

Kang Yong Electric Public Company Limited

Interim financial statements
for the three-month and six-month periods ended
30 September 2015

and

Independent auditor's report
on review of interim financial information

Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Kang Yong Electric Public Company Limited

I have reviewed the accompanying statement of financial position in which the equity method is applied and separate statement of financial position of Kang Yong Electric Public Company Limited as at 30 September 2015; the related statements of comprehensive income for the three-month and six-month periods ended 30 September 2015, changes in equity and cash flows for the six-month period ended 30 September 2015; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

(Orawan Sirirattanawong)
Certified Public Accountant
Registration No. 3757

KPMG Phoomchai Audit Ltd.
Bangkok
6 November 2015

Kang Yong Electric Public Company Limited
Statement of financial position

Financial statements					
in which the equity method					
is applied					
Assets	<i>Note</i>	30 September	31 March	30 September	31 March
		2015	2015	2015	2015
		(Unaudited)	(Unaudited)		
<i>(in thousand Baht)</i>					
Current assets					
Cash and cash equivalents		798,750	808,462	798,750	808,462
Current investments	6	2,200,000	2,080,000	2,200,000	2,080,000
Trade accounts receivable	3, 4	1,071,550	1,133,987	1,071,550	1,133,987
Other accounts receivable	3	110,602	236,424	110,602	236,424
Short-term loans to related party	3	51,994	59,808	51,994	59,808
Inventories		787,720	1,033,110	787,720	1,033,110
Other current assets		4,741	6,456	4,741	6,456
Total current assets		5,025,357	5,358,247	5,025,357	5,358,247
Non-current assets					
Available-for-sale investments	6	14,711	11,331	14,711	11,331
Investment in an associate	5	15,758	18,584	3,000	3,000
Other long-term investments	6	157,362	157,362	157,362	157,362
Investment properties	7	4,971	4,971	4,971	4,971
Property, plant and equipment	8	1,214,453	1,207,736	1,214,453	1,207,736
Deferred tax assets		74,079	84,699	74,079	84,699
Other non-current assets		36,030	34,551	36,030	34,551
Total non-current assets		1,517,364	1,519,234	1,504,606	1,503,650
Total assets		6,542,721	6,877,481	6,529,963	6,861,897

The accompanying notes are an integral part of these financial statements.

Kang Yong Electric Public Company Limited
Statement of financial position

		Financial statements			
		in which the equity method		Separate financial statements	
		is applied			
Liabilities and equity	<i>Note</i>	30 September 2015 (Unaudited)	31 March 2015	30 September 2015 (Unaudited)	31 March 2015
<i>(in thousand Baht)</i>					
Current liabilities					
Trade accounts payable	3	742,253	938,252	742,253	938,252
Other accounts payable	3	394,916	448,770	394,916	448,770
Income tax payable		36,198	17,005	36,198	17,005
Other current liabilities		20,686	12,170	20,686	12,170
Total current liabilities		1,194,053	1,416,197	1,194,053	1,416,197
Non-current liabilities					
Provision for warranties		210,460	236,295	210,460	236,295
Employee benefit obligations		169,150	161,942	169,150	161,942
Provident funds		16,757	16,879	16,757	16,879
Total non-current liabilities		396,367	415,116	396,367	415,116
Total liabilities		1,590,420	1,831,313	1,590,420	1,831,313
Equity					
Share capital					
Authorised share capital		220,000	220,000	220,000	220,000
Issued and paid-up share capital		220,000	220,000	220,000	220,000
Additional paid-in capital					
Premium on ordinary shares		726,100	726,100	726,100	726,100
Retained earnings					
Appropriated					
Legal reserve		22,000	22,000	22,000	22,000
Others		420,000	420,000	420,000	420,000
Unappropriated		3,556,644	3,653,215	3,543,886	3,637,631
Other component of equity		7,557	4,853	7,557	4,853
Total equity		4,952,301	5,046,168	4,939,543	5,030,584
Total liabilities and equity		6,542,721	6,877,481	6,529,963	6,861,897

The accompanying notes are an integral part of these financial statements.

Kang Yong Electric Public Company Limited
Statement of comprehensive income (Unaudited)

Financial statements				
in which the equity method				
is applied				
	Three-month period ended 30 September		Separate financial statements Three-month period ended 30 September	
Note	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Income				
Revenue from sale of goods				
and rendering of services	2,239,168	2,294,762	2,239,168	2,294,762
Investment income	200,866	262,881	201,866	263,881
Net foreign exchange gain	28,543	6,159	28,543	6,159
Other income	5,849	6,981	5,849	6,981
Total income	2,474,426	2,570,783	2,475,426	2,571,783
Expenses				
Cost of sale of goods				
and rendering of services	1,964,663	1,958,280	1,964,663	1,958,280
Selling expenses	98,359	102,855	98,359	102,855
Administrative expenses	168,929	157,167	168,929	157,167
Total expenses	2,231,951	2,218,302	2,231,951	2,218,302
Share of profit (loss) of an associate	5	-1,031	882	-
Profit before income tax expense		241,444	353,363	243,475
Income tax expense		-12,204	-22,203	(12,204)
Profit for the period		229,240	331,160	231,271
Other comprehensive income				
<i>Item that is or may be reclassified to profit or loss</i>				
Net change in fair value of				
available-for-sale investments	2,849	2,022	2,849	2,022
Income tax on other comprehensive income	-570	-405	-570	-405
Other comprehensive income for the period, net of income tax		2,279	1,617	2,279
Total comprehensive income for the period		231,519	332,777	233,550
Basic earnings per share (in Baht)	10	10.42	15.05	10.51

The accompanying notes are an integral part of these financial statements.

Kang Yong Electric Public Company Limited
Statement of comprehensive income (Unaudited)

	Financial statements			
	in which the equity method		Separate financial statements	
	is applied	Six-month period ended 30 September		Six-month period ended 30 September
<i>Note</i>	2015	2014	2015	2014
<i>(in thousand Baht)</i>				
Income				
Revenue from sale of goods				
and rendering of services	4,698,115	4,729,705	4,698,115	4,729,705
Investment income	223,513	284,512	224,513	285,512
Net foreign exchange gain	40,716	8,840	40,716	8,840
Other income	11,723	16,115	11,723	16,115
Total income	4,974,067	5,039,172	4,975,067	5,040,172
Expenses				
Cost of sale of goods				
and rendering of services	4,043,820	4,004,932	4,043,820	4,004,932
Selling expenses	196,953	198,213	196,953	198,213
Administrative expenses	317,676	312,963	317,676	312,963
Total expenses	4,558,449	4,516,108	4,558,449	4,516,108
Share of profit (loss) of an associate	5	-1,826	1,578	-
Profit before income tax expense		413,792	524,642	416,618
Income tax expense		-46,823	-56,337	(46,823)
Profit for the period		366,969	468,305	369,795
Other comprehensive income				
<i>Item that is or may be reclassified to profit or loss</i>				
Net change in fair value of				
available-for-sale investments		3,380	2,788	3,380
Income tax on other comprehensive income		-676	-558	-676
Other comprehensive income for the period, net of income tax		2,704	2,230	2,704
Total comprehensive income for the period		369,673	470,535	372,499
Basic earnings per share (in Baht)	10	16.68	21.29	16.81

The accompanying notes are an integral part of these financial statements.

Kang Yong Electric Public Company Limited

Statement of changes in equity (Unaudited)

	Financial statements in which the equity method is applied						Total equity	
	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings				Other component of equity
				Legal reserve	Other reserve	Unappropriated		Fair value changes in available-for-sale investments
<i>(in thousand Baht)</i>								
Six-month period ended 30 September 2014								
Balance at 1 April 2014		220,000	726,100	22,000	420,000	2,992,858	3,656	4,384,614
Transactions with owners, recorded directly in equity								
<i>Distributions to owners of the Company</i>								
Dividends to owners of the Company	11	-	-	-	-	(253,000)	-	(253,000)
Total distributions to owners of the Company		-	-	-	-	(253,000)	-	(253,000)
Comprehensive income for the period								
Profit		-	-	-	-	468,305	-	468,305
Other comprehensive income		-	-	-	-	-	2,230	2,230
Total comprehensive income for the period		-	-	-	-	468,305	2,230	470,535
Balance at 30 September 2014		220,000	726,100	22,000	420,000	3,208,163	5,886	4,602,149

The accompanying notes are an integral part of these financial statements.

Kang Yong Electric Public Company Limited
Statement of changes in equity (Unaudited)

	Financial statements in which the equity method is applied							
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings			Other component of equity	Total equity
				Legal reserve	Other reserve	Unappropriated	Fair value changes in available-for-sale investments	
<i>Note</i>								
<i>(in thousand Baht)</i>								
Six-month period ended 30 September 2015								
Balance at 1 April 2015		220,000	726,100	22,000	420,000	3,653,215	4,853	5,046,168
Transactions with owners, recorded directly in equity								
<i>Distributions to owners of the Company</i>								
Dividends to owners of the Company	<i>11</i>	-	-	-	-	(463,540)	-	(463,540)
Total distributions to owners of the Company		-	-	-	-	(463,540)	-	(463,540)
Comprehensive income for the period								
Profit		-	-	-	-	366,969	-	366,969
Other comprehensive income		-	-	-	-	-	2,704	2,704
Total comprehensive income for the period		-	-	-	-	366,969	2,704	369,673
Balance at 30 September 2015		220,000	726,100	22,000	420,000	3,556,644	7,557	4,952,301

The accompanying notes are an integral part of these financial statements.

Kang Yong Electric Public Company Limited
Statement of changes in equity (Unaudited)

	Note	Separate financial statements					Other component of equity	Total equity	
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings					Fair value changes in available-for-sale investments
				Legal reserve	Other reserve	Unappropriated			
<i>(in thousand Baht)</i>									
Six-month period ended 30 September 2014									
Balance at 1 April 2014		220,000	726,100	22,000	420,000	2,978,776	3,656	4,370,532	
Transactions with owners, recorded directly in equity									
<i>Distributions to owners of the Company</i>									
Dividends to owners of the Company	11	-	-	-	-	(253,000)	-	(253,000)	
Total distributions to owners of the Company		-	-	-	-	(253,000)	-	(253,000)	
Comprehensive income for the period									
Profit		-	-	-	-	467,727	-	467,727	
Other comprehensive income		-	-	-	-	-	2,230	2,230	
Total comprehensive income for the period		-	-	-	-	467,727	2,230	469,957	
Balance at 30 September 2014		220,000	726,100	22,000	420,000	3,193,503	5,886	4,587,489	

The accompanying notes are an integral part of these financial statements.

Kang Yong Electric Public Company Limited

Statement of changes in equity (Unaudited)

	Separate financial statements					Other component of equity	Total equity	
	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings				Fair value changes in available-for-sale investments
				Legal reserve	Other reserve			
<i>(in thousand Baht)</i>								
Six-month period ended 30 September 2015								
Balance at 1 April 2015		220,000	726,100	22,000	420,000	3,637,631	4,853	5,030,584
Transactions with owners, recorded directly in equity								
<i>Distributions to owners of the Company</i>								
Dividends to owners of the Company	11	-	-	-	-	(463,540)	-	(463,540)
Total distributions to owners of the Company		-	-	-	-	(463,540)	-	(463,540)
Comprehensive income for the period								
Profit		-	-	-	-	369,795	-	369,795
Other comprehensive income		-	-	-	-	-	2,704	2,704
Total comprehensive income for the period		-	-	-	-	369,795	2,704	372,499
Balance at 30 September 2015		220,000	726,100	22,000	420,000	3,543,886	7,557	4,939,543

The accompanying notes are an integral part of these financial statements.

Kang Yong Electric Public Company Limited
Statement of cash flows (Unaudited)

	Financial statements			
	in which the equity method		Separate financial statements	
	is applied		Six-month period ended 30 September	
	Six-month period ended 30 September	Six-month period ended 30 September	2015	2014
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	366,969	468,305	369,795	467,727
<i>Adjustments for</i>				
Depreciation	138,708	133,940	138,708	133,940
Amortisation	1,109	1,054	1,109	1,054
Investment income	-223,513	-284,512	-224,513	-285,512
Employee benefit expenses	7,404	7,363	7,404	7,363
Unrealised gain on exchange rate	-17,846	-2,956	-17,846	-2,956
Provision for decline in value of inventories (reversal)	-16,053	14,846	-16,053	14,846
Impairment losses on land not used in operations	-	2,898	-	2,898
Provision for warranties	12,069	22,035	12,069	22,035
Share of loss (profit) of an associate	1,826	-1,578	-	-
Gain on disposal of property and equipment	-233	-643	-233	-643
Income tax expense	46,823	56,337	46,823	56,337
	<u>317,263</u>	<u>417,089</u>	<u>317,263</u>	<u>417,089</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	81,831	40,734	81,831	40,734
Other accounts receivable	-28,750	-46,164	-28,750	-46,164
Inventories	261,463	75,541	261,463	75,541
Other current assets	1,715	523	1,715	523
Other non-current assets	-1,163	-2,612	-1,163	-2,612
Trade accounts payable	-196,954	-44,938	-196,954	-44,938
Other accounts payable	-21,053	-3,556	-21,053	-3,556
Other current liabilities	8,516	906	8,516	906
Warranties paid	-37,904	-45,681	-37,904	-45,681
Employee benefits paid	-196	-382	-196	-382
Provident fund paid	-122	-144	-122	-144
Cash generated from operating activities	<u>384,646</u>	<u>391,316</u>	<u>384,646</u>	<u>391,316</u>
Income tax paid	-17,686	-662	-17,686	-662
Net cash from operating activities	<u>366,960</u>	<u>390,654</u>	<u>366,960</u>	<u>390,654</u>

The accompanying notes are an integral part of these financial statements.

Kang Yong Electric Public Company Limited
Statement of cash flows (Unaudited)

	Financial statements			
	in which the equity method		Separate financial statements	
	is applied		Six-month period ended 30 September	
	Six-month period ended 30 September	Six-month period ended 30 September	2015	2014
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	28,805	30,024	28,805	30,024
Dividends received	343,030	251,220	343,030	251,220
Rental received	7,250	7,290	7,250	7,290
Short-term loans to related party	-256,503	-249,307	-256,503	-249,307
Cash proceeds from short-term loans to related party	264,317	288,837	264,317	288,837
Purchases of property and equipment	-178,885	-113,285	-178,885	-113,285
Sale of property and equipment	279	718	279	718
Purchase of computer software	-1,425	-3,003	-1,425	-3,003
Increase in current investments	-120,000	-680,000	-120,000	-680,000
Net cash from (used in) investing activities	86,868	-467,506	86,868	-467,506
<i>Cash flows from financing activities</i>				
Dividend paid	(463,540)	(253,000)	(463,540)	(253,000)
Net cash used in financing activities	(463,540)	(253,000)	(463,540)	(253,000)
Net decrease in cash and cash equivalents	-9,712	-329,852	-9,712	-329,852
Cash and cash equivalents at 1 April	808,462	676,497	808,462	676,497
Cash and cash equivalents at 30 September	798,750	346,645	798,750	346,645
<i>Supplemental disclosure of cash flows information</i>				
Property and equipment purchased during the period are detailed as follows:				
Property and equipment purchased during the period	-145,491	-109,417	-145,491	-109,417
Decrease in payables on purchases of property and equipment	-33,394	-3,868	-33,394	-3,868
Net purchase of property and equipment paid by cash	(178,885)	(113,285)	(178,885)	(113,285)

The accompanying notes are an integral part of these financial statements.

Kang Yong Electric Public Company Limited
Notes to the interim financial statements
For the three-month and six-month periods ended 30 September 2015 (Unaudited)

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Kang Yong Electric Public Company Limited
Notes to the interim financial statements
For the three-month and six-month periods ended 30 September 2015 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the directors on 6 November 2015.

1 General information

Kang Yong Electric Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 67 Moo 11, Bangna-Trad Road, Km. 20, Bangchalong, Bangplee, Samutprakarn Province.

The Company was listed on the Stock Exchange of Thailand in October 1993.

The parent company during the financial period was Mitsubishi Electric Corporation, incorporated in Japan (40.81% shareholding).

The principal activities of the Company are manufacturing and distributing household electrical appliances under the “Mitsubishi” trademark. The Company obtains the production licence and technology from its parent company.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2014) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 March 2015. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company for the year ended 31 March 2015.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 March 2015 except that the Company has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 April 2015. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Company.

(b) Functional and presentation currency

The interim financial statements are presented in Thai Baht, which is the Company’s functional currency. All financial information presented in Thai Baht has been rounded to the nearest thousand unless otherwise stated.

Kang Yong Electric Public Company Limited
Notes to the interim financial statements
For the three-month and six-month periods ended 30 September 2015 (Unaudited)

(c) Use of estimates and judgements

The preparation of interim financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 March 2015.

Estimates

Provision for warranties

A provision for goods warranties is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

Measurement of defined benefit obligations

The calculation of the defined benefit obligations is sensitive to the assumptions on discount rates and salary increasing rates as set out.

Measurement of deferred tax

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3 Related parties

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Parent		
Mitsubishi Electric Corporation	Japan	Parent, 40.81% shareholding
Associate		
Smile Super Express Co., Ltd.	Thailand	Associate, 33.33% shareholding

Kang Yong Electric Public Company Limited
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Name of entities	Country of incorporation/ nationality	Nature of relationships
Key management personnel		
Key management personnel	Japanese, Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company
Other related parties		
Thai Refrigeration Components Co., Ltd.	Thailand	Common director
Kulthorn Kirby Public Company Limited	Thailand	Common director
Mitsubishi Electric Kang Yong Watana Co., Ltd.	Thailand	A subsidiary of the Company's parent and common director
Mitsubishi Electric Consumer Products (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent and common director
Siam Compressor Industry Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Electric Life-Network Co., Ltd.	Japan	A subsidiary of the Company's parent
Mitsubishi Electric Engineering Co., Ltd.	Japan	A subsidiary of the Company's parent
Mitsubishi Electric Home Appliance Co., Ltd.	Japan	A subsidiary of the Company's parent
Mitsubishi Electric Taiwan Co., Ltd.	Taiwan	A subsidiary of the Company's parent
Mitsubishi Electric Asia Pte. Ltd.	Singapore	A subsidiary of the Company's parent
Mitsubishi Electric Australia Pty. Ltd.	Australia	A subsidiary of the Company's parent
Mitsubishi Electric Ryoden Air - Conditioning & Visual Information Systems (Hong Kong) Ltd.	Hongkong	A subsidiary of the Company's parent
Mitsubishi Electric Sales Malaysia Sdn.	Malaysia	A subsidiary of the Company's parent
Mitsubishi Electric (Malaysia) Sdn. Bhd	Malaysia	A subsidiary of the Company's parent
Setsuyo Astec Corporation	Japan	A subsidiary of the Company's parent
Ryoden International Co., Ltd.	Hongkong	A subsidiary of the Company's parent
Melco Thai Capital Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Electric Information Network	Japan	A subsidiary of the Company's parent
Melco Travel Co., Ltd.	Japan	A subsidiary of the Company's parent
Mitsubishi Electric (Hongkong) Ltd.	Hongkong	A subsidiary of the Company's parent
Mitsubishi Electric Automation (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
K.G.M. Services Co., Ltd.	Thailand	A subsidiary of the Company's parent
Melco Logistics (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Electric Trading Corp.	Japan	A subsidiary of the Company's parent
Melco Trading (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Electric & Electronic (Shanghai) Co., Ltd.	China	A subsidiary of the Company's parent
Mitsubishi Electric Vietnam Company Limited	Vietnam	A subsidiary of the Company's parent
Mitsubishi Electric India Pvt. Ltd.	India	A subsidiary of the Company's parent
International Elevator & Equipment Inc.	Philippines	A subsidiary of the Company's parent
PT. Mitsubishi Electric Indonesia	Indonesia	A subsidiary of the Company's parent
Mitsubishi Electric Europe B.V. (Moscow Branch)	Russia	A subsidiary of the Company's parent
Setsuyo Astec (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Electric (Russia) LLC	Russia	A subsidiary of the Company's parent
K.Y. Intertrade Co., Ltd.	Thailand	Common director

Kang Yong Electric Public Company Limited
Notes to the interim financial statements
For the three-month and six-month periods ended 30 September 2015 (Unaudited)

The Company has a policy on pricing based on “normal business practice or market price under normal trade conditions” for business transactions with its related parties, including purchases and sales of goods and services, as specified as follows:

- 1 Sales prices policy
 - Domestic sales prices are determined at weighted average of standard cost plus margin for all products.
 - Export sales prices are determined at resale price method which are dependent on market and competitive conditions of the particular country.
- 2 Purchase policy of raw materials are prices agreed between the parties.
- 3 Purchase policy of property, plant and equipment are prices agreed between the parties.
- 4 Royalty fee is payable annually at a proportion of sales.
- 5 Product development fee is payable based on actual amount.
- 6 Technical assistance fee chargeable under technical service agreement with 5 years term and automatic rollover period of 5 years.
- 7 The Company entered into a rental agreement with an associate. The rental fee is based on the market value.
- 8 The Company has inventory management service fee with an associate. The service fee is based on the area used.
- 9 The Company entered into an agreement with various companies in the Mitsubishi Group, to manage total funding of the Group by the use of pooling accounts. The Company may earn or pay interest, which is based on the surplus funds or the funds used, at the interest rate of average deposit and loan interest rates offered by the bank.
- 10 Interest rates on short-term loans from or to related parties are determined by based on the interest rate of the bank.
- 11 Product warranty expense is based on actual amount claims.
- 12 Key management personnel compensation is defined by the Nomination and Remuneration Committee and the Company’s policy.

Kang Yong Electric Public Company Limited
Notes to the interim financial statements
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Significant transactions for the three-month periods ended 30 September 2015 and 2014 with related parties were as follows:

<i>Three-month period ended 30 September</i>	Financial statements in which the equity method is applied		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Parent				
Revenue from sale of goods	884,837	1,032,102	884,837	1,032,102
Other income	62	45	62	45
Purchase of equipment	126	-	126	-
Royalty fee	49,938	50,946	49,938	50,946
Product development fee	71,084	56,360	71,084	56,360
Product warranties paid	23,596	27,102	23,596	27,102
Technical assistance fee	8,088	8,276	8,088	8,276
Other selling and administrative expenses	2,596	2,224	2,596	2,224
Associate				
Revenue from sale of goods	72	155	72	155
Rental income	3,616	3,616	3,616	3,616
Dividend income	-	-	1,000	1,000
Other income	163	195	163	195
Inventory management service fee	18,463	18,945	18,463	18,945
Other selling and administrative expenses	1,655	2,161	1,655	2,161
Key management personnel				
Key management personnel compensation				
Short-term benefits	17,934	17,297	17,934	17,297
Post-employment benefits	226	283	226	283
Other long-term benefits	3	3	3	3
Total key management personnel compensation	<u>18,163</u>	<u>17,583</u>	<u>18,163</u>	<u>17,583</u>
Other related parties				
Revenue from sale of goods	1,284,483	1,195,299	1,284,483	1,195,299
Dividend income	181,827	241,919	181,827	241,919
Other income	139	524	139	524
Purchase of raw material	294,915	300,905	294,915	300,905
Purchase of equipment	-	678	-	678
Product warranties paid	692	428	692	428
Other selling and administrative expenses	19,481	11,972	19,481	11,972

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Significant transactions for the six-month periods ended 30 September 2015 and 2014 with related parties were as follows:

<i>Six-month period ended 30 September</i>	Financial statements in which the equity method is applied		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Parent				
Revenue from sale of goods	1,887,288	2,206,355	1,887,288	2,206,355
Other income	73	51	73	51
Purchase of equipment	126	886	126	886
Royalty fee	105,015	104,803	105,015	104,803
Product development fee	131,186	108,448	131,186	108,448
Product warranties paid	35,737	44,993	35,737	44,993
Technical assistance fee	10,255	11,779	10,255	11,779
Other selling and administrative expenses	2,701	2,325	2,701	2,325
Associate				
Revenue from sale of goods	94	155	94	155
Rental income	7,232	7,232	7,232	7,232
Dividend income	-	-	1,000	1,000
Other income	407	413	407	413
Inventory management service fee	37,788	39,125	37,788	39,125
Other selling and administrative expenses	4,037	4,543	4,037	4,543
Key management personnel				
Key management personnel compensation				
Short-term benefits	35,680	34,652	35,680	34,652
Post-employment benefits	453	565	453	565
Other long-term benefits	5	6	5	6
Total key management personnel compensation	<u>36,138</u>	<u>35,223</u>	<u>36,138</u>	<u>35,223</u>
Other related parties				
Revenue from sale of goods	2,677,603	2,405,536	2,677,603	2,405,536
Dividend income	182,091	242,183	182,091	242,183
Other income	649	1,179	649	1,179
Purchase of raw material	614,480	619,300	614,480	619,300
Purchase of equipment	139	765	139	765
Product warranties paid	1,165	548	1,165	548
Other selling and administrative expenses	29,782	19,815	29,782	19,815

Kang Yong Electric Public Company Limited
Notes to the interim financial statements
For the three-month and six-month periods ended 30 September 2015 (Unaudited)

Balances as at 30 September 2015 and 31 March 2015 with related parties were as follows:

<i>Trade accounts receivable - related parties</i>	Financial statements in which the equity method is applied and separate financial statements	
	30 September 2015	31 March 2015
	<i>(in thousand Baht)</i>	
Parent		
Mitsubishi Electric Corporation	161,646	329,183
Other related parties		
Mitsubishi Electric Kang Yong Watana Co., Ltd.	363,328	386,689
Mitsubishi Electric Australia Pty. Ltd.	192,213	78,972
Mitsubishi Electric Vietnam Company Limited	95,820	98,606
Mitsubishi Electric (Hong Kong) Ltd.	69,095	-
PT. Mitsubishi Electric Indonesia	48,829	50,282
Mitsubishi Electric Sales Malaysia Sdn.	40,117	42,294
Mitsubishi Electric Asia Pte. Ltd.	30,582	30,645
Mitsubishi Electric (Russia) LLC	9,593	4,775
Mitsubishi Electric Taiwan Co., Ltd.	1,492	-
Mitsubishi Electric Trading Corp.	1,406	-
Mitsubishi Electric Life-Network Co., Ltd.	254	17,471
Mitsubishi Electric Ryoden Air – Conditioning & Visual Information Systems (Hong Kong) Ltd.	-	19,575
Mitsubishi Electric Europe B.V. (Moscow Branch)	-	5,244
Others	1,359	93
Total	1,015,734	1,063,829
	2015	2014
	<i>(in thousand Baht)</i>	
Bad and doubtful debts expenses for the three-month periods ended 30 September	-	-
six-month periods ended 30 September	-	-

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Other accounts receivable - related parties

**Financial statements in which
the equity method is applied
and separate financial statements**
30 September 31 March
2015 2015
(in thousand Baht)

Accrued dividend income

Other related parties

Mitsubishi Electric Consumer Products (Thailand) Co., Ltd.	-	150,000
Siam Compressor Industry Co., Ltd.	-	9,944
	<u>-</u>	<u>159,944</u>

Others

Parent

Mitsubishi Electric Corporation	3	3
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Associate

Smile Super Express Co., Ltd.	1,280	1,289
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Other related parties

Setsuyo Astec Corporation	117	-
Melco Thai Capital Co., Ltd.	32	22
Mitsubishi Electric Trading Corp.	-	154
	<u>149</u>	<u>176</u>
	<u>1,432</u>	<u>1,468</u>

Total

1,432 161,412

Short-term loans to related party

**Financial statements in which the equity method is applied
and separate financial statements**

30 September	31 March	30 September	31 March
2015	2015	2015	2015
<i>Interest rate</i>		<i>(in thousand Baht)</i>	
<i>(% per annum)</i>			

Other related party

Melco Thai Capital Co., Ltd.	1.40	1.50	<u>51,994</u>	<u>59,808</u>
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Movements during the six-month periods ended 30 September 2015 and 2014 of short-term loans to related party were as follows:

Short-term loans to related party

**Financial statements in which
the equity method is applied
and separate financial statements**
2015 2014
(in thousand Baht)

Other related party

At 1 April	59,808	51,333
Increase	256,503	249,307
Decrease	(264,317)	(288,837)
At 30 September	<u>51,994</u>	<u>11,803</u>

Kang Yong Electric Public Company Limited
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Trade accounts payable - related parties

	Financial statements in which the equity method is applied and separate financial statements	
	30 September 2015	31 March 2015
	<i>(in thousand Baht)</i>	
Other related parties		
Setsuyo Astec Corporation	52,169	57,111
Kulthorn Kirby Public Company Limited	36,205	41,105
Mitsubishi Electric Asia Pte. Ltd.	20,739	30,183
Melco Trading (Thailand) Co., Ltd.	14,158	17,680
Mitsubishi Electric Trading Corp.	5,520	7,785
Thai Refrigeration Components Co., Ltd.	1,094	1,303
Mitsubishi Electric & Electronic (Shanghai) Co., Ltd.	870	904
Setsuyo Astec (Thailand) Co., Ltd.	-	1,920
Others	16	10
Total	130,771	158,001

Other accounts payable - related parties

	Financial statements in which the equity method is applied and separate financial statements	
	30 September 2015	31 March 2015
	<i>(in thousand Baht)</i>	
Parent		
Mitsubishi Electric Corporation	216,614	275,710
Associate		
Smile Super Express Co., Ltd.	6,775	9,070
Other related parties		
Mitsubishi Electric Vietnam Company Limited	2,791	4,205
Mitsubishi Electric Sales Malaysia Sdn.	2,158	7,670
PT. Mitsubishi Electric Indonesia	860	724
Mitsubishi Electric Life-Network Co., Ltd.	542	281
Mitsubishi Electric Trading Corp.	253	837
Mitsubishi Electric Asia Pte. Ltd.	227	959
Mitsubishi Electric Taiwan Co., Ltd.	-	2,735
Mitsubishi Electric Kang Yong Watana Co., Ltd.	-	5,289
Others	656	798
Total	230,876	308,278

Significant agreements with related parties

Technical assistance agreement

The Company entered into agreement with Mitsubishi Electric Corporation (MELCO) whereby such company agreed to provide the Company the technical information and know-how of production. In consideration thereof, the Company agreed to pay royalty fee, development fee and technical assistance fee computed based on agreed formula to MELCO. The term of the agreement was for a period of five years and is automatically extended for a successive period of five years each unless

Kang Yong Electric Public Company Limited
Notes to the interim financial statements
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either party notifies in writing to the other party any intention of termination at least six months prior to expiration of the agreement.

Building rental agreement

The Company entered into a building rental agreement for its warehouse for finished goods with Smile Super Express Co., Ltd. for a period of two years with rental rate as specified in the agreement. This agreement is renewed by either party notification in writing to the other party at least sixty days before expiration of this agreement. In July 2015, the Company notified to renew such agreement for a period of two years expiring on 31 July 2017.

Thai Baht pooling service agreement

In May 2002, the Company entered into the Thai Baht pooling service agreement with Melco Thai Capital Co., Ltd. (MTC) whereby MTC agreed to provide management service relating to Thai Baht current account of the Company. In consideration thereof, the Company is committed to pay or earn the interest at the rate and method as specified in the agreement. There is no expiration of the agreement unless there are any cases complying with termination conditions as specified in the agreement.

4 Trade accounts receivable

	Note	Financial statements in which the equity method is applied and separate financial statements	
		30 September 2015	31 March 2015
		<i>(in thousand Baht)</i>	
Related parties	3	1,015,734	1,063,829
Other parties		55,816	70,158
Total		1,071,550	1,133,987
		2015	2014
		<i>(in thousand Baht)</i>	
Bad and doubtful debts expenses for the three-month periods ended 30 September		-	-
six-month periods ended 30 September		-	-

Kang Yong Electric Public Company Limited
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For the three-month and six-month periods ended 30 September 2015 (Unaudited)

Aging analyses for trade accounts receivable were as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	30 September 2015	31 March 2015
	<i>(in thousand Baht)</i>	
Related parties		
Within credit terms	984,613	1,034,023
Overdue		
Less than 3 months	30,667	29,792
3 - 6 months	454	14
	1,015,734	1,063,829
Other parties		
Within credit terms	55,816	70,158
	55,816	70,158
Total	1,071,550	1,133,987

The normal credit term granted by the Company ranges from 30 days to 120 days.

5 Investment in an associate

<i>Six-month period ended 30 September</i>	Financial statements in which the equity method is applied		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
At 1 April	18,584	17,082	3,000	3,000
Share of profit (loss) of investment - equity method	(1,826)	1,578	-	-
Dividend Income	(1,000)	(1,000)	-	-
At 30 September	15,758	17,660	3,000	3,000

As at 30 September 2015 and 31 March 2015, the financial statements in which the equity method is applied included the investment in shares of Smile Super Express Co., Ltd. accounted for using the equity method, which was computed based on the financial statements reviewed/audited by another auditor.

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Investment in an associate as at 30 September 2015 and 31 March 2015 and dividend income from the investment for the six-month periods ended 30 September 2015 and 2014 were as follows:

Financial statements in which the equity method is applied

Investee	Type of business	Ownership interest		Paid-up capital		Cost		Equity		Dividend income for the six-month periods ended	
		30 September 2015	31 March 2015	30 September 2015	31 March 2015	30 September 2015	31 March 2015	30 September 2015	31 March 2015	30 September 2015	30 September 2014
		(%)		(in thousand Baht)							
Smile Super Express Co., Ltd.	Logistic	33.33	33.33	9,000	9,000	<u>3,000</u>	<u>3,000</u>	<u>15,758</u>	<u>18,584</u>	<u>1,000</u>	<u>1,000</u>

Separate financial statements

Investee	Type of business	Ownership interest		Paid-up capital		Cost		Dividend income for the six-month periods ended	
		30 September 2015	31 March 2015	30 September 2015	31 March 2015	30 September 2015	31 March 2015	30 September 2015	30 September 2014
		(%)		(in thousand Baht)					
Smile Super Express Co., Ltd.	Logistic	33.33	33.33	9,000	9,000	<u>3,000</u>	<u>3,000</u>	<u>1,000</u>	<u>1,000</u>

The Company's associate is not publicly listed and consequently does not have published price quotation.

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6 Other investments

	Financial statements in which the equity method is applied and separate financial statements	
	30 September 2015	31 March 2015
	<i>(in thousand Baht)</i>	
<i>Current investments</i>		
Short-term deposits at financial institutions	2,200,000	2,080,000
	<u>2,200,000</u>	<u>2,080,000</u>
<i>Other long-term investments</i>		
Equity securities available-for-sale	14,711	11,331
Other non-marketable equity securities	157,362	157,362
	<u>172,073</u>	<u>168,693</u>
Total	<u><u>2,372,073</u></u>	<u><u>2,248,693</u></u>

Equity securities available-for-sale as at 30 September 2015 and 31 March 2015 were as follows:

	Financial statements in which the equity method is applied and separate financial statements			
	30 September 2015		31 March 2015	
	Cost	Fair value	Cost	Fair value
	<i>(in thousand Baht)</i>			
<i>Marketable securities - Available-for-sale securities</i>				
Kulthorn Kirby Public Co., Ltd.	4,965	14,289	4,965	10,891
City Sports and Recreation Public Co., Ltd.	300	422	300	440
	<u>5,265</u>	<u>14,711</u>	<u>5,265</u>	<u>11,331</u>
Add revaluation	9,446	-	6,066	-
Total	<u><u>14,711</u></u>	<u><u>14,711</u></u>	<u><u>11,331</u></u>	<u><u>11,331</u></u>

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Other non-marketable equity securities as at 30 September 2015 and 31 March 2015, and dividend income from those investments for the six-month periods ended 30 September 2015 and 2014 were as follows:

Financial statements in which the equity method is applied and separate financial statements

Investee	Type of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for the six-month periods ended	
		30 September 2015	31 March 2015	30 September 2015	31 March 2015	30 September 2015	31 March 2015	30 September 2015	31 March 2015	30 September 2015	31 March 2015	30 September 2015	30 September 2014
		(<i>%</i>)						(<i>in thousand Baht</i>)					
Thai Refrigeration Components Co., Ltd.	Manufacturing of roll-bond evaporators	10.57	10.57	50,000	50,000	5,286	5,286	-	-	5,286	5,286	264	264
Mitsubishi Electric Consumer Products (Thailand) Co., Ltd.	Manufacturing of air conditioners	10.00	10.00	1,200,000	1,200,000	120,000	120,000	-	-	120,000	120,000	170,600	233,900
Siam Compressor Industry Co., Ltd.	Manufacturing of compressors for air conditioners	2.00	2.00	1,603,800	1,603,800	32,076	32,076	-	-	32,076	32,076	11,227	8,019
Total						157,362	157,362	-	-	157,362	157,362	182,091	242,183

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7 Investment properties

Investment properties comprise land and buildings that are leased to an associate and plots of land that are not used in operations. Fair value of land and buildings that are leased to its associate was computed by the Company's management under the Discounted Cash Flow Analysis method by using key assumptions of discount rates and net cash inflow from rental income including the review of the estimated useful lives of buildings that are leased to its associate. Fair value of land not used in operations was considered by appraisal value of Treasury Department. As at 30 September 2015, fair value of land and buildings that are leased to its associate and land not used in operations totaled approximately Baht 133.9 million (31 March 2015 : Baht 137.2 million). During the six-month period ended 30 September 2014, the Company recorded loss on impairment of land not used in operations of Baht 2.9 million.

8 Property, plant and equipment

Acquisition, disposals and transfers of property, plant and equipment during the six-month periods ended 30 September 2015 and 2014 were as follows:

<i>Six-month period ended 30 September</i>	Financial statements in which the equity method is applied and separate financial statements			
	2015		2014	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
	<i>(in thousand Baht)</i>			
Buildings and improvements	16,379	-	2,027	-
Machinery and equipment	36,471	34	3,708	1
Factory equipment	74,140	1	80,624	65
Office equipment	3,980	20	1,837	31
Assets under construction and installation	112,374	97,853	83,466	62,245
Total	243,344	97,908	171,662	62,342

The Company's land which has cost approximately Baht 10.26 million is partially under land servitude.

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For the three-month and six-month periods ended 30 September 2015 (Unaudited)

<i>Six-month period ended 30 September</i>	Financial statements in which the equity method is applied								
	Domestic		Overseas				Total		
	2015	2014	Japan		Others		2015	2014	
		2015	2014	2015	2014	2015	2014		
		<i>(in thousand Baht)</i>							
Revenue from sale of goods and rendering of services	1,603,049	1,610,847	1,982,875	2,251,871	1,112,191	866,987	4,698,115	4,729,705	
Segment profit	262,011	239,575	63,412	278,542	171,279	54,909	496,702	573,026	
Unallocated expenses							(357,036)	(359,429)	
Investment income							223,513	284,512	
Net foreign exchange gain							40,716	8,840	
Other income							11,723	16,115	
Share of profit (loss) of an associate							(1,826)	1,578	
Profit before income tax expense							413,792	524,642	
Income tax expense							(46,823)	(56,337)	
Profit for the period							366,969	468,305	
							30 September 2015	31 March 2015	
Property, plant and equipment							<u>1,214,453</u>	<u>1,207,736</u>	

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10 Basic earnings per share

The calculations of basic earnings per share for the three-month and six-month periods ended 30 September 2015 and 2014 were based on the profit for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods as follows:

<i>Three-month period ended 30 September</i>	Financial statements in which the equity method is applied		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht / thousand shares)</i>			
Profit for the period attributable to ordinary shareholders of the Company (Basic)	<u>229,240</u>	<u>331,160</u>	<u>231,271</u>	<u>331,278</u>
Number of ordinary shares outstanding	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>
Earnings per share (Basic) (in Baht)	<u>10.42</u>	<u>15.05</u>	<u>10.51</u>	<u>15.06</u>

<i>Six-month period ended 30 September</i>	Financial statements in which the equity method is applied		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht / thousand shares)</i>			
Profit for the period attributable to ordinary shareholders of the Company (Basic)	<u>366,969</u>	<u>468,305</u>	<u>369,795</u>	<u>467,727</u>
Number of ordinary shares outstanding	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>
Earnings per share (Basic) (in Baht)	<u>16.68</u>	<u>21.29</u>	<u>16.81</u>	<u>21.26</u>

11 Dividends

At the annual general meeting of the shareholders of the Company held on 24 July 2015, the shareholders approved the appropriation of dividend of Baht 21.07 per share, amounting to Baht 463.5 million. The dividend was paid to shareholders in August 2015.

At the annual general meeting of the shareholders of the Company held on 25 July 2014, the shareholders approved the appropriation of dividend of Baht 11.50 per share, amounting to Baht 253.0 million. The dividend was paid to shareholders in August 2014.

12 Financial instruments carried at fair value

Carrying amounts and fair values of financial instruments carried at fair value

The fair values of financial assets together with the carrying amounts in the statement of financial position in which the equity method is applied and separate statement of financial position are as follows:

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Notes to the interim financial statements

For the three-month and six-month periods ended 30 September 2015 (Unaudited)

	Carrying amount	Financial statements in which the equity method is applied and separate financial statements			Total
		Fair value			
		Level 1	Level 2	Level 3	
<i>(in thousand Baht)</i>					
30 September 2015					
Current					
Forward contracts	24	-	24	-	24
Non-current					
Equity securities available-for-sale	14,711	14,289	-	422	14,711

Financial instruments carried at fair value

Fair value hierarchy

The table above analyses recurring fair value measurements for financial assets. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The Company determines Level 2 fair value for forward contracts based on counterparties.

The Company determines Level 3 fair value for equity securities – available-for-sale based on the most recent quoted price in the Stock Exchange of Thailand.

13 Commitments with non-related parties

	Financial statements in which the equity method is applied and separate financial statements	
	30 September 2015	31 March 2015
<i>(in thousand Baht)</i>		
Capital commitments		
<i>Contracted but not provided for</i>		
Acquisition of plant and equipment	45,078	36,265
Operating lease commitments		
Within one year	6,882	7,966
After one year but within five years	9,058	11,968
Total	15,940	19,934

The Company entered into several long-term lease agreements covering vehicles and has four year terms which will expire in various periods up to the year 2018. In consideration thereof, the Company is committed to pay rental fee at various annual rental rates as specified in the agreements.

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14 Thai Financial Reporting Standards (TFRS) not yet adopted

The Company has not adopted the new and revised TFRS that have been issued but are not yet effective. Those new and revised TFRS that are applicable to the Company, which become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table, are as follows:

TFRS	Topic	Year effective
TAS 1 (revised 2015)	Presentation of Financial Statements	2016
TAS 2 (revised 2015)	Inventories	2016
TAS 7 (revised 2015)	Statement of Cash Flows	2016
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors	2016
TAS 12 (revised 2015)	Income Taxes	2016
TAS 16 (revised 2015)	Property, Plant, and Equipment	2016
TAS 17 (revised 2015)	Leases	2016
TAS 18 (revised 2015)	Revenue	2016
TAS 19 (revised 2015)	Employee Benefits	2016
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates	2016
TAS 24 (revised 2015)	Related Party Disclosures	2016
TAS 27 (revised 2015)	Separate Financial Statements	2016
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures	2016
TAS 33 (revised 2015)	Earnings per Share	2016
TAS 34 (revised 2015)	Interim Financial Reporting	2016
TAS 36 (revised 2015)	Impairment of Assets	2016
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets	2016
TAS 38 (revised 2015)	Intangible Assets	2016
TAS 40 (revised 2015)	Investment Property	2016
TFRS 8 (revised 2015)	Operating Segments	2016
TFRS 13 (revised 2015)	Fair Value Measurement	2016
TSIC 15 (revised 2015)	Operating Leases - Incentives	2016
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	2016
TSIC 32 (revised 2015)	Intangible Assets - Web Site Costs	2016
TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2016
TFRIC 4 (revised 2015)	Determining whether an Arrangement Contains a Lease	2016
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment	2016

Management is presently considering the potential impact of adopting and initially applying these new and revised TFRS on the Company's financial statements.