

THAI STANLEY ELECTRIC PUBLIC COMPANY LIMITED

INTERIM FINANCIAL STATEMENTS (UNAUDITED)

31 DECEMBER 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 statements of financial position in which the equity method is applied and the Company only as at 31 December 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 nine-month periods ended 31 December 2011 and 2010 and 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 periods ended 31 December 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 statements of financial position in which the equity method is applied and the Company only as at 31 March 2011, presented herewith for comparative purposes, are 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 Charoenthaveesub
Certified Public Accountant (Thailand) No. 3044
PricewaterhouseCoopers ABAS Ltd.

Bangkok
10 February 2012

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

	Notes	Financial statements in which the equity method is applied		The Company only	
		Unaudited 31 December 2011 Baht	Audited 31 March 2011 Baht	Unaudited 31 December 2011 Baht	Audited 31 March 2011 Baht
Assets					
Current assets					
Cash and cash equivalents		2,544,426,628	3,133,889,742	2,544,426,628	3,133,889,742
Short-term investments held to maturity	5	-	560,985,995	-	560,985,995
Trade and other accounts receivable, net	6, 7	1,091,406,675	1,462,458,613	1,091,406,675	1,462,458,613
Inventories, net	8	878,923,045	584,334,488	878,923,045	584,334,488
Other current assets		10,516,182	4,799,645	10,516,182	4,799,645
Total current assets		4,525,272,530	5,746,468,483	4,525,272,530	5,746,468,483
Non-current assets					
Investments in associates	9	379,192,037	291,218,231	57,176,689	57,176,689
Long-term investments, net	10	146,027,138	151,667,138	146,027,138	151,667,138
Property, plant and equipment, net	11	4,244,594,592	3,268,205,285	4,244,594,592	3,268,205,285
Intangible assets, net	12	438,685,559	389,393,430	438,685,559	389,393,430
Other non-current assets, net		27,113,149	18,361,471	27,113,149	18,361,471
Total non-current assets		5,235,612,475	4,118,845,555	4,913,597,127	3,884,804,013
Total assets		9,760,885,005	9,865,314,038	9,438,869,657	9,631,272,496

Director _____
(Mr. Hiroyuki Nakano)

Director _____
(Mr. Apichart Leeissaranukul)

Date _____

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

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

	Note	Financial statements in which the equity method is applied		The Company only	
		Unaudited 31 December 2011 Baht	Audited 31 March 2011 Baht	Unaudited 31 December 2011 Baht	Audited 31 March 2011 Baht
Liabilities and shareholders' equity					
Current liabilities					
Trade accounts payable - other companies		334,297,361	501,769,591	334,297,361	501,769,591
- related parties	7	353,510,831	191,707,677	353,510,831	191,707,677
Other accounts payable - other companies		269,363,889	205,281,113	269,363,889	205,281,113
- related parties	7	236,887,082	171,195,962	236,887,082	171,195,962
Accrued income tax		154,967,431	269,432,571	154,967,431	269,432,571
Advances received from customers		51,560,130	85,710,323	51,560,130	85,710,323
Other current liabilities		175,022,538	107,543,896	175,022,538	107,543,896
Total current liabilities		1,575,609,262	1,532,641,133	1,575,609,262	1,532,641,133
Non-current liabilities					
Retirement benefit obligation		106,937,340	92,290,415	106,937,340	92,290,415
Total non-current liabilities		106,937,340	92,290,415	106,937,340	92,290,415
Total liabilities		1,682,546,602	1,624,931,548	1,682,546,602	1,624,931,548
Shareholders' equity					
Share capital					
Authorised share capital					
76,625,000 ordinary shares, par value of Baht 5 each		383,125,000	383,125,000	383,125,000	383,125,000
Issued and paid-up share capital					
76,625,000 ordinary shares, par value of Baht 5 each		383,125,000	383,125,000	383,125,000	383,125,000
Premium on share capital		504,250,000	504,250,000	504,250,000	504,250,000
Retained earnings					
Appropriated					
- Legal reserve		38,312,500	38,312,500	38,312,500	38,312,500
Unappropriated		7,260,441,206	7,449,618,260	6,826,655,555	7,076,033,448
Other components of equity		(107,790,303)	(134,923,270)	3,980,000	4,620,000
Total shareholders' equity		8,078,338,403	8,240,382,490	7,756,323,055	8,006,340,948
Total liabilities and shareholders' equity		9,760,885,005	9,865,314,038	9,438,869,657	9,631,272,496

The notes to the interim financial statements on page 12 to 21 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 31 December 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	1,150,594,555	2,165,560,869	1,150,594,555	2,165,560,869
Cost of sales	7, 13	(1,304,759,133)	(1,598,695,765)	(1,304,759,133)	(1,598,695,765)
Gross profit (loss)		(154,164,578)	566,865,104	(154,164,578)	566,865,104
Other income	7	52,155,718	50,022,091	52,155,718	50,022,091
Profit (loss) before expenses		(102,008,860)	616,887,195	(102,008,860)	616,887,195
Selling expenses	7	(73,245,795)	(103,288,570)	(73,245,795)	(103,288,570)
Administrative expenses	7	(55,736,537)	(55,757,691)	(55,736,537)	(55,757,691)
Loss on exchange rates, net		-	(4,222,425)	-	(4,222,425)
Other expenses	13	(267,303,405)	-	(267,303,405)	-
Total expenses		(396,285,737)	(163,268,686)	(396,285,737)	(163,268,686)
Operating profit (loss)		(498,294,597)	453,618,509	(498,294,597)	453,618,509
Share of profit from investments in associates		35,632,648	22,922,840	-	-
Profit (loss) before income tax		(462,661,949)	476,541,349	(498,294,597)	453,618,509
Income tax		95,746,927	(134,674,389)	95,746,927	(134,674,389)
Net profit (loss) for the period		<u>(366,915,022)</u>	<u>341,866,960</u>	<u>(402,547,670)</u>	<u>318,944,120</u>
Basic earnings (loss) per share	14				
Net profit (loss) for the period		<u>(4.79)</u>	<u>4.46</u>	<u>(5.25)</u>	<u>4.16</u>

The notes to the interim financial statements on page 12 to 21 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 31 December 2011 and 2010

	Financial statements in which the equity method is applied		The Company only	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Net profit (loss) for the period	(366,915,022)	341,866,960	(402,547,670)	318,944,120
Other comprehensive income:				
Unrealised gain on change in fair value of available-for-sale investment	80,000	-	80,000	-
Exchange differences relating to investments in associates	(375,923)	(1,476,810)	-	-
Other comprehensive income (expenses) for the period	(295,923)	(1,476,810)	80,000	-
Total comprehensive income (expenses) for the period	<u>(367,210,945)</u>	<u>340,390,150</u>	<u>(402,467,670)</u>	<u>318,944,120</u>

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

Thai Stanley Electric Public Company Limited
Statements of Income (Unaudited)
For the nine-month periods ended 31 December 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	5,588,998,187	6,562,990,150	5,588,998,187	6,562,990,150
Cost of sales	7, 13	(4,712,486,339)	(4,804,279,864)	(4,712,486,339)	(4,804,279,864)
Gross profit		876,511,848	1,758,710,286	876,511,848	1,758,710,286
Other income					
- Dividend income	7, 9, 10	63,390,593	50,703,044	102,514,984	76,616,263
- Others	7	169,251,399	121,832,768	169,251,399	121,832,768
Profit before expenses		1,109,153,840	1,931,246,098	1,148,278,231	1,957,159,317
Selling expenses	7	(284,699,804)	(308,641,725)	(284,699,804)	(308,641,725)
Administrative expenses	7	(169,182,118)	(162,637,108)	(169,182,118)	(162,637,108)
Loss on exchange rates, net		(3,873,501)	(7,470,712)	(3,873,501)	(7,470,712)
Other expenses	13	(267,303,405)	-	(267,303,405)	-
Total expenses		(725,058,828)	(478,749,545)	(725,058,828)	(478,749,545)
Operating profit		384,095,012	1,452,496,553	423,219,403	1,478,409,772
Share of profit from investments in associates	9	99,325,230	65,434,548	-	-
Profit before income tax		483,420,242	1,517,931,101	423,219,403	1,478,409,772
Income tax		(174,554,946)	(443,692,215)	(174,554,946)	(443,692,215)
Net profit for the period		308,865,296	1,074,238,886	248,664,457	1,034,717,557
Basic earnings per share	14				
Net profit for the period		4.03	14.02	3.25	13.50

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

Thai Stanley Electric Public Company Limited
Statements of Comprehensive Income (Unaudited)
For the nine-month periods ended 31 December 2011 and 2010

	Notes	Financial statements in which the equity method is applied		The Company only	
		2011	2010	2011	2010
		Baht	Baht	Baht	Baht
Net profit for the period		308,865,296	1,074,238,886	248,664,457	1,034,717,557
Other comprehensive income:					
Unrealised gain (loss) on change in fair value of available-for-sale investment	10	(640,000)	120,000	(640,000)	120,000
Exchange differences relating to investments in associates	9	27,772,967	(30,316,495)	-	-
Other comprehensive income (expenses) for the period		27,132,967	(30,196,495)	(640,000)	120,000
Total comprehensive income for the period		<u>335,998,263</u>	<u>1,044,042,391</u>	<u>248,024,457</u>	<u>1,034,837,557</u>

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

Thai Stanley Electric Public Company Limited
 Statements of Changes in Shareholders' Equity (Unaudited)
 For the nine-month periods ended 31 December 2011 and 2010

		Financial statements in which the equity method is applied							
							Other components of equity		
							Other comprehensive income		
							Cumulative exchange differences relating to investments in associates		
		Retained earnings					Unrealised gain on change in fair value of available-for-sale investment		Total other components of equity
		Issued and paid-up share capital	Premium on share capital	Legal reserve	Unappropriated retained earnings			Total other components of equity	Total shareholders' equity
Note	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Opening balance as at 1 April 2011		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		-	-	-	308,865,296	(640,000)	27,772,967	27,132,967	335,998,263
Dividends paid	15	-	-	-	(498,042,350)	-	-	-	(498,042,350)
Closing balance as at 31 December 2011		<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>7,260,441,206</u>	<u>3,980,000</u>	<u>(111,770,303)</u>	<u>(107,790,303)</u>	<u>8,078,338,403</u>
Opening balance as at 1 April 2010		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		-	-	-	1,074,238,886	120,000	(30,316,495)	(30,196,495)	1,044,042,391
Dividends paid	15	-	-	-	(383,110,000)	-	-	-	(383,110,000)
Closing balance as at 31 December 2010		<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>7,096,145,549</u>	<u>4,980,000</u>	<u>(104,041,294)</u>	<u>(99,061,294)</u>	<u>7,922,771,755</u>

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

Thai Stanley Electric Public Company Limited
Statements of Changes in Shareholders' Equity (Unaudited)
For the nine-month periods ended 31 December 2011 and 2010

								The Company only		
								Other components of equity		
								Other comprehensive income		
								Unrealised gain on change in fair value of available-for-sale investment	Total other components of equity	Total shareholders' equity
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						
Opening balance as at 1 April 2011	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	-	-	-	248,664,457	(640,000)	(640,000)	248,024,457			
Dividends paid	-	-	-	(498,042,350)	-	-	(498,042,350)			
Closing balance as at 31 December 2011	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>6,826,655,555</u>	<u>3,980,000</u>	<u>3,980,000</u>	<u>7,756,323,055</u>			
Opening balance as at 1 April 2010	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	-	-	-	1,034,717,557	120,000	120,000	1,034,837,557			
Dividends paid	-	-	-	(383,110,000)	-	-	(383,110,000)			
Closing balance as at 31 December 2010	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>6,741,197,972</u>	<u>4,980,000</u>	<u>4,980,000</u>	<u>7,671,865,472</u>			

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

Thai Stanley Electric Public Company Limited
Statements of Cash Flows (Unaudited)
For the nine-month periods ended 31 December 2011 and 2010

	Notes	Financial statements in which the equity method is applied		The Company only	
		2011 Baht	2010 Baht	2011 Baht	2010 Baht
Cash flows from operating activities:					
Profit before income tax for the period		483,420,242	1,517,931,101	423,219,403	1,478,409,772
Adjustments to reconcile profit before income tax to net cash provided by operations:					
- Depreciation	11	483,544,588	531,058,240	483,544,588	531,058,240
- Amortisation	12	78,440,600	68,975,975	78,440,600	68,975,975
- Interest income		(69,196,219)	(34,054,275)	(69,196,219)	(34,054,275)
- Share of profit from investments in associates	9	(99,325,230)	(65,434,548)	-	-
- Dividend income					
- Investments in associates	9	-	-	(39,124,391)	(25,913,219)
- Long-term investments	10	(63,390,593)	(50,703,044)	(63,390,593)	(50,703,044)
- Gain on disposal of equipment		(5,801,823)	(4,934,291)	(5,801,823)	(4,934,291)
- Impairment of long-term investment	10	5,000,000	-	5,000,000	-
- Allowance for doubtful account	6	4,261,447	-	4,261,447	-
- Loss on write-off of damaged inventories from floods	13	74,071,782	-	74,071,782	-
- Allowance for slow moving inventories and net realisable value lower than cost of inventories	8	23,448,937	(6,265,000)	23,448,937	(6,265,000)
- Retirement benefit obligation		14,902,890	25,866,287	14,902,890	25,866,287
- Unrealised loss (gain) on exchange rates		(1,086,731)	359,990	(1,086,731)	359,990
Cash flows before changes in operating assets and liabilities		928,289,890	1,982,800,435	928,289,890	1,982,800,435
Changes in operating assets and liabilities					
- Trade and other accounts receivable		366,790,491	67,078,929	366,790,491	67,078,929
- Inventories		(392,109,276)	(124,189,178)	(392,109,276)	(124,189,178)
- Other current assets		(3,566,121)	1,936,076	(3,566,121)	1,936,076
- Other non-current assets		(8,751,678)	5,019,404	(8,751,678)	5,019,404
- Trade accounts payable - other companies		(167,472,230)	(12,163,578)	(167,472,230)	(12,163,578)
- related parties		161,803,154	39,137,148	161,803,154	39,137,148
- Other accounts payable - other companies		81,337,473	11,147,598	81,337,473	11,147,598
- related parties		74,919,004	26,962,644	74,919,004	26,962,644
- Advances received from customers		(34,150,193)	73,531,146	(34,150,193)	73,531,146
- Other current liabilities		67,478,642	20,025,708	67,478,642	20,025,708
- Payment for retirement benefit obligation		(255,965)	(318,983)	(255,965)	(318,983)
Cash generated from operations		1,074,313,191	2,090,967,349	1,074,313,191	2,090,967,349
Interest received		63,031,798	23,765,788	63,031,798	23,765,788
Income tax paid		(289,020,086)	(540,432,420)	(289,020,086)	(540,432,420)
Net cash received from operating activities		848,324,903	1,574,300,717	848,324,903	1,574,300,717

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Thai Stanley Electric Public Company Limited
Statements of Cash Flows (Unaudited)
For the nine-month periods ended 31 December 2011 and 2010

	Notes	Financial statements in which the equity method is applied		The Company only	
		2011 Baht	2010 Baht	2011 Baht	2010 Baht
Cash flows from investing activities:					
Purchases of property, plant and equipment		(1,489,235,033)	(437,794,007)	(1,489,235,033)	(437,794,007)
Proceeds from disposals of equipment		7,052,825	5,025,706	7,052,825	5,025,706
Interest received on short-term investments held to maturity		4,014,005	9,125,697	4,014,005	9,125,697
Dividends received					
- Investments in associates	9	39,124,391	25,913,219	39,124,391	25,913,219
- Long-term investments	10	63,390,593	50,703,044	63,390,593	50,703,044
Purchases of intangible assets		(126,165,174)	(95,852,418)	(126,165,174)	(95,852,418)
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	2,005,874,303	560,985,995	2,005,874,303
Cash payment on short-term investments held to maturity		-	(1,616,435,850)	-	(1,616,435,850)
Net cash used in investing activities		<u>(940,832,398)</u>	<u>(61,128,189)</u>	<u>(940,832,398)</u>	<u>(61,128,189)</u>
Cash flow from financing activity:					
Dividends paid	15	<u>(498,042,350)</u>	<u>(383,110,000)</u>	<u>(498,042,350)</u>	<u>(383,110,000)</u>
Net cash used in financing activity		<u>(498,042,350)</u>	<u>(383,110,000)</u>	<u>(498,042,350)</u>	<u>(383,110,000)</u>
Net increase (decrease) in cash and cash equivalents					
		(590,549,845)	1,130,062,528	(590,549,845)	1,130,062,528
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		1,086,731	(359,990)	1,086,731	(359,990)
Cash and cash equivalents at end of the period		<u>2,544,426,628</u>	<u>2,988,492,377</u>	<u>2,544,426,628</u>	<u>2,988,492,377</u>
Non-cash transaction:					
Outstanding liabilities arisen from purchases of plant, equipment and intangible assets		53,000,934	25,371,453	53,000,934	25,371,453

The notes to the interim financial statements on page 12 to 21 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 10 February 2012.

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.

Comparative figures have been adjusted to conform with the change in presentation of trade and other accounts receivable in accordance with the Department of Business Development Regulation dated 28 September 2011 in relation to the format of financial statements B.E. 2554 which is mandatory for accounting period beginning on or after 1 January 2011.

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 (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 applying 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 comprehensive income in two statements (statement of income and statement of comprehensive income).

3 Accounting policies (Cont'd)

- 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.

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 nine-month periods ended 31 December 2011 by Baht 3.52 million and Baht 11.17 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:

For the nine-month period ended 31 December 2011	Unaudited Baht
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.

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6 Trade and other accounts receivable, net

Trade and other accounts receivable, net as at 31 December 2011 and 31 March 2011 are as follows:

	Unaudited 31 December 2011 Baht	Audited 31 March 2011 Baht
Trade accounts receivable - other companies	818,083,096	1,319,060,943
<u>Less</u> Allowance for doubtful account	(4,261,447)	-
Trade accounts receivable - other companies, net	813,821,649	1,319,060,943
Trade accounts receivable - related companies (Note 7)	87,170,788	79,530,332
Prepaid expenses	62,103,217	29,484,506
Accrued income	23,086,441	22,525,452
Value added tax receivable	80,227,950	-
Other receivable	24,996,630	11,857,380
	<u>1,091,406,675</u>	<u>1,462,458,613</u>

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

	Trade accounts receivable- other companies		Trade accounts receivable- related parties	
	Unaudited 31 December 2011 Baht	Audited 31 March 2011 Baht	Unaudited 31 December 2011 Baht	Audited 31 March 2011 Baht
Current	685,764,504	1,304,993,755	86,886,896	79,241,795
Overdue				
- less than 3 months	127,429,762	7,817,929	256,285	56,004
- 3 - 6 months	625,177	2,318,952	27,607	88,557
- 6 - 12 months	102,206	3,930,307	-	143,976
- more than 1 year	4,161,447	-	-	-
	<u>818,083,096</u>	<u>1,319,060,943</u>	<u>87,170,788</u>	<u>79,530,332</u>

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 mainly comprise specific materials or materials which are manufactured on a large scale at one source for cost saving benefits. Sales to related parties mainly represent export sales, and selling price is determined based on manufacturing cost plus a certain margin.

A royalty fee is charged at 3% of the amount of sales less imported material cost from the related party in accordance with the agreement. A design and development fee and other fees are charged in the normal course of business. The outstanding balances are presented as other accounts payable - related parties.

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7 Related party transactions (Cont'd)

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	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Sales				
Stanley Electric Group companies	80,430,891	102,044,190	279,567,522	320,735,401
Companies related by way of the Company's management and directors as shareholders or by way of common directors	33,792,326	35,252,328	121,131,205	99,081,781
Associates	48,196,312	45,998,594	130,931,332	99,089,981
	<u>162,419,529</u>	<u>183,295,112</u>	<u>531,630,059</u>	<u>518,907,163</u>
Royalty income (Other income)				
Associates	278,694	279,421	278,694	279,421
Dividend income				
Stanley Electric Group companies	-	-	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>-</u>	<u>-</u>	<u>102,514,984</u>	<u>76,616,263</u>
Other income				
Stanley Electric Group companies	-	214,310	919,908	958,091
Associates	-	-	22,760	-
	<u>-</u>	<u>214,310</u>	<u>942,668</u>	<u>958,091</u>
Purchases of goods and services				
Stanley Electric Group companies	447,518,695	208,598,531	991,957,510	568,997,126
Companies related by way of the Company's management and directors as shareholders or by way of common directors	37,648,335	66,660,601	171,156,533	204,637,096
Associates	22,146,308	4,957,776	29,618,172	15,167,754
	<u>507,313,338</u>	<u>280,216,908</u>	<u>1,192,732,215</u>	<u>788,801,976</u>
Royalty fee				
Stanley Electric Group companies	32,793,545	56,505,736	157,174,847	176,325,252
Design and development fee				
Stanley Electric Group companies	18,750,182	11,673,340	37,779,364	37,820,654

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7 Related party transactions (Cont'd)

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

	Unaudited			
	For the three-month periods ended 31 December		For the nine-month periods ended 31 December	
	2011 Baht	2010 Baht	2011 Baht	2010 Baht
Technical fee				
Stanley Electric Group companies	3,052,724	3,148,548	11,168,752	11,247,543
Training fee				
Stanley Electric Group companies	-	5,812,500	2,151,060	21,500,500
Commission				
Stanley Electric Group companies	-	-	1,020,599	378,215
Directors' and managements' remuneration	12,443,879	12,948,357	36,099,816	36,666,637

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 31 December 2011 and 31 March 2011 are as follows:

	Unaudited 31 December 2011 Baht	Audited 31 March 2011 Baht
Trade accounts receivable - related parties		
Stanley Electric Group companies	41,928,073	29,501,236
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	32,915,052	35,105,287
Associates	12,327,663	14,923,809
	<u>87,170,788</u>	<u>79,530,332</u>
Trade accounts payable - related parties		
Stanley Electric Group companies	315,528,638	158,963,719
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	17,223,004	27,813,373
Associates	20,759,189	4,930,585
	<u>353,510,831</u>	<u>191,707,677</u>
Other accounts payable - related parties		
Stanley Electric Group companies	236,887,082	171,195,962

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8 Inventories, net

Inventories, net as at 31 December 2011 and 31 March 2011 are as follows:

	Unaudited 31 December 2011 Baht	Audited 31 March 2011 Baht
Raw materials and packaging	267,054,796	142,034,304
Work in process	431,703,035	350,017,727
Finished goods	142,275,825	50,327,082
Goods in transit	69,520,088	50,137,137
	<u>910,553,744</u>	<u>592,516,250</u>
<u>Less</u> Allowance for net realisable value lower than cost and slow moving inventories		
- Raw material and packaging	(12,406,620)	(6,538,433)
- Work in process	(4,382,000)	(1,000,000)
- Finished goods	(14,842,079)	(643,329)
	<u>878,923,045</u>	<u>584,334,488</u>
Inventories, net		

9 Investments in associates

a) Movements in investments in associates are as follows:

	For the nine-month period ended 31 December 2011	
	Equity Method Unaudited Baht	Cost Method Unaudited Baht
Opening net book amount	291,218,231	57,176,689
Share of profit	99,325,230	-
Dividends received	(39,124,391)	-
Translation adjustments	27,772,967	-
	<u>379,192,037</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 2011		Audited 31 March 2011	
				Amount Baht	Dividend Baht	Amount Baht	Dividend Baht
Associates							
Lao Stanley Company Limited	Manufacture of automotive lighting equipment	USD 0.25 million	50	12,404,312	2,201,085	12,376,223	973,842
Vietnam Stanley Electric Company Limited	Manufacture of automotive lighting equipment	USD 8.30 million	20	366,787,725	36,923,306	278,842,008	24,939,377
				<u>379,192,037</u>	<u>39,124,391</u>	<u>291,218,231</u>	<u>25,913,219</u>

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9 Investments in associates (Cont'd)

b) The details of investments in associates are as follows: (Cont'd)

Name	Business activity	Paid-up share capital	% of holding	Unaudited		Cost Method Audited	
				31 December 2011	31 March 2011	31 December 2011	31 March 2011
				Amount Baht	Dividend Baht	Amount Baht	Dividend Baht
Associates							
Lao Stanley Company Limited	Manufacture of automotive lighting equipment	USD 0.25 million	50	3,132,500	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>

10 Long-term investments, net

Long-term investments, net as at 31 December 2011 and 31 March 2011 are as follows:

As at 31 December 2011 (Unaudited)

	Available-for-sale investments Baht	General investments Baht	Total Baht
Equity securities			
- Related parties	4,160,000	114,688,615	118,848,615
- Other companies	-	27,178,523	27,178,523
Long-term investments, net	<u>4,160,000</u>	<u>141,867,138</u>	<u>146,027,138</u>

As at 31 March 2011 (Audited)

	Available-for-sale investments Baht	General investments Baht	Total Baht
Equity securities			
- 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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10 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 31 December 2011		Audited 31 March 2011	
				Amount Baht	Dividend Baht	Amount Baht	Dividend Baht
Related party - available for sale							
Inoue Rubber (Thailand) Public Company Limited	Manufacture of tyre	Baht 200 million	0.2	3,380,000	-	3,380,000	200,000
Change in fair value of investment				780,000	-	1,420,000	-
				<u>4,160,000</u>	<u>-</u>	<u>4,800,000</u>	<u>200,000</u>
Related parties - general investments (at cost)							
Asian Stanley International Company Limited	Manufacture of small bulbs, LED and electronic components	Baht 400 million	15.0	60,000,000	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>
Other companies - general investments (at cost)							
Sum Hitech 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>(5,000,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
				<u>27,178,523</u>	<u>-</u>	<u>32,178,523</u>	<u>1,700,400</u>
Total long-term investments, net				<u>146,027,138</u>	<u>63,390,593</u>	<u>151,667,138</u>	<u>52,603,444</u>

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11 Property, plant and equipment, net

For the nine-month period ended 31 December 2011	Unaudited Baht
Opening net book amount	3,268,205,285
Additions	1,461,184,897
Disposals/write - offs, net	(1,251,002)
<u>Less</u> Depreciation charge	<u>(483,544,588)</u>
Closing net book amount	<u>4,244,594,592</u>

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

As at 31 December 2011, the Company has capital commitments amount of Baht 769.55 million (31 March 2011: Baht 281.20 million). The capital commitment mainly comprises construction and machines for production expansion in the future.

12 Intangible assets, net

For the nine-month period ended 31 December 2011	Unaudited Baht
Opening net book amount	389,393,430
Additions	127,732,729
<u>Less</u> Amortisation charge	<u>(78,440,600)</u>
Closing net book amount	<u>438,685,559</u>

The significant additions during the period are product design costs.

13 Expenses arising from floods

The Company was affected by the floods and had to stop production at its factory since 20 October 2011. In November 2011, the Company was able to restart some of its operation and started to resume its normal production. The cost of sales in the statements of income for the three-month and nine-month periods ended 31 December 2011 include expenses relating to the production transfer of some goods to Stanley Electric Group companies' factories and shipping costs for molds and equipment during the period when the Company could not produce these goods. The total amount of these expenses is approximately Baht 201.60 million.

The details of other expenses in the statements of income for the three-month and nine-month periods ended 31 December 2011 are as follows:

	Unaudited Million Baht
Staff salaries and other fixed expenses during the period when the Company stopped and rehabilitated its operation	108.51
Loss on write-off of damaged inventories from floods	74.07
Other expenses arising from floods including flood-prevention and rehabilitation expenses	84.72
	<u>267.30</u>

However, the Company has entered into insurance contracts which cover business interruption, damaged inventories and assets. At present, the Company is still in the process of filing insurance claims with its insurance companies.

14 Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net profit (loss) attributable to shareholders by the weighted average number of common shares in issue during the period (31 December 2011: 76,625,000 shares and 31 December 2010: 76,625,000 shares).

There are no dilutive ordinary shares in issue for the nine-month periods ended 31 December 2011 and 2010.

15 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 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 Company paid the dividends 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 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 Company paid the dividends to the shareholders on 30 July 2010.

16 Commitments and contingent liabilities

For the nine-month period ended 31 December 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 11 and the following item:

Forward exchange contracts

As at 31 December 2011, net of trade accounts payable and receivable amounts to net payable of Japanese Yen 922.40 million and net receivable of US dollar 3.16 million in respect of purchases and sales proceeds due in foreign currencies. The Company had forward exchange contracts to cover the amount of Japanese Yen 130 million with the maturities within 1 month (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).

17 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 4.51% and 3.08% of total sales for the three-month and nine-month periods ended 31 December 2011, respectively (for the three-month and nine-month periods ended 31 December 2010: 0.20% and 1.25% of total sales, respectively).