

## Miscellaneous

\* Asterisks denote mandatory information

Name of Announcer *	GP BATTERIES INT LTD
Company Registration No.	199002111N
Announcement submitted on behalf of	GP BATTERIES INT LTD
Announcement is submitted with respect to *	GP BATTERIES INT LTD
Announcement is submitted by *	Tan San-Ju
Designation *	Company Secretary
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## >> Announcement Details

The details of the announcement start here ...

Announcement Title *	FIRE AT NINGBO SANYO ENERGY CO., LTD
Description	Please see attached.

**GP BATTERIES INTERNATIONAL LIMITED**  
**Company Registration No. 199002111N**

**FIRE AT NINGBO SANYO ENERGY CO., LTD**

The Company would like to provide an update on the fire breakout at its 49% owned associated company, Ningbo GP Sanyo Energy Co., Ltd ("NGPSE") in Ningbo, China.

NGPSE has finally settled with the insurance company for a total compensation of about RMB120 million for the damages caused by the fire incident.

The Company has also reached an agreement with Sanyo Energy Tottori Co., Ltd. ("SET") to restructure the joint venture company NGPSE with the following principal terms (the "Restructuring"):

1. the Company and SET will contribute additional capital of about US\$4.8 million and US\$1.3 million into NGPSE respectively to increase the capital of NGPSE from US\$25 million to US\$31.1 million. As a result of these contributions, which will provide additional working capital for NGPSE to resume operation; the Company's equity interest in NGPSE will increase from the present 49% to about 54.8% while SET's equity interest will decrease from 51% to about 45.2%.
2. Following the additional capital contributions, SET will sell 35.2% of its equity interest in NGPSE, which represents a net asset value of about US\$5.5 million, to the Company at a nominal cash consideration (the "Sale"). After the Sale, the Company's equity interest will increase from about 54.8% to 90% while SET's equity interest will decrease from about 45.2% to 10%.

The Company is also in discussion with its 75% owned subsidiary Zhongyin (Ningbo) Battery Co., Ltd ("ZYNB") in respect of the Company's intention to sell part of its equity interest in NGPSE to ZYNB upon completion of the Sale. The Company will make further announcement once an agreement is reached.

With the insurance compensation and the Restructuring, the fire incident at NGPSE is not expected to give rise to any overall significant financial impact to the Group.

SET will continue to provide technical support to NGPSE after the Restructuring. Both the joint venture partners are committed to a speedy recovery of NGPSE with a target to resume operation at the beginning of financial year 2007.

By order of the Board

Tan San-Ju  
Company Secretary  
13 October 2006