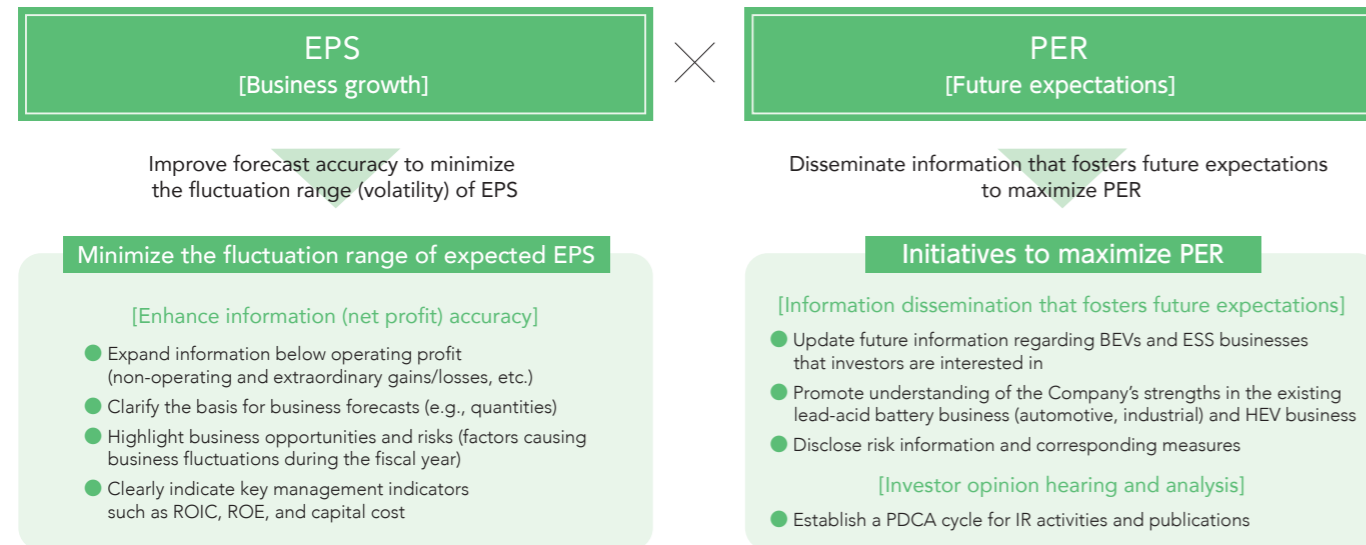


Actions to Implement Management That Is Conscious of Cost of Capital and Stock Price

The Company is working toward management that is conscious of capital costs and stock prices, and to this end, we repeatedly discuss understanding capital costs, analyzing the current situation based on market evaluation, and formulating plans at the Board of Directors meetings. Our aim is to enhance corporate value further, expand market capitalization, and improve PBR.

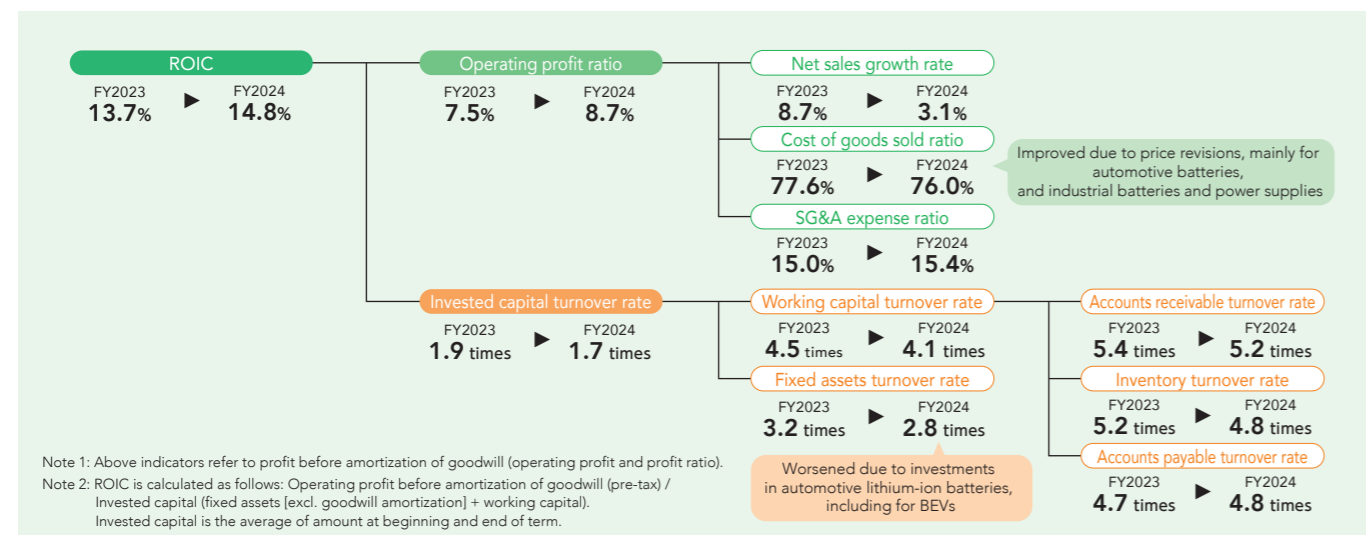
Regarding EPS, a component of stock price, we are promoting growth investments to maximize global storage battery demand opportunities for achieving carbon neutrality. Simultaneously, we are working on initiatives to enhance business growth such as strengthening the profitability of existing businesses. Additionally, we are striving to improve ROE by increasing our EPS. Furthermore, we are working to expand market capitalization and improve PBR through active dialogue between investors and management about our initiatives to achieve mid- to long-term goals, business growth, and future potential.



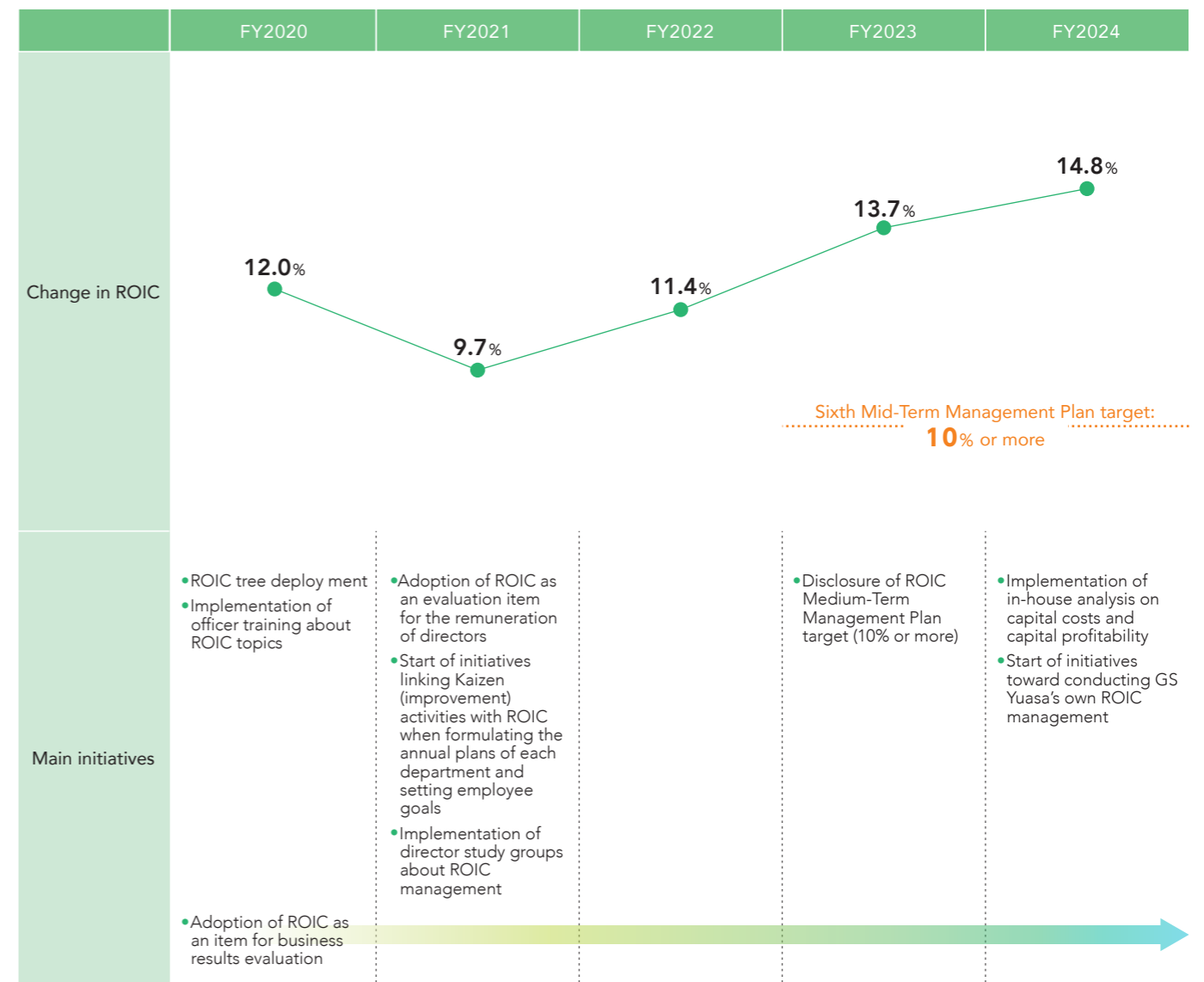
For details, refer to "Actions to achieve management that is conscious of cost of capital and stock price" in the Corporate Governance Report.
<https://ir.gs-yuasa.com/en/ir/library/governancereport/main/04/teaserItems1/03/linkList/0/link/pdfFile.pdf>

ROIC Tree

In the Sixth Mid-Term Management Plan, the Company has set ROIC as one of its management goals and aims to improve it. The invested capital turnover rate for FY2024 remained flat, but the operating profit ratio improved mainly due to an increase in sales volume of automotive batteries and industrial batteries and power supplies, as well as efforts to correct sales prices. As a result, the Company's overall ROIC increased from 13.7% in the previous fiscal year to 14.8%. In the automotive lithium-ion battery business, we are making significant upfront investments in growth areas, leading to fluctuations depending on the fiscal year. Therefore, the Company evaluates and manages ROIC on mid- to long-term trends rather than on a single-year comparison.



Initiatives to Promote ROIC Management within the Company



Initiatives to Improve ROIC

ROIC improvement drivers		Main initiatives
Improvement of operating profit	Improvement of operating profit ratio	Review of low profit business: Restructuring of China business
		Revision of selling price
Improvement of assets turnover rate	Improvement of fixed assets turnover rate	Sale of real estate
		Sale of cross-shareholdings
	Reduction of cash on hand and interest-bearing debt	Implementation of cash management system (CMS) within Group