

**THAI STANLEY ELECTRIC PUBLIC COMPANY LIMITED**

**INTERIM FINANCIAL INFORMATION (UNAUDITED)**

**31 DECEMBER 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 31 December 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 nine-month periods ended 31 December 2016, the related statements of changes in equity and cash flows in which the equity method is applied and the Company only for the nine-month period ended 31 December 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  
10 February 2017

**Thai Stanley Electric Public Company Limited**  
**Statements of Financial Position**  
**As at 31 December 2016**

	Notes	Financial statements in which the equity method is applied		The Company only	
		Unaudited 31 December 2016 Baht	Audited 31 March 2016 Baht	Unaudited 31 December 2016 Baht	Audited 31 March 2016 Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,135,616,979	1,839,887,555	1,135,616,979	1,839,887,555
Short-term investments held to maturity	4	3,513,596,068	2,120,000,000	3,513,596,068	2,120,000,000
Trade and other accounts receivable, net	5, 6	1,852,366,056	2,282,884,697	1,852,366,056	2,282,884,697
Inventories, net		746,098,174	772,442,413	746,098,174	772,442,413
Corporate income tax refundable		-	35,804,368	-	35,804,368
Other current assets		6,945,654	8,485,374	6,945,654	8,485,374
<b>Total current assets</b>		<b>7,254,622,931</b>	<b>7,059,504,407</b>	<b>7,254,622,931</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	1,067,583,473	931,423,285	57,176,689	57,176,689
Long-term investments, net	8	114,121,215	112,681,215	114,121,215	112,681,215
Property, plant and equipment, net	9	5,563,616,327	5,536,093,265	5,563,616,327	5,536,093,265
Intangible assets, net	10	711,039,893	731,687,189	711,039,893	731,687,189
Deferred tax assets, net		-	-	84,214,925	82,069,808
Other non-current assets, net		85,158,921	35,881,524	85,158,921	35,881,524
<b>Total non-current assets</b>		<b>7,577,324,197</b>	<b>7,347,766,478</b>	<b>6,651,132,338</b>	<b>6,555,589,690</b>
<b>Total assets</b>		<b>14,831,947,128</b>	<b>14,407,270,885</b>	<b>13,905,755,269</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 31 December 2016**

	Note	Financial statements in which the equity method is applied		The Company only	
		Unaudited 31 December 2016 Baht	Audited 31 March 2016 Baht	Unaudited 31 December 2016 Baht	Audited 31 March 2016 Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Trade accounts payable - other companies		442,630,457	515,856,412	442,630,457	515,856,412
Trade accounts payable - related parties	6	387,695,166	428,296,463	387,695,166	428,296,463
Other accounts payable - other companies		189,875,955	176,226,229	189,875,955	176,226,229
Other accounts payable - related parties	6	147,521,050	141,173,810	147,521,050	141,173,810
Accrued corporate income tax		57,521,741	124,546,267	57,521,741	124,546,267
Accrued expenses		244,554,302	257,133,327	244,554,302	257,133,327
<b>Total current liabilities</b>		<b>1,469,798,671</b>	<b>1,643,232,508</b>	<b>1,469,798,671</b>	<b>1,643,232,508</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities, net		117,866,431	92,779,512	-	-
Provision for post-employment benefits		178,963,677	163,313,497	178,963,677	163,313,497
<b>Total non-current liabilities</b>		<b>296,830,108</b>	<b>256,093,009</b>	<b>178,963,677</b>	<b>163,313,497</b>
<b>Total liabilities</b>		<b>1,766,628,779</b>	<b>1,899,325,517</b>	<b>1,648,762,348</b>	<b>1,806,546,005</b>
<b>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		12,181,011,811	11,624,962,054	11,326,649,421	10,879,356,592
Other components of equity		(41,380,962)	(42,704,186)	4,656,000	3,504,000
<b>Total equity</b>		<b>13,065,318,349</b>	<b>12,507,945,368</b>	<b>12,256,992,921</b>	<b>11,808,548,092</b>
<b>Total liabilities and equity</b>		<b>14,831,947,128</b>	<b>14,407,270,885</b>	<b>13,905,755,269</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 31 December 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	2,718,940,736	2,563,931,532	2,718,940,736	2,563,931,532
Costs of sales and services	6	(2,245,913,690)	(2,142,133,664)	(2,245,913,690)	(2,142,133,664)
<b>Gross profit</b>		473,027,046	421,797,868	473,027,046	421,797,868
Other income					
- Dividend income	6	-	101,222	-	101,222
- Gain on exchange rates, net		8,837,996	-	8,837,996	-
- Others		39,252,152	38,404,956	39,252,152	38,404,956
<b>Profit before expenses</b>		521,117,194	460,304,046	521,117,194	460,304,046
Selling expenses	6	(114,164,269)	(113,541,991)	(114,164,269)	(113,541,991)
Administrative expenses	6	(90,602,455)	(84,873,530)	(90,602,455)	(84,873,530)
Loss on exchange rates, net		-	(1,266,936)	-	(1,266,936)
<b>Total expenses</b>		(204,766,724)	(199,682,457)	(204,766,724)	(199,682,457)
<b>Operating profit</b>		316,350,470	260,621,589	316,350,470	260,621,589
Share of profit from investments in associates		94,447,350	63,552,914	-	-
<b>Profit before income tax</b>		410,797,820	324,174,503	316,350,470	260,621,589
Income tax		(82,162,736)	(61,910,649)	(63,273,266)	(49,200,067)
<b>Net profit for the period</b>		<u>328,635,084</u>	<u>262,263,854</u>	<u>253,077,204</u>	<u>211,421,522</u>
<b>Basic earnings per share</b>	11				
Net profit for the period		<u>4.29</u>	<u>3.42</u>	<u>3.30</u>	<u>2.76</u>

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**Thai Stanley Electric Public Company Limited**  
**Statements of Comprehensive Income (Unaudited)**  
**For the three-month period ended 31 December 2016**

	<b>Financial statements in which the equity method is applied</b>		<b>The Company only</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>Net profit for the period</b>	328,635,084	262,263,854	253,077,204	211,421,522
<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	192,000	256,000	192,000	256,000
Exchange differences relating to investments in associates	55,673,814	953,527	-	-
<b>Other comprehensive income for the period, net of tax</b>	55,865,814	1,209,527	192,000	256,000
<b>Total comprehensive income for the period</b>	<u>384,500,898</u>	<u>263,473,381</u>	<u>253,269,204</u>	<u>211,677,522</u>

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**Thai Stanley Electric Public Company Limited**  
**Statements of Income (Unaudited)**  
**For the nine-month period ended 31 December 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	8,142,933,735	7,496,043,106	8,142,933,735	7,496,043,106
Costs of sales and services	6	(6,720,039,206)	(6,349,602,201)	(6,720,039,206)	(6,349,602,201)
<b>Gross profit</b>		1,422,894,529	1,146,440,905	1,422,894,529	1,146,440,905
Other income					
- Dividend income	6, 7, 8	23,006,765	8,030,007	85,277,135	57,910,127
- Gain on exchange rates, net		12,381,076	16,049,914	12,381,076	16,049,914
- Gain on sale of long-term investment		-	261,911,319	-	261,911,319
- Others		105,601,605	106,747,630	105,601,605	106,747,630
<b>Profit before expenses</b>		1,563,883,975	1,539,179,775	1,626,154,345	1,589,059,895
Selling expenses	6	(352,047,478)	(341,458,270)	(352,047,478)	(341,458,270)
Administrative expenses	6	(243,331,664)	(245,903,209)	(243,331,664)	(245,903,209)
<b>Total expenses</b>		(595,379,142)	(587,361,479)	(595,379,142)	(587,361,479)
<b>Operating profit</b>		968,504,833	951,818,296	1,030,775,203	1,001,698,416
Share of profit from investments in associates	7	198,216,529	157,485,028	-	-
<b>Profit before income tax</b>		1,166,721,362	1,109,303,324	1,030,775,203	1,001,698,416
Income tax		(227,808,975)	(224,590,601)	(200,619,744)	(203,069,620)
<b>Net profit for the period</b>		<u>938,912,387</u>	<u>884,712,723</u>	<u>830,155,459</u>	<u>798,628,796</u>
<b>Basic earnings per share</b>	11				
Net profit for the period		<u>12.25</u>	<u>11.55</u>	<u>10.83</u>	<u>10.42</u>

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**Thai Stanley Electric Public Company Limited**  
**Statements of Comprehensive Income (Unaudited)**  
**For the nine-month period ended 31 December 2016**

	<b>Financial statements in which the equity method is applied</b>		<b>The Company only</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>Net profit for the period</b>	938,912,387	884,712,723	830,155,459	798,628,796
<b>Other comprehensive income for the period after tax:</b>				
<b>Items that will be reclassified subsequently to profit or loss</b>				
Unrealised gain on change in fair value of available-for-sale investment	1,152,000	1,056,000	1,152,000	1,056,000
Exchange differences relating to investments in associates	171,224	32,261,763	-	-
<b>Other comprehensive income for the period, net of tax</b>	<b>1,323,224</b>	<b>33,317,763</b>	<b>1,152,000</b>	<b>1,056,000</b>
<b>Total comprehensive income for the period</b>	<b>940,235,611</b>	<b>918,030,486</b>	<b>831,307,459</b>	<b>799,684,796</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 Equity (Unaudited)**  
**For the nine-month period ended 31 December 2016**

**Financial statements in which the equity method is applied**

	Note	Financial statements in which the equity method is applied							Total equity Baht
		Issued and paid-up share capital Baht	Premium on share capital Baht	Retained earnings		Unrealised gain on change in fair value of available-for-sale investment Baht	Other components of equity		
				Legal reserve Baht	Unappropriated retained earnings Baht		Other comprehensive income		
							Cumulative exchange differences relating to investments in associates Baht	Total other components of equity 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)
Total comprehensive income for the period		-	-	-	938,912,387	1,152,000	171,224	1,323,224	940,235,611
Dividends paid	12	-	-	-	(382,862,630)	-	-	-	(382,862,630)
<b>Closing balance as at 31 December 2016</b>		<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>12,181,011,811</u>	<u>4,656,000</u>	<u>(46,036,962)</u>	<u>(41,380,962)</u>	<u>13,065,318,349</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		-	-	-	884,712,723	1,056,000	32,261,763	33,317,763	918,030,486
Dividends paid	12	-	-	-	(367,786,080)	-	-	-	(367,786,080)
<b>Closing balance as at 31 December 2015</b>		<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>11,206,234,536</u>	<u>3,376,000</u>	<u>(45,722,261)</u>	<u>(42,346,261)</u>	<u>12,089,575,775</u>

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 Equity (Unaudited)**  
**For the nine-month period ended 31 December 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 equity Baht
				Legal reserve Baht	Unappropriated retained earnings Baht	Unrealised gain on change in fair value of available-for-sale investment Baht	Other comprehensive income Total other components of equity Baht	
<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		-	-	-	830,155,459	1,152,000	1,152,000	831,307,459
Dividends paid	12	-	-	-	(382,862,630)	-	-	(382,862,630)
<b>Closing balance as at 31 December 2016</b>		<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>11,326,649,421</u>	<u>4,656,000</u>	<u>4,656,000</u>	<u>12,256,992,921</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		-	-	-	798,628,796	1,056,000	1,056,000	799,684,796
Dividends paid	12	-	-	-	(367,786,080)	-	-	(367,786,080)
<b>Closing balance as at 31 December 2015</b>		<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>10,505,472,063</u>	<u>3,376,000</u>	<u>3,376,000</u>	<u>11,434,535,563</u>

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 nine-month period ended 31 December 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		1,166,721,362	1,109,303,324	1,030,775,203	1,001,698,416
Adjustments to reconcile profit before income tax to net cash provided by operations:					
- Depreciation	9	771,733,844	777,047,232	771,733,844	777,047,232
- Amortisation	10	134,163,430	135,328,804	134,163,430	135,328,804
- Interest income		(48,106,578)	(39,406,331)	(48,106,578)	(39,406,331)
- Gain on sale of long-term investment		-	(261,911,319)	-	(261,911,319)
- Share of profit from investments in associates	7	(198,216,529)	(157,485,028)	-	-
- Dividend income from investments in associates	7	-	-	(62,270,370)	(49,880,120)
- Dividend income from long-term investments	8	(23,006,765)	(8,030,007)	(23,006,765)	(8,030,007)
- Gain on disposals of equipment, net		(647,309)	(239,843)	(647,309)	(239,843)
- Loss on write-offs of intangible assets, net	10	1	-	1	-
- (Reversal of) allowance for doubtful account		9,545,820	22,363,880	9,545,820	22,363,880
- (Reversal of) allowance for slow-moving inventories and net realisable value lower than cost of inventories		6,579,044	7,237,593	6,579,044	7,237,593
- (Reversal of) provision for post-employment benefits		17,132,580	17,340,390	17,132,580	17,340,390
- Unrealised gain on exchange rates		(1,664,450)	(986,553)	(1,664,450)	(986,553)
Cash flows before changes in operating assets and liabilities		1,834,234,450	1,600,562,142	1,834,234,450	1,600,562,142
Changes in operating assets and liabilities					
- Trade and other accounts receivable		438,124,437	56,141,162	438,124,437	56,141,162
- Inventories		19,765,195	19,135,688	19,765,195	19,135,688
- Other current assets		1,539,720	1,302,531	1,539,720	1,302,531
- Other non-current assets		(20,292,814)	(2,347,871)	(20,292,814)	(2,347,871)
- Trade accounts payable - other companies		(73,225,955)	(65,540,600)	(73,225,955)	(65,540,600)
- Trade accounts payable - related parties		(40,601,297)	80,017,753	(40,601,297)	80,017,753
- Other accounts payable - other companies		3,128,694	6,420,978	3,128,694	6,420,978
- Other accounts payable - related parties		1,975,901	(22,112,085)	1,975,901	(22,112,085)
- Accrued expenses		(12,579,025)	92,097,917	(12,579,025)	92,097,917
- Payment for post-employment benefits		(1,482,400)	(2,769,800)	(1,482,400)	(2,769,800)
Cash generated from operations		2,150,586,906	1,762,907,815	2,150,586,906	1,762,907,815
- Interest received		15,505,456	15,857,993	15,505,456	15,857,993
- Income tax paid		(270,077,387)	(325,372,079)	(270,077,387)	(325,372,079)
Net cash received from operating activities		1,896,014,975	1,453,393,729	1,896,014,975	1,453,393,729

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 nine-month period ended 31 December 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>					
Loans made to employees		(54,223,796)	(45,706,448)	(54,223,796)	(45,706,448)
Loans payments received from employees		10,640,903	21,369,070	10,640,903	21,369,070
Purchases of property, plant and equipment		(784,286,344)	(553,458,032)	(784,286,344)	(553,458,032)
Proceeds from disposals of equipment		647,438	456,875	647,438	456,875
Interest received on short-term investments held to maturity		26,235,026	10,459,775	26,235,026	10,459,775
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	8,030,007	23,006,765	8,030,007
Purchases of intangible assets		(113,594,455)	(220,896,116)	(113,594,455)	(220,896,116)
Cash receipts from short-term investments held to maturity	4	4,364,400,000	2,051,500,000	4,364,400,000	2,051,500,000
Cash payments on short-term investments held to maturity	4	(5,757,996,068)	(4,259,641,585)	(5,757,996,068)	(4,259,641,585)
Net cash used in investing activities		(2,219,087,371)	(2,638,006,334)	(2,219,087,371)	(2,638,006,334)
<b>Cash flow from financing activity:</b>					
Dividends paid	12	(382,862,630)	(367,786,080)	(382,862,630)	(367,786,080)
Net cash used in financing activity		(382,862,630)	(367,786,080)	(382,862,630)	(367,786,080)
<b>Net decrease in cash and cash equivalents</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		1,664,450	986,553	1,664,450	986,553
Cash and cash equivalents at end of the period		<u>1,135,616,979</u>	<u>798,901,055</u>	<u>1,135,616,979</u>	<u>798,901,055</u>
<b>Non-cash transactions:</b>					
Outstanding liabilities arisen from purchase of plant, equipment and intangible assets		80,297,546	37,763,077	80,297,546	37,763,077

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 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, molds & dies and product designs.

This interim financial information has been approved by the Company’s Board of directors on 10 February 2017.

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 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.

Comparative figures have been reclassified to conform with change in presentation in the current year.

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 nine-month period ended 31 December 2016</b>	<b>Unaudited Baht</b>
Opening balance	2,120,000,000
Additions during the period	5,757,996,068
Redemptions during the period	<u>(4,364,400,000)</u>
Closing balance	<u>3,513,596,068</u>

As at 31 December 2016, short-term investments held to maturity bore interest at the average rate of 1.40% - 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 31 December 2016 and 31 March 2016 are as follows:

	<b>Unaudited 31 December 2016 Baht</b>	<b>Audited 31 March 2016 Baht</b>
Trade accounts receivable - other companies	1,572,911,981	1,892,424,946
<u>Less</u> Allowance for doubtful account	<u>(21,518,018)</u>	<u>(11,972,198)</u>
Trade accounts receivable - other companies, net	1,551,393,963	1,880,452,748
Trade accounts receivable - related parties (Note 6)	183,501,026	274,364,191
Prepaid expenses	30,906,396	42,929,076
Accrued income	19,956,214	29,618,917
Value added tax receivable	18,365,915	22,703,743
Other receivables	48,242,542	32,816,022
	<u>1,852,366,056</u>	<u>2,282,884,697</u>

Trade accounts receivable as at 31 December 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 31 December 2016 Baht</b>	<b>Audited 31 March 2016 Baht</b>	<b>Unaudited 31 December 2016 Baht</b>	<b>Audited 31 March 2016 Baht</b>
Current	1,531,816,359	1,852,861,451	177,613,005	203,115,095
Overdue				
- less than 3 months	10,804,105	9,512,405	2,374,942	69,944,903
- 3 - 6 months	1,238,323	3,946,286	8,558	616,223
- 6 - 12 months	2,950,224	52,478	3,494,433	687,970
- more than 1 year	26,102,970	26,052,326	10,088	-
	<u>1,572,911,981</u>	<u>1,892,424,946</u>	<u>183,501,026</u>	<u>274,364,191</u>

**Thai Stanley Electric Public Company Limited**  
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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 31.88% 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 31 December</b>		<b>For the nine-month period ended 31 December</b>	
	<b>2016 Baht</b>	<b>2015 Baht</b>	<b>2016 Baht</b>	<b>2015 Baht</b>
<b>Sales</b>				
Stanley Electric Group companies	116,899,253	158,663,952	476,150,436	480,690,956
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	39,212,773	40,757,646	133,104,448	128,159,759
Associates	115,591,485	93,589,932	271,350,260	204,214,363
	<u>271,703,511</u>	<u>293,011,530</u>	<u>880,605,144</u>	<u>813,065,078</u>
<b>Dividend income</b>				
Stanley Electric Group companies	-	101,222	20,218,179	8,030,007
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>-</u>	<u>101,222</u>	<u>85,277,135</u>	<u>57,910,127</u>
<b>Purchases of goods and services</b>				
Stanley Electric Group companies	471,630,860	501,571,793	1,345,880,632	1,151,916,137
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	86,144,341	97,900,139	268,434,417	239,699,361
Associates	64,217,886	53,611,382	196,387,832	143,724,594
	<u>621,993,087</u>	<u>653,083,314</u>	<u>1,810,702,881</u>	<u>1,535,340,092</u>
<b>Royalty fee</b>				
Stanley Electric Group companies	65,171,160	59,983,023	194,300,053	182,362,823
<b>Design and development fee</b>				
Stanley Electric Group companies	4,871,750	18,251,926	44,877,623	104,931,423
<b>Technical fee</b>				
Stanley Electric Group companies	1,253,220	1,418,960	5,546,322	4,363,138
<b>Training fee</b>				
Stanley Electric Group companies	5,058,704	5,821,224	12,724,357	11,261,031



**Thai Stanley Electric Public Company Limited**  
**Unaudited Condensed Notes to the Interim Financial Information**  
**For the nine-month period ended 31 December 2016**

**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 period ended 31 December</b>		<b>For the nine-month period ended 31 December</b>	
	<b>2016 Baht</b>	<b>2015 Baht</b>	<b>2016 Baht</b>	<b>2015 Baht</b>
<b>Commission</b>				
Stanley Electric Group companies	1,449,285	8,511,638	20,031,672	20,008,323
<b>Directors' and managements' remuneration</b>				
Short-term benefits	12,934,974	12,688,692	37,467,455	37,224,936

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 2016 and 31 March 2016 are as follows:

	<b>Unaudited 31 December 2016 Baht</b>	<b>Audited 31 March 2016 Baht</b>
<b>Trade accounts receivable - related parties</b>		
Stanley Electric Group companies	49,575,754	158,338,651
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	57,326,764	43,214,874
Associates	76,598,508	72,810,666
	<u>183,501,026</u>	<u>274,364,191</u>
<b>Trade accounts payable - related parties</b>		
Stanley Electric Group companies	295,516,591	338,431,495
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	27,417,630	38,940,993
Associates	64,760,945	50,923,975
	<u>387,695,166</u>	<u>428,296,463</u>
<b>Other accounts payable - related parties</b>		
Stanley Electric Group companies	147,521,050	141,173,810

**Thai Stanley Electric Public Company Limited**  
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**7 Investments in associates**

a) Movements in investments in associates are as follows:

<b>For the nine-month period ended 31 December 2016</b>	<b>Equity Method</b>	<b>Cost Method</b>
	<b>Unaudited</b>	<b>Unaudited</b>
	<b>Baht</b>	<b>Baht</b>
Opening net book amount	931,423,285	57,176,689
Share of profit	198,216,529	-
Dividends received	(62,270,370)	-
Translation adjustments	214,029	-
Closing net book amount	<u>1,067,583,473</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>Cost Method</b>	
				<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Audited</b>
				<b>31 December 2016</b>	<b>31 March 2016</b>	<b>31 December 2016</b>	<b>31 March 2016</b>
				<b>Amount</b>	<b>Dividend</b>	<b>Amount</b>	<b>Dividend</b>
				<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Associates</b>							
Lao Stanley Company Limited	Manufacture of automotive lighting equipment	USD 0.25 million	50	28,446,792	-	24,203,192	3,812,790
Vietnam Stanley Electric Company Limited	Manufacture of automotive lighting equipment	USD 8.30 million	20	1,039,136,681	62,270,370	907,220,093	49,880,120
				<u>1,067,583,473</u>	<u>62,270,370</u>	<u>931,423,285</u>	<u>53,692,910</u>
<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 nine-month period ended 31 December 2016**

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**8 Long-term investments, net**

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

<b>As at 31 December 2016 (Unaudited)</b>	<b>Available- for-sale investments Baht</b>	<b>General investments Baht</b>	<b>Total Baht</b>
<b>Equity securities</b>			
- Related parties	9,200,000	104,921,215	114,121,215
- Other companies	-	-	-
Long-term investments, net	<u>9,200,000</u>	<u>104,921,215</u>	<u>114,121,215</u>
 <b>As at 31 March 2016 (Audited)</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**  
**Unaudited Condensed Notes to the Interim Financial Information**  
**For the nine-month period ended 31 December 2016**

**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 31 December 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				5,820,000	-	4,380,000	-
				<u>9,200,000</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>114,121,215</u>	<u>23,006,765</u>	<u>112,681,215</u>	<u>9,375,743</u>

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

**For the nine-month period ended 31 December 2016**

	<b>Unaudited Baht</b>
Opening net book amount	5,536,093,265
Additions	799,257,035
Disposals/write - offs, net	(129)
Less Depreciation charge	<u>(771,733,844)</u>
Closing net book amount	<u>5,563,616,327</u>

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

As at 31 December 2016, the Company has capital commitments amount of Baht 81million (31 March 2016: Baht 45 million).

**Thai Stanley Electric Public Company Limited**  
**Unaudited Condensed Notes to the Interim Financial Information**  
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**10 Intangible assets, net**

**For the nine-month period ended 31 December 2016**

	<b>Unaudited Baht</b>
Opening net book amount	731,687,189
Additions	113,516,135
Write-offs, net	(1)
<u>Less</u> Amortisation charge	<u>(134,163,430)</u>
Closing net book amount	<u>711,039,893</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 (31 December 2016: 76,625,000 shares and 31 December 2015: 76,625,000 shares).

There are no dilutive ordinary shares in issue for the nine-month periods ended 31 December 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 nine-month period ended 31 December 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 31 December 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 31 December 2016</b>	<b>Audited 31 March 2016</b>
Forward exchange contracts	Yen 60 million USD 0.5 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.