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

29 Taras Avenue,
Altona North, Vic 3025
Australia.

PO Box 62
Sunshine, Vic 3020
Australia.

Telephone: +61 3 9243 3311
Facsimile: +61 3 9243 3300
Email: gudhold@gud.com.au
Internet: www.gud.com.au

20 January 2015

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 2014.

On Tuesday 20 January, 2015 at 11.00am, GUD will be hosting a webcast of its HY15 results briefing, for the period ended 31 December 2014. 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 2014
(Previous corresponding period: 31 December 2013)

Results for announcement to the market

For the six months ended 31 December 2014

Results	% change			$'000
Revenue	**Marginally Down**	**-%**	**to**	**297,079**
Reported net profit for the period attributable to members	**Up**	**261%**	**to**	**17,284**
Add back: restructuring costs (net of tax)				-
Underlying profit after tax attributable to members*	**Up**	**16%**	**to**	**17,284**
Add back: Non-controlling interests				326
Underlying profit after tax*	**Up**	**18%**	**to**	**17,610**
Operating profit before interest and tax*	**Up**	**16%**	**to**	**27,909**

* Comparative information has been adjusted for restructuring costs of $10.145 million incurred in the prior period.
These are non-IFRS measures that have not been subject to audit or review.

Dividends	Amount per security	% franked
Interim dividend	**20 cents**	**100%**
Date the dividend is payable:		**March 6, 2015**
Record date for determining entitlements to the dividend:		**February 20, 2015**
Trading ex-dividend		**February 18, 2015**

The Dividend Reinvestment Plan remains suspended.

Amount of dividend per security	Amount per security	% franked
Interim Dividends		
In respect of the 2015 financial year as at 31 December 2014	**20 cents**	**100%**
In respect of the 2014 financial year as at 31 December 2013	**18 cents**	**100%**
Final Dividends		
In respect of the 2014 financial year as at 30 June 2014	**18 cents**	**100%**
In respect of the 2013 financial year as at 30 June 2013	**26 cents**	**100%**

Net Tangible Assets Per Security	
As at 31 December 2014	$1.16
As at 31 December 2013	$0.66

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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20th January 2015

GUD Holdings Limited results for half year ended 31st December 2014

Underlying EBIT up 16% to $27.9 million - profit improvement plan on-track

GUD Holdings Limited today announced a reported net profit after tax of $17.3 million for the half year ended 31st December 2014 compared to $4.8 million in the previous corresponding period.

Underlying EBIT was up by 16% to $27.9 million reflecting the initial benefits from the various profit improvement plans in place across the group's businesses. With the exception of Oates, all businesses reported an increase in underlying EBIT on the same period last year.

Revenue for the half year, at $297 million, was essentially stable compared to the same half in the prior year. Every business recorded revenue growth with the exceptions of Sunbeam and Davey.

An interim dividend of 20 cents per share fully franked was declared (18 cents previously) and will be paid on 6th March 2015. The interim dividend represents a payout of 82% on basic earnings per share of 24.4 cents.

During the period GUD entered into joint venture arrangements with the US-based Jarden Corporation in which it sold a 49% shareholding in its Sunbeam small appliance business and acquired a 49% stake in Jarden Consumer Solutions' Asian sales operations. The joint venture commenced in November 2014.

The joint venture provides opportunities for Sunbeam to access Jarden's extensive brand and product portfolio to grow in its traditional markets while providing scale benefits in procurement and buying power.

"We have previously articulated and quantified plans to improve profitability across GUD's businesses and we are pleased with the progress, as evidenced in these results," Managing Director Jonathan Ling said.

"Underlying EBIT increased 16% with profit growth recorded in all businesses, with the exception of Oates. It is encouraging that our previously identified underperforming businesses – Dexion and Sunbeam – made an improved contribution in this half," Mr Ling said.

"While the group reported a flat sales result, every business has implemented innovation programs aimed at delivering new products that will support sales growth towards the end of this year and into FY16" he said.

"I am also excited by our Sunbeam joint venture with Jarden. This provides us with significant scale synergies and considerable growth opportunities, which should start to feature in FY16."

Segment Summary - for the half year to 31 December

	Revenue			Segment Result (EBIT)			Underlying EBIT		
$ million	FY14	FY15	% change	FY14	FY15	% change	FY14	FY15	% change
Dexion	96.0	96.3	0.3%	-13.6	2.0		0.3	2.0	499.4%
Sunbeam	61.3	56.8	-7.3%	0.2	2.5	919.5%	0.8	2.5	208.1%
Davey	53.5	52.5	-2.0%	4.6	4.9	7.3%	4.6	4.9	7.3%
Automotive	48.0	50.8	5.8%	15.4	16.2	4.9%	15.4	16.2	4.9%
Oates	34.4	35.3	2.6%	5.9	5.6	-4.6%	5.9	5.6	-4.6%
Lock Focus	5.4	5.5	2.3%	0.4	0.5	1.1%	0.4	0.5	1.1%
Unallocated	-0.2	0.0		-3.5	-3.8		-3.5	-3.8	
TOTALS	**298.4**	**297.1**	**-0.4%**	**9.5**	**27.9**	**194.6%**	**24.0**	**27.9**	**16.5%**

Notes: Minor differences are due to rounding.
Underlying EBIT is before restructuring and 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 4: Segment Information in Appendix 4D – Interim Financial Report.

Dexion underlying EBIT increased 499% to $2 million

Whilst revenue remained relatively flat, due partially to delays in major project commencements, the operating performance benefited from the profit improvement plan and the relocation of the Kings Park rack manufacturing operation to the Malaysian factory.

Dexion's order pipeline remains strong at $69 million.

Kings Park was closed during the half and the focus is on optimising operational performance in Malaysia now that the relocated machinery is installed and commissioned.

The new roll forming line, which was installed towards the end of FY14, commenced full operation and the business holds a strong order bank for products from this plant.

Dexion Commercial reported strong profit growth due to a combination of improved market conditions, the exit from the Elite Built business and the final closure of local manufacturing.

Sunbeam underlying EBIT increased 208% to $2.5 million

Underlying EBIT improved due to the contribution from profit improvement initiatives, in particular those relating to freight and logistics costs.

Sales declined due to a lack of new products, an issue that is being addressed through a combination of the Jarden joint venture and a reinvigorated new product program.

Substantial upside exists in Sunbeam through introducing Jarden products to the Australian and New Zealand markets, sales potential for Sunbeam's products in Asia and through further contributions from the various elements of the profit improvement plan.

Davey EBIT increased 7% to $4.9 million

Despite softness in the Australian swimming pool and firefighter market segments, Davey reported a 7% growth in EBIT due to the contribution from its profit improvement plan. The most significant contributor to this was efficiencies identified and captured in freight and logistics costs.

The profitability analysis performed at Davey highlighted substantial opportunities to improve returns from the swimming pool segment of Davey's business. As a result remedial actions have been put in place and Davey is in the process of separating the swimming pool business for reporting clarity and accountability purposes.

Automotive Products EBIT increased 5% to $16.2 million

The Automotive business, comprising the leading brands Ryco, Wesfil and Goss, generated a record EBIT result of $16.2 million, with all brands contributing.

Revenue increased 6% due to a combination of new product launches and market share gains. EBIT to sales margin remained solid at 32%.

Oates EBIT declined 5% to $5.6 million

Oates recorded sales growth of 3% due to activity in the hardware and commercial market segments. This was partially offset by a decline in grocery. The business reported an improving sales trend late in the half.

The EBIT contribution from the sales growth was offset by foreign exchange effects on cost of goods sold and price increases have been applied to negate these over the year.

Lock Focus EBIT increased 1% to $0.5 million

Financial performance at Lock Focus was broadly consistent with the previous corresponding period.

New product initiatives are expected to contribute to second half results.

Outlook

"We are pleased with the progress made in Sunbeam and Dexion, in particular, and we are on track to deliver on the profit uplift objectives we set out for these businesses", Jonathan Ling said.

"Under the direction of Sunbeam's management team we believe that the joint venture with Jarden will contribute significantly to long term growth, through a combination of revenue enhancements and scale synergy savings."

"Dexion should deliver further improvements through both operational efficiencies as the plant in Malaysia is optimised and as we capture the revenue from the delayed racking projects."

"Continued solid performance is expected from Davey, Automotive, Oates and Lock Focus," Mr Ling said.

"We maintain guidance provided at the October Annual General Meeting of an EBIT result between $55 and $60 million for the FY15 year" he said.

For further information:

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

Directors' Report

The Directors of GUD Holdings Limited present their report together with the financial statements of the Group comprising GUD Holdings Limited and its subsidiaries for the six months ended 31 December 2014 and the review report thereon. The Directors report as follows:

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)
P. A. F. Hay
M. G. Smith
G. A. Billings
D. D. Robinson

Executive Directors

J.P. Ling (Managing Director)

Review of Operations

A review of operations on the Group during the six months ended 31 December 2014 and the results of these operations are set out in the attached results announcement.

Significant Changes

During the six months ended 31 December 2014, the Company announced the sale of 49% of Sunbeam Australia and New Zealand to Jarden Corporation and the acquisition of 49% of Jarden Corporation's Asian sales and marketing business effective 1 November 2014. The Australian and New Zealand facility with Westpac, National Australia Bank and ANZ Banking Group was consequently amended to remove Sunbeam Australia and New Zealand from the compliance covenants.

Also during the six months ended 31 December 2014, the Company completed the relocation of Dexion's warehouse racking manufacturing at Kings Park, New South Wales to existing plants in Malaysia and China and closure of the last remaining production line at Dexion Commercial's plant in Sunshine, Victoria.

In the opinion of the Directors, other than referred herein, there were no other significant changes in the state of affairs of the Group during the period.

GUD First Half Results

The consolidated net profit for the six months ended 31 December 2014 attributable to the shareholders of GUD Holdings Limited after providing for income tax was $17.284 million (2013: $4.784 million).

Segmental Results Summary

Segmental results for the six months ended 31 December 2014 are set out in note 4 to the financial statements.

Events after Balance Date

Dividends

On 20 January 2015, the Board of Directors declared a fully franked interim dividend in respect of the 2015 financial year of 20 cents per share. The record date for the dividend is 20 February 2015 and the dividend will be paid on 6 March 2015. The Dividend Reinvestment Plan continues to be suspended.

Lead Auditor's Independence Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 10 and forms part of the directors' report for the six months ended 31 December 2014.

Rounding off

The Company 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 accompanying condensed consolidated interim financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

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

R.M. Herron
Chairman of Directors

J.P. Ling
Managing Director

Melbourne, 20 January 2015

Directors' Declaration

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

a) the condensed consolidated interim financial statements and notes set out on pages 13 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 2014 and of its performance for the six months ended on that date; and

   2) complying with Australian Accounting Standard AASB 134 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.

R.M. Herron
Chairman of Directors

J.P. Ling
Managing Director

Melbourne, 20 January 2015

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 2014 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

SE Bell

Suzanne Bell
Partner

Melbourne

20 January 2015

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 2014, 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 12 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 2014 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 2014 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

20 January 2015

Condensed Consolidated Statement of Profit and Loss

	Note	For the six months ended 31 December **2014** **$'000**	 2013 $'000
Revenue		**297,079**	298,364
Cost of goods sold, including restructuring costs	2	**(182,866)**	(198,063)
Gross Profit		**114,213**	100,301
Other income		**250**	313
Marketing and selling		**(37,233)**	(37,171)
Product development and sourcing		**(5,076)**	(4,858)
Logistics expenses and outward freight, including restructuring costs	2	**(24,224)**	(28,384)
Administration, including restructuring costs	2	**(18,748)**	(19,787)
Other		**(1,273)**	(945)
Results from operating activities		**27,909**	9,469
Net finance expense		**(3,558)**	(3,164)
Profit before income tax expense		**24,351**	6,305
Income tax expense		**(6,741)**	(1,521)
Profit		**17,610**	4,784
Non-controlling interests		**(326)**	-
Profit attributable to owners of the Company		**17,284**	4,784
Earnings per share:			
Basic earnings per share (cents per share)	3	**24.4**	6.7
Diluted earnings per share (cents per share)	3	**24.1**	6.6

The condensed notes on pages 19 to 33 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Statement of Comprehensive Income

	For the six months ended 31 December	
	2014	2013^
	$'000	$'000
Profit for the period	**17,610**	4,784
Other comprehensive income		
Exchange differences on translating results of foreign operations	**2,358**	484
Fair value adjustments recognised on cash flow hedges	**7,029**	2,530
Net change in fair value of cash flow hedges transferred to inventory	**212**	(4,736)
Equity settled share based payment transactions	**423**	505
Income tax on items that may be reclassified subsequently to profit or loss	**(3,630)**	654
Other comprehensive income for the period, net of income tax	**6,392**	(563)
Total comprehensive income for the period	**24,002**	4,221
Non-controlling interests	**(326)**	-
Total comprehensive income attributable to owners of the Company	**23,676**	4,221

^ Other comprehensive income for the six months ended 31 December 2013 has been restated to include equity settled share based payment transactions previously recognised in equity.

All of the above items may subsequently be reclassified to the Income Statement.

The condensed notes on pages 19 to 33 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Statement of Financial Position

	Note	31 December 2014 $'000	As at 30 June 2014 $'000	31 December 2013 $'000
Current assets				
Cash and cash equivalents		**27,914**	23,301	21,262
Trade and other receivables		**106,800**	91,872	105,038
Inventories		**120,239**	111,481	110,370
Other financial assets		**13,940**	-	-
Current tax assets		**165**	728	320
Derivative assets		**6,161**	1	5,603
Other assets		**10,819**	7,028	9,992
Total current assets		**286,038**	234,411	252,585
Non-current assets				
Property, plant and equipment		**34,412**	31,131	31,859
Goodwill	6	**107,125**	106,998	106,949
Other intangible assets	6	**60,492**	60,667	63,270
Deferred tax assets		**4,097**	6,296	5,897
Equity accounted investees		**3,402**	-	-
Derivative assets		-	17	-
Other financial assets		**2,500**	3,500	3,509
Total non-current assets		**212,028**	208,609	211,484
Total assets		**498,066**	443,020	464,069
Current liabilities				
Trade and other payables		**86,686**	79,718	76,383
Borrowings and loans	7	**15,142**	8,887	9,281
Current tax liabilities		**2,056**	152	3,556
Provisions		**16,645**	23,750	26,738
Derivative liabilities		**252**	4,308	263
Total current liabilities		**120,781**	116,815	116,221
Non-current liabilities				
Borrowings and loans	7	**120,361**	112,857	126,446
Deferred tax liabilities		**3,401**	437	368
Provisions		**2,959**	3,324	3,969
Derivative liabilities		**851**	312	-
Other liabilities		**60**	-	-
Total non-current liabilities		**127,632**	116,930	130,783
Total liabilities		**248,413**	233,745	247,004
Net assets		**249,653**	209,275	217,065
Equity				
Share capital		**184,629**	184,629	186,222
Reserves		**5,705**	(2,145)	4,129
Retained earnings		**29,848**	26,791	26,714
Total equity attributable to owners of the Company		**220,182**	209,275	217,065
Non-controlling interests		**29,471**	-	-
Total equity		**249,653**	209,275	217,065

The condensed notes on pages 19 to 33 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Statement of Changes in Equity

	Note	For the six months ended 31 December 2014 $'000	2013 $'000
Retained Earnings			
Retained earnings at the beginning of the period		**26,791**	47,613
Profit for the period		**17,284**	4,784
Dividends paid	5	**(12,769)**	(25,683)
Transactions with owners net of tax		**(1,458)**	-
Retained earnings at the end of the period		**29,848**	26,714
Cash flow hedge reserve			
Balance at the beginning of the period		**(2,719)**	4,577
Fair value adjustments transferred to equity - net of tax		**4,920**	1,771
Amounts transferred to inventory - net of tax		**149**	(3,323)
Balance at the end of the period		**2,350**	3,025
Equity Compensation Reserve			
Balance at the beginning of the period		**1,349**	380
Equity settle share based payment transactions		**423**	505
Balance at the end of the period		**1,772**	885
Foreign Currency Translation Reserves			
Balance at the beginning of the period		**(775)**	(265)
Exchange differences on translating foreign operations		**2,358**	484
Balance at the end of the period		**1,583**	219
Reserves at the end of the period		**5,705**	4,129
Share Capital			
Share capital at the beginning of the period – 70,939,492 (1 July 2013 - 71,341,319) fully paid shares		**184,629**	186,798
Share buy back	5	**-**	(576)
Share capital at the end of the period - 70,939,492 (31 December 2013 - 71,241,319) fully paid shares		**184,629**	186,222
Non-controlling interests			
Non-controlling interests at the beginning of the period		**-**	-
Recognition of non-controlling interests without change in control	11	**29,471**	-
Non-controlling interests at the end of the period		**29,471**	-
Total equity		**249,653**	217,065

The amounts recognised directly in equity are net of tax.

Condensed Consolidated Statement of Changes in Equity (continued)

	Note	For the six months ended 31 December 2014 $'000	2013 $'000
Total Equity Summary			
Balance at the beginning of the period		**209,275**	239,103
Comprehensive Income			
Profit for the period attributable to owners of the Company		**17,284**	4,784
Other Comprehensive Income attributable to owners of the Company		**5,969**	(1,068)
Equity settled share based payment transactions		**423**	505
Total Comprehensive Income attributable to owners of the Company		**23,676**	4,221
Transactions with owners recognised in equity			
Share buy back		**-**	(576)
Dividends paid		**(12,769)**	(25,683)
Total transactions with owners		**(12,769)**	(26,259)
Changes in ownership interests			
Recognition of non-controlling interests without a change in control	11	**29,471**	-
Total changes in ownership interests		**29,471**	-
Balance at the end of the period		**249,653**	217,065

The condensed notes on pages 19 to 33 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Cash Flow Statement

	For the six months ended 31 December	
	2014	2013
	$'000	$'000
Cash flows from operating activities		
Receipts from customers	**305,515**	299,418
Payments to suppliers and employees	**(301,231)**	(307,008)
Income taxes paid	**(569)**	(4,651)
Net cash provided by operating activities	**3,715**	(12,241)
Cash flows from investing activities		
Payments for property, plant and equipment	**(6,966)**	(5,747)
Payments for intangible assets and product development costs	**(2,301)**	(2,367)
Proceeds from sale of investments	**16,205**	-
Acquisition of equity accounted investee	**(3,402)**	-
Net cash used in investing activities	**3,536**	(8,114)
Cash flows from financing activities		
Net proceeds of borrowings	**13,759**	46,180
Interest received	**61**	35
Interest paid	**(3,619)**	(2,971)
Payments for share buy backs	**-**	(576)
Dividends paid	**(12,769)**	(25,683)
Net cash provided by/(used in) financing activities	**(2,568)**	16,985
Net increase/(decrease) in cash held	**4,683**	(3,370)
Cash at the beginning of the period	**23,301**	24,401
Effects of exchange rate changes on the balance of cash held in foreign currencies	**(70)**	231
Cash at the end of the period	**27,914**	21,262

The condensed notes on pages 19 to 33 are an integral part of these condensed consolidated interim financial statements.

Condensed notes to the consolidated interim financial statements

1. Summary of significant accounting policies

a) Reporting entity

GUD Holdings Limited (the "Company") is a company domiciled in Australia. These condensed consolidated interim financial statements at and for the six months ended 31 December 2014 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 (see note 4).

The condensed consolidated annual financial statements of the Group as at and for the year ended 30 June 2014 are available on request from the Company's registered office at 29 Taras Avenue, Altona North, Victoria, 3025 or at www.gud.com.au.

b) Basis of preparation

Statement of compliance

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 2014.

The condensed consolidated interim financial statements were authorised for issue by the Directors on 20 January 2015.

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 condensed consolidated interim financial statements have been prepared on the basis of historical cost, except for derivative financial instruments which are measured at fair value.

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 interim financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. 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 2014.

In relation to a contingent receivable, information about assumptions and estimation uncertainties regarding that have a significant risk of resulting in a material adjustment in the year ending 30 June 2015 is included in note 8.

c) Significant accounting policies

Except as described below, the accounting policies applied in preparing the condensed consolidated interim financial statements for the six months ended 31 December 2014 are consistent with those applied in preparing the comparative information presented in these consolidated financial statements and are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 June 2014.

Non-controlling interests

For each business combination, the Group elects to measure any non-controlling interests in the acquiree either:

- At fair value; or
- At their proportionate share of the acquiree's identifiable net assets, which are generally at fair value.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognised in profit or loss.

Investments in associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity and majority representation on the board of directors.

Investments in associates are accounted for under the equity method and are initially recognised at cost, including transaction costs.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted interests, after from the date that significant influence commences.

AASB 13 Fair value measurement

AASB 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements, when such measurements are required or permitted by other AASBs. In particular, it unifies the definition of fair value as the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. It also replaces and expands the disclosure requirements about fair value measurements in other AASBs, including AASB 7 Financial Instruments: Disclosures. Some of these disclosures are specifically required in interim financial statements for financial instruments; accordingly, the Group has included additional disclosures in this regard (see note 8).

d) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are available for early adoption for annual periods beginning after 1 January 2014, and have not been applied in preparing these consolidated financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

IFRS 9 Financial Instruments (2013)

IFRS 9 (2013) introduces new requirements for the classification and measurement of financial assets and changes relating to financial liabilities. Under IFRS 9 (2013), financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows.

IFRS 9 (2013) is available for application up to 1 February 2015. The Group has not assessed the impact of this standard on the Group's financial assets and liabilities and is unlikely to adopt IFRS 9 (2013) in the period ending 1 February 2015.

IFRS 9 Financial Instruments (2014)

IFRS 9 (2014) introduces amendments to new requirements for the classification and measurement of financial assets and introduces new requirements in relation to impairment of financial assets. Under IFRS (2014), the classification and measurement of financial assets are based on the business model in which they are held and the characteristic of their contractual cash flows and amends requirements for certain financial assets and liabilities.

IFRS 9 (2014) replaces IFRS 9 (2013) from 1 February 2015 and is effective for annual periods beginning on or after 1 January 2018. The Group has not assessed the impact of this standard on the Group's financial assets and liabilities.

2. Restructuring costs

	For the six months ended 31 December 2014 $'000	2013 $'000
Restructuring costs in cost of goods sold:		
Write-down of fixed assets due to restructuring	-	3,228
Write-off of inventory due to restructuring	-	778
Other restructuring costs	-	8,675
Total restructuring costs in cost of goods sold	-	12,681
Restructuring costs in logistics expenses and outward freight:		
Other restructuring costs	-	883
Total restructuring costs in logistics expenses and outward freight	-	883
Restructuring costs in administration:		
Other restructuring costs	-	929
Total restructuring costs in administration	-	929
Total restructuring costs	-	14,493

Other restructuring costs consist of redundancy costs and onerous lease costs.

3. Earnings per share (EPS)

	For the six months ended 31 December 2014 $'000	2013 $'000
Profit for the period attributable to owners of the Company	**17,284**	4,784
Add back: restructuring costs	-	14,493
Less: tax effect on restructuring costs	-	(4,348)
Underlying profit for the period attributable to owners of the Company	**17,284**	14,929
	Number	Number
Weighted average number of shares used as the denominator for basic earnings per share - ordinary shares	**70,939,492**	71,303,355
Effect of performance rights granted	**916,678**	488,305
Weighted average number of shares used as the denominator for diluted earnings per share - ordinary shares	**71,856,170**	71,791,660
	Cents per share	Cents per share
Earnings per share:		
Basic earnings per share (cents per share)	**24.4**	6.7
Diluted earnings per share (cents per share)	**24.1**	6.6
Underlying earnings per share:		
Basic underlying earnings per share (cents per share)	**24.4**	20.9
Diluted underlying earnings per share (cents per share)	**24.1**	20.8

4. Segment information

Segment reporting is presented in respect of the Group's business and geographical segments. The primary format for business segment reporting is 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

Importer and distributor of small electrical appliances.

Oates

Importer and distributor of cleaning products to retail and commercial customers

Automotive (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.

Davey

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

Manufacturer and provider of industrial storage and automation solutions

Lock Focus

Manufacturer of disc tumbler locks for furniture, doors and safe locking systems.

Notes:

Segment result excludes finance costs, interest revenue and income tax expense.

The Group operates primarily in one geographical segment: Australasia.

4. Segment information (continued)

Business segments	Sunbeam $'000	Oates $'000	Automotive $'000	Davey $'000	Dexion $'000	Lock Focus $'000	Unallocated $'000	Total $'000
	For the six months ended 31 December 2014							
Total segment revenue (external)	**56,802**	**35,315**	**50,779**	**52,453**	**96,256**	**5,481**	**(7)**	**297,079**
Underlying EBITDA pre restructuring and impairment costs	**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 pre restructuring and impairment costs	**2,508**	**5,606**	**16,151**	**4,919**	**2,044**	**452**	**(3,771)**	**27,909**
Restructuring and impairment costs	-	-	-	-	-	-	-	-
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 income tax	**2,472**	**5,606**	**16,151**	**4,919**	**1,824**	**452**	**(7,073)**	**24,351**
Income tax expense	(435)	(1,705)	(4,879)	(1,377)	(374)	(145)	2,174	(6,741)
Profit	**2,037**	**3,901**	**11,272**	**3,542**	**1,450**	**307**	**(4,899)**	**17,610**
Non-controlling interest	(326)	-	-	-	-	-	-	(326)
Profit attributable to owners of the Company	**1,711**	**3,901**	**11,272**	**3,542**	**1,450**	**307**	**(4,899)**	**17,284**
Segment assets	101,155	43,054	52,741	104,680	175,141	11,322	9,973	**498,066**
Segment liabilities	(31,696)	(10,271)	(13,886)	(20,838)	(47,463)	(1,471)	(122,788)	**(248,413)**
Segment capital expenditure	2,464	711	211	799	6,742	310	4	**11,241**

4. Segment information (continued)

Business segments	Sunbeam $'000	Oates $'000	Automotive $'000	Davey $'000	Dexion $'000	Lock Focus $'000	Unallocated $'000	Total $'000
	For the six months ended 31 December 2013 (restated #)							
Total segment revenue (external)	**61,262**	**34,421**	**48,006**	**53,521**	**96,000**	**5,357**	**(203)**	**298,364**
Underlying EBITDA pre restructuring and impairment costs	**4,253**	**6,258**	**15,702**	**5,454**	**2,241**	**768**	**(3,499)**	**31,177**
Less: Depreciation	(1,275)	(339)	(304)	(798)	(907)	(321)	-	(3,944)
Less: Amortisation of intangibles	(2,164)	(41)	-	(73)	(993)	-	-	(3,271)
Underlying EBIT pre restructuring and impairment costs	**814**	**5,878**	**15,398**	**4,583**	**341**	**447**	**(3,499)**	**23,962**
Restructuring and impairment costs	(568)	-	-	-	(13,925)	-	-	(14,493)
Segment result (EBIT)	**246**	**5,878**	**15,398**	**4,583**	**(13,584)**	**447**	**(3,499)**	**9,469**
Net finance costs	-	-	-	-	(169)	(6)	(2,989)	(3,164)
Profit before income tax	**246**	**5,878**	**15,398**	**4,583**	**(13,753)**	**441**	**(6,488)**	**6,305**
Income tax expense	(35)	(1,779)	(4,615)	(1,264)	4,418	(132)	1,886	(1,521)
Profit attributable to owners of the Company	**211**	**4,099**	**10,783**	**3,319**	**(9,335)**	**309**	**(4,602)**	**4,784**

Segment reporting for the year ended 30 June 2014 has been restated to align with the format reviewed by the Group's Managing Director and other senior management from the year ended 30 June 2014.

Business segments	Sunbeam $'000	Oates $'000	Automotive $'000	Davey $'000	Dexion $'000	Lock Focus $'000	Unallocated $'000	Total $'000
	For the year ended 30 June 2014							
Segment assets	79,171	36,671	47,265	96,637	170,380	10,995	1,901	**443,020**
Segment liabilities	(19,473)	(10,047)	(14,668)	(16,875)	(66,643)	(1,642)	(104,397)	**(233,745)**
Segment capital expenditure	4,806	713	418	1,946	7,827	513	153	**16,376**

5. Capital and Reserves

Share Capital

During the six months ended 31 December 2014 nil shares were bought back on market and cancelled by the Group (2013: 100,000 shares were bought back).

Dividends

The following dividends were declared and paid by the Company:

Fully Paid Ordinary Shares	Cents per share	Total amount $'000	Date of payment	Tax rate	Percentage franked
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%
Final dividend in respect of the 2013 financial year	26	18,549	3 September 2013	30%	100%
Special cash dividend	10	7,134	3 September 2013	30%	100%

The following dividends were declared by the Company and are not recognised

Fully Paid Ordinary Shares	Cents per share	Total amount $'000	Date of payment	Tax rate	Percentage franked
Interim dividend in respect of the 2015 financial year	20	14,188	6 March 2015	30%	100%

The dividend reinvestment plan was been suspended from the 2013 financial year.

6. Goodwill and other intangible assets

	As at		
Other intangible assets	**31 December 2014 $'000**	30 June 2014 $'000	31 December 2013 $'000
Patents, licences and distribution rights at cost	**1,240**	1,271	1,240
Accumulated amortisation	**(1,207)**	(1,105)	(993)
Net patents, licences and distribution rights	**33**	166	247
Product development costs	**27,647**	25,570	25,494
Accumulated amortisation	**(18,573)**	(16,693)	(14,777)
Net product development costs	**9,074**	8,877	10,717
Customer Relationships	**1,449**	1,449	1,449
Accumulated amortisation	**(1,255)**	(1,108)	(964)
Net customer lists	**194**	341	485
Computer software	**7,537**	6,868	6,726
Accumulated amortisation	**(5,218)**	(4,260)	(3,510)
Net computer software	**2,319**	2,608	3,216
Brand names, business names and trademarks at cost	**50,870**	50,631	50,545
Accumulated amortisation and impairment	**(1,998)**	(1,956)	(1,940)
Net brand names, business names and trademarks	**48,872**	48,675	48,605
Total other intangible assets	**60,492**	60,667	63,270

6. Goodwill and other intangible assets (continued)

The Group's CGUs comprise the operating segments disclosed in Note 4.

Given the trading performance of both Dexion and Sunbeam, a review of the recoverable amount of the carrying value of the assets of these CGUs against the net present value of future anticipated cash flows has been undertaken to consider if an impairment of intangible assets has occurred. The five year cash flow projections are based on 2015 year revised forecasts and an ongoing growth rate of 3%. Project and profit initiatives previously reported have been reflected in the anticipated cash flows for both businesses.

In the case of Dexion, 3% growth is considered reasonable given growth estimates for Dexion's traditional and target markets. In addition the Board approved Dexion projects to address both the exit of Elite Built and manufacturing reform relocating production from Kings Park to existing plants in Malaysia and China were completed by 31 December 2014. While a number of other profit improvement plans have also been implemented, realisation of some strategic and logistic plans have taken longer to implement than anticipated in the 2015 budget. The impact of this is a shortfall in forecast EBITDA in 2015 compared to the 2015 budget has reduced the excess of the present value of anticipated future cash flows over the carrying value of net assets to $20 million at 31 December 2014. The ongoing EBITDA impact of Dexion's profit improvement plans is an estimated uplift of $9.2 million. In the absence of any other potential influences, Dexion will need to achieve 76% of this uplift to avoid scope for impairment of its assets. The Directors believe that the Dexion 2015 reforecast including ongoing profit improvement plans are achievable.

In the case of Sunbeam, future cash flows incorporate profit improvement program targets that are substantially completed or underway and Sunbeam anticipate substantial improvements in underlying EBIT in the following three years. Management's estimate of the uplift from these plans is $4.6 million. Sunbeam's present value of anticipated future cash flows exceed the carrying value of net assets by $7 million. In the absence of any other potential influences, Sunbeam will need to achieve 80% of this uplift to avoid scope for impairment of its assets. The Directors believe that the Sunbeam 2015 reforecast including ongoing profit improvement plans are achievable. In addition, the ongoing growth of 3% is considered reasonable in light of product development initiatives underway.

In addition, Sunbeam's future cash flows do not include potential benefits that are anticipated from collaboration with Jarden Corporation since the sale of 49% of Sunbeam Australia and New Zealand to Jarden Corporation and the acquisition of Jarden Corporation's Asia business. Upside value is anticipated from broadened market access, improved economies of scale in sourcing and joint product development opportunities.

Other CGUs were not tested for impairment as there were no other impairment indicators at 31 December 2014.

7. Borrowings

	As at		
	31 December 2014	30 June 2014	31 December 2013
	$'000	$'000	$'000
a) Current			
Unsecured bank loans	**10,199**	8,862	9,149
Secured finance lease liabilities (1)	**43**	25	132
Loans from related party	**4,900**	-	-
	15,142	8,887	9,281
b) Non-Current			
Unsecured bank loans	**120,359**	112,825	126,389
Secured finance lease liabilities (1)	**2**	32	57
	120,361	112,857	126,446

(1) Secured by the assets leased.

7. Borrowings (continued)

	As at		
	31 December 2014 $'000	30 June 2014 $'000	31 December 2013 $'000
c) Financing facilities			
Total facilities available:			
Unsecured bank overdrafts	**5,412**	5,315	5,317
Unsecured bank loan facilities	**170,523**	168,893	165,518
Unsecured money market facilities	**15,000**	15,000	15,000
Loans from related party	**4,900**	-	-
	195,835	189,208	185,835
Facilities used at balance date:			
Unsecured bank overdrafts	**-**	-	-
Unsecured bank loan facilities	**130,558**	121,687	135,538
Unsecured money market facilities	**-**	-	-
Loans from related party	**4,900**	-	-
	135,458	121,687	135,538
Facilities not utilised at balance date:			
Unsecured bank overdrafts	**5,412**	5,315	5,317
Unsecured bank loan facilities	**39,965**	47,206	29,980
Unsecured money market facilities	**15,000**	15,000	15,000
Loans from related party	**-**	-	-
	60,377	67,521	50,297

Loan facilities

The unsecured loan facilities in Australia and New Zealand are provided by way of a common terms deed. These facilities are for a total $150 million which are subject to review prior to maturity, as follows:

	Amount $ million	**Facility Renewal date**
3 year facility	50	October 2016
5 year facility	100	October 2018

During the six months ended 31 December 2014, a subsidiary of the Company, Sunbeam Corporation Limited, entered into a loan agreement with Coleman Brands Pty, Limited (a subsidiary of Jarden Corporation) for an amount of $4.9 million which is payable on or before 31 March 2015. Interest is payable at 6% per annum.

In addition, there are unsecured facilities in Asia for $21 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. Financial instruments

These tables below show the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

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 - Contingent consideration

Level 3 fair values are based on the present value of expected receipt discounted using a risk adjusted discount rate. The expected payment is determined based on forecast EBITDA to 30 June 2015 for Sunbeam Australia and New Zealand.

Unobservable inputs include:	The estimated fair value would increase (decrease) if:
Forecast revenue to 30 June 2015 for the Sunbeam Australia and New Zealand businesses (7.9%);	The revenue growth rate were higher (lower)
Forecast EBITDA margin to 30 June 2015 for the Sunbeam Australia and New Zealand businesses (6.7%)	The EBITDA margin were higher (lower)

The sensitivity of the fair value of contingent consideration to significant observable inputs, holding all other inputs constant, would have the following effects.

		$m	
31 December 2014	+/-	**Increase**	**Decrease**
Annual revenue growth rate	0.5%	3.7	3.3
EBITDA margin	0.2%	1.3	1.6

There were no transfers between any of the levels of the fair value hierarchy during the six months ended 31 December 2014.

8. Financial instruments (continued)

	As at 31 December 2014						
	Carrying value		Not at fair value	Fair value			
	Current	Non-current		Level 1	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial assets measured at fair value							
Other financial assets [(1)]	12,940	-	-	-	-	12,940	12,940
Derivatives - Foreign currency forward contracts	6,161	-	-	-	6,161	-	6,161
Derivatives - Interest rate swaps at fair value	-	-	-	-	-	-	-
Total financial assets measured at fair value	**19,101**	**-**	**-**	**-**	**6,161**	**12,940**	**19,101**
Financial assets not measured at fair value							
Cash and cash equivalents	27,914	-	27,914	-	-	-	-
Trade and other receivables	106,800	-	106,800	-	-	-	-
Other financial assets	1,000	2,500	3,500	-	-	-	-
Total financial assets not measured at fair value	**135,714**	**2,500**	**138,214**	**-**	**-**	**-**	**-**
Total financial assets	**154,815**	**2,500**	**138,214**	**-**	**6,161**	**12,940**	**19,101**
Financial liabilities measured at fair value							
Derivatives - Foreign currency forward contracts	217	-	-	-	217	-	217
Derivatives - Interest rate swaps at fair value	35	851	-	-	886	-	886
Total financial liabilities measured at fair value	**252**	**851**	**-**	**-**	**1,103**	**-**	**1,103**
Financial liabilities not measured at fair value							
Borrowings and loans	15,142	120,361	135,503	-	-	-	-
Total financial liabilities not measured at fair value	**15,142**	**120,361**	**135,503**	**-**	**-**	**-**	**-**
Total financial liabilities	**15,394**	**121,212**	**135,503**	**-**	**1,103**	**-**	**1,103**

(1) Other financial assets measured at fair value represent the contingent consideration receivable from Jarden Corporation in relation to the sale of 49% of the Sunbeam Australia and New Zealand businesses (see note 11)

8. Financial instruments (continued)

	As at 30 June 2014						
	Carrying value		Not at fair value	Fair value			
	Current $'000	Non-current $'000	$'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets measured at fair value							
Other financial assets	-	-	-	-	-	-	-
Derivatives - Foreign currency forward contracts	1	17	-	-	18	-	18
Derivatives - Interest rate swaps at fair value	-	-	-	-	-	-	-
Total financial assets measured at fair value	**1**	**17**	**-**	**-**	**18**	**-**	**18**
Financial assets not measured at fair value							
Cash and cash equivalents	23,301	-	23,301	-	-	-	-
Trade and other receivables	91,872	-	91,872	-	-	-	-
Other financial assets	-	3,500	3,500	-	-	-	-
Total financial assets not measured at fair value	**115,173**	**3,500**	**118,673**	**-**	**-**	**-**	**-**
Total financial assets	**115,174**	**3,517**	**118,673**	**-**	**18**	**-**	**18**
Financial liabilities measured at fair value							
Derivatives - Foreign currency forward contracts	4,295	-	-	-	4,295	-	4,295
Derivatives - Interest rate swaps at fair value	13	312	-	-	325	-	325
Total financial liabilities measured at fair value	**4,308**	**312**	**-**	**-**	**4,620**	**-**	**4,620**
Financial liabilities not measured at fair value							
Borrowings and loans	8,887	112,857	121,744	-	-	-	-
Total financial liabilities not measured at fair value	**8,887**	**112,857**	**121,744**	**-**	**-**	**-**	**-**
Total financial liabilities	**13,195**	**113,169**	**121,744**	**-**	**4,620**	**-**	**4,620**

9. Restructuring

During the current period restructuring has been carried out in the Sunbeam and Dexion businesses resulting in a charge of nil in the Income Statement (see note 2: Restructuring costs).

Movements in the restructuring provisions in the year are as follows:

	31-Dec-14	31-Dec-13
	$'000	$'000
Opening balance	**8,219**	1,917
Total restructuring costs recognised (see note 2: Restructuring costs)	**-**	14,493
Less: write off of property, plant and equipment	**-**	(3,228)
Less: write down of inventory	**-**	(778)
Provisions utilised	**(6,595)**	(906)
Closing balance	**1,624**	11,498

10. 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 Total Shareholder Return hurdle is met.

Performance Rights were granted to a number of senior staff in the six months ended 31 December 2014 under the 2017 Long Term Incentive Plan.

During the six months ended 31 December 2014, the Company granted a senior staff member additional Performance Rights that vest subject to achieving earnings based performance hurdles for the years ending 30 June 2015 and 30 June 2018.

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 September 2014, with the grant 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	28/10/2014	24/07/2014	15/10/2014
Number of Performance Rights granted	90,259	475,945	11,415
Share price at grant date	6.74	6.69	6.64
Fair value at grant date	3.35	3.30	3.25
Exercise price	0.00	0.00	0.00
Expected volatility	20%	20%	20%
Performance rights life remaining at 31 December 2014	2.5 years	2.5 years	2.5 years
Expected dividend yield p.a.	6.50%	6.50%	6.50%
Risk free interest rate p.a.	2.48%	2.62%	2.56%

A portion of the 2015, 2016 and 2017 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.

11. Acquisition and Sale of non-controlling interests

The transactions

Effective 1 November, 2014, the Company:

- Sold 49% of the shares in Sunbeam Australia and New Zealand, comprising Sunbeam Corporation Limited and Sunbeam NZ Corporation Limited, to Holmes Products (Far East) Limited ("HPFE"), a subsidiary of Jarden Corporation. The Company maintains control through nominating three members to the five member boards of Sunbeam Corporation Limited and Sunbeam NZ Corporation Limited and retaining an equity interest of 51%.
- Acquired 49% of Jarden Consumer Solutions (Asia) Limited ("Jarden Asia") from HPFE. The Company has significant influence but not control given it nominated two of the five member boards of Jarden Asia and has an equity interest of 49%.

Consideration

In respect of the sale of 49% Sunbeam Australia and New Zealand, consideration comprises:

- An initial cash deposit of $16.205 million received by the Company; and
- Contingent consideration based on an EBITDA value adjusted for changes in net debt and net working capital calculated as at 30 June 2015. The Company has recorded $12.940 million of contingent consideration receivable which represents its fair value at acquisition date (see note 8).

In respect of the acquisition of 49% Jarden Asia, consideration of USD$2,940,691 (A$3,402,003) was paid by the Company.

Options

Pursuant to the Share Sale Agreement between the Company and HPFE, the parties also entered into a 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 transfer 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.

Ownership interests

With respect to the Sunbeam Australia and New Zealand businesses, the Group recognised:

- An increased non-controlling interest of $29.471 million;
- A decrease in retained earnings of $27.178 million; and
- A decrease in equity of $1.967 million.

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

12. Events subsequent to balance date

Dividends declared

On 20 January 2015, the Board of Directors declared a fully franked interim dividend in respect of the 2015 financial year of 20 cents per share. Record date is 20 February 2015 and the dividend will be paid on 6 March 2015.

Other

Other than the matters outlined above, no matters or circumstances have arisen since the end of the financial period that have significantly affected or may significantly affect the operating result or state of affairs of the Group.