
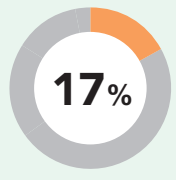



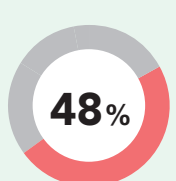



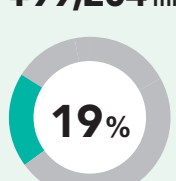





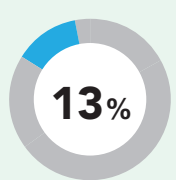



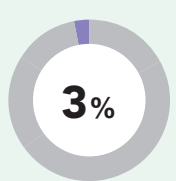









Business Overview

Business segment	Net sales / Composition of net sales (FY2022)	Main products	Main applications	Sales areas	Main customers	Characteristics of the business
Automotive Batteries (Japan) 	¥87,802 million 	Lead-acid batteries Battery type: Lead-acid 	 Automobiles For starting Internal combustion engines (ICE) / Vehicles with start-stop systems (ISS: idling stop systems) For auxiliary equipment Hybrid electric vehicles (HEVs) / Plug-in hybrid electric vehicles (PHEVs) / Electric vehicles (EVs)	Japan	For new automobiles Japanese automakers For replacement Distributors (electrical device shops, etc.) / Automobile accessory mass retailers / Automobile dealers / Oil refiners and sellers, etc. For new automobiles Japanese motorcycle makers For replacement Distributors, etc.	<ul style="list-style-type: none"> Consistent earnings can be secured through replacement batteries High profit margin for lead-acid batteries for ISS vehicles Earnings affected by fluctuations in lead prices The demand period for replacements is winter The volume ratio of batteries for new automobiles to replacement is approximately 1:1 (the ratio varies from year to year)
Automotive Batteries (Overseas) 	¥247,329 million 	Lead-acid batteries Battery type: Lead-acid 	 Automobiles For starting ICE / ISS vehicles For auxiliary equipment HEVs / PHEVs / EVs	Overseas	For new automobiles Japanese automakers, etc. For replacement Distributors, etc. (varies by country) For new automobiles Japanese motorcycle makers For replacement Distributors, etc.	<ul style="list-style-type: none"> Earnings affected by fluctuations in lead prices As the foundation is local production for local consumption, the impact on foreign exchange earnings will be minimal Industrial lead-acid batteries are also included (Backup batteries in Europe account for the majority) The sales ratio from batteries for automobiles, motorcycles, and industrial applications is approximately 6:2:2 (the ratio varies from year to year) The Company's market share and profitability in Southeast Asia are high Replacement batteries accounts for a large portion of sales in Europe
Industrial Batteries and Power Supplies 	¥99,204 million 	Lead-acid batteries Lithium-ion batteries Various power supply devices (including DC power supply and UPS, etc.) Battery type: Lead-acid Lithium 	 Mobile phone base stations / Office buildings / Water and sewer systems / Power plants and transformer stations / Railways, etc. Emergency use field  Energy Storage System (ESS) / Solar power and wind power generation systems Regular use field  Forklifts For drive force	Japan Overseas	Railways / Electric power / Government agencies / Communications carriers / Plants / Office buildings / Data centers, etc. (sales are also conducted via distributors, electrical construction companies, electrical machinery and communications device makers, and others) Power transmission and distribution operators / EPC* operators / Plants / Offices, etc. Forklift makers / Maker distributors, etc.	<ul style="list-style-type: none"> Profit margins are high as we offer a one-stop service from design to manufacturing, construction and maintenance Projects with high profit margin for national and local government offices are concentrated at the end of the fiscal year Expansion of business can be expected in the future Consistent revenue can be secured through replacement batteries
Automotive Lithium-ion Batteries 	¥65,355 million 	Lithium-ion batteries Battery type: Lithium 	 Automobiles For drive force HEVs / PHEVs / Battery electric vehicles (BEVs) For starting & auxiliary equipment (12V lithium) HEVs / PHEVs / BEVs / ICE	Japan Overseas	Japanese automakers, etc.	<ul style="list-style-type: none"> In principle, it is for new automobiles only as product lifespan is long R&D expenses are included in the segment Lithium-ion batteries for ESS manufacturing is also included Expansion of business can be expected in the future
Specialized Batteries and Others 	¥18,043 million 	Lead-acid batteries Lithium-ion batteries Specialized batteries Battery type: Lead-acid Lithium 	 Submarines  Manned research submersibles  Aircrafts  Rockets  Satellites  Other special applications	Japan Overseas	Japanese government / Electrical machinery makers / Aircraft makers / Airlines / Social corporations, etc.	<ul style="list-style-type: none"> Lithium-ion batteries for submarines are posted on a progress basis, and stable sales and profits can be acquired Company-wide expenses are included in the segment

Battery applications **For starting** For starting engines **For auxiliary equipment** For starting systems for electric vehicles and backup for electrical devices **For drive force** For driving motors
Emergency use field For backup use in case of emergencies in locations such as data centers and communication base stations **Regular use field** For daily, uninterrupted charging and discharging in renewable energy, energy management, etc.

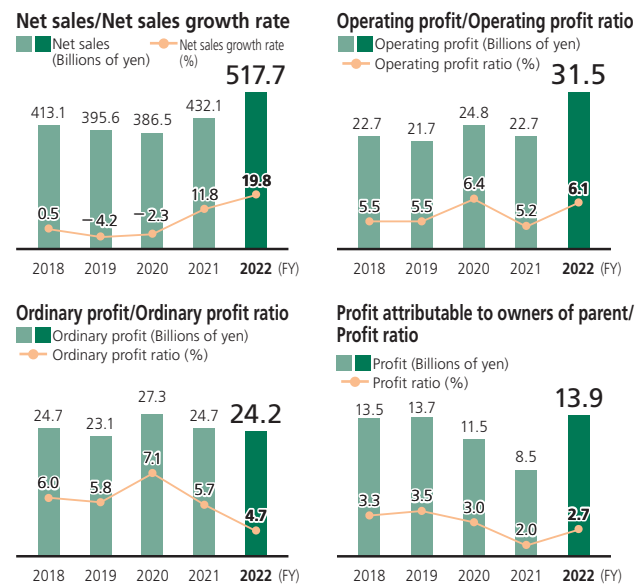
* A contract format whereby engineering, procurement, and construction are contracted out as a project.

Financial Analysis

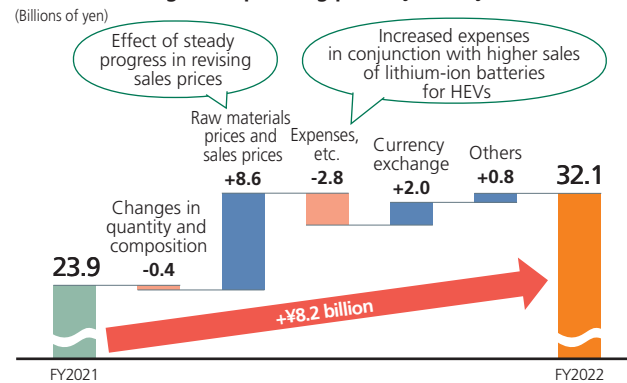
Financial summary for FY2022

Both net sales and operating profit increased, mainly as a result of a higher sales volume of lithium-ion battery for HEVs, the conversion of the Group's site in Turkey into a consolidated subsidiary, and yen depreciation in foreign exchange rates. Ordinary profit was flat from the previous fiscal year due to deterioration of the share of loss of entities accounted for using equity method, primarily sites in China, increased interest expenses, and other factors. Profit attributable to owners of the parent increased due mainly to gains on sale of non-current assets and gains on sale of investment securities.

	FY2022 Actual	YoY
Net sales	¥517.7 billion	Up 19.8% ↑
Operating profit	¥31.5 billion	Up 39.0% ↑
Operating profit before amortization of goodwill	¥32.1 billion	Up 34.5% ↑
Ordinary profit	¥24.2 billion	Down 1.9% ↓
Profit attributable to owners of parent	¥13.9 billion	Up 64.5% ↑
Profit attributable to owners of parent before amortization of goodwill	¥14.4 billion	Up 52.0% ↑



Factors in changes in operating profit (year-on-year)



Note: Operating profit is operating profit before amortization of goodwill

Operating results by business segment

Automotive batteries (Japan)

As a result of progress in revising sales prices and other factors, net sales total ¥87.8 billion (a year-on-year increase of 7.7%) and operating profit was ¥6.5 billion (a year-on-year increase of 11.4%).

Automotive batteries (Overseas)

As a result of the conversion of our site in Turkey into a consolidated subsidiary, sales price revisions, effects from yen depreciation, and other factors, net sales totaled ¥247.3 billion (a year-on-year increase of 32.4%) and operating profit was ¥13.3 billion (a year-on-year increase of 33.9%).

Industrial batteries and power supplies

Despite effects from the completion of deliveries of lithium-ion storage battery facilities for wind power generation in Hokkaido in fiscal 2021, net sales totaled ¥99.2 billion (a year-on-year decrease of 0.3%) and operating profit was ¥8.8 billion (a year-on-year increase of 52.5%) as a result of progress in revising sales prices and other factors.

Automotive lithium-ion batteries

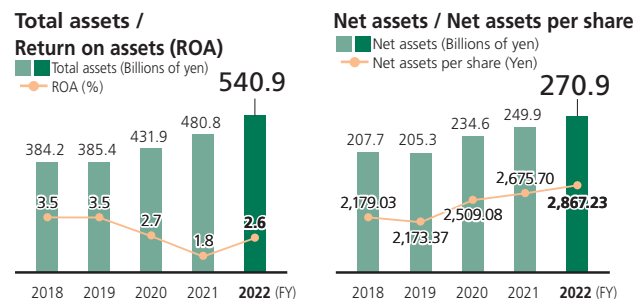
As a result of the higher sales volumes of lithium-ion batteries for HEVs and other factors, net sales totaled ¥65.4 billion (a year-on-year increase of 37.2%) and operating profit was ¥2.0 billion (a year-on-year increase of 20.1%).

Specialized batteries and others

As a result of higher sales volumes of lithium-ion batteries for aircraft and other factors, net sales total ¥18.0 billion (a year-on-year increase of 7.5%) and operating profit was ¥1.4 billion (a year-on-year increase of 139.3%).

Financial condition

Total assets increased as a result of increases in inventories, trade receivables, cash and deposit, and the new consolidation of the Group's business site in Turkey. Liabilities increased due to an increase in borrowings and the new consolidation of the Group's business site in Turkey. Despite the payment of dividends, net assets increased mainly as a result of higher profit attributable to owners of parent and an increase in foreign currency translation adjustments due to forex rate fluctuations.



Cash flow condition

Cash and cash equivalents as of March 31, 2023, amounted to ¥36.0 billion, an increase of ¥10.2 billion from the end of the previous fiscal year.

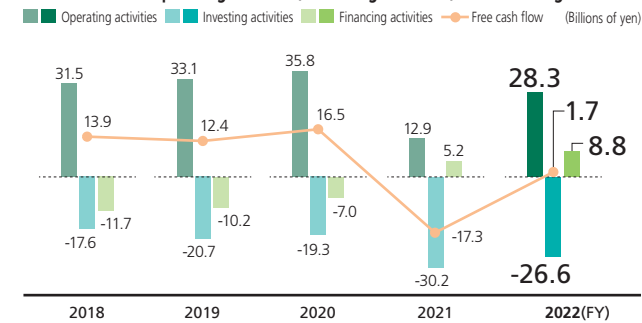
Net cash provided by operating activities amounted to ¥28.3 billion. There were main contributions from profit before income taxes and depreciation, partially offset by increases in trade receivables and inventories and the payment of income taxes.

Net cash used in investing activities totaled ¥26.6 billion. The main cash outflow from investments was purchase of property, plant and equipment.

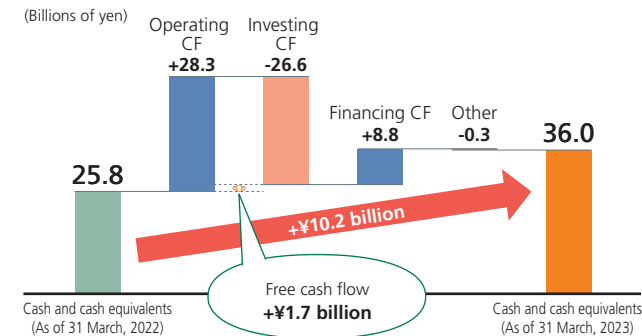
Net cash provided by financing activities amounted to ¥8.8 billion. The main cash outflow was dividends paid. An increase in borrowings was the main source of inflows.

Free cash flow was positive ¥1.7 billion, which was used for shareholder returns and other purposes, together with borrowings.

Cash flows from operating activities, investing activities, and financing activities



Cash flow statement

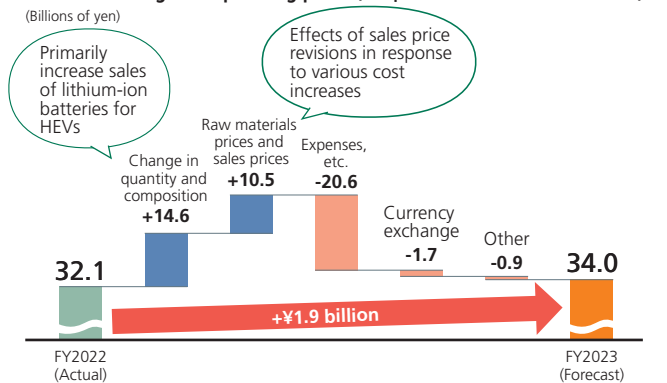


Financial forecast for FY2023

In fiscal 2023, the initial year of the Sixth Mid-Term Management Plan, we will seek net sales of ¥580.0 billion, operating profit of ¥33.0 billion, and operating profit before amortization of goodwill of ¥34.0 billion. We will seek to secure profits by increasing sales of lithium-ion batteries for HEVs and sales in regular field including ESS, revising sales prices in response to various cost increases, and taking action to reduce costs.

	FY2023 forecast	YoY
Net sales	¥580.0 billion	Up 12.0% ↑
Operating profit	¥33.0 billion	Up 4.8% ↑
Operating profit before amortization of goodwill	¥34.0 billion	Up 6.0% ↑
Ordinary profit	¥27.0 billion	Up 11.5% ↑
Profit attributable to owners of parent	¥14.0 billion	Up 0.5% ↑
Profit attributable to owners of parent before amortization of goodwill	¥15.0 billion	Up 3.9% ↑

Factors in changes in operating profit (comparison of results with forecasts)

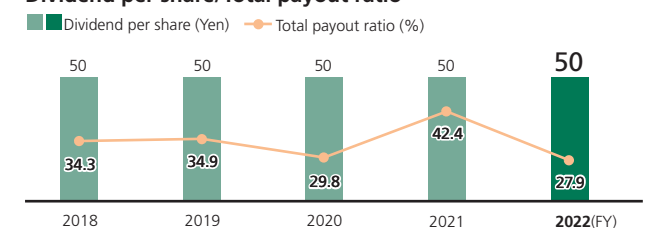


Note: Operating profit is operating profit before amortization of goodwill

Shareholder returns

The company considers the return of profits to shareholders to be a priority management issue, and maintain growth into the future and securing stable shareholder returns over the long term is a fundamental policy. To achieve this, in principle, we decide the level of dividends based on a comprehensive analysis of earnings results, financial condition, the dividend payout ratio, and other factors. Internal reserves are used to improve future earnings by maintaining and enhancing investments and competitiveness. In fiscal 2022, we achieved our initial target for profit attributable to owners of parent and accordingly, the Company paid an annual dividend of ¥50 per share. In fiscal 2023, assuming that the forecast profits are achieved, the Company plans to pay an interim dividend per share of ¥15 and a year-end dividend per share of ¥35 to provide an annual dividend per share of ¥50.

Dividend per share/Total payout ratio



Note: The total payout ratio is before goodwill amortization.

Financial information

Preparation of consolidated financial statements

The accompanying consolidated financial statements of GS Yuasa Corporation (the "Company") have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations and in accordance with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to the application and disclosure requirements from International Financial Reporting Standards. The Company's consolidated financial statements are prepared in line with "Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements" (Ministry of Finance Order No. 28 of 1976).

Consolidated Balance Sheets

	(Millions of yen)		(Thousands of U.S. dollars)	
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023	
	Amount	Amount	Amount	
Assets				
Current assets				
Cash and deposits	*4 36,272	*4 25,855	*4 271,700	
Notes and accounts receivable - trade, and contract assets	*2, *4 97,591	*2, *4 85,399	*2, *4 731,019	
Electronically recorded monetary claims - operating	6,855	7,163	51,348	
Merchandise and finished goods	*4 60,127	*4 54,986	*4 450,390	
Work in process	21,848	*4 19,236	163,655	
Raw materials and supplies	*4 28,094	*4 18,828	*4 210,442	
Other	15,722	15,249	117,768	
Allowance for doubtful accounts	(387)	(418)	(2,899)	
Total current assets	266,125	226,300	1,993,446	
Non-current assets				
Property, plant and equipment				
Buildings and structures, net	*4, *9 60,135	*4, *9 56,279	*4, *9 450,449	
Machinery, equipment and vehicles, net	*4, *9 51,036	*4, *9 37,108	*4, *9 382,292	
Land	*8 28,390	*8 23,335	*8 212,659	
Leased assets, net	222	284	1,663	
Right-of-use assets, net	7,946	5,398	59,521	
Construction in progress	10,985	15,315	82,285	
Other, net	*4, *9 6,326	*9 5,284	*4, *9 47,386	
Total property, plant and equipment	*1 165,043	*1 143,007	*1 1,236,277	
Intangible assets				
Goodwill	1,233	-	9,236	
Leased assets	673	825	5,041	
Other	3,333	*4 2,069	24,966	
Total intangible assets	5,240	2,894	39,251	
Investments and other assets				
Investment securities	*5 63,254	*5 66,319	*5 473,813	
Investments in capital	*5 839	*5 940	*5 6,285	
Long-term loans receivable	1,076	1,116	8,060	
Retirement benefit asset	31,894	32,954	238,906	
Deferred tax assets	2,077	2,338	15,558	
Lease receivables	2,694	2,635	20,180	
Other	2,977	2,538	22,300	
Allowance for doubtful accounts	(344)	(322)	(2,577)	
Total investments and other assets	104,470	108,520	782,547	
Total non-current assets	274,754	254,423	2,058,082	
Deferred assets				
Bond issuance costs	26	39	195	
Total deferred assets	26	39	195	
Total assets	540,906	480,763	4,051,730	

	(Millions of yen)		(Thousands of U.S. dollars)	
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023	
	Amount	Amount	Amount	
Liabilities				
Current liabilities				
Notes and accounts payable - trade	51,691	44,174	387,199	
Electronically recorded obligations - operating	25,327	19,861	189,715	
Short-term borrowings	*4 42,318	*4 18,782	*4 316,989	
Commercial papers	-	2,000	-	
Current portion of bonds payable	10,000	-	74,906	
Accounts payable - other	14,225	12,041	106,554	
Income taxes payable	4,081	2,857	30,569	
Notes payable - facilities	192	274	1,438	
Electronically recorded obligations - facilities	3,539	6,821	26,509	
Provision for bonuses for directors (and other officers)	120	120	899	
Other	*3 23,816	*3 22,444	*3 178,397	
Total current liabilities	175,312	129,376	1,313,199	
Non-current liabilities				
Bonds payable	10,000	20,000	74,906	
Long-term borrowings	41,357	41,696	309,790	
Lease liabilities	8,510	6,100	63,745	
Deferred tax liabilities	20,474	19,910	153,363	
Deferred tax liabilities for land revaluation	*8 777	*8 928	*8 5,820	
Provision for retirement benefits for directors (and other officers)	78	67	584	
Retirement benefit liability	5,372	4,892	40,240	
Other	8,133	7,852	60,921	
Total non-current liabilities	94,704	101,447	709,393	
Total liabilities	270,016	230,824	2,022,592	
Net assets				
Shareholders' equity				
Share capital	33,021	33,021	247,348	
Capital surplus	53,201	55,292	398,509	
Retained earnings	103,503	93,661	775,303	
Treasury shares	(321)	(351)	(2,404)	
Total shareholders' equity	189,404	181,623	1,418,757	
Accumulated other comprehensive income				
Valuation difference on available-for-sale securities	14,173	16,180	106,165	
Deferred gains or losses on hedges	(450)	(794)	(3,371)	
Revaluation reserve for land	*8 1,794	*8 2,137	*8 13,438	
Foreign currency translation adjustment	18,727	7,163	140,277	
Remeasurements of defined benefit plans	7,026	8,922	52,629	
Total accumulated other comprehensive income	41,272	33,609	309,154	
Non-controlling interests	40,213	34,705	301,221	
Total net assets	270,890	249,938	2,029,139	
Total liabilities and net assets	540,906	480,763	4,051,730	

Consolidated Statements of Income

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
	Amount	Amount	Amount
Net sales	*1 517,735	*1 432,133	*1 3,878,165
Cost of sales	*3 404,506	*3 335,359	*3 3,030,007
Gross profit	113,228	96,773	848,150
Selling, general and administrative expenses	*2, *3 81,728	*2, *3 74,108	*2, *3 612,195
Operating profit	31,500	22,664	235,955
Non-operating income			
Interest income	390	198	2,921
Dividend income	634	483	4,749
Share of profit of entities accounted for using equity method	–	2,590	–
Gain on net monetary position	585	–	4,382
Other	746	722	5,588
Total non-operating income	2,357	3,995	17,655
Non-operating expenses			
Interest expenses	3,295	946	24,682
Share of loss of entities accounted for using equity method	2,832	–	21,213
Foreign exchange losses	1,677	103	12,562
Equipment relocation expenses	–	227	–
Other	1,837	698	13,760
Total non-operating expenses	9,643	1,976	72,232
Ordinary profit	24,213	24,684	181,371
Extraordinary income			
Gain on sale of non-current assets	*4 2,876	*4 668	*4 21,543
Gain on sale of investment securities	2,185	116	16,367
Insurance claim income	43	–	322
Gain on receipt of national subsidies	352	–	2,637
Gain on step acquisitions	1,010	–	7,566
Gain on liquidation of subsidiaries	473	–	3,543
Gain on bargain purchase	–	710	–
Gain on sale of investments in capital of subsidiaries	–	547	–
Gain on reversal of loss on liquidation of subsidiaries and associates	–	325	–
Other	–	5	–
Total extraordinary income	6,941	2,372	51,993
Extraordinary losses			
Loss on retirement of non-current assets	*5 576	*5 715	*5 4,315
Loss on sale of non-current assets	*6 14	*6 47	*6 105
Loss on tax purpose reduction entry of non-current assets	384	–	2,876
Impairment losses	*7 2,912	*7 5,779	*7 21,813
Loss on business liquidation of subsidiaries and associates	113	–	846
Loss on valuation of investment securities	–	28	–
Factory relocation expenses	–	1,239	–
Other	18	–	135
Total extraordinary losses	4,018	7,810	30,097
Profit before income taxes	27,137	19,246	203,273
Income taxes - current	7,571	5,583	56,712
Income taxes - deferred	1,027	1,066	7,693
Total income taxes	8,599	6,650	64,412
Profit	18,537	12,595	138,854
Profit attributable to non-controlling interests	4,611	4,127	34,539
Profit attributable to owners of parent	13,925	8,468	104,307

Consolidated Statements of Comprehensive Income

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
	Amount	Amount	Amount
Profit	18,537	12,595	138,854
Other comprehensive income			
Valuation difference on available-for-sale securities	(2,009)	(1,016)	(15,049)
Deferred gains or losses on hedges	3	22	22
Foreign currency translation adjustment	8,547	6,825	64,022
Remeasurements of defined benefit plans, net of tax	(1,901)	5,822	(14,240)
Share of other comprehensive income of entities accounted for using equity method	2,412	796	18,067
Total other comprehensive income	* 7,052	* 12,451	* 52,824
Comprehensive income	25,590	25,047	191,685
Comprehensive income attributable to			
Comprehensive income attributable to owners of parent	19,912	19,369	149,154
Comprehensive income attributable to non-controlling interests	5,678	5,678	42,532

Consolidated Statements of Changes in Net Assets

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

	(Millions of yen)					(Millions of yen)							Total net assets
	Shareholders' equity					Accumulated other comprehensive income							
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	
Balance at beginning of period	33,021	55,292	93,661	(351)	181,623	16,180	(794)	2,137	7,163	8,922	33,609	34,705	249,938
Hyperinflation adjustment			(401)		(401)				2,019		2,019		1,617
Beginning balance reflecting hyperinflation adjustments	33,021	55,292	93,259	(351)	181,222	16,180	(794)	2,137	9,182	8,922	35,628	34,705	251,556
Changes during period													
Dividends of surplus			(4,025)		(4,025)								(4,025)
Profit attributable to owners of parent			13,925		13,925								13,925
Purchase of treasury shares				(2)	(2)								(2)
Disposal of treasury shares		(0)		32	32								32
Transfer from retained earnings to capital surplus		0	(0)										
Purchase of investments in capital of consolidated subsidiaries		(2,091)			(2,091)								(2,091)
Reversal of revaluation reserve for land			342		342								342
Net changes in items other than shareholders' equity						(2,006)	343	(342)	9,544	(1,895)	5,643	5,507	11,151
Total changes during period	-	(2,091)	10,243	30	8,182	(2,006)	343	(342)	9,544	(1,895)	5,643	5,507	19,333
Balance at end of period	33,021	53,201	103,503	(321)	189,404	14,173	(450)	1,794	18,727	7,026	41,272	40,213	270,890

Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

	(Millions of yen)					(Millions of yen)							Total net assets
	Shareholders' equity					Accumulated other comprehensive income							
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	
Balance at beginning of period	33,021	55,301	95,869	(4,654)	179,537	17,171	(115)	2,137	417	3,098	22,708	32,324	234,570
Cumulative effects of changes in accounting policies			(643)		(643)						-		(643)
Restated balance at beginning of period	33,021	55,301	95,225	(4,654)	178,893	17,171	(115)	2,137	417	3,098	22,708	32,324	233,927
Changes during period													
Dividends of surplus			(5,241)		(5,241)								(5,241)
Profit attributable to owners of parent			8,468		8,468								8,468
Purchase of treasury shares				(503)	(503)								(503)
Disposal of treasury shares		0		6	6								6
Cancellation of treasury shares		(4,799)		4,799									
Transfer from retained earnings to capital surplus		4,791	(4,791)										
Net changes in items other than shareholders' equity						(990)	(678)		6,746	5,823	10,901	2,380	13,281
Total changes during period	-	(8)	(1,564)	4,302	2,729	(990)	(678)	-	6,746	5,823	10,901	2,380	16,011
Balance at end of period	33,021	55,292	93,661	(351)	181,623	16,180	(794)	2,137	7,163	8,922	33,609	34,705	249,938

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

	(Thousands of U.S. dollars)					(Thousands of U.S. dollars)							Total net assets
	Shareholders' equity					Accumulated other comprehensive income							
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	
Balance at beginning of period	247,348	414,172	701,581	(2,629)	1,360,472	121,199	(5,948)	16,007	53,655	66,831	251,753	259,963	1,872,195
Hyperinflation adjustment			(3,004)		(3,004)				15,124		15,124		12,112
Beginning balance reflecting hyperinflation adjustments	247,348	414,172	698,569	(2,629)	1,357,468	121,199	(5,948)	16,007	68,779	66,831	266,876	259,963	1,884,315
Changes during period													
Dividends of surplus			(30,150)		(30,150)								(30,150)
Profit attributable to owners of parent			104,307		104,307								104,307
Purchase of treasury shares				(15)	(15)								(15)
Disposal of treasury shares		(0)		240	240								240
Transfer from retained earnings to capital surplus		0	(0)										
Purchase of investments in capital of consolidated subsidiaries		(15,663)			(15,663)								(15,663)
Reversal of revaluation reserve for land			2,562		2,562								2,562
Net changes in items other than shareholders' equity						(15,026)	2,569	(2,562)	71,491	(14,195)	42,270	41,251	83,528
Total changes during period	-	(15,663)	76,727	225	61,288	(15,026)	2,569	(2,562)	71,491	(14,195)	42,270	41,251	144,816
Balance at end of period	247,348	398,509	775,303	(2,404)	1,418,757	106,165	(3,371)	13,438	140,277	52,629	309,154	301,221	2,029,139

Consolidated Statements of Cash Flows

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
	Amount	Amount	Amount
Cash flows from operating activities			
Profit before income taxes	27,137	19,246	203,273
Depreciation	20,954	18,207	156,959
Impairment losses	2,912	5,779	21,813
Amortization of goodwill	308	659	2,307
Loss (gain) on valuation of investment securities	–	28	–
Loss (gain) on sale of investment securities	(2,185)	(116)	(16,367)
Gain on sale of investments in capital of subsidiaries	–	(547)	–
Loss (gain) on liquidation of subsidiaries	(473)	–	(3,543)
Increase (decrease) in allowance for doubtful accounts	(16)	40	(120)
Increase (decrease) in retirement benefit liability	(1,477)	(86)	(11,064)
Interest and dividend income	(1,024)	(681)	(7,670)
Interest expenses	3,295	946	24,682
Foreign exchange losses (gains)	433	(956)	3,243
Loss (gain) on sale of non-current assets	(2,862)	(621)	(21,438)
Loss on retirement of non-current assets	576	715	4,315
Gain on bargain purchase	–	(710)	–
Factory relocation expenses	–	1,239	–
Loss on tax purpose reduction entry of non-current assets	384	–	2,876
Gain on receipt of national subsidies	(352)	–	(2,637)
Share of loss (profit) of entities accounted for using equity method	2,832	(2,590)	21,213
Gain on net monetary position	(585)	–	(4,382)
Loss (gain) on step acquisitions	(1,010)	–	(7,566)
Decrease (increase) in trade receivables and contract assets	(5,378)	(5,579)	(40,285)
Increase (decrease) in contract liabilities	73	740	547
Decrease (increase) in inventories	(10,857)	(18,794)	(81,326)
Increase (decrease) in trade payables	2,934	7,597	21,978
Other, net	(139)	(2,658)	(1,041)
Subtotal	35,478	21,856	265,753
Interest and dividends received	1,912	1,524	14,322
Interest paid	(3,295)	(946)	(24,682)
Factory relocation expenses paid	–	(237)	–
Income taxes paid	(5,764)	(9,318)	(43,176)
Net cash provided by (used in) operating activities	28,330	12,879	212,210

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
	Amount	Amount	Amount
Cash flows from investing activities			
Purchase of property, plant and equipment	(30,928)	(27,024)	(231,670)
Proceeds from sale of property, plant and equipment	4,050	706	30,337
Purchase of intangible assets	(623)	(143)	(4,667)
Purchase of investment securities	(2)	(2)	(15)
Proceeds from sale of investment securities	2,926	149	21,918
Purchase of shares of subsidiaries resulting in change in scope of consolidation	*2 (447)	*2 (2,819)	*2 (3,348)
Payments for investments in capital of subsidiaries and associates	(1,560)	–	(11,685)
Purchase of shares of subsidiaries and associates	–	(150)	–
Subsidies received	352	–	2,637
Loan advances	(5)	(480)	(37)
Proceeds from collection of loans receivable	77	185	577
Other, net	(405)	(624)	(3,034)
Net cash provided by (used in) investing activities	(26,567)	(30,204)	(199,004)
Cash flows from financing activities			
Increase (decrease) in short-term borrowings and commercial papers	13,516	10,657	101,243
Proceeds from long-term borrowings	10,774	12,365	80,704
Repayments of long-term borrowings	(3,857)	(7,481)	(28,891)
Purchase of treasury shares	(2)	(503)	(15)
Proceeds from disposal of treasury shares	32	6	240
Dividends paid	(4,025)	(5,241)	(30,150)
Dividends paid to non-controlling interests	(4,366)	(3,271)	(32,704)
Purchase of investments in capital of subsidiaries not resulting in change in scope of consolidation	(2,230)	–	(16,704)
Other, net	(1,014)	(1,328)	(7,596)
Net cash provided by (used in) financing activities	8,826	5,203	66,112
Effect of exchange rate change on cash and cash equivalents	692	2,159	5,184
Adjustment for hyperinflation	(1,099)	–	(8,232)
Net increase (decrease) in cash and cash equivalents	10,182	(9,962)	76,270
Cash and cash equivalents at beginning of period	25,845	35,807	193,596
Cash and cash equivalents at end of period	*1 36,027	*1 25,845	*1 269,865

Notes

Basis of preparation of consolidated financial statements

1. Scope of consolidation

(1) Number of consolidated subsidiaries: Fifty-three (53) companies

In the fiscal year ended March 31, 2023, following the additional acquisition of shares in Inci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi and the company's subsequent consolidation as a subsidiary, it was included in the scope of consolidation. In addition, YTTL International Holding Ltd., which was a consolidated subsidiary, was liquidated, and was therefore excluded from the scope of consolidation.

(2) Number of non-consolidated subsidiaries: Five (5) companies

The main non-consolidated subsidiary is GS Yuasa Chuo Sales Ltd. These non-consolidated subsidiaries are small in scale and their operations have no material impact on the consolidated financial statements in terms of total assets, net sales, profit/loss (amounts attributable to the equity) and retained earnings (amounts attributable to the equity) and are therefore excluded from the scope of consolidation.

2. Application of the equity method

(1) Number of non-consolidated subsidiaries and associates accounted for using the equity method: Twelve (12) companies

Following the acquisition of additional shares in Inci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi and the company's subsequent consolidation as a subsidiary, it was excluded from the scope of application of the equity method.

(2) Five (5) non-consolidated subsidiaries and five (5) associates are not accounted for under the equity method because they are insignificant in terms of their impact on the Company's consolidated profit/loss (amounts attributable to the equity) and consolidated retained earnings (amounts attributable to the equity), as well as in terms of their importance to the Group.

(3) For companies accounted for by the equity method with fiscal year-end dates that differ from the consolidated fiscal year-end date, the financial statements that were closed at their fiscal year-end dates or provisionally closed at the consolidated fiscal year-end date were used for consolidation.

3. Fiscal year-end date of consolidated subsidiaries and related matters

The fiscal year-end date for Yuasa Battery (Thailand) Pub. Co., Ltd. is December 31. Consolidated financial statements were prepared using its financial statements as of its fiscal year-end date instead of using its financial statements provisionally closed at the consolidated fiscal year-end date. However, for important transactions that took place between the fiscal year-end date of this company and the consolidated year-end date, adjustments necessary for consolidation were performed.

4. Accounting policies

(1) Valuation standards and methods for principal assets

(i) Securities

a Subsidiaries' and associates' shares
The moving-average method is used.

b Available-for-sale securities

Marketable securities:

Marketable securities are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported as a separate component of net assets. The cost of securities sold is determined based on the moving average method.

Non-marketable securities:

The moving-average method is used.

(ii) Derivatives

Derivatives are measured at fair value.

(iii) Inventories

Merchandise and finished goods, work in process, raw materials and supplies:

Inventories are principally stated at the lower of cost, determined by the average method, or net realizable value.

(2) Depreciation/amortization of principal non-current assets

(i) Property, plant and equipment (except for leased assets)

The straight-line method is used.

Assets held by the Company or its domestic consolidated subsidiaries with an acquisition price of ¥100 thousand or more and less than ¥200 thousand are depreciated using the straight-line method over three years.

The principal useful lives are as follows.

Buildings and structures : 5 to 50 years

Machinery, equipment and vehicles : 2 to 18 years

(ii) Intangible assets (except for leased assets)

The straight-line method is used.

(iii) Leased assets

Finance leases for which ownership of the leased assets does not transfer to the lessees, these assets are depreciated using the straight-line method with the lease term as the useful life and assuming no residual value.

(iv) Right-of-use assets

The straight-line method is used based on the lease term.

(3) Amortization method for deferred assets

Bond issuance costs are amortized with the straight-line method over the bond redemption period (5 and 10 years) in accordance with ASBJ PITF No. 19, Tentative Solution on Accounting for Deferred Assets, which was issued by the ASBJ in August 2006.

(4) Accounting standards for principal provisions and allowances

(i) Allowance for doubtful accounts

The Company and its domestic consolidated subsidiaries provide allowances for the amount not expected to be recovered from doubtful receivables based on the historical loan-loss ratio. For loans and receivables requiring special attention, an allowance is provided for the estimated uncollectible amounts after reviewing the collectability of receivables individually. Foreign consolidated subsidiaries provide allowances for doubtful accounts estimated mainly through the analysis of individual receivables.

(ii) Provision for bonuses for directors (and other officers)

To prepare for the payment of bonuses to directors, a provision is recorded based on the amount expected to be paid.

(iii) Provision for retirement benefits for directors (and other officers)

To prepare for the payment of retirement benefits for directors and executive officers, the necessary amount at the end of the fiscal year is recorded in accordance with internal regulations of certain consolidated subsidiaries.

(5) Accounting treatment for retirement benefits

To prepare for the payment of employee retirement benefits, retirement benefit liability was recorded in the amount calculated by subtracting the value of plan assets from the amount of retirement benefit obligations estimated on March 31, 2023.

(i) The method for attributing expected pension benefits to periods of employee service

For the calculation of retirement benefit obligations, a benefit formula is applied to attribute expected pension benefits for the period up to the end of the fiscal year under review (March 31, 2023).

(ii) Actuarial gains or losses and past service cost

The amounts of retirement benefit plans of some subsidiaries with an established retirement benefits trust are recorded to expenses.

Past service cost is amortized using mainly the straight-line method over a certain number of years (14 years), which is within the average remaining service periods of employees at the time when the service cost was incurred.

Actuarial gains or losses are amortized from the fiscal year that starts after the accrual of the gains or losses using the straight-line method over a certain number of years (mainly 9 to 14 years) within the average remaining service periods of the employees who will receive the benefits.

Unrecognized actuarial gains or losses and unrecognized past service cost are recorded in accumulated other comprehensive income of the net assets under the account "remeasurements of defined benefit plans" after being adjusted with tax effects.

(6) Standards for recognition of principal revenues and expenses

The details of the main performance obligations related to revenues from contracts with customers of the Company and its consolidated subsidiaries and the timing when the Company typically satisfies its performance obligations (typical timing of revenue recognition), etc., are as follows.

Consideration for these performance obligations is received within approximately one year after they are satisfied, and does not include any significant financial component.

(i) Sale of goods and products

The main business of the Company and its consolidated subsidiaries is the manufacture and sale of batteries, power supplies, lighting equipment and other battery and electrical equipment. The Company recognizes revenue from the sale of such merchandise and finished goods once its obligations have been satisfied and control has been transferred to the customer. As

Notes

a rule, this is at the point in time at which the merchandise and finished goods have been delivered or at the point in time as specified in International Commercial Terms. The Company recognizes revenue upon shipment for domestic transactions when control over the finished goods is transferred to customers in a typical period after the shipment, in line with Paragraph 98 of the Implementation Guidance on Accounting Standard for Revenue Recognition.

Sales contracts for batteries and other items include variable consideration because they are sold with discounts based on the sales volume. When selling with a discount, the transaction price is calculated by deducting the estimated amount of the discount, etc., from the consideration promised with the customer in the contract.

(ii) Provision of services

The Company and its consolidated subsidiaries provide services, such as work related to the installation of batteries and power supplies. With regard to such installation work, etc., the performance obligation is considered to be satisfied when the provision of services is completed, and revenue is recognized at that time.

Batteries, equipment, etc., and contract work, etc., are usually sold together. For transactions in which delivery and installation work are identified as separate performance obligations, transaction prices are allocated to each performance obligation by using the observable prices such as the contractually stated price or the stand-alone selling price estimated by the sum of the expected cost of the finished goods plus an appropriate margin.

(7) Standards for translating principal assets or liabilities denominated in foreign currencies into Japanese yen

Foreign currency denominated receivables and payables are translated into Japanese yen at the spot rate prevailing on the consolidated balance sheet date. Foreign exchange gains or losses are recorded on the statement of income. The assets and liabilities of foreign consolidated subsidiaries are also translated into Japanese yen at the spot rate prevailing on the balance sheet date, while their revenues and expenses are translated into Japanese yen at the average rate for the period. Any translation gains or losses are recorded in the net assets under the account "foreign currency translation adjustment" and "non-controlling interests."

However, revenues and expenses of subsidiaries operating in hyperinflationary economies are translated into Japanese yen at the spot rate prevailing on the consolidated balance sheet date, as hyperinflationary accounting will be applied.

(8) Significant hedge accounting

(i) Hedge accounting method

If derivatives used for hedging purposes qualify for hedge accounting because of the high correlation and effectiveness between the hedging instruments and the hedged items, gains or losses on those derivatives are deferred until the maturity of the hedged transactions. When a foreign exchange forward contract meets certain conditions, the hedged item is stated at the forward exchange contract rate. Interest rate swaps which qualify for hedge accounting and meet specific matching criteria are not remeasured at market value, but the differential paid or received under the swap agreements is recognized and included in interest expense (a specific accounting method).

(ii) Hedging instruments and hedged items

Hedging instruments : Interest rate swaps, foreign exchange forward contracts, commodity price swaps, and foreign currency swaps

Hedged items : Interest on borrowings, foreign currency denominated receivables and payables, and trade payables

(iii) Hedging policy

a In accordance with internal rules, the Company utilizes interest rate swaps whose notional amounts, conditions for receiving and paying interests, and contract terms, etc. match those of the hedged items, as hedging instruments in order to reduce the risk of interest rate fluctuations.

b The Company utilizes foreign exchange forward contracts and foreign currency swap contracts with an aim to reduce the risks associated with future foreign exchange rate fluctuations against import/export transactions and foreign currency denominated debt that are conducted or incurred in the ordinary course of business.

c The Company utilizes commodity price swaps to reduce price fluctuation risks for lead, etc., the principal raw material for its business.

(iv) Method for evaluating hedge effectiveness

The Company evaluates hedge effectiveness by comparing the accumulated change in market values of the hedging instrument and of the hedged item over the period from the inception of the hedging relationship to the time for evaluation. For interest rate swaps which adopt a specific accounting method, evaluation of hedge effectiveness is omitted.

(9) Amortization method and period for goodwill

Goodwill is amortized on a straight-line basis over a period of five years.

(10) Scope of cash and cash equivalents in the consolidated statements of cash flows

Cash and cash equivalents in the consolidated statements of cash flows are composed of cash on hand, bank deposits able to be withdrawn on demand, and short-term investments with maturities of three months or less at the date of acquisition that represent a minor risk of fluctuation in value.

(11) Research and Development Expenses

Research and development expenses are charged to income as incurred.

(12) Increases/Decreases and Transfer of Common Stock, Reserve, and Surplus

Under Japanese laws and regulations, the entire amount paid for new shares is required to be designated as capital stock. However, a company may, by a resolution of the Board of Directors, designate an amount not exceeding one half of the price of the new shares as additional paid-in capital, which is included in capital surplus. The Companies Act requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the aggregate amount of legal reserve and additional paid-in capital equals 25% of the common stock. Under the Companies Act, the total amount of additional paid-in capital and legal reserve may be reversed without limitation. The Companies Act also provides that common stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts within equity under certain conditions upon resolution of the shareholders.

(13) Other important information on preparation of the Consolidated Financial Statements

Accounting procedures in hyperinflationary economies

During the fiscal year ended March 31, 2023, since the cumulative three-year inflation rate in Turkey exceeded 100%, the GS Yuasa Group determined that its subsidiary in Turkey, whose functional currency is the Turkish lira, is operating in a hyperinflationary economy. Therefore, the GS Yuasa Group has made accounting adjustments to the financial statements of its Turkish subsidiary in accordance with the requirements set forth in IAS 29 "Financial Reporting in Hyperinflationary Economies." IAS 29 requires that the financial statements of subsidiaries in a hyperinflationary economy be restated by applying the unit of measurement as of the end of the reporting period before inclusion in the consolidated financial statements. The Group uses conversion factors calculated from the Consumer Price Index (CPI) of Turkey published by the Turkish Statistical Institute (TURKSTAT) for the purpose of adjusting the financial statements of its subsidiary in Turkey. For the subsidiary in Turkey, non-monetary items such as property, plant, and equipment presented at cost are adjusted using conversion factors based on the acquisition date or the reevaluation date. Monetary and non-monetary items presented at current cost are not adjusted, since they are considered to be presented in the unit of measurement as of the end of the reporting period. The effect of inflation on net monetary items is presented in non-operating income/expense in the consolidated statements of income. The financial statements of the Turkish subsidiary are translated into Japanese yen at the spot rate prevailing on the consolidated balance sheet date and reflected in the consolidated financial statements of the GS Yuasa Group.

In line with this, the cumulative effect of retrospective application of this accounting standard was a decrease of ¥401 million (US\$3,004 thousand) in the beginning balance of retained earnings and an increase of ¥2,019 million (US\$15,124 thousand) in the beginning balance of foreign currency translation adjustments for the fiscal year ended March 31, 2023.

Notes

Significant accounting estimates

Valuation of non-current assets

(1) Amount recorded on consolidated financial statements for the current fiscal year

	(Millions of yen)		(Thousands of U.S. dollars)
	Current fiscal year	Previous fiscal year	Current fiscal year
Property, plant and equipment	165,043	143,007	1,236,277
Intangible assets	5,240	2,894	39,251
Impairment losses	2,912	5,779	21,813

(2) Information on the nature of significant accounting estimates for identified items

(i) Method in making the accounting estimates

The Group applies Japanese accounting standards for Japanese bases and International Financial Reporting Standards, etc., for overseas bases in line with Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries, etc., for Consolidated Financial Statements (PITF No. 18).

When considering impairment losses on non-current assets, for assets used for business, the assets are grouped based on a unit such as a business category used for managerial accounting, the smallest unit that generates an independent cash flow. Real estate for rent and idle assets are grouped individually.

The Company assesses whether there is any indication that non-current assets may be impaired at the end of the current fiscal year. An indication of impairment is determined if operating profit or loss will result in continued loss, there is a prominent deterioration in the business environment, and there is a prominent decline in the market value of non-current assets, etc. However, when new businesses are launched, if a rational business plan is formulated, and from the beginning, it is projected that sales activities will result in sustained losses, this is not an indication of impairment unless actual losses are dramatically greater than the projected losses in the business plan.

Asset groups are tested for impairment when there is an indication that an asset may be impaired. If the recoverable amount of the asset is less than its carrying amount, the carrying amount of the asset shall be reduced to its recoverable amount. The recoverable amount is the higher of the asset's value in use and net realizable value (for Japanese accounting standards) or the asset's fair value less costs of disposal (for International Financial Reporting Standards). When calculating the value in use, there are certain assumptions regarding future cash flows, discount rate, etc.

(ii) Key assumptions used in accounting estimates

The business plan and other items used to determine indications of impairment and calculate the value in use are based on forecasts of sales and sales expense, etc., that take into consideration sales volume and unit selling price projections and other items. The discount rate used to calculate value in use is based on the weighted average cost of capital.

Furthermore, the net realizable value or the asset's fair value less costs of disposal used to recognize and measure impairment losses is based on the roadside price, appraisal value obtained from an external asset appraisal expert, and other items.

(iii) Impact on the consolidated financial statements for the following fiscal year

Indications of impairment of non-current assets and recognition and measurements of impairment losses are based on management's best estimates, but there is the uncertainty in management's assumptions and judgments. If future stricter environmental regulations, the impact on the market environment of fiercer price competition with rivals in the same industry, or other developments result in significant changes in the assumptions and conditions incorporated into business plans, appraisal values, and other items that are part of the assumptions used for estimates, this could have a significant impact on the valuation of non-current assets in the following fiscal year.

Changes in accounting policies

Application of Implementation Guidance on Accounting Standard for Fair Value Measurement

The Company has applied the Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31, June 17, 2021; hereinafter "Implementation Guidance No. 31") from the beginning of the fiscal year ended March 31, 2023, and in accordance with the transitional measures set forth in paragraph 27-2 of Implementation Guidance No. 31, the new accounting policy stipulated in Implementation Guidance No. 31 shall be applied going forward.

The application of the above policy has no material impact on the consolidated financial statements.

Accounting standards issued but not yet applied

Accounting Standard for Current Income Taxes, etc.

- Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022)
- Accounting Standard for Presentation of Comprehensive Income (ASBJ Statement No. 25, October 28, 2022)
- Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022)

(1) Overview

The Accounting Standard for Current Income Taxes and relevant ASBJ regulations stipulate the categories for calculation of income taxes when levied on other comprehensive income and the treatment of tax effects related to the sale of shares of subsidiaries, etc. when the group income tax system is applied.

(2) Scheduled date of application

These accounting standards and relevant ASBJ regulations will be applied from the beginning of the fiscal year ending March 31, 2025.

(3) Effects of application of the accounting standards, etc.

The effects of applying the Accounting Standard for Current Income Taxes and relevant ASBJ regulations on the consolidated financial statements are currently under evaluation.

Additional information

Accounting estimates related to COVID-19

The Group conducts impairment accounting for fixed assets based on the information available at the time the financial statements are prepared. It is difficult to reasonably predict the future impact of COVID-19 on our business at this time. However, with the progress made in reconciling measures to counter COVID-19 with social and economic activities, economic activities are gradually recovering. Therefore, we are considering accounting estimates etc., on the assumption that the impact on sales of new cars, including electric vehicles in Japan and overseas, will be limited.

Since there are many uncertainties regarding the impact of COVID-19, future changes in the situation may affect the financial position and operating results of the Group.

Consolidated balance sheet

*1. Accumulated depreciation of property, plant and equipment was as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023
Accumulated depreciation of property, plant and equipment	261,327	242,531	1,957,506

*2. Notes and accounts receivable - trade and contract assets that are receivables or contract assets arising from contracts with customers were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023
Notes receivable - trade	4,287	4,385	32,112
Accounts receivable - trade	87,393	74,638	654,629
Contract assets	5,911	6,375	44,277

*3. Other current liabilities that are contract liabilities were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023
Contract liabilities	2,176	2,181	16,300

Notes

***4. Assets pledged as collateral and secured liabilities**

Assets pledged as collateral were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023
Cash and deposits	69	305	517
Accounts receivable - trade	847	989	6,345
Merchandise and finished goods	681	730	5,101
Work in process	–	43	–
Raw materials and supplies	9	184	67
Buildings and structures	70	70	524
Machinery, equipment and vehicles	15	85	112
Other property, plant and equipment	47	–	352
Other intangible assets	–	3	–
Total	1,740	2,413	13,034

Secured liabilities were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023
Short-term borrowings	727	1,006	5,446
Total	727	1,006	5,446

***5. Items related to unconsolidated subsidiaries and associates were as follows:**

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023
Investment securities (stocks)	38,125	37,704	285,581
[of which is investment in jointly controlled entities]	[233]	[3,630]	[1,745]
Investments in capital	693	770	5,191

***6. Guarantee obligations**

Guarantee obligations for affiliates' borrowings from banks, etc., were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023
Tianjin Toho Lead Recycling Co., Ltd.	706	1,014	5,288
Total	706	1,014	5,288

***7. Trade notes receivable endorsed**

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023
Trade notes receivable endorsed	1,841	1,845	13,790

***8. Land revaluation**

Land used for business by some consolidated subsidiaries was revaluated, and the difference in land revaluation was recorded under net assets based on the Act on Revaluation of Land (Act No. 34 of 1998).

(1) Date of revaluation : March 31, 2002**(2) Revaluation method**

Revaluation is calculated by making rational adjustments to the "price recorded in the land tax ledger of Article 341, Item 10 of the Local Tax Act or Item 11 of the supplementary land tax ledger of the same article," stipulated in Article 2, Paragraph 3 of the Order for Enforcement of the Act on Revaluation of Land (Cabinet Order No. 119 of 1998).

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023
Difference between the fair value of revalued land at the end of the fiscal year and the post-revaluation carrying amount	(249)	(1,130)	(1,865)

***9. Tax purpose reduction entry deducted from the purchase price because national subsidies were received**

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023
Buildings and structures	1,077	1,018	8,067
Machinery, equipment and vehicles	7,659	7,374	57,371
Other	42	35	315

Consolidated statements of income***1. Revenue from contracts with customers**

The revenue from contracts with customers and other revenue are not separately presented at the net sales. The amount of revenue from contracts with customers is provided in Note "Revenue Recognition 1. Disaggregation of revenue from contracts with customers."

***2. Main selling, general and administrative expense items were as follows:**

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
Packing and freight expenses	12,280	11,502	91,985
Employee salaries and bonuses	24,433	22,068	183,019
Welfare expenses	4,007	3,608	30,015
Retirement benefit expenses	521	1,049	3,903
Rent expenses on real estate	1,072	974	8,030
Depreciation	3,252	2,963	24,360
Research and development expenses	10,526	9,299	78,846

***3. Total research and development expenses included in general and administrative expenses and manufacturing costs for the period**

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
	12,622	12,383	94,547

Notes

*4. Breakdown of gain on sale of non-current assets is as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
Buildings and structures	1,249	608	9,356
Machinery, equipment and vehicles	18	43	135
Land	1,602	–	12,000
Other	7	16	52
Total	2,876	668	21,543

*5. Breakdown of loss on retirement of non-current assets is as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
Buildings and structures	306	195	2,292
Machinery, equipment and vehicles	53	201	397
Other	216	318	1,618
Total	576	715	4,315

*6. Breakdown of loss on sale of non-current assets is as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
Buildings and structures	3	0	22
Machinery, equipment and vehicles	4	17	30
Other	6	29	45
Total	14	47	105

*7. Impairment losses

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

The Group recorded impairment losses on the following asset groups.

Location	Use	Type	(Millions of yen)	(Thousands of U.S. dollars)
			Impairment losses	Impairment losses
Ritto, Shiga, Japan	Production facilities, etc.	Buildings and structures	272	2,037
		Machinery, equipment and vehicles	1,264	9,468
		Tools, furniture and fixtures	1	7
		Construction in progress	80	599
		Intangible assets	0	0
		Total	1,619	12,127
Miskolc, Hungary	Production facilities, etc.	Buildings and structures	689	5,161
		Machinery, equipment and vehicles	351	2,629
		Tools, furniture and fixtures	20	150
		Land	10	75
		Construction in progress	84	629
		Intangible assets	136	1,019
		Total	1,293	9,685

Grouping method

Assets used for business are grouped based on a unit, such as business category, used for managerial accounting, the smallest unit that generates an independent cash flow.

Real estate for rent and idle assets are grouped individually.

Recognizing impairment losses and methods used to calculate recoverable value

The 12V lithium-ion batteries business (hereinafter referred to as the "12VLIB business") under the Automotive Lithium-ion Batteries segment comprised the two asset groups of the 12VLIB business under the lithium-ion batteries division of consolidated subsidiary GS Yuasa International Ltd. and GS Yuasa Hungary Ltd. As both asset groups have consistently recorded operating losses and have deviated significantly downward from the business plan formulated at the time of business launch, the Group judged there were indications of impairment, and decided to recognize and measure impairment losses. Therefore, the impairment test was performed and the carrying amount was reduced to the recoverable amount, and the resulting decrease in the carrying amount was recognized as an impairment loss under extraordinary losses.

The recoverable amount was measured as the asset's net realizable value (for Japanese accounting standards) or the asset's fair value less costs of disposal (for International Financial Reporting Standards) and was calculated using valuation expert.

Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

The Group recorded impairment losses on the following asset groups.

Location	Use	Type	(Millions of yen)
			Impairment losses
Tianjin, China Note 1	Production facilities, etc.	Buildings and structures	2,767
		Machinery, equipment and vehicles	1,977
		Other	197
		Total	4,943
Odawara, Kanagawa, Japan Note 2	Production facilities, etc.	Buildings and structures	484
		Land	29
		Other	4
		Total	518
Fukuchiyama, Kyoto, Japan Note 3	Production facilities, etc.	Construction in progress	318
		Total	318

Grouping method

Assets used for business are grouped based on a unit, such as business category, used for managerial accounting, the smallest unit that generates an independent cash flow.

Real estate for rent and idle assets are grouped individually.

Recognizing impairment losses and methods used to calculate recoverable value

Note 1. The consolidated subsidiary Tianjin GS Battery Co., Ltd. under the Automotive Batteries-Overseas segment is expected to recognize recurring operating losses because its performance deteriorates due to intensification of competition with competitors, and such conditions would constitute an impairment indicator. Therefore, the impairment test was performed and the carrying amount was reduced to the recoverable amount, and the resulting decrease in the carrying amount was recognized as an impairment loss under extraordinary losses.

The recoverable amount was calculated using the fair value less cost of disposal in accordance with International Financial Reporting Standards (IFRS), and the fair value was calculated using valuation expert.

Note 2. When it was decided to withdraw from the Odawara Plant, the carrying amount of non-current assets owned by consolidated subsidiaries that are part of the automotive batteries-Japan, industrial batteries and power supplies, and other segments was lowered to the recoverable value, and that decline was recorded as an impairment loss under extraordinary losses.

The recoverable value was calculated using net selling price, and the net selling price was calculated by deducting expected disposals costs from the valuation amount based on roadside value and other factors.

Note 3. When it was no longer expected that some non-current assets under development would be commercialized in the future, the carrying amount of those non-current assets owned by consolidated subsidiaries that are part of the Other segment was lowered to the recoverable value, and that decline was recorded as an impairment loss under extraordinary losses.

The recoverable value was calculated using net selling price, and the net selling price was valued to be zero because it would be difficult to sell or make other use of those assets.

Notes

Consolidated statements of comprehensive income

Reclassification adjustments and tax effects related to other comprehensive income

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
Valuation difference on available-for-sale securities:			
Amount for the current fiscal year	(561)	(1,420)	(4,202)
Reclassification adjustments	(2,185)	(87)	(16,367)
Before tax effect adjustments	(2,746)	(1,508)	(20,569)
Tax effect	737	492	5,521
Valuation difference on available-for-sale securities	(2,009)	(1,016)	(15,049)
Deferred gains or losses on hedges:			
Amount for the current fiscal year	(988)	6	(7,401)
Reclassification adjustments	794	15	5,948
Before tax effect adjustments	(194)	22	(1,453)
Tax effect	197	–	1,476
Deferred gains or losses on hedges	3	22	22
Foreign currency translation adjustment:			
Amount for the current fiscal year	7,182	6,311	53,798
Reclassification adjustments	1,365	514	10,225
Before tax effect adjustments	8,547	6,825	64,022
Tax effect	–	–	–
Foreign currency translation adjustment	8,547	6,825	64,022
Remeasurements of defined benefit plans, net of tax:			
Amount for the current fiscal year	(1,950)	7,849	(14,607)
Reclassification adjustments	(734)	616	(5,498)
Before tax effect adjustments	(2,685)	8,465	(20,112)
Tax effect	783	(2,642)	5,865
Remeasurements of defined benefit plans, net of tax	(1,901)	5,822	(14,240)
Share of other comprehensive income of entities accounted for using equity method:			
Amount for the current fiscal year	2,412	796	18,067
Share of other comprehensive income of entities accounted for using equity method	2,412	796	18,067
Total other comprehensive income	7,052	12,451	52,824

Consolidated statements of changes in net assets

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

1. Class and total number of issued shares and class and number of treasury shares

	Number of shares at the beginning of the current fiscal year (thousand)	Current fiscal year Increase in number of shares (thousand)	Current fiscal year Decrease in number of shares (thousand)	Number of shares at the end of the current fiscal year (thousand)
Issued shares				
Common stock	80,599	–	–	80,599
Total	80,599	–	–	80,599
Treasury shares				
Common stock Notes 1, 2, and 3	159	1	13	146
Total	159	1	13	146

Notes 1.The increase in the number of treasury shares (common stock) of one thousand shares was from the purchase of shares less than one share unit.
2.The decrease in the number of treasury shares (common stock) of 13 thousand shares was because of the provision of shares for performance-linked share-based payment system.
3.The number of treasury shares (common stock) at the beginning and end of the current fiscal year includes treasury shares held in trust (67 thousand shares at the beginning and 53 thousand shares at the end of the current fiscal year).

2. Dividends

(1) Dividends paid

Resolution	Class of shares	Total dividends		Dividend per share		Record date	Effective date
		(Millions of yen)	(Thousands of U.S. dollars)	(Yen)	(U.S. dollars)		
June 29, 2022, annual general meeting of shareholders	Common stock	2,817	21,101	35	0.26	March 31, 2022	June 30, 2022
November 8, 2022, Board of Directors meeting	Common stock	1,207	9,041	15	0.11	September 30, 2022	December 1, 2022

Note The total amount of dividends of ¥2,817 million (US\$21,101 thousand) and ¥1,207 million (US\$9,041 thousand) includes ¥2 million (US\$15 thousand) and ¥0 million (US\$0 thousand) in dividends for treasury shares held in trust.

(2) Those with a record date in the current fiscal year but effective date in the following fiscal year

Resolution	Class of shares	Total dividends		Dividend source	Dividend per share		Record date	Effective date
		(Millions of yen)	(Thousands of U.S. dollars)		(Yen)	(U.S. dollars)		
June 29, 2023, annual general meeting of shareholders	Common stock	2,817	21,101	Retained earnings	35	0.26	March 31, 2023	June 30, 2023

Note The total amount of dividends includes ¥1 million (US\$7 thousand) in dividends for treasury shares held in trust.

Notes

Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

1. Class and total number of issued shares and class and number of treasury shares

	Number of shares at the beginning of the current fiscal year (thousand)	Current fiscal year Increase in number of shares (thousand)	Current fiscal year Decrease in number of shares (thousand)	Number of shares at the end of the current fiscal year (thousand)
Issued shares				
Common stock Note 1	82,714	–	2,115	80,599
Total	82,714	–	2,115	80,599
Treasury shares				
Common stock Notes 2, 3, and 4	2,109	168	2,118	159
Total	2,109	168	2,118	159

Notes 1.The decrease in the number of issued common shares was because of the cancellation of treasury shares based on a Board of Directors' resolution.
2.The increase in the number of treasury shares (common stock) of 168 thousand shares was because of the purchase of 167 thousand treasury shares based on a Board of Directors' resolution and one thousand shares from the purchase of shares less than one share unit.
3.The decrease in the number of treasury shares (common stock) of 2,118 thousand shares was because of the cancellation of 2,115 thousand treasury shares based on a Board of Directors' resolution and the provision of two thousand shares for performance-linked share-based payment system.
4.The number of treasury shares (common stock) at the beginning and end of the current fiscal year includes treasury shares held in trust (69 thousand shares at the beginning and 67 thousand shares at the end of the current fiscal year).

2. Dividends

(1) Dividends paid

Resolution	Class of shares	Total dividends	Dividend per share	Record date	Effective date
		(Millions of yen)	(Yen)		
June 29, 2021, annual general meeting of shareholders	Common stock	4,033	50	March 31, 2021	June 30, 2021
November 5, 2021, Board of Directors meeting	Common stock	1,207	15	September 30, 2021	December 1, 2021

Note The total amount of dividends of ¥4,033 million and ¥1,207 million includes ¥3 million and ¥1 million in dividends for treasury shares held in trust.

(2) Those with a record date in the current fiscal year but effective date in the following fiscal year

Resolution	Class of shares	Total dividends	Dividend source	Dividend per share	Record date	Effective date
		(Millions of yen)		(Yen)		
June 29, 2022, annual general meeting of shareholders	Common stock	2,817	Retained earnings	35	March 31, 2022	June 30, 2022

Note The total amount of dividends includes ¥2 million in dividends for treasury shares held in trust.

Consolidated statements of cash flows

*1. Relationship between cash and cash equivalents at end of period and amounts stated on the consolidated balance sheet

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
Cash and deposits	36,272	25,855	271,700
Time deposits (term exceeds three months)	(244)	(10)	(1,828)
Cash and cash equivalents	36,027	25,845	269,865

*2. Major breakdown of assets and liabilities of the company that became a newly consolidated subsidiary due to the acquisition of shares

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

The breakdown of assets and liabilities of Inci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi (hereinafter referred to as "IGYA") at the time of its consolidation due to the acquisition of additional shares, and the relationship between the acquisition cost of IGYA shares and the expenditure for the acquisition of IGYA (net amount) are as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
Current assets	12,544	93,963
Non-current assets	13,763	103,094
Goodwill	1,280	9,588
Current liabilities	(12,873)	(96,427)
Non-current liabilities	(3,580)	(26,816)
Non-controlling interests	(3,941)	(29,521)
Acquisition cost of IGYA shares	7,192	53,873
Equity method valuation of IGYA up to acquisition of control	(4,983)	(37,326)
Gain on step acquisitions	(1,010)	(7,566)
Acquisition cost of additional IGYA shares	1,198	8,974
IGYA cash and cash equivalents	(750)	(5,618)
Balance: Expenditures for the acquisition of IGYA	447	3,348

Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

The breakdown of assets and liabilities of GS Yuasa Infrastructure Systems Co., Ltd. (hereinafter referred to as "GYIS") at the time of its consolidation due to the acquisition of shares, and the relationship between the acquisition cost of GYIS shares and the expenditure for the acquisition of GYIS (net amount) are as follows:

	(Millions of yen)
Current assets	8,016
Non-current assets	518
Negative goodwill	(710)
Current liabilities	(4,149)
Non-current liabilities	(440)
Acquisition cost of GYIS shares	3,235
GYIS cash and cash equivalents	(416)
Balance: Expenditures for the acquisition of GYIS	2,819

Leases

1. Finance lease transactions (as lessee)

Finance leases for which ownership of the leased assets does not transfer to the lessees

(i) Description of leased assets

- a Property, plant and equipment
Mainly production facility (machinery, equipment and vehicles)
- b Intangible assets
Software

(ii) Depreciation/amortization of leased assets

See: Basis of preparation of consolidated financial statements; 4. Accounting policies; (2) Depreciation/amortization of principal non-current assets.

Notes

2. Operating lease transactions (as lessee)

Future minimum lease payments under non-cancelable operating leases

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023
Within one year	33	68	247
Exceeding one year	20	240	150
Total	54	309	404

3. Lease transactions under International Financial Reporting Standards

(i) Right-of-use assets

Mainly office leasing, vehicles and transportation equipment

(ii) Depreciation/amortization of right-of-use assets

See: Basis of preparation of consolidated financial statements; 4. Accounting policies; (2) Depreciation/amortization of principal non-current assets.

Financial instruments

1. Matters concerning the status of financial instruments

(1) Policy for financial instruments

The Group's funds are invested in highly secure financial assets. Funding is procured mainly through borrowings from banks and other financial institutions, bonds, and commercial papers, based on demand in capital investment, investment and financing plans and other capital needs. Derivatives are used to avoid the risks described below, and speculative transactions are prohibited.

(2) Financial instruments, their risks and risk management

Notes and accounts receivable - trade and electronically recorded monetary claims - operating are exposed to customer credit risk. The Company manages the risk by, among other things, monitoring due dates and outstanding balances for each customer and periodically evaluating the status of major customers in order to identify and mitigate collection concerns at an early stage.

Investment securities are mainly stocks of companies with which the Company has business relationships and are exposed to market price fluctuations and other risks. However, the Company regularly monitor market conditions, market prices, and the financial status and business relationships of the issuing companies and review its holdings on an ongoing basis.

Most notes and accounts payable - trade and electronically recorded obligations are due within five months, and the Company manages liquidity risk by preparing monthly funding plans for each group company and division.

Of borrowings, short-term borrowings and commercial papers are used mainly for working capital, while long-term borrowings and bonds payable are mainly for capital investment. Some long-term borrowings are vulnerable to interest rate fluctuations because they are procured at floating interest rates. However, the Company uses interest rate swaps and currency swap transactions to limit the risk of fluctuations in interest rates payable and foreign currency exchange rate fluctuations. Receivables and payables denominated in foreign currencies related to operating transactions are vulnerable to exchange rate fluctuations, against which foreign exchange forward contracts are used to hedge the risk of exchange rate fluctuations, except for receivables and payables denominated in the same foreign currencies within the balance of the receivables and payables.

These derivative transactions are executed and managed by the department in charge in accordance with internal rules, and the Auditing Office conducts audits to determine whether they are executed and managed in accordance with the rules. Hedging instruments and hedged items, hedging policy, and methods for evaluating the effectiveness of hedging with respect to hedge accounting are described in "Basis of preparation of consolidated financial statements; 4. Accounting policies; (8) Significant hedge accounting."

Consolidated subsidiaries operate under the principle of self-management and self-responsibility based on their own rules and regulations, and the Company is aware of such rules and regulations. In addition, the Company receives regular risk management reports and conducts monitoring and control.

(3) Supplementary explanation on fair value of financial instruments and related matters

Since variable factors are incorporated in the measurement of the fair value of financial instruments, such values may change due to the adoption of different assumptions and other factors. In addition, the contract amounts of derivative transactions, set forth in these Notes do not indicate the market risk involved in derivative transactions themselves.

2. Fair value of financial instruments and related matters

Consolidated balance sheet amounts, fair values and their differences are as follows:

As of March 31, 2023

	(Millions of yen)		
	Consolidated balance sheet amount	Fair value	Difference
(1) Investment securities	45,837	37,779	(8,058)
Total assets	45,837	37,779	(8,058)
(2) Bonds payable (including current portion)	20,000	19,976	(24)
(3) Long-term borrowings (including current portion)	52,941	53,039	98
(4) Lease liabilities (including current portion)	10,355	9,988	(367)
Total liabilities	83,297	83,005	(292)
Derivatives ^{(*)2}	(114)	(114)	-

(*)1 "Cash and deposits," "notes and accounts receivable - trade, and contract assets," "electronically recorded monetary claims - operating," "notes and accounts payable - trade," "electronically recorded obligations - operating," "short-term borrowings," "accounts payable - other," "income taxes payable," "notes payable - facilities," and "electronically recorded obligations - facilities" are omitted because they are in cash or their fair value approximates their book value due to their short maturities.

(*)2 Net receivables and payables arising from derivative transactions are shown as net amounts, and items that are net liabilities in total are shown in parentheses.

(*)3 Unlisted shares, etc., (consolidated balance sheet amount: ¥17,417 million) and investments in capital (¥839 million) are not included in (1) Investment securities in the table above because they are stocks and other securities without market prices.

As of March 31, 2022

	(Millions of yen)		
	Consolidated balance sheet amount	Fair value	Difference
(1) Investment securities	46,832	44,025	(2,806)
Total assets	46,832	44,025	(2,806)
(2) Bonds payable	20,000	19,959	(41)
(3) Long-term borrowings (including current portion)	45,018	44,346	(672)
(4) Lease liabilities (including current portion)	7,801	7,394	(407)
Total liabilities	72,820	71,699	(1,120)
Derivatives ^{(*)2}	71	71	-

(*)1 "Cash and deposits," "notes and accounts receivable - trade, and contract assets," "electronically recorded monetary claims - operating," "notes and accounts payable - trade," "electronically recorded obligations - operating," "short-term borrowings," "commercial papers," "accounts payable - other," "income taxes payable," "notes payable - facilities," and "electronically recorded obligations - facilities" are omitted because they are in cash or their fair value approximates their book value due to their short maturities.

(*)2 Net receivables and payables arising from derivative transactions are shown as net amounts, and items that are net liabilities in total are shown in parentheses.

(*)3 Unlisted shares, etc., (consolidated balance sheet amount: ¥19,486 million) and investments in capital (¥940 million) are not included in (1) Investment securities in the table above because they are stocks and other securities without market prices.

Notes

As of March 31, 2023

(Thousands of U.S. dollars)

	Consolidated balance sheet amount	Fair value	Difference
(1)Investment securities	343,348	282,989	(60,360)
Total assets	343,348	282,989	(60,360)
(2)Bonds payable (including current portion)	149,813	149,633	(180)
(3)Long-term borrowings (including current portion)	396,562	397,296	734
(4)Lease liabilities (including current portion)	77,566	74,816	(2,749)
Total liabilities	623,948	621,760	(2,187)
Derivatives ^{(*)2}	(854)	(854)	-

(*1) "Cash and deposits," "notes and accounts receivable - trade, and contract assets," "electronically recorded monetary claims - operating," "notes and accounts payable - trade," "electronically recorded obligations - operating," "short-term borrowings," "accounts payable - other," "income taxes payable," "notes payable - facilities," and "electronically recorded obligations - facilities" are omitted because they are in cash or their fair value approximates their book value due to their short maturities.

(*2) Net receivables and payables arising from derivative transactions are shown as net amounts, and items that are net liabilities in total are shown in parentheses.

(*3) Unlisted shares, etc., (consolidated balance sheet amount: US\$130,464 thousand) and investments in capital (US\$6,285 thousand) are not included in (1) Investment securities in the table above because they are stocks and other securities without market prices.

Note 1. Scheduled redemptions for monetary claims after the consolidated fiscal year-end date

As of March 31, 2023

(Millions of yen)

	One year or less	One to five years	Five to ten years	Over ten years
Cash and deposits	36,272	-	-	-
Notes and accounts receivable - trade, and contract assets	97,591	-	-	-
Electronically recorded monetary claims - operating	6,855	-	-	-
Total	140,719	-	-	-

As of March 31, 2022

(Millions of yen)

	One year or less	One to five years	Five to ten years	Over ten years
Cash and deposits	25,855	-	-	-
Notes and accounts receivable - trade, and contract assets	85,399	-	-	-
Electronically recorded monetary claims - operating	7,163	-	-	-
Total	118,418	-	-	-

As of March 31, 2023

(Thousands of U.S. dollars)

	One year or less	One to five years	Five to ten years	Over ten years
Cash and deposits	271,700	-	-	-
Notes and accounts receivable - trade, and contract assets	731,019	-	-	-
Electronically recorded monetary claims - operating	51,348	-	-	-
Total	1,054,075	-	-	-

Note 2. Scheduled repayments of bonds payable, long-term borrowings, lease liabilities and other interest-bearing liabilities after the consolidated fiscal year-end date

As of March 31, 2023

(Millions of yen)

	One year or less	One to two years	Two to three years	Three to four years	Four to five years	Over five years
Short-term borrowings	30,733	-	-	-	-	-
Bonds payable	10,000	-	-	-	10,000	-
Long-term borrowings	11,584	9,949	8,332	9,824	166	13,083
Lease liabilities	1,844	1,020	992	865	632	5,000
Total	54,162	10,969	9,325	10,689	10,799	18,083

As of March 31, 2022

(Millions of yen)

	One year or less	One to two years	Two to three years	Three to four years	Four to five years	Over five years
Short-term borrowings	15,459	-	-	-	-	-
Commercial papers	2,000	-	-	-	-	-
Bonds payable	-	10,000	-	-	-	10,000
Long-term borrowings	3,322	11,556	9,697	8,098	9,111	3,231
Lease liabilities	1,701	745	680	785	471	3,417
Total	22,483	22,302	10,378	8,883	9,583	16,649

As of March 31, 2023

(Thousands of U.S. dollars)

	One year or less	One to two years	Two to three years	Three to four years	Four to five years	Over five years
Short-term borrowings	230,210	-	-	-	-	-
Bonds payable	74,906	-	-	-	74,906	-
Long-term borrowings	86,772	74,524	62,412	73,588	1,243	98,000
Lease liabilities	13,813	7,640	7,431	6,479	4,734	37,453
Total	405,708	82,165	69,850	80,067	80,891	135,453

Notes

3. Fair value hierarchy of financial instruments

The fair value of financial instruments is classified into the following three levels based on the observability and materiality of the inputs used to calculate fair value.

Level 1: Calculated based on quoted market prices in an active market for the assets or liabilities for which the observable fair value is calculated.

Level 2: Calculated using inputs with observable fair values other than Level 1 inputs.

Level 3: Calculated using inputs with unobservable fair value measurements.

When multiple inputs that have a significant impact on the measurement of fair value are used, the fair value is classified at the Level from which the lowest levels of inputs were used.

(1) Financial instruments carried on the consolidated balance sheet at fair value

As of March 31, 2023

(Millions of yen)

	Fair value			
	Level 1	Level 2	Level 3	Total
Securities and investment securities				
Available-for-sale securities				
Equity securities	24,538	–	–	24,538
Total assets	24,538	–	–	24,538
Derivatives				
Currency related	–	114	–	114
Total liabilities	–	114	–	114

As of March 31, 2022

(Millions of yen)

	Fair value			
	Level 1	Level 2	Level 3	Total
Securities and investment securities				
Available-for-sale securities				
Equity securities	28,022	–	–	28,022
Derivatives				
Currency related	–	71	–	71
Total assets	28,022	71	–	28,093

As of March 31, 2023

(Thousands of U.S. dollars)

	Fair value			
	Level 1	Level 2	Level 3	Total
Securities and investment securities				
Available-for-sale securities				
Equity securities	183,805	–	–	183,805
Total assets	183,805	–	–	183,805
Derivatives				
Currency related	–	854	–	854
Total liabilities	–	854	–	854

(2) Financial instruments not carried on the consolidated balance sheet at fair value

As of March 31, 2023

(Millions of yen)

	Fair value			
	Level 1	Level 2	Level 3	Total
Securities and investment securities				
Available-for-sale securities				
Equity securities	13,241	–	–	13,241
Total assets	13,241	–	–	13,241
Bonds payable (including current portion)	–	19,976	–	19,976
Long-term borrowings (including current portion)	–	53,039	–	53,039
Lease liabilities (including current portion)	–	9,988	–	9,988
Total liabilities	–	83,005	–	83,005

As of March 31, 2022

(Millions of yen)

	Fair value			
	Level 1	Level 2	Level 3	Total
Securities and investment securities				
Available-for-sale securities				
Equity securities	16,003	–	–	16,003
Total assets	16,003	–	–	16,003
Bonds payable	–	19,959	–	19,959
Long-term borrowings (including current portion)	–	44,346	–	44,346
Lease liabilities (including current portion)	–	7,394	–	7,394
Total liabilities	–	71,699	–	71,699

Notes

As of March 31, 2023

(Thousands of U.S. dollars)

	Fair value			
	Level 1	Level 2	Level 3	Total
Securities and investment securities				
Available-for-sale securities				
Equity securities	99,184	–	–	99,184
Total assets	99,184	–	–	99,184
Bonds payable (including current portion)	–	149,633	–	149,633
Long-term borrowings (including current portion)	–	397,296	–	397,296
Lease liabilities (including current portion)	–	74,816	–	74,816
Total liabilities	–	621,760	–	621,760

Note Valuation techniques and inputs used in the measurement of fair value

(1) Investment securities

The fair value of listed equity securities is estimated using quoted market prices. Since listed equity securities are traded in active markets, their fair value is classified as Level 1.

(2) Derivatives

The fair value of foreign exchange forward contracts is determined using the discounted present value method with observable inputs such as exchange rates and is classified as Level 2.

(3) Bonds payable

The fair value of bonds payable is calculated by discounting the total amount of principal and interest at the interest rate that would be applicable if similar new financing were procured, and is classified as Level 2.

(4) Long-term borrowings

The fair value of long-term borrowings is calculated by discounting the total amount of principal and interest at the interest rate that would be applicable if similar new borrowings were arranged and is classified as Level 2. The fair value of long-term borrowings that qualify for specific treatment in interest rate swaps is calculated by discounting the total amount of principal and interest accounted for together with the interest rate swaps by the reasonably estimated interest rate that would be applicable to similar borrowings and is classified as Level 2.

(5) Lease liabilities

The fair value of lease liabilities is calculated by discounting the total amount of principal and interest using the interest rate that would apply to a new lease contract with the same remaining term and conditions, and is classified as Level 2.

Securities

1. Available-for-sale securities

As of March 31, 2023

(Millions of yen)

	Class	Consolidated balance sheet amount	Acquisition cost	Difference
Securities whose consolidated balance sheet amount exceeds acquisition cost	Equity securities	24,417	4,065	20,351
Securities whose consolidated balance sheet amount does not exceed acquisition cost	Equity securities	121	198	(77)
Total		24,538	4,264	20,273

Note Unlisted shares, etc., (consolidated balance sheet amount: ¥590 million) are not included in available-for-sale securities in the table above because they are stocks and other securities without market prices.

As of March 31, 2022

(Millions of yen)

	Class	Consolidated balance sheet amount	Acquisition cost	Difference
Securities whose consolidated balance sheet amount exceeds acquisition cost	Equity securities	27,918	4,802	23,116
Securities whose consolidated balance sheet amount does not exceed acquisition cost	Equity securities	103	198	(95)
Total		28,022	5,001	23,020

Note Unlisted shares, etc., (consolidated balance sheet amount: ¥591 million) are not included in available-for-sale securities in the table above because they are stocks and other securities without market prices.

As of March 31, 2023

(Thousands of U.S. dollars)

	Class	Consolidated balance sheet amount	Acquisition cost	Difference
Securities whose consolidated balance sheet amount exceeds acquisition cost	Equity securities	182,899	30,449	152,442
Securities whose consolidated balance sheet amount does not exceed acquisition cost	Equity securities	906	1,483	(577)
Total		183,805	31,940	151,858

Note Unlisted shares, etc., (consolidated balance sheet amount: US\$4,419 thousand) are not included in available-for-sale securities in the table above because they are stocks and other securities without market prices.

2. Available-for-sale securities sold

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

Class	Sale amount	Total gain on sale	Total loss on sale
Equity securities	2,926	2,185	–
Total	2,926	2,185	–

Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(Millions of yen)

Class	Sale amount	Total gain on sale	Total loss on sale
Equity securities	149	116	0
Total	149	116	0

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Thousands of U.S. dollars)

Class	Sale amount	Total gain on sale	Total loss on sale
Equity securities	21,918	16,367	–
Total	21,918	16,367	–

Notes

3. Securities for which impairment losses were recognized

In the previous fiscal year, an impairment loss of ¥28 million (¥28 million on bonds of available-for-sale securities) was recognized on securities.

In the current fiscal year, there were no securities on which an impairment loss was recognized.

If the fair value at the end of the fiscal year has declined by 50% or more compared to the acquisition cost, the securities are recognized as impaired. If the fair value has declined by 30-50%, an impairment loss is recognized for the amount deemed necessary in consideration of the possibility of recovery and other factors.

Derivatives

1. Derivative transactions for which hedge accounting is not applied

(1) Currency related

As of March 31, 2023

(Millions of yen)

Categories	Class of transaction	Contract amount, etc.	Contract amount, etc., exceeding one year	Fair value	Valuation gains/losses
Non-market transactions	Foreign exchange forward contracts				
	Short (sale)				
	GBP	1,863	–	16	16
	AUD	579	–	0	0
	NZD	130	–	1	1
	USD	78	–	(0)	(0)
	Long (buy)				
	TRY	3,405	–	(131)	(131)
Total		6,056	–	(114)	(114)

As of March 31, 2022

(Millions of yen)

Categories	Class of transaction	Contract amount, etc.	Contract amount, etc., exceeding one year	Fair value	Valuation gains/losses
Non-market transactions	Foreign exchange forward contracts				
	Short (sale)				
	GBP	5,201	–	51	51
	AUD	493	–	16	16
	NZD	144	–	6	6
	USD	46	–	(2)	(2)
Total		5,886	–	71	71

As of March 31, 2023

(Thousands of U.S. dollars)

Categories	Class of transaction	Contract amount, etc.	Contract amount, etc., exceeding one year	Fair value	Valuation gains/losses
Non-market transactions	Foreign exchange forward contracts				
	Short (sale)				
	GBP	13,955	–	120	120
	AUD	4,337	–	0	0
	NZD	974	–	7	7
	USD	584	–	(0)	(0)
	Long (buy)				
	TRY	25,506	–	(981)	(981)
Total		45,363	–	(854)	(854)

(2) Interest rate related

As of March 31, 2023

Not applicable

As of March 31, 2022

Not applicable

2. Derivative transactions for which hedge accounting is applied

(1) Currency related

As of March 31, 2023

(Millions of yen)

Method of hedge accounting	Class of transaction	Main hedged item(s)	Contract amount, etc.	Contract amount, etc., exceeding one year	Fair value
Appropriation treatment for foreign exchange forward contracts	Currency swap(s) Received in JPY - paid in USD	Long-term loans receivable	627	572	(117) (Note)
Total			627	572	(117)

Note The fair value of currency swap transactions is treated as appropriation for foreign exchange forward contracts to long-term loans receivable and is not included in "Financial instruments, 2. Fair value of financial instruments and related matters."

As of March 31, 2022

(Millions of yen)

Method of hedge accounting	Class of transaction	Main hedged item(s)	Contract amount, etc.	Contract amount, etc., exceeding one year	Fair value
Appropriation treatment for foreign exchange forward contracts	Currency swap(s) Received in JPY - paid in USD	Long-term loans receivable	683	627	(82) (Note)
Total			683	627	(82)

Note The fair value of currency swap transactions is treated as appropriation for foreign exchange forward contracts to long-term loans receivable and is not included in "Financial instruments, 2. Fair value of financial instruments and related matters."

Notes

As of March 31, 2023

(Thousands of U.S. dollars)

Method of hedge accounting	Class of transaction	Main hedged item(s)	Contract amount, etc.	Contract amount, etc., exceeding one year	Fair value
Appropriation treatment for foreign exchange forward contracts	Currency swap(s) Received in JPY - paid in USD	Long-term loans receivable	4,697	4,285	(876) (Note)
Total			4,697	4,285	(876)

Note The fair value of currency swap transactions is treated as appropriation for foreign exchange forward contracts to long-term loans receivable and is not included in "Financial instruments, 2. Fair value of financial instruments and related matters."

(2) Interest rate related

As of March 31, 2023

(Millions of yen)

Method of hedge accounting	Class of transaction	Main hedged item(s)	Contract amount, etc.	Contract amount, etc., exceeding one year	Fair value
Interest rate and currency swap(s) accounted for as a single unit Specific treatment / appropriation treatment	Interest rate and currency swap(s) Variable receipt / fixed payment Received in USD / paid in JPY	Short-term borrowings	1,852	-	(Note)

Note The fair value of interest rate and currency swaps accounted for as a single unit (specific treatment / appropriation treatment) is included in the fair value of the relevant short-term borrowings because they are accounted for as a single unit with the short-term borrowings that are the hedged items. The Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR (ASBJ Practical Solution No. 40, March 17, 2022) is applied to these hedging relationships.

As of March 31, 2022

(Millions of yen)

Method of hedge accounting	Class of transaction	Main hedged item(s)	Contract amount, etc.	Contract amount, etc., exceeding one year	Fair value
Interest rate and currency swap(s) accounted for as a single unit Specific treatment / appropriation treatment	Interest rate and currency swap(s) Variable receipt / fixed payment Received in USD / paid in JPY	Long-term borrowings	1,852	1,852	(Note)

Note The fair value of interest rate and currency swaps accounted for as a single unit (specific treatment / appropriation treatment) is included in the fair value of the relevant long-term borrowings because they are accounted for as a single unit with the long-term borrowings that are the hedged items. The Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR (ASBJ Practical Solution No. 40, March 17, 2022) is applied to these hedging relationships.

As of March 31, 2023

(Thousands of U.S. dollars)

Method of hedge accounting	Class of transaction	Main hedged item(s)	Contract amount, etc.	Contract amount, etc., exceeding one year	Fair value
Interest rate and currency swap(s) accounted for as a single unit Specific treatment / appropriation treatment	Interest rate and currency swap(s) Variable receipt / fixed payment Received in USD / paid in JPY	Short-term borrowings	13,873	-	(Note)

Note The fair value of interest rate and currency swaps accounted for as a single unit (specific treatment / appropriation treatment) is included in the fair value of the relevant short-term borrowings because they are accounted for as a single unit with the short-term borrowings that are the hedged items. The Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR (ASBJ Practical Solution No. 40, March 17, 2022) is applied to these hedging relationships.

(3) Commodities

As of March 31, 2023

Not applicable

As of March 31, 2022

Not applicable

Retirement benefit Plans

1. Outline of current retirement benefit plans

Certain domestic consolidated subsidiaries have defined benefit plans, such as corporate pension fund plans and lump-sum retirement benefit plans, and have established retirement benefit trusts. Certain overseas consolidated subsidiaries also have defined benefit plans.

In addition, certain consolidated subsidiaries have adopted defined contribution pension plans.

2. Defined benefit plans

(1) Reconciliation of the beginning and ending balance of the retirement benefit obligations

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
Retirement benefit obligations balance at beginning of period	49,371	48,646	369,820
Service cost	2,036	2,014	15,251
Interest cost	111	103	831
Actuarial gains (losses) accrued	(413)	(1,873)	(3,094)
Retirement benefits paid	(3,604)	(2,950)	(26,996)
Increase due to new consolidation	245	3,382	1,835
Other	(35)	48	(262)
Retirement benefit obligations balance at end of period	47,711	49,371	357,386

Notes

(2) Reconciliation of the beginning and ending balance of plan assets

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
Plan assets at beginning of period	77,433	68,003	580,022
Expected return on assets	1,152	1,097	8,629
Actuarial gains (losses) accrued	(2,363)	5,976	(17,700)
Employer contribution	1,125	1,407	8,427
Retirement benefits paid	(3,073)	(2,713)	(23,019)
Increase due to new consolidation	–	3,605	–
Other	(41)	55	(307)
Plan assets at end of period	74,233	77,433	556,052

(3) Reconciliation of retirement benefit obligations and plan assets at the end of the period to retirement benefit liability and retirement benefit asset recognized in the consolidated balance sheet

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023
Retirement benefit obligations of funded plans	43,102	45,248	322,861
Plan assets	(74,233)	(77,433)	(556,052)
	(31,130)	(32,185)	(233,184)
Retirement benefit obligations of unfunded plans	4,608	4,122	34,517
Net liabilities and assets recognized in the consolidated balance sheet	(26,522)	(28,062)	(198,667)
Retirement benefit liability	5,372	4,892	40,240
Retirement benefit asset	(31,894)	(32,954)	(238,906)
Net liabilities and assets recognized in the consolidated balance sheet	(26,522)	(28,062)	(198,667)

Note Certain consolidated subsidiaries use the simplified method to calculate retirement benefit obligations.

(4) Amount of retirement benefit expenses and their breakdown

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
Service cost (Note)	2,036	2,014	15,251
Interest cost	111	103	831
Expected return on assets	(1,152)	(1,097)	(8,629)
Amortization of past service cost	(109)	(112)	(816)
Amortization of actuarial gains (losses)	(625)	729	(4,682)
Retirement benefit expenses related to defined benefit plan	260	1,636	1,948

Note Retirement benefit expenses of the consolidated subsidiaries using the simplified method are included in "service cost."

(5) Amounts recognized in other comprehensive income (before tax effect adjustments) for the years ended March 31, 2023 and 2022 were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
Past service cost	(109)	(112)	(816)
Actuarial gains (losses)	(2,576)	8,578	(19,296)
Total	(2,685)	8,465	(20,112)

(6) Amounts recognized in accumulated other comprehensive income (before tax effect adjustments) for the years ended March 31, 2023 and 2022 were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023
Unrecognized past service cost	197	306	1,476
Unrecognized actuarial gains (losses)	10,034	12,610	75,161
Total	10,231	12,916	76,637

(7) Matters related to plan assets

(i) Breakdown of plan assets

The following table shows the main categories of plan assets by ratio of total plan assets.

	As of March 31, 2023	As of March 31, 2022
Equity securities	44%	46%
General account	25	24
Bonds	13	13
Investment trust(s)	12	10
Cash and deposits	4	5
Short-term assets	1	1
Other	1	1
Total	100	100

Note Total plan assets include 37% of the retirement benefit trusts established in corporate pension plans for the previous fiscal year and 35% of that for the current fiscal year.

(ii) Method used to determine the expected long-term rate of return on plan assets

To determine the expected long-term rate of return on plan assets, the Company considers the current and projected allocation of plan assets and the current and expected long-term rate of return from the various assets comprising the plan assets.

Notes

(8) Actuarial basis of accounting

Principal actuarial basis

	As of March 31, 2023	As of March 31, 2022
Discount rate	(0.0)-0.1%	(0.0)-0.1%
Expected long-term rate of return on assets	0.7-2.0%	0.7-2.0%

The projected rate of salary increase is based on the salary increase index of service points and qualification points calculated on the last day of the fiscal year.

3. Defined contribution plan

Required contributions to the defined contribution plan by the Company and its consolidated subsidiaries were ¥572 million in the previous fiscal year and ¥580 million (US\$4,345 thousand) in the current fiscal year.

Stock options, etc.

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

Not applicable

Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

Not applicable

Income taxes

1. Significant components of deferred tax assets and liabilities

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023
Deferred tax assets			
Accrued bonuses	1,878	1,523	14,067
Enterprise tax payable	343	298	2,569
Unrealized gain	522	452	3,910
Loss on valuation of inventories	1,245	1,376	9,326
Retirement benefit liability	3,914	3,820	29,318
Allowance for doubtful accounts	185	163	1,386
Impairment losses	2,478	2,117	18,562
Investment securities	1,157	255	8,667
Tax loss carryforwards (Note 2)	7,033	10,421	52,682
Other	3,140	2,840	23,521
Subtotal of deferred tax assets	21,901	23,270	164,052
Valuation allowance for tax loss carryforwards (Note 2)	(5,957)	(9,415)	(44,622)
Valuation allowance for total deductible temporary differences, etc.	(5,851)	(4,772)	(43,828)
Subtotal of valuation allowance (Note 1)	(11,808)	(14,188)	(88,449)
Total deferred tax assets	10,092	9,082	75,596
Deferred tax liabilities			
Reserve for tax purpose reduction entry of non-current assets	(7)	(8)	(52)
Valuation difference on available-for-sale securities	(6,139)	(6,876)	(45,985)
Valuation excess of property	(2,873)	(1,175)	(21,521)
Undistributed earnings of foreign affiliates	(7,716)	(7,298)	(57,798)
Retirement benefit asset	(9,970)	(10,091)	(74,682)
Other	(1,781)	(1,204)	(13,341)
Total deferred tax liabilities	(28,489)	(26,654)	(213,401)
Net deferred tax assets (liabilities)	(18,397)	(17,572)	(137,805)

Notes 1. The amount of valuation allowance decreased by ¥2,379 million (US\$17,820 thousand). The main factors were a ¥3,663 million (US\$27,438 thousand) decrease in valuation allowance for loss carryforwards at a consolidated subsidiary due to the partial expiration of loss carryforwards, a ¥304 million (US\$2,277 thousand) increase in valuation allowance for loss carryforwards at a consolidated subsidiary in the current fiscal year, and an additional recognition of ¥1,416 million (US\$10,607 thousand) in valuation allowance related to loss on valuation of shares of subsidiaries and associates.

2. Tax loss carryforwards and deferred tax assets by carryforward period

Notes

As of March 31, 2023

(Millions of yen)

	One year or less	One to two years	Two to three years	Three to four years	Four to five years	Over five years	Total
Tax loss carryforwards (a)	2,284	865	108	817	290	2,667	7,033
Valuation allowance	(2,284)	(865)	(108)	(817)	(275)	(1,606)	(5,957)
Deferred tax assets	–	–	–	–	14	1,061	(b) 1,076

(a) Tax loss carryforwards are multiplied by the statutory tax rate.

(b) Deferred tax assets of ¥1,076 million were recognized for tax loss carryforwards of ¥7,033 million (multiplied by the statutory tax rate). No valuation allowance is recognized for the portion of such tax loss carryforwards that are deemed recoverable based on expected future taxable income and other factors.

As of March 31, 2022

(Millions of yen)

	One year or less	One to two years	Two to three years	Three to four years	Four to five years	Over five years	Total
Tax loss carryforwards (a)	3,754	2,284	871	121	801	2,588	10,421
Valuation allowance	(3,754)	(2,284)	(871)	(121)	(801)	(1,581)	(9,415)
Deferred tax assets	–	–	–	–	–	1,006	(b) 1,006

(a) Tax loss carryforwards are multiplied by the statutory tax rate.

(b) Deferred tax assets of ¥1,006 million were recognized for tax loss carryforwards of ¥10,421 million (multiplied by the statutory tax rate). No valuation allowance is recognized for the portion of such tax loss carryforwards that are deemed recoverable based on expected future taxable income and other factors.

As of March 31, 2023

(Thousands of U.S. dollars)

	One year or less	One to two years	Two to three years	Three to four years	Four to five years	Over five years	Total
Tax loss carryforwards (a)	17,109	6,479	809	6,120	2,172	19,978	52,682
Valuation allowance	(17,109)	(6,479)	(809)	(6,120)	(2,060)	(12,030)	(44,622)
Deferred tax assets	–	–	–	–	105	7,948	(b) 8,060

(a) Tax loss carryforwards are multiplied by the statutory tax rate.

(b) Deferred tax assets of US\$8,060 thousand were recognized for tax loss carryforwards of US\$52,682 thousand (multiplied by the statutory tax rate). No valuation allowance is recognized for the portion of such tax loss carryforwards that are deemed recoverable based on expected future taxable income and other factors.

2. Significant components of the difference between the statutory tax rate and the effective tax rate

	As of March 31, 2023	As of March 31, 2022
Statutory tax rate	As the difference between the statutory tax rate and the effective tax rate is less than 5% of the statutory tax rate, it is not disclosed.	30.5%
(Adjustments)		
Expenses not deductible for income tax purposes, such as entertainment expenses		0.4
Inhabitant per capita taxes		0.4
Increase/decrease in valuation allowance		(11.4)
Lower income tax rates applicable to income in certain foreign countries		(2.4)
Increase/decrease in undistributed earnings of foreign affiliates		4.0
Amortization of goodwill		1.1
Gain on bargain purchase		(1.1)
Share of profit/loss of entities accounted for using equity method		(4.4)
Expiration of tax loss carryforwards		18.1
Expiration of foreign tax credit carryforwards		1.7
Unrecognized tax effects on eliminated intercompany unrealized profit		(0.8)
Foreign withholding taxes, etc.		3.7
Tax credit for R&D, etc.	(2.9)	
Consolidation adjustments for loss/gain on sales of investments in subsidiaries	(0.9)	
Other	(1.4)	
Effective tax rate		34.6

3. Accounting procedures of income taxes and local income taxes and the related tax effect accounting

From the fiscal year ended March 31, 2023, the Company and some of its domestic consolidated subsidiaries have transitioned from the consolidated tax return filing system to the group tax sharing system. In accordance with this, the accounting procedures and disclosure of income taxes and local income taxes and tax effect accounting are based on the "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (ASBJ Practical Solution No. 42, August 12, 2021).

Notes

Business combinations

Business combination through acquisition

1. Outline of business combination

(1) Name and business of acquired company

Name of acquired company: Inci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi (hereinafter referred to as "IGYA")

Description of business: Manufacture and sale of lead-acid batteries for automobiles and forklifts

(2) Reason for business combination

GS Yuasa International Ltd. (hereinafter referred to as "GS Yuasa"), a consolidated subsidiary of the Company, and Inci Holding A.S., the Company's joint venture partner, launched IGYA, a joint venture company, in 2015. A new plant manufacturing lead-acid batteries for automobiles started operations in January 2019, and manufacturing and sales were expanded mainly for high-performance lead-acid batteries targeting environmentally-friendly applications such as idling stop systems and fuel-efficient vehicles, for which demand was expected to increase sharply in Europe.

By making IGYA a consolidated subsidiary, we aim to expand sales of lead-acid batteries for automobiles by positioning IGYA as a production and supply base for Europe and the Middle East. Along with this, in the forklift battery business centered on Europe, we plan to strengthen the business in the future by selling lithium-ion batteries in addition to existing lead-acid batteries.

(3) Date of business combination

April 1, 2022 (Deemed acquisition date)

May 24, 2022 (Share acquisition date)

(4) Legal structure of the business combination

Purchase of shares with cash

(5) Name of company after the business combination

Unchanged.

(6) Share of voting rights acquired

Share of voting rights owned immediately before the acquisition: 50%

Share of voting rights acquired on the business combination date: 10%

Share of voting rights owned after the acquisition: 60%

(7) Main grounds for determining the acquiring company

Cash acquisition of shares by the Company's consolidated subsidiary GS Yuasa.

2. Period of the acquired company's results included in the consolidated financial statements

April 1, 2022 to March 31, 2023

3. Acquisition costs of the acquired company and consideration by class

	(Millions of yen)	(Thousands of U.S. dollars)
Fair value of IGYA ordinary shares owned immediately before the business combination	5,993	44,891
Cash paid for acquisition of additional shares	1,198	8,974
Acquisition cost	7,192	53,873

4. Description and amounts of major relevant costs for the acquisition

Advisory fees, etc.: ¥40 million (US\$300 thousand)

5. Difference between the acquisition cost of the acquired company and the total amount of acquisition cost of each transaction

Gain on step acquisitions ¥1,010 million (US\$7,566 thousand)

6. Amount of goodwill recognized, reason for recognition, amortization method and period

(1) Amount of goodwill

¥1,280 million (US\$9,588 thousand)

(2) Reason for recognition

The goodwill arises from a reasonable estimate of the future excess earning power that is expected from future business development.

(3) Amortization method and period

Goodwill is amortized over five years on a straight-line basis.

7. Amount of assets acquired and liabilities assumed on the date of the business combination

	(Millions of yen)	(Thousands of U.S. dollars)
Current assets	12,544	93,963
Non-current assets	13,763	103,094
Total assets	26,308	197,064
Current liabilities	12,873	96,427
Non-current liabilities	3,580	26,816
Total liabilities	16,453	123,243

8. Amounts allocated to intangible assets other than goodwill, breakdown by principal type and amortization period by principal type

Breakdown by principal type	(Millions of yen)	(Thousands of U.S. dollars)	Amortization period
Marketing related assets	1,173	8,787	Ten years

9. Estimated amount and method used to calculate the effect of the business combination on the consolidated statements of income for the current fiscal year as if the business combination had been completed at the beginning of the fiscal year

Not applicable as the deemed acquisition date is the beginning of the current fiscal year.

Notes

Revenue recognition

1. Disaggregation of revenue from contracts with customers

Net sales of the Company and its consolidated subsidiaries consist primarily of revenue recognized from contracts with customers, broken down by geographic region of the Company and its consolidated subsidiaries as follows:

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segment						Other	Total
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total		
	Japan	Overseas	Subtotal					
Major regional markets								
Japan	87,418	160	87,578	81,614	59,872	229,065	15,804	244,869
Asia	384	134,989	135,373	7,968	–	143,342	93	143,436
Europe	–	61,359	61,359	911	5,483	67,755	1,357	69,113
North America	–	12,349	12,349	7,898	–	20,248	531	20,779
Other	–	38,469	38,469	810	–	39,280	–	39,280
Revenue from contracts with customers	87,802	247,329	335,131	99,204	65,355	499,691	17,786	517,478
Other revenues	–	–	–	–	–	–	256	256
Revenues from external customers	87,802	247,329	335,131	99,204	65,355	499,691	18,043	517,735

Note "Other" comprises operating segments that are not included in any other reportable segments. Operating segments that are not included in reportable segments include the special batteries business among others.

Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(Millions of yen)

	Reportable segment						Other	Total
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total		
	Japan	Overseas	Subtotal					
Major regional markets								
Japan	80,979	76	81,055	85,348	45,765	212,169	15,068	227,237
Asia	488	97,879	98,368	6,770	–	105,138	253	105,392
Europe	27	48,135	48,162	257	1,872	50,293	888	51,181
North America	–	9,621	9,621	5,635	–	15,257	314	15,571
Other	–	31,030	31,030	1,452	–	32,483	17	32,500
Revenue from contracts with customers	81,494	186,743	268,237	99,465	47,637	415,341	16,542	431,883
Other revenues	–	–	–	–	–	–	249	249
Revenues from external customers	81,494	186,743	268,237	99,465	47,637	415,341	16,791	432,133

Note "Other" comprises operating segments that are not included in any other reportable segments. Operating segments that are not included in reportable segments include the special batteries business among others.

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Thousands of U.S. dollars)

	Reportable segment					Other	Total	
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries			
	Japan	Overseas	Subtotal					
Major regional markets								
Japan	654,816	1,199	656,015	611,341	448,479	1,715,843	118,382	1,834,225
Asia	2,876	1,011,154	1,014,030	59,685	–	1,073,723	697	1,074,427
Europe	–	459,618	459,618	6,824	41,071	507,528	10,165	517,700
North America	–	92,502	92,502	59,161	–	151,670	3,978	155,648
Other	–	288,157	288,157	6,067	–	294,232	–	294,232
Revenue from contracts with customers	657,693	1,852,652	2,510,345	743,101	489,551	3,743,004	133,228	3,876,240
Other revenues	–	–	–	–	–	–	1,918	1,918
Revenues from external customers	657,693	1,852,652	2,510,345	743,101	489,551	3,743,004	135,154	3,878,165

Note "Other" comprises operating segments that are not included in any other reportable segments. Operating segments that are not included in reportable segments include the special batteries business among others.

2. Understanding revenue from contracts with customers

For a fundamental understanding of revenue, see: "Basis of preparation of consolidated financial statements, 4. Accounting policies, (6) Standards for recognition of principal revenues and expenses."

Notes

3. Understanding the amount of revenue in the current and subsequent fiscal years

(1) Remaining balance, etc., of contract assets and liabilities

The balances of receivables, contract assets and contract liabilities arising from contracts with customers were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023
Receivables from contracts with customers (balance at beginning of period)	86,187	73,347	645,596
Receivables from contracts with customers (balance at end of period)	98,536	86,187	738,097
Contract assets (balance at beginning of period)	6,375	5,962	47,753
Contract assets (balance at end of period)	5,911	6,375	44,277
Contract liabilities (balance at beginning of period)	2,181	1,780	16,337
Contract liabilities (balance at end of period)	2,176	2,181	16,300

Contract assets are rights to consideration received in exchange for satisfaction of a portion of the performance obligations at the balance sheet date for the sale and installation of batteries and power supply equipment, excluding receivables. Upon completion of installation, etc., conditions other than the passage of time are resolved and the assets are transferred to receivables. Contract assets are transferred to receivables arising from contracts with customers when the rights of the Company and its consolidated subsidiaries become unconditional. Consideration for such installation work, etc., is invoiced at the time of fulfillment of the performance obligations in accordance with the terms of the contract and is generally received within one year.

Contract liabilities primarily relate to advances received from customers under the terms of contracts for the sale of batteries and power supplies, lighting fixtures, and other battery and electrical equipment to customers for which revenue is recognized upon the satisfaction of performance obligations. Contract liabilities are reversed upon the recognition of revenue. The amount of revenue recognized in the previous fiscal year that was included in the contract liability balance at the beginning of the period was ¥1,148 million. Changes in contract assets resulted primarily from revenue recognition and transfers to receivables. Changes in contract liabilities resulted primarily from receipt of advances received and recognition of revenue.

The amount of revenue recognized in the previous fiscal year from performance obligations that were satisfied (or partially satisfied) in prior periods was not material.

The amount of revenue recognized in the current fiscal year that was included in the contract liability balance at the beginning of the period was ¥1,095 million (US\$8,202 thousand). Changes in contract assets resulted primarily from revenue recognition and transfers to receivables. Changes in contract liabilities resulted primarily from receipt of advances received and recognition of revenue.

The amount of revenue recognized in the current fiscal year from performance obligations that were satisfied (or partially satisfied) in prior periods was not material.

(2) Transaction price allocated to remaining performance obligations

The Company and its consolidated subsidiaries apply the practical expedient method in noting the transaction price allocated to the remaining performance obligations and do not include contracts with an initial expected contract term of one year or less in notes. The aggregate transaction price allocated to unsatisfied performance obligations as of the end of the previous fiscal year and the end of the current fiscal year, and the period over which revenue is expected to be recognized were as follows. The maximum period over which revenue is expected to be recognized is 20 years or less.

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023
One year or less	13,263	13,096	99,348
Exceeding one year	17,111	16,853	128,172
Total	30,375	29,949	227,528

Segment and other information

[Segment information]

1. Overview of reportable segments

The Company's reportable segments are components of the Company about which separate financial information is available. These segments are subject to periodic examinations to enable the Company's Board of Directors to decide how to allocate resources and assess performance.

The GS Yuasa Group consists of segments based on business units. The reportable segments comprised Automotive Batteries-Japan, Automotive Batteries-Overseas, Industrial Batteries and Power Supplies, and Automotive Lithium-ion Batteries. The Automotive Batteries-Japan segment consists of the manufacturing and marketing of lead-acid batteries for automobiles. The Automotive Batteries-Overseas segment consists of the manufacturing and marketing of batteries overseas. The Industrial Batteries and Power Supplies segment consists of the manufacturing and marketing of industrial batteries and power supplies. The Automotive Lithium-ion Batteries segment consists of the manufacturing and marketing of lithium-ion batteries for automobiles.

2. Measurement of net sales, profit/loss, assets, and other amounts by reportable segment

Accounting methods applied in the reportable segments are largely consistent with those presented in the Notes under "Basis of preparation of consolidated financial statements."

Reportable segment profit is based on operating profit before goodwill amortization.

Intersegment sales and transfers are based mainly on market price and cost of goods manufactured.

Notes

3. Net sales, profit/loss, assets, and other amounts by reportable segment
Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segment						Other (Note)	Total
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total		
	Japan	Overseas	Subtotal					
Net sales								
Revenues from external customers	87,802	247,329	335,131	99,204	65,355	499,691	18,043	517,735
Transactions with other segments	1,271	4,412	5,684	15,931	2,842	24,458	(24,458)	–
Total	89,073	251,741	340,815	115,136	68,197	524,149	(6,414)	517,735
Segment profit	6,547	13,345	19,892	8,808	1,986	30,687	1,387	32,074
Segment assets	63,687	214,772	278,459	75,731	70,280	424,472	116,434	540,906
Other items								
Depreciation/amortization	2,646	6,725	9,372	1,750	4,103	15,226	5,728	20,954
Investments in entities accounted for using equity method	1,364	36,741	38,106	509	–	38,616	233	38,849
Increase in property, plant and equipment, and intangible assets	2,764	10,952	13,717	4,262	7,166	25,146	7,654	32,800

- Notes 1. "Other" comprises operating segments that are not included in any other reportable segments and adjustment for segment profit. Operating segments that are not included in reportable segments include the special batteries business among others.
2. Adjustments were as follows:
- (1) Adjustment for segment profit was ¥(1,229) million, which included ¥(158) million elimination of intersegment transactions and ¥(1,070) million of unallocated corporate expenses. The main component of these unallocated corporate expenses was general and administrative expenses not attributable to reportable segments.
 - (2) Adjustment for segment assets was ¥105,407 million, which included ¥(106,179) million elimination of intersegment receivables and payables, and ¥211,587 million of unallocated corporate assets. The main components of these unallocated corporate assets were working funds, long-term investment funds, assets allocated to administrative departments and some laboratory facilities.
 - (3) Adjustment for depreciation/amortization was ¥4,396 million, consisting of depreciation and amortization charges for corporate assets.
 - (4) Adjustment for increase in property, plant and equipment, and intangible assets was ¥7,291 million, consisting of the acquisition price of property, plant and equipment, and intangible assets classified as corporate assets.
3. The difference between the total segment profit in the table above and the operating profit of ¥31,500 million on the consolidated statements of income represents amortization of goodwill and other intangible assets of ¥(574) million. These goodwill and other intangible assets included identifiable assets acquired on the effective date of the business combination.

Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(Millions of yen)

	Reportable segment						Other (Note)	Total
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total		
	Japan	Overseas	Subtotal					
Net sales								
Revenues from external customers	81,494	186,743	268,237	99,465	47,637	415,341	16,791	432,133
Transactions with other segments	1,349	3,929	5,278	16,741	8,956	30,976	(30,976)	–
Total	82,844	190,672	273,516	116,206	56,594	446,318	(14,184)	432,133
Segment profit	5,878	9,965	15,843	5,775	1,654	23,273	579	23,853
Segment assets	61,202	186,413	247,616	72,920	62,938	383,474	97,288	480,763
Other items								
Depreciation/amortization	2,862	4,908	7,770	1,624	3,280	12,675	5,531	18,207
Investments in entities accounted for using equity method	1,286	34,003	35,290	456	–	35,746	3,630	39,377
Increase in property, plant and equipment, and intangible assets	3,796	5,279	9,076	1,347	10,972	21,395	7,180	28,575

- Notes 1. "Other" comprises operating segments that are not included in any other reportable segments and adjustment for segment profit. Operating segments that are not included in reportable segments include the special batteries business among others.
2. Adjustments were as follows:
- (1) Adjustment for segment profit was ¥(857) million, which included ¥37 million elimination of intersegment transactions and ¥(894) million of unallocated corporate expenses. The main component of these unallocated corporate expenses was general and administrative expenses not attributable to reportable segments.
 - (2) Adjustment for segment assets was ¥83,569 million, which included ¥(117,095) million elimination of intersegment receivables and payables, and ¥200,664 million of unallocated corporate assets. The main components of these unallocated corporate assets were working funds, long-term investment funds, assets allocated to administrative departments and some laboratory facilities.
 - (3) Adjustment for depreciation/amortization was ¥4,143 million, consisting of depreciation and amortization charges for corporate assets.
 - (4) Adjustment for increase in property, plant and equipment, and intangible assets was ¥6,766 million, consisting of the acquisition price of property, plant and equipment, and intangible assets classified as corporate assets.
3. The difference between the total segment profit in the table above and the operating profit of ¥22,664 million on the consolidated statements of income represents amortization of goodwill and other intangible assets of ¥(1,188) million. These goodwill and other intangible assets included identifiable assets acquired on the effective date of the business combination.

Notes

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Thousands of U.S. dollars)

	Reportable segment						Other (Note)	Total
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total		
	Japan	Overseas	Subtotal					
Net sales								
Revenues from external customers	657,693	1,852,652	2,510,345	743,101	489,551	3,743,004	135,154	3,878,165
Transactions with other segments	9,521	33,049	42,577	119,333	21,288	183,206	(183,206)	–
Total	667,213	1,885,700	2,552,921	862,442	510,839	3,926,210	(48,045)	3,878,165
Segment profit	49,041	99,963	149,004	65,978	14,876	229,865	10,390	240,255
Segment assets	477,056	1,608,779	2,085,835	567,273	526,442	3,179,566	872,165	4,051,730
Other items								
Depreciation/amortization	19,820	50,375	70,202	13,109	30,734	114,052	42,906	156,959
Investments in entities accounted for using equity method	10,217	275,213	285,438	3,813	–	289,258	1,745	291,004
Increase in property, plant and equipment, and intangible assets	20,704	82,037	102,749	31,925	53,678	188,360	57,333	245,693

- Notes 1. "Other" comprises operating segments that are not included in any other reportable segments and adjustment for segment profit. Operating segments that are not included in reportable segments include the special batteries business among others.
2. Adjustments were as follows:
- (1) Adjustment for segment profit was US\$(9,206) thousand, which included US\$(1,184) thousand elimination of intersegment transactions and US\$(8,015) thousand of unallocated corporate expenses. The main component of these unallocated corporate expenses was general and administrative expenses not attributable to reportable segments.
 - (2) Adjustment for segment assets was US\$789,566 thousand, which included US\$(795,348) thousand elimination of intersegment receivables and payables, and US\$1,584,921 thousand of unallocated corporate assets. The main components of these unallocated corporate assets were working funds, long-term investment funds, assets allocated to administrative departments and some laboratory facilities.
 - (3) Adjustment for depreciation/amortization was US\$32,929 thousand, consisting of depreciation and amortization charges for corporate assets.
 - (4) Adjustment for increase in property, plant and equipment, and intangible assets was US\$54,614 thousand, consisting of the acquisition price of property, plant and equipment, and intangible assets classified as corporate assets.
3. The difference between the total segment profit in the table above and the operating profit of US\$235,955 thousand on the consolidated statements of income represents amortization of goodwill and other intangible assets of US\$(4,300) thousand. These goodwill and other intangible assets included identifiable assets acquired on the effective date of the business combination.

[Information associated with reportable segments]

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

1. Information for each product and service

A description is omitted because the product and service categories are the same as the reportable segment categories.

2. Information for each region

(1) Net sales

(Millions of yen)

Japan	Asia	Europe and North America	Other	Total
245,126	143,436	89,892	39,280	517,735

Note Net sales are based on the location of customers and are classified by country or region.

(Thousands of U.S. dollars)

Japan	Asia	Europe and North America	Other	Total
1,836,150	1,074,427	673,348	294,232	3,878,165

Note Net sales are based on the location of customers and are classified by country or region.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Asia (other)	Europe and North America	Other	Total
103,572	9,023	25,231	23,182	4,032	165,043

(Thousands of U.S. dollars)

Japan	China	Asia (other)	Europe and North America	Other	Total
775,820	67,588	188,996	173,648	30,202	1,236,277

3. Information for each main customer

Revenues from external customers are omitted because no specific customer accounted for 10% or more of the net sales in the consolidated statements of income.

Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

1. Information for each product and service

A description is omitted because the product and service categories are the same as the reportable segment categories.

2. Information for each region

(1) Net sales

(Millions of yen)

Japan	Asia	Europe and North America	Other	Total
227,486	105,392	66,753	32,500	432,133

Note Net sales are based on the location of customers and are classified by country or region.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Asia (other)	Europe and North America	Other	Total
99,023	10,058	22,737	7,025	4,162	143,007

Notes

3. Information for each main customer

Revenues from external customers are omitted because no specific customer accounted for 10% or more of the net sales in the consolidated statements of income.

[Information about impairment losses of non-current assets for each reportable segment]

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Automotive Batteries-Japan	Automotive Batteries-Overseas	Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Other	Total
Impairment losses	–	–	–	2,912	–	2,912

Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(Millions of yen)

	Automotive Batteries-Japan	Automotive Batteries-Overseas	Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Other	Total
Impairment losses	104	4,943	10	–	721	5,779

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Thousands of U.S. dollars)

	Automotive Batteries-Japan	Automotive Batteries-Overseas	Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Other	Total
Impairment losses	–	–	–	21,813	–	21,813

[Amortization and unamortized balance of goodwill for each reportable segment]

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Automotive Batteries-Japan	Automotive Batteries-Overseas	Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Other	Total
Amortization during the period	–	308	–	–	–	308
Balance at end of period	–	1,233	–	–	–	1,233

Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(Millions of yen)

	Automotive Batteries-Japan	Automotive Batteries-Overseas	Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Other	Total
Amortization during the period	659	–	–	–	–	659
Balance at end of period	–	–	–	–	–	–

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Thousands of U.S. dollars)

	Automotive Batteries-Japan	Automotive Batteries-Overseas	Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Other	Total
Amortization during the period	–	2,307	–	–	–	2,307
Balance at end of period	–	9,236	–	–	–	9,236

[Information about gain on bargain purchase for each reportable segment]

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

Not applicable

Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

In the Industrial Batteries and Power Supplies segment, a material gain on bargain purchase was recognized through the acquisition of all the shares of Sanken Densetsu Co., Ltd. (company name changed to GS Yuasa Infrastructure Systems Co., Ltd. on May 1, 2021) and the company's subsequent consolidation as a subsidiary. The total gain on bargain purchase recorded due to this transaction was ¥710 million.

Related party(ies) information

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

1. Related party transactions

Not applicable

2. Notes on parent company and significant affiliates

(1) Information on parent company

Not applicable

(2) Summary financial information of significant affiliates

From the current fiscal year, equity-method affiliate PG Holdings Co., Ltd. became a significant affiliate due to an increase in materiality, and the company's summary financial statement is as below.

	(Millions of yen)	(Thousands of U.S. dollars)
Total current assets	15,873	118,899
Total non-current assets	3,175	23,783
Total current liabilities	15,947	119,453
Total non-current liabilities	–	–
Total net assets	3,101	23,228
Net sales	4,354	32,614
Loss before income taxes	(5,833)	(43,693)
Loss attributable to owners of parent	(5,816)	(43,566)

Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

1. Related party transactions

Not applicable

2. Notes on parent company and significant affiliates

(1) Information on parent company

Not applicable

(2) Summary financial information of significant affiliates

Not applicable

Notes

Per share information

Item	(Yen)		(U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
Net assets per share	2,867.23	2,675.70	21.48
Basic earnings per share	173.11	105.23	1.30

Notes 1. Diluted earnings per share is not provided here, as there are no residual securities.
2. Calculation of basic earnings per share was as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023
Basic earnings per share			
Profit attributable to owners of parent	13,925	8,468	104,307
Amount not attributable to common stockholders	–	–	–
Profit attributable to common stockholders of parent	13,925	8,468	104,307
Average number of common stock shares during term (thousands of shares)	80,448	80,475	

Note The Company has introduced a performance-linked share-based payment system for its directors (excluding outside directors) and has set up an Officer Stock Grant Trust. The Company's own shares held by the trust are included in the number of treasury shares presented in the consolidated financial statements. In line with this, for the calculation of basic earnings per share, the number of the Company's own shares held by the trust was included in the number of treasury shares that is subtracted from the average number of common stock shares during the term. In addition, for the calculation of net assets per share, the number of the Company's own shares held by the trust was included in the number of treasury shares that is deducted from the total number of shares issued at the end of the period.
The average number of treasury shares during the term deducted in the calculation of basic earnings per share was 68,247 shares in the previous fiscal year and 58,723 shares in the current fiscal year. For the calculation of net assets per share, the number of treasury shares deducted at the end of the period was 67,200 shares in the previous fiscal year and 53,300 shares in the current fiscal year.

Significant subsequent events

Basic agreement toward establishment of a joint venture company

GS Yuasa International Ltd. (hereinafter referred to as "GS Yuasa"), a consolidated subsidiary of the Company, has reached a basic agreement with Honda Motor Co., Ltd. (hereinafter referred to as "Honda") toward collaboration for a high-capacity, high-output lithium-ion battery, and progress has been made in putting this collaboration into practice.

GS Yuasa passed its resolution on the establishment of the joint venture company of both parties at its meeting of the Board of Directors held on April 24, 2023, and concluded the joint venture basic agreement.

(1) Purpose of the establishment of the joint venture company

The new joint venture company will research and develop lithium-ion batteries and battery production methods that will be highly competitive at a global level. Moreover, the new company will strive to establish a supply chain for key raw materials and a highly-efficient battery production system in order to address the rapidly growing demand for batteries.

(2) Overview of the joint venture company

(i) Company name	Honda GS Yuasa EV Battery R&D Co., Ltd.
(ii) Head office	1, Inobanba-cho, Nishinosho, Kisshoin, Minami-ku, Kyoto, Japan
(iii) Title and name of the representative	Koichi Yamamoto, Representative Director and President
(iv) Capital and legal capital surplus at establishment	Capital: ¥2.0 billion Legal capital surplus: ¥2.0 billion
(v) Description of business	1. Research and development of a high-capacity, high-output lithium-ion battery, primarily for EV use, and the required production methods 2. To construct and manage and intellectual property portfolio comprising patents, etc. relating to the research and development 3. Planning for products that utilize technologies resulting from the research and development, and planning for the required sales channels 4. Designing of an efficient production operation including the supply chain for key raw materials, etc.
(vi) Date of establishment	Dates for the establishment and commencement of business operations are scheduled during 2023.
(vii) Ownership (%)	Honda 50%, GS Yuasa 50%

Consolidated supplemental schedules

[Schedule of bonds payable]

(Millions of yen)							
Company name	Issue	Date of issue	Balance at beginning of period	Balance at end of period	Interest rate (%)	Secured/unsecured	Maturity
GS Yuasa Corporation	1st unsecured bonds	September 13, 2017	10,000	10,000	0.44	Unsecured	September 13, 2027
GS Yuasa Corporation	2nd unsecured bonds	December 10, 2018	10,000	10,000 (10,000)	0.20	Unsecured	December 8, 2023
Total	–	–	20,000	20,000 (10,000)	–	–	–

(Thousands of U.S. dollars)							
Company name	Issue	Date of issue	Balance at beginning of period	Balance at end of period	Interest rate (%)	Secured/unsecured	Maturity
GS Yuasa Corporation	1st unsecured bonds	September 13, 2017	74,906	74,906	0.44	Unsecured	September 13, 2027
GS Yuasa Corporation	2nd unsecured bonds	December 10, 2018	74,906	74,906 (74,906)	0.20	Unsecured	December 8, 2023
Total	–	–	149,813	149,813 (74,906)	–	–	–

Notes 1. Amounts in parentheses indicate the current portion of bonds payable.
2. The redemption schedule for the five years following the consolidated fiscal year-end date is as follows.

(Millions of yen)				
One year or less	One to two years	Two to three years	Three to four years	Four to five years
10,000	–	–	–	10,000

(Thousands of U.S. dollars)				
One year or less	One to two years	Two to three years	Three to four years	Four to five years
74,906	–	–	–	74,906

[Schedule of borrowings]

(Millions of yen)

Categories	Balance at beginning of period	Balance at end of period	Average interest rate(%)	Repayment deadline
Short-term borrowings	15,459	30,733	7.60	–
Commercial papers	2,000	–	–	–
Current portion of long-term borrowings	3,322	11,584	1.11	–
Current portion of lease liabilities	1,701	1,844	2.15	–
Long-term borrowings (excluding current portion)	41,696	41,357	0.77	2024 to 2030
Lease liabilities (excluding current portion)	6,100	8,510	2.19	2024 to 2042
Total	70,280	94,030	–	–

(Thousands of U.S. dollars)

Categories	Balance at beginning of period	Balance at end of period
Short-term borrowings	115,798	230,210
Commercial papers	14,981	–
Current portion of long-term borrowings	24,884	86,772
Current portion of lease liabilities	12,742	13,813
Long-term borrowings (excluding current portion)	312,330	309,790
Lease liabilities (excluding current portion)	45,693	63,745
Total	526,442	704,345

Notes 1. The “average interest rate” is the weighted average interest rate on the balance at the end of the period.
2. The aggregate annual maturities of long-term borrowings and lease liabilities (excluding the current portion) within five years of the consolidated fiscal year-end date are as follows.

(Millions of yen)

	One to two years	Two to three years	Three to four years	Four to five years
Long-term borrowings	9,949	8,332	9,824	166
Lease liabilities	1,020	992	865	632

(Thousands of U.S. dollars)

	One to two years	Two to three years	Three to four years	Four to five years
Long-term borrowings	74,524	62,412	73,588	1,243
Lease liabilities	7,640	7,431	6,479	4,734

[Schedule of asset retirement obligations]

Since the amount of asset retirement obligations at the beginning and end of the current fiscal year was 1/100 or less of the total liabilities and net assets at the beginning and end of the current fiscal year, the description is omitted pursuant to Article 92-2 of the Regulations for Consolidated Financial Statements.



Independent auditor's report

To the Board of Directors of GS Yuasa Corporation:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of GS Yuasa Corporation (“the Company”) and its consolidated subsidiaries (collectively referred to as “the Group”) provided in the “Financial Information” section in the GS Yuasa Report 2023, which comprise the consolidated balance sheets as at March 31, 2023 and the consolidated statements of income and comprehensive income, statements of changes in net assets and statements of cash flows for the year then ended, and a basis of preparation of consolidated financial statements, other explanatory information and supplemental schedules, in accordance with Article 193-2(1) of the Financial Instruments and Exchange Act of Japan.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Appropriateness of the amount of impairment loss recognized on long-lived assets used in the 12V lithium-ion batteries business

The key audit matter	How the matter was addressed in our audit
As described in the Notes on “Consolidated Statement of Income, *7. Impairment Losses” to consolidated financial statements, the Company recognized in the consolidated statement of income an impairment loss of ¥2,912 million on long-lived assets of the 12V lithium-ion batteries business (hereinafter the “12VLIB business”) within the Automotive Lithium-ion batteries segment. Long-lived assets are tested for impairment	The primary procedures we performed to assess the appropriateness of the amount of impairment loss recognized on long-lived assets used in the 12VLIB business included the following audit procedures: (1) Internal control testing Test of the design and operating effectiveness of certain internal controls relevant to the recognition of an impairment loss on long-lived

whenever there is an impairment indicator. In the impairment testing, when the recoverable amount of an asset or group of assets is less than its carrying amount, the carrying amount is reduced to the recoverable amount, and the resulting decrease in carrying amount is recognized as an impairment loss. The recoverable amount is the higher of either the value in use or the net realizable value (or the fair value less costs of disposal under International Financial Reporting Standards, as applicable).

The 12VLIB business is composed of two asset groups: the 12VLIB business in the Lithium-ion Batteries Business Unit at GS Yuasa International Ltd., a consolidated subsidiary (hereinafter “GYLI-12VLIB”), and GS Yuasa Hungary Ltd. (hereinafter “GYHU”). The 12VLIB business had recognized recurring operating losses with a significant downward trend when compared to the business plan formulated at the time the business was originally launched. Accordingly, it was determined that such conditions would constitute an impairment indicator for both of the asset groups. Therefore, an impairment test was performed based on the net realizable value as the recoverable amount.

In estimating the net realizable value, selecting the appropriate valuation models and applying applicable valuation techniques to measure the net realizable value required a high degree of expertise in valuation.

We, therefore, determined that our assessment of the appropriateness of the amount of impairment loss recognized on long-lived assets used in the 12VLIB business was of most significance in our audit of the consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.

assets.

(2) Assessment of the reasonableness of estimated net realizable value

(i) Long-lived assets used in GYLI-12VLIB
We primarily performed the following procedures with the assistance of valuation specialists within our network firms:

- Assessed the competency, capabilities, and objectivity of the external experts engaged by the Company based on information about their experience and qualifications, membership status with professional organizations, and whether any conflicts of interest exist with the Company; and
- Assessed whether the valuation models selected, the valuation techniques applied and the measurement of the net realizable value by the external experts engaged by the Company were appropriate by inquiring of the experts, inspecting the valuation results prepared by them and comparing the results with external data.

(ii) Long-lived assets used in GYHU
We requested the component auditor of GYHU to perform an audit. We then evaluated the report received from the component auditor to conclude on whether sufficient and appropriate audit evidence was obtained from their audit procedures, including those listed in (i) above, performed with the assistance of valuation specialists within the network firms of the component auditor.

Other Information

The other information comprises the information included in the GS Yuasa Report 2023, but does not include the consolidated financial statements, the financial statements, and our auditor’s reports thereon. Management is responsible for the preparation and presentation of the other information. Corporate auditors and the board of corporate auditors are responsible for overseeing the directors’ performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Corporate Auditors and the Board of Corporate Auditors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Corporate auditors and the board of corporate auditors are responsible for overseeing the directors’ performance of their duties including the design, implementation and maintenance of the Group’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with corporate auditors and the board of corporate auditors regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide corporate auditors and the board of corporate auditors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with corporate auditors and the board of corporate auditors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Audit of the Internal Control Report

Opinion

We also have audited the accompanying internal control report of GS Yuasa Corporation as at March 31, 2023, in accordance with Article 193-2(2) of the Financial Instruments and Exchange Act of Japan.

In our opinion, the accompanying internal control report, which states that the internal control over financial reporting was effective as at March 31, 2023, presents fairly, in all material respects, the results of the assessments of internal control over financial reporting in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

Basis for Opinion

We conducted our audit of the internal control report in accordance with auditing standards for internal control over financial reporting generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Internal Control Report* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the internal control report in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Corporate Auditors and the Board of Corporate Auditors for the Internal Control Report

Management is responsible for the design and operation of internal control over financial reporting and the preparation and fair presentation of the internal control report in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

Corporate auditors and the board of corporate auditors are responsible for overseeing and examining the design and operation over financial reporting.

Internal control over financial reporting may not completely prevent or detect financial statement misstatements.

Auditor's Responsibilities for the Audit of the Internal Control Report

Our objectives are to obtain reasonable assurance about whether the internal control report is free from material misstatement based on our audit of the internal control report and to issue an auditor's report that includes our opinion.

As part of our audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Perform procedures to obtain audit evidence about the results of the assessments of internal control over financial reporting in the internal control report. The procedures for the audit of the internal control report are selected and performed, depending on the auditor's judgment, based on significance of effect on the reliability of financial reporting.
- Evaluate the overall presentation of the internal control report, including the appropriateness of the scope, procedures and results of the assessments that management presents.

- Obtain sufficient appropriate audit evidence about the results of the assessments of internal control over financial reporting in the internal control report. We are responsible for the direction, supervision and performance of the audit of the internal control report. We remain solely responsible for our audit opinion.

We communicate with corporate auditors and the board of corporate auditors regarding, among other matters, the planned scope and timing of our audit of the internal control report, the results thereof, material weaknesses in internal control identified during our audit of internal control report, and those that were remediated.

We also provide corporate auditors and the board of corporate auditors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Motohiro Tanaka
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Tetsuo Yamada
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

KPMG AZSA LLC
Kyoto Office, Japan
June 29, 2023

Notes to the Reader of Audit Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Financial Instruments and Exchange Act of Japan.


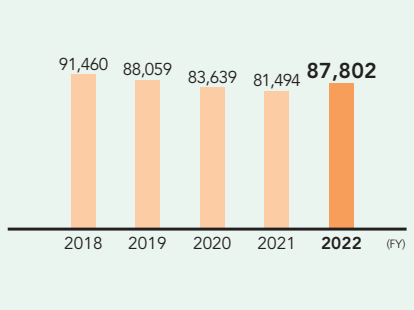
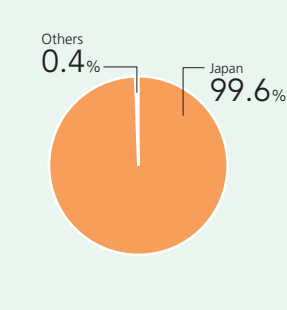
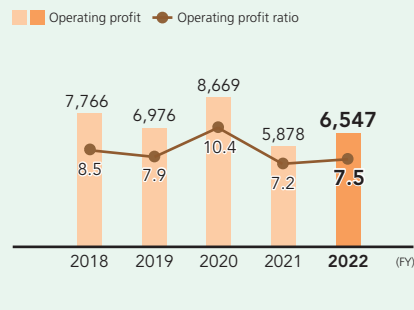
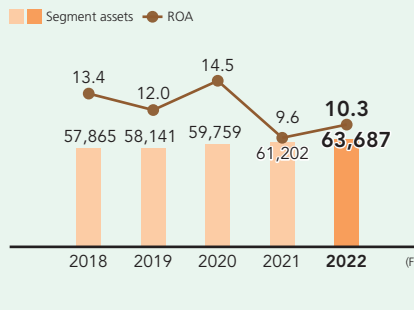
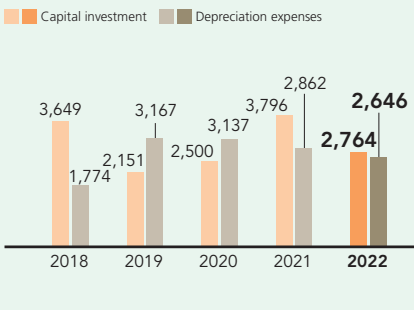
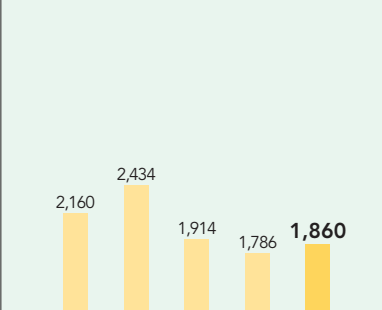

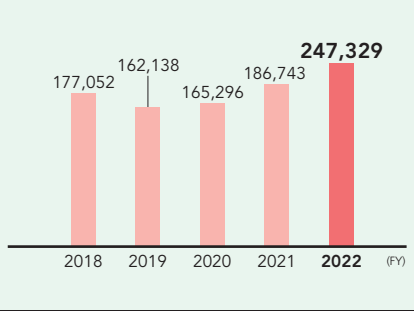
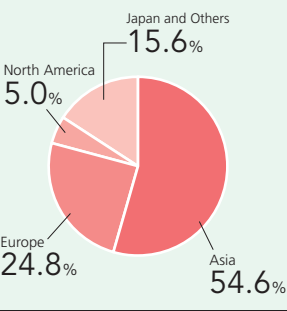
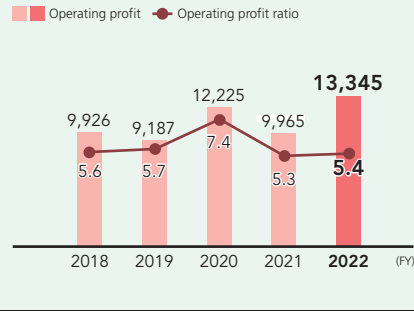
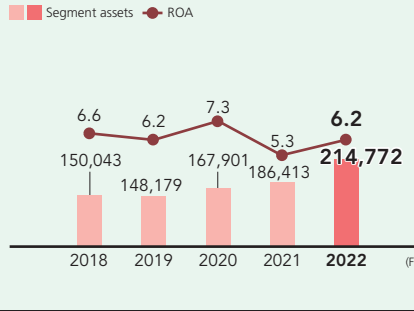
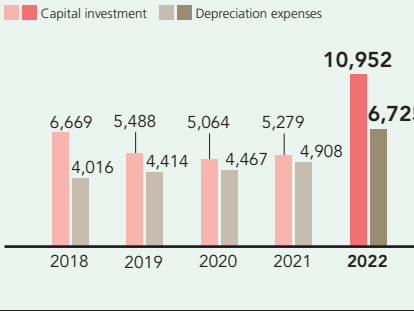
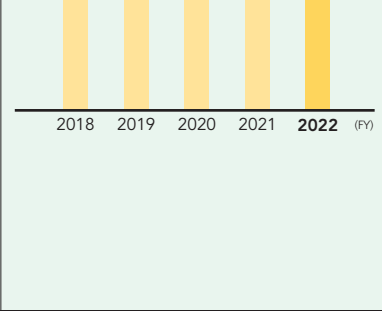

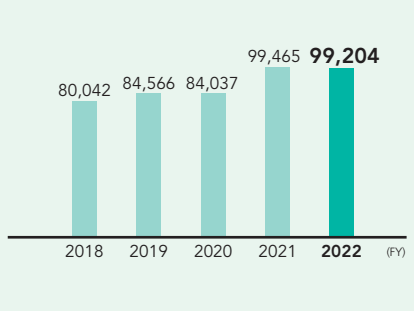
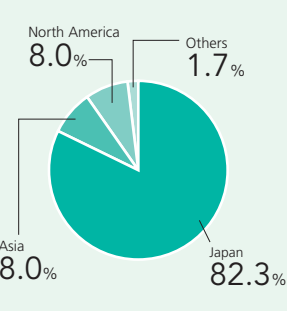
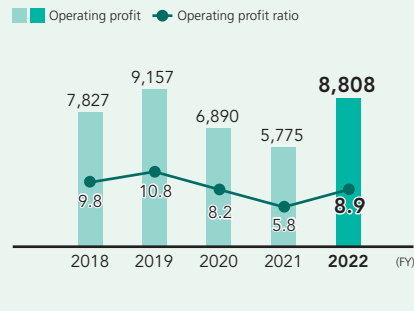
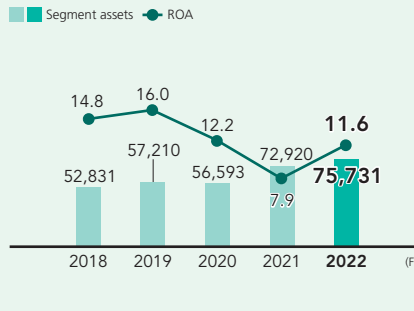
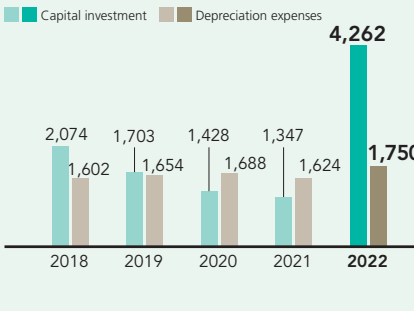
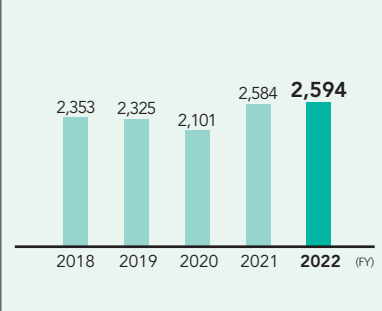

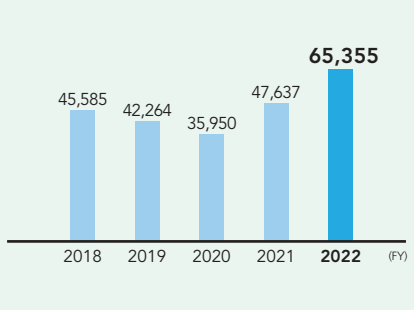
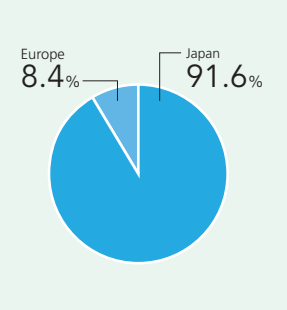
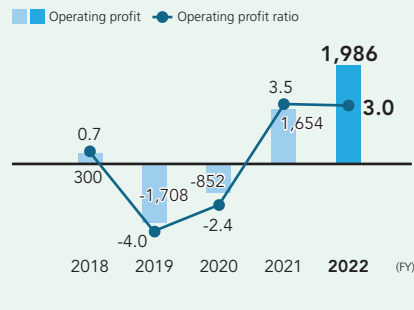
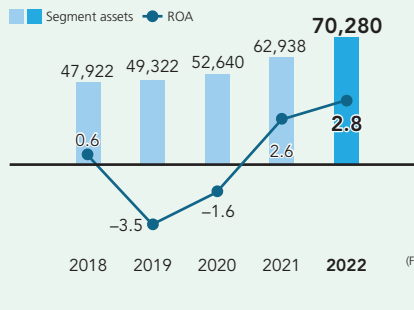
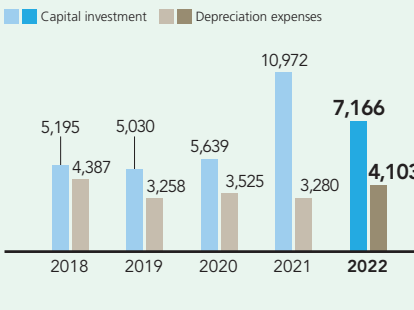
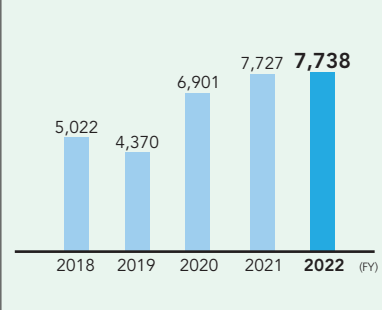

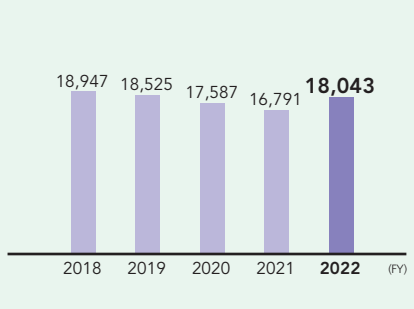
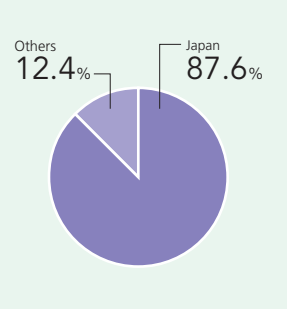
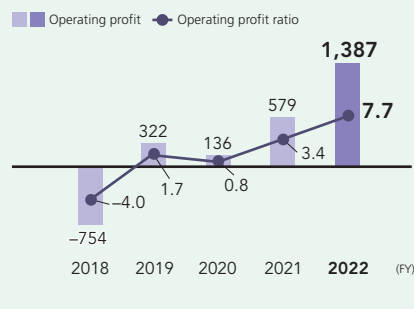
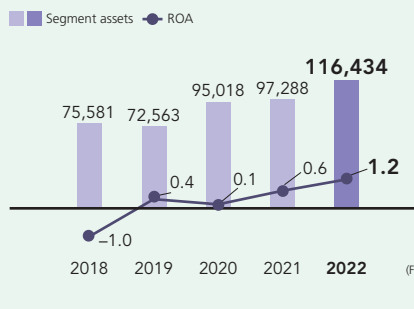
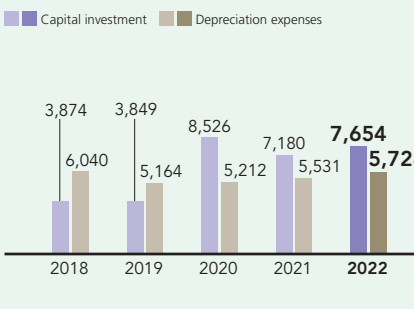
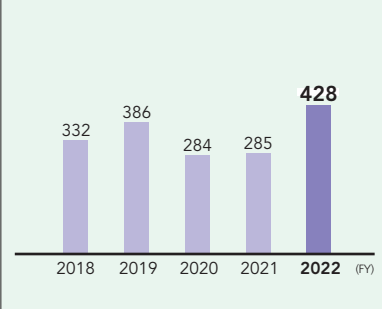
11-Year Key Consolidated Financial Data

Notes: 1. Operating profit ratio, ROE and total payout ratio refer to profit before amortization of goodwill (operating profit and profit) after fiscal 2016.
 2. The Company implemented a five-to-one consolidation of ordinary shares on October 1, 2018, and consequently, per-share indicators from prior to the consolidation have been calculated as if the share consolidation were implemented.
 3. The "automotive batteries (overseas)" segment previously included a portion of transaction amounts for industrial batteries handled overseas, but as of fiscal 2018, the segment was changed to "industrial batteries and power supplies." Net sales and operating profit for fiscal 2017 are indicated for the reporting segments after the change.
 4. Some consolidated subsidiaries in the "automotive batteries (overseas)" segment were transferred to the "industrial batteries and power supplies" segment in fiscal 2019. In conjunction with this change, figures for fiscal 2018 were restated according to the modified segments.
 5. ROIC is calculated 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.

(Millions of yen)	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
For the fiscal year information											
Net sales	¥ 274,509	¥ 347,995	¥ 369,760	¥ 365,610	¥ 359,605	¥ 410,951	¥ 413,089	¥ 395,553	¥ 386,511	¥ 432,133	¥ 517,735
Automotive batteries (Japan)	55,648	56,905	51,747	50,986	67,598	89,240	91,460	88,059	83,639	81,494	87,802
Automotive batteries (Overseas)	119,885	164,252	183,759	191,402	170,613	185,574	177,052	162,138	165,296	186,743	247,329
Industrial batteries and power supplies	72,427	79,242	79,822	74,804	72,765	74,237	80,042	84,566	84,037	99,465	99,204
Automotive lithium-ion batteries	10,597	32,501	45,181	38,312	39,305	44,784	45,585	42,264	35,950	47,637	65,355
Specialized batteries and others	15,951	15,094	9,248	10,104	9,323	17,113	18,947	18,525	17,587	16,791	18,043
Operating profit	9,775	18,197	20,914	21,909	23,106	21,920	22,654	21,676	24,810	22,664	31,500
Operating profit before amortization of goodwill	–	–	–	–	24,185	24,076	25,066	23,935	27,069	23,853	32,074
Automotive batteries (Japan)	3,931	3,310	2,397	3,291	5,676	6,143	7,766	6,976	8,669	5,878	6,547
Automotive batteries (Overseas)	6,380	8,996	10,786	11,358	10,460	8,960	9,926	9,187	12,225	9,965	13,345
Industrial batteries and power supplies	10,813	12,199	8,657	8,061	8,701	7,364	7,827	9,157	6,890	5,775	8,808
Automotive lithium-ion batteries	(11,249)	(7,243)	(2,626)	(565)	45	1,320	300	(1,708)	(852)	1,654	1,986
Specialized batteries and others	(100)	936	1,698	(235)	(699)	287	(754)	322	136	579	1,387
Ordinary profit	12,258	20,333	22,357	21,416	22,545	21,387	24,728	23,109	27,279	24,684	24,213
Profit attributable to owners of parent	5,767	9,982	10,043	9,030	12,229	11,449	13,524	13,674	11,455	8,468	13,925
Profit attributable to owners of parent before amortization of goodwill	–	–	–	–	13,699	13,894	15,974	15,925	13,538	9,498	14,435
Capital investment	33,159	18,570	11,008	12,955	19,909	15,223	21,461	18,220	23,159	28,575	32,800
Depreciation expenses	13,264	12,939	15,715	15,309	15,241	16,506	16,115	15,979	16,210	16,775	20,954
Research and development expenses	6,227	6,495	6,725	6,996	9,533	11,170	9,868	9,517	11,201	12,383	12,622
Cash flows from operating activities	19,069	19,704	19,729	30,215	34,846	21,934	31,493	33,119	35,817	12,879	28,330
Cash flows from investing activities	(29,249)	(9,786)	(14,519)	(17,311)	(32,912)	(20,810)	(17,570)	(20,690)	(19,327)	(30,204)	(26,567)
Free cash flow	(10,180)	9,918	5,210	12,904	1,934	1,124	13,923	12,429	16,490	(17,325)	1,763
Cash flows from financing activities	3,839	589	(5,798)	(9,685)	(3,715)	(6,702)	(11,706)	(10,245)	(7,018)	5,203	8,826
At year-end information											
Total assets	¥ 290,368	¥ 340,462	¥ 359,522	¥ 346,523	¥ 370,508	¥ 389,216	¥ 384,243	¥ 385,416	¥ 431,913	¥ 480,763	¥ 540,906
Cash and cash equivalents	11,210	23,392	25,708	27,788	24,673	19,776	23,408	24,748	35,807	25,845	36,027
Total net assets	141,189	154,702	182,187	177,790	188,155	205,638	207,708	205,318	234,570	249,938	270,890
Total debt	71,674	80,134	82,166	73,608	74,257	75,153	66,940	64,548	65,420	82,478	103,675
Total equity before noncontrolling interests	125,352	139,454	161,386	153,723	161,722	175,775	178,320	176,336	202,245	215,233	230,677
Number of employees	12,599	13,609	14,506	14,415	14,710	14,585	14,217	13,542	13,305	13,571	14,317
Per share data											
Basic earnings per share (yen)	¥ 69.85	¥ 120.91	¥ 121.66	¥ 109.39	¥ 148.14	¥ 138.90	¥ 164.74	¥ 168.23	¥ 141.91	¥ 105.23	¥ 173.11
Net assets per share (yen)	1,518.25	1,689.12	1,954.89	1,862.16	1,959.14	2,138.45	2,179.03	2,173.37	2,509.08	2,675.70	2,867.23
Cash dividends per share applicable to the year (yen)	30	40	50	50	50	50	50	50	50	50	50
Financial indices											
Operating income ratio (%)	3.6	5.2	5.7	6.0	6.7	5.9	6.1	6.1	7.0	5.5	6.1
ROE (Return on Equity) (%)	4.8	7.5	6.7	5.7	8.7	8.2	9.0	9.0	7.2	4.6	6.5
ROIC (Return on Invested Capital) (%)	5.3	8.7	9.3	9.8	11.1	10.9	11.3	10.9	12.0	9.7	11.4
Equity ratio (%)	43.2	41.0	44.9	44.4	43.6	45.2	46.4	45.8	46.8	44.8	42.6
Ratio of interest-bearing debt to cash flow (years)	4.0	4.2	4.3	2.5	2.2	3.5	2.2	2.2	2.0	7.0	4.0
Treasury shares purchase amount (purchase amount for next fiscal year) (100 million yen)	–	–	–	–	10.0	9.2	13.8	15.0	–	–	–
Total payout ratio (%)	42.9	33.1	41.1	45.7	37.4	36.3	34.3	34.9	29.8	42.4	27.9
Overseas sales ratio (%)	44.4	48.5	52.4	55.5	51.1	49.9	49.4	46.2	46.9	47.4	52.7

Key Financial Indices by Business Segment

Notes: 1. Operating profit is operating profit before amortization of goodwill and the operating profit ratio is the operating profit ratio before amortization of goodwill.
 2. In fiscal 2019, some consolidated subsidiaries in the "automotive batteries (overseas)" segment were shifted to the "industrial batteries and power supplies" segment. Accordingly, the figures for fiscal 2018 have been reclassified to reflect the revised segment categories.
 3. ROA has been calculated by dividing operating profit before amortization of goodwill by segment assets.
 4. Depreciation expenses include depreciation of intangible assets.
 5. Research and development expenses are calculated as total for the "automotive batteries (Japan)" and the "automotive batteries (overseas)" segments.

Business segment	Net sales (Millions of yen)	Breakdown of Net Sales by Region	Operating profit (Millions of yen) / Operating profit ratio (%)	Segment assets (Millions of yen) / ROA (%)	Capital investment (Millions of yen) / Depreciation expenses (Millions of yen)	Research and development expenses (Millions of yen)																																																																																								
Automotive Batteries (Japan) 	 <table border="1"> <tr><th>FY</th><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td></tr> <tr><th>Net sales</th><td>91,460</td><td>88,059</td><td>83,639</td><td>81,494</td><td>87,802</td></tr> </table>	FY	2018	2019	2020	2021	2022	Net sales	91,460	88,059	83,639	81,494	87,802	 <table border="1"> <tr><th>Region</th><td>Japan</td><td>Others</td></tr> <tr><th>Percentage</th><td>99.6%</td><td>0.4%</td></tr> </table>	Region	Japan	Others	Percentage	99.6%	0.4%	 <table border="1"> <tr><th>FY</th><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td></tr> <tr><th>Operating profit</th><td>7,766</td><td>6,976</td><td>8,669</td><td>5,878</td><td>6,547</td></tr> <tr><th>Operating profit ratio (%)</th><td>8.5</td><td>7.9</td><td>10.4</td><td>7.2</td><td>7.5</td></tr> </table>	FY	2018	2019	2020	2021	2022	Operating profit	7,766	6,976	8,669	5,878	6,547	Operating profit ratio (%)	8.5	7.9	10.4	7.2	7.5	 <table border="1"> <tr><th>FY</th><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td></tr> <tr><th>Segment assets</th><td>57,865</td><td>58,141</td><td>59,759</td><td>61,202</td><td>63,687</td></tr> <tr><th>ROA (%)</th><td>13.4</td><td>12.0</td><td>14.5</td><td>9.6</td><td>10.3</td></tr> </table>	FY	2018	2019	2020	2021	2022	Segment assets	57,865	58,141	59,759	61,202	63,687	ROA (%)	13.4	12.0	14.5	9.6	10.3	 <table border="1"> <tr><th>FY</th><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td></tr> <tr><th>Capital investment</th><td>3,649</td><td>3,167</td><td>3,137</td><td>3,796</td><td>2,862</td></tr> <tr><th>Depreciation expenses</th><td>1,774</td><td>2,151</td><td>2,500</td><td>2,764</td><td>2,646</td></tr> </table>	FY	2018	2019	2020	2021	2022	Capital investment	3,649	3,167	3,137	3,796	2,862	Depreciation expenses	1,774	2,151	2,500	2,764	2,646	 <table border="1"> <tr><th>FY</th><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td></tr> <tr><th>Expenses</th><td>2,160</td><td>2,434</td><td>1,914</td><td>1,786</td><td>1,860</td></tr> </table>	FY	2018	2019	2020	2021	2022	Expenses	2,160	2,434	1,914	1,786	1,860				
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Industrial Batteries and Power Supplies 	 <table border="1"> <tr><th>FY</th><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td></tr> <tr><th>Net sales</th><td>80,042</td><td>84,566</td><td>84,037</td><td>99,465</td><td>99,204</td></tr> </table>	FY	2018	2019	2020	2021	2022	Net sales	80,042	84,566	84,037	99,465	99,204	 <table border="1"> <tr><th>Region</th><td>Japan</td><td>North America</td><td>Others</td><td>Asia</td></tr> <tr><th>Percentage</th><td>82.3%</td><td>8.0%</td><td>1.7%</td><td>8.0%</td></tr> </table>	Region	Japan	North America	Others	Asia	Percentage	82.3%	8.0%	1.7%	8.0%	 <table border="1"> <tr><th>FY</th><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td></tr> <tr><th>Operating profit</th><td>7,827</td><td>9,157</td><td>6,890</td><td>5,775</td><td>8,808</td></tr> <tr><th>Operating profit ratio (%)</th><td>9.8</td><td>10.8</td><td>8.2</td><td>5.8</td><td>8.9</td></tr> </table>	FY	2018	2019	2020	2021	2022	Operating profit	7,827	9,157	6,890	5,775	8,808	Operating profit ratio (%)	9.8	10.8	8.2	5.8	8.9	 <table border="1"> <tr><th>FY</th><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td></tr> <tr><th>Segment assets</th><td>52,831</td><td>57,210</td><td>56,593</td><td>72,920</td><td>75,731</td></tr> <tr><th>ROA (%)</th><td>14.8</td><td>16.0</td><td>12.2</td><td>7.9</td><td>11.6</td></tr> </table>	FY	2018	2019	2020	2021	2022	Segment assets	52,831	57,210	56,593	72,920	75,731	ROA (%)	14.8	16.0	12.2	7.9	11.6	 <table border="1"> <tr><th>FY</th><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td></tr> <tr><th>Capital investment</th><td>2,074</td><td>1,703</td><td>1,428</td><td>1,347</td><td>4,262</td></tr> <tr><th>Depreciation expenses</th><td>1,602</td><td>1,654</td><td>1,688</td><td>1,624</td><td>1,750</td></tr> </table>	FY	2018	2019	2020	2021	2022	Capital investment	2,074	1,703	1,428	1,347	4,262	Depreciation expenses	1,602	1,654	1,688	1,624	1,750	 <table border="1"> <tr><th>FY</th><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td></tr> <tr><th>Expenses</th><td>2,353</td><td>2,325</td><td>2,101</td><td>2,584</td><td>2,594</td></tr> </table>	FY	2018	2019	2020	2021	2022	Expenses	2,353	2,325	2,101	2,584	2,594
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Specialized Batteries and Others 	 <table border="1"> <tr><th>FY</th><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td></tr> <tr><th>Net sales</th><td>18,947</td><td>18,525</td><td>17,587</td><td>16,791</td><td>18,043</td></tr> </table>	FY	2018	2019	2020	2021	2022	Net sales	18,947	18,525	17,587	16,791	18,043	 <table border="1"> <tr><th>Region</th><td>Japan</td><td>Others</td></tr> <tr><th>Percentage</th><td>87.6%</td><td>12.4%</td></tr> </table>	Region	Japan	Others	Percentage	87.6%	12.4%	 <table border="1"> <tr><th>FY</th><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td></tr> <tr><th>Operating profit</th><td>-754</td><td>322</td><td>136</td><td>579</td><td>1,387</td></tr> <tr><th>Operating profit ratio (%)</th><td>-4.0</td><td>1.7</td><td>0.8</td><td>3.4</td><td>7.7</td></tr> </table>	FY	2018	2019	2020	2021	2022	Operating profit	-754	322	136	579	1,387	Operating profit ratio (%)	-4.0	1.7	0.8	3.4	7.7	 <table border="1"> <tr><th>FY</th><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td></tr> <tr><th>Segment assets</th><td>75,581</td><td>72,563</td><td>95,018</td><td>97,288</td><td>116,434</td></tr> <tr><th>ROA (%)</th><td>-1.0</td><td>0.4</td><td>0.1</td><td>0.6</td><td>1.2</td></tr> </table>	FY	2018	2019	2020	2021	2022	Segment assets	75,581	72,563	95,018	97,288	116,434	ROA (%)	-1.0	0.4	0.1	0.6	1.2	 <table border="1"> <tr><th>FY</th><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td></tr> <tr><th>Capital investment</th><td>3,874</td><td>3,849</td><td>8,526</td><td>7,180</td><td>7,654</td></tr> <tr><th>Depreciation expenses</th><td>6,040</td><td>5,164</td><td>5,212</td><td>5,531</td><td>5,728</td></tr> </table>	FY	2018	2019	2020	2021	2022	Capital investment	3,874	3,849	8,526	7,180	7,654	Depreciation expenses	6,040	5,164	5,212	5,531	5,728	 <table border="1"> <tr><th>FY</th><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td></tr> <tr><th>Expenses</th><td>332</td><td>386</td><td>284</td><td>285</td><td>428</td></tr> </table>	FY	2018	2019	2020	2021	2022	Expenses	332	386	284	285	428				
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Targets and Results Concerning Material Issues (FY2022)

E Environment S Social G Governance D Domestic O Overseas G Global

Materiality	Activity outline	Scope of application	FY2022 results			Impact on Society	Impact on Business
			KPI(key performance indicator)	Target value/Reference value	Result		
Thoroughly fulfilling our CSR and ensuring compliance 	Provision of legal information and promotion of compliance training	D	Number of times compliance education information disseminated annually	16 times	16 times	Maintenance of a sound and well-ordered society	Avoidance of financial losses from compliance violations
			Number of significant compliance violations	None	None		
		O	Achievement ratio of compliance training plan	100%	100%		
			Achievement ratio of significant compliance violation risk response plan	100%	100%		
Respect and protection for intellectual property 	Promotion of the use of company intellectual property rights Elimination of infringing products	G	Achievement ratio of patent acquisition plan in ASEAN region and China	100%	100%	Maintenance of a fair competitive order	<ul style="list-style-type: none"> Avoidance of financial losses from infringement of other companies' patents Prevention of lost sales in the future due to sales of counterfeit products
		O	Achievement ratio of response plan to intellectual property infringement (imitation products)	100%	100%		
Strict management of confidential information 	Promotion of security measures and strengthening of illegal / inappropriate access monitoring Promotion of information security training	G	Cyberattack response ratio at time of detecting high security alerts	100%	100%	Achieve a safe and secure information society	Avoidance of financial losses from leaks of confidential information
		D	Information leak confirmation and response ratio at time of large data output	100%	100%		
		D	Ratio of employees passing information security proficiency test	95% or more	96%		
Respect for individuality 	Promoting human rights education, thorough management of human rights risks	D	Achievement ratio of human rights training plan	100%	100%	<ul style="list-style-type: none"> Raise awareness concerning respect for human rights Promotion of safe work environments that provide peace of mind 	Avoidance of financial losses from human rights violations
		O	Achievement ratio of harassment education plan	100%	68%		
		O	Introduction ratio of harassment whistleblower system	100%	100%		
Respect for Diversity 	Women's empowerment Promotion of the employment of persons with disabilities	D	Ratio of women in management positions	4.0% or more	3.9%	Promotion of participation by women in decision-making	<ul style="list-style-type: none"> Acquisition of shareholders' equity in conjunction with higher external assessment of measures regarding women's empowerment Securing labor capacity by increasing the retention rate for female employees
			Ratio of women among new graduates recruited for career-track positions	30% or more	21%		
Human resources development 	Promotion of human resource development programs	D	Achievement ratio of training plan for development of autonomous-minded human resources	100%	100%	Promotion of skill development for young people	<ul style="list-style-type: none"> Reinforcement of organizational capabilities through the utilization of the diverse individuality of employees Avoidance of human resource losses through separation Enhancement of human resource performance
			O	Achievement ratio of global human resources education plan	100%		
Enhancement of work environments and occupational health and safety 	Promotion of the thorough management of employees' working hours and prevention of the recurrence of long working hours	D	Response ratio to prevent the recurrence of long working hours	100%	100%	<ul style="list-style-type: none"> Realization of rewarding workplaces Prevention of health damage Promotion of safe and secure working environment 	<ul style="list-style-type: none"> Avoidance of financial losses from occupational accidents Avoidance of financial losses from work in excess of statutory working hours and failure to use paid leave
			Annual frequency of labor-management consultations relating to working hours	12 times	12 times		
			Operational achievement ratio of standard for number of days of paid leave taken annually	100%	99.7%		
		O	Achievement ratio of working hours management standards	100%	45%		

E Environment S Social G Governance D Domestic O Overseas G Global

Materiality	Activity outline	Scope of application	FY2022 results			Impact on Society	Impact on Business
			KPI(key performance indicator)	Target value/Reference value	Result		
Enhancement of work environments and occupational health and safety 	Promotion of occupational health and safety risk management	G	Number of serious occupational accidents	None	None	<ul style="list-style-type: none"> Prevention of health damage Promotion of safe and secure working environment 	Avoidance of financial losses from occupational accidents
			Number of workers not meeting internal blood lead concentration management standards	None	285		
		D	Missed work frequency ratio	0.3 or less	0.6		
			O	Missed work frequency ratio	1.8 or less		
Provision of high-quality products 	Promotion of quality improvement and strengthening of quality communication Reinforcement of product safety management Reinforcement of service provision	G	Achievement ratio of targets for claims and in-process defects	100%	69%	<ul style="list-style-type: none"> Improvement in energy efficiency Responses to natural resource depletion Reduce waste generation Creation of highly reliable and robust infrastructure Development of a safe and secure society 	<ul style="list-style-type: none"> Reduction of financial losses from quality defects Expansion of profits in conjunction with promotion of services Avoidance of financial losses from the occurrence of product accidents
		G	Number of serious product accidents	None	None		
		D	Achievement ratio of operational management standards for product maintenance service systems	100%	100%		
Promoting environmental protection 	Promotion of effective use of water resources Contribution to realization of low-carbon society Prevention of environmental pollution Improvement in ratio of use of recycled materials in products provided to markets	G	Ratio of reduction of water use (compared with FY 2018)	8.0% or more	15.6%	<ul style="list-style-type: none"> Elimination of water shortage problems Improvement in energy efficiency and resource efficiency Climate change mitigation Prevention of water pollution and air pollution Reduction of natural resource consumption Reducing waste generation 	<ul style="list-style-type: none"> Avoidance of loss of sales opportunities due to delayed responses to issues concerning water security, carbon neutrality, and a recycling-oriented society Avoidance of financial losses from the occurrence of environmental accidents
		G	Ratio of reduction of CO ₂ emissions (compared with FY 2018)	6.0% or more	14.8%		
		G	Number of major environmental accidents	None	None		
		G	Ratio of recycled lead used as lead raw materials in lead-acid batteries	35% or more	52.9%		
Developing and popularizing environmentally considered products 	Expansion of market for GS Yuasa products contained in products contributing to the curbing of global warming	G	Percentage of environmentally considered products in total sales of all products	35% or more	36.4%	<ul style="list-style-type: none"> Improvement in energy efficiency Reduction of natural resource consumption Climate change mitigation 	<ul style="list-style-type: none"> Avoidance of loss of sales opportunities due to delayed responses to carbon neutrality Increased profits from expanded sales of environmentally considered products
Responsible procurement promotion 	Responses to responsible mineral procurement Management of supply chain CSR risks	G	Achievement ratio of responsible mineral survey plan	100%	100%	<ul style="list-style-type: none"> Realization of sustainable supply chain Abolition of forced labor and child labor Reduction of deaths due to violence Eradication of all forms of violence and torture against children 	Avoidance of financial losses from occurrence of supply chain CSR risks
			Achievement ratio of supplier CSR issues improvement plan	100%	100%		

Note: The scope of application may not cover all Group companies. This plan is periodically reviewed, and as a result, there may be differences from the details of the plan disclosed last time.
 ▶ A summary of Materiality Response Plans (fiscal 2023–2025) is provided on pages 57–58.

Corporate Information

Corporate Overview (As of March 31, 2023)

Corporate Name	GS Yuasa Corporation Head Office 1, Inobanba-cho, Nishinosho, Kisshoin, Minami-ku, Kyoto 601-8520, Japan Tel: +81-75-312-1211 Tokyo Office 1-7-13, Shiba-koen, Minato-ku, Tokyo 105-0011, Japan Tel: +81-3-5402-5800
Business	GS Yuasa Corporation devises and coordinates management strategy for all companies in its Group to maximize their corporate value.
Establishment	April 1, 2004
Capital Stock	¥33.0 billion

Number of overseas sites (As of March 2023)

37 sites in 19 countries

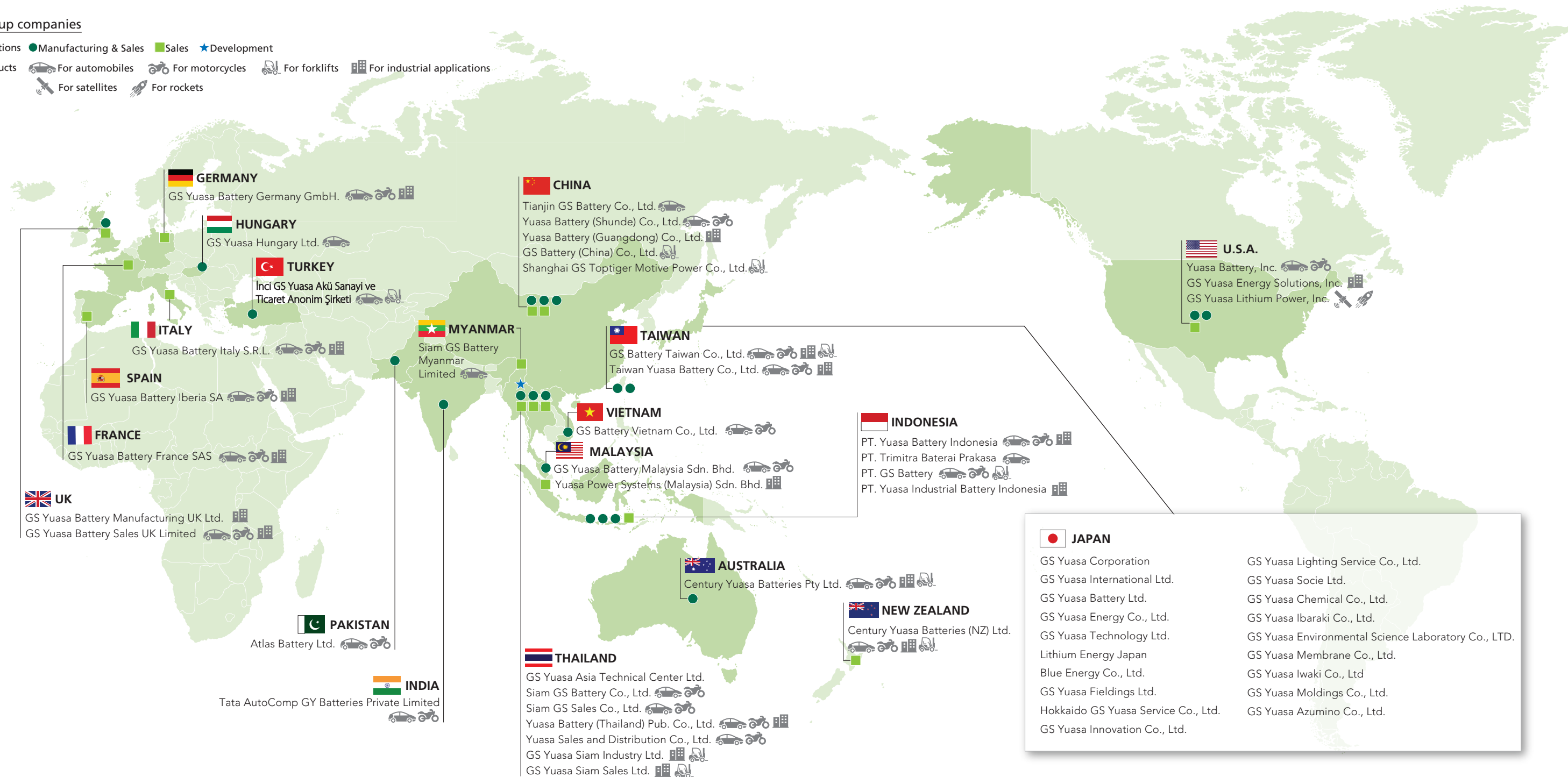
Number of Group employees (As of March 2023)

14,317

Group companies

Functions ● Manufacturing & Sales ■ Sales ★ Development

Products 🚗 For automobiles 🏍️ For motorcycles 🚛 For forklifts 🏭 For industrial applications
🛰️ For satellites 🚀 For rockets

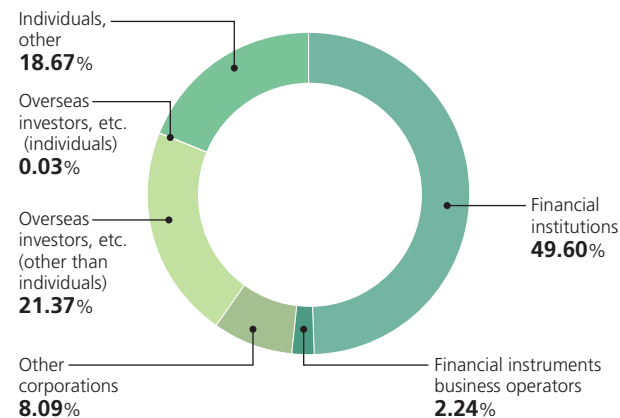


Stock and Investor Information (As of March 31, 2023)

Stock Information

Fiscal Year-End	March 31
Number of Shares Authorized	280,000,000
Number of Shares Issued	80,599,442
Shares per Trading Unit	100
Number of Shareholders	35,231 (including shareholders holding fractional units of shares)
Transfer Agent	Sumitomo Mitsui Trust Bank, Limited
Listed Securities Exchange	Tokyo Stock Exchange Prime Market
Method of Public Notice	Notification is given electronically on the Company's website. However, if a public announcement cannot be made electronically, it will be placed in the Nihon Keizai Shimbun newspaper.

Shareholdings by Type of Shareholder

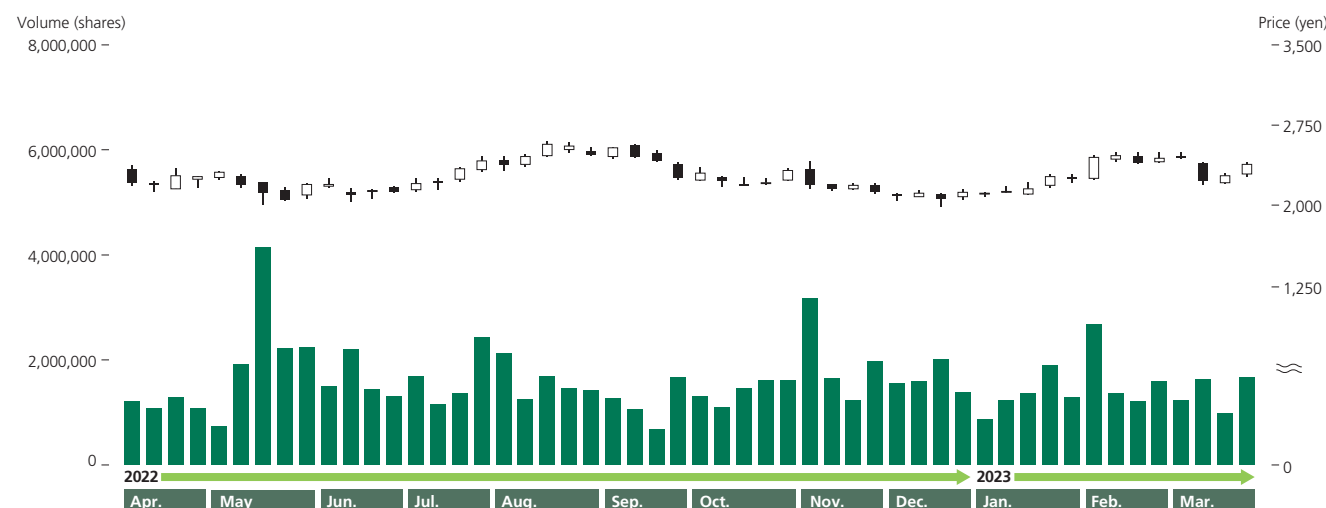


Principal Shareholders

Name	Number of Shares Held (thousands)	Ratio of shares held to total number of shares issued (excluding treasury shares) * (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	14,077	17.49
Custody Bank of Japan, Ltd. (Trust Account)	5,714	7.10
Meiji Yasuda Life Insurance Company	2,800	3.48
Toyota Motor Corporation	2,236	2.78
MUFG Bank, Ltd.	1,865	2.32
Nippon Life Insurance Company	1,789	2.22
The Bank of Kyoto, Ltd.	1,548	1.92
Sumitomo Mitsui Trust Bank, Limited	1,470	1.83
Sumitomo Mitsui Banking Corporation	1,421	1.77
STATE STREET BANK WEST CLIENT-TREATY 505234	1,220	1.52

* Calculated based on the number of shares (80,506,203) after deducting treasury shares from the number of shares issued.

Stock Price and Trading Volume



External Evaluation

Inclusion in ESG investment constituents

- FTSE4Good Index Series
- FTSE Blossom Japan Index*1
- FTSE Blossom Japan Sector Relative Index
- S&P/JPX CARBON EFFICIENT INDEX
- MSCI Japan Empowering Women (WIN) Select Index*2

CSR & sustainability evaluations, etc.

- Toyo Keizai CSR Ranking: Utilization of human resources (AAA), Environment (AAA), Corporate governance (AA), Sociability (AAA). (Five ratings: AAA, AA, A, B and C) (As of July 2023)
- EcoVadis Business Sustainability Ratings: Silver rank (Four ranks: platinum, gold, silver, and bronze) (As of July 2023)
- Sustainalytics ESG Risk Ratings: Low Risk (As of July 2023)
- DBJ (Development Bank of Japan) Employees' Health Management Rated: The highest rank "particularly excellent in terms of initiatives for employees' health" (2018)
- Kurumin Mark (Ministry of Health, Labour and Welfare): Platinum Kurumin "high-level initiatives undertaken to support childcare" (June 2020)
- CDP: A-(A minus) (climate change program) (Eight ratings: A, A-, B, B-, C, C-, D, D-) (As of July 2023)
- Broadband Security, Inc. Gomez ESG Site Ranking 2022 Outstanding Company (August 2022)

IR evaluations

- Broadband Security, Inc. Gomez IR Site Ranking 2022 Outstanding Company: Silver Prize for three consecutive years (December 2022)
- Nikko Investor Relations Co., Ltd. FY2022 All Japanese Listed Companies' Website Ranking Overall ranking: Two consecutive year for AAA Website (December 2022)
- Daiwa Investor Relations Co., Ltd. The 2022 Internet IR Award Commendation Award for three consecutive years (December 2022)

Product Evaluations

- Presented by Minister of Education, Culture, Sports, Science and Technology: The 2021 Commendation for Science and Technology presented by the Minister of Education, Culture, Sports, Science and Technology Award for Science and Technology (Development Category). The development of lithium-ion batteries for use in space and technologies to facilitate operation of those batteries
- National Research and Development Agency Japan Aerospace Exploration Agency (JAXA): Meritorious Service Award for Safety and Mission Assurance in Aerospace*3
- Toyota Motor Corporation: Technology & Development Award*4 (2021) Lithium-ion battery for hybrid vehicles "EHW4S"
- Honda Motor Co., Ltd.: Excellent Appreciation Award, Cost Category and Delivery Category*5 (2023)

*1 FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that GS Yuasa Corporation has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series, FTSE Blossom Japan Index and FTSE Blossom Japan Sector Relative Index. Created by the global index provider FTSE Russell, the FTSE4Good Index Series and FTSE Blossom Japan Index Series are designed to measure the performance of companies and Japanese companies demonstrating strong Environmental, Social, and Governance (ESG) practices. The FTSE4Good Index Series, FTSE Blossom Japan Index and FTSE Blossom Japan Sector Relative Index are used by a wide variety of market participants to create and assess responsible investment funds and other products.
 *2 The inclusion of GS Yuasa Corporation in any MSCI Index, and the use of MSCI logos, trademarks, service marks, or index names herein, do not constitute support, endorsement, or promotion of GS Yuasa Corporation by MSCI or any of its affiliates. The MSCI Indexes are the exclusive property of MSCI. The MSCI Index names and logos are trademarks or service marks of MSCI and / or its affiliates.
 *3 Received by GS Yuasa Technology Ltd. *4 Received jointly by GS Yuasa International Ltd. and Blue Energy Co., Ltd. *5 Received by Blue Energy Co., Ltd.