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ANNUAL REPORT

2013

TWO THOUSAND THIRTEEN





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1. Message from Board of Directors

For operations in the year 2013 as a year of efficient improvement in our Bangpoo factory of Yuasa Battery Thailand Public Company Limited (the Company) after the disposal of property of plant 2 at Gateway Industrial Estates, Chachoengsao province and moving the production base from that factory to place on the Bangpoo factory, Company had improved the buildings, equipments and machines, and the environment including increase of efficiency in the production line with the development of personnel and manufacturing process to be effective at all stages of production to meet the needs of customers. Another important obtained by moving production to one location was that we could achieve outcome of relocation was efficient management within the company.



The results for the year 2013, the Company had income from sales and other income of Baht 1,735.10 million and Baht 26.95 million respectively. Baht 1,442.83 million was its cost of sales. Selling and administrative expenses including the financial cost was Baht 305.17 million. The company's net profit for the year amounted to 15.43 million baht, a decrease from the year 2012, mainly due to lower sales of OEM market from economic slowdown which derived from political unrest. However, sales in the export market increased from a recovery in the global economy, it was not enough to keep sales up. In addition, the problem of rising costs of labor and raw materials in year 2013 were another issue that made the performance drop. Due to the shortage of worker caused the delay of relocation job and recovery of production; we could not make enough battery to the market. And there was fluctuation of price of pure lead in the global market last year making the production cost was fluctuated. The company continued to improve productivity and to do activities to reduce costs and unnecessary expenses. So, sales and administrative expenses decreased compared to the year 2012.

For the social responsibility; the Company recognized the importance of supporting the implementation of social affairs and the surrounding community including the continuing concern of environment based on transparency, accountability and integrity business principles. In the year 2013, the company had joined with local government offices for activities that having for benefit of the community, such as the project of health check for the elderly and the sick in area work nearby the factory, and cleaning the road that was entrance to the factory, etc. The company also encouraged its employees to participate in public practice and Dharma practice at the Temple of the community near the factory. Apart from such external social activities, the company had taken to improve the waste treatment plant, equipment and systems within the factory.

In 2014, the Company, Yuasa Battery Thailand Public Company Limited, will continue to strive the operation to produce battery fully 1) to strengthen all aspects of the company, 2) to catch up with the change of market situation thoroughly, 3) to be able to meet the needs of customers in a timely manner and 4) to create of added value for stakeholders from all sectors.

The success of the operations in the past, current and future is result of cooperation, support of Board of Director, the management and staff at all levels who are having a commitment to work with the mind fully, developing the organizations to achieve, and giving the importance of a well-managed under the principles of good governance. I would like to thank our shareholders, customers, suppliers, business partners and stakeholders from all sectors who have any confidence, trust and support of the Company.

On behalf of Directors

(Katsumi Nakato)

Chairman of the Board of Directors (Acting)



2. Audit Committee's Report

The Audit Committee (AC) of Yuasa Battery (Thailand) Public Company Limited comprises of 4 independent directors, namely Dr. Kusaya Leerahawong, Mr. Yothin Vimoogtayon, Mr. Prasert Kitisakkul and Asst.Prof.Dr. Lawan Thanadsillapakul. Dr. Kusaya Leerahawong holds the position of Chairman of the Audit Committee.

The Audit Committee performs the duties and responsibilities assigned by the Board of Directors. In 2013, the committee held 14 meetings to consider and review several issues. The essence could be summarized as following:

1. To review the Company's monthly, quarterly and yearly financial statements, according to the general-accepted accounting standard and fully disclosure. The external auditor was invited to attend the meetings with the Audit Committee for inquiry on significant issues from auditing the Company's financial statements.
2. To review the internal control and internal audit systems, give recommendation on audited issues, and consider the annual plan of the Internal Audit Department for the efficient, effective, and appropriate internal control system, in order to prevent and reduce risks that might be occurred.
3. To consider the related transactions, which might cause the Company's conflict of interest as per the corporate governance policy.
4. To review the Company's compliance to comply with the rules and regulations of the Securities and Exchange Commission (SEC), and the Stock Exchange of Thailand (SET) as well as the other related laws.
5. To consider and recommend on appointment of the Company's external auditor.

Regarding to the consideration of the above issues, the Audit Committee had an opinion that the financial statements of the Company were made as appropriate. The Company disclosed enough data, pursuant to the accounting standard, and complied with the applicable law and regulations of the Securities Exchange Commission and the Stock Exchange of Thailand. However, the Audit Committee assessed the sufficiency of the internal control system, according to the regulations of the Stock Exchange of Thailand, and had some comments on the internal control system of the Company as follows:-

1. The organization structure at the department levels : The Company should define line of command and clearly divide authorities and responsibilities for sufficiently check and balance.
2. Corporate governance : The Company should internally promote corporate governance in order to encourage morality within the Company.
3. The Company should improve the fairness of performance evaluation and motivation, as well as reward and punishment systems.
4. The Company should promote the employees' attitude towards internal risk management, and encourage the management to participate.
5. The Company should improve IT system for more efficient, sufficient and accurate operation and data analysis to support the management's decision making.

On behalf of the Audit Committee

(Dr. Kusaya Leerahawong)
Chairman of the Audit Committee
March 20, 2014



3. Policy and Overall Business Operation

Policy and overall of business operation

For understanding and a guideline to follow the business direction of Yuasa Battery (Thailand) PLC. and Yuasa Sales and Distribution Co., Ltd. (the Subsidiary), the Company would like to explain the overall image, the background information as well as the business characteristics of the Company and the Subsidiary as follows:-

Vision & Mission

Vision

“We shall be in the front line in Production of World Class Quality Battery at competitive cost and continuing increasing sales and market share both in domestic and international market”

Mission

“To be a world Class Quality Producer at competitive cost innovation in production technology and new ideas will be employed to develop its management, productions and ect, thus, strengthening on each company’ step, maintaining the reputation, fairness, best quality and service, and as well as the management and staffs team works. With these, will drive us to target of 20% market share within 5 years”

Guideline of Business Operation

- The Company must conduct its business consistently with the relevant laws. The Company shall maintain fair business operation.
- The Company strongly believes that conducting business with honesty, morality and ethics is good business governance which will provide a stable, progressing business of the Company.
- The Company will respect and act in compliance with local norms and traditions.
- The Company will conduct business with honesty, particularly in matters regarding financial policy, budget planning and budget evaluation in any project which shall be prepared clearly and precisely.

The Company hopes that all directors and employees will honestly respect in the Company’s policy, accounting process and other regulations. Moreover, employees should report to executives immediately if there is any suspicion of a violation of the code of conduct which may cause damage to the Company’s reputation.

Target of Business Operation

The Company has targeted to become a leading manufacturer of quality automotive batteries which have competitive cost, provide a one-stop service for energy solutions and grow together with the customers. The Company focuses on adding more values to the organization, the shareholders and the stakeholders, as well as pays attention to corporate governance, risk management, good internal control system and social responsibility. As a result, the Company plans to manage the organization for sustainable growth by emphasizing on financial balance, customers, working processes and results of organizational administration. Feasibility, reasonability, balance, fair risk, benchmarking and analysis of stakeholders are considered. The organization’s operating results are continuously measured, analyzed and improved.

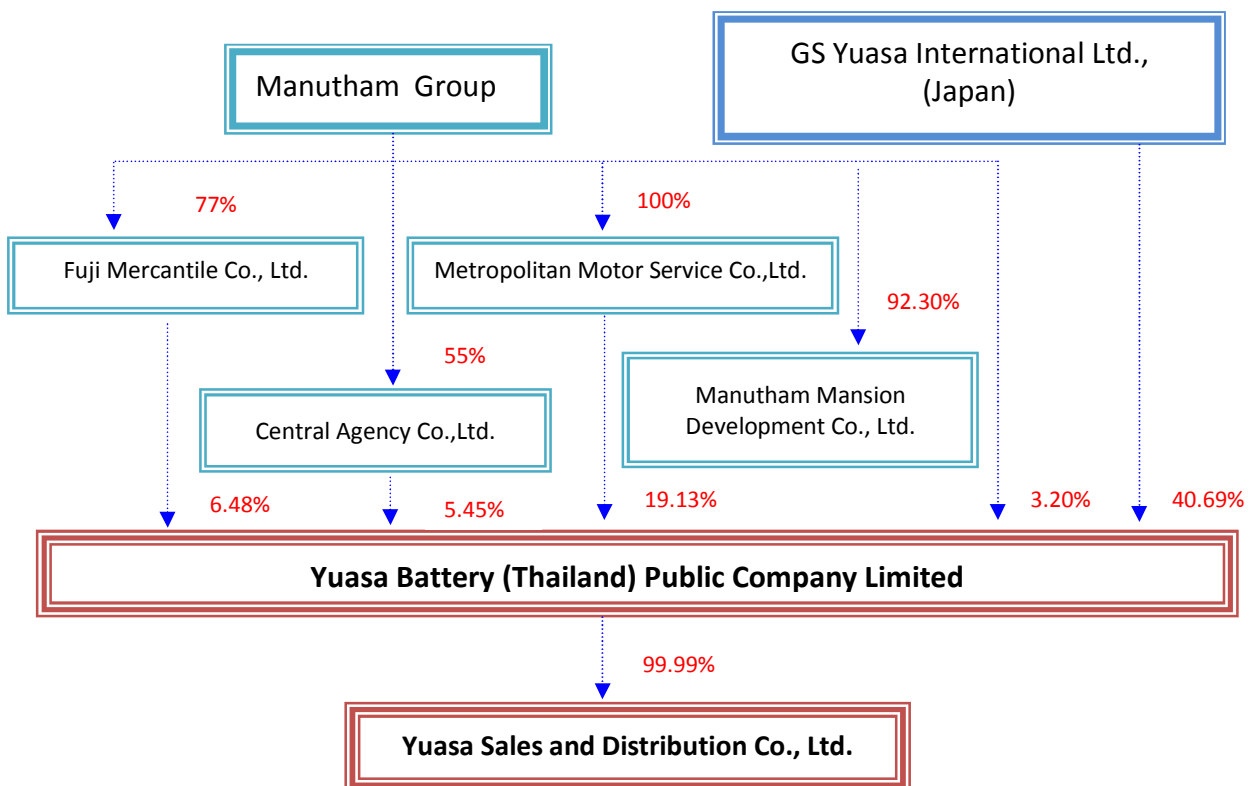
4. Nature of Business Operation

Business Operation Pattern of Company and Subsidiary

Company is conducting a business as a manufacture of car and motorcycle batteries under the name of “Yuasa” for domestic and export sales. It also imports for sales in domestic market of industrial batteries used in various industries. Further, the company is also manufacturing and marketing batteries under its private brands of “Thunderlite” and “Yucon” In manufacturing battery, the company has an obligation to pay a royalty fee to GS Yuasa International Co. Ltd., Japan. (By unit for any marks of any conventional batteries and by percentage from sales of any maintenance free batteries manufactured)

The Company is currently distributing its products in replacement market through its affiliate, Yuasa Sales and Distribution Co., Ltd. For export market, apart from Laos, Myanmar, Cambodia, Company markets the product with the acceptance and collaboration of GYIN, Japan that assists in finding the market. However, Company has no restriction for the local market’s distribution and is able to freely export to any countries of its own private brands.

Structure of Related Companies (as of March 21, 2014)



Source : Thailand Securities Depository Co.,Ltd.,

GS Yuasa International Ltd, (GYIN), held 40.69% of total shares and is to be subsidiary company of GS Yuasa Corporation, Japan which derived from the merger of Yuasa Corporation, Japan and Japan Storage Battery Co., Ltd.





4. Nature of Business Operation

Income Structure the Company and Subsidiary

Unit : (Million Baht)

Detail	2009		2010		2011		2012		2013	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Yuasa Battery (Thailand) Public Co., Ltd. (Company)										
1. Automotive Battery										
- Original Equipment Market(OEM)	160.06	10.01	251.62	13.44	204.56	10.79	298.70	15.43	291.21	16.53
- Export	180.99	11.32	186.58	9.96	218.00	11.50	246.69	12.74	251.75	14.29
- Indirect Export*	33.08	2.07	30.27	1.62	32.19	1.70	25.59	1.32	32.00	1.82
- Other	0.32	0.02	0.07	0.00	0.11	0.01	0.03	0.00	0.44	0.03
2. Motorcycle Battery										
- Original Equipment Market(OEM)	220.45	13.78	286.73	15.31	396.05	20.90	477.42	23.11	318.65	18.08
- Export	45.60	2.85	106.16	5.67	110.92	5.85	95.43	4.93	117.46	6.67
- Indirect Export*	1.57	0.10	3.99	0.21	5.95	0.31	3.25	0.17	2.97	0.17
- Other	0.22	0.01	0.41	0.02	0.04	0.00	0.05	0.00	0.01	0.00
3. Power Supply										
- Domestic Market	13.42	0.84	20.48	1.09	76.28	4.02	66.58	3.44	41.38	2.35
- International Market	-	-	-	-	-	-	-	-	-	-
4. Other	117.41	41.00	66.70	3.56	0.45	0.02	4.56	0.24	0.47	0.03
Total Revenue of Company (a)	773.12	48.34	953.01	50.88	1,044.53	55.11	1,188.28	61.38	1,056.35	59.95
Yuasa Sales and Distribution Co.,Ltd. (Company holds 99.99%)										
1. Automotive Battery										
- Replacement Equipment Market (REM)	653.03	40.83	707.78	37.79	615.65	32.48	468.37	24.19	380.49	21.59
2. Motorcycle Battery										
- Replacement Equipment Market (REM)	147.80	9.24	192.54	10.28	189.33	9.99	208.87	10.79	276.79	15.71
3. Power Supply Battery / Solar Battery	24.05	1.50	16.83	0.90	20.36	1.07	24.13	0.01	21.46	1.22
4. Other	1.44	0.09	2.71	0.14	0.21	0.01	1.64	0.08	0.03	0.00
Total Revenue of Company (b)	826.32	51.66	919.86	49.11	825.56	43.56	702.88	36.31	678.74	38.52
Total revenues from sale (a)+(b)	1,480.64	92.57	1,803.43	96.29	1,870.09	98.67	1,891.17	97.68	1,735.10	98.47
Total other income	118.85	7.43	69.40	3.71	25.13	1.33	44.86	2.32	26.95	1.53
Total Revenue	1,599.44	100.00	1,872.87	100.00	1,895.22	100.00	1,936.04	100.00	1,762.05	100.00

Source: Finance and Accounting Department, Yuasa Battery (Thailand) Public company limited.

* Indirect Export means the domestic sales with export agent.

Significant Changes in the Past Year

2013 was another important year after the assets of Gateway Factory had been sold. After the relocation of some machines and equipment from Factory 2 to Factory 1, Company started continuously improving the production capacity to meet the target. Also, we renovated the areas inside the factory as well as environment management system. In terms of products, Company developed new batteries types for automobiles to support the market demand and reduce the production cost. For example, N150LW, light weight type was introduced for big-sized trucks. N120ZLMF was presented for big-sized vehicles used for military purpose. In addition, Company is in the process of developing batteries for big bikes which are popular in overseas and gradually popular in Thailand.





4. Nature of Business Operation

Industry Status and Competition

According to the Thai Automotive Industry Association and the Bank of Thailand on situation of domestic automotive industry, the productivity of cars a little bit increased by 0.12% and motorcycles decreased by 14.85% from 2012 to 2013. In 2013, the automotive industry faced with severe fluctuation, derived from the first-car scheme, the slow domestic economy and the political unrest. With these reasons, the car sales in the first half of the year and the second half were different. However, the production for export still expanded, thanks to recovery of the world economy and expansion in new markets, such as the U.S. and Canada. For production of motorcycles, it was negatively affected by the domestic economic problem and the political unrest.

The domestic sales of cars and motorcycles in 2013, compared with 2012, decreased by 7.38% and 5.92% respectively, due to the first-car scheme, the slow domestic economy and the political unrest. Meanwhile, the number of exported cars and motorcycles increased with the help of recovery of the world economy and expansion in new markets.

According to the Office of Industrial Economics, the battery industry in 2013, based on the 8 main manufacturers, grew from 2012 in terms of production, domestic sales and export by 5.71%, 2.58% and 11.10% respectively. The domestic sales of automotive batteries did not increase much, because of the slow domestic economy and the political unrest. However, the production for export still increased in line with the recovery of world economy.

The price of lead, a main raw material of battery manufacture, in 2013 was 2,141 USD/ton, up by 80 USD/ton or 3.88% from 2,061 USD/ton in 2012. During 2013, the price of pure lead ranged between 2,027-2,375 USD/ton. The average price of the first quarter was almost 3,000 USD/ton, gradually up from the end of 2012. However, the price started decreasing in the second quarter to only 2,054 USD/ton. The price became fluctuated in the second half of 2013, staying at 2,102 USD/ton and 2,110 USD/ton on average in the third quarter and the fourth quarter respectively. Company tried to adjust the product prices to compensate with the higher lead price. However, in highly competitive markets, especially the domestic replacement market, the price adjustment could not be implemented, due to the limitation of competitiveness.

For the competition of battery business, batteries are an important part for generating energy for cars and motorcycles. Not only having been equipped with the vehicles, but they also are spare parts. Thus, the quantity of using batteries is directly relative with the quantity of cars and motorcycles.

Most of the battery manufacturers in Thailand are joint-ventures between Japaneses and Thais, and are transmitted technology from the joint-ventures. Close relationship with Japanese carmakers is an advantage of this kind of business operation. Most of the batteries produced in Thailand for cars and motorcycles are basic batteries. In the future, the manufacturers will pay more attention to industrial batteries, energy reserved for factories, buildings, offices and computers. At this moment, this type of battery must be imported for sale while the demand has increased from the expansion of several industries which need power supply batteries.

In 2013, the fierce competition took place in both domestic and export markets. The higher price of raw materials increased. Each manufacturer was afraid of losing their market share. For this year, Company had market share of approximately 8% and 4% in OEM and REM automobile battery markets respectively. For motorcycle batteries, the market share was approximately 38% in OEM and 18% in REM.

As a result, Company tried to improve the efficiency of production, personnel and operating structure. New technology was introduced to help in reducing operating cost. Fresh products were developed for lower cost but same efficiency. Even though cost of raw materials increased in the last year, each manufacture tried to expand the market to seize more market share. These were the reasons of high competition in terms of marketing and sales promotion, such as special discount and relation tightening in any forms.





5. Risk Factors

It is general for running a business operation that internal and external factors might affect on the company's financial status and operating results. Therefore, the Company set a process of managing internal and external risks. The management defines the policies and assesses the risks with the executives from several departments. Factors possible to obstruct the Company from achieve the objective, effects and probabilities are considered for setting an acceptable risk management measures. The management follows up to the operating results of each departments every month. These include things on production, sale, competitive condition, marketing strategy, financial management and progress of business plan. All of things mentioned help the Company to promptly plan a management for any risk which might be occurred. However, our organizational size is growing and several risks are occurred in various forms. As a result, in the beginning of 2014, the management proposed the Board to consider founding a risk management committee to review a report of risk assessment as well as give advice on setting an acceptable risk management measure. The issue is now under the process of the Board's consideration.

In addition, at present, the Company faces some risks which might affect on the operating profit, financial status or operating results in the future. However, apart from the risks mentioned in this report, there might be other risks which have not been recognized or are considered insignificant at the moment but possibly significant in the future. Details of the risks are summarized as below:

1. Risk from Fluctuated Prices of Raw Materials

Risk: The prices of raw materials, especially the main elements of battery production like lead and plastic, are an important factor for control of production cost. The cost of lead and plastic are approximately 70-80 per cent of the total production cost. In case that the prices of raw materials fluctuate in line with the market, the operating result and financial status will be directly impacted. For 2013, the price of pure lead fluctuated very much. For the process of purchasing lead, the suppliers confirm their quotations based on the data of London Metal Exchange one month in prior to delivery. The average price of pure lead in 2013 was at 2,141 dollars per ton, up by 80 USD/ton or 3.88% from 2,061 USD/ton of 2012. During 2013, the price of pure lead fluctuated from 2,027-2,375 USD/ton.

Measure: The Company set a measure to control usage and storage of lead in line with the working plan and production demand. Short-term agreements were entered into with several suppliers. Also, the management will follow up to the operation of sales departments every month. In case that the fluctuation affects on the Company's cost, the management will promptly manage the risk.

2. Risk from Relying on the Joint Venture

Risk: Risk from relying on the joint venture's capability. It is divided into two aspects- technology and marketing.

In term of technology, the Company's technology was transferred from GS Yuasa International Ltd. (the joint venture) under the yearly agreement of technical support for battery production and development. In case of no amendment, the agreement will be automatically extended year by year. However, in the event of no renewal of technology transfer, the quality of goods from production might be affected which might lead to impact on operating result.

In term of overseas markets, the Company has an authority to sell the products within the territory assigned by GS Yuasa International Ltd., including Cambodia, Lao and Myanmar. Apart from these areas, we have to ask for permission from GS Yuasa International Ltd. to avoid conflict of distribution with "YUASA" affiliates in other countries. In 2013, we continuously exported the products through GS Yuasa International Ltd. and the affiliate amount to 53.25 million baht or 18.85% of the total export amount, 3.07% of the Company's total revenue from selling.

Measure: The Company always recompenses in the form of royalty fee, pursuant to the agreement of providing technique of battery production and development. (The royalty fee is calculated by unit produced for all types of conventional batteries and all trademarks and by sales percentage for all types of maintenance-free batteries.) Also, the agreement between the Company and GS Yuasa International Ltd. has been renewed constantly for over 51 years. For limitation of overseas markets, the Company could export to the countries not territorial to any "YUASA" affiliates. At present, some of our overseas customers are in the countries not territorial to our affiliates.



5. Risk Factors

3. Risk from a Few Customers

Risk: In 2013, the Company relied on selling to a few customers for OEM market. One of our domestic customers possessed 95.40 per cent of the total OEM sales of automotive batteries. Also, the sales of motorcycle batteries generated from supplying to one group of OEM customers, both domestic and overseas, were 85.88% of the total OEM sales of motorcycle batteries. Thus, in case that the customers cancel their orders, our operating result will be impacted.

Measure: We have a policy to produce batteries for some customers to indirectly promote the Company. Meanwhile, the customers, automobile and motorcycle manufacturers, require high quality, reliable, fair-priced and widely accepted batteries. Due to the long-term relationship between the Company's Japanese joint-venture and the parent company of the customers and good relationship between the Company and the customers themselves, there is low risk that the customers will cancel their orders. However, to spread risk from relying on only one customer or a few, we try to find new customers for our automobile and motorcycle battery markets.

4. Risk from tough Competitions

Risk: Due to simplicity of automotive battery business, it is likely that new entrepreneurs will continuously enter the market to compete for share. A new entrepreneur might join the market by establishing a factory or importing batteries for domestic sale. Moreover, the local market is limited, increasing competitiveness. Selling expenses might increase, especially from motivating customers to order their own products like launching sales promotions or reducing prices, and affect on the operating result.

Measure: At present, the Company's products are accepted by both OEM and REM customers in term of high quality. We also set some measures to cope with higher competition as follows:- (1) Always update production technologies; (2) Control waste of production and machines for lower manufacturing cost and price competitiveness; (3) Plan development of new products to address the customer demand; (4) Maintain relationship with suppliers of raw materials and existing customers as well as make commercial agreements with some manufacturing hirers; (5) Find new sales channels in forms of Modern Trade; and (6) Expand flexibility of production to always support and address the customer demands.

5. Risk from Foreign Currency Incomes, Expenses and Loans

Risk: The Company has business relating to usage of foreign currency in several forms, such as exporting products, importing raw materials and receiving financial support from GS Yuasa International Ltd. (the joint venture). All of these put the Company in risk of exchange rate. As of December 31st, 2013, we had assets and debts in foreign currency, converted in THB, amount to 43.53 million baht and 174.35 million baht respectively. The said debts were loans, from the joint venture, in JPY amount to 235 million yen or 74.23 million baht.

Measure: We are monitoring currency exposure month by month and try to hedge big amount of material import to minimize the currency risk. In term of export, the overseas sales department made a sales plan in THB and reserved around 5-10% for change in foreign exchange rate in case of fluctuated currency. Also, the management has plans to adjust the standard value of currency for estimating selling prices. In addition, we have implemented the policy to prevent against risk from fluctuated exchange rate.

6. Risk from Lack of Financial Liquidity

Risk: At the end of 2013, the Company faced with slight financial illiquidity, because of high investment in improvement of equipment, machines, office buildings and factory buildings to support higher production capacity as well as the factory's environment and environmental treatment system. Therefore, in case of illiquidity, the Company's payment might be affected.

Measure: The Company thoroughly managed the risk of liquidity. We made credit facilities with financial institutes, and would require loan supports from the joint-venture if necessary. Moreover, the Company controlled the operations for maximum efficiency, especially by utilizing materials, reducing waste in production and decreasing unnecessary expenses for the Company's highest benefits.

7. Risk from Shortage of Labour

Risk: The risk from shortage of labour continued from 2012 to 2013. The supply of labour was not in line with the demand, due to the global economic recovery and the growing domestic economy. The Company



5. Risk Factors

prepared some measures, because labour shortage or turnover caused unskillful operation and below-targeted production. Insufficient skills of new workers might cause more waste in production.

Measure: To reduce the risk from shortage and turnover rate of labour, the Company increased wages and welfares to attract the employees, as well as hired subcontractors. Terms made with the subcontract providers were stated that they would be able to support workforce as required for the Company's smooth production. These were the reasons of higher labour cost. In the event that the increase in labour cost exceeds the increase in productivity, the industry would lose competitiveness to fight against the competitors overseas.

8. Risk from Environmental Management

Risk: The Company's automotive battery manufacturing is directly related with the environmental management. The process of battery production in the factory caused waste or pollution, such as wastewater polluted with lead powder, dust from producing lead powder, cutting and brushing, smell of gas from incomplete lead melting and noise from machine operation. In case of lack of appropriate management, prevention or waste treatment system, the employees, nearby people and internal and nearby environment of the factory might be impacted.

Measure: The Company prepared a procedure of waste eradication and treatment systems resulting from manufacturing process. For example, wastewater treatment system is to eradicate lead powder in wastewater before releasing outside the factory. Dust collector system in the areas affected by spreading of lead powder is to provide an effective burning system to reduce the smell of gas from manufacturing. Noise protection equipment is to protect any noise of machines which is louder than what specified by the law.



6. General Information of Company

• The Detail of Company

Company	:	Yuasa Battery (Thailand) Public Company Limited
Register no.	:	0107537002672 (Bor Mor Jor. 514)
Type of business	:	Battery manufacturer, distributor and importer
Address of Head Office and Factory	:	164 Moo 5 Soi Thedsaban 55, Sukhumvit Road, Tambol Taibanmai, Amphur Muangsamutprakan, Samutprakan 10280 Tel: 0-2769-7300 Fax: 0-2769-7349 Homepage : www.yuasathai.com

• Number and Type of Share

Authorized Ordinary Share, Issued and Paid-up Capital	107,625,000 shares
Par Value	1 Baht
Total Capital	107,625,000 Baht

• The Detail of Subsidiary Company

- Subsidiary Company (Yuasa Sales and Distribution Co., Ltd.)

Yuasa Battery (Thailand) Public Company Limited is holding 99,999 shares or 99.99% of the subsidiary's paid registered capital. The subsidiary company is responsible for marketing activities and sole distributors in replacement market of car and motorcycle batteries.

- Information of Subsidiary Company

Yuasa Sales and Distribution Co.,Ltd. is located at 164 Moo 5 Soi Thedsaban 55, Sukhumvit Road, Tambol Taibanmai, Amphur Muangsamutprakan, Samutprakan 10280 Tel : 0-2769-7300 Fax : 0-2769-7349 and registered as company limited on July 3, 1997 No. Bor Jor (5)1049/2540

Type of Business	:	Distribution of car and motorcycle batteries
Dividend Payment	:	Upon shareholder's meeting's resolution
Account Year	:	1 January - 31 December
Auditor	:	Mrs.Suvimol Krittayakiern Certified Public Accountant (Thailand) Registration No.2982 December 31, 2012
Ordinary Share	:	100,000 Shares, Par Value 10 Baht
Issued and Paid	:	100,000 Shares, Par Value 10 Baht
Number of Shareholders	:	7

- Board of Directors as at 31 December 2013

1. Mr.Pornchak	Manutham
2. Pol.Maj.Gen Supchan	Manutham
3. Mr.Takeo	Yamamoto
4. Mr.Kazuhiko	Noda
5. Mr.Katsumi	Nakato

- Other References

Registrar	:	Thailand Securities Depositing (Thailand) Co.,Ltd. 62 The Stock Exchange of Thailand Building, Rachadapisek Road, Klongtoey, Bangkok 10110 Tel: 0-2229-2800 Call Center: 0-2229-2888
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6. General Information of Company

Auditor : Mrs.Suvimol Krittayakiern
Certified Public Accountant (Thailand) Registration No.2982
D I A International Audit Co.,LTD
316/32 Sukhumvit 22 Sukhumvit Rd., Klongtoey, Bangkok 10110
Tel: 0-2-259-5300 Fax: 0-2260-1553

Financial Advisor : Thanachat Securities Co.,Ltd.
231 Thanachat Park Place Tower, 5th Floor, Lumpini , Pathumwan, Bangkok 10330
Tel: 0-2126-8300



7. Shareholders Structure and Dividend Payment Policy

Shareholders Structure

The first 10 major shareholders with number of shares held and share ratios as at the last closing book dated March 21, 2014

	Shareholder List	Number of Shares	% of Share
1.	GS Yuasa International Ltd.	43,789,450	40.69
2.	Metropolitan Motor Service co.,Ltd.	20,584,370	19.13
3.	Siam Motor Part co.,Ltd.	8,142,800	7.57
4.	Fuij mercantile co.,Ltd.	6,971,600	6.48
5.	Central Agency co.,Ltd.	5,865,100	5.45
6.	Manutham Group	3,447,100	3.20
	1) Pol.Lt.Chan Manutham	2,682,400	2.49
	2) Mr.Pornchak Manutham	325,000	0.30
	3) Ms.Chanchai Manutham	263,900	0.25
	4) Ms.Pakrapai Wattanakul	110,000	0.10
	5) Pol.Lt.Col Warawuth Manutham	32,900	0.03
	6) Ms.Chamaiporn Manutham	32,900	0.03
7.	Mr.Yutaka Ueda	2,363,700	2.20
8.	Mr.Sopon Mithpanpanich	1,132,000	1.05
9.	Miss.Anchana Pinijkusonjid	460,000	0.43
10.	Mr.Pravit Sripratak	345,000	0.32
	Total the first 10 major shareholders	93,101,120	86.51
	Minor shareholders	14,523,880	13.49
	Total	107,625,000	100.00

Remarks: Manutham Family is the major shareholder of Metropolitan Motor Service Co., Ltd.

Source : The stock Exchange of Thailand Group.

Dividend payment policy

The Company has a policy to pay the dividend not lower than 40% of the net profits after deducting tax, legal reserve and other reserves of the financial statements.

The Subsidiary has a policy to pay the dividend around 60-70% of the net profits after deducting tax, legal reserve and other reserves.



8. Management Structure

1. Management Structure

Company management structure currently comprised of three boards, the Board of Directors, Audit Committee and Remuneration Committee. However, the Board is under the process of consideration to appoint the Risk Management Committee that is expected to be complete in 2014. The details of each the board are followings:-

1.1 The Board of Directors (Please see the resume of the Board of Directors)

As of December 31, 2013 the Board of Directors of Company comprised of 12 persons as follows:-

Name	Position	Appointment
1.Mr.Katsumi Nakato	Chairman of the Board of Director (Acting) and Chief Executive officer	December 14,2005
2.Mr.Pornchak Manutham	Director	December 8,2003
3.Pol.Maj.Gen.Supchan Manutham	Director	May 8,2012
4.Mr.Pramote Manutham	Director	April 19,2004
5.Mr.Kazuhiko Noda	Director	March 4, 2013
6.Mr.Takeo Yamamoto	Director	November 4,2011
7.Mr.Eiichiro Kato	Director	August 4,2011
8.Mr.Subhavas Bandhuvadh	Director and Chief operation officer	April 19,2004
9.Dr.Kusaya Leerahawong	Independent Director and Chairman of Audit Committee	February 21,2006
10.Mr.Yothin Vimoogtayon	Independent Director and Audit Committee	April 22,2008
11.Mr.Prasert Kitisakkul	Independent Director and Audit Committee	April 21,2010
12.Asst.Prof.Dr.Lawan Thanadsillapakul	Independent Director and Audit Committee	April 21,2010

Remark; Mr.Kazuhiko Noda was appointed as Director, replacing Mr.Hiroshi Tateiwa who resigned on March 4, 2013.

And Mr.Sukthae Ruangwattanachot is Company Secretary.

Balance Checking of Non-Executive Directors

The board of directors is comprising of 12 directors as of December 31, 2012

- Executive Directors	2
- Non – Executive Directors	6
- Independent Directors and Audit Committee	4

In light of the above, Company has 6 non-executive directors, being 50% of the board members and Audit Committee who are Independent Directors, being 33.33%. And non-Executive Director comprises of

1. Mr.Pornchak	Manutham	Director
2. Pol.Maj.Gen.Supchan	Manutham	Director
3. Mr.Pramote	Manutham	Director
4. Mr.Kazuhiko	Noda	Director
5. Mr.Takeo	Yamamoto	Director
6. Mr.Eiichiro	Kato	Director

The authorization of directors are “Mr.Pornchak Manutham or Pol.Maj.Gen.Supchan Manutham and Mr.Katsumi Nakato or Mr.Takeo Yamamoto, 2 directors jointly sign with Company’s seal”

Scope of the Board of Directors

The Board of directors shall perform its entrusted obligations with its most endeavor, capability and experience under the guideline of Company’s objectives, regulations, shareholder’s resolutions, Stock Exchange of Thailand (SET) and Securities and Exchange Commission (SEC) regulation and etc. with full carefulness for the interest and benefit of Company and shareholders.

The scopes are as follow:-

1. The Board will take part in the determination of the policy and direction of Company and to monitor and supervise the management to the policy efficiency and effectively for increasing the maximize economic value and shareholders’ wealth. Further, the Board should also concern the responsibility of social and environment.
2. Consider the operation plan and to develop Company to compete in the international level.
3. Evaluate Company’s operation of Chief Executive Officer
4. Implement the efficient system of internal control and internal audit



8. Management Structure

5. Independent director and other external director should have their opinion to consider and review the strategy, management, appointment of director, operation standard, objection the other opinion when disagree in the issue which relate with equitable treatment of shareholder.
6. Consider to select and propose the appointment of external auditor and remuneration of external auditor
7. Having outside counsel or other professional to advise the board as necessary.
8. The board shall have Company secretary to take care of the activity of the Board and to help the board to work in line with law and regulation of Company.
9. Propose the appointment and retirement of director.
10. Consider and approve the business activity which relates with the financial status, liability, strategy and reputation of Company.
11. Consider the related transaction of parent company or affiliated company and to propose to shareholder's meeting if having materiality.
12. Company has determined to have the business ethics to be the guidance for directors and employees of Company.
13. Recognize the responsibility of the Board and to respect the right of shareholder and stakeholder.
14. Disclose the sufficient and correctly data for transparency.
15. Protect the benefit of mainly shareholder and minority shareholder with fairness.

1.2 Audit Committee (AC)

Audit Committee (AC), comprised of Independent Director 4 persons as follows:-

- | | | |
|------------------------|------------------|--|
| 1. Dr.Kusaya | Leerahawong | Independent Director and Chairman of Audit Committee |
| 2. Mr.Yothin | Vimoohtayon | Independent Director and Audit Committee |
| 3. Mr.Prasert | Kittisakkul | Independent Director and Audit Committee |
| 4. Asst.Prof.Dr. Lawan | Thanadsillapakul | Independent Director and Audit Committee |
- And Ms.Darawan Suksawat is a secretary of Audit Committee.

Company has 4 Independent directors and Audit Committee, being 33.33% of the board members. Persons who specialize and experience in audit financial statement of Company are Dr.Kusaya Leerahawong (Please see the resume of Audit Committee)

Scope of Audit Committee

The duty and responsibility of Audit Committee is consistency with the regulation of Audit Committee and Stock and Exchange of Thailand as following details:-

1. To review Company's financial reporting process to ensure accuracy and adequacy; and credible in accordance with general accepted accounting standards.
2. To review and ensure that Company has suitable and efficient internal control system and internal audit, to determine an independency of an internal audit unit, as well as to approve the appointment, transfer and dismissal of the chief of the internal audit unit or other units that in charge of an internal audit;
3. To review the performance of Company to ensure compliance with the securities and exchange law, regulations of the Stock Exchange of Thailand or laws relating to business of Company.
4. To consider, select and nominate an independent person to be an external auditor of Company, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;
5. To review transaction with related parties or transaction that may lead to conflict of interest to ensure the accurateness and completeness to ensure that comply with the laws and the Exchange's regulations, with reasonable the best benefits to Company;
6. To review the internal audit plan and operation of the internal auditor unit as well as coordinate with external auditor.
7. To prepare the audit committee report and disclose it in Company annual report. The report should be signed by the chairman of the audit committee which consists of at least the following information:
 - 7.1 An opinion on the accuracy, completeness and creditability of Company's financial report.
 - 7.2 An opinion on the adequacy of Company's internal control system,
 - 7.3 An opinion on the compliance with the law of securities and exchange, the Exchange's regulations , or Company business relating laws,
 - 7.4 An opinion on the suitability of an auditor,
 - 7.5 An opinion on the transactions that may lead to conflicts of interests,



8. Management Structure

- 7.6 The number of the audit committee meetings, and the attendance of such meetings by each committee member.
- 7.7 An opinion or overview comment of the audit committee performance with charter compliance,
- 7.8 Other transactions which, subject to the audit committee's opinion, should be known by the shareholders and general investors, within the scope of duties and responsibilities assigned by Company's board of directors;
8. In perform the duty of Audit Committee, if the following transaction are found and might deliver some significant effect to Company's financial statement and performance, the Audit Committee should report to the Board of Director to adjust or amend within proper time it may see fit.
 - 8.1 Transaction that might create conflict of interest,
 - 8.2 Fraud or any irregularity or deficiency in internal control system,
 - 8.3 Violate the regulation about security and stock market, regulation of SET or any laws related to company business.If the Board of Directors or the management do not amend within the time as Audit Committee's consideration, one of the Audit Committee might report to SEC or SET that there is an action as from the above statement.
9. Other related matters assigned by the Board of Directors with the permission of the audit committee.

Definition of Independent Director

Company has set the definition of Independent Directors the same as the principles of Capital Market Supervisory Board (CMSB) and Stock Exchange of Thailand (SET). Details are as follow:

Independent directors are those not under the influence of major shareholders or groups of major shareholders, and command the following qualifications:

1. Their shareholdings must not exceed 1% of all shares entitled to voting rights of the Company, i.e. the parent company, its subsidiaries, its joint ventures, or juristic entities in potential conflict with the company. In this regard, the shares owned by persons related to them shall be counted as theirs.
2. They must not now be nor ever have been involved as executives, employees, hired workers, salaried consultants, or anyone with controlling authority of the Company, i.e. the parent company, its subsidiaries, its joint ventures, its associated subsidiaries, or juristic entities in potential conflict with the company, unless such association ended no less than 2 years before.
3. They are not related by blood or registered as being parents, spouses, siblings, children or spouses of the children and the executives, major shareholders, persons with controlling authority, or persons to be nominated as executives or persons of controlling authority in the Company or its subsidiaries.
4. They have no business relations with the Company, i.e. the parent company, its subsidiaries, its joint ventures, or juristic entities in potential conflict with the company in ways that might impair their independent judgment. They must also not be nor have been major shareholders, directors other than independent directors, or executives of entities having business relations with the Company, i.e. the parent company, its subsidiaries, its joint ventures, or juristic entities in potential conflict with the company, unless such association ended no less than 2 years before.
5. They are not be auditors of the Company, its corporations, its subsidiaries, its joint ventures, its major shareholders or its authorized persons and not significant shareholders, persons of controlling authority or partners of the auditing companies which employ the auditors of the Company, i.e. the parent company, its subsidiaries, its joint ventures, its major shareholders or its authorized persons, unless such association ended no less than 2 years before.
6. They must not now be nor ever have been a professional service provider i.e. legal consultants, financial advisors : receiving compensation for services rendered exceeding THB 2 million per annum from the Company i.e. the parent company, its subsidiaries, its joint ventures, major shareholders, persons with controlling authority, and not as significant shareholders, persons of controlling authority or partner of professional service provider unless such association ended no less than 2 years before.
7. They are not directors appointed as representatives of directors of the Company, major shareholders or of shareholders related to the major shareholders of the Company.
8. They shall not operate the same business and a significant competitive business with the Company, its subsidiaries, its joint ventures, its major shareholders and not the legal entities that may have conflict of interest, the executives, employees, hired workers, consultants receiving salaries or



8. Management Structure

holding more than 1% of the overall ordinary share of the other companies which operate the same business and be significant competitors with the Company, its subsidiaries, its joint ventures, its major shareholders or the legal entities that may have conflict of interest.

9. They have no other attributes that obstruct them from forming independent opinions on operation of the Company. Generally, forming an independent opinion means giving an opinion or making a report as assigned, regardless of any benefits related to assets or positions, influence of any persons or any groups of persons and pressure from any situations which obstruct them from giving a direct opinion.

After the appointment of the Independent Directors qualified under the above clause (1) to (9), the Independent Directors may be assigned by the Board of Directors to review, check or follow up the relevant issues of the Company, its subsidiaries, its joint ventures, its subsidiaries which are in the same ranking, its major shareholders or the persons with controlling authority in the form of collective decision and report such issues to the Board of Directors.

1.3 Remuneration Committee (RC)

The Board of Directors' meeting no.6/2012, which held on September 4th, 2012, had the resolution to appoint Remuneration Committee.

As of December 31, 2013, Remuneration Committee, comprised of 4 persons as follows:-

- | | | |
|------------------------|------------------|------------------------------------|
| 1. Mr.Pornchak | Manutham | Chairman of Remuneration Committee |
| 2. Dr.Kusaya | Leerahawong | Remuneration Committee |
| 3. Asst.Prof.Dr. Lawan | Thanadsillapakul | Remuneration Committee |
| 4. Mr.Takeo | Yamamoto | Remuneration Committee |

Remark; Mr.Takeo Yamamoto was appointed as Remuneration Committee of Company as from March 4, 2013.

And Ms. Chuntra Yingchareonchoke is a secretary of Remuneration Committee.

Scope of Work

1. To review and if necessary, propose the remuneration of the Company's directors serving on the Board of Directors.
2. To review and if necessary, propose changes or additions to senior management welfare, benefit, salary and bonus policies (such as employee stock options and other employee welfare allowances, subsidies and schemes).
3. To report to the Board of Directors on the Remuneration Committee's activities and findings.
4. Report to the Board of Directors and responsibility for explaining and answering any questions regarding the Board of Directors' remuneration in Shareholders' meeting.
5. Responsible for other tasks related to remuneration of Directors and Management as assigned by the Board of Directors.
6. The Committee should operate in good faith.

1.4 Sub-Committee

Company has not yet been the nomination committee and others except Audit Committee and Remuneration Committee.

1.5 Management Committee

The Chief Executive Officer shall appoint Management Committee who has the responsibility to operate and supervise Company business. Management Committee comprises of

- | | | |
|----------------|------------|-------------------------|
| 1. Mr.Katsumi | Nakato | Chief Executive Officer |
| 2. Mr.Subhavas | Bandhuvadh | Chief Operating Officer |

And Mr.Sukthae Ruangwattanachot is secretary of Management Committee.

Scope of Chief Executive Officer (CEO)

CEO has the duty to supervise for achieving the target and meeting's resolution as the policy of the Board. The power of CEO is under the condition of laws and regulations of Company as below:-

1. Consider and approve the action plan of the Department
2. Consider and approve the requisition of the department which has no power.
3. For approval of the procurement exceeding the Management's direct authority (The Management has authority to approve of any expenses and procurement within the amount of 5MB and 10MB respectively, as well as any purchases of raw materials for normal production.
4. Consider the investment plan before the proposal to the Board for approval.
5. Consider and approve the purchase of raw material as normal production.



8. Management Structure

6. Final approval by CEO for
 - 6.1) Change the source of purchase of raw material in local and abroad.
 - 6.2) Change or determine the sales price.
7. Primarily consider of employee bonus, and propose to the Board for approval.
8. Consider the appointment, transfer, punishment and dismissal the executive.
9. Having the power which identifies in Company's regulation.
10. Having the power to sign on behalf of Company in the document of sale and could assign the other person to operate temporally.
11. Having any power except the approval of related transaction as the regulation of Securities Exchange Commission (SEC).

1.6 Scope of Company Secretary

The Board of Directors Meeting no. 1/2005 dated February 25th, 2005 had a resolution to appoint Mr. Sukthae Ruengwattanachot as Company Secretary for the Company's corporate governance. Company Secretary shall comply with Section 89/15 and 89/16 of the Securities and Exchange Act (No.4) B.E.2551, the law, the objectives, the articles of association, the resolutions of the board and the resolutions of the shareholders with accountability, thoroughness and honesty. The duties of Company Secretary are legally defined as follows:

1. Preparing and keeping the following documents: (a) a register of directors; (b) a notice calling a director meeting, minute of the board of directors meeting and an annual report of the company; and (c) a notice calling a shareholder meeting and minutes of the shareholders' meeting;
2. Keeping a report on interest filed by a director or an executive and submitting a copy of report on interest under Section 89/14 to the chairman of the board and the chairman of the audit committee within seven business days from the date on which the company has received such report;
3. Performing any other acts as specified in the notification of the Capital Market Supervisory Board.

In addition, Company Secretary has any duties as assigned by the company:

1. Giving fundamental advice to a director on law and regulations and rules of the company, ensuring that acts are performed correctly and constantly, as well as reporting any significant changes to a director;
2. Legally disclosing actual and updated data and information to a stakeholder or an investor;
3. Being a center of communication for shareholders, general investors or any persons requiring details of the company;
4. Contacting the company's internal units for their compliance with the resolutions of board and the resolutions of shareholders, as well as performing any other acts as assigned by the board.

2. The remuneration of Directors

Money remuneration

Shareholder's meeting no.19/2013 on April 10, 2013 has set the remuneration of the Board of director and Audit Committee as follows:-

(Unit : Baht)				
Group	Position	Meeting allowance (time/person)	Yearly remuneration (year/person)	Quarterly allowance (time/person)
The Board	Chairman	12,500	-	-
	Director	10,000	-	-
Audit Committee	Chairman	12,500	100,000	10,000
	Director	10,000	80,000	10,000
Remuneration Committee	Chairman	12,500	-	-
	Director	10,000	-	-

Furthermore, the meeting determined the yearly allowance of directors at not over than 4% of net profit after tax of consolidated financial statement.



8. Management Structure

Directors remuneration of Company in 2012-2013 for the Board

(Unit : Baht)

Directors	Annual Remuneration		Meeting Allowance		Entering of Meeting/Amount of Meeting (Time) per year	
	2013	2012	2013	2012	Ordinary (2013)	Ordinary (2012)
1.Mr.Katsumi Nakato	50,000	85,000	100,000	87,500	7/7	8/8
2.Mr.Pornchak Manutham	50,000	85,000	70,000	80,000	7/7	8/8
3. Pol.Maj.Gen.Supchan Manutham	50,000	56,666	70,000	40,000	7/7	4/8
4.Mr.Pramote Manutham	50,000	85,000	70,000	80,000	7/7	8/8
5. Mr.Hiroshi Tateiwa	8,493	85,000	20,000	70,000	2/7	7/8
6.Mr.Kasuhiko Noda	41,507	-	20,000	-	2/7	-
7.Mr.Takeo Yamamoto	50,000	85,000	40,000	40,000	4/7	4/8
8.Mr.Eiichiro Kato	50,000	85,000	50,000	50,000	5/7	5/8
9.Mr.Subhavas Bandhuvadh	50,000	85,000	70,000	80,000	7/7	8/8
10.Dr.Kusaya Leerahawong	50,000	85,000	105,000	80,000	7/7	8/8
11.Mr.Yothin Vimoohtayon	50,000	85,000	85,000	70,000	5/7	7/8
12.Mr.Prasert Kittisakkul	50,000	85,000	95,000	80,000	6/7	8/8
13.Asst.Prof.Dr.Lawan Thanadsillapakul	50,000	85,000	105,000	70,000	7/7	7/8
Total	600,000	991,666	887,500	840,000	-	-

Remarks: The directors who resigned and to be appointed for replacement as follow:

1. Pol.Maj.Gen.Supchan Manutham no.4 was appointed as Director as from May 8, 2012 to replace Pol.Lt.Chan Manutham who passed away from March 29, 2012
2. Mr.Kazuhiko Noda no.6 was appointed as Director to replace Mr.Hiroshi Tateiwa Director who resigned as from March 4, 2013.

Remuneration of directors who are management, and management

(Unit : Baht)

Detail	Directors who are management, and management	
	11 persons of year 2013	10 persons of year 2012
1.Salary	13,456,175	12,649,863
2.Meeting allowance	200,500	265,500
3.Bonus	1,554,728	2,150,942
4.Others welfare	2,808,130	3,129,560

Remark: Management remuneration comprising of expenses of Yuasa Battery (Thailand) Plc. and subsidiary. Said remunerations are not included in Company's expenses on staffs.

The remuneration of Audit Committee 2013

(Unit : Baht)

Audit Committee	Quarterly and yearly allowance		Meeting allowance		Entering of Meeting/Amount of Meeting(Time) per year	
	2013	2012	2013	2012	2013	2012
1.Dr.Kusaya Leerahawong	135,000	120,000	175,000	200,000	14/14	16/16
2.Mr.Yothin Vimoohtayon	115,000	100,000	120,000	130,000	12/14	13/16
3.Mr.Prasert Kittisakkul	115,000	100,000	140,000	160,000	14/14	16/16
4.Asst.Prof.Dr.Lawan Thanadsillapakul	115,000	100,000	140,000	160,000	14/14	16/16
Total	480,000	420,000	575,000	650,000	-	-



8. Management Structure

The remuneration of Remuneration Committee 2013

(Unit : Baht)

Remuneration Committee	Meeting allowance		Entering of Meeting/Amount of Meeting(Time) per year	
	2013	2012	2013	2012
1. Mr.Pornchak Manutham	27,500	12,500	2/2	1/1
2.Dr.Kusaya Leerahawong	20,000	10,000	2/2	1/1
3.Asst.Prof.Dr.Lawan Thanadsillapakul	20,000	10,000	2/2	1/1
4. Mr.Hiroshi Tateiwa	10,000	10,000	1/2	1/1
5. Mr.Takeo Yamamoto	-	-	-	-
Total	75,000	42,500	-	-

Remarks: Mr.Takeo Yamamoto was appointed as Remuneration committee of Company to replace Mr.Hiroshi Tateiwa Director who resigned as from March 4, 2013.

Other remuneration

- none-

3. Personnel

Number of employees

Number of employees of Company and its Subsidiary as of December 31st, 2013 was 621. Details of the expenses incurred in 2013 are as follows:

Detail	Number of Employees (Person) As of December 31 st , 2013			Remuneration of 2013 (Thousands)		Welfare of 2013 (Thousands)		Expenses for Improving the Employees of 2013 (Thousands)	
	Company	Subsidiary	Total	Company	Subsidiary	Company	Subsidiary	Company	Subsidiary
Head Office	68	42	110	33,252	14,557	3,460	5,205	103	-
Factory	511	-	511	152,950	-	8,350	-	337	-
Total	579	42	621	186,202	14,557	11,810	5,205	440	-

Other Remunerations

Apart from the remunerations mentioned above, Company found a provident fund in 2005, according to the Provident Fund Act B.E. 2530. 3% of employee salary are paid by the Company to the provident fund. The employees have alternatives to pay 3% of their salaries or not to be a member. The Company and its Subsidiary jointly paid into the provident fund. The money paid amount to 2.46 MB was recorded as expenses in the income statement.

Training Courses and Improvement of Personnel

Training courses and improvement of personnel in 2013 are a conventional process intended to enhance the personnel's knowledge and skills for their efficient performance.

Objectives of Training Courses and Improvement of Personnel

1. Training courses and improvement of personnel can create more efficient employees who have morale. They also promote loyalty to the organization and reduce accidents and loss which might occur from unawareness and in expertise.
2. The employees who are trained and enhanced will have knowledge, skills, positive thinking (not act like an 'overflowing cup of tea') and morale which result to career advancement.

Process of Training and Improvement of Personnel

1. Analyze demand of training and improvement
2. Check necessary demand of each group
3. Plan a training and improvement project
4. Propose the project for approval
5. Set practices of operation
6. Evaluate the results



8. Management Structure

Types of Training

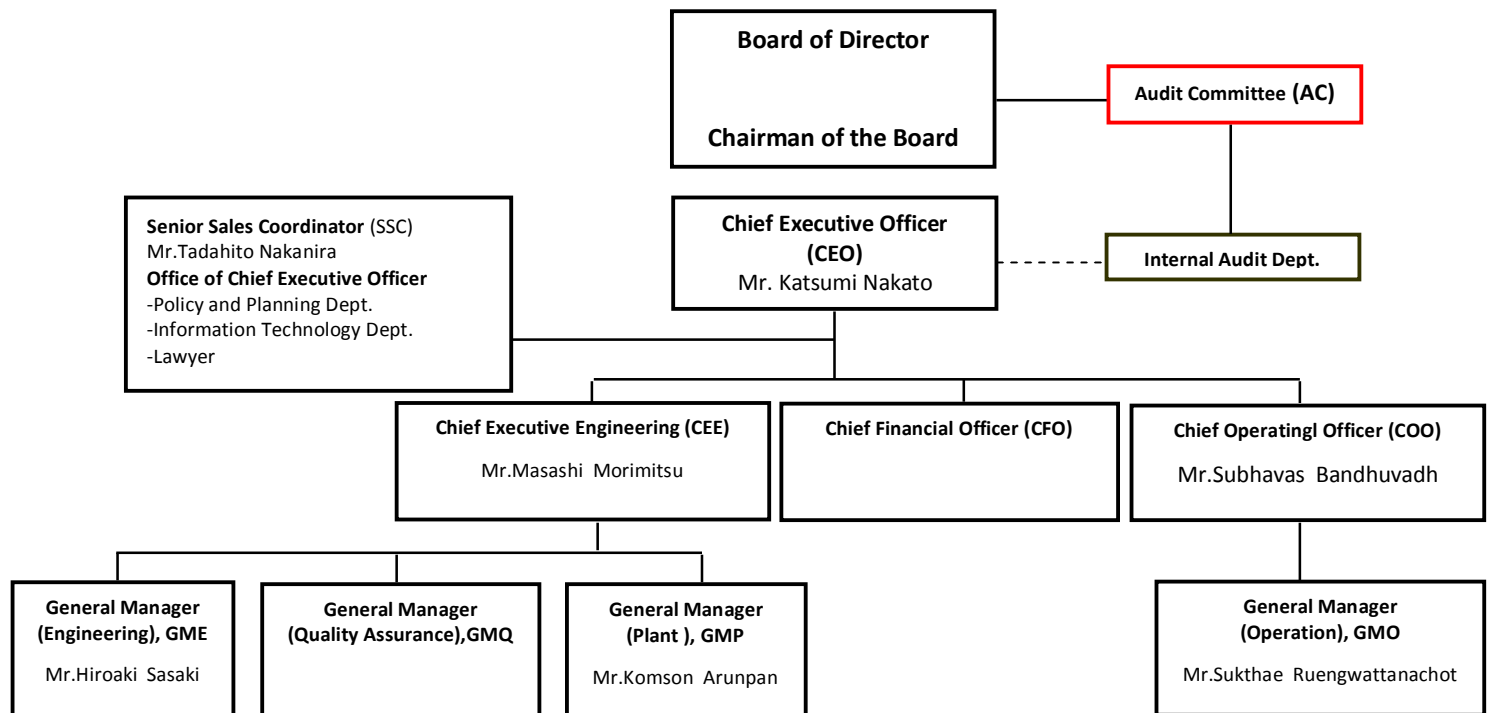
1. Newcomer orientation: the objective is to introduce to them the environment, regulations, welfares, safe and correct practices, ISO9001:2008, ISO14001 as well as the management and the department managers, so that the new employees will be familiar with the company's society promptly and less serious. Topics talked in an orientation include (1) history of the company; (2) regulations and welfares of the company; (3) safety in work; (4) fundamental of ISO9001:2008; (5) fundamental of ISO14001.
2. Internal training: the employees in all levels were trained to enhance their knowledge and competence in order to apply them to the operation. The training courses included both for supervisors and employees. One course per month was conducted, such as fundamentals of fire fighting, KPIs evaluation, zero waste, personnel income tax and positive thinking.
3. External training: the employees were sent to be trained outside with training companies on specific fields of each person.

Educational tours: the employees were out for learning at several companies to open their visions and gain new experiences in order to apply them to their improvement.



8.1 Organization Chart

The organization chart of Yuasa Battery(Thailand) Plc. and Subsidiary Company as of December 31, 2013





8.2 Director and management

Mr.Katsumi Nakato

**Position : Vice Chairman of the Board
Chief Executive officer**

**Appointment : December 14, 2005
Period of Position : 8 Years**



Mr.Pornchak Manutham

**Position : Director and Chairman of
Remuneration Committee**

**Appointment : December 8, 2003
Period of Position : 10 Years**



Share Portion -Nil-

Age 59 Years
Nationality Japanese
Education Social Science Department, Osaka University, Japan
No Training Certificate of Thailand Institute of Directors (IOD) Director Accreditation Program (DAP)

Working Experience in the Last 5 Years

Present Vice Chairman of the Board Yuasa Battery (Thailand) Public Company Limited.
2007 Chief Executive officer Yuasa Battery (Thailand) Public Company Limited. Director Yuasa Sales and Distribution Co., Ltd.
2006 Director and Executive Vice President Yuasa Battery (Thailand) Public Company Limited, Yuasa Sales and Distribution Co., Ltd.

Relation to Management -Nil-
Legal action -Nil-

Meeting Attendance/Number of Meetings (Times/Year 2013)

Yuasa Battery (Thailand) Public Co.,Ltd.
❖ Board of Directors Meeting 7/7 Times
❖ Annual General Shareholder Meeting 1/1 Times
Yuasa Sales and Distribution Co.,Ltd.
❖ Board of Directors Meeting 9/9 Times

Current Other Position

❖ Listed Company -Nil-
❖ Company -Nil-

Other business that may lead to conflict of interest -Nil-

Share Portion 325,000 shares or 0.30 %

Age 58 Years
Nationality Thai
Education Master of Business Administration, Thammasart University
Bachelor of Business Administration, Ramkhamhaeng University
Bachelor of Science, Chulachomklat Royal Military School
Training Certificate of Thailand Institute of Directors (IOD) Director Accreditation Program (DAP) 23/2004, Director Certification Program (DCP) 156/2012, Role of the Chairman Program (RCP) 28/2012

Working Experience in the Last 5 Years

2007-Present Director, Yuasa Battery (Thailand) Public Company Limited and Yuasa Sales and Distribution Co., Ltd.

Relation to Management Younger brother of Mr.Pramote Manuthan and Pol.Maj.Gen Supchan Manuthan
Legal Action -Nil-

Meeting Attendance/Number of Meetings (Times/Year 2013)

Yuasa Battery (Thailand) Public Co.,Ltd.
❖ Board of Directors Meeting 7/7 Times
❖ Annual General Shareholder Meeting 1/1 Times
❖ Remuneration Committee meeting 2/2 Times
Yuasa Sales and Distribution Co.,Ltd.
❖ Board of Directors Meeting 9/9 Times

Current Other Position

❖ Listed Company -Nil-
❖ Company 4 Companies as follows :

Company	Position	Period of position
1. Yuasa Sales and Distribution Co.,Ltd.	Director	10 Years
2. Metropolitan Motor Service Co.,Ltd.	Director	19 Years
3. Fujii mercantile Co.,Ltd.	Director	16 Years
4. Central Agency Co.,Ltd.	Director	18 Years

Other business that may lead to conflict of interest -Nil-

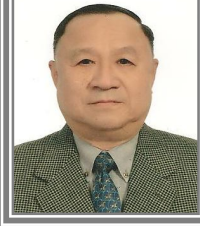


8.2 Director and management

Pol.Maj.Gen.Supchan Manutham

Position : Director

Appointment : May 8, 2012
Period of Position : 1 Years 7 Months



Share Portion

-Nil-

Age	67 Years	
Nationality	Thai	
Education	Master of Public Administration, Chulalongkorn University Bachelor of law, Thammasart University	
Training	Certificate of Thailand Institute of Directors (IOD) Director Accreditation Program (DAP)	
<u>Working Experience in the Last 5 Years</u>		
Present	Director, Yuasa Battery (Thailand) Public Company Limited and Yuasa Sales and Distribution Co., Ltd.	
1992-Present	Director, Manutham mansion Dept. Co.,Ltd.	
2011-Present	Director, North East Green Energy (Thailand) Co.,Ltd.	
2011-Present	Director, Zeer property Public Co.,Ltd.	
Relation to Management	Yonger brother of Mr.Pramote Manuthan ,Older brother of Mr. Pornchak Manuthan.	
Legal Action	-Nil-	
<u>Meeting Attendance/Number of Meetings (Times/Year 2013)</u>		
Yuasa Battery (Thailand) Public Co.,Ltd.		
❖ Board of Directors Meeting	7/7 Times	
❖ Annual General Shareholder Meeting	1/1 Times	
Yuasa Sales and Distribution Co.,Ltd.		
❖ Board of Directors Meeting	9/9 Times	
<u>Current Other Position</u>		
❖ Listed Company	1 Companies	
❖ Company	3 Companies as follows :	
Company	Position	Period of position
1. Yuasa Sales and Distribution Co.,Ltd.	Director	1 Year 7 Months
2. Manutham mansion Dept. Co.,Ltd.	Director	21 Years
3. North East Green Energy (Thailand) Co.,Ltd	Director	2 Years
4. Zeer property Public Co.,Ltd.	Chairman	2 Years
Other business that may lead to conflict of interest -Nil-		

Mr.Pramote Manutham

Position : Director

Appointment : April 19, 2004
Period of Position : 9 Years 8 Months



Share Portion

-Nil-

Age	69 Years	
Nationality	Thai	
Education	B.S. In Economics, Tokyo, Japan M.S. In Economics, New York, U.S.A	
Training	Certificate of Thailand Institute of Directors (IOD) Director Accreditation Program (DAP) 66/2007	
<u>Working Experience in the Last 5 Years</u>		
2009-Present	Director of Yuasa Battery (Thailand) Public Company Limited.	
2004-Present	President, Asec Company Limited The Aslan Security Center Kungkamu the family Housing Project/ Founder & Shareholder	
2003- Present	Coinseilor, Ars Chemical (Thailand) Co., Ltd. Honorary Advisor, Tekton International Co., Ltd. And Group of Companies, Properties Turnkey Consultant	
1995- Present	President, Sahachai Electronic (Thailand) Co., Ltd.	
Relation to Management	Older brother of Pol.Maj.Gen Supchan Manuthan and Mr. Pornchak Manuthan.	
Legal Action	-Nil-	
<u>Meeting Attendance/Number of Meetings (Times/Year 2013)</u>		
Yuasa Battery (Thailand) Public Co.,Ltd.		
❖ Board of Directors Meeting	7/7 Times	
❖ Annual General Shareholder Meeting	1/1 Times	
<u>Current Other Position</u>		
❖ Listed Company	-Nil-	
❖ Company	3 Companies as follows :	
Company	Position	Period of position
1. Taisei General Co.,Ltd.	Director	31 Years
2. Johoku wirehardness Co.,Ltd.	Director	26 Years
3. Sahachai Electronics(Thailand) Co.,Ltd.	Director	19 Years
Other business that may lead to conflict of interest -Nil-		



8.2 Director and management

Mr.Takeo Yamamoto

Position : Director and
Remuneration Committee

Appointment : November 4, 2011
Period of Position : 2 Years 1 Month



Mr.Eiichiro Kato

Position : Director

Appointment : August 4, 2011
Period of Position : 2 Years 4 Months



Share Portion

-Nil-

Age 51 Years
Nationality Japanese
Education Osaka University of Foreign Studies,
Major in English
No Training Certificate of Thailand Institute of
Directors (IOD) Director Accreditation
Program (DAP)

Working Experience in the Last 5 Years

Present Director, Yuasa Battery (Thailand)
Public Company Limited and
Yuasa Sales and Distribution Co., Ltd.
2011-Present Manager, Business Management
Group, Planning Department,
International Business Unit, GS Yuasa
International Ltd.
2010 Group Manager, Business
Management Group, Planning Dept.,
GS Yuasa International Ltd.
2008 Group Manager, Business
Administration Group, Business
Promotion Division, GS Yuasa
International Ltd.

Relation to Management -Nil-
Legal action -Nil-

Meeting Attendance/Number of Meetings (Times/Year 2013)

Yuasa Battery (Thailand) Public Co.,Ltd.
❖ Board of Directors Meeting 4/7 Times
❖ Annual General Shareholder Meeting 0/1 Times
❖ Remuneration Committee meeting 0/0 Times
Yuasa Sales and Distribution Co.,Ltd.
❖ Board of Directors Meeting 4/9 Times

Current Other Position

❖ Listed Company -Nil-
❖ Company -Nil-

Other business that may lead to conflict of interest -Nil-

Share Portion

-Nil-

Age 44 Years
Nationality Japanese
Education Kanazawa University with master
Degree of Industrial Chemistry
No Training Certificate of Thailand Institute of
Directors (IOD) Director Accreditation
Program (DAP)

Working Experience in the Last 5 Years

Present Director, Yuasa Battery (Thailand) Public
Company Limited
2011-Present Group Manager, Business Promotion
Group, Business Promotion
Department, Automotive Battery
Business Promotion Division, GS Yuasa
International Ltd.
2010 Manager, Business Promotion Group,
Business Promotion Department,
Global Q.A.& Technical support
Headquarters, GS Yuasa International
Ltd.
2008 Manager, Business Promotion Group,
Business Promotion Department,
Manager Original Equipment Group,
Business Promotion Department,
GS Yuasa International Ltd.

Relation to Management -Nil-
Legal action -Nil-

Meeting Attendance/Number of Meetings (Times/Year 2013)

Yuasa Battery (Thailand) Public Co.,Ltd.
❖ Board of Directors Meeting 5/7 Times
❖ Annual General Shareholder Meeting 0/1 Times

Current Other Position

❖ Listed Company -Nil-
❖ Company -Nil-

Other business that may lead to conflict of interest -Nil-



8.2 Director and management

Mr.Kazuhiko Noda

Position : Director

Appointment : March 4, 2013
Period of Position : 8 Months



Mr.Subhavas Bandhuvadh

Position : Director and
Chief Operating Officer

Appointment : April 19, 2004
Period of Position : 9 Years 8 Months



Share Portion -Nil-

Age 53 Years
Nationality Japanese
Education Kansai University, Department of Economics, Faculty of Economics
No Training Certificate of Thailand Institute of Directors (IOD) Director Accreditation Program (DAP)

Working Experience in the Last 5 Years
Present Director, Yuasa Battery (Thailand) Public Company Limited and Yuasa Sales and Distribution Co., Ltd.
2012-Present General Manager, Business Management Department, International Business unit, GS Yuasa International Ltd.
2007 President, Ztong Yee industrial Co., Ltd.

Relation to Management -Nil-
Legal Action -Nil-

Meeting Attendance/Number of Meetings (Times/Year 2013)
Yuasa Battery (Thailand) Public Co.,Ltd.
❖ Board of Directors Meeting 2/4 Times
❖ Annual General Shareholder Meeting 0/1 Times
Yuasa Sales and Distribution Co.,Ltd.
❖ Board of Directors Meeting 2/6 Times

Current Other Position
❖ Listed Company -Nil-
❖ Company -Nil-

Other business that may lead to conflict of interest -Nil-

Remark; Mr. Kazuhiko Noda has appointment from the director of Company as from March 4, 2013.

Share Portion 500 shares or 0.0005 %

Age 59 Years
Nationality Thai
Education Bachelor of Law, Chulalongkorn University
Certificate of International law at Hague, the Netherlands
Management and Marketing Program University of California at Los Angeles (UCLA) Extension
Training Certificate of Thailand Institute of Directors (IOD) Director Accreditation Program (DAP) 21/2004

Working Experience in the Last 5 Years
2007-Present Director and Chief Operating Officer, Yuasa Battery (Thailand) Public Company Limited
2006-2007 Director Listed Company Association
2006-2007 Director and Senior Executive Vice President Yuasa Battery (Thailand) Public Company Limited

Relation to Management -Nil-
Legal action -Nil-

Meeting Attendance/Number of Meetings (Times/Year 2013)
Yuasa Battery (Thailand) Public Co.,Ltd.
❖ Board of Directors Meeting 7/7 Times
❖ Annual General Shareholder Meeting 1/1 Times

Current Other Position
❖ Listed Company -Nil-
❖ Company -Nil-

Other business that may lead to conflict of interest -Nil-



8.2 Director and management

Dr.Kusaya Leerahawong

**Position : Independent Director ,
Chairman of Audit Committee
and Remuneration Committee**

**Appointment : February 21, 2006
Period of Position: 7 Years 10 Months**



Mr.Yothin Vimoogtayon

**Position : Independent Director
and Audit Committee**

**Appointment : April 22, 2008
Period of Position : 5 Years 8 Months**



Share Portion

-Nil-

Age 56 Years
Nationality Thai
Education Ph.D (Finance) University of Southern Queensland, Australia
Master of Business Administration (Finance)/NIDA
Bachelor of Science, Mahidol University
Training Certificate of Thailand Institute of Directors (IOD) CEO Succession and Effective Leadership Development Diploma of Director Certification Program, Australian Institute of Company Director (Nov.2550), Director Accreditation Program (DAP) 54/2006, Director Certification Program (DCP) 92/2007 , Monitoring Fraud Risk Management(MFM) 5/2011, Audit Committee Program (ACP) 27/2009, Monitoring the Quality of Financial Reporting (MFR) 7/2009 , Monitoring the Internal Audit Function (MIA) 5/2009, Monitoring the System of Internal Control and Risk Management (MIR) 6/2009 ,Role of the Compensation Committee (RCC) 13/2011 , Role of the Chairman Program (RCP) 28/2012, Chartered Director Class (CDC) 6/2012

Working Experience in the Last 5 Years

Present Independent Director and Chairman of Audit Committee ,Yuasa Battery (Thailand) Public Company Limited
Adjunct-Lecturer-major subjects : Strategic Management, Financial Management, Financial Market and Institution and Investment in Thailand
Adjunct-Lecturer and Supervisory Panel Member Doctor of Business Administration Program, University South Australia
Lecturer about local government Khon Kaen University.

Relation to Management -Nil-
Legal action -Nil-

Meeting Attendance/Number of Meetings (Times/Year 2013)

Yuasa Battery (Thailand) Public Co.,Ltd.
❖ Board of Directors Meeting 7/7 Times
❖ Annual General Shareholder Meeting 1/1 Times
❖ Remuneration Committee meeting 2/2 Times
❖ Audit Committee Meeting 14/14 Times

Current Other Position

❖ Listed Company -Nil-
❖ Company -Nil-

Other business that may lead to conflict of interest -Nil-

Share Portion

-Nil-

Age 66 Years
Nationality Thai
Education Political Science, Burapha University
Mini MBA, Thammasart University
LLM, Thammasart University
B.A. Economics Chiang Mai University
Training Certificate of Thailand Institute of Directors (IOD) Director Certification Program (DCP) 72/2006

Working Experience in the Last 5 Years

Present Independent Director and Audit Committee, Yuasa Battery (Thailand) Public Company Limited.
Present Director of Wat Benchamabopit Dusitvanaram Association
2004-2007 Deputy director of Excise Department

Relation to Management -Nil-
Legal action -Nil-

Meeting Attendance/Number of Meetings (Times/Year 2013)

Yuasa Battery (Thailand) Public co.,Ltd.
❖ Board of Directors Meeting 5/7 Times
❖ Annual General Shareholder Meeting 0/1 Times
❖ Audit Committee Meeting 12/14 Times

Current Other Position

❖ Listed Company -Nil-
❖ Company -Nil-

Other business that may lead to conflict of interest -Nil-



8.2 Director and management

Mr.Prasert Kitisakkul

Position : Independent Director and Audit Committee

Appointment : April 21, 2010
Period of Position : 3 Years 8 Months



**Assistant Professor
Dr.Lawan Thanadsillapakul**

Position : Independent Director , Audit Committee and Remuneration Committee

Appointment : April 21, 2010
Period of Position : 3 Years 8 Months



Share Portion 2,000 shares or 0.002 %

Age 63 Years
Nationality Thai
Education Bachelor degree of science (Business Administration) La Salle University, USA.
Training Certificate of Thailand Institute of Directors (IOD) Director Accreditation Program (DAP) 39/2005 , Director Certification Program (DCP)139/2009

Working Experience in the Last 5 Years

Present Independent Director and Audit Committee , Yuasa Battery (Thailand) Public Company Limited
2009 – Present Board Director, Tien Fah Hospital.
2006 – Present Chairman of the Monitoring and Auditing Committee of the Police. Management Plabplachai 2 Police Station.

Relation to Management -Nil-
Legal Action -Nil-

Meeting Attendance/Number of Meetings (Times/Year 2013)

Yuasa Battery (Thailand) Public Co.,Ltd.
❖ Board of Directors Meeting 6/7 Times
❖ Annual General Shareholder Meeting 1/1 Times
❖ Audit Committee Meeting 14/14 Times

Current Other Position

❖ Listed Company -Nil-
❖ Company -Nil-

Other business that may lead to conflict of interest -Nil-

Share Portion -Nil-

Age 57 Years
Nationality Thai
Education Ph.D. (Law) Lancaster University (UK)
LL.M. (International Comparative Law and European Law) Vrije Universiteit Brussels,Belgium
Master degree of Law (Internation Law),Thammasat University
Bachelor degree of Law,Thammasat University.

Training Certificate of Thailand Institute of Directors (IOD)Audit committee Program(ACP)35/2009, Monitoring Fraud Risk Management (MFM) 6/2011 , Monitoring the internal Audit Function(MIA) 11/2011 ,Monitoring the system of Internal Control and Risk Management (MIR) 11/2011 , Monitoring of the Quality of Financial Reporting (MFR) 6/2011 , Role of the Compensation Committee (RCC) 13/2011 ,14/2011 , Director Certification Program (DCP) 141/2011 , Director Examination(EXAM) 35/2012

Working Experience in the Last 5 Years

Present Independent Director and Audit Committee, Yuasa Battery (Thailand) Public Co., Ltd. Associate Professor of Graduate School, Faculty of Law, Kyushu University, Japan Assistant Professor, School of Law, Sukhothai Thammathirat Open University Director of the Institute for International Economic and Business Law Study Arbitrator of the Office of Arbitration Auditor of the Internal Quality Assurance at the university level Visiting Professor and Associate Professor in foreign University such as Japan, Belgium and United Kingdom etc. Invited Lecturer in the university such as Sripatum University and Thai Chamber of Commerce University etc.

Relation to Management -Nil-
Legal Action -Nil-

Meeting Attendance/Number of Meetings (Times/Year 2012)

Yuasa Battery (Thailand) Public Co.,Ltd.
❖ Board of Directors Meeting 7/7 Times
❖ Annual General Shareholder Meeting 1/1 Times
❖ Remuneration Committee meeting 2/2 Times
❖ Audit Committee Meeting 14/14 Times

Current Other Position

❖ Listed Company -Nil-
❖ Company -Nil-

Other business that may lead to conflict of interest -Nil-



8.2 Director and management

Mr.Masashi Morimitsu

Position: Chief Executive Engineer

Period of Position 2 Years 8 Months



Mr.Sukthae Ruengwattanachot

Position : Company Secretary

Appointment : February 25, 2005
Period of Position : 8 Years 10 Months



Share Portion

-Nil-

Age 39 Years
Nationality Japan
Education Bachelor Degree of Physics, Faculty of Science and Engineering, Chou University

Working Experience in the Last 5 Years

2011-Present Chief Executive Engineer, Yuasa Battery (Thailand) Public Company Limited
2011 General Manager(Quality Assurance)
2010 Technical Dept., Automotive Battery Division, GS Yuasa Manufacturing Ltd.

Relation to Management -Nil-
Legal action -Nil-

Share Portion

-Nil-

Age 46 Years
Nationality Thai
Education Bachelor Degree of Economic and Bachelor Degree of Accounting Ramkhamhaeng University
Master Degree of Economic Development. The National Institution of Development Administration (NIDA)
Bachelor Degree of Law, SukhothaiThammathirat Open University
Tax Auditor

Working Experience in the Last 5 Years

2006-Present General Manager (Operation), Company Secretary, and Secretary of Management Committee, Yuasa Battery (Thailand) Public Company Limited

Relation to Management -Nil-
Legal Action -Nil-



8.2 Director and management

Mr.Hiroaki Sasaki



Position : General Manager
(Engineering)

Period of Position 2 Years 8 Months

Share Portion

-Nil-

Age 40 Years
Nationality Japan
Education Master Degree of Mechanical
Engineering, Fukui University

Working Experience in the Last 5 Years

2011-Present General Manager (Engineering),
Yuasa Battery (Thailand) Public
Company Limited
2009-2010 Engineering Advisor, Yuasa Battery
(Thailand) Public Company Limited
2009 Production Engineering Dept. GS
Yuasa Manufacturing Ltd.

Relation to Management -Nil-
Legal action -Nil-

Mr.Komson Arunpan



Position : General Manager
(Plant)

Period of Position : 5 Years

Share Portion

-Nil-

Age 44 Years
Nationality Thai
Education Bachelor of Science, Faculty of
Science Naresuan University

Working Experience in the Last 5 Years

2008-Present General Manager (Plant),
Yuasa Battery (Thailand) Public
Company Limited
2006-2008 Plant Manager
2006 Quality Assurance Manager

Relation to Management -Nil-
Legal action -Nil-

8.2 Director and management

Miss Pattaraporn Tasanasewee

Position : Financial and
Accounting Manager

Period of Position : 6 Years



Miss Darawan Suksawat

Position : Internal Audit Manager

Period of Position : 7 Years 7 Months



Share Portion

-Nil-

Age 60 Years
Nationality Thai
Education B.A. Degree in Economics,
Thammasat University
Business Administration Sukhothai
Thammathirat Open University
B.A. Degree in Accounting, Sukhothai
Thammathirat Open University
CIA (Certified Internal Auditor)

Working Experience in the Last 5 Years

2006-2013 Financial and Accountancy Manager
Yuasa Battery (Thailand) Public
Company Limited.

Relation to Management -Nil-
Legal action -Nil-

Remark; Miss Pattaraporn Tasanasewee retired from the
Company on December 31st, 2013 and replaced by Miss
Saowaluk Munghamane from March 5th, 2014.

Share Portion

-Nil-

Age 46 Years
Nationality Thai
Education Master of Business Administration
Program, Rangsit University
Bachelor of Business Administration
Program, Ramkhaeng University
Training Program "Financial Management 's
new visual", "Risk Management in
Financial & Accounting", "IT Audit
Practice and update new
knowledge", "Risk Assessment
Method for Internal Audit Planning",
"COSO Enterprise Risk Management
Integrated Framework", "Effective
Minute Taking"

Working Experience in the Last 5 Years

2006-Present Internal Audit Manager
Yuasa Battery (Thailand) Public
Company Limited.

Relation to Management -Nil-
Legal action -Nil-



9. Corporate Governance

Corporate governance

The Board is aware of the importance of good corporate governance as it will bring transparency to Company and assures the confidence of shareholders and other participants and will be a key factor of excellence in the management of Company, and it will support the continuous and steady expansion of business. Moreover, in order to conform to government regulations and the SET regulations. The Company has assigned the Policy and Planning Department to review the compliance of corporate governance every year in order that good practices would be realized and performed continuously by all concerned departments, and to follow the additional guideline of good practices that shall be issued by involved agencies of Stock Exchange of Thailand, and to make the action plan for improving of practice as Good Corporate Governance, in line with the criteria of evaluation continuously. And such plan would be proposed to the Management to consider and monitor its improvement every quarter. As a result of said operation frequently, CG score by evaluation of Thai Institute of Directors (IOD) of Company exceeded the average of total score of listed companies and its trend of score became increased continuously.

The Company would like to report on compliance of Corporate Governance principle in line with the guideline of Stock Exchange of Thailand divided by five categories as following:-

1 The Rights of Shareholders

Company recognizes the right of shareholders and to have the policy to encourage the basic shareholder right for instance, buy, sell, or transfer shares, share in the profit of Company, participate and vote in the shareholder meeting, exercise the rights to give opinion or suggestions, exercise the rights to elect or remove members of the Board and make decision on any transactions that affect Company.

In addition, Company has provided the convenience for shareholders to exercise their right as below:-

1. The shareholders were given an opportunity to propose agendas of the Shareholders Meeting and names of candidates for directors in advance during October 4th, 2013 to December 31st, 2013. The information was disclosed to the shareholders via the news system of the Stock Exchange of Thailand. The criteria and process are clearly announced on the website of the Company, www.yuasathai.com, in the section of "Investment Data" under the topic of "Data of the Annual Meeting."
2. Participate in the Annual General Shareholders Meeting and Extraordinary General Shareholders Meeting in the event of having special agenda to consider.
3. Disclosing the invitation letter, agenda items and concerned data of shareholder meeting in Company's website about 1 month prior to sending the documents, including notifying the right of shareholder meeting for entering and voting of shareholders.
4. Remunerations for the Board of Directors, the Audit Committee and the Remuneration Committee are proposed for approval of the shareholders every year.
5. Company gives the shareholder's right in advance prior to meeting date to propose their opinion, comment and questions related to Company's operation by E-mail : planning@yuasathai.com
6. In the shareholder meeting, Company gives the shareholder's right to make the proxy to attend and vote on behalf of shareholders by the independent director who is appointed by Company or grant authority to the other person to attend the meeting.
7. In the meeting, Company will allocate appropriate time for discussion and encourage shareholders to express their opinions and inquire questions relating to Company's operation prior to the resolution of said agenda.
8. Company will provide a specialist to answer questions in case of inquiry by the shareholders.

2. Equitable Treatment of Shareholders

Company had the policy to commit to shareholders with fair and equitable treatment which is consistency with rule, law and preventive measurement of inside information use for abusive self-dealing. The details are summarized as follows:-

1. Each shareholder shall have his votes at equal to total number of shares held, as one share shall be counted one vote.
2. Shareholder has an alternative to propose the agenda items or the appointment of independent director to Company prior to the meeting date via Company's website (www.yuasathai.com). The shareholder shall have the share not less than 5% of total number of shares and has held said shares continuously not less than 12 months, from the day starting holding shares to the day proposing the agenda items.
3. The Board determines the countermeasure to protect the inside information such as insider trading etc. Company will have the announcement to prohibit the director who just retired within 6 months, and the management to buy or sell Company's share within one month prior to financial



9. Corporate Governance

statement's disclosure date and three days after the disclosure. Further, the directors and management must report their share within 3 days after buying or selling the share to SEC and send the said report to Company.

4. Company shall deliver any documents to shareholders appropriately such as sending invitation letter, annual report and proxy form etc. to shareholders 7 days prior to meeting date. Each agenda items shall have the opinion of directors and in shareholder meeting, Company shall record the minutes by corrective, completeness for shareholders' checking.
5. After completion of the annual shareholders meeting, Company shall make minutes of the report within 14 days and submit it to SET, also disclose the said report for shareholders on Company's website.

Shareholders' meeting

Company shall send invitation letter, together with attached documentation to all shareholders 7 days prior to the date of meeting. Each agenda to be discussed or considered in the meeting was also attached with the comment of board of directors. The minutes of the meeting is to be recorded accurately for the examine of all parties concerned.

Furthermore, in each time of shareholder meeting, directors shall attend the meeting and reply the question to the meeting. The Chairman shall give the opportunity to shareholder for any issue related to Company's business and suggestions to Company, all of which shall be recorded in the minutes of the meeting.

In 2013, 10 of 12 directors attended the meeting and the chairman gave the opportunity to shareholders for any issues related to Company's business and suggestions to Company was recorded in the minutes of the meeting.

3. Policy and practice of Company toward concerned stakeholder

Company treats fairly to stakeholders, both internal and external stakeholders, customers and management of Company and subsidiary Company, and shareholders, customers, suppliers, creditors, the community in which Company operates, society, the government and others. Company recognizes the support of stakeholder which creates the wealth to Company, thus, Company has the policies and practice as follows:-

3.1 Policy and practice toward employee

Company recognizes that employees are an extremely valuable asset and they make essential contributions to Company's achievement of its goals. As a result, it is Company policy to treat employees fairly in all respects including employment opportunity, remunerations, promotion and professional development. Company has established the followings;

1. To treat employees fairly and courteously while paying due respect to individuality and human dignity.
2. To provide fair remunerations. In addition, we already have established the provident fund as according to laws. Company pays 3% of basic salary to the provident fund and employee also pays 3% of his/her basic salary to the fund.
3. To carry out all professional appointments, rewards and disciplinary actions in good faith on the basis of competence, capability and suitability.
4. To listen to opinions and recommendations based on employees' professional competence.
5. To give priority to skill and knowledge development on a regular and equitable basis.
6. To promote the capability employee by fairness treatment.
7. To comply with all employee-related laws, rules and regulations.
8. To maintain a work environment that does not endanger employees' life or property.
9. To avoid any unfair action that may affect employees' job security or harass or psychologically threaten the employees.
10. To provide the welfare of transportation for convenience of employee and also to provide luncheon and allowance of pass away of parent spouse or child including loan of home repairing and education of child.

In addition, Company shall provide channels for employees to file grievances for unfair treatment or unjust processes

3.2 Policy and practice toward shareholder

The shareholders are the business owners and Company has the duty to create long-term sustainable values for its shareholders. As a result, directors, executives and staff are required to commit to the following:

1. To report on Company's performance, financial and accounting information and other aspects of its business accurately on a regular basis.
2. To perform their duties loyally and honestly; to make decisions with honesty, prudence, thoroughness and fairness for the maximum benefits to all shareholders equitably.



9. Corporate Governance

3. To inform shareholders of both negative and positive aspects of Company on a realistic and timely basis supported with appropriate information and reasons.
4. To refrain from seeking benefit for oneself and others by using Company's information which is not in the public domain or acting in any way that may cause a conflict of interest with Company.

3.3 Policy and practice toward customer

Customer satisfaction is of great importance to Company's success. Company intends to respond to customer's demands effectively and efficiently and to continuously improve this response. Its policies and practice guidelines are as follows:

1. To deliver quality products and services which meet customer's expectations at a fair price
2. To give accurate, adequate and timely information about its products and services to customers without exaggeration that may lead to misunderstanding about the quality, quantity or condition of such products or services.
3. To strictly comply with the terms and conditions provided to the customers. In the event that any particular condition can't be met, Company is required to immediately notify the customers concerned and jointly seek solution to the problem.
4. To deal with customers in a polite and efficient way and to gain their trust.
5. To safeguard customer confidentiality and to refrain from abusing it for personal interest or for the interest of other parties.
6. To set up a system and process where customers can place complaints regarding the quality, quantity or safety of Company's products and services; as well as the speed of response and delivery.

3.4 Policy and practice toward trading partners

Company has a policy to equitably and fairly treat its trading partners, taking into consideration Company's interest and on the basis mutual benefit. In addition, it intends to avoid circumstances that may lead to a conflict of interest. It makes efforts to comply with all contractual obligations, provide reliable information and accurate reports, confer or negotiate for solutions to problems on the basis of following guidelines:

1. Company shall operate in line with the conditions of agreement. If not, Company shall inform the trading partners in advance to solving the problem together.
2. Company shall not demand, receive or pay any improper benefits to its trading partners.
3. Should it become known that corrupt demand, fraudulent receipt or payment of any improper benefit occurs, full information will be disclosed to the trading partners involved and Company shall collaborate with the parties concerned to resolve the problem on a fair and timely basis.

3.5 Policy and practice toward creditors

Company has a policy to make a good relation with the creditors which is consistency with the condition for creating the confidence and trust as following guideline:-

1. Creditors should be treated by fairness and equitability in term of the receive or payment of Company and creditors.
2. Company shall strictly comply with all the terms and conditions agreed upon in a transaction. In the event that any particular condition cannot be met, Company will inform the creditors concerned beforehand and seek a mutually acceptable solution.

3.6 Policy and practice toward competitor

Company sets a policy toward its business competitors in a way consistent with international practice and the legal framework for business competition. It will not spy on or fraudulently seek knowledge of its competitors' trade secrets. It sets the following guidelines for practices:

1. Company shall treat competitors within a fair competition framework.
2. Company shall not damage competitors' reputation by abusive accusation.
3. Company shall not fraudulently or inappropriately seek confidential information of its competitors such as dumping, stealing of the competitor's data etc.



9. Corporate Governance

3.7 Policy and practice toward social and economic

It is Company policy to conduct business that will benefit the economy and society while safeguarding customs and traditions of communities in countries where it operates in. It is also Company's policy to become a responsible corporate citizen, to comply with all relevant laws, rules and regulations and to contribute to uplifting quality of life either by itself or through close collaboration with the relevant authorities and the communities.

3.8 Policy and practice toward Environment

Company is concerned about the impact of environmental from the production process. Thus, Company shall improve and develop the system of environmental management as according to international standard. Further, we shall determine the objective, target, plan and assessment clearly including disclosure of information and to cooperate with employee, customer and government or private sector as well. Further, Company recognizes to use the natural which is the highest advantage to organization and social.

Quality and environmental policy of Company is "Company emphasizes to develop the quality of product and environment as the demand of organization and customer". The details are as follows:-

1. To develop the quality system of TS16949 or relative and ISO140014 with customers or suppliers.
2. To conduct in line with the regulation and law of environment.
3. To control and decrease the pollution of waste water, dust, acid vapor, lead and chemical to community continuously.

3.9 Receiving Complaints of shareholder or stakeholder to Directors or Company

Policy and planning Department is designated as the center of contact to receive complaints relating to Corporate Governance and the Code of Conduct from shareholders and stakeholders through E-mail address planning@yuasathai.com or to the following address

To. Policy & Planning Department
Yuasa Battery (Thailand) Public Company Limited
164 Moo 5 Soi Thesaban 55 Sukhumvit Rd., T.Taibanmai
A.Muangsamutprakarn Samutprakarn 10280

Company secretary shall respond to receive the document and to send to those concerned.

4. Disclosure and Transparency

Company has the policy to disclosure the data and information which relate with business and operation, both financial and non-financial statement, correctly, accurately, on a timely basis and transparently, to stakeholders or investors for acknowledgement.

In addition, Company also discloses any information in our website in English and Thai language at www.yuasathai.com In our website, it shall be divided by categories for convenience of those concerned such as director resume, Company's structure, annual report, regulation, battery type and size including the dealers, knowledge of product and quarter or yearly financial statement.

4.1 Disclosure of related transaction (Please see the related transaction's item)

Company realizes to the benefit of shareholder and treats the fairness to shareholders for protecting the conflict of interest. Company has the policy to disclosure the data of related transaction for creating the confidence of shareholders, investors and stakeholders. Company shall operate in line with the criteria or order of Stock Exchange of Thailand subject: the disclosure and practice of listed company about the related transaction B.E.2546.

Moreover, Company shall disclosure the data of each director which entitles to the other Company in director resume.

4.2 Disclosure of Company's share of director and management

Director, management and auditor including their spouse has to make the report of Company's share as stipulated the order of Securities Exchange Commission no.Sor.Jor14/2540 subject the report and disclosure the share.



9. Corporate Governance

5. Board Responsibilities

The Board consists of directors with various qualifications which are having skills, experience and expertise that are useful to Company for setting the policy in short and long term including financial policy and risk management. Moreover, the Board plays an important role to supervise and assess Company's operation and performance of higher management as planned. The detail is as below:-

5.1 Leadership and vision of Board

The Board has participated with the management by taking into account and making an approval of vision, mission, strategies, aim of Company's action plans and also the approval of Company's yearly budget. This is including of supervising the management to perform the business efficiently in accordance with the action plan's target and budget, which shall help add the highest economic value to the business and a strong firm to shareholders.

5.2 Duty and responsibility of Director, Audit Committee, Chief Executive Officer and Company secretary (Please see item Management and Shareholding Structure)

5.3 Directors and management remuneration (Please see the item Management and Shareholding Structure of money remuneration)

- Director remuneration: Company has set the remuneration policy based on the concept of clearness and transparency whereby such remuneration is equally leveled in line with the same industry and high enough to draw and keep such qualified directors. The said remuneration, however, was already approved by the shareholder meeting.
- Management remuneration: It is relatively in line with the policy that set by the Board of Directors and also in correspondent with the operation performance of Company and each individual's management's perform.

5.4 Joint or Separate position

Company has the policy of the position of Chairman of the Board and Chief Executive Officer who are not the same person. This would be independent and balance. Further, the duty, authorization and role are separated clearly. Further, each Director has the independency to give the opinion for corrosiveness and transparency.

In addition, The structure of the Board of directors, however, is comprising of not less than three other independent directors, being sufficient number for check and balance. In the Annual General Meeting, Company's regulations states that a one-third or nearly one-third of directors may retire.

However, the Chairman of the Board of Directors was ill and could not operate the duty temporarily from the end of 2010 until his death on March 29th, 2012. According to the resolution of the Board of Directors Meeting no. 6/2010, the Chief Executive Officer was appointed as the Vice Chairman of the Board, and has been performing this duty until now. For the position of the Chairman, the Board of Directors is considering on the selection for the appropriate person.

5.5 Director report

The Board of Directors shall be responsible for the separate financial statements and the consolidated financial statement and financial information as shown in annual report. The said financial statement is prepared in conformity with generally accepted auditing standards in the country by using a suitable accountant principles, regularly practice, careful discretion and the best evaluation and also having an adequate disclosure of essential information in the notes thereto.

The Board shall also maintain to the best effectiveness of the said internal control systems to ascertain that all the accountant records are correct, completes and adequate for maintaining and keeping its assets and to better control of its own weakness to prevent a possible fraud or material abnormality of business performing.

Company has determined to sign the certification and responsibility of financial report of each director in of report 56-1 which disclose to shareholders and stakeholder in every year. Further, Chief Executive Officer and Finance and Accounting Manager also certify the correctives and completeness of financial statement which disclose as SET' regulation in each quarter.

5.6 Self-evaluation of the Board of Directors

The Board of Directors evaluates their own working performance at least once a year to review whether the corporate governance of each operation is enough or not. Also, the result is used as supportive data for the Management to improve and develop the administration. The result of evaluation is reported to the Board of Directors meetings for acknowledgement and analysis for execution of the Management.



9. Corporate Governance

5.7 Improvement of Directors and Executive

The company has a policy to encourage and support the Directors, Executive and Company Secretary to attend training courses held by outside agencies such as the Thailand Institute of Directors (IOD), Thai listed Company Association, and other institutions related. This is to ensure that their duties are implemented effectively. The Company Secretary shall make the history of participating the training course, and propose the appropriate courses to each director for consideration.

In the case of new director, the Company has a policy to provide the orientation and preparing documents and information that are useful to introduce the characteristics of business and business practices of the company. Further, the Company also encourages to attend the training course from Thailand Institute of Directors (IOD) to be benefit to the duties of directors.

5.8 Business ethics

Company has emphasized on the importance of the ethics in operating a business which is considered as a principle for the Management and staff in performing their duties to be appropriate for the internal and external environment. Also the directors, the Management, and staff of Company can hold the ethics as a method to honestly perform duties to Company, the public and society in order to achieve Company's target. The business ethics of Company was disclosed on the website www.yuasathai.com

5.9 Recruitment and appointment of Directors and Management

The Appointment of Directors

Company's appointment of directors has not been, so far, performed through the unformed nominating committee. However, Company has a guideline for appointment of its directors as followings:

1. The Board shall take into consideration of a selected director based on experience, vision, capability and personal character and submit it for further approval of the shareholder meeting.
2. In any annual shareholder meeting, as according to Company's regulations, a one-third of directors must retire and in the event the retiring director is to be reelected, then, the approval of shareholder meeting is required. In nominating director for the meeting's appointment, Company shall have sufficient information of such person for the decision of shareholders.

As according to the regulations of Company, the shareholder meeting shall appoint the directors as according to the following methods.

1. Each shareholder shall have one vote for each share held
2. Each shareholder shall give all the votes that he is entitled to exercise as specified in (1) to each candidate or several candidates at once, as a case may be. The number of votes cannot be split, equally or otherwise, for any particular candidate.
3. The candidates shall be ranked in order descending from the highest number of vote received to the lowest and shall be appointed as directors in that order until the directors position required are filled. In case the candidates in descending are tied in which causes the number of directors to be exceeded, the chairman shall have a casting vote.

5.10 Supervision of operations of subsidiary Company

The Company holds a 99.99 percent in Yuasa Sales and Distribution Co.,Ltd. (Subsidiary Company). So, the Company has delivered some of the directors as a directors of a subsidiary. The company has established the regulations of subsidiary Company to have the rules of entering into the related transaction, acquisition or disposition of assets, or making any other important items of subsidiaries. Its rules comply with the criteria of Company relating with the disclosure and entering into the transaction. Further, the Company will supervise to have the keeping of information and the accounting record of subsidiary Company in order that it could be checked and collected to make the consolidated financial statements on schedule.

5.11 Monitoring usage of inside information

Conflict of Interest

In prevention of conflict of interest, the board has carefully supervised when there might be a transaction that might have a conflict of interest, by setting a written policy and procedures for approval of said interrelated transaction. Furthermore, the policy and method preventing the management and any concerned person in using the inside information for their personal interest has been set as follows;



9. Corporate Governance

Transaction that might have a conflict of interest: The Board has learnt of those conflicts of interests and interrelated transactions and has carefully considered the proper of the issues. This including the performance as set in the Stock Market's rules of Arm Length Basis and also already disclosed in the annual report and Form 56-1 of all the details, the value of transactions, the parties involved, the reasons/ necessity. (Please see the item of related transaction)

Policy on the internal information Company has a policy and method to ensure that Company's internal information shall not be used by the management for his personal interest or for sale acquisition of securities, particularly during the period of 1 month prior to the disclosure to public of any balance sheet at the time. Company securities is listed in stock market.

The management shall make a report of securities holding of him/herself, spouse, minor child as according to the regulations of S.E.C and Stock Market and shall also make a prompt report to Company for its record on the same day the said report is submitted to the authorities concerned;

- Report of the first securities holding (Form 59-1) within 30 days after the closed date of public offering or the date of appointment in a managerial position.
- Report of change of securities holding (Form 59-2), within 3 days after each sales, acquisition, transfer, or be transferred of securities.

Company has circulated the notice to all management that he/she is acquired to stop sales/acquisition of Company's securities prior to company announcement of its operation, or any materialized information, which may give effect to the change of securities' price. Especially on the balance sheet, a 45 days and 60 days are required after end of each quarter and end of each year.

The Company will use the maximum penalties if it is found that Executives use any inside information or behave in a manner to make a spoil of reputation and damage to Company.



10. Corporate Social Responsibility

1. Overview Policy and operation of the Company.

Yuasa Battery (Thailand) Public Company Limited (the Company) and its subsidiaries has business policy with Corporate Social Responsibility (CSR), the awareness and importance of supporting activity for social and the surrounding community including the concern of environment care continuously based on the principles of transparency, accountability, ethical business practices, responsibility to the consumers. Respect for human rights and interests of stakeholders, shareholders, employees, customers, suppliers, creditors brokerage, community surrounding the company, government agencies throughout the nation and society.

The company is committed to develop the automotive battery business with social responsibility, and compliance with legal or other requirements including relevant international practice in order to develop a foundation of accountability continuously and sustainability. The corporate social responsibility's policy is the following details:-

1. Corporate Governance : The Company is committed to build the confidence to investors and stakeholders to the battery business for vehicle with the business philosophy of business ethics and the practice principles of transparency and reliability.

2. Respect for human rights : the Company focus on basic human rights to promote and respect for the rights and freedom with non-discrimination, promote equality, not being the sexist and racist, no child labor and anticorruption.

3. Treat the workers fairly : The Company will ensure that the wages shall be at a appropriate level for the Company and in accordance with the level of employment in the industrial sector. Improving the structural changes and organizing the Company will be implemented under the framework of law by Thailand, including legal compliance.

The Company established a welfare committee to keep employees engaged in the administration of welfare as a mediator to assist in the welfare of employees and maintain employees' quality of work life which can perform effectively and happily, Further, provident fund was established to ensure the employees.

Company with a focus on the safety and health of work established of the Committee of Safety, Health and Environment in the factory to operate with safety and good health to employees by providing a safety inspection of a workplace regularly, Installation of fire alarm building, fire extinguisher, emergency doors and providing training in basic fire fighting, fire evacuation in every year. And in the factory, we would emphasize on regulations related to occupational health and safety strictly, create a working environment that is safe for employees, contractors and visitors. The control measures shall be done for everyone to save from accidents and hazards that may occur.

4. Protect the environment : The Company has a clear environmental policy. It is considered as the guidelines strictly in line with laws and environmental standards. Company shall provide a system to eliminate environmental problem efficiently including the monitoring and checking of environment from operations to improve. The efficient usage of natural resources shall be promoted. And activities to reduce energy use and waste disposal shall be promoted with appropriate management based on 3R, reuse, reduce and recycle. The example of environmental management is the construction of the waste water treatment system of the Company to remove lead contaminated with waste water before waste water shall be flown out from the factory, and making a dust collector system from production process with the use of technology of wet scrubber etc.



10. Corporate Social Responsibility

5. Fairness of Operation : The Company is committed to conduct business in a fair and ethical manner, to comply with the law, to respect for the rules of society and being the organizations that are politically neutral.

6. The relationship with our customers and suppliers : the company focuses on the quality with security to make customer satisfaction, is sincere to handle customer complaints, as well as tries to improve the defects that might occur from the production and/or services. And the company is expected to receive the same services and products from the suppliers. The Company focuses on to maintain the sustainable relationships with customers and suppliers.

7. Participation and Community Development : The Company supports and encourages employees to join with the project for the community, donation project, education project and project of volunteer work as the individual or a group to support the community.

2 Social and Environmental Responsibility occurred in 2013

2.1 Safety and health in the workplace

In 2013, the Environment and Occupational Health and Safety Committee had Meetings on a monthly basis and are enthusiastic in presenting the projects to enhance and stimulate the interest of employees in terms of health and safety. In addition, to reduce accidents in the workplace, the Company together with its partners (Toyota Motor Asia Pacific Engineer and Manufacturing Co., Ltd.) arranged the activities of security to find and evaluate the dangerous in the workplace, namely Completely Check Completely Find-out Activity or CCCF, 2 times a year. And to focus on safety about using the machines, the Company also has additional activities in the factory regarding the safety on the machines, namely TCC-Safety Activity (TCC-Toyota Corporation Club). Further, the Company also provides TCC-QA Improvement Activity to improve the quality and other activities such as training to educate employees about driving a forklift, staff training to provide basic knowledge about the crane, training for fire management, and training on basic chemicals. And to reduce the risk of lead contamination of employees apart from the preparation of the environmental treatment processes, the Company has also conducted the staff training to make understanding about the result of lead contamination and staff's practices when regularly contaminated to lead continuously.

2.2 The development of a community or society.

In 2013, the Company has joined with the community and society such as joining in community festivals and supports any organizations especially with local organizations.

- a) Joining with project in the Sai-Ngam village that is near with the factory, to give the present in New Year's Day and Children's Day gift.
- b) Making the project to help the disability at Siri wattana Cheshire Foundation
- c) Joining with Bangpu municipality, Samutprakarn province to have the project of checking the health of elderly and the project to visit the patient in the area closed to the factory.
- d) Making the projects for public practice and Dharma practice at the Sothornnimit temple closed to the factory.
- e) Making the project of Buddhist Lent Candle offering at the Sothornnimit temple closed to the factory.
- f) Making the reforestation project at Bang Pu recreation center.
- g) Making the project to clean the road that is entrance to the factory with Bangpu municipality, Samutprakarn province.



10. Corporate Social Responsibility

2.3 The environmental care and protection

The Company recognizes that the battery business operation of the company might have the activities or processes that have an impact on the environment and the communities where Company operates. It is believed that this is the responsibility of the Company to deal with these effects and find out the solutions effectively as possible. The Company is committed to develop the role of the environment and to find out the best practices in developing the sustainable organizations by managing the environmental risks within the factory and reducing the energy consumption for preventing the environment, and promoting and encouraging the environmental awareness in the organization. In 2013, the Company has performed in many aspects as following:-

- a) The installation of acid treatment system in the formation line due to capacity increased after the company has moved production base. The Company adds one unit of acid treatment system that is completed in November 2013.
- b) Improving the gas combustion of the Lead powder section, Lead melting section, Grid casting section and Pole casting section, that is incomplete combustion and caused the smell of gas floating inside the factory area. The Company has undertaken to improve and install the new burner system and other control systems such as increasing the media filter and preparation of water sprinklers to control the amount of remaining gases from combustion(if any).
- c) Improving to reduce noise and vibration from air pollution treatment system of assembly line of car battery by providing Vibration absorber which was completed in February 2014.
- d) Reducing the use of paper and ink; the Company has the aim to reduce the order to buy the paper and to support employees to use recycled paper. And employees are encouraged to use electronic communications in the form of email and to scan documents to store in electronic form. In addition, we also find ways to use less ink that affect the health of employees by providing the centralized printers and to reduce the printers installed at each departments.



11. Internal Control and Risk Management

The opinion of Board of Directors and the Audit Committee

The Board of Directors recognizes the system of internal control. So, system of internal controls is provided to cover the area of finance, administration and operation efficiently and effectively in line with the laws, rules and regulations involved. And the Board focuses on the continued development to follow the COSO guideline (COSO-The Committee of Sponsoring Organization of Tread way Organization) that covers the Organization and Control Environment, Risk Management, Management Control, Information and Communication and Monitoring system.

Further, obligations, the authorization of approval and implementation of the management are defined clearly in writing. Controlling the use of company's property is provided to have benefits. The duties of worker, controller and evaluation apart are separated for making a check and balance appropriately. In addition, we also provide a system of financial reporting the direct line to responsibility.

The Board of Directors determines to evaluate the adequacy of the internal control system of the Company and its subsidiary, and report to the Board of Directors at least once a year. The Board of Directors, the Management and Internal Audit Department have evaluated the adequacy of internal controls for the year 2013. The Board of Directors' meeting no. 3/2014 on March 5, 2014 by the Board member, Audit Committee and Management considered the adequacy of internal control systems of the company and its subsidiaries in 5 categories:- Organization and Control Environment, Risk Management, Management Control, Information and Communication, and Operation monitoring system. The Board and Audit Committee are of the opinion that Internal Control systems are appropriate and sufficient to prepare the financial statements accurately. The Company discloses enough data, pursuant to the accounting standard, and complies with the applicable law and regulations of the Securities Exchange Commission and the Stock Exchange of Thailand. Independent Directors or Audit Committee has the following additional recommendations:-

1. The organization structure at the department levels : The Company should define line of command and clearly divide authorities and responsibilities for sufficiently check and balance.
2. Corporate governance : The Company should internally promote corporate governance in order to encourage morality within the Company.
3. The Company should improve the fairness of performance evaluation and motivation, as well as reward and punishment systems.
4. The Company should promote the employees' attitude towards internal risk management, and encourage the management to participate.
5. The Company should improve IT system for more efficient, sufficient and accurate operation and data analysis to support the management's decision making.

According to recommendation of the Audit Committee, the Management has operated the issues as the following:-

1) The re-organization: after moving the production base into one place, the Company has reviewed its organization, and set the duties and responsibilities additionally in Department level to ensure the coordination of Departments efficiently and to ensure the production line's operation flexibility and have recovered the capacity to normal levels. And the management continues to monitor check and balance between the various departments in compliance with internal rules and regulations.

2) Promotion of Corporate Governance: the Management recognizes and to try promote to the ground of good corporate governance toward free from fraud thoroughly by providing a manual of Code of Conduct for the managers and employees to common practice, and monitoring and guidance through daily activities. And in 2014, the Company will focus on the activities to build ethic and code of conduct for all level of employees in term of implementation by encouraging employees to participate and take action to achieve the common goal. This will be the basis for the sustainable treatment of ethics and code of conduct in the future.

3) Measurement of performance: the Management is under the process of improving the evaluation criteria of employees. The Key Performance Indicator system shall be used together with other evaluation for



11. Internal Control and Risk Management

making the fairness, the incentive to work, and focusing on the achievements and results of the work to reward efficiently.

4) Risk management: risk management of the organization is important. If damage has occurred, it shall affect to the performance of the company directly. The Management has proposed to the Board of Directors for its consideration of the Risk Management Committee on March 4, 2014, the Board is under the process of appointment of such committee. For the issue of risk management, the Management shall hold the meeting on a weekly basis to follow the operation. And the Management shall hold the meeting on a monthly basis with managers of each Department to monitor the operation. So if the risk is found, the Management shall be able to clear or reduce such risk plan in a timely manner.

5) Development of Information Technology system: the Management has assigned the Information Technology Department, Department of Finance and Accounting, and other related Department to develop Company and its subsidiary Company's Information systems especially information security and accounting system to be upgraded continuously to help and support the work and analysis of the parties involved.

Head of internal audit Department of the company.

The company has established an internal audit department reporting to the Audit Committee and Chief Executive Officer. Its responsibilities are 1) the review and reporting the reliability and completeness of accounting and finance system, operation or working systems that have a significant impact on their operations in accordance with the policy plans and regulation of the organization, 2) the review the appropriateness of maintaining the property and exists of the property including an evaluation of the use of corporate resources to be effectively, 3) the assessing the adequacy of internal control with the use of techniques to detect various ways both qualitative and quantitative by a systematic assessment and 4) support to improve the adequacy and effectiveness of risk management, control system in order to ensure that the various systems are able to work effectively and to achieve the objectives or goals of the organization in order that an organization could manage the risk appropriately and reduce the damage that will occur to the organization. 5) In addition, giving the consult about risk management is one of the activities of the internal audit. Consult should be the objectivity and independence to add value and improve an organization's operations.

Therefore, to have an Internal Audit Department that is independent and can act as checks and balances fully, the Board of Directors has determined that the Internal Audit Department has a command line to directly report to the Audit Committee and to conduct an audit of the annual audit plan that has been approved by the Audit Committee. And it is required that the audit report and recommendations shall be reported to the Audit Committee and Chief Executive Officer timely and consistently.

The Company had appointed Ms. Darawan Suksawat to serve as the chief internal audit of the company since April 3, 2006 due to an experience in internal audit for a period of more than 10 years and having been trained in courses related to the practice of internal audit:- internal controls for internal auditor (COSO), internal audit of each risk type, and self assessment for risk management, as well as an understanding of the activities and operations of the Company. So, it is appropriate to perform such duties appropriately.

To consider and approve the appointment, transfer and dismissal of the head of Internal Audit of the company must be approved by the Audit Committee.

Risk Management

The Board of Directors focus on the risk management process that occurs from the internal and external factors affecting the company in order that the remaining level of risk is acceptable and appropriate for the environments of works or activities of each Department by encouraging managers and employees to participate in the process, including support to have the system of risk management throughout the organization.



12. Related Transaction

The significant transactions made between the Company and the related persons.

1. Company and GS Yuasa International limited, Japan ("GYIN")

- GYIN, the major shareholder of Yuasa, is currently holding 40.69% share in Yuasa.

Type of Transaction	Amount (Million Baht)		Price , Fee and Others	Remark
	2012	2013		
-Agreement on borrowing the brand name "Yuasa" Company paid royalty in return for the borrowing. - Company's accrued expense	25.81 25.81	24.68 24.68	The fee is reasonable, fair and in line with the Agreement.	GYIN assisted in provision of training ,shared production technology and allowed Company to use its trademark. Company paid the royalty in return to GYIN yearly. Training was provided for 60 days per year. If exceeded, JPY40,000 was charged per day.
- Company bought batteries, materials, machines and spare parts. - Company sold batteries to GYIN. - Company's accrued expense - Company's accrued income - Assets payable - Service income	90.10 0.26 13.66 0.01 - -	61.66 1.35 4.81 0.02 5.30 3.64	The trading prices are the market's rate.	They are normal transactions and there is no any trading agreement. A purchase order was made for each purchase. The price was not higher than offered to other customers.
- JPY291m short-term loan - JPY235m short-term loan - JPY1.65m accrued interest - JPY1.29m accrued interest The short-term loans and the accrued interests were calculated with Bank of Thailand's exchange rate on December 31.	104.17 - 0.59 -	- 74.23 - 0.41	The interest rate is reasonable and based on the market price.	- In Mar 07, Company borrowed JPY170m from GYIN at LIBOR (12 months) + 1% per year under a one-year agreement. Company partly paid the debt and renewed the agreement on the termination dates for one more year. The latest renewal extended the validity of the agreement from March 2012 to July 2012 at amount of THB120m. now, the remaining debt is already repaid fully. - In Aug 07, Company borrowed JPY320m from GYIN at LIBOR (12 months) + 1%per year under a one - year agreement. Company partly paid the debt and renewed the agreement on the termination dates for one more year. (The next termination date is Aug 13.) The debt balances were JPY235m and JPY245m as at Dec 31, 13 and Dec 31, 12 respectively. - In Mar 08, Company borrowed JPY80m from GYIN at LIBOR (12 months) + 1% per year under a six-to-twelve-month agreement. Company partly paid the debt on the termination date. The debt balances were JPY56m at Dec 31, 12. now, the remaining debt is already repaid fully.



12. Related Transaction

2. Transactions between Company and GS Yuasa Siam Industry Company Limited or GYSI

- GYIN, the major shareholder of Company, is holding 40.69% of YBTH share.
- GYIN is holding 60% share of GYSI.

Type of Transaction	Amount (Million Baht)		Price , Fee and Others	Remark
	2012	2013		
<p>- in 2009, Company allowed GYSI to rent a 2,300-sqm plant area, a 700-sqm office area, a 1,508.75-sqm warehouse area, a 42-sqm engineering area and a 26-sqm lead storage area. The rental fees are THB90 per sqm per month for the plant areas and THB135 per sqm per month for the office area. In addition, the facility fee is charged at THB20 per sqm per month for all rented areas.</p> <p>- In 2010, Company allowed GYSI to rent additional areas, including a 23-sqm lead storage area, an 80-sqm garbage area, a 609.69-sqm plant area and a 322.5-sqm warehouse area. The rental rate is THB90 per sqm, except for the garbage area which is charged at THB45 per sqm per month. GYSI is also charged at THB20 per sqm for the facility fee.</p> <p>- In 2011, Company allowed GYSI to rent additional areas, including a 378.99-sqm Plant area, an 3-sqm warehouse and a 389.10-sqm Plant office area. The rental rate is THB90 per sqm, except for the office area which is charged at THB135 per sqm per month. GYSI is also charged at THB20 per sqm for the facility fee.</p> <p>- In 2012, the Extraordinary Shareholders Meeting no. 1/2012 had the resolution to sell the land, the buildings and some of the machines to GYSI, as well as to renew the rental contract of the area until the date of transferring the ownership of the assets or July 15th, 2012.</p> <p>- Income from the rental</p>	5.21	-	<p>The rental fee is fair and based on the market price.</p>	<p>- GYSI made a 3-year-and-1-day rental agreement for the 2,300-sqm plant area, effective during Nov 17, 08 to Nov 17, 11 with the monthly rental rate of THB90 per sqm.</p> <p>- GYSI made a 3-year-and-1-day rental agreement for the 700-sqm office area, effective during Dec 1, 08 to Dec 1, 11 with the monthly rental rate of THB135 per sqm.</p> <p>- GYSI made a 2-year-and-7-month rental agreement for the 1,500-sqm warehouse area and the 8.75-sqm additional area, effective during May 1, 09 to Nov 30, 11 with the monthly rental rate of THB90 per sqm.</p> <p>- GYSI made a 1-year rental agreement for the 42-sqm engineering area, effective during Jan 1, 09 to Dec 31, 09 with the monthly rental rate of THB110 per sqm, including the facility fee.</p> <p>- GYSI made a 3-year rental agreement for the 26-sqm stock storage area, effective during Dec 1, 08 to Nov 30, 11 with the monthly rental rate of THB110 per sqm, including the facility fee.</p> <p>- GYSI made a 3-year agreement for the facility fee for the 5,820-sqm total area, effective during Dec 1, 08 to Dec 1, 11 with the monthly rental rate of THB20 per sqm.</p> <p>- GYSI made a 1-year-and-9-month rental agreement for the 23-sqm lead storage area, effective during Mar 1, 10 to Nov 30, 11 with the monthly rental rate of THB110 per sqm, including the facility fee.</p> <p>- GYSI made a 1-year-and-8-month rental agreement for the 80-sqm garbage area, effective during Apr 1, 10 to Nov 30, 11 with the monthly rental rate of THB65 per sqm, including the facility fee.</p> <p>- GYSI made a 1-year-7-month-and-17-day rental agreement for the 253.26-sqm plant area, effective during Apr 1, 10 to Nov 17, 11 with the monthly rental rate of THB110 per sqm, including the facility fee.</p>



12. Related Transaction

Transactions between Company and GS Yuasa Siam Industry Limited or GYSI (Continued)

Type of Transaction	Amount (Million Baht)		Price , Fee and Others	Remark
	2012	2013		
				<p>- GYSI made a 1-year-3-month-and-17-day rental agreement for the 321.39-sqm plant area, effective during Aug 1, 10 to Nov 17, 11 with the monthly rental rate of THB110 per sqm per month, including the facility fee.</p> <p>- GYSI made a 1-year-3-month-and-7-day rental agreement for the 35.04-sqm plant area, effective during Aug 11, 10 to Dec 17, 11 with the monthly rental rate of THB110 per sqm per month, including the facility fee.</p> <p>- GYSI made a 1-year-4-month-and-1-day rental agreement for the 322.50-sqm warehouse area, effective during Aug 1, 10 to Dec 1, 11 with the monthly rental rate of THB110 per sqm per month, including the facility fee.</p> <p>- GYSI made a 9-month-and-2-day rental agreement for the 255.97-sqm plant area, effective during Feb 15, 11 to Nov 17, 11 with the monthly rental rate of THB110 per sqm, including the facility fee.</p> <p>- GYSI made a 8-month-and-2-day rental agreement for the 71.5-sqm plant area, effective during Mar 15, 11 to Nov 17, 11 with the monthly rental rate of THB110 per sqm, including the facility fee.</p> <p>- GYSI made a 4-month-and-16-day rental agreement for the 51.52sqm plant area, effective during Sep 1, 11 to Nov 17, 11 with the monthly rental rate of THB110 per sqm, including the facility fee.</p> <p>- GYSI made a 9-month-and-2-day rental agreement for the factory's 389.10-sqm mezzanine, effective during Feb 15, 11 to Nov 17, 11 with the monthly rental rate of THB155 per sqm, including the facility fee.</p> <p>**Remark: Company renewed all of the rental contracts to the date of transferring the ownership of the assets sold to GYSI, according to the Extraordinary Shareholders Meeting no. 1/2012.</p>



12. Related Transaction

Transactions between Company and GS Yuasa Siam Industry Limited or GYSI (Continued)

Type of Transaction	Amount (Million Baht)		Price , Fee and Others	Remark
	2012	2013		
- Cash from selling assets	217.03	1.32	The trading prices are at the market's rate.	- Company disposed the asset to GYSI as the resolution of extraordinary shareholders' meeting no.1/2012 - Others is the normal business transaction from hiring or be hired the lead powder, curing and soaking. The said price or cost shall derive from the negotiation and/or general marketing price that differed from the other price or cost that hired or be hired the other customers.
- Company hired to produce lead power.	16.87	4.27		
- Company was hired to produce lead powder, plates, curing, soaking and other services.	26.64	-		
- Company's accrued income	1.12	-		
- Company's accrued expenses	8.25	1.44		
- Company's deferred revenue from value of assets	0.74	-		
- Cash from other income	16.36	0.11		

3. Transactions between Company and GS Yuasa Corporation or GYC

- GYC is holding 100% of GS Yuasa International Limited share.

Type of Transaction	Amount (Million Baht)		Price , Fee and Others	Remark
	2012	2013		
- Loan guarantee fee	0.15	0.14	At mutually agreed price	They are normal transactions and there is no any trading agreement.

4. Estate of Pol.Lt. Chan Manutham

Type of Transaction	Amount (Million Baht)		Price , Fee and Others	Remark
	2012	2013		
- Management benefit expense	-	16.00	The said expense is considered in line with the working regulation and working period of Chairman of Board of Director	This transaction is approved by shareholders' meeting no.19/2013 to pay the compensation to executor of Ex-Chairman of the Board. The payment divided into 4 times; 4 million baht per time would be done within 4 years. (Now, we have not paid the expense because it was under the process of appointment of executor)



12. Related Transaction

5. Other transactions between Company and its related companies

Company	Type of Transaction	Amount (Million Baht)		Price , Fee and Others	Remark
		2012	2013		
Yuasa Battery (Malaysia)	- Cash from selling machines and equipment	-	1.64	The trading prices are the market's rate.	They are normal transactions and there is no any trading agreement.
	- Company sold batteries.	10.41	46.69	The trading prices are the market's rate.	They are normal transactions and there is no any trading agreement.
	- Company's accrued income	-	4.74	The trading prices are the market's rate.	They are normal transactions and there is no any trading agreement.
Taiwan Yuasa Battery	- Company's income from brokerage	2.05	1.99	The trading prices are the market's rate.	They are normal transactions and there is no any trading agreement.
	- Company's accrued income	0.90	0.80	The trading prices are the market's rate.	They are normal transactions and there is no any trading agreement.
GS Yuasa Battery (Singapore)	- Company sold batteries.	2.08	1.86	The trading prices are the market's rate.	They are normal transactions and there is no any trading agreement.



13. Summary of Financial Data

The Company's Operation (Unit : Million Baht)

	2009	2010	2011	2012	2013
Income from sale	1,533.25	1,774.89	1,870.09	1,891.17	1,735.10
Total revenues	1,599.50	1,836.89	1,943.53	1,936.04	1,762.05
Cost of sales	1,217.36	1,455.33	1,550.67	1,559.29	1,442.83
Gain on reversed impairment loss	-	-	31.40	-	-
Selling and administrative expenses	298.45	312.96	317.84	312.76	299.84
Loss on impairment of assets	3.37	-	-	-	-
Profit before Finance cost and income tax	80.30	68.60	106.42	63.99	19.38
Interest expenses	36.19	24.53	15.74	10.59	5.33
Income tax	-	-	-	(4.49)	1.34
Net profit	44.12	44.07	90.68	48.91	15.38
Total assets	1,136.53	1,014.41	1,082.56	945.64	925.00
Total liabilities	957.56	820.40	788.80	606.97	572.34
Total shareholders' equity	178.96	194.01	293.76	342.67	352.67

Basic Data Per Share (Unit: Baht)

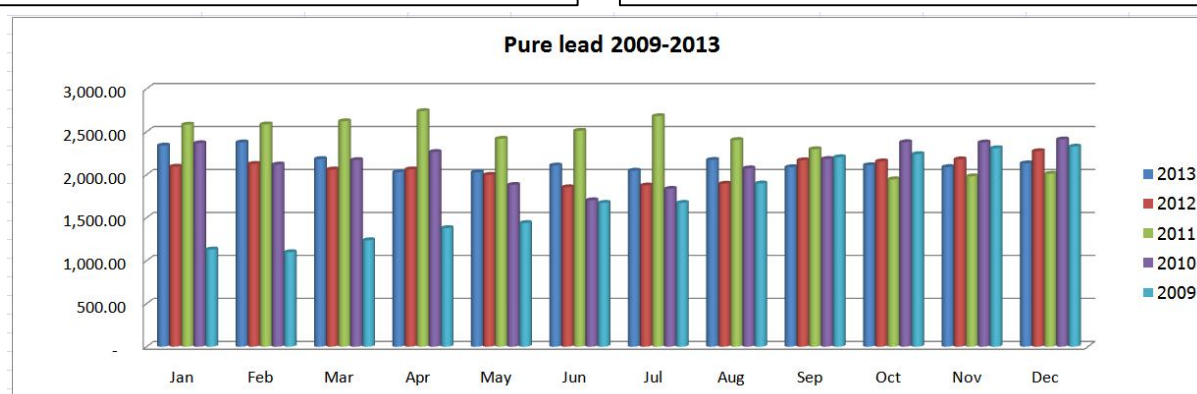
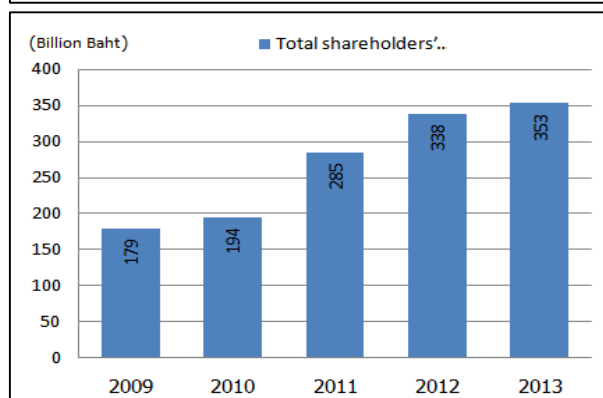
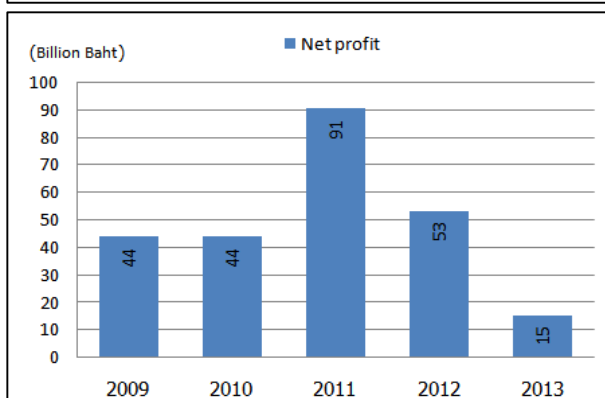
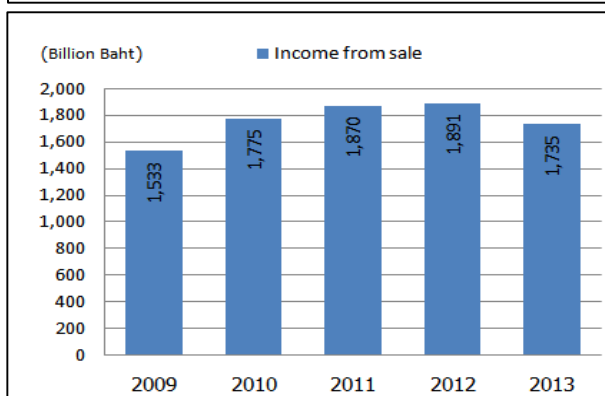
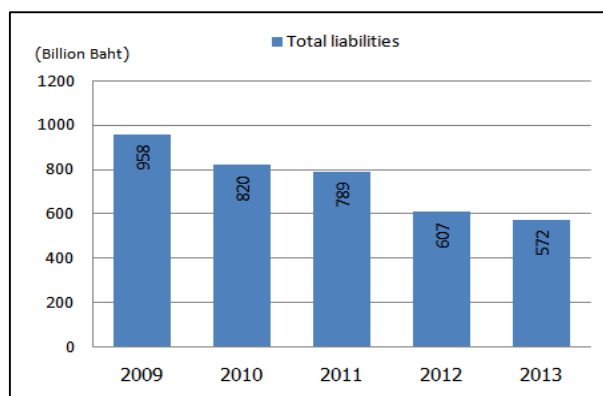
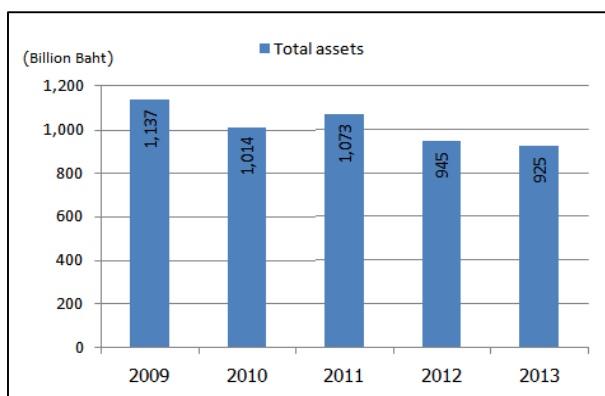
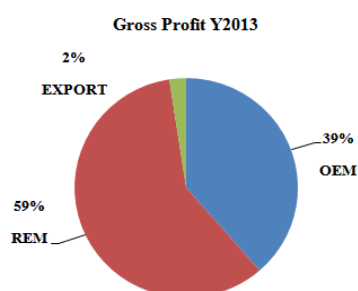
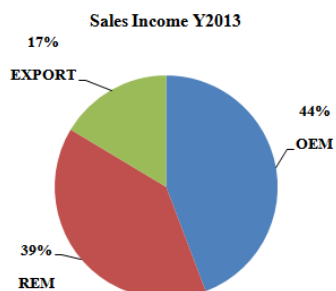
	2009	2010	2011	2012	2013
Basic earning per share	0.41	0.41	0.84	0.50	0.14
Weight average number of shares (shares)	107,625,000	107,625,000	107,625,000	107,625,000	107,625,000
Ordinary share as of the end of period (shares)	107,625,000	107,625,000	107,625,000	107,625,000	107,625,000
Book value per share	1.66	0.80	2.65	3.18	3.28
Par Value	1.00	1.00	1.00	1.00	1.00
Marketing Price	1.48	3.72	4.90	10.60	7.00
Dividend per share	0.00	0.00	0.00	0.05	0.00

Financial Ratio

	2009	2010	2011	2012	2013
Net profit margin (%)	2.73	2.40	4.67	2.52	0.87
Return on total assets (%)	3.89	4.10	8.69	5.26	1.50
Return on equity (%)	28.12	23.63	37.89	16.78	4.42
Announced dividend ratio on profit for the year (%)	-	-	-	34.88	20.93
Dividend payout ratio on profit for the year (%)	-	-	-	34.88	N/A
Return on revenue from sales (%)	2.87	2.48	4.85	2.59	0.89
EBITDA on total assets (%)	18.06	(0.34)	(2.68)	12.92	2.62
Debt to equity ratio(Times)	5.35	4.23	2.69	1.77	1.62
Price earnings ratio (Times)	3.61	9.07	5.83	23.55	50.00
Average debt collection period	49	52	47	41	43
Average debt payment period	72	81	79	73	80



13. Summary of Financial Data





14. Management Discussion and Analysis

Financial Position

Total Assets

The Company and its Subsidiary had the total assets of 925.01 million baht as at December 31st, 2013, down by 24.63 million baht or 2.59 Percent from 2012, the reason derived from the decreasing of cash and cash equivalents by 64.12 million baht while the increasing of properties, plants and equipments, and debtors by 22.79 million baht and 12.78 million baht respectively. The reasons of decreasing of cash and cash equivalents at the end of 2013 derived from the repayment of some debt and the investment for improvement of building, equipments and machines including the environments in the factory to support the production base from Gateway plant as approval of shareholder to dispose the factory assets since 2012. And for the increasing of debtors at the end of accounting period, the reason derived from the order from customers in December end of 2013.

Total Liabilities

The Company had the total liabilities of 572.34 million baht as at December 31st, 2013, down by 34.63 million baht or 5.71 percent from the previous year. The reasons of the decrease were (1) repayments of long-term loans amount to 20 million baht to financial institutes; (2) a repayment of a short-term loan amount to 20.05 million baht to the related company; and (3) the exchange rate at the end of the accounting period declined when compared with 2012, because the loan was made with the related company in foreign currency.

The total account payables and other payables of 2013 were 327.50 million baht, down by 9.95 million baht from the previous year because the higher order at last year end making higher order of raw material for producing the batteries.

Shareholders' Equity

As at December 31st, 2013, the Company had the Shareholders' Equity of 352.67 million baht, up by 10.01 million baht or 2.92 percent from the previous year due to the profit of Company in year 2013 after deducting the dividend payment from performance of year 2012 by 5.38 million baht. The said dividend payment was paid to the shareholders on May 8th, 2013 as the resolution of ordinary shareholders' meeting of year 2013 on April 10th, 2013.

Cash Flow

At the end of the 2013 accounting period, the Company's net cash from operation activities was 24.28 million baht, decreased to 98.39 million baht from 2012, due to 1) the decrease of profit from operation at 39.35 million baht from the lower domestic sale because of the delay of economic situation from political unrest. 2) the increase of inventories by 3.24 million baht 3) the increase of debtors by 10.99 million baht from higher order of customer in year end and 4) the increase of trade and other payables by 11.28 million baht.

For cash from investment activities, the amount dropped by 42.97 million baht from the payment for purchases of fixed assets and intangible assets by 58.79 million baht while the money receive from sales of fixed assets by 15.82 million. When comparing with 2012, the cash form investment activities dropped by 190.92 million baht because of having the money receive from sales of fixed asset by 219.62 million baht while the payment for purchases of fixed assets only 71.66 million baht in year 2012.

For cash from financing activities, the amount was used by 45.43 million baht or down 132.60 million baht from year 2012. In 2012, Company repaid the short-term loans from financial institutions and related party, and long-term loans by 178.03 million baht while in year 2013 Company repaid only the short-term loans from financial institutions and related party, long-term loans, and dividend by 20.05 million baht, 20 million baht and 5.38 million baht respectively.

Business Results

In 2013, the Company and its Subsidiary had the total income of 1,762.05 million baht which could be divided into the income from selling amount to 1,735.10 million baht and the other income of 26.95 million baht. Having considering only the income from selling, the sales amount decreased from 2012 by 156.07 million baht or 8.25 percent because of decrease of AMB's and MCB's sale of OEM, and the decrease of MCB's sale of replacement market from the economic recession, and the decrease of AMB's sales in replacement market from battery shortage which derived from labor shortage of production.

The other income of 26.95 million baht was generated from the profit of assets to the related company and the unrealized profit from exchange rate. The said figure dropped by 17.92 million baht from year 2012 because of the other income of hiring the production from related Company.



14. Management Discussion and Analysis

The Company had the cost of goods sold of 1,442.83 million baht or 83.16 percent of the income from selling, up from the previous year by 82.44 per cent. The increase was the result of higher price of lead, a main raw material of battery production, and higher labor cost from labor shortage caused the delay of relocation job and production recovery making we could not enough battery to the market.

The price of pure lead, a main raw material of battery production, could be summarized as below:

The average price of pure lead in 2013 was 2,141 us dollars per ton, up from 2,061 us dollars per ton in 2012. In 2013, the price fluctuated between 2,027-2,375 us dollars per ton. The price in the first two months of the year was 2,357 us dollars per ton, and continually decreased until the year end. The average price in December 2012 surged to 2,274 us dollars per ton.

The Company had the total selling and administrative expenses of 299.84 million baht in 2013 or 17.02 percent of the total income, down by 12.92 million baht or 4.13 percent from 2012. The decrease came from lower excise tax from lower sale while higher some administrative expenses from compensation payment of Ex-Chairman of Board of Director at 16 million baht.

The Company paid interests of 5.33 million baht in 2013, down from the previous year by 5.26 million baht or 49.64 percent. It was the result of lower amount of loans after repayments.

In conclusion, the Company and its Subsidiary had the net comprehensive income of 15.39 million baht or 0.14 baht per share in 2013.

Financial Ratio

The ratio of current capital in 2013 was 1.20 times, slightly down from the previous year, the current assets and the current liabilities were decreased by 46.72 million bath and 31.37 million baht respectively. The decrease in the current assets came from the payment of construction and machine to support the production after moving from Gateway Plant. For the decrease in the current liabilities, it was the result of repayment of long-term loans which were due within one year to the financial institutes and the related company.

The account receivable turnover in 2013 was 8.31 times approximately. For 2013, the average period of collecting debt was around 43 days, higher than the previous year. The period of paying debt was around 80 days, higher from 73 days in the previous year.

The ratio of capability to make profit reduced from 2012 to 16.84 percent in 2013, due to the higher labor and lead cost.

In 2013, the ratio of liabilities per shareholders' equity decreased from the previous year to 1.62 times, due to the lower liabilities and the higher shareholders' equity from the higher net profit in 2013.

In addition, capability reduction to pay debt was reflected from the ratio of capability to pay interest and the ratio of capability to pay existing burden at 5.57 and 0.43 times respectively in 2013, down from 12.58 and 1.46 times respectively in 2012.

For dividend payment, according to the ordinary general meeting of year 2013 on April 10th, 2013, the meeting had the resolution to pay dividend from performance of year 2012 to 107,625,000 shares of shareholders at 0.05 baht per share, totaling 5.38 million baht. The said dividend was already paid to the shareholders on May 8, 2013. And the Board of Directors Meeting no. 3/2014 on March 3rd, 2014, the meeting had a resolution to pay dividend to the shareholders at 0.03 baht per share, totaling 3.23 million baht.



15. Board of Director's Responsibility for Financial Report

The Board of Directors of YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED has prepared the financial statements which discloses the Company's 2013 financial status and operation results according to the regulations of the Public Company Limited Act B.E. 2535

Recognizing its responsibility to ensure good corporate governance, the Board of Directors of YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED has ensured that the financial statements and financial information contained in this annual report are accurate, complete, and adequate. In our view, the financial statements comply with the generally accepted accounting practices in Thailand, chosen for their consistency, practicality, and due discretion. To further foster confidence in the use of these financial statements, the Board has maintained an effective internal control process. To prevent fraud and irregularities, the Board ensures systematic care of Company's properties. An adequate and suitable risk management system is also in place. As for connected transactions with potential conflicts of interest, the Board ensures that these transactions are regular and fair logical business practices undertaken in the best interests of company, and that they comply with relevant laws, rules, and regulations.

Therefore, Company's internal control process for the year has proved acceptable and we are reasonably confident that the financial statements as of December 31th, 2013 are credible. Besides, according to our external auditor, the statement reflecting company financial standing, performance, and cash flow are essentially accurate and consistent with generally accepted accounting principles.

Pornchak Manutham
Director of the Board

Katsumi Nakato
Director of the Board



16. Financial Statements

I have audited the accompanying consolidated and separate financial statements of YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED, which comprise consolidated and separate statements of financial position as at December 31, 2013. consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity, and consolidated and separate statements of cash flows for the year then ended, including notes of summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED as at December 31, 2013 and their financial performance and cash flows for the year then ended in accordance with the financial reporting standards.

Emphasis of Matter

Without qualifying my opinion, I draw your attention to notes 3.12 and 4 to financial statements as explained involving the impacts on the Company from changes in accounting policy since Thai accounting Standard No.12 "Income Taxes" was applied.

D I A International Audit Co., Ltd.

(Mrs.Suvimol Krittayakiern)
C.P.A. (Thailand)
Registration No.2982
24 February 2014



YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013 AND 2012

Unit : Baht

	Note	Consolidated financial statements			Separate financial statements		
		31 December 2013	31 December 2012	1 January 2012	31 December 2013	31 December 2012	1 January 2012
Assets			(Restated)	(Restated)		(Restated)	(Restated)
Current assets							
Cash and cash equivalents	5	109,148,474	173,266,525	80,671,896	89,147,642	155,827,294	51,668,102
Trade and other receivables							
Trade accounts receivable	6.1	194,384,320	181,606,359	195,860,214	294,373,272	278,016,169	292,003,798
Other receivables – related parties	21.2	519,879	1,917,765	12,377,145	774,146	2,034,492	12,493,872
Other receivables- unrelated parties	6.2	17,237,871	12,180,553	19,312,711	16,986,168	12,098,276	18,990,711
Inventories	7	311,468,655	310,504,155	342,337,973	298,300,316	301,364,524	319,091,455
Total current assets		632,759,199	679,475,357	650,559,939	699,581,544	749,340,755	694,247,938
Non-current assets							
Investment in subsidiary	8	-	-	-	-	-	999,900
Property, plant and equipment	9	273,077,020	250,291,787	408,809,980	269,753,807	246,544,224	404,747,578
Intangible assets	10	2,466,507	2,850,783	5,804,766	2,289,298	2,584,467	3,971,334
Deferred tax assets	11	5,970,148	4,576,853	9,066,554	6,170,128	4,776,833	9,066,554
Other non-current assets		10,736,830	12,443,702	8,316,816	10,736,829	12,443,702	6,635,155
Total non-current assets		292,250,505	270,163,125	431,998,116	288,950,062	266,349,226	425,420,521
Total assets		925,009,704	949,638,482	1,082,558,055	988,531,606	1,015,689,981	1,119,668,459
Liabilities and shareholders' equity							
Current liabilities							
Bank overdrafts and short-term loans from financial institution	12	70,000,000	70,000,000	160,000,000	70,000,000	70,000,000	160,000,000
Trade and other payables							
Trade and other payables-related parties	21.2	52,677,241	49,054,451	46,696,919	48,677,241	49,054,451	46,696,919
Trade and other payables- unrelated parties	13	327,496,225	317,548,383	312,663,782	309,744,960	293,781,994	276,381,065
Current portion of long-term loans	14	5,000,000	20,000,000	26,168,208	5,000,000	20,000,000	26,168,208
Short-term loans from related party	21.3	74,229,215	104,166,360	181,871,046	74,229,215	104,166,360	181,871,046
Total current liabilities		529,402,681	560,769,194	727,399,955	507,651,416	537,002,805	691,117,238
Non-current liabilities							
Long-term loans from financial institutions	14	-	5,000,000	25,000,000	-	5,000,000	25,000,000
Employee benefit obligations	15.1	42,934,673	41,203,076	36,400,455	40,557,834	37,915,453	33,818,755
Total non-current liabilities		42,934,673	46,203,076	61,400,455	40,557,834	42,915,453	58,818,755
Total liabilities		572,337,354	606,972,270	788,800,410	548,209,250	579,918,258	749,935,993
Shareholders' equity							
Share capital							
Authorized share capital 107,625,000 ordinary shares of Baht 1.00 each		107,625,000	107,625,000	107,625,000	107,625,000	107,625,000	107,625,000
Issued and fully paid-up share capital 107,625,000 ordinary shares of Baht 1.00 each		107,625,000	107,625,000	107,625,000	107,625,000	107,625,000	107,625,000
Premium on share capital		171,075,000	171,075,000	171,075,000	171,075,000	171,075,000	171,075,000
Retained earnings (deficit)							
Appropriated							
Legal reserve	16	26,906,250	26,906,250	26,906,250	26,906,250	26,906,250	26,906,250
Unappropriated		47,066,100	37,059,962	(11,848,605)	134,716,106	130,165,473	64,126,216
Total shareholders' equity		352,672,350	342,666,212	293,757,645	440,322,356	435,771,723	369,732,466
Total liabilities and shareholders' equity		925,009,704	949,638,482	1,082,558,055	988,531,606	1,015,689,981	1,119,668,459

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

YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 AND 2012

		Unit: Baht			
		Total shareholders' equity			
		Retained earnings (Deficit)			
Note	Issues and paid-up Share capital	Premium on share capital	Legal reserve	Unappropriated	
Balance as at 31 December 2012 (before restatement)	107,625,000	171,075,000	26,906,250	32,483,109	338,089,359
Cumulative effects of changes in accounting policy for deferred tax	4,11	-	-	4,576,853	4,576,853
Balance as at 1 January 2013 (after restatement)	107,625,000	171,075,000	26,906,250	37,059,962	342,666,212
Dividend payment	17	-	-	(5,381,139)	(5,381,139)
Profit (loss) for the year	-	-	-	15,427,246	15,427,246
Other comprehensive income for the year	-	-	-	(39,969)	(39,969)
Balance as at 31 December 2013	107,625,000	171,075,000	26,906,250	47,066,100	352,672,350
Balance as at 31 December 2011 (before restatement)	107,625,000	171,075,000	26,906,250	(20,915,159)	284,691,091
Cumulative effects of changes in accounting policy for deferred tax	4,11	-	-	9,066,554	9,066,554
Balance as at 1 January 2012 (after restatement)	107,625,000	171,075,000	26,906,250	(11,848,605)	293,757,645
Total comprehensive income for the year (restated)	-	-	-	48,908,567	48,908,567
Balance as at 31 December 2012 (after restatement)	107,625,000	171,075,000	26,906,250	37,059,962	342,666,212

YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 AND 2012

		Units: Baht			
		Total shareholders' equity			
		Retained earnings (Deficit)			
Note	Issued and paid-up Share capital	Premium on share capital	Legal reserve	Unappropriated	
Balance as at 31 December 2012 (before restatement)	107,625,000	171,075,000	26,906,250	125,388,640	430,994,890
Cumulative effects of changes in accounting policy for deferred tax	4,11	-	-	4,776,833	4,776,833
Balance as at 1 January 2013 (after restatement)	107,625,000	171,075,000	26,906,250	130,165,473	435,771,723
Dividend payment	17	-	-	(5,381,139)	(5,381,139)
Profit (loss) for the year	-	-	-	11,003,975	11,003,975
Other comprehensive income for the year	-	-	-	(1,072,203)	(1,072,203)
Balance as at 31 December 2013	107,625,000	171,075,000	26,906,250	134,716,106	440,322,356
Balance as at 31 December 2011 (before restatement)	107,625,000	171,075,000	26,906,250	55,059,662	360,665,912
Cumulative effects of changes in accounting policy for deferred tax	4,11	-	-	9,066,554	9,066,554
Balance as at 1 January 2012 (after restatement)	107,625,000	171,075,000	26,906,250	64,126,216	369,732,466
Total comprehensive income for the year (restated)	-	-	-	66,039,257	66,039,257
Balance as at 31 December 2012 (after restatement)	107,625,000	171,075,000	26,906,250	130,165,473	435,771,723

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

YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARY
 STATEMENTS OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 DECEMBER 2013 AND 2012

Unit: Baht

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
			(Restated)		(Restated)
Revenues from sales		1,735,098,850	1,891,173,513	1,690,643,185	1,848,079,644
Cost of sales		(1,442,831,790)	(1,559,287,873)	(1,450,407,419)	(1,549,483,734)
Gross profit		292,267,060	331,885,640	240,235,766	298,595,910
Other income	19	26,949,453	44,866,318	26,316,300	45,330,150
Profit before expenses		319,216,513	376,751,958	266,552,066	343,926,060
Expenses					
Selling expenses		(215,074,507)	(234,656,349)	(184,879,381)	(200,241,599)
Administrative expenses		(84,764,588)	(78,106,737)	(66,460,479)	(62,764,909)
Finance costs		(5,333,475)	(10,590,604)	(5,333,475)	(10,590,574)
Total expenses		(305,172,570)	(323,353,690)	(256,673,335)	(273,597,082)
Profit before income tax		14,043,943	53,398,268	9,878,731	70,328,978
Income (expenses) tax received	4,11	1,383,303	(4,489,701)	1,125,244	(4,289,721)
Profit (loss) for the year		15,427,246	48,908,567	11,003,975	66,039,257
Other comprehensive income					
Actuarial gains (loss) on defined					
Employee benefit plans Net of income tax		(39,969)	-	(1,072,203)	-
Total comprehensive income for the year		15,387,277	48,908,567	9,931,772	66,039,257
Attributable to:					
Owners of the Company		15,387,277	48,908,567	9,931,772	66,039,257
Non-controlling interests		-	-	-	-
		15,387,277	48,908,567	9,931,772	66,039,257
Earnings per share					
Basic earnings per share		0.14	0.45	0.10	0.61
Number of weighted average ordinary shares		107,625,000	107,625,000	107,625,000	107,625,000

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



YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Cash flows from operating activities				
Profit (loss) before income tax	14,043,943	53,398,268	9,878,731	70,328,978
Adjustments to reconcile net profit to net cash provided by (used in) from operating activities				
Employee benefit provisions	4,892,233	7,385,079	4,500,545	6,679,155
Depreciation of assets	28,657,858	30,388,023	28,227,156	29,736,024
Amortization	1,547,026	1,650,585	1,414,019	1,518,467
Interest expenses	5,333,475	10,590,604	5,333,475	10,590,574
Loss on impairment of intangible assets	-	1,500,000	-	-
Unrealized loss (gain) on exchange rate	(6,713,614)	728,854	(6,713,614)	728,854
Reversed allowance for doubtful accounts	(875,953)	(1,070,258)	(705,915)	(54,000)
Allowance for devaluation of inventories and reversal	2,281,600	(319,289)	1,737,069	(360,743)
Loss on devaluation of investment	-	-	-	999,900
Loss on products lost	-	585,500	-	-
(Gain) loss on write-off assets	5,750	(72,487)	5,750	(72,487)
(Gain) on disposal of property, plant and equipment	(11,190,345)	(16,823,552)	(10,688,112)	(16,817,740)
Profit from operating activities before changes in operating assets and liabilities	37,981,973	87,941,327	32,989,104	103,276,982
Decrease (increase) in operating assets				
Trade accounts receivable	(10,986,912)	15,290,742	(14,736,092)	13,954,257
Other receivables- related parties	1,397,886	10,459,381	1,260,346	10,459,381
Other receivables- unrelated parties	(5,057,318)	7,132,157	(4,887,892)	6,946,434
Inventories	(3,246,100)	31,567,608	1,327,139	18,087,674
Other non-current assets	1,561,471	(428,868)	1,561,472	(1,960,525)
Increase in operating assets	(16,330,973)	64,021,020	(15,475,027)	47,487,221
(Decrease) increase in operating liabilities				
Trade and other payables- related parties	(1,524,456)	11,399,057	(5,524,456)	4,069,610
Trade and other payables- unrelated parties	12,797,904	(21,296,794)	18,813,029	(1,451,019)
Payments for employee benefit	(3,210,597)	(2,582,458)	(3,198,418)	(2,582,458)
(Decrease) Increase in operating liabilities	8,062,851	(12,480,195)	10,090,155	36,133
Cash generated (paid) from operation				
Interest paid	(5,581,646)	(12,967,365)	(5,581,646)	(12,967,335)
Income tax received	242,797	-	242,797	-
Income tax paid	(97,396)	(3,848,021)	(97,396)	(3,848,021)
Net cash provided by (used in) operating activities	24,277,606	122,666,766	22,167,987	133,984,980
Cash flows from investing activities				
Payments for fixed assets acquisition	(57,629,562)	(71,463,829)	(57,623,199)	(71,276,640)
Payments for intangible assets acquisition	(1,162,750)	(196,602)	(1,118,850)	(131,600)
Proceeds from sales of fixed assets	15,823,554	219,617,402	15,321,309	219,611,560
Net cash provided by (used in) investing activities	(42,968,758)	147,956,971	(43,420,740)	148,203,320
Cash flows from financing activities				
Repayments for short-term loans from related party	(20,045,760)	(61,860,900)	(20,045,760)	(61,860,900)
Repayments for short-term loans from financial institutions	-	(90,000,000)	-	(90,000,000)
Repayments for long-term loans	(20,000,000)	(26,168,208)	(20,000,000)	(26,168,208)
Payment for dividend	(5,381,139)	-	(5,381,139)	-
Net cash provided by (used in) financing activities	(45,426,899)	(178,029,108)	(45,426,899)	(178,029,108)
Net increase (decrease) in cash and cash equivalents	(64,118,051)	92,594,629	(66,679,652)	104,159,192
Cash and cash equivalents at the beginning of period	173,266,525	80,671,896	155,827,294	51,668,102
Cash and cash equivalents at the ending of period	109,148,474	173,266,525	89,147,642	155,827,294

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



**YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

1. GENERAL INFORMATION

Name	: Yuasa Battery (Thailand) Public Company Limited (“The Company”)
Registration	: The Company was incorporated as a public limited company in Thailand and is a listed company in Market for Alternative Investment on 21 November 1994.
Location- Head office	: 164, Moo 5, Soi Thedsaban 55, Sukhumvit Road, Tambol Taibanmai, Amphur Muangsamutprakan, Samutprakan.
Type of business	: The Company is engaged in business of manufacturing battery for automobiles and motorcycles.
Major shareholder	: Five major shareholders are below:
	31 December 2013
	(%)
1. GS Yuasa International Ltd. (incorporated in Japan)	40.69
2. Metropolitan Motor Service Co., Ltd. (incorporated in Thailand)	19.13
3. Fuij Mercantile Co., Ltd.	6.48
4. Central Agency Co., Ltd.	5.45
5. Manu thamma Group	3.31

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Financial statements preparation

The accompanying consolidated and separate financial statements have been prepared in conformity with Thai Financial Reporting Standards, enunciated under the Accounting Professions Act B.E. 2547 and presented in accordance with the notification of Department of Business Development by Ministry of Commerce dated 28 September 2011 regarding the condensed form should be included in the financial statements B.E. 2554 and the regulations of the Securities and Exchange Commission regarding the preparation and presentation of financial reporting under the Securities and Exchange Act B.E. 2535.

The accompanying consolidated and separate financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

2.2 Accounting standards adoption during the period

The Federation of Accounting Professions issued accounting standards, financial reporting standards, standing interpretations and accounting guidance which are expected to be effective for the financial statements beginning on or after 1 January 2013 as detailed below:

<u>Accounting Standards</u>	<u>Contents</u>
TAS 12	Income Taxes
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rate
<u>Financial Reporting Standards</u>	
TFRS 8	Operation Segments
<u>Standing Interpretations</u>	<u>Contents</u>
TSIC 10	Government Assistance-No Specific Relation to Operating Activities
TSIC 21	Income Taxes-Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes-Changes in the Tax Status of an Enterprises or its Shareholders.



Accounting Guidance Transfers of Financial Assets

Those accounting standards, financial reporting standards, standing interpretations and accounting guidance will have no significantly impacts on these financial statements except for TAS 12 "Income Taxes". The effect of these changes have been disclosed in notes 4 to financial statements.

The issued and revised financial reporting standards which are effective for the financial statements beginning on or after 1 January 2014 onwards and have not been adopted for preparation of these financial statements as follows:

<u>Accounting standards</u>	<u>Contents</u>	<u>Effective date</u>
TAS 1 (Revised 2012)	Presentation of Financial Statements	1 January 2014
TAS 7 (Revised 2012)	Statement of Cash Flows	1 January 2014
TAS 12 (Revised 2012)	Income Taxes	1 January 2014
TAS 17 (Revised 2012)	Leases	1 January 2014
TAS 18 (Revised 2012)	Revenue	1 January 2014
TAS 19 (Revised 2012)	Employee Benefits	1 January 2014
TAS 21 (Revised 2012)	The Effects of Changes in Foreign Exchange Rate	1 January 2014
TAS 24 (Revised 2012)	Relates Party Disclosures	1 January 2014
TAS 28 (Revised 2012)	Investments in Associates	1 January 2014
TAS 31 (Revised 2012)	Interests in Joint Venture	1 January 2014
TAS 34 (Revised 2012)	Interim Financial Reporting	1 January 2014
TAS 36 (Revised 2012)	Impairment of Assets	1 January 2014
TAS 38 (Revised 2012)	Intangible Assets	1 January 2014
<u>Financial Reporting Standards</u>		
TFRS 2 (Revised 2012)	Share-Based Payments	1 January 2014
TFRS 3 (Revised 2012)	Business Combinations	1 January 2014
TFRS 4	Insurance Contracts	1 January 2014
TFRS 5 (Revised 2012)	Non-current Asset Held for Sale and Discontinued Operations	1 January 2014
TFRS 8 (Revised 2012)	Operating Segments	1 January 2014
<u>Standing Interpretations</u>		
TSIC 15	Operating Leases-Incentives	1 January 2014
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	1 January 2014
TSIC 29	Service Concession Arrangements: Disclosures	1 January 2014
TSIC 32	Intangible Assets-website Costs	1 January 2014
<u>Financial Reporting Interpretations</u>		
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4	Determining whether and Arrangement contains a Lease	1 January 2014
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014
TFRIC 7	Applying the Restatement Approach under TAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>	1 January 2014
TFRIC 10	Interim Financial Reporting and Impairment	1 January 2014
TFRIC 12	Service Concession Arrangements	1 January 2014
TFRIC 13	Customer Loyalty Programmes	1 January 2014
TFRIC 17	Distributions of Non-Cash Assets to Owners	1 January 2014
TFRIC 18	Transfers of Assets from Customers	1 January 2014

At present, the Company is being evaluated the effects of those financial reporting standards on the financial statements in the year in which they are initially applied.

2.3 The consolidated financial statements consist of the financial statements of Yuasa Battery (Thailand) Public Company Limited which held in its subsidiary shares capital as follows:-

	Percentage	Type of business	Relationship
Yuasa Sales and Distribution Co., Ltd.	99.99	Sales of battery for automobiles and motorcycles	Shareholder, control by director

2.4 Transaction with related companies
Inter-company transactions have been eliminated in the consolidated financial statements.

2.5 The consolidated financial statements have been presented the consolidated financial position and results of operations of Yuasa Battery (Thailand) Public Company Limited and its subsidiary company. The usefulness of transaction of consolidated financial statements for other purposes may be limited due to the difference business of those consolidated companies.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Income and Expenses Recognition

3.1.1 Revenues from sales of goods are recognized as income when the significant risk and rewards of ownership have been transferred to the buyer.

3.1.2 Rental and services income relating to land, building and equipment are recognized on an accrual basis.

3.1.3 Revenues from dividend are recognized as income when the shareholder's right to receive payment is established.

3.1.4 Other income and expenses are recognized on an accrual basis

3.2 Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, which are due within 3 months and without restriction on withdrawal.

3.3 Trade accounts receivable and allowance for doubtful accounts

The Company and subsidiary presented trade accounts receivable at net of allowance for doubtful accounts and provides the allowance for doubtful accounts equal to the estimated loss from uncollectable. The estimated loss are based on historical collection experience and review of the current status of existing receivable.

3.4 Inventories

Inventories in the consolidated and separate financial statements are stated at the lower of cost or net realizable value. Cost is determined by using standard cost which closed to actual cost by first-in first-out basis.

3.5 Investments in subsidiary

Investments in subsidiary in the separate financial statements are stated at cost less provision for impairment (if any).

3.6 Capitalization of borrowing costs

Borrowing costs are capitalized to the extent that the Company and subsidiary have incurred borrowing costs on assets that require a period of time to get them ready for their intended use.

3.7 Property, plants and equipment and depreciation

3.7.1 Lands are valued at cost.

3.7.2 Building and equipment are valued at cost less accumulated depreciation and provision for impairment (if any).

The depreciation is computed on straight-line method as follows :

	Number of years
Building and construction	33
Machinery and equipment	10-15
Office equipment and furniture	5
Vehicles	5



The Company and subsidiary required the entity to include costs of asset dismantlement, removal and restoration as parts of cost of property, plant and equipment, the depreciation charge has to be determined separately for each significant parts of property, plant and equipment with the cost that is significant in relation to the total cost of asset item. In addition, the entity is required to review the useful lives, residual value and depreciation method at least at each financial year-end.

3.8 Intangible assets

Intangible asset represents computer software are stated at cost less accumulated amortization which will be amortized on a straight line basis over the estimated useful lives for the period of 5 years.

3.9 Impairment of assets

The Company and subsidiary have assessed the impairment of land, building and equipment, investment and intangible assets whenever events or changes indicate that the carrying amount of assets exceeds its recoverable value. The impairment loss will be recognized in statements of comprehensive income. The Company will reverse the impairment loss whenever there is no longer impairment or reduction in impairment.

Recoverable value of asset is either the net selling price or value from utilization of that asset, whichever is higher. The impairment will be estimated from each item of assets or each asset unit generating cash flow, whichever is practical.

3.10 Long-term lease agreement

Operating lease

Lease in which substantially all the risks and rewards of ownership of assets remain with the lessor is accounted for as operating lease. Rentals applicable to such operating leases are charged to the statement of comprehensive income over the lease term.

Financial lease

Lease in which substantially all the risks and rewards of ownership other than legal title are transferred to the Company is accounted for as a financial lease. The Company and subsidiary capitalized the equipment at the lower of estimated present value of the underlying lease payments or at the fair value of the equipment at the contractual date. The lease obligation reduced with financial costs will be recorded as long-term liability. Interest or financial charge is recognized by effective interest rate method over the term of contracts. Interest is recognized as expenses in the statements of comprehensive income over the period of the lease. The depreciation policy for assets acquired under financial lease agreement is determined on the useful lives or over the period of the lease whichever is lower.

3.11 Directors' remuneration and management benefit expenses

3.11.1 Directors' remuneration

The directors' remuneration is benefits paid to directors of the Company as per section 90 of the Public Company Limited Act excluding salaries and related fringe benefits paid to executive directors.

3.11.2 Management benefit expenses

Management benefit expenses focuses expenses relating to salaries, and other benefits to the directors and management, in accordance with the definitions of the Office of the Securities and Exchange Commission. Management under definition includes a chief executive officer, the next four executive levels immediately below that chief executive officer, all persons in positions comparable to these fourth executive levels and includes the accounting and financial executive officer, the manager level above or persons in position comparable.

3.12 Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to the items recognized 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 period, using tax rates enacted or substantively enacted at the reporting date, and any tax adjustment in the period.

Deferred tax is recognized in respect of temporary differences between the book value of assets and liabilities and the amounts used for taxation purposes. Deferred tax is not recognized if it is probable that they will not utilise in the foreseeable future.

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



In determining the amount of current and deferred tax, the Group/Company takes into account the impact of uncertain tax and the increase of taxes and interest payment. The Group/Company believes that its accruals for tax liabilities are adequate for future tax payment based on its assessment of many factors, including interpretations of tax law and past experience. This assessment relies on estimates and assumptions and may involve a series of judgements in future events. The new information may cause the Group/Company to change its judgement depending on the adequacy of existing tax liabilities; The change of tax liabilities will impact income tax expense in the period that happen to change.

Deferred tax assets and liabilities can be offset if there is a legally enforceable right to offset current tax assets and liabilities, and these income taxes levied by the same tax authority on the same taxable entity, on different tax entity, For different tax entity, it intends to settle current tax liabilities and assets on a net basis or intends to simultaneously receive asset and liabilities repayment.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be adequate for the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting period and reduced to the extent that the tax benefit will be probably used.

3.13 Accounting estimates

Preparation of financial statements in conformity with the financial reporting standards required the management to make several estimation and assumption which affect the reported amounts in the financial statements and notes related thereto. Consequent actual results may differ from these estimates.

The estimates and assumptions may have a risk of causing an adjustment to the assets in the next financial year related to provisions for employee benefits which is estimated by the actuary based on actuarial method and certified by the management at the statements of financial position date. It is propable that the estimates may have uncertain since the project' s nature is to be long-term other estimates are further described in the corresponding disclosures.

3.14 Provisions

The Company and subsidiary recognized a provision when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. If some or all the expenditure is required to settle a provision, is expected to be reimbursed when it is virtually certain that reimbursement will be received if the Company and subsidiary settle the obligation. The amount recognized should not exceed the amount of the provision.

3.15 Related parties transaction

Enterprise and individuals that directly, or indirectly control or are controlled by, or are under common control with the Company. Associates and individuals owning that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company which has a power in planning and operating control

3.16 Foreign currency transactions

3.16.1 Foreign currency transactions are converted into Baht at the rate of exchange prevailing on the date of the transactions. Monetary assets and liabilities in foreign currencies outstanding at the statements of financial position date are converted into Baht at that date.

Exchange gain or loss from settlement and conversion is recognized in the statements of comprehensive income.

3.16.2 The Company uses SWAP contracts and Forward contracts in assets and liabilities management activities to control exposure to fluctuations in interest and foreign exchange rates. Gains and losses on the said contracts designated as hedges of existing assets and liabilities are recognized in the statements of comprehensive income.

3.17 Earnings per share

Earnings (Loss) per share as presented in the statements of comprehensive income is the basic earnings (loss) per share which is determined by dividing total comprehensive income (expense) for the year by the number of weighted average ordinary shares issued and paid-up.

3.18 Financial instruments

Financial assets in the statement of financial position include cash and cash equivalents, trade accounts receivables and other current assets. Financial liabilities in statement of financial position consist of short-term loans from financial institution, trade accounts receivable, other current liabilities and long-term loans. The particular recognition methods adopted are disclosed in the individual policy associated with each items.



3.19 Provident fund and employee benefits

3.19.1 Provident fund

The Company and subsidiary have established provident fund under the defined contribution plan. The fund's assets are separated entities which are administered by the outsider fund manager. The Company and employees made contribution into such provident fund. The Company's contribution to the provident fund were recorded as expenses in statements of comprehensive income in the period in which they are incurred.

3.19.2 Employee benefits

The Company and subsidiary provide for post employment benefits, payable to employees under the Thai Labor Law. The present value of employee benefit liabilities recognized in the statements of financial position is estimated on an actuarial basis using Projected Unit Credit Method. The calculation was made by utilizing various assumptions about future events. The Company is responsible for the selection of appropriate assumptions. The assumptions used in determining the net period cost for employee benefits include the discount rate, the rate of salary increment, and employee turnover. Any changes in these assumptions will impact the net periodic cost recorded for employee benefits. On an annual basis, the Company and subsidiary determine the appropriate discount rate, which represents the interest rate that should be used to determine the present value of future cash flows currently expected to be required to settle the employee benefits. In determining the appropriate discount rate, the Company and subsidiary consider the market yield based on Thai government bonds with currency and term similar to the estimated term of benefit obligation.

The principal actuarial assumptions used were as follows:

Assumption	
Discount rate	3.89%
Salary increment	4.50%
Employee turnover	5.00%
Mortality	0 - 9%

4. CHANGES IN ACCOUNTING POLICY FOR DEFERRED TAX

On 1 January 2013, Company has applied the accounting policy for deferred tax, which recognized deferred tax base on temporary differences arising from differences between the book value and the tax base of assets and liabilities as at the end of reporting period by using tax rate enacted as at the end of reporting period as stated in note 3.12 by using the cumulative amount as if the Company has recorded deferred tax as an adjustment to the beginning retained earnings of year 2013 and made retroactively adjustment the financial statements year 2012. From the result of using this accounting policy, the consolidated and separate financial statements for the year ended 31 December 2012, represented the increase in beginning retained earnings by the amount of Baht 9.07 million (Separate: Baht 9.07 million) and net assets by the same amount. The consolidated and separate financial statements for the year ended 31 December 2012 and 1 January 2012 have been changed as follows:

Consolidated statements of financial position (Baht)			
As at 1 January 2012			
	Previous	Restated	Difference
Deferred tax assets	-	9,066,554	9,066,554
Unappropriated retained earnings	(20,915,159)	(11,848,605)	9,066,554
Separate statements of financial position (Baht)			
As at 1 January 2012			
	Previous	Restated	Difference
Deferred tax assets	-	9,066,554	9,066,554
Unappropriated retained earnings	55,059,662	64,126,216	9,066,554
Consolidated statements of financial position (Baht)			
As at 31 December 2012			
	Previous	Restated	Difference
Deferred tax assets	-	4,576,853	4,576,853
Unappropriated retained earnings	32,483,109	37,059,962	4,576,853



Separate statements of financial position (Baht)			
As at 31 December 2012			
	Previous	Restated	Difference
Deferred tax assets	-	4,776,833	4,776,833
Unappropriated retained earnings	125,388,640	130,165,473	4,776,833

Consolidated statements of comprehensive income (Baht)			
For the year ended 31 December 2012			
	Previous	Restated	Difference
Income tax	-	(4,489,701)	4,489,701
Net profit	53,398,268	48,908,567	(4,489,701)
Earnings per share	0.50	0.45	0.05

Separate statements of comprehensive income (Baht)			
For the year ended 31 December 2012			
	Previous	Restated	Difference
Income tax	-	(4,289,721)	4,289,721
Net profit	70,328,978	66,039,257	(4,289,721)
Earnings per share	0.65	0.61	0.04

5. CASH AND CASH EQUIVALENTS

As at 31 December 2013 and 2012 consist of:

	Unit: Baht			
	Consolidate financial statements		Separate financial statements	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Cash	212,350	206,959	96,502	75,622
Current accounts	94,800	95,000	57,800	57,000
Savings deposit	108,187,421	171,664,977	88,993,340	155,110,909
Cheque for deposit	653,903	1,299,589	-	583,763
Total	109,148,474	173,266,525	89,147,642	155,827,294

6. TRADE AND OTHER RECEIVABLES

6.1 Trade accounts receivable and note receivable

As at 31 December 2013 and 2012 consist of:

		Unit: Baht			
		Consolidated financial statements		Separate financial statements	
		31 December 2013	31 December 2012	31 December 2013	31 December 2012
Related parties					
Undue		5,108,368	4,411,933	177,686,003	146,387,004
Overdue less than 3 months		-	343,206	20,438,379	30,040,979
Total related parties	21.2	5,108,368	4,755,139	198,124,382	176,427,983
Other parties					
Undue		166,258,508	158,386,881	84,465,435	93,780,416
Overdue					
Less than 3 months		18,081,287	12,899,238	10,691,162	7,807,733
More than 3-6 months		1,093,205	1,246,235	1,092,256	-
More than 6-12 months		2,221	6,111	-	-
More than 12 months		29,012,028	30,360,005	497,446	1,203,361
Total other parties		214,447,249	202,898,470	96,746,299	102,791,510



Note	Consolidated financial statements		Separate financial statements	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
	Unit: Baht			
Less Allowance for doubtful accounts	(25,171,297)	(26,047,250)	(497,409)	(1,203,324)
Net-other parties	189,275,952	176,851,220	96,248,890	101,588,186
Trade accounts receivable-net	194,384,320	181,606,359	294,373,272	278,016,169

As at 31 December 2013, subsidiary has 1 trade accounts receivable which passed overdue more than 1 year amount of Baht 2.93 million. Such trade accounts receivable used land as collateral which is being made installment and disposed collateral. The management believes that the collateral is covered the outstanding debts of receivable, therefore, allowance for doubtful accounts is not provided.

6.2 Other receivables-unrelated parties

As at 31 December 2013 and 2012 consist of :

	Consolidated financial statements		Separate financial statements	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
	Unit: Baht			
Other receivables	6,620,494	4,357,894	6,246,261	3,985,450
Allowance for doubtful accounts-other receivables	(372,444)	(372,444)	-	-
Other receivables-net	6,248,050	3,985,450	6,246,261	3,985,450
Prepaid expenses	3,047,056	1,476,426	2,993,227	1,445,385
Revenue Department receivable	4,930,533	2,523,052	4,930,533	2,523,052
Advance payment	568,876	1,862,919	417,012	1,847,418
Tax rebate	1,856,516	1,274,343	1,856,516	1,274,343
Other	586,840	1,058,363	542,619	1,022,628
Total	17,237,871	12,180,553	16,986,168	12,098,276

7. INVENTORIES

As at 31 December 2013 and 2012 consist of

	Consolidated financial statements		Separate financial statements	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
	Unit: Baht			
Finished goods	68,217,318	91,593,025	54,451,330	82,400,276
Work in process	46,545,355	33,263,529	46,545,355	33,263,529
Raw materials and semi-raw materials	168,472,994	157,174,478	168,472,994	157,174,478
Supplies	28,732,176	26,599,936	28,732,176	26,599,936
Goods in transit	2,287,291	2,378,066	2,287,291	2,378,066
Total	314,255,134	311,009,034	300,489,146	301,816,285
(Less) Allowance for devaluation of inventories	(2,786,479)	(504,879)	(2,188,830)	(451,761)
Inventories-net	311,468,655	310,504,155	298,300,316	301,364,524



8. INVESTMENT IN SUBSIDIARY

Company's name		Separate financial statements				Unit: Baht
		Percentage	Paid up share capital		Cost Method	
		31 December 2013/ 31 December 2012	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Yuasa Sales and Distribution Co., Ltd.		99.99%				
	Balance		1,000,000	1,000,000	999,900	999,900
	Allowance for Devaluation of investment		-	-	(999,900)	(999,900)
	Total		1,000,000	1,000,000	-	-

The book value of investment in Yuasa Sales and Distribution Company Limited (based on the latest audited financial statements) was less than a cost of investment. The Company set up the full allowance for declining in both of them in the separate financial statements.

9. PROPERTY, PLANT AND EQUIPMENT

Consolidated financial statements						
	Balance as at 31 December 2011	Increase	Disposal/ Write off	Transfer in/out	Adjust	Balance as at 31 December 2012
Cost:						
Land	71,522,905	10,754,364	(57,344,375)	-	-	24,932,894
Building and construction	348,055,005	1,048,259	(257,964,522)	5,717,030	(14,823,923)	82,031,849
Machine and tools	773,646,408	20,738,697	(64,475,322)	31,574,091	(1,098,304)	760,385,570
Furniture and equipment	39,244,282	2,457,214	(2,616,027)	42,600	(392,746)	38,735,323
Vehicles	5,747,556	-	-	-	-	5,747,556
Total	1,238,216,156	34,998,534	(382,400,246)	37,333,721	(16,314,973)	911,833,192
Accumulated depreciation:						
Building and construction	(135,790,618)	(4,170,882)	93,007,873	-	9,496,847	(37,456,780)
Machine and tools	(639,975,535)	(23,201,741)	55,505,003	-	1,076,730	(606,595,543)
Furniture and equipment	(32,081,933)	(2,764,465)	2,595,080	-	381,443	(31,869,875)
Vehicles	(5,456,795)	(250,935)	-	-	-	(5,707,730)
Total	(813,304,881)	(30,388,023)	151,107,956	-	10,955,020	(681,629,928)
Assets under construction	17,829,585	39,592,659	-	(37,333,721)	-	20,088,523
Provision for impairment of assets	(33,930,880)	-	28,498,440	-	5,432,440	-
Property, plant and equipment-net	408,809,980					250,291,787
Consolidated financial statements						
	Balance as at 31 December 2012	Increase	Disposal/ Write off	Transfer in/out	Adjust	Balance as at 31 December 2013
Cost:						
Land	24,932,894	779,000	-	-	-	25,711,894
Building and construction	82,031,849	90,750	-	7,408,758	-	89,531,357
Machine and tools	760,385,570	9,620,955	(55,405,983)	8,485,753	(1,653,576)	721,432,719
Furniture and equipment	38,735,323	2,995,519	(3,648,749)	-	(5,907)	38,076,186
Vehicles	5,747,556	-	(2,691,174)	-	-	3,056,382
Total	911,833,192	13,486,224	(61,745,906)	15,894,511	(1,659,483)	877,808,538
Accumulated depreciation:						
Building and construction	(37,456,780)	(1,974,749)	-	-	-	(39,431,529)
Machine and tools	(606,595,543)	(23,960,779)	50,782,727	-	1,647,826	(578,125,769)
Furniture and equipment	(31,869,875)	(2,682,518)	3,638,805	-	5,907	(30,907,681)
Vehicles	(5,707,730)	(39,812)	2,691,165	-	-	(3,056,377)
Total	(681,629,928)	(28,657,858)	57,112,697	-	1,653,733	(651,521,356)
Building under construction	13,500,205	12,742,493	-	(7,408,758)	-	18,833,940
Machine under installation	6,588,318	29,853,333	-	(8,485,753)	-	27,955,898
Property, plant and equipment-net	250,291,787					273,077,020

Depreciation for the year ended 31 December 2013 amounted to Baht 28.66 million.



	Separate financial statements					Balance as at 31 December 2012
	Balance as at 31 December 2011	Increase	Disposal/ Write off	Transfer in/out	Adjust	
Cost:						
Land	69,394,001	10,604,364	(57,344,375)	-	-	22,653,990
Building and construction	346,144,303	1,048,259	(257,964,522)	5,717,030	(14,823,923)	80,121,147
Machine and tools	773,646,408	20,738,697	(64,475,322)	31,574,091	(1,098,304)	760,385,570
Furniture and equipment	35,556,811	2,270,024	(1,967,549)	42,600	(392,746)	35,509,140
Vehicles	1,206,850	-	-	-	-	1,206,850
Total	1,225,948,373	34,661,344	(381,751,768)	37,333,721	(16,314,973)	899,876,697
Accumulated depreciation:						
Building and construction	(134,674,830)	(4,075,347)	93,007,873	-	9,496,847	(36,245,457)
Machine and tools	(639,975,535)	(23,201,741)	55,505,003	-	1,076,730	(606,595,543)
Furniture and equipment	(29,242,286)	(2,458,936)	1,946,632	-	381,443	(29,373,147)
Vehicles	(1,206,849)	-	-	-	-	(1,206,849)
Total	(805,099,500)	(29,736,024)	150,459,508	-	10,955,020	(673,420,996)
Assets under construction	17,829,585	39,592,659	-	(37,333,721)	-	20,088,523
Provision for impairment of assets	(33,930,880)	-	28,498,440	-	5,432,440	-
Property, plant and equipment-net	404,747,578					246,544,224

	Separate financial statements					Balance as at 31 December 2013
	Balance as at 31 December 2012	Increase	Disposal/ Write off	Transfer in/out	adjust	
Cost:						
Land	22,653,990	779,000	-	-	-	23,432,990
Building and construction	80,121,147	90,750	-	7,408,758	-	87,620,655
Machine and tools	760,385,570	9,620,955	(55,405,983)	8,485,753	(1,653,576)	721,432,719
Furniture and equipment	35,509,140	2,989,155	(3,599,980)	-	(5,907)	34,892,408
Vehicles	1,206,850	-	(450,000)	-	-	756,850
Total	899,876,697	13,479,860	(59,455,963)	15,894,511	(1,659,483)	868,135,622
Accumulated depreciation:						
Building and construction	(36,245,457)	(1,879,214)	-	-	-	(38,124,671)
Machine and tools	(606,595,543)	(23,960,779)	50,782,727	-	1,647,826	(578,125,769)
Furniture and equipment	(29,373,147)	(2,387,163)	3,590,040	-	5,907	(28,164,363)
Vehicles	(1,206,849)	-	449,999	-	-	(756,850)
Total	(673,420,996)	(28,227,156)	54,822,766	-	1,653,733	(645,171,653)
Building under construction	13,500,205	12,742,493	-	(7,408,758)	-	18,833,940
Machine under installation	6,588,318	29,853,333	-	(8,485,753)	-	27,955,898
Property, plant and equipment-net	246,544,224					269,753,807

Depreciation for the year ended 31 December 2013 amounted to Baht 28.23 million.

Unit: million Baht

Description	Consolidated financial statements		Separate financial statements	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Cost of building and equipment which were fully depreciated but are still in use	318.83	348.44	314.77	342.90

Land with its construction structured on some plot of land were mortgaged as collateral against credit line obtained from bank as stated in note 12 and 14.



10. INTANGIBLE ASSETS

	Consolidated financial statements				Unit: Baht
	Balance as at 31 December 2012	Increase	Disposal/ amortization	Transfer in(out) adjustment	Balance as at 31 December 2013
Cost:					
Computer software	19,051,157	1,162,750	-	-	20,213,907
Total	19,051,157	1,162,750	-	-	20,213,907
Accumulated amortization					
Computer software	(16,200,374)	(1,547,026)	-	-	(17,747,400)
Total	(16,200,374)	(1,547,026)	-	-	(17,747,400)
Intangible assets-net	2,850,783				2,466,507

Amortization for the year ended 31 December 2013 amounted to Baht 1.55 million

	Separate financial statements				Unit: Baht
	Balance as at 31 December 2012	Increase	Disposal/ amortization	Transfer in(out) adjustment	Balance as at 31 December 2013
Cost:					
Computer software	17,261,995	1,118,850	-	-	18,380,845
Total	17,261,995	1,118,850	-	-	18,380,845
Accumulated amortization					
Computer software	(14,677,528)	(1,414,019)	-	-	(16,091,547)
Total	(14,677,528)	(1,414,019)	-	-	(16,091,547)
Intangible assets-net	2,584,467				2,289,298

Amortization for the year ended 31 December 2013 amounted to Baht 1.41 million.

11. DEFERRED TAX

As at 31 December 2013 consist of :

	Consolidated financial statements			Separate financial statements			Unit: Baht
	31 December 2013	31 December 2012	1 January 2012	31 December 2013	31 December 2012	1 January 2012	
Deferred tax assets	8,648,815	7,914,108	9,066,554	8,848,795	8,114,088	9,066,554	
Deferred tax liabilities	(2,678,667)	(3,337,255)	-	(2,678,667)	(3,337,255)	-	
Net	5,970,148	4,576,853	9,066,554	6,170,128	4,776,833	9,066,554	

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

For the year ended 31 December 2013 consist of:

	Consolidated financial statements				
	As at 1 January 2012	Expenses/ (income) recognized In profit or loss	As at 31 December 2012	Expenses/ (income) recognized In profit or loss	As at 31 December 2013
Deferred tax asset					
Trade accounts receivable (doubtful accounts)	251,465	10,800	240,665	141,183	99,482
Inventories (allowance for obsolete and devaluation)	162,501	72,149	90,352	(347,414)	437,766



	Consolidated financial statements				
	As at 1 January 2012	Expenses/ (income) recognized In profit or loss	As at 31 December 2012	Expenses/ (income) recognized In profit or loss	As at 31 December 2013
Property, plant and equipment (depreciation difference)	1,888,837	1,888,837	-	-	-
Employee benefit obligations	6,763,751	(819,340)	7,583,091	(528,476)	8,111,567
Total	9,066,554	1,152,446	7,914,108	(734,707)	8,648,815
Deferred tax liabilities					
Property, plant and equipment (depreciation difference)	-	3,337,255	(3,337,255)	(658,588)	(2,678,667)
Total	-	3,337,255	(3,337,255)	(658,588)	(2,678,667)
Net	9,066,554	4,489,701	4,576,853	(1,393,295)	5,970,148

For the year ended 31 December 2013 consist of:

	Separate financial statements				
	As at 1 January 2012	Expenses/ (income) recognized In profit or loss	As at 31 December 2012	Expenses/ (income) recognized In profit or loss	As at 31 December 2013
Deferred tax assets					
Trade accounts receivable (doubtful accounts)	251,465	10,800	240,665	141,183	99,482
Inventories (allowance for obsolete and devaluation)	162,501	72,149	90,352	(347,414)	437,766
Property, plant and equipment (write off- difference)	1,888,837	1,888,837	-	-	-
Investment in subsidiaries	-	(199,980)	199,980	-	199,980
Employee benefit obligations	6,763,751	(819,340)	7,583,091	(528,476)	8,111,567
Total	9,066,554	952,466	8,114,088	(734,707)	8,848,795
Property, plant and equipment (depreciation difference)	-	3,337,255	(3,337,255)	(658,588)	(2,678,667)
Total	-	3,337,255	(3,337,255)	(658,588)	(2,678,667)
Net	9,066,554	4,289,721	4,776,833	(1,393,295)	6,170,128

Income tax expenses for the year ended 31 December 2013 and 2012 are summarized below:

Statement of comprehensive income				Unit: Baht
Consolidated financial statements		Separate financial statements		
31 December 2013	31 December 2012	31 December 2013	31 December 2012	
Current tax:				
Income tax for the year				
Deferred tax:				
Deferred tax derived from temporary differences and reversal of temporary differences temporary differences presented in:				



	Statement of comprehensive income				Unit: Baht
	Consolidated financial statements		Separate financial statements		
	31 December 2013	31 December 2012	31 December 2013	31 December 2012	
-statement of comprehensive income	1,393,295	(4,489,701)	1,393,295	(4,289,721)	
-statement of other comprehensive income	(9,992)	-	(268,051)	-	
Income tax (expenses) income in statements of income	1,383,303	(4,489,701)	1,125,244	(4,289,721)	

Reconciliation amount between income tax expenses and multiplication of taxable profits and tax rates used for the year ended 31 December 2013 and 2012 can be presented as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Accounting profit before income tax	14,043,943	53,398,268	9,878,731	70,328,978
Income tax rate	20%	23%	20%	23%
Accounting profit before income tax multiply by tax rate	2,808,789	12,281,602	1,975,746	16,175,665
Taxable effect for:				
Expenses of accounting base differ from tax base	(1,415,494)	(16,771,303)	(582,451)	(20,465,386)
Income tax (expenses) presented in statements of comprehensive	1,393,295	(4,489,701)	1,393,295	(4,289,721)
Effective income tax rate	-%	8.41%	-%	6.10%

12. BANK OVERDRAFT AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

As at 31 December 2013 and 2012 consist of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Short term loans-promissory notes	70,000,000	70,000,000	70,000,000	70,000,000
Total	70,000,000	70,000,000	70,000,000	70,000,000

As at 31 December 2013, the Company and subsidiary have overdraft lines with a bank for total amount of 26.50 million (Separate : Baht 21.5 million), guaranteed by land with its construction as stated in note 9, and the Company has short-term credit line and other credits with two banks total amount of Baht 431 million without any collaterals.

13. TRADE AND OTHER PAYABLES-UNRELATED PARTIES

As at 31 December 2013 and 2012 consist of :

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Trade accounts payable	270,408,768	218,553,168	270,408,768	218,553,168
Accrued expenses	42,572,754	55,895,632	26,307,707	33,478,947
Assets payable	2,522,819	10,310,447	2,522,819	10,310,447
Amount received in advance	3,695,390	3,066,348	3,307,966	2,925,132
Revenue Department payable	2,237,614	5,719,948	1,177,317	4,526,460
Swap contract payable	4,989,050	17,915,356	4,989,050	17,915,356
Forward contract payable	850,702	5,867,802	850,702	5,867,802
Others	219,128	219,682	180,631	204,682
Total	327,496,225	317,548,383	309,744,960	293,781,994

14. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

As at 31 December 2013 and 2012 consist of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	31 December 2013	31 December 2012	31 December 2013	31 December 2013
Loans from banks	5,000,000	25,000,000	5,000,000	25,000,000
Less Current portion of long-term loans	(5,000,000)	(20,000,000)	(5,000,000)	(20,000,000)
Long-term loans-net	-	5,000,000	-	5,000,000

The Company has long-term loans from banks as follow:

On 20 February 2009, the Company entered into loan agreement for credit amount of Baht 100 million (withdrawal in full amount). The loan is repayable in quarterly basis through 20 installments amount of Baht 5 million each, commenced in May 2009 and ended in February 2014 bearing interest at the rate of 7.10% per annum which is payable in quarterly with the principal. The loan is guaranteed by GS Yuasa Corporation Co., Ltd.

15. EMPLOYEE BENEFIT OBLIGATIONS

15.1 The changes in present value of benefit obligations plan for the year ended 31 December 2013

	Unit: Baht	
	Consolidated Financial statements	Separate Financial statements
Employee benefit obligations plan as at 1 January 2013	41,203,076	37,915,453
Current cost of project and interest	4,892,233	4,500,545
Actuarial loss realized in other comprehensive income during the year	49,961	1,340,254
Employee benefits paid	(3,210,597)	(3,198,418)
Employee benefit obligations plan as at 31 December 2013	42,934,673	40,557,834

15.2 Expenses realized in statements of comprehensive income for the year ended 31 December 2013 and 2012

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Cost of sales	3,150,478	4,994,489	3,150,478	4,994,489
Selling expenses	466,068	457,725	270,008	202,104
Administrative expenses	1,275,687	1,932,865	1,080,059	1,482,563
Total	4,892,233	7,385,079	4,500,545	6,679,156

16. LEGAL RESERVE

By virtue of the Public Company Limited Act, the Company is required to appropriate not less than 10% of annual net profit after deduction of deficit brought forward (if any) as a legal reserve until such reserve is not less than 25% of the authorized share capital. This reserve is not available for dividend distribution.

By virtue of the Revenue Code, the subsidiary is required to appropriate a legal reserve as a legal reserve not less than 5% of the annual net profit after deduction with deficit brought forward (if any) of subsidiary until the legal reserve reaches 10% of authorized share capital of the subsidiary. This reserve is not available for dividend distribution.

17. DIVIDEND PAYMENT

According to the Annual General Meeting of Shareholders for the year 2012 held on April 10, 2013, the Company passed a resolution to pay dividend of the 2012 results of operation to the shareholders for 107,625,000 shares at Baht 0.05 each, totaling Baht 5.38 million. The dividend was paid on May 8, 2013.



18. PROVIDENT FUND

The Company, subsidiary and employees have jointly established provident fund in accordance with the Provident Act B.E. 2530. The Company, subsidiary and employees paid monthly contribution at the rate of 3% of employees salary. This Fund is managed by Thanachart Assets Management Securities Co., Ltd. The benefits are entitled to the employees based on resignation of employee in accordance with the regulation of the fund of the Company and subsidiary. For the year ended 31 December 2013, the Company and subsidiary paid contribution to the fund amount of Baht 2.46 million (Separate: Baht 2.14 million).

19. OTHER INCOME

For the year ended 31 December 2013 and 2012 consist of:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	Unit: Baht			
Rental and services income	463,500	14,058,829	1,907,580	15,756,297
Gain on sales of assets	11,190,345	16,823,552	10,688,112	16,817,740
Gain on exchange rate	7,532,195	4,023,121	7,532,195	4,023,121
Other	7,763,413	9,960,816	6,188,413	8,732,992
Total	26,949,453	44,866,318	26,316,300	45,330,150

20. EXPENSES ANALYZED BY NATURE

Significant expenses for the year ended 31 December 2013 and 2012 analyzed by nature are as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	Unit: Baht			
Changes in finished goods and work in process	10,093,881	23,565,738	14,667,120	17,513,832
Purchase of finished goods	53,608,461	103,822,671	53,608,461	103,822,671
Raw materials and consumable used	962,849,447	1,001,036,863	962,849,447	1,001,036,863
Employee expenses	206,224,383	245,304,421	185,438,909	224,995,039
Sub-contractor wages	44,595,667	32,170,890	44,595,667	32,170,890
Employee benefits expenses	4,892,233	7,385,079	4,500,545	6,679,155
Management benefit expenses	33,819,033	17,930,365	27,743,515	16,288,998
Directors' remuneration	2,917,166	1,995,500	2,917,166	1,995,500
Excise tax	131,326,203	151,322,146	131,326,203	151,322,146
Electricity expenses	55,131,370	75,371,371	55,131,370	75,371,371
Depreciation and amortization	30,204,884	32,038,608	29,641,175	31,254,491
Sales promotion expenses	16,636,318	15,509,181	7,441,545	1,193,485
Repair and maintenance expenses	42,813,851	37,185,729	42,573,633	36,830,348
Royalty fee	24,680,660	25,812,282	24,680,660	25,812,582
Loss on devaluation of goods and reversal	2,281,600	(319,289)	1,737,069	(360,743)
Loss on lack of goods	-	585,500	-	-
Assets moving expenses	5,526,337	6,637,758	5,526,337	6,637,758
Assets selling expenses	-	8,570,628	-	8,570,628
Reversed allowance for doubtful accounts	(875,953)	(1,070,258)	(705,915)	(54,000)
Loss on goods destruction	7,367,584	-	7,367,584	-

21. TRANSACTIONS WITH RELATED PARTIES

During the period, the Company and subsidiary have significant transaction with related persons and parties. These transactions are related in the normal course of business and on the basis of the company and related parties concerned as follows:

Relationship between the Company and related parties can be summarized as follows:

21.1 Company's name	Nature of business	Relationship
Yuasa Sales and Distribution Co., Ltd	Distributor of Yuasa Battery	Subsidiary 99.99%
GS Yuasa International Ltd.	Manufacture of Battery	Shareholder 40.69%

<u>Company's name</u>	<u>Nature of business</u>	<u>Relationship</u>
Metropolitan Motor Service Co., Ltd.	Vehicle Transportation	Shareholder 19.13%
GS Yuasa Manufacturing Ltd.	Manufacture of Battery	Common shareholder
Manutham Mansion and Development Co., Ltd.	Property Development	Common director
Fuji Merchandises Co., Ltd.	Investment Business	Common director
Yuasa Battery (Malasia) Sdn Bhd.	Manufacture of Battery	Common ultimate parent company
GS Yuasa Battery (Singapore) Pte. Ltd.	Manufacture of Battery	Common ultimate parent company
PT Yuasa Battery Indonesia	Manufacture of Battery	Common ultimate parent company
Tata Autocomp GY Battery Private Ltd.	Manufacture of Battery	Common ultimate parent company
Ztong Yee Industrial Co., Ltd.	Manufacture of Battery	Common ultimate parent company
GS Yuasa Power Supply Ltd.	Manufacture of Battery	Common ultimate parent company
GS Yuasa Siam Industry Co., Ltd.	Manufacture of Battery	Common ultimate parent company
Taiwan Yuasa Battery Co., Ltd.	Manufacture of Battery	Common ultimate parent company
GS Battery Vietnam	Manufacture of Battery	Common ultimate parent company
GS Yuasa Corporation	Investment business	The parent company of group company
Estate of POL.LT.Chan Manuthumma	-	Estate of group of major shareholder

21.2 Balances and transactions with related parties are as follows:

		Unit: Baht	
		Consolidated financial statements	
		31 December 2013	31 December 2012
21.2.1 Balance of assets and liabilities			
Trade accounts receivable			
GS Yuasa International Ltd.		18,147	12,337
Yuasa Battery (Malaysia) Sdn Bhd.		5,090,221	4,742,802
Total		5,108,368	4,755,139
Other receivables-accrued income			
GS Yuasa Siam Industry Co., Ltd.		-	1,121,973
Taiwan Yuasa Battery Co., Ltd.		519,879	795,792
Total		519,879	1,917,765
Trade accounts payable			
GS Yuasa International Ltd.		4,441,446	13,658,708
GS Yuasa Siam Industry Co., Ltd.		727,544	8,252,016
Accrued royalty expenses			
GS Yuasa International Ltd.		24,680,660	25,812,582
Accrued interest expenses			
GS Yuasa International Ltd.		406,552	589,992
Advance received from sale of assets			
GS Yuasa Siam Industry Co., Ltd.		-	741,153
Assets payable			
GS Yuasa International Ltd.		5,300,156	-
Other expenses			
GS Yuasa Corporation		38,411	-
GS Yuasa Siam Industry Co., Ltd.		716,712	-
GS Yuasa International Ltd.		365,760	-
Accrued management benefit expenses			
Estate of POL.LT.Chan Manuthumma		16,000,000	-
Total		52,677,241	49,054,451



		Unit: Baht	
		Consolidated financial statement	
		31 December 2013	31 December 2012
21.2.2 Revenues and expenses			
Sales			
GS Yuasa International Ltd.	Market price	1,349,596	256,890
GS Yuasa Battery (Singapore) Pte. Ltd.	Market price	-	1,860,424
Yuasa Battery (Malaysia) Sdn Bhd.	Market price	51,901,931	46,687,764
Rental income			
GS Yuasa Siam Industry Co., Ltd.	Per contract	-	5,213,852
Service income			
GS Yuasa Siam Industry Co., Ltd.	Per contract	-	26,638,758
Commission income			
Taiwan Yuasa Battery Co., Ltd.	At agreed price/ as memorandum	2,626,175	1,990,246
Other income			
GS Yuasa Siam Industry Co., Ltd.	At agreed price/ as memorandum	107,700	16,355,865
Purchase of goods			
GS Yuasa International Ltd.	Market price	49,761,667	83,783,470
GS Yuasa Siam Industry Co., Ltd.	Market price	943,440	16,871,198
Service expenses			
GS Yuasa International Ltd.	At agreed price/ as memorandum	3,639,773	-
Royalty expenses			
GS Yuasa International Ltd.	Per contract	24,680,660	25,812,582
Interest expenses			
GS Yuasa International Ltd.	Per contract	1,116,051	2,141,970
Rental expenses			
GS Yuasa Siam Industry Co., Ltd.	Per contract	990,878	-
Sub-contract-lead powder			
GS Yuasa Siam Industry Co., Ltd.	Per contract	3,325,052	-
Other expense			
GS Yuasa Corporation	At agreed price	38,411	-
Management benefit expenses			
Estate of POL.LT.Chan Manuthumma		16,000,000	-
		Unit: Baht	
		Consolidated financial statements	
		31 December 2013	31 December 2012
21.2.3 Others			
Sale of fixed assets			
GS Yuasa Siam Industry Co., Ltd.	At agreed price	1,320,362	217,033,851
Yuasa Battery (Malaysia) Sdn Bhd.	At agreed price	-	1,640,121
GS Battery Vietnam	At agreed price	12,665,482	-
Purchase of fixed assets			
GS Yuasa International Ltd.	Market price	11,903,318	6,318,247



		Unit: Baht	
		Separate financial statements	
		31 December 2013	31 December 2012
21.2.4 Assets and liabilities balance			
Trade accounts receivable			
Subsidiary			
Yuasa Sales and Distribution Co., Ltd.		193,016,014	171,672,844
Other parties			
GS Yuasa International Ltd.		18,147	12,337
Yuasa Battery (Malaysia) Sdn Bhd.		5,090,221	4,742,802
Total		5,108,368	4,755,139
Total trade accounts receivables – related parties		198,124,382	176,427,983
Other receivables- accrued income			
Yuasa Sales and Distribution Co., Ltd.		254,267	116,727
GS Yuasa Siam Industry Co., Ltd.		-	1,121,973
Taiwan Yuasa Battery Co., Ltd.		519,879	795,792
Total other receivables – related parties		774,146	2,034,492
Investment in subsidiary – Cost method			
Yuasa Sales and Distribution Co., Ltd.		-	999,900
Trade accounts payable			
GS Yuasa International Ltd.		4,441,446	13,658,708
GS Yuasa Siam Industry Co., Ltd.		727,544	8,252,016
Other payables			
Accrued royalty expenses			
GS Yuasa International Ltd.		24,680,660	25,812,582
Accrued interest expenses			
GS Yuasa International Ltd.		406,552	589,992
Advance received from sale of assets			
GS Yuasa Siam Industry Co., Ltd.		-	741,153
Assets payable			
GS Yuasa International Ltd.		5,300,156	-
Other expenses			
GS Yuasa Corporation		38,411	-
GS Yuasa Siam Industry Co., Ltd.		716,712	-
GS Yuasa International Ltd.		365,760	-
Accrued management benefit expenses			
Estate of POL.LT.Chan Manuthumma		12,000,000	-
Total		48,677,241	49,054,451
		Units: Baht	
		Separate financial statements	
		31 December 2013	31 December 2012
21.2.5 Revenues and expenses			
Sales			
Yuasa Sales and Distribution Co., Ltd.	Market price	634,289,140	659,795,358
GS Yuasa International Ltd.	Market price	1,349,596	256,890
GS Yuasa Battery (Singapore) Pte. Ltd.	Market price	-	1,860,424
Yuasa Battery (Malaysia) Sdn Bhd.	Market price	51,901,931	46,687,764
Rental income			
Yuasa Sales and Distribution Co., Ltd.	Per contract	880,704	880,704
GS Yuasa Siam Industry Co., Ltd.	Per contract	-	5,213,852



		Unit: Baht	
		Separate financial statements	
		31 December 2013	31 December 2012
Service income			
Yuasa Sales and Distribution Co., Ltd.	Per contract	839,376	816,764
GS Yuasa Siam Industry Co., Ltd.	Per contract	-	26,638,758
Commission income			
Taiwan Yuasa Battery Co., Ltd.	At agreed price	2,626,175	1,990,246
Other income			
GS Yuasa Siam Industry Co., Ltd.	At agreed price/ as memorandum	107,700	16,355,865
Yuasa Sales and Distribution Co., Ltd.	Market price	785	-
Purchase of goods			
GS Yuasa International Ltd.	Market price	49,761,667	83,783,470
GS Yuasa Siam Industry Co., Ltd.	Market price	943,440	16,871,198
Service expenses			
GS Yuasa International Ltd.	At agreed price/ as memorandum	3,639,773	-
Royalty expense			
GS Yuasa International Ltd.	Per contract	24,680,660	25,812,582
Interest expenses			
GS Yuasa International Ltd.	Per contract	1,116,051	2,141,970
Accrued rental expenses			
GS Yuasa Siam Industry Co., Ltd.	At agreed price	990,878	-
Sub- contract-Lead Powder			
GS Yuasa Siam Industry Co., Ltd.	Per contract	3,325,052	-
Other expenses			
GS Yuasa Corporation	At agreed price	38,411	-
Management benefit expenses			
Estate of POL.LT.Chan Manuthumma		12,000,000	-
21.2.6 Other transactions			
Sale of fixed assets			
GS Yuasa Siam Industry Co., Ltd.	At agreed price	1,320,362	217,033,851
Yuasa Battery (Malaysia) Sdn Bhd.	At agreed price	-	1,640,121
GS Battery Vietnam	At agreed price	12,665,482	-
Purchase of fixed assets			
GS Yuasa International Ltd.	Market price	11,903,318	6,318,247

21.3 Short-term loans from a related party

	Unit: Baht				
	Consolidated and Separate financial statements				
	Balance as at 31 December 2012	Increase	(Decrease)	Unrealized (gain) on exchange rate	Balance as at 31 December 2013
<u>Consolidated financial statements</u>					
Short-term loans					
GS Yuasa International Ltd.	104,166,360	-	(20,045,760)	(9,891,385)	74,229,215
Total	104,166,360	-	(20,045,760)	(9,891,385)	74,229,215



Unit: Baht

	Consolidated and Separate financial statements				Balance as at
	Balance as at 31 December 2012	Increase	(Decrease)	Unrealized (gain) on Exchange rate	31 December 2013
<u>Separate financial statements</u>					
Short-term loans					
GS Yuasa International Ltd.	104,166,360	-	(20,045,760)	(9,891,385)	74,229,215
Total	104,166,360	-	(20,045,760)	(9,891,385)	74,229,215

21.3.1 As at 31 December 2013, The Company has loans obtained from GS Yuasa International Co., Ltd., such loans is remained 1 amount of Yen 320 million at the interest rate of LIBOR +1%. Such loans are in form of short-term loans for using as working capital, due within 1 year from the loans date. Up to present, the lender extended the repayment period by intervals for 1 year each. The Company has gradually repaid part of such loans as at 31 December 2013 which remained amount of Yen 235 million. As at 9 August 2013, the Company entered into an extension of time to repay contracts the loan amount divided by the remaining 50 percent will be due on 7 February 2014, the remaining payments on 8 August 2014.

21.3.2 As at 31 December 2013, the Company entered into SWAP contracts with a financial institution in the amount of Baht 100 million for the principal of short-term loans from related parties which consist of:

Contract date	Amount of Baht (Million yen)	Period	Amount under SWAP (Baht)	Amount of buying rate (Baht)	Unrealized (loss) on exchange rate
7 August 2013	117.5	7 August 2013 - 7 February 2014	38,692,750	36,403,850	(2,288,900)
7 August 2013	117.5	7 August 2013 - 8 August 2014	39,104,000	36,403,850	(2,700,150)
Total	235		77,796,750	72,807,700	(4,989,050)

21.4 Management benefit expenses

At the minutes of the Annual General Meeting of Shareholders for the year 2013 held on 10 April 2013, passed the resolution to pay remuneration to Estate of POL.LT. Chan Manuthumma, an ex-president director amount of Baht 16 million by paying from the Company of Baht 12 million and from subsidiary (Yuasa Sales and Distribution Co., Ltd.) for the another Baht 4 million through 4 installments of Baht 4 million each within 4 years.

22. INCOME TAX

For the year ended 31 December 2013 and 2012, the Company has net profit but there is no income tax to be paid causing by the utilization of tax benefits arising from deficit brought forward and exemption on payment of income tax derived from the promoted activity. As at 21 June 2012, the Company is granted to cancel investment promotion certificate from the Board of Investment.

23. SEGMENT FINANCIAL INFORMATION

The Company and subsidiary operate involving in a single industry segment in manufacturing and trading of battery and carried out in both domestic and overseas. Segmental information for the year ended 31 December 2013 and 2012, is as follows:

For the year ended 31 December 2013

Unit: Baht

	Separate financial statements					Subsidiary		Eliminated transactions	Consolidated financial statements				
	Battery products			Other products	Total	Battery products			Battery products			Other Products	Total
	Original equipment Market (OEM)	Replacement equipment Market (REM)	Export Market			Replacement equipment Market (REM)			Original equipment Market (OEM)	Replacement equipment Market (REM)	Export Market		
Sales	761,935	633,964	282,449	12,295	1,690,643	678,745	2,369,388	(634,289)	761,935	678,420	282,449	12,295	1,735,099
Cost of sales	(670,270)	(545,799)	(276,686)	(15,567)	(1,508,322)	(626,028)	(2,134,350)	633,604	(670,270)	(538,223)	(276,686)	(15,567)	(1,500,746)
Less Sales of scrap income	-	-	-	-	57,914	-	57,914	-	-	-	-	-	57,914
Net Cost of sales	(670,270)	(545,799)	(276,686)	(15,567)	(1,450,408)	(626,028)	(2,076,436)	633,604	(670,270)	(538,223)	(276,686)	(15,567)	(1,442,832)
Gross profit (loss)	91,665	88,165	5,763	(3,272)	240,235	52,717	292,952	(685)	91,665	140,197	5,763	(3,272)	292,267
Other income					26,316	2,354	28,670	(1,721)					26,949
Selling expenses					(184,879)	(30,195)	(215,074)	-					(215,074)
Administrative expenses					(66,460)	(19,671)	(86,131)	1,366					(84,765)
Profit(Loss) before finance costs and income tax					15,212	5,205	20,417	(1,040)					19,377
Finance costs					(5,333)	-	(5,333)	-					(5,333)
Income tax					1,125	-	1,125	258					1,383
Other comprehensive income					(1,072)	1,290	218	(258)					(40)
Total comprehensive income					9,932	6,495	16,427	(1,040)					15,387
As at 31 December 2013													
Property, plant and equipment - net					269,754	3,323	273,077	-					273,077
Other assets					718,778	128,703	847,481	(195,548)					651,933
Total assets					988,532	132,026	1,120,558	(195,548)					925,010

For the year ended 31 December 2012

Unit: Baht

	Separate financial statements					Subsidiary	Total	Eliminated transaction	Consolidated financial statements				
	Battery products			Other products	Total	Battery products			Battery products			Other products	Total
	Original equipment Market (OEM)	Replacement equipment Market (REM)	Export Market			Replacement Equipment Market (REM)			Original equipment Market (OEM)	Replacement equipment Market (REM)	Export Market		
Sales	908,727	658,864	264,608	15,881	1,848,080	702,889	2,550,969	(659,796)	908,727	701,957	264,608	15,881	1,891,173
Cost of sales	(774,342)	(553,298)	(255,280)	(12,627)	(1,595,547)	(672,297)	(2,267,844)	662,493	(774,342)	(563,102)	(255,280)	(12,627)	(1,605,351)
Less income from sales of scrap	-	-	-	-	46,063	-	46,063	-	-	-	-	-	46,063
Net cost of sales	(774,342)	(553,298)	(255,280)	(12,627)	(1,549,484)	(672,297)	(2,221,781)	662,493	(774,342)	(563,102)	(255,280)	(12,627)	(1,559,288)
Gross profit	134,385	105,566	9,328	3,254	298,596	30,592	329,188	2,697	134,385	138,855	9,328	3,254	331,885
Other income					45,330	1,234	46,564	(1,698)					44,866
Selling expenses					(200,242)	(34,415)	(234,657)	-					(234,657)
Administrative expenses					(62,765)	(17,708)	(80,473)	2,366					(78,107)
Profit(Loss) before finance costs and income tax					80,919	(20,297)	60,622	3,365					63,987
Finance costs					(10,590)	-	(10,590)	-					(10,590)
Income tax					(4,290)	-	(4,290)	(199)					(4,489)
Total comprehensive income					66,039	(20,297)	45,742	3,166					48,908
As at 31 December 2012													
Property, plant and equipment-net					246,544	3,748	250,292	-					250,292
Other assets					769,146	103,228	872,374	(173,028)					699,346
Total assets					1,015,690	106,976	1,122,666	(173,028)					949,638

Notes

1. The Company did not present segment assets since the Company used common assets in all segment
2. The Company has income from sales of certain scrap which can not be separated cost of sale, thus, segment information is not presented.



24. DISCLOSURE OF FINANCIAL INSTRUMENTS

24.1 Liquidity risk

Liquidity risk results from the potential inability to meet financial obligations, such as payments to trade accounts payable or employees. The Company reduces the liquidity risk by arranging credit facilities with various financial institutions and the extending short-term loan to long-term loan from local bank. Besides, short-term loans from a related party has been strongly supported by renewing after expiry date.

24.2 Credit risk

Credit risk refers to the risk that counterparts will default on its contractual obligations resulting in a financial loss to the Company and subsidiary. To prevent the risk, the Company and subsidiary have a prudent credit policy and a diversified customer base. Therefore, the Company and subsidiary do not anticipate losses from debt collection in excess of the allowance for doubtful debts already set up in the financial statements.

24.3 Interest rate risk

Interest rate risk arises from the potential change in interest rates having an effect on interest expense of the Company in the current reporting period and in future years. The Company expects that it may be effect from the changes in interest rates to the Company's operations.

The subsidiary expects that there are no effect from the change in interest rates to subsidiary's operations as subsidiary does not have significant loans.

Information regarding interest rates and due dates are disclosed in respective notes.

24.4 Exchange rate risk

Foreign currency risk arises from the potential change in foreign currency exchange rates to have an adverse effect on the Company in the current reporting period and in the following years.

Presently, the Company established "Currency Hedging Policy by SWAP Contract at note 21.3.2 and Forward Contract" to manage the foreign currency risk. However, the Company may be effect from changes in exchange rates resulting from parts of assets and liabilities in foreign currencies are not hedged.

As at 31 December 2013, the Company has obtained the forward contract line from three financial institutions total amount of Baht 300 million.

As at 31 December 2013, the Company has assets and liabilities denominated in foreign currencies, which was not entered into hedging for exchange rate risk as follows :

Transactions	Currency	Amount	Hedges	Non-hedges
Trade account receivable	USD	1,045,638	-	1,045,638
Accrued commission income	USD	15,957	-	15,957
Trade accounts payable and assets payable	JYP	301,907,359	207,908,543	93,998,816
	USD	86,401	-	86,401
	EUR	9,768	-	9,768
Accrued interest expense	JYP	1,287,092	2,700,000	-

24.5 Fair value

The managements of the Company and subsidiary believe that the fair value of financial assets and liabilities does not materially differ from their carrying value.

25. COMMITMENT AND CONTINGENT LIABILITIES

25.1 Commitment

25.1.1 As at 31 December 2013, the Company has commitment under capital expenditures agreement amount of Baht 8.06 million.

25.1.2 As at 31 December 2013, the Company and subsidiary are liable on payment under rental and service agreement amount of Baht 6.42 million (Separate : amount of Baht 5.05 million).

25.1.3 The Company is liable on payment royalty expense to a related party calculated on sales volume and other relevant factors.

25.1.4 As at 31 December 2013, the Company is liable on payment rental under long-term operating lease agreement for cars as follows:



	Unit: Baht	
	Consolidated financial statements	Separate Financial statement
Within 1 year	2,462,120	2,462,120
Over 1 year to 5 years	3,974,806	3,974,806
Total	6,436,926	6,436,926

25.2 Contingent liabilities

25.2.1 As at 31 December 2013, the Company has Contingent Liabilities from letter of guarantee issued by bank amount of Baht 7.99 million.

25.2.2 As at 31 December 2013, the Company has contingent liabilities from guarantee against bank overdrafts for subsidiary amount of Baht 5 million.

25.2.3 The Company was sued in labor cases with the value of Baht 3 million, the Labor Court judge the Company to loss. The Company has filed the appeal and such cases are still pending the Supreme Court's trial.

26. RECLASSIFICATION

The comprehensive income for the year ended 31 December 2012 have been reclassified for corresponding with the presentation in the financial statements for the year ended 31 December 2013. The reclassification is as follows :

	Unit: Baht		
	Consolidated financial statement		
	Before reclassify	Effects to financial statements	After reclassify
Statements of comprehensive income			
Other income	90,929,000	(46,062,682)	44,866,318
Cost of sales	(1,605,350,555)	46,062,682	(1,559,287,873)
Gross profit	285,822,958	46,062,682	331,885,640

	Unit: Bath		
	Separate financial statement		
	Before reclassify	Effects to financial statements	After reclassify
Statements of comprehensive income			
Other income	91,392,832	(46,062,682)	45,330,150
Cost of sales	(1,595,546,416)	46,062,682	(1,549,483,734)
Gross profit	252,533,228	46,062,682	298,595,910

27. CAPITAL MANAGEMENT

The objective of the Company's financial management is to preserve the ability to continue its operation as a going

As at 31 December 2013 and 2012, the Company has debt to equity ratio as summarized follows:

	Consolidated financial statements		Separate Financial statements	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
		(Restated)		(restated)
Total debt to equity	1.62	1.77	1.25	1.33

28. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and authorized for issue by the Board of directors of the Company on 24 February 2014.

