

# Current Status of GS Yuasa Corporation



GS Yuasa Corporation  
(TSE : 6674)

## Corporate Profile

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## Corporate Profile

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# 1. Corporate Profile

- **Corporate name** GS Yuasa Corporation  
\*Holding company
- **Established** April 1, 2004  
\*Merger between Japan Storage Battery Co., Ltd. (established in 1917)  
and Yuasa Corporation (established in 1918)
- **Head office** 1, Inobanba-cho, Nishinosho, Kisshoin, Minami-ku, Kyoto
- **Capital** 52.8 billion yen
- **Consolidated net sales** 562.9 billion yen  
(FY2024)
- **Number of employees** Group Consolidated 12,892 (As of March 31, 2024)
- **Listed-Financial Instrument Exchange** Tokyo stock exchange (TSE : 6674)



President and Representative Director  
Takashi Abe



**The Detroit electric vehicle**  
imported from the USA by Genzo Shimadzu,  
founder of Japan Storage Battery Co., Ltd.

## 2. Business Areas

We have **five** business segments, starting with automotive.

### Automotive lithium-ion batteries



- Lithium-ion batteries for eco-friendly vehicles
- Industrial lithium-ion batteries (manufacturing only)



### Industrial batteries and power supplies



- Batteries and power supplies for electric backup of public infrastructure facilities, lithium-ion batteries
- Lead-acid batteries for forklift
- Lighting equipment



### Specialized Batteries and Others



- International Space Station (ISS), satellites, aircrafts, specialized batteries for submarines etc.



### Automotive batteries (Japan)



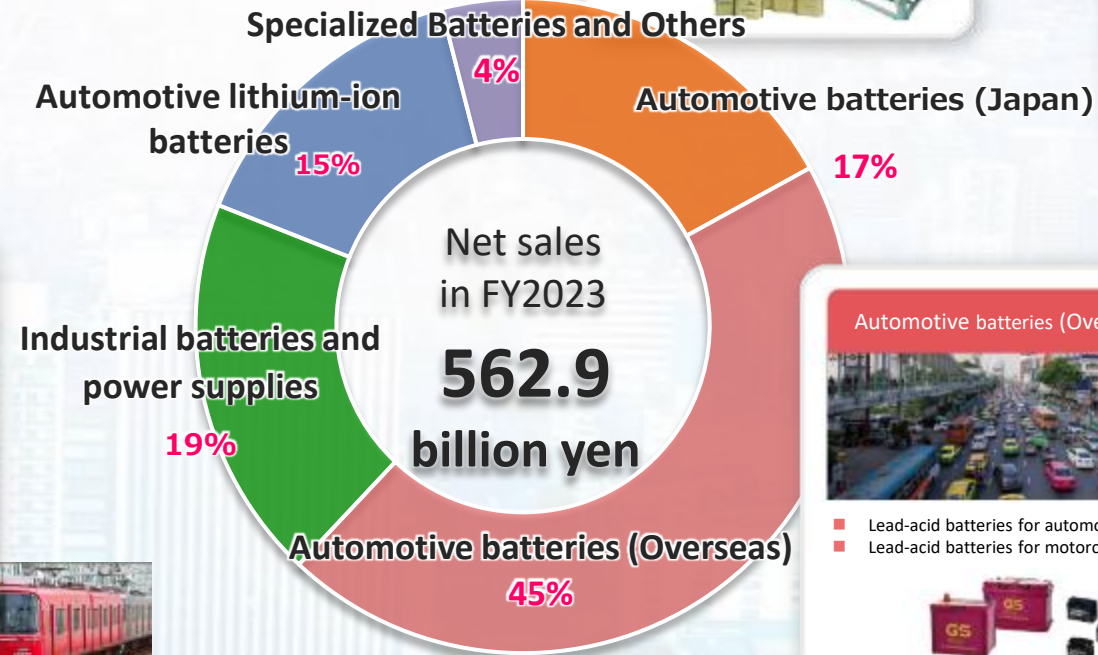
- Lead-acid batteries for automobiles
- Lead-acid batteries for motorcycles



### Automotive batteries (Overseas)

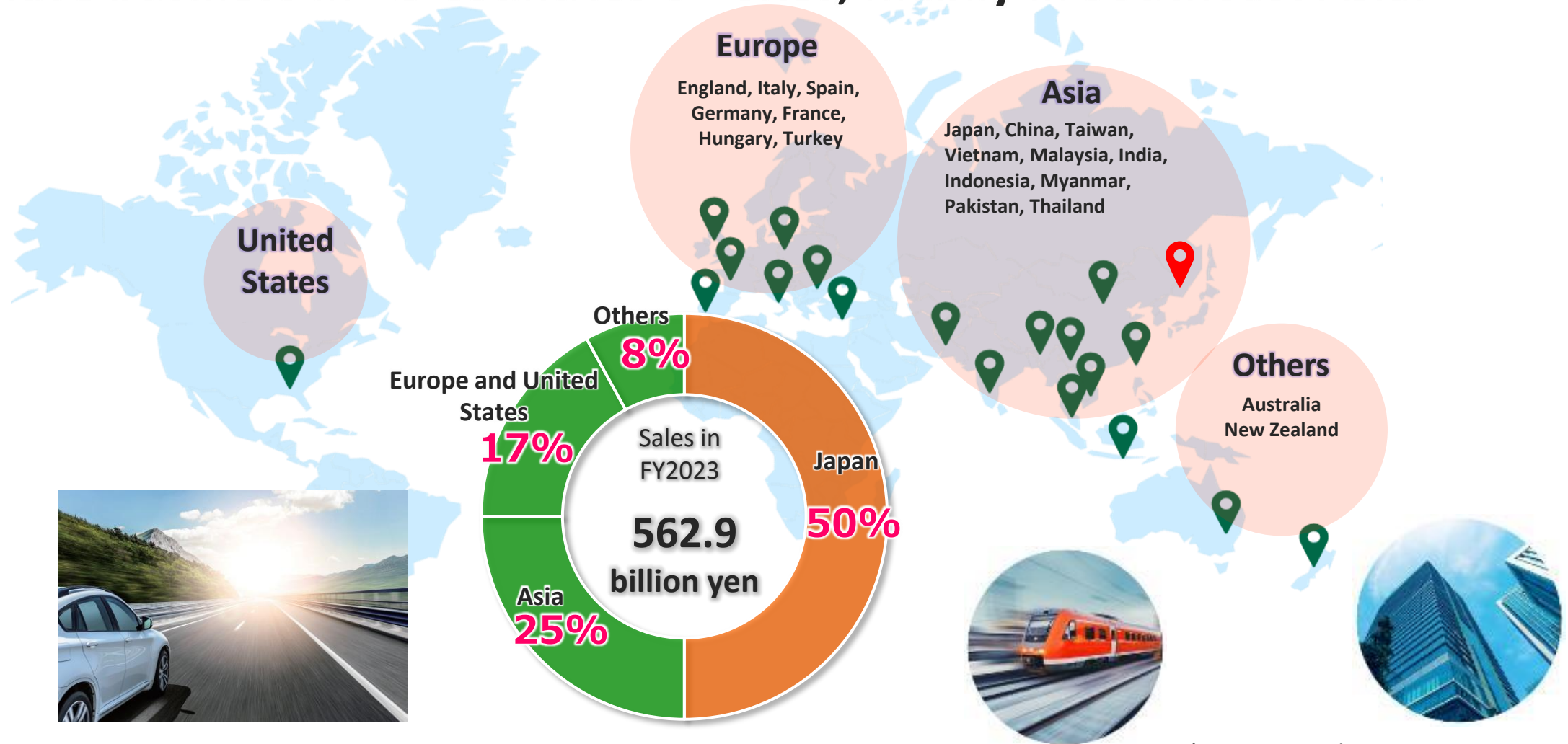


- Lead-acid batteries for automobiles
- Lead-acid batteries for motorcycles



### 3. Global Expansion

We have business in **19** countries **37** sites, mainly in Southeast Asia.



(as of March 2024)

## **Vision 2035** (Long-Term Vision)

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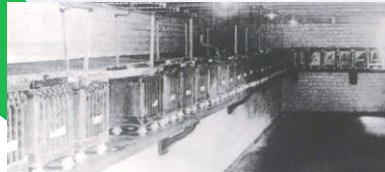
# 1. History of GS Yuasa

## GS (Japan Storage Battery)



**Inventor's spirit**  
contribute to society  
by developing high  
quality products

Founder of Japan  
Storage Battery Co., Ltd.  
**Genzo Shimadzu**



**Contributing to the steady supply of  
electric power and the development  
of public infrastructure**

1900s  
Manufacture of large-capacity storage  
batteries for auxiliary power



**Challenging spirit**  
develop new  
businesses ahead of  
time

Founder of Yuasa Storage  
Battery Co., Ltd.  
**Shichizaemon Yuasa**

**YUASA (Yuasa Corporation)**



**Contributing to the development  
of the automotive industry**

1910s  
Manufacture of automotive lead-acid batteries



**Ushering in a new EV era**

2000s  
Supply of lithium-ion batteries for  
the i-MiEV, the world's first mass-  
produced EV



Honda "FIT HYBRID"



Mitsubishi Motors "Eclipse Cross PHEV"

**Contributing to electrification  
of Japanese automakers**

2010s  
Supply of lithium-ion batteries for  
HEVs to Honda Motor Co., Ltd.



TOYOTA "Harrier"

2020s  
Supply of lithium-ion batteries for  
HEVs to Toyota Motor Corporation

**Contributing to the  
promotion of clean energy**



2000s  
Development of renewable energy  
storage systems

**Supporting the  
development of aircrafts**



2000s  
Receiving orders of lithium-ion battery  
system for Boeing 787 in the U.S.



**Contributing to the  
realization of  
decarbonized society**

2020s  
Delivery of a world-class  
storage battery facility for  
wind power generation

**Support safety from deep sea to  
outer space under harsh conditions**



©JAXA/NASA

2010s  
Installation of lithium-ion batteries on  
the International Space Station



(source: Maritime Self-Defense Force)

2010s  
Mass production of Japan's first  
lithium-ion batteries for submarines

**Toward  
the next  
100 years**

## 2. Business Environment surrounding GS Yuasa

### Environment surrounding GS Yuasa

#### Mobility

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

#### Public Infrastructure

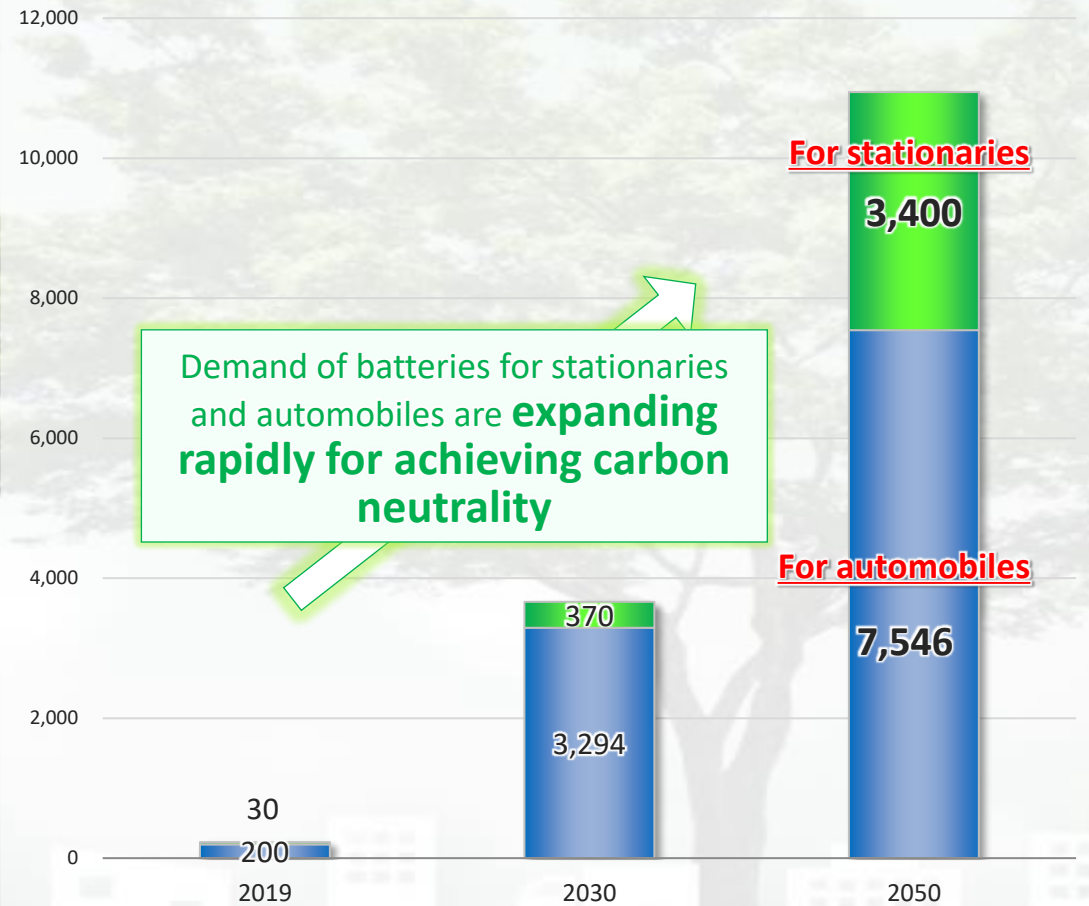
- As the introduction of renewable energy expands, the importance of storage batteries to control fluctuations and adjust supply and demand also expands. Demand for energy management is also expanding
  - Increasing importance of backup for electric power, information, and communication infrastructure, etc.

#### Specialized Batteries

- Expanding space utilization
- Expanding marine resource exploration

### Forecast of storage batteries installation (Global)

(GWh)



Source: Prepared by the Company based on data from IRENA Global Renewables outlook 2020 "Energy Transformation 2050"

### 3. Vision 2035

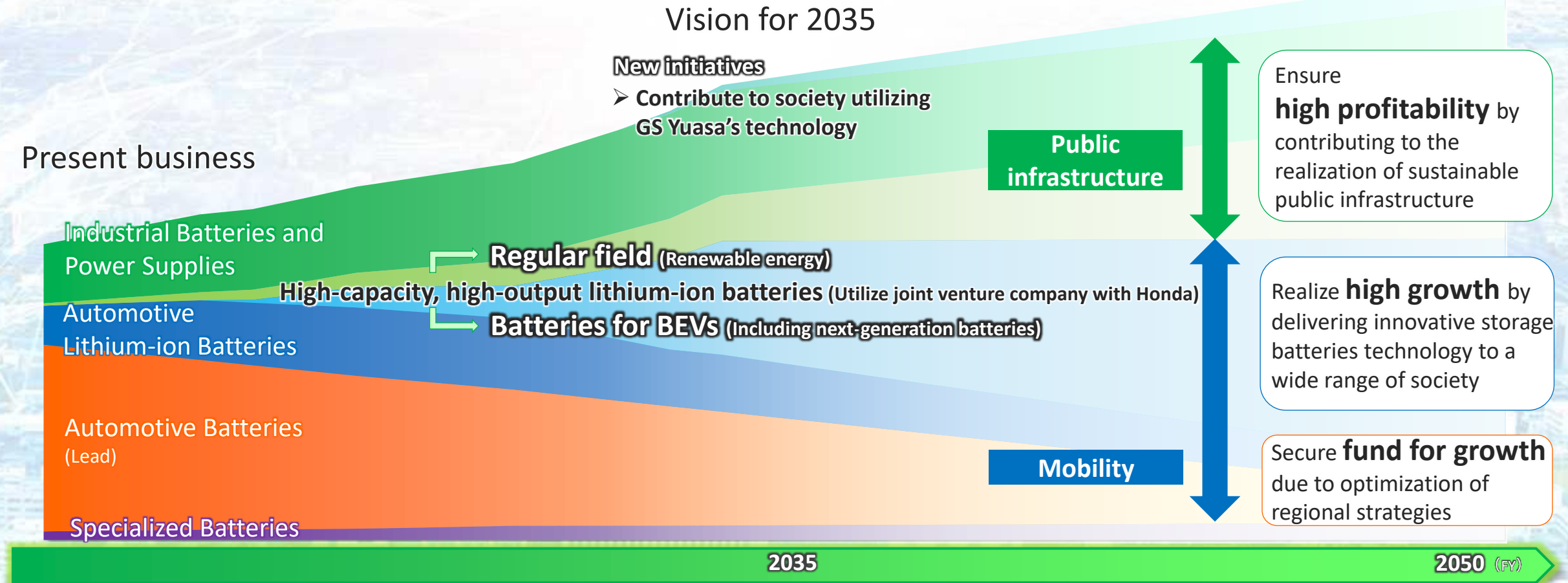
#### Vision of GS Yuasa in 2035

Based on the “Four Re’s” formula, we strive for innovation in energy technology, endeavor to address the challenges facing society through the development of mobility and other public infrastructures, and seek to create comfortable living environments and play our part in the global effort toward sustainability.

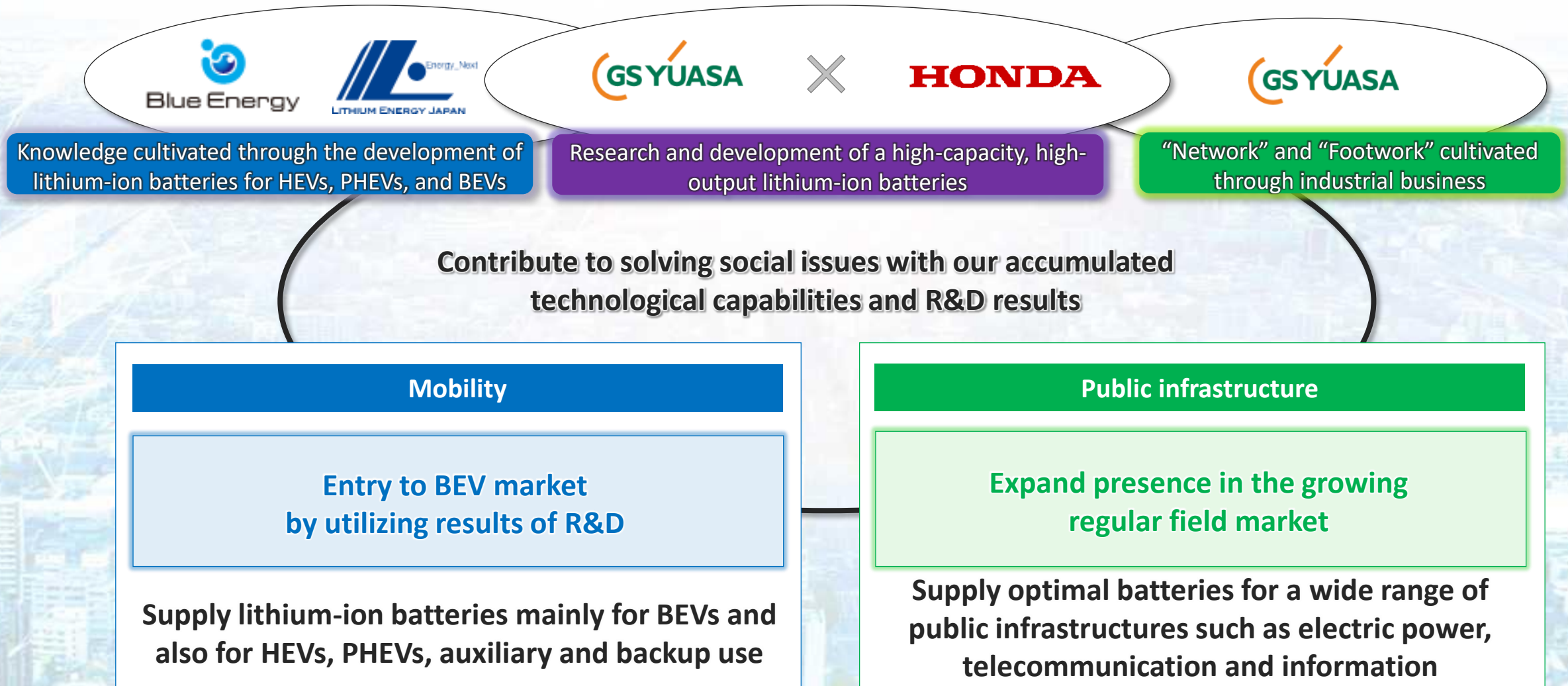


### 3. Toward Achieving Vision 2035 (“Innovation and Growth” of Our Business)

#### Reform business structure adapting to changes in the market environment

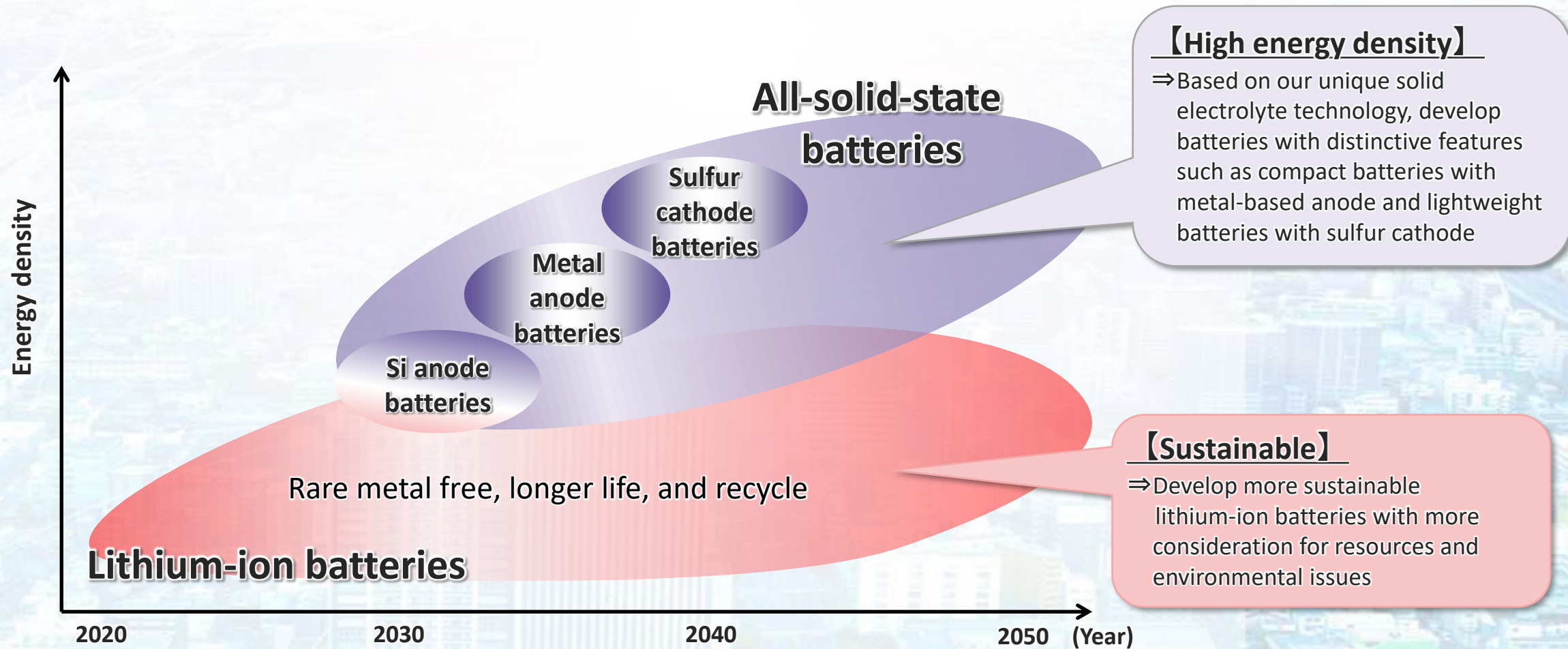


### 3. Toward Achieving Vision 2035 (Point of “Innovation of Growth”)

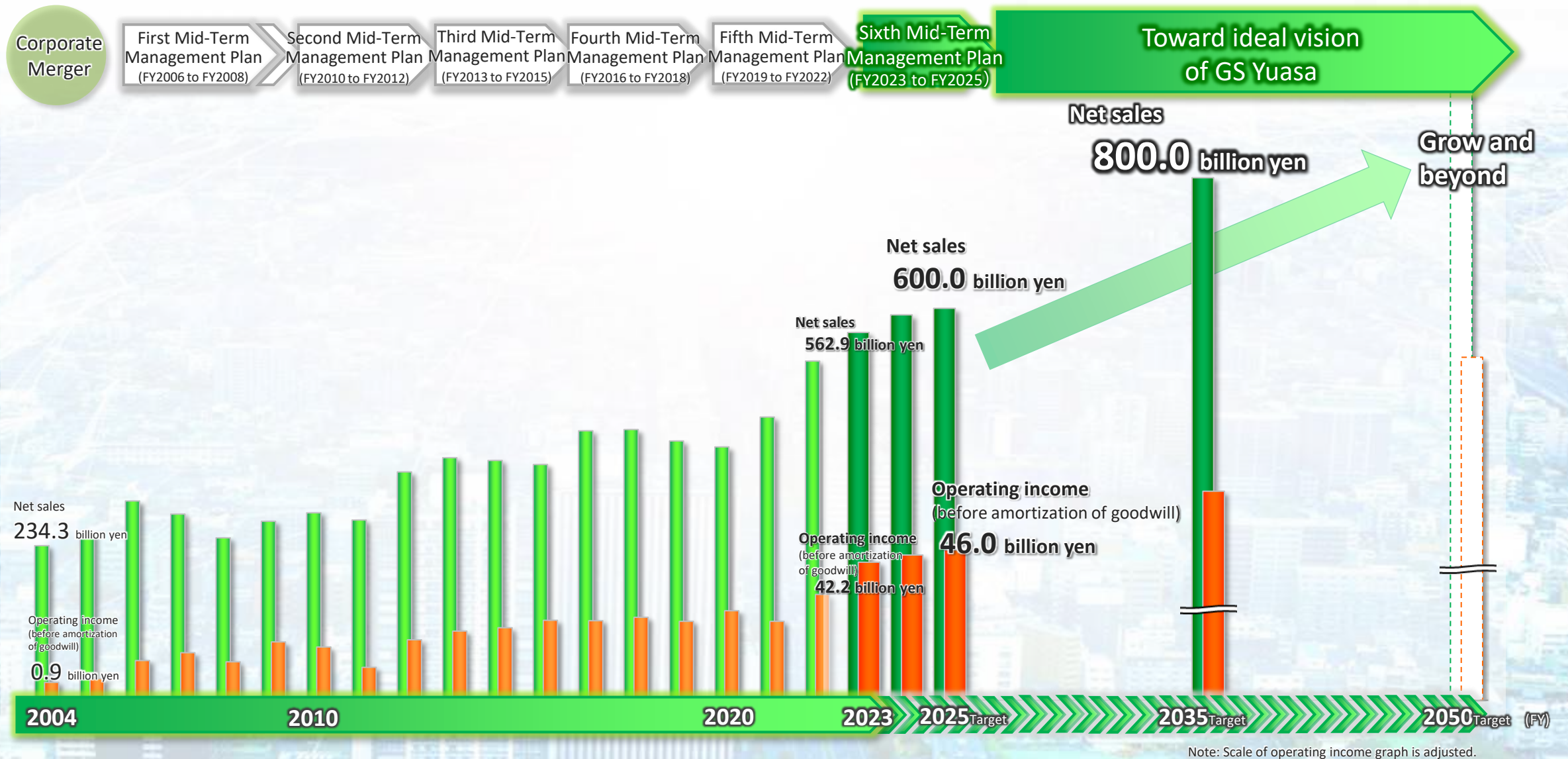


### 3. Toward Achieving Vision 2035 (Road map of Research and Development)

Contribute to the realization of carbon neutrality through research, development and commercialization of next-generation batteries

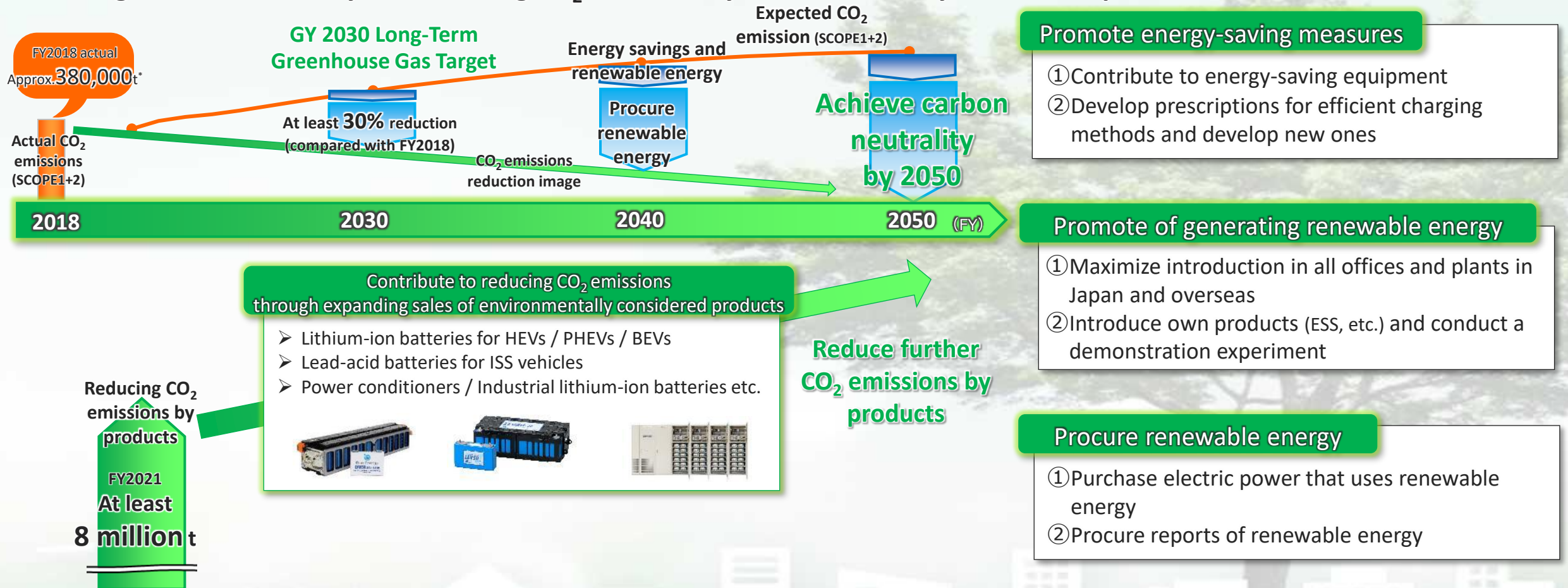


# 3. Toward Achieving Vision 2035 (Growth Story of Our Business)



# 4. GY 2050 Carbon Neutrality Target

We are committed to people, society and the global environment through achieving Carbon Neutrality and reducing CO<sub>2</sub> emission by environmentally considered products



\* GS Yuasa Group's CO<sub>2</sub> emissions aggregation standards have been changed, and in FY2018, we are undergoing third-party verification again.

1) Recalculated using the 2018 emission coefficient obtained from the Ministry of the Environment and IEA

2) Adopted the control standard as the calculation standard, and consolidated subsidiaries that can be directly influenced are included in the scope of calculation.

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

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# 1. Sixth Mid-term Management Plan Policies and Issues

## Sixth Mid-Term Management Policy

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

### Implementation Measures

#### ① Development of batteries for BEVs

##### Measures

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

#### ② Reinforcement of earning capacity in existing business

##### Measures

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

#### ③ DX / new business

##### Measures

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

## 2. Reasons for Sixth Mid-Term Management Plan Update

### Changes in the market environment

- Rising costs such as raw material prices due to the weaker yen and labor costs due to labor shortages
- Changing trends of conversion to EVs, reevaluation of HEVs mainly in the U.S. and Europe
- Expansion of national carbon neutral policies (subsidies for ESS and BEVs, etc.)
- Restructuring of the supply chain in the lithium-ion battery field and the growth of large competitors

### Changes in GS Yuasa

- Strengthen "earning power" of existing businesses  
mainly in Automotive Batteries and Industrial batteries and Power Supplies
- Reconsideration of business portfolio as part of the selection and concentration  
(transfer of business in China, etc.)
- Execution of strategies in growth areas with a focus on BEV business  
(establishment of Honda • GS Yuasa EV Battery R&D and land acquisition, etc.)

# 3. Management Target Update

## Sixth Mid-Term Management Targets (FY2025 target)

	FY2023 Actual	FY2024 Forecast	Sixth Mid-Term Management Plan FY2025 Target		Change ( (B)-(A) )
			Initial target (Apr. 2023) (A)	Revised target (Jul. 2024) (B)	
Net Sales	562.9 billion yen	590.0 billion yen	610.0 billion yen or more	<b>600.0 billion yen or more</b>	-10.0 billion yen
Operating income before amortization of goodwill (Operating income ratio)	42.2 billion yen 7.5 %	44.5 billion yen 7.5 %	41.0 billion yen or more 6.7 % or more	<b>46.0 billion yen or more 7.7 % or more</b>	+5.0 billion yen +1.0 P
[Reference] Operating income before amortization of goodwill (before application of hyperinflationary accounting)	44.9 billion yen	47.1 billion yen	-	<b>48.6 billion yen or more</b>	-
Return on equity (ROE)	11.6 %	8 %	8 % or more	<b>8 % or more</b>	-
Return on invested capital (ROIC)	13.7 %	12.5 %	10 % or more	<b>10 % or more</b>	-
Total return ratio	20.6 %	26.5 %	30 % or more	<b>30 % or more</b>	-
Prerequisites	Domestic lead price quote	¥373,400 /t	¥372,000 /t	<b>¥372,000 /t</b>	+¥30,000 /t
	LME	2,121 US\$/t	2,200 US\$/t	<b>2,100 US\$/t</b>	+100 US\$/t
	Exchange rate	¥145.31 /US\$	¥145.0 /US\$	<b>¥145.0 /US\$</b>	+¥5.0 /US\$

Notes: 1. The above indicators are based on profit before amortization of goodwill.  
2. ROIC is calculated as follows: Invested capital (fixed assets [excl. goodwill amortization] + working capital) / Operating income before amortization of goodwill. Invested capital is the average of amount at beginning and end of term.  
3. The amount of application of hyperinflationary accounting shown for reference is included in the FY2024 forecast and the FY2025 revised target for operating income as the same level as in FY2023.

### Forecast

- The performance will remain strong due to significant price corrections mainly in Automotive Batteries, Industrial Batteries and Power Supplies
- Domestic lead prices will remain high due to the impact of yen depreciation

## 4. Update by Segments

(Billion yen)

		FY2023 Actual		FY2024 Forecast		Sixth Mid-Term Management Plan FY2025 Target				Change ( (B)-(A) )		[Reference] FY2025 Revised Target (before application of hyperinflationary accounting)	
						Initial target (Apr. 2023) (A)		Revised target (Jul. 2024) (B)				Net sales    Operating income (Op. income ratio: %)	
		Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: pp)	Net sales	Operating income (Op. income ratio: pp)	Net sales	Operating income (Op. income ratio: pp)	Net sales	Operating income (Op. income ratio: pp)
Automotive Batteries	Japan	94.0	8.1 (8.6)	100.0	8.0 (8.0)	100.0	7.0 (7.0)	100.0	9.0 (9.0)	±0.0	+2.0 (+2.0)	100.0	9.0 (9.0)
	Overseas	252.9	15.1 (6.0)	259.0	16.5 (6.4)	240.0	17.0 (7.1)	260.0	17.0 (6.5)	+20.0	±0.0 (-0.6)	260.0	19.6 (7.5)
Industrial Batteries and Power Supplies		109.7	13.2 (12.0)	120.0	13.0 (10.8)	140.0	11.0 (7.9)	120.0	13.0 (10.8)	-20.0	+2.0 (+2.9)	120.0	13.0 (10.8)
Automotive Lithium-ion Batteries		84.8	2.6 (3.1)	90.0	4.0 (4.4)	110.0	6.0 (5.5)	100.0	5.0 (5.0)	-10.0	-1.0 (-0.5)	100.0	5.0 (5.0)
Specialized Batteries and Others		21.5	3.2 (7.7)	21.0	3.0 (14.3)	20.0	0.0 ( - )	20.0	2.0 (10.0)	±0.0	+2.0 (+10.0)	20.0	2.0 (10.0)
Total		562.9	42.2 (7.5)	590.0	44.5 (7.5)	610.0	41.0 (6.7)	600.0	46.0 (7.7)	-10.0	+5.0 (+1.0)	600.0	48.6 (8.1)

### Main reasons for profit forecast revision

- Automotive Batteries and Industrial Batteries and Power Supplies reflects the impact of price revision
- Automotive Batteries (Overseas) considers the impact of hyperinflationary accounting in Turkey
- Industrial Batteries and Power Supplies considers strong performance in the regular field
- Specialized Batteries and Others reflects revision of administrative expenses

Notes:

1. Operating income is operating income before amortization of goodwill and operating income ratio is operating income ratio before amortization of goodwill.

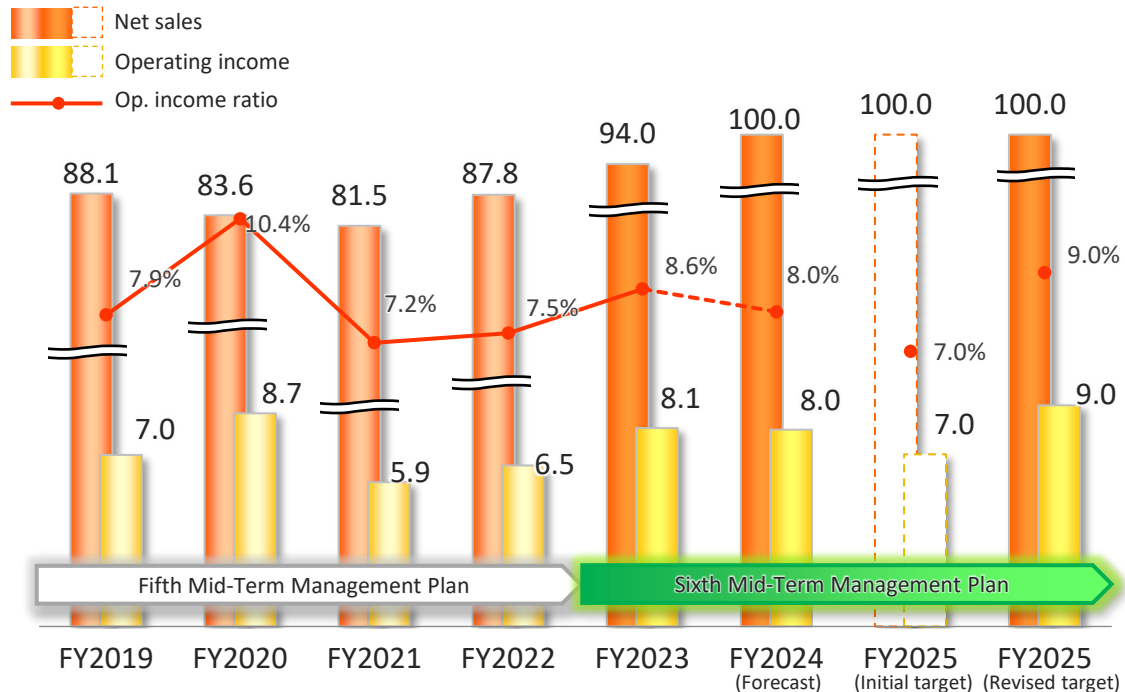
2. The inflation adjustment amount shown in Automotive Batteries (overseas) segment for reference is included in the FY2025 revised target for operating income as the same level as in FY2023.

<Prerequisites>	FY2023 Actual	FY2024 Forecast	FY2025 Initial target (A)	FY2025 Revised Target (B)	Change ( (B)-(A) )
Domestic lead price quote (¥10,000/t)	37.34	37.2	34.2	37.2	+3.0
LME (US\$/t)	2,121	2,200	2,000	2,100	+100
Exchange rate (¥/US\$)	145.31	145.00	140.00	145.00	+5.00

## 4. Update by Segments (Automotive Batteries (Japan))

### Automotive Batteries (Japan)

Net sales, Operating income and Op. ratio (Billion yen)



#### Factors for Target Revision (Sixth Mid-Term Management Plan)

- Effects of establishing appropriate prices for new automobiles, reflecting the impact of soaring raw material prices and other costs
- Strengthen sales by restructuring marketing strategies for replacement

Note: Operating income is operating income before amortization of goodwill and operating income ratio is operating income ratio before amortization of goodwill.

### Upcoming Initiatives

#### ➤ [Production]

Building an optimal production system and stable supply system in response to BCP

#### ➤ [Sales]

Continuing efforts to further strengthen profitability for both new automotive and replacement batteries

### SWOT

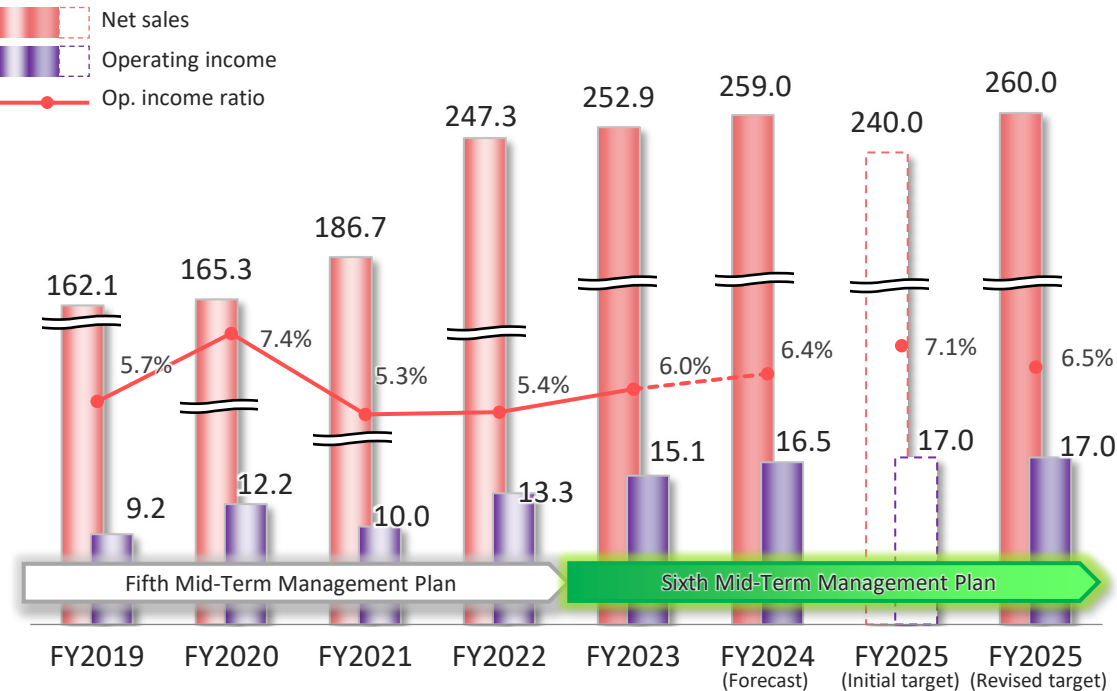
Strengths	<ul style="list-style-type: none"> <li>• Technology and quality cultivated by response to new automobiles</li> <li>• Brand (domestic No.1 share)</li> </ul>	Weaknesses	<ul style="list-style-type: none"> <li>• Impact on production due to change in volume of new vehicles</li> </ul>
Opportunities	<ul style="list-style-type: none"> <li>• Expand market of high value-added products</li> </ul>	Threats	<ul style="list-style-type: none"> <li>• Cost competition due to commoditization</li> <li>• Rising costs due to response to environment</li> </ul>

# 4. Update by Segments (Automotive Batteries (Overseas))



## Automotive Batteries (Overseas)

Net sales, Operating income and Op. ratio (Billion yen)



### Factors for Target Revision (Sixth Mid-Term Management Plan)

- Effects of price revision mainly in Europe and Australia
- Impact of the hyper-inflationary accounting in Turkey after FY2023

Note: Operating income is operating income before amortization of goodwill and operating income ratio is operating income ratio before amortization of goodwill.

## Upcoming Initiatives

- **[Strategic sites (Southeast Asia, Europe and Australia)]**  
Strengthening management base and further improving profitability by concentrating resources
- **[Other sites]**  
Promoting strategies based on selection and concentration following the conversion of the China site to an equity-method affiliate company

## SWOT

Strengths	<ul style="list-style-type: none"><li>• High technology and quality</li><li>• No.1 share in ASEAN and brand</li></ul>	Weaknesses	<ul style="list-style-type: none"><li>• Decentralization of resources</li><li>• Sales ability in area without sites</li></ul>
Opportunities	<ul style="list-style-type: none"><li>• Progress of motorization in emerging countries</li><li>• Expansion of auxiliary batteries market</li></ul>	Threats	<ul style="list-style-type: none"><li>• Decrease in starting batteries due to electrification</li></ul>

## 4. Update by Segments (Automotive Batteries)

### Strategies of Automotive Batteries Business



#### Europe

##### □ Turkey

Forming a product mix centered on high value-added products  
Expanding sales as an export site to Europe and other neighboring regions against the backdrop of the weak Turkish lira



#### Japan

##### □ Improving business for new automobiles

Improve profitability by realizing adequate price for new automotive batteries

##### □ Developing an optimal production and stable supply system in response to BCP

Reconsidering domestic production sites to build a mutually complementary system



#### Southeast Asia

##### □ Thailand

Expanding sales of high value-added products by leveraging our brand and product strength as a core site for automotive batteries

Thailand



Production volume

FY2023  
5.0 million units / year

Establish  
a production system  
6.0 million units / year

##### □ Indonesia

Promoting improvement of profit rate by strengthening sales expansion of replacement and export batteries as a core site for motorcycle batteries

##### □ Vietnam

Increasing sales by improving productivity through the introduction of labor-saving equipment and by restructuring the sales system

# 4. Update by Segments (Automotive Batteries)

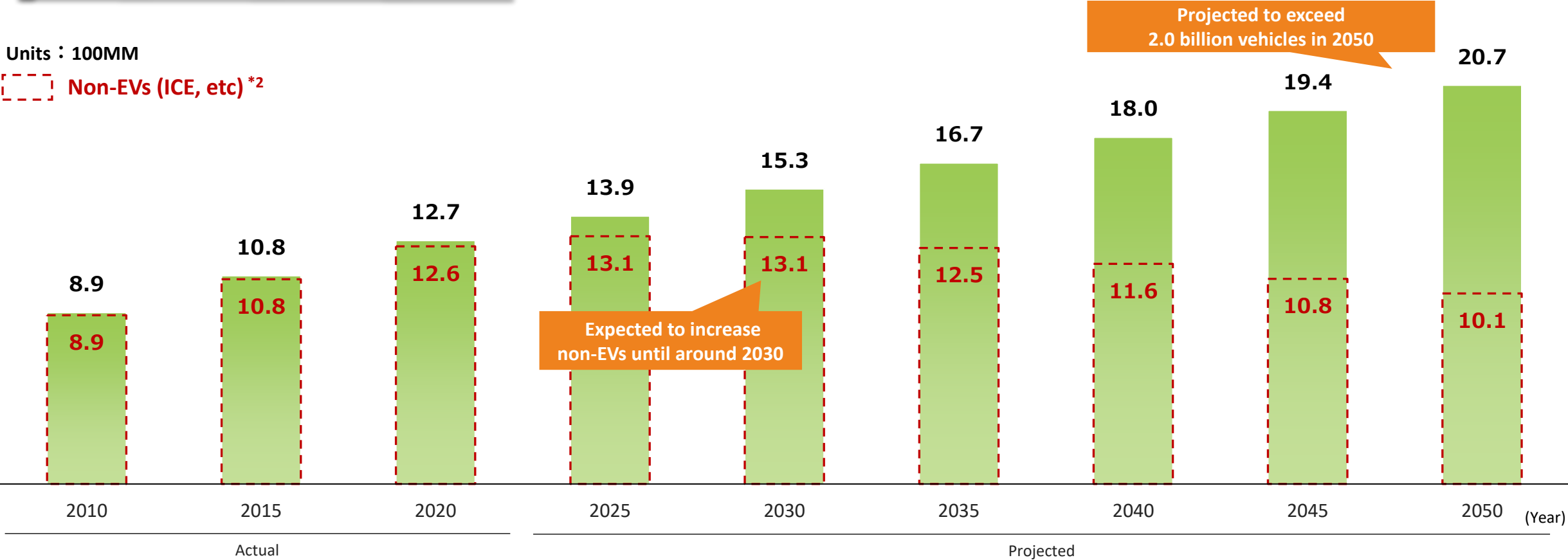


## Strategies of Automotive Batteries

Lead-acid batteries business, supported by its superior positioning, will continue to generate stable cash flows primarily from replacement batteries

Units : 100MM

Non-EVs (ICE, etc) \*2



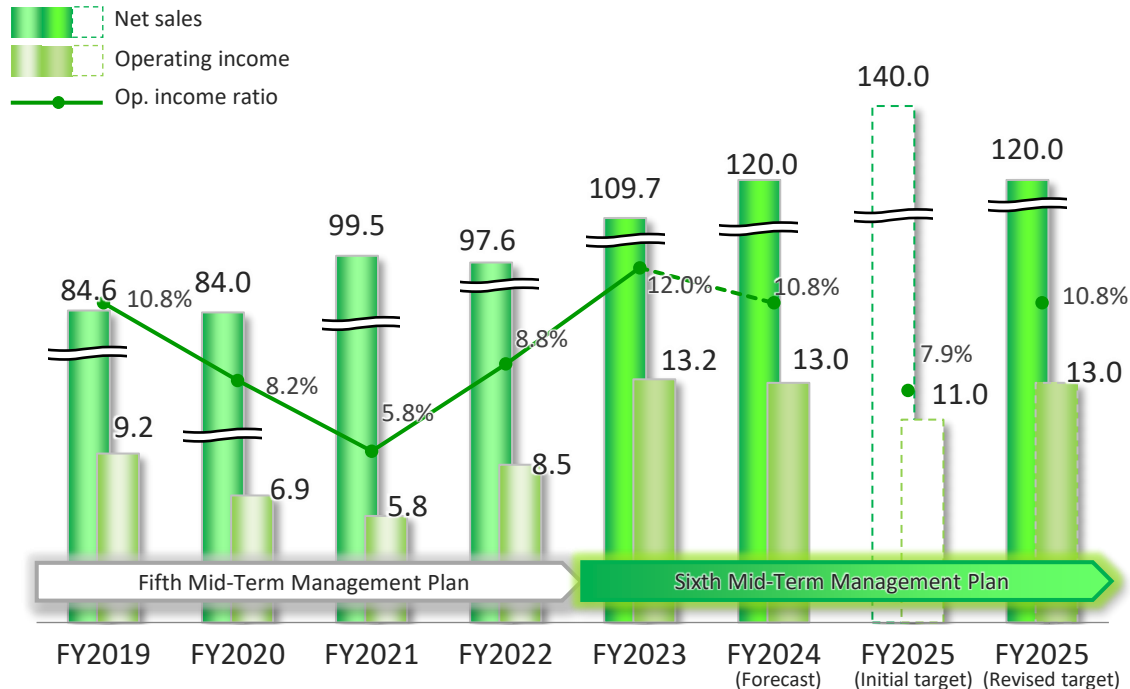
**【Demand for lead-acid batteries】 Replacement use for ICE + Auxiliary use for EVs**

Notes : EVs in this chart includes HEVs, PHEVs and BEVs  
Source: Prepared by us based on data from Wood Mackenzie “No. of Road Vehicles (Car Parc)” (as of 10<sup>th</sup> Oct, 2023)

## 4. Update by Segments (Industrial Batteries and Power Supplies)

### Industrial Batteries and Power Supplies

Net sales, Operating income and Op. ratio (Billion yen)



#### Factors for Target Revision (Sixth Mid-Term Management Plan)

- Effects of the price pass-through in the emergency field
- Increased profitability in the regular field due to demand for carbon neutrality and subsidies

Note: Some consolidated subsidiaries in the "Industrial Batteries and Power Supplies" segment were transferred to the "Specialized Batteries and Others" segment in fiscal 2023. In conjunction with this change, figures for fiscal 2022 were restated according to the modified segments.

### Upcoming Initiatives

- **[Emergency Field (Japan)]**  
Improving profitability by reflecting raw material prices and inflation effects on selling prices
- **[Regular Field (Japan)]**  
Securing production capacity to meet strong demand and expanding sales by ESS with PCS
- **[For Forklifts (Global)]**  
Establishing of efficient production system by starting operation of new forklift plant in Kyoto area

#### SWOT

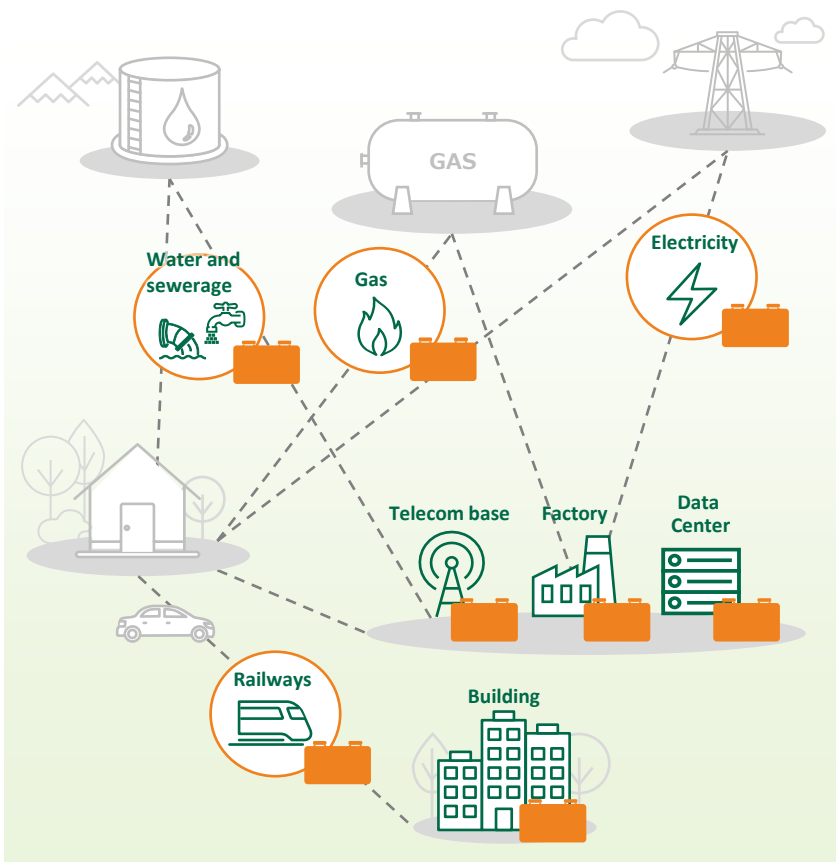
Strengths	• High presence in Japan	Weaknesses	
Opportunities	• Expansion of renewable energy market	Threats	• Entering renewable energy market by global competitors

# 4. Update by Segments (Industrial Batteries and Power Supplies)

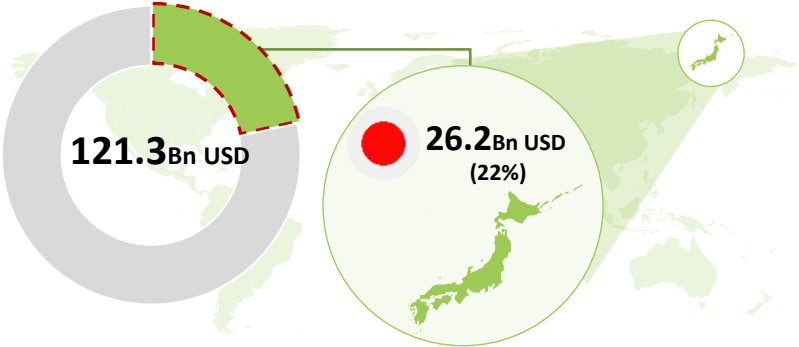
## Strategies of Emergency Field

Growing demand for backup batteries and power supplies backed by the national resilience policy and expansion of the data center service market driven by IoT

### Backup Batteries & Power Supplies Supporting Public Infrastructure



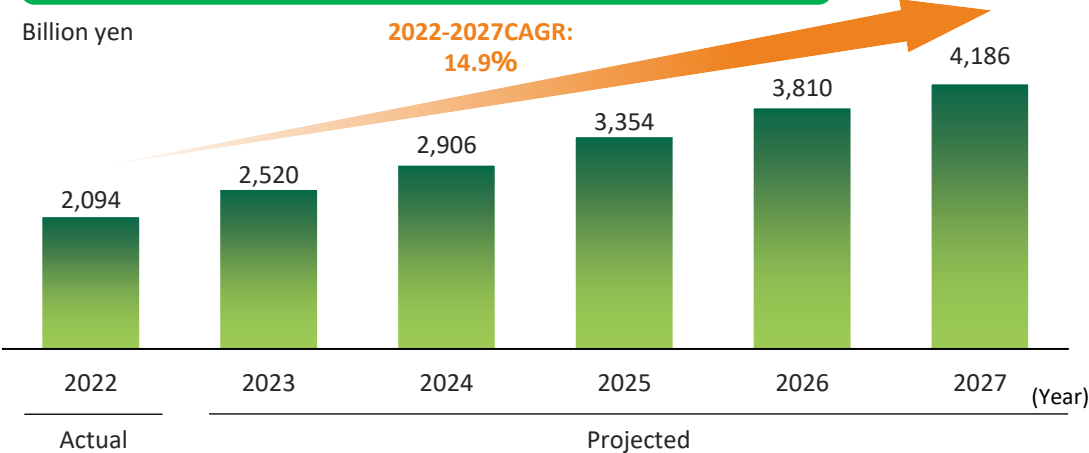
### Damage amount of natural disasters since 2019



Expected Demand Growth for backup business for National Resilience

Source: Prepared by us based on data from Cabinet Office "White Paper on Disaster Management 2020"

### Projected Growth of Domestic Data Center Service Market



Source: Prepared by us based on data from IDC Japan "Domestic Data center service market forecast, 2023 - 2027"

## 4. Update by Segments (Industrial Batteries and Power Supplies)

### Strategies of Regular Field

Conceptional image of Yatogo Energy Storage Station  
(Kumagaya City, Saitama Pref.)



- Project owner : Sub-subsidiary of Mizuho Leasing Company
- Operation : February 2025
- Capacity : 7.46MWh

Conceptional image of Tsunokobaru Power Storage Station  
(Oita City)



Created by Chiyoda Corporation  
(using Google Maps and map data from the Geospatial Information Authority of Japan)

- Project owner : Nijio Co., Ltd.
- Operation : FY2026 (Plan)
- Capacity : 50MWh

**The performance  
of regular field  
will remain strong  
in FY2024**

### Expanding production of lithium-ion batteries for regular use

- Expanding the production capacity of the former LEJ (current GS Yuasa) in FY2023
- BEV production capacity at the new plant, which will start operation in FY2027, will also be utilized in the regular field, where demand is strong.

Production for regular field (Sales volume expansion)

FY2023

Approx.  
1.0 million cells

FY2024

Supply approx. **1.3 million cells** (Plan)

FY2027-

Utilizing **production capacity of lithium-ion batteries for BEVs** and expand production

### Development and sales expansion of lithium-ion batteries for renewable energies

**The 1<sup>st</sup> Generation  
(LEPS-1)**

Increasing production capacity to meet growing demand, starting with delivery to one of the world's largest storage batteries facilities



**Delivery for a world-class  
storage battery facility  
(Toyotomi-cho, Hokkaido)**

Source: North Hokkaido Wind Energy Transmission Corporation  
(<https://www.hokubusouden.com/progress/869/#contents>)

**The 2<sup>nd</sup> Generation  
(LEPS-2)**

**Received the order from ENEOS for  
Japan's largest storage battery  
system for power grid applications**



ENEOS Muroran Plant  
(construction phase)

**The 3<sup>rd</sup> Generation (FY2027-)**

Leveraging R&D results with Honda to meet growing demand for carbon neutrality

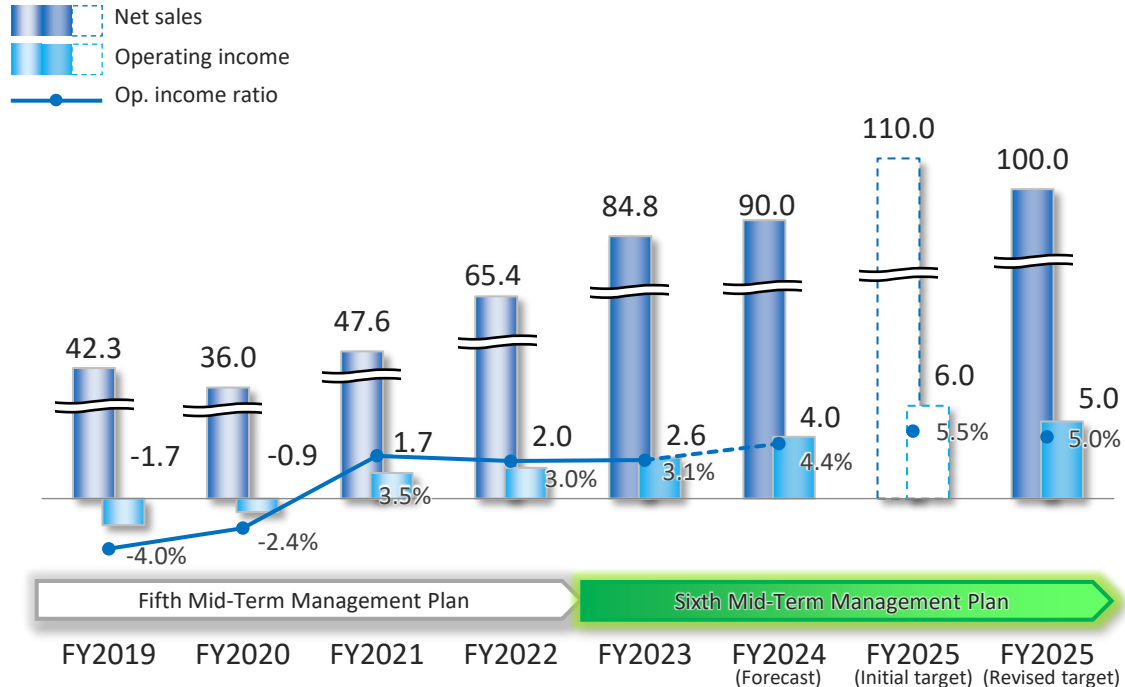


Chiba Refinery of Osaka International Refining Company  
(conceptional image of completed site)

## 4. Update by Segments (Automotive Lithium-ion Batteries)

### Automotive Lithium-ion Batteries

Net sales, Operating income and Op. ratio (Billion yen)



#### Factors for Target Revisions (Sixth Mid-Term Management Plan)

- Decrease in selling price due to significant decline in raw material prices
- Decrease in volume due to delivery delay from the additional car manufacturer

### Upcoming Initiatives

- **[HEV]**
  - Revising selling prices according to the situation such as raw material price hikes and inflation
  - Promoting stable operation of facilities and improving yield in line with production capacity
- **[PHEV / ESS]**
  - Responding to demand by expanding production capacity
- **[BEV]**
  - Preparation for new plant start-up in FY2027

### SWOT

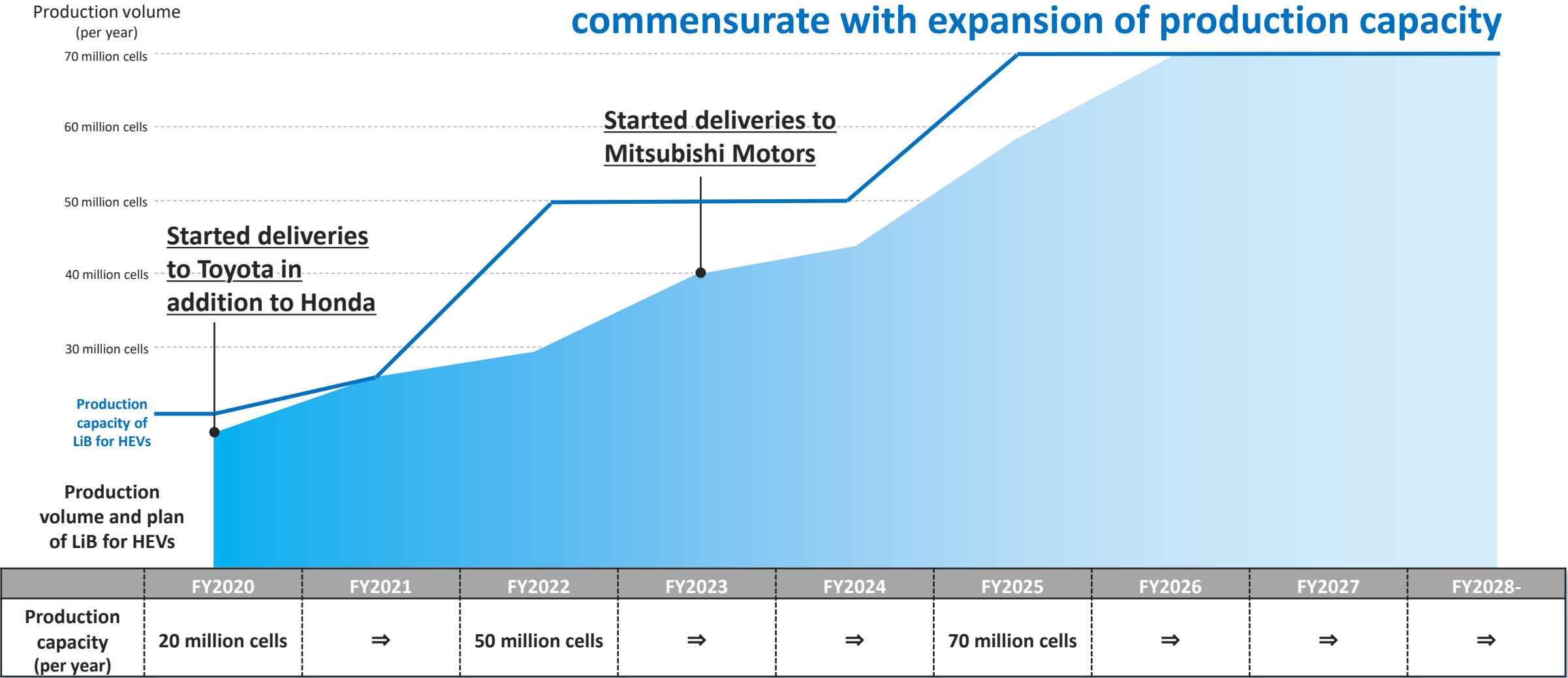
Strengths	<ul style="list-style-type: none"> <li>Connection with automakers in Japan</li> <li>High utilization rate of BEC and LEJ</li> </ul>	Weaknesses	<ul style="list-style-type: none"> <li>Corporate scale compared to manufacturers in China and Korea</li> <li>Concentration of production sites in Japan</li> </ul>
	<ul style="list-style-type: none"> <li>Expand demand for HEVs by automakers in Japan</li> <li>Expand demand for BEV batteries</li> </ul>		Threats

# 4. Update by Segments (Automotive Lithium-ion Batteries)

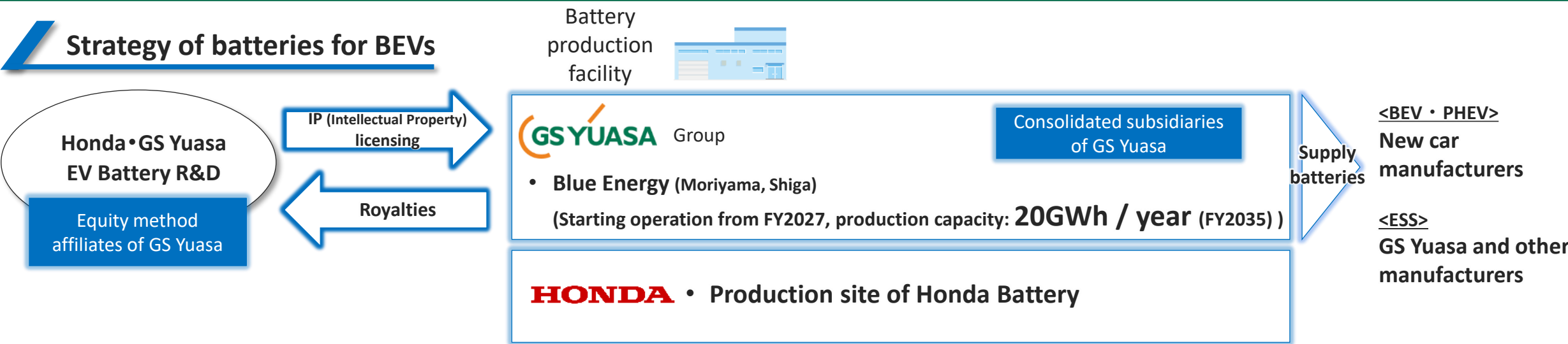


## Strategy of batteries for HEVs

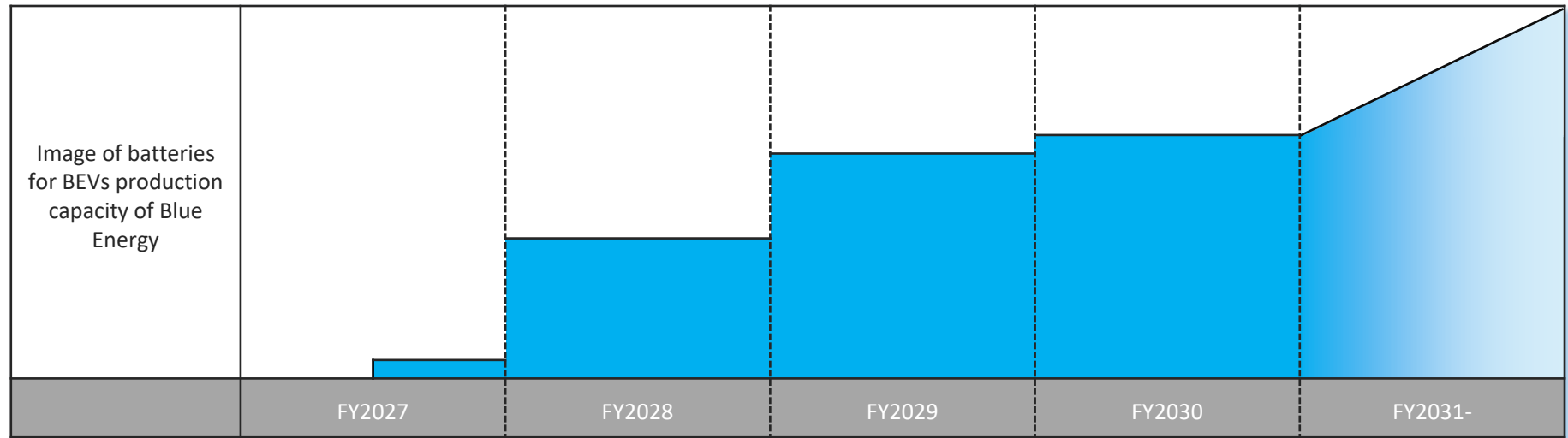
Responding to inquiries from existing business partners commensurate with expansion of production capacity



# 4. Update by Segments (Automotive Lithium-ion Batteries)



**GS YUASA** Image of production capacity

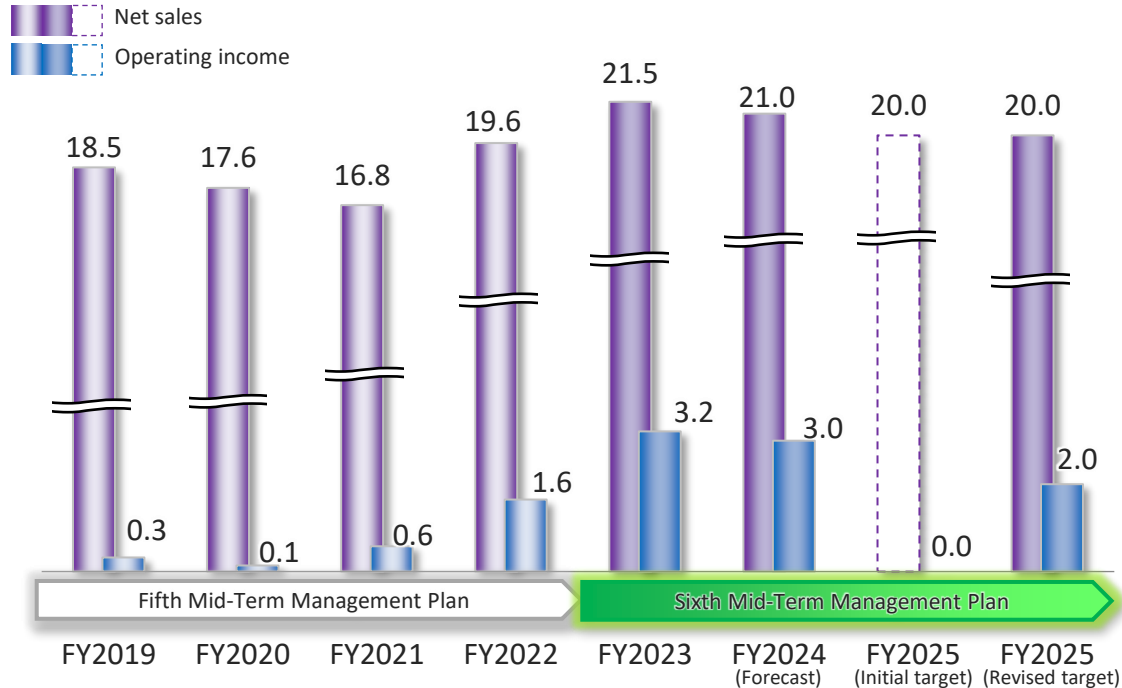


**Exceed  
20GWh / year  
(FY2035)**

## 4. Update by Segments (Specialized Batteries and Others)

### Specialized Batteries and Others

Net sales, Operating income and Op. ratio (Billion yen)



#### Factors for Target Revisions (Sixth Mid-Term Management Plan)

- Effect of the price pass-through of lithium-ion batteries for submarines
- Revision of administrative expenses

### Upcoming Initiatives

- **[Lithium-ion Batteries for Submarines]**  
Securing appropriate profit and preparing for the demand of replacement batteries
- **[Other Specialized Batteries]**  
Expansion of production capacity in response to enhancing defense capabilities

### SWOT

Strengths	<ul style="list-style-type: none"> <li>• The only one specialized batteries manufacturers in Japan</li> <li>• High technology and reliability</li> </ul>	Weaknesses	<ul style="list-style-type: none"> <li>• Delay in digitalization</li> <li>• Aging equipment</li> </ul>
Opportunities	<ul style="list-style-type: none"> <li>• Formulation of the Three Principles on Defense Equipment Transfer</li> <li>• Expansion of new market such as for space use</li> </ul>	Threats	<ul style="list-style-type: none"> <li>• Higher costs due to increased development difficulty</li> <li>• Increased social responsibility</li> </ul>

Note: Some consolidated subsidiaries in the "Industrial Batteries and Power Supplies" segment were transferred to the "Specialized Batteries and Others" segment in fiscal 2023. In conjunction with this change, figures for fiscal 2022 were restated according to the modified segments.

# 5. Financial Policy and Capital Allocation

## Financial Policy

- Maintain a shareholders' equity ratio of 40% or more while investing in growth in mobility and public infrastructure
- Target of total return ratio before amortization of goodwill, etc. is 30% or more (achieve both investment in growth and stable dividends to shareholders)

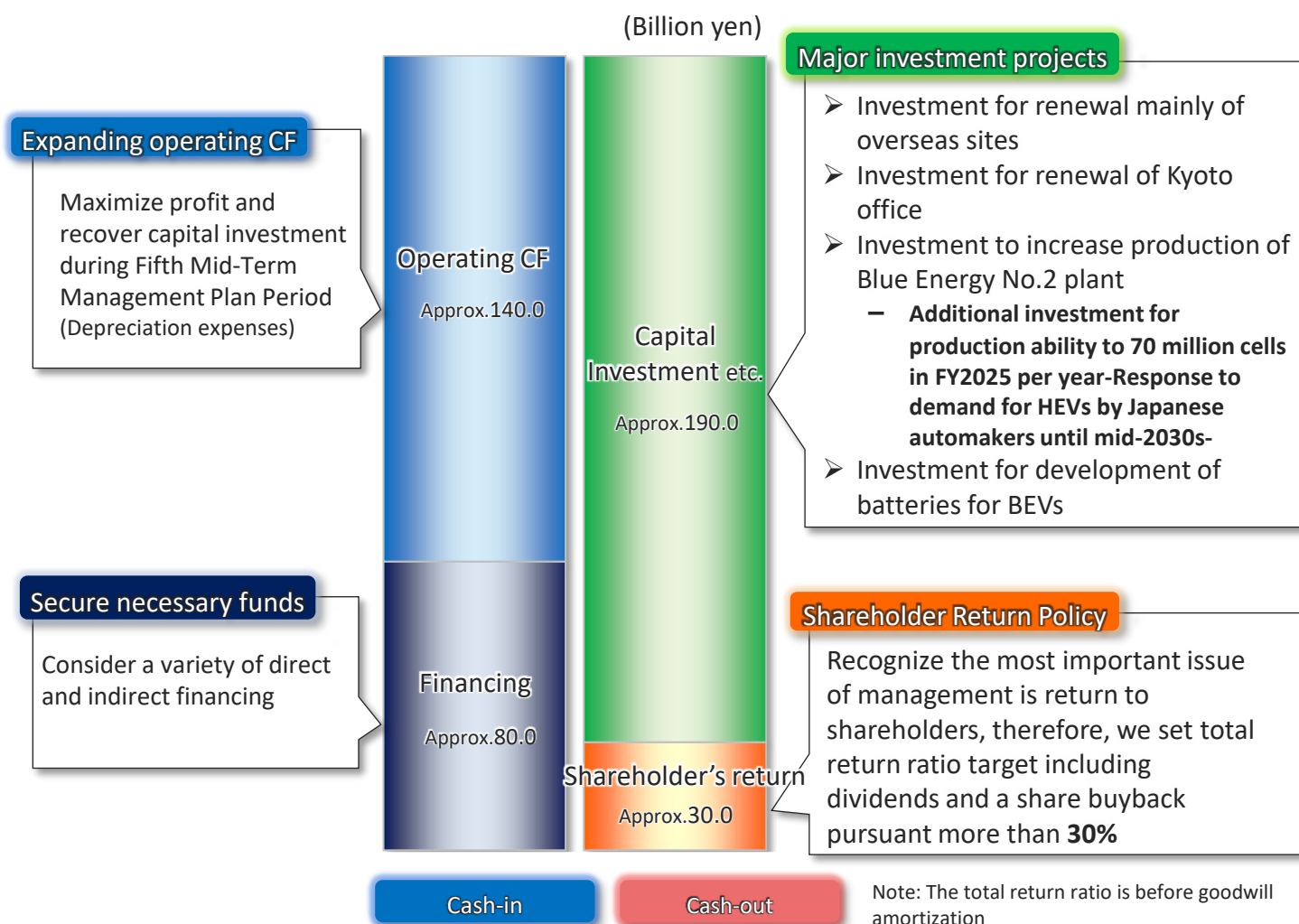
	FY2025 targets (Apr. 2025 – Mar. 2026)
Interest-bearing debt to operating cash flow ratio* <sup>1</sup>	Approx. 3 years
Total return ratio* <sup>2</sup>	30 % or more
Equity ratio	maintain 40 % or more

\*1 Interest-bearing debts (including lease obligations) / operating cash flow

\*2 The total return ratio for FY2025 is before goodwill amortization

	Sixth Mid-Term Management Plan 3-year total
Operating cash flow	¥140.0 bn
Investing cash flow	-¥190.0 bn
Free cash flow	-¥50.0 bn

## Capital Allocation (FY2023-2025)



## 6. Medium-term Environmental Target (FY2023-2025)

Accelerate the reduction of environmental impact from our business activities and  
**expand our contribution to the circular economy**

**Reduction of CO<sub>2</sub> emissions** **15% or more** (compared with FY2018)

- Implementation of energy conservation measures through energy visualization
- In-house consumption of renewable energies through the introduction of solar power generation equipment
- Replacement of old equipment with energy-saving equipment



Solar power generation facility of Ritto office

**Reducing water use**

**15% or more**  
(compared with FY2018)

**Percentage of environmentally considered  
products in total sales**

**45% or more**

**Increasing usage rate of recycled lead**

**70% or more**

Although this document has been prepared with information believed to be correct, GS Yuasa Corporation does not guarantee the accuracy or the completeness of such information. Also, the information herein contains forward-looking statements regarding the Company's plans, outlooks, strategies and results for the future. All the forward-looking statements are based on judgments derived from information available to the Company at the time of release. Certain risks and uncertainties could cause the Company's actual results to differ materially from any projections presented herein.



## Reference

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# Reference. Equity Financing for Growth

## Public Offerings and Parallel Third-Party Allotment

Number of  
outstanding shares

80,599,442 shares ► 100,446,442 shares (+19,847,000 shares)

Procurement funds

Approx. **39.6** Billion Yen

### Overview of Parallel Third-Party Allotment

Allottee / Number of shares to be allotted

**Honda Motor Co., Ltd. / 2,497,700 shares**

Through the collaboration with Honda,  
build a solid supply chain  
of LiBs for BEVs in Japan

Contribute to broader use of BEVs in Japan  
and aim to enhance enterprise value

### Collaborations with Honda

HEVs  
Area

- Start of installation for Honda from FY 2011. Expand sales to other Japanese OEM  
Result : Approx. **2.7 million units** (as of October 31<sup>st</sup>, 2023)

Production capacity (BEC) :

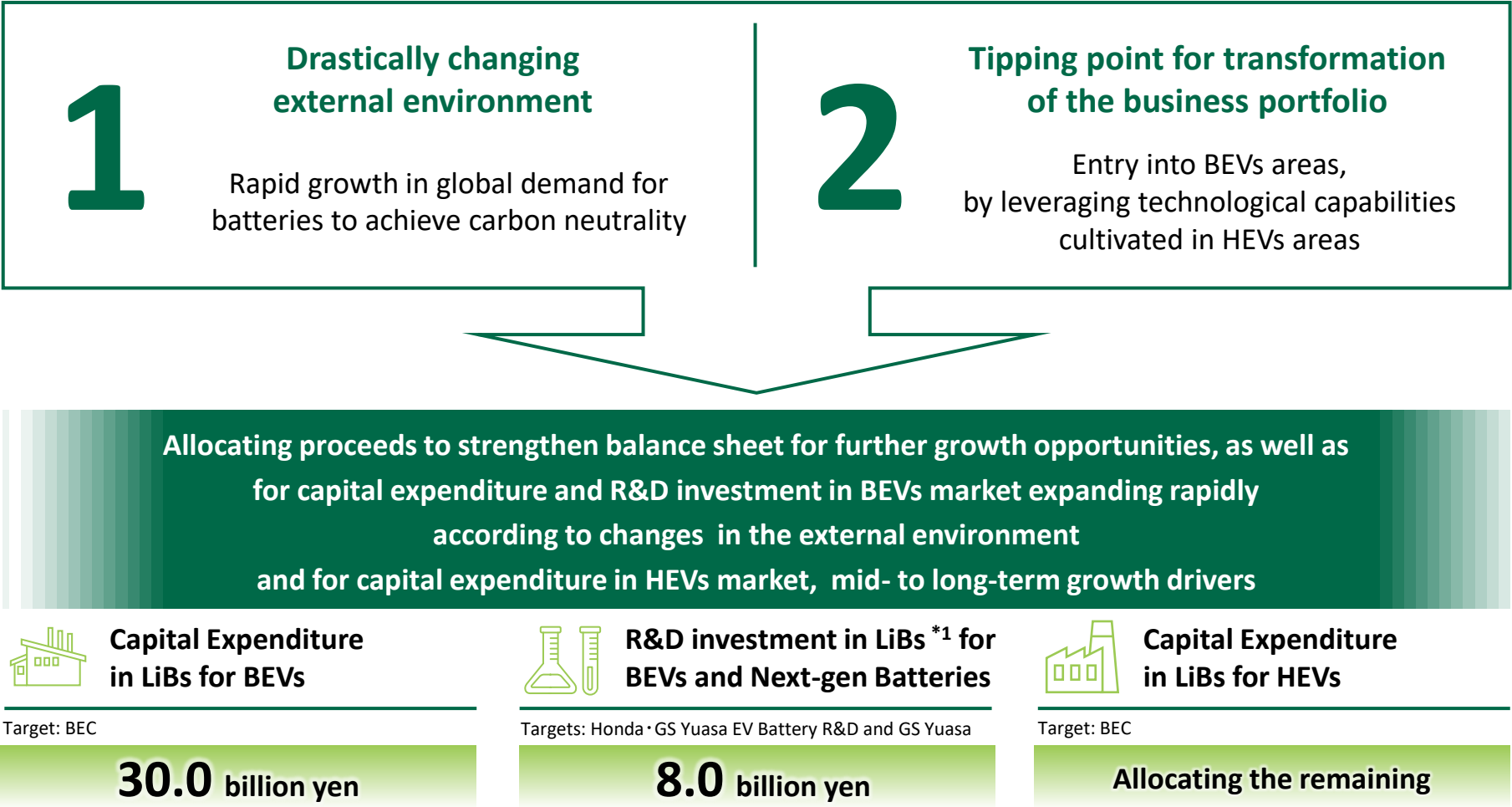
Second half of FY2022 **50 million cells/year** ► FY2025 **70 million cells/year**

BEVs  
Area

- FY2023 : “**Honda • GS Yuasa EV Battery R&D Co., Ltd.**”  
for the purpose of R&D of high-capacity, high-output LiBs,  
started the business from August
- FY2027 : Planning to start operation of production line

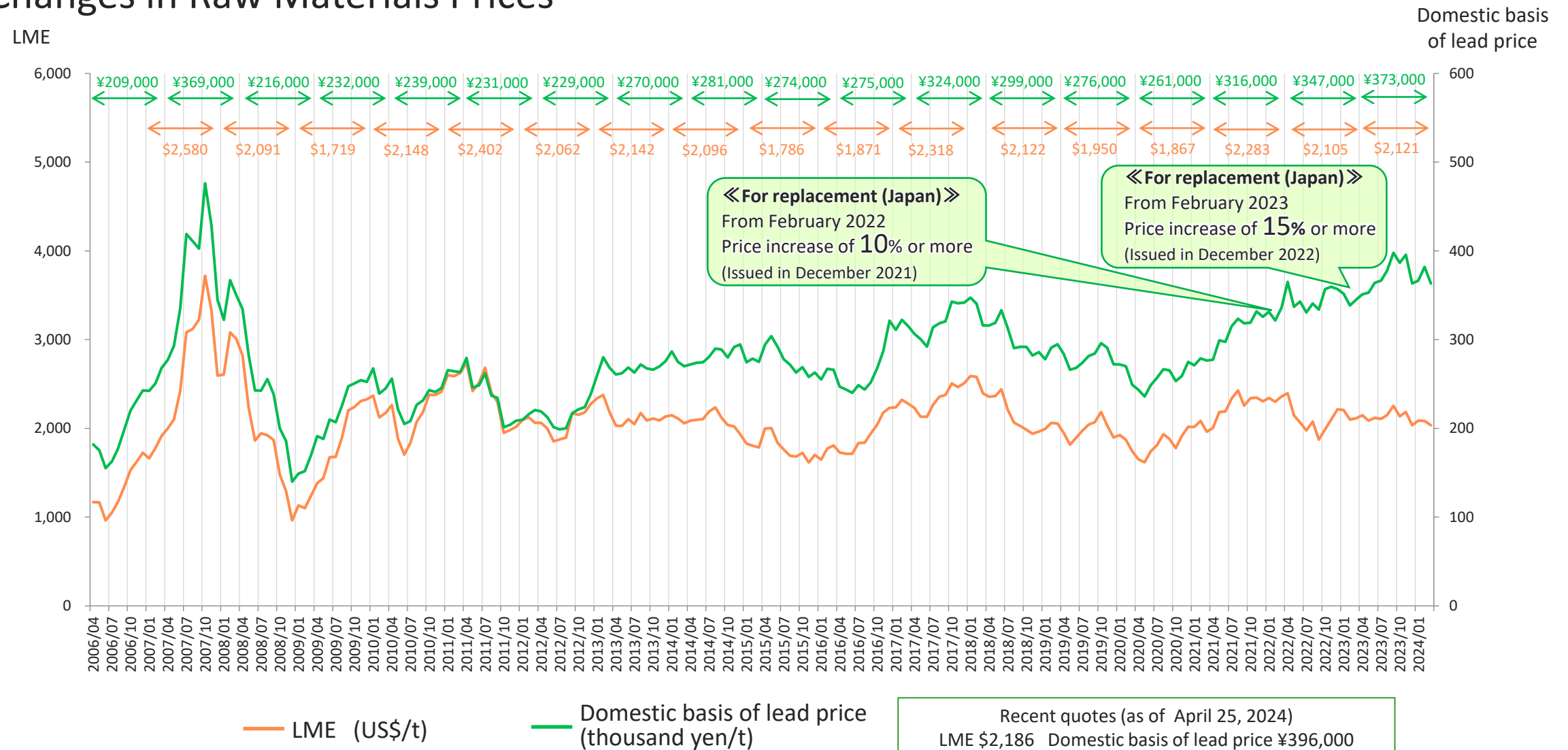
Production Capacity : FY2030 **20GWh/year** (GS Yuasa, Honda, BEC)

## Background and Rationale of Financing / Use of Proceeds

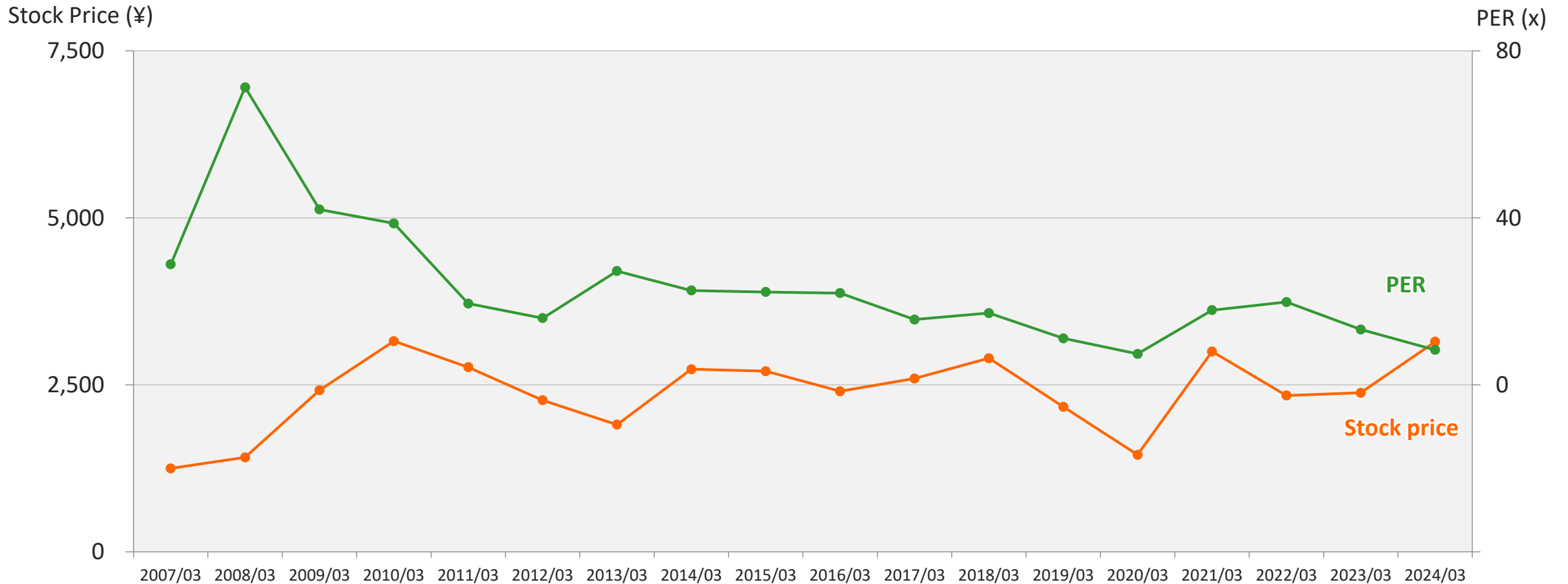


Notes  
1. Also used for ESS use

## Changes in Raw Materials Prices



## Changes in Stock Price, Price to Earnings Ratio (PER)



- Notes: 1. Closing price on the last trading day of March.  
 2. PER is based on profit before amortization of goodwill.  
 3. GS Yuasa carried out a five-to-one reverse stock split of its common stock upon changing the number of shares per trading unit from 1,000 to 100 shares (effective date Oct. 1, 2018), and Stock Price and PER take into account the share consolidation.

	Fiscal year	2019	2020	2021	2022	2023
Operating income ratio	(%)	6.1	7.0	5.5	6.2	7.5
Return on equity (ROE)	(%)	9.0	7.2	4.6	6.5	11.6
Return on invested capital (ROIC)	(%)	10.9	12.0	9.7	11.4	13.7
Earnings per share (EPS)	(¥)	195.92	167.72	118.02	179.47	376.31
Dividend per share	(¥)	50	50	50	50	70 (planned)
Purchase of treasury stock	(¥bn)	1.5	0.0	0.0	0.0	0.0
Total return ratio	(%)	34.9	29.8	42.4	27.9	20.6

	Fiscal year	2019	2020	2021	2022	2023
Total borrowings	(¥bn)	64.5	65.4	82.5	103.7	76.2
D/E ratio	(x)	0.42	0.41	0.50	0.55	0.34
Equity ratio	(%)	45.8	46.8	44.8	42.6	50.3
Debt to cash flow ratio	(year)	2.2	2.2	7.0	4.0	1.4

Notes: 1. The above indices for FY2016 onward are based on profit before amortization of goodwill (operating income, profit).  
2. ROIC is calculated as follows: Invested capital (fixed assets [excl. goodwill amortization] + working capital) / Operating income before amortization of goodwill. Invested capital is the average of amount at beginning and end of term.

## Quarterly Results by Segment

(Billion yen)

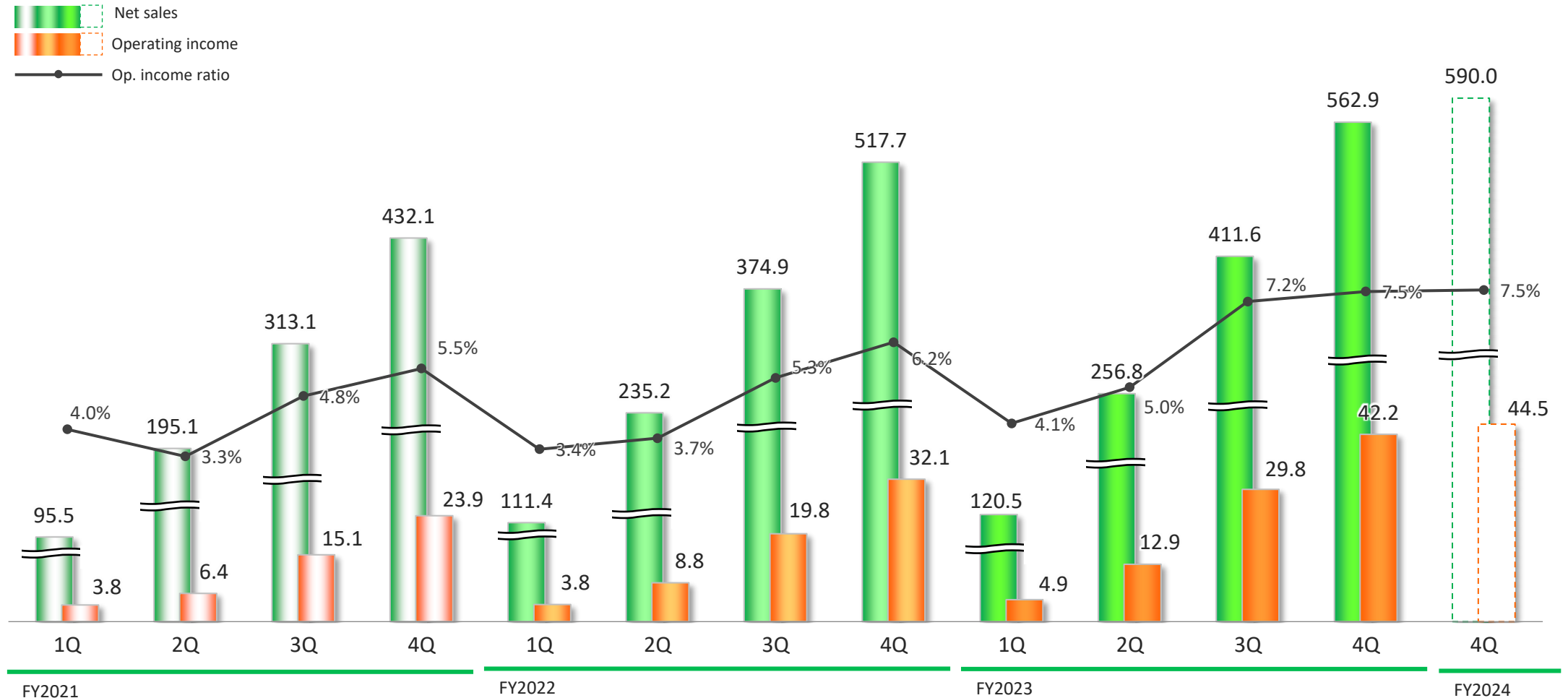
		FY2022										FY2023										FY2024				
		1Q (Apr-Jun)		2Q (Jul-Sep)		3Q (Oct-Dec)		4Q (Jan-Mar)		Full (Apr-Mar)			1Q (Apr-Jun)		2Q (Jul-Sep)		3Q (Oct-Dec)		4Q (Jan-Mar)		Full (Apr-Mar)			Full-year forecast (Apr-Mar)		
		Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: %)	EBITDA (EBITDA Margin: %)	Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: %)	EBITDA (EBITDA Margin: %)	Net sales	Operating income (Op. income ratio: %)	EBITDA (EBITDA Margin: %)		
Automotive Batteries	Japan	17.7	1.0 (5.4)	20.0	0.8 (4.0)	25.5	2.5 (9.7)	24.7	2.3 (9.4)	87.8	6.5 (7.5)	9.2 (10.5)	19.6	1.0 (5.2)	21.5	1.1 (5.3)	27.8	3.0 (10.9)	25.2	2.9 (11.4)	94.0	8.1 (8.6)	10.9 (11.6)	100.0	8.0 (8.0)	-
	Overseas	60.0	3.0 (5.0)	61.9	3.1 (5.0)	65.1	4.1 (6.3)	60.4	3.1 (5.2)	247.3	13.3 (5.4)	20.1 (8.1)	58.4	2.8 (4.7)	67.1	4.8 (7.2)	65.2	5.8 (8.8)	62.2	1.8 (2.8)	252.9	15.1 (6.0)	22.6 (8.9)	259.0	16.5 (6.4)	-
Industrial Batteries and Power Supplies		17.0	-0.5 (-3.1)	22.5	1.1 (5.1)	26.4	2.7 (10.2)	31.7	5.3 (16.6)	97.6	8.5 (8.8)	10.2 (10.5)	17.9	0.2 (0.8)	21.6	1.2 (5.6)	34.2	5.1 (14.8)	35.9	6.7 (18.8)	109.7	13.2 (12.0)	15.1 (13.8)	120.0	13.0 (10.8)	-
Automotive Lithium-ion Batteries		12.4	0.4 (3.1)	15.0	-0.2 (△1.3)	17.9	0.8 (4.4)	20.1	1.0 (5.0)	65.4	2.0 (3.0)	6.1 (9.3)	19.5	0.4 (2.2)	21.1	0.3 (1.4)	22.4	1.7 (7.6)	21.8	0.2 (1.0)	84.8	2.6 (3.1)	7.5 (8.9)	90.0	4.0 (4.4)	-
Specialized Batteries and Others		4.4	0.0 (0.2)	4.5	0.1 (2.9)	4.8	0.9 (19.7)	6.0	0.6 (9.6)	19.6	1.6 (8.4)	7.4 (37.9)	5.2	0.6 (10.9)	5.0	0.5 (9.7)	5.1	1.3 (25.5)	6.2	0.8 (13.7)	21.5	3.2 (14.9)	8.9 (41.4)	21.0	3.0 (14.3)	-
Total		111.4	3.8 (3.4)	123.8	4.9 (4.0)	139.7	11.0 (7.9)	142.9	12.3 (8.6)	517.7	32.1 (6.2)	53.0 (10.2)	120.5	4.9 (4.1)	136.3	8.0 (5.9)	154.8	16.9 (10.9)	151.3	12.4 (8.2)	562.9	42.2 (7.5)	65.0 (11.6)	590.0	44.5 (7.5)	67.5 (11.4)

Note 1 : Operating income is operating income before amortization of goodwill and Op. income ratio is Op. income ratio before amortization of goodwill. EBITDA is operating income before amortization of goodwill + depreciation.

2 : Some consolidated subsidiaries in the "Industrial Batteries and Power Supplies" segment were transferred to the "Specialized Batteries and Others" segment from fiscal 2023. In conjunction with this change, figures for fiscal 2022 were restated according to the modified segments.

## Net Sales, Operating Income, Op. Income Ratio

(Billion yen)



Note: Operating income is operating income before amortization of goodwill and op. income ratio is op. income ratio before amortization of goodwill.

## External ratings of sustainability activities

### Sustainability evaluations

(As of March 31, 2024)

	ESG rating by MSCI (U.S.) <sup>*1</sup>	ESG rating by FTSE (English) <sup>*2</sup>	CSR assessment by Toyo Keizai Inc. <sup>*3</sup>				CDP (English) assessments <sup>*4</sup>
			HR utilization	Environment	Corporate governance	Sociality	
2024	BBB	3.8	AAA	AAA	AA	AA	A-
2023	BBB	3.8	AAA	AAA	AA	AAA	A-
2022	BBB	3.6	AA	AAA	AA	AA	A-
2021	A	3.6	AAA	AAA	AA	AA	B
2020	A	3.4	AA	AAA	AA	AA	B

\*1: ESG rating of MSCI (U.S.) is done by Japan ESG Select Leaders Index and is seven-grade evaluation of AAA, AA, A, BBB, BB, B and CCC. (Rating Update : around June)

\*2: ESG rating of FTSE (English) is five-grade evaluation of 1, 2, 3, 4, 5. (Rating Update : around June)

\*3: Toyo Keizai Inc.'s CSR assessment is five-grade evaluation of AAA, AA, A, B and C. (Rating Update : around November)

\*4: CDP (English) is eight-grade evaluation of A, A-, B, B-, C, C-, D, D-. (Rating Update : around September)

# [Reference] Actual for FY2023 / Forecast for FY2024



	FY2023 Actual	FY2024 Forecast	Change	(YoY%)	(Billion yen)	
					[Reference]	
					1 <sup>st</sup> half Result / Forecast (Apr. - Sep.)	
					FY2023 1H Actual	FY2024 1H Forecast
Net Sales	562.9	<b>590.0</b>	+27.1	(+4.8%)	256.8	263.0
Operating income (ratio)	41.6 7.4%	<b>44.0 7.5%</b>	+2.4 +0.1P	(+5.8%)	12.7 4.9%	13.0 4.9%
Operating income before amortization of goodwill (ratio)	42.2 7.5%	<b>44.5 7.5%</b>	+2.3 +0.0P		12.9 5.0%	-
Ordinary income	44.0	<b>44.0</b>	+0.0	(+0.0%)	12.0	12.5
Profit (ratio)	32.1 5.7%	<b>26.0 4.4%</b>	-6.1 -1.3P	(-18.9%)	6.0 2.3%	6.0 2.3%
Profit before amortization of goodwill (ratio)	32.6 5.8%	<b>26.5 4.5%</b>	-6.1 -1.3P		6.2 2.4%	-
EPS (Basic earnings per share) (¥/share)	¥369.74	<b>¥259.21</b>	-¥110.53		¥74.06	¥59.82
Annual dividend (¥/share)	¥70 (Plan)	<b>¥70 (Plan)</b>	±¥0		¥15 (Interim)	¥20 (Interim)
Total return ratio	20.6 %	<b>26.5 %</b>	+5.9 P		-	-
ROE (Return on equity)	11.6 %	<b>8.0 %</b>	-3.6 P		-	-
ROIC (Return on invested capital)	13.7 %	<b>12.5 %</b>	-1.2 P		-	-
Domestic lead price quote	¥373,400 /t	<b>¥372,000 /t</b>	-¥1,400 /t		¥368,400 /t	¥372,000 /t
LME	2,121 US\$/t	<b>2,200 US\$/t</b>	+79 US\$/t		2,144 US\$/t	2,200 US\$/t
Exchange rate	¥145.31 /US\$	<b>¥145.00 /US\$</b>	-¥0.31 /US\$		¥142.61 /US\$	¥150.00 /US\$

Notes: 1. ROE and total return ratio are based on profit before amortization of goodwill.  
2. ROIC is calculated as follows: Invested capital (fixed assets [excl. goodwill amortization] + working capital) / Operating income before amortization of goodwill. Invested capital is the average of amount at beginning and end of term.

# [Reference] FY2024 First Quarter Financial Results



		(Billion yen)									
		FY2023		FY2024		Charge		(YoY%)		[Reference] Forecast for FY2024	
		Apr. - Jun.		Apr. - Jun.						1H (Apr. - Sep.)	Full Year (Apr. - Mar.)
Net sales		120.5		<span>Record</span> 127.6		+7.1		(+5.8%)		263.0	590.0
Gross profit		25.8		28.4		+2.6				-	-
Operating income (ratio)		4.8	4.0%	<span>Record</span> 6.2	4.8%	+1.4	+0.8P	(+27.9%)		13.0	44.0
Operating income before amortization of goodwill (ratio)		4.9	4.1%	<span>Record</span> 6.4	5.0%	+1.5	+0.9P			-	44.5
Non-operating income		1.7		2.2		+0.5				-	-
Non-operating loss		1.6		1.7		+0.1				-	-
Equity method investment gains and losses		0.2		0.8		+0.6				-	-
Ordinary income		4.9	4.1%	<span>Record</span> 6.7	5.2%	+1.8	+1.1P	(+35.5%)		12.5	44.0
Extraordinary income		0.4		0.0		-0.4				-	-
Extraordinary loss		0.7		0.1		-0.6				-	-
Profit before income taxes		4.7		6.7		+2.0				-	-
Income taxes		1.5		0.8		-0.7				-	-
Profit attributable to non-controlling interests		1.5		1.1		-0.4				-	-
Profit (ratio)		1.6	1.4%	<span>Record</span> 4.8	3.8%	+3.2	+2.4P	(+190.1%)		6.0	26.0
Profit before amortization of goodwill (ratio)		1.7	1.4%	<span>Record</span> 4.9	3.9%	+3.2	+2.5P			-	26.5
[Reference] Operating income before amortization of goodwill (before application of hyperinflationary accounting)		-		6.8	5.3%	-				-	47.1
EPS (Basic earnings per share) (¥/share)		¥20.51		¥47.71		+¥27.2				¥59.82	¥259.21
Cash Flow Statements	Depreciation	5.3		5.8		+0.5				-	-
	Amortization of goodwill	0.1		0.1		+0.0				-	-
Market Information / Prerequisites	Domestic lead price quote	¥356,000 /t		¥399,800 /t		+¥43,800 /t				¥372,000 /t	¥372,000 /t
	LME	2,118 US\$/t		2,166 US\$/t		+48 US\$/t				2,200 US\$/t	2,200 US\$/t
	Exchange rate	¥139.63 /US\$		¥158.24 /US\$		+¥18.61 /US\$				¥150.00 /US\$	¥145.00 /US\$

Note: The amount of application of hyperinflationary accounting shown for reference is included in the FY2024 forecast for operating income as the same level as in FY2023.

# [Reference] Actual for FY2023 / Forecast for FY2024 (By Segment)

(Billion yen)

		FY2023 Actual		FY2024 Forecast		Change	
		Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: pp)
Automotive Batteries	Japan	94.0	8.1 (8.6)	100.0	8.0 (8.0)	+6.0	-0.1 (-0.6)
	Overseas	252.9	15.1 (6.0)	259.0	16.5 (6.4)	+6.1	+1.4 (+0.4)
Industrial Batteries and Power Supplies		109.7	13.2 (12.0)	120.0	13.0 (10.8)	+10.3	-0.2 (-1.2)
Automotive Lithium-ion Batteries		84.8	2.6 (3.1)	90.0	4.0 (4.4)	+5.2	+1.4 (+1.3)
Specialized Batteries and Others		21.5	3.2 (14.9)	21.0	3.0 (14.3)	-0.5	-0.2 (-0.6)
Total		562.9	42.2 (7.5)	590.0	44.5 (7.5)	+27.1	+2.3 (+0.0)

## Assumption of financial forecast (Apr. - Mar.)

- Sales will increase due to raw material and inflation effects, but pass-through will be limited
- Production of automobiles will increase partly due to increased demand for hybrid vehicles
- Regarding trends in lead price, LME is progressing stable but domestic lead prices remained high due to the impact of yen depreciation
- The yen continues to weaken against the U.S. dollar

<Prerequisites>	FY2023 Actual	FY2024 Forecast	Change
Domestic lead price quote (¥10,000/t)	37.34	37.20	-0.14
LME (US\$/t)	2,121	2,200	+79
Exchange rate (¥/US\$)	145.31	145.00	-0.31

Note : Operating income is operating income before amortization of goodwill and operating income ratio is operating income ratio before amortization of goodwill.

# [Reference] FY2024 First Quarter Financial Results (By Segment)



		FY2023 Apr. - Jun.		FY2024 Apr. - Jun.		Change		[Reference] FY2024 Apr. - Jun. (before application of hyperinflationary accounting)		[Reference] Forecast for FY2024 Full Year (Apr. - Mar.)	
		Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: pp)	Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: %)
Automotive Batteries	Japan	19.6	1.0 (5.2)	20.8	1.6 (7.8)	+1.2	+0.6 (+2.6)	20.8	1.6 (7.8)	100.0	8.0 (8.0)
	Overseas	58.4	2.8 (4.7)	65.2	4.8 (7.4)	+6.8	+2.0 (+2.7)	65.2	5.2 (8.0)	259.0	16.5 (6.4)
Industrial Batteries and Power Supplies		17.9	0.2 (0.8)	19.5	0.9 (4.8)	+1.6	+0.7 (+4.0)	19.5	0.9 (4.8)	120.0	13.0 (10.8)
Automotive Lithium-ion Batteries		19.5	0.4 (2.2)	16.1	-2.0 (-12.6)	-3.4	-2.4 (-14.8)	16.1	-2.0 (-12.6)	90.0	4.0 (4.4)
Specialized Batteries and Others		5.2	0.6 (10.9)	6.0	1.0 (16.9)	+0.8	+0.4 (+6.0)	6.0	1.0 (16.9)	21.0	3.0 (14.3)
Total		120.5	4.9 (4.1)	127.6	6.4 (5.0)	+7.1	+1.5 (+0.9)	127.6	6.8 (5.3)	590.0	44.5 (7.5)

## FY2024 1Q Result

- Sales increased due to the effects of price shifting mainly in automotive batteries, industrial batteries and power supplies
- Automobile production slightly decreased due to plant shutdown of car manufacturers
- Net sales and profit both decreased due to the influence of raw material procurement scheme in automotive lithium-ion batteries
- LME is stable, but domestic lead price remains high due to yen depreciation
- Despite the continued depreciation of the yen, foreign exchange intervention and interest rate hikes are still under uncertain

<Market information / Prerequisites>	FY2023 (Apr. - Jun.)	FY2024 (Apr. - Jun.)	Change	[Reference] Forecast for FY2024 Full Year (Apr. - Mar.)
Domestic lead price quote (¥10,000/t)	35.60	39.98	+4.38	37.2
LME (US\$/t)	2,118	2,166	+48	2,200
Exchange rate (¥/US\$)	139.63	158.24	+18.61	145.00

Note: Operating income is operating income before amortization of goodwill and Op. income ratio is Op. income ratio before amortization of goodwill.