

Financial Statements and Related Announcement::Second Quarter and/ or Half Yearly Results**Issuer & Securities**

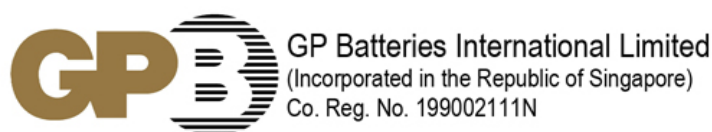
Issuer/ Manager	GP BATTERIES INTERNATIONAL LIMITED
Securities	GP BATTERIES INT LTD - SG0964000491 - G08
Stapled Security	No

Announcement Details

Announcement Title	Financial Statements and Related Announcement
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Announcement Sub Title	Second Quarter and/ or Half Yearly Results
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Submitted By (Co./ Ind. Name)	Kelly Kiar Lee Noi
Designation	Company Secretary
Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)	Second Quarter and Half Year Financial Statement and Dividend Announcement for the period ended 30 September 2015.

Additional Details

For Financial Period Ended	30/09/2015
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**Second Quarter and Half Year Financial Statement and Dividend Announcement
For the Period Ended 30 September 2015**

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

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

Group income statement for the second quarter ("Q2") and half year ("H1") ended 30 September 2015. These figures have not been audited.

	Note	Q2 ended 30 Sept 2015 S\$'000	Q2 ended 30 Sept 2014 S\$'000	Change %	H1 ended 30 Sept 2015 S\$'000	H1 ended 30 Sept 2014 S\$'000	Change %
Revenue		213,086	185,210	15.1	402,492	359,577	11.9
Cost of sales		(166,145)	(143,451)	15.8	(311,644)	(276,906)	12.5
Gross profit		46,941	41,759	12.4	90,848	82,671	9.9
Other operating income & expenses		14,131	10,594	33.4	14,142	10,587	33.6
Distribution expenses		(21,720)	(14,441)	50.4	(37,267)	(27,979)	33.2
Administrative expenses		(23,565)	(19,923)	18.3	(43,356)	(38,166)	13.6
Finance costs		(1,780)	(1,436)	24.0	(3,047)	(2,804)	8.7
Profit before share of results of associates		14,007	16,553	(15.4)	21,320	24,309	(12.3)
Share of results of associates		1,561	(457)	n/m	2,364	(308)	n/m
Profit before income tax	A	15,568	16,096	(3.3)	23,684	24,001	(1.3)
Income tax	B	(2,922)	(2,944)	(0.7)	(4,970)	(5,922)	(16.1)
Profit after income tax		12,646	13,152	(3.8)	18,714	18,079	3.5
Attributable to:							
Equity holders of the Company		9,754	9,119	7.0	12,587	11,461	9.8
Non-controlling interests		2,892	4,033	(28.3)	6,127	6,618	(7.4)
		12,646	13,152	(3.8)	18,714	18,079	3.5
Gross profit margin		22.0%	22.5%		22.6%	23.0%	

n/m denotes "not meaningful"

Statement of Comprehensive Income

The Group	Q2 ended 30 Sept 2015 S\$'000	Q2 ended 30 Sept 2014 S\$'000	H1 ended 30 Sept 2015 S\$'000	H1 ended 30 Sept 2014 S\$'000
Profit for the period	12,646	13,152	18,714	18,079
Other comprehensive income:				
<i>Items that may be subsequently reclassified to Profit or Loss:</i>				
Translation differences arising from consolidation of foreign operations	1,154	6,873	(6,066)	4,991
Fair value (loss) gain on available-for-sale financial assets	(533)	41	(958)	(531)
Other comprehensive income for the period	621	6,914	(7,024)	4,460
Total comprehensive income for the period	13,267	20,066	11,690	22,539
Total comprehensive income for the period attributable to:				
Equity holders of the Company	7,861	14,117	4,777	14,551
Non-controlling interests	5,406	5,949	6,913	7,988
	13,267	20,066	11,690	22,539

Notes to the Income Statement

	Q2 ended 30 Sept 2015 S\$'000	Q2 ended 30 Sept 2014 S\$'000	H1 ended 30 Sept 2015 S\$'000	H1 ended 30 Sept 2014 S\$'000
(A) Profit before taxation is arrived at after crediting (charging) the following:				
Depreciation	(5,475)	(5,263)	(10,870)	(10,259)
Foreign exchange gain (loss) ⁽ⁱ⁾	9,159	536	8,824	(35)
Gain on disposal of property, plant and equipment, net ⁽ⁱ⁾	4,031	9,255	4,051	9,249
Government grant ⁽ⁱ⁾	764	328	1,164	395
Impairment loss on property, plant and equipment	0	(20)	0	(20)
Property, plant and equipment written off ⁽ⁱ⁾	(175)	(131)	(317)	(156)
Technical, marketing development & engineering fee income	4	28	9	93
(B) Income tax is inclusive of:				
Over (under) provision in respect of prior years' taxation	(5)	136	1,176	331

⁽ⁱ⁾ Included in other operating income/other operating expenses in the consolidated statement of profit or loss

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

	Note	The Group		The Company	
		30 Sept 2015	31 Mar 2015	30 Sept 2015	31 Mar 2015
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Investment property		1,785	1,747	0	0
Property, plant & equipment		210,742	211,553	693	787
Interest in subsidiaries		0	0	332,812	332,877
Interest in associates		46,013	46,606	16,382	16,382
Available-for-sales investments		4,904	5,699	0	0
Deferred tax assets		4,831	3,661	0	0
Goodwill on consolidation		15,226	14,709	0	0
Deposits and prepayments		334	705	0	0
Total non-current assets		<u>283,835</u>	<u>284,680</u>	<u>349,887</u>	<u>350,046</u>
Current assets					
Stocks		107,205	101,123	0	0
Debtors	A	156,120	128,782	88,710	105,275
Tax recoverable		720	3,615	0	0
Deposits and prepayments		10,355	9,747	1,741	1,086
Bank balances and cash	B	127,361	81,042	28,785	6,987
		<u>401,761</u>	<u>324,309</u>	<u>119,236</u>	<u>113,348</u>
Assets held for sale		0	70	0	0
Total current assets		<u>401,761</u>	<u>324,379</u>	<u>119,236</u>	<u>113,348</u>
Current liabilities					
Creditors and accrued charges	A	175,374	135,922	101,513	139,930
Derivative financial instruments		435	195	0	0
Obligations under finance leases		145	196	0	0
Income tax payable		4,001	1,854	295	269
Bank loans and overdrafts	B	106,086	124,926	57,832	60,855
Total current liabilities		<u>286,041</u>	<u>263,093</u>	<u>159,640</u>	<u>201,054</u>
Net current assets (liabilities)		115,720	61,286	(40,404)	(87,706)
Non-current liabilities					
Bank loans	B	56,560	0	56,560	0
Obligations under finance leases		163	120	0	0
Deferred tax liabilities		3,051	3,317	0	0
Total non-current liabilities		<u>59,774</u>	<u>3,437</u>	<u>56,560</u>	<u>0</u>
Net assets		<u>339,781</u>	<u>342,529</u>	<u>252,923</u>	<u>262,340</u>
Represented by:					
Issued capital		257,400	257,400	257,400	257,400
Treasury shares	C	(3,841)	0	(3,841)	0
Reserves		8,660	7,957	(636)	4,940
Attributable to equity holders of the Company		<u>262,219</u>	<u>265,357</u>	<u>252,923</u>	<u>262,340</u>
Non-controlling interests		<u>77,562</u>	<u>77,172</u>	<u>0</u>	<u>0</u>
		<u>339,781</u>	<u>342,529</u>	<u>252,923</u>	<u>262,340</u>

Explanatory Notes to the Statement of Financial Position

(A) Debtors and creditors

Increase in debtors and creditors were mainly due to the increase in turnover.

(B) Bank balances and bank loans

Increase in bank balances and total bank loans were mainly due to:

- drawdown of a S\$85 million three-year term loan; and
- repayment of some short term borrowings with the proceeds from the S\$85 million three-year term loan.

(C) Treasury Shares

During the six months ended 30 September 2015, the Company purchased 4,232,200 issued shares via open market purchase. All such purchased shares were held as treasury shares as at 30 September 2015. There was no utilization of these treasury shares to date.

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

	As at 30 Sept 2015 S\$'000	As at 31 Mar 2015 S\$'000
Amount repayable in one year or less, or on demand		
Unsecured:		
Long term bank loans		
- scheduled repayments within 12 months	28,605	1,172
- not repayable within 12 months but contain a repayment on demand clause	2,989	-
Short term bank loans	65,356	110,120
Import and export loans	9,136	13,634
	<u>106,086</u>	<u>124,926</u>
Secured:		
Obligations under finance leases	<u>145</u>	<u>196</u>
Amount repayable after one year		
Unsecured:		
Long term bank loans	<u>56,560</u>	<u>-</u>
Secured:		
Obligations under finance leases	<u>163</u>	<u>120</u>

Details of any collateral

Carrying amount of fixed assets in respect of certain motor vehicles and equipment held under finance leases:

As at 30 Sept 2015		As at 31 Mar 2015	
The Group	The Company	The Group	The Company
S\$632,000	S\$NIL	S\$556,000	S\$NIL

Other comments to paragraph 1(b)(ii)

Not applicable.

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

	Q2 30 Sept 2015 S\$'000	Q2 30 Sept 2014 S\$'000	YTD 30 Sept 2015 S\$'000	YTD 30 Sept 2014 S\$'000
Operating activities				
Profit before income tax	15,567	16,096	23,683	24,001
Adjustments for:				
Allowance for doubtful debts (trade)	3,931	465	3,977	630
Allowance for stock, net	788	273	923	1,128
Depreciation	5,475	5,263	10,870	10,259
Finance costs	1,780	1,436	3,047	2,804
Gain on dilution of interest	0	(10)	0	(10)
Impairment loss on property, plant and equipment	0	20	0	20
Interest income	(334)	(323)	(633)	(578)
Gain on disposal of property, plant and equipment	(4,031)	(9,255)	(4,051)	(9,249)
Property, plant and equipment written off	175	131	317	156
Realised loss (gain) on derivative financial instruments	184	(68)	245	(70)
Share of results of associates	(1,561)	457	(2,364)	308
Unrealised fair value loss (gain) of derivative financial instruments	160	(85)	240	39
Unrealised foreign exchange (gain) loss	(6,319)	(214)	(5,984)	962
Operating profit before working capital changes	<u>15,815</u>	<u>14,186</u>	<u>30,270</u>	<u>30,400</u>
Stocks	2,951	(5,208)	(3,453)	(8,646)
Debtors	(11,222)	(9,576)	(25,844)	(17,682)
Deposits and prepayments	1,989	(2,004)	(79)	(1,466)
Creditors and accrued charges	4,627	5,116	32,891	13,701
Cash generated from operations	<u>14,160</u>	<u>2,514</u>	<u>33,785</u>	<u>16,307</u>
Income tax (paid) received	(1,820)	(3,082)	109	(5,800)
Net cash generated from (used in) operating activities	<u>12,340</u>	<u>(568)</u>	<u>33,894</u>	<u>10,507</u>

	Q2 30 Sept 2015 S\$'000	Q2 30 Sept 2014 S\$'000	YTD 30 Sept 2015 S\$'000	YTD 30 Sept 2014 S\$'000
Investing activities				
Deposits paid for purchase of property, plant and equipment	200	(244)	(208)	(302)
Divestment of a subsidiary, net of cash disposed	0	(286)	0	(286)
Dividends received from associates	1,041	1,694	1,041	1,984
Interest received	334	323	633	578
Investment in associates	0	0	0	(304)
Proceeds on disposal of property, plant and equipment	3,402	11,167	3,441	11,671
Purchase of available-for-sale investments	0	(680)	0	(680)
Purchase of property, plant and equipment	(5,507)	(4,036)	(10,173)	(6,261)
Net cash (used in) from investing activities	<u>(530)</u>	<u>7,938</u>	<u>(5,266)</u>	<u>6,400</u>
Financing activities				
Drawdown of term loan	85,000	0	89,710	0
Payment of front end fee	0	0	(2,125)	0
Repayment of term loans	(120)	(6,128)	(1,039)	(11,484)
Other short term bank loans paid	(48,927)	(3,660)	(51,047)	(17,494)
Interest paid	(966)	(1,440)	(2,379)	(2,830)
Capital contributions from non-controlling shareholders	0	71	0	71
Dividends paid	(4,073)	(1,648)	(4,073)	(1,648)
Dividends paid to minority shareholders	0	0	(6,524)	(3,119)
Non trade balances due from associates	(33)	(329)	(116)	(145)
Non trade balances due to associates	466	122	378	139
Purchase of treasury shares	(3,187)	0	(3,841)	0
Repayment of obligations under finance leases	(46)	(94)	(95)	(146)
Net cash from (used in) financing activities	<u>28,114</u>	<u>(13,106)</u>	<u>18,849</u>	<u>(36,656)</u>
Net increase (decrease) in cash and cash equivalents	39,924	(5,736)	47,477	(19,749)
Cash and cash equivalents at beginning of period	86,708	78,923	81,042	93,979
Effect of exchange rate changes on the balance of cash held in foreign currencies	729	907	(1,158)	(136)
Cash and cash equivalents at end of period	<u>127,361</u>	<u>74,094</u>	<u>127,361</u>	<u>74,094</u>

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.

The Group	Share	Treasury	Capital	Legal	Translation	Property/ asset	Retained	Fair	Sub	Non-	Total
	capital	shares	reserve	reserve	reserve	revaluation	profits	value	Total	controlling	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Apr 2015	257,400	0	(32,963)	22,001	(123,147)	3,358	137,502	1,206	265,357	77,172	342,529
Total comprehensive income:											
Profit for the year	0	0	0	0	0	0	2,833	0	2,833	3,235	6,068
Other comprehensive income for the period	0	0	0	0	(5,492)	0	0	(425)	(5,917)	(1,728)	(7,645)
Total	0	0	0	0	(5,492)	0	2,833	(425)	(3,084)	1,507	(1,577)
Transactions with owners, recognised directly in equity:											
Purchase of treasury shares	0	(654)	0	0	0	0	0	0	(654)	0	(654)
Dividends paid to non-controlling interests	0	0	0	0	0	0	0	0	0	(6,524)	(6,524)
Total	0	(654)	0	0	0	0	0	0	(654)	(6,524)	(7,178)
Balance at 30 Jun 2015	257,400	(654)	(32,963)	22,001	(128,639)	3,358	140,335	781	261,619	72,155	333,774
Total comprehensive income:											
Profit for the year	0	0	0	0	0	0	9,754	0	9,754	2,892	12,646
Other comprehensive income for the period	0	0	0	0	(1,360)	0	0	(533)	(1,893)	2,514	621
Total	0	0	0	0	(1,360)	0	9,754	(533)	7,861	5,406	13,267
Transactions with owners, recognised directly in equity:											
Purchase of treasury shares	0	(3,187)	0	0	0	0	0	0	(3,187)	0	(3,187)
Dividends paid	0	0	0	0	0	0	(4,073)	0	(4,073)	0	(4,073)
Total	0	(3,187)	0	0	0	0	(4,073)	0	(7,260)	0	(7,260)
Transfer to (from) reserves	0	0	0	173	0	0	(173)	0	0	0	0
Balance at 30 Sept 2015	257,400	(3,841)	(32,963)	22,174	(129,999)	3,358	145,843	248	262,220	77,561	339,781

The Group	Share	Capital	Legal	Translation	Property/ asset	Retained	Fair	Sub	Non-	Total	
	capital	reserve	reserve	reserve	revaluation	profits	value	Total	controlling		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Apr 2014	257,400	(32,963)	21,778	(131,161)	3,358	128,452	1,382	248,246	61,802	310,048	
Total comprehensive income:											
Profit for the year	0	0	0	0	0	2,342	0	2,342	2,585	4,927	
Other comprehensive income for the period	0	0	0	(1,336)	0	0	(572)	(1,908)	(546)	(2,454)	
Total	0	0	0	(1,336)	0	2,342	(572)	434	2,039	2,473	
Transactions with owners, recognised directly in equity:											
Dividends paid to non-controlling interests	0	0	0	0	0	0	0	0	(3,119)	(3,119)	
Total	0	0	0	0	0	0	0	0	(3,119)	(3,119)	
Balance at 30 Jun 2014	257,400	(32,963)	21,778	(132,497)	3,358	130,794	810	248,680	60,722	309,402	
Total comprehensive income:											
Profit for the year	0	0	0	0	0	9,119	0	9,119	4,033	13,152	
Other comprehensive income for the period	0	0	0	4,957	0	0	41	4,998	1,916	6,914	
Total	0	0	0	4,957	0	9,119	41	14,117	5,949	20,066	
Transactions with owners, recognised directly in equity:											
Dividends paid	0	0	0	0	0	(1,648)	0	(1,648)	0	(1,648)	
Capital contributions by non-controlling interests	0	0	0	0	0	0	0	0	71	71	
Effects of changes in shareholdings on non-controlling interests	0	0	0	0	0	0	0	0	(170)	(170)	
Total	0	0	0	0	0	(1,648)	0	(1,648)	(99)	(1,747)	
Transfer to (from) reserves	0	0	223	0	0	(223)	0	0	0	0	
Balance at 30 Sept 2014	257,400	(32,963)	22,001	(127,540)	3,358	138,042	851	261,149	66,572	327,721	

The Company	Share capital S\$'000	Treasury shares S\$'000	Retained profits S\$'000	Translation reserve S\$'000	Total S\$'000
Balance at 1 Apr 2015	257,400	0	9,372	(4,432)	262,340
Total comprehensive income					
Loss for the period	0	0	(6,511)	0	(6,511)
Other comprehensive income	0	0	0	1,237	1,237
	0	0	(6,511)	1,237	(5,274)
Transactions with owners, recognised directly in equity:					
Purchase of treasury shares	0	(654)	0	0	(654)
Balance at 30 Jun 2015	257,400	(654)	2,861	(3,195)	256,412
Total comprehensive income					
Profit for the period	0	0	7,394	0	7,394
Other comprehensive loss	0	0	0	(3,623)	(3,623)
	0	0	7,394	(3,623)	3,771
Transactions with owners, recognised directly in equity:					
Purchase of treasury shares	0	(3,187)	0	0	(3,187)
Dividends paid	0	0	(4,073)	0	(4,073)
Balance at 30 Sept 2015	257,400	(3,841)	6,182	(6,818)	252,923

The Company	Share capital S\$'000	Treasury shares S\$'000	Retained profits S\$'000	Translation reserve S\$'000	Total S\$'000
Balance at 1 Apr 2014	257,400	0	20,405	(20)	277,785
Total comprehensive income					
Loss for the period	0	0	(3,329)	0	(3,329)
Other comprehensive loss	0	0	0	(491)	(491)
	0	0	(3,329)	(491)	(3,820)
Balance at 30 Jun 2014	257,400	0	17,076	(511)	273,965
Total comprehensive income					
Loss for the period	0	0	(30)	0	(30)
Other comprehensive loss	0	0	0	(602)	(602)
	0	0	(30)	(602)	(632)
Transactions with owners, recognised directly in equity:					
Dividends paid	0	0	(1,648)	0	(1,648)
Balance at 30 Sept 2014	257,400	0	15,398	(1,113)	271,685

- 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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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 was no change in the share capital of the Company from 30 June 2015 to 30 September 2015. There were no shares that may be issued on conversion of any outstanding convertibles as at 30 September 2015 and 30 September 2014.

As at 30 September 2015, the Company held 4,232,200 (30 September 2014: Nil) of its issued shares as treasury shares.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

As at	30 Sept 2015	31 March 2015
Total number of issued shares	164,806,752	164,806,752
Less: Number of treasury shares	<u>(4,232,200)</u>	<u>-</u>
Total number of issued shares excluding treasury shares	<u>160,574,552</u>	<u>164,806,752</u>

During the period ended 30 September 2015, the Company purchased 4,232,200 issued shares via open market purchase and all these shares were held as treasury shares at at 30 September 2015.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

As at 30 September 2015, there were no sales, transfers, disposals, cancellation and/or use of treasury shares.

- 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.**

Other than the adoption of certain revisions to various existing Financial Reporting Standards ("FRS"), the new FRS and Interpretations of FRS ("INT FRS") that are mandatory on the Group for its financial year commenced on 1 April 2015, 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 2015.

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.**

The adoption of the various revised FRS, new FRS and INT FRS effective for the Company's financial year commencing on 1 April 2015 does not have a material financial effect on the Group and the Company.

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.**

	Q2 ended 30 Sept 2015	Q2 ended 30 Sept 2014	H1 ended 30 Sept 2015	H1 ended 30 Sept 2014
Earnings per share ("EPS") in cents Basic & Diluted	6.00	5.53	7.69	6.95
Number of shares Weighted average number of ordinary shares used in calculating basic & diluted EPS	162,514,214	164,806,752	163,605,504	164,806,752

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

	The Group		The Company	
	30 Sept 2015	31 Mar 2015	30 Sept 2015	31 Mar 2015
Net asset value per ordinary share	S\$1.63	S\$1.61	S\$1.58	S\$1.59

Net asset value per ordinary share as at 30 September 2015 and 31 March 2015 were computed based on 160,574,552 and 164,806,752 ordinary shares respectively.

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 ended 30 September 2015 was S\$213.1 million, an increase of 15.1% over the corresponding period last year. Turnover for the six months ended 30 September 2015 was S\$402.5 million, an increase of 11.9% over the corresponding period last year. As the Singapore dollar has weakened significantly against the US dollar, the aforesaid increases in turnover were just 3.8% and 2.6% respectively in US dollar terms.

Sales of primary batteries increased by 15.5% and 10.7% for the three months and six months ended 30 September 2015 respectively over the corresponding periods last year. Sales of rechargeable batteries increased by 15.8% and 18.2% for the three months and six months ended 30 September 2015 respectively over the corresponding periods last year.

Sales in the Americas, Europe and Asia increased by 14.0%, 15.7% and 15.3% respectively for the three months ended 30 September 2015 over the corresponding period last year. For the six months ended 30 September 2015, sales in the Americas, Europe and Asia increased by 12.7%, 4.1% and 14.1% respectively over the corresponding period last year.

Profit before income tax for the three months and six months ended 30 September 2015 were S\$15.6 million and S\$23.7 million respectively as compared to S\$16.1 million and S\$24.0 million over the corresponding periods last year. Gross profit margins for the three months and six months ended 30 September 2015 were 22.0% and 22.6% respectively as compared to 22.5% and 23.0% in the respective corresponding periods last year.

Distribution expenses for the three months and six months ended 30 September 2015 were S\$21.7 million and S\$37.3 million respectively as compared to S\$14.4 million and S\$28.0 million over the respective corresponding periods last year. The increase is mainly due to increase in turnover as well as additional doubtful debt provisions of about S\$4.0 million as a prudent measure against the recent weakening economy in the PRC.

Administrative expenses for the three months and six months ended 30 September 2015 were S\$23.6 million and S\$43.4 million respectively as compared to S\$19.9 million and S\$38.2 million over the respective corresponding periods last year. This is mainly due to increase in staff cost, office rental and IT expenses.

Finance costs for the three months and six months ended 30 September 2015 were S\$1.8 million and S\$3.0 million respectively as compared to S\$1.4 million and S\$2.8 million over the respective corresponding periods last year mainly due to additional interest expenses incurred after the draw down of the S\$85 million three-year term loan facility in July 2015.

Net other operating income for the three months and six months ended 30 September 2015 was both S\$14.1 million as compared to both S\$10.6 million over the same periods last year mainly due to (a) a gain of S\$4.0 million arising from the disposal of a factory building in the PRC this year; (b) a gain on foreign exchange of S\$8.8 million due to stronger US dollars against Asian currencies, in particular the Malaysia Ringgit; and (c) a gain of S\$9.2 million last year arising from the disposal of the factory building in Singapore.

Share of profits of associates for the three months and six months ended 30 September 2015 were S\$1.6 million and S\$2.4 million respectively as compared to losses of S\$0.5 million and S\$0.3 million over the respective corresponding periods last year mainly due to the improved performance of STL Group and AZ Limited, the Group's 40%-owned associate in Russia.

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

Not applicable.

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 Group expects the business environment in the near term will be challenging. Sales in emerging markets are negatively impacted by volatile exchange rates against US dollars. Sales growth of primary batteries globally is slowing down. New electronic products become more energy efficient and, therefore, consume less batteries. New applications are shifting towards rechargeable batteries. Increasing idle capacities of competitors, mainly in Asia, will result in fierce competition.

The Group will continue to invest in brand building and distribution development in selected regions. More resources will be allocated to grow the rechargeable batteries business. The Group has decided to relocate its Hong Kong Headquarters to Hong Kong Science Park in early 2016 for long term development and advancement.

The Group's balance sheet remains healthy and strong cashflow surplus was generated for the first half of the year.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of Dividend	Interim
Dividend type	Cash
Dividend amount per share (in cents)	3.0 cents
Tax rate	Tax-exempt (one-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Interim
Dividend type	Cash
Dividend amount per share (in cents)	1.25 cents
Tax rate	Tax-exempt (one-tier)

(c) Date payable

To announce later.

(d) Books closure date

To announce later.

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

Not applicable.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company does not have a shareholders’ mandate for IPT.

14. Confirmation by the Board Pursuant to Rule 705(5)

We, Victor Lo Chung Wing 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 our knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial statements for second quarter ended 30 September 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Victor Lo Chung Wing
Chairman and Chief Executive Officer

Richard Ku Yuk Hing
Vice Chairman

5 November 2015