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

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27 January 2016

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 financial statements, Directors' Report and Declaration, and Independent Auditor's Review Report relating to the results for the half year ended 31 December 2015.

On Wednesday 27 January, 2016 at 11.00am, GUD will be hosting a webcast of its HY16 results briefing, for the period ended 31 December 2015. To register and view the webcast, please go to www.gud.com.au/webcasts or click here.

Yours faithfully

Malcolm G Tyler
Company Secretary

Att:

Appendix 4D
Interim Financial Report

GUD Holdings Limited
(ABN 99 004 400 891)

31 December 2015
(Previous corresponding period: 31 December 2014)

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Results for Announcement to the Market

For the six months ended 31 December 2015

Results		Percentage Change		$'000
Revenue	**Up**	**20%**	**to**	**355,920**
Reported net profit for the period attributable to members	**Down**	**90%**	**to**	**1,743**
Add back: impairment (net of tax)				18,500
Underlying profit after tax attributable to members *	**Up**	**17%**	**to**	**20,243**
Add back: Non-controlling interests				(648)
Underlying profit after tax *	**Up**	**11%**	**to**	**19,595**
Reported operating profit before interest and tax	**Down**	**38%**	**to**	**17,236**
Add back: impairment (gross of tax)				20,000
Underlying profit before interest and tax *	**Up**	**33%**	**to**	**37,236**

* Underlying profit after tax and underlying profit before interest and tax are non-IFRS measures that have not been subject to audit or review.

Dividends	**Amount per security**	**Percentage franked**
Interim dividend	**20 cents**	**100%**
Date the dividend is payable		**March 4, 2016**
Record date for determining entitlements to the dividend:		**February 19, 2016**
Trading ex-dividend		**February 17, 2016**
Amount of dividend per security		**Percentage franked**
Interim Dividend		
In respect of the 2016 financial year as at 31 December 2015	**20 cents**	**100%**
In respect of the 2015 financial year as at 31 December 2014	**20 cents**	**100%**
Final Dividend		
In respect of the 2015 financial year as at 30 June 2015	**22 cents**	**100%**
In respect of the 2014 financial year as at 30 June 2014	**18 cents**	**100%**

Net Tangible Assets per security	
As at 31 December 2015	**$0.23**
As at 31 December 2014	**$1.16**

This half year report is based on financial statements which have been subject to an independent review.

Refer to the media release for a brief explanation of the figures reported above.

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27th January 2016

GUD Holdings Limited results for the six months ended 31st December 2015

Reported Net Profit after tax of $1.7 million with underlying NPAT up 11% to $19.6 million, strong result from Automotive

GUD Holdings Limited today announced a reported net profit after tax of $1.7 million for the half year ended 31st December 2015 compared to $17.3 million in the previous corresponding period. The reported net profit includes a non-cash goodwill and inventory impairment of $18.5 million after tax, predominantly $15 million of goodwill in Dexion.

Underlying EBIT increased 33% to $37.2 million with growth from the Automotive, Davey and Oates businesses and an initial contribution of $15.4 million from the recently acquired Brown & Watson International (BWI) automotive parts business.

Revenue improved by 20% to $356 million including $58 million of sales in BWI. Sales growth in the half was reported in Automotive (excluding BWI), Davey, Oates and Sunbeam.

Operating cash flow of $19.1 million was substantially up on the $3.7 million reported in the previous corresponding period and represents 98% of underlying NPAT. The net debt to equity ratio of 56% was in line with the guidance provided at the time of the BWI acquisition. Net debt at the end of the half was $191 million and included a further $16.2 million payment received from Jarden for their 49% share of the Sunbeam joint venture.

The interim dividend was maintained at the same level as last year, at 20 cents per share fully franked, and is payable on 4th March 2016. This represents a payout ratio of 84% on the underlying earnings per share.

"The pleasing aspect of this set of results is the contribution from the BWI acquisition, which has added to the continuing growth that is evident in our Automotive business. The integration of BWI into GUD is progressing to plan and its financial performance was a little better than our expectations at the time of the acquisition. BWI has repositioned GUD with the Automotive businesses now being the dominant contributor to the results," Managing Director Jonathan Ling stated.

"Both Davey and Oates reported profit growth on last year, however the financial performances of Sunbeam and Dexion have provided us with challenges," Mr Ling said.

"Recognising that getting Dexion to acceptable levels of return is taking longer than anticipated, we have written down Dexion's goodwill by $15 million and taken a write-down on obsolete and slow moving inventory of $4 million pre-tax. Dexion's performance in the half was negatively affected by weak project demand in the Australian racking products market and unrecovered overhead costs associated with operating the Malaysian factory at volumes below its break-even position."

"Whilst sales in Sunbeam improved in the half, and market share was maintained, the decision to defer price increases, to offset the effect of the lower currency on product costs, constrained profit performance. Sunbeam's overhead costs were tightly managed and were at a lower level than last year," he said.

Segment Summary - for the half year to 31 December

	Revenue			Segment Result (EBIT)			Underlying EBIT		
$ million	**H1 FY15**	**H1 FY16**	**% change**	**H1 FY15**	**H1 FY16**	**% change**	**H1 FY15**	**H1 FY16**	**% change**
Automotive	50.8	113.2	123%	16.2	32.6	102%	16.2	32.6	102%
Davey	52.5	55.9	7%	4.9	5.6	14%	4.9	6.6	34%
Oates	35.3	37.3	6%	5.6	5.8	4%	5.6	5.8	4%
Lock Focus	5.5	5.4	-1%	0.5	0.3	-24%	0.5	0.3	-24%
Sunbeam	56.8	57.6	1%	2.5	-1.7	-168%	2.5	-1.7	-168%
Dexion	96.3	86.5	-10%	2.0	-21.5	-1151%	2.0	-2.5	-221%
Unallocated	0.0	0.0		-3.8	-4.0		-3.8	-4.0	
TOTALS	**297.1**	**355.9**	**20%**	**27.9**	**17.2**	**-38%**	**27.9**	**37.2**	**33%**

Notes: Minor differences are due to rounding.

Underlying EBIT is before impairment costs. All underlying measures are non-IFRS and have not been subject to audit or review.

For a full reconciliation of the above refer to Note 3: Segment Information in Appendix 4D – Interim Financial Report.

Automotive Products EBIT increased 102% to $32.6 million

Whilst the inclusion of BWI into the Automotive business segment was the most significant factor behind growth in this segment, the established Ryco and Wesfil businesses continued to show solid growth in both sales and EBIT of 8% and 7% respectively.

The automotive market continues to grow as evidenced by the record number of new cars sold in Australia in calendar 2015. The Ryco and Wesfil brands maintained their market winning sales and marketing strategies leading to sales and market share growth.

The inclusion of BWI into GUD has progressed smoothly with sales momentum maintained over the period. BWI continues to operate as an independent business unit within the Automotive segment and the process to bring BWI into line with GUD's operating procedures has commenced.

Davey underlying EBIT increased 34% to $6.6 million

Sales growth of 7% across all market areas, particularly Australia and Europe, was recorded in the half. This contributed to Davey's underlying EBIT growth of 34% to $6.6 million. Reported EBIT was $5.6 million and included an inventory write-down of $1 million pre-tax following a program to substantially rationalise Davey's product range. This will lead to improvements in operational efficiencies, customer service and stock levels and should result in profit improvements in future periods.

The growth in profit was also underpinned by the continuation of Davey's sales force effectiveness program which targets both "share of wallet" and cost to serve improvements at an individual customer level. In addition, cost efficiencies in freight and procurement continue to strengthen profit margin, while Davey's business in the swimming pool market segment has returned to profit following recent management initiatives.

Davey's underlying EBIT to sales margin expanded to 12% from 9% in the previous corresponding period.

Oates EBIT increased 4% to $5.8 million

Sales for Oates cleaning products improved 6% in the period, with growth being recorded across all domestic market segments, including hardware, grocery and commercial.

EBIT improved as a result of the sales growth but was hampered by currency-related higher product costs, which were not able to be fully recovered through price increases.

The cleaning products markets remained relatively stable over the period.

Lock Focus EBIT declined 24% to $0.3 million

Financial performance in Lock Focus continues to be inhibited by delays in the market introduction of customer specific new products. It is anticipated that customer uptake for some of these products will commence in the second half and should feature in the results for the period.

Sunbeam's joint ventures

The major factor behind the Sunbeam ANZ joint venture reporting an EBIT loss of $1.7 million for the half was a reduction in gross profit. This was due to higher product costs, as a consequence of currency movements, and was coupled with price increases being deferred until the third quarter as the business was intent on maintaining sales momentum.

Whilst gross profit provided the main challenge, Sunbeam continued to address its overhead cost structure and undertook a further small restructure in the second quarter. Compared to the prior year overhead costs were $1 million lower.

The relationship with Jarden resulted in Sunbeam accessing products from the Jarden stable that were included in Sunbeam's Christmas product releases. In addition, these releases featured Sunbeam-driven innovation, as evidenced by the Marc Newson-designed toaster and kettle range and Torino, the Italian-inspired coffee machine.

GUD's 49% share of the Asian joint venture with Jarden was an after tax loss of $2.3 million due to the start-up nature of the business. The level of loss is expected to reduce across 2016.

Dexion reported an underlying EBIT loss of $2.5 million

Low demand in the Australian commercial products and industrial racking markets resulted in a 10% reduction in sales for Dexion in the period. In addition, relative to last year the Australian business lacked a major industrial racking project. Conversely, demand for racking products in New Zealand, the Middle East and Asia, and for commercial products in Hong Kong, remained relatively strong.

The reduced demand for racking products in Australia along with a high level of inventory, led to the Malaysian factory operating at below break-even volumes in the half. Consequently, unrecovered fixed overheads of $2 million were included in the result.

A goodwill impairment of $15 million and an inventory write-down of $4 million pre-tax were recognised in the segment result. Inventory declined substantially over the half, prior to the write-down.

A change was made to Dexion's leadership in October 2015 as announced at the Annual General Meeting, with Tim Richards replacing Paul O'Keefe as Chief Executive.

Outlook

Actions are in place for the second half to address the financial performance in Sunbeam and Dexion.

For Sunbeam this includes an average 8% price increase occurring in February, a contribution from the first half restructure and a reduced marketing spend relative to the first half.

Additionally, Sunbeam's volumes will benefit from regaining BigW's electric blanket business for the 2016 winter season, ranging in Woolworths supermarkets and the full half contribution from the products launched pre-Christmas.

While Dexion's order bank remained essentially the same as at 30th June 2015, at $62 million, orders on the Australian racking business increased appreciably over the half and this, when combined with progress on current major projects in other market areas, provides an improved outlook for sales in the second half. This will result in increased demand on the Malaysian factory, which is expected to operate above break-even during the period.

During the second half Dexion will be relocating its warehousing and office function in Sydney from the Kings Park facility. The cost of this will be offset by identified overhead cost reductions and procurement cost savings.

"We are expecting to deliver improved performance in the second half compared with the first half across all businesses," Jonathan Ling said.

"The Automotive business should continue to trade strongly, with trends similar to the first half. BWI is on track to produce a full year EBIT above $27.9 million, a little better than our expectations at the time of the acquisition."

"We expect Davey to continue its momentum, Oates to perform consistently and some recovery in Lock Focus," he said.

"This, combined with both the Sunbeam ANZ joint venture and Dexion performing at similar levels to the second half last year, should result in underlying EBIT for the full year being in the range of $82 million to $88 million," Mr Ling commented.

For further information:

Jonathan Ling
Managing Director
GUD Holdings Limited
T: 03 9243 3308

Directors' Report

The Directors of GUD Holdings Limited (the Company) present their report on the consolidated entity, being the Company and its subsidiaries, for the six months ended 31 December 2015.

Directors

The names of the Directors of the Company at any time during or since the end of the interim period are:

Non-Executive Directors

R. M. Herron (Chairman)

G. A. Billings

P. A. F. Hay (resigned 1 August 2015)

D. D. Robinson

M. G. Smith

A. L. Templeman-Jones (appointed 1 August 2015)

Executive Director

J.P. Ling (Managing Director)

Review of Operations

A review of the Group's operations during the six months ended 31 December 2015 and the results of these operations are set out in the attached results announcement.

Significant Changes

Effective 1 July, 2015, the Company acquired 100% of the shares and voting interests of Brown & Watson International Pty Ltd ("Brown & Watson") with businesses in the Australian and New Zealand. The total estimated consideration is $206.1 million.

The acquisition is expected to provide the Group with an expanded presence in automotive aftermarket parts.

The directors have resolved to impair:

- Dexion goodwill by $15 million;
- Dexion inventory by $4 million; and
- Davey inventory by $1 million.

In the opinion of the Directors, other than referred to above, there were no significant changes in the state of affairs of the consolidated entity during the year.

GUD First Half Results

The consolidated net profit for the six months ended 31 December 2015 attributable to the shareholders of GUD Holdings Limited after providing for income tax was $ 1.743 million (2014: $17.284 million).

Segmental Results

Segmental results for the six months ended 31 December 2015 are set out in note 3 to the financial statements.

Dividends

On 26 January 2016, the Board of Directors declared a fully franked interim dividend in respect of the 2016 financial year of 20 cents per share. The record date for the dividend is 19 February 2016 and the dividend will be paid on 4 March 2016. The Dividend Reinvestment Plan continues to be suspended.

Significant Events after Year End

In the opinion of the Directors, no matters or circumstances have arisen since 31 December 2015 which significantly affected or may affect the operations of the consolidated entity which have not been outlined in this report.

Auditor Independence

The auditor's independence declaration made under section 307C of the Corporations Act 2001 is set out on page 35 of the accompanying Financial Statements and forms part of this Report.

Rounding Off

The Company is of the kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and, in accordance with that Class Order, amounts in this Report and the accompanying financial statements have been rounded off to the nearest one thousand dollars unless otherwise stated.

This Directors' Statutory Report is signed on behalf of the Directors in accordance with a resolution of Directors made pursuant to section 298(2) of the Corporations Act 2001.

R M Herron	**J P Ling**
Chairman of Directors	**Managing Director**

Melbourne, 26 January 2016

Financial Statements

Condensed Consolidated Income Statement

For the Six Months Ended 31 December	Note	2015 $'000	2014 $'000
Revenue		**355,920**	297,079
Cost of goods sold		**(221,269)**	(182,866)
Gross Profit		**134,651**	114,213
Other income		**273**	250
Marketing and selling		**(45,591)**	(37,233)
Product development and sourcing		**(4,679)**	(5,076)
Logistics expenses and outward freight		**(25,489)**	(24,224)
Administration		**(20,626)**	(18,748)
Other expenses, including impairment	6	**(21,303)**	(1,273)
Results from operating activities		**17,236**	27,909
Net finance expense		**(6,182)**	(3,558)
Share of loss of equity accounted investees	13	**(2,265)**	-
Profit before tax		**8,789**	24,351
Income tax expense		**(7,694)**	(6,741)
Profit		**1,095**	17,610
Non-controlling interests		**648**	(326)
Profit attributable to owners of the Company		**1,743**	17,284
Earnings per share:			
Basic earnings per share (cents per share)	2	**2.0**	24.4
Diluted earnings per share (cents per share)	2	**2.0**	24.1

The notes on pages 16 to 33 are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Comprehensive Income

For the Six Months Ended 31 December	Note	2015 $'000	2014 $'000
Profit for the year		**1,095**	17,610
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss			
Exchange differences on translating results of foreign operations		**97**	2,358
Fair value adjustments recognised in the hedging reserve		**4,777**	7,029
Net change in fair value of cash flow hedges transferred to inventory		**(7,993)**	212
Equity settled share based payment transactions		**818**	423
Revaluation of contingent receivable		**3,284**	-
Income tax on items that may be reclassified subsequently to profit or loss		**(1,478)**	(3,630)
Other comprehensive income for the year, net of income tax		**(495)**	6,392
Total comprehensive income for the year		**600**	24,002
Non-controlling interests	12	**648**	(326)
Total comprehensive income attributable to owners of the Company		**1,248**	23,676

All of the above items may subsequently be recognised in the Income Statement.

The notes on pages 16 to 33 are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Balance Sheet

As at	Note	**31 December 2015**	30 June 2015 $'000	31 December 2014 $'000
Current assets				
Cash and cash equivalents		**48,816**	42,947	27,914
Trade and other receivables		**138,258**	108,579	106,800
Inventories		**147,298**	125,018	120,239
Derivative assets	8	**3,335**	4,870	6,161
Other financial assets	8	**-**	16,519	13,940
Current tax receivable		**3,354**	110	165
Other assets		**9,479**	9,536	10,819
Total current assets		**350,540**	307,579	286,038
Non-current assets				
Goodwill	4	**189,380**	106,787	107,125
Other intangible assets	5	**129,197**	61,093	60,492
Property, plant and equipment		**35,463**	34,042	34,412
Equity accounted investees	13	**64**	2,329	3,402
Derivative assets	8	**210**	-	-
Other financial assets	8	**3,246**	2,596	2,500
Deferred tax assets		**5,449**	907	4,097
Investments		**10**	10	-
Total non-current assets		**363,019**	207,764	212,028
Total assets		**713,559**	515,343	498,066
Current liabilities				
Trade and other payables		**93,855**	93,690	86,686
Provisions		**17,971**	15,927	16,645
Borrowings	7	**12,309**	22,188	15,142
Derivative liabilities	8	**1,972**	796	252
Other financial liabilities	8	**10,861**	-	-
Current tax payables		**5,668**	3,025	2,056
Total current liabilities		**142,636**	135,671	120,781
Non-current liabilities				
Provisions		**1,596**	1,550	2,959
Borrowings	7	**227,188**	20,168	120,361
Derivative liabilities	8	**2,835**	804	851
Deferred tax liabilities		**1,198**	935	3,401
Other non-current liabilities		**104**	57	60
Total non-current liabilities		**232,921**	23,514	127,632
Total liabilities		**375,557**	159,185	248,413
Net assets		**338,002**	356,158	249,653
Equity				
Share Capital	9	**286,160**	286,160	184,629
Reserves		**3,797**	5,133	5,705
Retained earnings		**17,500**	33,672	29,848
Total equity attributable to owners of the Company		**307,457**	324,965	220,182
Non-controlling interests	12	**30,545**	31,193	29,471
Total equity		**338,002**	356,158	249,653

The notes on pages 16 to 33 are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Changes in Equity

For the Six Months Ended 31 December	Note	2015 $'000	2014 $'000
Balance at the beginning of the period		**356,158**	209,275
Comprehensive Income			
Profit for the period attributable to owners of the Company		**1,743**	17,284
Other Comprehensive Income attributable to owners of the Company		**(1,313)**	5,969
Equity settled share based payment transactions		**818**	423
Total Comprehensive Income attributable to owners of the Company		**1,248**	23,676
Transactions with owners recognised in equity			
Dividends paid	10	**(18,756)**	(12,769)
Total transactions with owners		**(18,756)**	(12,769)
Non-controlling interests			
Recognition of non-controlling interests without a change in control	12	**(648)**	29,471
Total non-controlling interests		**(648)**	29,471
Balance at the end of the period		**338,002**	249,653

The amounts recognised directly in equity are net of tax.

The notes on pages 16 to 33 are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Cash Flow Statement

For the Six Months Ended 31 December	Note	2015 $'000	2014 $'000
Cash flows from operating activities			
Receipts from customers		**382,076**	305,515
Payments to suppliers and employees		**(353,837)**	(301,231)
Income taxes paid		**(9,121)**	(569)
Net cash provided by operating activities		**19,118**	3,715
Cash flows from investing activities			
Payments for intangible assets and product development costs		**(1,825)**	(2,301)
Payments for property, plant and equipment		**(3,490)**	(6,966)
Payments for acquisition of investments	11	**(195,200)**	-
Proceeds from sale of investments		**16,224**	16,205
Acquisition of equity accounted investee		**-**	(3,402)
Net cash (used in)/provided by investing activities		**(184,291)**	3,536
Cash flows from financing activities			
Net proceeds /(repayment) of borrowings		**197,141**	13,759
Interest received		**143**	61
Interest paid		**(6,325)**	(3,619)
Dividends paid		**(18,756)**	(12,769)
Net cash used in financing activities		**172,203**	(2,568)
Net increase in cash held		**7,030**	4,683
Cash at the beginning of the year		**42,947**	23,301
Effects of exchange rate changes on the balance of cash held in foreign currencies		**(1,161)**	(70)
Cash at the end of the year		**48,816**	27,914

The notes on pages 16 to 33 are an integral part of these condensed consolidated financial statements.

1. Basis of Preparation

This section sets out the Group's accounting policies that relate to the financial statements as a whole.

Reporting Entity

GUD Holdings Limited (the 'Company') is a for profit company domiciled in Australia. The condensed consolidated financial statements of the Company as at and for the six months ended 31 December 2015 comprise the Company and its subsidiaries (together referred to as the 'Group').

The Group is primarily involved in manufacture and importation, distribution and sale of cleaning products, household appliances, warehouse racking, industrial storage solutions, office storage products, automotive products, locking devices, pumps, pool and spa systems, and water pressure systems, with operations in Australia, New Zealand, France, Spain, China, Malaysia and Hong Kong (note 3).

The consolidated annual financial statements of the Group as at and for the year ended 30 June 2015 are available on request from the Company's registered office at 29 Taras Avenue, Altona North, Victoria, 3025 or at www.gud.com.au.

Basis of Accounting

The condensed consolidated interim financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting. The interim financial statements do not include all of the information required for a complete set of annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last consolidated annual financial statements as at and for the year ended 30 June 2015.

The condensed consolidated financial statements were authorised for issue by the Directors on 26 January 2016.

Rounding off

The Company 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 statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for the following items which have been measured at fair value:

- Derivatives (note 8)
- Other financial instruments (note 8)

Functional and presentation currency

The condensed consolidated interim financial statements are presented in Australian dollars which is the Company's functional currency and the functional currency of the majority of the Group.

Use of estimates and judgements

In preparing these condensed consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated annual financial statements as at and for the year ended 30 June 2015.

1. Basis of Preparation (continued)

New standards and interpretations adopted in the year

A number of new standards and amendments to standards are effective for annual periods beginning after 1 July 2015; however the Group has not applied the following new or amended standards in preparing these consolidated financial statements.

New or amended standards	Summary of the requirement	Possible impact on consolidated financial statements
IFRS 9 Financial instruments	IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 Financial Instruments; Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.	The Group is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 9.
IFRS 15 Revenue from Contracts with Customers	IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2017, with early adoption permitted.	The Group is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 15.

The Group does not plan to adopt these standards early.

Results for the Half Year

2. Earnings per share

Earnings per share ('EPS') is the amount of profit attributable to each share.

Basic EPS is calculated on the Group profit for the year attributable to equity shareholders divided by the weighted average number of shares in issue during the period.

Diluted EPS reflects any commitments the Group has to issue shares in the future, such as issued upon vesting of performance rights.

Underlying EPS is EPS adjusted in order to more accurately show the underlying business performance of the Group in a consistent manner and reflect how the business is managed and measured on a day-to-day basis. Non-underlying items include acquisition related costs (professional fees, primarily due diligence, and performance based, employment linked contingent payments), impairment of intangible assets, and other adjustments.

For the Six Months ended 31 December	2015 $'000	2014 $'000
Profit for the period	**1,743**	17,284
Add back: Impairment	**20,000**	-
Tax effect on impairment	**(1,500)**	-
Underlying profit for the period	**20,243**	17,284

	Number	Number
Weighted average number of ordinary shares used as the denominator for basic EPS	**85,237,148**	70,939,492
Effect of balance of performance rights outstanding at 31 December 2015	**995,671**	916,678
Weighted average number of ordinary shares used as the denominator for diluted EPS	**86,232,819**	71,856,170
EPS	**Cents per share**	Cents per share
Basic EPS	**2.0**	24.4
Diluted EPS	**2.0**	24.1
Underlying EPS	**Cents per share**	Cents per share
Basic underlying EPS	**23.7**	24.4
Diluted underlying EPS	**23.5**	24.1

3. Segment information

Segment reporting is presented in respect of the Group's business and geographical segments. The primary format business segments are reported based on the way information is reviewed by the Group's Managing Director and other senior management.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate expenses, interest and tax, corporate borrowings, and deferred tax balances.

Business segments

The following summary describes the operations in each of the Group's reportable segments:

Sunbeam

Sunbeam is a leading developer and marketer of small electric appliances for Australian and New Zealand households.

Oates

Oates is an importer and distributor of cleaning products to retail and commercial customers

Automotive (Ryco, Brown & Watson, Wesfil, Goss)

The Automotive segment distribute automotive and heavy duty filters for cars, trucks, agricultural and mining equipment, fuel pumps and associated products, lighting and electrical accessories, battery maintenance and power products for the automotive after-market.

Davey

Davey manufactures and distributes pumps and pressure systems for household and farm water, water transfer pumps, swimming pool products, spa bath controllers and pumps and water purification equipment.

Dexion

Dexion is a manufacturer and provider of industrial and commercial storage and automation solutions.

Lock Focus

Lock Focus manufactures disc tumbler locks for furniture, doors and safe locking systems.

Geographical segments

The Group operates primarily in one geographical segment: Australasia.

3. Segment information (continued)

	For the six months ended 31 December 2015							
	Sunbeam	Oates	Automotive	Davey	Dexion	Lock Focus	Unallocated	Total
Business segments	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Total segment revenue (external)	**57,596**	**37,321**	**113,223**	**55,886**	**86,457**	**5,445**	**(8)**	**355,920**
Underlying EBITDA	**620**	**6,247**	**33,190**	**7,213**	**(673)**	**631**	**(3,963)**	**43,265**
Less: Depreciation	(942)	(385)	(556)	(611)	(1,023)	(289)	(2)	(3,808)
Less: Amortisation and impairment of intangibles	(1,377)	(24)	-	(18)	(778)	-	(24)	(2,221)
Underlying EBIT	**(1,699)**	**5,838**	**32,634**	**6,584**	**(2,474)**	**342**	**(3,989)**	**37,236**
Impairment	-	-	-	(1,000)	(19,000)	-	-	(20,000)
Segment result (EBIT)	**(1,699)**	**5,838**	**32,634**	**5,584**	**(21,474)**	**342**	**(3,989)**	**17,236**
Net finance costs	(177)	(32)	25	(81)	(316)	(6)	(5,595)	(6,182)
Share of loss of equity-accounted investees	(2,265)	-	-	-	-	-	-	(2,265)
Profit before tax	**(4,141)**	**5,806**	**32,659**	**5,503**	**(21,790)**	**336**	**(9,584)**	**8,789**
Income tax expense								(7,694)
Profit								**1,095**
Non-controlling interest								648
Profit attributable to owners of the Company								**1,743**
Segment goodwill	-	5,166	98,840	35,565	44,509	5,300	-	189,380
Segment brand names	25,323	8,900	69,168	3,215	10,294	-	-	116,900
Segment other assets	75,355	30,879	122,097	69,300	112,692	6,095	(9,139)	407,280
Segment assets	**100,678**	**44,945**	**290,105**	**108,080**	**167,495**	**11,395**	**(9,139)**	**713,559**
Segment liabilities	**(23,310)**	**(10,739)**	**(25,844)**	**(18,663)**	**(53,746)**	**(1,352)**	**(241,903)**	**(375,557)**
Segment capital expenditure	**2,083**	**401**	**485**	**891**	**1,163**	**290**	**-**	**5,313**

3. Segment information (continued)

	For the six months ended 31 December 2014							
	Sunbeam	**Oates**	**Automotive**	**Davey**	**Dexion**	**Lock Focus**	**Unallocated**	**Total**
Business segments	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Total segment revenue (external)	**56,802**	**35,315**	**50,779**	**52,453**	**96,256**	**5,481**	**(7)**	**297,079**
Underlying EBITDA	**5,438**	**5,941**	**16,423**	**5,652**	**3,656**	**743**	**(3,743)**	**34,110**
Less: Depreciation	(1,160)	(306)	(272)	(706)	(608)	(291)	(4)	(3,347)
Less: Amortisation of intangibles	(1,770)	(29)	-	(27)	(1,004)	-	(24)	(2,854)
Underlying EBIT	**2,508**	**5,606**	**16,151**	**4,919**	**2,044**	**452**	**(3,771)**	**27,909**
Impairment	-	-	-	-	-	-	-	-
Segment result (EBIT)	**2,508**	**5,606**	**16,151**	**4,919**	**2,044**	**452**	**(3,771)**	**27,909**
Net finance costs	(36)	-	-	-	(220)	-	(3,302)	(3,558)
Profit before tax	**2,472**	**5,606**	**16,151**	**4,919**	**1,824**	**452**	**(7,073)**	**24,351**
Income tax expense								(6,741)
Profit								**17,610**
Non-controlling interest								(326)
Profit attributable to owners of the Company								**17,284**

	For the year ended 30 June 2015							
Segment goodwill	-	5,166	1,497	35,315	59,509	5,300	-	106,787
Segment brand names	25,062	8,900	1,000	3,215	10,186	-	-	48,363
Segment other assets	69,660	28,537	51,921	65,296	118,830	6,578	19,371	360,193
Segment assets	**94,722**	**42,603**	**54,418**	**103,826**	**188,525**	**11,878**	**19,371**	**515,343**
Segment liabilities	**27,692**	**10,740**	**14,740**	**19,507**	**60,716**	**1,658**	**24,132**	**159,185**
Segment capital expenditure	**5,374**	**978**	**572**	**1,461**	**8,045**	**605**	**4**	**17,039**

Intangible Assets

4. Goodwill

As at	Note	31 December 2015 $'000	30 June 2015 $'000	31 December 2014 $'000
Gross carrying amount				
Balance at the beginning of the year		**106,787**	106,998	106,998
Acquisitions through business combinations	11	**97,343**	-	-
Net foreign currency difference arising on translation of financial statements of foreign operations		**250**	(211)	
Impairment	6	**(15,000)**	-	-
Balance at the end of the year		**189,380**	106,787	

Refer to note 3 for allocation of the carrying amount of goodwill to segments and cash generating units.

5. Other intangible assets

As at	31 December 2015 $'000	30 June 2015 $'000	31 December 2014 $'000
Patents, licences and distribution rights at cost	**1,240**	1,240	1,240
Accumulated amortisation	**(1,237)**	(1,225)	(1,207)
Net patents, licences and distribution rights	**3**	15	33
Product development costs	**33,015**	31,298	27,647
Accumulated amortisation	**(22,095)**	(20,373)	(18,573)
Net product development costs	**10,920**	10,925	9,074
Customer Relationships	**1,449**	1,449	1,449
Accumulated amortisation	**(1,449)**	(1,376)	(1,255)
Net customer lists	**-**	73	194
Computer software	**7,524**	7,424	7,537
Accumulated amortisation	**(6,150)**	(5,707)	(5,218)
Net computer software	**1,374**	1,717	2,319
Brand names, business names and trademarks at cost	**118,869**	50,249	50,870
Accumulated amortisation and impairment	**(1,969)**	(1,886)	(1,998)
Net brand names, business names and trademarks	**116,900**	48,363	48,872
Total other intangible assets	**129,197**	61,093	60,492

The Group holds a number of brand names that are considered to have an indefinite useful life. The indefinite useful life reflects the Directors' view that these brands are assets that provide ongoing market access advantages for both new and existing product sales in the markets that the businesses operate. The current understanding of the industries and markets that the businesses operate in indicates that demand for products will continue in a sustainable manner, that changes in technology are not seen as a major factor impacting the brands future value, and, the brands have proven long lives in their respective markets.

Refer to note 3 for allocation of the carrying amount of brand names to segments and cash generating units. Refer note 11 for intangible assets acquired through business combinations.

6. Impairment testing

The Group's CGUs comprise the operating segments disclosed in note 3.

All intangible assets with indefinite lives (goodwill and brand names), have been allocated for impairment testing purposes to CGUs (or groups of units). The Directors have resolved to impair:

- Dexion goodwill by $15 million;
- Dexion inventory by $4 million; and
- Davey inventory by $1 million.

Other than noted above, no impairment charge is required in relation to goodwill or other intangible assets for the six months ended 31 December 2015.

Sunbeam

Sunbeam is expected to continue with a focus on new product introductions, sales growth, margin yield and profit improvement initiatives to deliver an uplift of around $6 million over the next 12 months. Revenue growth from new products and product innovations is skewed to the second half of the financial year ending 30 June 2016. Sunbeam's present value of anticipated future cash flows exceed the carrying value of net assets by $6 million. In the absence of any other potential influences, Sunbeam will need to achieve 85% of this uplift to avoid scope for impairment of its assets. The Directors believe that the Sunbeam reforecast, including ongoing profit improvement plan, is achievable. In addition, the ongoing growth of 3% is considered reasonable in light of product development initiatives underway.

Capital Structure and Financing Costs

7. Borrowings

	Facilities as at 31 December 2015		Facilities as at 30 June 2015	
	Amount $ million	Maturity 1 July	Amount $ million	Maturity 29 October
Tranche A – 5 year facility	185	2020	50	2016
Tranche B – 5 year facility	115	2020	100	2018

Bank overdrafts

The unsecured bank overdraft facilities are subject to annual review. As part of these facilities, GUD Holdings Limited and all of its subsidiaries (excluding Sunbeam) have entered into a deed of cross guarantee. GUD Holdings Limited has a contingent liability to the extent of the bank overdraft debt incurred by its controlled entities. Interest on bank overdrafts is charged at prevailing market rates. The weighted average interest rate for all overdrafts as at 31 December 2015 is 4.11% (2014: 4.69%).

Unsecured bank loans

The unsecured loan facilities in Australia and New Zealand are provided by way of a Common Terms Deed. These facilities were revised in June 2015 from $150 million to $300 million for the purposes of debt funding of the acquisition of Brown & Watson (note 11), effective 1 July 2015.

There are also unsecured facilities in Malaysia and China of $20 million, of which $17 million is renewed annually and $3 million matures in 2020.

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.

As at	Note	**31 December 2015 $'000**	30 June 2015 $'000	31 December 2014 $'000
Current				
Unsecured bank overdrafts		**-**	-	-
Unsecured bank loans		**12,238**	15,857	10,199
Unsecured loans from a subsidiary of Jarden Corporation		**57**	6,304	4,900
Secured finance lease liabilities (1)		**14**	27	43
	8	**12,309**	22,188	15,142
Non-current				
Unsecured bank loans		**227,186**	20,165	120,359
Secured finance lease liabilities (1)		**2**	3	2
	8	**227,188**	20,168	120,361

(1) Secured by the assets leased.

7. Borrowings (continued)

Financing facilities

As at	31 December 2015 $'000	30 June 2015 $'000	31 December 2014 $'000
Total facilities available:			
Unsecured bank overdrafts	**5,314**	4,996	5,412
Unsecured bank loans	**325,267**	189,957	170,523
Unsecured loans from a subsidiary of Jarden Corporation	**-**	6,304	4,900
Unsecured money market facilities	**15,000**	15,000	15,000
	345,581	209,953	195,835
Facilities used at balance date:			
Unsecured bank overdrafts	**-**	-	-
Unsecured bank loans	**239,424**	36,022	130,558
Unsecured loans from a subsidiary of Jarden Corporation	**-**	6,304	4,900
Unsecured money market facilities	**-**	-	-
	239,424	36,022	135,458
Facilities not utilised at balance date:			
Unsecured bank overdrafts	**5,314**	4,996	5,412
Unsecured bank loans	**85,843**	153,935	39,965
Unsecured loans from a subsidiary of Jarden Corporation	**-**	-	-
Unsecured money market facilities	**15,000**	15,000	15,000
	106,157	173,931	60,377

8. Financial instruments

As at 31 December 2015	Carrying value		Not at fair	Fair value			
	Current	Non-current	value	Level 1	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial assets measured at fair value							
Derivatives - Foreign currency forward contracts	3,335	-	-	-	3,335	-	3,335
Derivatives - Interest rate swaps at fair value	-	210	-	-	210	-	210
Other financial assets	-	-	-	-	-	-	-
Total financial assets measured at fair value	**3,335**	**210**	**-**	**-**	**3,545**	**-**	**3,545**
Financial assets not measured at fair value							
Cash and cash equivalents	48,816	-	48,816	-	-	-	-
Trade and other receivables	138,258	-	138,258	-	-	-	-
Other financial assets	-	3,246	3,246	-	-	-	-
Total financial assets not measured at fair value	**187,074**	**3,246**	**190,320**	**-**	**-**	**-**	**-**
Total financial assets	**190,409**	**3,456**	**190,320**	**-**	**3,545**	**-**	**3,545**
Financial liabilities measured at fair value							
Derivatives - Foreign currency forward contracts	1,825	708	-	-	2,533	-	2,533
Derivatives - Interest rate swaps at fair value	147	2,127	-	-	2,274	-	2,274
Other financial liabilities	10,861	-	-	-	-	10,861	10,861
Total financial liabilities measured at fair value	**12,833**	**2,835**	**-**	**-**	**4,807**	**10,861**	**15,668**
Financial liabilities not measured at fair value							
Borrowings and loans	12,309	227,188	239,497	-	-	-	-
Total financial liabilities not measured at fair value	**12,309**	**227,188**	**239,497**	**-**	**-**	**-**	**-**
Total financial liabilities	**25,142**	**230,023**	**239,497**	**-**	**4,807**	**10,861**	**15,668**

8. Financial instruments (continued)

As at 30 June 2015	Carrying value		Not at fair	Fair value			
	Current	Non-current	value	Level 1	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial assets measured at fair value							
Derivatives - Foreign currency forward contracts	4,870	-	-	-	4,870	-	4,870
Derivatives - Interest rate swaps at fair value	-	-	-	-	-	-	-
Other financial assets	15,869	-	-	-	-	15,869	15,869
Total financial assets measured at fair value	**20,739**	**-**	**-**	**-**	**4,870**	**15,869**	**20,739**
Financial assets not measured at fair value							
Cash and cash equivalents	42,947	-	42,947	-	-	-	-
Trade and other receivables	108,579	-	108,579	-	-	-	-
Other financial assets	650	2,596	3,246	-	-	-	-
Total financial assets not measured at fair value	**152,176**	**2,596**	**154,772**	**-**	**-**	**-**	**-**
Total financial assets	**172,915**	**2,596**	**154,772**	**-**	**4,870**	**15,869**	**20,739**
Financial liabilities measured at fair value							
Derivatives - Foreign currency forward contracts	501	-	-	-	501	-	501
Derivatives - Interest rate swaps at fair value	295	804	-	-	1,099	-	1,099
Total financial liabilities measured at fair value	**796**	**804**	**-**	**-**	**1,600**	**-**	**1,600**
Financial liabilities not measured at fair value							
Borrowings and loans	22,188	20,168	42,356	-	-	-	
Total financial liabilities not measured at fair value	**22,188**	**20,168**	**42,356**	**-**	**-**	**-**	**-**
Total financial liabilities	**22,984**	**20,972**	**42,356**	**-**	**1,600**	**-**	**1,600**

8. Financial instruments (continued)

Fair value hierarchy below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Derivative financial instruments

Level 2 fair values for simple over-the-counter derivative financial instruments are based on valuations from banks. These are tested for reasonableness by discounting expected future cash flows using market interest rate for a similar instrument at the measurement date.

Other financial assets and liabilities - Contingent consideration

Level 3 fair values are based on the present value of expected receipt discounted using a risk adjusted discount rate.

The fair value of other financial assets at 30 June 2015 is contingent consideration receivable where the expected payment has been determined based on forecast EBITDA to 30 June 2015 for Sunbeam Australia and New Zealand.

The fair value of other financial liabilities at 31 December 2015 is contingent consideration payable where the expected payment has been determined based on forecast EBIT to 30 June 2016 for Brown & Watson.

There have been no transfers between the fair value hierarchy levels from the prior year to current year.

Changes in fair value of the contingent receivable balance from the sale of 49% of Sunbeam ANZ is summarised below:

For the six months ended	**31 December 2015**	30 June 2015	31 December 2014
	$'000	$'000	$'000
Contingent receivable at the beginning of the period	**15,869**	12,940	-
Contingent receivable – balance of the sale proceeds	**-**	-	12,940
Unrealised fair value gain included in OCI	**(2,929)**	2,929	-
Realised fair value gain included in OCI	**3,284**	-	-
Receipt of balance of sale proceeds	**(16,224)**		-
Contingent receivable at the end of the period	**-**	15,869	12,940

Upon sale of 49% of Sunbeam Australia and New Zealand, the Company recorded a contingent consideration receivable of $12.940 million representing its fair value at acquisition date.

Subsequent to initial recognition, contingent consideration was revalued at 30 June 2015 to $15.869 million based on Sunbeam ANZ EBITDA and cash at 30 June 2015, changes in working capital from acquisition date to 30 June 2015 and other adjustments reflected in the sale agreement, giving rise to a fair value gain of $2.929 million recorded in other comprehensive income ($2.050 million net of tax). This was revised to $16.224 million based on the final EBITDA of Sunbeam ANZ at 30 June 2015, resulting in an overall realised fair value gain of $3.284 million recorded in other comprehensive income ($2,299 million net of tax). Final settlement was received on 1 October 2015.

The fair value of the remaining contingent consideration payable from the acquisition of 100% of Brown & Watson is $10.86 million and will be revalued upon agreement of the 30 June 2016 results.

Options

Pursuant to the Share Sale Agreements between the Company and Holmes Products (Far East) Limited ("HPFE", a subsidiary of Jarden Corporation, notes 12 and 13), the parties also entered into Shareholders Agreements. Under these agreements, the parties have agreed to put and call options that give option holders the right but not the obligation to exercise the options to effect transfer of or call for the transfer of additional equity to HPFE subject to future dates, meeting earnings targets or both.

The Company has recorded nil value with respect to these options on the basis that the conditions required for exercise are uncertain and / or exercise dates are too far into the future.

9. Share Capital

During the six months ended 31 December 2015:

- Nil shares were bought back on market and cancelled by the Group (2014: nil shares were bought back).
- 173,981 shares were issued to employees as a result of performance rights vesting under the GUD Holdings 2015 Long Term Incentive Equity Plan.

10. Dividends

Recognised amounts

	Cents per share	Total amount $'000	Date of payment	Tax rate	Percentage franked
Final dividend in respect of the 2015 financial year	22	18,756	3 September 2015	30%	100%
Interim dividend in respect of the 2015 financial year	20	14,188	6 March 2015	30%	100%
Final dividend in respect of the 2014 financial year	18	12,769	3 September 2014	30%	100%
Interim dividend in respect of the 2014 financial year	18	12,823	6 March 2014	30%	100%

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 2016 financial year	20	17,066	4 March 2016	30%	100%

Business Combinations

11. Investments in Subsidiaries

On 1 July, 2015, the Company acquired 100% of the shares and voting interests of Brown & Watson International Pty Limited ("Brown & Watson") with businesses in the Australian and New Zealand. The acquisition is expected to provide the Group with an expanded presence in automotive aftermarket parts.

For the six months ended 31 December 2015, Brown & Watson contributed $58.2 million of revenue and $15.4 million of EBIT to the Group's results.

Consideration paid and payable

On 1 July 2015, the total estimated consideration for the acquisition of Brown & Watson is $206.061 million:

	Initial consideration						
	at 1 July 2015						
$'000	Paid	Estimate	Total	Revision to net asset adjustment amount	Total	Estimated contingent consideration	Total estimated consideration
Intangible asset amount	157,000	-	157,000	-	157,000	8,011	165,011
Target net assets down payment	30,200	-	30,200	-	30,200	-	30,200
Net assets adjustment amount							
- paid	8,000	-	8,000	-	8,000	-	8,000
- outstanding	-	4,800	4,800	(1,928)	2,872	-	2,872
Net cash	-	-	-	(22)	(22)	-	(22)
	195,200	4,800	200,000	(1,950)	198,050	8,011	206,061

- Of the initial consideration, $187.2 million was paid on 1 July 2015, representing the initial consideration with respect to the intangible asset amount of $157 million and the target net assets down payment of $30.2 million.
- The Company estimated an additional $12.8 million payable with respect to estimated completion net asset amount capped at $43 million. Of this $8 million was paid on 7 December 2015, leaving $4.8 million payable.
- Subsequent to acquisition the completion net asset amount of $41.048 million was agreed, giving rise to a reduction in the net assets adjustment amount payable of $1.928 million.
- There is net cash of $3.721 million of which $3.743 million relates to completion adjustments and $22 thousand is adjusted against the total consideration payable.

Contingent consideration

The Company has also agreed to pay the selling shareholders contingent consideration calculated based on the earnings of Brown & Watson for the year ending 30 June 2016. Management estimate the present value of the contingent consideration at 31 December 2015 to be $8.011 million.

Acquisition-related costs

During the year ended 30 June 2015, the Company incurred $5.126 million of acquisition related costs including equity raising fees, legal fees, due diligence and other advisory fees. Equity raising fees of $3.815 million have been recognised in equity and $1.311 million were included in administrative expenses.

11. Investments in Subsidiaries (continued)

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	$'000
Cash and cash equivalents	3,721
Trade and other receivables	20,828
Inventories	20,115
Current tax receivable	2,064
Other assets	1,845
Goodwill	97,343
Other intangible assets	68,168
Property, plant and equipment	2,648
Deferred tax assets	1,386
Trade and other payables	(9,521)
Provisions	(2,536)
Total identifiable net assets acquired	**206,061**

Measurement of fair value

The valuation techniques used for measuring the fair value of brands were the relief from royalty method and multi-period excess earnings method. The relief from royalty method considers the discounted estimated royalty payments that are expected to be avoided as a result of the brands being owned. The multi-period excess earnings method considers the present value of net cash flows expected to be generated by the brands by excluding any cash flows related to contributory assets, where relevant.

The trade receivables comprise gross contractual amounts due of $20.946 million, of which $0.118 million was estimated to be uncollectable at the date of acquisition.

Fair values measured on a provisional basis

All assets and liabilities acquired have been determined on a provisional basis.

If new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

	$'000
Total estimated consideration	206,061
Fair value of identifiable net assets	108,718
Goodwill	**97,343**

The goodwill is attributable mainly to the skills and talent of Brown & Watson's workforce and potential synergies from the Groups' combined automotive businesses.

12. Non-controlling interests

The following table summarises the changes in the group's ownership interest in Sunbeam ANZ.

As at	31 December 2015 $'000	30 June 2015 $'000	31 December 2014 $'000
Non-controlling interests at the beginning of the period	31,193	-	-
Recognition of non-controlling interests without change in control	-	29,145	-
Share of comprehensive income	(648)	2,048	-
Non-controlling interests at the end of the period	30,545	31,193	-

The carrying amount of Sunbeam ANZ's net assets in the Group's financial statement on the date of sale was $62.469 million.

13. Equity-accounted investees

With respect to the Group's 49% interest in Jarden Consumer Solutions (Asia) Limited ("Jarden Asia"), the following table summarises the financial information of Jarden Asia as included in its own financial statements and reconciles the summarised financial information to the carrying amount of the Group's interest in Jarden Asia.

As at	31 December 2015 $'000	30 June 2015 $'000	31 December 2014 $'000
Current assets	14,112	12,918	-
Non-current assets	1,021	861	-
Current liabilities	(1,477)	(1,404)	-
Non-current liabilities	(11,846)	(6,645)	-
Net assets (100%)	1,810	5,731	-
Group's share of net assets	49%	49%	-
Net assets (49%)	887	2,808	-
Foreign currency translation	(823)	(479)	-
Carrying amount of interest in associate	64	2,329	-
Revenue	15,493	8,078	-
Loss and total comprehensive income (100%)	(4,622)	(2,190)	-
Group's share of loss and total comprehensive income	49%	49%	-
Share of loss and total comprehensive income of equity accounted investees, net of tax	(2,265)	(1,073)	-

Other Notes

14. Performance Rights

During the 2013 financial year, the Group established a Long Term Incentive Plan under which Performance Rights are granted to a number of senior staff. The Performance Rights vest and convert into ordinary shares at the end of a 3 year period if a performance benchmark (being Total Shareholder Return relative to a peer group) is met.

Performance Rights were granted to a number of senior staff in the six months ended 31 December 2015 under the 2018 Long Term Incentive Plan.

The fair value of these Performance Rights has been calculated at the grant date by an independent expert in order to arrive at the expense to be booked through the Income Statement. The grant to staff were approved by the Remuneration Committee in meetings held in July and October 2015, with the grants to the Managing Director occurring after the endorsement by the shareholders at the Annual General Meeting. The table below shows a summary of the Performance Rights granted during the period.

	Managing Director	Other staff	Other staff
Grant date	27/10/2015	31/07/2015	27/10/2015
Number of Performance Rights granted	62,762	330,728	17,886
Value per right at grant date	$3.46	$3.71	$3.46
Fair value at grant date	$217,157	$1,227,001	$61,886
Exercise price	0.00	0.00	0.00
Expected volatility	29%	29%	29%
Performance rights life remaining at 31 December 2015	2.5 years	2.5 years	2.5 years
Expected dividend yield p.a.	5.90%	5.90%	5.90%
Risk free interest rate p.a.	1.79%	1.79%	1.79%

A portion of the 2016, 2017 and 2018 Long Term Incentive Plans expenses has been included in the Income Statement in the current period in accordance with accounting standard AASB 2 Share-based Payment.

During the six months ended 31 December 2015, the Company granted a senior staff member additional Performance Rights that vest subject to achieving earnings based performance hurdles for the year ending 30 June 2017. The Company has recorded nil value with respect to these performance rights on the basis that the conditions required for exercise are uncertain and / or exercise dates are too far into the future.

15. Subsequent events

Dividends declared

On 26 January 2016, the Board of Directors declared a fully franked interim dividend in respect of the 2016 financial year of 20 cents per share. Record date is 19 February 2016 and the dividend will be paid on 4 March 2016.

Other

Other than the interim dividend in respect of the 2016 financial year being declared (note 10), no matters or circumstances have arisen since the end of the financial period that have significantly affected or may significantly affect the operating results or state of affairs of the Group.

Directors' Declaration

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

(a) the condensed consolidated financial statements and notes set out on pages 8 to 33 are in accordance with the *Corporations Act 2001*, including:
   1. giving a true and fair view of the financial position of the Group as at 31 December 2015 and of its performance for the six months ended on that date;
   2. complying with Australian Accounting Standards and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the Group 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 295(5) of the *Corporations Act 2001*.

On behalf of the Directors

R.M. Herron
Director

J.P. Ling
Director

Melbourne, 26 January 2016

KPMG

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 2015 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

Suzanne Bell
Partner

Melbourne

26 January 2016

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

Report on the financial report

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 2015, 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 15 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 internal 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 2015 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 2015 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

J E Bell

Suzanne Bell
Partner

Melbourne

26 January 2016