

Vision 2035

The medium- to long-term business environment surrounding the Company is expected to see a further expansion in demand for storage batteries, including those for electric vehicles (EVs) and renewable energy, driven by the active movement toward realizing a sustainable society, exemplified by the trend toward carbon neutrality.

To adapt to these changes in the business environment and contribute to solving social issues, we have formulated our long-term vision, Vision 2035. In Vision 2035, to achieve "Innovation and Growth" for the next 100 years, we have defined the "Four Re" formula as the foundation for illustrating the vision of GS Yuasa in 2035.

Vision of GS Yuasa in 2035

Based on the "Four Re" formula, we strive for innovation in energy technology, address social challenges that arise from the growth of mobility and other public infrastructure, and seek to create comfortable living environments and play a vital part in the global effort toward sustainability.

Vision 2035

Reborn

A century on and still inspired anew every day by the GS Yuasa founding spirit.

Renewable

Making a genuine contribution to carbon neutrality.

Reliable

Committed to technical innovation and delivering solid, reliable energy.

Respect

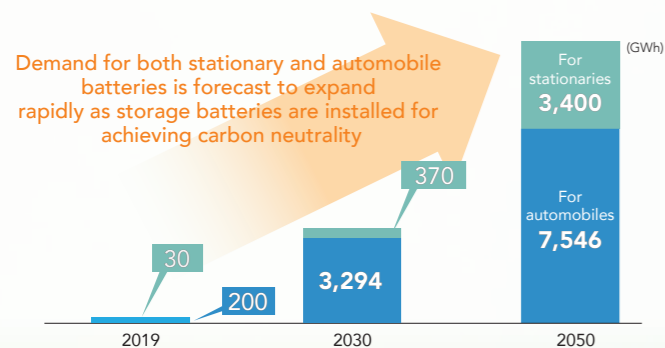
Earning the respect of the world through solid action toward achieving the SDGs.

You can also view the key points of Vision 2035 on our website. ▶ <https://ir.gs-yuasa.com/en/ir/management/plan.html>

Business Environment Surrounding GS Yuasa and Value Provided

Business environment

Global storage battery installation forecast by 2050



Source: Compiled by the Company from the International Renewable Energy Agency (IRENA), Global Renewables Outlook: Energy Transformation 2050 (2020).

*1 Stationary batteries are those installed on the demand side, such as in homes, buildings, commercial facilities, and factories, or connected to the power grid to mitigate fluctuations in renewable energy output.

As the market undergoes significant changes towards achieving carbon neutrality by 2050, global demand for stationary*1 and automotive storage batteries is expected to surge from 230 GWh in 2019 to approximately 10,000 GWh by 2050, about a 43-fold increase. We recognize this market expansion as a significant opportunity, as we have expertise in manufacturing stationary and automotive storage batteries. In addition to steadily capturing this expanding market demand, we believe it is also important to further innovate and implement existing technologies.

Value provided by GS Yuasa

Mobility



- Acceleration of electrification toward zero emissions
- Advancing levels of self-driving cars
- Acceleration of shift from ownership to use (e.g., car sharing)

Value provided by GS Yuasa
Contributing to the widespread use of eco-friendly vehicles (cars)



Public infrastructure



- In conjunction with increased introduction of renewable energy, the importance of storage batteries and the need for energy management are expanding in order to control fluctuations and adjust supply and demand
- Increasing importance of backup for electric power, information, and communication infrastructure, etc.

Value provided by GS Yuasa
Contributing to the expansion of renewable energy and provision of safe and secure public infrastructure

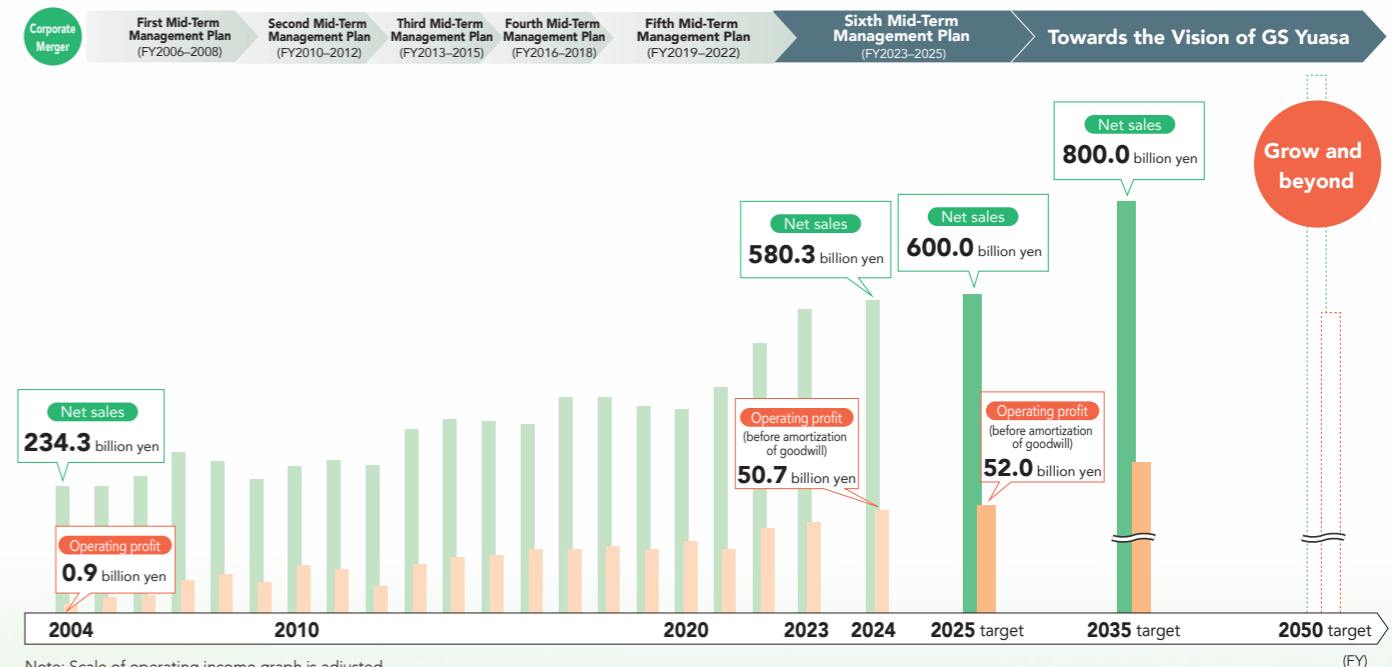


Direction Towards 2050

To achieve Vision 2035 and realize carbon neutrality, we recognize the need for significant transformation in our business structure and have decided to focus on two areas: Mobility and Public Infrastructure. While demand for automotive lead-acid batteries is expected to decline gradually in the long term, we aim to enhance profitability through regional and temporal strategies and secure investment funds for growth areas. For automotive lithium-ion batteries, we will continue to steadily respond to the demand for HEV and PHEV lithium-ion batteries. Industrial batteries and power supplies play a role in the maintenance of public infrastructure, and demand is expected to remain stable. Additionally, we will focus on high-capacity, high-output lithium-ion batteries centered on BEVs and ESSs as a growth area, delivering innovative storage battery technology. Around 2035, we will also foster new businesses that contribute to society as a new initiative.

By continuing to steadily expand our business in the future, we aim to see 800 billion yen in net sales in FY2035.

Business growth outlook



Note: Scale of operating income graph is adjusted.

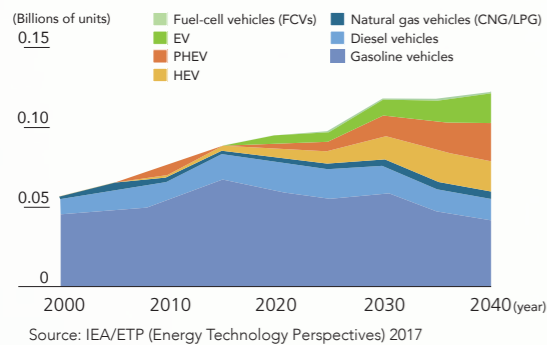
Vision 2035

Strategy in the Mobility Field

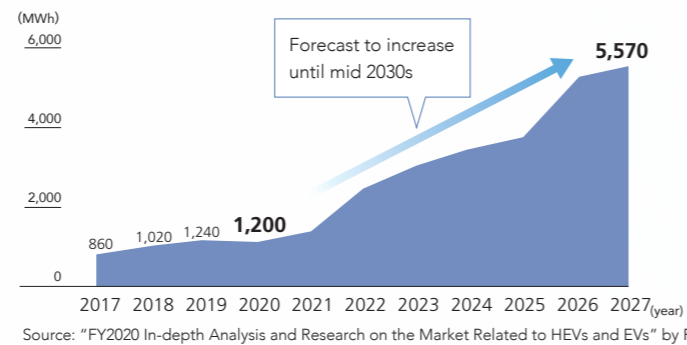
Our lithium-ion drive batteries that power automobiles are installed in EVs, PHEVs, and HEVs. Alongside that, our 12 V batteries for auxiliary equipment, which are needed to start the system and supply electricity to electronic devices such as the car navigation system, are installed in all vehicle types, regardless of whether they are fuel-cell vehicles, internal combustion engine (ICE) vehicles, or electric vehicles. 12 V starting batteries are installed in current gasoline vehicles, with lead-acid batteries being the most widely used type. Even as electrification of automobiles advances further, we expect demand for lead-acid batteries to remain solid up to around 2040.

GS Yuasa's strength is our multi-battery solutions. In addition to lead-acid batteries for ICE vehicles and electrified vehicles, our lineup includes lithium-ion batteries for HEVs, PHEVs, BEVs, 12 V auxiliary equipment, and ESS. Our BEV lithium-ion battery factory, now under construction, will also be capable of producing lithium-ion batteries for PHEVs and ESS, thanks to its flexible production lines. Leveraging this strength, we can respond to customer and market movements regardless of the direction electrification trends take, ensuring business stability.

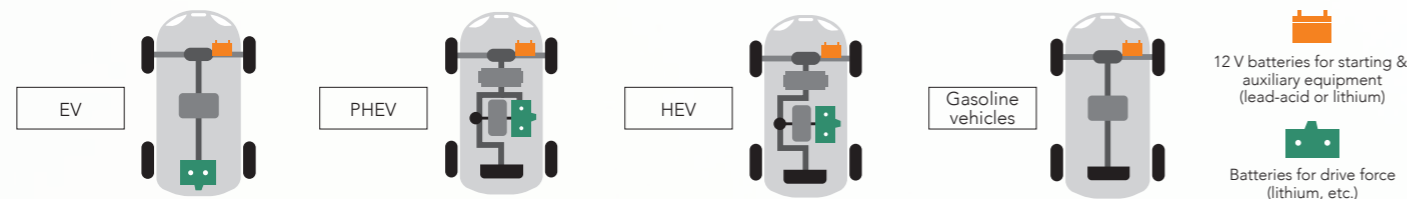
Market share for automobiles (global)



Changes in volume of lithium-ion batteries for HEVs



Status of storage battery usage by vehicle type



Business model for lithium-ion batteries for BEVs

We are engaged in research and development at Honda-GS Yuasa EV Battery R&D Co., Ltd. (HGYB), our joint venture with Honda Motor Co., Ltd., toward mass production of lithium-ion batteries for BEVs. The BEV lithium-ion battery technology developed at HGYB, focusing on key technologies such as safety, durability, and input/output, will be utilized in the form of IP (intellectual property rights) for lithium-ion batteries for BEVs produced at the new Blue Energy Co., Ltd. (BEC) plant. As a result, HGYB will earn royalty income from BEC. In addition to BEC, HGYB's IP will be provided for the production of lithium-ion batteries for BEVs at Honda and other production plants.



Materials and briefing video for automotive battery business

On March 15, 2024, we held an Automotive Battery Business Briefing for institutional investors and analysts. Takashi Abe, former Business Unit Manager of Automotive Batteries, provided an explanation of future market trends in Japan and overseas, as well as the mid- to long-term strategy. Please take a look.

https://ir.gs-yuasa.com/en/ir/library/strategy_meeting.html

Strategy in the Regular Field

P.36-40 [Feature 1] Initiatives in the Regular Field to Achieve Carbon Neutrality

Numerous subsidies related to carbon neutrality are planned in Japan, so the introduction of renewable energy is also expected to expand, increasing the importance of ESS for fluctuation control and supply-demand adjustment. Accordingly, inquiries in the regular field, mainly for ESS, are robust, and from FY2024, GS Yuasa has increased its production capacity by 1.3 times compared to FY2023. From 2027 onward, we plan to further expand production capacity by utilizing the production lines of the new BEV lithium-ion battery factory. In addition, because the competitive environment in the regular field is severe, we are currently developing new lithium-ion batteries. We aim to strengthen our competitiveness further by bringing them to market and enhancing our presence in the regular use market. As a result of these policies, by FY2030, we expect to increase our sales capacity in the regular field to about eight times the level in FY2023.

Sixth Mid-Term Management Plan period (to FY2025) | **Afterward**

Strengthening competitiveness
Improving customer satisfaction

Further strengthening competitive ability and achieving high-added value

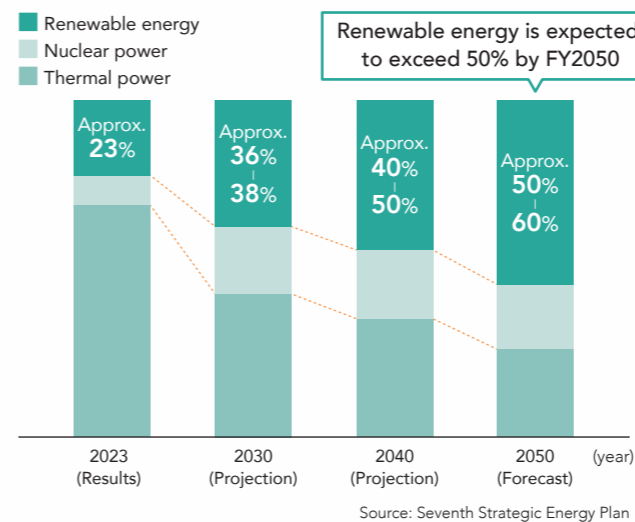
Products

- Storage batteries + Remote monitoring service (STARELINK Service)^{*2}
- Storage batteries + Remote monitoring service + Development of large-capacity PCS^{*3} integrated ESS
- Development of new (third generation) batteries
- Package system + Installation work + Maintenance

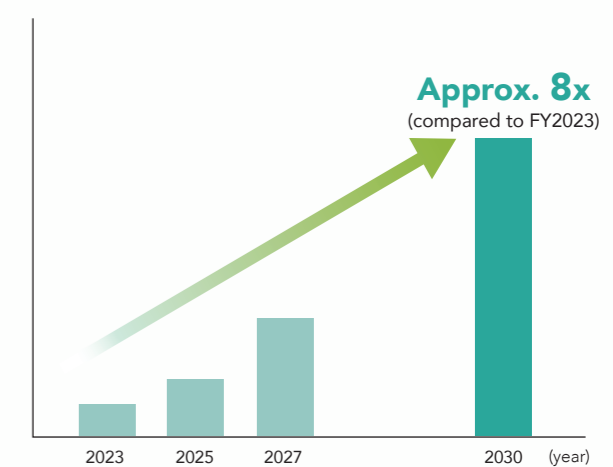
^{*2} A maintenance service that uses proprietary remote monitoring technology and forecasting and preventive technologies. We offer preventive maintenance services that use AI and DX to maintain the stable operations and optimal control essential for power generating facilities used for extended periods.

^{*3} Power conditioners

Forecast of power supply composition in Japan



Sales capacity target for GS Yuasa Group in regular field



Vision 2035 (long-term vision) website

Vision 2035 Key Points are explained in an easy-to-understand and concise manner. Please take a look.

<https://ir.gs-yuasa.com/en/ir/management/plan.html>

Materials and briefing video for industrial battery and power supply business

On March 17, 2025, we held an Industrial Battery and Power Supply Business Briefing for institutional investors and analysts. Takashi Taniguchi, former Business Unit Manager of Industrial Batteries and Power Supplies, provided an explanation of future market trends and the mid- to long-term strategy. Please take a look.

https://ir.gs-yuasa.com/en/ir/library/strategy_meeting.html