

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
Date & Time of Broadcast	16-Oct-2007 17:12:56
Announcement No.	00061

>> Announcement Details

The details of the announcement start here ...

Announcement Title *	ANNOUNCEMENT IN RELATION TO SECOND QUARTER 2007 RESULTS
Description	<p>In anticipation of the forthcoming results announcement for the second quarter ended 30 September 2007, the Directors of GP Batteries International Limited ("GP Batteries" or the "Company") wish to announce that the second quarter results of GP Batteries will be impacted by the mark-to-market values of commodity contracts.</p> <p>The Company has entered into commodity contracts to manage the fluctuating raw material prices. This hedging strategy, as announced in its first quarter results, has enabled the Group to continue to conduct business and to expand its market shares in a very difficult market condition when raw material prices had been fluctuating.</p> <p>Due to lower commodity prices in the second quarter, the mark-to-market values of the outstanding future commodity contracts have been reduced substantially. This gives rise to a significant unrealized loss which, according to FRS39, will have to be reflected in the profit and loss account. As a result, it is expected that the Group will have a net overall loss for the second quarter.</p> <p>However, the Company expects that there will be a positive impact on the Group's operating profit if commodity prices stay around the current level.</p> <p>Although business outlook is expected to improve with increase in sales volume, the overall profit outlook continues to be volatile for the coming months as a result of fluctuating material prices.</p> <p>By Order Of The Board</p> <p>Tan San-Ju Company Secretary</p>