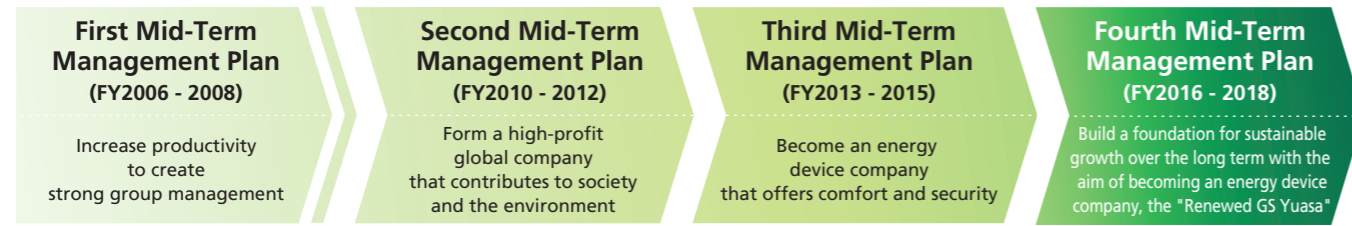


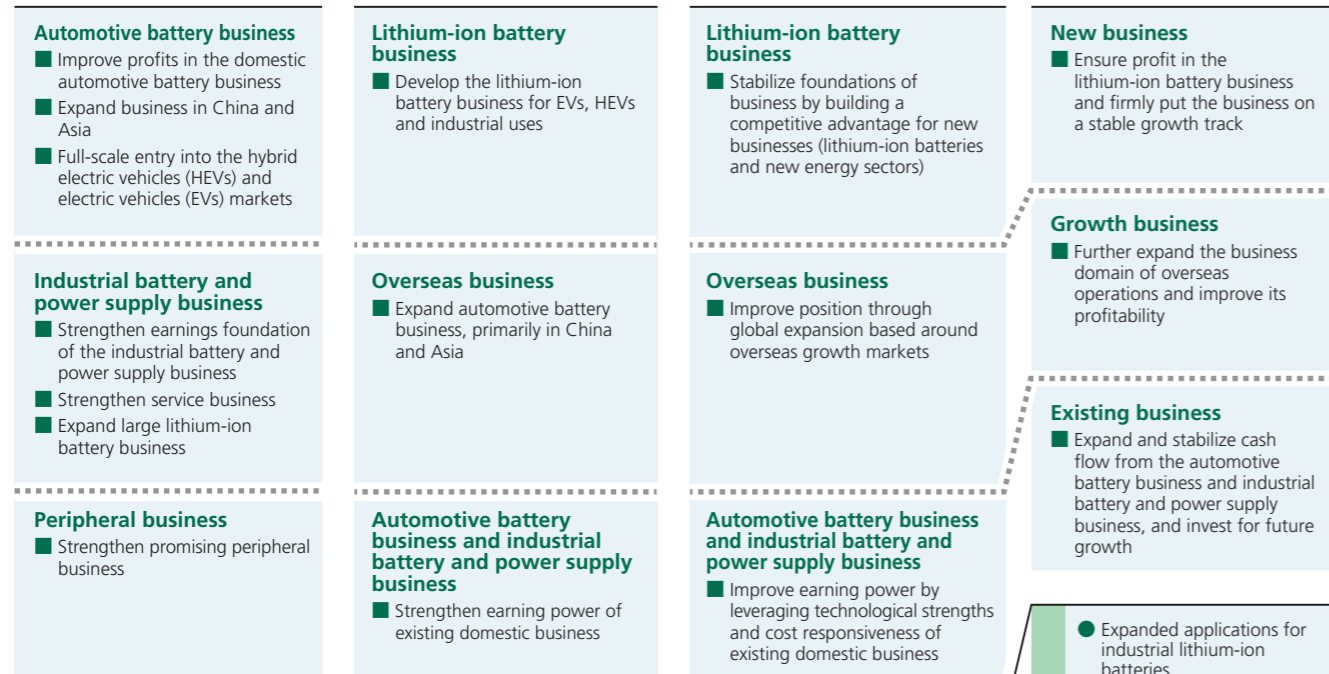
# Previous Mid-Term Management Plans



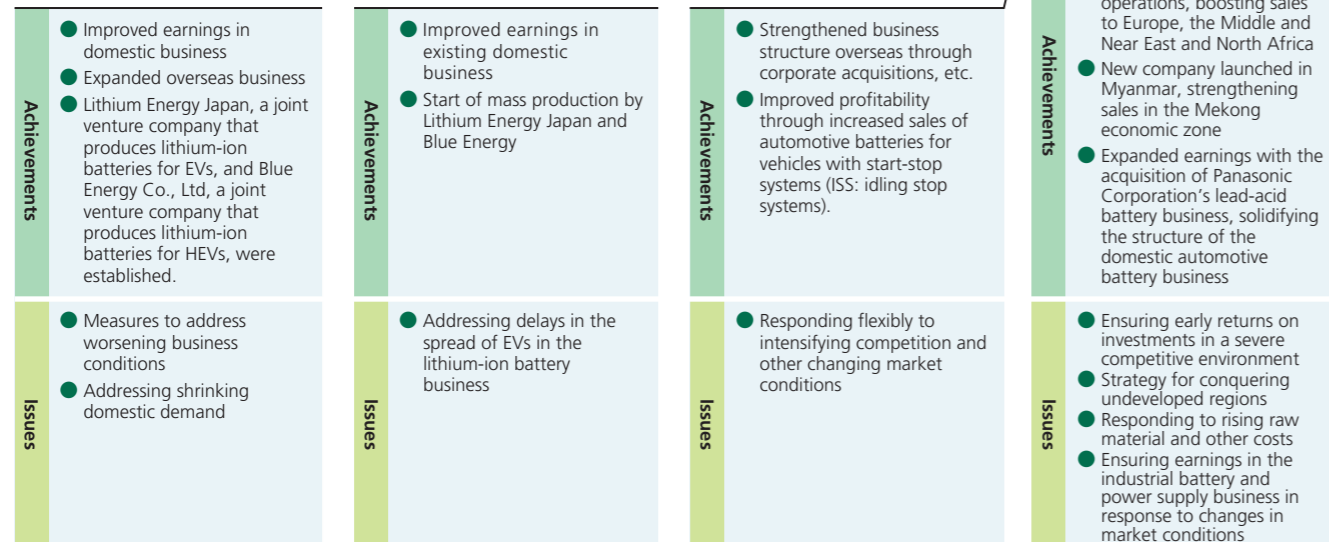
	First Mid-Term Management Plan FY2008 results	Second Mid-Term Management Plan FY2012 results	Third Mid-Term Management Plan FY2015 results	Fourth Mid-Term Management Plan FY2018 results
Net sales	283.4 billion yen	274.5 billion yen	365.6 billion yen	413.1 billion yen
Operating profit*1	14.3 billion yen	9.8 billion yen	21.9 billion yen	25.1 billion yen
ROE(return on equity)*2	6.4 %	4.8 %	5.7 %	9.0 %

\*1 Operating profit ratio refers to operating profit before amortization of goodwill after fiscal 2018.  
\*2 ROE has been calculated based on profit before amortization of goodwill after fiscal 2018.

### Strategic pillars



### Main achievements/issues



Note: Fiscal 2009 was set aside as a stand-alone fiscal plan based on the impact of a serious recession in the global economy.

## Fifth Mid-Term Management Plan (FY2019-2022)

Based on the *Mono-Koto Zukuri* (product and service creation) concept, GS Yuasa will engage in strategic activities that lead to sustainable growth of both the lead-acid battery and lithium-ion battery businesses through creation of new value.

	Mid-term management targets	FY 2022 results	
Net sales	460.0 billion yen or more	517.7 billion yen	Achieved
Operating profit*1	28.0 billion yen or more	32.1 billion yen	Achieved
ROE (return on equity)*2	8.0 % or more	6.5 %	Ongoing issue
Total payout ratio*3	30.0 % or more	27.9 %	Ongoing issue
Interest-bearing debt to cash flow ratio*4	Less than 3.0 years	4.0 years	Ongoing issue
Equity ratio	Maintain at 45.0 % or more	42.6 %	Ongoing issue

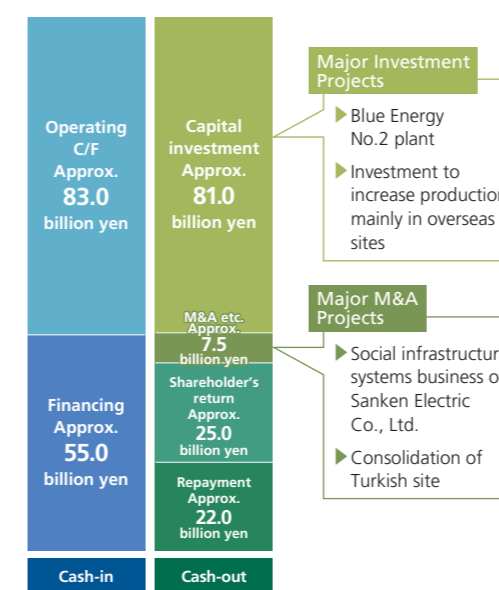
\*3 The total payout ratio is before amortization of goodwill  
\*4 Interest-bearing debts (including lease obligations)/Operating cash flow  
Note: The Fifth Mid-Term Management Plan originally covered the period from fiscal 2019 to fiscal 2021. Due to the impact of the COVID-19 pandemic, however, we have excluded fiscal 2020 as a single-fiscal-year plan and changed the fifth plan to a four-year plan ending in fiscal 2022.

### Main achievements and issues

Business Area	Achievements	Issues
Automotive Battery Business (Japan, overseas)	<ul style="list-style-type: none"> <li>Creating synergistic effect with GS Yuasa Energy Co., Ltd.</li> <li>Converting Turkish site into a consolidated subsidiary</li> </ul>	<ul style="list-style-type: none"> <li>Intensifying competition in China</li> <li>Revise sales price due to soaring raw material price etc.</li> </ul>
Industrial Battery and Power Supply Business	<ul style="list-style-type: none"> <li>Delivery of lithium-ion batteries for wind power generation in Hokkaido</li> <li>Acquisition of the social infrastructure systems business from Sanken Electric Co., Ltd.</li> <li>Starting "Koto-zukuri business" such as STARELINK service*5</li> </ul>	<ul style="list-style-type: none"> <li>Delivery delay due to shortage of components and materials</li> <li>Secure profits in regular field business</li> </ul>
Automotive Lithium-ion Battery Business	<ul style="list-style-type: none"> <li>Start of operation of Blue Energy No.2 plant (Production ability: FY2019 20million cells/year⇒FY2022 50million cells/year)</li> <li>Start of supply lithium-ion batteries for HEVs for Toyota Motor Corporation</li> <li>Establishment of the BEV Battery Development Department</li> <li>Signing of basic agreement toward collaboration with Honda</li> </ul>	<ul style="list-style-type: none"> <li>Response to entry into EV market</li> </ul>

\*5 Maintenance services that use proprietary remote monitoring technology and forecasting and preventive technologies. Preventive maintenance services that use AI and DX are provided to maintain the stable operations and optimal control essential for power generating facilities that are used for extended periods.

### Capital Allocation (Apr. 2019 -Sep. 2022)



Note: Based on figures for the second quarter of fiscal 2022.

### Capital Investment, Depreciation, R&D Costs

	FY2019-2022 Results (Four-year Total)
<b>Capital Investment</b>	<b>102.0 billion yen</b>
Automotive Batteries	12.4 billion yen (Japan) + 22.8 billion yen (Overseas)
Industrial Batteries and Power Supplies	8.5 billion yen
Automotive Lithium-ion Batteries	29.6 billion yen
Specialized Batteries and Others	28.6 billion yen
<b>Depreciation</b>	<b>67.0 billion yen</b>
Automotive Lithium-ion Batteries	14.1 billion yen
<b>R&amp;D Costs</b>	<b>46.6 billion yen</b>
(Ratio of R&D expenses to net sales)	2.7 %

Note: Plan values as of the second quarter of fiscal 2022.

# Sixth Mid-Term Management Plan (FY2023-2025)

## Policy

Positioning this period as one for laying the foundation for reform to realize the vision envisioned in Vision 2035, we will implement a variety of measures to reform our business structure.

## Measure

### 1

Development of batteries for BEVs

- Development of a high-capacity, high-output lithium-ion batteries by utilizing joint venture company with Honda
- Establishment of production and supply systems of batteries for BEVs to expand mobility and public infrastructure business

### 2

Reinforcement of earning capacity in existing business

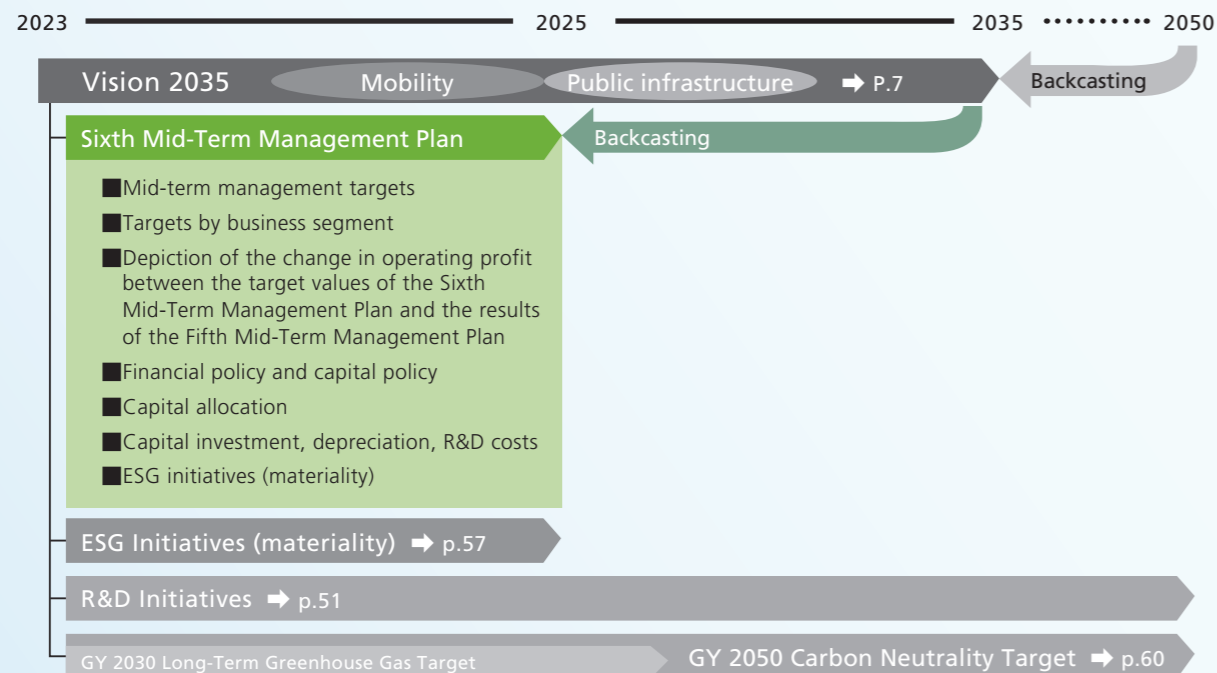
- Thorough value-added creation and improvement in profitability
- Maximization of profits due to unparalleled superiority in Industrial Batteries and Power Supplies Business in Japan
- Transformation of regional strategy, including review of business in China, maximization of profits by concentrating resources at main sites

### 3

DX / new business

- DX promotion to enable business structure transformation
- Create new business that contribute to solving social issues

## Positioning of the Sixth Mid-Term Management Plan



## Mid-term management targets

	Fifth Mid-Term Management Plan (FY2022 results)	Sixth Mid-Term Management Plan (FY2025 target)	Change
Net sales	517.7 billion yen	610.0 billion yen or more	+92.3 billion yen
Operating profit before amortization of goodwill	32.1 billion yen	41.0 billion yen or more	+8.9 billion yen
ROE (return on equity)*1	6.5 %	8.0 % or more	+1.5 P
ROIC (return on invested capital)*2	11.4 %	10.0 % or more	-
Total payout ratio*1	27.9 %	30.0 % or more	+2.1 P
Domestic lead price quote	347,000 yen / t	342,000 yen / t	-5,000 yen / t
LME	2,105 US\$ / t	2,000 US\$ / t	-105 US\$ / t
Exchange rate	136 yen / US\$	140 yen / US\$	+4 yen / US\$

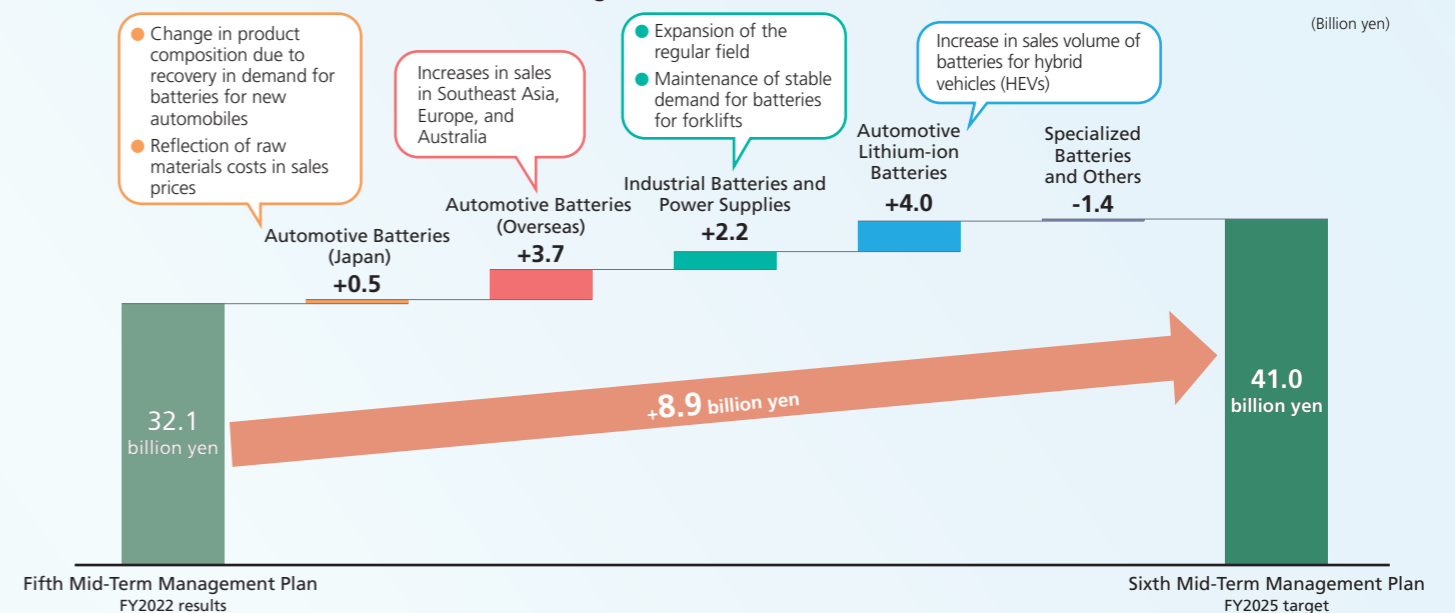
\*1 Refers to profit before amortization of goodwill.  
 \*2 Calculate as follows: Operating income before amortization of goodwill / Invested capital (fixed assets [excl. goodwill amortization] + working capital). Invested capital is the average of amount at beginning and end of term.

## Targets by business segment

		FY2022 results		FY2025 target		Change	
		Net sales	Operating profit*3 (profit ratio)	Net sales	Operating profit*3 (profit ratio)	Net sales	Operating profit*3 (profit ratio)
Automotive batteries	Japan	87.8 billion yen	6.5 billion yen (7.5%)	100.0 billion yen	7.0 billion yen (7.0%)	+12.2 billion yen	+0.5 billion yen (-0.5P)
	Overseas	247.3 billion yen	13.3 billion yen (5.4%)	240.0 billion yen	17.0 billion yen (7.1%)	- 7.3 billion yen	+3.7 billion yen (+1.7P)
Industrial batteries and power supplies		99.2 billion yen	8.8 billion yen (8.9%)	140.0 billion yen	11.0 billion yen (7.9%)	+40.8 billion yen	+2.2 billion yen (-1.0P)
Automotive lithium-ion batteries		65.4 billion yen	2.0 billion yen (3.0%)	110.0 billion yen	6.0 billion yen (5.5%)	+44.6 billion yen	+4.0 billion yen (+2.5P)
Specialized batteries and others		18.0 billion yen	1.4 billion yen (7.7%)	20.0 billion yen	0.0 billion yen	+2.0 billion yen	-1.4 billion yen
Total		517.7 billion yen	32.1 billion yen (6.2%)	610.0 billion yen	41.0 billion yen (6.7%)	+92.3 billion yen	+8.9 billion yen (+0.5P)

\*3 Operating profit has been operating profit before amortization of goodwill and the operating profit ratio has been the operating profit ratio before amortization of goodwill.

## Depiction of Change in Operating Profit\*4 between the target of the Sixth Mid-Term Management Plan and the results of the Fifth Mid-Term Management Plan



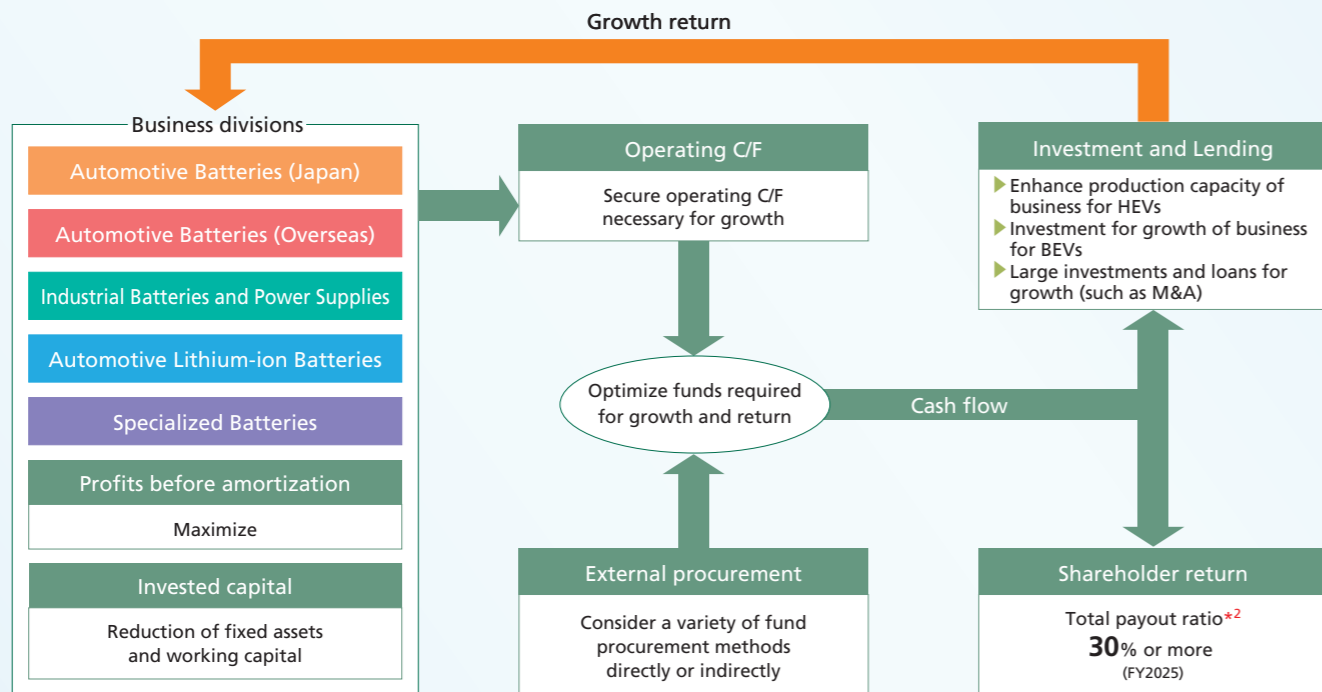
\*4 Operating profit before amortization of goodwill

**Financial policy and capital policy**

We seek to maintain an equity ratio of 40% or more while investing in growth in mobility and public infrastructure. We have also set a target for total payout ratio before amortization of goodwill of at least 30%. We are working to achieve both investment in growth and shareholder returns by maximizing profits through ROIC management and utilizing optimal financing.

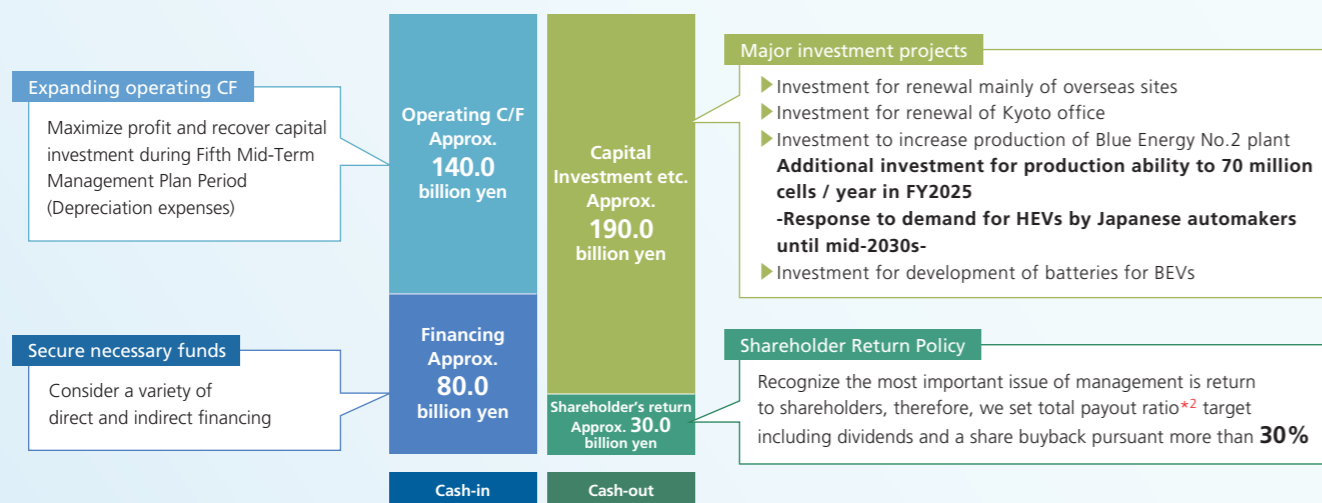
<b>FY2025 Target</b>	Interest-bearing debt to operating cash flow ratio*1 Approx. <b>3</b> years	Total payout ratio*2 <b>30.0%</b> or more	Equity ratio Maintain at <b>40.0%</b> or more	<b>Sixth Mid-Term Management Plan 3-year total</b>	Operating cash flow <b>¥140.0</b> billion yen	Investing cash flow <b>-¥190.0</b> billion yen	Free cash flow <b>-¥50.0</b> billion yen
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\*1 Interest-bearing debts (including lease obligations) / operating cash flow  
\*2 The total payout ratio is before amortization of goodwill



**Capital allocation**

We will prioritize investment in the mobility field, which is expected to grow considerably, centered primarily around batteries for BEVs, and in the public infrastructure field, centered on renewable energy. We will pursue business growth while providing solid returns to shareholders by maximizing operating cash flow securing needed capital.



**Capital investment, depreciation, R&D costs**

Capital investment will increase considerably, particularly in the automotive lithium-ion battery business. We will make the capital investments needed for growth while making use of subsidies and the like. Expenses associated with research and development will also increase significantly, in order to accelerate R&D at our joint venture with Honda Motor.

	Sixth Mid-Term Management Plan (FY2023-2025)	Change from the Fifth Mid-Term Management Plan Results
<b>Capital Investment</b>	<b>190.0 billion yen</b>	<b>+88.0 billion yen</b> ↑
Automotive Batteries		
Japan	<b>12.0 billion yen</b>	<b>-0.4 billion yen</b> ↓
Overseas	<b>20.0 billion yen</b>	<b>-2.8 billion yen</b> ↓
Industrial Batteries and Power Supplies	<b>16.0 billion yen</b>	<b>+7.5 billion yen</b> ↑
Automotive Lithium-ion Batteries	<b>105.0 billion yen</b>	<b>+75.4 billion yen</b> ↑
Specialized Batteries and Others	<b>37.0 billion yen</b>	<b>+8.4 billion yen</b> ↑
<b>Depreciation</b>	<b>65.0 billion yen</b>	<b>-2.0 billion yen</b> ↓
Automotive Lithium-ion Batteries	<b>24.0 billion yen</b>	<b>+9.9 billion yen</b> ↑
<b>R&amp;D Costs</b>	<b>60.0 billion yen</b> *3	<b>+13.4 billion yen</b> ↑
(Ratio of R&D expenses to netsales)	<b>3.3 %</b>	<b>+0.6 P</b> ↑

\*3 R&D costs in equity method affiliates are included.  
Note: Plan values as of the second quarter of fiscal 2022.

**ESG Initiatives (Materiality)**

	Materiality	Major Activities and targets (FY2025 Target)
<b>E</b> nvironment Contribute to sustainability of the global environment	<ul style="list-style-type: none"> <li>Developing and popularizing environmentally considered products</li> <li>Promoting environmental protection</li> </ul>	<ul style="list-style-type: none"> <li>Ratio of reduction of CO2 emissions : <b>15%</b> or more (compared with FY2018)</li> <li>Ratio of reduction of water use : <b>15%</b> or more (compared with FY2018)</li> <li>Ratio of recycled lead used : <b>70%</b> or more</li> <li>Percentage of environmentally considered products in total sales : <b>45%</b> or more</li> </ul>
<b>S</b> ocial Respect for human rights and contribution to society	<ul style="list-style-type: none"> <li>Respect for individuality</li> <li>Respect for diversity</li> <li>Human resources development</li> <li>Enhancement of work environments and occupational health and safety</li> <li>Provision of high-quality products</li> <li>Responsible procurement promotion</li> </ul>	<ul style="list-style-type: none"> <li>Promotion of compliance education and thorough management of human rights risks</li> <li>Promotion of diversity &amp; inclusion</li> <li>Promotion of work-life balance and health management</li> <li>Promotion of human resource development programs</li> <li>Promotion of occupational health and safety risk management</li> <li>Strengthening of product safety management, promotion of quality improvement and strengthening of quality communication</li> <li>Responses to responsible mineral procurement and managing CSR risks in the supply chain</li> </ul>
<b>G</b> overnance Promotion of fair, transparent, and swift group-wide governance	<ul style="list-style-type: none"> <li>Thoroughly fulfilling our CSR and ensuring compliance</li> <li>Protection of intellectual property</li> <li>Thorough management of confidential information</li> </ul>	<ul style="list-style-type: none"> <li>Promotion of compliance education, provision and thorough of legal information</li> <li>Thorough avoidance of infringement and elimination of counterfeit products</li> <li>Promotion of security measures and information security training</li> </ul>

**Transformation of the CSR Committee into the Sustainability Promotion Committee**

→ P.55 Sustainability promotion framework

In fiscal 2023, the existing CSR Committee was reorganized as the Sustainability Promotion Committee. The earlier committee monitored the progress of issues relating to materiality and deliberated on topics such as responses to CSR information disclosure from a CSR perspective, and as of fiscal 2023, the new committee deliberates on issues including responses to the TCFD recommendations and responses concerning the human rights of foreign workers from a variety of perspectives.