GP Batteries International Limited
(Incorporated in the Republic of Singapore)
Co. Reg. No. 199002111N

MEDIA RELEASE

For Immediate Release

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GP Batteries Announces its Unaudited First Quarter Results

Mainboard-listed GP Batteries International Limited today announced its unaudited results for the three months ended 30 June 2009.

Highlights of GP Batteries' results

	Q1 Ended 30/06/09 S$'000	Q1 Ended 30/06/08 S$'000	Change %
Revenue	187,239	222,036	(15.7)
Profit attributable to equity holders of the company	10,667	127	n/m
Basic Earnings Per Share *(S Cents)*	9.72	0.12	n/m

n/m denotes "not meaningful"

Prospects of GP Batteries

Commenting on the business prospects of GP Batteries, Andrew Ng, Chairman and Chief Executive, said, "With worldwide economy showing signs of recovery, the Group expects business to improve."

The Group will continue to enhance brand management in the emerging markets while maintaining market shares in priority markets. It will further promote GP ReCyko+, a new generation rechargeable batteries, in the consumer market for its economic and environmental advantages over primary alkaline batteries. The Group will also continue to explore and capitalise on opportunities in e-mobility.

The Group is in continued discussions with banks on the refinancing of a S$60M and US$45M Syndicated Loan Facility that is falling due in October 2009. Based on the significant amount of cash on hand and the positive response from banks, the Group expects that it will receive the required support from banks to satisfy the refinancing need.

Business Review of GP Batteries

Turnover for the three months ended 30 June 2009 was S$187.2 million, a decrease of 15.7% over the corresponding period last year. Profit after tax attributable to equity holders of the Company for the first quarter was S$10.7 million, compared to S$0.1 million for the corresponding quarter last year.

Sales of Nickel Metal Hydride (NiMH) rechargeable batteries registered a decline, which was partially offset by increase in sales of micro, 9-volt and alkaline primary cylindrical batteries. Sales across regions generally decreased, in particular for Europe and Asia.

Excluding the effect of commodity hedging contracts, gross profit margin for the three months ended 30 June 2009 improved to 22.8% from 20% for the corresponding periods last year mainly due to the effect of having implemented cost cutting measures and the capture of better quality business.

Finance costs for the three months ended 30 June 2009 were S$2.7 million, a decrease of 15.1% over the corresponding period last year due to lower interest rates.

Exchange gain for the three months ended 30 June 2009 was S$4.2 million mainly due to an unrealized gain on revaluation of US dollar denominated bank borrowings.

The Group has generated over S$26 million of positive operating cash flow for the quarter under review.

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