

Third Quarter Financial Statement for the Period Ended 31 December 2006

PART I INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group income statement for the third quarter ("Q3") and the nine-month period ("YTD") ended 31 December 2006. These figures have not been audited.

	Q3 ended 31.12.06 S\$'000	Q3 ended 31.12.05 S\$'000	Change %	YTD 31.12.06 S\$'000	YTD 31.12.05 S\$'000	Change %
Revenue	201,564	233,659	(13.7)	614,046	687,534	(10.7)
Cost of sales	(164,674)	(188,513)	(12.6)	(499,868)	(553,590)	(9.7)
Gross profit	36,890	45,146	(18.3)	114,178	133,944	(14.8)
Other operating income	11,679	1,080	n/m	13,543	2,997	n/m
Distribution expenses	(15,995)	(14,166)	12.9	(39,079)	(39,903)	(2.1)
Administrative expenses	(23,316)	(21,796)	7.0	(62,315)	(63,284)	(1.5)
Other operating expenses	(1,086)	(14)	n/m	(3,560)	(2,105)	69.1
Finance costs, net	(4,476)	(3,704)	20.8	(13,219)	(11,989)	10.3
Exceptional items	(874)	(1,946)	n/m	(874)	(7,736)	n/m
Profit before share of results of associates	2,822	4,600	(38.7)	8,674	11,924	(27.3)
Share of results of associates	1,398	1,313	6.5	4,662	5,066	(8.0)
Profit before income tax	4,220	5,913	(28.6)	13,336	16,990	(21.5)
Income tax	(769)	(1,805)	(57.4)	(2,411)	(3,731)	(35.4)
Profit after income tax	3,451	4,108	(16.0)	10,925	13,259	(17.6)
Attributable to:						
Equity holders of the Company	2,989	3,259	(8.3)	8,017	10,773	(25.6)
Minority interests	462	849	(45.6)	2,908	2,486	17.0
	3,451	4,108	(16.0)	10,925	13,259	(17.6)

n/m-not meaningful

	Q3 ended 31.12.06 S\$'000	Q3 ended 31.12.05 S\$'000	YTD 31.12.06 S\$'000	YTD 31.12.05 S\$'000
Profit from operations is arrived at after crediting (charging) the following:				
Depreciation and amortisation	(9,983)	(9,151)	(29,201)	(29,992)
Dividend income	447	360	447	1,069
Foreign exchange gain (loss), net	4,883	143	4,883	(1,102)
Costs for closure of pilot production line in Singapore	(400)	0	(400)	0
Exceptional items comprised:				
Ningbo GP Sanyo Energy Co., Ltd ("NGPSE")				
- Negative goodwill arising from the restructuring	6,669	0	6,669	0
- Fire loss damages from fire incident	(7,543)	0	(7,543)	0
	(874)	0	(874)	0
Cost relating to the closing down and relocation of production facilities	0	(1,946)	0	(7,736)
	(874)	(1,946)	(874)	(7,736)

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

As at	Group		Company	
	31.12.06 S\$'000	31.3.06 S\$'000	31.12.06 S\$'000	31.3.06 S\$'000
Non-current assets:				
Investment properties	14,422	16,075	0	800
Property, plant and equipment	264,436	271,946	5,673	6,121
Interest in subsidiaries	0	0	481,657	478,870
Interest in associates	50,400	58,338	11,453	26,579
Available-for-sale investments	3,575	4,358	0	0
Deferred tax assets	2,655	2,936	0	0
Intangible assets	21,569	26,791	1,175	1,410
Goodwill on consolidation	13,358	12,558	0	0
Total non-current assets	370,415	393,002	499,958	513,780
Current Assets:				
Stocks	166,539	169,212	1,917	4,552
Debtors	205,563	202,495	48,129	28,661
Derivative financial instruments	7,129	1,200	852	1,200
Available-for-sale investments	18,606	15,383	0	0
Assets held for sale	0	3,386	0	0
Tax recoverable	2,160	1,698	0	0
Deposits and prepayments	8,629	8,147	749	948
Bank balances, deposits and cash	67,946	35,804	8,073	3,301
Total current assets	476,572	437,325	59,720	38,662
Current Liabilities:				
Creditors and accrued charges	139,107	124,645	13,772	12,291
Obligations under finance leases	422	613	0	2
Income tax payable	2,354	4,023	685	609
Bank loans and overdrafts	120,268	98,186	43,858	18,068
Notes	0	103,571	0	103,571
Total current liabilities	262,151	331,038	58,315	134,541
Net current assets (liabilities)	214,421	106,287	1,405	(95,879)
Non-current liabilities:				
Bank loans	152,070	53,548	152,070	48,571
Obligations under finance leases	952	463	0	0
Notes	60,000	60,000	60,000	60,000
Deferred tax liabilities	7,428	8,696	625	625
Total non-current liabilities	220,450	122,707	212,695	109,196
	364,386	376,582	288,668	308,705
Represented by:				
Share capital	230,881	230,731	230,881	230,731
Reserves	82,366	95,011	57,787	77,974
Attributable to equity holders of the Company	313,247	325,742	288,668	308,705
Minority interests	51,139	50,840	0	0
	364,386	376,582	288,668	308,705

The decrease in interest in associates of S\$7.9 million was mainly due to the acquisition of additional interest in NGPSE from 49% to 90%. The assets and liabilities of NGPSE are consolidated into the Group's balance sheet as at 31 December 2006. As such, the Group's investment and share of net assets in NGPSE are adjusted from interest in associates accordingly.

Increase in derivative financial instruments of S\$5.9 million is mainly due to fair value gain on commodity swap contracts which the Group entered into for hedging against its raw material prices.

Cash and bank balances increased by S\$32.1 million mainly due to the consolidation of NGPSE. As at 31 December 2006, cash and bank balances of NGPSE amounted to S\$11.5 million being additional capital injection by the Group and Sanyo Energy Tottori Co., Ltd to finance the recovery of operations.

Assets held for sale in 2006 represents a plot of freehold land with factory building located in Denmark which had been disposed during the financial period at a consideration approximating its net carrying amount.

Increase in total bank loans and overdrafts (current and non current) of S\$120.6 million is mainly due to a 3-year term loan of S\$128.9 million obtained to re-finance the redemption of Notes S\$103.6 million due in October 2006.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31.12.06		As at 31.3.06	
Secured	Unsecured	Secured	Unsecured
S\$422,000	S\$120,268,000	S\$613,000	S\$201,757,000

Amount repayable after one year

As at 31.12.06		As at 31.3.06	
Secured	Unsecured	Secured	Unsecured
S\$952,000	S\$212,070,000	S\$463,000	S\$113,548,000

Details of any collateral

Net book value of fixed assets in respect of certain machinery, moulds, motor vehicles and equipment held under finance leases:

As at 31.12.06		As at 31.3.06	
Group	Company	Group	Company
S\$1,304,000	Nil	S\$5,121,000	S\$43,000

Land and buildings with a total net book value of S\$3,853,000 (as at 31/3/06: S\$3,914,000) for the Group have been pledged to banks as securities for banking facilities granted.

Other comments to paragraph 1(b)(ii)

Not applicable.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Q3 ended 31.12.06 S\$'000	Q3 ended 31.12.05 S\$'000
Operating activities		
Profit before income tax	4,220	5,913
Adjustments for:		
Depreciation and amortisation	9,983	9,151
Dividend income from available-for-sale investments	(447)	(360)
Fair value gain of commodity swap contracts	(6,523)	0
Finance costs, net	4,476	3,704
Interest income	(293)	(211)
Loss (Gain) on disposal of property, plant and equipment	500	(17)
Net loss from NGPSE fire incident	874	0
Share of results of associates	(1,398)	(1,313)
Operating profit before working capital changes	11,392	16,867
Stocks	(3,478)	21,315
Debtors	3,980	28,732
Deposits and prepayments	875	1,477
Creditors and accrued charges	13,967	(7,258)
Cash generated from operations	26,736	61,133
Interest received	293	209
Interest paid	(6,167)	(5,556)
Income tax paid	(1,653)	(3,069)
Net cash generated from operating activities	19,209	52,717
Investing activities		
Acquisition of a subsidiary, net of cash acquired (Note A)	11,534	0
Dividends received from associates	1,490	3,205
Dividends received from available-for-sale investments	447	360
Investment in an associate	(12,405)	0
Proceeds on disposal of property, plant and equipment	4,733	795
Purchase of property, plant and equipment	(4,271)	(7,900)
Net cash from (used in) investing activities	1,528	(3,540)
Financing activities		
Bank loans obtained (repaid)	127,628	(34,587)
Dividends paid	(1,206)	(1,642)
Dividends paid to minority shareholders	(1,985)	(2,064)
Issue of shares	0	48
Repayment of Notes	(103,571)	0
Repayment of obligations under finance leases	(76)	(364)
Net cash from (used in) financing activities	20,790	(38,609)
Net effect of exchange rate changes in consolidating subsidiaries	(9,854)	(2,421)
Net increase in cash and cash equivalents	31,673	8,147
Cash and cash equivalents at beginning of period	34,582	39,282
Cash and cash equivalents at end of period (Note B)	66,255	47,429

	Q3 ended 31.12.06 S\$'000	Q3 ended 31.12.05 S\$'000
Note A) Acquisition of a subsidiary, net of cash acquired		
The assets and liabilities of a subsidiary acquired during the period are as follows:		
Non-current assets	12,931	0
Current assets	11,991	0
Current liabilities	(2,279)	0
Minority interests	(2,264)	0
Net assets acquired	20,379	0
Transfer from interest in associates	(13,710)	0
Negative goodwill arising on acquisition	(6,669)	0
Consideration of acquisition	0	0
Less: cash and cash equivalent acquired	(11,534)	0
Cash inflow on acquisition, net of cash and cash equivalent acquired	(11,534)	0
Note B) Cash and cash equivalents at end of period comprise:		
Bank balances and cash	67,946	48,614
Bank overdrafts	(1,691)	(1,185)
	66,255	47,429

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital S\$'000	Capital/ legal reserve S\$'000	Translation reserve S\$'000	Property revaluation reserve S\$'000	Dividend reserve S\$'000	Retained profits S\$'000	Share option reserve S\$'000	Fair value reserve S\$'000	Attributable to equity holders of the Company S\$'000	Minority interests S\$'000	Total S\$'000
Balance at 31.03.06	230,731	(32,146)	(49,459)	1,806	2,521	176,600	1,133	(5,444)	325,742	50,840	376,582
Translation loss	0	0	(7,885)	0	0	0	0	0	(7,885)	(1,097)	(8,982)
Net fair value changes on available-for-sale investments	0	0	0	0	0	0	0	4,482	4,482	0	4,482
Profit for the period	0	0	0	0	0	2,233	0	0	2,233	1,048	3,281
Total profit (loss) recognised for the period	0	0	(7,885)	0	0	2,233	0	4,482	(1,170)	(49)	(1,219)
Issue of shares	150	0	0	0	0	0	0	0	150	0	150
Purchase of additional investment in a subsidiary	0	0	0	0	0	0	0	0	0	(866)	(866)
Transfer to (from) reserves	0	2,523	0	0	0	(2,523)	0	0	0	0	0
Balance at 30.6.06	230,881	(29,623)	(57,344)	1,806	2,521	176,310	1,133	(962)	324,722	49,925	374,647
Translation gain	0	0	1,566	0	0	0	0	0	1,566	395	1,961
Net fair value changes on available-for-sale investments	0	0	0	0	0	0	0	249	249	0	249
Profit for the period	0	0	0	0	0	2,795	0	0	2,795	1,398	4,193
Total profit (loss) recognised for the period	0	0	1,566	0	0	2,795	0	249	4,610	1,793	6,403
On acquisition of a subsidiary	0	0	0	0	0	0	0	0	0	723	723
Dividends paid	0	0	0	0	(2,521)	0	0	0	(2,521)	(263)	(2,784)
Dividends proposed	0	0	0	0	1,206	(1,206)	0	0	0	0	0
Balance at 30.9.06	230,881	(29,623)	(55,778)	1,806	1,206	177,899	1,133	(713)	326,811	52,178	378,989
Translation loss	0	0	(16,200)	0	0	0	0	0	(16,200)	(1,780)	(17,980)
On acquisition of a subsidiary	0	0	0	0	0	0	0	0	0	2,264	2,264
Net fair value changes on available-for-sale investments	0	0	0	0	0	0	0	853	853	0	853
Profit for the period	0	0	0	0	0	2,989	0	0	2,989	462	3,451
Total profit (loss) recognised for the period	0	0	(16,200)	0	0	2,989	0	853	(12,358)	946	(11,412)
Dividends paid	0	0	0	0	(1,206)	0	0	0	(1,206)	0	(1,206)
Dividends paid to minority shareholders of subsidiaries	0	0	0	0	0	0	0	0	0	(1,985)	(1,985)
Balance at 31.12.06	230,881	(29,623)	(71,978)	1,806	0	180,888	1,133	140	313,247	51,139	364,386

Note

Under the Companies (Amendment) Act 2005 effective 30 January 2006, the concepts of par value and authorised share capital were abolished and the amount in the share premium account as of 30 January 2006 became part of the Company's share capital.

Group	Share capital S\$'000	Share premium S\$'000	Capital/ legal reserve S\$'000	Translation reserve S\$'000	Property revaluation reserve S\$'000	Dividend reserve S\$'000	Retained profits S\$'000	Share option reserve S\$'000	Fair value reserve S\$'000	Attributable to equity holders of the Company S\$'000	Minority interests S\$'000	Total S\$'000
Balance at 31.03.05	87,563	143,106	(33,768)	(43,394)	1,978	2,408	168,633	1,004	(1,560)	325,970	46,923	372,893
Translation gain	0	0	0	9,451	0	0	0	0	0	9,451	1,332	10,783
Net fair value changes on available-for-sale investments	0	0	0	0	0	0	0	0	(622)	(622)	0	(622)
Profit for the period	0	0	0	0	0	0	3,624	0	0	3,624	788	4,412
Total profit (loss) recognised for the period	0	0	0	9,451	0	0	3,624	0	(622)	12,453	2,120	14,573
Issue of shares	8	5	0	0	0	0	0	0	0	13	0	13
Share-based payment	0	0	0	0	0	0	0	129	0	129	0	129
Dividends paid to minority shareholders of subsidiaries	0	0	0	0	0	0	0	0	0	0	(45)	(45)
Transfer to (from) reserves	0	0	1,670	0	0	0	(1,670)	0	0	0	0	0
Balance at 30.6.05	87,571	143,111	(32,098)	(33,943)	1,978	2,408	170,587	1,133	(2,182)	338,565	48,998	387,563
Translation loss	0	0	0	(2,605)	0	0	0	0	0	(2,605)	(234)	(2,839)
Net fair value changes on available-for-sale investments	0	0	0	0	0	0	0	0	(3,219)	(3,219)	0	(3,219)
Capital contribution	0	0	0	0	0	0	0	0	0	0	845	845
Profit for the period	0	0	0	0	0	0	3,890	0	0	3,890	849	4,739
Total profit (loss) recognised for the period	0	0	0	(2,605)	0	0	3,890	0	(3,219)	(1,934)	1,460	(474)
Dividends paid	0	0	0	0	0	(2,408)	0	0	0	(2,408)	(353)	(2,761)
Dividends proposed	0	0	0	0	0	1,642	(1,642)	0	0	0	0	0
Balance at 30.9.05	87,571	143,111	(32,098)	(36,548)	1,978	1,642	172,835	1,133	(5,401)	334,223	50,105	384,328
Translation loss	0	0	0	(4,872)	0	0	0	0	0	(4,872)	(585)	(5,457)
Net fair value changes on available-for-sale investments	0	0	0	0	0	0	0	0	(308)	(308)	0	(308)
Capital contribution	0	0	0	0	0	0	0	0	0	0	0	0
Profit for the period	0	0	0	0	0	0	3,259	0	0	3,259	849	4,108
Total profit (loss) recognised for the period	0	0	0	(4,872)	0	0	3,259	0	(308)	(1,921)	264	(1,657)
Issue of shares	24	24	0	0	0	0	0	0	0	48	0	48
Dividends paid	0	0	0	0	0	(1,642)	0	0	0	(1,642)	(2,064)	(3,706)
Effect of deregistration of a subsidiary	0	0	0	0	0	0	0	0	0	0	(27)	(27)
Transfer to (from) reserves	0	0	(46)	0	0	0	46	0	0	0	0	0
Balance at 31.12.05	87,595	143,135	(32,144)	(41,420)	1,978	0	176,140	1,133	(5,709)	330,708	48,278	378,986

Company	Share capital S\$'000	Share premium S\$'000	Dividend reserve S\$'000	Retained profits S\$'000	Share option reserve S\$'000	Total equity S\$'000
Balance at 31.3.06	230,731	0	2,521	74,320	1,133	308,705
Issue of shares	150	0	0	0	0	150
Loss for the period	0	0	0	(6,172)	0	(6,172)
Balance at 30.6.06	230,881	0	2,521	68,148	1,133	302,683
Profit for the period	0	0	0	726	0	726
Dividends paid	0	0	(2,521)	0	0	(2,521)
Dividends proposed	0	0	1,206	(1,206)	0	0
Balance at 30.9.06	230,881	0	1,206	67,668	1,133	300,888
Loss for the period	0	0	0	(11,014)	0	(11,014)
Dividends paid	0	0	(1,206)	0	0	(1,206)
Balance at 31.12.06	230,881	0	0	56,654	1,133	288,668
Balance at 31.3.05	87,563	143,106	2,408	60,345	1,004	294,426
Issue of shares	8	5	0	0	0	13
Share-based payment	0	0	0	0	129	129
Profit for the period	0	0	0	7,570	0	7,570
Balance at 30.6.05	87,571	143,111	2,408	67,915	1,133	302,138
Profit for the period	0	0	0	2,921	0	2,921
Dividends paid	0	0	(2,408)	0	0	(2,408)
Dividends proposed	0	0	1,642	(1,642)	0	0
Balance at 30.9.05	87,571	143,111	1,642	69,194	1,133	302,651
Issue of shares	24	24	0	0	0	48
Profit for the period	0	0	0	3,730	0	3,730
Dividends paid	0	0	(1,642)	0	0	(1,642)
Balance at 31.12.05	87,595	143,135	0	72,924	1,133	304,787

Note

Under the Companies (Amendment) Act 2005 effective 30 January 2006, the concepts of par value and authorised share capital were abolished and the amount in the share premium account as of 30 January 2006 became part of the Company's share capital.

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no movement in the issued share capital of the Company from 30 September 2006 to 31 December 2006.

Status of outstanding Share Options

The total number of shares that may be issued on exercise of all outstanding share options granted under the Company's Executives' Share Option Scheme are as follows:

Share option	Date of Expiry	Exercise Price per each ordinary share of S\$0.80	As at 31.12.06	As at 31.12.05
1999 Scheme				
No. 1	16 March 2010	S\$1.41	375,000	375,000
No. 2	10 October 2010	S\$1.60	517,000	517,000
No. 3	4 August 2012	S\$1.25	874,000	994,000
No. 3	4 August 2007	S\$1.25	69,000	70,000
No. 4	24 June 2013	S\$2.50	2,280,000	2,400,000
No. 4	24 June 2008	S\$2.50	100,000	100,000
			4,215,000	4,456,000

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has adopted the same accounting policies and methods of computation for the current financial period as those adopted for the audited financial statements for the financial year ended 31 March 2006.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Q3 ended 31.12.06	Q3 ended 31.12.05	YTD 31.12.06	YTD 31.12.05
Earnings per ordinary share for the period after deducting any provision for preference dividends:				
(a) Based on weighted average number of ordinary shares in issue	2.73 cents	2.98 cents	7.31 cents	9.84 cents
(b) On a fully diluted basis	2.65 cents	2.90 cents	7.11 cents	9.58 cents
Weighted average number of ordinary shares	109,607,750	109,492,211	109,615,168	109,471,405

For earnings per ordinary share calculation, the weighted average number of ordinary shares for the period represents the number of ordinary shares in issue at the beginning of the period adjusted for shares issued upon exercise of options, multiplied by a time-weighted factor. For the purpose of calculating the diluted earnings per ordinary shares, the weighted average number of ordinary shares in issue had been adjusted to reflect the effect of all potentially dilutive ordinary shares from the exercise of all outstanding share options.

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:**
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31.12.06 S\$	31.3.06 S\$	31.12.06 S\$	31.3.06 S\$
Net asset value per ordinary share based on issued share capital at the end of the period	2.86	2.97	2.63	2.82

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Turnover for the three months and nine months ended 31 December 2006 was S\$201.6 million and S\$614.0 million respectively, a decrease of 13.7% and 10.7% over the corresponding period last year.

Turnover decreased mainly due to the weak demand for Nickel Metal Hydride ("NiMH") and Lithium Ion rechargeable batteries. The strengthening of Singapore dollars ("S\$") against United States dollars ("US\$") also attributed to the decrease in turnover as most of the sales were denominated in US\$.

Gross profit margin decreased due to the surge in raw material prices especially Nickel, Zinc and the appreciation of Renminbi.

Distribution expenses for the three months ended 31 December 2006 increased 12.9% as advertising and promotion activities were stepped up to strengthen the Group's market position.

The Group had entered into commodity swap contracts to hedge against the rocketing raw material prices. Fair value gain of such contracts outstanding as at 31 December 2006 of S\$6.5 million had been recognised in the profit and loss account under other operating income.

The Group recognised an exchange gain of S\$4.9 million, reported under other operating income, which was due to the translation of bank loans denominated in US\$ to S\$ at balance sheet date.

Included in other operating expenses were costs of S\$0.4 million in relation to the closure of the pilot production line in Singapore.

Finance costs for the three months ended 31 December 2006 were S\$4.5 million, an increase of 20.8% over corresponding period last year due to higher interest rates.

The sale of Sanyo Energy Tottori Co., Ltd's 35.2% equity interest in NGPSE to the Group under the restructuring agreement had been completed. NGPSE is now a 90% owned subsidiary of the Group. The Group recognised an exceptional loss of S\$7.5 million being our share of loss due to the fire incident and exceptional gain of S\$6.7 million being negative goodwill arising from the restructuring. NGPSE expects to resume operation at the beginning of fiscal year 2007/08.

The Group's electric vehicle ("EV") battery plant continues to produce NiMH battery packs for use in Vectrix Corporation's (Vectrix) electric-powered motorcycles. The production of the EV batteries will shift to the joint venture with Vectrix when it is ready at the beginning of fiscal year 2007/08.

All developments for the Cadmium issue have been duly announced via SGXNET and the outstanding court cases are not expected to have significant financial impact on the Group.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

These results are in line with the statement made by the Company in the announcement of results on 9 November 2006 for the financial period ended 30 September 2006.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The general business outlook remains difficult as raw material prices have again rocketed and remained persistently at high levels, and Renminbi continued to strengthen. Demand for NiMH rechargeable batteries will continue to be adversely affected by the industry-wide price increase due to the high raw material prices.

The Group has commenced delivery of NiMH rechargeable batteries to the One Laptop per Child program. This program aims to provide laptops at as low as US\$100 per unit to children in developing countries. We expect this initiative to gain momentum in 2007 and will improve the utilization of our production capacities.

The Group will speed up its efforts to develop new products and markets. It will launch the GP ReCyko batteries, a new breed of rechargeable batteries blending the strengths of both alkaline and rechargeable batteries to bring higher environmental and economic value and greater convenience to the consumers. GP ReCyko has excellent charge retention characteristic and can be used immediately upon purchase just like the conventional primary batteries and yet can be easily recharged when it is exhausted.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable.

14. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable.

15. **A breakdown of sales.**

Not applicable.

16. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Total Annual Dividend (*Refer to Para 16 of Appendix 7.2 for the required details*)

Not applicable.

CONFIRMATION BY THE BOARD

We, Andrew Ng Sung On and Richard Ku Yuk Hing, being two directors of GP Batteries International Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial results for the nine months ended 31 December 2006 to be false or misleading.

On behalf of the board of directors

Andrew Ng Sung On
Chairman and Chief Executive

Richard Ku Yuk Hing
Vice Chairman

7 February 2007