

**Muramoto Electron (Thailand) Public Company Limited  
and its Subsidiary**

Financial statements for the year ended  
30 September 2015  
and  
Independent Auditor's Report



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## Independent Auditor's Report

### To the Shareholders of Muramoto Electron (Thailand) Public Company Limited

I have audited the accompanying consolidated and separate financial statements of Muramoto Electron (Thailand) Public Company Limited and its subsidiary (the "Group") and of Muramoto Electron (Thailand) Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 30 September 2015, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Consolidated and Separate Financial Statements*

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

#### *Auditor's Responsibility*

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

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

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



*Opinion*

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 30 September 2015 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

A handwritten signature in black ink, appearing to read 'Sureerat'.

(Sureerat Thongarunsang)  
Certified Public Accountant  
Registration No. 4409

KPMG Phoomchai Audit Ltd.  
Bangkok  
26 November 2015

**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**  
**Statements of financial position**

Assets	Notes	Consolidated		Separate	
		financial statements		financial statements	
		30 September	30 September	30 September	30 September
		2015	2014	2015	2014
(in Baht)					
Current assets					
Cash and cash equivalents	5	1,641,659,567	624,498,704	1,549,770,126	577,111,741
Trade accounts receivable	4, 6	2,229,880,339	2,620,487,288	1,959,331,363	2,375,791,144
Other receivables	4, 7	37,705,457	55,387,445	36,746,133	62,120,259
Short-term loans to related parties	4	108,614,400	96,691,200	158,614,400	196,691,200
Current portion of finance lease receivable	8	20,703,158	20,703,158	20,703,158	20,703,158
Inventories	9	1,360,522,274	1,521,806,528	944,450,250	1,077,010,425
Other current assets	10	85,121,141	98,255,090	63,877,048	74,630,902
Total current assets		5,484,206,336	5,037,829,413	4,733,492,478	4,384,058,829
Non-current assets					
Restricted fixed deposit		-	4,622,000	-	-
Finance lease receivable	8	8,722,039	26,166,117	8,722,039	26,166,117
Investment in subsidiary	11	-	-	299,998,000	299,998,000
Investment properties	12	75,939,828	96,306,966	75,939,828	96,306,966
Property, plant and equipment	13	2,672,265,455	2,770,174,007	1,750,804,926	1,773,966,164
Intangible assets		9,705,914	8,199,427	8,126,139	5,805,104
Deferred tax assets	14	35,383,418	36,800,000	35,104,270	36,800,000
Other non-current assets		10,168,329	10,404,794	9,418,329	9,634,795
Total non-current assets		2,812,184,983	2,952,673,311	2,188,113,531	2,248,677,146
Total assets		8,296,391,319	7,990,502,724	6,921,606,009	6,632,735,975

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



# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Statements of financial position

Liabilities and equity	Notes	Consolidated		Separate	
		financial statements		financial statements	
		30 September 2015	30 September 2014	30 September 2015	30 September 2014
(in Baht)					
<i>Current liabilities</i>					
Trade accounts payable	4, 16	1,676,123,458	1,949,353,584	1,452,160,714	1,684,271,496
Other payables	17	245,368,411	286,392,027	199,529,165	231,587,024
Payable for property, plant and equipment		11,176,354	18,775,967	10,061,562	7,674,304
Current portion of finance lease liabilities	15	80,217,117	79,983,426	18,539,618	17,680,357
Income tax payable		55,885,652	-	55,885,652	-
Other current liabilities		12,068,891	14,897,820	10,870,755	12,041,765
<b>Total current liabilities</b>		<b>2,080,839,883</b>	<b>2,349,402,824</b>	<b>1,747,047,466</b>	<b>1,953,254,946</b>
<i>Non-current liabilities</i>					
Finance lease liabilities	15	128,832,424	123,229,832	11,228,112	29,767,730
Deferred tax liabilities	14	-	2,817,866	-	-
Employee benefit obligations	18	173,594,461	142,720,348	140,687,326	116,540,423
<b>Total non-current liabilities</b>		<b>302,426,885</b>	<b>268,768,046</b>	<b>151,915,438</b>	<b>146,308,153</b>
<b>Total liabilities</b>		<b>2,383,266,768</b>	<b>2,618,170,870</b>	<b>1,898,962,904</b>	<b>2,099,563,099</b>
<i>Equity</i>					
Share capital					
Authorised share capital	19	238,981,000	238,981,000	238,981,000	238,981,000
Issued and paid-up share capital	19	208,981,000	208,981,000	208,981,000	208,981,000
Additional paid-in capital					
Premium on ordinary shares	19	653,700,000	653,700,000	653,700,000	653,700,000
Retained earnings					
Appropriated					
Legal reserve	20	55,000,000	55,000,000	25,000,000	25,000,000
Unappropriated		4,995,443,551	4,454,650,854	4,134,962,105	3,645,491,876
<b>Total equity</b>		<b>5,913,124,551</b>	<b>5,372,331,854</b>	<b>5,022,643,105</b>	<b>4,533,172,876</b>
<b>Total liabilities and equity</b>		<b>8,296,391,319</b>	<b>7,990,502,724</b>	<b>6,921,606,009</b>	<b>6,632,735,975</b>

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

# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Statements of comprehensive income

	<i>Notes</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		For the year ended 30 September		For the year ended 30 September	
		2015	2014	2015	2014
<i>(in Baht)</i>					
<b>Income</b>					
Revenue from sale of goods	4, 21, 26	16,616,281,954	16,466,746,514	14,125,256,525	13,927,119,351
Other income	4, 22	166,617,662	201,303,787	145,174,658	182,166,415
Net foreign exchange gain		131,279,889	56,943,639	135,245,369	45,043,724
<b>Total income</b>		<b>16,914,179,505</b>	<b>16,724,993,940</b>	<b>14,405,676,552</b>	<b>14,154,329,490</b>
<b>Expenses</b>					
Cost of sale of goods	24	15,600,235,633	15,636,370,607	13,217,623,767	13,264,190,469
Selling expenses	24	269,192,870	244,563,594	248,863,910	214,350,580
Administrative expenses	24	237,186,212	299,334,293	189,281,708	248,503,414
Finance costs		11,209,051	14,115,613	3,272,205	3,958,929
<b>Total expenses</b>		<b>16,117,823,766</b>	<b>16,194,384,107</b>	<b>13,659,041,590</b>	<b>13,731,003,392</b>
<b>Profit before income tax expense</b>		<b>796,355,739</b>	<b>530,609,833</b>	<b>746,634,962</b>	<b>423,326,098</b>
Income tax expense	25	55,720,490	2,562,667	59,710,336	3,358,155
<b>Profit for the year</b>		<b>740,635,249</b>	<b>528,047,166</b>	<b>686,924,626</b>	<b>419,967,943</b>
<b>Other comprehensive income for the year</b>					
Defined benefit plan actuarial losses	18	(13,888,607)	(1,961,078)	(11,500,452)	(1,961,078)
Income tax on other comprehensive income		2,128,955	7,151,868	2,128,955	7,151,868
<b>Total comprehensive income for the year</b>		<b>728,875,597</b>	<b>533,237,956</b>	<b>677,553,129</b>	<b>425,158,733</b>
<b>Basic earnings per share (Baht)</b>	27	<b>35.44</b>	<b>25.27</b>	<b>32.87</b>	<b>20.10</b>

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

# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Statements of changes in equity

	Consolidated financial statements				
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated (Restated)	Total equity
Year ended 30 September 2014	Note				
			(in Baht)		
Balance at 1 October 2013		208,981,000	653,700,000	55,000,000	3,984,107,198
					4,901,788,198
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners of the Company					
Dividend to owners of the Company	28	-	-	(62,694,300)	(62,694,300)
Total contributions by and distributions to owners of the Company					
		-	-	(62,694,300)	(62,694,300)
Total transactions with owners, recorded directly in equity					
		-	-	(62,694,300)	(62,694,300)
Comprehensive income for the year					
Profit		-	-	528,047,166	528,047,166
Other comprehensive income		-	-	5,190,790	5,190,790
Total comprehensive income for the year					
		-	-	533,237,956	533,237,956
Balance at 30 September 2014					
		208,981,000	653,700,000	55,000,000	4,454,650,854
					5,372,331,854

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

# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Statements of changes in equity

	Consolidated financial statements				
	Issued and paid-up share capital	Share premium	Retained earnings		Total equity
Year ended 30 September 2015	Note		Legal reserve (in Baht)	Unappropriated	
Balance at 1 October 2014		208,981,000	653,700,000	55,000,000	4,454,650,854
					5,372,331,854
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners of the Company					
Dividend to owners of the Company	28	-	-	(188,082,900)	(188,082,900)
Total contributions by and distributions to owners of the Company		-	-	(188,082,900)	(188,082,900)
Total transactions with owners, recorded directly in equity		-	-	(188,082,900)	(188,082,900)
Comprehensive income for the year					
Profit		-	-	740,635,249	740,635,249
Other comprehensive income		-	-	(11,759,652)	(11,759,652)
Total comprehensive income for the year		-	-	728,875,597	728,875,597
Balance at 30 September 2015		208,981,000	653,700,000	55,000,000	4,995,443,551
					5,913,124,551

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



# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Statements of changes in equity

	Note	Separate financial statements				Total equity
		Issued and paid-up share capital	Share premium	Retained earnings		
				Legal reserve (in Baht)	Unappropriated	
Year ended 30 September 2014						
Balance at 1 October 2013		208,981,000	653,700,000	25,000,000	3,283,027,443	4,170,708,443
Transactions with owners, recorded directly in equity						
<i>Contributions by and distributions to owners of the Company</i>						
Dividend to owners of the Company	28	-	-	-	(62,694,300)	(62,694,300)
<i>Total contributions by and distributions to owners of the Company</i>		-	-	-	(62,694,300)	(62,694,300)
Total transactions with owners, recorded directly in equity		-	-	-	(62,694,300)	(62,694,300)
Comprehensive income for the year						
Profit		-	-	-	419,967,943	419,967,943
Other comprehensive income		-	-	-	5,190,790	5,190,790
Total comprehensive income for the year		-	-	-	425,158,733	425,158,733
Balance at 30 September 2014		208,981,000	653,700,000	25,000,000	3,645,491,876	4,533,172,876

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

# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Statements of changes in equity

	Note	Separate financial statements				Total equity
		Issued and paid-up share capital	Share premium	Retained earnings		
Year ended 30 September 2015				Legal reserve (in Baht)	Unappropriated	
Balance at 1 October 2014		208,981,000	653,700,000	25,000,000	3,645,491,876	4,533,172,876
Transactions with owners, recorded directly in equity						
<i>Contributions by and distributions to owners of the Company</i>						
Dividend to owners of the Company	28	-	-	-	(188,082,900)	(188,082,900)
<i>Total contributions by and distributions to owners of the Company</i>						
Total transactions with owners, recorded directly in equity		-	-	-	(188,082,900)	(188,082,900)
Comprehensive income for the year						
Profit		-	-	-	686,924,626	686,924,626
Other comprehensive income		-	-	-	(9,371,497)	(9,371,497)
Total comprehensive income for the year		-	-	-	677,553,129	677,553,129
Balance at 30 September 2015						
		208,981,000	653,700,000	25,000,000	4,134,962,105	5,022,643,105

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

# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Statements of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended 30 September		For the year ended 30 September	
	2015	2014	2015	2014
	(in Baht)			
<i>Cash flows from operating activities</i>				
Profit for the year	740,635,249	528,047,166	686,924,626	419,967,943
<i>Adjustments for</i>				
Depreciation and amortisation	480,518,649	480,572,187	282,496,936	279,190,772
Dividend income	-	-	-	(10,019,933)
Finance costs	11,209,051	14,115,613	3,272,205	3,958,929
Unrealised loss (gain) on exchange rate	(87,985,690)	16,529,993	(81,376,448)	14,787,945
Provision for obsolete and net realisable value of inventories (reversal of)	4,669,683	(22,383,252)	1,997,745	(22,391,225)
Reversal for impairment losses on property, plant and equipment	(35,269,103)	-	(35,269,103)	-
Loss (gain) on disposal of property, plant and equipment	(2,085,006)	(590,156)	(766,151)	151,765
Gain on disposal of assets classified as held for sale	-	(727,672)	-	(727,672)
Amortisation of golf membership	46,666	46,666	46,666	46,666
Employee benefit obligations	17,587,206	16,499,754	12,914,401	12,196,031
Income tax expense	55,720,490	2,562,667	59,710,336	3,358,155
	1,185,047,195	1,034,672,966	929,951,213	700,519,376
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	426,709,551	(887,611,194)	451,038,820	(913,525,285)
Other receivable	17,473,015	(14,923,341)	25,166,161	7,313,866
Inventories	156,614,572	(270,973,081)	130,562,431	(157,460,682)
Other current assets	13,133,949	(15,861,460)	10,753,854	(14,613,947)
Other non-current assets	189,800	(480,800)	169,800	(510,800)
Trade accounts payable	(288,253,874)	490,929,772	(246,276,426)	429,609,870
Other payables	(39,364,146)	74,305,901	(32,194,427)	58,409,092
Other current liabilities	(4,464,582)	2,812,236	(1,171,010)	2,498,927
Employee benefit obligations paid	(601,700)	(2,178,203)	(267,950)	(2,178,203)
Income tax payable	892,832	(34,062,719)	-	(33,006,287)
<b>Net cash from operating activities</b>	<b>1,467,376,612</b>	<b>376,630,077</b>	<b>1,267,732,466</b>	<b>77,055,927</b>

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

# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Statements of cash flows

		Consolidated		Separate	
		financial statements		financial statements	
		For the year ended 30 September		For the year ended 30 September	
	Notes	2015	2014	2015	2014
			(in Baht)		
<b>Cash flows from investing activities</b>					
Increase in short-term loans					
to related parties		-	(96,504,780)	-	(96,504,780)
Repayment from loans to related parties		-	-	50,000,000	290,000,000
Purchases of property, plant					
and equipment		(223,237,793)	(233,811,724)	(181,796,868)	(132,587,465)
Sales of property, plant and equipment		2,696,328	21,950,426	1,105,626	378,897
Sales of assets classified as held for sale		-	1,961,870	-	1,961,870
Purchases of intangible assets		(4,731,762)	(2,403,920)	(4,731,762)	(2,296,420)
Decrease in deposit pledge as collateral		4,622,000	-	-	-
Net cash from (used in)					
investing activities		<u>(220,651,227)</u>	<u>(308,808,128)</u>	<u>(135,423,004)</u>	<u>60,952,102</u>
<b>Cash flows from financing activities</b>					
Interest paid		(11,231,859)	(22,160,738)	(3,272,205)	(3,958,929)
Proceeds from short-term loan from					
financial institution		150,000,000	-	150,000,000	-
Repayment to short-term loan from					
financial institution		(150,000,000)	(30,000,000)	(150,000,000)	-
Repayment under financial lease liabilities		(79,634,149)	(54,386,029)	(17,680,357)	(16,860,921)
Proceeds from finance lease liabilities		-	1,260,473	-	-
Dividends paid	28	<u>(188,082,900)</u>	<u>(62,694,300)</u>	<u>(188,082,900)</u>	<u>(62,694,300)</u>
Net cash used in financing activities		<u>(278,948,908)</u>	<u>(167,980,594)</u>	<u>(209,035,462)</u>	<u>(83,514,150)</u>
<b>Net increase (decrease) in cash</b>					
and cash equivalents		967,776,477	(100,158,645)	923,274,000	54,493,879
Cash and cash equivalents at					
beginning of year		624,498,704	724,881,385	577,111,741	522,841,898
Effects of exchange rate changes					
on balances held in foreign					
currencies		<u>49,384,386</u>	<u>(224,036)</u>	<u>49,384,385</u>	<u>(224,036)</u>
Cash and cash equivalents at					
end of year	5	<u>1,641,659,567</u>	<u>624,498,704</u>	<u>1,549,770,126</u>	<u>577,111,741</u>
<b>Non-cash transactions</b>					
Assets acquired by means of finance lease		91,282,109	32,624,440	-	-
Payable for property, plant and equipment					
and investment properties		11,176,354	18,775,967	10,061,562	7,674,304

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



**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**

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# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and 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 authorized for issue by the Board of Directors on 26 November 2015.

### 1 General information

Muramoto Electron (Thailand) Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at No. 886 Ramindhra Road, Khwaeng Kannayao, Khet Kannayao, Bangkok 10230, Thailand.

The Company was listed on the Stock Exchange of Thailand in August 1992.

The immediate and ultimate parent company during the financial year was Muramoto Industry Company Limited (incorporated in Japan).

The principal activities of the Company are manufacturing of metal and plastic parts for audio/visual equipment and electronic equipment for automobiles and office automation appliances.

Details of the Company’s direct subsidiary are as follows:

	Type of business	Country of incorporation	Ownership interest	
			2015	2014
Sima Technology Co., Ltd.	Manufacturing of electronic parts	Thailand	99.99%	99.99%

### 2 Basis of preparation of the financial statements

#### (a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued the following new and revised TFRS relevant to the Group’s operations and effective for accounting periods beginning on or after 1 January 2014:

TFRS	Topic
TAS 1 (revised 2012)	Presentation of financial statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets
TFRS 5 (revised 2012)	Non-current Assets held for Sale and Discontinued Operations



# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

TFRS	Topic
TFRS 8 (revised 2012)	Operating Segments
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 10	Interim Financial Reporting and Impairment
TIC 15	Operating Leases-Incentives
TIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease

The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods statements beginning on or after 1 October 2015 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 32.

**(b) Basis of measurement**

The financial statements have been prepared on the historical cost basis.

**(c) Functional and presentation currency**

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

**(d) Use of estimates and judgements**

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following notes:

Note 13	Property, plant and equipment
Note 14	Deferred taxation
Note 18	Measurement of defined benefit obligations

# **Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**

## **Notes to the financial statements**

### **3 Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

#### **(a) Basis of consolidation**

The consolidated financial statements relate to the Company and its subsidiary (together referred to as the "Group").

##### *Subsidiary*

Subsidiary is entity controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiary have been changed where necessary to align them with the policies adopted by the Group.

##### *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

#### **(b) Foreign currencies**

##### *Foreign currency transactions*

Transactions in foreign currencies are translated to the functional currency at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

#### **(c) Derivative financial instruments**

Derivative financial instruments are used to manage exposure to foreign exchange arising from operational activity. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivative financial instruments are recognised at cost on accrual basis; attributable transaction costs are recognised in the statement of income when incurred in profit or loss.

#### **(d) Cash and cash equivalents**

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**

**(e) Trade and other accounts receivable**

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

**(f) Inventories**

Inventories are measured at the lower of cost and net realisable value.

Costs of raw materials and supplies are calculated using the first-in, first-out basis. Cost of work in progress and finished goods are calculated using the weighted-average cost principle and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

An allowance is made for all deteriorated, damaged, obsolete and slow-moving inventories.

**(g) Investments**

*Investments in subsidiary*

Investments in subsidiary in the separate financial statements of the Company are accounted for using the cost method.

**(h) Investment properties**

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

Investment property	5 years
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# **Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**

## **Notes to the financial statements**

### **(i) *Property, plant and equipment***

#### *Owned assets*

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

#### *Leased assets and leased assets under sale and leaseback agreements*

Assets held by the Group under leases which transfer to the Group substantially all of the risks and rewards of ownership on classified as finance leases.

The Group entered into various sale and lease back agreements for certain machinery and equipment, resulting in a finance lease. The surplus of sales over the carrying amount is not immediately recognised as income. This surplus is deferred and presented net under property, plant and equipment. Amortisation of such surplus is presented by offsetting with depreciation expenses in profit or loss over the term of the lease.

The Group recognises finance leases as assets and liabilities in the statement of financial position at amounts equal to the lower of its fair value or the present value of the minimum lease payments at the inception of the lease. Lease payments are apportioned between the finance charge and the reduction of the outstanding liabilities. The finance charge is allocated to the periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

#### *Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.



# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

### *Depreciation*

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvements and leasehold improvements	5 - 32 years
Buildings and structure	5 - 32 years
Machinery and equipment	1.5 - 10 years
Transportation equipment	5 years
Furniture, fixtures and office equipment	5 years

No depreciation is provided on freehold land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

### **(j) Intangible assets**

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

#### *Subsequent expenditure*

Subsequent expenditure is capitalised when it increases the future economic benefits embodied in the specific asset to which it relates.

#### *Amortisation*

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Software licences	3 - 5 years
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Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

### **(k) Impairment**

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. Intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

# **Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**

## **Notes to the financial statements**

### *Calculation of recoverable amount*

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

### *Reversals of impairment*

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized in profit or loss. For financial assets carried at amortised cost, the reversal is recognised in profit or loss.

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### *(l) Interest-bearing liabilities*

Interest-bearing liabilities are recognized initially at cost less attributable transaction changes.

### *(m) Trade and other accounts payable*

Trade and other accounts payable are stated at cost.

### *(n) Employee benefits*

#### *Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

#### *Other long-term employee benefits*

The Group's net obligation in respect of long-term employee benefits other than pension plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on AA credit-rated bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains and losses are recognised in profit or loss in the period in which they arise.



## **Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**

### **Notes to the financial statements**

#### *Defined benefit plans*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on AA credit-rated bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group. An economic benefit is available to the Group if it is realisable during the life of the plan, or on settlement of the plan liabilities.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised in profit or loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in profit or loss.

The Group recognises all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in profit or loss.

#### *Termination benefits*

Termination benefits are recognised as an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting period, then they are discounted to their present value.

#### *Short-term employee benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

# **Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**

## **Notes to the financial statements**

### **(o) Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

### **(p) Share capital**

#### *Ordinary shares*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

### **(q) Revenue**

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

#### *Sale of goods and services rendered*

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods. Service income is recognized as service are provided.

#### *Income from export tax rebate and import duty refund*

Income from export tax rebate (granted by the Ministry of Finance in the form of tax coupons) and import duty refund are recognised in profit or loss based on an accrual basis upon exporting the finished goods.

#### *Dividend income*

Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established.

#### *Interest income*

Interest income is recognised in profit or loss as it accrues.

#### *Rental income*

Rental income from investment property is recognised in profit or loss on straight-line basis over the term of the lease.

## **Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**

### **Notes to the financial statements**

#### **(r) Expenses**

##### *Lease payments*

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

##### *Determining whether an arrangement contains a lease*

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfillment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

##### *Finance costs*

Finance costs comprise interest expense on borrowings and similar costs are charged to profit or loss for the period in which they are incurred. The interest component of finance lease payments is recognised in profit or loss using the effective interest method.

#### **(s) Income tax**

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

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



## **Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**

### **Notes to the financial statements**

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### **(t) Earnings per share**

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of shares outstanding during the period, adjusted for own shares held.

#### **(u) Segment reporting**

Segment results that are reported to the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

## **4 Related parties**

For the purposes of these financial statements, parties are considered to be related to the Group if the group 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 group 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:

<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
Muramoto Industry Co., Ltd.	Japan	Ultimate parent of the group, some common directors
Sima Technology Co., Ltd.	Thailand	Direct subsidiary, 99.99% shareholding and common director

## Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

### Notes to the financial statements

Name of entities	Country of incorporation/ nationality	Nature of relationships
Muramoto Asia Pte Ltd.	Singapore	Ultimate parent is major shareholder, common director
Muramoto USA Inc.	USA	Ultimate parent is major shareholder, common director
Muramoto Sumitronics, USA LLC.	USA	Ultimate parent is major shareholder, common director
Muramoto Technics (Malaysia) Sdn. Bhd.	Malaysia	Ultimate parent is major shareholder, common director
Muramoto Manufacturing Europe S.R.O.	Czech Republic	Ultimate parent is major shareholder, common director
Muramoto Audio-Visual Philippines Inc.	Philippines	Ultimate parent is major shareholder, common director
P.T. Muramoto Elecktronika Indonesia	Indonesia	Ultimate parent is major shareholder, common director
Muramoto Manufacturing de Mexico, S de R.L. de C.V	Mexico	Ultimate parent is major shareholder, common director
Muramoto Sumitronics, de Mexico, S de R.L. de C.V	Mexico	Ultimate parent is major shareholder, common director
Kein Hing Muramoto Vietnam	Vietnam	Ultimate parent is major shareholder
Key management personnel	Thailand	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 Group/Company

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Revenue from sale of goods and rendering of services	Cost plus margin
Purchase of raw materials and purchase of fixed assets	At contractually agreed prices, equivalent to market price
Other income	At prices equivalent to purchase/cost of services from third parties
Technical fees	At contractually agreed prices
Royalty fees	1% of net sales
Interest income	At rates equivalent to market

# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

Significant transactions for the years ended 30 September 2015 and 2014 with related parties were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Parent</b>				
<i>Muramoto Industry Co., Ltd.</i>				
Sales of goods	1,053,475	1,674,985	784,614	1,141,463
Purchases of goods and fixed assets	489,332	609,662	483,430	596,776
Royalty fees	145,883	110,304	141,253	104,453
Technical fees	3,539	29,820	3,462	28,859
Other income	464	1,586	418	1,117
<b>Subsidiary</b>				
<i>Sima Technology Co., Ltd.</i>				
Sales of goods	-	-	153,337	289,076
Purchases of goods	-	-	23,817	16,288
Interest income	-	-	2,353	6,391
Dividend income	-	-	-	10,020
Other income	-	-	368	-
<b>Other related parties</b>				
<i>Muramoto Asia Pte Ltd.</i>				
Sales of goods	537,804	184,132	537,804	184,132
Purchases of goods	66,102	120,524	16,478	29,340
Interest income	1,223	931	1,223	931
Other income	8	342	8	342
<i>Muramoto Manufacturing Europe S.R.O.</i>				
Sales of goods	-	894	-	894
Purchases of goods	54	-	54	-
<i>Muramoto USA Inc.</i>				
Sales of goods	3,124,515	3,442,231	3,124,515	3,441,895
Purchases of goods	-	12,500	-	12,500
Other Income	17,120	1,082	17,120	1,082
<i>Muramoto Technics (Malaysia) Sdn. Bhd.</i>				
Purchases of goods	-	3,326	-	3,326
<i>Muramoto Audio-Visual Phillippines, Inc</i>				
Sales of goods	31,916	31,566	31,916	31,566
Purchases of goods	1,283	2,695	-	-
Other income	123	308	123	308
<b>Others</b>				
Other income	285	-	285	-



**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefit	15,661	15,581	7,746	7,819

Balances as at 30 September 2015 and 2014 with related parties are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Trade accounts receivable from related parties</b>				
<b>Parent</b>				
Muramoto Industry Co., Ltd.	120,197	465,229	72,119	409,347
<b>Subsidiary</b>				
Sima Technology Co., Ltd.	-	-	35,662	51,690
<b>Other related parties</b>				
Muramoto Asia Pte Ltd.	188,600	14,096	188,600	14,093
Muramoto USA Inc.	773,023	594,610	773,023	594,610
Muramoto Audio-Visual Philippines, Inc.	3,212	2,747	3,212	2,747
<b>Total</b>	<b>1,085,032</b>	<b>1,076,682</b>	<b>1,072,616</b>	<b>1,072,487</b>
<b>Short-term loan to related parties</b>				
<b>Subsidiary</b>				
Sima Technology Co., Ltd.	-	-	50,000	100,000
<b>Other related party</b>				
Muramoto Asia Pte Ltd.	108,614	96,691	108,614	96,691
<b>Total</b>	<b>108,614</b>	<b>96,691</b>	<b>158,614</b>	<b>196,691</b>
<b>Other receivable from related parties</b>				
<b>Parent</b>				
Muramoto Industry Co., Ltd.	525	1,249	400	1,249
<b>Subsidiary</b>				
Sima Technology Co., Ltd.	-	-	1,898	10,043
<b>Other related parties</b>				
Muramoto USA Inc.	-	174	-	174
Muramoto Asia Pte Ltd.	328	8,620	328	8,620
Muramoto Audio-Visual Philippines, Inc.	-	315	-	315
<b>Total</b>	<b>853</b>	<b>10,358</b>	<b>2,626</b>	<b>20,401</b>

**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Trade accounts payable to related parties</b>				
<b>Parent</b>				
Muramoto Industry Co., Ltd.	136,948	141,332	133,770	135,625
<b>Subsidiary</b>				
Sima Technology Co., Ltd.	-	-	2,200	2,464
<b>Other related parties</b>				
Muramoto Asia Pte Ltd.	9,708	13,941	2	2,322
Muramoto USA Inc.	-	33	-	33
Muramoto Audio-Visual Philippines, Inc.	273	252	-	-
<b>Total</b>	<b>146,929</b>	<b>155,558</b>	<b>135,972</b>	<b>140,444</b>
<b>Other payable-related party</b>				
<b>Parent</b>				
Muramoto Industry Co., Ltd.	43,447	43,330	42,336	42,138
<b>Other related parties</b>				
Muramoto USA Inc.	284	4,215	284	4,215
Muramoto Audio-Visual Philippines, Inc.	-	3	-	3
<b>Total</b>	<b>43,731</b>	<b>47,548</b>	<b>42,620</b>	<b>46,356</b>
<b>Payable for property, plant and equipment</b>				
Muramoto Industry Co., Ltd.	752	-	752	-
<b>Total</b>	<b>752</b>	<b>-</b>	<b>752</b>	<b>-</b>

**Short-term loan to related parties**

Movements during the years ended 30 September 2015 and 2014 of short-term loan to related parties were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Subsidiary</b>				
Sima Technology Co., Ltd.				
At 1 October	-	-	100,000	390,000
Decrease	-	-	(50,000)	(290,000)
<b>At 30 September</b>	<b>-</b>	<b>-</b>	<b>50,000</b>	<b>100,000</b>



# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
<b>Other related parties</b>				
Muramoto Asia Pte Ltd.				
At 1 October	96,691	-	96,691	-
Increase	-	96,505	-	96,505
Unrealized gain on exchange rate	11,923	186	11,923	186
<b>At 30 September</b>	<b>108,614</b>	<b>96,691</b>	<b>108,614</b>	<b>96,691</b>
<b>Total</b>	<b>108,614</b>	<b>96,691</b>	<b>158,614</b>	<b>196,691</b>

As at 30 September 2015, short-term loans to Sima Technology Co., Ltd. bear interest at the rate 2.27% per annum (2014: 2.78% per annum). Final maturity date is 29 June 2016 (2014: 28 June 2015).

At the annual general meeting of the shareholders of the Company held on 24 January 2014, the shareholders approved the Company's additional business activity in providing loans to affiliated company in and outside Thailand. In this connection, on 17 December 2013, the Company entered into a loan agreement with Muramoto Asia Pte Ltd. in which the Company agreed to lend USD 3 million (equivalent to Baht 109 million) to the latter. The loan bears interest at 1.20% per annum, is unsecured and is due on 16 December 2015. At the Board of Directors' meeting held on 26 November 2015, the Board of Directors approved the extension of the period of loan to 16 December 2016.

### **Significant agreements with related parties**

As at 30 September 2015, the Company has guaranteed Baht 100 million (2014: Baht 420 million) of bank overdraft and loan facilities from a bank for its subsidiary. On 26 November 2014, the Board of Directors approved the cancellation of the guarantee of Baht 320 million. On 26 November 2015, the Board of Directors approved the cancellation of the guarantee of Baht 100 million.

As at 30 September 2015, the ultimate parent company has guaranteed USD 6.1 million (equivalent to Baht 222.86 million) and Baht 775 million of credit facilities extended by the financial institutions to the Company (2014: Baht 744 million) and Baht 30 million of bank overdraft and loan facilities extended by a bank to the Company's subsidiary (2014: Yen 250 million (equivalent to Baht 74.72 million) and Baht 30 million).

### **Service agreements for technical advice and business support**

The Company and its subsidiary have entered into service agreements with the parent company whereby the parent company agrees to provide full assistance and furnish the Company and its subsidiary with all recent technical advice, product design and business support for the production and marketing of electronic parts. Under the term of the agreements, the Company agrees to pay a fee equal to 1% starting in October 2014 (2014: 0.75%) and the subsidiary agrees to pay a fee equal to 0.75% (2014: 0.75%) of total sales in each fiscal year. The agreements are automatically renewed on a year-to-year basis, unless either of the parties hereto gives the other party prior written notice.

**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**

**5 Cash and cash equivalents**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Cash on hand	804	473	507	166
Cash at banks	1,640,856	624,026	1,549,263	576,946
<b>Total</b>	<b>1,641,660</b>	<b>624,499</b>	<b>1,549,770</b>	<b>577,112</b>

The currency denomination of cash and cash equivalents as at 30 September was as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Thai Baht	977,156	452,288	885,266	404,901
United States Dollars	390,019	124,585	390,019	124,585
Japanese Yen	274,485	47,626	274,485	47,626
<b>Total</b>	<b>1,641,660</b>	<b>624,499</b>	<b>1,549,770</b>	<b>577,112</b>

**6 Trade accounts receivable**

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<i>Note</i>	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Related parties	4	1,085,032	1,076,682	1,072,616	1,072,487
Other parties		1,144,848	1,543,805	886,715	1,303,304
<b>Total</b>		<b>2,229,880</b>	<b>2,620,487</b>	<b>1,959,331</b>	<b>2,375,791</b>

Aging analyses for trade accounts receivable were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Within credit terms	2,205,272	2,602,018	1,934,723	2,357,322
Overdue:				
Less than 3 months	24,078	18,423	24,078	18,423
Overdue 3-12 months	530	46	530	46
<b>Total</b>	<b>2,229,880</b>	<b>2,620,487</b>	<b>1,959,331</b>	<b>2,375,791</b>

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

# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

The currency denomination of trade accounts receivable as at 30 September was as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Thai Baht	964,183	1,350,426	741,689	1,161,587
United States Dollars	958,154	805,813	958,159	805,813
Japanese Yen	307,543	464,248	259,483	408,391
<b>Total</b>	<b>2,229,880</b>	<b>2,620,487</b>	<b>1,959,331</b>	<b>2,375,791</b>

### 7 Other receivables

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Related parties	4	853	10,358	2,626	20,401
Other parties		36,852	45,029	34,120	41,719
<b>Total</b>		<b>37,705</b>	<b>55,387</b>	<b>36,746</b>	<b>62,120</b>

### 8 Finance lease receivable

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Finance lease receivable	32,591	52,145	32,591	52,145
Less unearned interest income	(3,166)	(5,276)	(3,166)	(5,276)
	29,425	46,869	29,425	46,869
Less current portion of finance lease receivable	(20,703)	(20,703)	(20,703)	(20,703)
<b>Total</b>	<b>8,722</b>	<b>26,166</b>	<b>8,722</b>	<b>26,166</b>

One customer of the Company has been impacted from flooding in Thailand. The customer has requested the Company to construct and install clean rooms and facilities and provide services of certain rental space, equipments, facilities and manpower for their production or operations. Accordingly, the Company has entered into partial space agreement with its customer. The Company will receive the rental fee at the rate specified in the agreements. The agreements have lease term covering the period from 1 April 2012 until 26 March 2017. However, the customer is able to terminate the agreement by giving written notice to the Company at least one year in advance. The agreement contains conditions including if there are services fee outstanding, the customer shall pay the Company all outstanding amounts. Interest 2.4% may be charged on the outstanding balance.

In this connection, the Company has entered into a finance lease agreement to obtain a fund to finance the investment in this finance lease receivable as disclosed in note 15.

**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**

**9 Inventories**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Raw materials	623,610	681,380	440,022	471,487
Work in process	102,725	139,754	53,149	92,144
Finished goods	506,477	562,600	346,918	397,633
Supplies	31,675	35,884	18,698	22,825
Goods in transit	117,236	118,720	93,403	98,663
	<u>1,381,723</u>	<u>1,538,338</u>	<u>952,190</u>	<u>1,082,752</u>
Less allowance for decline in value	<u>(21,201)</u>	<u>(16,531)</u>	<u>(7,740)</u>	<u>(5,742)</u>
Net	<u><b>1,360,522</b></u>	<u><b>1,521,807</b></u>	<u><b>944,450</b></u>	<u><b>1,077,010</b></u>

**10 Other current assets**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Prepaid withholding tax	37,607	44,600	27,067	36,672
Value added tax receivable	35,634	35,697	24,930	20,001
Others	11,880	17,958	11,880	17,958
Total	<u><b>85,121</b></u>	<u><b>98,255</b></u>	<u><b>63,877</b></u>	<u><b>74,631</b></u>

**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**

## 11 Investment in subsidiary

The investment in subsidiary as at 30 September 2015 and 2014, and dividend income from this investment for the years then ended were as follows:

Sima Technology Co., Ltd.					
Separate financial statements					
Ownership interest	Paid-up capital		Cost method		Dividend
	2015	2014	2015	2014	
			(in thousand Baht)		
99.99	99.99	300,000	300,000	299,998	10,020
99.99	99.99	300,000	300,000	299,998	-
					10,020

**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**

**12 Investment properties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Cost</b>				
At 1 October/ 30 September	147,210	147,210	147,210	147,210
<b>Depreciation and impairment losses</b>				
At 1 October	50,903	30,226	50,903	30,226
Depreciation charge for the year	20,367	20,677	20,367	20,677
<b>At 30 September</b>	<b>71,270</b>	<b>50,903</b>	<b>71,270</b>	<b>50,903</b>
<b>Net book value</b>	<b>75,940</b>	<b>96,307</b>	<b>75,940</b>	<b>96,307</b>

A parcel of land has been transferred from property, plant and equipment to investment property, since the parcel of land was no longer used by the Company. Investment properties are stated at cost less accumulated depreciation and impairment losses.

As at 30 September 2015, fair value of the investment properties amount of Baht 133 million (2014: Baht 171 million) that are leased to third parties has been evaluated by the Group's valuation model.

## Notes to the financial statements

## Consolidated financial statements

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# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

	Consolidated financial statements						Total
	Land	Land improvements & leasehold improvements	Building and structure	Machinery & equipment (in thousand Baht)	Transportation equipment	Furniture, fixtures and office equipment	
<b>Depreciation and impairment loss</b>							
Balance at 1 October 2013	-	53,188	1,707,587	4,806,296	11,178	99,617	6,677,866
Depreciation charge for the year	-	8,023	89,498	344,962	554	13,157	456,194
Losses on decline in value	-	(3,997)	(5,085)	-	-	-	(9,082)
Disposals	-	(2,915)	(34,698)	(37,394)	(503)	(63)	(75,573)
<b>At 30 September 2014 and 1 October 2014</b>	-	<b>54,299</b>	<b>1,757,302</b>	<b>5,113,864</b>	<b>11,229</b>	<b>112,711</b>	<b>7,049,405</b>
Depreciation charge for the year	-	13,940	91,211	339,202	299	11,621	456,273
Reversal of impairment loss	-	(6,277)	(29,746)	754	-	-	(35,269)
Transfers to intangible assets	-	-	-	-	-	(1,601)	(1,601)
Transfers, net	-	-	-	87	-	(87)	-
Disposals	-	-	-	(140,926)	(1,391)	(905)	(143,222)
<b>At 30 September 2015</b>	-	<b>61,962</b>	<b>1,818,767</b>	<b>5,312,981</b>	<b>10,137</b>	<b>121,739</b>	<b>7,325,586</b>
<b>Net book value</b>							
<b>At 30 September 2014</b>							
Owned assets	233,125	121,815	1,301,510	892,097	381	24,116	2,582,793
Assets under finance leases	-	-	-	187,381	-	-	187,381
	<b>233,125</b>	<b>121,815</b>	<b>1,301,510</b>	<b>1,079,478</b>	<b>381</b>	<b>24,116</b>	<b>2,770,174</b>
<b>At 30 September 2015</b>							
Owned assets	233,125	138,631	1,248,374	739,813	62	19,804	2,442,451
Assets under finance leases	-	-	-	229,814	-	-	229,814
	<b>233,125</b>	<b>138,631</b>	<b>1,248,374</b>	<b>969,627</b>	<b>62</b>	<b>19,804</b>	<b>2,672,265</b>

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 30 September 2015 amounted to Baht 3,270 million (2014: Baht 3,166 million).

During 2015, a reversal of an impairment loss, previously provided of Baht 35 million has been made since the Company's management decided to put those assets in to business use. In this regards, the depreciation charge for the assets will be adjusted in future periods to allocate the assets' revised carrying amount on a systematic basis over their remaining useful life.

In 2015, gain from sale and lease back agreements for machinery and equipment of a subsidiary amounted to Baht 1.4 million were recognised as deferred gain on sale and lease back (2014: Baht 1.6 million).



## Notes to the financial statements

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The gross amount of the Company's fully depreciated property, plant and equipment that was still in use as at 30 September 2015 amounted to Baht 2,815 million (2014: 2,839 million).

**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**

**14 Deferred tax**

Deferred tax assets and liabilities as at 30 September were as follows:

	<b>Consolidated financial statements</b>			
	<b>Assets</b>		<b>Liabilities</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Total deferred tax	35,384	36,800	-	(2,818)
<b>Net deferred tax assets (liabilities)</b>	<b>35,384</b>	<b>36,800</b>	<b>-</b>	<b>(2,818)</b>

	<b>Separate financial statements</b>			
	<b>Assets</b>		<b>Liabilities</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Total deferred tax	35,104	36,800	-	-
<b>Net deferred tax assets (liabilities)</b>	<b>35,104</b>	<b>36,800</b>	<b>-</b>	<b>-</b>

Movements in total deferred tax assets and liabilities during the year were as follows:

	Consolidated financial statements (Charged) / Credited to:			At 30 September 2015
	At 1 October 2014	Profit or loss (Note 25)	Other comprehensive income	
		(in thousand Baht)		
<i>Deferred tax assets</i>				
Inventories	1,149	399	-	1,548
Property, plant and equipment	-	5,419	-	5,419
Finance lease liabilities	-	280	-	280
Employee benefit obligation	23,308	2,700	2,129	28,137
Loss carry forward	12,343	(12,343)	-	-
<b>Total</b>	<b>36,800</b>	<b>(3,545)</b>	<b>2,129</b>	<b>35,384</b>
<i>Deferred tax liabilities</i>				
Finance lease liabilities	(2,818)	2,818	-	-
<b>Total</b>	<b>(2,818)</b>	<b>2,818</b>	<b>-</b>	<b>-</b>
<b>Net</b>	<b>33,982</b>	<b>(727)</b>	<b>2,129</b>	<b>35,384</b>

**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**

<b>Consolidated financial statements</b>			
<b>(Charged) / Credited to:</b>			
<b>At 1 October 2013</b>	<b>Profit or loss (Note 25)</b>	<b>Other comprehensive income</b>	<b>At 30 September 2014</b>
<i>(in thousand Baht)</i>			
<b>Deferred tax assets</b>			
Inventories	-	1,149	1,149
Employee benefit obligation	-	16,156	23,308
Loss carry forward	-	12,343	12,343
<b>Total</b>	<b>-</b>	<b>29,648</b>	<b>36,800</b>
<b>Deferred tax liabilities</b>			
Finance lease liabilities	(1,340)	(1,478)	(2,818)
<b>Total</b>	<b>(1,340)</b>	<b>(1,478)</b>	<b>(2,818)</b>
<b>Net</b>	<b>(1,340)</b>	<b>28,170</b>	<b>33,982</b>
<b>Separate financial statements</b>			
<b>(Charged) / Credited to:</b>			
<b>At 1 October 2014</b>	<b>Profit or loss (Note 25)</b>	<b>Other comprehensive income</b>	<b>At 30 September 2015</b>
<i>(in thousand Baht)</i>			
<b>Deferred tax assets</b>			
Inventories	1,149	399	1,548
Property, plant and equipment	-	5,419	5,419
Employee benefit obligation	23,308	2,700	28,137
Loss carry forward	12,343	(12,343)	-
<b>Total</b>	<b>36,800</b>	<b>(3,825)</b>	<b>35,104</b>
<b>Separate financial statements</b>			
<b>(Charged) / Credited to:</b>			
<b>At 1 October 2013</b>	<b>Profit or loss (Note 25)</b>	<b>Other comprehensive income</b>	<b>At 30 September 2014</b>
<i>(in thousand Baht)</i>			
<b>Deferred tax assets</b>			
Inventories	-	1,149	1,149
Employee benefit obligation	-	16,156	23,308
Loss carry forward	-	12,343	12,343
<b>Total</b>	<b>-</b>	<b>29,648</b>	<b>36,800</b>



# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

Deferred tax assets (liabilities) arising from temporary differences and unused tax losses that have not been recognised in the financial statements as at 30 September 2015 and 2014 were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Deductible temporary differences	14,959	34,639	-	14,873
Tax losses	5,831	76,259	-	76,259
<b>Total</b>	<b>20,790</b>	<b>110,898</b>	<b>-</b>	<b>91,132</b>

### 15 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Current</b>				
Current portion of finance lease liabilities	80,217	79,983	18,540	17,680
<b>Total current interest-bearing liabilities</b>	<b>80,217</b>	<b>79,983</b>	<b>18,540</b>	<b>17,680</b>
<b>Non-current</b>				
Finance lease liabilities	128,832	123,230	11,228	29,768
<b>Total non-current interest-bearing liabilities</b>	<b>128,832</b>	<b>123,230</b>	<b>11,228</b>	<b>29,768</b>
<b>Total</b>	<b>209,049</b>	<b>203,213</b>	<b>29,768</b>	<b>47,448</b>

As at 30 September 2015, the Company has unused credit facilities with a financial institution (short-term loan, bank overdraft, letter of guarantee, and letter of credit) of Baht 1,692 million (2014: Baht 3,045 million).

As at 30 September 2015, a subsidiary has unused credit facilities (short-term loan, bank overdraft, letter of guarantee, letter of credit and foreign exchange) from local financial institutions amounting to Baht 123 million (2014: Baht 737 million).

#### Finance lease liabilities

The Group entered into various lease agreements covering machinery and equipment. Lease terms are for the period of 3 and 5 years. Finance lease liabilities as at 2015 and 2014 were payable as follows:

	Consolidated financial statements					
	2015			2014		
	Future minimum lease payments	Interest	Present value of minimum lease payments	Future minimum lease payments	Interest	Present value of minimum lease payments
	<i>(in thousand Baht)</i>					
Within one year	86,853	6,636	80,217	88,462	8,479	79,983
After one year but within five years	133,796	4,964	128,832	131,343	8,113	123,230
<b>Total</b>	<b>220,649</b>	<b>11,600</b>	<b>209,049</b>	<b>219,805</b>	<b>16,592</b>	<b>203,213</b>

**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**

	Separate financial statements					
	2015			2014		
	Future minimum lease payments	Interests	Present value of minimum lease payments (in thousand Baht)	Future minimum lease payments	Interest	Present value of minimum lease payments
Within one year	19,554	1,014	18,540	19,554	1,874	17,680
After one year but within five years	11,407	179	11,228	30,961	1,193	29,768
<b>Total</b>	<b>30,961</b>	<b>1,193</b>	<b>29,768</b>	<b>50,515</b>	<b>3,067</b>	<b>47,448</b>

**16 Trade accounts payable**

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		(in thousand Baht)			
Related parties	4	146,929	155,558	135,972	140,444
Other parties		1,529,194	1,793,796	1,316,189	1,543,827
<b>Total</b>		<b>1,676,123</b>	<b>1,949,354</b>	<b>1,452,161</b>	<b>1,684,271</b>

The currency denomination of trade accounts payable as at 30 September was as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
Thai Baht	1,053,272	1,289,422	864,507	1,099,000
United States Dollars	386,286	426,853	373,716	404,385
Japanese Yen	236,351	232,830	213,724	180,637
Others	214	249	214	249
<b>Total</b>	<b>1,676,123</b>	<b>1,949,354</b>	<b>1,452,161</b>	<b>1,684,271</b>

**17 Other payables**

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		(in thousand Baht)			
Related parties	4	43,731	47,548	42,620	46,356
Other parties		201,637	238,844	156,909	185,231
<b>Total</b>		<b>245,368</b>	<b>286,392</b>	<b>199,529</b>	<b>231,587</b>



# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

### 18 Employee benefit obligations

#### Defined benefit obligation

The Group and the Company operate defined benefit plans based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

The statement of financial position obligation was determined as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Present value of unfunded obligations	173,594	142,720	140,687	116,540
<b>Statement of financial position obligation</b>	<b>173,594</b>	<b>142,720</b>	<b>140,687</b>	<b>116,540</b>

Movement in the present value of the defined benefit obligations:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Defined benefit obligations at 1 October	142,720	126,438	116,540	104,561
Current service costs and interest	17,587	16,499	12,915	12,196
Actuarial losses recognized in other comprehensive income	13,889	1,961	11,500	1,961
Benefit paid	(602)	(2,178)	(268)	(2,178)
<b>Defined benefit obligations at 30 September</b>	<b>173,594</b>	<b>142,720</b>	<b>140,687</b>	<b>116,540</b>

Expense recognised in profit or loss:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Current service cost	11,971	11,486	8,399	8,122
Interest on obligation	5,616	5,013	4,516	4,074
<b>Total</b>	<b>17,587</b>	<b>16,499</b>	<b>12,915</b>	<b>12,196</b>

The expense is recognised in the following line items in the statement of comprehensive income:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Cost of sales	15,182	14,210	11,444	10,767
Selling expenses	499	415	259	243
Administrative expenses	1,906	1,874	1,212	1,186
<b>Total</b>	<b>17,587</b>	<b>16,499</b>	<b>12,915</b>	<b>12,196</b>

# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

Actuarial losses recognized in other comprehensive income:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(in thousand Baht)		
Actuarial losses	<u>13,889</u>	<u>1,961</u>	<u>11,500</u>	<u>1,961</u>

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		(%)		
Discount rate	3.0, 3.4	3.9, 4.0	3.0	3.9
Future salary increases	3.0-5.0	3.0-5.0	5.0	5.0

Assumptions regarding future mortality are based on published statistics and mortality tables.

### 19 Share capital

	Par value (in Baht)	2015 Number	Baht (thousand shares/thousand Baht)	2014 Number	Baht
<b>Authorised</b>					
At 1 October					
- ordinary shares	10	<u>23,898</u>	<u>238,981</u>	<u>23,898</u>	<u>238,981</u>
<b>At 30 September</b>					
- ordinary shares	10	<u>23,898</u>	<u>238,981</u>	<u>23,898</u>	<u>238,981</u>
<b>Issued and fully paid-up</b>					
At 1 October					
- ordinary shares	10	<u>20,898</u>	<u>208,981</u>	<u>20,898</u>	<u>208,981</u>
<b>At 30 September</b>					
- ordinary shares	10	<u>20,898</u>	<u>208,981</u>	<u>20,898</u>	<u>208,981</u>

### 20 Additional paid-in capital and reserves

#### Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

#### Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.



# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

### 21 Segment information

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments.

- *Segment 1* Electric parts for automotive business
- *Segment 2* Electronic parts for office automation business
- *Segment 3* Other business

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**  
Notes to the financial statements

*Information about reportable segments*

	Electric parts for automotive business		Electronic parts for office automation business		Other business		Total		Eliminations		Net	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	<i>(in million Baht)</i>											
Revenue												
External revenue	7,827	8,340	8,677	8,071	112	56	16,616	16,467	-	-	16,616	16,467
Inter-segment revenue	24	15	12	10	-	-	36	25	(36)	(25)	-	-
<b>Total segment revenue</b>	<b>7,851</b>	<b>8,355</b>	<b>8,689</b>	<b>8,081</b>	<b>112</b>	<b>56</b>	<b>16,652</b>	<b>16,492</b>	<b>(36)</b>	<b>(25)</b>	<b>16,616</b>	<b>16,467</b>
<b>Gross profit</b>	<b>424</b>	<b>261</b>	<b>445</b>	<b>296</b>	<b>6</b>	<b>3</b>	<b>875</b>	<b>560</b>	<b>141</b>	<b>271</b>	<b>1,016</b>	<b>831</b>
Other Income	65	110	106	105	1	-	172	215	(5)	(14)	167	201
Net foreign exchange gain	71	28	59	29	1	-	131	57	-	-	131	57
Cost of sale of goods	(7,427)	(8,094)	(8,244)	(7,785)	(106)	(53)	(15,777)	(15,932)	177	296	(15,600)	(15,636)
Selling expense	(135)	(128)	(132)	(117)	(2)	-	(269)	(245)	-	-	(269)	(245)
Administrative expense	(92)	(152)	(145)	(145)	(2)	(2)	(239)	(299)	2	-	(237)	(299)
Finance costs	(3)	(2)	(10)	(19)	-	-	(13)	(21)	2	7	(11)	(14)
Income tax expense	(32)	(2)	(24)	(1)	-	-	(56)	(3)	-	-	(56)	(3)
<b>Profit for the year</b>	<b>298</b>	<b>115</b>	<b>299</b>	<b>148</b>	<b>4</b>	<b>1</b>	<b>601</b>	<b>264</b>	<b>140</b>	<b>264</b>	<b>741</b>	<b>528</b>
Interest revenue	5	7	4	5	-	-	9	12	(3)	(6)	6	6
Depreciation and amortisation	(189)	(200)	(292)	(281)	-	-	(481)	(481)	-	-	(481)	(481)
<b>Segment assets as at 30 September</b>	<b>1,441</b>	<b>1,139</b>	<b>1,041</b>	<b>1,560</b>	<b>10</b>	<b>8</b>	<b>2,492</b>	<b>2,707</b>	<b>(2)</b>	<b>(1)</b>	<b>2,490</b>	<b>2,706</b>

# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

### Reconciliations of reportable segment assets

	2015	2014
	<i>(in million Baht)</i>	
<b>Assets</b>		
Total assets for reportable segments	2,490	2,706
Other unallocated amounts	5,806	5,285
<b>Consolidated total assets</b>	<b>8,296</b>	<b>7,991</b>

### Geographical information

Electronic parts for Automotive business, Electronic parts for office automation business and other business are managed on a worldwide basis but operate manufacturing facilities and sales offices in Thailand.

In presenting geographical information revenue is based on the geographical location of customers. Assets are based on the geographical location of the assets.

	<b>Revenues</b>		<b>Non-current assets*</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Thailand	8,112	6,900	2,777	2,916
Japan	4,931	5,859	-	-
United State of America	3,131	3,444	-	-
Other countries	442	264	-	-
<b>Total</b>	<b>16,616</b>	<b>16,467</b>	<b>2,777</b>	<b>2,916</b>

\* Non-current assets are not included deferred tax assets.

### Major customer

Revenues from three customers of the Group's Electronic parts for Automotive business, Electronic parts for office automation business and other business segments represents approximately Baht 10,168 million (2014: Baht 10,013 million) of the Group's total revenues.

## 22 Other income

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
<i>Notes</i>	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Income from scrap sale	83,278	109,539	70,023	95,494
Rental and other service income	69,161	72,690	57,290	57,076
Interest income	6,393	5,583	8,590	11,594
Dividend income	-	-	-	10,020
Others	7,786	13,492	9,272	7,982
<b>Total</b>	<b>166,618</b>	<b>201,304</b>	<b>145,175</b>	<b>182,166</b>

**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**

**23 Employee benefit expenses**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b><i>Management</i></b>				
Wages and salaries	5,774	6,166	2,961	3,420
Others	9,887	9,415	4,785	4,399
	<u>15,661</u>	<u>15,581</u>	<u>7,746</u>	<u>7,819</u>
<b><i>Other employees</i></b>				
Wages and salaries	1,087,499	1,070,445	779,089	745,977
Contribution to defined contribution plans	16,122	16,375	9,061	7,913
Others	641,717	641,075	535,689	530,341
	<u>1,745,338</u>	<u>1,727,895</u>	<u>1,323,839</u>	<u>1,284,231</u>
<b>Total</b>	<u>1,760,999</u>	<u>1,743,476</u>	<u>1,331,585</u>	<u>1,292,050</u>

The Company has established contributory provident funds for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at the rate of 3% of their basic salaries and by the Company at the rate of 3% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

**24 Expenses by nature**

*Included in cost of sales of goods:*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Changes in inventories of finished goods and work in progress	95,824	(206,982)	89,710	(140,428)
Raw materials and consumables used	12,503,755	12,816,341	10,931,624	11,233,923
Employee benefit expenses	1,629,615	1,597,085	1,237,393	1,194,127
Depreciation and amortisation	441,301	568,296	248,427	250,607
Others	929,741	861,631	710,470	725,961
<b>Total</b>	<u>15,600,236</u>	<u>15,636,371</u>	<u>13,217,624</u>	<u>13,264,190</u>



**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**

*Included in selling expenses:*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Royalty fee	145,883	110,304	141,253	104,453
Distribution	81,096	80,079	75,501	73,345
Personnel	30,455	29,936	24,799	20,250
Depreciation and amortisation	1,486	2,237	364	323
Professional fee	610	321	151	321
Others	9,663	21,687	6,796	15,659
<b>Total</b>	<b>269,193</b>	<b>244,564</b>	<b>248,864</b>	<b>214,351</b>

*Included in administrative expenses:*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Personnel	102,839	116,455	69,393	77,673
Depreciation and amortisation	37,732	11,756	33,706	28,234
Professional fee	9,089	7,601	7,443	5,617
Travelling	3,061	2,881	1,792	1,673
Reversal of impairment loss	(35,269)	-	(35,269)	-
Others	119,734	160,641	112,217	135,307
<b>Total</b>	<b>237,186</b>	<b>299,334</b>	<b>189,282</b>	<b>248,504</b>

**25 Income tax expense**

*Income tax recognised in profit or loss*

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	Note	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
<b>Current tax expense</b>					
Current year		55,885	453	55,885	-
Under/(over) provided for prior years		(892)	30,280	-	33,006
		<b>54,993</b>	<b>30,733</b>	<b>55,885</b>	<b>33,006</b>
<b>Deferred tax</b>					
Movements in temporary differences	14	727	(28,170)	3,825	(29,648)
<b>Total</b>		<b>55,720</b>	<b>2,563</b>	<b>59,710</b>	<b>3,358</b>

**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**

*Reconciliation of effective tax rate*

<b>Consolidated financial statements</b>				
	2015		2014	
	Rate (%)	(thousand Baht)	Rate (%)	(thousand Baht)
Profit before income tax expense		796,356		530,610
Income tax using the Thai corporation tax rate	20	159,271	20	106,122
Income tax not subject to tax		(302)		(126)
Expenses not deductible for tax purposes and others		6,624		10,309
Utilisation of previously unrecognised tax losses		(109,873)		(113,742)
<b>Total</b>	<b>7</b>	<b>55,720</b>	<b>1</b>	<b>2,563</b>

<b>Separate financial statements</b>				
	2015		2014	
	Rate (%)	(thousand Baht)	Rate (%)	(thousand Baht)
Profit before income tax expense		746,635		423,326
Income tax using the Thai corporation tax rate	20	149,327	20	84,665
Income not subject to tax		(302)		(2,130)
Expenses not deductible for tax purposes and others		5,968		11,006
Utilisation of previously unrecognised tax losses		(95,283)		(90,183)
<b>Total</b>	<b>8</b>	<b>59,710</b>	<b>1</b>	<b>3,358</b>

*Income tax reduction*

Royal Decree No. 530 B.E. 2554 dated 21 December 2011 grants a reduction in the corporate income tax rate for the three accounting periods 2012, 2013 and 2014; from 30% to 23% for the accounting period 2012 which begins on or after 1 January 2012 and to 20% for the following two accounting periods 2013 and 2014 which begin on or after 1 January 2013 and 2014, respectively. Royal Decree No. 577 B.E. 2557 dated 10 November 2014 extends the reduction to 20% for the accounting period 2015 which begins on or after 1 January 2015.

The Group has applied the reduced tax rate of 20% in measuring deferred tax assets and liabilities as at 30 September 2015 and 2014 in accordance with the clarification issued by the FAP in 2012.

# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

### 26 Promotional privileges

The Company received promotional privileges from the Board of Investment in respect of manufacturing of metal, plastic, and assembly parts of electronic parts. Under these privileges, the Company has received exemption from certain taxes and duties as detailed in the certificate. As a promoted industry, the Company is required to comply with the terms and conditions as specified in the certificate.

The subsidiary company received promotional privileges from the Board of Investment under various promotion certificates in respect of manufacturing of electronic parts. Under these privileges, the subsidiary company has received exemption from certain taxes for a period of eight years from the date of commencement of promoted revenue. As a promoted industry, the subsidiary company has to comply with the terms and conditions as specified in the certificate.

Revenue from sale of goods for the years ended 30 September 2015 and 2014, classified under the promoted and non-promoted business are as follows:

Consolidated financial statements						
	Promoted Business	2015 Non-promoted Business	Total (in million Baht )	Promoted Business	2014 Non-promoted Business	Total
Export and indirect export sales	628	15,149	15,777	819	15,246	16,065
Domestic sales	-	839	839	3	399	402
<b>Total</b>	<b>628</b>	<b>15,988</b>	<b>16,616</b>	<b>822</b>	<b>15,645</b>	<b>16,467</b>

  

Separate financial statements						
	Promoted Business	2015 Non-promoted Business	Total (in million Baht )	Promoted Business	2014 Non-promoted Business	Total
Export and indirect export sales	-	13,458	13,458	-	13,479	13,479
Domestic sales	-	667	667	-	448	448
<b>Total</b>	<b>-</b>	<b>14,125</b>	<b>14,125</b>	<b>-</b>	<b>13,927</b>	<b>13,927</b>

### 27 Basic earnings per share

The calculations of basic earnings per share for the years ended 30 September 2015 and 2014 were based on the profit for the years attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht / thousand shares)			
Profit for the year attributable to ordinary shareholders of the Company	740,635	528,047	686,925	419,968
Number of ordinary shares outstanding	20,898	20,898	20,898	20,898
<b>Basic earnings per share (in Baht)</b>	<b>35.44</b>	<b>25.27</b>	<b>32.87</b>	<b>20.10</b>

# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

### 28 Dividends

At the annual general meeting of the shareholders of the Company held on 23 January 2015, the shareholders approved the appropriation of dividends from retained earnings at 30 September 2014 at Baht 9 per share, totaling Baht 188 million. The dividends were paid in February 2015.

At the annual general meeting of the shareholders of the Company held on 24 January 2014, the shareholders approved the appropriation of dividends from retained earnings at 30 September 2013 at Baht 3 per share, total amount of Baht 63 million. The dividends were paid in February 2014.

### 29 Financial instruments

#### *Financial risk management policies*

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

#### *Capital management*

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

#### *Interest rate risk*

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly determined by the bank. The Group is primarily exposed to interest rate risk from its borrowings.

#### *Foreign currency risk*

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial assets denominated in foreign currencies. As at 30 September 2015 and 2014, the forward exchange contracts entered into at the reporting date also relate to anticipated sales, denominated in foreign currencies.



# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

At 30 September, the Group and the Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

		Consolidated financial statements		Separate financial statements	
	Notes	2015	2014	2015	2014
		(in thousand Baht)			
<b>US Dollars</b>					
Cash and cash equivalents	5	390,019	124,585	390,019	124,585
Trade accounts receivable	6	958,154	805,813	958,159	805,813
Trade accounts payable	16	(386,286)	(426,853)	(373,716)	(404,385)
<b>Gross balance sheet exposure</b>		<b>961,887</b>	<b>503,545</b>	<b>974,462</b>	<b>526,013</b>
Currency forwards - Sale		-	(1,421,200)	-	(1,421,200)
<b>Net exposure</b>		<b>961,887</b>	<b>(917,655)</b>	<b>974,462</b>	<b>(895,187)</b>
<b>Japanese Yen</b>					
Cash and cash equivalents	5	274,485	47,626	274,485	47,626
Trade accounts receivable	6	307,543	464,249	259,483	408,391
Trade accounts payable	16	(236,351)	(232,830)	(213,724)	(180,637)
<b>Gross balance sheet exposure</b>		<b>345,677</b>	<b>279,045</b>	<b>320,244</b>	<b>275,380</b>
<b>Malaysian Ringgit</b>					
Trade accounts payable	16	(168)	(203)	(168)	(203)
<b>Gross balance sheet exposure</b>		<b>(168)</b>	<b>(203)</b>	<b>(168)</b>	<b>(203)</b>
<b>Singapore Dollars</b>					
Trade accounts payable	16	(46)	(46)	(46)	(46)
<b>Gross balance sheet exposure</b>		<b>(46)</b>	<b>(46)</b>	<b>(46)</b>	<b>(46)</b>

### ***Credit risk***

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

### ***Liquidity risk***

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effect of fluctuations in cash flows.

# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

### *Determination of fair values*

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of trade, other receivables and finance lease receivables, payables and derivatives approximates carrying values.

The fair value of finance receivables and liabilities with floating interest rates approximates carrying values.

### 30 Commitments with non-related parties

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<i>Non-cancellable operating lease commitments</i>				
Within one year	9,231	11,348	5,527	5,585
After one year but within five year	7,866	12,939	5,938	10,389
<b>Total</b>	<b>17,097</b>	<b>24,287</b>	<b>11,465</b>	<b>15,974</b>

### *Other commitments*

As 30 September 2015 and 2014, the Group was liable to banks in respect to the following guarantees:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Raw materials purchases	36,534	71,535	36,534	71,535
Electricity supply	37,569	37,569	30,003	30,003
Supply purchases	1,000	500	1,000	500

As at 30 September 2014, the Group had entered into forward contract with several banks. The details of the contracts are as follow:

<b>Consolidated financial statements</b>							
Forward Receivable				Forward Payable			
Currency	Equivalent to Baht	Currency	Equivalent to Baht	Currency	Equivalent to Baht	Currency	Equivalent to Baht
2015	2014	2015	2014	2015	2014	2015	2014
<i>(in million)</i>	<i>(in million Baht)</i>	<i>(in million)</i>	<i>(in million Baht)</i>	<i>(in million)</i>	<i>(in million Baht)</i>	<i>(in million)</i>	<i>(in million Baht)</i>
US Dollars	-	44.00	-	1,421.20	-	-	-
<b>Separate financial statements</b>							
Forward Receivable				Forward Payable			
Currency	Equivalent to Baht	Currency	Equivalent to Baht	Currency	Equivalent to Baht	Currency	Equivalent to Baht
2015	2014	2015	2014	2015	2014	2015	2014
<i>(in million)</i>	<i>(in million Baht)</i>	<i>(in million)</i>	<i>(in million Baht)</i>	<i>(in million)</i>	<i>(in million Baht)</i>	<i>(in million)</i>	<i>(in million Baht)</i>
US Dollars	-	44.00	-	1,421.20	-	-	-

# Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

### 31 Events after the reporting period

- 1) The Company entered into a forward foreign exchange contract covering its purchase transaction amounting in foreign currency (Yen 358.95 million) at a value of Baht 105.60 million. The contract will be gradually due within October 2015. In addition to this, a subsidiary entered into various forward foreign exchange contracts covering its sale transaction amounting in foreign currencies (Yen 33.24 million and US Dollar 0.17 million) at a value of Baht 15.78 million. The contracts will be gradually due within October 2015.
- 2) Subsequently on 14 October 2015, the subsidiary has announced that some of employees will be laid off on 31 October 2015 due to the current business demand. The subsidiary will pay a compensation to employees amounting to Baht 14.81 million within 30 October 2015.

### 32 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRSs have been issued but are not yet effective and have not been applied in preparing these consolidated financial statements. Those new and revised TFRSs that may be relevant to the Group's operations which become effective for annual financial periods beginning on or after 1 October in the year indicated, are set out below. The Group does not plan to have early adoption of these TFRSs.

TFRSs	Topic	Year effective
TAS 1 (revised 2014)	Presentation of Financial Statements	2015
TAS 2 (revised 2014)	Inventories	2015
TAS 7 (revised 2014)	Statement of Cash Flows	2015
TAS 8 (revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors	2015
TAS 10 (revised 2014)	Events after the Reporting Period	2015
TAS 12 (revised 2014)	Income Taxes	2015
TAS 16 (revised 2014)	Property, Plant and Equipment	2015
TAS 17 (revised 2014)	Leases	2015
TAS 18 (revised 2014)	Revenue	2015
TAS 19 (revised 2014)	Employee Benefits	2015
TAS 21 (revised 2014)	The Effects of Changes in Foreign Exchange Rates	2015
TAS 23 (revised 2014)	Borrowing Costs	2015
TAS 24 (revised 2014)	Related Party Disclosures	2015
TAS 26 (revised 2014)	Accounting and Reporting by Retirement Benefit Plans	2015
TAS 27 (revised 2014)	Separate Financial Statements	2015
TAS 28 (revised 2014)	Investments in Associates and Joint Ventures	2015
TAS 33 (revised 2014)	Earnings per Share	2015
TAS 34 (revised 2014)	Interim Financial Reporting	2015
TAS 36 (revised 2014)	Impairment of Assets	2015
TAS 37 (revised 2014)	Provisions, Contingent Liabilities and Contingent Assets	2015
TAS 38 (revised 2014)	Intangible Assets	2015
TAS 40 (revised 2014)	Investment Property	2015
TFRS 5 (revised 2014)	Non-current Assets Held for Sale and Discontinued Operations	2015
TFRS 8 (revised 2014)	Operating Segments	2015
TFRS 10	Consolidated Financial Statements	2015
TFRS 11	Joint Arrangements	2015



**Muramoto Electron (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**

TFRSs	Topic	Year effective
TFRS 12	Disclosure of Interests in Other Entities	2015
TFRS 13	Fair Value Measurement	2015
TSIC 15 (revised 2014)	Operating Leases - Incentives	2015
TSIC 25 (revised 2014)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders	2015
TSIC 27 (revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	2015
TSIC 31 (revised 2014)	Revenue - Barter Transactions Involving Advertising Services	2015
TSIC 32 (revised 2014)	Intangible Assets—Web Site Costs	2015
TFRIC 1 (revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2015
TFRIC 4 (revised 2014)	Determining whether an Arrangement contains a Lease	2015
TFRIC 5 (revised 2014)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	2015
TFRIC 10 (revised 2014)	Interim Financial Reporting and Impairment	2015
TFRIC 17 (revised 2014)	Distributions of Non-cash Assets to Owners	2015
TFRIC 18 (revised 2014)	Transfers of Assets from Customers	2015

Management has made a preliminary assessment of the potential initial impact on the Group's consolidated financial statements of the new TFRS and expects that there will be no material impact on the consolidated financial statements in the period of initial application.