



GP Industries Limited
(Incorporated in the Republic of Singapore)
Co. Reg. No. 199502128C

Second Quarter and Half Year Financial Statement and Dividend Announcement for the Financial Period ended 30 September 2015

1(a) An income statement and 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.

	Notes	Q2 ended 30.09.15 S\$'000	Q2 ended 30.09.14 S\$'000	Change %	H1 ended 30.09.15 S\$'000	H1 ended 30.09.14 S\$'000	Change %
Revenue		282,542	250,865	12.6	532,946	484,466	10.0
Cost of sales		(212,757)	(187,861)	13.3	(399,917)	(362,022)	10.5
Gross profit		69,785	63,004	10.8	133,029	122,444	8.6
Other operating income	a	1,761	2,153	(18.2)	3,456	4,035	(14.3)
Distribution costs	b	(31,085)	(23,273)	33.6	(55,006)	(45,159)	21.8
Administrative expenses	c	(34,010)	(29,285)	16.1	(63,529)	(56,102)	13.2
Exchange gain	d	10,748	1,448	642.3	9,653	288	3,251.7
Other operating expenses	e	(1,282)	(1,025)	25.1	(2,757)	(2,242)	23.0
Profit before finance costs, exceptional items and share of results of associates		15,917	13,022	22.2	24,846	23,264	6.8
Finance costs	f	(2,845)	(2,248)	26.6	(5,106)	(4,435)	15.1
Exceptional items	g	4,121	8,421	(51.1)	5,360	8,421	(36.3)
Share of results of associates	h	5,830	2,937	98.5	12,986	7,862	65.2
Profit before taxation	i	23,023	22,132	4.0	38,086	35,112	8.5
Income tax expense	j	(4,505)	(4,271)	5.5	(8,262)	(8,298)	(0.4)
Profit after taxation		18,518	17,861	3.7	29,824	26,814	11.2
Attributable to:							
Equity holders of the Company		11,967	9,753	22.7	18,960	15,029	26.2
Non-controlling interests		6,551	8,108	(19.2)	10,864	11,785	(7.8)
		18,518	17,861	3.7	29,824	26,814	11.2

- (Note a) Decrease in other operating income was due partly to decrease in interest income and partly to decrease in rental income.
- (Note b) Increase in distribution costs was due partly to increase in sales and partly to GP Batteries International Limited's ("GP Batteries") additional doubtful debt provisions of approximately S\$4.0 million during Q2 ended 30 September 2015 as a prudent measure against the recent weakening economy in China.
- (Note c) Comparing H1 ended 30 September 2015 and 2014, Hong Kong dollar and Renminbi appreciated by approximately 9% and 8% against Singapore dollar respectively. The increase in administrative expenses were due partly to the translation of the Hong Kong dollar and Renminbi denominated expenses incurred by the subsidiaries operating in Hong Kong and China into Singapore dollar for reporting purposes.
- (Note d) The exchange gain for Q2 and H1 ended 30 September 2015 comprised mainly GP Batteries' exchange gains of approximately S\$9.2 million and S\$8.8 million respectively due to stronger US dollar against Asian currencies, in particular the Malaysian Ringgit.
- (Note e) Increase in other operating expenses was due mainly to losses on derivative financial instruments.
- (Note f) Increase in finance costs was due partly to increase in the Group's gross bank borrowing and partly to increase in interest rates.
- (Note g) Exceptional items comprised:

	Q2 ended 30.09.15 S\$'000	Q2 ended 30.09.14 S\$'000	H1 ended 30.09.15 S\$'000	H1 ended 30.09.14 S\$'000
Write-back of unutilised warranty cost provision relating to the disposal of a joint venture in 2013	57	-	1,296	-
Gain on disposal of property, plant and equipment	-	1,336	-	1,336
Restructuring costs	-	(998)	-	(998)
Allowance for impairment loss recognised on assets classified as held for sale	-	(1,129)	-	(1,129)
GP Batteries' gain on disposal of property, plant and equipment	4,064	9,212	4,064	9,212
	4,121	8,421	5,360	8,421

- (Note h) Increase in share of results of associates for Q2 and H1 was due mainly to profit contributed by Meiloon Industrial Co., Ltd. and the associates of the battery business during Q2 and H1 ended 30 September 2015. These associates contributed losses in the corresponding periods last year.

(Note i) Profit before taxation was arrived at after crediting (charging) the following:

	Q2 ended 30.09.15 S\$'000	Q2 ended 30.09.14 S\$'000	H1 ended 30.09.15 S\$'000	H1 ended 30.09.14 S\$'000
Interest income included in other operating income	397	670	779	1,259
Depreciation and amortisation	(6,565)	(6,457)	(12,892)	(12,651)
Allowance for and write-off of bad debt, net	(3,928)	(555)	(3,970)	(748)
Allowance for and write-off of inventory obsolescence, net	(1,141)	(607)	(1,322)	(1,312)
Gain on disposal and write-off of property, plant and equipment, net ⁽¹⁾	3,853	10,378	3,728	10,344

⁽¹⁾ Inclusive of gains on disposal of property, plant and equipment which are included under exceptional items.

(Note j) There was no significant adjustment for under- or over-provision of income tax expense in respect of prior years for H1 this year except for an over-provision of approximately S\$1,201,000 (2014: S\$666,000).

Group statement of comprehensive income for Q2 and H1 ended 30 September 2015.

	Notes	Q2 ended 30.09.15 S\$'000	Q2 ended 30.09.14 S\$'000	H1 ended 30.09.15 S\$'000	H1 ended 30.09.14 S\$'000
Profit after taxation for the financial period		18,518	17,861	29,824	26,814
Other comprehensive income (loss): Items that may be reclassified subsequently to profit or loss:					
Exchange translation surplus (deficit)		6,854	6,337	(784)	4,487
Fair value (loss) gain on available-for-sale financial assets		(534)	41	(959)	(531)
Share of other comprehensive income (loss) of associates	k	3,233	2,283	(50)	1,208
Other comprehensive income (loss) for the financial period, net of tax		9,553	8,661	(1,793)	5,164
Total comprehensive income for the financial period		28,071	26,522	28,031	31,978
Attributable to:					
Equity holders of the Company		19,592	14,236	19,249	17,460
Non-controlling interests		8,479	12,286	8,782	14,518
		28,071	26,522	28,031	31,978

(Note k) Share of other comprehensive income (loss) of associates comprised exchange translation surplus (deficit).

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.

As at	Notes	Group		Company	
		30.09.15 S\$'000	31.03.15 S\$'000	30.09.15 S\$'000	31.03.15 S\$'000
Non-current Assets					
Investment properties		1,785	1,747	-	-
Property, plant and equipment		253,686	246,960	248	279
Interest in subsidiaries	a	-	-	329,271	290,552
Interest in associates		236,292	229,206	29,031	29,031
Available-for-sale financial assets		4,904	5,699	-	-
Financial asset at fair value through profit or loss		-	-	-	-
Non-current receivables		-	158	-	-
Deferred tax assets		4,831	3,662	-	-
Deposits and prepayments		352	705	-	-
Intangible assets	b	22,186	15,053	-	-
		524,036	503,190	358,550	319,862
Current Assets					
Inventories	c	159,883	139,998	-	-
Receivables and prepayments	d	218,822	183,183	4,284	43,778
Dividend receivable		854	1,650	21,565	28,990
Taxation recoverable	e	1,149	4,306	-	-
Amount due from ultimate holding company		25	149	-	-
Bank balances, deposits and cash	f	169,893	136,671	3,127	5,614
		550,626	465,957	28,976	78,382
Assets classified as held for sale		-	70	-	-
		550,626	466,027	28,976	78,382
Current Liabilities					
Trade and other payables	g	238,774	190,382	12,400	11,360
Obligations under finance leases		147	199	-	-
Income tax payable	h	6,774	4,264	1,089	1,296
Derivative financial instruments		435	195	-	-
Amount due to ultimate holding company		3,843	980	12	8
Bank overdrafts, bank loans and other loans		163,032	168,659	28,784	26,075
		413,005	364,679	42,285	38,739
Net Current Assets (Liabilities)		137,621	101,348	(13,309)	39,643
Non-current Liabilities					
Bank and other loans	i	117,730	64,431	52,000	60,000
Obligations under finance leases		163	121	-	-
Deferred tax liabilities		3,797	4,433	79	79
		121,690	68,985	52,079	60,079
Net Assets		539,967	535,553	293,162	299,426
Represented by:					
Issued capital		286,307	286,307	286,307	286,307
Treasury shares	j	(20,065)	(18,548)	(20,065)	(18,548)
Reserves		98,928	85,666	26,920	31,667
Equity attributable to equity holders of the Company		365,170	353,425	293,162	299,426
Non-controlling interests		174,797	182,128	-	-
Total Equity		539,967	535,553	293,162	299,426

- (Note a) Increase in the Company's interest in subsidiaries was due mainly to (i) market purchase of 1,461,200 GP Batteries shares amounted to approximately S\$1.5 million; and (ii) approximately S\$37.2 million capital contribution into wholly owned subsidiaries.
- (Note b) Increase in intangible assets was due mainly to the acquisition of the KEF, Celestion and GP brands during Q2 ended 30 September 2015.
- (Note c) Increase in inventories was due mainly to new acoustics products to be launched during the second half of the financial year ending 31 March 2016.
- (Note d) Increase in receivables and prepayments of the Group was due mainly to increase in trade receivables as a result of sales fluctuations.

Receivables and prepayments of the Company as at 31 March 2015 comprised mainly amounts due from subsidiaries. The decrease in the Company's receivables and prepayments was due mainly to the capitalisation of the amounts due from a subsidiary during H1 ended 30 September 2015.

- (Note e) Decrease in taxation recoverable was due mainly to refunds received.
- (Note f) Increase in the Group's bank balances, deposits and cash was due mainly to the drawdown of a S\$85 million term loan by GP Batteries during Q2 ended 30 September 2015.
- (Note g) Increase in the Group's trade and other payables was due mainly to increase in trade payables as a result of sales fluctuations.
- (Note h) Increase in the Group's income tax payable was due mainly to taxation expenses provided by the Company and its subsidiaries on profit for H1 ended 30 September 2015, net of amounts paid.
- (Note i) Increase in the Group's bank and other loans repayable after one year was due mainly to the drawdown of the S\$85 million term loan by GP Batteries (note f).
- (Note j) During H1 ended 30 September 2015, the Company purchased 2,178,100 issued shares via open market purchase and the shares so purchased were kept as treasury shares as at 30 September 2015.

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

As at	30.09.15 S\$'000	31.03.15 S\$'000
Amount repayable in one year or less, or on demand:		
Secured	147	199
Unsecured	163,032	168,659
	163,179	168,858
Amount repayable after one year:		
Secured	163	121
Unsecured	117,730	64,431
	117,893	64,552

Details of any collateral

As at	30.09.15 S\$'000	31.03.15 S\$'000
Net book value of property, plant and equipment held under finance leases:		
(i) Motor vehicles	322	200
(ii) Furniture, fixtures and equipment	2	3
(iii) Machinery and equipment	310	356

Other comments to paragraph 1(b)(ii)

As at 30 September 2015, bank balances, deposits and cash of the Group amounted to S\$169,893,000 (31 March 2015: S\$136,671,000), resulting in net borrowings of S\$111,179,000 (31 March 2015: S\$96,739,000).

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

	Q2 ended 30.09.15 S\$'000	Q2 ended 30.09.14 S\$'000
Operating activities		
Profit before taxation	23,023	22,132
Adjustments for:		
Share of results of associates	(5,830)	(2,937)
Depreciation of property, plant and equipment	6,498	6,457
Amortisation of intangible assets	67	-
Finance costs	2,845	2,248
Interest income	(397)	(670)
Gain on disposal and write-off of property, plant and equipment, net	(3,853)	(10,378)
Write-back of unutilised warranty cost provision relating to the disposal of a joint venture in 2013	(57)	-
Allowance for impairment loss on intangible assets	4	4
Allowance for and write-off of inventory obsolescence, net	1,141	607
Allowance for and write-off of bad-debt, net	3,928	555
Restructuring costs	-	998
Allowance for impairment loss recognised on assets classified as held for sale	-	1,129
Gain on disposal of a subsidiary	-	(10)
Realised loss (gain) on derivative financial instruments	184	(68)
Unrealised fair value loss (gain) on derivative financial instruments	160	(85)
Allowance for impairment loss on property, plant and equipment	-	20
Operating cash flows before movements in working capital	27,713	20,002
Inventories	(7,817)	(5,554)
Receivables and prepayments	(18,154)	(12,266)
Trade and other payables	9,747	6,654
Amount due to ultimate holding company	2,471	(582)
Translation of foreign subsidiaries	(5,260)	(1,545)
Cash generated from operations	8,700	6,709
Income tax paid	(3,070)	(4,809)
Interest paid	(2,031)	(2,253)
Interest received	385	519
Net cash generated from operating activities	3,984	166
Investing activities		
Instalments received from disposal of a subsidiary in the financial year ended 31 March 2015	499	-
Uplift of fixed deposit with original maturity period over three months	326	-
Acquisition of intangible assets	(6,439)	-
Disposal of a subsidiary, net of cash disposed	-	(286)
Deposits for purchase of property, plant and equipment	200	(244)
Purchase of property, plant and equipment	(9,690)	(6,098)
Purchase of available-for-sale financial assets	-	(680)
Dividends received from associates	4,245	8,411
Proceeds from disposal of property, plant and equipment	3,393	13,009
Proceeds from disposal of an investment property	-	1,741
Net cash (used in) generated from investing activities	(7,466)	15,853

	Q2 ended 30.09.15 S\$'000	Q2 ended 30.09.14 S\$'000
Financing activities		
Drawdown of long-term bank and other loans	92,076	-
Repayment of long-term bank and other loans	(5,947)	(11,465)
Repayment of short-term bank loans, net	(47,174)	(2,144)
Capital contribution by non-controlling interests	-	76
Acquisition of additional interest in a subsidiary	-	(1,504)
Obligations under finance leases	(46)	(95)
Dividend paid	(8,745)	(7,941)
Dividend paid to non-controlling interests	(1,543)	(739)
Purchase of treasury shares	(529)	(1,637)
A subsidiary's purchase of its own shares from non-controlling interests	(3,187)	-
Net cash generated from (used in) financing activities	24,905	(25,449)
Net increase (decrease) in cash and cash equivalents	21,423	(9,430)
Cash and cash equivalents at beginning of financial period	144,272	145,551
Effects of exchange rate changes on the balance of cash held in foreign currencies	2,807	2,380
Cash and cash equivalents at end of financial period	168,502	138,501
Cash and cash equivalents at end of financial period comprised:		
Bank balances, deposits and cash	169,893	139,681
Less: Bank overdrafts	(1,391)	(1,180)
	168,502	138,501

1(d)(i) A statement (for the issuer and the group) of changes in equity together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to equity holders of the Company											Non-controlling interests S\$'000	Total equity S\$'000
	Issued capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Legal reserve S\$'000	Capital reserve on consolidation S\$'000	Exchange translation reserve S\$'000	Available-for-sale financial assets reserve S\$'000	Share-based payment reserve S\$'000	Property revaluation reserve S\$'000	Retained profits S\$'000	Total S\$'000		
Group													
Balance at 01.07.15	286,307	(19,536)	3,132	14,149	19,595	(87,842)	385	1,467	596	135,035	353,288	172,612	525,900
Total comprehensive income (loss)													
Profit for the financial period	-	-	-	-	-	-	-	-	-	11,967	11,967	6,551	18,518
Other comprehensive income (loss):													
Exchange translation surplus	-	-	-	-	-	3,819	-	-	-	-	3,819	3,035	6,854
Fair value loss on available-for-sale financial assets	-	-	-	-	-	-	(337)	-	-	-	(337)	(197)	(534)
Share of other comprehensive income (loss) of associates	-	-	-	-	-	4,143	-	-	-	-	4,143	(910)	3,233
Other comprehensive income (loss) for the financial period	-	-	-	-	-	7,962	(337)	-	-	-	7,625	1,928	9,553
Total comprehensive income (loss) for the financial period	-	-	-	-	-	7,962	(337)	-	-	11,967	19,592	8,479	28,071
Transactions with owners, recognised directly in equity													
Contributions by and distributions to owners:													
Purchase of treasury shares	-	(529)	-	-	-	-	-	-	-	-	(529)	-	(529)
Dividends paid	-	-	-	-	-	-	-	-	-	(8,745)	(8,745)	(1,543)	(10,288)
Total contributions by and distributions to owners	-	(529)	-	-	-	-	-	-	-	(8,745)	(9,274)	(1,543)	(10,817)
Changes in ownership interests in subsidiaries:													
Deemed acquisition of additional interest in a subsidiary	-	-	-	-	1,564	-	-	-	-	-	1,564	(4,751)	(3,187)
Total transactions with owners	-	(529)	-	-	1,564	-	-	-	-	(8,745)	(7,710)	(6,294)	(14,004)
Transfer to reserve	-	-	-	618	-	-	-	-	-	(618)	-	-	-
Balance at 30.09.15	286,307	(20,065)	3,132	14,767	21,159	(79,880)	48	1,467	596	137,639	365,170	174,797	539,967

	Attributable to equity holders of the Company											Non-controlling interests S\$'000	Total equity S\$'000
	Issued capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Legal reserve S\$'000	Capital reserve on consolidation S\$'000	Exchange translation reserve S\$'000	Available-for-sale financial assets reserve S\$'000	Share-based payment reserve S\$'000	Property revaluation reserve S\$'000	Retained profits S\$'000	Total S\$'000		
Group													
Balance at 01.07.14	286,307	(12,701)	3,132	13,903	9,650	(101,518)	407	1,855	-	123,503	324,538	176,335	500,873
Total comprehensive income (loss)													
Profit for the financial period	-	-	-	-	-	-	-	-	-	9,753	9,753	8,108	17,861
Other comprehensive income (loss):													
Exchange translation surplus	-	-	-	-	-	2,149	-	-	-	-	2,149	4,188	6,337
Fair value gain on available-for-sale financial assets	-	-	-	-	-	-	23	-	-	-	23	18	41
Share of other comprehensive income (loss) of associates	-	-	-	-	-	2,311	-	-	-	-	2,311	(28)	2,283
Other comprehensive income for the financial period	-	-	-	-	-	4,460	23	-	-	-	4,483	4,178	8,661
Total comprehensive income for the financial period	-	-	-	-	-	4,460	23	-	-	9,753	14,236	12,286	26,522
Transactions with owners, recognised directly in equity													
Contributions by and distributions to owners:													
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	76	76
Purchase of treasury shares	-	(1,637)	-	-	-	-	-	-	-	-	(1,637)	-	(1,637)
Dividends paid	-	-	-	-	-	-	-	-	-	(7,941)	(7,941)	(739)	(8,680)
Transfer from reserve upon lapse of share options	-	-	-	-	-	-	-	(388)	-	388	-	-	-
Total contributions by and distributions to owners	-	(1,637)	-	-	-	-	-	(388)	-	(7,553)	(9,578)	(663)	(10,241)
Changes in ownership interests in subsidiaries:													
Acquisition of additional interest in a subsidiary	-	-	-	-	1,537	-	-	-	-	-	1,537	(3,041)	(1,504)
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	(170)	(170)
Total changes in ownership interests in subsidiaries	-	-	-	-	1,537	-	-	-	-	-	1,537	(3,211)	(1,674)
Total transactions with owners	-	(1,637)	-	-	1,537	-	-	(388)	-	(7,553)	(8,041)	(3,874)	(11,915)
Transfer to reserve	-	-	-	123	-	-	-	-	-	(123)	-	-	-
Balance at 30.09.14	286,307	(14,338)	3,132	14,026	11,187	(97,058)	430	1,467	-	125,580	330,733	184,747	515,480

	Issued capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Share-based payment reserve S\$'000	Retained profits S\$'000	Total equity S\$'000
Company						
Balance at 01.07.15	286,307	(19,536)	614	-	31,703	299,088
Profit and total comprehensive income for the financial period	-	-	-	-	3,348	3,348
Transactions with owners, recognised directly in equity						
Purchase of treasury shares	-	(529)	-	-	-	(529)
Dividend paid	-	-	-	-	(8,745)	(8,745)
Total transactions with owners	-	(529)	-	-	(8,745)	(9,274)
Balance at 30.09.15	286,307	(20,065)	614	-	26,306	293,162
Balance at 01.07.14	286,307	(12,701)	614	388	37,805	312,413
Profit and total comprehensive income for the financial period	-	-	-	-	3,175	3,175
Transactions with owners, recognised directly in equity						
Purchase of treasury shares	-	(1,637)	-	-	-	(1,637)
Dividend paid	-	-	-	-	(7,941)	(7,941)
Total transactions with owners	-	(1,637)	-	-	(7,941)	(9,578)
Transfer from reserve upon lapse of share options	-	-	-	(388)	388	-
Balance at 30.09.14	286,307	(14,338)	614	-	33,427	306,010

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 Company's issued capital during the period 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 2014.

As at 30 September 2015, the Company held 36,097,200 of its issued shares as treasury shares (30 September 2014: 26,939,000).

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	30.09.15	31.03.15
Total number of issued shares	521,358,482	521,358,482
Less: treasury shares	(36,097,200)	(33,919,100)
Total number of issued shares excluding treasury shares	485,261,282	487,439,382

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, disposal, 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.

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 commenced 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.

Earnings per share (“EPS”)	Q2 ended 30.09.15 Singapore cents	Q2 ended 30.09.14 Singapore cents	H1 ended 30.09.15 Singapore cents	H1 ended 30.09.14 Singapore cents
Basic EPS	2.46	1.97	3.90	3.02
Diluted EPS	2.46	1.97	3.90	3.02

Basic EPS is computed based on the weighted average number of shares in issue during the financial period. The weighted average number of ordinary shares represents the number of ordinary shares in issue at the beginning of the financial period, adjusted for new ordinary shares issued during the financial period multiplied by a time-weighted factor. The adjustments to the weighted average number of shares for computing diluted EPS are as follows:

	Q2 ended 30.09.15	Q2 ended 30.09.14	H1 ended 30.09.15	H1 ended 30.09.14
Weighted average number of ordinary shares used in calculating basic EPS	485,676,996	496,177,082	486,246,198	497,576,323
Adjustment for dilutive potential ordinary shares	-	-	-	-
Weighted average number of ordinary shares used in calculating diluted EPS	485,676,996	496,177,082	486,246,198	497,576,323

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.**

As at	Group		Company	
	30.09.15 Singapore cents	31.03.15 Singapore cents	30.09.15 Singapore cents	31.03.15 Singapore cents
Net asset value per ordinary share based on 485,261,282 issued shares excluding treasury shares as at 30 September 2015 (31 March 2015: 487,439,382)	75.25	72.51	60.41	61.43

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.**

Review of Results

The Group's revenue for the six-month period ended on 30 September 2015 ("H1FY2016") increased to S\$533 million, an increase of 10% over the revenue reported in the financial period ended 30 September 2014 ("H1FY2015"). When expressed in US dollar, revenue for H1FY2016 increased by 1% over H1FY2015 as a result of the appreciation of the US dollar against the Singapore dollar.

During H1FY2016, the Group reported a net exceptional gain of S\$5.4 million, which comprised a S\$1.3 million write-back of unutilised warranty provision upon the expiry of the warranty period relating to the disposal of a joint venture in 2013, and a property disposal gain of S\$4.1 million reported by GP Batteries International Limited ("GP Batteries"). During H1FY2015, the Group reported a net exceptional gain of S\$8.4 million, which included property disposal gains, impairment charge and restructuring costs.

Profit after taxation attributable to equity holders for H1FY2016 increased by 26% to S\$19.0 million over the S\$15.0 million reported for H1FY2015.

Based on the weighted average of 486,246,198 shares in issue (H1FY2015: 497,576,323 shares), basic earnings per share for H1FY2016 was 3.90 Singapore cents, compared to 3.02 Singapore cents per share for H1FY2015.

Business Review

Electronics and Acoustics Business - Revenue from the electronics and acoustics business in H1FY2016 increased by 3% in Singapore dollar terms over H1FY2015. In US dollar terms, which is the main trading currency of this business, sales declined by 6% when compared to H1FY2015. Sales of electronics products decreased by 9% while sales of acoustics products increased by 3%. Sales of acoustics products to the US increased by 8%, sales to Europe declined by 4% and sales to Asia increased by 6%, all in US dollar terms. Aggregate profit contribution from the associates for H1FY2016 increased slightly. Excluding exceptional items, total profit contribution from the electronics and acoustics business decreased by 1%. During H1FY2015, this business segment reported a net exceptional gain of S\$0.3 million, attributable to a S\$1.3 million property disposal gain and S\$1.0 million restructuring costs.

Automotive Wire Harness Business - The revenue from the export-oriented automotive wire harness business grew by 14% in Singapore dollar terms when compared to H1FY2015. In US dollar terms, sales grew by 4%. Sales growth was driven mainly by sales increase to China despite slow sales to customers in the US. Excluding exceptional items, profit contribution from the automotive wire harness business declined by 18% when compared to H1FY2015 due mainly to rising labour cost in China. During H1FY2016, this business segment wrote-back a S\$1.3 million unutilised warranty cost provision relating to the disposal of the previously 50%-owned automotive wire harness manufacturing joint venture, Shanghai Jinting Automobile Harness Limited, in 2013.

Battery Business - The revenue of GP Batteries for H1FY2016 was S\$402 million, 12% higher than the revenue in H1FY2015 in Singapore dollar terms or 3% higher in US dollar terms. Sales of primary and rechargeable batteries increased by 11% and 18% in Singapore dollar terms respectively. In geographical terms, sales to the Americas, Europe and Asia increased by 13%, 4% and 14% respectively, all in Singapore dollar terms.

During H1FY2016, GP Batteries reported a net foreign exchange gain of S\$8.8 million due to stronger US dollar against Asian currencies, in particular the Malaysian Ringgit.

During H1FY2016, GP Batteries reported an exceptional property disposal gain of S\$4.1 million, compared to a S\$9.2 million exceptional property disposal gain reported in H1FY2015.

Improved performance of the associates of GP Batteries resulted in a share of profit from associates of S\$2.4 million, compared to a loss of S\$0.3 million in H1FY2015.

For H1FY2016, GP Batteries reported a profit attributable to its equity holders of S\$12.6 million, compared to S\$11.5 million for H1FY2015.

Other Industrial Investments - This business segment includes the Group's investments in Meiloon Industrial Co., Ltd. ("Meiloon") and Linkz Industries Limited ("Linkz"). Meiloon reported a small profit before taxation during H1FY2016 compared to a loss in H1FY2015 while Linkz reported higher pre-tax profit. As a result, profit contribution from this business segment reported a small profit in H1FY2016 compared to a small loss in H1FY2015.

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.

Market demand in Europe will likely remain weak. Market demand in China may soften whilst that in the US may strengthen. Manufacturing costs in China continue to rise but can be partly offset by lower commodity prices. A slightly weaker Renminbi also helps reduce costs.

The Group will continue its strategy to invest into technology and product development, building the Group's brands and further strengthen its distribution network. The acquisition of the KEF, Celestion and GP brands in July 2015 rationalised the ownership structure of the brands and reinforced the Group's commitment to continue investing into the development of the Group's brands and distribution network.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share	1.6 Singapore cents per ordinary share tax-exempt (1-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share	1.6 Singapore cents per ordinary share tax-exempt (1-tier)

(c) Date payable

To be announced later.

(d) Books closure date

To be announced later.

(e) Other comments relating to Dividend

The Directors are pleased to recommend an interim tax-exempt (1-tier) dividend of 1.6 Singapore cents per share amounting to approximately S\$7.8 million (2014: interim tax-exempt (1-tier) dividend of 1.6 Singapore cents per share amounting to approximately S\$7.9 million) for its financial year ending 31 March 2016. The dividend will be paid in cash.

The dividend payment date and the notice of closure of the Register of Members and Transfer Books of the Company for the purpose of determining the entitlement to the dividend will be announced at a later date.

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

Not applicable.

13. Interested person transactions

Pursuant to the shareholders' mandate on interested person transactions approved by the shareholders at the Annual General Meeting held on 30 July 2015, the interested person transactions entered into by the Group during the financial period ended 30 September 2015 are as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 during the financial period under review (excluding transactions less than S\$100,000)	
	H1 ended 30.09.15 S\$'000	H1 ended 30.09.14 S\$'000	H1 ended 30.09.15 S\$'000	H1 ended 30.09.14 S\$'000
Licence fee expense: KEF Celestion Corporation (formerly known as KH Technology Corporation)	213	412	-	-
Sales: Light Engine Ltd	-	-	35	209
Gold Peak Industries (Holdings) Limited	-	-	54	-
Rental expenses and building management fee: Gold Peak Industries (Holdings) Limited	-	371	-	-
Peak Power Investment Limited	-	66	-	-
Acquisition of KEF, Celestion and GP brands: Gold Peak Industries (Holdings) Limited	6,439	-	-	-

14. Negative confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

We, Victor Lo Chung Wing and Leung Pak Chuen, being two directors of GP Industries 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 unaudited financial results for the financial period ended 30 September 2015 to be false or misleading in any material aspect.

15. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Victor Lo Chung Wing
Chairman

Leung Pak Chuen
Executive Vice Chairman

6 November 2015