



Thai Stanley Electric Public Company Limited
บริษัท ไทยสแตนเลย์การไฟฟ้า จำกัด (มหาชน)

ANNUAL REPORT 2013

PQC Building



รายงานประจำปี 2556

สำหรับปีสิ้นสุด 31 มีนาคม 2557

Fiscal Year Ended March 31, 2014

STANLEY GROUP VISION



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HIGHLIGHTS

	For the	For the	Change
	year ended	year ended	(%)
	31 March 2014	31 March 2013	
	(Thousand Baht)	(Thousand Baht)	

Operating Report

Sales	10,268,617	11,334,990	(9.41)
Total Revenues	10,627,787	11,581,714	(8.24)
Cost of Sales	8,080,350	8,796,588	(8.14)
Selling and Administrative Expense and other	830,962	838,065	(0.85)
Profit before income tax	1,847,021	2,081,005	(11.24)
Net Profit (Loss)	1,487,512	1,607,085	(7.44)

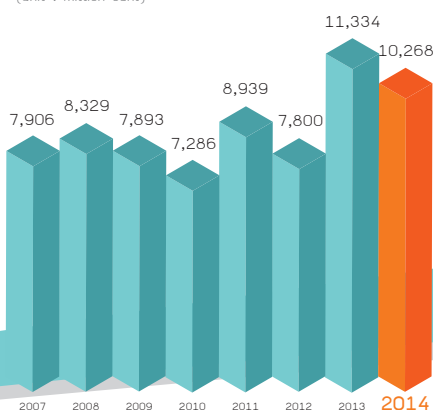
Financial Statement

Current Assets	5,261,970	4,738,336	11.05
Total Assets	12,506,076	11,744,183	6.49
Current Liabilities	1,484,284	1,750,458	(15.21)
Total Liabilities	1,674,240	1,908,607	(12.28)
Shareholders' Equity	10,831,836	9,835,576	10.13

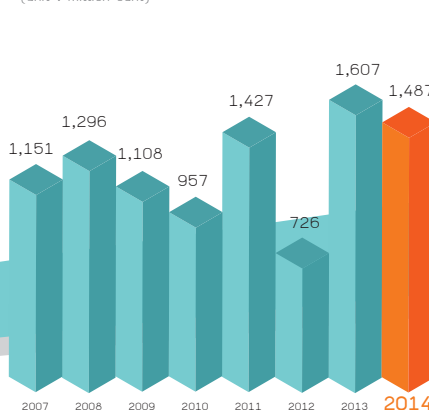
Financial Ratio

Net Profit Margin (%)	14.00	13.88
Return on Equity (ROE) (%)	14.39	17.55
Return on Total Asset (ROA) (%)	12.27	14.77
Debt to Equity (DE) (time)	0.15	0.19
Price Earning ratio (PE) time	10.46	11.47
Current Ratio (time)	3.55	2.71
Net Profit (Loss) per share	19.41	20.97
Par Value	5.00	5.00
Book Value per Share	141.36	128.36

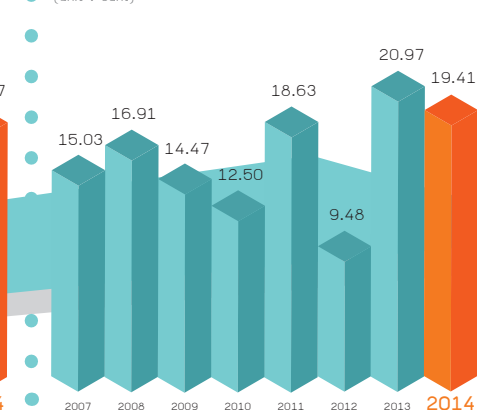
Net Sales
(unit : million baht)



Net Profit
(unit : million baht)



Net Profit (Loss) per share
(unit : baht)



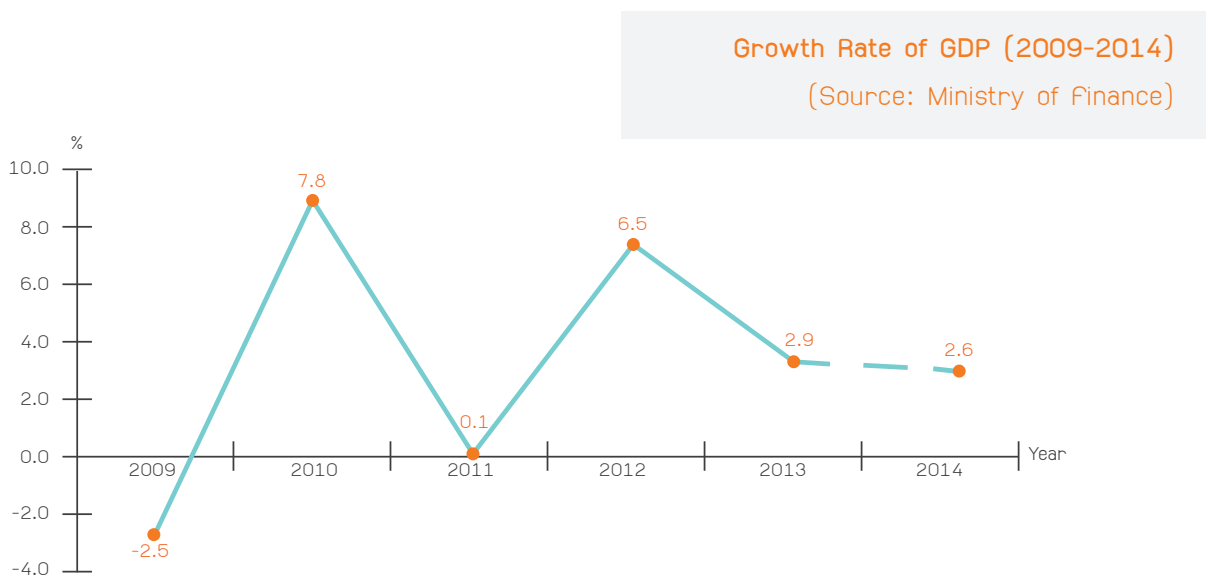
TO OUR SHAREHOLDERS

1. General Economic Situation

Regarding economic situation of Thailand in 2013, the first half was benefited from subsidies for eco-car tax and the First Car Project, which were the government's projects in the previous year. However, the demands for automobiles in the future were drawn in advance. Hence, the situation became sluggish in the second half. Moreover, the political situation has caused the economic downturn up until now.

Those situations have caused the economic expansion rate as Gross Domestic Product (Real GDP) to decline from the previous year to 2.9% that can be categorized by quarters as: Jan-Mar for 5.4%; Apr-Jun for 2.9%; Jul-Sep for 2.7%; and, Oct-Dec for 0.6%, which the expansion rate during Oct-Dec is the expansion rate declining from the previous year.

In 2014, the Ministry of Finance has forecasted that the economy will grow about 2.6%, which the situation been predicted as continually sluggish because of ongoing political unrest.



2. Automobile Industry Outlook

Automobile industry, which is the industry related directly to the Company, has been affected by political situation, and slowed down due to tax incentives as discussed above. The total domestic sales in 2013 were at 1,330,672 units (decreased by 7.3% in comparison with that of the previous year). The total production units were at 2,457,057 units (increased by 0.1% in comparison with that of the previous year). The record-high total production units were slightly higher than those of the previous year as they were benefited from the production for exporting. However, the situation for domestic sales was declined.

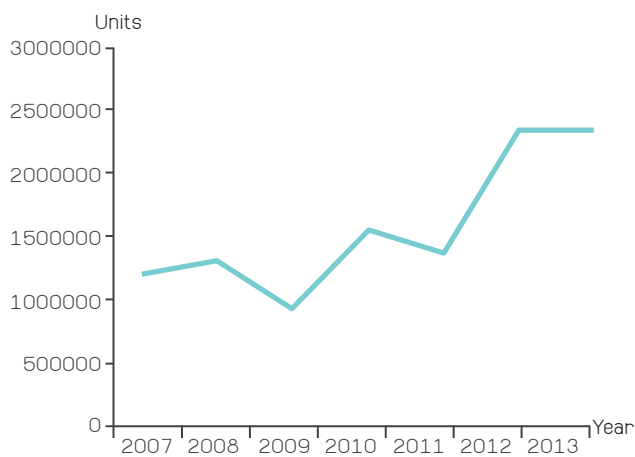
When considering production trends by quarters, it is found that production in Jan – Mar was at 721,507 units; in Apr – Jun at 619,423 units; Jul – Sep at 589,299 units; and, Oct – Dec at 526,828 units, which the numbers of produced units were decreased continuously.

The Federation of Thai Industries (FTI) has forecasted that domestic sales in 2014 will be at 1,200,000 units (decreased from the previous year by 10.2%), total production units will be at 2,400,000 units (decreased from the previous year by 2.3%). Moreover, Japanese automobile production entrepreneurs have revealed total Japanese production will be at 2,056,000 units (decreased by 10.7% in comparison with the previous year), which were the production for domestic sales at 979,000 units (decreased by 20%) and production for export at 1,077,000 units (at the same amount that of the previous year).

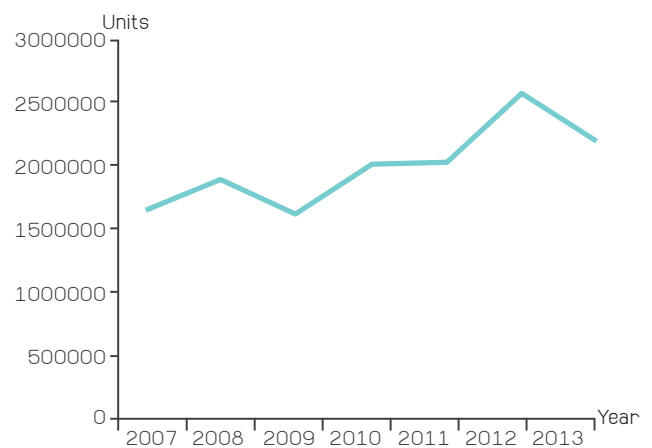
TO OUR SHAREHOLDERS

reduced further due to the continuously ongoing political situation. Motorcycle market conditions in 2013 have total domestic sales at 2,004,000 units (decreased by 5.9% in comparison with that of the previous year) and total production for all-ready-made cars was at 2,219,000 units (decreased by 14.9% in comparison with that of the previous year), which the total was extremely decreased as same as that of automobiles.

The Federation of Thai Industries (FTI) has predicted that motorcycle situation will be slightly better than that of the previous year. The domestic motorcycle sales in 2014 should be at 1,900,000 units (increased by 0.8%) and total production for all-ready-made motorcycles was at 2,250,000 units (increased by 1.4%). However, there may probably be changes due to the political unrest situation.



Automobile production (2007-2013) (domestic sales + export) (Source: Thailand Automotive Institute)



Motorcycle production (2007-2013) (Source: Thailand Automotive Institute)

3. The Operation of the Company

Economic and business situation of automobile industry as mentioned above has affected total sales of the Company to be decreased by 9.4% in comparison with that of the previous year. Additionally, from the declining total sales, the net profit the Company hence decreases by 7.4% in comparison with that of the previous year.

Political situation in 2014 is still unpredictable so the automobile industry, which is the industry related to the Company, has planned to reduce production capacity. Additionally, motorcycle industry has make production plan at the similar level to that of the previous year. Therefore, it is predicted that the total sales of the Company will similarly decline.

However, the Company still operates on improvement activities in order to raise the efficiency of production with Stanley New Approach for Higher Productivity (SNAP)—production revolution activities, as well as to continuously raise the levels of quality with the goals of Zero Defect.

<Sale Structure>

Major products of the Company can be divided into 3 types that are “automotive bulbs”, “automotive lamps”, and “molds /design” Total sales from automotive lamps are 87.83%, while the rest are total sales of automotive bulbs at 6.37%, and total sales from molds and design for another 5.80%.

TO OUR SHAREHOLDERS

For automotive bulbs, besides directly selling to automotive markets, it still delivers the products as assembling components for automotive lamps as well.

For molds, which are produced as machines for shaping up parts of the lamps, the Company still produces for selling to Stanley's affiliated companies and other partner companies as well.

For design, besides designing lamps as products of the Company, it still designs and sells the design to Stanley's affiliated companies and other partner companies as well.

<Sale Volume>

Values and proportion of Sale Structure of each business of 2013 as follows:

Unit : Thousand baht

	2013 (April 2013–March 2014)		2012 (April 2012–March 2013)		Increase/Decrease rate
	Amount	Proportion	Amount	Proportion	
Bulb	653,675	6.37%	678,994	5.99%	(3.73%)
Lamp	9,018,467	87.83%	10,264,006	90.55%	(12.14%)
Mold, Design	596,475	5.80%	391,990	3.46%	52.17%
Total	10,268,617	100.00%	11,334,990	100.00%	(9.41%)

* Bulb business and Mold business are not include total domestic transfer sum

<Investment>

Investments in 2013 are as shown in the following table:

In the previous year, there are investments on production machines for Lamp7 Factory along with major investments related to the production of new products.

Unit : million baht

	2013 (April 2013–March 2014)	2012 (April 2012–March 2013)	Increase/Decrease rate(%)
	Amount	Amount	
Land	62.21	23.35	166.42%
Building	137.87	258.89	(46.75%)
Tool, Machine, Equipment	557.79	1,479.09	(62.29%)
Mold and Jigs	214.42	311.05	(31.07%)
Others	12.75	13.96	(8.67%)
Total	985.04	2,086.34	(52.79%)

TO OUR SHAREHOLDERS

<Employment>

Numbers of personnel at the end of 2013 are as follow:

Unit : Person

	Amount of Employees at end of 2013	Amount of Employees at end of 2012	Increase/Decrease Rate (%)
Local employees (male)	1,630	1,884	(254)
Local employees (female)	1,392	1,571	(179)
Japanese employees	32	31	1
Total	3,054	3,486	(432)

4. Market Outlook

Economic situation of Thailand currently still lacks security because of political situation. However, the Company still hopes that it will be able to expand at the same high rate as the other countries in ASEAN do, especially automobile industry that has a role as the base for automobile production and worldwide export. For production, the Company has forecasted that there may be fierce pricing competition at international level with ASEAN countries as well as countries in BRIC's, such as Republic of China, India, etc.

Regarding research and development, the Company has positioned itself as the research and development base for ASEAN. At the same time, it is necessary for customers and business in the industry to increasingly enhance capabilities to develop. To overcome competitions under the above conditions, it is necessary to join force and intellect of all personnel of Thai Stanley and companies affiliated to Stanley as one unit to create production systems for the future using Stanley New Approach for Higher Productivity (SNAP), which is an activity for production revolution as well as development of technology and products in order to strive for further progress.

The important factors – Q (Quality), C (Cost), and D (Delivery) – are truly what bring customers' trust, business expansion, and robustness enhancement for various systems.

Definitely, we maintain management principles aiming to distribute profits and satisfaction in order to share our growing with all participators (shareholder, client, employee, and community).

We do our best to perform aforementioned provisions to allocate profits making shareholders pleased; it would be appreciated if all our shareholders support us with your suggestion and standing.



Mr. Apichart Lee-issaranukul
Executive Chairman



Mr. Koichi Nagano
President

Thai Stanley Electric Public Company Limited

THE EXECUTIVES



Mr. Apichart Lee-issaranukul
Executive Chairman



Mr. Koichi Nagano
President

THE BOARD OF DIRECTORS

Mr. Apichart Lee-issaranukul

Director

Mr. Koichi Nagano

Director

Mr. Katsumi Sumiya

Director

Mr. Thanong Lee-issaranukul

Director

Mrs. Pimjai Lee-issaranukul

Director

Mrs. Pornthip Sethiwan

Director

Mr. Shigeki Muto

Director

Mr. Toru Tanabe

Director

Mr. Krisada Visavateeranon

Independent Director

Mr. Chokechai Tanpoonsinthana

Independent Director

Mr. Suchart Phisitvanich

Independent Director

Mr. Picharn Sukparangsee

Independent Director

THE BOARD OF DIRECTORS



Mr. Katsumi Sumiya
Director



Mr. Nobuhiro Takahashi
Executive General Manager



Mr. Masashi Ishii
Executive General Manager



Mr. Koji Kobayashi
Executive General Manager

THE EXECUTIVES

Mr. Apichart Lee-issaranukul
Executive Chairman

Mr. Koichi Nagano
President

Mr. Katsumi Sumiya
Director

Mr. Nobuhiro Takahashi
Executive General Manager

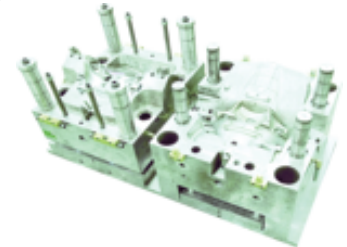
Mr. Masashi Ishii
Executive General Manager

Mr. Koji Kobayashi
Executive General Manager



Thai Stanley's products

Thai Stanley Electric Public Company Limited is one-stop service automotive lighting devices manufacturer. We have 3 main products: lighting bulb, lamp and mold. Manufacturer with high technology machineries and equipment. Our product, making process and operations has met the international standards of ISO 9001, ISO/TS 16949, ISO 14001 and OHSAS 18001.



Raybrig products are lighting bulb and lamp used in automotive decoration. The Auto Sport is segment of the company's products and imported from Stanley Electric Company in Japan.

Raybrig products are researched and developed different lighting bulb types to serve the driver's need in the suitable lighting for safety and the products can be used in all weather conditions.

Recent Raybrig products are sold in cockpit center and automotive exhibitions: Motor Show and Motor Expo. (For more detail, please visit <http://stanley-raybrig.com>)



Introduction of PQC – Active Space Building: A multi-purpose building for various activities.



In 2013, The Company built a multi-purpose building to accommodate all users. This building is environmentally-friendly and energy-efficient and serves as a workplace, fitness center, and cafeteria.

PQC is acronym for Production Engineering, Quality Assurance, and Canteen; The Company plans for this building to be the location of its Production Support Division and training center for production staff prior to actual work operations. The cafeteria will be modernized and capable of supporting an increased employee capacity.

This building uses LED lighting technology combined with natural light for maximum energy-efficiency and has a recreation area, fitness center, and lift for disabled persons. The Company expects this building to be completed in August 2014.

New Products

In the past year of 2013, the country faced an economic slowdown that affected the automotive industry as the First Car Project came to an end automotive production was also significantly reduced.

Products made for the local automotive market include the following:

Automobile

HONDA



CITY

TOYOTA



VIOS

MITSUBISHI



ATTRAGE

NISSAN



ALMERA

ISUZU



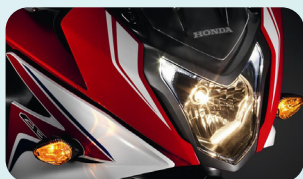
MU-X



MU-X

Motorcycle

HONDA



CBR650

YAMAHA



TRI CITY

SUZUKI



SHOOTER



SHOOTER

Corporate Social Responsibility Report

Thai Stanley Electric Public Company Limited is a manufacturer of automotive and total lighting solutions, including the design, molding, manufacturing of light bulbs, and production of lamps with international quality standards to support the domestic and international automotive industry for over 33 years.

As a leading manufacturer of automotive lighting, The Company is determined to achieve solid and sustainable business operations. The Company invests in high technology machinery and equipment and continuously implements activities under the Stanley New Approaches for Higher Productivity (SNAP) model to improve production efficiency.

In 2013, SNAP activities were continuously implemented and intensified with a focus on linear improvement (Sen no Kaizen) within the factory and office operations. Sen no Kaizen refers to improvements that focus on results directly reflected in performance. Economic conditions, especially in the second half, showed a significant decline in production rate for the automotive industry. To ensure survival, The Company focused on linear improvement and leveraged the results to office operations by applying Makigami principles as another tool to enhance linear progress through elimination of Non Value-Added Activities and improvement of Value-Added Activities within a shorter time period.

As the decline in the automotive industry is expected to pose an impact during 2014, The Company must continue to implement SNAP activities aimed at linear improvement both within the factory and office operations. Additionally, capable individuals are selected to undergo training as SNAP Trainers (persons who possess sufficient knowledge and capabilities to guide and improve The Company). Specialists armed with expertise in the area of improvement have been invited directly from Stanley Electric of Japan to implement the training programs and expedite progress in time for changes rendered to production.

Other aspects related to CSR include the following:

1. Fair Business Operations

The Company has established the corporate governance policies to guide its business operations, build confidence, and promote awareness among shareholders, investors and all relevant parties regarding the commitment to conduct business in a fair, transparent manner, taking into account all stakeholders of The Company. This is apparent in the following measures implemented.

Competition:

The Company has a policy to promote fair competition and to refrain from supporting or promoting any actions which illegally monopolize, obstruct, or limit competitors and result in unfair advantage.

The Company ensures that all employees are fully aware of the above and comply accordingly within their various relevant functions i.e. marketing, purchasing etc. The Company also provides training to its employees concerning this matter.

In 2013, SNAP activities were continuously implemented and intensified with a focus on linear improvement (Sen no Kaizen) within the factory and office operations.



Intellectual Property

The Company respects intellectual property rights. The Company's primary products must complete a comprehensive design and development process together with automotive manufacturers to meet requirements for each unique product. The Company realizes the importance of customer confidentiality and thus enacts various Company policies with strict compliance accordingly.

Social Responsibility Promotion together with Partners within the Business Chain

The Company remains steadfast in the application of ethical business practices together with all valued business partners in every aspect of purchasing, sourcing, hire, and distribution. Operations are open, transparent, fair, and based on a foundation of social responsibility.

Throughout last year's business operations, The Company has neither faced accusation nor penalty from significant violation of laws or regulations.

2. Anti-Corruption

The Company has implemented the following Anti-Corruption policies to prevent all forms of corruption and to ensure ethical business operations:

"All forms of corruption are strictly forbidden, whether by directors, executives, employees, and persons relevant to Company operations. This includes offering, promising, soliciting, demanding, giving, or accepting bribes and any other form of incentives including designation for other persons to give or receive bribes or incentives on behalf of oneself relevant to Company operations.

The Company provides business ethics training to all its employees as a compulsory training topic for new staff members. Additional training is provided by Stanley Electric of Japan for all management level employees, purchasing and sales staff. This is considered a topic of high significance and compliance is duly expected from all employees within the Stanley Group.

The Company has established severe punishments for corruption committed in the line of duty by termination without compensation following a thorough investigation process conducted by the Award and Punishment Committee.

All members of executive management within each division have a duty to examine and assess various forms of risk including corruption-related risk. The internal audit office also evaluates this matter together with other aspects and proposes its audit results to the audit committee for further consideration.

The Company has announced its intention to join the Collective Action Coalition with the Thai private sector to counter corruption and is currently in the approval process.

3. Respect for Human Rights:

Social Rights of Citizenship and Political Rights

The Company applies business ethics to politics, remains politically neutral, refrains from actions partisan to any particular party, and supports its employees to use their rights of citizenship. The Company does not obstruct, interfere, or commit actions which affect activities that result from employees' use of rights or participation as a member to political party or display of personal opinion which poses no negative impact to The Company.

Economic, Social, and Cultural Rights

The Company has a policy to develop its employees' qual-



ity of life by providing fair compensation and benefits at the appropriate industrial levels including laundry service for employee uniforms, travel expense assistance, healthcare expenses, birthday and New Year's gift, etc. This is obtained from joint consideration by the Employee Benefits Committee comprised of representatives partly elected by employees and appointed by The Company. Furthermore, The Company provides a working environment that is considered safe according to safety standards and constantly reviewed and improved by management.

The Company organizes activities during various festivals as appropriate i.e. Buddha bathing activities during the Songkran Festivities, candle parade during the Buddhist Lent, giving alms during New Year's Eve, and other activities for team-building or recreational purposes i.e. color house sports, and travel activities for each division.

In September 2013, The Company received the 2013 Outstanding Labor Relations and Labor Benefits award from the Ministry of Labor for the eighth consecutive year. The Company has never had any labor disputes and does not have labor unions.

4. Fair Treatment of Labor:

- Labor Policy: The Company has the following policy toward Thai labor standards.

1. The Company is committed to fully adhere with all provisions of Labor Law, Thai Labor Standards, and other relevant laws and standards.
2. The Company strives to develop its employees' quality of life including the workplace environment and conditions as appropriate and provides constant development and improvement.
3. The Company reviews adequacy, appropriateness, and effectiveness of Company policies, regulations, and performance.

To enhance labor management, The Company implements its STARS Plan with the objective to build fairness, awareness, and appropriateness, covering the following 6 systems:

Hierarchy System : The Company has established levels according to employee qualification by specifying the duties and roles of each level with clear guidelines for promotion.

Position and Rank System: The Company has established positions and ranks with clear specification of roles and duties to ensure efficient management within each division.

Work Rotation System : This refers to changes (transfers) across divisions, functions, or roles which differ from present and that aim to build and develop employee capabilities.

Evaluation System: This refers to evaluation by standards obtained from employee work performance and leads to salary increase, bonus, promotion, and assignment etc. that ultimately contributes to further precise development of skills.

Wages System: The wages structure is comprised of base salary, position compensation, and various financial assistance i.e. overtime pay, paid holidays, food, diligence allowance, travel expenses, shift allowance etc

Skills Development System : The Company has a policy to develop its employees' skills whereby The Company has designated a set of goals for all its employees according to rank and position. Employees are expected to undergo training to receive such knowledge and skills as required. The Company provides training courses for all levels of employees according to conditions established by The Company, this includes in-house training provided by The Company itself and external training courses. The Company has set specific training courses as criteria for staff promotion.

Aside from training curricula required, The Company also arranges for each division to send employees for training in various subjects both domestically and abroad.

In 2013, The Company provided training in 57 various courses to 1,958 employees for an average of 12 hours



per person. A total of 426 employees attended external training courses that include 7Q Workplace Motivation and Consciousness, Value Analysis Techniques to reduce Office and Service Costs, Positive Thinking to Increase Potential at Work, etc. to ensure employee development in other various areas aside from training courses directly related to work matters.

Generally, The Company sends employees to attend training courses in Japan concerning areas of production, quality, product, research and development for duration of 3 – 9 months. In 2013, The Company sent a total of 19 employees to attend training in Japan.

Recruitment: Human Resources Development is directly responsible for recruitment of Company employees in accord with each division's recruitment plan. The Company does not discriminate according to ethnicity, race, religion, nationality, political opinion, disability, or inherent illness albeit still capable of performing duties. The Company only considers qualifications as appropriate to job function.

Disciplinary Measures and Termination: The Company has established and announced disciplinary measures in writing within the employee manual.

Termination of employment may occur from various causes i.e. employee death, resignation, retirement, requested resignation, termination, lay-off, or firing.

The Company assumes no disciplinary action by withholding or reducing wages or other remuneration from work and does not support the use of corporal punishment, mental coercion or any other forms of mental or physical harm to employees.

Complaints: The Company allows employees who have not received fair treatment while performing duties, or who are dissatisfied with working conditions, to exercise their right to submit a written complaint via their supervisor or the Human Resource Department whereby The Company shall appoint the Award and Punishment Committee to investigate and consider each case to ensure fairness and transparency.

In addition to complaints, The Company allows employees to propose their suggestions and feedback in a constructive manner that may be useful to The Company regarding safety or possible damages.

Occupational Health and Safety

The Company has implemented comprehensive safety measures to cover work operations likely to pose physical hazards and risks toward the safety of employees and stakeholders; controls and preventative measures that adhere to laws and safety standards are present in every work environment and include the workplace itself, personal safety equipment, and standards appropriate to each function.

The Company has arranged for a Safety Committee comprised of persons selected by employees and appointed by The Company to perform the duties of setting policies related to occupational health, safety, and workplace environment; the Committee promotes safety-related feedback and suggestions from employees (Hiyarihut Activity) with the Safety & Environment Department responsible for pushing various activities aligned with policies.

Year 2013 saw the following activities implemented:

1. Monthly Safety Patrol whereby Company directors and management would enter and provide suggestions in each zone.
2. General Training i.e. fire fighting, first aid, occupational disease; and Specialized Knowledge i.e. chemical work,



high-risk work etc. The Company provides 1 full day of safety training as part of the new employee orientation prior to commencement of work operations.

3. Drills to prepare for emergencies and evacuation both during daytime and at night. One drill took place in year 2013.

In July 2013, The Company was awarded the 2013 Outstanding Safety, Occupational Health, and Workplace Environment Award from Department of Labor Protection and Welfare, Ministry of Labor for the tenth consecutive year.



The Company has a goal to achieve 8,000,000 accident-free hours without downtime and continues to communicate this campaign to all employees

Responsibility to Consumers

The Company realizes its products are directly related to vehicle safety and is determined to design products that meet international standards. Light bulb quality, lamp brightness, and durability are stringently tested under various conditions.

The Company has assigned its Quality Assurance department with the duty to examine product quality, and process complaints from customers and users.

Additionally, The Company widely publishes knowledge of lighting products to its distributors both domestically and abroad and invites distributors from Cambodia to visit the plant.

5. Environmental and Energy Conservation

The Company consistently implements environmental operations and has appointed the Environmental Committee to set policies and work operational plans. The Safety & Environment Department is responsible for pushing forward various activities i.e. environmental training and pollution assessment together with management and external agencies.

In 2013, The Company implemented its environmental policy entitled "Control Water and Paper Resources and Raise Waste Management" with the goal to reduce the use of water resources by 1.5% from the base year (2010) and to reduce the proportion of waste disposed by 1% from 2012. The campaign was promoted throughout the entire Company and signage was placed to remind users to switch on-off water saving devices with regular monitoring and follow-up. Equipment was replaced to standard water-saving devices and targets were achieved.



- In the area of wastewater treatment, currently water is recycled for reuse within the Lamp7 plant facility and no waste water is discharged to outside.
- Waste reduction activities have changed methods of disposal and focus on separation of various types of waste prior to disposal. Targets in this area have also been achieved.

- The energy conservation policy for 2013 was entitled “Build Energy Control Systems, Promote Collective Energy Use Reduction” with the goal to reduce electricity consumption by 1.5% from the base year (2010) by reducing the load one day per month. In 2013, electricity consumption was reduced by 12,218,825.12pkWh equal to 1,246.85 tonCo2 emissions.

- The Company continues to innovate methods to save energy within Company buildings and structures. Lamp7 plant uses LED lamps while the office area uses climate control air conditioning, dimming switches are also installed in the conference rooms and lavatories. The Company is currently constructing the PQC building – a multi-purpose building with a cafeteria and fitness center based on the concept of energy conservation.

The following environmental and energy conservation activities were launched by The Company during the past year.

1. Close monitoring and follow-up by executive management every month.
2. Training in the area of environmental and energy conservation together with member companies of the Stanley Group.
3. Participation in the Green Factory Project and awarded the 3R (Reused – Recycle – Reduce) Award by the Factory Division, Ministry of Industry.

Year 2013 measurements of various forms of pollution including noise, waste, and air show figures which do not exceed standard values.

6. Community and Social Development

Since its establishment in Tambon Ban Klang, Amphur Muang, Pathum Thani, The Company has received a significant amount of local labor. Presently, over 80% of all employees reside within the Pathum Thani vicinity.

Community and Social Development activities are generally carried out by Stanley Thailand Foundation which was founded by the Stanley Group of Companies in Thailand. The main activity is to support education, environment, and charitable organizations. The past year saw the following activities:

1. Educational Activities:

- Educational scholarships for year 2013 granted to 991 students from 28 schools within the Pathum Thani province and 322 students from 8 schools in Nakorn Ratchasima province.

- Educational competition promotion i.e. Stanley Science Project Contest at Kanaratbamrung Pathumthani School and the Robot Competition by the Technology Promotion Association (Thai – Japan).
- Donation of educational equipment i.e. sports equipment donated to 40 schools, library books donated to 89 schools, and stationary donated to students in Laos.

2. Environmental Activities:

- Donation of garbage cans to local communities given to Ban Klang Municipality, Suan Prik Thai Local Administrative Organization, and Khu Kwang Municipality at Pathum Thani province.



3. Donation of necessary items to charitable organizations, especially daily consumables for infants with mental disabilities, Nonthaburi Association for the Disabled, AIDS victims at Phrabatnamphu Temple in Lop Buri etc.,

The Company has also launched the promotion and development project for quality of life of disabled persons that provides opportunity for handicapped individuals who possess production skills of various products to sell their handicrafts at The Company every month and participate in community activities during various festivities i.e. Candle Parade for Buddhist Lent, Annual Merit-Making Ceremony, Alms Ceremony for Phrabatnamphu Temple in Lop Buri etc.

7. Innovation and Promotion of Innovative Environmental Work:

At presently, automotive lighting technology has advanced remarkably. All lamps currently manufactured by The Company are free of hazardous materials; moreover, various raw materials have been appropriately modified to become environmentally-friendly and user-friendly. Furthermore, The Company continues to innovate methods to shorten production lead time as another way to conserve various resources.

The Company will continue to regularly share product knowledge with customers and dealers.

As a manufacturer of automotive lighting, The Company is committed to the innovation and production of quality products. As The Company invests in its business growth, The Company also realizes the need for social participation and considers all stakeholders as Company supporters who are vital to achieve sustainable growth alongside The Company.



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Report of the Board of Directors' Responsibilities for the Financial Reports

To Shareholders

The Board of Directors of Thai Stanley Electric Public Company Limited is responsible for the Financial Statements of the Company which have been prepared in accordance with generally accepted accounting standards in Thailand under the Accounting Act B.E.2543 , and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E.2535 . The accounting policies adopted are deemed appropriate and applied consistently with completely and adequate disclosure of significant information in the notes to the financial statements and information data that appears in the 2013 annual report and this was to ensure transparency and benefits to the shareholders and investors.

The Board of Directors has appointed an Audit Committee consists of independent directors to review of financial statements and the internal control system to ensure that accounting records are accurate , complete and timely. The views of the Audit Committee are report in the Audit Committee 's report in the Company's annual report.

The company 's financial statements were audited by PricewaterhouseCoopers ABAS Co.,Ltd. , the company's auditor. During the audit, the Board of Directors supported the auditor with various information and documents so that the auditor could audit and express its opinions according to the accounting standards. The auditor's opinions appear in the report of auditor in this annual report.

The Board of Directors is confident of the company's internal control system that the financial statements of Thai Stanley Electric Public Company Limited presents the financial position , the results of operation and cash flows accurately in all material respects with generally accepted accounting principles and compliance with related laws and regulations.



(Mr.Apichart Lee-issaranukul)
Executive Chairman



(Mr.Koichi Nagano)
President

Report of the Audit Committee

The Audit Committee of the Thai Stanley Electric Public Company Limited was appointed following a resolution at the Board of Directors Meeting on 5 July 2013. The Audit Committee's scope of responsibility was assigned in the "Audit Committee Charter", which was revised on 24 October 2008, according to the regulations of the Stock Exchange of Thailand.

The Audit Committee consists of three independent members who are fully qualified according to the Capital Market Committee's notification. They are Mr. Krisada Visavateeranon as Chairman of the Audit Committee, with Mr. Chokechai Tanpoonsinthana and Mr. Suchart Phisitvanich as the Audit Committee members, Mrs. Nongyao Apiram is the secretary.

In fiscal 2013, running from 1st April 2013 – 31st March 2014, the Audit Committee performed its duty according to the responsibility as delegated by the company's Board of Directors which corresponding to the regulations of the Stock Exchange of Thailand. There were 9 Audit Committee meetings, of which 4 meetings was a non-management meeting with an auditor and the other 5 meetings were performed with executives, auditors, and internal auditors attending as necessary. The Audit Committee members attended all the meetings. Major activities were as follows.

1. A review of the quarterly and annual financial statements after listening to the executives' and auditors' explanation before proposing to the Board of Directors meeting. The Audit Committee shared the same opinion as the auditors that such financial statements were accurate according to the Generally Accepted Accounting Principles.
2. A review of the internal audit system by considering the scope of the responsibilities and independence of the Internal Audit and approving the annual internal audit plan, in which the Audit Committee inspects that the Company conducts sufficient and appropriate internal audit control.
3. A review of the Company's operating information and internal control by considering the annual internal audit report according to the approved plan, which covers the Company's major operating areas such as Organization, mission and management, Production management, Inventory management, Assets management, Procurement, New product development and Safety and environment management. It was found that there were no significant faults and there was appropriate attention and maintenance of the activities and accurate, complete, and reliable information disclosed. Auditor was no serious concerns about the internal control. The Audit Committee's opinion that the Company has sufficient and appropriate operational audit control.
4. A review of Company operations are in compliance with the law on securities and exchange, the Stock Exchange regulations, and laws relevant to the Company's business. The Audit Committee's opinion that no evidence to show any violation of the relevant laws and regulations.
5. A review of the Connected Transactions or the transactions that may lead to conflicts of interests as well as the disclosure of such transactions. Whereas in the past year there were the Connected Transactions or the transactions that may lead to conflicts of interests with related companies, which were normal business transactions. The auditor has the opinion that the business transactions with related companies disclosed sufficient information that was presented in the financial statements and notes to the financial statements. The Audit Committee's opinion that such transactions were reasonable and a benefit to the Company business operation and that there was complete and accurate disclosure.

6. Considering the selection, nomination, and remuneration proposed for the auditor in 2014 fiscal year in order to propose to the Board of Directors for approval at the annual ordinary shareholders meeting in 2014. The Audit Committee considered the performance, independence, and remuneration appropriateness and opinion that it appropriate to appoint Miss Varaporn Vorathitikul, Certified Public Accountant (Thailand) No. 4474 and/or Mrs. Unakorn Phruithithada, Certified Public Accountant (Thailand) No. 3257 and/or Mr. Prasit Yuengsrikul, Certified Public Accountant (Thailand) No. 4174 and/or Mr. Vichien Khingmontri, Certified Public Accountant (Thailand) No. 3977 in the name of the PricewaterhouseCoopers ABAS Co., Ltd. as the Company's auditors for 2014 with the following reasons;

- They demonstrate a good work standard and expertise in auditing and have performed their duty efficiently.
- The aforesaid audit company and auditors have no relationship or stakes with the Company/ executives/ major shareholders or persons related to those mentioned. Therefore there will be auditing independence and opinion in the Company's financial statement.
- The remuneration is deemed appropriate.

The Audit Committee has fully performed the duty assigned by the Audit Committee Charter approved by the Company's Board of Directors and reports that the Company's operation in the fiscal year from 1st April 2013 – 31st March 2014 has been according to the appropriate internal control system and internal audit system. The financial report is accurate, complete, and reliable. Operations are concordant with adequate, transparent, and reliable Corporate Governance standards, and there is continuous improvement for better quality of the business operating system.



(Mr. Krisada Visavateeranon)
Chairman of the Audit Committee

AUDITOR'S REPORT

To the Shareholders of Thai Stanley Electric Public Company Limited

I have audited the accompanying financial statements in which the equity method is applied and the Company only of Thai Stanley Electric Public Company Limited, which comprise the statements of financial position in which the equity method is applied and the Company only as at 31 March 2014, and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows in which the equity method is applied and the Company only for the year then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements in which the equity method is applied and the Company only referred to above present fairly, in all material respects, the financial position of Thai Stanley Electric Public Company Limited as at 31 March 2014, and its results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



Unakorn Phruithithada

Certified Public Accountant (Thailand) No. 3257

PricewaterhouseCoopers ABAS Ltd.

Bangkok

16 May 2014

Thai Stanley Electric Public Company Limited

Statements of Financial Position

As at 31 March 2014

		Financial statements in which the equity method is applied			The Company only		
			(Restated)	(Restated)		(Restated)	(Restated)
		31 March 2014 Baht	31 March 2013 Baht	1 April 2012 Baht	31 March 2014 Baht	31 March 2013 Baht	1 April 2012 Baht
Notes							
Assets							
Current assets							
Cash and cash equivalents	6	2,667,174,874	1,706,831,055	1,707,851,632	2,667,174,874	1,706,831,055	1,707,851,632
Short-term investments held to maturity	7	159,913,041	109,704,902	198,849,700	159,913,041	109,704,902	198,849,700
Trade and other accounts receivable, net	8	1,663,301,873	2,034,445,035	1,546,358,261	1,663,301,873	2,034,445,035	1,546,358,261
Inventories, net	9	729,396,333	844,326,647	848,394,251	729,396,333	844,326,647	848,394,251
Corporate income tax refundable		35,804,368	35,804,368	35,804,368	35,804,368	35,804,368	35,804,368
Other current assets		6,379,943	7,224,223	11,523,481	6,379,943	7,224,223	11,523,481
Total current assets		5,261,970,432	4,738,336,230	4,348,781,693	5,261,970,432	4,738,336,230	4,348,781,693
Non-current assets							
Investments in associates	10	601,562,344	475,826,519	417,868,654	57,176,689	57,176,689	57,176,689
Long-term investments, net	11	137,939,738	139,859,738	146,267,138	137,939,738	139,859,738	146,267,138
Property, plant and equipment, net	12	5,975,283,867	5,905,057,348	4,574,302,530	5,975,283,867	5,905,057,348	4,574,302,530
Intangible assets, net	13	508,440,679	465,263,346	437,255,701	508,440,679	465,263,346	437,255,701
Deferred tax assets, net	14	-	-	-	63,112,307	57,343,073	56,048,651
Other non-current assets, net		20,879,000	19,840,167	100,051,417	20,879,000	19,840,167	100,051,417
Total non-current assets		7,244,105,628	7,005,847,118	5,675,745,440	6,762,832,280	6,644,540,361	5,371,102,126
Total assets		12,506,076,060	11,744,183,348	10,024,527,133	12,024,802,712	11,382,876,591	9,719,883,819

Thai Stanley Electric Public Company Limited

Statements of Financial Position

As at 31 March 2014

		Financial statements in which the equity method is applied			The Company only		
			(Restated)	(Restated)		(Restated)	(Restated)
		31 March 2014 Baht	31 March 2013 Baht	1 April 2012 Baht	31 March 2014 Baht	31 March 2013 Baht	1 April 2012 Baht
Notes							
Liabilities and shareholders' equity							
Current liabilities							
Trade accounts payable - other companies		460,246,711	564,389,044	497,327,992	460,246,711	564,389,044	497,327,992
- related parties	27	232,632,274	300,625,020	156,621,051	232,632,274	300,625,020	156,621,051
Other accounts payable - other companies		281,971,092	235,633,141	321,752,198	281,971,092	235,633,141	321,752,198
- related parties	27	113,384,709	130,841,491	186,129,113	113,384,709	130,841,491	186,129,113
Accrued corporate income tax		160,083,089	234,080,227	-	160,083,089	234,080,227	-
Advances received from customers		12,084,984	38,639,703	62,278,044	12,084,984	38,639,703	62,278,044
Accrued expenses	15	223,880,906	246,249,796	192,185,048	223,880,906	246,249,796	192,185,048
Total current liabilities		1,484,283,765	1,750,458,422	1,416,293,446	1,484,283,765	1,750,458,422	1,416,293,446
Non-current liabilities							
Deferred tax liabilities, net	14	45,764,824	26,386,893	16,089,742	-	-	-
Provision for post-employment benefits	16	144,191,620	131,762,100	111,670,710	144,191,620	131,762,100	111,670,710
Total non-current liabilities		189,956,444	158,148,993	127,760,452	144,191,620	131,762,100	111,670,710
Total liabilities		1,674,240,209	1,908,607,415	1,544,053,898	1,628,475,385	1,882,220,522	1,527,964,156
Shareholders' equity							
Share capital							
Authorised share capital							
76,625,000 ordinary shares, par value of Baht 5 each	17	383,125,000	383,125,000	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	17	383,125,000	383,125,000	383,125,000	383,125,000	383,125,000	383,125,000
Premium on share capital	17	504,250,000	504,250,000	504,250,000	504,250,000	504,250,000	504,250,000
Retained earnings							
Appropriated							
- Legal reserve	19	38,312,500	38,312,500	38,312,500	38,312,500	38,312,500	38,312,500
Unappropriated		9,990,720,384	9,020,393,751	7,643,174,962	9,468,671,827	8,571,464,569	7,265,416,163
Other components of equity		(84,572,033)	(110,505,318)	(88,389,227)	1,968,000	3,504,000	816,000
Total shareholders' equity		10,831,835,851	9,835,575,933	8,480,473,235	10,396,327,327	9,500,656,069	8,191,919,663
Total liabilities and shareholders' equity		12,506,076,060	11,744,183,348	10,024,527,133	12,024,802,712	11,382,876,591	9,719,883,819

Thai Stanley Electric Public Company Limited

Statements of Income

For the year ended 31 March 2014

		Financial statements in which the equity method is applied		The Company only	
			(Restated)		(Restated)
		2014	2013	2014	2013
		Baht	Baht	Baht	Baht
Notes					
Sales	5, 25, 27	10,268,617,013	11,334,990,293	10,268,617,013	11,334,990,293
Cost of sales	21	(8,080,349,858)	(8,796,587,934)	(8,080,349,858)	(8,796,587,934)
Gross profit		2,188,267,155	2,538,402,359	2,188,267,155	2,538,402,359
Other income					
- Dividend income	10, 11	41,765,953	24,229,182	80,912,001	69,210,225
- Gain on exchange rates, net		7,022,465	20,550,869	7,022,465	20,550,869
- Others	20	310,381,989	201,943,324	310,381,989	201,943,324
Profit before expenses		2,547,437,562	2,785,125,734	2,586,583,610	2,830,106,777
Selling expenses	21	(560,443,819)	(547,812,041)	(560,443,819)	(547,812,041)
Administrative expenses	21	(270,518,488)	(254,958,373)	(270,518,488)	(254,958,373)
Other expenses	22	-	(35,294,401)	-	(35,294,401)
Total expenses		(830,962,307)	(838,064,815)	(830,962,307)	(838,064,815)
Operating profit		1,716,475,255	1,947,060,919	1,755,621,303	1,992,041,962
Share of profit from investments in associates	10	130,545,266	133,944,022	-	-
Profit before income tax		1,847,020,521	2,081,004,941	1,755,621,303	1,992,041,962
Income tax	23	(359,508,213)	(473,919,852)	(341,228,370)	(456,127,256)
Net profit for the year		1,487,512,308	1,607,085,089	1,414,392,933	1,535,914,706
Basic earnings per share	24				
Net profit for the year		19.41	20.97	18.46	20.04

Thai Stanley Electric Public Company Limited

Statements of Comprehensive Income

For the year ended 31 March 2014

	Financial statements in which the equity method is applied		The Company only	
		(Restated)		(Restated)
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Note				
Net profit for the year	1,487,512,308	1,607,085,089	1,414,392,933	1,535,914,706
Other comprehensive income (expenses) for the year after tax:				
Unrealised gain (loss) on change in fair value of available-for-sale investment	23 (1,536,000)	2,688,000	(1,536,000)	2,688,000
Exchange differences relating to investments in associates	23 27,469,285	(24,804,091)	-	-
Other comprehensive income (expenses) for the year - net of tax	23 25,933,285	(22,116,091)	(1,536,000)	2,688,000
Total comprehensive income for the year	1,513,445,593	1,584,968,998	1,412,856,933	1,538,602,706

Statements of Changes in Shareholders' Equity

For the year ended 31 March 2014

Financial statements in which the equity method is applied									
	Other components of equity								
		Other comprehensive income			Total other components of equity	Baht	Baht	Baht	Baht
		Unrealised gain on change in fair value of available-for-sale investment	Cumulative exchange differences relating to investments in associates	Total					
Notes	Issued and paid-up share capital	Premium on share capital	Legal reserve	Unappropriated retained earnings	Baht	Baht	Baht	Baht	Total shareholders' equity
Opening balance as at 1 April 2013 as previously reported	383,125,000	504,250,000	38,312,500	9,071,206,974	7,580,000	(142,511,648)	(134,931,648)	9,861,962,826	
Retrospective adjustments	2.2 a)	-	-	(50,813,223)	(4,076,000)	28,502,330	24,426,330	(26,386,893)	
Opening balance as at 1 April 2013 - as restated	383,125,000	504,250,000	38,312,500	9,020,393,751	3,504,000	(114,009,318)	(110,505,318)	9,835,575,933	
Total comprehensive income for the year		-	-	1,487,512,308	(1,536,000)	27,469,285	25,933,285	1,513,445,593	
Dividends paid	18	-	-	(517,185,675)	-	-	-	(517,185,675)	
Closing balance as at 31 March 2014		383,125,000	504,250,000	38,312,500	9,990,720,384	1,968,000	(86,540,033)	(84,572,033)	10,831,835,851

The notes to the financial statements on page 34 to 74 are an integral part of these financial statements.

Statements of Changes in Shareholders' Equity

For the year ended 31 March 2014

Financial statements in which the equity method is applied

	Financial statements in which the equity method is applied									
	Other components of equity									
	Other comprehensive income		Cumulative exchange differences relating to investments in associates			Total other components of equity				
	Unrealised gain on change in fair value of available for-sale investment	Baht	Unappropriated retained earnings	Legal reserve	Premium on share capital	Unappropriated retained earnings	Baht	Total other components of equity	Baht	Total shareholders' equity
Notes	Issued and paid-up share capital	Baht								
Opening balance as at 1 April 2012 - as previously reported	383,125,000	504,250,000	38,312,500	7,678,162,011	4,220,000	(111,506,534)	(107,286,534)	8,496,562,977		
Retrospective adjustments	2.2 a)	-	-	(34,987,049)	(3,404,000)	22,301,307	18,897,307	(16,089,742)		
Opening balance as at 1 April 2012 - as restated	383,125,000	504,250,000	38,312,500	7,643,174,962	816,000	(88,389,227)	(88,389,227)	8,480,473,235		
Total comprehensive income for the year - as previously reported	-	-	-	1,622,911,263	3,360,000	(31,005,114)	(27,645,114)	1,595,266,149		
Retrospective adjustments	2.2 a)	-	-	(15,826,174)	(672,000)	6,201,023	5,529,023	(10,297,151)		
Total comprehensive income for the year - as restated	-	-	-	1,607,085,089	2,688,000	(24,804,091)	(22,116,091)	1,584,968,998		
Dividends paid	18	-	-	(229,866,300)	-	-	-	(229,866,300)		
Closing balance as at 31 March 2013 - as restated	383,125,000	504,250,000	38,312,500	9,020,393,751	3,504,000	(114,009,318)	(110,505,318)	9,835,575,933		

The notes to the financial statements on page 34 to 74 are an integral part of these financial statements.

Statements of Changes in Shareholders' Equity

For the year ended 31 March 2014

The Company only													
Notes		Other components of equity											
		Retained earnings				Other comprehensive income							
		Issued and paid-up share capital	Premium on share capital	Legal reserve	Unappropriated retained earnings	Unrealised gain on change in fair value of available-for-sale investment	Total other components of equity	Total shareholders' equity	Baht				
										Baht	Baht	Baht	Baht
Opening balance as at 1 April 2013 - as previously reported	383,125,000	504,250,000	38,312,500	8,510,045,496	7,580,000	7,580,000	9,443,312,996						
Retrospective adjustments	-	-	-	61,419,073	(4,076,000)	(4,076,000)	57,343,073						
Opening balance as at 1 April 2013 - as restated	383,125,000	504,250,000	38,312,500	8,571,464,569	3,504,000	3,504,000	9,500,656,069						
Total comprehensive income for the year	-	-	-	1,414,392,933	(1,536,000)	(1,536,000)	1,412,856,933						
Dividends paid	-	-	-	(517,185,675)	-	-	(517,185,675)						
Closing balance as at 31 March 2014	383,125,000	504,250,000	38,312,500	9,468,671,827	1,968,000	1,968,000	10,396,327,327						
Opening balance as at 1 April 2012 - as previously reported	383,125,000	504,250,000	38,312,500	7,205,963,512	4,220,000	4,220,000	8,135,871,012						
Retrospective adjustments	-	-	-	59,452,651	(3,404,000)	(3,404,000)	56,048,651						
2.2 a)													

The notes to the financial statements on page 34 to 74 are an integral part of these financial statements.

Thai Stanley Electric Public Company Limited

Statements of Cash Flows

For the year ended 31 March 2014

	Notes	Financial statements in which the equity method is applied		The Company only	
		2014	2013	2014	2013
		Baht	Baht	Baht	Baht
Cash flows from operating activities:					
Profit before income tax for the year		1,847,020,521	2,081,004,941	1,755,621,303	1,992,041,962
Adjustments to reconcile profit before income tax for the year to net cash provided by operations:					
- Depreciation	12	906,486,496	752,484,683	906,486,496	752,484,683
- Amortisation	13	124,589,189	109,018,826	124,589,189	109,018,826
- Interest income	20	(45,996,711)	(34,483,366)	(45,996,711)	(34,483,366)
- Share of profit from investments in associates	10	(130,545,266)	(133,944,022)	-	-
- Dividend income					
- Investments in associates	10	-	-	(39,146,048)	(44,981,043)
- Long-term investments	11	(41,765,953)	(24,229,182)	(41,765,953)	(24,229,182)
- Gain on disposal of equipment, net		(223,800)	(3,038,396)	(223,800)	(3,038,396)
- Loss on write-off of intangible assets	13	77	-	77	-
- Impairment of long-term investment		-	1,613,500	-	1,613,500
- Loss on sale of long-term investment		-	165,535	-	165,535
- Allowance for doubtful account	8	(273,060)	(794,180)	(273,060)	(794,180)
- (Reversal of) Allowance for slow moving inventories and net realisable value lower than cost of inventories	9	3,348,941	(9,679,369)	3,348,941	(9,679,369)
- Provision for post-employment benefits	16	12,886,200	21,167,640	12,886,200	21,167,640
- Unrealised gain on exchange rates, net		(236,042)	(129,913)	(236,042)	(129,913)
Cash flows before changes in operating [*] assets and liabilities		2,675,290,592	2,759,156,697	2,675,290,592	2,759,156,697
Changes in operating assets and liabilities					
- Trade and other accounts receivable		371,579,000	(488,349,800)	371,579,000	(488,349,800)
- Inventories		111,581,373	13,746,973	111,581,373	13,746,973
- Other current assets		844,280	4,299,258	844,280	4,299,258
- Other non-current assets		(1,038,833)	4,808,692	(1,038,833)	4,808,692
- Trade accounts payable - other companies		(104,142,333)	67,061,052	(104,142,333)	67,061,052
- related parties		(67,992,746)	144,003,969	(67,992,746)	144,003,969
- Other accounts payable - other companies		(36,818,408)	(49,165,525)	(36,818,408)	(49,165,525)
- related parties		(17,449,339)	(55,401,611)	(17,449,339)	(55,401,611)
- Advances received from customers		(26,554,719)	(23,638,341)	(26,554,719)	(23,638,341)
- Accrued expenses		(22,368,890)	54,064,748	(22,368,890)	54,064,748
- Payment for post-employment benefit obligation	16	(456,680)	(1,076,250)	(456,680)	(1,076,250)
Cash generated from operations		2,882,473,297	2,429,509,862	2,882,473,297	2,429,509,862
Interest received		40,858,960	33,072,616	40,858,960	33,072,616
Income tax paid		(420,610,742)	(224,013,451)	(420,610,742)	(224,013,451)
Net cash received from operating activities		2,502,721,515	2,238,569,027	2,502,721,515	2,238,569,027

Thai Stanley Electric Public Company Limited

Statements of Cash Flows

For the year ended 31 March 2014

		Financial statements in which the equity method is applied		The Company only	
		2014	2013	2014	2013
Notes		Baht	Baht	Baht	Baht
Cash flows from investing activities:					
	Purchases of property, plant and equipment	(907,451,286)	(2,048,144,517)	(907,451,286)	(2,048,144,517)
	Proceeds from disposals of equipment	8,548,987	6,136,427	8,548,987	6,136,427
	Interest received on short-term investments held to maturity	4,974,973	2,467,956	4,974,973	2,467,956
	Proceeds from sale of long-term investment	-	7,988,365	-	7,988,365
	Dividends received				
	- Investments in associates	10 39,146,048	44,981,043	39,146,048	44,981,043
	- Long-term investments	11 41,765,953	24,229,182	41,765,953	24,229,182
	Purchases of intangible assets	(162,204,599)	(136,656,471)	(162,204,599)	(136,656,471)
	Cash receipts from short-term investments held to maturity	7 770,000,000	198,849,700	770,000,000	198,849,700
	Cash payment on short-term investments held to maturity	7 (820,208,139)	(109,704,902)	(820,208,139)	(109,704,902)
	Net cash used in investing activities	<u>(1,025,428,063)</u>	<u>(2,009,853,217)</u>	<u>(1,025,428,063)</u>	<u>(2,009,853,217)</u>
Cash flow from financing activity:					
	Dividends paid	18 (517,185,675)	(229,866,300)	(517,185,675)	(229,866,300)
	Net cash used in financing activity	<u>(517,185,675)</u>	<u>(229,866,300)</u>	<u>(517,185,675)</u>	<u>(229,866,300)</u>
Net increase (decrease) in cash and cash equivalents					
		960,107,777	(1,150,490)	960,107,777	(1,150,490)
	Cash and cash equivalents at beginning of the year	1,706,831,055	1,707,851,632	1,706,831,055	1,707,851,632
	Effects of exchange rate changes	236,042	129,913	236,042	129,913
	Cash and cash equivalents at end of the year	<u>2,667,174,874</u>	<u>1,706,831,055</u>	<u>2,667,174,874</u>	<u>1,706,831,055</u>
Non-cash transaction:					
	Outstanding liabilities arisen from purchases of plant, equipment and intangible assets	110,884,085	27,735,169	110,884,085	27,735,169

The notes to the financial statements on page 34 to 74 are an integral part of these financial statements.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

1 General information

Thai Stanley Electric Public Company Limited (the "Company") is a public limited company, incorporated in Thailand. The address of its registered office is 29/3 Moo 1 Bangpooon-Rungsit Road, Bangkang, 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.

These financial statements have been approved by the Company's Board of directors on 16 May 2014.

2 Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below.

2.1 Basis of preparation

The financial statements have been 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 under the Securities and Exchange Act B.E. 2535.

The financial statements have been prepared under the historical cost convention except the measurement of available-for-sale investment as explained in the relevant accounting policies.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

An English version of the financial statements has been prepared from the statutory 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 statutory financial statements shall prevail.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

2 Accounting policies (Cont'd)

2.2 New accounting standard, new financial reporting standards, amendments to accounting standards and new interpretations

- a) New accounting standard, new financial reporting standard and amendments to accounting standard effective for the periods beginning on or after 1 January 2013 that are relevant and affect the Company

TAS 12	Income taxes
TAS 21 (Revised 2009)	The effects of changes in foreign exchange rates
TFRS 8	Operating segments

TAS 12 requires tax expenses to be recognised for current and deferred tax. New accounting policy of income taxes is provided in Note 2.15. The Company has adopted this standard from 1 April 2013 retrospectively. The effect of adopting this accounting standard on the statements of financial position, the statements of income and the statements of comprehensive income can be summarised below.

	Financial statements in which the equity method is applied	The Company only
	Baht Million	Baht Million
Statements of Financial Position as at 31 March 2013		
Increase in deferred tax assets, net	-	57.34
Increase in deferred tax liabilities, net	26.39	-
Shareholders' equity		
Increase (decrease) in unappropriated retained earnings as at 1 April 2012	(34.99)	59.45
Increase (decrease) in unappropriated retained earnings as at 31 March 2013	(50.81)	61.42
Increase (decrease) in other components of equity as at 1 April 2012	18.90	(3.40)
Increase (decrease) in other components of equity as at 31 March 2013	24.43	(4.08)

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

2 Accounting policies (Cont'd)

2.2 New accounting standard, new financial reporting standards, amendments to accounting standards and new interpretations (Cont'd)

- a) New accounting standard, new financial reporting standard and amendments to accounting standard effective for the periods beginning on or after 1 January 2013 that are relevant and affect the Company (Cont'd)

	Financial statements in which the equity method is applied	The Company only
	Baht Million	Baht Million
Statements of Income for the Year ended 31 March 2013		
Increase (decrease) in income tax	15.83	(1.96)
Increase (decrease) in net profile	(15.83)	1.96
Increase (decrease) in basic earnings per share (Baht)	(0.21)	0.03
Statements of Comprehensive Income for the Year ended 31 March 2013		
Decrease in unrealised gain on change in fair value of available-for-sale investment	0.67	0.67
Increase in exchange differences relating to investments in associates	6.20	-
Increase (decrease) in total comprehensive income	(10.30)	1.29

TAS 21 (Revised 2009) requires the Company to determine the functional currency which is the currency of the primary economic environment in which the entity operates. The Company assessed and concluded that the Company's functional currency is Thai Baht. Therefore, the adoption of TAS 21 (Revised 2009) has no impact on the Company's assets, liabilities and retained earnings. Additional accounting policy is disclosed in Note 2.3.

TFRS 8 requires the operating segment to be described in the same manner as internal reporting used by the chief operating decision-maker. 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 sales, 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. Therefore, the adoption of this financial reporting standard affects only the entity-wide disclosures in Note 5.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

2 Accounting policies (Cont'd)

2.2 New accounting standard, new financial reporting standards, amendments to accounting standards and new interpretations (Cont'd)

b) Revised accounting standards and revised financial reporting standards that are effective for the periods beginning on or after 1 January 2014 and have not been early adopted by the Company

TAS 1 (Revised 2012)	Presentation of financial statements
TAS 7 (Revised 2012)	Statement of cash flows
TAS 12 (Revised 2012)	Income taxes
TAS 17 (Revised 2012)	Leases
TAS 18 (Revised 2012)	Revenue
TAS 19 (Revised 2012)	Employee benefits
TAS 21 (Revised 2012)	The effects of changes in foreign exchange rates
TAS 24 (Revised 2012)	Related party disclosures
TAS 28 (Revised 2012)	Investments in associates
TAS 31 (Revised 2012)	Interest in joint ventures
TAS 34 (Revised 2012)	Interim financial reporting
TAS 36 (Revised 2012)	Impairment of assets
TAS 38 (Revised 2012)	Intangible assets
TFRS 2 (Revised 2012)	Share-based payment
TFRS 3 (Revised 2012)	Business combinations
TFRS 5 (Revised 2012)	Non-current assets held for sale and discontinued operations
TFRS 8 (Revised 2012)	Operating segments

The Company's management has determined that the revised accounting standards and revised financial reporting standards will not significantly impact the financial statements being presented

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

2 Accounting policies (Cont'd)

2.2 New accounting standard, new financial reporting standards, amendments to accounting standards and new interpretations (Cont'd)

c) Interpretations that are effective for the periods beginning on or after 1 January 2014 and have not been early adopted by the Company

TFRIC 1	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4	Determining whether an arrangement contains a lease
TFRIC 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7	Applying the restatement approach under TAS 29 financial reporting in hyperinflationary economies
TFRIC 10	Interim financial reporting and impairment
TFRIC 12	Service concession arrangements
TFRIC 13	Customer loyalty programmes
TFRIC 17	Distributions of non-cash assets to owners
TFRIC 18	Transfers of assets from customers
TSIC 15	Operating leases - incentives
TSIC 27	Evaluating the substance of transactions in the legal form of a lease
TSIC 29	Service concession arrangements: Disclosure
TSIC 32	Intangible assets - web site costs

The Company's management has determined that the new interpretations will not significantly impact the financial statements being presented

d) New financial reporting standard that is effective for the periods beginning on or after 1 January 2016

TFRS 4	Insurance contracts
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This financial reporting standard is not relevant to the Company's operations.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

2 Accounting policies (Cont'd)

2.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (functional currency). The financial statements are presented in Thai Baht, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

2.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less which are not used as collateral

2.5 Trade accounts receivable

Trade accounts receivable are recognised initially at original invoice amount and subsequently measured at the remaining amount less allowance for doubtful receivables based on a review of all outstanding amounts at the year end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are recognised in the statement of income as part of administrative expenses

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

2 Accounting policies (Cont'd)

2.6 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charge, less all attributable discounts and rebates. The cost of finished goods and work in process comprises raw materials, direct labor, other direct costs and related production overheads which are allocated based on normal capacity. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

2.7 Investments in associates

Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are initially recognised at cost and accounted for using the equity method in the financial statements in which the equity method is applied.

The Company's shares of its associates' post-acquisition profits or losses are recognised in the statement of income and its shares of post-acquisition movements in reserves are recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investments. When the Company's share of losses in an associate equals or exceeds its interest in the associate, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed, where necessary, to ensure consistency with the policies adopted by the Company.

In the Company financial statements, investments in associates are accounted for using the cost method.

A list of the Company's associates is disclosed in Note 10.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

2 Accounting policies (Cont'd)

2.8 Other Investments

Investments other than investments in associates are classified into the following three categories which are held-to-maturity, available-for-sale and general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

- Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except for maturities within 12 months from the statement of financial position date which are classified as current assets.
- Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale, and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.
- Investments in non-marketable equity securities are classified as general investments.

Purchases and sales of investments are recognised on the trade date, which is the date that the Company commits to purchase or sell the investments. Cost of investment includes transaction costs.

Held-to-maturity investments are carried at amortised cost.

Available-for-sale investments are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value of investments classified as available-for-sale are recognised in equity. The fair value of investments is based on the quoted bid price by reference to the Stock Exchange of Thailand. When investments classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the statement of income as gains and losses from investment.

General investments are carried at cost less impairment.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the statement of income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of income. When disposing of part of the Company's holding of a particular investment in equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

2 Accounting policies (Cont'd)

2.9 Property, plant and equipment

Property, plant and equipment are initially recorded at cost and subsequently stated at historical cost less accumulated depreciation.

Depreciation is calculated on the straight-line method to write off the cost of each asset, except for land which is considered to have indefinite life, to its residual value over the estimated useful lives.

	Useful life (years)
Buildings	30
Land and building improvements	5 - 10
Machinery, equipment and factory tools	5 - 10
Molds	4
Motor vehicles	5
Furniture, fixtures and office equipment	3 - 5

The assets' useful lives, residual values and depreciation method are reviewed, and adjusted if appropriate, at least at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of income during the financial period in which they are incurred.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of income.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

2 Accounting policies (Cont'd)

2.10 Intangible assets

Computer software

Acquired computer software licences are capitalised on the basis of the direct costs incurred to acquire and bring to use the specific software. These costs are amortised on the straight-line method over their estimated useful lives of which between 5 and 10 years. Direct costs include staff costs of the software development team and an appropriate portion of relevant overheads.

Expenditure which enhances or extends the performance of computer software programmes beyond their original specifications is recognised as a capital improvement and added to the original cost of the software. Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

Product design costs

Costs incurred on development projects relating to the design of new products are recognised as intangible assets when it is probable that the project will be successful considering its commercial and technological feasibility, and only if the cost can be measured reliably. Product design costs previously recognised as an expense are not recognised as an asset in a subsequent period. Product design costs are amortised from the commencement of the commercial production of the product based on the straight-line method over the period of its expected benefit which is 4 years

2.11 Impairment of assets

Asset and intangible assets with a definite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount which is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Assets that have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

2 Accounting policies (Cont'd)

2.12 Employee benefits

The Company has post-employment benefits both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

- **Defined contribution plan**

Provident fund

The Company operates a provident fund, being a defined contribution plan, the assets for which are held in a separate trust fund. The provident fund is funded by payments from employees and by the Company. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

- **Defined benefit plan**

Retirement benefit

Under Labour Laws applicable in Thailand and Company's employment policy, the severance pay will be at the rate according to salary and number of years of service which will happen in the future. The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using government bond interest rate that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related liability.

Gain and loss from actuarial estimation for employee benefit is recognised as other comprehensive income (expenses) in the statement of comprehensive income.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

2 Accounting policies (Cont'd)

2.13 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

2.14 Revenue recognition

Revenue from sales comprises the fair value of the consideration received or receivable for the sales of goods net of rebates and discounts. Revenue from sales is recognised when significant risks and rewards of ownership of the goods are transferred to the buyers.

Revenue from rendering services is recognised when services are rendered.

Interest income is recognised on an accrual basis unless collectability is in doubt.

Dividend income is recognised when right to receive payment is established.

2.15 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

2 Accounting policies (Cont'd)

2.16 Dividends

Dividends are recorded in the financial statements in the period in which they are approved by the shareholders and the Board of Directors

2.17 Financial instruments

Financial assets carried in the statements of financial position include cash and cash equivalents, short-term investments held to maturity, and trade accounts receivable. Financial liabilities carried in the statements of financial position are trade accounts payable and other accounts payable. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

The Company parties to financial instruments that reduce exposure to fluctuations in exchange rates by using foreign currency forward contracts to protect its exposure from movements in exchange rates. Foreign currency forward contracts established a predetermined exchange rate ("forward rate") at which the Company will receive/pay foreign currency amounts on a predetermined future date. At the statement of financial position date, the foreign currency amounts receivable under these contracts are translated into Baht at the rates ruling at that date. Unrealised gains or losses that result from the translation are recognised in the statement of income. The foreign currency amounts payable under these contracts are translated into Baht at the forward rates. Any premiums or discounts equal to the difference between the exchange rates and the forward rates at the inception of the contracts are amortised over the lives of the contracts. The foreign currency amounts receivable and payable have been presented net in the statement of financial position.

Disclosures about financial instruments to which the Company is a party are provided in Note 26.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

3 Critical accounting estimates, assumptions and judgments

Accounting estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. During the year ended 31 March 2014, the significant accounting estimates of the Company are as follows:

Plant, equipment and intangible assets

Management has determined the estimated useful lives and residual value of plant, equipment and intangible assets of which are principally based on technical information. The management will also review to write down technically obsolete or non-used assets by sales or abandon.

Post-employment benefits

The Company provides for post-employment benefits, payable to employees under the Thai Labour Law. The present value of post-employment benefit obligation is determined based on various assumptions which include the discount rate, the rate of salary inflation, and employee turnover. Any changes in these assumptions will impact the net periodic cost recorded for provision for post-employment benefits.

4 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

5 Entity-wide disclosures

Revenues by product group

During the year ended 31 March 2014 and 2013, the revenues by product group are as follows:

	2014	2013
	Baht	Baht
Auto bulbs and automotive lighting equipment	9,672,141,633	10,943,001,031
Molds & dies and product designs	596,475,380	391,989,262
	10,268,617,013	11,334,990,293

Major customers

During the year ended 31 March 2014, the Company has revenues from 4 major customers which each of them contributed equal or over 10% of the Company's total revenues (2013: 4 customers). The revenue from customer no.1 is Baht 2,460 million (2013 : Baht 2,728 million). The revenue from customer no. 2 is Baht 1,618 million (2013 : Baht 1,814 million). The revenue from customer no. 3 is Baht 1,149 million. (2013 : Baht 1,664 million). The revenue from customer no. 4 is Baht 1,057 million (2013 : Baht 1,356 million).

6 Cash and cash equivalents

	2014	2013
	Baht	Baht
Cash and cheques on hand	642,590	878,917
Current accounts with banks	68,781,300	94,569,886
Savings accounts with banks	126,990,390	62,897,051
Short-term investments in treasury bills and bills of exchange	2,470,760,594	1,548,485,201
	2,667,174,874	1,706,831,055

Savings accounts with banks and short-term investments bear interest at the average rate of 0.01% - 2.16% per annum (2013 : 0.01% - 2.65% per annum).

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

7 Short-term investments held to maturity

As at 31 March 2014 and 2013, short-term investments held to maturity represent bills of exchange, treasury bills and fixed deposits which have original maturities over 3 months but not later than 12 months.

Movement in short-term investments held to maturity are as follows:

	2014	2013
	Baht	Baht
Opening net book amount	109,704,902	198,849,700
Additions during the year	820,208,139	109,704,902
Redemptions during the year	(770,000,000)	(198,849,700)
Closing net book amount	159,913,041	109,704,902

Short-term investments held to maturity bear interest at the average rate of 2.22% per annum (2013 : 2.65% - 2.73% per annum).

8 Trade and other accounts receivable, net

Trade and other accounts receivable, net as at 31 March 2014 and 2013 are as follows:

	2014	2013
	Baht	Baht
Trade accounts receivable - other companies	1,323,048,993	1,717,846,398
<u>Less</u> Allowance for doubtful account	(3,094,207)	(3,367,267)
Trade accounts receivable - other companies, net	1,319,954,786	1,714,479,131
Trade accounts receivable - related parties (Note 27)	230,711,919	179,626,862
Prepaid expenses	41,191,116	23,987,610
Accrued income	22,508,425	9,920,092
Value added tax receivable	7,661,982	82,473,754
Other receivables	41,273,645	23,957,586
	1,663,301,873	2,034,445,035

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

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

Trade accounts receivable as at 31 March 2014 and 2013 can be analysed as follows:

	Trade accounts receivable- other companies		Trade accounts receivable- related parties	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Current	1,195,232,731	1,704,026,595	229,136,152	178,291,785
Overdue:				
less than 3 months	91,608,548	10,440,551	1,575,767	585,297
3 - 6 months	20,377,027	11,985	-	139,250
6 - 12 months	12,895,510	-	-	-
more than 1 year	2,935,177	3,367,267	-	610,530
	1,323,048,993	1,717,846,398	230,711,919	179,626,862

9 Inventories, net

	2014	2013
	Baht	Baht
Raw materials and packaging	217,069,419	221,963,598
Work in process	419,333,182	441,035,160
Finished goods	67,167,767	115,843,313
Goods in transit	63,048,662	99,358,332
	766,619,030	878,200,403
<u>Less</u> Allowance for net realisable value lower than cost and slow moving inventories		
- Raw materials and packaging	(10,130,999)	(14,848,411)
- Work in process	(21,289,895)	(12,444,000)
- Finished goods	(5,801,803)	(6,581,345)
Inventories, net	729,396,333	844,326,647

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

10 Investments in associates

The details of investments in associates as at 31 March 2014 and 2013 are as follows:

Name	Business activity	Paid-up share capital	% of holding	Equity method			
				2014		2013	
				Amount	Dividends	Amount	Dividends
				Baht	Baht	Baht	Baht
Associates							
Lao Stanley Company Limited	Manufacture automotive lighting equipment	USD 0.25 million	50	21,885,728	-	13,317,919	2,726,202
Vietnam Stanley Electric Company Limited	Manufacture automotive lighting equipment	USD 8.30 million	20	579,676,616	39,146,048	462,508,600	42,254,841
				601,562,344	39,146,048	475,826,519	44,981,043

Name	Business activity	Paid-up share capital	% of holding	Cost method			
				2014		2013	
				Amount	Dividends	Amount	Dividends
				Baht	Baht	Baht	Baht
Associates							
Lao Stanley Company Limited	Manufacture automotive lighting equipment	USD 0.25 million	50	3,132,500	-	3,132,500	2,726,202
Vietnam Stanley Electric Company Limited	Manufacture automotive lighting equipment	USD 8.30 million	20	54,044,189	39,146,048	54,044,189	42,254,841
				57,176,689	39,146,048	57,176,689	44,981,043

Thai Stanley Electric Public Company Limited

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For the year ended 31 March 2014

10 Investments in associates (Cont'd)

Movements in investments in associates are as follows:

For the years ended 31 March

Opening net book amount

Share of profit

Dividends received

Translation adjustments

Closing net book amount

Equity method		Cost method	
2014	2013	2014	2013
Baht	Baht	Baht	Baht
475,826,519	417,868,654	57,176,689	57,176,689
130,545,266	133,944,022	-	-
(39,146,048)	(44,981,043)	-	-
34,336,607	(31,005,114)	-	-
601,562,344	475,826,519	57,176,689	57,176,689

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

10 Investments in associates (Cont'd)

The total assets, total liabilities, revenues and net profit of its associates according to the percentage of holding are as follows:

	Total assets	Total liabilities	Revenues	Net profit	% Owner- ship
	Baht	Baht	Baht	Baht	interest
For the year ended 31 March 2014					
Lao Stanley Company Limited	50,345,181	28,459,452	90,125,507	7,113,255	50
Vietnam Stanley Electric Company Limited	686,105,341	106,428,726	695,806,499	123,432,011	20
	736,450,522	134,888,178	785,932,006	130,545,266	
For the year ended 31 March 2013					
Lao Stanley Company Limited	25,503,935	12,186,016	65,950,158	5,350,825	50
Vietnam Stanley Electric Company Limited	555,456,766	92,948,166	709,262,683	128,593,197	20
	580,960,701	105,134,182	775,212,841	133,944,022	

11 Long-term investments, net

Long-term investments, net as at 31 March 2014 and 2013 are as follows:

As at 31 March 2014	Available- for-sale investments	General investments	Total
	Baht	Baht	Baht
Equity securities			
- Related parties	5,840,000	104,921,215	110,761,215
- Other companies	-	27,178,523	27,178,523
Long-term investments, net	5,840,000	132,099,738	137,939,738
As at 31 March 2013	Available-for-sale investments	General investments	Total
	Baht	Baht	Baht
Equity securities			
- Related parties	7,760,000	104,921,215	112,681,215
- Other companies	-	27,178,523	27,178,523
Long-term investments, net	7,760,000	132,099,738	139,859,738

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

11 Long-term investments, net (Cont'd)

The details of long-term investments, net as at 31 March 2014 and 2013 are as follows:

Name	Business activity	Paid-up share capital	% of holding	2014		2013	
				Amount	Dividends	Amount	Dividends
				Baht	Baht	Baht	Baht
Related parties - available-for-sale							
Inoue Rubber (Thailand) Public Company Limited	Manufacture of tyre	Baht 200 million	0.2	3,380,000	327,280	3,380,000	82,040
Change in fair value of investments				2,460,000	-	4,380,000	-
				5,840,000	327,280	7,760,000	82,040
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	28,589,723	60,000,000	10,387,294
Sirivit Stanley Company Limited	Manufacture of electronic equipment and automotive lighting	Baht 21 million	15.0	3,000,000	-	3,000,000	-
Lumax Industries Limited	Manufacture of automotive lighting equipment and auto parts	RS 93.5 million	1.73	8,793,715	355,793	8,793,715	535,081
PT. Indonesia Stanley Electric	Manufacture of molds and automotive lighting	USD 7.5 million	10.0	33,127,500	10,792,757	33,127,500	13,224,767
				104,921,215	39,738,273	104,921,215	24,147,142
Other companies - general investments (at cost)							
Sum Hitechs Company Limited	Chrome plating on plastic products	Baht 104 million	16.35	27,178,523	1,700,400	27,178,523	-
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 investments				(5,000,000)	-	(5,000,000)	-
				27,178,523	1,700,400	27,178,523	-
Total Long-term investments, net				137,939,738	41,765,953	139,859,738	24,229,182

Notes to the Financial Statements

For the year ended 31 March 2014

12 Property, plant and equipment, net

	Land	Land and building improvements	Buildings	Machinery, equipment and factory tools	Molds	Motor vehicles	Furniture, fixtures and office equipment	Machinery under installation and construction in progress	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
As at 31 March 2012									
Cost	1,123,898,855	1,024,774,229	734,691,820	4,321,128,000	2,994,532,311	774,32,037	118,725,097	1,408,393,833	11,803,576,182
<u>Less</u> Accumulated depreciation	-	(589,937,803)	(408,760,740)	(3,441,255,879)	(2,635,105,909)	(48,759,214)	(105,454,107)	-	(7,229,273,652)
Net book amount	1,123,898,855	434,836,426	325,931,080	879,872,121	359,426,402	28,672,823	13,270,990	1,408,393,833	4,574,302,530
For the year ended 31 March 2013									
Opening net book amount	1,123,898,855	434,836,426	325,931,080	879,872,121	359,426,402	28,672,823	13,270,990	1,408,393,833	4,574,302,530
Additions	23,345,775	26,053,997	-	161,438,408	727,026	13,957,000	5,853,022	1,854,962,304	2,086,337,532
Disposals / write-offs, net	-	(3)	-	(247,743)	(2,777,322)	(15)	(72,948)	-	(3,098,031)
Transfers	-	452,191,308	543,324,445	1,031,410,232	598,195,868	-	9,360,813	(2,634,482,666)	-
Depreciation charge (Note 21)	-	(134,856,878)	(35,370,010)	(336,684,580)	(227,888,069)	(11,470,776)	(6,214,370)	-	(752,484,683)
Closing net book amount	1,147,244,630	778,224,850	833,885,515	1,735,788,438	727,683,905	31,159,032	22,197,507	628,873,471	5,905,057,348

Notes to the Financial Statements

For the year ended 31 March 2014

12 Property, plant and equipment, net (Cont'd)

	Land	Land and building improvements	Buildings	Machinery, equipment and factory tools	Molds	Motor vehicles	Furniture, fixtures and office equipment	Machinery under installation and construction in progress	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
As at 31 March 2013									
Cost	1,147,244,630	1,501,007,629	1,278,016,265	5,441,035,954	3,589,751,807	75,470,137	121,736,007	628,873,471	13,783,135,900
<u>Less</u> Accumulated depreciation	-	(722,782,779)	(444,130,750)	(3,705,247,516)	(2,862,067,902)	(44,311,105)	(99,538,500)	-	(7,878,078,552)
Net book amount	1,147,244,630	778,224,850	833,885,515	1,735,788,438	727,683,905	31,159,032	22,197,507	628,873,471	5,905,057,348
For the year ended 31 March 2014									
Opening net book amount	1,147,244,630	778,224,850	833,885,515	1,735,788,438	727,683,905	31,159,032	22,197,507	628,873,471	5,905,057,348
Additions	62,207,330	15,264,860	19,183,825	100,992,919	1,493,895	12,754,000	2,812,829	770,328,544	985,038,202
Disposals / write-offs, net	-	(7)	-	(1,583,192)	-	(6,241,994)	(499,994)	-	(8,325,187)
Transfers	-	45,600,040	22,023,140	558,413,300	264,835,908	-	1,265,870	(892,138,258)	-
Depreciation charge (Note 21)	-	(132,335,231)	(50,228,594)	(415,745,455)	(291,930,870)	(9,679,907)	(6,566,439)	-	(906,486,496)
Closing net book amount	1,209,451,960	706,754,512	824,863,886	1,977,866,010	702,082,838	27,991,131	19,209,773	507,063,757	5,975,283,867
As at 31 March 2014									
Cost	1,209,451,960	1,554,743,292	1,348,330,138	5,945,441,338	3,856,081,610	71,805,516	90,182,583	507,063,757	14,583,100,194
<u>Less</u> Accumulated depreciation	-	(847,988,780)	(523,466,252)	(3,967,575,328)	(3,153,998,772)	(43,814,385)	(70,972,810)	-	(8,607,816,327)
Net book amount	1,209,451,960	706,754,512	824,863,886	1,977,866,010	702,082,838	27,991,131	19,209,773	507,063,757	5,975,283,867

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

13 Intangible assets, net

Computer software	Product design cost	Total
Baht	Baht	Baht

As at 31 March 2012

Cost	198,102,738	624,158,817	822,261,555
<u>Less</u> Accumulated amortisation	(113,629,758)	(271,376,096)	(385,005,854)
Net book amount	84,472,980	352,782,721	437,255,701

For the year ended 31 March 2013

Opening net book amount	84,472,980	352,782,721	437,255,701
Additions	19,324,909	117,701,562	137,026,471
Amortisation charge (Note 21)	(21,888,313)	(87,130,513)	(109,018,826)
Closing net book amount	81,909,576	383,353,770	465,263,346

As at 31 March 2013

Cost	217,427,648	741,860,378	959,288,026
<u>Less</u> Accumulated amortisation	(135,518,072)	(358,506,608)	(494,024,680)
Net book amount	81,909,576	383,353,770	465,263,346

For the year ended 31 March 2014

Opening net book amount	81,909,576	383,353,770	465,263,346
Additions	29,939,398	137,827,201	167,766,599
Disposals, net	-	(77)	(77)
Amortisation charge (Note 21)	(23,296,793)	(101,292,396)	(124,589,189)
Closing net book amount	88,552,181	419,888,498	508,440,679

As at 31 March 2014

Cost	247,367,046	586,093,062	833,460,108
<u>Less</u> Accumulated amortisation	(158,814,865)	(166,204,564)	(325,019,429)
Net book amount	88,552,181	419,888,498	508,440,679

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

14 Deferred tax

The analysis of deferred tax assets and liabilities is as follows:

Financial statements in which the equity method is applied		The Company only	
2014	2013	2014	2013
Baht	Baht	Baht	Baht

Deferred tax assets:

Deferred tax assets to be recovered
within 12 months

8,851,085	8,669,461	8,851,085	8,669,461
63,796,362	55,728,848	63,796,362	55,728,848
72,647,447	64,398,309	72,647,447	64,398,309

Deferred tax assets to be recovered
more than 12 months

Deferred tax liabilities:

Deferred tax liabilities to be
settled within 12 months

(393,405)	-	(393,405)	-
(118,018,866)	(90,785,202)	(9,141,735)	(7,055,236)
(118,412,271)	(90,785,202)	(9,535,140)	(7,055,236)

Deferred tax liabilities to be
settled more than 12 months

Deferred tax assets (liabilities) (net)

(45,764,824)	(26,386,893)	63,112,307	57,343,073
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The gross movement of the deferred income tax is as follows:

Financial statements in which the equity method is applied		The Company only	
2014	2013	2014	2013
Baht	Baht	Baht	Baht

Opening balance

Credited/ (charged) to profit or loss
(Note 23)

Credited/ (charged) to other
comprehensive income (Note 23)

Closing balance

(26,386,893)	(16,089,742)	57,343,073	56,048,651
(12,894,609)	(15,826,174)	5,385,234	1,966,422
(6,483,322)	5,529,023	384,000	(672,000)
(45,764,824)	(26,386,893)	63,112,307	57,343,073

Notes to the Financial Statements

For the year ended 31 March 2014

14 Deferred tax (Cont'd)

The movements in deferred tax assets and liabilities during the year are as follows:

	Financial statements in which the equity method is applied and the Company only					
	Inventories	Equipment	Intangible assets	Employee benefit liabilities	Others	Total
	Baht	Baht	Baht	Baht	Baht	Baht
Deferred tax assets :						
As at 1 April 2012	4,838,877	22,426,560	8,915,234	22,334,142	4,567,814	63,082,627
Credited/(charged) to profit or loss	1,935,874	(3,510,693)	(988,102)	4,018,278	(139,675)	1,315,682
As at 31 March 2013	6,774,751	18,915,867	7,927,132	26,352,420	4,428,139	64,398,309
Credited/(charged) to profit or loss	669,788	5,960,859	2,292,032	2,485,904	(3,159,445)	8,249,138
As at 31 March 2014	7,444,539	24,876,726	10,219,164	28,838,324	1,268,694	72,647,447

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

14 Deferred tax (Cont'd)

Financial statements in which the equity method is applied					
Investments in associates	Long-term investments	Buildings	Others	Total	
Baht	Baht	Baht	Baht	Baht	
Deferred tax liabilities :					
As at 1 April 2012	(72,138,393)	(204,000)	(3,111,544)	(3,718,432)	(79,172,369)
Credited/(charged) to profit or loss					
Credited/(charged) to other comprehensive income	(17,792,596)	-	(3,067,692)	3,718,432	(17,141,856)
	6,201,023	(672,000)	-	-	5,529,023
As at 31 March 2013	(83,729,966)	(876,000)	(6,179,236)	-	(90,785,202)
Credited/(charged) to profit or loss					
Credited/(charged) to other comprehensive income	(18,279,843)	-	(2,863,904)	-	(21,143,747)
	(6,867,322)	384,000	-	-	(6,483,322)
As at 31 March 2014	(108,877,131)	(492,000)	(9,043,140)	-	(118,412,271)

The Company only				
Long-term investments	Buildings	Others	Total	
Baht	Baht	Baht	Baht	
Deferred tax liabilities :				
As at 1 April 2012	(204,000)	(3,111,544)	(3,718,432)	(7,033,976)
Credited/(charged) to profit or loss	-	(3,067,692)	3,718,432	650,740
Credited/(charged) to other comprehensive income	(672,000)	-	-	(672,000)
As at 31 March 2013	(876,000)	(6,179,236)	-	(7,055,236)
Credited/(charged) to profit or loss	-	(2,863,904)	-	(2,863,904)
Credited/(charged) to other comprehensive income	384,000	-	-	384,000
As at 31 March 2014	(492,000)	(9,043,140)	-	(9,535,140)

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

15 Accrued expenses

	2014	2013
	Baht	Baht
Accrued staff costs	167,009,034	180,667,600
Accrued electricity expense	27,671,523	35,142,681
Others	29,200,349	30,439,515
	223,880,906	246,249,796

16 Provision for post-employment benefits

The amounts recognised in the statement of financial position are determined as follows:

	2014	2013
	Baht	Baht
Present value of defined benefit obligations	144,191,620	131,762,100
Liability in the statement of financial position	144,191,620	131,762,100

Movements in provision for post-employment benefits are as follows:

	2014	2013
	Baht	Baht
Opening balance	131,762,100	111,670,710
Current service cost	8,786,283	17,361,118
Interest cost	4,099,917	3,806,522
Benefits paid	(456,680)	(1,076,250)
Closing balance	144,191,620	131,762,100

The amounts recognised in the statement of income are as follows:

	2014	2013
	Baht	Baht
Current service cost	8,786,283	17,361,118
Interest cost	4,099,917	3,806,522
Total	12,886,200	21,167,640

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

16 Provision for post-employment benefits (Cont'd)

These expenses are included in cost of sales, selling and administrative expenses as follows:

	2014	2013
	Baht	Baht
Cost of sales	13,243,920	19,340,880
Selling expenses	47,640	522,240
(Reversal of) Administrative expenses	(405,360)	1,304,520
Total	12,886,200	21,167,640

The principal actuarial assumptions used are as follows:

Discount rate	3.82%	4.00%
Salary increase rate	5.00%	5.00%

17 Share capital and premium on share capital

	Number of shares	Ordinary shares	Premium on share capital	Total
		Baht	Baht	Baht
As at 31 March 2014 and 2013	76,625,000	383,125,000	504,250,000	887,375,000

The total authorised number of ordinary shares is 76,625,000 shares with a par value of Baht 5 per share (2013 : 76,625,000 shares with a par value of Baht 5 per share). All shares are issued and fully paid.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

18 Dividends

At the Annual General Shareholders' meeting of Thai Stanley Electric Public Company Limited held on 5 July 2013, the shareholders unanimously resolved to pay dividends in respect of the operating results for the year ended 31 March 2013 for 76,625,000 shares of Baht 6.75 per share, totalling Baht 517,218,750. There are 4,900 shares that were not entitled to receive the dividends, totalling Baht 33,075 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 517,185,675 in the financial statements. The Company paid the dividends to the shareholders on 31 July 2013.

At the Annual General Shareholders' meeting of Thai Stanley Electric Public Company Limited held on 26 June 2012, the shareholders unanimously resolved to pay dividends in respect of the operating results for the year ended 31 March 2012 for 76,625,000 shares of Baht 3 per share, totalling Baht 229,875,000. There are 2,900 shares that were not entitled to receive the dividends, totalling Baht 8,700 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 229,866,300 in the financial statements. The Company paid the dividends to the shareholders on 24 July 2012.

19 Legal reserve

Under the Public Company Limited Act B.E. 2535, the Company is required to set aside a legal reserve at least 5% of its net profit after the accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The reserve is non-distributable.

20 Other income - others

Scrap sales
Interest income
Tax rebate income
Royalty income
Cash receipt from insurance companies from floods
Others

2014	2013
Baht	Baht
77,296,470	123,706,537
45,996,711	34,483,366
11,336,566	13,277,427
10,709,024	1,329,584
134,883,509	-
30,159,709	29,146,410
310,381,989	201,943,324

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

21 Expenses by nature

The following expenditure items have been charged in arriving at operating profit:

	2014	2013
	Baht	Baht
Changes in finished goods and work in process	70,377,524	6,032,860
Raw materials and consumables used	4,016,792,547	4,809,305,417
Staff costs	1,291,684,015	1,386,841,156
Depreciation of plant and equipment (Note 12)	906,486,496	752,484,683
Amortisation of intangible assets (Note 13)	124,589,189	109,018,826
Utility expenses	346,445,097	381,269,819
Subcontract service costs	402,380,445	495,955,077
Repairs and maintenance expenses	208,691,750	258,951,626

22 Other expenses

The other expenses in the statement of income for the year ended 31 March 2013 were related to expenses arising from floods which mainly comprised repair and rehabilitation expenses.

23 Income tax

	Financial statements in which the equity method is applied		The Company only	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Current tax :				
Current tax on profit for the year	347,732,655	458,093,678	347,732,655	458,093,678
Adjustments in respect of prior year	(1,119,051)	-	(1,119,051)	-
Total current tax	346,613,604	458,093,678	346,613,604	458,093,678
Deferred tax :				
Origination and reversal of temporary differences (Note 14)	12,894,609	15,826,174	(5,385,234)	(1,966,422)
Total income tax expense	359,508,213	473,919,852	341,228,370	456,127,256

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

23 Income tax (Cont'd)

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	Financial statements in which the equity method is applied		The Company only	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Profit before income tax	1,847,020,521	2,081,004,941	1,755,621,303	1,992,041,962
Tax calculated at a tax rate of 20% (2013: 23%)	369,404,104	478,631,136	351,124,261	458,169,651
Tax effect of :				
Income not subject to tax	(6,123,481)	(3,792,547)	(6,123,481)	(3,792,547)
Expenses not deductible for tax purpose	990,528	2,564,713	990,528	2,564,713
Additional expenses deductible for tax purpose	(3,643,887)	(786,801)	(3,643,887)	(786,801)
Impact of change in tax rate	-	(2,696,649)	-	(27,760)
Adjustments in respect of prior year	(1,119,051)	-	(1,119,051)	-
Tax charge	359,508,213	473,919,852	341,228,370	456,127,256
Average effective tax rate (%)	19.46	22.77	19.44	22.90

The tax credit/(charge) relating to components of other comprehensive income is as follows:

	Financial statements in which the equity method is applied					
	2014			2013		
	Before tax	Tax credit (charge)	After tax	Before tax	Tax credit (charge)	After tax
	Baht	Baht	Baht	Baht	Baht	Baht
Unrealised gain (loss) on change in fair value of available-for-sale investment	(1,920,000)	384,000	(1,536,000)	3,360,000	(672,000)	2,688,000
Exchange differences relating to investments in associates						
Other comprehensive income	34,336,607	(6,867,322)	27,469,285	(31,005,114)	6,201,023	(24,804,091)
(expenses) for the year	32,416,607	(6,483,322)	25,933,285	(27,645,114)	5,529,023	(22,116,091)

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

23 Income tax (Cont'd)

The tax credit/(charge) relating to components of other comprehensive income is as follows: (Cont'd)

	The Company Only					
	2014			2013		
	Before tax	Tax credit (charge)	After tax	Before tax	Tax credit (charge)	After tax
	Baht	Baht	Baht	Baht	Baht	Baht
Unrealised gain (loss) on change in fair value of available-for-sale investment						
Other comprehensive income	(1,920,000)	384,000	(1,536,000)	3,360,000	(672,000)	2,688,000
(expenses) for the year	(1,920,000)	384,000	(1,536,000)	3,360,000	(672,000)	2,688,000

24 Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to shareholders by the weighted average number of ordinary shares issued and paid up during the year.

	Financial statements in which the equity method is applied		The Company only	
	(Restated)		(Restated)	
	2014	2013	2014	2013
Net profit attributable to shareholders (Baht)	1,487,512,308	1,607,085,089	1,414,392,933	1,535,914,706
Weighted average number of ordinary share in issue (Shares)	76,625,000	76,625,000	76,625,000	76,625,000
Basic earnings per share (Baht)	19.41	20.97	18.46	20.04

There are no dilutive potential ordinary shares in issue during the period presented, so no diluted earnings per share is presented.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

25 Promotional privileges

The Company has received promotional privileges from the Office of the Board of Investment for the production of molds, mold repairs and production of Eco-car lamps. Under these privileges, the Company will be exempted from corporate income tax for a period of 8 years from the date of commencement of earning revenue. As a promoted entity, the Company is required to comply with the terms and conditions as specified in the promotion certificates.

			2014
	BOI promoted activities	Non-BOI promoted activities	Total
	Baht	Baht	Baht
Export sales	404,812,156	2,226,441,307	2,631,253,463
Domestic sales	489,109,250	7,148,254,300	7,637,363,550
	893,921,406	9,374,695,607	10,268,617,013
Domestic service income - mold repairs	1,464,555	-	1,464,555

			2013
	BOI promoted activities	Non-BOI promoted activities	Total
	Baht	Baht	Baht
Export sales	318,017,718	2,243,098,182	2,561,115,900
Domestic sales	283,804,189	8,490,070,204	8,773,874,393
	601,821,907	10,733,168,386	11,334,990,293
Domestic service income - mold repairs	2,543,510	-	2,543,510

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

26 Financial instruments

The principal financial risks faced by the Company are foreign currency exchange rate risk and credit risk. Foreign currency exposure relates to raw materials imported in foreign currencies and certain export sales in foreign currencies. The business transactions are generally on a short-term period which are between 1 and 3 month terms. The foreign currency exchange rate risk of the Company occurs mostly in Japanese Yen and US dollars. Credit risk arises when sales are made on credit terms.

The objectives of using financial instruments are to reduce the uncertainty over future cash flows arising from movements in exchange rates, and to manage the liquidity of the cash resources. Foreign currency forward contracts are entered into to manage the currency risks. Decisions on the level of risk undertaken are confined to the management which has established limits by transaction type and by counterparty.

Trading for speculative purposes is not allowed. Derivative transactions are subject to approval by the Company's Board of directors.

a) Financial assets and liabilities

As at 31 March 2014 and 2013, the Company has outstanding foreign currency assets and liabilities as details below.

		2014	2013	
Currency	Baht	Currency	Baht	
Million	Million	Million	Million	

Assets

Japanese Yen	121.09	37.85	4.98	1.54
US Dollars	11.34	366.18	6.20	180.94
		<u>404.03</u>		<u>182.48</u>

Liabilities

Japanese Yen	173.22	55.15	183.23	57.62
US Dollars	5.78	188.19	5.58	164.37
		<u>243.34</u>		<u>221.99</u>

Objectives and significant terms and conditions

The Company enters into financial instruments which are foreign currency forward contracts to manage the risks arising from fluctuations in foreign currency exchange rates.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

26 Financial instruments (Cont'd)

a) Financial assets and liabilities (Cont'd)

Foreign currency forward contracts

Foreign currency forward contracts are entered into to manage exposure to fluctuations in foreign currency exchange rates on specific transactions.

At 31 March 2014 and 2013, the settlement dates on foreign currency forward contracts were ranged between 1 and 3 months from the statement of financial position date. The equivalent Thai Baht to be received at the contractual exchange rates of the outstanding contracts were:

	2014	2013
	Baht	Baht
USD 1.5 million at average rate Baht 32.72 = USD 1		
(2013 : USD 0.80 million at average rate Baht 29.69 = USD 1)	49,084,000	23,754,000

Fair values

The fair values of the derivative financial instruments at the statement of financial position date were:

	2014	2013
	Baht	Baht
Foreign currency forward contracts - liabilities	350,651	285,197

The fair values of foreign currency forward contracts were calculated using the rates quoted by the Company's bankers which were based on market conditions existing at the statement of financial position date.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

26 Financial instruments (Cont'd)

b) Credit risk

The Company has no significant concentrations of credit risk. The Company has policy in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institution.

c) Fair values

The carrying amounts of the following financial assets and financial liabilities approximate their fair values: cash and cash equivalents, short-term investments held to maturity, trade accounts receivable, trade accounts payable and other accounts payable due to short maturities of these investments.

27 Related party transactions

Individuals or enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Company had the significant transactions with its major shareholder, Stanley Electric Company Limited Group, incorporated in Japan which holds 29.95% 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.

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 sales less materials cost imported from a related party in accordance with the agreement. A design and development fee and other fees are charged in the normal course of business and are presented as other accounts payable - related parties.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

27 Related party transactions (Cont'd)

The amounts due to and from related parties are mainly denominated in foreign currencies and relate to purchases and sales transactions. The outstanding balances as at 31 March 2014 and 2013 are as follows:

	2014	2013
	Baht	Baht
Trade accounts receivable - related parties		
Stanley Electric Group companies	120,589,677	93,182,313
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	44,691,699	56,636,602
Associates	65,430,543	29,807,947
	230,711,919	179,626,862
Trade accounts payable - related parties		
Stanley Electric Group companies	175,339,172	255,659,601
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	24,330,112	35,416,228
Associates	32,962,990	9,549,191
	232,632,274	300,625,020
Other accounts payable - related parties		
Stanley Electric Group companies	113,384,709	130,841,491

28 Significant commitments

a) Bank guarantees

As at 31 March 2014, the Company has bank guarantees with respect to electricity supply from banks of Baht 40 million (2013 : Baht 40 million).

b) Capital commitments

As at 31 March 2014, the Company has capital commitments of Baht 234 million (2013 : Baht 84 million). The capital commitment mainly comprises construction and machines for production expansion in the future.

Thai Stanley Electric Public Company Limited

Notes to the Financial Statements

For the year ended 31 March 2014

29 Subsequent event after the reporting period

At the Board of Directors’ meeting held on 16 May 2014, the Board of Directors approved to propose the dividends payment in respect of the operating results for the year ended 31 March 2014 for a total 76,625,000 shares of Baht 6 per share totaling Baht 459.75 million to the Annual General Shareholders’ meeting which will be held on 4 July 2014.

Financial Statistics in 5 Year

(Unit : Thousand Baht Except For Figure Per Share)

Report on Operation	31 Mar 14	31 Mar 13	31 Mar 12	31 Mar 11	31 Mar 10
Sales	10,268,617	11,334,990	7,800,988	8,939,609	7,286,367
Cost of Sales	8,080,350	8,796,588	6,477,659	6,576,065	5,715,725
Net Prot (Loss)	1,487,512	1,607,085	726,586	1,427,712	957,441
Net Prot (Loss) per Share (Baht)	19.41	20.97	9.48	18.63	12.50
Net Prot Margin (%)	14.00	13.88	8.96	15.58	12.66
Return on Equity (%) (ROE)	14.39	17.55	8.68	18.42	13.66
Return on Total Assests (%) (ROA)	12.27	14.77	7.31	15.60	12.01
Debt to Equity (time) (DE)	0.15	0.19	0.18	0.20	0.16
Current Ratio (time)	3.55	2.71	3.07	3.75	4.06
Dividend per Share (Baht)	*	6.75	3.00	6.50	5.00
Dividend Ratio (%) ***	*	33.72	36.61	36.37	42.81

Assets & Liabilities and Shareholders' Equity					
Current Assets	5,261,970	4,738,336	4,348,782	5,746,468	4,597,894
Property, Plant and Equipment, Net	5,975,284	5,905,057	4,574,303	3,268,205	3,031,174
Total Assets	12,506,076	11,744,183	10,024,527	9,865,314	8,441,498
Current Liabilities	1,484,284	1,750,458	1,416,293	1,532,641	1,132,906
Non-Current Liabilities	189,956	158,149	111,671	92,290	46,753
Shareholders' Equity	10,831,836	9,835,576	8,480,473	8,240,382	7,261,839
Capital Registered	383,125	383,125	383,125	383,125	383,125
Capital	383,125	383,125	383,125	383,125	383,125
Book Value Per Share (Baht)	141.36	128.36	110.88	107.54	94.77
Number of Shares**	76,625	76,625	76,625	76,625	76,625
Per Value (Baht)	5.00	5.00	5.00	5.00	5.00

* It will be Approved From The Ordinary Shareholders' Meeting

** Calculated Using The Weighted Average Method

*** Calculated from Financial Statement - The Company Only

2013 Company Information

1. Company Information

1.1 General Information

- (1) Name : Thai Stanley Electric Public Company Limited
Public Registered No. 0107536000765
- Address : 29/3 M.1 Bangpoorn-Rungsit Road, Banklang, Muang Pathumthanee 12000
Homepage: www.thaistanley.com
- Type of Business : Manufacturer of automotive lighting equipment and mold
- Paid up capital : 383,125,000 Baht (Three hundred eighty-three million and one hundred twenty-five thousand baht)
Common share 76,625,000 share par value 5 Baht.

(2) Details of Investment in other companies exceed of 10%

No	Name/Address/Type Of Business	Capital Registered (Million Baht)	Amount Of Number Of Share Hold	Investment Ratio(%)
1	Lao Stanley Co.,Ltd. KM.7 Luangprabang Road, Vientiane, Laos - Manufacturer of automotive lighting equipment Telephone : 85621 222171-3 Facsimile : 85621 222174	USD 500,000	USD 250,000	50
2	Vietnam Stanley Electric Co.,Ltd. Hanoi , Vietnam - Manufacturer of automotive Lighting equipment Telephone : (844) – 8 534546 Facsimile : (844) – 8 531337	USD 8,300,000	USD 1,660,000	20
3	Top Hightech (Thailand) Co.Ltd Saha Ratana Nakorn Industrial Park , Ayuttaya - Manufacturer,sell,assemble plastic goods and Assemble light resolution molds Telephone : (035) 364-051 Facsimile : (035) 364-052	35.9	5 million baht common stock 5,000 shares	13.93
4	Asian Stanley International Co.,Ltd 48/1 M.1 Kukwang Ladlumkaew , Pathumthani - Manufacturer of lighting emitting diodes (LED) and camera flashes. Telephone : 0-2599-1260 Facsimile : 0-2599-1263	400	60 million baht common stock 600,000 shares	15

No	Name/Address/Type Of Business	Capital Registered (Million Baht)	Amount Of Number Of Share Hold	Investment Ratio(%)
5	Sum Hitech Co.,Ltd Navanakorn Industrial Estate (Zone 2) 60/63 Klongnung Klongluang,Pathumthanee - Manufacturing of Auto Parts, Motorbike parts, Light Electric Appliance part, and Plating parts Telephone : 0-2529-0928 Facsimile : 0-2529-0931	104	27.19 million baht common stock 170,040 shares	16.35
6	Sirivit Stanley Co.,Ltd 182 M.6 Tambol Cokegluad Muang , Nakhonrachasima - Manufacturer of automotive lighting equipment and electronic components Telephone : (044) 291-411-3 Facsimile : (044) 291-414	40	6.00 million baht (paid – up 3.00 million baht) common stock 600,000 shares	15
7	P.T. Indonesia Stanley Electric Jakarta, Indonesia. - Production and Sales of Automotive lamps for motorcycle and motorcar, Die & Molds Telephone : (021) 59404510 Facsimile : (021) 59404506	USD 7,500,000	USD 750,000	10

(3) Reference

Registrar	Thailand Securities Depository Co.,Ltd. 7th floor , The Stock Exchange of Thailand Building 62 Ratchadapisek Road, Klongtoey Bangkok 10110 Telephone : 0-2229-2800 Facsimile : 0-2359-1259
Auditor	Mrs.Unakorn Phruithithada Certified Public Accountant (Thailand) No.3257 PricewaterhouseCoopers ABAS Limited. 15th Floor Bangkok City Tower , 179/74-80 South Sathorn Road, Bangkok 10120 Telephone : 0-2286-9999 Facsimile : 0-2286-5050
Law Consultant	ALLEN & OVERY 22nd Floor, Sindhorn Building III 130 - 132 Wireless Road, Bangkok 10330 Telephone : 0-2263-7600 Facsimile : 0-2263-7699

1.2 Other data

- None

2. Policy and Business Overall

2.1 Vision Objective Goal / Business Strategies

Thai Stanley Electric Public Company Limited is a manufacturer of automotive lighting equipment with international quality. The goal is committed to producing quality products and value added products that the importance and value to all related group with the company sincerely.

Management Policy is to consider customer satisfaction as the first priority by improving every function; quality control, costing, delivery, development, safety, and relationship through Planing–Doing–Checking process cycle.

2.2 Background

The Company was first registered as a limited company on 30 May 1980. It manufactured, imported and distributed automotive light bulbs and lighting equipment. That was founded by a Thai-Japanese joint venture between Seng Nguan Hong (Sittipol) Company Limited (currently known as The Sittipol 1919 Company Limited) and Stanley Electric Co., Ltd. of Japan. The Company operates three separate plants, producing auto bulbs, dies and moulds, and auto lamps.

On 10 May 1991, the Company was listed on the SET, and the Company's shares began being traded on the SET under the abbreviation 'STANLY'. In the same year, the Company founded own research and development center with promotional support from the Board of Investment (BOI). This center is mainly engaged in researching and developing products for the Company. In July 1993, the Company was converted into a public limited company.

The company entered into a joint venture in establishing new companies: Lao Stanley Co., Ltd. and Vietnam Stanley Electric Co., Ltd. Stanley Electric Engineering India PVT Ltd. PT. Indonesia Stanley Electric, that also took shares in various companies, such as Inoue Rubber (Thailand) Public Company Limited, Sum Hitech Co., Ltd. Sirivit Stanley Co., Ltd., Top Hightech (Thailand) Co., Ltd. and Lumax Industries Limited of India. In addition, the Company formed a technical support alliance with Electro Polymers (PVT) Ltd. of Pakistan and Unitech Machines Limited of India.

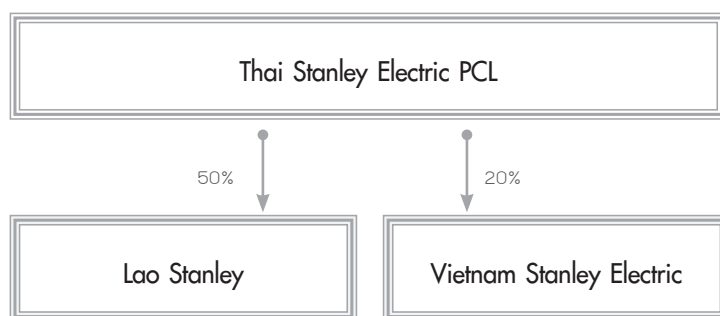
The company has continued investment in Land around for new factory and new machinery and equipment for business expansion.

Thailand's auto industry development and growth, respectively, but in the years 2011 - 2013 have fluctuated dramatically in late 2011 caused mega flooding in the central of Thailand impact on the automotive manufacturers and parts suppliers, the production and interruption and in 2012 from the needs of consumers returning to the policy of the government to make the first car sales and auto production record high. The company as a manufacturer of automotive parts has been ordered by customers many car manufacturers. As a result, the company is higher and opening of a new plant (Lamp7) to produced lamps for ECO Car, that selling are affect to growth of the automotive market.

Management: Since the Company's initial establishment and subsequent listing on the SET, the original management team has continued in office without any significant change in management policy.

2.3 Company group holding structure

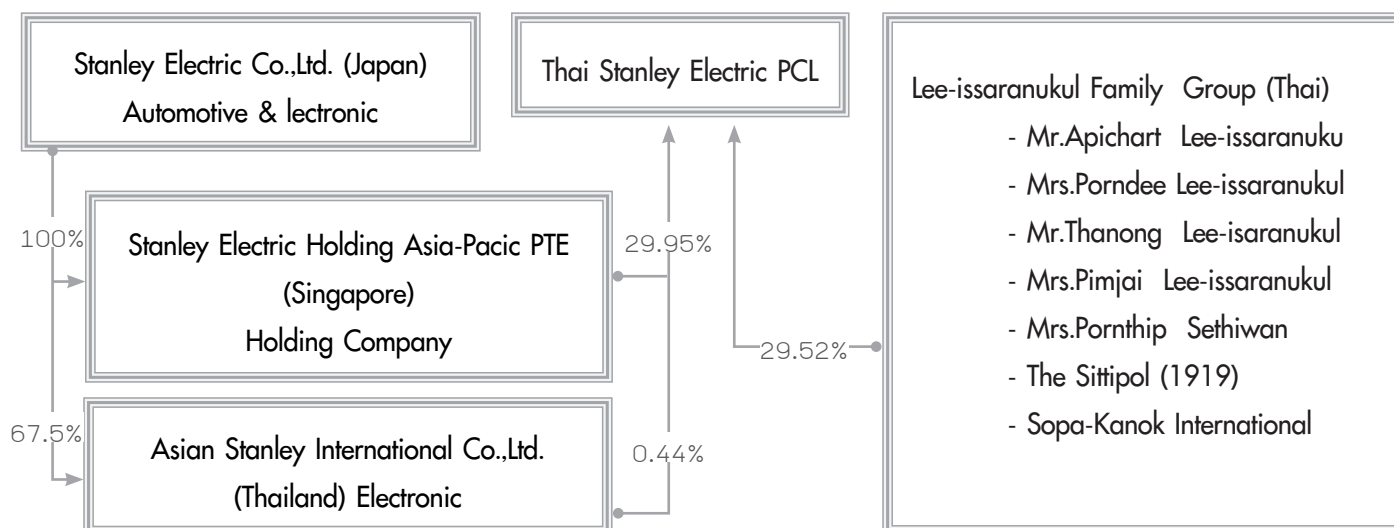
The company has 2 related company that manufacture of Lighting Equipment are Lao Stanley Company Limited and Vietnam Stanley Electric Company Limited Which is in the business of lighting equipment. Operations and management based on the consideration of the Board of Directors of each company based on the policy of Stanley group



2.4 Major shareholder group Relationship

Major shareholder of the company is a group company Stanley Electric Co. Ltd. Japan and the Lee-issaranukul family, who is the founder of the company before listing on the SET. Each group has a representative on the board for the company.

Business operations in accordance with company policy accordance with the Stanley group policy.



3. Conduct of Business

The company currently manufactures and market auto bulb, automotive lighting equipment and dies & molds. The business segment information for dies & molds, which is different from auto bulb, automotive lighting, has not been separately reported as the sales of this segment represent only 4.05% of total sales.

Income Structure

Revenues	31 March 2014		31 March 2013		31 March 2012	
	Million	%	Million	%	Million	%
Local Sale Revenues	7,637.36	70.99	8,773.87	74.89	5,665.06	67.20
Export Sale Revenues	2,631.26	24.46	2,561.12	21.86	2,135.93	25.34
Total Sale Revenues	10,268.62	95.45	11,334.99	96.75	7,800.99	92.54
Dividend Income	41.77	0.39	24.30	0.21	63.49	0.75
Gain on Exchange Rate	7.02	0.07	20.55	0.18	19.00	0.23
Other Income	310.38	2.89	201.94	1.72	406.86	4.83
Share of profit from investment in associate	130.55	1.21	133.94	1.14	139.72	1.65
Total revenues	10,758.34	100.00	11,715.72	100.00	8,430.06	100.00

3.1 Nature of products

The Company's core business is to manufacture and sell products in a single sector, both domestic and export, namely lighting equipment for use in motorcars, motorcycles and other vehicles. There are two core products: light bulbs and lamps. In addition to the core products, the Company also manufactures all kinds of dies and molds in support of the core business and for sale to other industrial operators. The details of the dies and molds segment are not identified in this filing because their sales account for only 4.05% of the Company's total sales.

Certificate of Promotion

Now the company have right from received investment promotion from The Board Of Investment total 3 certificates of promotion as follows :

1. Certificate of Promotion No. 1539 (2)/2545 was issued on 30 August 2002 for the Company's business of manufacturing Die & Mold and machine or equipment for repair Die & Mold of the industrial under category 4.2 : Manufacture of machine and equipment. The privileges and benefits under Certificate of Promotion No. 1539(2)/2545 include the following:

1. The Company is exempt from import duties on the machinery, as approved by the BOI.
2. The Company is exempt from corporate income tax on the net profit derived from the operation of the promoted business not exceeding 100% of investment exclusive cost of Land and working capital for eight years from the date that income is first derived from the business. If any loss is incurred during the exemption period, the Company may set off that loss against the net profit which accrues in one or more years at any time within five years after the exemption period ends.
3. The dividend derived from the promoted business must not be included when computing taxable income while the Company remains tax exempt.
4. The Company is exempt from import duties on any raw materials and necessary items imported for production and export for one year from the date that they are first imported.

2. Certificate of Promotion No. 1631 (2)/2012 , was issued on 22 May 2012 to engage in the international standard Lamp economic car , category 4.10 vehicle part production . The privileges and benefits under Certificate of Promotion No. 1631(2)/2012 include the following: Certificate

1. Be exempted from import duty on machinery as approved by the BOI
2. Has been a reduction of 90% of the incoming rate to import raw material or necessary material required for use in the production of distributors in the country for 1 year from the first day of imported. The raw and necessary material must not be same as made in a similar quality to the imports, and a sufficient quantity to supply them and in term and conditions in the time of the BOI to stipulate.
3. Be exempt the income tax , net profit from operations that have been promoted but not exceed 100% of the total investment , excluding land and current capital for 8 years from the date of the income from the operation. In the calculation of net income that including income from the sale of defect from productions. The loss of business during the income tax exemption , that losses can be deducted from the net profit after the period of exemption from income tax that for a period not exceeding five years from the date of expiration of the period , by deducting from net income of any year or many year.
4. The dividend from the promoted has exempted that to not calculation for the income tax , duration the period of exemption right in income tax.
5. Be exempted from import duties on raw and necessary materials that imported for use in production to export in a period of 1 year from the first date of imported.
6. Be exempted from import duties for the imports to exports for a period of 1 year form the first date of import.

3. The certificate of promotion No.2216(2)/2013 dated September 4, 2013 to engage in the manufacture of molds and mold repair category 4.2 Manufacture of machinery. Equipment and parts , the rights and privileges as follows:

1. Be exempted from import duty on machinery as approved by the BOI
2. Be exempt the Income tax , Net profit from operations that have been promoted but not exceed 100% of the total investment, excluding land and current capital for 8 years from the date of the income from the operation. In the calculation of net income that including income from the sale of defect from productions.

The loss of business during the income tax exemption, that losses can be deducted from the net profit after the period of exemption from income tax for a period not exceeding 5 years from the date of expiration of the period, by deducting from net income of any year or many year.

3. The dividend from the promoted has exempted that to not calculation for the income tax, duration the period of exemption right in income tax.

4. Be exempted from import duties on raw and necessary materials that imported for use in production to export in a period of 1 year from the first date of import.

5. Be exempted from import duties for the imports to exports for a period of 1 year from the first date of import.

The general conditions and project conditions as follows:

General Condition

1. Use land that is permitted to engage in activities that promote only.
2. The machine that has approved the exemption or reduction of import duty in accordance with privileges.
3. Raw and necessary material to apply preferences in promote activities only, and must be submitted for approval to import not less than 2 months.
4. Must provide Income – expenses statement for the promoted business separately from the other business for the purpose of calculating other net income that is exempted from income tax.
5. Raw materials and necessary material must be a specific product or assembly that is used to export product and product from promoted business.
6. Shall provide and protection system to prevent environmental damage or a danger or nuisance to the neighboring.
7. Quality of products from manufactured or assembled. Must be in accordance with international standards.

Project Conditions

1. Machinery for the promoted business must be a new machine and purchasing within March 4, 2016.
2. The operation must be completed within 36 months from the date of the promotion.
3. The implementation of significant projects have been promoted in the following.
 - 3.1 Kind of product : Mold and Mold Repair .
 - 3.2 Size of the business. The production capacity for Mold, about 100 sets and Mold repair 50 sets per year. (Working time 16 hours / day : 300 days / year), outgrowth is defect from productions
4. Minimum investment (Excluding land and current capital) not less than 1 million Baht
5. Income tax exemption worth up not over than 190,000,000 baht

3.2 Marketing and competition

A. Policy and marketing

Because of the limited competition in this industry, the Company's strategy is to manufacture high-quality products at a reasonable price. The pricing policy is based on the cost of manufacturing with a standard profit margin. The Company also has a policy of expanding additional lines of automotive products to meet the demand in the automotive market.

The Company's customers include manufacturers and distributors of motorcycles and motorcars (passenger cars and commercial vehicles). The Sittipol 1919 Co., Ltd. is the Company's dealer in automotive spare parts that The Company has not paid any compensation to dealers.

Distribution channels and customer base

1. Local channels

1.1 Original equipment market: The products are sold directly to local assembly plants in Thailand. Usually, they are used in the manufacturing process or kept as spare parts.

1.2 Replacement equipment market: The products are sold through the Company's dealer, The Sittipol 1919 Co., Ltd. In this market, the products are as replacements.

2. International channels

2.1 Original equipment market: The products are sold directly to local assembly plants abroad. Usually, they are used for manufacturing or kept as spare parts.

2.2 Inter-member market: The products are export sold to each international member of the Stanley Group which engages in automotive assembly. This is to enable those members to assure the availability and quality of their stock. Deliveries are made on their orders from time to time on the basis of a single source. That means the Company is the sole manufacturer and distributor of these kinds of products for the Stanley Group worldwide. This creates economies of scale and efficient cost control. For some members in the Stanley Group, if only a few items are required and it is not cost-effective to order them directly from another manufacturer, an occasional delivery from the Company is a better alternative.

Currently, The company had domestic sale approximately 74% and export sales approximately 26% of the Company's total sales. The majority of foreign customers are in Asia, Europe and the USA.

b. Industry and competition

The Company's policy is competitive to practice under the rules of the competition. Not take any action as a monopoly or reduce competition or limited competition

In the local automotive lighting equipment industry, the competition is limited with very few market players. Basically, there are only three manufacturers in Thailand, i.e. the Company, Thai Koito Co., Ltd and Ichikoh Industry (Thailand) Co.,Ltd. However, the Company is the larger manufacturer and in terms of competition, the Company definitely has the edge over its competitor because the Company's business integrates research and development, design, moulding, manufacturing, assembly and quality control. As regards cost, the Company can take advantage of its being a listed company by obtaining lower cost financing through the Stock Exchange of Thailand, compared with its competitor.

The barriers to entry are high for the following reasons:

1. Significant investment is needed to acquire the costly machinery, tools and devices, including the equipment for quality testing.
2. The specialist training for workers is expensive and time-consuming.
3. The business naturally relies on specialised technology and must conform strictly to each country's safety standards.
4. The Company benefits greatly from the modern technology and valuable experience transferred from its joint venture partner, Stanley Electric Co., Ltd. of Japan, thereby increasing customers' confidence in the Company.

Because there are so few operators in this industry, the Company has the bargaining power over its customers at a particular level. However, the course of business is still based on the facts, especially, the basis of the actual cost of manufacturing plus standard profit.

Despite the limited number of operators in this industry, there are many suppliers. The Company has a non-monopoly policy with suppliers so that it can negotiate for the lowest price possible.

The automotive industry plays an essential role in the country's overall industrial development. Structurally, the automotive industry is linked to a wide range of other industries. That starts with basic materials, such as steel, plastic, rubber, glass and animal hides and the manufacture of automotive parts. The final process ends with assembly.

Over the past decade, Thailand's automotive industry has improved substantially, making Thailand the largest manufacturer of vehicles and component parts in Asian. The growth of the automotive industry over the past decade can be classified by types of vehicles: motorcars and motorcycles. Automotive industry in 2013. The first half of the year has produced consistently high to deliver the vehicle from the first car project of the government, after the project ended in the second half production and sale of motor vehicles decreased dramatically and continued until early 2014

Naturally, the Company's business aims at the OEM market while the replacement market is its secondary channel. Therefore, the growth of the Company's business over the past decade has been in line with the direction of the country's automotive industry.

3.3 Supplies and services

a. Manufacturing and raw material

The Company has three manufacturing plants as follows:

1. Automotive bulb plant : capacity = 113 million pieces per year

All production from customers' orders and the other portion supplies the Company's lamp plant.

2. Automotive Lamp plant : capacity = 40 million pieces per year

All production from customers' orders

3. Die and mould plant: Production = 400 pieces per year

All production from customers' orders and the other portion supplies the Company's lamp plant.

The Company currently acquires 64% of materials from local suppliers and 36% import from foreign suppliers. That their price has not changed significantly over the years. Details of local and foreign acquisition of materials over the past three years are as follows

Sources	31 March 2014		31 March 2013		31 March 2012	
	Amount	%	Amount	%	Amount	%
Local	2,069.87	64.36	3,219.36	80.50	2,573.51	69.53
Foreign	1,146.36	35.64	779.66	19.50	1,127.54	30.47
Total	3,216.23	100.00	3,999.02	100.00	3,701.05	100.00

The majority of materials are supplied by Stanley Electric Co.,Ltd. of Japan and other company members in the Stanley Group for the following reasons:

1.The material has characteristic features and can be acquired in large quantities from a single source to save costs. Conversely, it is not cost-effective for the Company itself to manufacture the material in Thailand because of the low demand.

2.A large order is necessary for cost-effectiveness. However, local demand is not large enough. In other words, a small order increases the cost. The Company has therefore opted to buy only essential material locally out of the total quantities obtained from Stanley Electric Co., Ltd. of Japan. This is to reduce the cost of procurement

and the risk of dead stock.

3.A single source provides the material on the basis of the alliance among the members of the Stanley Group, resulting in economies of scale. The material is distributed to all other members worldwide.

The price of material provided by Stanley Electric Co., Ltd. of Japan and the Stanley Group is fixed at a reasonable and favourable level. The pricing formula is the actual cost plus administrative expenses. If some kinds of general material can be acquired from other suppliers on favourable conditions, the Company has absolute discretion to proceed with that procurement without abiding by any commitments within the Stanley Group.

b. Environmental impacts

In every production process, The Company realized the effective to do not adversely affect the environment. For the painting process, a water shield and sludge disposal system are in place to prevent dust in the air. In this regard, the Company has engaged Management and Development for Environmental Conservation Public Company Limited, which holds a waste disposal licence, to dispose of and treat the waste. Consequently, no pollution is emitted outside the Company's facilities. That means the environment suffers no impact from the Company's operations.

Now the company has completely Waste Water Treatment, the waste water from all factory will be sent in for proper treatment whose water level can be measured for the standard, that can be brought back for reused in production process and other activity such as toilet flushing, water plant and Lamp7 factory has reuse it in painting process and flushing water for toilet, and other factory are adjusting this water for appropriate use.

Therefore, the company have not any affect to environment.

In all circumstances, the Company recognises the importance of environmental conservation. It has campaigned for environmental management and was awarded ISO14001 certification

The company have designed our products to be environmentally friendly (green products) by relying on chemical-free substances or reducing the use of poisonous chemicals such as mercury (Hg), lead (Pb), chromium 6 (Cr6+), cadmium (Cd) and flame retardants (PBB & PBDE).

In addition, we also provide a green space project in the company, by providing a tree Planting activity on the last working day of the year, Enhancing the green space in the company and create a habit of environmental importance to employees.

3.4 Undelivered Projects

- None -

4.Risk factors

The Company's risk management policy is, The Company must ensure safety of life and body of employees by considering as the highest priority and must maintain process property and to cope with risk by coordinate with local and government offices, make a relationship with other industries as well as provide suggestions of necessary and adequate information for risk management measures

The Company structure of risk management systems, as follows.

- The executive responsible for the oversight of risk management.

- Provide executive level of risk management committee. The President is the Chairman of the Committee, to perform risk and crisis response. The preparation and management of information. (Security) social activities, prevent the problem recurring, and the drafting and verification of risk management policy and report such action to the Board of Directors of the Company.

Risk Management Committee has prepared a guide to determine how the risk control environment risk is expected to affect the company's operations. Including risks arising from the misconduct of individuals in the company. To accommodate risks and crisis that quickly , and requires the verification of the control such condition each year.

To establishment of the Business Continuity Plan (BCP) in case of crisis from approval by The Risk Management Committee , to served unified response to the crisis so that they can continue to operate and manage the risks linked with Stanley Electric Co., Ltd.. Japan.

The company has reviewed the requirements for the risk management . To provide for the obligation to deliver to customers the ability to perform perfectly and can operate continuously. It is conjectured that the risks facing the company substantially. There are measures to prevent losses due to such risks , including ensuring the safety in the event of a crisis. And the subsequent management measures to limit losses in the least and have performed simulations flood crisis. Start from the implementation of management responsible for risk oversight ,the Risk Management Committee 's operation and establishment of the Business Continuity Plan and various operations to normal levels . So that all departments understand the role and the simulation results to improve the risk management plan of each agency accordingly with the cooperation of the Stanley Electric Co., Ltd., Japan to advise such simulations.

Furthermore of such measures , in the other departments have responsible for risk control that have been prepared terms and measures in case that crisis. Such as conflagration, substances chemical leak. Including preparation of training plans. Simulation Evaluation of a record, and monitoring the safety of the facility and has established the TOP GUN and training as a special case to as a team supplement in helping prevent and suspend conflagration preliminary to reduce the damage that may occur.

From company Risk Assessment in business risk has not significant effect on investment of the investors. There are only business risk in general and in middle level , that to risk reduce by cost of protection which must be carefully considered. In the budget and must take measures to reduce risk within the fixing date as follows ,

1. Risk caused from economics and political instability in the country

Performance Improvement Strategy Office has been established in order to study about cost reduction as well as study business environment to find measures of maintaining profit margin. Management meeting is held and update information is posted on announcement board every week.

2. Risk caused from foreign exchange rate and loan

Risk from foreign exchange rate .This risk arises because of raw materials importing and exporting. Such business transaction is usually in short term, approximately 1-3 months with currency of Yen and U.S. dollar. Measure of preventing this risk is to use Forward Contract.

Executive committee is the person who considers acceptable risk level for each transaction and each partner. Forward contract policy remains unchanged which can prevent risk by 50% of total net debt in foreign currency. The contract will be made only with the main bank that the company is using service. The company will not do speculating business transaction.

Risk caused from loan. The company has no significant risk from loan clustering. The company made a contract of derivatives and deposited cash with the reliable financial institutions.

3. Risk caused from increasing in materials cost and being short of suppliers

The policy on this matter is not dealing solely with any particular manufacturer or supplier. As the supply is more than demand for this material, the company can choose the supplier who is strong, capable, and stable in financial

status. All factors can be a purchasing power of the company to negotiate with the suppliers

5. Structure of Securities holding and management

5.1 Securities of Company

(1) The Company has paid up capital of 383.125 million Baht and fully paid up, divided into 76,625,000 ordinary shares each of baht 5 per share.

(2) Other Share

- None

5.2 Shareholders

(1) Major shareholder list

(A) Top ten shareholders as at the last closing book date July 17, 2013.

Shareholder Name	Number of Share (Share)	% of holding
1. Stanley Electric group	23,284,500	30.39
• Stanley Electric Holding Asia-Pacific PTE	22,950,000	29.95
• Asian Stanley International Co.,Ltd.	334,500	0.44
2. Lee-issaranukul Family	22,620,496	29.52
• Mrs.Porndee Lee-issaranukul	7,695,876	10.04
• Mr.Apichart Lee-issaranukul	4,500,036	5.87
• Mr.Thanong Lee-issaranukul	3,208,920	4.19
• Mrs.Pimjai Lee-issaranukul	2,170,670	2.83
• Mrs.Pornthip Sethiwan	2,162,670	2.82
• The Sittipol (1919)	2,556,074	3.34
• Sopa-Kanok International Co.,Ltd.	326,250	0.43
3. BNP Paribas Securities Services, London Branch	2,055,500	2.68
4. Somers (U.K.) Limited	1,957,900	2.56
5. Thai NVDR Co.,Ltd.	1,918,471	2.50
6. AIA Company Limited, AIA-D-PLUS	1,540,000	2.01
7. Mr.Kenneth Rudy Kamon	1,303,800	1.70
8. Aberdeen Long Term Equity Fund	1,127,300	1.47
9. State Street Bank and Trust Company	1,104,100	1.44
10. Aberdeen Growth Fund	1,074,400	1.40

The currently shareholders list , the investor can see in company website (www.thaistanley.com) before the Annual General Meeting

(B) Major Shareholders to participate in its operations by sending member to be a committee

Shareholder Name	Number of Share (Share)	% of Holding
1. Stanley Electric group	23,284,500	30.39
2. Lee-issaranukul Family	22,620,496	29.52

5.3 Other Securities

- None

6. Dividend payment policy

The dividend payment policy of the company is that the rate of dividend payment of the Company is not less than 30 per cent of the net profits deduction of tax. (The Company Only)

Fiscal Year	2008	2009	2010	2011	2012
Earning Per Share (Baht)	14.47	12.50	18.63	9.48	20.97
Dividend Per Share (Baht)	5.00	5.00	6.50	3.00	6.75
Dividend Ratio (%)	35.69	42.81	36.37	36.61	33.72

7. Management Structure

7.1 Board of Director and Meeting

Name	Position	Board of Director Meeting	
		Number of Meeting	Number of Attend the Meeting
Mr. Apichart Lee-issaranukul*	Executive Chairman	5	5
Mr. Koichi Nagano *	President	5	5
Mr. Thanong Lee-issaranukul *	Director	5	5
Mrs. Pimjai Lee-issaranukul	Director	5	5
Mrs. Pornthip Sethiwan	Director	5	5
Mr. Toru Tanabe ***	Director	5	4 (3 Times by TV Conference)
Mr. Shigeki Muto ** ***	Director	5	2 (TV Conference)
Mr. Katsumi Sumiya* **	Director	5	3
Mr. Krisada Visavateeranon	Independent Director and Chairman Audit Committee	5	5
Mr. Chokechai Tanpoonsinthana	Independent Director and Audit Committee and adequate expertise and experience to audit creditability of the financial reports	5	5
Mr. Suchart Phisitvanich	Independent Director and Audit Committee	5	5
Mr. Picharn Sukparangsee	Independent Director	5	5

Remark * Authorized directors ** Director appointment during the year *** Director worked at Japan.

Board of directors meeting must be held at least once every 3 months and all directors are required to attend. There might be additional meeting if necessary. The director having interests has no right to vote for that agenda. The procedure of the meeting has been described in the rules of board of directors meeting.

Meeting schedule and key agenda have been set for the whole year in advance in order to make sure the adequacy of time and the availability of the board members. The invitation letter is sent out at least 21 days in advance both in Thai and in English. TV conference is also set up for the board member who is on overseas business trip to join the meeting from abroad.

In the board of directors meeting, chairman of the board of directors shall set the agendas and screen the agendas proposed by directors. As there has not been any one being appointed to replace the former chairman of the board; hence, executive chairman and corporate secretary together shall set the meeting agendas. Every time in the meeting, each director is required to report sale/holding of securities to the meeting.

For the normal business transactions, executives will report to the board meeting on the quarterly basis.

Total numbers of Board of Directors meetings held in 2013 are 5 times. At every meeting, adequate details in the form of supplementary documents will be sent out to the board members to study in advance. According to attendance record, 10 out of 12 members that working in Thailand had attended meeting every time (100%), and 2 person who stay in oversea had attended the meeting via TV Conference, that 1 person attending 4 times or 80% and the other attending 2 times or 40% of the meeting.

7.2 The Executive Board

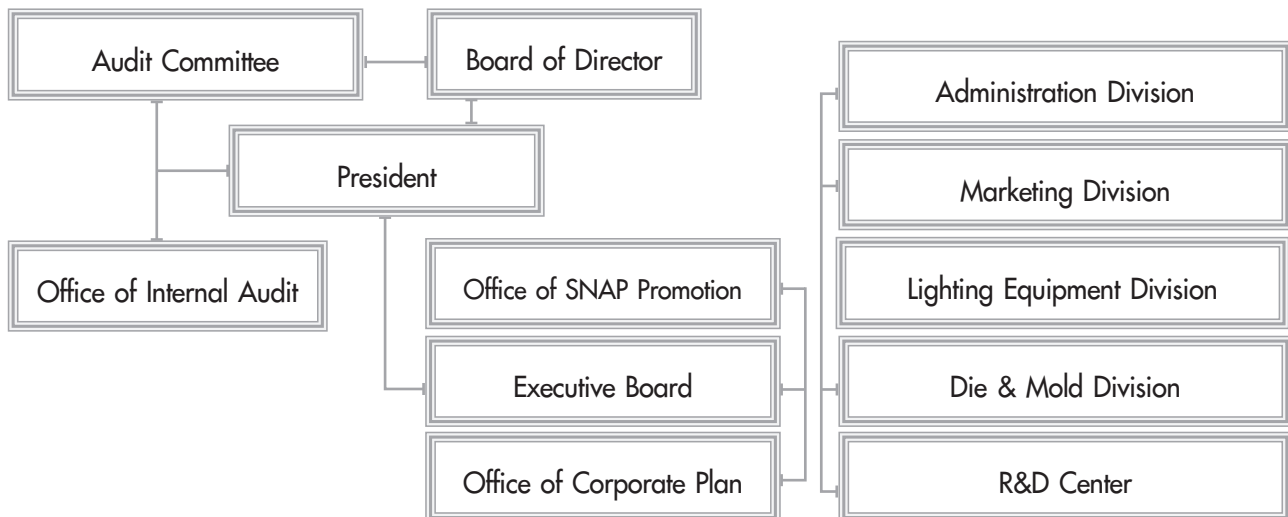
The executive directors meeting will be held 4 times a month and there might be additional meeting if necessary. Management or involved person might be invited to give information directly to the meeting.

On March 31, 2014 the executive board name list are 6 persons as follows

1. Mr. Apichart Leeissaranukul	Executive Chairman and Executive General Manager Administration Division
2. Mr. Koichi Nagano	President
3. Mr. Katsumi Sumiya	Director and Executive General Manager Lighting Equipment Division
4. Mr. Masashi Ishii	Executive General Manager - Marketing Division
5. Mr. Nobuhiro Takahashi	Executive General Manager - Die & Mold Division
6. Mr. Koji Kobayashi *	Executive General Manager - R&D Center

Remark * New executive

Management Structure



7.3 Company Secretary

The Board of Directors has appointed Mrs. Sudjai Srifuengfung. Held the position of company secretary Since July 4, 2008 by the properties of the incumbent secretary of the Company is as follows

Company Secretary Practice requirements as set out in Section 89/15 and 89 /16 of the Securities and Exchange Act (No. 4) Act 2551 which comes into force on 31 August 2551 with responsibility. caution And honesty Including compliance with the legal regulations of the company's objectives . Board of Directors The resolution of the shareholders of the Company Secretary are required by law .

1. Establish and maintain the following documents.

- A register of directors
- B. Director Meeting Notice letter , Minutes of the Board meeting and company annual report
- C. Notice of the annual general meeting of Shareholders. And the minutes of the shareholders meeting

2. Keeping report on interest filed by a director or executive and deliver a copy of the report Stakeholders under Section 89/14, the Chairman of the Board and Chairman of the Audit Committee within 7 days from the date we receive the report.

3 . Carry other According to the Commission the notification .

There is also the Company Secretary of the Company and other duties as assigned .

- Advise on the laws and regulations related . And best practices in governance and in the activities of the Commission in accordance with the law.
- Served on the Board of Directors' meetings and shareholders meeting.
- Contact with other departments within the company. To comply with the resolutions of the Board of Directors and shareholders.
- Contact with regulatory agencies such as the SEC , the Stock Exchange of Thailand , and overseeing the disclosure and reporting information to the regulatory agencies and the public. Correctly by Provide orientation Advises directors to be appointed new.
- Other duties as assigned by the company

List of Directors and Management

1.Name – Surname	Mr. Apichart Lee-issaranukul	
Position	Executive Chairman and Executive General Manager Administration Division.	
Age	51	
Education Degree	Master of Business Administration Oklahoma City University, USA. Bachelor of Administration The University of the Thai chamber of commerce.	
Training	Certificate Directors Certification program from Thai Institute of Director (IOD)	
% of Holding	5.87%	
Relations	Son Mr.Vitya Lee-issaranukul and Mrs.Porndee Lee-issaranukul Brother Mr.Thanong Lee-issaranukul,Mrs. Pimjai Lee-issaranukul and Mrs. Pornthip Sethiwan	
Working Experience	1991-Present Director Inoue Rubber (Thailand) Public Co.,Ltd. 1992-2013 Executive Vice President Thai Stanley Electric PCL 2013-Present Executive Chairman Thai Stanley Electric PCL 1992-Present President Sopa-Kanok International Co.,Ltd 1993-Present Director Pacific Industries Co.Ltd. 1993-Present Vice Chairman Stanley Thailand Foundation 1995-Present Director Sungold Holding Limited 1996-Present Executive Vice President Asian Stanley International Co.,Ltd 1997-Present Director Sirivit Stanley Co.,Ltd. 1997-Present Director Daido Sittipol Co.Ltd. 1999-Present Chairman Lao Stanley Co.,Ltd. 2000-Present Director Vietnam Stanley Electric Co.,Ltd. 2002-Present Director Investor Club Association 2004-Present Executive Director Investor Club Association 2005-Present Director Listed Companies Association 2006-Present Director PT Indonesia Stanley Electric 2006-Present Director Total Oil (Thailand) Co.,Ltd.	
2.Name – Surname	Mr. Koichi Nagano	
Position	President	
Age	54	
Education Degree	Bachelor of The Faculty of Engineering, Hosei University , JAPAN	
% of Holding	0.00%	
Relations	None	
Working Experience	2000 – 2004 Team Manager , Design Department , Motorcycle Division Stanley Electric Co.,Ltd. 2004 – 2009 Department Manager , Design Department, Motorcycle Division Stanley Electric Co.,Ltd. 2009 – 2013 Director Thai Stanley Electric PCL. 2013 – Present President Thai Stanley Electric PCL. 2010 – Present Director Sirivit – Stanley Co.,Ltd. 2011 – Present Director Stanley Thailand Foundation 2013 – Present Director Sum Hitech Co.,Ltd 2013 – Present Director Top Hightech Co.,Ltd 2013 – Present Director Top PT Indonesia Stanley Electric 2013 – Present Honorary Chairman Lao Stanley Co.,Ltd.	

3.Name – Surname

Position

Age

Education Degree

% of Holding

Relations

Working Experience

Mr. Thanong Lee-issaranukul

Director

54

Bachelor of Business Administration – Commercial , Nanzan University, JAPAN.

4.19%

Son Mr.Vitya Lee-issaranukul and Mrs.Porndee Lee-issaranukul

Brother Mr.Apichart Lee-issaranukul, Mrs. Pimjai Lee-issaranukul and

Mrs. Pornthip Sethiwa

1983 - Present Director Thai Stanley Electric PCL.

1986 - Present Managing Director The Sittipol 1919 Co.,Ltd.

1986 - Present Director Inoue Rubber (Thailand) PCL.

1993 - Present Director Sopa-Kanok International Co.,Ltd.

1995 - Present Executive Director Total Oil (Thailand) Co.,Ltd.

1995 - Present Director Sungold Holding Co.,Ltd.

1995 - Present Executive Director Toei Inoac Co.,Ltd.

1995 - Present Director IRC (Asia) Research Co.,Ltd.

1996 - Present Vice Chairman Daido Sittipol Co.,o.,Ltd.

1996 - Present Executive Dircector Seng Ngun Hong Co.,Ltd.

1996 - Present Chairman Bike Clinic Co.,Ltd.

1998 - Present Director The Studio Production Co.,Ltd.

2001 - Present Chairman Smart Sport Promotion Co.,Ltd.

2001 - Present Chairman Kanok-Sopa Foundation

2003 - Present Director SK Rubber Co.,Ltd.

4.Name – Surname

Position

Age

Education Degree

Training

% of Holding

Relations

Working Experience

Mrs. Pimjai Lee-issaranukul

Director

53

Master of Business Administration operation Management, Drexel University,USA.

Bachelor of Engineering Chulalongkorn University

Certificate Directors Certification program Thai Institute of Director (IOD)

Capital Market Academy Leadership Capital Market (CMA)

2.83%

Daughter Mr.Vitya Lee-issaranukul and

Mrs.Porndee Lee-issaranukul

Sister Mr.Apichart Lee-issaranukul , Mr.Thanong Lee-issaranukul and

Mrs.Pornthip Sethiwan

1983-Present Director Thai Stanley Electric PCL.

2007-2003 President Inoue Rubber (Thailand) PCL

1986-2007 Executive Vice President and Managing Director Inoue Rubber (Thailand) PCL

1993-Present Director Sopa-Kanok international Co.,Ltd.

1995-Present Chairman oei - Inoac Co.,Ltd.

1995-Present Director IRC Asia Reseach Co.,Ltd.

1995-Present Director Sungold Holding Co.,Ltd.

2001-Present Director Kinno Hoshi Engineering Co.,Ltd.

2003- Present Director S.K. Rubber Co.,Ltd.

2006- Present Director Dido Sittipol Co.,Ltd.

2010- Present Global Advisory Board Member

Babson College , Ma, U.S.A

2010- Present Executive Board as External Advisory Expert

Faculty of Engineering Chulalongkorn University

2013-Present Chairman Inoue Rubber (Thailand) PCL

5.Name – Surname**Position****Age****Education Degree****Training****% of Holding****Relations****Working Experience**

Mrs. Pornthip Sethiwan

Director

47

Bachelor of Commerce and Accountancy, Commerce major
Chulalongkorn University.Certificate Director Accreditation Program Thai Institute of Director
(IOD)

2.82%

Daughter Mr.Vitya Lee-issaranukul and
Mrs.Porndee Lee-issaranukulSister Mr.Apichart Lee-issaranukul, Mr. Thanong Lee-issaranukul
and Mrs. Pimjai Lee-issaranukul

1980 - Present Director Thai Stanley Electric PCL.

1985 - Present Director Seng Ngun Hong Co.,Ltd.

1990 - Present Executive Director The Sittipol 1919 Co.,Ltd.

1990 - Present Director Pacific Industries (Thailand) Co.,Ltd.

1991 - Present Director Inoue Rubber (Thailand) PCL.

1993 - Present Director Sopa-Kanok International Co.,Ltd.

1993 - Present Director Bike Clinic Co.,Ltd.

1996 - Present Director Daido Sittipol Co.,Ltd.

2003 - Present Director SK Rubber Co.,Ltd.

2006 - Present Director IRC Asia Research Co.,Ltd.

6.Name – Surname**Position****Age****Education Degree****% of Holding****Relations****Working Experience**

Mr. Katsumi Sumiya

Director and Executive General Manager Lighting Equipment Division
55

Bachelor Faculty of Economic , Aichi University , JAPAN

None

None

1985 – 2003 Purchasing Section Stanley Electric Co.,Ltd.
Okazaki Plant2003 – 2004 Section Manager Purchasing Section
Stanley Electric Co.,Ltd. Okazaki Plant2004 – 2007 Section Manager Production Section
Stanley Electric Co.,Ltd. Okazaki Plant2007 – 2011 Department Manager Lamp 3 Department
Thai Stanley Electric PCL.2011 – 2013 Deputy Executive General Manager
Lighting Equipment Division
Thai Stanley Electric PCL.2013 – Present Director and Executive General Manager
Lighting Equipment Division
Thai Stanley Electric PCL

2013 – Present Director Sirivit – Stanley Co.,Ltd.

2013 – Present Director Stanley Thailand Foundation

7.Name – Surname	Mr. Toru Tanabe	
Position	Director	
Age	55	
Education Degree	Bachelor Faculty of Electric Engineering , Hosei University , JAPAN	
% of Holding	None	
Relations	None	
Working Experience	2007 – 2008	General Manager , Integrated Components Plant , Stanley Electric Co.,Ltd.
	2008 – 2010	Executive Officer , Executive General Manager, Integrated Components Stanley Electric Co.,Ltd.
	2010 – 2011	Director , Integrated Components Division Superintendent , Stanley Electric Co.,Ltd.
	2011 – Present	Director , Research & Development & Technology Superintendent Stanley Electric Co.,Ltd.
	2012 – Present	Director Thai Stanley Electric PCL.
	2012 – Present	Director SL Lighting Corporation
	2012 – Present	Director Tianjin Stanley.Co.thd
	2012 – Present	Director Stanley Electric U.S.Co.,Inc
	2012 – Present	Director II Stanley Co.,Inc.

8.Name – Surname	Mr. Shigeki Muto	
Position	Director	
Age	58	
Education Degree	Bachelor of Engineering Kanazawa University , Japan	
% of Holding	None	
Relations	None	
Working Experience	1979 - 1989	Stanley Electric Co.,Ltd.
	1989 - 1999	Stanley Electric U.S. Co.,Ltd.
	1999 – 2003	President Stanley Miyagi Works Co.,Ltd.
	2003 – 2004	Executive Officer General Manager Lighting Application Division Stanley Electric Co.,Ltd.
	2004 – 2011	Managing Director SNAP Progmotion Superintendent Purchasing Superintendent Manufacturing Superintendent General Manager of Hatano Factory Stanley Electric Co.,Ltd.
	2013 - Present	Director Thai Stanley Electric PCL.
	2013 – Present	Director Asian Stanley International Co.,Ltd.

9.Name – Surname

Position

Age

Education Degree

Training

% of Holding

Relations

Working Experience

Mr. Krisada Visavateeranon

Independent Director and Audit Committee Chairman

64

Master of Engineering Kyoto University, JAPAN

Bachelor of Engineering Kyoto University, JAPAN

Certificate - Directors Certification program ,
Audit Committee Program

Thai Institute of Director (IOD)

None

None

1975 - 2007 Associate Professor Chulalongkorn University
1997 - Present Executive Director Technology Promotion
Association (Thailand-Japan)
1999 - Present Independent Director and Audit Committee Chairman
Thai Stanley Electric PCL.
2007 - Present Chancellor Thai-Nichi Institute of Technology
2009 - Present Audit Committee Textile Prestige PCL
2012 - Present Director Wazeda Education (Thailand) Co.,Ltd.

10.Name – Surname

Position

Age

Education Degree

Training

% of Holding

Relations

Working Experience

Mr.Chokechai Tanpoonsinthana

Independent Director and Audit Committee

66

Master of Business Administration (Quantitative Analysis & Finance)
University of Wisconsin (Madison Campus)

Master of Civil Engineering University of Wisconsin at Madison, U.S.A.

Bachelor of Civil Engineering (Structure)Chulalongkorn University

Certificate Director Certification Program , Monitoring Fraud Risk
Management ,

Audit Committee Program ,Monitoring the Internal Audit Function ,
Monitoring the system of Internal Control and Risk Management ,
Monitoring the Quality of Financial Reporting

Thai Institute of Director (IOD)

None

None

2000-Present Independent Director and Audit Committee
Thai Stanley Electric PCL.
2003-Present Independent Director and Audit Committee Chairman
Advance Information Technology PCL.
2013 - Present Independent Director and Audit Committee
Witcorp Co.,Ltd.

11.Name – Surname

Position

Age

Education Degree

% of Holding

Relations

Working Experience

Mr.Suchart Phisitvanich

Independent Director and Audit Committee

68

Master of Electrical Engineering Louisiana Tech University USA.

Bachelor of Electrical Engineering Chulalongkorn University

Certificate - Director Certification Program Thai Institute of Director. (IOD)

None

None

1968 – 1970 Electrical Engineer Electricity Generating Authority of Thailand

1972 – 2006 Engineer in Project Monitor Division
Director of BOI unit for Industrial Linkage Division
Director of Electronic and Electrical Division
Director of Textiles and other Light Industry Division
Assistant Secretary General of BOI
Senior Executive Investment Advisor
Office of the Board of Investment (BOI)

2006 –Present Executive Advisor for the Board Navanakorn PCL.

2006 – Present Quality Manager
Total Solution Management Service Co.,Ltd.

2010 -Present Independent Director and Audit Committee
Thai Stanley Electric PCL.

12.Name – Surname

Position

Age

Education Degree

% of Holding

Relations

Working Experience

Mr.Picharn Sukparangsee

Independent Director

53

Master of Faculty of Law University of Warwick , ENGLAND

Master of Faculty of Law University of London , ENGLAND

Bachelor of Faculty of Law Thammasart University

Certificate Director Certification Program
Thai Institute of Director. (IOD)

None

None

1987 – 2005 Associate / Partner International
Legal Counsellors Thailand

2005 – Present Director Siam City Law Offices Limited

2010 – Present Independent Director Thai Stanley Electric PCL.

13.Name – Surname

Position

Age

Education Degree

% of Holding

Relations

Working Experience

Mr. Masashi Ishii

Executive General Manager Marketing Division

53

Bachelor Department of Psychology , Nihon University , Tokyo

None

None

1989 – 2011 Manager Marketing Department ,
Stanley Electric Co.,Ltd.

2012 – Present Executive General Manager , Marketing Division
Thai Stanley Electric PCL.

14.Name – Surname

Position

Age

Education Degree

% of Holding

Relations

Working Experience

Mr.Nobuhiro Takahashi

Executive General Manager Die&Mold Division

54

Shonan Institute of Technology, Japan

None

None

1983 - 2009 Manager , Die & Mold Factory
Stanley Electric Co.,Ltd.

2009 - Present Executive General Manager , Die&Mold Division
Thai Stanley Electric PCL.

15.Name – Surname

Position

Age

Education Degree

% of Holding

Relations

Working Experience

Mr.Koji Kobayashi

Executive General Manager R&D Center

51

Bachelor of Mechanical Engineering Meisei University , Japan

None

None

1986 - 2011 Engineering Technology Center Division
Stanley Electric Co.,Ltd.

2011 - 2013 Manager Engineering Technology Center Division
Stanley Electric Co.,Ltd.

2013 - Present Chief of Center R&D Center Thai Stanley Electric PCL

16.Name – Surname

Position

Age

Education Degree

Training

% of Holding

Relations

Working Experience

Mrs.Sudjai Srifuengfung

Company Secretary

55

Bachelor of Accountancy Thammasart University

Effective Minute Taking (EMT)

Corporate Secretary Development Program - Chulalongkorn University

Company Secretary Program - Thai Institute of Director. (IOD)

The Director Registration system of listed companies

FTI Business Administration FIBA Course 1 - The Federation of Thai Industries (FTI)

Financial Reporting Update 2013 - PricewaterhouseCoopers ABAS Ltd.

None

None

1999 - 2008 Board of Director Secretary
Thai Stanley Electric PCL.

1999 - 2013 Audit Committee Secretary
Thai Stanley Electric PCL

2000 - 2002 Department Manager Accounting & Financial
Department Thai Stanley Electric PCL.

2002 - Present Deputy Executive General Manager
Administration Division Thai Stanley Electric PCL.

2002 - Present Director Lao Stanley Co.,Ltd.

2008 - Present Company Secretary Thai Stanley Electric PCL.

7.4 Remuneration for the company's management

(1) Remuneration in cash

The company setting the remuneration policy for director on the appropriate consideration and comparing with the remuneration for the directors paid by the companies listed in Stock Exchange of Thailand with the same size of business or the same industry, and approved by shareholders' meeting.

The policy of remuneration for executives shall be considered from their roles and responsibilities as well as performance

(A) The Board of director remuneration for 2013 , details as follows

Name	Position	Director Fee (Baht)		
		Director	Audit Committee	Total
Mr.Apichart Lee-issaranukul	Executive Chairman	205,000		205,000
Mr.Koichi Nagano	President	205,000		205,000
Mr.Thanong Lee-issaranukul	Director	205,000		205,000
Mrs.Pimjai Lee-issaranukul	Director	205,000		205,000
Mrs.Pornthip Sethiwan	Director	205,000		205,000
Mr.Toru Tanabe	Director	200,000		200,000
Mr.Shigeki Muto *	Director	145,000		145,000
Mr.Katsumi Sumiya *	Director	150,000		150,000
Mr.Krisada Vissavateeranon	Independent Director and Audit Committee Chairman	205,000	285,000	490,000
Mr.Chokechai Tanpoonsinthana	Independent Director and Audit Committee	205,000	165,000	370,000
Mr.Suchart Phisitvanich	Independent Director and Audit Committee	205,000	165,000	370,000
Mr.Picharn Sukparangsee	Independent Director	205,000	5,000	210,000
Mr.Hiroyuki Nakano **	Director	470,000		470,000
Mr.Katsumi Kondo **	Director	165,000		165,000
Total		2,975,000	620,000	3,595,000

Remark 1. * Director appointment during the year including Retired Allowance ** Director resigned during the year and director fee
2. Company only has Audit Committee

The executive board remuneration

In year 2013 the company paid the remuneration for executive board as salary and bonus to 8 person amount 48.66 million baht (In 2013 the executive board resigned 2 person now current executive board are 6 person)

Other remuneration
-None

7.5 Personal

Total employees as at March 31st , 2014 were 3,054 persons . The company paid for employee's remuneration in year 2013 were 1,291.68 Million Baht as salary , bonus , provident fund and other welfare , details as follows.:

Division	Male	Female	Total
Administration	57	54	111
Marketing	19	23	42
Production	1,554	1,315	2,869
Japanese	32	-	32
Total	1,662	1,392	3,054

Policy of personal 's development

The company policies in employee training and development plans to all levels of employees about knowledge and skills to work , Foreign language , Mind development , and internships to study abroad, such as Japan, the U.S.A regularly.

That for 3 years ago, the Company does not have any conflict or dispute with employees and the company was awarded the Outstanding Labor and Welfare Labor 6 years continuously since 2007 – 2012 certification system and standard of Thai workers. (TLS. 8001-2546) complete level from the Ministry of Labor.

8. The Corporate Governance

8.1 The corporate governance policy

The board has developed the corporate governance policy with details as follows:

1. Develop Business Ethics or Ethics and Code of Conduct for the board and employees to comply with, ensure the compliance, together with review and update it.
2. Define structure, role and responsibility of the board and the executive clearly and appropriately
3. Require the board conduct performance self-evaluation
4. Create, maintain, and review the control system in respect with finance and operation, ensure the operational effectiveness and compliance with law and ethics, and manage risks by paying attention to red flag warning and unusual transaction.
5. Ensure that disclosure information is accurate, complete, in time, and in equitable manner for shareholders and stakeholders.
6. Develop reliable financial reporting procedure and inspection process, and assess the sufficiency of internal control, risk management, and effective monitoring system
7. Assure that the rights of shareholders and stakeholders are protected and treated in an equitable manner.
8. Resolve the conflict of interest with discretion and transparency
9. Develop environmental and social care system

8.2 Director

(1) Director Structure , The company has had director 3 groups as follows

The Board of Directors

Board of Directors consists of competent, capable, skilled, and experienced people who are qualified for the position.

Board of Directors as of 31 March 2014 consists of 12 members as follows:

1. Executive Directors: involving in managing day to day operations or have authority to sign and bind the company, total 4 peoples or 33.33% of total members.
2. Non-Executive Directors including independent directors totaling 8 people accounting for 66.67% of the total Directors. Four independent directors are accounted for one-third of the Board's total numbers which is in accordance

with the provision of Securities and Exchange Act (No. 4) B.E. 2551.

All directors are qualified in terms of knowledge and experience required for company business operation and focus on performing their role. Independent directors meet the qualification as required by Securities and Exchange Commission.

Authority of the Board of Directors

From the company's regulations, the authority of the Board of Directors are to take responsible for the company's business management, making decision and to supervise the business within the scope and law, as well as the company's objective and regulations, except the following topics that have to get approval from shareholders' meeting.

1. Anything that has been stated by law has to get the shareholders' conclusion.
2. Conduction of any related items that meet the criteria of getting permission from shareholders' meeting.

The Executive Board of Directors

Consist of 3 directors and 3 executives , The role and responsibility is to develop policy and direction and inspect the implementation

Authority of the Executive board

To specify the company's business management policy and direction, as well as to audit the company's business result.

Audit Committee

Consisting of 3 independent directors; one of those has enough knowledge and adequate experience to review the reliability and accuracy of financial statement. Role and responsibility is clearly stated in the audit committee charter, amended for additional roles on 24 October 2008 to be in accordance with the notice from Stock Exchange of Thailand subject: Qualification and scope of work for audit committee B.E.2551.

Authorities of audit committee are as follow

- 1.To review the Company's financial reports for their accuracy and completeness.
- 2.To review that the Company has effective and suitable internal controls and internal audit systems, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.
- 3.To review that the Company will perform in compliance with the law governing Securities and the regulations of the Stock Exchange of Thailand and any relevant laws concerning the Company's business.
- 4.To Consider, select, nominate and independent person to be the Company's auditor and propose such person's remuneration, as well as to attend a non-management meeting with an auditor as least once a year.
- 5.To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and Exchange's regulations, and are reasonable and for the highest benefit of the Company.
- 6.To prepare report and disclosure in the annual report of the company. Such a report shall be signed by the chairman of the Audit Committee and consist of at least the following information
 - Opinions concerning the accuracy, completeness and reliability of the company's financial reports.
 - Opinions on the sufficiency of the company's internal control systems
 - Opinions concerning the company's performance in compliance with the law governing Securities and the regulations of the Stock Exchange of Thailand and any relevant laws concerning the company's business.
 - Opinion on the suitability of an auditor.
 - Opinion on the transactions that may lead to conflicts of interests.
 - The number of audit committee meeting, and the attendance of such meetings by each committee member.
 - Any other reports that the shareholders and general investors should know within the scope of the

duties and responsibilities assigned by the Board of Directors.

7.To perform any other functions as assigned by the Board of Directors with the consent of The Audit Committee.

(2) The Audit Committee who adequate expertise and experience to audit creditability of the financial reports
Mr.Chokechai Tanpoonsinthana

2004 – 2008 Independent Director and Audit Committee United Securities PCL.

2008 – 2011 Audit Committee Chairman United Securities PCL.

2007 – 2011 Independent Director, Audit Committee

Nomination and Remuneration Committee Thai Agro Energy PCL

Audit committee performs its duty by having the support from internal audit as an operation unit and report to audit committee. Also, the committee can asks for advices from independent advisor its expense is absorbed by the company.

The audit committee meeting must be held at least once every 3 months and there might be additional meeting if necessary. Executive or involved person might be invited to give information directly to the meeting. Meeting with auditor without executive attending must be held at least once a year.

Total numbers of audit committee meetings held during fiscal year 2013 are 9 times. According to attendance record, audit committee members attending the meeting are as follows; Mr.Kritsada Vissavateeranon , Mr.Chokechai Tanpoonsinthana and Mr.Suchart Pisitwanich had attended every time, Details of meetings are as follows:

- 5 meetings are among auditors, executives, and internal audit
- 4 meetings are only with auditors, no executive attended.

Name	Number of Attend the Meeting
1. Mr. Krisada Visavateeranon	9
2. Mr. Chockchai Tanpoonsinthana	9
3. Mr. Suchart Phisitvanich	9

8.3 Nomination and appointment of directors and Top management

(1) Independent Director

The Company's setting definition of Independent Directors to be on a level of the Capital Market Supervisory Board's definitions No. TorChor. 14/2552 No.16 details as follows:

1. Hold not more than 1% of the voting shares in the company, its subsidiaries, associates, or related companies, major shareholder or person with controlling power over the company, whilst the number of shares held by any related person of such an independent director must also be counted.

2. Have not been or are not involved in the management, employees, wage earners, advisors on the payroll of the company , its subsidiaries , associates , or equivalent companies , major shareholder or person with controlling power over the company except when such qualifications have ended for more than two years, provided that such restriction or prohibition shall not apply to an independent director who has been a government authority , which is the major shareholder of the company or the person having controlling power over the company.

3. Are not related by blood or registration as parents, spouses, siblings, or children, spouses of any of the children to members of the management, major shareholders, those exercising control, or those about to be nominated as members of the management or those exercising control over the company or subsidiaries.

4. Do not have and have not any business relationship with the company, subsidiaries, associated companies, major shareholders or those exercising control over the company in the manner in which independent discretion might be affected, and not be and have not been a substantial shareholder of or a person having power to control the person that has business relationship with the company subsidiaries, associated companies, major shareholders or those exercising control over the company unless such an independent director has not been a person referred to above for at least two years.

Business referred to in the first paragraph above shall meant to include any ordinary course of business or trade for business engagement purpose , any lease taking or lease out of any property , any transaction relating to asset or service , any financial support or acceptance of financial support by way of either borrowing , lending , guaranteeing or collateral providing or any other manner similar thereto that could result to an obligation required to be performed by the applicant or the party thereto in an amount of three percent or more of the net tangible asset value of the applicant or twenty million baht or more, whichever is lesser. In light of this , the method for calculating the value of connected transaction pursuant to the Capital Market Supervising Committee's Notification, Re: Regulations in respect of an Entering into a Connected Transaction shall be applied mutatis mutandis for the purpose of calculation of such amount of debt of the applicant, provided that the amount of the debt incurred during the past one year prior to the date on which such a business relationship with such a business relationships with such person exists:,

5. Is not and has not been an auditor of the company, subsidiary, associated company, major shareholder or those with controlling power over the company and not be and have not been a substantial shareholder of , a person having power to control over , or a partner of any auditing firm or office in which the auditor of the auditor of the company , subsidiary , associated company , major shareholder or those with controlling power over the company unless such an independent director has not been a person referred to above for at least two years.

6. Is not and has not been a professional advisor , including legal or financial advisor who obtains fee more than 2 million baht a year from the company , subsidiary , associated company , major shareholder or those with controlling power over the company and is not and have not been a substantial shareholder of , a person having controlling power over , or a partner of any of such professional service provider firm or office , unless such an independent director has not been a person referred to above for at least two years.

7. Is not a director appointed as a representative of a director of the company , a representative of a major shareholder of the company , or a representative of a shareholder of the company which is a related person of the major shareholder of the company.

8. Does not engage in any business with similar nature as that of the company and is competitive with the business of the company , subsidiary or is not a substantial partner in a partnership , a director participating in any management role , an employee or officer , an advisor obtaining regular salary from , or a shareholder holding more than one per cent of the voting shares of accompany engaging in any business with similar nature to the company or subsidiary.

9. Does not have any characteristics which will inept the ability to provide independent comment or opinion on the operation of the company.

Process of recruiting independent directors

The appointment independent director not yet approve by nomination committee because of in consideration to setting but the board of director considered the qualification due to their knowledge and capability will benefit to the company.

Business relationship of independent directors - Have ,

1. The company paid for law service to Siam City Law Offices that Mr.Picharn Sukparangsree be director in amount 0.48 million baht , this transaction was not over than the company 's definition .

(2) The Nomination of Directors and top management

The election of directors through at the shareholders meeting , as follows

1. Provide that shareholders vote for the election of directors by shareholders or other person who is not a shareholder. Each shareholder shall have one vote for each share

2. Each shareholder shall exercise all votes applicable under (1) for the appointment of one or more Director, provided that the votes of any shareholder shall not be divisible and shareholder voted one by one for one director.

3. Persons who obtain the highest vote and the next highest vote appoints (in descending order) shall be appointed as directors in order to fill the number of position of director required to be appointed at that time. In the case where more than one person obtains equal votes , and the number of directors with such vote exceeds the remaining number of directors positions to be appointed, the chairman shall have a casting vote in respect of those with equal votes.

4. In the case there is vacancy among the Directors which has occurred other than a retirement by rotation, the Board of Directors shall elect a person who is qualified and not being prohibited by the Public Company Law to fill the vacancy in the next Board of Directors' meeting except in the event that the period of time the Director is entitled to remain in office is less than 2 months.

The person who is elected shall remain in office only for such period of time as the Director he replaces was entitled to remain in office.

The resolution of the meeting of the Board of Directors as specified in the first paragraph shall consist of votes of not less than three-fourth of the remaining Directors.

The selection not approve by Nomination Committee because of in consideration to setting but the Board of Director considered the qualification due to their knowledge , experience and expertise material to the Company's business , be a visionary leader able to express opinions independently of management or any group of stakeholders , work morally and ethically with an unblemished work record and be able to dedicate enough time to working as the Company's director and not be a director or executive of any entity that has a conflict of interest with the company that belong to The Board's Charter in item Selection and Appointment.

8.4 The operations of the subsidiaries and associates company control.

(1) To corporate governance in subsidiaries and associates company .

The company appoint representatives to the company's executives are directors of subsidiaries, associates and the company holds. The policies acknowledge involvement in the management of these companies . Counseling and assistance as appropriate and approved by the Board of Directors. Not intended to interfere with or dominate these affairs.

(2) An agreement with other shareholders in the management of subsidiaries and associated companies.

- None

8.5 Internal information controlling

The Company published the Code of Conduct to Directors and Employees to take the way of implement a good appropriate which covers the use of inside information that non-profit for themselves and others. Based on inside information of the company and set the time to employees and directors not to trade the company's assets within 1 month before the financial statements are disclosed or general corporate information to publish and within 24 hours after disclosure of financial statement and general corporate information

The Directors and Executives will report to the Secretary trading company and report to the Board Meeting every time and in addition. The company announced the information system security policy. To control the company's information that cover on customer information, personal information and communications equipment, the system implemented, communications and create a business continuity. This policy will ensure the system can control the company's information

8.6 Auditor's remuneration

A. Audit fee

The last year company paid for the audit fee 2.05 million bath , and other expenses in auditing such as transportation , copy and others amount 0.16 million baht

B. Other service fee

Reviewing compliance with conditions of BOI promotion certificate amount 0.15 million baht.

8.7 Other practice from the corporate governance

The board of director has developed the company vision and code of conduct for the board members and employees as a best practice in order to maintain the dignity and values of the company and to prevent potential loss due to the misbehavior of internal people. It is published in the form of booklet providing to the board members, executives employees to be aware and adhere to. The content of company vision and code of conduct are put into orientation course for new board member, executive, and employee. The details are also disclosed on the company's website (www.thaistanley.com) as well.

The board of director has complied with the corporate governance policy; the summary of those sections are as follows:

1.Rights of Shareholders

The company is committed to ensuring that the basic right of the shareholders is protected and treated in an equal manner as regulated by law. The company gives the right to shareholders to independently buy, sell, or transfer the securities that they are holding. The shareholders are eligible to receive dividend, participate in the shareholder meeting, freely express opinion in the meeting, and can take part in making key decision such as board election, key business transaction approval, and key company letters amendment. In addition, the company promotes the right of shareholders and facilitates as follows:

1.1 The right to receive important and necessary information to make sure that the disclosed information is accurate, complete, transparent, and in timely to shareholders and stakeholders as required by related regulations. Such information will also be posted on the website as another information channel for shareholders, including other key information such as investment structure, shareholders, management policy, members of the board of directors and so on, as well as other financial information and the information disseminated to the public so that the shareholders and the stakeholders will receive the same information.

Individual shareholder shall be provided with necessary and adequate information about the Shareholders' meeting which includes the date, time, venue, and agenda, together with supplementary details for each agenda in advance. The company posts such information on the company's website 1 month before distributing the documents.

1.2 The right to participate in the shareholder meeting and the right to vote

The Invitation Letter

The company shall send the invitation letter to the shareholders at least 14 days in advance of the shareholder meeting. The letter shall include complete and adequate details of the meeting, agenda, together with supplementary documents which will be both Thai and English language for foreign shareholders.

Details about the right to participate and vote, what documents needed to bring along will be advised. In case of being unable to attend in person, that shareholder can appoint any independent director or any person to be a proxy for him by presenting any proxy form which the company attached together with the invitation letter. The proxy form can be downloaded from the company's website.

Facility

The company will arrange commuting transportation as facilitation for shareholders.

Staffs to welcome and provide service to participating shareholders will be standby 2 hours in advance.

For institutional shareholders facilitate to checking number of shareholding and a name list of the various funds in advance.

For voting process, poll cards will be collected in case of disagree vote in order to use for processing the data of each agenda. Investigation can be done upon request from shareholders.

The following persons are required to attend the shareholders' meeting:

- Every member of executive directors and audit committee
- Auditors to provide information in case of having inquiries from shareholders or lawyers
- Lawyers from the third party company will act as a middleman for voting inspection
- Interpreters to ensure the content be understood for shareholders and committee
- Employee representatives such as the chairman of welfare committee and elected members from welfare committee
- Community representatives from Ban-Klang Municipality

Voting one share one vote , Shareholder has votes equal to the number of shares held. Can not cumulative voting (Cumulative Voting) that from The Articles of Association setting.

1.3 The right to freely express opinion in the meeting

Every shareholder has an equal right to express opinion or make an inquiry with an adequate time providing for each agenda before resolution. In the shareholders' meeting, all members of the boards and executives are required to attend the meeting to answer any inquires to the meeting.

1.4 The right to consider remuneration for board members

In the agenda of remuneration for board members, the criteria and details of remuneration for each member will be notified.

1.5 The right to appoint and nominate the board members and then have shareholders to vote individually

1.6 The board allows shareholders to propose agenda for the annual shareholder meeting. To ensure the fair and equitable treatment to shareholders, the company sets the criteria and Procedure for shareholders to propose agenda to the board to consider it to be the agenda in the annual shareholders' meeting. The details of right, criteria, and procedure are posted on the company website. The company shall notify such dissemination through SET news for shareholders to know in advance.

2. Equitable Treatment of Shareholders

The company pays attention to an equitable treatment to every shareholder whether or not they are major or minor shareholder, institutional investor, or foreign investor. The implementation includes:

2.1 Every shareholder has right to vote depending on number of shares they are holding; one vote per share .The company have only common stock.

2.2 The board has developed prevention measure of using internal information as follows: None of director, executive, or employee can use internal information for the sake of personal benefits. Employees working in department involving with internal information, executive, and director are prohibited from trading the company securities for 1 month before the disclosure of financial statement or information to public and within 24 hours after the disclosure hereof. This rule is described in the code of conduct for the board and employees. The rule also specify that director, executive, and accounting manager is obliged to declare the number of shares they own to the board of directors every time during the board of directors meeting.

2.3 For the shareholders' meeting; the proxy forms approved by Ministry of Commerce Together with the meeting invitation letter, documents, and instruction about proxy assignment will be sent to shareholders so that they can appropriately prepare themselves for the meeting.

2.4 The company agrees to give the right to vote for shareholder who is late in attending the meeting; however, only for the agendas on discussion and have not been reached the resolution yet. That share will be counted for quorum starting from the agenda that he attends as well as votes onwards, unless otherwise instructed by the meeting.

2.5 Besides Thailand Securities Depository Co., Ltd., the share registrar of the company, who will be responsible for sending out the notice for attending shareholders' meeting for 14 days in advance of the meeting, the notice will also be posted on the company website for 30 days in advance of the meeting and published on the daily newspaper in Thai for at least 3 consecutive days and at least 7 days before the meeting date.

2.6 The Minutes of Shareholders' Meeting will be posted on the company website within 14 days after meeting , so that the shareholders who did not attend the meeting being able to know the same information.

3. Role of Stakeholders

The company is aware of the rights of each group of stakeholders such as customers, suppliers, employees, shareholders, government sectors, and other related parties as well as community as specified by law and make sure that their rights are properly protected and treated.

3.1 Customers , Most of the company products are sold to automaker; therefore, the company's customers mean the purchasers of the products and the end-users as well. Customer policy is as follows:

Management : Consider customer satisfaction as the first priority by improving every function; quality control, costing, delivery, development, security, and relationship through Planning – Doing – Checking process cycle.

Quality : Aim to develop international standard on quality assurance system; delivering the products with the confidence in gaining satisfaction and trust from customers.

The company sets up the Quality Assurance to be responsible for assurance product quality , giving advices on products, providing consultations, and receiving complaints, to make sure the customers will satisfy with the quality of products and services. In the competition ,

The Company has policies and practices to fair competition and on normal business.

3.2 Suppliers , Supplier is one of business partners. The company have policy that strictly complies with agreement or contract made with the suppliers by adhering to operating business with integrity to self and to other parties in accordance with law and related rules and regulations. The supplier selection is according to purchasing policy that consider cover to company documents , performance , environmental , employee practical and human rights.

Meeting with business partner is also held with the purpose to keep partner updated about the company movement and to hear opinions; for example, for bank or creditor; the company will invite them to the meeting together with securities analyst so as to be informed about the company quarterly performance, or for the case of suppliers; supplier meeting is held every year through purchasing department in order to inform about annual purchasing policy and confer QCD award to the suppliers who delivered the good products and being punctual.

For construction contractor, a separate meeting will be held by occupational health and safety officer and invite the staff who is responsible in the field of repairing, construction, or expansion of the company properties to the meeting in order to ensure that safety measure is extended to the involved parties.

Since 2009, the company initiated the project of developing raw material suppliers to be quality suppliers by delivering goods on time, being competitive which leads to quality raw material with reasonable price. The project has been carried on until present, divided into 2 activities as follows:

1. Supplier SNAP , The company extends productivity improvement activity to suppliers and sends SNAP (Stanley New Approach Productivities) team together with purchasing officer to the supplier company in order to educate and conduct productivity improvement activity in an periodical manner during 6 month period.

2. Supplier Improvement Project , The company will choose the suppliers to help them to identify problems and give advices on manufacturing efficiency.

The company also provides customer support and encourage vendors to be certified to international standards as quality assessment to provide a quality of supply chain.

3.3 Employees , The company realizes that the company is growing because of the cooperation of every employee so the employees are valuable resource of the company. The company policy are cover employee sustain in respect with safety, welfare, privilege for employees and the company have certified for Thai Labor Standard, TLS800-2003 (since June 2008 until present) from Ministry of Labor and Social Welfare.

3.4 Shareholders The company policy is to protect shareholders' rights in an equitable manner as required by law. The policy is set that dividend paid to shareholders will not be less than 30% of net profit (Financial Statement - The company only), and allow shareholders to visit the company after finishing Shareholders' Meeting or the next available time

3.5 Society and Community The company recognizes the importance of society and local communities that the company have become a part of society , so from founding to the present the company has met with representatives of local communities, Banklang municipality and participation in support of local activities regularly

The company has been doing social activities under the name of Stanley Thailand Foundation. And reported the foundation activities on Annual Report

In addition, the company has developed the policy about the right of stakeholders and put in corporate governance policy and code of conduct for directors and employees of the company. Stakeholders can communicate or complain with the company via the company website. The company has set the specific process and section for these matter and the company always focuses on social and community activities and strictly complies with laws and regulations.

4. Disclosure and Transparency

The company and the executive committee focuses on managing and operating business under the principle of good governance and being aware of information disclosure with accuracy and in timely fashion as specified by regulatory agencies. Therefore, the company sets the policy and practice regarding information disclosure as follows:

4.1 Information Policy

- Disseminating information about the company must be aligned to disclosure policy and under the scope of laws, provisions, and related regulations.
- Disseminating information about the company must be clear, accurate, complete, transparent, and reliable. The information must be explained clearly, easy to understand, and promptly to stakeholders.
- The information must be fair to all parties by treating all parties in an equitable and consistent manner under the scope of operation practice, also avoid causing conflict of interest.
- Ensure that such dissemination will not cause negative impact on relationship between the customers and the company or violate the privacy of customers, shareholders, or other stakeholders.
- Performing duty about disseminating confidential information must be complied with the company rules and regulations specified in the code of conduct for the board and employees.

4.2 Communication

Executive Chairman, and President have authority to notify key information of the company and can delegate to management to give information about its own function through responsible department or person in charge of investor relation. Company information is available for customers, shareholders, investors, or interested persons or requesting for more information via the company website (<http://www.thaistanley.com>). In addition, the company has appointed Investor Relations officer; in charge of providing general news and respond to inquiries, coordinating with staff or involved person to provide news and answer to inquiries, monitoring financial and information reporting system notified to various regulatory agencies. To contact Investor Relations, please call 02 581 5462 ext.1164 or info@thaistanley.com.

4.3 Communication Standard and Channel

Company performance and general information will be periodically communicated to shareholders, investors and public through media of Stock Exchange of Thailand and company website. Meeting with securities analysts is held in a quarterly basis. Information that is revealed to analysts in the meeting will be posted on the company website. The company has no policy to meet analyst, fund manager, investor, or any person interested in investing with company individually.

News and information about the company is available on the company website (<http://www.thaistanley.com>) which includes:

- Vision, Management Policy, Governance Policy
- Disclosure policy consists of information policy, communication channels to the company, authorized spokesman, type of communication and information disclosure to public
- Financial information such as financial statement, key financial information, financial ratio, rate of dividend and so on.
- Company information such as type of business, board of directors, executive directors, and shareholder structure.
- Shareholders' Meeting information such as Minutes of Meeting, pictures from the meeting, VDOs presented in the shareholders' meeting.
- Annual Report and other reports submitted to Stock Exchange of Thailand and Securities and Exchange Commission
- Web board
- Investor Relations activities such as quarterly meeting with securities analysts

5. Board Responsibilities

5.1 Directors and Executives Development

The board of directors set the policy to provide an orientation course for new director in order to educate them about role and responsibility, business operation so as to efficiently support the company. In case of new directors, the company will take orientation course on the date of appointment; the content provided in the class such as the company's regulations, vision, governance policy, code of conduct for directors and employees, as well as rules and regulations of the Stock Exchange of Thailand and SEC about roles of director and code of conduct for the listed companies. The directors had visited the factory for better understanding about the company operation.

The existing members of the Board are also educated by attending the training courses arranged by each function. Any change of information or rules will also be informed to the board in the board of directors meeting.

5.2 Self-evaluation of the Board of Directors.

In 2013, the board has done self- performance evaluation, in overall, covering all roles and responsibilities of the committees, since 2007 until end of accounting period as of 31 March 2014, based on May 2014 evaluation, the result is Very good and the result, notices, and suggestions shall be taken into account to improve the performance of the board in the future.

9 Social Responsibility

The company disclose Social Responsibility report from eight principles of sustainability and social responsibility guidelines of the Company that issued by the Stock Exchange of Thailand. The issues revealed through consideration of the management that show on this annual report page 12-18

10. Internal Control and Risk management

The three members of Audit committee has meeting with the Board of Directors meeting No. 2/2014 on 16th May 2014. The Board of Directors have evaluated for the internal control system from Office of Internal report and reviewing the progress of internal control of Working System that approved in the past year that cover to reviewing the financial report, the company operations are in compliance with the law on securities and exchange, the Stock Exchange of Thailand regulations and laws relevant to the company's business, reviewing of the connected transactions or the transactions that may lead to conflicts of interests as well as the disclosure of such transaction, reviewing the risk management that relate to internal control system. In fiscal year 1st April 2013 – 31st March 2014, there were 9 audit committee meeting that with management and meeting with the auditor that without the management.

The Audit Committee has reviewed the internal audit system, it was found that there were no significant faults and there was appropriate attention and maintenance of the activities and accurate, so the audit committee has the opinion that the company's activities in fiscal year 1st April 2013 – 31st March 2014 has been according to the appropriate internal control system, the finance report is accurate, complete and reliable. Operations are concordant with adequate, transparent and reliable Corporate Governance standards and there is continuous improvement for better quality of the business operating system report and the disclosure information were care in accordance with the appropriate internal control of the company.

Mrs. Unakorn Phruithithada, PricewaterhouseCoopers ABAS Limited, the Auditor of company was no significant comment about the internal control.

10.2 The opinion of the Audit Committee in the event of a different opinion of the board of the activities of the company.

The audit committee not any different opinion with the Board of Directors. There was also a report of the Audit Committee. As Attachment 3-2 in the report 56-1

10.3 Chief of Office of Internal Audit

1) The Executive Board has appointed Mrs.Nongyao Apirum was the chief of office of internal audit in year 2012 that has experience working in Accounting and Finance department for 17 years and used to attend the training course related to the audit such as Fundamentals for New Internal Audit course 1 and 2 from The Federation of Accounting Professions – Under the Royal Patronage of His Majesty the King , Audit Report Writing , Risk Based Audit , Certified Professional Internal Auditor of Thailand (CPIAT-18), The Corporate risk management - COSO-ERM , Internal controls on financial reporting from The Institute of Internal Auditor of Thailand

Chief of Internal Audit have an understanding of the operations of the company as well. It is appropriate and sufficient to perform such duties.

(2) The Audit Committee 's opinion that taking care of the Chief Audit qualification experience with adequate training and proper operation.

(3) The appointment, removal and transfer of the incumbent Chief of Office of internal audit according to the personnel management system of the company. Through the approval of the Executive Board and acknowledged and approved by the Audit Committee.

11. The related transactions

Since last 3 years, there was no event of spending the income from stock sales for any of the shared interest person.

The company has the significant trade with the related company by purchasing and sales items. The company's auditor gave the explanation in the Note 27 Page 70-73 of the financial statement on 31st March 2014. The purchasing items form the related company are those particular raw materials or merchandise from the same production source at the great quantity to reduce the production cost. The company received the confirmation report from the related company about the sales of raw materials as the regular trading business. The sales items are mostly exporting by set up the sales price from cost fee plus the profit. Royalty fee to a related company at the rate of 3% of sales minus the cost of importing raw materials from that related company, and specified as the regular trading business, details as follows:

1. Related party transaction by way of the shareholder or common directors

Name of Company	Related ties	Related transaction details	Transaction Amount and Balance at 31 March 2014	The reasonable of transactions
1. Stanley Electric Co.,Ltd.	1. Major shareholder of Stanley Electric Holding Asia-Pacific PTE, holding 29.95%	<p>1. Purchasing in raw materials , goods and equipment</p> <p>2. Selling goods,</p> <p>3.Royalty Fee is charged at 3% of sales less materials cost imported form the related party in accordance with the agreement</p> <p>4. Designed and Development Fee is charged in case design and development product for Thai Stanley's products</p> <p>5. Technical Fee is charged for the specialist come for assistance in production technics.</p> <p>6. Training fee is charged for send Thai Stanley ' employee to training and practice.</p> <p>7. Commission is charged for an agent to connected with customers</p>	<p>Purchased 553.11 million baht Balance 127.83 million baht</p> <p>Sold amount 57.28 million baht Balance 40.37 million baht</p> <p>Amount 271.93 million baht</p> <p>Amount 76.64 million baht</p> <p>Amount 13.72 million baht</p> <p>Amount 13.49 million baht</p> <p>Amount 11.77 million baht</p>	<p>Specifically products or materials and material which are manufactured on a large scale at one source for cost saving benefit.</p> <p>Pricing are charged in the normal course of business and same practice with the outsider.</p> <p>Specifically products or materials and material which are manufactured on a large scale at one source for cost saving benefit.</p> <p>Pricing are charged in the normalcourse of business and same outsider.</p> <p>In the normal course of business and same practices in Stanley Group</p> <p>In the normal course of business and same practices in Stanley Group, pricing are charged same as outsider.</p> <p>In the normal course of business and same practice in Stanley Group</p> <p>In the normal course of business and same practice in Stanley Group</p> <p>In the normal course of business and same practice in Stanley Group</p>

Name of Company	Related ties	Related transaction details	Transaction Amount and Balance at 31 March 2014	The reasonable of transactions
		8.Other Income	Amount 1.98 million baht	In the normal course of business and same practice in Stanley Group
		9.Technical Service Income	Amount 1.01 million baht	In the normal course of business and same practice in Stanley Group
2 .Lao Stanley Co.,Ltd.	1. Thai Stanley holding 50% 2. Common Director 2 persons - Mr.Apichart Lee-issaranukul - Mr.Koichi Nagano	1. Selling goods	Sold amount 143.49 million baht Balance 54.50 million baht	Specifically products Pricing are charged in the normal course of business and same practice with the outsider.
		2.Other Income	Amount 0.14 million baht	In the normal course of business and same practice in Stanley Group
		3.Royalty Income	Amount 0.26 million baht	In the normal course of business and same practice in Stanley Group
3. Vietnam Stanley Electric Co.,Ltd.	1.Common major shareholders as Stanley Electric Group. Holding 50%	1. Purchasing goods	Purchased amount 57.09 million baht Balance 32.96 million baht	Specifically products Pricing are charged in the normal course of business and same practice with outsider.
	2. Common director 1 persons as - Mr.Apichart Lee-issaranukul	2.Selling goods	Sold amount 51.23 million baht Balance 10.93 million baht	Specifically products Pricing are charged in the normal course of business and same practice with the outsider.
	3. Thai Stanley holding share 20%	3.Technical Income is charged for assistance in production technics.	Amount 0.09 million baht	In the normal course of business and same practice in Stanley Group
4.Asian Stanley International Co.,Ltd	1.Common major shareholder as Stanley Electric Holding Asia-Pacific Co.,Ltd. Holding 67.5%	1. Purchasing raw material	Purchased amount 343.45 million baht Balance 22.59 million baht	Specifically products Pricing are charged in the normal course of business and same practice with the outsider.
	2.Common Director 2 persons - Mr.Apichart Lee-issaranukul - Mr.Shigeki Muto	2.Selling goods	Sold amount 1.35 million baht Balance 0.38 million baht	Pricing are charged in the normal course of business and same practice with the outsider.
	3.Thai Stanley holding 15% 4. Holding Thai Stanley 0.44%	3. Other income	Amount 0.21 million baht	In the normal course of business and same practice in Stanley Group

Name of Company	Related ties	Related transaction details	Transaction Amount and Balance at 31 March 2014	The reasonable of transactions
5. PT.Indonesia Stanley Electric	1. Common major shareholder as Stanley Electric Group. Holding 60 % 2. Common director 2 persons as - Mr.Apichart Lee-issaranukul - Mr.Koichi Nagano 3. Thai Stanley holding 10%	1. Purchasing raw material 2.Selling goods 3.Other Income	Purchased amount 0.43 million baht Balance 0.06 million baht Sold amount 413.34 million baht Balance 60.61 million baht Amount 1.48 million baht	Specifically products Pricing are charged in the normal course of business and same outsider. Pricing are charged in the normal course of business and same practice with the outsider. In the normal course of business and same practice in Stanley Group
6. Sirivit Stanley Co.Ltd.	1.Thai Stanley holding 15% 2.Common director 3 persons as -Mr.Apichart Lee-issaranukul - Mr.Koichi Nagano - Mr.Katsumi Sumiya	1. Purchasing raw material 2. Selling raw material	Purchased amount 247.40 million baht Balance 19.60 million baht Sold amount 17.49 million baht Balance 1.60 million baht	Specifically products Pricing are charged in the normal course of business and same outsider. Pricing are charged in the normal course of business and same outsider.
7. Sum Hitech Co.,Ltd.	1. Thai Stanley holding 16.35% 2. Common director 1 person as - Mr.Koichi Nagano	Hire for surface of injection plastic part	Hire amount 25.09 million baht Balance 2.22 million baht	Pricing are charged in the normal course of business and same practice with the outsider.
8. Inoue Rubber (Thailand) Public Company Limited	1.Thai Stanley holding 0.02% 2.Common director 4 person as - Mr.Apichart Lee-issaranukul - Mr.Thanong Lee-issaranukul - Mrs.Pimjai Lee-issaranukul - Mrs.Pornthip Sethiwan	1. Purchasing raw material	Purchased amount 28.87 million baht Balance 4.73 million baht	Pricing are charged in the normal course of business and same practice with the outsider.

Name of Company	Related ties	Related transaction details	Transaction Amount and Balance at 31 March 2014	The reasonable of transactions
9. The Sittipol 1919 Co.,Ltd.	1.The shareholders holding 3.34% 2.Common director 2 persons as - Mr.Thanong Lee-issaranukul - Mrs.Pornthip Sethiwan	1. Selling goods,	Sold amount 144.14 million baht Balance 43.09 million baht	Pricing are charged in the normal course of business and same practice with the outsider.
10. Lumax Industries Co.,Ltd.	1.Thai Stanley holding 1.73% 2. Common major shareholder as Stanley Electric Group. Holding 26.31 %	1. Purchasing goods 2. Selling goods	Purchased amount 0.59 million baht Balance- million baht Sold amount 29.79 million baht Balance 5.16 million baht	Pricing are charged in the normal course of business and same practice with the outsider. Pricing are charged in the normal course of business and same practice with the outsider
		3.Other Income	Amount 0.85 million baht	In the normal course of business and same practice in Stanley Group
11. Siam City Law Offices Limited	1. Common director 1 person as - Mr.Picharn Sukparangsee	1. Law service	Purchased amount 0.48 million baht Balance million baht	Pricing are charged in the normal course of business and same practice with the outsider.

2.Transaction with the company whose Stanley Electric Group. Is the major shareholders , the transaction are purchasing and selling in raw material or goods that are specific materials which are manufactured on a large scale at one source for cost saving benefit. Pricing are charged in the normal course of business and same practice with the outsiders, details as follows :

Company Name	Transaction Amount in 2013	Balance as at 31 March 2014
1. Guangzhou Stanley Electric (China)	Purchased amount 3.33 million baht Sold amount 7.98 million baht Other Income amount - million baht	2.72 million baht 1.97 million baht - million baht
2. Stanley Iwaki Factory (Japan)	Purchased amount 0.14 million baht Sold amount 0.06 million baht	- million baht - million baht

Company Name	Transaction Amount in 2013	Balance as at 31 March 2014	
3. Stanley Electric (Asia Pacific) (Taiwan)	Purchased amount 9.66 million baht	1.15	million baht
	Sold amount 1.10 million baht	0.19	million baht
4. Shenzhen Stanley Electric Co.,Ltd.	Purchased amount 0.60 million baht	0.20	million baht
	Sold amount - million baht	-	million baht
5. Stanley Electric US Inc. (U.S.A)	Purchased amount 47.42 million baht	9.35	million baht
	Sold amount 5.46 million baht	1.97	million baht
	Technical Service Income amount 0.43 million baht	-	million baht
	Other income 0.11 million baht	-	million baht
6. Tianjin Stanley Electric Co.,Ltd. (China)	Purchased amount 4.02 million baht	3.68	million baht
	Sold amount 9.72 million baht	0.07	million baht
7. II Stanley Co.,Inc (America)	Purchased amount - million baht	-	million baht
	Sold amount 0.04 million baht	0.01	million baht
	Other income - million baht	-	million baht
8. Shanghai Stanley Electric	Purchased amount 6.80 million baht	0.91	million baht
	Sold amount - million baht	-	million baht
9.Stanley Electric Hungary Co.,Ltd.	Purchased amount 23.01 million baht	-	million baht
	Sold amount 0.14 million baht	0.10	million baht
10.Stanley Electric Do Brazil LTDA	Purchased amount - million baht	6.83	million baht
	Sold amount 53.89 million baht	9.76	million baht

The approval for the related transactions

In Year 2013 , the related transactions was the normal course of business and same practice with the outsider , such as price comparison , selling price is determined based on manufacturing cost plus a certain margin. The related transaction controlling by the management director

Policy or Trend towards Potential the related transaction

The related transaction to be continued, because of the raw material or goods are specifically and used only in Stanley Group. The selling price is determined base on manufacturing cost plus a certain margin that the normal course of business. Whatever these transaction are belong to The Purchasing and Selling products and assets policy , that announcement since year 2004 and for others transaction will consideration belong to The rule of The Stock Exchange of Thailand.

The related transaction Report from Audit Committee

The Audit Committee considered the related transaction in year 2013, that have transaction may cause conflict of interest, that transaction with related parties company and normal course of business

12.Financial Statement

In this annual report The company disclosed financial statements for fiscal year 2013 at page 24 - 33 and the financial information and financial ratio at page 75

13. Management Analysis and explanations

13.1 Overview results operations

In 2013, the Company's revenues in the first quarter and gradually declined during the quarter. This is in line with the slowdown in the automobile industry in Thailand after the government's first-car tax exemption policy ends and affect from the current political situation that impact on the local economy and spending decreasing .

Operating result

In 2013, The total sale were 10,268.62 million baht, an decrease on the previous year 1,066.37 million baht or 9.41 percent, that slow down from domestic sale decrease 12.95 percent and export sale increase 2.74 percent. The company had profit 1,487.51 million baht, or 14.49 percent, decrease from the last year 119.57 million or 7.44 percent of which comes from the automobile industry slowdown after the government's first-car tax exemption policy ends and current political situation.

Financial Situation of the Company

Total Assets

Total Assets of the Company were 12,506.08 million baht increase from the last year were 761.89 million baht , or 6.49 percent. The main item as follows;

- Trade accounts receivable and other account receivable, net increase as 371.14 million or 18.24 percent due to decreased sales.
- Inventories increased 114.93 million, or 13.61 per cent increase also due to decreasing sale.
- Property, plant and equipment increased as 70.23 million baht, or 1.19 percent, that investment in equipment , machinery for Lamp7 plant and investment for new product production

Total Liabilities

Total liabilities of the company were 1,674.22 million baht decrease from last year 234.37 million baht, or 12.28% which comes from the corporate income tax payable decrease 74.00 million baht that from new rate to decreased from 23% to be 20% and including sale , trade account payable and other account payable decreased 143.25 million baht or 11.63% that from production decreasing in second half year.

Cash flow structure

In 2013, the Company had cash and cash equivalents Net 2,667.18 million baht, an increase of 960.34 million baht or 56.26 per cent from last year. Due in 2012, the company has invested in infrastructure and new factory so in 2013 to investment addition of more machinery and other equipment for production and for new products. To classified as cash flows from operating activities amounted to Baht 2,502.72 million baht used in investing activities was 1,025.43 million baht and financing activities for dividend by 517.19 million baht.

13.2 Factors or events that could affect the financial position or operations significantly in the future.

The Economic and automotive industry are the main factors that affect the operation of the company directly and current political situation affects the economy and the automotive industry. The production and sales decrease drastically. Companies need to take measures to reduce costs and slow down investment to comply with this a situation

The investor can found more data of Thai Stanley Electric Public Company Limited Company Limited in The annual report (Form 56-1) as at . www.sec.co.th or www.thaistanley.com

Milestone

1980	MAY	Establishment and registration of the Company in Bangkok for the purpose of manufacturing and selling automotive bulbs with and initial capital of Bt. 10 million under investment.
1981	April	Completion of Auto Bulb factory and Increased capital to Bt. 18 million.
1984	July	Increased capital to Bt. 36 million.
	August	Received investment promotion from The Board of Investment to manufacture Lighting Equipment and completion of factory for Lighting Equipment.
1987	April	Increased capital to Bt. 44.5 million.
	October	Received investment promotion from The Board of Investment to manufacture Die & Mold plant, Increased capital to Bt. 53 million.
1988	March	Investment in a new company. (Asian Stanley International Co.,Ltd.)
	April	Completion of Die & Mold factory.
1989	November	Increased capital to Bt. 153 million.
1990	February	Received investment promotion from The Board of Investment to expanding Die & Mold factory.
	July	Received investment promotion from The Board of Investment to expanding Auto Bulb factory.
	November	Completion of new factory for Lighting Equipment (Lamp 1)
1991	April	Increased capital to Bt. 175 million.
	May	The Company was listed in The Stock Exchange of Thailand.
	June	Completion of head office building.
	November	Received investment promotion from The Board of Investment for establishment Research & Development Center.
1993	July	Registered transform to The Public Company Limited and increased capital to 274.5 million baht and changed name to Thai Stanley Electric Public Company Limited.
	September	Signed technical assistance agreement with Electro Polymers (PVT.) Ltd. in Pakistan to produce automotive lighting equipment.
	October	Establishment of The Stanley (Thailand) Foundation registered capital Bt. 200,000.
	November	Signed Joint Venture agreement for establishment of Lao Stanley Co.,Ltd. in Lao People's Democratic Republic.
	December	Completion of expanding Lighting Equipment factory.
1994	September	Received an award for the best organization from Ministry of Labour and Social Welfare.
	October	Participated of equity for Sum Hitechs Co.,Ltd., Sirivit Stanley Co.,Ltd. and Lumax Industries Limited.

1995	May	Signed Joint Venture agreement of establishment of Top Hightech (Thailand) Co.,Ltd.
	June	Increased capital to 383.125 million baht.
	June	Received investment promotion from The Board of Investment to expanding Die & Mold factory.
	September	Completion of Welfare building.
	November	Completion of new factory for Lighting Equipment for Automobiles (Lamp 2).
1996	May	Signed Joint Venture agreement of establishment of Vietnam Stanley Electric Co.,Ltd. in Hanoi, Vietnam.
	October	Completion of new factory for Lighting Equipment for Automobiles (Lamp 3).
1999	January	To certified quality system ISO 9002 in manufacturer of Automotive bulb and Die & Mold.
	July	To certified quality system ISO 9001 in manufacturer of Die & Mold.
2000	May	Completion of expansion factory for Automotive bulb and Die & Mold.
	May	Signed technical assistance agreement with Unitech Machines Limited in India to produce Automotive Lighting Equipment.
2001	September	QS 9000 Quality System has been acquired for Automotive bulb and Lighting Equipment Division.
2002	September	To certified environmental management ISO 14001.
2003	July	Received The Best Performance Award in Industrial category on "SET AWARD 2003" from The Stock Exchange of Thailand.
	October	Completion of new factory in Navanakorn Industrial Estate for Plastic Injection Parts and Lighting Equipment for vehicle.
2004	May	Received "The Best Performance Company of Safety, Occupational Health and Working Environment Award 2004 " from Ministry of Labour.
	July	Received The Best Performance Award in Industrial category on "SET AWARD 2004" from The Stock Exchange of Thailand.
2005	April	Received "Best Corporate in Social Security Cooperation Award" from Office of Social Security, Pathumthanee Province.
	May	Received "The Best Performance Company of Safety, Occupational Health and Working Environment Award 2005 " from Ministry of Labour for the second year in a row.
2006	March	To certified quality system ISO/TS 16949.
	May	Received "The Best Performance Company of Safety, Occupational Health and Working Environment Award 2006 " from Ministry of Labour for the third year in a row.
	July	Received The Best Performance Award in Industrial category on "SET AWARD 2006" from The Stock Exchange of Thailand
	August	Received the Copper Trophy for achievement in The National Zero Accident 1,000,000 office hours without accident Campaign from Ministry of Labour for the first year.
	September	Received " An Outstanding Establishment in the year 2006 for achievement on Labour Relations and Welfare Relations Award" from Ministry of Labour.

2007	March	Completion of Lamp 5 construction new factory for lighting equipment manufacturer for automobile.
	May	Received “The Best Performance Company of Safety, Occupational Health and Working Environment Award 2007 “ from Ministry of Labour for the forth year in a row.
	September	Received the Copper Trophy for achievement in The National Zero Accident 1,000,000 office hours without accident Campaign from Ministry of Labour for the second year in a row.
2008	May	Received “The Best Performance Company of Safety, Occupational Health and Working Environment Award 2008“ from Ministry of Labour for the fifth year in a row.
	May	Received Best Employer of Pathumthani and Best Employer of Safety in Working Place
	June	Received The Thai Labour Standard Certificate Completion Level (TLS.8001-2003) from The Department of Labour Protection and Welfare, Ministry of Labour
	August	Received the Copper Trophy for achievement in The National Zero Accident 1,000,000 office hours without accident Campaign from Ministry of Labour for the third year in a row.
	September	Received “ An Outstanding Establishment in the year 2008 for achievement on Labour Relations and Welfare Relations Award” from Ministry of Labour for the third year in a row.
2009	May	Received “The Best Performance Company of Safety, Occupational Health and Working Environment Award 2009“ from Ministry of Labour for the sixth year in a row.
	May	Received Best Employer of Pathumthani and Best Employer of Safety in Working Place
	August	Received the Copper Trophy for achievement in The National Zero Accident 1,000,000 office hours without accident Campaign from Ministry of Labour for the forth year in a row.
	September	Received “ An Outstanding Establishment in the year 2009 for achievement on Labour Relations and Welfare Relations Award” from Ministry of Labour for the forth year in a row.
2010	May	Received Best Employer of Pathumthani and Best Employer of Safety in Working Place
	July	Received “The Best Performance Company of Safety, Occupational Health and Working Environment Award 2010“ from Ministry of Labour for the seventh year in a row.
	September	Received “ An Outstanding Establishment in the year 2010 for achievement on Labour Relations and Welfare Relations Award” from Ministry of Labour for the fifth year in a row.
2011	July	Received “The Best Performance Company of Safety, Occupational Health and Working Environment Award 2011“ from Ministry of Labour for the eighth year in a row.
	September	Received “ An Outstanding Establishment in the year 2011 for achievement on Labour Relations and Welfare Relations Award” from Ministry of Labour for the sixth year in a row.
2012	June	Completion Lamp7 construction new factory for lighting equipment manufacturer for eco car.
	July	Received “The Best Performance Company of Safety, Occupational Health and Working Environment Award 2012“ from Ministry of Labour for the ninth year in a row.
	September	Received “ An Outstanding Establishment in the year 2012 for achievement on Labour Relations and Welfare Relations Award” from Ministry of Labour for the seventh year in a row.

2013

- March** Received “ Skill Development Promotion Award 2012 from Department of Skill Development, Ministry of Labour.
- July** Received “The Best Performance Company of Safety, Occupational Health and Working Environment Award 2013” from Ministry of Labour for the tenth year in a row.
- July** Received a certificate of green industry in level 3 from Pathumthani Industrial Office.
- September** Received “ An Outstanding Establishment in the year 2013 for achievement on Labour Relations and Welfare Relations Award” from Ministry of Labour for the eighth year in a row.
- October** Received “ Waste Management by using 3Rs Award” from Department of Industrial Works.

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