GUD Holdings Limited
A.B.N. 99 004 400 891

245 Sunshine Road,
Tottenham, Vic 3012
Australia.

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Internet: www.gud.com.au

24 January 2012

Manager, Company Announcements
ASX Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Sir

Interim Results

Attached please find Half Year Report Appendix 4D, together with media release and statement of accounts, Directors' Report and Declaration, and Independent Auditor's Review Report relating to the results for the half year ended 31 December 2011.

Yours faithfully

Malcolm G Tyler
Company Secretary

Att:

Appendix 4D - Half-Year Report

GUD Holdings Limited
(ABN 99 004 400 891)

Half-Year Ended 31 December 2011
(Previous corresponding period: Half-Year ended 31 December 2010)

Results for announcement to the market

For the half-year ended 31 December 2011

Results	Percentage Change		$'000
Revenue	Up 3.7%	to	311,100
*Underlying profit before interest and tax	Down 10.3%	to	39,130
*Underlying profit after tax	Down 13.5%	to	23,829
Reported net profit for the period attributable to members	Down 1.3%	to	23,040

** Underlying profit is net profit excluding acquisition, integration and restructuring costs*

Dividends	Amount per security	Percentage franked
Interim dividend	30 cents	100%
Date the dividend is payable:		March 6, 2012
Record date for determining entitlements to the dividend:		February 20, 2012
Trading ex dividend		February 14, 2012

Amount of dividend per security	Amount per security	Percentage franked
Interim Dividend		
In respect of the 2012 financial year as at 31 December 2011	30 cents	100%
In respect of the 2011 financial year as at 31 December 2010	29 cents	100%
Final Dividend		
In respect of the 2011 financial year as at 30 June 2011	35 cents	100%
In respect of the 2010 financial year as at 30 June 2010	34 cents	100%

Net Tangible Assets Per Security	
As at 31 December 2011	$1.18
As at 31 December 2010	$1.25

Brief explanation of the figures reported above:

Refer to media release

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24th January 2012

GUD Holdings Limited results for half year ended 31 December 2011

Reported net profit after tax down 1% to $23 million

GUD Holdings Limited today announced a reported net profit after tax of $23.0 million for the half year to 31st December 2011, down from $23.3 million in the prior year.

The interim dividend has been restored to the pre-GFC level of 30 cents per share fully franked. This represents a payout ratio of 88% on underlying earnings per share.

Total group sales increased 4% to $309.3 million, including a full six months of Dexion sales. This partially compensates for the declines in the Consumer and Water businesses.

Underlying net profit after tax was down 13% from last year's record result, to $23.8 million, as a result of prevailing soft trading conditions across most businesses, particularly those exposed to consumer retail purchasing activity.

The gross profit margin has been maintained at 41.2% of sales despite increasing product cost pressures.

Underlying EBIT was down 10% from last year's record to $39.1 million. The underlying EBIT to sales margin was 12.6%, down from 14.6%, due to a combination of the full six months' contribution from Dexion and margin declines in the Consumer and Water businesses.

"Businesses exposed to the Australian retail trade continue to experience a difficult trading environment and this is evident in the results from our Consumer business, where we reduced prices to maintain competitiveness and volumes," Managing Director Ian Campbell said.

"Although the Dexion business experienced record low levels of major project activity since the acquisition, encouragingly it has won a substantial $60 million of new projects in November and December with more project confirmations expected in the second half," he said.

"These orders are not reflected in the current half's results and their impact will be seen in the latter part of FY12 and into the next financial year."

"Underlying EBIT margin for the group remains healthy at just under 13%. Although this is below our long term average, the improvements anticipated in Dexion's margin will support a recovery in EBIT performance," Mr Campbell said.

"Pleasingly we have been able to restore the interim dividend to the pre-GFC level of 30 cents per share, despite having an increased number of shares on issue. Our objective remains to improve dividends over time," he said.

Segment Summary - for the half year to 31 December

	Revenue			Underlying EBIT		
$ million	**FY11**	**FY12**	**% change**	**FY11**	**FY12**	**% change**
Consumer	128.2	117.6	-8%	22.7	19.3	-15%
Water	57.4	52.9	-8%	7.0	5.2	-26%
Automotive	41.7	43.2	4%	13.7	14.2	4%
Industrial	71.5	95.7	34%	1.9	2.8	45%
Unallocated	1.3	1.8	40%	(1.7)	(2.3)	
TOTALS	**300.1**	**311.1**	**4%**	**43.6**	**39.1**	**-10%**

Notes: Minor differences are due to rounding.
Underlying EBIT is before acquisition, integration and restructuring costs.

Consumer Products Underlying EBIT down 15% to $19.3 million

Sales declined by 8% due to a combination of Sunbeam Australia reducing prices to maintain volumes and shelf exposure, in an increasingly competitive small appliance market, and Oates losing listings as a major retailer shifted its focus to a housebrand-only offer.

Sunbeam has been able to maintain its market leadership position despite a small decline in unit sales in the face of growing housebrand competition.

Gross profit margin is in line with last year and overhead costs are down over the period reflecting tight management control over these variables.

Sunbeam expects that further price reductions will not be necessary in the second half despite prevailing tight retail conditions.

Water Products Underlying EBIT down 26% to $5.2 million

Similar to the full year results, the financial performance of Davey is solely related to depressed demand conditions as reflected in sales levels.

Gross profit margin is in line with last year and costs have been actively and closely managed.

The La Niña weather effect has persisted in the current year, albeit at a weaker level than in 2010, and this has led to ongoing reduced demand.

There was some evidence of a sales recovery in December 2011 and the business is planning a number of significant new product launches in the current half.

Automotive Products EBIT up 4% to $14.2 million

The Automotive business continues to perform soundly with 4% growth in both sales and EBIT.

In the current half this growth was generated principally by Wesfil which continues to benefit from its national warehouse network and high customer service levels.

Ryco continues to perform solidly in its distribution channels despite increasing focus on housebrand offers by major automotive distributors and retailers.

Industrial Products Underlying EBIT up 45% to $2.8 million

Sales and profit have increased due to the inclusion of two additional months of trading from Dexion.

Dexion's performance is not currently at the levels anticipated due to the record low levels of demand across most markets.

The business has been undergoing restructuring in both FY11 and FY12. The restructuring costs incurred in the first half relate to further projects in the Industrial segment of Dexion, while the transformation of the Commercial arm to a predominantly product import business continued, the costs of which were accrued for in FY11.

Benefits from the restructuring activities are evident in improving gross profit margins, but financial performance has been restricted by low demand, especially for major warehouse projects. This changed in November 2011 when projects that had been delayed or deferred for a prolonged period were finally confirmed.

Further project confirmations were received in December leading to a much improved order bank . These projects are spread across most segments of Dexion's business including Industrial and Commercial, Australia and Asia.

Additional orders are expected to be confirmed in the current half. The financial impact of the current order bank has not been reflected in the first half's results. The benefits will accrue in late FY12 and over FY13.

Outlook

"Trading conditions for Consumer and Water are expected to remain difficult through the second half and we continue to invest in new product activity to assist in offsetting these competitive conditions," Mr Campbell said.

"Our balance sheet position remains sound and we retain a strong focus on both product and overhead cost controls in all businesses."

"At this point we anticipate producing a full year underlying EBIT slightly ahead of FY11, with a stronger second half contribution from Dexion and a continued solid performance from Automotive," Mr Campbell said.

For further information:
Ian Campbell
Managing Director
GUD Holdings Limited
T: 03 9243 3332

Directors' Report

The Directors of GUD Holdings Limited present their report on the Consolidated Entity comprising GUD Holdings Limited and its subsidiaries for the half-year ended 31 December 2011. The Directors report as follows:

Directors
The names of the Directors of the Company at any time during or since the end of the half-year are:

Non-Executive Directors

C. K. Hall (Chairman) – retired 31 December 2011
R. M. Herron (Chairman from 1 January 2012)
P. A. F. Hay
M. G. Smith
G. A. Billings – appointed 20 December 2011
D. Robinson – appointed 20 December 2011

Executive Directors

I. A. Campbell (Managing Director)
R. J. Wodson (Finance Director) – retired 31 December 2011

Review of Operations
A review of operations on the Consolidated Entity during the half-year and the results of these operations are set out in the attached results announcement.

GUD First Half Results
The consolidated net profit for the half-year attributable to the shareholders of GUD Holdings Limited after providing for income tax was $23.040 million (2010: $23.337 million).

Segmental Results Summary
Segmental results for the half-year ended 31 December 2011 are set out in note 4 to the financial statements.

Dividend
On 24 January 2012, the Board of Directors declared a fully franked dividend of 30 cents per share. Record date is 20 February 2012 and the dividend will be paid on 6 March 2012.

Auditor's Declaration of Independence
A copy of the lead auditor's independence declaration under section 307C of the Corporations Act 2001 in relation to the review of the half-year is attached.

Rounding of Amounts
The Consolidated Entity is of a kind referred to in ASIC Class Order 98/100, dated 10 July 1998 and in accordance with that Class Order, amounts in the Directors' Report and the accompanying financial report have been rounded off to the nearest one thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Directors pursuant to section 306(3) of the Corporations Act 2001.

On behalf of the Directors

R.M. Herron
Chairman of Directors

I.A. Campbell
Managing Director
Melbourne, 24 January 2012

Directors' Declaration

In the opinion of the directors of GUD Holdings Limited (the "Company"):

a) the attached financial statements and notes are in accordance with the Corporations Act 2001, including:

1. giving a true and fair view of the financial position of the Consolidated Entity as at 31 December 2011 and of their performance for the half-year ended on that date; and
2. complying with Australian Accounting Standard AASB134 Interim Financial Reporting and the Corporations Regulations 2001; and

b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the Directors

R.M. Herron
Director

I.A. Campbell
Director

Melbourne, 24 January 2012

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of GUD Holdings Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2011 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

SEBell

Suzanne Bell
Partner

Melbourne

24 January 2012

Independent auditor's review report to the members of GUD Holdings Limited

We have reviewed the accompanying half-year financial report of GUD Holdings Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2011, condensed consolidated income statement and condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes 1 to 9 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity,* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2011 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of GUD Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of GUD Holdings Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

KPMG

Suzanne Bell
Partner

Melbourne

24 January 2012

Condensed Consolidated Income Statement

For the half-year ended 31 December 2011

	Notes	Half-Year Ended	
		31-Dec-11	31-Dec-10
		$'000	$'000
Revenue		**311,100**	300,072
Cost of goods sold		**(182,837)**	(176,684)
Gross Profit		**128,263**	123,388
Other income		**299**	121
Marketing and selling		**(34,904)**	(32,484)
Product development and sourcing		**(7,573)**	(5,049)
Logistics expenses and outward freight		**(26,207)**	(24,357)
Administration		**(19,803)**	(17,701)
Acquisition, integration and restructuring costs	2	**(1,089)**	(5,085)
Other		**(945)**	(281)
Results from operating activities		**38,041**	38,552
Net finance expense		**(5,978)**	(3,763)
Profit before income tax expense		**32,063**	34,789
Income tax expense		**(9,023)**	(11,452)
Profit for the period		**23,040**	23,337
Earnings per share:			
Basic earnings per share (cents per share)	3	**33.1**	34.4
Diluted earnings per share (cents per share)	3	**33.1**	34.4

Notes to the financial statements are annexed.

Condensed Consolidated Statement of Comprehensive Income

For the half-year ended 31 December 2011

	Half-Year Ended	
	31-Dec-11	31-Dec-10
	$'000	$'000
Profit for the period	**23,040**	23,337
Other comprehensive income		
Exchange differences on translating results of foreign operations	**(59)**	(1,179)
Net change in fair value of cash flow hedges	**1,390**	(5,833)
Net change in fair value of cash flow hedges transferred to inventory	**(191)**	(527)
Fair value adjustment of available for sale asset	**(14,291)**	19,056
Income tax on other comprehensive income	**3,925**	(3,808)
Other comprehensive income for the period, net of income tax	**(9,226)**	7,709
Total comprehensive income for the period	**13,814**	31,046

Notes to the financial statements are annexed.

Condensed Consolidated Balance Sheet

As at 31 December 2011

	Notes	31-Dec-11	30-Jun-11	31-Dec-10
		$'000	$'000	$'000
Current assets				
Cash and cash equivalents		**24,839**	16,081	13,599
Trade and other receivables		**106,999**	85,188	104,446
Other assets		**9,167**	7,902	8,437
Inventories		**98,547**	103,190	108,409
Total current assets		**239,552**	212,361	234,891
Non-current assets				
Other financial assets		**70,829**	83,324	73,324
Property, plant and equipment		**32,588**	32,122	38,273
Deferred tax assets		**2,432**	2,086	549
Goodwill		**106,738**	106,794	102,424
Other intangible assets	6	**65,096**	64,618	59,993
Total non-current assets		**277,683**	288,944	274,563
Total assets		**517,235**	501,305	509,454
Current liabilities				
Trade and other payables		**75,820**	82,996	80,178
Borrowings and loans	7	**13,333**	6,642	57,053
Current tax liabilities		**1,491**	723	5,400
Provisions		**18,824**	21,567	18,271
Total current liabilities		**109,468**	111,928	160,902
Non-current liabilities				
Borrowings and loans	7	**135,190**	111,509	80,046
Other financial liabilities		**1,198**	426	276
Deferred tax liabilities		**13,372**	16,391	16,159
Provisions		**3,477**	3,407	4,143
Total non-current liabilities		**153,237**	131,733	100,624
Total liabilities		**262,705**	243,661	261,526
Net assets		**254,530**	257,644	247,928
Equity				
Share capital		**177,316**	170,063	164,012
Reserves		**34,510**	43,736	36,546
Retained earnings		**42,704**	43,845	47,370
Total equity		**254,530**	257,644	247,928

Notes to the financial statements are annexed.

Condensed Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2011

	31-Dec-11 $'000	31-Dec-10 $'000
Retained Earnings		
Retained earnings at the beginning of the period	**43,845**	47,052
Profit for the period	**23,040**	23,337
Dividends paid	**(24,181)**	(23,019)
Retained earnings at the end of the period	**42,704**	47,370
Reserves		
Foreign currency translation reserve:		
Balance at the beginning of the period	**(1,458)**	(444)
Exchange differences on translating foreign operations	**(59)**	(1,179)
Balance at the end of the period	**(1,517)**	(1,623)
Cash flow hedge reserve:		
Balance at the beginning of the period	**-**	4,446
Fair value adjustments transferred to equity	**973**	(4,082)
Amounts transferred to inventory	**(136)**	(369)
Balance at the end of the period	**837**	(5)
Available for sale asset revaluation reserve:		
Balance at the beginning of the period	**45,194**	24,835
Fair value adjustment	**(10,004)**	13,339
Balance at the end of the period	**35,190**	38,174
Reserves at the end of the period	**34,510**	36,546
Share Capital		
Share capital at the beginning of the period - 69,089,611 (1 July 2010 - 65,885,213) fully paid shares	**170,063**	142,229
Dividend reinvestment plan	**7,253**	6,870
Share purchase plan	**-**	14,913
Share capital at the end of the period - 70,107,387 (31 December 2010 - 68,426,721) fully paid shares	**177,316**	164,012
Total equity	**254,530**	247,928
Total Equity Summary		
Balance at the beginning of the period	**257,644**	218,118
Profit for the period	**23,040**	23,337
Other Comprehensive Income	**(9,226)**	7,709
Total Comprehensive Income	**13,814**	31,046
Owner transactions		
Dividend reinvestment plan	**7,253**	6,870
Share purchase plan	**-**	14,913
Dividends paid	**(24,181)**	(23,019)
Total transactions with owners	**(16,928)**	(1,236)
Balance at the end of the period	**254,530**	247,928

The amounts recognised directly in equity are net of tax.
Notes to the financial statements are annexed.

Condensed Consolidated Cash Flow Statement

For the half-year ended 31 December 2011

	Half-Year Ended	
	31-Dec-11	31-Dec-10
	$'000	$'000
Cash flows from operating activities		
Receipts from customers	**319,857**	308,540
Payments to suppliers and employees	**(305,209)**	(278,310)
Income taxes paid	**(7,695)**	(11,515)
Net cash provided by operating activities	**6,953**	18,715
Cash flows from investing activities		
Payments for property, plant and equipment	**(3,972)**	(3,658)
Proceeds from sale of property, plant and equipment	**8**	50
Payments for intangible assets and product development costs	**(3,168)**	(2,048)
Dividend received from listed security investments	**1,755**	1,254
Acquisition costs	**-**	(84,118)
Net cash used in investing activities	**(5,377)**	(88,520)
Cash flows from financing activities		
Net proceeds of borrowings	**30,569**	64,914
Net proceeds of share issues	**-**	14,926
Interest received	**82**	227
Interest paid	**(6,599)**	(3,855)
Dividends paid	**(16,928)**	(16,149)
Net cash provided by/(used in) financing activities	**7,124**	60,063
Net increase/(decrease) in cash held	**8,700**	(9,742)
Cash at the beginning of the period	**16,081**	25,472
Cash/(overdraft) acquired as part of Dexion acquisition	**-**	(2,121)
Effects of exchange rate changes on the balance of cash held in foreign currencies	**58**	(10)
Cash at the end of the period	**24,839**	13,599
Reconciliation of net cash at the end of the period		
Cash at bank and on hand	**24,839**	13,599

Notes to the financial statements are annexed.

Notes to the financial statements

Reporting Entity

GUD Holdings Limited (the ‘Company’) is a company domiciled in Australia. The consolidated half-year financial report of the Company as at and for the half-year ended 31 December 2011 comprises the Company and its subsidiaries (together referred to as the ‘Consolidated Entity’).

Basis of Preparation

Statement of compliance

The consolidated half-year financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting. The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

The consolidated half-year financial report was authorised for issue by the Directors on 24 January 2012.

The Consolidated Entity is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with the Class Order, amounts in the financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Basis of measurement

The consolidated half-year financial report has been prepared on the basis of historical cost, except for derivative financial instruments which are measured at fair value.

Functional and presentation currency

The consolidated half-year financial report is presented in Australian dollars which is the Company’s functional currency and the functional currency of the majority of the Consolidated Entity.

1. Significant accounting policies

The accounting policies applied in preparing the financial statements for the half-year ended 31 December 2011 are consistent with those applied in preparing the comparative information presented in these financial statements and are the same as those applied by the Consolidated Entity in its consolidated financial report as at and for the year ended 30 June 2011.

2. Acquisition, integration and restructuring costs

	Half-Year Ended	
	31-Dec-11	31-Dec-10
	$'000	$'000
Acquisition costs	**89**	2,158
Integration and restructuring costs	**1,000**	2,927
Acquisition, integration and restructuring costs	**1,089**	5,085

3. Earnings per share (EPS)

	Half-Year Ended	
	31-Dec-11	31-Dec-10
	$'000	$'000
Profit for the period	**23,040**	23,337
Add back: acquisition, integration and restructuring costs	**1,089**	5,085
Less: tax effect on acquisition, integration and restructuring costs	**(300)**	(878)
Underlying profit for the period	**23,829**	27,544
	Number	Number
Weighted average number of shares used as the denominator for basic and diluted earnings per share - ordinary shares	**69,687,001**	67,768,721
	Cents per share	Cents per share
Earnings per share:		
Basic earnings per share (cents per share)	**33.1**	34.4
Diluted earnings per share (cents per share)	**33.1**	34.4
Underlying earnings per share:		
Basic underlying earnings per share (cents per share)	**34.2**	40.6
Diluted underlying earnings per share (cents per share)	**34.2**	40.6

4. Segment information

Business segments

Consumer Products (Sunbeam and Oates)
Small electrical appliances and cleaning products.

Automotive Products (Ryco, Wesfil, Goss)
Automotive and heavy duty filters for cars, trucks, agricultural and mining equipment, fuel pumps and associated products for the automotive after market.

Water Products (Davey)
Pumps and pressure systems for household and farm water, water transfer pumps, swimming pool pumps and filters, spa bath controllers and pumps and water purification equipment.

Industrial Products (Dexion and Lock Focus)
Manufacturer and provider of industrial storage and automation solutions plus disc tumbler locks for furniture, doors and safe locking systems.

4. Segment information (continued)

For the half-year ended 31 December 2011

Business segments	Consumer Products $'000	Automotive Products $'000	Water Products $'000	Industrial Products $'000	Unallocated $'000	Total $'000
Total segment revenue (external)	**117,597**	**43,168**	**52,911**	**95,669**	**1,755**	**311,100**
Underlying EBITDA pre acquisition, integration and restructuring costs	**22,620**	**14,424**	**6,312**	**5,043**	**(2,297)**	**46,102**
Less: Depreciation	(1,410)	(262)	(963)	(1,545)	(3)	(4,183)
Less: Amortisation of intangibles	(1,861)	-	(195)	(733)	-	(2,789)
Underlying EBIT pre acquisition, integration and restructuring costs	**19,349**	**14,162**	**5,154**	**2,765**	**(2,300)**	**39,130**
Acquisition, integration and restructuring costs	(278)	-	-	(628)	(183)	(1,089)
Segment result (EBIT)	**19,071**	**14,162**	**5,154**	**2,137**	**(2,483)**	**38,041**
Net finance expense						(5,978)
Profit before income tax expense						**32,063**
Income tax expense						(9,023)
Profit for the period						**23,040**
Segment assets	142,221	35,644	95,558	171,921	71,891	**517,235**
Segment liabilities	25,652	11,779	16,914	49,943	158,417	**262,705**
Segment acquisition of assets	3,390	165	1,231	2,354	-	**7,140**

For the half-year ended 31 December 2010

Business segments	Consumer Products $'000	Automotive Products $'000	Water Products $'000	Industrial Products $'000	Unallocated $'000	Total $'000
Total segment revenue (external)	**128,221**	**41,691**	**57,384**	**71,522**	**1,254**	**300,072**
EBITDA	**26,409**	**13,946**	**8,243**	**4,278**	**(1,658)**	**51,218**
Less: Depreciation	(1,398)	(294)	(1,072)	(1,908)	(4)	(4,676)
Less: Amortisation of intangibles	(2,276)	-	(160)	(469)	-	(2,905)
Underlying EBIT pre acquisition, integration and restructuring costs	**22,735**	**13,652**	**7,011**	**1,901**	**(1,662)**	**43,637**
Acquisition, integration and restructuring costs	-	-	(830)	(2,063)	(2,192)	(5,085)
Segment result (EBIT)	**22,735**	**13,652**	**6,181**	**(162)**	**(3,854)**	**38,552**
Net finance expense						(3,763)
Profit before income tax expense						**34,789**
Income tax expense						(11,452)
Profit for the period						**23,337**
Segment assets	151,471	33,047	97,941	164,664	62,331	**509,454**
Segment liabilities	37,279	10,351	18,806	50,510	144,580	**261,526**
Segment acquisition of assets	2,990	294	652	85,887	1	**89,824**

Notes:

(a) The segment result excludes finance costs, interest revenue and income tax expense.

(b) The Consolidated Entity operates primarily in one geographic segment: Australasia.

5. Dividends

a) Recognised amounts

Fully Paid Ordinary Shares	Cents per share	Total amount $'000	Date of payment	Tax rate	Percentage franked
Final dividend in respect of the 2011 financial year	35	24,181	14 September 2011	30%	100%
Final dividend in respect of the 2010 financial year	34	23,019	30 September 2010	30%	100%

b) Unrecognised amounts

Fully Paid Ordinary Shares	Cents per share	Total amount $'000	Date of payment	Tax rate	Percentage franked
Interim dividend in respect of the 2012 financial year	30	21,032	6 March 2012	30%	100%
Interim dividend in respect of the 2011 financial year	29	19,844	9 March 2011	30%	100%

c) Dividend Reinvestment Plan

The GUD Dividend Reinvestment Plan in respect of the 2011 financial year final dividend paid on 14 September 2011 was open to all shareholders.

This resulted in the issue of 1,017,776 (2010: 723,012) ordinary shares at a price of $7.142 per share (2010: $9.501 per share) under the plan.

6. Other intangible assets

	31-Dec-11 $'000	30-Jun-11 $'000
Patents, licences and distribution rights at cost	**668**	4,913
Accumulated amortisation	**(491)**	(4,708)
Net patents, licences and distribution rights	**177**	205
Product development costs	**24,131**	24,241
Accumulated amortisation	**(14,272)**	(14,816)
Net product development costs	**9,859**	9,425
Customer Relationships	**1,452**	1,452
Accumulated amortisation	**(388)**	(238)
Net customer lists	**1,064**	1,214
Computer software	**6,486**	4,901
Accumulated amortisation	**(1,632)**	(367)
Net computer software	**4,854**	4,534
Brand names, business names and trademarks at cost	**49,142**	49,240
Total other intangible assets	**65,096**	64,618

7. Borrowings

	31-Dec-11	30-Jun-11
	$'000	$'000
(a) Current		
Unsecured bank loans	**13,228**	6,396
Secured finance lease liabilities (1)	**105**	246
	13,333	6,642
(b) Non-Current		
Unsecured bank loans	**134,880**	111,171
Secured finance lease liabilities (1)	**310**	338
	135,190	111,509

(1) Secured by the assets leased.

(c) Financing facilities

Total facilities available:	31-Dec-11	30-Jun-11
	$'000	$'000
Unsecured bank overdrafts	**9,030**	8,858
Unsecured bill facilities	**189,463**	187,506
Unsecured money market facilities	**15,000**	18,000
	213,493	214,364
Facilities used at balance date:		
Unsecured bank overdrafts	**-**	-
Unsecured bill facilities	**143,108**	117,567
Unsecured money market facilities	**5,000**	-
	148,108	117,567
Facilities not utilised at balance date:		
Unsecured bank overdrafts	**9,030**	8,858
Unsecured bill facilities	**46,355**	69,939
Unsecured money market facilities	**10,000**	18,000
	65,385	96,797

Bill facilities

The unsecured bill facilities in Australia and New Zealand are provided by way of a club facility arrangement. These facilities are for a total $180 million which are subject to review prior to maturity, as follows:

	Amount $ million	Facility Renewal date
Working Capital Facility	80	July 2015
Core Facility	100	July 2014

In addition, there are some unsecured facilities in Asia for $9 million which are renewed annually.

Money market facility

The unsecured money market facilities are payable on demand and may be withdrawn unconditionally.
Interest on draw-downs is charged at prevailing market rates.

8. Acquisition of business

On 1 June 2011, the Consolidated Entity completed the acquisitions of 100% of the shares of Monarch Pool Systems Europe (MPSE) and Monarch Pool Systems Iberica (MPSI), distributors of Davey's pool products in France and Spain respectively. The acquisitions were for a total initial cash consideration of $7.2 million plus acquisition costs of $0.2 million. The cash consideration was subsequently adjusted to $7.6 million.

This consolidated half year report includes the final fair values of the net assets acquired and the goodwill arising on acquisition as detailed below.

	Initial assessment of settlement and book value in June 2011 accounts	Final settlement and book value	Fair value adjustments	Total
	$'000	**$'000**	**$'000**	**$'000**
Consideration				
Cash	7,209	7,621	-	7,621
Total consideration	**7,209**	**7,621**	**-**	**7,621**
Fair value of assets acquired				
Cash	2,180	539	-	539
Property, plant and equipment	35	44	-	44
Inventories	2,647	2,451	-	2,451
Trade and other receivables	711	3,791	-	3,791
Trade payables, other payables and provisions	(1,757)	(2,600)	-	(2,600)
Net assets acquired	**3,816**	**4,225**	**-**	**4,225**
Goodwill on acquisition				**3,396**

The initial assessment of book value was based on the audited results of the businesses at 31 December 2010. An audit of the acquisition balance sheets at 1 June 2011 was completed after the year end and the final book value represents these balance sheet figures. The change in balance sheet lines reflects the seasonality of the business.

Goodwill on the purchase of MPSE and MPSI is mainly attributable to the marketing and sales skills and technical talents of the acquiree's workforce, and established strength of distribution of Davey branded products.

9. Events subsequent to balance date

Dividend declared

On 24 January 2012, the Board of Directors declared a fully franked dividend of 30 cents per ordinary share. Record date is 20 February 2012 and the dividend will be paid on 6 March 2012.