

Kang Yong Electric Public Company Limited

Interim financial statements
for the three-month and nine-month periods ended
31 December 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 31 December 2015; the related statements of comprehensive income for the three-month and nine-month periods ended 31 December 2015, changes in equity and cash flows for the nine-month period ended 31 December 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
10 February 2016

Kang Yong Electric Public Company Limited

Statement of financial position

Assets	Note	Financial statements			
		in which the equity method		Separate financial statements	
		is applied			
		31 December	31 March	31 December	31 March
		2015	2015	2015	2015
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
Current assets					
Cash and cash equivalents		679,287	808,462	679,287	808,462
Current investments	6	2,200,000	2,080,000	2,200,000	2,080,000
Trade accounts receivable	3, 4	851,825	1,133,987	851,825	1,133,987
Other accounts receivable	3	341,761	236,424	341,761	236,424
Short-term loans to related party	3	49,366	59,808	49,366	59,808
Inventories		953,063	1,033,110	953,063	1,033,110
Other current assets		3,435	6,456	3,435	6,456
Total current assets		5,078,737	5,358,247	5,078,737	5,358,247
Non-current assets					
Available-for-sale investments	6	14,137	11,331	14,137	11,331
Investment in an associate	5	14,752	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	1,246,272	1,207,736	1,246,272	1,207,736
Deferred tax assets		70,780	84,699	70,780	84,699
Other non-current assets		54,311	34,551	54,311	34,551
Total non-current assets		1,562,585	1,519,234	1,550,833	1,503,650
Total assets		6,641,322	6,877,481	6,629,570	6,861,897

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

Kang Yong Electric Public Company Limited

Statement of financial position

Liabilities and equity	Note	Financial statements			
		in which the equity method		Separate financial statements	
		is applied			
		31 December	31 March	31 December	31 March
		2015	2015	2015	2015
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
Current liabilities					
Trade accounts payable	3	767,543	938,252	767,543	938,252
Other accounts payable	3	307,438	448,770	307,438	448,770
Income tax payable		-	17,005	-	17,005
Other current liabilities		47,211	12,170	47,211	12,170
Total current liabilities		1,122,192	1,416,197	1,122,192	1,416,197
Non-current liabilities					
Provision for warranties		189,806	236,295	189,806	236,295
Employee benefit obligations		172,852	161,942	172,852	161,942
Provident funds		16,693	16,879	16,693	16,879
Total non-current liabilities		379,351	415,116	379,351	415,116
Total liabilities		1,501,543	1,831,313	1,501,543	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		3,744,582	3,653,215	3,732,830	3,637,631
Other component of equity		7,097	4,853	7,097	4,853
Total equity		5,139,779	5,046,168	5,128,027	5,030,584
Total liabilities and equity		6,641,322	6,877,481	6,629,570	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)

	<i>Note</i>	Financial statements			
		in which the equity method		Separate financial statements	
		is applied			
		Three-month period ended		Three-month period ended	
		31 December		31 December	
		2015	2014	2015	2014
<i>(in thousand Baht)</i>					
Income					
Revenue from sale of goods and rendering of services		1,581,859	1,855,199	1,581,859	1,855,199
Investment income		263,164	237,796	263,164	237,796
Net foreign exchange gain		1,154	14,935	1,154	14,935
Other income		2,520	4,568	2,520	4,568
Total income		1,848,697	2,112,498	1,848,697	2,112,498
Expenses					
Cost of sale of goods and rendering of services		1,435,575	1,606,876	1,435,575	1,606,876
Selling expenses		70,570	72,885	70,570	72,885
Administrative expenses		168,578	143,859	168,578	143,859
Total expenses		1,674,723	1,823,620	1,674,723	1,823,620
Share of profit (loss) of an associate	5	-1,006	644	-	-
Profit before income tax expense		172,968	289,522	173,974	288,878
Income tax benefit (expense)		14,970	-15,016	14,970	-15,016
Profit for the period		187,938	274,506	188,944	273,862
Other comprehensive income					
Item that is or may be reclassified to profit or loss					
Net change in fair value of available-for-sale investments		-575	-1,920	-575	-1,920
Income tax on other comprehensive income		115	385	115	385
Other comprehensive income for the period, net of income tax		-460	-1,535	-460	-1,535
Total comprehensive income for the period		187,478	272,971	188,484	272,327
Basic earnings per share (in Baht)	10	8.54	12.48	8.59	12.45

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

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

	<i>Note</i>	Financial statements			
		in which the equity method		Separate financial statements	
		is applied			
		Nine-month period ended		Nine-month period ended	
		31 December		31 December	
		2015	2014	2015	2014
<i>(in thousand Baht)</i>					
Income					
Revenue from sale of goods and rendering of services		6,279,974	6,584,905	6,279,974	6,584,905
Investment income		486,677	522,307	487,677	523,307
Net foreign exchange gain		41,870	23,775	41,870	23,775
Other income		14,243	20,683	14,243	20,683
Total income		6,822,764	7,151,670	6,823,764	7,152,670
Expenses					
Cost of sale of goods and rendering of services		5,479,395	5,611,808	5,479,395	5,611,808
Selling expenses		267,523	271,098	267,523	271,098
Administrative expenses		486,254	456,822	486,254	456,822
Total expenses		6,233,172	6,339,728	6,233,172	6,339,728
Share of profit (loss) of an associate	5	-2,832	2,222	-	-
Profit before income tax expense		586,760	814,164	590,592	812,942
Income tax expense		-31,853	-71,353	-31,853	-71,353
Profit for the period		554,907	742,811	558,739	741,589
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		2,805	868	2,805	868
Income tax on other comprehensive income		-561	-173	-561	-173
Other comprehensive income for the period, net of income tax		2,244	695	2,244	695
Total comprehensive income for the period		557,151	743,506	560,983	742,284
Basic earnings per share (in Baht)	10	25.22	33.76	25.40	33.71

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

	Note	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	
Nine-month period ended 31 December 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		-	-	-	-	742,811	-	742,811
Other comprehensive income		-	-	-	-	-	695	695
Total comprehensive income for the period		-	-	-	-	742,811	695	743,506
Balance at 31 December 2014		220,000	726,100	22,000	420,000	3,482,669	4,351	4,875,120

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

	Note	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	
Nine-month period ended 31 December 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	11	-	-	-	-	(463,540)	-	(463,540)
Total distributions to owners of the Company		-	-	-	-	(463,540)	-	(463,540)
Comprehensive income for the period								
Profit		-	-	-	-	554,907	-	554,907
Other comprehensive income		-	-	-	-	-	2,244	2,244
Total comprehensive income for the period		-	-	-	-	554,907	2,244	557,151
Balance at 31 December 2015		220,000	726,100	22,000	420,000	3,744,582	7,097	5,139,779

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

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

	<i>Note</i>	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>									
Nine-month period ended 31 December 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		-	-	-	-	741,589	-	741,589	
Other comprehensive income		-	-	-	-	-	695	695	
Total comprehensive income for the period		-	-	-	-	741,589	695	742,284	
Balance at 31 December 2014		220,000	726,100	22,000	420,000	3,467,365	4,351	4,859,816	

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

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

	<i>Note</i>	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>									
Nine-month period ended 31 December 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		-	-	-	-	558,739	-	558,739	
Other comprehensive income		-	-	-	-	-	2,244	2,244	
Total comprehensive income for the period		-	-	-	-	558,739	2,244	560,983	
Balance at 31 December 2015		220,000	726,100	22,000	420,000	3,732,830	7,097	5,128,027	

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			
	Nine-month period ended 31 December		Nine-month period ended 31 December	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	554,907	742,811	558,739	741,589
<i>Adjustments for</i>				
Depreciation	214,383	204,707	214,383	204,707
Amortisation	1,807	1,662	1,807	1,662
Investment income	(486,677)	(522,307)	(487,677)	(523,307)
Employee benefit expenses	11,105	10,596	11,105	10,596
Unrealised gain on exchange rate	(717)	(5,302)	(717)	(5,302)
Provision for decline in value of inventories (reversal)	(13,257)	13,229	(13,257)	13,229
Impairment losses on land not used in operations	-	2,898	-	2,898
Provision for warranties	11,391	15,954	11,391	15,954
Share of loss (profit) of an associate	2,832	(2,222)	-	-
(Gain) loss on disposal of property and equipment	(228)	2,049	(228)	2,049
Income tax expense	31,853	71,353	31,853	71,353
	<u>327,399</u>	<u>535,428</u>	<u>327,399</u>	<u>535,428</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	283,345	(66,784)	283,345	(66,784)
Other accounts receivable	(11,344)	8,019	(11,344)	8,019
Inventories	93,324	49,618	93,324	49,618
Other current assets	3,020	(183)	3,020	(183)
Other non-current assets	(910)	(3,269)	(910)	(3,269)
Trade accounts payable	(170,952)	(52,468)	(170,952)	(52,468)
Other accounts payable	(112,203)	(84,398)	(112,203)	(84,398)
Other current liabilities	35,040	12,289	35,040	12,289
Warranties paid	(57,880)	(61,970)	(57,880)	(61,970)
Employee benefit paid	(195)	(382)	(195)	(382)
Provident fund paid	(186)	(244)	(186)	(244)
Cash generated from operating activities	<u>388,458</u>	<u>335,656</u>	<u>388,458</u>	<u>335,656</u>
Income tax paid	<u>(53,884)</u>	<u>(55,674)</u>	<u>(53,884)</u>	<u>(55,674)</u>
Net cash from operating activities	<u>334,574</u>	<u>279,982</u>	<u>334,574</u>	<u>279,982</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			
	Nine-month period ended 31 December		Nine-month period ended 31 December	
2015	2014	2015	2014	
<i>(in thousand Baht)</i>				
<i>Cash flows from investing activities</i>				
Interest received	39,769	53,772	39,769	53,772
Dividends received	343,030	251,220	343,030	251,220
Rental received	10,884	10,929	10,884	10,929
Short-term loans to related party	-368,910	-359,539	-368,910	-359,539
Cash proceeds from short-term loans to related party	379,352	350,986	379,352	350,986
Purchases of property and equipment	-282,719	-217,942	-282,719	-217,942
Sale of property and equipment	657	1,697	657	1,697
Purchase of computer software	-2,272	-3,949	-2,272	-3,949
Increase in current investments	-120,000	-80,000	-120,000	-80,000
Net cash from (used in) investing activities	(209)	7,174	(209)	7,174
<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 increase (decrease) in cash and cash equivalents	(129,175)	34,156	(129,175)	34,156
Cash and cash equivalents at 1 April	808,462	676,497	808,462	676,497
Cash and cash equivalents at 31 December	679,287	710,653	679,287	710,653
<i>Supplement disclosure of cash flows information</i>				
Property and equipment purchased during the period are detailed as follows:				
Property and equipment purchased during the period	-253,369	-216,885	-253,369	-216,885
Decrease in payables on purchases of property and equipment	-29,350	-1,057	-29,350	-1,057
Total purchase of property and equipment paid by cash	-282,719	-217,942	-282,719	-217,942

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 nine-month periods ended 31 December 2015 (Unaudited)

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Kang Yong Electric Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 31 December 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 10 February 2016.

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 nine-month periods ended 31 December 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
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

Kang Yong Electric Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 31 December 2015 (Unaudited)

Name of entities	Country of incorporation/ nationality	Nature of relationships
<i>Other related parties</i>		
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

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.

Kang Yong Electric Public Company Limited
Notes to the interim financial statements
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- 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.

Significant transactions for the three-month periods ended 31 December 2015 and 2014 with related parties were as follows:

<i>Three-month period ended 31 December</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	572,445	670,292	572,445	670,292
Other income	81	48	81	48
Royalty fee	34,681	40,640	34,681	40,640
Product development fee	68,250	49,578	68,250	49,578
Product warranties paid	16,812	15,792	16,812	15,792
Technical assistance fee	5,252	3,755	5,252	3,755
Other selling and administrative expenses	95	89	95	89
Associate				
Revenue from sale of goods	23	39	23	39
Rental income	3,617	3,617	3,617	3,617
Other income	178	181	178	181
Inventory management service fee	17,221	17,689	17,221	17,689
Other selling and administrative expenses	1,850	1,768	1,850	1,768

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<i>Three-month period ended 31 December</i>	Financial statements in which the equity method is applied		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	13,991	11,266	13,991	11,266
Post-employment benefits	227	283	227	283
Other long-term benefits	2	3	2	3
Total key management personnel compensation	<u>14,220</u>	<u>11,552</u>	<u>14,220</u>	<u>11,552</u>
Other related parties				
Revenue from sale of goods	940,265	1,072,853	940,265	1,072,853
Dividend income	243,322	214,544	243,322	214,544
Other income	158	365	158	365
Purchase of raw material	264,559	250,577	264,559	250,577
Purchase of equipment	-	316	-	316
Product warranties paid	3,147	455	3,147	455
Other selling and administrative expenses	17,642	11,379	17,642	11,379

Significant transactions for the nine-month periods ended 31 December 2015 and 2014 with related parties were as follows:

<i>Nine-month period ended 31 December</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	2,459,733	2,876,647	2,459,733	2,876,647
Other income	154	99	154	99
Purchase of equipment	126	886	126	886
Royalty fee	139,696	145,443	139,696	145,443
Product development fee	199,436	158,026	199,436	158,026
Product warranties paid	52,549	60,785	52,549	60,785
Technical assistance fee	15,507	15,534	15,507	15,534
Other selling and administrative expenses	2,796	2,414	2,796	2,414
Associate				
Revenue from sale of goods	117	194	117	194
Rental income	10,849	10,849	10,849	10,849
Dividend income	-	-	1,000	1,000
Other income	585	594	585	594
Inventory management service fee	55,009	56,814	55,009	56,814
Other selling and administrative expenses	5,887	6,311	5,887	6,311
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	49,671	45,919	49,671	45,919
Post-employment benefits	680	848	680	848
Other long-term benefits	7	9	7	9
Total key management personnel compensation	<u>50,358</u>	<u>46,776</u>	<u>50,358</u>	<u>46,776</u>

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<i>Nine-month period ended 31 December</i>	Financial statements in which the equity method is applied		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Other related parties				
Revenue from sale of goods	3,617,868	3,478,389	3,617,868	3,478,389
Dividend income	425,413	456,727	425,413	456,727
Other income	807	1,544	807	1,544
Purchase of raw material	879,039	869,877	879,039	869,877
Purchase of equipment	139	1,081	139	1,081
Product warranties paid	4,312	1,003	4,312	1,003
Other selling and administrative expenses	47,424	31,194	47,424	31,194

Balances as at 31 December 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	
	31 December 2015	31 March 2015
	<i>(in thousand Baht)</i>	
Parent		
Mitsubishi Electric Corporation	160,209	329,183
Other related parties		
Mitsubishi Electric Kang Yong Watana Co., Ltd.	239,952	386,689
Mitsubishi Electric Vietnam Company Limited	139,926	98,606
Mitsubishi Electric Australia Pty. Ltd.	95,953	78,972
Mitsubishi Electric Sales Malaysia Sdn.	50,750	42,294
Mitsubishi Electric (Hong Kong) Ltd.	44,612	-
Mitsubishi Electric Asia Pte. Ltd.	24,161	30,645
Mitsubishi Electric (Russia) LLC	19,908	4,775
PT. Mitsubishi Electric Indonesia	18,351	50,282
Mitsubishi Electric (Malaysia) Sdn. Bhd.	1,518	-
Mitsubishi Electric Trading Corp.	648	-
Mitsubishi Electric Ryoden Air – Conditioning & Visual Information Systems (Hong Kong) Ltd.	-	19,575
Mitsubishi Electric Life-Network Co., Ltd.	-	17,471
Mitsubishi Electric Europe B.V. (Moscow Branch)	-	5,244
Others	226	93
Total	796,214	1,063,829
	2015	2014
	<i>(in thousand Baht)</i>	

Bad and doubtful debts expenses for the
three-month periods ended 31 December
nine-month periods ended 31 December

-	-
-	-

Kang Yong Electric Public Company Limited
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Other accounts receivable - related parties

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

Accrued dividend income

Other related parties

Mitsubishi Electric Consumer Products (Thailand) Co., Ltd.	235,644	150,000
Siam Compressor Industry Co., Ltd.	7,698	9,944
	<u>243,342</u>	<u>159,944</u>

Others

Parent

Mitsubishi Electric Corporation	134	3
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Associate

Smile Super Express Co., Ltd.	1,267	1,289
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Other related parties

Melco Thai Capital Co., Ltd.	43	22
Mitsubishi Electric Trading Corp.	-	154
	<u>43</u>	<u>176</u>
	<u>1,444</u>	<u>1,468</u>

Total

	<u>244,786</u>	<u>161,412</u>
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Short-term loans to related party

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

31 December	31 March	31 December	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.	1.33	1.50	<u>49,366</u>	<u>59,808</u>
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Movements during the nine-month periods ended 31 December 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	368,910	359,539
Decrease	(379,352)	(350,986)
At 31 December	<u>49,366</u>	<u>59,886</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**

31 December 31 March
2015 2015

(in thousand Baht)

Other related parties

Setsuyo Astec Corporation	34,263	57,111
Kulthorn Kirby Public Company Limited	31,321	41,105
Mitsubishi Electric Asia Pte. Ltd.	14,824	30,183
Melco Trading (Thailand) Co., Ltd.	17,689	17,680
Mitsubishi Electric Trading Corp.	3,625	7,785
Thai Refrigeration Components Co., Ltd.	1,076	1,303
Mitsubishi Electric & Electronic (Shanghai) Co., Ltd.	501	904
Setsuyo Astec (Thailand) Co., Ltd.	-	1,920
Others	142	10
Total	103,441	158,001

Other accounts payable - related parties

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

31 December 31 March
2015 2015

(in thousand Baht)

Parent

Mitsubishi Electric Corporation	221,851	275,710
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Associate

Smile Super Express Co., Ltd.	7,438	9,070
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Other related parties

Mitsubishi Electric Kang Yong Watana Co., Ltd.	1,720	5,289
Mitsubishi Electric Life-Network Co., Ltd.	386	281
PT. Mitsubishi Electric Indonesia	181	724
Mitsubishi Electric Asia Pte. Ltd.	78	959
Mitsubishi Electric Sales Malaysia Sdn.	-	7,670
Mitsubishi Electric Vietnam Company Limited	-	4,205
Mitsubishi Electric Taiwan Co., Ltd.	-	2,735
Mitsubishi Electric Trading Corp.	-	837
Others	211	798
Total	231,865	308,278

Kang Yong Electric Public Company Limited
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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 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

	<i>Note</i>	Financial statements in which the equity method is applied and separate financial statements	
		31 December 2015	31 March 2015
		<i>(in thousand Baht)</i>	
Related parties	3	796,214	1,063,829
Other parties		55,611	70,158
Total		851,825	1,133,987
		2015	2014
		<i>(in thousand Baht)</i>	
Bad and doubtful debts expenses for the three-month periods ended 31 December		-	-
nine-month periods ended 31 December		-	-

Kang Yong Electric Public Company Limited
Notes to the interim financial statements
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Aging analyses for trade accounts receivable were as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	31 December 2015	31 March 2015
	<i>(in thousand Baht)</i>	
Related parties		
Within credit terms	763,860	1,034,023
Overdue		
Less than 3 months	32,354	29,792
3 - 6 months	-	14
	<u>796,214</u>	<u>1,063,829</u>
Other parties		
Within credit terms	55,611	70,158
	<u>55,611</u>	<u>70,158</u>
Total	<u>851,825</u>	<u>1,133,987</u>

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

5 Investment in an associate

<i>Nine-month period ended 31 December</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	(2,832)	2,222	-	-
Dividend income	(1,000)	(1,000)	-	-
At 31 December	<u>14,752</u>	<u>18,304</u>	<u>3,000</u>	<u>3,000</u>

As at 31 December 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.

Kang Yong Electric Public Company Limited

Notes to the interim financial statements

For the three-month and nine-month periods ended 31 December 2015 (Unaudited)

Investment in an associate as at 31 December 2015 and 31 March 2015 and dividend income from the investment for the nine-month periods ended 31 December 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 nine-month periods ended	
		31 December 2015	31 March 2015	31 December 2015	31 March 2015	31 December 2015	31 March 2015	31 December 2015	31 March 2015	31 December 2015	31 December 2014
		(%)		<i>(in thousand Baht)</i>							
Smile Super Express Co., Ltd.	Logistic	33.33	33.33	9,000	9,000	<u>3,000</u>	<u>3,000</u>	<u>14,752</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		Equity		Dividend income for the nine-month periods ended	
		31 December 2015	31 March 2015	31 December 2015	31 March 2015	31 December 2015	31 March 2015	31 December 2015	31 March 2015	31 December 2015	31 December 2014
		(%)		<i>(in thousand Baht)</i>							
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>	<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	
	31 December 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	14,137	11,331
Other non-marketable equity securities	157,362	157,362
	<u>171,499</u>	<u>168,693</u>
Total	<u><u>2,371,499</u></u>	<u><u>2,248,693</u></u>

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

	Financial statements in which the equity method is applied and separate financial statements			
	31 December 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	13,672	4,965	10,891
City Sports and Recreation Public Co., Ltd.	300	465	300	440
	<u>5,265</u>	<u>14,137</u>	<u>5,265</u>	<u>11,331</u>
Add revaluation	8,872	-	6,066	-
Total	<u><u>14,137</u></u>	<u><u>14,137</u></u>	<u><u>11,331</u></u>	<u><u>11,331</u></u>

Kang Yong Electric Public Company Limited

Notes to the interim financial statements

For the three-month and nine-month periods ended 31 December 2015 (Unaudited)

Other non-marketable equity securities as at 31 December 2015 and 31 March 2015, and dividend income from those investments for the nine-month periods ended 31 December 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 nine-month periods ended	
		31 December 2015	31 March 2015	31 December 2015	31 March 2015	31 December 2015	31 March 2015	31 December 2015	31 March 2015	31 December 2015	31 March 2015	31 December 2015	31 December 2014
		(%)						(in thousand Baht)					
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	406,224	438,500
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	18,925	17,963
Total						<u>157,362</u>	<u>157,362</u>	<u>-</u>	<u>-</u>	<u>157,362</u>	<u>157,362</u>	<u>425,413</u>	<u>456,727</u>

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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 31 December 2015, fair value of land and buildings that are leased to its associate and land not used in operations totaled approximately Baht 134.7 million (31 March 2015 : Baht 137.2 million). During the nine-month period ended 31 December 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 nine-month periods ended 31 December 2015 and 2014 were as follows:

<i>Nine-month period ended 31 December</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	23,076	-	3,850	-
Machinery and equipment	40,421	371	16,299	801
Factory equipment	134,960	42	121,861	2,936
Office equipment	5,626	37	4,145	32
Assets under construction and installation	208,511	159,225	177,233	106,503
Total	412,594	159,675	323,388	110,272

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

Kang Yong Electric Public Company Limited

Notes to the interim financial statements

For the three-month and nine-month periods ended 31 December 2015 (Unaudited)

9 Segment information

The Company's operations mainly involve business segments in product goods in Thailand and sale in both local and overseas market (Japan and other countries). Financial information of the Company by operating segments for the three-month and nine-month periods ended 31 December 2015 and 2014 was as follows:

	Financial statements in which the equity method is applied							
	Domestic		Overseas				Total	
	2015	2014	Japan		Others		2015	2014
<i>Three-month period ended 31 December</i>			2015	2014	2015	2014	2015	2014
	<i>(in thousand Baht)</i>							
Revenue from sale of goods and rendering of services	528,459	552,533	574,815	674,266	478,585	628,400	1,581,859	1,855,199
Segment profit (loss)	55,048	74,055	(12,208)	73,297	51,426	39,768	94,266	187,120
Unallocated expense							(187,130)	(155,541)
Investment income							263,164	237,796
Net foreign exchange gain							1,154	14,935
Other income							2,520	4,568
Share of profit (loss) of an associate							(1,006)	644
Profit before income tax expense							172,968	289,522
Income tax benefit (expense)							14,970	(15,016)
Profit for the period							187,938	274,506

Kang Yong Electric Public Company Limited

Notes to the interim financial statements

For the three-month and nine-month periods ended 31 December 2015 (Unaudited)

	Financial statements in which the equity method is applied							
	Domestic		Oversea				Total	
	2015	2014	Japan		Others		2015	2014
<i>Nine-month period ended 31 December</i>	2015	2014	2015	2014	2015	2014	2015	2014
			<i>(in thousand Baht)</i>					
Revenue from sale of goods and rendering of services	2,131,508	2,163,380	2,557,690	2,926,137	1,590,776	1,495,388	6,279,974	6,584,905
Segment profit	317,059	313,630	51,204	351,839	222,705	94,678	590,968	760,147
Unallocated expense							(544,166)	(514,970)
Investment income							486,677	522,307
Net foreign exchange gain							41,870	23,775
Other income							14,243	20,683
Share of profit (loss) of an associate							(2,832)	2,222
Profit before income tax expense							586,760	814,164
Income tax expense							(31,853)	(71,353)
Profit for the period							554,907	742,811
							31	31
							December	March
							2015	2015
							<i>(in thousand Baht)</i>	
Property, plant and equipment							1,246,272	1,207,736

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10 Basic earnings per share

The calculations of basic earnings per share for the three-month and nine-month periods ended 31 December 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:

	Financial statements in which the equity method is applied		Separate financial statements	
	2015	2014	2015	2014
<i>Three-month period ended 31 December</i>				
	<i>(in thousand Baht / thousand shares)</i>			
Profit for the period attributable to ordinary shareholders of the Company (Basic)	<u>187,938</u>	<u>274,506</u>	<u>188,944</u>	<u>273,862</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>8.54</u>	<u>12.48</u>	<u>8.59</u>	<u>12.45</u>
<i>Nine-month period ended 31 December</i>				
	<i>(in thousand Baht / thousand shares)</i>			
Profit for the period attributable to ordinary shareholders of the Company (Basic)	<u>554,907</u>	<u>742,811</u>	<u>558,739</u>	<u>741,589</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>25.22</u>	<u>33.76</u>	<u>25.40</u>	<u>33.71</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.

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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:

	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>					
31 December 2015					
<i>Non-current</i>					
Equity securities available-for-sale	14,137	13,672	-	465	14,137

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 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	
	31 December 2015	31 March 2015
<i>(in thousand Baht)</i>		
<i>Capital commitments</i>		
<i>Contracted but not provided for</i>		
Acquisition of plant and equipment	42,687	36,265
<i>Operating lease commitments</i>		
Within one year	6,632	7,966
After one year but within five years	8,953	11,968
Total	15,585	19,934

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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 2019. In consideration thereof, the Company is committed to pay rental fee at various annual rental rates as specified in the agreements.

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.