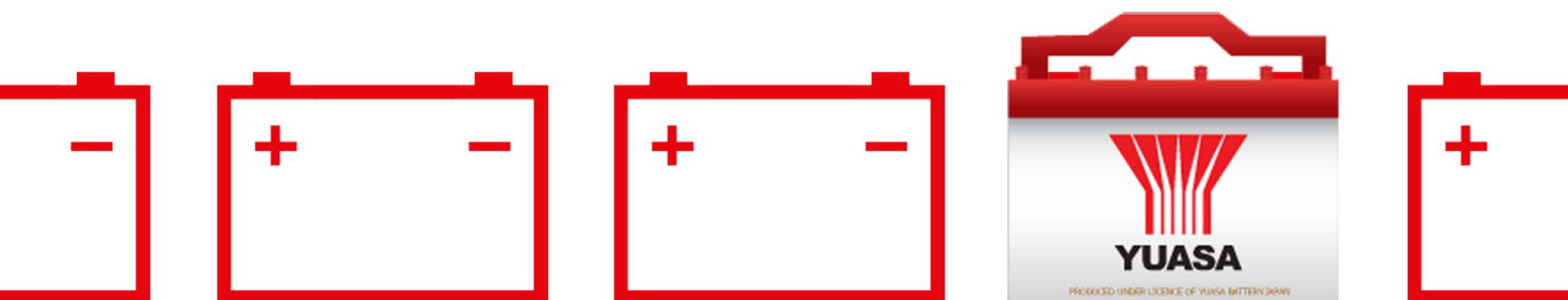




Annual Report 2011



Yuasa Battery (Thailand) Public Company Limited

164 Moo 5 Soi Tedsaban 55 Sukhumvit Road Tambol Taibanmai Amphur Muang Samutprakan Samutprakarn 10280

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Message from the Directors

For almost a half century, Yuasa Battery (Thailand) Public Company Limited has been running the business operation as an automotive and motorcycle battery manufacturer for addressing the growing demand of the consumers and trying to cope with the economic, political and social changes. Compared with 2010, the economic trend in 2011 declined hugely, because the disaster in Japan caused a shortage of auto parts in the middle of last year. In addition, the severe and widely-affected flooding in the central part of Thailand caused damage to the industrial sectors and problems on distribution of products, these led to shrinking overall export, declining consumption and decreased investment to private sector in last year. Especially in the fourth quarter, GDP decreased by more than nine per cent, worse than the figure of the subprime shock. That was the reason why the GDP Growth of 2011 was 0.1 per cent negative. However, the automotive industry and its related industries have started to recover the production again in the middle of December 2011.

The Company's operating result continually expanded in 2011. The Company had a total income of 1,943.52 million baht, a cost of goods sold of 1,550.67 million baht and selling and administrative expense and financial cost of 333.58 million baht. Moreover, the Company earned the total profit of 90.68 million baht, higher than in 2010, becoming the three-consecutive-year increase after several suffering loss periods. This significant profitable result came from the mainly continuous cost down activities and customers' base expansion activities, and in addition that reverse of impairment and depreciation totaling 31.40 million baht and 27.69 million baht respectively derived from the updated valuation prices and appropriate usage life of the assets.

For 2012, this year is the year of changes for the Company. We held the Extraordinary Shareholder Meeting in January 2012 had a resolution to approve to sell the assets of Factory 2 to GS Yuasa Siam Industries Company Limited which is a related company comply with the regulation of the Securities and Exchange Commission, and transfer equipment to maintain or increase the current production capacity. Now we are necessary to prepare for transfer of some machines of the Factory 2 to tackle for, installation of those machines at Factory 1 and produce to be in line with the sales demand to compete with others. The Company believes this time change surely will provide more efficient management and better operating results in the future.

The Company fully understands its responsibility as a good organization of Thailand. We held many activities to support communities, society and environment. We pay special attention to environmental protection of the communities in Samutprakarn, such as ditch and canal dredging and mangrove reforestation for better ecology for aquatic animals and prevention of coastal erosion. Furthermore, in 2011, the Company aided the domestic flood victims by own activities and Japanese tsunami victims through government and private organizations.

On behalf of the Board of Directors of Yuasa Battery (Thailand) Public Company Limited, we would like to thank all involved parties for constant trust and support. The Board of Directors promises that we would run the business operation transparently on the basis of good corporate governance and would further develop quality of Yuasa batteries to be the best products for the customers.

On behalf of Directors



(Katsumi Nakato)

Vice Chairman of the Board of Directors



Audit Committee's report

The Audit Committee of Yuasa Battery (Thailand) Public Company Limited comprises of four independent directors, namely Dr. Kusaya Leerahawong as Chairperson, Mr. Yothin Vimuktayon, Mr. Prasert Kittisakkul and Assist. Prof. Dr. Lawan Thanadsillapakul.

The Audit Committee performs the duties and responsibilities pursuant to the law and the Company's regulations and assignments by the Board of Directors. In 2011, 20 Audit Committee meetings were held to consider and review the following significant issues:-

1. To review the Company's monthly, quarterly and yearly financial statements to be in line with the accounting standard, to monitor the adequate disclosure of information and to quarterly inquire the external auditor regarding significant issues of the Company's financial statements.
2. To review the internal control and audit system, to give some advice on auditing and to consider the annual audit plan for efficient and appropriate internal audit system for prevention and reduction of risk which may be incurred.
3. To review the related transactions which might cause a conflict of interest, according to the Company's good governance policy, including the selling of the Gateway Factory's assets. The Audit Committee had an opinion that the transaction was related to all shareholders and might cause a conflict of interest. Therefore, the Committee invited the appraisal company to join a meeting to inquire about the method of the price valuation which the Management use for setting the selling prices of the assets. The Audit Committee thoroughly considered the transaction and had an opinion that it involved with all shareholders' benefits. Therefore, the Audit Committee abstained from voting, the information of the transaction should be shared to the shareholders, especially the minor ones, for participating in the consideration. The process of the selling of the assets to the related company was proposed for the approval from the extraordinary shareholder meeting.
4. To review on the Company's performance to comply with the Securities and Exchange Act, the regulations of the Stock Exchange of Thailand and the law related to the Company.
5. To consider and give some advice on appointment of the Company's external auditor

According to the consideration and review of the above issues, the Audit Committee had an opinion that the Company's financial statements were done and disclosed correctly and appropriately in line with the accounting standard. The Company's internal control system is suitable and in line with the related law and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. In addition, the Audit Committee followed up to the foundation of risk management committee and nomination and remuneration committee as proposed by the Committee last year.

On behalf of the Audit Committee



(Dr. Kusaya Leerahawong)

Chairman of the Audit Committee

March 2012



General Information

• 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 1	164 Moo 5 Soi Thedsaban 55, Sukhumvit Road, Tambol Taibanmai, Amphur Muangsamutprakan, Samutprakan 10280 Tel: 0-2769-7300 Fax: 0-2769-7349
Address of Factory 2	Gateway City Industrial Estate, 111 Moo 9, Huasamrong, Plangyao, Chachaengsao 24190. Tel: 0-3857-5528-32 Fax: 0-3857-5533

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, 2011
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 2011

1. Pol.Lt. Chan	Manutham
2. Mr.Pornchak	Manutham
3. Mr.Takeo	Yamamoto
4. Mr.Hiroshi	Tateiwa
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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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



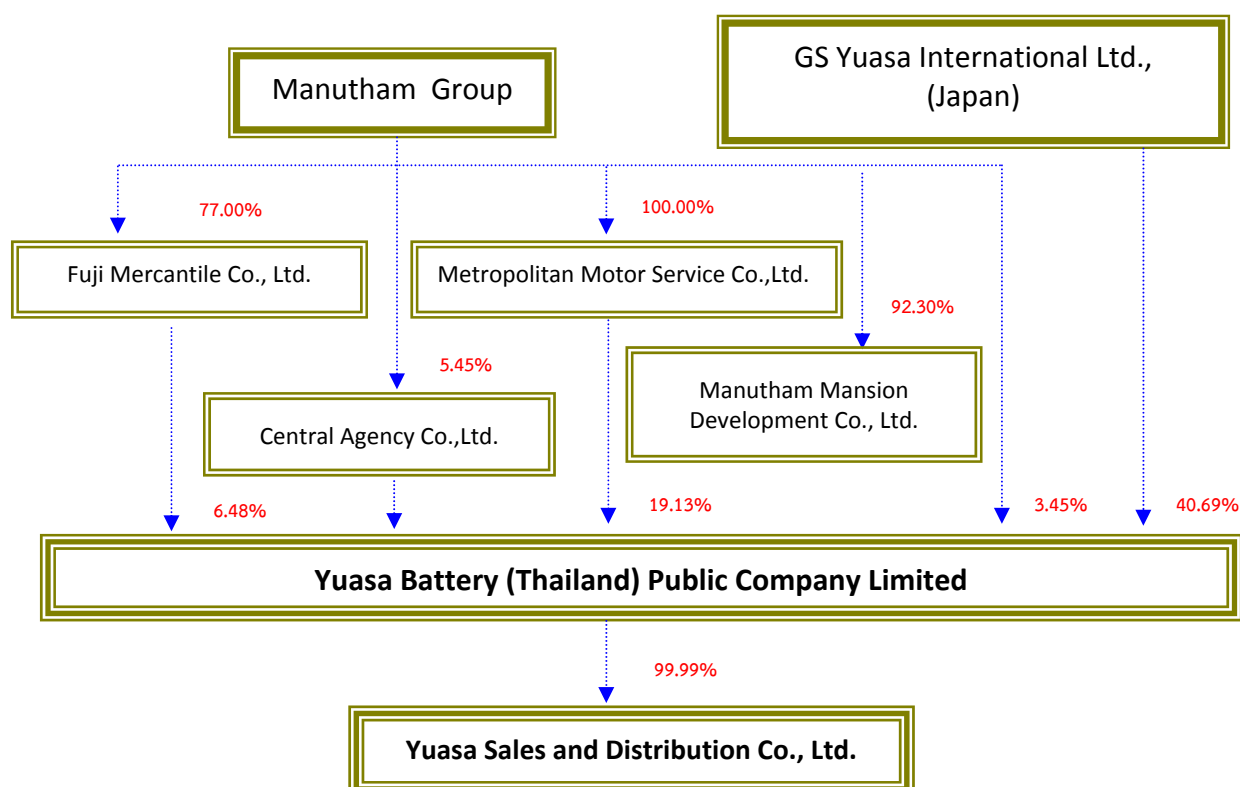
Business Operation Scope

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 19, 2012)



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.



Income Structure the Company and Subsidiary

Unit : (Thousand Baht)

Detail	2009		2010		2011	
	Amount	%	Amount	%	Amount	%
Yuasa Battery (Thailand) Public Co., Ltd. (Company)						
1. Automotive Battery						
- Original Equipment Market(OEM)	160,068.63	9.90	251,616.72	13.44	204,563.18	10.53
- Export	182,439.72	11.29	186,586.05	9.96	219,722.69	11.31
- Indirect Export*	33.08	0.00	30,273.75	1.62	32,186.73	1.66
- Other	329.62	0.02	7.24	0.00	114.54	0.01
2. Motorcycle Battery						
- Original Equipment Market(OEM)	220,449.24	13.64	286,731.92	15.31	396,054.80	20.38
- Export	76,727.09	4.84	106,164.08	5.67	110,922.21	5.71
- Indirect Export*	2.21	0.00	3,995.10	0.21	5,590.26	0.31
- Other	381.27	0.02	410.88	0.02	4.45	0.00
3. Power Supply						
- Domestic Market	13,425.58	0.83	20,476.68	1.09	76,279.47	3.92
- International Market	-	-	-	-	-	-
Income from Sales	655,750.33	40.56	886,262.42	47.32	1,045,798.33	53.81
Other Incomes	134,650.42	8.33	66,697.84	3.56	72,158.47	3.71
Total Revenue of Company	790,400.75	48.88	952,960.26	50.88	1,117,956.82	57.52
Yuasa Sales and Distribution Co.,Ltd. (Company holds 99.99%)						
1. Automotive Battery						
- Replacement Equipment Market (REM)	653,029.83	40.40	707,778.35	37.79	615,617.39	31.68
2. Motorcycle Battery						
- Replacement Equipment Market (REM)	147,799.57	9.14	192,544.05	10.28	189,329.87	9.74
3. Power Supply Battery / Solar Battery						
- Replacement Equipment Market (REM)	24,057.92	1.49	16,834.92	0.90	20,360.45	1.54
Income from Sale	824,887.32	51.03	917,157.32	48.97	825,361.71	42.47
Other Income	1,443.86	0.09	2,710.14	0.14	231.01	0.01
Total Revenue of Company	826,331.18	51.12	919,867.46	49.12	825,574.72	42.48
Total Revenue	1,616,405.93	100.00	1,872,827.22	100.00	1,943,531.53	100.00

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

* Indirect Export means the domestic sales with export agent.

Major Changes in the Past Years

In 2011, the Company launched a new battery model called 7DHR with the capacity of 6V 200Ah to support the government agency. For domestic and overseas markets, the double-lid battery model named MF2000 was introduced. In addition, the N70 (65D31) battery model was developed. The container designs of all conventional models were also changed. For adjustment of production structure, reduction of production cost and enhancement of administrative efficiency, the Board of Directors had a resolution to propose the Shareholders to consider selling the assets of Plant 2 which is located at Gateway industrial estate to GS Yuasa Siam Industry Ltd., the related company pursuant to the criteria and regulations of the Stock Exchange of Thailand. On January 12th, 2012, the Extraordinary Shareholders Meeting no. 01/2012 had a resolution to sell the assets to the related company. Currently, it is in the process of transferring some assets for installation at Plant 1. The process is expected to finish at the end of 2012.



Industry Status and Competition

According to the Thai Automotive Industry Association and the Bank of Thailand, Thailand's automotive production capacity in 2011 decreased by 11.37 per cent, compared with 2010. This is a result of the earthquake in Japan which led to the shortage of auto parts in the middle of last year and the flooding in Thailand at the end of 2011. At that time, some manufacturers halted their production lines for 3-4 months and started their production again in the middle of December 2011. Even if affected from the flooding at the end of the last year, the motorcycle production increased by more than 0.89 per cent.

Furthermore, the reduction of automotive production could not fully respond the domestic and export demands, leading to lower domestic and export sales. For the motorcycles and parts, the domestic and export sales surged by 8.72 per cent and 21.25 per cent respectively.

In addition, the data of the Office of Industrial Economics shows that, with five main manufacturers, the growth of battery industry in aspect of production, domestic sales and export declined by 1.65 per cent, 0.006 per cent and 4.33 per cent respectively, due to the flooding at the end of 2011.

Battery plays a vital part as an energy resource both in car and in motorcycle. It is not only used as OEM part but also as replacement. Therefore, the consumption of battery is somewhat relatively connected to the number of automotive and motorcycle in the market.

In addition, the consumption of battery are also including the use in agricultural and commercial segments such as hunting, street vendors, and home power resources for those remote areas where the electricity is not available. However, the main market is still lying on automotive and motorcycle one.

Almost major battery companies in the country are joint venture with Japanese battery makers and receiving the technology transferred from the partners. The joint venture considerably helps establish a relationship with the country based, Japanese automotive makers. The battery industry is at the present manufacturing the conventional one for use in car and motorcycle. However, due to the industry's fast growing, the battery makers trend to give more focus in making an industrial battery for use as an energy supply in plants, office buildings and computer market, the batteries for which purposes are at the moment the imported ones.

In 2011, both domestic and export markets faced with fierce competition. Moreover, the cost of main materials fluctuated and increased during the first eight months. However, the cost gradually declined in the last four months. The Company increased the product prices to be in line with the higher lead price and, at the end of the year, launched sales promotions and reduced prices in some markets to be consistent with the lower lead price. In addition, the Company developed the production, human resources and operation structures. New technology was applied to reduce operating cost. We also tried to develop new products with low cost and same efficiency. Product prices and sales promotions are significant reasons of the competition in last year.

For the sales promotions, even though the cost of materials increased in the first eight month of last year, Replacement Equipment Market manufacturers tried to expand their sales channels to possess more market shares. Such an attempt led to slightly intense competition in term of marketing and sales promotion, such as special discounts and other forms of making relationship with customers.



Risk Factors

1. Risk from Fluctuated Prices of Raw Materials

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. The lead suppliers confirm their quotations based on the data of London Metal Exchange one month in prior to delivery. The lead price also relied on the international oil price which had increased and fluctuated during 2003-2011. The average price of pure lead in 2011 was at 2,398 dollars per ton, up from 2,146 dollars per ton in 2010. The price of pure lead during the first eight months of 2011 was at 2,568 dollars per ton. The price continually decreased until the year end. The average price of pure lead in December 2011 was only at 2,011 dollars per ton. Compared with 2010, the price in the first eight months was slightly high. The Company tried to increase the product prices to be line with the higher lead price. However, there were high competitions in some markets, such as the domestic replacement market. Under competitive limitations, although the Company had adjusted the product prices, we had to introduce sales promotions. The adjusted prices were partly compensated with the expenses for the sales promotions. Apart from the price adjustment pursuant to the fluctuated material prices, the Company spread the risk by controlling lead stock and making short-term purchase agreements with several suppliers.

2. Risk from Relying on the Joint Venture

The risk from relying on the joint venture can be divided into two aspects- technology and marketing.

The Company's technology was transmitted 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. Royalty fee has been paid, calculated by unit for all conventional battery models and by percentage of sales for maintenance-free battery models. GS Yuasa International Ltd. continually extends the agreement for more than 49 years.

For overseas markets, the Company can sell batteries under "YUCON" and "THUNDERLITE" trademarks. For sale of "YUASA" products in overseas markets, the Company is bound under the sale territory of GS Yuasa International Ltd. to sell the products only in Cambodia, Laos and Myanmar. Apart from the mentioned countries, the consent of GS Yuasa International Ltd. is necessary to prevent any conflict with other affiliates of "YUASA" trademark. In addition, the Company has a policy to penetrate more into the domestic market with "YUCON" and "THUNDERLITE" trademarks. In 2011, the Company exported products through GS Yuasa International Ltd. and its affiliates worth 14.45 million baht in total or around 5.46 per cent of the total export sales or 0.77 per cent of the total incomes from sale.

3. Risk from a Small Number of Customers

The Company's two customers possessed 94.23 and 5.66 per cent of the total sales of automotive batteries in Original Equipment Market (OEM). There is a policy to produce batteries for some customers to promote the Company indirectly. The customers, as automotive manufacturers, require widely-accepted, highly-quality and reliable batteries with fair prices. Due to the long-term relationship between the Company's Japanese joint venture and the parent companies of the customers and good relationship between the Company and the customers, there is low risk of cancellation of orders from these two customers.

4. Risk from New Competitors

Due to simplicity of automotive battery business, it is likely that new entrepreneurs will enter the market and compete for market share. A new entrepreneur has found a factory in 2011 and will start the production and distribution of automotive batteries in the beginning of 2012. However, currently, the Company's products are accepted by customers in both OEM and REM in term of high quality. In addition, the Company has prepared measures to cope with tougher competition, including updating production technology, reducing production cost, maintaining relationship with some raw material suppliers and existing customers, seeking new distribution channels under Modern Trade strategy and increasing flexibility of production to support the customer demand.



5. Risk from Foreign Currency Incomes and Loans

In 2011, the Company had a foreign currency income of 7.79 million US dollars. The sale plan of the Import and Export Department was set in form of Thai baht. 5-10 per cent of exchange rate was reserved to any change. Such a reserve was set in case of any fluctuation of currency in the last year. In the event that Thai Baht is stronger than expected, the Company's management will have some discussion to adjust standard of currency for estimating selling prices. The Company also introduced a hedge policy to cope with the risk from fluctuated exchange rate.

Furthermore, as of December 31st, 2011, the total amount of foreign currency loans which the Company borrowed from GS Yuasa International Ltd., the joint venture, was at 441 million yen. The Company also tried to mitigate the risk of the debts by making a currency swap agreement with a bank.

6. Risk from Financial Liquidity

The Company has faced with lack of financial liquidity, due to increasing prices of raw materials and the constant loss during the past years. In 2011, the earthquake and the flooding taken place in the middle of the year and at the end of the year respectively negatively affected on the financial liquidity. At that time, automotive and motorcycle manufacturers made less orders of batteries. However, the Company still gained profits and could repay some loans, excluding the adjustment of impairment, depreciation and usage life of the assets. For constantly adequate liquidity, operating activities were controlled, especially consumption of raw materials and reduction of scrape from production process and unnecessary expenses. Money was spent for the Company's best benefits and for lower risk of lack of financial liquidity. To enhance the liquidity, the Company made credit facilities with financial institutes and was supported loans from the major shareholder. The loan agreements have been renewed on due.

7. Risk from Shortage of Labour

Shortage of labour is another risk in 2011 and 2012. The supply of labour was not in line with the demand, due to the global economic recovery. That was the reason why the Company had to increase the wages and welfares to attract the employees which led to higher labour cost. As a result, the new labour cost might exceed the increase of productivity which will lower the industry's competitiveness to fight with the competitors overseas.



Management and Shareholding Structure

1. Shareholding Structure

The first 10 major shareholders with number of shares held and share ratios as at the last closing book dated March 19, 2012

	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.	Fuij mercantile co.,ltd.	6,971,600	6.48
4.	Central Agency co.,ltd.	5,865,100	5.45
5.	Manutham Group	3,494,900	3.45
	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	213,900	0.20
	5) Mr.Kittipong Manutham	76,400	0.07
	6) Ms. Kornkamol Manutham	73,900	0.07
	7) Pol.Lt.Col Warawuth Manutham	32,900	0.03
	8) Ms Chamaiporn Manutham	32,900	0.03
	9) Mr.Amorn Manutham	7,500	0.01
6.	Mr. Koichi Ueda	2,093,700	1.95
7.	Mr.Sopon Mithpanpanich	1,132,000	1.05
8.	Thai NVDR co.,ltd.	900,400	0.84
9.	Ms.Kamontip Metheethanawijit	800,000	0.74
10.	Mr. Songchai Trongsujaritsin	540,000	0.50
	Total the first 10 major shareholders	86,505,620	80.38
	Minor shareholders	21,119,380	19.62
	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.

2. Management

Company management currently comprised of two boards, the Board of Directors and Audit Committee. Followings are details:-

2.1. The Board of Directors (Please see the resume of the Board of Directors)

As of December 31,2011 the Board of Directors of Company comprised of 12 persons as follows:-

1. Pol.Lt.Chan Manutham Chairman of the Board
 2. Mr.Pornchak Manutham Director
 3. Mr.Pramote Manutham Director
 4. Mr.Takeo Yamamoto Director
 5. Mr.Hiroshi Tateiwa Director
 6. Mr.Eiichiro Kato Director
 7. Mr.Katsumi Nakato Director
 8. Mr.Subhavas Bandhuvadh Director
 9. Dr.Kusaya Leerahawong Independent Director and Chairman of Audit Committee
 10. Mr.Yothin Vimoogtayon Independent Director and Audit Committee
 11. Mr.Prasert Kitisakkul Independent Director and Audit Committee
 12. Asst.Prof.Dr.Lawan Thanadsillapakul Independent Director and Audit Committee
- And Mr.Sukthae Ruangwattanachot is Company Secretary.

Remarks:

1. Mr. Eiichiro Kato no.6 was appointed as Director to replace Mr.Toru Bomoto Director who resigned as from August 4, 2011.
2. Mr.Takeo Yamamoto no.4 was appointed as Director to replace Mr.Akio Furukawa Director who resigned as from November 4, 2011.



2.2. Balance Checking of Non-Executive Directors

The board of directors is comprising of 12 directors as of December 31, 2011

- Executive Directors	2
- Non – Executive Director	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. Pol.Lt.Chan	Manutham	Chairman of the Board
2. Mr.Pornchak	Manutham	Director
3. Mr.Pramote	Manutham	Director
4. Mr. Hiroshi	Tateiwa	Director
5. Mr.Takeo	Yamamoto	Director
6. Mr.Eiichiro	Kato	Director

The authorization of directors are “Pol.Lt.Chan Manutham or Mr.Pornchak 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 director 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
- 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.

2.3. 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) Consider and approve the purchase and expense which is not over Baht 5 million and Baht 10 million respectively.
- 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
- 6) Final approval by CEO for
 - 6.1) Change the source of purchase of raw material in local and aboard
 - 6.2) Change or determine the sales price
- 7) Primarily consider of increment of employee wage and 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).

2.4 Audit Committee

Audit Committee (AC), comprised of 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 head of internal auditor, 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,
 - 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 Committees 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 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.

Sub-Committee

Company has yet to have a subcommittee on a determining of the remuneration but it has a proper and adequate basis of consideration of remuneration by taking into account of the industry that having the same level and size. Company's performance is also taken into consideration before forwarded to the shareholder meeting's final approval.

Scope of Company Secretary

Company appointed Mr.Sukthae Ruengwattanachot as Company Secretary which had the scope of duty as follows:-

- 1) Primarily introduce to Director about the law, regulation and any order of Company and to follow the implement which should be correctly and consistency, and to report the materiality change to Board of Director for acknowledgement.
- 2) Prepare the agenda items of the Board and shareholder's meeting and invitation letter, which comply with the law and regulation of Company.
- 3) Record the report of Board and shareholder's meeting and to follow the result of implement as resolution of meeting.
- 4) Disclose the actual and updated data or news to stakeholders or investor for acknowledgement.
- 5) To be the communication center between shareholders, investors or general person who needs the data of Company.
- 6) Operate the job as assignment of the Board of Company.



3. 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.

4. The remuneration of Directors

Money remuneration

Shareholder's meeting no.17/2011 on April 19, 2011 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	5,000
	Director	10,000	80,000	5,000

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

Directors remuneration of Company in 2010-2011 for the Board

(Unit : Baht)

Directors	Meeting Allowance (2010)	Meeting Allowance (2011)	Entering of Meeting/Amount of Meeting (Time) per year	
			Ordinary (2010)	Ordinary (2011)
1.Pol.Lt.Chan Manutham	30,000	-	4/9	0/13
2.Mr.Pornchak Manutham	52,500	120,000	7/9	13/13
3.Mr.Akio Furukawa	30,000	7,500	4/9	1/13
4.Mr.Takeo Yamamoto	-	-	-	0/13
5.Mr.Hiroshi Tateiwa	7,500	65,000	1/9	8/13
6.Mr.Katsumi Nakato	67,500	142,500	9/9	13/13
7.Mr.Subhavas Bandhuvadh	60,000	110,000	8/9	12/13
8.Mr.Toru Bomoto	37,500	27,500	5/9	3/13
9.Mr.Eiichiro Kato	-	30,000	-	3/13
10.Mr.Pramote Manutham	67,500	120,000	9/9	13/13
11.Dr.Kusaya Leerahawong	80,000	140,000	8/9	13/13
12.Asst.Prof.Supalak Lertkeawsri	12,500	-	1/9	-
13.Mr.Yothin Vimoogtayon	87,500	122,500	9/9	11/13
14.Mr.Prasert Kittisakkul	62,500	140,000	7/9	13/13
15.Asst.Prof.Dr.LawanThanadsillapakul	55,000	140,000	6/9	13/13
Total	650,000	1,165,000	-	-



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

1. Mr. Eiichiro Kato no.9 was appointed as Director to replace Mr.Toru Bomoto Director who resigned as from August 4, 2011
2. Mr.Takeo Yamamoto no.4 was appointed as Director to replace Mr.Akio Furukawa Director who resigned as from November 4, 2011.
3. Mr.Prasert Kittisakkul no.14 was appointed as Independent Director and Audit Committee to replace Asst.Prof.Supalak Lertkeawsri who retired as from April 21, 2010.
4. Asst.Prof.Dr.Lawan Thanadsillapakul no.15 was appointed as Independent Director and Audit Committee as from April 21, 2010.

Remuneration of directors who are management, and management

(Unit : Baht)

Detail	Directors who are management, and management	
	10 persons of year 2010	10 persons of year 2011
1.Salary	13,637,970	15,261,600
2.Meeting allowance	1,348,000	517,000
3.Bonus	1,626,430	1,950,301
4.Others welfare	1,978,318	2,592,656

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 2011

(Unit : Baht)

Audit Committee	Quarterly and yearly allowance		Meeting allowance		Entering of Meeting/Amount of Meeting (Time) per year	
	2010	2011	2010	2011	2010	2011
1.Dr.Kusaya Leerahawong	100,000	120,000	120,000	230,000	16/16	20/20
2.Asst.Prof.Supalak Lertkeawsri	29,110	-	45,000	-	6/16	-
3.Mr.Yothin Vimoogtayon	100,000	100,000	120,000	180,000	16/16	19/20
4. Mr.Prasert Kittisakkul	65,890	100,000	75,000	190,000	10/16	20/20
5.Asst.Prof.Dr.Lawan Thanadsillapakul	65,890	100,000	67,500	190,000	9/16	20/20
Total	360,890	420,000	427,500	790,000	-	-

Remarks: 1. Mr.Prasert Kittisakkul no.4 was appointed as Independent Director and Audit Committee to replace Asst.Prof.Supalak Lertkeawsri who retired as from April 21, 2010.
2. Asst.Prof.Dr.Lawan Thanadsillapakul no.5 was appointed as Independent Director and Audit Committee as from April 21, 2010.

Other remuneration

- none-

5. Practice of 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 Board has determined the policy of Good Corporate Governance as below:

5.1 Policy of good corporate governance

1. The Board will take part in the determination of the vision, policy, strategy and plan of Company to be consistent with risk factor and appropriation of management.
2. The Board will be responsible for action to protect benefits and also be responsible for the fair and honest disclosure of information to the shareholders and all participants.
3. The Board will act of the leader of business ethics and to be a best model which is in line with Company's good corporate governance's guideline.
4. The Board will oversee the operation of Company to be consistent with the management policy and to develop and steadily increase the benefit of Company in the long term in accordance with the government rules and business ethics. The Board will carefully administer the business for the highest benefit of the shareholders.



5. The Board will show concern for the right of every interested party and will ensure that there will be no conflict of interest.
6. The Board will be responsible for the appropriate risk management and internal control method.
7. The Board will manage the business fairly, honestly and in an auditable manner. The Board will disclose information to related parties at the correct time.
8. Company has determined to have the business ethics as the guidance for directors and employees of Company.

To be consistency with the said policy, Company would like to report the operation of corporate governance which is in line with the determination of SET in 2007 and is divided into 5 categories.

5.2 Principle of good corporate governance

- I. The Rights of Shareholders
- II. Equitable Treatment of Shareholders
- III. Policy and practice of Company toward concerned stakeholder
- IV. Disclosure and Transparency
- V. Board Responsibilities

I. 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) Participate in the Annual General Shareholders Meeting and Extraordinary General Shareholders Meeting in the event of having special agenda to consider.
- 2) 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.
- 3) 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 address; planning@yuasathai.com
- 4) 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.
- 5) 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.
- 6) Company will provide a specialist to answer questions in case of inquiry by the shareholders.

II. 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' share within one month prior to financial 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.

5.1 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 2009, 7 of 11 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.

5.2 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;

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)

5.3 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 affect 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.



5.4 Internal Control Assessment

The Audit Committee pays attention to internal control systems which leads to reliable financial statements, efficient operation and compliance with the related law. The internal control systems of each department of the Company are checked by the Internal Audit Department. Under the five components of COSO framework- Control environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring, the Internal Audit Department makes an auditing plan based on assessment of adequacy of the internal control systems of each department. The annual operation plan of the Internal Audit Department is approved by the Audit Committee.

In the case that the Audit Committee is reported about results of auditing or significant unordinary issues from the Audit Department and significant issues in monthly reports of operating results which affect on the Company's operation from Accounting and Finance Managers of the Company and its subsidiary, the Audit Committee will propose such information in the Board of Directors meetings quarterly together with prevention and solutions.

In addition, the Audit Committee pays attention to compliance with the regulations about related transactions of the Stock Exchange of Thailand. In 2011, the Management asked for approval of selling of the Gateway Factory's assets to GS Yuasa Siam Industries Company Limited. As the companies which have the same major shareholder, the Audit Committee considered that the transaction might cause a conflict of interest. Therefore, the Audit Committee abstained from voting to provide the minor shareholder as another group of stakeholders to consider the transaction and let the Company to run the next process applicable to the law.

III. 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:-

- a) Policy and practice toward employee
- b) Policy and practice toward shareholder
- c) Policy and practice toward customer
- d) Policy and practice toward trading partners
- e) Policy and practice toward creditor
- f) Policy and practice toward competitor
- g) Policy and practice toward social and economic
- h) Policy and practice toward environment
- i) Receiving Complaints of shareholder or stakeholder to directors or Company

a) 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

b) 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.
- 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.

c) 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 not 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.

d) 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.

e) 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.

f) 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.

g) 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.

h) 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.

i) 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.



IV. 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.

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.

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.

V. 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:-

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.

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

3) Directors and management remuneration (Please see the item 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.

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 correctiveness 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.



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, complete 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 part 3 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 correctness and completeness of financial statement which disclose as SET' regulation in each quarter.

6) 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



Management and Shareholding Structure

Pol.Lt.Chan Manutham**Position : Chairman of the Board****Period of Position 48 Years 2 Months****Share Portion 2,682,400 shares or 2.49 %**

Age	93 Years	
Nationality	Thai	
Education	Thammasart Pandit, University of Moral and Political Science	
No Training	Certificate of Director Certification Program (DAP) of Thai Institute of Directors (IOD)	
<u>Working Experience in the Last 5 Years</u>		
1997-Present	Chairman of the Board, Yuasa Sales and Distribution Co., Ltd.	
1963-Present	Chairman of the Board, Yuasa Battery (Thailand) Public Company Limited	
Relation to Management	Father of Mr.Promote and Mr.Pornchak Manutham	
Legal Action	-Nil-	
<u>Meeting Attendance/Number of Meetings (Times/Year 2011)</u>		
Yuasa Battery (Thailand) Public Co.,Ltd.		
❖ Board of Directors Meeting	0/13 Times	
❖ Annual General Shareholder Meeting	0/1 Times	
Yuasa Sales and Distribution Co.,Ltd.		
❖ Board of Directors Meeting	0/5 Times	
<u>Current Other Position</u>		
❖ Listed Company	-Nil-	
❖ Company	5 Companies as follows :	
Company	Position	Period of position
1. Yuasa Sales and Distribution Co.,Ltd.	Chairman of the Board	14 Years
2. Metropolitan Motor Service Co.,Ltd.	Chairman of the Board	39 Years
3. Fujii mercantile Co.,Ltd.	Chairman of the Board	53 Years
4. Central Agency Co.,Ltd.	Chairman of the Board	46 Years
5. Manutham mansion Dept. Co.,Ltd.	Chairman of the Board	17 Years
❖ Other business that may lead to conflict of interest	-Nil-	

Mr.Pornchak Manutham**Position : Director****Period of Position 9 Years****Share Portion 325,000 shares or 0.30 %**

Age	57 Years	
Nationality	Thai	
Education	Master of Business Administration, Thammasart University Bachelor of Business Administration, Ramkhamhaeng University Bachelor of Science, Chulachomklao Royal Military School	
Training	Certificate of Director Accreditation Program(DAP) 23/2004 of Thailand Institute of Directors (IOD)	
<u>Working Experience in the Last 5 Years</u>		
2007-Present	Director, Yuasa Battery (Thailand) Public Company Limited and Yuasa Sales and Distribution Co., Ltd.	
Relation to Management	Son of Pol.Lt.Chan Manutham	
Legal Action	-Nil-	
<u>Meeting Attendance/Number of Meetings (Times/Year 2011)</u>		
Yuasa Battery (Thailand) Public Co.,Ltd.		
❖ Board of Directors Meeting	13/13 Times	
❖ Annual General Shareholder Meeting	1/1 Times	
Yuasa Sales and Distribution Co.,Ltd.		
❖ Board of Directors Meeting	5/5 Times	
<u>Current Other Position</u>		
❖ Listed Company	-Nil-	
❖ Company	4 Companies as follows :	
Company	Position	Period of position
1. Yuasa Sales and Distribution Co.,Ltd.	Director	8 Years
2. Metropolitan Motor Service Co.,Ltd.	Director	17 Years
3. Fuij mercantile Co.,Ltd.	Director	14 Years
4. Central Agency Co.,Ltd.	Director	16 Years
❖ Other business that may lead to conflict of interest		-Nil-



Mr.Pramote Manutham**Position : Director****Period of Position 7 Years 8 Months****Mr.Hiroshi Tateiwa****Position : Director****Period of Position 1 Years 2 Months****Share Portion****-Nil-**

Age 66 Years
 Nationality Thai
 Education B.S. In Economics, Tokyo, Japan
 M.S. In Economics, New York, U.S.A
 Training Certificate of Director Accreditation Program (DAP) 66/2007 of Thailand Institute of Directors (IOD)

Working Experience in the Last 5 Years

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 Coinseior, 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 Son of Pol.Lt.Chan Manutham
 Legal Action -Nil-

Meeting Attendance/Number of Meetings (Times/Year 2011)

Yuasa Battery (Thailand) Public Co.,Ltd.
 ❖ Board of Directors Meeting 13/13 Times
 ❖ Annual General Shareholder Meeting 1/1 Times

Current Other Position

❖ Listed Company -Nil-
 ❖ Company 3 Companies as follows :

Company	Position	Period of position
1. Taisei General Co.,Ltd.	Director	29 Years
2. Johoku wirehardness Co.,Ltd.	Director	24 Years
3. Sahachai Electronics(Thailand) Co.,Ltd.	Director	17 Years

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

Share Portion**-Nil-**

Age 54 Years
 Nationality Japanese
 Education Osaka University of Foreign Studies,
 Faculty of Arabic Language
 No Training Certificate of Director Certification Program (DAP) of Thai Institute of Directors (IOD)

Working Experience in the Last 5 Years

2011-Present Director, Yuasa Battery (Thailand) Public Company Limited and
 Yuasa Sales and Distribution Co., Ltd.
 2011-Present Division Manager, Industrial Battery Business Promotion Division,
 International Business Unit, GS Yuasa International Ltd.
 2009 Director, GS Yuasa International Ltd.

Relation to Management -Nil-
 Legal Action -Nil-

Meeting Attendance/Number of Meetings (Times/Year 2011)

Yuasa Battery (Thailand) Public Co.,Ltd.
 ❖ Board of Directors Meeting 8/13 Times
 ❖ Annual General Shareholder Meeting 1/1 Times
 Yuasa Sales and Distribution Co.,Ltd.
 ❖ Board of Directors Meeting 5/5 Times

Current Other Position

❖ Listed Company -Nil-
 ❖ Company 1 Companies as follows :

Company	Position	Period of position
1. GS Yuasa International co.,Ltd.	Director	3 Years

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



Mr.Takeo Yamamoto
Position : Director
Appointment Date: Nov 4th, 2011

Mr.Eiichiro Kato
Position : Director
Appointment Date: Aug 4th, 2011

Share Portion
-Nil-

Age 50 Years
Nationality Japanese
Education Osaka University of Foreign Studies,
Major in English
No Training Certificate of Director Certification
Program (DAP) of Thai Institute of
Directors (IOD)

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
Department, 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 2011)

Yuasa Battery (Thailand) Public Co.,Ltd.
❖ Board of Directors Meeting 0/13 Times
❖ Annual General Shareholder Meeting 0/1 Times
Yuasa Sales and Distribution Co.,Ltd.
❖ Board of Directors Meeting 0/5 Times

Current Other Position

- ❖ Listed Company -Nil-
- ❖ Company -Nil-
- ❖ Other business that may lead to conflict of interest -Nil-

Share Portion
-Nil-

Age 43 Years
Nationality Japanese
Education Kanazawa University with master
Degree of Industrial Chemistry
No Training Certificate of Director Certification
Program (DAP) of Thai Institute of
Directors (IOD)

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 2011)

Yuasa Battery (Thailand) Public Co.,Ltd.
❖ Board of Directors Meeting 3/13 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-



Mr.Katsumi Nakato

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

Period of Position 6 Years


Mr.Subhavas Bandhuvadh

**Position : Director and
Chief Operating Officer**

Period of Position 7 Years 8 Months


Share Portion
-Nil-

Age 58 Years
Nationality Japanese
Education Social Science Department, Osaka University, Japan
Training Certificate of Director Certification Program (DAP) 57/2006 of Thai Institute of Directors (IOD)

Working Experience in the Last 5 Years

Present Vice Chairman of the Board, Chief Executive officer Yuasa Battery (Thailand) Public Company Limited , Yuasa Sales and Distribution Co., Ltd.
2007 Vice Chairman of the Board 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 2011)

Yuasa Battery (Thailand) Public Co.,Ltd.
❖ Board of Directors Meeting 13/13 Times
❖ Annual General Shareholder Meeting 1/1 Times
Yuasa Sales and Distribution Co.,Ltd.
❖ Board of Directors Meeting 5/5 Times

Current Other Position

- ❖ Listed Company -Nil-
- ❖ Company -Nil-
- ❖ Other business that may lead to conflict of interest -Nil-

Age 58 Years
Nationality Thai
Education Bachelor of Law, Chulalongkorn University
Training Certificate of International law at Hague, Netherlands
Management and Marketing Program University of California at Los Angeles (UCLA) Extension
Certificate of Director Certification Program (DAP) 21/2004 of Thai Institute of Directors (IOD)

Working Experience in the Last 5 Years

2006-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
2004-2005 Vice President, Yuasa Battery (Thailand) Public Company Limited
1995-1998 Assistant Managing Director, Siam Cruise Co., Ltd.

Relation to Management -Nil-
Legal action -Nil-

Meeting Attendance/Number of Meetings (Times/Year 2011)

Yuasa Battery (Thailand) Public Co.,Ltd.
❖ Board of Directors Meeting 12/13 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-



Dr.Kusaya Leerahawong**Position** Independent Director and
Chairman of Audit Committee**Period of Position** 5 Years 10 Months**Share Portion****-Nil-**

Age 55 Years
 Nationality Thai
 Education Ph.D (Finance) University of Southern Queensland, Australia
 Master of Business Administration (Finance)/NIDA
 Training Bachelor of Science, Mahidol University
 Certificate of Director Accreditation Program (DAP) 54/2006, and Certificate of Director Certification Program (DCP) 92/2007 of Thai Institute of Directors (IOD) CEO Succession and Effective Leadership Development
 Diploma of Director Certification Program, Australian Institute of Company Director (Nov. 2007) Audit committee Program (ACP) 27/2009 Monitoring Fraud Risk Management (MFM5/2010), Role Of The Compensation Committee(RCC13/2010), Monitoring of the Quality of Financial Reporting (MFR7/2009), Monitoring the internal Audit Function (MIA5/2009), Monitoring the system of Internal Control and Risk Management (MIR6/2009), Chartered Director Class(R-CDC 3/2008)

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 2011)

Yuasa Battery (Thailand) Public Co.,Ltd.

- ❖ Board of Directors Meeting 13/13 Times
- ❖ Annual General Shareholder Meeting 0/1 Times
- ❖ Audit Committee 20/20 Times

Current Other Position

- ❖ Listed Company -Nil-
- ❖ Company -Nil-
- ❖ Other business that may lead to conflict of interest -Nil-

Mr.Yothin Vimoogtayon**Position** Independent Director and
Audit Committee**Period of Position** 5 Years 2 Months**Share Portion****-Nil-**

Age 64 Years
 Nationality Thai
 Education Political Science, Burapha University
 Mini MBA, Thammasart University
 LLM, Thammasart University
 B.A. Economics Chiang Mai University
 Training Certificate of Director Accreditation Program (DAP) 72/2006 of Thai Institute of Directors (IOD)

Working Experience in the Last 5 Years

Present Independent Director and Audit Committee, Yuasa Battery (Thailand) Public Company Limited.
 2004-2007 Deputy director-general, Excise Department.
 2007 Class White Elephant Order.

Relation to Management -Nil-
Legal action -Nil-

Meeting Attendance/Number of Meetings (Times/Year 2011)

Yuasa Battery (Thailand) Public co.,Ltd.

- ❖ Board of Directors Meeting 11/13 Times
- ❖ Annual General Shareholder Meeting 0/1 Times
- ❖ Audit Committee 20/20 Times

Current Other Position

- ❖ Listed Company -Nil-
- ❖ Company -Nil-
- ❖ Other business that may lead to conflict of interest -Nil-



Mr.Prasert Kittisakkul**Position** Independent Director and
Audit Committee**Period of Position** 1 Years 8 Months**Share Portion** 2,000 shares or 0.002 %

Age 61 Years
 Nationality Thai
 Education Bachelor degree of science (Business Administration) La Salle University, USA.
 Training Certificate of Director Accreditation Program (DAP) 39/2005 and Certificate of Director Accreditation Program (DCP) 139/2010 of Thai Institute of Directors (IOD)

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 – 2010 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 2011)

Yuasa Battery (Thailand) Public Co.,Ltd.
 ❖ Board of Directors Meeting 13/13 Times
 ❖ Annual General Shareholder Meeting 0/1 Times
 ❖ Audit Committee 20/20 Times

Current Other Position

- ❖ Listed Company -Nil-
- ❖ Company -Nil-
- ❖ Other business that may lead to conflict of interest -Nil-

**Assistant Professor
Dr.Lawan Thanadsillapakul****Position** Independent Director and
Audit Committee**Period of Position** 1 Years 8 Months**Share Portion****-Nil-**

Age 56 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 Director Accreditation Program
 (DCP) 141/2011of Thai Institute of
 Directors(IOD) ,Audit committee Program
 (ACP35/2011), Monitoring Fraud Risk
 Management (MFM6/2011), Monitoring of
 the Quality of Financial Reporting
 (MFR6/2011), Monitoring the internal Audit
 Function(MIA11/2011), Monitoring the
 system of Internal Control and Risk
 Management (MIR11/2011)

Working Experience in the Last 5 Years

Present Independent Director and Audit Committee,
Yuasa Battery (Thailand) Public Company
Limited
 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 2011)

Yuasa Battery (Thailand) Public Co.,Ltd.
 ❖ Board of Directors Meeting 13/13 Times
 ❖ Annual General Shareholder Meeting 0/1 Times
 ❖ Audit Committee 20/20 Times

Current Other Position

- ❖ Listed Company -Nil-
- ❖ Company -Nil-
- ❖ Other business that may lead to conflict of interest -Nil-



Mr.Yasushi Homma
Position: Chief Executive Engineer
Period of Position 1 Years 5 Months

Mr.Sukthae Ruengwattanachot
Position : Company Secretary
Period of Position 6 Years

Share Portion
-Nil-

Age 53 Years
Nationality Japan
Education Mechanical Engineering, Tohoku University

Working Experience in the Last 5 Years

2011-Present Chief Executive Engineer, Yuasa Battery (Thailand) Public Company Limited

2010 Technical Advisor, Yuasa Battery (Thailand) Public Company Limited

2010 General Manager, Osadano Automotive Battery Manufacturing Dept., GS Yuasa Manufacturing Ltd.

Relation to Management -Nil-
Legal Action -Nil-

Share Portion
-Nil-

Age 45 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-



Mr.Hiroaki Sasaki

**Position : General Manager
(Engineering)**

Period of Position 8 Months



Share Portion

-Nil-

Age 38 Years
Nationality Japan
Education 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.Masashi Morimitsu

**Position : General Manager
(Quality Assurance)**

Period of Position 8 Months



Share Portion

-Nil-

Age 37 Years
Nationality Japan
Education Physics, Faculty of Science and
Engineering, Chou University

Working Experience in the Last 5 Years

2011-Present General Manager(Quality
Assurance)
2010 Technical Dept., Automotive Battery
Division, GS Yuasa Manufacturing
Ltd.

Relation to Management -Nil-
Legal action -Nil-



Mr.Komson Arunpan

**Position : General Manager
(Plant 1)**

Period of Position 3 Years



Share Portion

-Nil-

Age 42 Years
Nationality Thai
Education Bachelor of Science, Faculty of
Science Naresuan University

Working Experience in the Last 5 Years

2008-Present General Manager(Plant 1),Yuasa
Battery (Thailand) Public Company
Limited
2006-2008 Plant Manager
2005 Quality Assurance Manager

Relation to Management -Nil-
Legal action -Nil-

Miss Pattaraporn Tasanasewee

**Position : Financial and
Accountancy Manager**

Period of Position 5 Years



Share Portion

-Nil-

Age 58 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

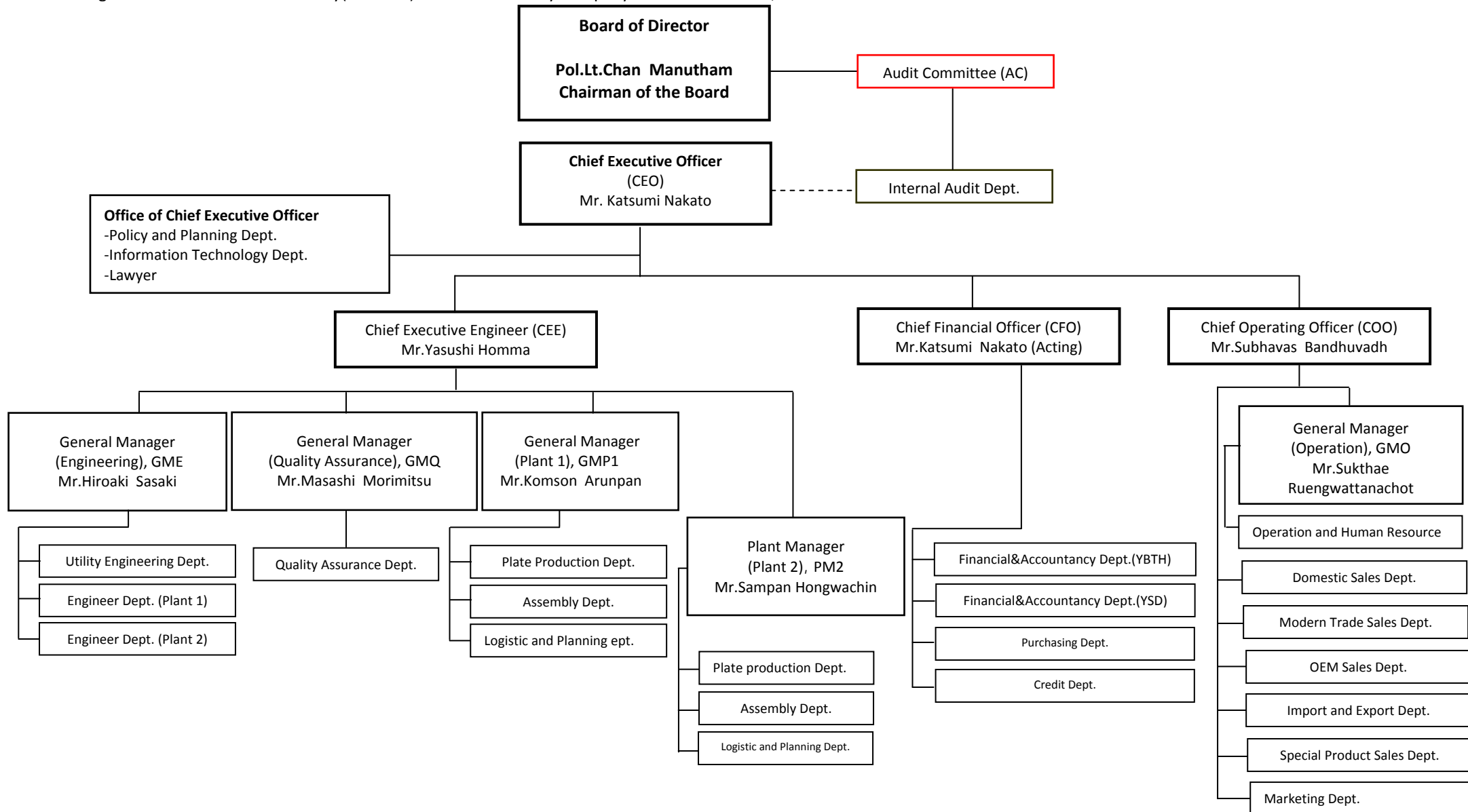
Present Financial and Accountancy Manager
Yuasa Battery (Thailand) Public
Company Limited.

Relation to Management -Nil-
Legal action -Nil-



Management and Shareholding Structure

The organization chart of Yuasa Battery(Thailand) Plc. and Subsidiary Company as of December 31, 2011



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.

Company	Type of Transaction	Amount (Million Baht)		Price , Fee and Others	Remark
		2010	2011		
GS Yuasa International Limited, Japan (GYIN)	-Agreement on borrowing the brand name "Yuasa" Company paid royalty in return for the borrowing. - Company's accrued expense.	20.68	22.95	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.
		20.68	22.95		
	- Company bought batteries, materials ,machines and spare parts.	25.32	84.87	The trading prices are the market's rate.	They are only 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.
	- Company sold batteries to GYIN.	5.90	1.96		
	- Company's accrued expense.	14.28	21.41		
	- Company's accrued income.	0.28	0.05		
	- JPY441m short-term loan		181.87	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 next termination date is Mar11.) The debt balances were at JPY150m and JPY140m as of Dec.31,09 and Dec31,2010 respectively.
	- JPY500m short-term loan	177.75			- 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 Aug11.)The debt balances were at JPY280m & JPY265m as of Dec 31,09 and Dec31,10 respectively.
	- JPY6.17m accrued interest		2.34		- In Mar08, Company borrowed JPY80m from GYIN at LIBOR (12 months) + 1% per year under a six-month agreement. Company partly paid the debt and renewed the agreement on the termination dates for one more year. (The next termination date is Sep11.) The debt balance was at JPY70m as of Dec 31, 10 and Dec 31,11.
	- JPY6.95m accrued interest				
	The short-term loans and the accrued interest were calculated with Bank of Thailand's exchange rate on December 31.	2.31			



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.

Company	Type of Transaction	Amount (Million Baht)		Price , Fee and Others	Remark
		2010	2011		
GS Yuasa Siam Industry Company Limited (GYSI)	<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>- Income from the rental</p>	7.41	9.05	The rental fee is fair and based on the market price.	<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 rental rate at THB90 per sqm per month.</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 rental rate at THB135 per sqm per month.</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 rental rate at THB90 per sqm per month.</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 rental rate at THB110 per sqm per month, 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 rental rate at THB110 per sqm per month, 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 rental rate at THB20 per sqm per month.</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 rental rate at THB110 per sqm per month, including the facility fee.</p>



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

Company	Type of Transaction	Amount (Million Baht)		Price , Fee and Others	Remark
		2010	2011		
GS Yuasa Siam Industry Company Limited (GYSI)					<ul style="list-style-type: none">- GYSI made a 1-year-and-8-month rental agreement for the 80-sqm garbage area, effective during Apr 1,10 to Nov 30,11with the rental rate at THB65 per sqm per month, including the facility fee.- 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 rental rate at THB110 per sqm per month, including the facility fee.- 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 rental rate at THB110 per sqm per month, including the facility fee.- GYSI made a 1-year-4-month-and-1-day rental agreement for the 322.50sqm warehouse area, effective during Aug 1,10 to Dec 1,11 with the rental rate at THB110 per sqm per month, including the facility fee.- GYSI made a 9-month-and-2-day rental agreement for the 255.97sqm plant area, effective during Feb 15,11 to Nov17,11 with the rental rate at THB110per sqm per month including the facility fee.- GYSI made a 8-month-and-2-day rental agreement for the 71.5sqm plant area, effective during Mar 15,11 to Nov17,11 with the rental rate at THB110per sqm per month including the facility fee.- GYSI made a 4-month-and-16-day rental agreement for the 51.52sqm plant area, effective during Sep 1,11 to Nov17,11 with the rental rate at THB110per sqm per month including the facility fee.



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

Company	Type of Transaction	Amount (Million Baht)		Price , Fee and Others	Remark
		2010	2011		
GS Yuasa Siam Industry Company Limited (GYSI)					- GYSI made a 9-month-and-2-day rental agreement for the factory's 389.10-sqm mezzanine, effective during Feb15,11 to Nov17,11 with the rental rate at THB155 per sqm per month including the facility fee. **Remark: The Extraordinary Shareholder Meeting no. 01/2012 on Jan12, 12 had a resolution to extend the rental agreements until the date of ownership transfer to GYSI.
GS Yuasa Siam Industry Company Limited (GYSI)	- Cash from selling assets - Company sold materials - Company was hired to produce lead powder, plates, curing, soaking and any other services. - Company's accrued income	7.95 4.14 31.46 11.17	- - 36.86 11.48	The trading prices are at the market's rate.	They are only normal transactions and there is no any trading agreement. Agreements of hiring were made for production of lead powder, plates, curing and soaking. The selling prices and the hiring charges are at the market's rates, not lower than offered to other customers.

3. Transactions between Company and GS Yuasa Corporation or GYC

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

Company	Type of Transaction	Amount (Million Baht)		Price , Fee and Others	Remark
		2010	2011		
GS Yuasa Corporation or GYC	- Loan guarantee fee	0.58	0.15	At agreed price	They are only normal transactions and there is no any trading agreement.

4. Other transactions between Company and its related companies

Company	Type of Transaction	Amount (Million Baht)		Price , Fee and Others	Remark
		2010	2011		
Yuasa Battery (Malaysia)	- Cash from selling machines and equipment	0.46	-	The trading prices are the market's rate.	They are only normal transactions and there is no any trading agreement.
	- Company sold batteries.	2.72	10.41	The trading prices are the market's rate.	They are only normal transactions and there is no any trading agreement.
	- Company's accrued income	0.04	-	The trading prices are the market's rate.	They are only normal transactions and there is no any trading agreement.
Taiwan Yuasa Battery	- Company's income from brokerage	1.53	2.05	The trading prices are the market's rate.	They are only normal transactions and there is no any trading agreement.
	- Company's accrued income	0.65	0.90	The trading prices are the market's rate.	They are only normal transactions and there is no any trading agreement.



Other transactions between Company and its related companies (Continued)

Company	Type of Transaction	Amount (Million Baht)		Price , Fee and Others	Remark
		2010	2011		
GS Yuasa Power Supply	- Company sold batteries.	0.03	-	The trading prices are the market's rate.	They are only normal transactions and there is no any trading agreement.
	- Company bought materials.	1.32	-	The trading prices are the market's rate.	They are only normal transactions and there is no any trading agreement.
	- Company's purchase fixed asset	0.48	-	The trading prices are the market's rate.	They are only normal transactions and there is no any trading agreement.
	- Company's accrued expenses	-	-	The trading prices are the market's rate.	They are only normal transactions and there is no any trading agreement.
GS Yuasa Battery (Singapore)	- Company sold batteries.	7.78	2.08	The trading prices are the market's rate.	They are only normal transactions and there is no any trading agreement.
PT Yuasa Battery Indonesia	- Company sold batteries.	0.02	-	The trading prices are the market's rate.	They are only normal transactions and there is no any trading agreement.
	- Other Income	0.42	-	At agreed price	They are only normal transactions and there is no any trading agreement.



Summary of Financial Data

The Company's Operation (Unit : Million Baht)

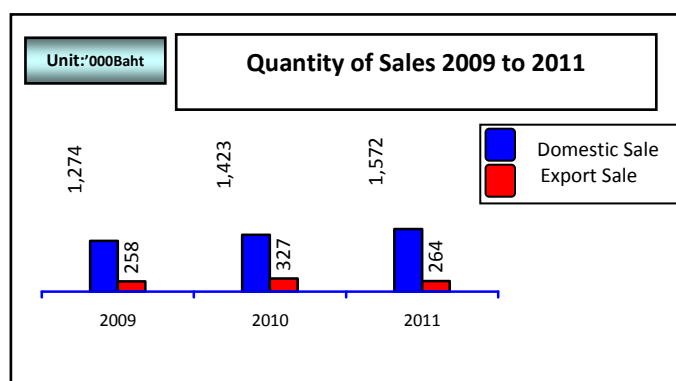
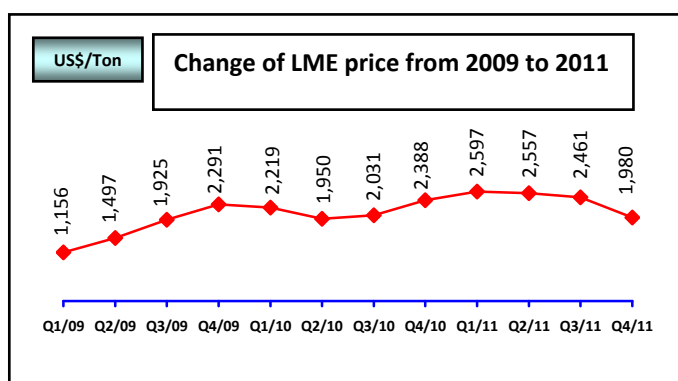
	2552	2553	2554
Income from sale	1,533.25	1,774.89	1,870.09
Total revenues	1,599.50	1,836.89	1,943.53
Cost of sales	1,217.36	1,455.33	1,550.67
Gain on reversed impairment loss	-	-	31.40
Selling and administrative expenses	299.46	312.96	317.84
Loss on impairment of assets	3.37	-	-
Profit before Finance cost and income tax	80.30	68.61	106.42
Interest expenses	36.19	24.53	15.74
Net profit	44.12	44.07	90.68
Total assets	1,136.53	1,014.41	1,073.49
Total liabilities	957.56	820.40	788.80
Total shareholders' equity	178.96	194.01	284.69

Financial Ratio

Net profit margin (%)	2.73	2.40	4.67
Return on Total assets (%)	3.89	4.10	8.69
Return on Equity (%)	28.12	23.63	37.89

Basic Data Per Share (Unit: Baht)

Basic earning per share	0.41	0.41	0.84
Weight average number of shares (shares)	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
Book value per share	1.66	1.80	2.65
Par Value	1.00	1.00	1.00
Dividend per share	0.00	0.00	0.00



Management's Discussion and Analysis

Financial Status

Total Assets

As of December 31st, 2011, the Company and its subsidiary had 1,073.49 million baht in total assets, up by 59.08 million baht or 5.82 per cent from 2010. The higher total assets were derived from an increase of 62.85 million baht in inventory and an increase of 36.49 million baht in land, building and equipment-net. The increase in the inventory at the end of 2011 was an effect of the flooding which led to decreasing orders in Original Equipment Market and Replacement Equipment Market in the fourth quarter of 2011. As a result, the accounts receivable declined more than 42.77 million baht on the closing date. The increase in the land, buildings and equipment was a result of investment in renovation of the factories and in machines and equipment of production lines of motorcycle batteries to answer the higher market demand.

Total Liabilities

As of December 31st, 2011, the Company had 788.80 million baht in total liabilities, down by 31.60 million baht or 3.85 per cent. The decrease was a result of repayment of long-term loans to financial institutes totaling 37 million bahts. For the short-term loans in foreign currency of the related company, the amount increased by 4.12 million baht, due to higher exchange rate on the closing date, compared to 2010.

For accounts payable and other creditors in 2011, the total amount reduced by 20.92 million baht in the previous year to 354.64 million baht. This was because less orders of batteries at the year-end lowered orders of raw materials for battery production.

Shareholders' Equity

As of December 31st, 2011, total shareholders' equity of the Company and its subsidiary was 284.69 million baht, up by 90.68 million baht or 46.74 per cent from the previous year, due to profits in 2011.

Cash Flow

As of the accounting closing date of 2011, the Company's net cash from operating activities declined by 104.60 million baht. This was because, at the year-end, the inventory increased by 63.89 million baht from 2010. Moreover, the accounts receivable reduced more than 43.67 million baht. The reduction of accounts receivable was an effect from the flooding in the fourth quarter of 2011 which impacted on the sales.

In term of investment activities, the amount of cash totaling 25.31 million baht was spent to renovate the factories and to invest in machines and equipment of the production lines of motorcycle batteries to answer the higher market demand.

For financing activities, the amount of cash spent decreased by 136.58 million baht. The reason was the Company did not pay any debt to a financial institute in 2011. In contrast to 2010, the short-term loans totaling 120 million baht was repaid.

Operation

At the end of 2011, the Company and its subsidiary had 1,974.93 million baht in total incomes, comprising of incomes from sale totaling 1,870.09 million baht and other incomes totaling 104.84 million baht. The incomes from sale rose by 95.19 million baht or 5.36 per cent, due to higher sales of motorcycle batteries in Original Equipment Market (OEM) and Replacement Equipment Market (REM).

However, the sales of automotive batteries in OEM and the government sector reduced. The significant reasons of the higher sales of motorcycle batteries in OEM and REM were a growing number of orders in the first six months as well as the adjustment of product prices in line with the higher lead prices in the first eight months of 2011, even if affected by the earthquake and the flooding in the middle and at the end of the year respectively. However, the earthquake and the flooding lowered the sales of automotive batteries in domestic OEM and REM in the fourth quarter of 2011.

For other incomes, the total other incomes of 104.84 million baht could be divided into other incomes totaling 73.44 million baht and reversed impairment loss totaling 31.40 million baht. The other incomes consisted of rental fee from the related company and sale of scrap. Moreover, according to the updated assessment, the value of assets, buildings and construction of the Gateway



Plant was higher than the book value after deduction of provision for impairment of the assets, causing a gain from the reversed impairment loss.

The cost of sale was 1,550.67 million baht or 82.92 per cent of the total incomes, up from 82 per cent in the previous year, due to higher prices of raw materials. In addition, the useful life of machines and buildings was extended. The lower depreciation of the assets caused the reduction of 27.69 million baht in the overhead of production.

In January-August 2011, the average price of pure lead, the main raw material of battery production, was 2,568 US/ton, up from 2,146 US/ton in 2010. However, the price at the end of 2011 declined to 2,011 US/ton in December.

Sales and administration expenses in 2011 were 317.84 million baht or 16.35 per cent of the total incomes, up from last year by 4.89 million baht or 1.56 per cent, due to an increase of excise tax from higher sales and higher expenses of sales promotion of the subsidiary.

Interest expenses of 2011 were 15.74 million baht, down by 8.80 million baht or 35.86 per cent, due to the repayment of loans.

In summary, the net profits of the Company and its subsidiary in 2011 were 90.68 million baht or 0.84 baht per share.

Financial Ratio

The Company's current ratio in 2011 was 0.89 times, slightly increasing from the previous year, due to higher current assets and lower current liabilities. The increase of the current assets came from inventory control and less accounts receivable while the decrease of the current liabilities derived from the repayment of current portion of long-term loans and less accounts payable.

The average ratio of accounts receivable in 2011 was 7.66 times. The average collection period was 47 days, less than the previous year. The average repay period was 79 days, less than 81 days in the previous year.

Due to the higher lead cost, the main raw material of battery production, the profitability ratio of 2011 decreased from 2010 to 17.08 per cent.

In 2011, the debt to equity ratio decreased from the previous year to 2.77 times, because of less liabilities and higher shareholder equity derived from the net profits in 2011.

In addition, the ability of repayment was better. The interest coverage ratio and debt service coverage ratio cash basis decreased from 7.36 and 4.57 times to 4.28 and 0.84 times respectively, compared to 2010.

For dividends, the Company's dividend payment per share was 0.01 in 2005. However, due to the constant loss, no dividend was paid during 2006-2008. For 2009-2011, the Company could not pay dividend even gaining profits, because of accumulated loss.

Fees for the External Auditor

- Audit Fee

In 2011, the Company and its subsidiary paid a fee of 1.95 million baht for DIA International Company Limited- divided into 1.40 million baht for auditing Yuasa Battery (Thailand) Public Company Limited and 0.55 million baht for auditing the subsidiary.

- Non-audit Fee

The Company and its subsidiary did not pay any fee for any other services to the external auditor or the audit company in the previous accounting year. No agreement of any other incomplete services was made as well.



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 2011 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 31 December 2011 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



Financial Statements

I have audited the consolidated statements of financial position of YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARY COMPANY and the separate statements of financial position of YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED as at 31 December 2011, the related consolidated statements of comprehensive income and separate statements of comprehensive income, consolidated statements of changes in shareholders' equity and separate statements of changes in shareholders' equity, and consolidated statements of cash flows and separate statements of cash flows for the years then ended. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audits. The consolidated and separate financial statements of YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARY COMPANY for the year ended 31 December 2010 (before restatement), were audited by the other auditor whose report dated 24 February 2012, expressed an unqualified opinion on those statements.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the consolidated and separate financial statements referred to the above present fairly, in all material respects, the consolidated financial position of YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARY COMPANY and the separate financial position of YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED as at 31 December 2011 the results of consolidated and separate operations and cash flows for the years then ended in conformity with generally accepted accounting principles.

As stated in notes 2 and 4 to financial statements for the year ended 31 December 2011, the Company and subsidiary adopted the revised financial reporting standards issued by the Federation of Accounting Professions and in accordance with the notification of the Department of Business Development regarding the condensed form should be included in the financial statements B.E. 2554, that the adoption is effective for the financial statements for the accounting periods beginning on or after 1 January 2011 onwards for preparation and presentation these financial statements. Accordingly the comparative consolidated and separate financial statements for the year ended 31 December 2010 have been presented in new format and restated for initially adoption the financial reporting standards for corresponding with the consolidated and separate financial statements for the year ended 31 December 2011.

DIA International Audit Co.,Ltd



(Mrs. Suvimol Krittayakiern)

C.P.A.(Thailand) Registration No.2982

23 February 2012



YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARY COMPANY
STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011 AND 2010

					Unit : Baht
	Note	Consolidated		Separate	
		2011	2010	2011	2010
Assets			(Restate)		(Restate)
Current assets					
Cash and cash equivalents	5	80,671,896	87,633,395	51,668,102	78,190,035
Trade and other receivables					
Trade accounts receivable	6.1	195,860,214	238,625,254	292,003,798	298,400,530
Other receivables - related parties	20.2	12,377,145	11,827,011	12,493,872	11,943,738
Inventories	6.2	13,231,933	9,339,760	12,954,614	8,506,423
Other receivables - unrelated parties	7	342,337,973	279,487,634	319,091,455	263,894,226
Other current assets	8	6,080,778	2,614,316	6,036,097	2,508,019
Total current assets		650,559,939	629,527,370	694,247,938	663,442,971
Non-current assets					
Investment in subsidiary	9	0	0	999,900	999,900
Property, plant and equipment	10	408,809,980	372,324,880	404,747,578	367,840,688
Intangible assets	11	5,804,766	6,706,550	3,971,334	4,804,869
Other non-current assets		8,316,816	5,850,325	6,635,155	4,704,174
Total non-current assets		422,931,562	384,881,755	416,353,967	378,349,631
Total assets		1,073,491,501	1,014,409,125	1,110,601,905	1,041,792,602
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institution	12	160,000,000	140,000,000	160,000,000	140,000,000
Trade and other payables					
Trade accounts payables - related parties	20.2	25,290,829	22,987,672	25,290,829	22,987,672
Trade accounts payables - unrelated parties	13	329,350,412	352,568,584	295,005,939	316,142,320
Current portion of long-term loans	14	26,168,208	37,000,000	26,168,208	37,000,000
Short-term loans from related party	20.3	181,871,046	177,753,550	181,871,046	177,753,550
Other current liabilities	15	4,719,460	5,789,945	2,781,216	5,419,081
Total current liabilities		727,399,955	736,099,751	691,117,238	699,302,623
Non-current liabilities					
Long-term loans from financial institutions	14	25,000,000	51,168,208	25,000,000	51,168,208
Employee benefit obligations	16.1	36,400,455	33,129,789	33,818,755	31,082,090
Total non-current liabilities		61,400,455	84,297,997	58,818,755	82,250,298
Total liabilities		788,800,410	820,397,748	749,935,993	781,552,921
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
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
Premium on share capital		171,075,000	171,075,000	171,075,000	171,075,000
Retained earnings (deficit)					
Appropriated					
Legal reserve	17	26,906,250	26,906,250	26,906,250	26,906,250
Unappropriated		(20,915,159)	(111,594,873)	55,059,662	(45,366,569)
Total shareholders' equity		284,691,091	194,011,377	360,665,912	260,239,681
Total liabilities and shareholders' equity		1,073,491,501	1,014,409,125	1,110,601,905	1,041,792,602

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



YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARY COMPANY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
CONSOLIDATED FINANCIAL STATEMENT
FOR THE YEARS ENDED 31 DECEMBER 2011 AND 2010

Unit : Baht

		Issued and paid-up share capital	Premium on share capital	Retained earnings (Deficit)		Total
	Note			Legal reserve	Unappropriated	
Balances as at 1 January 2011 (before restatement)		107,625,000	171,075,000	26,906,250	(78,465,084)	227,141,166
Adjustment of employee benefit provisions	4	-	-	-	(33,129,789)	(33,129,789)
Balances as at 1 January 2011 (after restatement)		107,625,000	171,075,000	26,906,250	(111,594,873)	194,011,377
Total comprehensive income for the year		-	-	-	90,679,714	90,679,714
Balances as at 31 December 2011		107,625,000	171,075,000	26,906,250	(20,915,159)	284,691,091
Balances as at 1 January 2010 (before restatement)		107,625,000	171,075,000	26,906,250	(126,644,055)	178,962,195
Adjustment of employee benefit provisions		-	-	-	(29,024,246)	(29,024,246)
Balances as at 1 January 2010 (after restatement)		107,625,000	171,075,000	26,906,250	(155,668,301)	149,937,949
Total comprehensive income for the year		-	-	-	44,073,428	44,073,428
Balance as at 31 December 2010		107,625,000	171,075,000	26,906,250	(111,594,873)	194,011,377

YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARY COMPANY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
SEPARATE FINANCIAL STATEMENT
FOR THE YEARS ENDED 31 DECEMBER 2011 AND 2010

Unit : Baht

		Issued and paid-up share capital	Premium on share capital	Retained earnings (Deficit)		Total
				Legal reserve	Unappropriated	
Balances as at 1 January 2011 (before restatement)		107,625,000	171,075,000	26,906,250	(14,284,479)	291,321,771
Adjustment of employee benefit provisions		-	-	-	(31,082,090)	(31,082,090)
Balances as at 1 January 2011 (after restatement)		107,625,000	171,075,000	26,906,250	(45,366,569)	260,239,681
Total comprehensive income for the year		-	-	-	100,426,231	100,426,231
Balances as at 31 December 2011		107,625,000	171,075,000	26,906,250	55,059,662	360,665,912
Balances as at 1 January 2010 (before restatement)		107,625,000	171,075,000	26,906,250	(81,797,295)	223,808,955
Adjustment of employee benefit provisions		-	-	-	(27,396,418)	(27,396,418)
Balances as at 1 January 2010 (after restatement)		107,625,000	171,075,000	26,906,250	(109,193,713)	196,412,537
Total comprehensive income for the year		-	-	-	63,827,144	63,827,144
Balance as at 31 December 2010		107,625,000	171,075,000	26,906,250	(45,366,569)	260,239,681

The accompanying notes to financial statements are an integral



YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARY COMPANY
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER 2011 AND 2010

Unit : Baht

	Note	Consolidated		Separate	
		2011	2010 (Restated)	2011	2010 (Restated)
Revenues from sales		1,870,087,896	1,774,898,579	1,832,053,638	1,732,537,234
Total revenues from sales		1,870,087,896	1,774,898,579	1,832,053,638	1,732,537,234
Cost of sales		(1,550,669,118)	(1,455,329,508)	(1,561,891,182)	(1,461,354,271)
Total cost of sales		(1,550,669,118)	(1,455,329,508)	(1,561,891,182)	(1,461,354,271)
Gross profit		319,418,778	319,569,071	270,162,456	271,182,963
Gain on reversed impairment loss	10	31,396,414	-	31,396,414	-
Other income		73,443,637	61,995,361	74,310,147	62,477,844
Total other income		104,840,051	61,995,361	105,706,561	62,477,844
Selling expenses		(245,408,585)	(242,345,302)	(205,394,231)	(193,504,545)
Administrative expenses		(72,434,815)	(70,612,670)	(54,320,928)	(51,803,022)
Finance costs		(15,735,715)	(24,533,032)	(15,727,627)	(24,526,096)
Total expenses		(333,579,115)	(337,491,004)	(275,442,786)	(269,833,663)
Profit before income tax		90,679,714	44,073,428	100,426,231	63,827,144
Income tax		-	-	-	-
Profit from continuing operations		90,679,714	44,073,428	100,426,231	63,827,144
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		90,679,714	44,073,428	100,426,231	63,827,144
Attributable to:					
Owners of the Company		90,679,714	44,073,428	100,426,231	63,827,144
Non-controlling interests		-	-	-	-
		90,679,714	44,073,428	100,426,231	63,827,144
Earnings per share					
Basic earnings per share		0.84	0.41	0.93	0.59
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 COMPANY
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER 2011 AND 2010

Unit : Baht

	Consolidated		Separate	
	2011	2010	2011	2010
		(Restated)		(Restated)
Cash flows from operating activities				
Profit (loss) before income tax	90,679,714	44,073,428	100,426,231	63,827,144
Adjustments to reconcile net profit to net cash provided by (used in) from operating activities				
Employee benefit provisions	4,362,608	4,105,543	3,828,607	3,685,672
Depreciation of assets	30,520,096	58,256,697	29,892,840	57,629,148
Amortization	1,571,584	1,350,454	1,451,635	1,248,361
Interest expenses	15,735,715	24,533,032	15,727,627	24,526,096
Unrealized loss on exchange rate	13,923,837	9,542,138	13,923,837	9,542,136
Bad debts	4,651	98,449	-	-
Doubtful accounts	-	1,533,807	-	-
Reversed allowance for doubtful accounts	(173,742)	(6,000)	(36,000)	(6,000)
Reversed allowance for devaluation of inventories	(445,598)	(132,604)	(280,186)	-
Loss on devaluation of inventories	601,512	1,680,474	601,512	368,045
Loss on products lost	890,555	555,218	-	-
Gain on reversed impairment loss	(31,396,414)	-	(31,396,414)	-
Gain on disposal of property, plant and equipment	(1,585,192)	(2,421,670)	(1,222,196)	(1,818,679)
Profit from operating activities before change in operating assets and liabilities	124,689,326	143,168,966	132,917,493	159,001,923
Decrease (increase) in operating assets				
Trade accounts receivable	43,667,493	(26,928,157)	7,166,093	(25,186,158)
Other receivables - related parties	(550,134)	4,804,045	(550,134)	4,802,425
Other receivables - unrelated parties	(3,892,172)	328,507	(4,448,191)	(5,087,609)
Inventories	(63,896,809)	5,631,653	(55,518,555)	10,460,447
Other current assets	586,513	(439,630)	524,898	(886,780)
Other non-current assets	(971,707)	69,116,175	(13,200)	69,116,175
Decrease (increase) in operating assets	(25,056,816)	52,512,593	(52,839,089)	53,218,500
(Decrease) increase in operating liabilities				
Trade and other payables - related parties	(31,064,009)	(21,300,486)	(28,982,218)	(21,790,681)
Trade and other payables - unrelated parties	2,190,431	985,518	2,190,432	985,518
Employee benefits paid	(1,091,942)	-	(1,091,942)	-
Other current liabilities	(1,070,485)	7,772,223	(2,637,865)	(1,037,070)
Increase in operating liabilities	(31,036,005)	(12,542,745)	(30,521,593)	(21,842,233)
Cash generated (paid) from operation				
Interest paid	(15,556,662)	(25,862,020)	(15,548,574)	(25,855,084)
Income tax refunded	423,913	-	-	-
Income tax paid	(1,918,696)	(1,128,597)	(1,917,781)	(1,124,429)
Net cash provided by operating activities	51,545,060	156,148,197	32,090,456	163,398,677
Cash flows from investing activities				
Payments for purchases of fixed assets	(29,710,185)	(9,698,647)	(29,504,715)	(9,245,038)
Payments for purchases of intangible assets	(685,400)	(3,152,330)	(633,700)	(1,573,130)
Proceeds from sales of fixed assets	1,612,438	9,380,382	1,249,438	8,648,139
Net cash provided by (used in) investing activities	(28,783,147)	(3,470,595)	(28,888,977)	(2,170,029)
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	20,000,000	(120,000,000)	20,000,000	(120,000,000)
Repayments for short-term loans from a related party	(12,723,412)	(9,301,910)	(12,723,412)	(9,301,910)
Repayments for long-term loans	(37,000,000)	(37,000,000)	(37,000,000)	(37,000,000)
Net cash provided used in financing activities	(29,723,412)	(166,301,910)	(29,723,412)	(166,301,910)
Net increase (decrease) in cash and cash equivalents	(6,961,499)	(13,624,308)	(26,521,933)	(5,073,262)
Cash and cash equivalents at the beginning of year	87,633,395	101,257,703	78,190,035	83,263,297
Cash and cash equivalents at the ending of year	80,671,896	87,633,395	51,668,102	78,190,035

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

YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARY COMPANY
NOTES TO INTERIM FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2011 AND 2010

1. GENERAL INFORMATION

Name:	Yuasa Battery (Thailand) Public Company Limited. ("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
-Branch:	111, Moo 9, Tambol Huasamlong, Amphur Plangyay, Chachongsao.
Type of business:	The Company is engaged in business of manufacturing battery for automobiles and motorcycles
Major shareholder:	GS Yuasa International Ltd. (incorporated in Japan) owned 40.69%. Metropolitan Motor Service Co., Ltd. (incorporated in Thailand) owned 19.13%

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Financial statements preparation

The financial statements have been prepared in conformity with generally accepted accounting principles 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 financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

2.2 Financial statements preparation

The Company has applied TAS 1 (Revised 2009) "Presentation of Financial Statements". Under the revised TAS, a set of financial statements comprises:

- Statement of financial position
- Statement of comprehensive income
- Statement of changes in shareholders' equity
- Statement of cash flows
- Notes to the financial statements

2.3 Issued and revised financial reporting standard

In 2010 and 2011, the Federation of Accounting Professions issued various revised financial reporting standards which certain standards are relevant to the group of Company's operations and effective for the accounting period beginning on or after 1 January 2011. The Company applied those standards as below:

<u>Financial reporting standards</u>	<u>Contents</u>
TAS 1 (Revised 2009)	Presentation of Financial Statements
TAS 2 (Revised 2009)	Inventories
TAS 7 (Revised 2009)	Statements of Cash Flows
TAS 8 (Revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2009)	Events After the Reporting Period
TAS 16 (Revised 2009)	Property, Plant and Equipment
TAS 17 (Revised 2009)	Leases
TAS 18 (Revised 2009)	Revenue



Financial reporting standardsContents

TAS 19	Employee Benefits
TAS 23 (Revised 2009)	Borrowing Costs
TAS 24 (Revised 2009)	Related Party Disclosures
TAS 27 (Revised 2009)	Consolidated and Separate Financial Statements
TAS 33 (Revised 2009)	Earnings per Share
TAS 34 (Revised 2009)	Interim Financial Reporting
TAS 36 (Revised 2009)	Impairment of Assets
TAS 37 (Revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2009)	Intangible Assets

The adoption of newly issued and revised financial reporting standards in these financial statement resulted to the changes in the group of Company's accounting policy. The effects have been disclosed in notes 4 to financial statements.

In addition the above newly issued and revised financial reporting standards, the other standards are expected to be effective for the financial statements beginning on or after 1 January 2013 and have not been adopted in the preparation of these financial statements. The details are following:

Financial reporting standardsContents

TAS 12	Income Taxes
TAS 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rate
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

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

2.4 The consolidated financial statements for the years ended 31 December 2011 and 2010 consist of the financial statements of Yuasa Battery (Thailand) Public Company Limited which held in its subsidiary shares capital as follows:-

	<u>Percentage</u>	<u>Type of business</u>	<u>Relationship</u>
Yuasa Sales and Distribution Co., Ltd.	99.99	Sales of battery for automobile and motorcycle	Shareholder , control by Director

2.5 Transaction with related companies

Inter-company transactions have been eliminated in the consolidated financial statements.

2.6 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 excluded discount and returned of goods.

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 net of allowance for doubtful accounts and provides the allowance for doubtful accounts equal to the estimated loss from uncollectable. The estimated loss re 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 Investment in subsidiary

Investment 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:

		<u>Number of years</u>	
		<u>2011</u>	<u>2010</u>
Building and construction	- Plant 1	25 - 33	20
	- Plant 2	33 - 50	20
Machinery and equipment	- Plant 1 and Plant 2	15	5 - 10
Office equipment and furniture		5	5
Vehicles		5	5

3.7.3 TAS 16 (Revised 2009) 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. In addition, the entity is required to review the useful lives, residual value and depreciation method at least at each financial year end.

In 2011, the entity has adopted the requirement in this accounting standard by evaluating the effects of reviewing the useful lives of assets as stated in note 4.to financial statements.



The changes have been applied in accordance with the transitional provision of the revised accounting standards by immediately replacement method, except the review of dismantlement, removal and restoration have been applied prospectively method.

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 considered 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 leased assets are depreciated using the straight-line method over their estimated useful lives. Interest or financial charge is recognized by effective interest rate method over the term of contracts. Interest or financial charge and depreciation are recognized as expenses in the statements of comprehensive income. 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

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

The Company and subsidiary recorded corporate income tax to be paid as expenses in each period based on the condition described in the Revenue code.

3.13 Accounting estimates

Preparation of financial statements in conformity with generally accepted accounting principles 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 probable 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 the reference exchange rates as determined by the Bank of Thailand prevailing 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 asset and liability management activities to control exposure to fluctuations in interest and foreign exchange rates. Income and expense from SWAP contracts used to manage interest rate exposures are recognized as adjustments to interest income and expense.

SWAP contracts and Forward contracts used to manage foreign exchange rates exposures are recognized as adjustments to gain (loss) on exchange rate. 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 the comprehensive income (expense) for the year by the number of weighted average common shares issued and paid-up during the year.

3.18 Financial instruments

Financial assets in the financial statements include cash and cash equivalents, trade accounts receivables and other current assets. Financial liabilities 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 contributions 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

Since 1 January 2011, the Company and subsidiary adopted TAS 19 "Employee Benefits". Under the new policy, the Company and subsidiary's obligation in respect of post-employment benefits-retirement benefits are recorded in the financial statements by using the projected unit credit method by the actuary. Previously, the Company and subsidiary recorded liabilities when they are incurred.

The Company and subsidiary chosen to record total liabilities as retroactively adjustment of financial statements based on the practice method of changes in TAS 19 as stated in note 4 to financial statements.

Discount rate	4.25%
Salary increment	4.50%
Employee turnover	5.00%
Mortality	0 - 43%

4. EFFECTS FROM INITIAL ADOPTION OF ACCOUNTING STANDARDS

4.1 Review of useful lives

From 2011 onwards, the Company has adopted TAS 16 (Revised 2009), required to review the useful lives of building and equipment at least at the end of financial year-end and changed the useful lives as stated in note 3.7.3 which had effects in the 2011 financial statements onwards. As a result, the carrying value of net land, building and equipment would be increased in amount of Baht 59.09 million, decreased in the 2011 depreciation amount of Baht 27.69 million, reversed impairment of assets of Baht 31.39 million, increased in net profit by the amount of Baht 59.02 million and earning per share of Baht 0.55

4.2 Change in accounting policy of provisions for employee benefits

As stated in notes 2.3 and 3.19.2 to financial statements, the Company and subsidiary applied the accounting standards TAS 19 "Employee Benefits" since 1 January 2011. The Company and subsidiary have recognized the increment of provisions for employee benefits by adjusting the beginning retained earnings of the accounting period for the year 2010 to be conform to the requirement of that accounting standards.

The impacts on the consolidated and separate financial statements relating to the adoption of the new accounting policy are as follows:

	Unit : Baht					
	Consolidated financial statements			Separate financial statements		
	Previous	Restated	Variance	Previous	Restated	Variance
Statements of financial position as at 31 December 2010						
Employee benefits obligation	-	(33,129,789)	(33,129,789)	-	(31,082,090)	(31,082,090)
Retained earnings	(78,465,084)	(111,594,873)	(33,129,789)	(14,284,479)	(45,366,569)	(31,082,090)
Comprehensive income for the year ended 31 December 2010						
Employee benefits expenses	-	4,105,543	4,105,543	-	3,685,672	3,685,672
Comprehensive income	48,178,971	44,073,428	(4,105,543)	67,512,816	63,827,144	(3,685,672)
Basic earnings per share (Baht : share)	0.45	0.41	(0.04)	0.63	0.56	0.04
Comprehensive income for the year ended 31 December 2011						
Employee benefits expenses	-	(4,362,608)	(4,362,608)	-	(3,828,607)	(3,828,607)
Basic earnings per share	-	(0.04)	(0.04)	-	(0.04)	(0.04)



4.3 Presentation of financial statements

The financial statements for the year 2010 have been reclassified as stated in note 29.

5. CASH AND CASH EQUIVALENTS

As at 31 December 2011 and 2010 comprise

	Consolidated financial statements		Separate financial statements	
	31 December	31 December	31 December	31 December
	2011	2010	2011	2010
Cash	185,885	222,358	94,363	106,785
Current account	10,362,535	125,954	10,324,535	117,954
Savings deposit	68,832,190	87,285,083	41,249,204	77,965,296
Cheque for deposit	1,291,286	-	-	-
Total	80,671,896	87,633,395	51,668,102	78,190,035

6. Trade accounts receivable

6.1 Trade accounts receivable

As at 31 December 2011 and 2010 comprise

	Note	Consolidated financial statements		Separate financial statements	
		31 December	31 December	31 December	31 December
		2011	2010	2011	2010
Related parties					
Undue		47,446	312,940	206,187,528	202,250,808
Overdue less than 3 months		-	1,806	-	6,871,322
Total related parties	20.2	47,446	314,746	206,187,528	209,122,130
Other parties					
Undue		182,296,797	199,343,499	82,214,897	79,403,036
Overdue less than 3 months		8,331,310	31,090,091	2,980,536	9,859,555
Overdue more than 3-6 months		769,307	1,731,652	626,800	-
Overdue more than 6-12 months		17,186	-	-	-
Overdue more than 12 months		31,515,676	33,436,515	1,251,361	1,309,133
Total other parties		222,930,276	265,601,757	87,073,594	90,571,724
Less Allowance for doubtful accounts		(27,117,508)	(27,291,249)	(1,257,324)	(1,293,324)
Net- other parties		195,812,768	238,310,508	85,816,270	89,278,400
Trade accounts receivable-net		195,860,214	238,625,254	292,003,798	298,400,530

As at 31 December 2011 and 2010, subsidiary has 2 trade accounts receivable which passed overdue more than 1 year amount of Baht 3.11 million and Baht 5 million respectively. 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 receivable - unrelated parties

As at 31 December 2011 and 2010 comprise

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	31 December 2011	31 December 2010	31 December 2011	31 December 2010
Prepaid expenses	4,336,201	528,291	4,300,975	202,928
Revenue Department Receivable	3,109,369	900,812	3,001,575	900,812
Other account receivable	3,632,773	7,088,660	3,632,649	7,086,108
Advance payment	749,416	713,163	622,241	250,714
Others	1,404,174	108,834	1,397,174	65,861
Total	13,231,933	9,339,760	12,954,614	8,506,423

7. INVENTORIES

As at 31 December 2011 and 2010 comprise

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	31 December 2011	31 December 2010	31 December 2011	31 December 2010
Finished goods	115,158,763	66,691,809	91,900,580	50,921,324
Work in process	41,277,057	28,438,657	41,277,057	28,438,657
Raw materials and semi-raw materials	159,930,942	158,020,858	159,930,942	158,020,858
Supplies	25,843,080	21,444,372	25,843,081	21,444,372
Goods in transit	952,300	5,560,193	952,300	5,560,192
Total	343,162,142	280,155,889	319,903,959	264,385,403
<u>Less</u> Allowance for devaluation of inventories	(824,169)	(668,255)	(812,504)	(491,177)
Inventories - net	342,337,973	279,487,634	319,091,455	263,894,226

8. OTHER CURRENT ASSETS

As at 31 December 2011 and 2010 comprise

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	31 December 2011	31 December 2010	31 December 2011	31 December 2010
Receivable on swap contract	1,670,373	-	1,670,373	-
Receivable on forward contract	2,382,601	291,571	2,382,601	291,571
Accrued compensation export tax	1,236,034	1,365,091	1,236,034	1,365,091
Others	791,770	957,654	747,089	851,357
Total	6,080,778	2,614,316	6,036,097	2,508,019



9. INVESTMENT IN SUBSIDIARY

Company's name	Type of business	Separate financial statements			Unit : Baht	
		Percentage of shareholding	Paid up share capital		Cost Method	
			31 December 2011/ 31 December 2010	31 December 2011 31 December 2010	31 December 2011 31 December 2010	31 December 2011 31 December 2010
Yuasa Sales and Distribution Co., Ltd.	Sales of automobiles and motorcycles					
	battery	99.99%	1,000,000	1,000,000	999,900	999,900
	Total		1,000,000	1,000,000	999,900	999,900

10. PROPERTY, PLANTS AND EQUIPMENTS

	Consolidated financial statements				Unit : Baht
	Balance as at 31 December 2010	Increase	Disposal/ amortization	Transfer in/out adjustment	Balance as at 31 December 2011
Cost :					
Land	71,522,905	-	-	-	71,522,905
Building and construction	342,190,720	1,011,769	-	4,852,516	348,055,005
Machine and tools	762,990,982	9,385,880	(169,013)	1,438,559	773,646,408
Tools and equipment	37,567,719	2,172,411	(911,148)	415,300	39,244,282
Vehicles	10,724,174	-	(4,976,618)	-	5,747,556
Total	1,224,996,500	12,570,060	(6,056,779)	6,706,375	1,238,216,156
Accumulated depreciation :					
Building and construction	(129,719,217)	(6,071,401)	-	-	(135,790,618)
Machine and tools	(618,592,808)	(21,524,799)	142,072	-	(639,975,535)
Tools and equipment	(30,377,776)	(2,615,014)	910,857	-	(32,081,933)
Vehicles	(10,124,517)	(308,882)	4,976,604	-	(5,456,795)
Total	(788,814,318)	(30,520,096)	6,029,533	-	(813,304,881)
Assets under construction	1,469,992	23,065,968	-	(6,706,375)	17,829,585
Provision for impairment of assets	(65,327,294)	-	-	31,396,414	(33,930,880)
Property, plants and equipment - net	372,324,880				408,809,980

Depreciation for the years 2011 and 2010 amounted to Baht 30.52 million and Baht 58.26 million respectively



	Separate financial statements				Unit : Baht
	Balance as at 31 December 2010	Increase	Disposal/ amortization	Transfer in/out adjustment	Balance as at 31 December 2011
Cost :					
Land	69,394,001	-	-	-	69,394,001
Building and construction	340,280,018	1,011,769	-	4,852,516	346,144,303
Machine and tools	762,990,982	9,385,880	(169,013)	1,438,559	773,646,408
Tools and equipment	34,085,718	1,966,941	(911,148)	415,300	35,556,811
Vehicles	5,416,262	-	(4,209,412)	-	1,206,850
Total	1,212,166,981	12,364,590	(5,289,573)	6,706,375	1,225,948,373
Accumulated depreciation :					
Building and construction	(128,698,964)	(5,975,866)	-	-	(134,674,830)
Machine and tools	(618,592,808)	(21,524,799)	142,072	-	(639,975,535)
Tools and equipment	(27,818,915)	(2,334,228)	910,857	-	(29,242,286)
Vehicles	(5,358,304)	(57,947)	4,209,402	-	(1,206,849)
Total	(780,468,991)	(29,892,840)	5,262,331	-	(805,099,500)
Assets under construction	1,469,992	23,065,968	-	(6,706,375)	17,829,585
Provision for impairment of assets	(65,327,294)	-	-	31,396,414	(33,930,880)
Property, plants and equipment - net	367,840,688				404,747,578

Depreciation for the years 2011 and 2010 amounted to Baht 29.89 million and Baht 57.63 million respectively

Transaction	Consolidated financial statements		Separate financial statements	
	31 December 2011	31 December 2010	31 December 2011	31 December 2010
Building and equipment were fully depreciated, but still being operated at the cost value of the company and subsidiary	333.31	325.13	327.78	319.60

10.1 The certain plots of land with its construction was mortgaged as collateral against credit facilities from bank as stated in note 12 and 14.

10.2 For Gateway plant, in 2006, the Company has led the independent appraiser to reappraise land and building as reported on 11 and 18 April 2006 and found that the book value of Gateway plant building of Baht 202.16 million showed appraisal value of Baht 145.64 million. The Company recorded impairment loss on building of the Gateway plant in the amount of Baht 56.52 million in the second quarter of 2006. Later in 2009, such assets were reappraised by the former independent appraiser and found that the appraised value is lower than its book value in the amount of Baht 3.37 million (appraised value amount of Baht 127.92 million and book value of Baht 131.29 million). The Company has recorded additionally impairment loss of building amount of Baht 3.37 million, totally impairment loss amounted to Baht 59.89 million.

In 2011, the Company hired new independent appraiser to reappraise assets, building, construction of Gateway plants, by using replacement cost method in the report dated 22 July 2011. From the comparative, the appraisal value had total amount of Baht 96.29 million and carrying value of Baht 127.69 million. As a result, the reappraisal value of Gateway plant exceeds carrying value after deducting provision for impairment which was previously



recorded in the amount of Baht 31.40 million, then the Company has reversed the impairment loss amount of Baht 31.40 million as other income in the statements of comprehensive income.

11. INTANGIBLE ASSETS

	Consolidated financial statements			Unit: Baht
	Balance as at 31 December 2010	Increase	Disposal/ amortization	Balance as at 31 December 2011
Cost :				
Computer software	18,184,755	669,800	-	18,854,555
Total	18,184,755	669,800	-	18,854,555
Accumulated amortization				
Computer software	(12,978,205)	(1,571,584)	-	(14,549,789)
Total	(12,978,205)	(1,571,584)	-	(14,549,789)
Computer software under installation	1,500,000			1,500,000
Intangible assets - net	6,706,550			5,804,766

Amortization for the years 2011 and 2010 amounted to Baht 1.57 million and Baht 1.35 million respectively

	Separate financial statements			Unit : Baht
	Balance as at 31 December 2010	Increase	Disposal/ amortization	Balance as at 31 December 2011
Cost :				
Computer software	16,512,295	618,100	-	17,130,395
Total	16,512,295	618,100	-	17,130,395
Accumulated amortization				
Computer software	(11,707,426)	(1,451,635)	-	(13,159,061)
Total	(11,707,426)	(1,451,635)	-	(13,159,061)
Intangible assets - net	4,804,869			3,971,334

Amortization for the years 2011 and 2010 amounted to Baht 1.45 million and Baht 1.25 million respectively

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

As at 31 December 2011 and 2010 consist of:

	Consolidated financial statements		Separate financial statements		Unit: Baht
	31 December 2011	31 December 2010	31 December 2011	31 December 2010	
Short - term loans - promissory notes	160,000,000	140,000,000	160,000,000	140,000,000	
Total	160,000,000	140,000,000	160,000,000	140,000,000	

As at 31 December 2011 and 2010, 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 10, and the Company has short-term credit line and other credits with two bank total amount of Baht 431 million (in 2010, amount of Baht 431 million) without any collaterals.



13. TRADE AND OTHER PAYABLE - UNRELATED PARTIES

As at 31 December 2011 and 2010 consist of:

	Consolidated financial statements		Separate financial statements	
	31 December	31 December	31 December	31 December
	2011	2010	2011	2010
Trade accounts payable	254,975,282	276,019,907	254,975,282	276,019,907
Accrued expense	63,221,228	61,584,287	30,249,764	27,174,761
Assets payable	7,333,083	1,422,839	7,333,084	1,422,839
Advances received	1,898,680	9,098,554	525,670	7,952,730
Revenue Department payable	1,922,139	4,442,997	1,922,139	3,572,083
Total	329,350,412	352,568,584	295,005,939	316,142,320

14. LONG-TERM LOANS FROM FINANCIAL INSTITUTION – NET

As at 31 December 2011 and 2010 consist of:

	Consolidated financial statements		Separate financial statements	
	31 December	31 December	31 December	31 December
	2011	2010	2011	2010
Loans from financial institutions # 1	6,168,208	23,168,208	6,168,208	23,168,208
Loans from financial institutions # 2	45,000,000	65,000,000	45,000,000	65,000,000
Total	51,168,208	88,168,208	51,168,208	88,168,208
Less Current portion of long-term loan	(26,168,208)	(37,000,000)	(26,168,208)	(37,000,000)
Long term loans - net	25,000,000	51,168,208	25,000,000	51,168,208

14.1 The Company has long-term loans from the first bank for 2 facilities as below:

14.1.1 On 9 August 2001 for the amount of Baht 431 million (withdrew of Baht 330 million) is loan for the construction of the Company's plant and purchasing machinery and equipment for the plant at Gateway Industrial Estate, Chacheongsao Province. The loan is repayable in quarterly basis through 24 installments amount of Baht 19.05 million each, commenced in September 2003, bearing interest rate of MLR-1.75% is payable every end of month. Later on 28 September 2007, the Company entered into an amendment of loan agreement and change of the term of repayment by changing the principal repayment to Baht 1.25 million per installment, commenced in September 2007 and ended in June 2012 at the interest rate of MLR.

14.1.2 On 20 December 2005 for the amount of Baht 145 million (withdrew in full) is loan for purchasing machinery, equipment and tools including improvement the production at Gateway Industrial Estate, Chacheongsao. The loan is repayable in quarterly basis through 16 installment amount of Baht 9 million each, commenced in September 2006, bearing interest rate of twelve-month fixed deposit, plus 2.5% and plus 3% per annum for the 1st, the 2nd and the 3rd year respectively, is payable every ended of month. Later on 28 September 2007, the Company entered into an amendment of loan agreement by changing the principal repayment to Baht 3 million per installment, commenced in September 2007 and ended in June 2012 at the interest rate of MLR. GS Yuasa International Limited still being a major shareholder which held at 40.69 percent.

On 13 July 2010, the bank approved the forward contract facility in the amount of Baht 100 million and allowed the redemption total collateral in form of machinery.

The above loans are guaranteed by land with its construction and machinery at Gateway plant, endorse the insurance policy for those assets as guarantee to bank and the Company must comply with the condition in agreement.

14.2 The Company has long-term loans from the second bank as follow:

On 20 February 2009, the Company entered into loan agreement for credit amount of Baht 100 million (changed from short-term loans - promissory notes.). 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 is payable in quarterly with the principal. The loan is guaranteed by GS Yuasa Corporation Co., Ltd.



15. OTHER CURRENT LIABILITIES

As at 31 December 2011 and 2010 consist of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	31 December 2011	31 December 2010	31 December 2011	31 December 2010
Payable on swap contract	-	3,345,050	-	3,345,050
Accrued withholding tax	3,043,278	2,294,583	2,576,533	1,938,719
Provision for damages	204,682	135,312	204,683	135,312
Advances received	1,056,500	-	-	-
Others	415,000	15,000	-	-
Total	4,719,460	5,789,945	2,781,216	5,419,081

16. EMPLOYEE BENEFIT OBLIGATIONS

16.1 The changes in present value of benefit obligations project for the year ended 31 December 2011

	Unit : Baht	
	Consolidated financial statements	Separate financial statements
Benefit obligations project as at 1 January 2011	33,129,789	31,082,090
Current cost of project and interest	4,362,608	3,828,607
Employee benefit expenses	(1,091,942)	(1,091,942)
Benefit obligations project as at 31 December 2011	36,400,455	33,818,755

16.2 Expenses realized in statements of comprehensive income for the year ended 31 December 2011 Cost of project included interest

4,362,608 3,828,607

16.3 Expenses realized in statements of comprehensive income for the years ended 31 December 2011 and 2010

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	31 December 2011	31 December 2010	31 December 2011	31 December 2010
Cost of sales	2,380,784	2,383,176	2,380,784	2,383,176
Selling expenses	399,598	353,727	173,603	167,094
Administrative expenses	1,582,226	1,368,640	1,274,220	1,135,402
Total	4,362,608	4,105,543	3,828,607	3,685,672

17. 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 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 at each distribution of dividend at least one-twentieth of the profit arising from the business of subsidiary until the legal reserve reaches one-tenth of the registered share capital of the subsidiary. This reserve is not available for dividend distribution.

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 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 years ended 31 December 2011 and



2010, the Company and subsidiary paid contribution to the fund amount of Baht 2.41 million and Baht 2.24 million respectively (Separate: Baht 2.09 million and Baht 2.24 million respectively)

19. EXPENSES BY ANALYZED NATURE

Significant expenses for the years ended 31 December 2011 and 2010 analyzed by nature are as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2011	31 December 2010	31 December 2011	31 December 2010
Changes in finished goods and work in progress	(61,305,354)	(8,944,166)	(53,817,656)	(6,824,009)
Purchase of finished goods	103,714,063	34,011,662	103,714,063	34,011,662
Raw materials and consumable used	1,142,139,198	1,061,753,953	1,142,139,198	1,061,753,953
Employee expenses	209,493,698	177,346,218	188,700,175	155,666,516
Sub-contractor wages	23,429,441	16,279,483	23,429,441	16,279,483
Employee benefits expenses	4,326,608	4,105,543	3,828,607	3,685,672
Management benefit expenses	19,888,276	17,242,719	16,898,709	13,956,286
Directors' remuneration	2,569,500	2,103,000	2,569,500	2,103,000
Excise tax	149,077,858	150,305,600	149,077,858	150,305,600
Electricity expenses	79,006,554	69,108,153	79,004,651	69,097,725
Depreciation	30,520,096	58,256,697	29,892,840	57,629,148
Amortization	1,571,584	1,350,454	1,451,635	1,248,361
Sales promotion expenses	18,648,403	26,931,045	1,118,617	652,386
Repair and maintenance expenses	39,413,358	30,563,544	38,790,121	30,563,544
Royalty fee	22,945,979	20,679,834	22,945,979	20,679,834
Doubtful accounts	-	1,533,507	-	-
Loss on obsolete and devaluation of inventories and reversal	155,914	1,547,870.00	321,326	368,045
Loss on products lost	890,556	555,218	-	-

20. 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:

20.1

<u>Company's name</u>	<u>Nature of business</u>	<u>Relationship</u>
Yuasa Sales and Distribution Co., Ltd.	Distributor of Yuasa Battery	Subsidiary 99.99%
GS Yuasa International Ltd.	Manufacture of Battery	Shareholder 40.69%
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 (Malaysia) 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 Yuasa Corporation	Investment Business	The parent company of group company



20.2 Balances and transactions with related parties are as follows:

		Unit : Baht	
		Consolidated financial statements	
		31 December 2011	31 December 2010
20.2.1 Assets and liabilities			
Trade accounts receivable			
GS Yuasa International Ltd.		47,446	278,296
Yuasa Battery (Malaysia) Sdn Bhd.		-	36,450
Yuasa Battery (Singapore) Sdn Bhd.		-	-
Total		47,446	314,746
Other receivables - accrued income			
GS Yuasa Siam Industry Co., Ltd.		11,479,293	11,174,470
Taiwan Yuasa Battery Co., Ltd.		897,852	652,541
Total		12,377,145	11,827,011
Trade accounts payable			
GS Yuasa International Ltd.		21,406,090	14,281,223
Other payables			
Accrued royalty expense			
GS Yuasa International Ltd.		22,945,979	20,679,834
Accrued interest expenses			
GS Yuasa International Ltd.		2,344,850	2,307,838
Total		25,290,829	22,987,672

		Unit : Baht	
		Consolidated financial statements	
		For the years ended	
		31 December 2011	31 December 2010
20.2.2 Revenues and expenses			
Sales			
GS Yuasa International Ltd.	Market price	1,958,207	5,896,973
GS Yuasa Battery (Singapore) Pte. Ltd.	Market price	2,082,121	7,779,520
Yuasa Battery (Malaysia) Sdn Bhd.	Market price	10,410,450	2,722,853
GS Yuasa Power Supply Ltd.	Market price	-	33,915
PT Yuasa Battery Indonesia	Market price	-	21,129
GS Yuasa Siam Industry Co., Ltd	Market price	-	4,142,699
Rental income			
GS Yuasa Siam Industry Co., Ltd	Per contract	9,048,676	7,409,103
Service income			
GS Yuasa Siam Industry Co., Ltd	Per contract	36,856,389	31,459,565
Commission income			
Taiwan Yuasa Battery Co., Ltd.	At agreed price / upon by both party	2,047,613	1,534,034
Sale of fixed assets			
GS Yuasa Siam Industry Co., Ltd	At agreed price / upon by both party	-	7,949,000
Yuasa Battery (Malaysia) Sdn Bhd.	At agreed price / upon by both party	-	463,332



Revenues and expenses

Other income

PT Yuasa Battery Indonesia	At agreed price / upon by both party	-	421,903
GS Yuasa Siam Industry Co., Ltd.	At agreed price / upon by both party	12,742,356	7,235,675

Purchase of goods

GS Yuasa International Ltd.	Market price	82,451,202	25,110,684
GS Yuasa Power Supply Ltd.	Market price	-	1,315,672

Royalty expense

GS Yuasa International Ltd.	Per contract	22,945,979	20,679,834
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Purchase of fixed assets

GS Yuasa Power Supply Ltd.	Market price	-	480,764
GS Yuasa International Ltd.	Market price	2,418,347	213,787

Interest expenses

GS Yuasa International Ltd.	Per contract	4,529,341	4,704,876
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Other expenses

GS Yuasa Corporation	At the price agreed	154,027	580,603
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20.2.3 Assets and liabilities

		Separate financial statements	
		31 December 2011	31 December 2010
Trade accounts receivable			
Subsidiary			
Yuasa Sales and Distribution Co., Ltd.		206,140,082	208,807,384
Other companies			
GS Yuasa International Ltd.		47,446	278,296
Yuasa Battery (Malaysia) Sdn Bhd.		-	36,450
Total other companies		47,446	314,746
Total trade accounts receivables - related parties		206,187,528	209,122,130
Other receivables - accrued income			
Yuasa Sales and Distribution Co., Ltd.		116,727	116,727
GS Yuasa Siam Industry Co., Ltd.		11,479,293	11,174,470
Taiwan Yuasa Battery Co., Ltd.		897,852	652,541
Total - other receivables - related parties		12,493,872	11,943,738
Investment in subsidiary - cost method			
Yuasa Sales and Distribution Co., Ltd.		999,900	999,900
Trade accounts payable			
GS Yuasa International Ltd.		21,406,090	14,821,223
Other payables			
Accrued royalty expenses			
GS Yuasa International Ltd.		22,945,979	20,679,834
Accrued interest expenses			
GS Yuasa International Ltd.		2,344,850	2,307,838
Total		25,290,829	22,987,672



20.2.4 Revenues and expenses

Separate financial statements

Sales

Yuasa Sales and Distribution Co., Ltd.	Market price	787,522,955	841,746,537
GS Yuasa International Ltd.	Market price	1,958,207	5,896,973
GS Yuasa Battery (Singapore) Pte. Ltd.	Market price	2,082,121	7,779,520
Yuasa Battery (Malaysia) Sdn Bhd.	Market price	10,410,450	2,722,853
GS Yuasa Power Supply Ltd.	Market price	-	33,915
PT Yuasa Battery Indonesia	Market price	-	21,129
GS Yuasa Siam Industry Co., Ltd.	Market price	-	4,142,699

Rental income

Yuasa Sales and Distribution Co., Ltd.	Per contract	880,704	879,084
GS Yuasa Siam Industry Co., Ltd.	Per contract	9,048,676	7,409,103

Service income

Yuasa Sales and Distribution Co., Ltd.	Per contract	647,727	661,522
GS Yuasa Siam Industry Co., Ltd.	Per contract	36,856,389	31,459,565

Commission income

Taiwan Yuasa Battery Co.,Ltd.	At agreed price / upon by both party	2,047,613	1,534,034
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Sale of fixed assets

GS Yuasa Siam Industry Co., Ltd.	At agreed price / upon by both party	-	7,949,000
GS Yuasa Battery (Malaysia) Sdn Bhd.	At agreed price / upon by both party	-	463,332

Other income

PT Yuasa Battery Indonesia	At agreed price / upon by both party	-	421,903
GS Yuasa Siam Industry Co., Ltd.	At agreed price / upon by both party	12,742,356	7,235,675

Purchase

GS Yuasa International Ltd.	Market price	82,451,202	25,110,684
GS Yuasa Power Supply Ltd.	Market price	-	1,315,672

Royalty expense

GS Yuasa International Ltd.	Per contract	22,945,979	20,679,834
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Purchase of fixed assets

GS Yuasa Power Supply Ltd.	Market price	-	480,764
GS Yuasa International Ltd.	Market price	2,418,347	213,787

Interest expenses

GS Yuasa International Ltd.	Per contract	4,529,341	4,704,876
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Other expenses

GS Yuasa Corporation	At agreed price	154,027	580,603
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Unit : Baht

20.3 Short-term loans from a related party	Consolidated and separate financial statements				
	Balance as of 31 December 2010	Increase	(Decrease)	Unrealized loss (gain) on exchange rate	Balance as of 31 December 2011
<u>Consolidated financial statements</u>					
Short-term loans from					
GS Yuasa International Ltd.	177,753,550	-	(12,723,412)	16,840,908	181,871,046
Total	177,753,550	-	(12,723,412)	16,840,908	181,871,046
<u>Separate financial statements</u>					
Short-term loans from					
GS Yuasa International Ltd.	177,753,550	-	(12,723,412)	16,840,908	181,871,046
Total	177,753,550	-	(12,723,412)	16,840,908	181,871,046

20.3.1 In March 2007, the Company has obtained loans from GS Yuasa International Ltd. in the amount of Yen 170 million, bearing interest rate at LIBOR + 1 per annum, maturity on 28 March 2009 and the lender extended the repayment period to 28 March 2009, when the repayment is matured, the lender extended the repayment period to 26 March 2010. At that date, the partial loan had been repayable amount Yen 20 million and the remaining in the amount of Yen 150 million was extended to 26 March 2010. At that date, the partial loan had been repayable amount of Yen 10 million and the remaining in the amount of Yen 140 million was extended to 25 March 2011. At that date, the Company has repaid part of loan amount of Yen 10 million and the remaining amount of Yen 130 million was extended to 26 March 2012.

20.3.2 In August 2007, the Company has obtained loans in the amount of Yen 320 million from the same lender, bearing interest rate at LIBOR + 1 per annum, maturity on 14 August 2008 which was extended to 14 August 2009 by the lender. At that date, the partial loan had been repayable amount Yen 40 million and the remaining in the amount of Yen 280 million was extended to 13 August 2010. On 16 August 2010, the partial loan had been repayable amount of Yen 15 million and the remaining in the amount of Yen 265 million was extended to 16 August 2011 and at the same date, the Company has repaid for part of loans amount of Yen 20 million, the remaining amount of Yen 245 million was permitted to extend the repayment by the lender to be 12 August 2012.

20.3.3 In March 2008, the Company borrowed additional loan in the amount of Yen 80 million from the above same lender, bearing interest rate at LIBOR + 1 per annum, maturity on 19 September 2008 which was extended to 18 September 2009 by the lender. In the same day, the partial loan had been repayable amount of Yen 10 million and the remaining in the amount of Yen 70 million was extended to 17 September 2010. At that date, the said loan was extended to 16 September 2011 by the lender. And the same date, the Company has repaid for part of loans amount of Yen 4 million, the remaining amount of Yen 66 million was permitted to extend the repayment by the lender to be 14 September 2012.



20.4 As at 31 December 2011, the Company has entered into SWAP contracts for the above principal of short - term loans from a related party as follows:

Agreement date	Amount (Million) JPY	Period	SWAP contracts (Baht)	- Amount of buying rate (Baht)	- Different on exchange rate (Baht)
25 March 2011	130	25 March 2011 - 26 March 2012	49,907,000	52,266,890	2,359,890
10 August 2011	245	11 August 2011 - 12 August 2012	98,833,000	98,502,985	(330,015)
14 September 2011	66	14 September 2011 - 14 September 2012	26,895,000	26,535,498	(359,502)
Total	441		175,635,000	177,305,373	1,670,373

21. LONG-TERM LEASE AND SERVICE AGREEMENTS

The Company had signed the lease and service agreements at Gateway Industrial Estate, Chacheongsao province with GS Yuasa

Siam Industry Co., Ltd., a related party as follows:

<u>Lease and service agreements</u>	<u>Periods</u>
- The lease of factory space agreement	- Commencing in November 2008 to December 2011
- The lease of office space and the usage of facilities agreements	- Commencing in December 2008 to January 2012
- The lease of lead storage space agreement	- Commencing in December 2008 to November 2011
- The lease of warehouse space agreement	- Commencing in May 2009 to November 2011
- The hire of production agreements	- Commencing in January 2009 and shall continue until termination by either party. The party willing to terminate these agreements shall inform the other party not less than 3 months in advance.
- The lease of waste storage area agreement	- Commencing in April 2010 to November 2011

Note: The agreement is terminated and was not currently extended but the Company still allow the lessee to lease such assets (see note 28)



22. INCOME TAX

For the years ended 31 December 2011 and 2010, the Company has net profit but there is 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 stated in note 26.

23. SEGMENT FINANCIAL INFORMATION

The Company and subsidiary operate mainly 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 2011 and 2010 is as follows:

For year ended 31 December 2011

Unit : Thousand Baht

For year ended 31 December 2011													
	Separate financial statements					Subsidiary	Total	Eliminated transactions	Consolidated Financial Statements				
	Battery products			Other products	Total	Battery products			Other products	Total			
	Original equipment market (OEM)	Replacement equipment market (REM)	Export market			Original Equipment Market (OEM)					Replacement equipment Market (REM)	Export market	
Sales	747,460	786,845	264,464	33,285	1,832,054	825,557	2,657,611	(787,523)	747,460	824,879	264,464	33,285	1,870,088
Cost of sales	(595,507)	(686,794)	(255,671)	(23,919)	(1,561,891)	(775,493)	(2,337,384)	786,715	(595,507)	(675,572)	(255,671)	(23,919)	(1,550,669)
Gross profit	151,953	100,051	8,793	9,366	270,163	50,064	320,227	(808)	151,953	149,307	8,793	9,366	319,419
Gain on reversed impairment loss					31,396	-	31,396	-					31,396
Other income					74,310	688	74,998	(1,555)					73,443
Selling expenses					(205,394)	(40,014)	(245,408)						(245,408)
Administrative expenses					(54,320)	(19,507)	(73,827)	1,393					(72,434)
Gain (Loss) before finance costs and income tax					116,155	(8,769)	107,386	(970)					106,416
Finance costs					(15,728)	(8)	(15,736)	-					(15,736)
Income tax					-	-	-	-					-
Total comprehensive income					100,427	(8,777)	91,650	(970)					90,680
As at 31 December 2011													
Property, plant and equipment - net					404,747	4,062	408,809	-					408,809
Other assets					705,855	169,489	875,344	(210,662)					664,682
Total assets					1,110,602	173,551	1,284,153	(210,662)					1,073,491

For year ended 31 December 2010

Unit : Thousand Baht

	The Separate financial statements					Subsidiary	Total	Eliminated transactions	The 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	540,014	840,310	327,041	25,171	1,732,536	884,108	2,616,644	(841,745)	540,014	882,673	327,041	25,171	1,774,899
Cost of sales	(455,004)	(695,305)	(293,601)	(17,443)	(1,461,353)	(836,505)	(2,297,858)	842,529	(455,004)	(689,281)	(293,601)	(17,443)	(1,455,329)
Gross profit (loss)	85,010	145,005	33,440	7,728	271,183	47,603	318,786	784	85,010	193,392	33,440	7,728	319,570
Gain on reversed impairment loss					-	-	-	-					-
Other income					62,478	1,058	63,536	(1,541)					61,995
Selling expenses					(193,505)	(48,840)	(242,345)	-					(242,345)
Administrative expenses					(51,803)	(20,174)	(71,977)	1,363					(70,614)
Gain (Loss) before finance costs and income tax					88,353	(20,353)	68,000	606					68,606
Finance costs					(24,526)	(7)	(24,533)	-					(24,533)
Income tax					-	-	-	-					-
Total comprehensive income					63,827	(20,360)	43,467	606					44,073
As at 31 December 2010													
Property, plant and equipment - net					367,841	4,484	372,325	-					372,325
Other assets					673,952	180,491	854,443	(212,358)					642,085
Total assets					1,041,793	184,975	1,226,768	(212,358)					1,014,410

The Company does not allocate the operating assets by segment as the assets are commonly used for all segments.

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 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 2011, the Company has obtained the forward contract line from three financial institutions total amount of Baht 300 million (in 2010, amount of Baht 100 million).

As at 31 December 2011, the Company has assets and liabilities denominated in foreign currencies, which was not entered into hedging for exchange rate risk as follows:

Transactions	Forward facility (Million Yen)	Currency	Amount	Hedges	Non-hedges
Trade accounts receivable		USD	1,254,766	-	1,254,766
Accrued commission income		USD	28,546	-	28,546
Trade accounts payable		JYP	238,733,152	177,891,196	60,841,956
		USD	690,295	-	690,295
		EUR	7,224	-	-
		GBS	4,509	-	4,509
Accrued interest expense	5.8	JYP	5,685,780	5,800,000	-

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 2011 and 2010, the Company and subsidiary has commitment under capital expenditures agreement amount of Baht 5.72 million and Baht 2.84 million, (Separate : amount of Baht 4.52 million and Baht 1.64 million).

25.1.2 As at 31 December 2011, the Company and subsidiary has commitment under rental and service agreement amount of Baht 3.49 million (Separate: amount of Baht 1.40 million).

25.1.3 The Company has commitment to pay royalty expense to a related party. The calculation is based on sales volume and other relevant factors.

25.1.4 As at 31 December 2011 and 2010, the Company has commitment under long-term operating lease agreement for cars with the rental to be paid under agreement as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2011	31 December 2010	31 December 2011	31 December 2010
Within 1 year	2,388,039	1,817,265	2,388,039	1,817,265
Over 1 year to 5 years	4,351,352	3,944,635	4,351,352	3,944,635
Total	6,739,391	5,761,900	6,739,391	5,761,900

25.2 Contingent liabilities

25.2.1 As at 31 December 2011 and 2010, the Company has letter of guarantee issued by bank amount of Baht 15.48 million and Baht 13.61 million respectively.

25.2.2 As at 31 December 2011 and 2010, 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 a labor case and lost in this case by the ordering of the Labor Court. The Company then filed the appeal which is still pending the Supreme Court's consideration.

25.2.4 Subsidiary was sued in the breach of agreement by a trade accounts receivable. At present, the case is still pending the Court's consideration. The management believes that the ultimate outcome will have not material damages for the Company and subsidiary.

26. INVESTMENT PROMOTIONAL AND PRIVILEGE

The Company was granted privilege and right under the promotion certificate No.1740/2543 including the amendment of Investment Promotion Act B. E. 2520. The tax incentive is summarized as below:

- Exemption of import duty on machinery as approved by the Board of Investment.
- Exemption of import duty on raw or essential materials used in the manufacturing of export product for 1 year from the date of income earnings.
- Exemption of import duty on items for re-export for 1 year from the import date.
- Exemption of payment of corporate income tax on net profit derived from promoted activity for the period of 7 years from the date of income earnings, 5 May 2003 including revenues from by-products.

• In the case where a loss has been incurred during the period of receiving exemption of corporate income tax. The promoted Company is granted permission to deduct such annual loss from net profits accrued after the expiration of the period of exemption of corporate income tax for a period of not more than 5 years from the expiry of such period and can be selected to deduct from net profit of any one year or several year.

• Permission to deduct 5 percent of revenues which increases from export revenues over the prior year for 10 years from the date of income earnings and such export revenues of each year must not be less than the average export revenues for 3 previous years except for the first 2 years.



- Dividends derived from a promoted activity granted an exemption of income tax shall be exempted from computation of taxable income throughout the period the promoted person receives the exemption of juristic person income tax.
- The Company must comply with the condition in investment promotion certificate.
- As at 31 December 2011, the sights and privileges under the investment promotion certificate was expired, the company has a policy to deny the extension period of such investment promotion certificate.

27. CAPITAL MANAGEMENT

The objective of the Company's financial management is to preserve the ability to continue its operation as a going concern and to maintain the appropriately financial structure. As at 31 December 2011 and 2010, the Company has debt to equity ratio as summarized as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2011	31 December 2010	31 December 2011	31 December 2010
Total debt to equity	2.77	4.23	2.08	3.00

28. EVENTS AFTER REPORTING PERIOD

According to the minutes of Annual shareholders' extraordinary meeting No. 1 for the year 2012 held on 2 January 2012, the Company passed the resolution to dispose assets of the 2nd plant (Gateway), consist of land, building, machinery and part of equipment at carrying value as at 31 December 2011 amount of Baht 191.26 million to GS Yuasa Siam Industry Co., Ltd. (related company) which had common ultimate parent company at the selling price of Baht 217.01 million. The Company expects to sign on inter-company trading agreement about February 2012 that the ownership of assets and the received of payment is expected to be completed in April 2012. The Company will lead GS Yuasa Siam Industry Co., Ltd. extend the lease agreement period until the ownership transferring date which can be calculated rental income for approximately Baht 4.04 million. However, such assets had appraisal value of the independent appraiser, market value is used for land and replacement cost for building, construction and machinery total amount of Baht 206.48 million in the report dated 22 July 2011.

The Company expects to have expenses from such selling approximately Baht 9.68 million. The Company may have contingent liabilities for special payment to some employees who is voluntarily resigned, other than the Company's employee benefit provision as previously recorded which is currently considering and still have uncertainty.

29 RECLASSIFICATION OF ACCOUNTS

The certain accounts in the statements of financial position and statements of comprehensive income for the year ended 31 December 2011 included in the financial statements reclassified for comparative purposes and for corresponding with the presentation in the financial statements for the year 2011. The reclassification is based on the changes in accounting policy which resulted from adoption the issued and revised financial reporting standards and the presented in accordance with the Department of Business Department regarding the condensed form should be included in the financial statements B.E. 2554 as detailed following:

	Consolidated financial statements			Unit : Baht
	Before reclassify	Effects to financial statements	After reclassify	
Statements of financial position as at 31 December 2010				
Assets				
Trade accounts receivable	245,711,362	(7,086,108)	238,625,254	
Other receivables - unrelated parties	-	9,339,760	9,339,760	
Other current assets	5,567,770	(2,953,454)	2,614,316	
				Unit : Baht



Liabilities

Consolidated financial statements			
	Before reclassify	Effects to Financial statement	After reclassify
Trade accounts payable	(276,019,907)	276,019,907	-
Trade and other payables - related parties	-	(22,987,672)	(22,987,672)
Trade and other payables - unrelated parties	-	(352,568,584)	(352,568,584)
Accrued expenses - related party	(22,987,672)	22,987,672	-
Assets payable	(1,422,840)	1,422,840	-
Other current liabilities	(81,615,584)	75,825,639	(5,789,945)
	<u>(130,766,871)</u>	<u>-</u>	<u>(130,766,871)</u>

Unit : Baht

Statements of comprehensive income for the year ended
31 December 2010

Consolidated financial statements			
	Before reclassify	Effects to financial statements	After reclassify
Revenues from sales	(1,810,658,155)	35,759,576	(1,774,898,579)
Other income	(62,169,563)	174,202	(61,995,361)
Cost of sales	1,471,209,134	(15,879,626)	1,455,329,508
Selling expenses	257,425,045	(15,079,743)	242,345,302
Administrative expenses	55,201,482	15,411,188	70,612,670
Management benefit expenses	18,945,167	(18,945,167)	-
Loss on exchange rate	66,572	(66,572)	-
Finance costs	25,906,890	(1,373,858)	24,533,032
	<u>(44,073,428)</u>	<u>-</u>	<u>(44,073,428)</u>

Unit : Baht

Statements of financial position as at 31 December 2010
Assets

	Before reclassify	Effects to financial statements	After reclassify
Trade accounts receivable	305,486,538	(7,086,108)	298,400,430
Other receivables - unrelated parties	-	8,506,423	8,506,423
Other current assets	4,628,136	(2,120,116)	2,508,020

Liabilities

	Before reclassify	Effects to financial statements	After reclassify
Trade accounts payable	(276,019,907)	276,019,907	-
Trade and other payables - related parties	-	(22,987,672)	(22,987,672)
Trade and other payables - unrelated parties	-	(316,142,320)	(316,142,320)
Accrued expenses - related party	(22,987,672)	22,987,672	-
Assets payable	(1,422,839)	1,422,839	-
Other current liabilities	(44,818,456)	39,399,375	(5,419,081)
	<u>(35,134,200)</u>	<u>-</u>	<u>(35,134,200)</u>



Unit : Baht

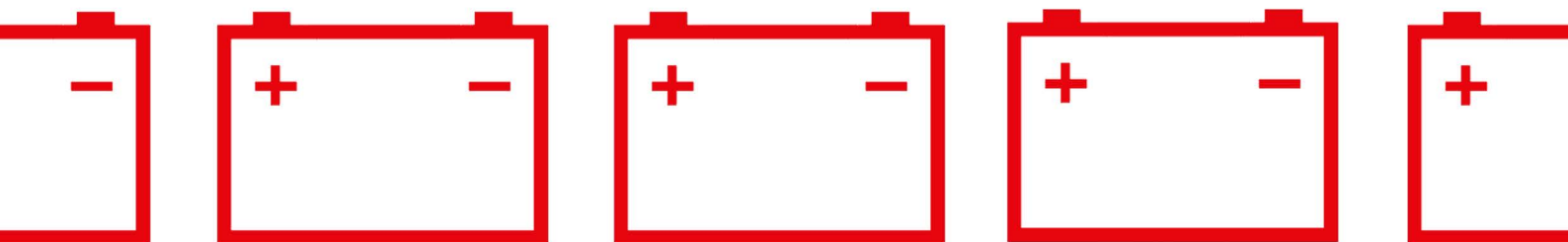
Statements of comprehensive income for the year ended
31 December 2010

	Separate financial statements		
	Before reclassify	Effects to financial statements	After reclassify
Other income	(62,519,441)	41,597	(62,477,844)
Cost of sales	1,482,075,703	(20,721,432)	1,461,354,271
Selling expenses	172,824,711	20,679,834	193,504,545
Administrative expenses	35,406,758	16,396,264	51,803,022
Management benefit expenses	15,658,734	(15,658,734)	-
Loss on exchange rate	66,572	(66,572)	-
Finance costs	25,197,053	(670,957)	24,526,096
	<u>1,668,710,090</u>	<u>-</u>	<u>1,668,710,090</u>

30. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These financial statements were approved and authorized for issue by the Board of directors of the Company on 23 February 2012.





Yuasa Battery (Thailand) Public Company Limited

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