

Kang Yong Electric Public Company Limited

Interim financial statements
for the three-month and nine-month periods ended
31 December 2018
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 2018; the related statements of comprehensive income for the three-month and nine-month periods ended 31 December 2018, the statements of changes in equity and cash flows for the nine-month period ended 31 December 2018; 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".

(Patamavan Vadhanakul)
Certified Public Accountant
Registration No. 9832

KPMG Phoomchai Audit Ltd.
Bangkok
13 February 2019

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
		2018	2018	2018	2018
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
Current assets					
Cash and cash equivalents		569,440	609,288	569,440	609,288
Current investments	4	2,100,000	3,300,000	2,100,000	3,300,000
Trade accounts receivable	3, 5	812,984	1,289,040	812,984	1,289,040
Other receivables	3	64,966	62,912	64,966	62,912
Dividend receivables	3	114,361	-	114,361	-
Short-term loan to related party	3	21,145	27,508	21,145	27,508
Inventories		1,043,569	1,046,186	1,043,569	1,046,186
Other current assets		8,498	14,277	8,498	14,277
Total current assets		4,734,963	6,349,211	4,734,963	6,349,211
Non-current assets					
Available-for-sale investments	4	5,029	7,724	5,029	7,724
Investment in associate	6	18,256	19,507	3,000	3,000
Other long-term investments	4	157,362	157,362	157,362	157,362
Investment properties		4,189	4,189	4,189	4,189
Property, plant and equipment	7	1,450,164	1,463,285	1,450,164	1,463,285
Intangible assets		41,189	44,675	41,189	44,675
Deferred tax assets		92,714	64,078	92,714	64,078
Other non-current assets		26,251	25,835	26,251	25,835
Total non-current assets		1,795,154	1,786,655	1,779,898	1,770,148
Total assets		6,530,117	8,135,866	6,514,861	8,119,359

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

Kang Yong Electric Public Company Limited

Statement of financial position

	Note	Financial statements			
		in which the equity method		Separate financial statements	
		is applied			
		31 December	31 March	31 December	31 March
		2018	2018	2018	2018
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
Liabilities and equity					
<i>Current liabilities</i>					
Trade accounts payable	3	648,300	894,460	648,300	894,460
Other payables	3	338,393	500,410	338,393	500,410
Other current liabilities		31,379	22,088	31,379	22,088
Total current liabilities		1,018,072	1,416,958	1,018,072	1,416,958
<i>Non-current liabilities</i>					
Provision for warranties		122,082	108,625	122,082	108,625
Non-current provisions for employee benefits	8	233,838	220,420	233,838	220,420
Provident funds		14,469	14,561	14,469	14,561
Total non-current liabilities		370,389	343,606	370,389	343,606
Total liabilities		1,388,461	1,760,564	1,388,461	1,760,564
<i>Equity</i>					
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
Treasury shares	9	(970,420)	-	(970,420)	-
Share premium:					
Share 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
Other reserve		420,000	420,000	420,000	420,000
Unappropriated		4,724,165	4,985,235	4,708,909	4,968,728
Other component of equity		(189)	1,967	(189)	1,967
Total equity		5,141,656	6,375,302	5,126,400	6,358,795
Total liabilities and equity		6,530,117	8,135,866	6,514,861	8,119,359

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			
		is applied		Separate financial statements	
		Three-month period ended		Three-month period ended	
		31 December		31 December	
		2018	2017	2018	2017
<i>(in thousand Baht)</i>					
Revenues					
Revenue from sales of goods					
and rendering of services	3	1,478,036	1,683,886	1,478,036	1,683,886
Investment income	3	130,963	197,823	130,963	197,823
Other income	3	12,456	4,656	12,456	4,656
Total revenue		1,621,455	1,886,365	1,621,455	1,886,365
Expenses					
Cost of sale of goods					
and rendering of services	3	1,348,429	1,413,661	1,348,429	1,413,661
Distribution costs	3	84,481	75,149	84,481	75,149
Administrative expenses	3	167,507	173,057	167,507	173,057
Net foreign exchange loss		3,348	1,712	3,348	1,712
Total expenses		1,603,765	1,663,579	1,603,765	1,663,579
Share of loss of associate		(339)	(991)	-	-
Profit before income tax expense		17,351	221,795	17,690	222,786
Tax income (expense)		22,977	(7,565)	22,977	(7,565)
Profit for the period		40,328	214,230	40,667	215,221
Other comprehensive income (expense)					
<i>Item that will be reclassified subsequently to profit or loss</i>					
Losses on remeasuring					
available-for-sale investments		(2,126)	(1,348)	(2,126)	(1,348)
Income tax relating to item that					
will be reclassified subsequently to profit or loss		425	270	425	270
Other comprehensive income (expense) for the period,					
net of tax		(1,701)	(1,078)	(1,701)	(1,078)
Total comprehensive income for the period		38,627	213,152	38,966	214,143
Basic earnings per share (in Baht)	<i>11</i>	1.98	9.74	2.00	9.78

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	
		2018	2017	2018	2017
<i>(in thousand Baht)</i>					
Revenues					
Revenue from sales of goods					
and rendering of services	3	5,500,848	6,164,031	5,500,848	6,164,031
Investment income	3	247,283	537,827	247,793	538,827
Net foreign exchange gain		21,201	-	21,201	-
Other income	3	32,230	21,387	32,230	21,387
Total revenue		5,801,562	6,723,245	5,802,072	6,724,245
Expenses					
Cost of sale of goods					
and rendering of services	3	4,878,659	5,056,603	4,878,659	5,056,603
Distribution costs	3	320,744	267,574	320,744	267,574
Administrative expenses	3	530,885	542,540	530,885	542,540
Net foreign exchange loss		-	8,984	-	8,984
Total expenses		5,730,288	5,875,701	5,730,288	5,875,701
Share of profit (loss) of associate	6	(741)	373	-	-
Profit before income tax expense		70,533	847,917	71,784	848,544
Tax income (expense)		28,097	(70,308)	28,097	(70,308)
Profit for the period		98,630	777,609	99,881	778,236
Other comprehensive income (expense)					
<i>Item that will be reclassified subsequently to profit or loss</i>					
Losses on remeasuring					
available-for-sale investments	4	(2,695)	(2,658)	(2,695)	(2,658)
Income tax relating to item that					
will be reclassified subsequently to profit or loss		539	532	539	532
Other comprehensive income (expense) for the period,					
net of tax		(2,156)	(2,126)	(2,156)	(2,126)
Total comprehensive income for the period		96,474	775,483	97,725	776,110
Basic earnings per share (in Baht)	11	4.60	35.35	4.66	35.37

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						
		Retained earnings				Other component of equity		
	Share							
	Issued	Share		Other	Unappropriated	Available-for-sale	Total	
	and paid-up	premium	Legal reserve	reserve		investments	equity	
Note	share capital	on ordinary shares						
(in thousand Baht)								
Nine-month period ended 31 December 2017								
	220,000	726,100	22,000	420,000	4,939,899	4,613	6,332,612	
Balance at 1 April 2017								
Transactions with owners, recorded directly in equity								
<i>Distributions to owners of the Company</i>								
Dividends	12	-	-	-	(667,920)	-	(667,920)	
<i>Total distributions to owners of the Company</i>								
		-	-	-	(667,920)	-	(667,920)	
Total transactions with owners, recorded directly in equity								
		-	-	-	(667,920)	-	(667,920)	
Comprehensive income (expense) for the period								
Profit		-	-	-	777,609	-	777,609	
Other comprehensive income (expense)		-	-	-	-	(2,126)	(2,126)	
Total comprehensive income (expense) for the period								
		-	-	-	777,609	(2,126)	775,483	
Balance at 31 December 2017								
	220,000	726,100	22,000	420,000	5,049,588	2,487	6,440,175	

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											
							Other component				
							of equity				
							Retained earnings				
							Legal reserve	Other	Unappropriated	Available-for-sale	Total
							reserve	reserve	investments	equity	equity
							Share				
							premium				
							on ordinary				
							shares				
Note	Issued and paid-up share capital	Treasury shares	Treasury shares	Share premium on ordinary shares	Legal reserve	Other reserve	Unappropriated	Available-for-sale investments	Total equity		
(in thousand Baht)											
Nine-month period ended 31 December 2018											
Balance at 1 April 2018	220,000	-	726,100	22,000	420,000	4,985,235	1,967	6,375,302			
Transactions with owners, recorded directly in equity											
<i>Contributions by and distributions to owners of the Company</i>											
Treasury shares purchased	9	-	(970,420)	-	-	-	-	-	(970,420)		
Dividends	12	-	-	-	-	-	(359,700)	-	(359,700)		
Total contributions by and distributions to owners of the Company		-	(970,420)	-	-	-	(359,700)	-	(1,330,120)		
Total transactions with owners, recorded directly in equity		-	(970,420)	-	-	-	(359,700)	-	(1,330,120)		
Comprehensive income (expense) for the period											
Profit		-	-	-	-	-	98,630	-	98,630		
Other comprehensive income (expense)		-	-	-	-	-	-	(2,156)	(2,156)		
Total comprehensive income (expense) for the period		-	-	-	-	-	98,630	(2,156)	96,474		
Balance at 31 December 2018	220,000	(970,420)	726,100	22,000	420,000	4,724,165	(189)	5,141,656			

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		Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		of equity		
				Legal reserve	Other reserve	Unappropriated	Available-for-sale investments	
<i>(in thousand Baht)</i>								
Nine-month period ended 31 December 2017								
Balance at 1 April 2017		220,000	726,100	22,000	420,000	4,924,386	4,613	6,317,099
Transactions with owners, recorded directly in equity								
<i>Distributions to owners of the Company</i>								
Dividends	12	-	-	-	-	(667,920)	-	(667,920)
Total distributions to owners of the Company		-	-	-	-	(667,920)	-	(667,920)
Total transactions with owners, recorded directly in equity		-	-	-	-	(667,920)	-	(667,920)
Comprehensive income (expense) for the period								
Profit		-	-	-	-	778,236	-	778,236
Other comprehensive income (expense)		-	-	-	-	-	(2,126)	(2,126)
Total comprehensive income (expense) for the period		-	-	-	-	778,236	(2,126)	776,110
Balance at 31 December 2017		220,000	726,100	22,000	420,000	5,034,702	2,487	6,425,289

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		Total equity
		Issued and paid-up share capital	Treasury shares	Share premium on ordinary shares	Retained earnings		of equity		
					Legal reserve	Other reserve	Unappropriated	Available-for-sale investments	
<i>(in thousand Baht)</i>									
Nine-month period ended 31 December 2018									
Balance at 1 April 2018		220,000	-	726,100	22,000	420,000	4,968,728	1,967	6,358,795
Transactions with owners, recorded directly in equity									
<i>Contributions by and distributions to owners of the Company</i>									
Treasury shares purchased	9	-	(970,420)	-	-	-	-	-	(970,420)
Dividends	12	-	-	-	-	-	(359,700)	-	(359,700)
Total contributions by and distributions to owners of the Company		-	(970,420)	-	-	-	(359,700)	-	(1,330,120)
Total transactions with owners, recorded directly in equity		-	(970,420)	-	-	-	(359,700)	-	(1,330,120)
Comprehensive income (expense) for the period									
Profit		-	-	-	-	-	99,881	-	99,881
Other comprehensive income (expense)		-	-	-	-	-	-	(2,156)	(2,156)
Total comprehensive income (expense) for the period		-	-	-	-	-	99,881	(2,156)	97,725
Balance at 31 December 2018		220,000	(970,420)	726,100	22,000	420,000	4,708,909	(189)	5,126,400

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	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	98,630	777,609	99,881	778,236
<i>Adjustments to reconcile profit</i>				
<i>to cash receipts (payments)</i>				
Tax (income) expense	(28,097)	70,308	(28,097)	70,308
Depreciation	257,649	245,671	257,649	245,671
Amortisation	6,076	5,181	6,076	5,181
Provision for warranties	80,779	22,691	80,779	22,691
Non-current provisions for employee benefits	15,209	14,094	15,209	14,094
Unrealised loss on exchange	519	3,268	519	3,268
Share of (profit) loss of associate	741	(373)	-	-
(Reversal of) losses on inventories devaluation	(3,545)	13,140	(3,545)	13,140
Gain on disposal of equipment	(719)	(232)	(719)	(232)
Dividend income	(194,640)	(478,914)	(195,150)	(479,914)
Interest income	(39,760)	(46,019)	(39,760)	(46,019)
Rental income	(12,883)	(12,894)	(12,883)	(12,894)
	<u>179,959</u>	<u>613,530</u>	<u>179,959</u>	<u>613,530</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	475,385	502,475	475,385	502,475
Other receivables	110,805	(39,135)	110,805	(39,135)
Inventories	6,162	(364,045)	6,162	(364,045)
Other current assets	5,779	(20,868)	5,779	(20,868)
Other non-current assets	635	(2,270)	635	(2,270)
Trade accounts payable	(246,071)	(270,878)	(246,071)	(270,878)
Other payables	(160,525)	(120,851)	(160,525)	(120,851)
Other current liabilities	9,291	29,404	9,291	29,404
Warranties paid	(67,322)	(52,205)	(67,322)	(52,205)
Employee benefits paid	(1,791)	(2,368)	(1,791)	(2,368)
Provident fund paid	(92)	(47)	(92)	(47)
	<u>312,215</u>	<u>272,742</u>	<u>312,215</u>	<u>272,742</u>
Net cash generated from operating	312,215	272,742	312,215	272,742
Taxes paid	(1,051)	(105,267)	(1,051)	(105,267)
Net cash from operating activities	<u>311,164</u>	<u>167,475</u>	<u>311,164</u>	<u>167,475</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	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
(Increase) decrease in current investments	1,200,000	(430,000)	1,200,000	(430,000)
Proceeds from disposal of equipment	1,767	2,010	1,767	2,010
Acquisitions of property and equipment	(247,098)	(320,177)	(247,098)	(320,177)
Acquisitions of computer software	(2,590)	(13,261)	(2,590)	(13,261)
Short-term loan to related party	(283,209)	(437,198)	(283,209)	(437,198)
Proceeds from short-term loans to related party	289,572	459,424	289,572	459,424
Dividends received	80,789	653,787	80,789	653,787
Interest received	41,318	50,194	41,318	50,194
Rental received	12,920	12,860	12,920	12,860
Net cash from (used in) investing activities	1,093,469	(22,361)	1,093,469	(22,361)
<i>Cash flows from financing activity</i>				
Payment to acquire treasury shares	(970,420)	-	(970,420)	-
Dividends paid to owners of the Company	(359,700)	(667,920)	(359,700)	(667,920)
Net cash used in financing activity	(1,330,120)	(667,920)	(1,330,120)	(667,920)
Net decrease in cash and cash equivalents	74,513	(522,806)	74,513	(522,806)
Cash and cash equivalents at beginning of period	609,288	1,531,005	609,288	1,531,005
Cash and cash equivalents at ending of period	683,801	1,008,199	683,801	1,008,199
<i>Non-cash transactions</i>				
Dividend receivables	(114,361)	-	(114,361)	-
Property and equipment purchased during the period are detailed as follows:				
Property and equipment purchased during the period	(245,576)	(334,098)	(245,576)	(334,098)
Increase (decrease) in payables on purchases of property and equipment	(1,522)	13,921	(1,522)	13,921
Net purchase of property and equipment paid by cash	(247,098)	(320,177)	(247,098)	(320,177)

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 2018 (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 2018 (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 Board of Directors on 13 February 2019.

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 immediate parent company during the financial period was Mitsubishi Electric Corporation (41.13% shareholding), which was incorporated in Japan.

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 2017) *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 2018. 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 2018.

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 2018 except that the Company has adopted all the revised TFRS that are effective for annual periods beginning on or after 1 January 2018. The adoption of these revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Company.

In addition to the above new and revised TFRS, the FAP has issued a number of new and revised TFRS which are not yet effective for current periods. The Company has not early adopted these standards in preparing these financial statements. A number of new and revised TFRS which relevant to the Company’s operations are expected to have significant impact on the financial statements on the date of initial application. Those TFRS become effective for annual financial reporting periods beginning on or after 1 January of the following years.

Kang Yong Electric Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 31 December 2018 (Unaudited)

TFRS	Topic	Effective
TFRS 7*	Financial Instruments: Disclosures	2020
TFRS 9*	Financial Instruments	2020
TFRS 15	Revenue from Contracts with Customers	2019
TFRS 16	Leases	2020
TAS 32*	Financial Instruments: Presentation	2020
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation	2020
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments	2020

* TFRS - Financial instruments standards

(a) TFRS 15 Revenue from Contracts with Customers

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled.

Management is presently considering the potential impact of adopting and initially applying TFRS 15 on the financial statements.

(b) TFRS - Financial instruments standards

These TFRS establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting.

Management is presently considering the potential impact of adopting and initially applying TFRS - Financial instruments standards on the financial statements.

(b) Functional and presentation currency

The interim financial statements are prepared and presented in Thai Baht, which is the Company's functional currency.

(c) Use of judgements and estimates

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 2018.

Measurement of fair values

The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

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The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Company's Audit Committee.

When measuring the fair value of an asset, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1:* quoted prices (unadjusted) in active markets for identical assets.
- Level 2:* inputs other than quoted prices included in Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3:* inputs for the asset that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in note 12 - financial instruments.

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.

Relationship with associate was described in note 6. Relationships with key management and other related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
<i>Parent</i>		
Mitsubishi Electric Corporation	Japan	Parent, 41.13% shareholding
<i>Key management personnel</i>		
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.

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Name of entities	Country of incorporation/ nationality	Nature of relationships
<i>Other related parties</i>		
Thai Refrigeration Components Co., Ltd.	Thailand	Common directors
Kulthorn Kirby Public Company Limited	Thailand	Common directors
Mitsubishi Electric Kang Yong Watana Co., Ltd.	Thailand	A subsidiary of the Company's parent and common directors
Mitsubishi Electric Consumer Products (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent and common directors
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.	Hong Kong	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.	Hong Kong	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 (Hong Kong) Ltd.	Hong Kong	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
Mitsubishi Electric Factory Automation (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Electric Asia (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
K.Y. Intertrade Co., Ltd.	Thailand	Common directors

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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 a technical assistance 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 financial institution.
- 10 Interest rates on short-term loans from or to related parties are determined by based on the interest rate of the financial institution.
- 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.
- 13 Dividend income as declared amount.

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Significant transactions for the three-month and nine-month periods ended 31 December 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	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Parent				
Revenue from sale of goods	342,352	568,139	342,352	568,139
Other income	-	225	-	225
Royalty fee	32,025	36,515	32,025	36,515
Product development fee	59,483	66,428	59,483	66,428
Product warranty expense	15,034	8,455	15,034	8,455
Technical assistance fee	2,488	2,613	2,488	2,613
Distribution costs and administrative expenses	103	7,003	103	7,003
Associate				
Revenue from sale of goods	37	-	37	-
Rental income	4,295	4,298	4,295	4,298
Other income	174	228	174	228
Inventory management service fee	17,261	18,012	17,261	18,012
Distribution costs and administrative expenses	1,475	1,582	1,475	1,582
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	22,723	13,816	22,723	13,816
Post-employment benefits	259	291	259	291
Other long-term benefits	3	3	3	3
Total key management personnel compensation	<u>22,985</u>	<u>14,110</u>	<u>22,985</u>	<u>14,110</u>
Other related parties				
Revenue from sale of goods	1,134,723	1,114,926	1,134,723	1,114,926
Purchases of raw material	240,569	249,937	240,569	249,937
Purchases of equipment	1,558	-	1,558	-
Dividend income	114,360	178,542	114,360	178,542
Interest income	51	41	51	41
Other income	-	69	-	69
Product warranty expense	3,849	182	3,849	182
Distribution costs and administrative expenses	12,767	16,855	12,767	16,855
	Financial statements in which the equity method is applied		Separate financial Statements	
<i>Nine-month period ended 31 December</i>	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Parent				
Revenue from sale of goods	1,996,849	2,693,913	1,996,849	2,693,913
Other income	18	235	18	235
Royalty fee	121,801	137,588	121,801	137,588
Product development fee	204,531	221,996	204,531	221,996

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<i>Nine-month period ended 31 December</i>	Financial statements in which the equity method is applied		Separate financial Statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Parent				
Product warranty expense	53,930	48,256	53,930	48,256
Technical assistance fee	9,725	13,542	9,725	13,542
Distribution costs and administrative expenses	7,457	8,050	7,457	8,050
Associate				
Revenue from sale of goods	115	-	115	-
Rental income	12,883	12,886	12,883	12,886
Dividend income	-	-	510	1,000
Other income	511	666	511	666
Inventory management service fee	56,496	59,865	56,496	59,865
Distribution costs and administrative expenses	4,627	5,333	4,627	5,333
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	64,430	52,761	64,430	52,761
Post-employment benefits	781	875	781	875
Other long-term benefits	7	9	7	9
Total key management personnel compensation	<u>65,218</u>	<u>53,645</u>	<u>65,218</u>	<u>53,645</u>
Other related parties				
Revenue from sale of goods	3,501,333	3,467,569	3,501,333	3,467,569
Purchases of raw material	749,118	817,239	749,118	817,239
Purchases of equipment	8,113	2,360	8,113	2,360
Dividend income	194,625	478,901	194,625	478,901
Interest income	160	207	160	207
Other income	315	9,205	315	9,205
Product warranty expense	5,092	2,637	5,092	2,637
Distribution costs and administrative expenses	44,993	35,104	44,993	35,104

Balances as at 31 December 2018 and 31 March 2018 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 2018	31 March 2018
	<i>(in thousand Baht)</i>	
Parent	92,627	293,365
Associate	6	-
Other related parties	720,205	995,493
Total	<u>812,838</u>	<u>1,288,858</u>

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<i>Other receivables -related parties</i>	Financial statements in which the equity method is applied and separate financial statements	
	31 December 2018	31 March 2018
	<i>(in thousand Baht)</i>	
Associate	1,474	1,679
Other related parties	22	4,088
Total	1,496	5,767

<i>Dividend receivables -related parties</i>	Financial statements in which the equity method is applied and separate financial statements	
	31 December 2018	31 March 2018
	<i>(in thousand Baht)</i>	
Other related parties	114,361	-

<i>Short-term loan to related party</i>	Interest rate		Financial statements in which the equity method is applied and separate financial statements	
	31 December 2018	31 March 2018	31 December 2018	31 March 2018
	<i>(% per annum)</i>			
Other related party	0.75	0.80	21,145	27,508

Movements during the nine-month periods ended 31 December of short-term loan to related party were as follows:

<i>Short-term loan to related party</i>	Financial statements in which the equity method is applied and separate financial statements	
	2018	2017
	<i>(in thousand Baht)</i>	
Other related party		
At 1 April	27,508	74,274
Increase	283,209	437,198
Decrease	(289,572)	(459,424)
At 31 December	21,145	52,048

<i>Trade accounts payable -related parties</i>	Financial statements in which the equity method is applied and separate financial statements	
	31 December 2018	31 March 2018
	<i>(in thousand Baht)</i>	
Other related parties	88,190	115,615

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Other payables - related parties

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

	31 December 2018	31 March 2018
	<i>(in thousand Baht)</i>	
Parent	180,264	278,086
Associate	6,760	8,769
Other related parties	8,029	39,257
Total	195,053	326,112

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 with Smile Super Express Co., Ltd., an associate, whereby the Company will provide building rental to the associate for use as a warehouse for its finished goods. The agreement was 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 May 2017, the Company notified to renew such agreement for a period of two years expiring on 31 July 2019.

Inventory management service agreement

The Company entered into an inventory management service agreement with Smile Super Express Co., Ltd., an associate. Under the term of the agreement, the Company agrees to pay an inventory management service fee in an amount and a condition as specified in the agreement. The agreement has a term of one year and shall be automatically extended for successive 1 year term unless terminated by either party.

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.

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4 Other investments

	Financial statements in which the equity method is applied and separate financial statements	
	31 December 2018	31 March 2018
	<i>(in thousand Baht)</i>	
<i>Current investment</i>		
Short-term deposits at financial institutions	2,100,000	3,300,000
	<u>2,100,000</u>	<u>3,300,000</u>
<i>Other long-term investments</i>		
Equity securities available-for-sale	5,029	7,724
Other non-marketable equity securities	157,362	157,362
	<u>162,391</u>	<u>165,086</u>
Total	<u><u>2,262,391</u></u>	<u><u>3,465,086</u></u>

As at 31 December 2018, short-term deposits at financial institutions of Baht 2,100 million (31 March 2018: Baht 3,300 million) have period of maturity 12 months and have interest rates ranging from 1.25% to 1.75% per annum (31 March 2018: 1.25% to 1.60% per annum).

Equity securities available-for-sale as at 31 December 2018 and 31 March 2018 were as follows:

	Financial statements in which the equity method is applied and separate financial statements			
	31 December 2018		31 March 2018	
	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	4,364	4,965	7,222
City Sports and Recreation Public Co., Ltd.	300	665	300	502
	<u>5,265</u>	<u>5,029</u>	<u>5,265</u>	<u>7,724</u>
Add/(less) valuation adjustment	(236)	-	2,459	-
Total / Net	<u><u>5,029</u></u>	<u><u>5,029</u></u>	<u><u>7,724</u></u>	<u><u>7,724</u></u>

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Other non-marketable equity securities as at 31 December 2018 and 31 March 2018, and dividend income for the nine-month periods ended 31 December 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	31	31	31	31	31	31	31	31	31	31	31
		December	March	December	March	December	March	December	March	December	March	December	December
		2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2017
		<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	180,696	445,212
Siam Compressor Industry Co., Ltd.	Manufacturing of compressors for air conditioners	2.00	2.00	1,603,800	1,603,800	<u>32,076</u>	<u>32,076</u>	<u>-</u>	<u>-</u>	<u>32,076</u>	<u>32,076</u>	<u>13,472</u>	<u>33,038</u>
Total						<u>157,362</u>	<u>157,362</u>	<u>-</u>	<u>-</u>	<u>157,362</u>	<u>157,362</u>	<u>194,432</u>	<u>478,514</u>

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5 Trade accounts receivable

	<i>Note</i>	Financial statements in which the equity method is applied and separate financial statements	
		31 December 2018	31 March 2018
		<i>(in thousand Baht)</i>	
Related parties	3	812,838	1,288,858
Other parties		146	182
Total		812,984	1,289,040
		2018	2017
		<i>(in thousand Baht)</i>	
Bad and doubtful debts expense for the			
- Three-month period ended 31 December		-	-
- Nine-month period ended 31 December		-	-

Aging analyses for trade accounts receivable were as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	31 December 2018	31 March 2018
	<i>(in thousand Baht)</i>	
Related parties		
Within credit terms	792,835	1,287,589
Overdue		
Less than 3 months	20,003	1,269
	812,838	1,288,858
Other parties		
Within credit terms	146	182
Total	812,984	1,289,040

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

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6 Investment in associate

<i>Nine-month period ended 31 December</i>	Financial statements in which the equity method is applied		Separate financial statements	
	2018	2017	2018	2017
		<i>(in thousand Baht)</i>		
At 1 April	19,507	18,513	3,000	3,000
Share of net profits (losses) of associate	(741)	373	-	-
Dividend income	(510)	(1,000)	-	-
At 31 December	<u>18,256</u>	<u>17,886</u>	<u>3,000</u>	<u>3,000</u>

During the nine-month period ended 31 December 2018, there was no acquisition and disposal of investment in associate.

As at 31 December 2018 and 2017, the financial statements in which the equity method is applied included an investment in Smile Super Express Co., Ltd. which is accounted for using the equity method based on the reviewed financial statements by another auditor.

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Investment in associate as at 31 December 2018 and 31 March 2018, and dividend income from the investment for the nine-month periods ended 31 December were as follows:

Financial statements in which the equity method is applied										
Type of business	Ownership interest		Paid-up capital		Cost		Equity		Dividend income for the nine-month periods ended	
	31 December 2018	31 March 2018	31 December 2018	31 March 2018	31 December 2018	31 March 2018	31 December 2018	31 March 2018	31 December 2018	31 December 2017
<i>Associate</i>	(%)		(in thousand Baht)							
Smile Super Express Co., Ltd.	27.12	27.12	11,060	11,060	<u>3,000</u>	<u>3,000</u>	<u>18,256</u>	<u>19,507</u>	<u>510</u>	<u>1,000</u>

Separate financial statements												
Type of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for the nine-month periods ended	
	31 December 2018	31 March 2018	31 December 2018	31 March 2018	31 December 2018	31 March 2018	31 December 2018	31 March 2018	31 December 2018	31 March 2018	31 December 2018	31 December 2017
<i>Associate</i>	(%)		(in thousand Baht)									
Smile Super Express Co., Ltd.	27.12	27.12	11,060	11,060	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>3,000</u>	<u>510</u>	<u>1,000</u>

None of the Company's associate is publicly listed and consequently does not have published price quotation.

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7 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the nine-month periods ended 31 December were as follows:

<i>Nine-month period ended 31 December</i>	Financial statements in which the equity method is applied and separate financial statements			
	2018		2017	
	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>			
Land and improvements	22,940	-	-	-
Buildings and improvements	4,915	-	16,214	-
Machinery and equipment	33,524	622	103,004	519
Factory equipment	128,088	335	272,498	1,236
Office equipment	11,370	91	12,842	22
Vehicles	1,457	-	-	-
Assets under construction and installation	198,884	155,602	263,844	334,304
Total	401,178	156,650	668,402	336,081

8 Non-current provisions for employee benefits

On 13 December 2018, the National Legislative Assembly passed a bill amending the Labor Protection Act to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Company will amend its retirement plan in the period in which the amendment will have become law and is announced in the Royal Gazette. As a result of this change, the provision for retirement benefits as at that future period end as well as past service cost recognised during that period in the financial statements in which the equity method is applied and the separate financial statements is estimated to increase by an amount of approximately Baht 51 million and Baht 51 million, respectively.

9 Treasury shares

At Board of Directors' meeting of the Company held on 4 September 2018, the Board approved a Share Repurchase Project ('Project') to manage the Company's excess liquidity. Under the project, the Company shall repurchase not more than 10% of the paid-up capital of the Company, or 2,200,000 shares from the existing shareholders at Baht 440 per share. The maximum amount approved for share repurchase under the project shall not exceed Baht 968 million. The Company may purchase the shares through the Stock Exchange of Thailand (SET) during the period from 1 October 2018 to 19 October 2018. The shares purchased may be resold after 6 months but within 3 years from the date of purchase.

As at 24 October 2018, the Company repurchased 2.2 million shares at Baht 440 per share, amounting to Baht 968 million and has commission expenses for the repurchase of Baht 2.42 million, at the total cost of Baht 970.42 million.

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<i>Nine-month period ended 31 December</i>	Domestic		Overseas				Total	
	2018	2017	Japan		Others		2018	2017
			2018	2017	2018	2017	2018	2017
	<i>(in thousand Baht)</i>							
Revenue from sales of goods and rendering of services	2,086,950	1,999,087	2,100,471	2,816,273	1,313,427	1,348,671	5,500,848	6,164,031
Segment profit (loss) before income tax	188,393	317,539	231,318	506,482	(15,803)	73,869	403,908	897,890
Unallocated expenses							(633,348)	(600,576)
Investment income							247,283	537,827
Net foreign exchange gain (loss)							21,201	(8,984)
Other income							32,230	21,387
Share of profit (loss) of associate							(741)	373
Profit before income tax expense							70,533	847,917
Tax income (expense)							28,097	(70,308)
Profit for the period							98,630	777,609
							31	31
							December	March
							2018	2018
							<i>(in thousand Baht)</i>	
Segment assets as at							6,530,117	8,135,866
Segment liabilities as at							1,388,461	1,760,564

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11 Basic earnings per share

The calculations of basic earnings per share for the three-month and nine-month periods ended 31 December 2018 and 2017 were based on the profit for the periods attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the periods as follows:

	Financial statements in which the equity method is applied		Separate financial statements	
	2018	2017	2018	2017
<i>Three-month period ended 31 December</i>				
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	40,328	214,230	40,667	215,221
Number of ordinary shares outstanding at 1 October	22,000	22,000	22,000	22,000
Effect of own share held	(1,650)	-	(1,650)	-
Weighted average number of ordinary shares outstanding (basic)	20,350	22,000	20,350	22,000
Earnings per share (basic) <i>(in Baht)</i>	1.98	9.74	2.00	9.78
<i>Nine-month period ended 31 December</i>				
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	98,630	777,609	99,881	778,236
Number of ordinary shares outstanding at 1 April	22,000	22,000	22,000	22,000
Effect of own share held	(552)	-	(552)	-
Weighted average number of ordinary shares outstanding (basic)	21,448	22,000	21,448	22,000
Earnings per share (basic) <i>(in Baht)</i>	4.60	35.35	4.66	35.37

12 Dividends

At the annual general meeting of shareholders of the Company held on 25 July 2018, the shareholders approved the appropriation of dividends of 16.35 Baht per share, amounting to Baht 359.70 million. The dividends were paid to the shareholders in August 2018.

At the annual general meeting of shareholders of the Company held on 26 July 2017, the shareholders approved the appropriation of dividends of 30.36 Baht per share, amounting to Baht 667.92 million. The dividends were paid to the shareholders in August 2017.

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13 Financial instruments

Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	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 2018					
<i>Financial assets measured at fair value</i>					
Equity securities available-for-sale	5,029	4,364	-	665	5,029
31 March 2018					
<i>Financial assets measured at fair value</i>					
Equity securities available-for-sale	7,724	7,222	-	502	7,724

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

Trade and other accounts receivable, short-term loan to related party, trade and other accounts payable; the carrying amounts of these financial assets approximate to the fair values due to the relative short-term maturity of these financial instruments.

14 Commitments with non-related parties

	Financial statements in which the equity method is applied and separate financial statements	
	31 December 2018	31 March 2018
	<i>(in thousand Baht)</i>	
<i>Capital commitment</i>		
<i>Contracted but not provided for</i>		
Buildings and equipment	34,788	38,980

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	Financial statements in which the equity method is applied and separate financial statements	
	31 December 2018	31 March 2018
	<i>(in thousand Baht)</i>	
<i>Future minimum lease payments under non-cancellable operating leases</i>		
Within one year	3,153	4,010
After one year but within five years	4,264	4,915
Total	<u>7,417</u>	<u>8,925</u>

The Company entered into several long-term lease agreements covering vehicles for the periods of four and five years which will expire in various periods up to the year 2021. In consideration thereof, the Company committed to pay rental fees at various annual rental rates as specified in the agreements.

15 Reclassification of accounts

Certain accounts in the statement of comprehensive income for the three-month and nine-month periods ended 31 December 2017, which are included in the 2018 interim financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2018 interim financial statements as follows:

	2017					
	Financial statements in which the equity method is applied			Separate financial statements		
	Before reclass.	Reclass.	After reclass.	Before reclass.	Reclass.	After reclass.
	<i>(in thousand Baht)</i>			<i>(in thousand Baht)</i>		
<i>Statement of comprehensive income - Three-month period ended 31 December 2017</i>						
Investment income	193,527	4,296	197,823	193,527	4,296	197,823
Other income	8,952	(4,296)	4,656	8,952	(4,296)	4,656
		<u>-</u>			<u>-</u>	
<i>Statement of comprehensive income - Nine-month period ended 31 December 2017</i>						
Investment income	524,933	12,894	537,827	525,933	12,894	538,827
Other income	34,281	(12,894)	21,387	34,281	(12,894)	21,387
		<u>-</u>			<u>-</u>	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Company's business.