)</b>
<b>Operating profit</b>		<b>882,389,609</b>	<b>998,878,044</b>	<b>921,514,000</b>	<b>1,024,791,263</b>
Share of profit from investments in associates	8	63,692,582	42,511,708	-	-
<b>Profit before income tax</b>		<b>946,082,191</b>	<b>1,041,389,752</b>	<b>921,514,000</b>	<b>1,024,791,263</b>
Income tax		(270,301,873)	(309,017,826)	(270,301,873)	(309,017,826)
<b>Net profit for the period</b>		<b>675,780,318</b>	<b>732,371,926</b>	<b>651,212,127</b>	<b>715,773,437</b>
<b>Basic earnings per share</b>	12				
Net profit for the period		8.82	9.56	8.50	9.34

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**Thai Stanley Electric Public Company Limited**  
**Statements of Comprehensive Income (Unaudited)**  
**For the six-month periods ended 30 September 2011 and 2010**

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	Notes	Financial statements in which the equity method is applied		The Company only	
		2011	2010	2011	2010
		Baht	Baht	Baht	Baht
<b>Net profit for the period</b>		675,780,318	732,371,926	651,212,127	715,773,437
<b>Other comprehensive income:</b>					
Unrealised gain (loss) on change in fair value of available-for-sale investment	9	(720,000)	120,000	(720,000)	120,000
Exchange differences relating to investments in associates	8	28,148,890	(28,839,685)	-	-
<b>Other comprehensive income (expenses) for the period</b>		27,428,890	(28,719,685)	(720,000)	120,000
<b>Total comprehensive income for the period</b>		<u>703,209,208</u>	<u>703,652,241</u>	<u>650,492,127</u>	<u>715,893,437</u>

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

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**Thai Stanley Electric Public Company Limited**  
**Statements of Changes in Shareholders' Equity (Unaudited)**  
**For the six-month periods ended 30 September 2011 and 2010**

	Financial statements in which the equity method is applied							
	Other components of equity							Total shareholders' equity Baht
	Other comprehensive income							
	Retained earnings				Unrealised gain on change in fair value of available-for-sale investment Baht	Cumulative exchange differences relating to investments in associates Baht	Total other components of equity Baht	
	Issued and paid-up share capital Baht	Premium on share capital Baht	Legal reserve Baht	Unappropriated retained earnings Baht				
Note								
<b>Opening balance as at 1 April 2011</b>	383,125,000	504,250,000	38,312,500	7,449,618,260	4,620,000	(139,543,270)	(134,923,270)	8,240,382,490
Total comprehensive income for the period	-	-	-	675,780,318	(720,000)	28,148,890	27,428,890	703,209,208
Dividends paid	13	-	-	(498,042,350)	-	-	-	(498,042,350)
<b>Closing balance as at 30 September 2011</b>	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>7,627,356,228</u>	<u>3,900,000</u>	<u>(111,394,380)</u>	<u>(107,494,380)</u>	<u>8,445,549,348</u>
<b>Opening balance as at 1 April 2010</b>	383,125,000	504,250,000	38,312,500	6,405,016,663	4,860,000	(73,724,799)	(68,864,799)	7,261,839,364
Total comprehensive income for the period	-	-	-	732,371,926	120,000	(28,839,685)	(28,719,685)	703,652,241
Dividends paid	13	-	-	(383,110,000)	-	-	-	(383,110,000)
<b>Closing balance as at 30 September 2010</b>	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>6,754,278,589</u>	<u>4,980,000</u>	<u>(102,564,484)</u>	<u>(97,584,484)</u>	<u>7,582,381,605</u>

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

**Thai Stanley Electric Public Company Limited**  
**Statements of Changes in Shareholders' Equity (Unaudited)**  
**For the six-month periods ended 30 September 2011 and 2010**

								The Company only
					Other components of equity			
					Other comprehensive income			
					Unrealised gain on	Total		
					change in fair value	other	Total	
					of available-for-sale	components		
					investment	of equity		
					Baht	Baht		
Note	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	Total other components of equity Baht	Total shareholders' equity Baht	
			Legal reserve Baht	Unappropriated retained earnings Baht				
<b>Opening balance as at 1 April 2011</b>	383,125,000	504,250,000	38,312,500	7,076,033,448	4,620,000	4,620,000	8,006,340,948	
Total comprehensive income for the period	-	-	-	651,212,127	(720,000)	(720,000)	650,492,127	
Dividends paid	-	-	-	(498,042,350)	-	-	(498,042,350)	
	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>7,229,203,225</u>	<u>3,900,000</u>	<u>3,900,000</u>	<u>8,158,790,725</u>	
<b>Closing balance as at 30 September 2011</b>								
<b>Opening balance as at 1 April 2010</b>	383,125,000	504,250,000	38,312,500	6,089,590,415	4,860,000	4,860,000	7,020,137,915	
Total comprehensive income for the period	-	-	-	715,773,437	120,000	120,000	715,893,437	
Dividends paid	-	-	-	(383,110,000)	-	-	(383,110,000)	
	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>6,422,253,852</u>	<u>4,980,000</u>	<u>4,980,000</u>	<u>7,352,921,352</u>	
<b>Closing balance as at 30 September 2010</b>								

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

**Thai Stanley Electric Public Company Limited**  
**Statements of Cash Flows (Unaudited)**  
**For the six-month periods ended 30 September 2011 and 2010**

	Notes	Financial statements in which the equity method is applied		The Company only	
		2011 Baht	2010 Baht	2011 Baht	2010 Baht
<b>Cash flows from operating activities:</b>					
Profit before income tax for the period		946,082,191	1,041,389,752	921,514,000	1,024,791,263
Adjustments to reconcile profit before income tax to net cash provided by operations:					
- Depreciation	10	322,900,825	362,357,220	322,900,825	362,357,220
- Amortisation	11	50,769,947	45,749,262	50,769,947	45,749,262
- Interest income		(45,934,047)	(19,821,390)	(45,934,047)	(19,821,390)
- Share of profit from investments in associates	8	(63,692,582)	(42,511,708)	-	-
- Dividend income					
- Investments in associates	8	-	-	(39,124,391)	(25,913,219)
- Long-term investments	9	(63,390,593)	(50,703,044)	(63,390,593)	(50,703,044)
- Gain on disposal of equipment		(6,952,667)	(200,654)	(6,952,667)	(200,654)
- Impairment of long-term investment	9	454,615	-	454,615	-
- Allowance for slow moving inventories and net realisable value lower than cost of inventories		4,286,691	(6,400,000)	4,286,691	(6,400,000)
- Retirement benefit obligation		10,128,120	5,698,501	10,128,120	5,698,501
- Unrealised loss (gain) on exchange rates		(2,868,883)	3,495,737	(2,868,883)	3,495,737
Cash flows before changes in operating assets and liabilities		1,151,783,617	1,339,053,676	1,151,783,617	1,339,053,676
Changes in operating assets and liabilities					
- Trade accounts receivable - other companies		(85,634,924)	119,642,454	(85,634,924)	119,642,454
- related parties		(837,777)	11,721,868	(837,777)	11,721,868
- Inventories		(155,298,047)	(28,736,726)	(155,298,047)	(28,736,726)
- Other current assets		(24,494,264)	(1,499,013)	(24,494,264)	(1,499,013)
- Other non-current assets		(2,904,025)	2,848,801	(2,904,025)	2,848,801
- Trade accounts payable - other companies		(1,120,022)	(36,143,908)	(1,120,022)	(36,143,908)
- related parties		93,779,965	30,551,933	93,779,965	30,551,933
- Other accounts payable - other companies		(47,638,159)	(26,436,602)	(47,638,159)	(26,436,602)
- related parties		37,405,608	(18,987,293)	37,405,608	(18,987,293)
- Advances received from customers		(15,608,384)	17,553,718	(15,608,384)	17,553,718
- Other current liabilities		99,357,763	110,486,403	99,357,763	110,486,403
- Payment for retirement benefits obligation		(32,865)	(205,778)	(32,865)	(205,778)
Cash generated from operations		1,048,758,486	1,519,849,533	1,048,758,486	1,519,849,533
Interest received		43,531,753	12,342,605	43,531,753	12,342,605
Income tax paid		(283,096,222)	(240,128,934)	(283,096,222)	(240,128,934)
Net cash received from operating activities		809,194,017	1,292,063,204	809,194,017	1,292,063,204

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**Thai Stanley Electric Public Company Limited**  
**Statements of Cash Flows (Unaudited)**  
**For the six-month periods ended 30 September 2011 and 2010**

	Notes	Financial statements in which the equity method is applied		The Company only	
		2011 Baht	2010 Baht	2011 Baht	2010 Baht
<b>Cash flows from investing activities:</b>					
Purchases of property, plant and equipment		(1,161,274,997)	(223,062,732)	(1,161,274,997)	(223,062,732)
Proceeds from disposals of equipment		6,952,825	266,391	6,952,825	266,391
Interest received on short-term investments held to maturity		4,014,005	6,687,134	4,014,005	6,687,134
Dividends received					
- Investments in associates	8	39,124,391	25,913,219	39,124,391	25,913,219
- Long-term investments	9	63,390,593	50,703,044	63,390,593	50,703,044
Purchases of intangible assets		(70,086,817)	(54,330,465)	(70,086,817)	(54,330,465)
Purchase of long-term investment					
- other company		-	(7,687,883)	-	(7,687,883)
Cash receipts from short-term investments held to maturity	5	560,985,995	1,593,312,866	560,985,995	1,593,312,866
Cash payment on short-term investments held to maturity		-	(1,030,295,292)	-	(1,030,295,292)
Net cash received from (used in) investing activities		(556,894,005)	361,506,282	(556,894,005)	361,506,282
<b>Cash flow from financing activity:</b>					
Dividends paid	13	(498,042,350)	(383,110,000)	(498,042,350)	(383,110,000)
Net cash used in financing activity		(498,042,350)	(383,110,000)	(498,042,350)	(383,110,000)
<b>Net increase (decrease) in cash and cash equivalents</b>					
		(245,742,338)	1,270,459,486	(245,742,338)	1,270,459,486
Cash and cash equivalents at beginning of the period		3,133,889,742	1,858,789,839	3,133,889,742	1,858,789,839
Effects of exchange rate changes		1,678,333	(3,158,837)	1,678,333	(3,158,837)
Cash and cash equivalents at end of the period		2,889,825,737	3,126,090,488	2,889,825,737	3,126,090,488
<b>Non-cash transaction:</b>					
Outstanding liabilities arisen from purchases of plant, equipment and intangible assets		56,334,336	64,050,949	56,334,336	64,050,949

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

## **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, 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 and molds and dies.

These financial statements have been approved by the Company’s Board of directors on 14 November 2011.

These interim financial statements have been reviewed, not audited.

## **2 Basis of preparation**

These interim financial statements are 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 statements (i.e. statement of financial position, statement of income, statement of comprehensive income, statement of changes in shareholders’ equity and statement of cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the interim financial statements 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.

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

## **3 Accounting policies**

The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended 31 March 2011, except as described in the followings:

Commencing 1 April 2011, the Company has applied the following new accounting standards, new financial reporting standards, new interpretations, and amendments to accounting standards (collectively “the accounting standards”) that are mandatory for the financial year beginning on or after 1 January 2011. However, the application of those accounting standards will not have significant impact to the financial statements being presented, except the following accounting standards.

- TAS 1 (Revised 2009), the revised standard will prohibit the presentation of items of income and expenses in the statement of changes in shareholders’ equity. Entities can choose to present the statement of comprehensive income in one statement or two statements (the statement of income and statement of comprehensive income). Where entities restate or reclassify comparative information, they will be required to present a restated statement of financial position as at the beginning comparative period in addition to the current requirement to present statement of financial position at the end of the current period and comparative period. However, for the financial statements which period beginning on or after 1 January 2011 and are the first period apply this standard, an entity can choose to present statement of financial position only two statements without the statement of financial position as at the beginning comparative period. The Company chose to present the statement of income and statement of comprehensive income.
- TAS 16 (Revised 2009), the revised standard requires the entity to include in cost of property, plant and equipment, an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, when the entity has obligation to do. An entity requires that an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately. The revised standard also requires an entity to review useful life, residual value and depreciation method at least at each financial year-end. However, the revised standard does not have significant impact to the property, plant and equipment of the Company, except for buildings as mentioned in Note 4.

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**3 Accounting policies (Cont'd)**

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.

**4 Change in accounting estimate**

Since 1 April 2011, the Company has changed the useful life of buildings based on the current estimated useful life. The Company's management reviews and considers that the new useful life is more appropriate and reflects the future economic benefits of the buildings.

	<u>Since 1 April 2011</u>	<u>Before 1 April 2011</u>
Buildings	30 years	20 years

The change in this accounting estimate is recognised prospectively and results in decreases in depreciation expenses of the buildings for the three-month and six-month periods ended 30 September 2011 by Baht 3.75 million and Baht 7.65 million, respectively.

**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 six-month period ended 30 September 2011</b>	<b>Unaudited Baht</b>
Opening net book amount	560,985,995
Settled during the period	<u>(560,985,995)</u>
Closing net book amount	<u>-</u>

As at 31 March 2011, short-term investments held to maturity bore interest at the average rate at 1.10% - 2.28% per annum.

**6 Trade accounts receivable**

Trade accounts receivable as at 30 September 2011 and 31 March 2011 can be analysed as follows:

	<b>Trade accounts receivable- other companies</b>		<b>Trade accounts receivable- related parties</b>	
	<b>Unaudited 30 September 2011 Baht</b>	<b>Audited 31 March 2011 Baht</b>	<b>Unaudited 30 September 2011 Baht</b>	<b>Audited 31 March 2011 Baht</b>
Current	1,376,380,702	1,304,993,755	79,769,205	79,241,795
Overdue				
- less than 3 months	5,430,638	7,817,929	598,904	56,004
- 3 - 6 months	18,623,080	2,318,952	-	88,557
- 6 - 12 months	1,408,420	3,930,307	-	143,976
- more than 1 year	2,853,027	-	-	-
	<u>1,404,695,867</u>	<u>1,319,060,943</u>	<u>80,368,109</u>	<u>79,530,332</u>

As at 30 September 2011 and 31 March 2011, the Company has no allowance for doubtful accounts.

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**7 Related party transactions**

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

Purchases from related parties are 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:

	<b>Unaudited</b>			
	<b>For the three-month</b>		<b>For the six-month</b>	
	<b>periods ended 30 September</b>		<b>periods ended 30 September</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Sales</b>				
Stanley Electric Group companies	93,987,401	94,648,372	199,136,631	218,691,211
Companies related by way of the Company's management and directors as shareholders or by way of common directors	39,816,506	29,883,802	87,338,879	63,829,453
Associates	28,927,145	25,058,430	82,735,020	53,091,387
	<u>162,731,052</u>	<u>149,590,604</u>	<u>369,210,530</u>	<u>335,612,051</u>
<b>Dividend income</b>				
Stanley Electric Group companies	62,882,134	50,080,269	62,882,134	50,080,269
Companies related by way of the Company's management and directors as shareholders or by way of common directors	-	-	508,459	622,775
Associates	-	-	39,124,391	25,913,219
	<u>62,882,134</u>	<u>50,080,269</u>	<u>102,514,984</u>	<u>76,616,263</u>
<b>Other income</b>				
Stanley Electric Group companies	660,376	436,308	919,908	743,781
Associates	16,520	-	22,760	-
	<u>676,896</u>	<u>436,308</u>	<u>942,668</u>	<u>743,781</u>
<b>Purchases of goods and services</b>				
Stanley Electric Group companies	315,844,726	176,759,260	544,438,815	360,398,595
Companies related by way of the Company's management and directors as shareholders or by way of common directors	75,572,440	70,437,924	133,508,198	137,976,495
Associates	5,899,487	4,491,759	7,471,864	10,209,978
	<u>397,316,653</u>	<u>251,688,943</u>	<u>685,418,877</u>	<u>508,585,068</u>
<b>Royalty fee</b>				
Stanley Electric Group companies	67,099,024	59,801,858	124,381,302	119,819,516
<b>Design and development fee</b>				
Stanley Electric Group companies	15,454,318	14,153,620	19,029,182	26,147,314

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**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</b>		<b>For the six-month</b>	
	<b>periods ended 30 September</b>	<b>periods ended 30 September</b>	<b>periods ended 30 September</b>	<b>periods ended 30 September</b>
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Technical fee</b>				
Stanley Electric Group companies	1,835,860	3,824,000	8,116,028	8,098,995
<b>Training fee</b>				
Stanley Electric Group companies	1,037,017	9,305,000	2,151,060	15,688,000
<b>Commission</b>				
Stanley Electric Group companies	795,957	25,573	1,020,599	378,215
<b>Directors' and managements' remuneration</b>	12,413,248	12,142,022	23,655,937	23,718,279

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 2011 and 31 March 2011 are as follows:

	<b>Unaudited</b>	<b>Audited</b>
	<b>30 September</b>	<b>31 March</b>
	<b>2011</b>	<b>2011</b>
	<b>Baht</b>	<b>Baht</b>
<b>Trade accounts receivable - related parties</b>		
Stanley Electric Group companies	31,729,754	29,501,236
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	35,472,646	35,105,287
Associates	13,165,709	14,923,809
	<u>80,368,109</u>	<u>79,530,332</u>
<b>Trade accounts payable - related parties</b>		
Stanley Electric Group companies	253,798,840	158,963,719
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	25,642,270	27,813,373
Associates	6,046,532	4,930,585
	<u>285,487,642</u>	<u>191,707,677</u>
<b>Other accounts payable - related parties</b>		
Stanley Electric Group companies	<u>195,795,366</u>	<u>171,195,962</u>



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**8 Investments in associates**

a) Movements in investments in associates are as follows:

<b>For the six-month period ended 30 September 2011</b>	<b>Equity Method</b>	<b>Cost Method</b>
	<b>Unaudited Baht</b>	<b>Unaudited Baht</b>
Opening net book amount	291,218,231	57,176,689
Share of profit	63,692,582	-
Dividends received	(39,124,391)	-
Translation adjustments	28,148,890	-
Closing net book amount	<u>343,935,312</u>	<u>57,176,689</u>

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

<b>Name</b>	<b>Business activity</b>	<b>Paid-up share capital</b>	<b>% of holding</b>	<b>Equity Method</b>			
				<b>Unaudited 30 September 2011</b>		<b>Audited 31 March 2011</b>	
				<b>Amount Baht</b>	<b>Dividend Baht</b>	<b>Amount Baht</b>	<b>Dividend Baht</b>
<b>Associates</b>							
Lao Stanley Company Limited	Manufacture of automotive lighting equipment	USD 0.25 million	50	12,681,873	2,201,085	12,376,223	973,842
Vietnam Stanley Electric Company Limited	Manufacture of automotive lighting equipment	USD 8.30 million	20	331,253,439	36,923,306	278,842,008	24,939,377
				<u>343,935,312</u>	<u>39,124,391</u>	<u>291,218,231</u>	<u>25,913,219</u>
<b>Cost Method</b>							
<b>Name</b>	<b>Business activity</b>	<b>Paid-up share capital</b>	<b>% of holding</b>	<b>Equity Method</b>			
				<b>Unaudited 30 September 2011</b>		<b>Audited 31 March 2011</b>	
				<b>Amount Baht</b>	<b>Dividend Baht</b>	<b>Amount Baht</b>	<b>Dividend Baht</b>
<b>Associates</b>							
Lao Stanley Company Limited	Manufacture of automotive lighting equipment	USD 0.25 million	50	3,132,500	2,201,085	3,132,500	973,842
Vietnam Stanley Electric Company Limited	Manufacture of automotive lighting equipment	USD 8.30 million	20	54,044,189	36,923,306	54,044,189	24,939,377
				<u>57,176,689</u>	<u>39,124,391</u>	<u>57,176,689</u>	<u>25,913,219</u>

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**9 Long-term investments, net**

Long-term investments as at 30 September 2011 and 31 March 2011 are as follows:

**As at 30 September 2011 (Unaudited)**

	<b>Available- for-sale investments Baht</b>	<b>General investments Baht</b>	<b>Total Baht</b>
<b>Equity securities</b>			
- Related parties	4,080,000	114,688,615	118,768,615
- Other companies	-	31,723,908	31,723,908
Long-term investments, net	<u>4,080,000</u>	<u>146,412,523</u>	<u>150,492,523</u>

**As at 31 March 2011 (Audited)**

	<b>Available- for-sale investments Baht</b>	<b>General investments Baht</b>	<b>Total Baht</b>
<b>Equity securities</b>			
- Related parties	4,800,000	114,688,615	119,488,615
- Other companies	-	32,178,523	32,178,523
Long-term investments, net	<u>4,800,000</u>	<u>146,867,138</u>	<u>151,667,138</u>

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**9 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 2011		Audited 31 March 2011	
				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	200,000
	Change in fair value of investment			700,000	-	1,420,000	-
				<u>4,080,000</u>	<u>-</u>	<u>4,800,000</u>	<u>200,000</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	19,143,458	60,000,000	12,320,692
Sirivit Stanley Company Limited	Manufacture of electronic equipment and automotive lighting	Baht 21 million	15.0	3,000,000	508,459	3,000,000	622,775
Lumax Industries Limited	Manufacture of automotive lighting equipment and auto parts	RS 93.5 million	1.73	8,793,715	618,271	8,793,715	330,996
PT. Indonesia Stanley Electric	Manufacture of molds and automotive lighting	USD 7.5 million	10.0	33,127,500	43,120,405	33,127,500	37,428,581
Stanley Electric Engineering India PVT.	Design molds and manufacture of lamps and molds	RS 161 million	10.0	16,263,000	-	16,263,000	-
	<u>Less</u> Impairment of investment			<u>(6,495,600)</u>	<u>-</u>	<u>(6,495,600)</u>	<u>-</u>
				<u>114,688,615</u>	<u>63,390,593</u>	<u>114,688,615</u>	<u>50,703,044</u>
<b>Other companies - general investments (at cost)</b>							
Sum Hitechs Company Limited	Chrome plating on plastic products	Baht 104 million	16.35	27,178,523	-	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	-
	<u>Less</u> Impairment of investment			<u>(454,615)</u>	<u>-</u>	<u>-</u>	<u>-</u>
				<u>31,723,908</u>	<u>-</u>	<u>32,178,523</u>	<u>1,700,400</u>
				<u>150,492,523</u>	<u>63,390,593</u>	<u>151,667,138</u>	<u>52,603,444</u>

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

<b>For the six-month period ended 30 September 2011</b>	<b>Unaudited Baht</b>
Opening net book amount	3,268,205,285
Additions	1,134,214,818
Disposals/write - offs, net	(159)
<u>Less Depreciation charge</u>	<u>(322,900,825)</u>
Closing net book amount	<u>4,079,519,119</u>

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

As at 30 September 2011, the Company has capital commitments amount of Baht 847.03 million (31 March 2011: Baht 281.20 million). The capital commitment mainly comprises construction and machines for production expansion in the future.

**11 Intangible assets, net**

<b>For the six-month period ended 30 September 2011</b>	<b>Unaudited Baht</b>
Opening net book amount	389,393,430
Additions	73,997,817
<u>Less Amortisation charge</u>	<u>(50,769,947)</u>
Closing net book amount	<u>412,621,300</u>

The significant additions during the period are product design costs.

**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 (30 September 2011: 76,625,000 shares and 30 September 2010: 76,625,000 shares).

There are no dilutive ordinary shares in issue for the six-month periods ended 30 September 2011 and 2010.

**13 Dividends paid**

At the Annual General Shareholders' meeting held on 8 July 2011, the shareholders were unanimously resolved to pay dividends in respect of the operating results for the year ended 31 March 2011 for 76,625,000 shares of Baht 6.5 per share totalling Baht 498,062,500. There are 3,100 shares that were not entitled to receive the dividends, totalling of Baht 20,150 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 498,042,350 in the financial statements. The dividends were fully paid to the shareholders on 4 August 2011.

At the Annual General Shareholders' meeting held on 2 July 2010, the shareholders were unanimously resolved to pay dividends in respect of the operating results for the year ended 31 March 2010 for 76,625,000 shares of Baht 5 per share, totalling Baht 383,125,000. There are 3,000 shares that were not entitled to receive the dividends, totalling of Baht 15,000 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 383,110,000 in the financial statements. The dividends were fully paid to the shareholders on 30 July 2010.

**14 Commitments and contingent liabilities**

For the six-month period ended 30 September 2011, there were no significant changes in commitments and contingent liabilities and other agreements from the year ended 31 March 2011, except the capital commitment as mentioned in Note 10 and the following item:

Forward exchange contracts

As at 30 September 2011, net of trade accounts payable and receivable amounts to net payable of Japanese Yen 703.46 million and net receivable of US dollar 4.96 million in respect of purchases and sales proceeds due in foreign currencies with forward exchange contracts to cover the amount of Japanese Yen 200 million with the maturities ranging from 1 to 2 months (31 March 2011: net payable of Japanese Yen 609.56 million and net receivable of US dollar 1.73 million in respect of purchases and sales proceeds due in foreign currencies with forward exchange contracts to cover the amount of Japanese Yen 70 million with the maturities within 1 month).

**15 Business segment information**

The Company currently manufactures and sells auto bulbs, automotive lighting equipment and molds & dies. The business segment information for molds and dies, which is different from auto bulbs and automotive lighting, has not been separately reported as the sales of this segment represent only 2.66% and 2.70% of total sales for the three-month and six-month periods ended 30 September 2011, respectively (for the three-month and six-month periods ended 30 September 2010: 0.36% and 1.77% of total sales, respectively).

**16 Subsequent event after the reporting period**

After 30 September 2011, the Company has been impacted by a disaster of flood and stopped the production at the Company's factory since 20 October 2011. Some damaged assets affected from the flood are insured. The Company is currently assessing the damage amount from this disaster. This event is considered as a non-adjusting event that is not required for an adjustment in the interim financial statements being presented.

At present, the Company's factory has restarted some production lines. The Company's management expects that its business operation will resume as usual soon. The Company is unable to assess the impact of the flood disaster on automotive industry which might also affect the Company's production and sales in the future.