Creating the Future of Energy

Fiscal year Ended March 31, 2023 (FY2022) Result Briefing




May 16, 2023

GS Yuasa Corporation

Contents

FY2022 Financial Results

Point of FY2022 Financial Results

FY2022 Financial Results (Apr. – Mar.)

	FY2021	FY2022	Difference	Change
Net sales	432.1 billion yen	**517.7** billion yen	+85.6 billion yen	+19.8 %
Operating income	22.7 billion yen	**31.5** billion yen	+8.8 billion yen	+39.0 %
Operating income before amortization of goodwill	23.9 billion yen	**32.1** billion yen	+8.2 billion yen	+34.5 %
Ordinary income	24.7 billion yen	**24.2** billion yen	-0.5 billion yen	-1.9 %
Profit	8.5 billion yen	**13.9** billion yen	+5.4 billion yen	+64.5 %
Profit before amortization of goodwill	9.5 billion yen	**14.4** billion yen	+4.9 billion yen	+52.0 %

Performance Trends

- Net sales and operating income mainly reflects an increase in sales volume of lithium-ion batteries for hybrid vehicles and the effect of the consolidation of Turkish site as well as the effect of yen depreciation on foreign exchange rate.
- Ordinary profit remained at the same level as the previous year despite deterioration in the share of profit from entities accounted for using the equity method such as the site in China and increased interest expenses.
- Profit attributable to owners of parent increased due mainly to the recording of non-current assets, gain on sale of investment securities, etc.

Here are the topical points of fiscal year 2022.

Net sales and operating income increased, mainly reflecting an increase in sales volume of lithium-ion batteries for hybrid vehicles and the effect of the consolidation of the site in Turkey, as well as the effect of yen depreciation on the foreign exchange rate.

Despite a deterioration in the share of profit from entities accounted for using the equity method such as the site in China, ordinary profit remained at the same level as in the previous year.

While we registered an impairment loss in the 12V lithium-ion battery business, the recording of the sale of non-current assets and gains on the sale of investment securities led to an increase in profit attributable to owners of parent.

1. Net Sales, Profits

(Billion yen)

	FY2021	FY2022	Change	(YoY%)	[Reference] Nov. 2022 forecast
Net sales	432.1	Record 517.7	+85.6	(+19.8%)	520.0
Operating income	22.7	Record 31.5	+8.8	(+39.0%)	28.0
(Operating income ratio)	5.2%	6.1%	+0.9P		5.4%
Operating income before amortization of goodwill	23.9	Record 32.1	+8.2		29.0
(Operating income ratio before amortization of goodwill)	5.5%	6.2%	+0.7P		5.6%
Ordinary income	24.7	24.2	-0.5	(-1.9%)	28.0
Extraordinary income	2.4	6.9	+4.5		-
Extraordinary loss	7.8	4.0	-3.8		-
Profit before income taxes	19.2	27.1	+7.9		-
Income taxes	6.7	8.6	+1.9		-
Profit attributable to non-controlling interests	4.1	4.6	+0.5		-
Profit	8.5	Record 13.9	+5.4	(+64.5%)	12.0
(Profit ratio)	2.0%	2.7%	+0.7P		2.3%
Profit before amortization of goodwill	9.5	14.4	+4.9		13.0
(Profit ratio before amortization of goodwill)	2.2%	2.8%	+0.6P		2.5%
Domestic lead price quote (¥10,000/t)	31.64	34.66	+3.02		34.0
LME (US$/t)	2,283	2,105	-178		1,950
Exchange rate (¥/US$)	113.04	136.00	+22.96		142.5
Annual dividend (¥/share)	¥50	¥50 (Plan)	±¥0		¥50 (Plan)
Purchase of treasury stock	-	-	-		-
Total return ratio	42.4%	27.9%	-14.5P		-
Return on equity (ROE)	4.6%	6.5%	+1.9P		-
Return on invested capital (ROIC)	9.7%	11.4%	+1.7P		-

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.

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We registered 517.7 billion yen in net sales in fiscal year 2022, a year-on-year increase of 85.6 billion yen.

We registered 31.5 billion yen in operating income, a year-on-year increase of 8.8 billion yen.

We registered 32.1 billion yen in operating income before the amortization of goodwill, a year-on-year increase of 8.2 billion yen.

On the other hand, a deterioration in the share of profit from entities accounted for using the equity method, translated into an ordinary income result of 24.2 billion yen, more or less in line with last year's results.

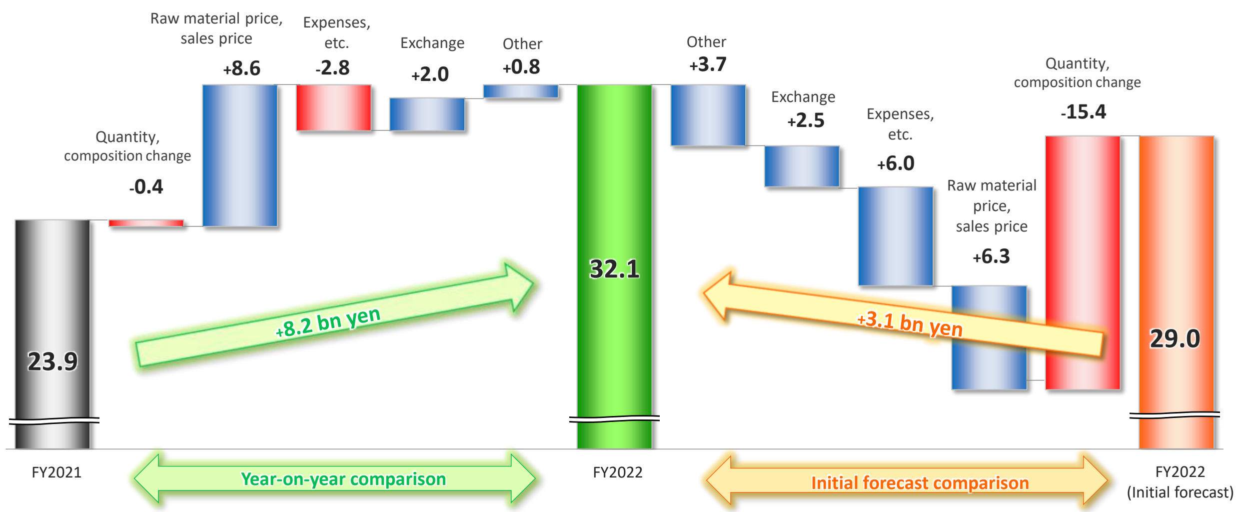
We registered 13.9 billion yen in profit, a year-on-year increase of 5.4 billion yen.

We registered 14.4 billion yen in profit before the amortization of goodwill, a year-on-year increase of 4.9 billion yen.

Net sales, operating income, and profit all achieved new record highs.

1. Net Sales, Profits

Factors for Operating Income Change (Year-on-year / Initial forecast comparison)



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

Shown here are the factors for operating income change.

While surging raw material prices had a negative impact, we made good progress in revising prices and consequently raw material price and sales price made a positive contribution to operating income of 8.6 billion yen.

On the other hand, expenses, etc., made a negative contribution of 2.8 billion yen, resulting primarily from an increase in costs proportional to a sales increase of lithium-ion batteries for hybrid electric vehicles.

A weaker yen had a positive impact of 2 billion yen.

Additionally, realized results exceeded the initial forecast in fiscal year 2022 by 3.1 billion yen.

While quantity - primarily overseas - had a negative impact, we made progress in revising sales prices, rationalized expenses, and registered positive exchange rate effects from a weaker yen.

These factors allowed us to grow operating income.

1. Net Sales, Profits

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Factors for Non-operating Income / Loss and Extraordinary Income / Loss Change (Year-on-year comparison)

(Billion yen)

	FY2021	FY2022
Operating income	22.7	31.5
Non-operating income	4.0	2.4
Non-operating loss	2.0	9.6
Ordinary income	24.7	24.2
Extraordinary income	2.4	6.9
Extraordinary loss	7.8	4.0
Net income before income taxes	19.2	27.1

- Interest expenses -3.3 billion yen (Converting our site in Turkey into a consolidated subsidiary and increase in interest-bearing debt)
- Share of loss of entities accounted for using equity method -2.8 billion yen (Of which, losses due to business restructuring -5.1 billion yen)
- Foreign exchange losses -1.7 billion yen (Primary due to differential loss due to the depreciation of the Turkish lira)

- Gain on sales of non-current assets +2.9 billion yen (Sale of idle assets)
- Gain on sales of investment securities +2.2 billion yen (Reduction of policy shareholdings, etc.)

- Impairment loss -2.9 billion yen (Impairment loss by restructuring 12V LiB business)

Here is the breakdown of non-operating income and loss and extraordinary income and loss.

We registered 31.5 billion yen in operating income, for a year-on-year increase of 8.8 billion yen.

In terms of non-operating expenses, we recorded interest expenses of 3.3 billion yen resulting from the conversion of our site in Turkey into a consolidated subsidiary and an increase in interest-bearing debt.

Additionally, we recorded 2.8 billion yen as share of loss of entities accounted for using the equity method, resulting from business restructuring of our operations in China.

Lastly, we recorded foreign exchange losses of 1.7 billion yen, primarily due to the depreciation of the Turkish Lira.

As such, we registered 24.2 billion yen in ordinary income, a year-on-year decrease of 500 million yen.

With that being said, in terms of extraordinary income we recorded a gain on the sale of non-current assets - from the sale of idle assets - of 2.9 billion yen, and 2.2 billion yen in gains on sales of investment securities, through the reduction of policy shareholdings, etc.

In terms of extraordinary loss, we recorded an impairment loss of 2.9 billion yen by restructuring of the 12V Lithium-ion battery business.

All factors considered, net income before income taxes stood at 27.1 billion yen, for a year-on-year increase of 7.9 billion yen.

2. Segment Results

(Billion yen)

		FY2021 Net sales	FY2021 Operating income (Op. income ratio: %)	FY2022 Net sales	FY2022 Operating income (Op. income ratio: %)	Change Net sales	Change Operating income (Op. income ratio: pp)	[Reference] Nov. 2022 forecast Net sales	[Reference] Nov. 2022 forecast Operating income (Op. income ratio: %)
Auto-motive Batteries	Japan	81.5	5.9 (7.2)	87.8	6.5 (7.5)	+6.3	+0.6 (+0.3)	88.0	5.0 (5.7)
	Overseas	186.7	10.0 (5.3)	247.3	13.3 (5.4)	+60.6	+3.3 (+0.1)	240.0	14.0 (5.8)
Industrial Batteries and Power Supplies		99.5	5.8 (5.8)	99.2	8.8 (8.9)	-0.3	+3.0 (+3.1)	108.0	9.0 (8.3)
Automotive Lithium-ion Batteries		47.6	1.7 (3.5)	65.4	2.0 (3.0)	+17.8	+0.3 (-0.5)	69.0	1.0 (1.4)
Specialized Batteries and Others		16.8	0.6 (3.4)	18.0	1.4 (7.7)	+1.2	+0.8 (+4.3)	15.0	0.0 (-)
Total		432.1	23.9 (5.5)	517.7	32.1 (6.2)	+85.6	+8.2 (+0.7)	520.0	29.0 (5.6)

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

2. Segment Results (Automotive Batteries (Japan))

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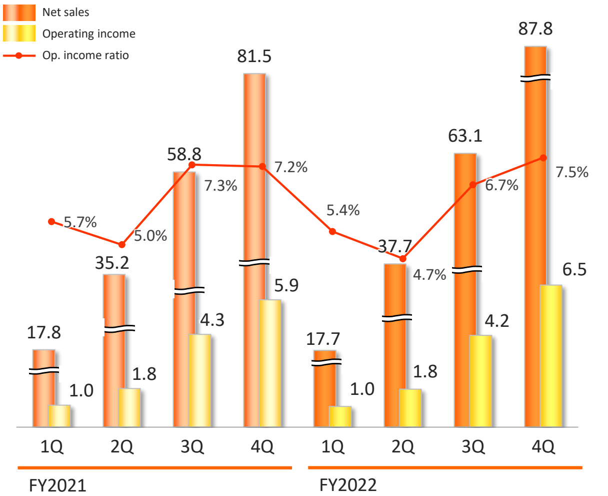
Automotive Batteries (Japan)

Net Sales, Operating income, Op. income ratio (Billion yen)



Sales and profit increased

FY2022 Sales Overview (Apr-Mar)

- [For new automobiles]
  Sales increased because production of new automakers gradually recovered due to mitigation of semiconductor shortage and correction of selling price progressed
- [For replacement]
  Sales increased due to revision of selling price, etc. although sales volume decreased

Profit Change Factors (Apr-Mar)

Quantity, composition change	-1.1	Decrease due to change of sales composition of products
Raw material prices, sales prices	+1.7	Increase due to revision of selling price
Streamlining, expenses, etc.	+0.1	

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

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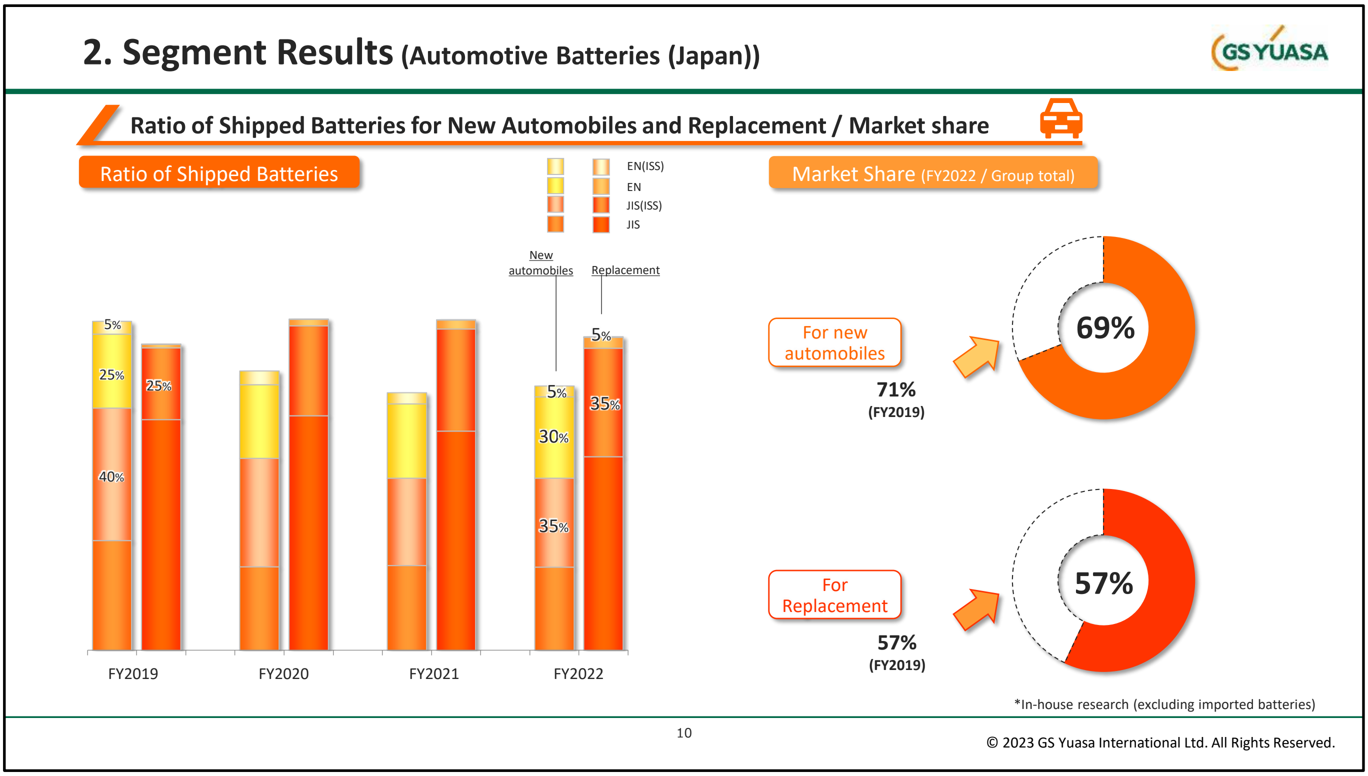
First is the Automotive Battery segment in Japan, which registered 87.8 billion yen in net sales, a year-on-year increase of 6.3 billion yen.

Sales volume of batteries for new automobiles increased because production of new automakers gradually recovered due to mitigation of the semiconductor shortage, and because the correction of selling prices progressed.

While sales volume of batteries for replacement decreased slightly, progress made in the revision of selling prices, etc., translated into an increase in sales.

We registered 6.5 billion yen in operating income, a year-on-year increase of 600 million yen.

While the change of sales composition of products weighed down on operating income, price revisions reflecting surging raw material prices led to an increase in operating income.



Next is GS Yuasa’s ratio of shipped batteries in Japan for new automobiles and for replacement, and its market share.

In terms of the ratio of shipped batteries for new automobiles, due to the impact from the semiconductor shortage, sales quantity has decreased compared to pre-COVID-19, fiscal year 2019 levels.

With that being said, the ratio of European Standard-compliant (abbreviated as "EN") batteries continues a steady climb.

In the market of replacement batteries, the share of batteries for start and stop vehicles - which are high value-added batteries - continues a steady climb, and at the same time, we are also gradually seeing an increase in replacement demand for EN batteries.

2. Segment Results (Automotive Batteries (Overseas))

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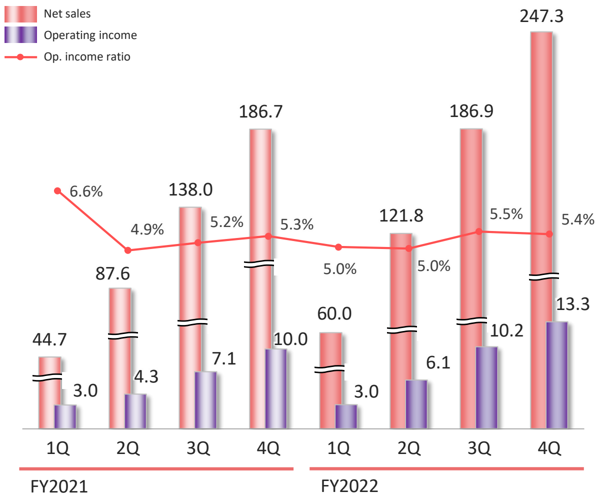
Automotive Batteries (Overseas)

Sales and profit increased

Net Sales, Operating income, Op. income ratio (Billion yen)



FY2022 Sales Overview (Apr-Mar)

- [Southeast Asia]
  Sales volume of automotive batteries performed well although batteries for motorcycles decreased
- [China]
  Sales volume of automotive batteries decreased due to the impact of Zero-COVID policy
- [Europe]
  Sales volume increased due to consolidation of Turkish site
- [Raw materials and foreign exchanges]
  Sales increased due to revision of selling price accompanied by surging raw material prices and the impact of weaker yen

Profit Change Factors (Apr-Mar)

Quantity, composition change	-3.1	Decrease in sales volume primarily in China
Raw material prices, sales prices	+4.8	Increase due to reflection of selling price of rising cost
Expenses, etc.	-0.3	Increase in distribution costs and electricity expenses, etc.
Exchange	+2.0	Impact of weaker yen

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

Next are the results in the Overseas Automotive Battery segment, which registered 247.3 billion yen in net sales, a year-on-year increase of 60.6 billion yen.

In Southeast Asia, while the sales volume of batteries for motorcycles decreased, sales volume of automotive batteries performed well.

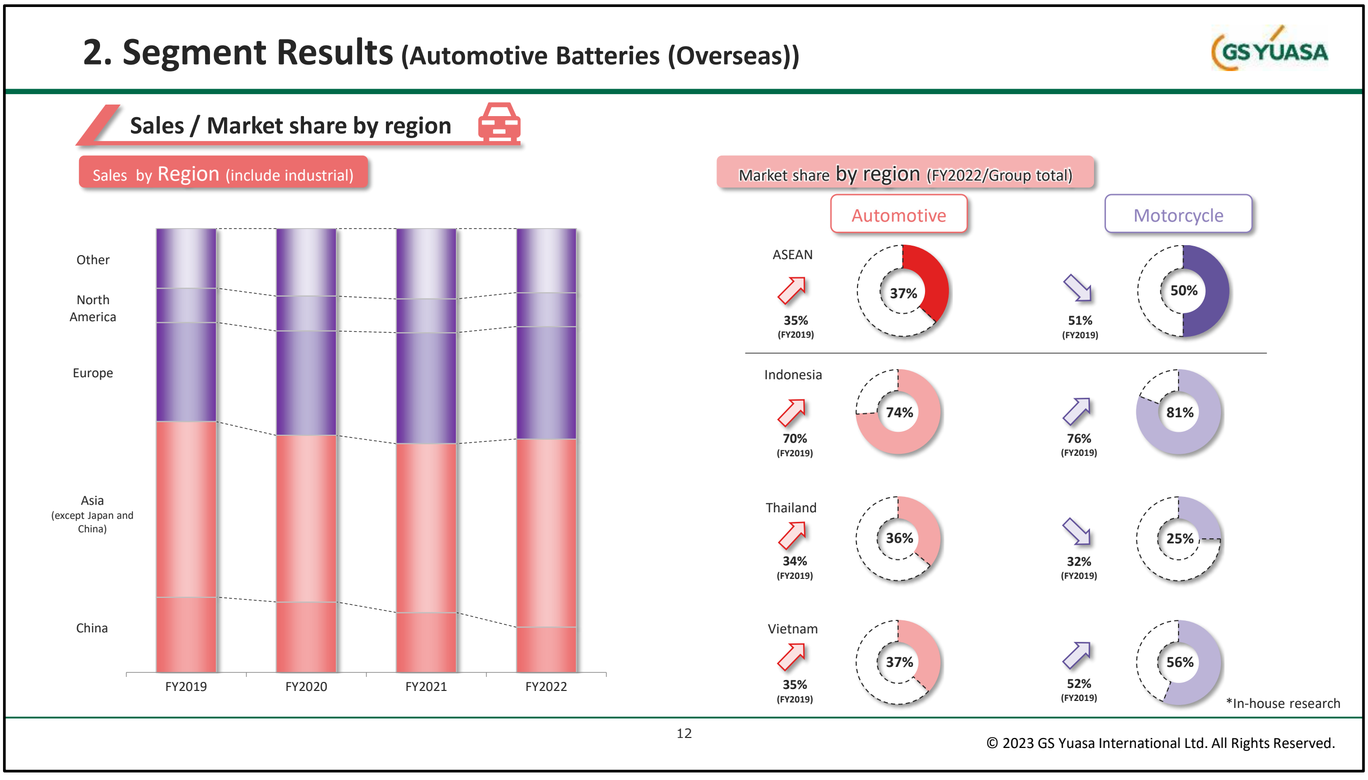
Additionally, our business operations in China continued to struggle due to the impact of the country's Zero-COVID policy.

The consolidation of the site in Turkey was the main reason for this sales increase in fiscal year 2022.

Additionally, sales increased due to the revision of selling prices to reflect surging raw material prices, as well as due to the impact of a weaker yen.

We registered 13.3 billion yen in operating income, a year-on-year increase of 3.3 billion yen.

While we registered negative impact factors in the form of a decrease in sales volume primarily in China, operating income increased year-on-year, thanks to progress in revising selling prices to reflect surging raw material prices, the positive impact of the consolidation of our site in Turkey, and a weaker yen.



Page 12 discusses sales and market share by region globally, in the Overseas Automotive Battery segment, as well as the ratio of shipped batteries in ASEAN - where GS Yuasa has a significant presence.

As you can see, globally, the sales share for the ASEAN region continues on an upward trend, growing with each passing year.

GS Yuasa aims to maintain a high market share in ASEAN, while at the same time working toward further profitability improvements through the introduction of new products and optimal production systems.

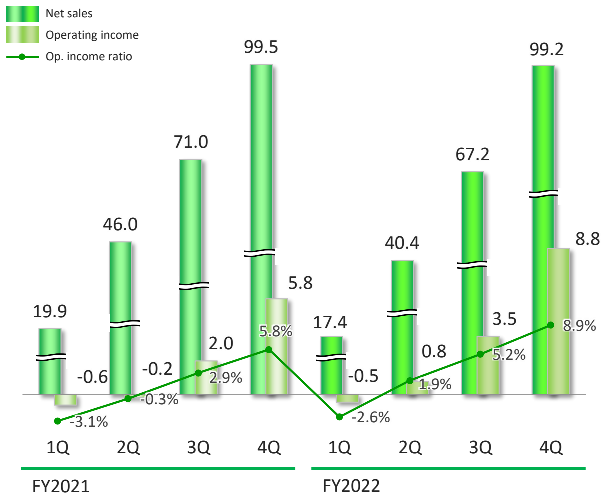
Additionally, we are also seeing an expansion trend in Europe, resulting from the consolidation of our site in Turkey.

Lastly, our market share in China decreased as a result of the impact of the country’s Zero-COVID policy and increased levels of competition.

2. Segment Results (Industrial Batteries and Power Supplies)

Industrial Batteries and Power Supplies

Net Sales, Operating income, Op. income ratio (Billion yen)



Sales declined, profit increased

FY2022 Sales Overview (Apr-Mar)

- [Emergency field (Japan)]
  Sales of backup batteries and power supplies increased primarily for government agencies due to increase in sales volume and revision of selling price
- [Regular field (Japan)]
  Sales of lithium-ion batteries for business offices and grid connection are increasing although supply of lithium-ion batteries for grid connection for large wind power generation in Hokkaido completed in the previous fiscal year and sales decreased
- [For forklifts (Global)]
  Sales volume progressed well

Profit Change Factors (Apr-Mar)

Quantity, composition change	+1.8	Impact of project of wind power generation in Hokkaido in the previous fiscal year
Raw material prices, sales prices	+0.9	Increase due to revision of selling price
Streamlining, expenses, etc.	+0.3	Decrease in distribution costs, etc.

Next are the results in the Industrial Battery and Power Supply segment, which registered 99.2 billion yen in net sales, a year-on-year decrease of 300 million yen.

While we registered delays in the delivery of components for backup batteries and power supplies, sales increased, primarily for government agencies, due to an increase in sales volume and the revision of selling prices.

The supply of lithium-ion batteries for grid connection for the large wind power generation project in Hokkaido was completed in the previous fiscal year, leading to a decrease in sales.

However, sales of lithium-ion batteries for business offices and grid connection are increasing, in part due to an increase in demand for solutions toward carbon neutrality.

Lastly, sales volume of batteries for forklifts - both new and for replacement - progressed well.

We registered 8.8 billion yen in operating income, a year-on-year increase of 3 billion yen.

The end of the supply of lithium-ion batteries for grid connection for the large wind power generation project in Hokkaido, had a positive impact on operating income.

We will be recouping the initial costs associated with this project, over a twenty-year period starting in fiscal year 2023 and beyond, through upkeep and maintenance fees.

An increase in selling prices reflecting surging raw material prices also had a positive impact on operating income.

2. Segment Results (Industrial Batteries and Power Supplies)

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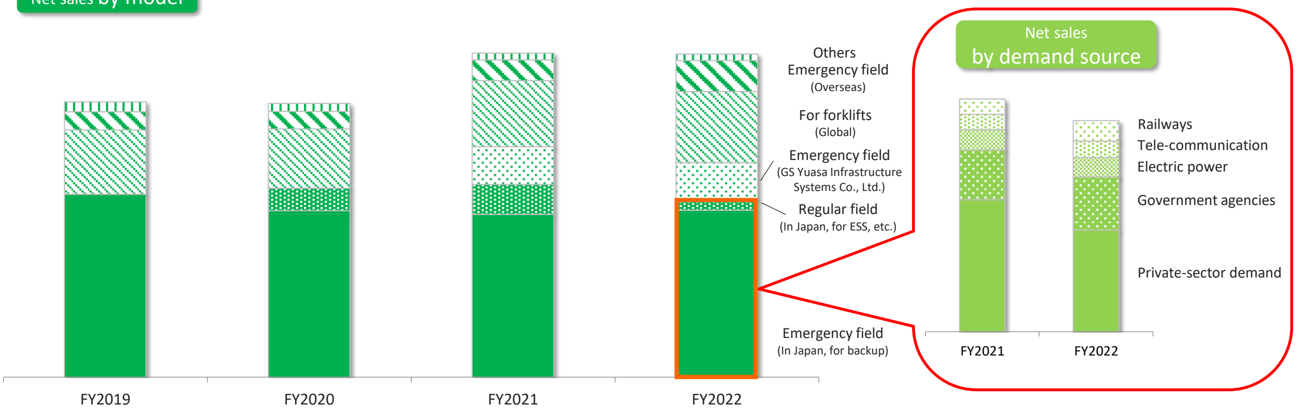
Net sales by model and demand source

Net sales by model



Some consolidated subsidiaries in the automotive batteries (overseas) business were transferred

Supplied world-class storage battery facilities (FY2020/2021)

*Image

Acquired social infrastructure business from Sanken Electric Co., Ltd. (GS Yuasa Infrastructure Systems Co., Ltd.)

Note: As of FY2022, subsegments of this segment were changed and "For forklifts" in "Overseas" was changed to "For forklifts (global)." Therefore, subsegments of FY2019-2021 were restated according to the modified subsegments.

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Next are net sales by model and demand source in the Industrial Battery and Power Supply segment.

Sales increased domestically in the emergency field, primarily centered around government agencies.

While supply of batteries for the large wind power generation project in Hokkaido has ended, we forecast a significant expansion for batteries in the regular field, such as batteries for ESS, thanks to government subsidies and an increase in demand for carbon-neutral solutions on the part of companies.

2. Segment Results (Automotive Lithium-ion Batteries)

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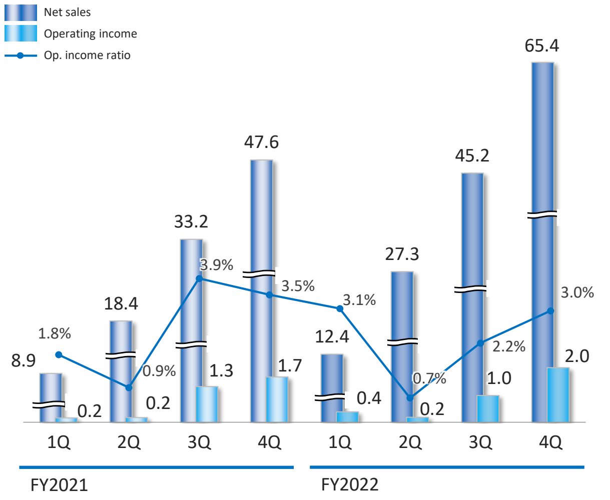
Automotive Lithium-ion Batteries

Net Sales, Operating income, Op. income ratio (Billion yen)



Sales and profit increased

FY2022 Sales Overview (Apr-Mar)

- [For HEVs]
  Sales increased due to increase in sales volume and revision of selling price accompanied by surging raw material prices, etc.
- [For PHEVs]
  Sales increased due to revision of selling price accompanied by surging raw material prices, etc. although sales volume decreased due to the impact of semiconductor shortage

Profit Change Factors (Apr-Mar)

Quantity, composition change	+2.0	Increase in sales of LiB for HEVs
Raw material prices, sales prices	+1.2	Increase due to revision of selling price
Streamlining, expenses, etc.	-2.9	Increase in cost accompanied with operation of BEC No.2 plant and R&D cost of BEVs

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Next are the results in the Automotive Lithium-ion battery segment, which registered 65.4 billion yen in net sales, a year-on-year increase of 17.8 billion yen.

Sales volume of lithium-ion batteries for hybrid electric vehicles increased, and sales increased due to the revision of selling prices accompanied by surging raw material prices.

Blue Energy's No.2 Plant has started operations in earnest and this made a contribution to a sales volume expansion.

On the other hand, while sales volume of lithium-ion batteries for plug-in hybrid electric vehicles decreased slightly due to the impact of the semiconductor shortage, sales increased due to the revision of selling prices to reflect surging raw material prices.

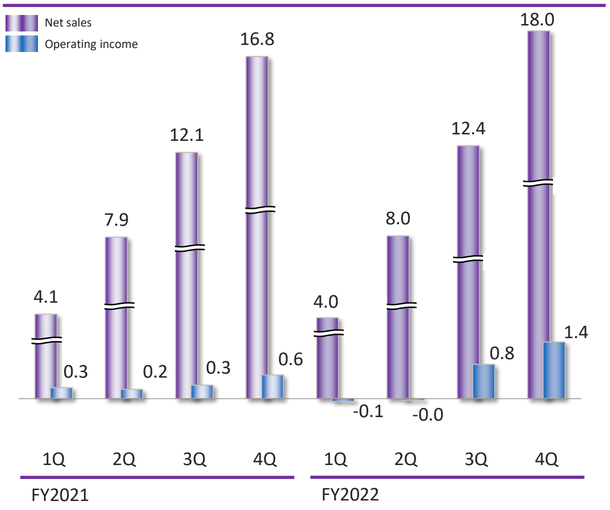
We registered 2 billion yen in operating income, a year-on-year increase of 300 million yen.

Despite an increase in depreciation resulting from the start of operations at Blue Energy's No.2 Plant and an increase in R&D costs associated with batteries for BEVs, we were nevertheless able to deliver an increase in operating income.

2. Segment Results (Specialized Batteries and Others)

Specialized Batteries and Others

Net Sales, Operating income (Billion yen)



Sales and profit increased

FY2022 Sales Overview (Apr-Mar)

- [Lithium-ion batteries for submarines]
  Supply trial products of lithium-ion batteries for next-generation submarines
- [Lithium-ion batteries for aircrafts]
  Sales volume of batteries for airlines (for replacement) primarily increased

Profit Change Factors (Apr-Mar)

Profit increased due to sales increase in batteries for airlines (for replacement) and decrease in expenses

Next are the results in the segment of Specialized Batteries and Others.

Regarding lithium-ion batteries for submarines, we supplied trial products of lithium-ion batteries for next-generation submarines.

Additionally, regarding lithium-ion batteries for aircrafts, sales volume of batteries for airlines - for replacement - primarily increased.

An increase in sales of replacement batteries for airlines and a decrease in expenses at headquarters and administration translated into an increase in operating income.

3. Balance Sheet

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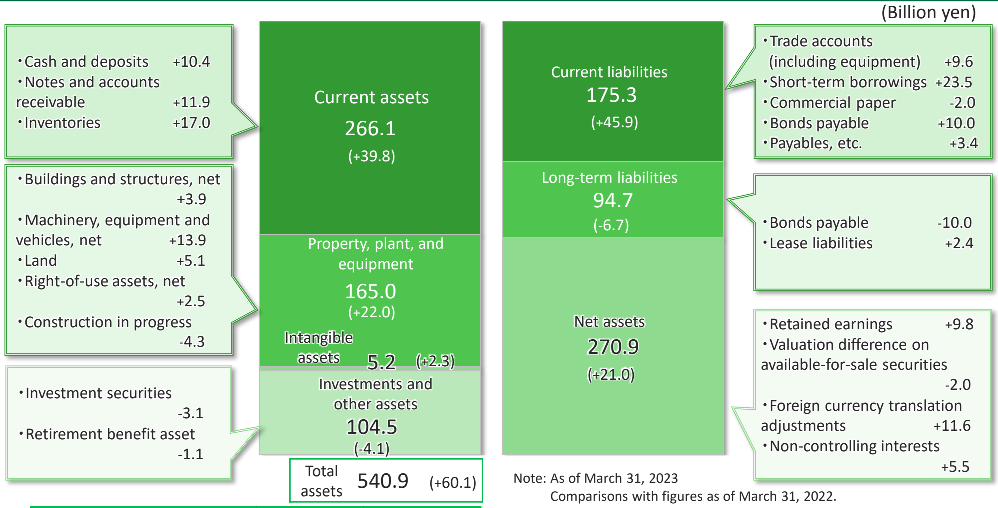

	3/31/2022	3/31/2023
Equity ratio	44.8%	42.6%
ROE (return on equity)	4.6%	6.5%
Total borrowings	¥82.5bn	¥103.7bn

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Next is the balance sheet as of March 31st, 2023.

Total assets stood at 540.9 billion yen, a year-on-year increase of 60.1 billion yen.

The consolidation of the site in Turkey had an impact of approximately 28 billion yen.

In terms of the breakdown, current assets increased by 39.8 billion yen, on account of an increase in notes and accounts receivable and in inventories.

Additionally, property, plant, and equipment increased by 22 billion yen, with the main factor being Blue Energy's No.2 Plant.

Investment and other assets decreased by 4.1 billion yen, primarily on account of the sale of policy shareholdings.

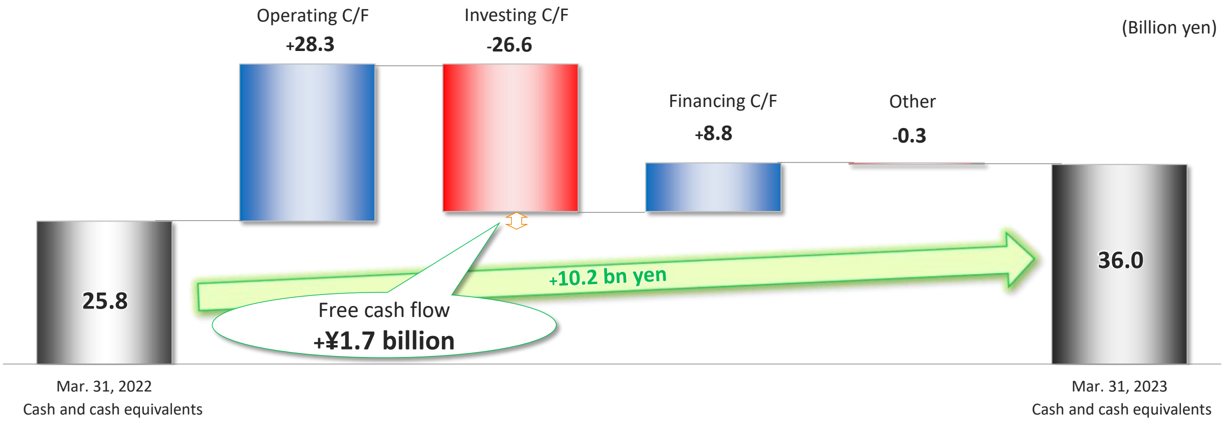
In terms of liabilities, current liabilities increased by 45.9 billion yen and overall, interest-bearing debt has increased.

Total borrowings as of March 31st, 2023 stood at 103.7 billion yen, for an increase of just over 20 billion yen compared to the previous fiscal year.

Net assets increased by 21 billion yen.
This was due to an increase in retained earnings and foreign currency translation adjustments resulting from a weaker yen.

Ultimately, the equity ratio decreased by approximately 2 percentage points, but remains at a stable level of 42.6%.
ROE is on an upward trend thanks to an increase in profit.

4. Cash Flow Statements



Highlights

- Operating cash flow improved significantly from ¥12.9 billion in the previous fiscal year and totaled ¥28.3 billion because of ensuring ¥27.1 billion profit before income taxes
- Investing cash flow came to -¥26.6 billion due to capital investment for BEC No.2 plant, etc.
- Free cash flow came to +¥1.7 billion and allocated to shareholder returns, etc. and conducting borrowing

Next is the cash flow statement for fiscal year 2022.

Cash and cash equivalents as of March 31st, 2023 stood at 36 billion yen, a year-on-year increase of 10.2 billion yen.

Because of ensuring 27.1 billion yen in profit before income taxes, operating cash flow improved significantly from 12.9 billion yen in the previous fiscal year, and stood at 28.3 billion yen.

Investing cash flow came to negative 26.6 billion yen due to capital investment for Blue Energy’s No.2 Plant.

Free cash flow came to 1.7 billion yen and, together with borrowings, it was allocated to shareholder returns.

5. Capital Investment, Depreciation, R&D Costs

(Billion yen)

		FY2021	FY2022	Change
Capital Investment		28.6	32.8	+4.2
Automotive Batteries	Japan	3.8	2.8	-1.0
	Overseas	5.3	11.0	+5.7
Industrial Batteries and Power Supplies		1.3	4.3	+3.0
Automotive Lithium-ion Batteries		11.0	7.2	-3.8
Others		7.2	7.7	+0.5
Depreciation		16.8	21.0	+4.2
Automotive Lithium-ion Batteries		3.1	4.1	+1.0
R&D Costs		12.4	12.6	+0.2
(Ratio of R&D expenses to net sales)		2.9%	2.4%	-0.5P

Major capital investment projects

- Increase due to consolidation of Turkish site and investment for increased production in Thailand site
- Introduction of the latest equipment in Industrial Batteries and Power Supplies business

Capital investment stood at 32.8 billion yen, for a year-on-year increase of 4.2 billion yen.

We registered an increase in capital investment projects, primarily in the Overseas Automotive Battery segment, namely the consolidation of the site in Turkey and investment for increased production in the Thailand site.

We also saw the introduction of the latest equipment in the Industrial Battery and Power Supply segment.

In the Automotive Lithium-ion battery segment, investment in Blue Energy's No.2 Plant has decreased from fiscal year 2021 levels.

Depreciation increased as a result of the start of operations at Blue Energy's No.2 Plant.

R&D costs increased slightly as a result of measures to enhance R&D related to lithium-ion batteries, such as the establishment of the BEV Battery Development Department and research into all-solid-state batteries.

Creating the Future of Energy

FY2023 Financial Forecast & Initiatives

Point of FY2023 Financial Forecast

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FY2023 Financial Forecast (Apr. – Mar.)

	FY2022 Actual	**FY2023 Forecast**	Difference	Change
Net sales	517.7 billion yen	**580.0** billion yen	+62.3 billion yen	+12.0 %
Operating income	31.5 billion yen	**33.0** billion yen	+1.5 billion yen	+4.8 %
Operating income before amortization of goodwill	32.1 billion yen	**34.0** billion yen	+1.9 billion yen	+6.0 %
Ordinary income	24.2 billion yen	**27.0** billion yen	+2.8 billion yen	+11.5 %
Profit	13.9 billion yen	**14.0** billion yen	+0.1 billion yen	+0.5 %
Profit before amortization of goodwill	14.4 billion yen	**15.0** billion yen	+0.6 billion yen	+3.9 %

Forecast of FY2023

- In projections for the business environment, we expect the situation of uncertainty, particularly in the first half, to continue because of the continuing inflation. However, we perceive ongoing expansion for the business activities toward the realization of carbon neutrality.
- As the initial year for the Sixth Medium-term Management Plan, we aim to secure revenues through increasing sales volume of batteries for HEVs or regular field such as ESS, promoting measures to revise sales prices and measures to cut costs in response to various cost rises.

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Regarding the outlook for fiscal year 2023, in projections for the business environment, we expect the situation of uncertainty, particularly in the first half, to continue because of continuing inflation globally.

However, toward the realization of carbon neutrality, we are confident GS Yuasa's domains of mobility and public infrastructure will continue to see an expansion.

In addition to starting long-term initiatives toward achieving Vision 2035 - which we announced in April - as the initial year for the Sixth Mid-Term Management Plan, we aim to grow revenue and profit through increasing sales volume of batteries for hybrid electric vehicles, and in the regular field, such as ESS, and by carrying out measures to revise sales prices and measures to cut costs in response to various cost rises such as in the price of raw materials and infrastructure costs.

1. Net Sales, Profits Forecast

(Billion yen)

	FY2022 Actual	FY2023 Forecast	Change	(YoY%)
Net Sales	517.7	580.0	+62.3	(+12.0%)
Operating income	31.5	33.0	+1.5	(+4.8%)
(Operating income ratio)	6.1%	5.7%	-0.4P	
Operating income before amortization of goodwill	32.1	34.0	+1.9	
(Operating income ratio before amortization of goodwill)	6.2%	5.9%	-0.3P	
Ordinary income	24.2	27.0	+2.8	(+11.5%)
Profit	13.9	14.0	+0.1	(+0.5%)
(Profit ratio)	2.7%	2.4%	-0.3P	
Profit before amortization of goodwill	14.4	15.0	+0.6	
(Profit ratio before amortization of goodwill)	2.8%	2.6%	-0.2P	
Domestic lead price quote	¥346,600/t	¥346,000/t	-¥600/t	
LME	$US 2,105/t	$US 2,100/t	-$US 5/t	
Exchange rate	¥136.00/$US	¥135.0/$US	-¥1.00/$US	
Dividend	50 yen/share(plan)	50 yen/share(forecast)	±0 yen/share	
Purchase of treasury stock (amount planned for the next fiscal year)	-	-	-	
Total return ratio	27.9%	-	-	
ROE (return on equity)	6.5%	6.3%	-0.2P	
Return on invested capital (ROIC)	11.4%	11.5%	+0.1P	

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.

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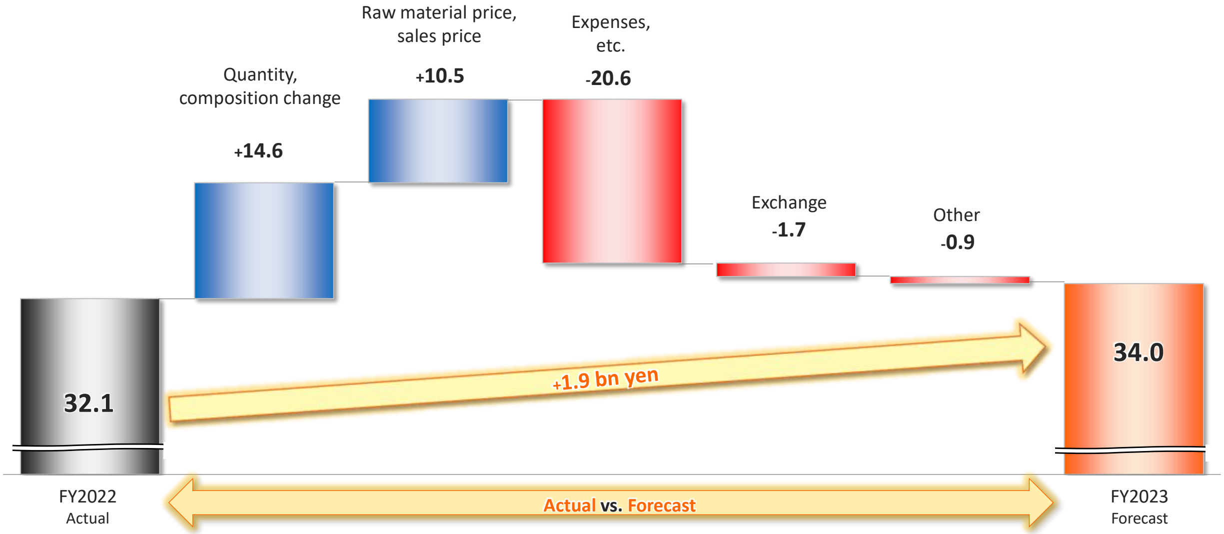
Regarding the consolidated results for fiscal year 2023, as the initial year for the Sixth Mid-Term Management Plan and of Vision 2035, we are forecasting 580 billion yen in net sales, 33 billion yen in operating income, 34 billion yen in operating income before amortization of goodwill.

We are therefore aiming for new records.

1. Net Sales, Profits Forecast

Factors for Operating Income Change (Actual vs. Forecast)

(Billion yen)



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

We forecast 34 billion yen in operating income before the amortization of goodwill, for a year-on-year increase of 1.9 billion yen.

This is primarily due to a forecasted positive impact of 14.6 billion yen from change in quantity and composition of change, resulting from a recovery in the sale of batteries for new automobiles and an easing in delays of components for batteries in the Industrial Battery and Power Supply segment.

Additionally, progress in reflecting higher raw material prices and reviewing sales prices is expected to make a positive operating income impact of 10.5 billion yen.

We expect expenses to weigh down on operating income by 20.6 billion yen, primarily due to an increase in expenses proportional to an increase in sales quantity.

In terms of other expenses, we also forecast an increase in energy, distribution, and personnel expenses.

Regarding the exchange rate, the weakening of the Japanese yen has slowed down somewhat, so we forecast this as a factor weighing down on operating income by 1.7 billion yen.

2. Segment Results Forecast

(Billion yen)

		FY2022 Actual		FY2023 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	87.8	6.5 (7.5)	94.0	5.5 (5.9)	+6.2	-1.0 (-1.6)
	Overseas	247.3	13.3 (5.4)	252.0	15.0 (6.0)	+4.7	+1.7 (+0.6)
Industrial Batteries and Power Supplies		99.2	8.8 (8.9)	111.0	9.0 (8.1)	+11.8	+0.2 (-0.8)
Automotive Lithium-ion Batteries		65.4	2.0 (3.0)	103.0	4.0 (3.9)	+37.6	+2.0 (+0.9)
Specialized Batteries and Others		18.0	1.4 (7.7)	20.0	0.5 (2.5)	+2.0	-0.9 (-5.2)
Total		517.7	32.1 (6.2)	580.0	34.0 (5.9)	+62.3	+1.9 (-0.3)

Assumption of financial forecast (Apr. – Mar.)

- Production of automobiles is expected to increase due to mitigation of semiconductor shortage
- Regarding trends in lead price, LME is progressing stable but domestic lead prices are expected to remain high due to the impact of yen depreciation (LME:2,105US$/t ⇒2,100US$/t、 Domestic basis of lead price:¥346,600/t ⇒¥346,000/t)
- Regarding foreign exchanges, the yen is expected to continue to weaken (¥136.00/US$ ⇒ ¥135.00/US$)
- Continue to revise selling price due to rising raw material price, etc.

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

I will be going over the details for each segment starting on the next page.

Before that, allow me to go over the assumptions behind the financial forecast.

Production of automobiles is expected to increase due to mitigation of semiconductor shortages.

Regarding trends in the price of lead - one of the key raw materials in our products - we expect it to remain high in the domestic market, on account of a weaker yen.

Regarding foreign exchange, the yen is expected to continue to weaken.

We intend to continue to revise selling prices to reflect rising raw material and energy prices, and aim to secure profits through adequate pricing.

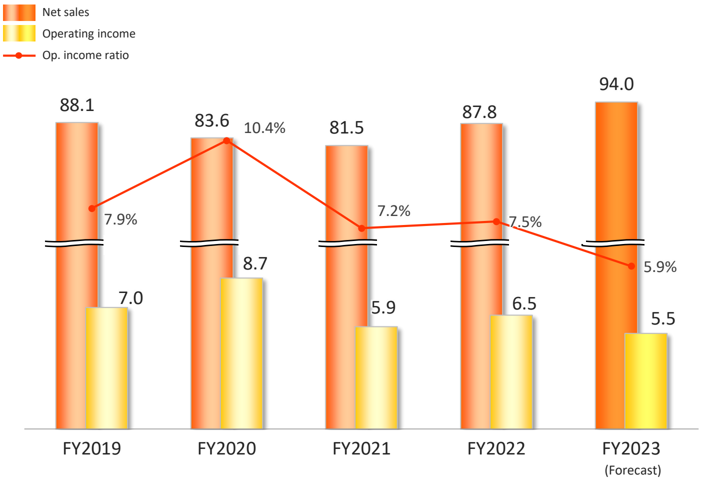
2. Segment Results Forecast (Automotive Batteries (Japan))

GS YUASA

Automotive Batteries (Japan)

Sales will increase, profit will decline

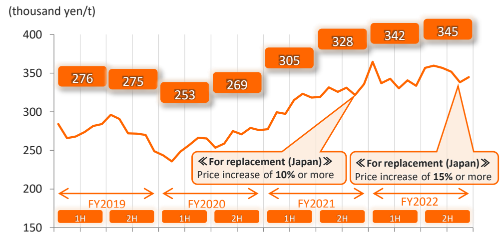
Net Sales, Operating income, Op. income ratio (Billion yen)



FY2023 Forecast of Performance Trends (Apr-Mar)

- [For new automobiles]
  Price pass-through is expected to continue in addition to increase in sales volume due to mitigation of semiconductor shortage impact
- [For replacement]
  Promote price pass-through although sales volume will decrease due to the recovery of new automobiles

Domestic lead acid quote (performance indicators)



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

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In fiscal year 2023, for the Automotive Battery segment in Japan, we expect to realize 94 billion yen in net sales, for a year-on-year increase of 6.2 billion yen.

The operating income forecast is 5.5 billion yen, for a year-on-year decrease of 1 billion yen.

Regarding batteries for new automobiles, we forecast an increase in sales volume due to the mitigation of the impact of semiconductor shortages, and additionally, we expect to continue carrying out price pass-throughs.

Regarding batteries for replacement, while we expect sales volume to decrease due to the recovery of new automobiles, we will be promoting price pass-throughs to reflect higher raw material and energy prices.

While sales of batteries for new automobiles are expected to increase, we expect a decrease in batteries for replacement.

Consequently, we expect a worsening of the product mix to translate into a year-on-year decrease in profits.

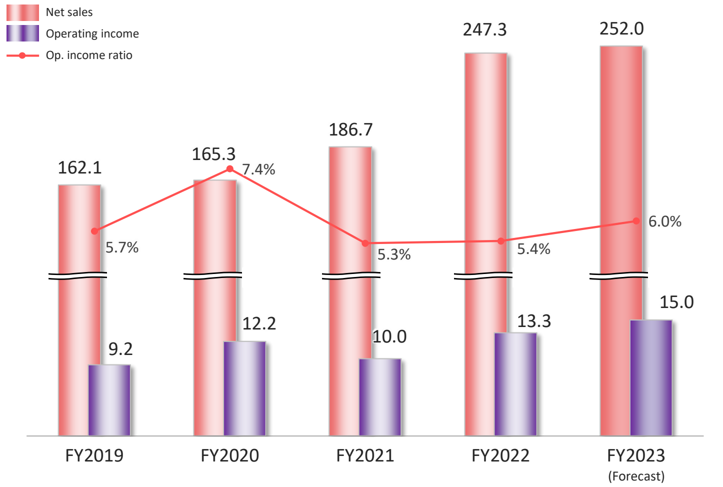
2. Segment Results Forecast (Automotive Batteries (Overseas))

GS YUASA

Automotive Batteries (Overseas)

Sales and profit will increase

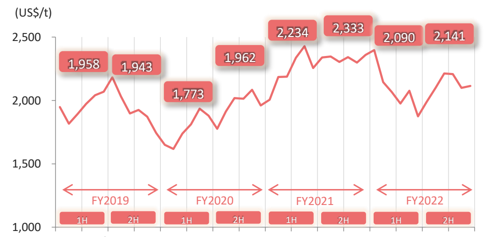
Net Sales, Operating income, Op. income ratio (Billion yen)



FY2023 Forecast of Performance Trends (Apr-Mar)

- [Southeast Asia]
  Sales volume will increase primarily in Thailand and Indonesia
- [China]
  Promote a fundamental review of our business
- [Europe]
  Promote price pass-through although sales volume will decrease

LME (performance indicators)



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

The net sales forecast for the Overseas Automotive Battery segment is 252 billion yen, a year-on-year increase of 4.7 billion yen.

The operating income forecast is 15 billion yen, a year-on-year increase of 1.7 billion yen.

In our main market of Southeast Asia, we expect sales volume will increase, primarily in Thailand and Indonesia.

In China, we will promote a fundamental review of our business.

In Europe, while we expect lower sales volume due to the impact of inflation, we will be promoting price pass-throughs.

2. Segment Results Forecast (Automotive Batteries)

GS YUASA

Strategies of Automotive Batteries Business

Southeast Asia

In Thailand

Strengthen as the second value-added supply base after Japan, including exports to the Mekong Economic Zone

Thailand — Sales volume: FY2023 4.5 million units / year ▷ FY2025 **5 million units / year**

In Indonesia

Prepare as a core base for motorcycle supply

- Launch of new model line
- Promote rationalization (Automation of production lines, etc.)

In Vietnam

Maintain and expand automotive and motorcycle business and differentiate from competitors

- Start-up equipment for improving production efficiency

Japan

Improvement of profitability through setting appropriate selling prices

For new automobiles

Contract to adjust selling prices reflecting domestic basis of lead price
(Sliding lead price system)

For replacement

Shipped from February 1st, 2023
Lead-acid batteries for automobiles
price increase of **15% or more**

Reflect rising infrastructure costs, logistics costs, etc. in addition to lead price to selling price of batteries for new automobiles and replacement

China

Promote fundamental review of business

Next are the strategies of the Automotive Battery Business by region.

In Japan, for both batteries for new automobiles and for replacement, we will promote a profitability improvement through the execution of adequate price revisions.

Regarding batteries for new automobiles, we had already adopted a sliding price system to adjust contract selling prices reflecting the price of lead.

Regarding batteries for replacement, we announced a price increase of 15% or more for lead-acid batteries for automobiles shipped from February 1st, 2023.

While the price of lead, which is a raw material used in our products, has been rising, so have energy and logistics costs.

We will seek to reflect these increases into sales prices to improve profitability.

Overseas, in our main markets of Southeast Asia, we will concentrate management resources in Thailand as a supply base, carrying out exports to the Mekong Economic Zone, which includes countries like Cambodia and Laos.

Additionally, we will position Indonesia as a core base for motorcycle supply, and expand our automotive and motorcycle business to Vietnam, where motorization continues to progress.

In China, as announced in the Sixth Mid-Term Management Plan, we will be promoting the fundamental review of business.

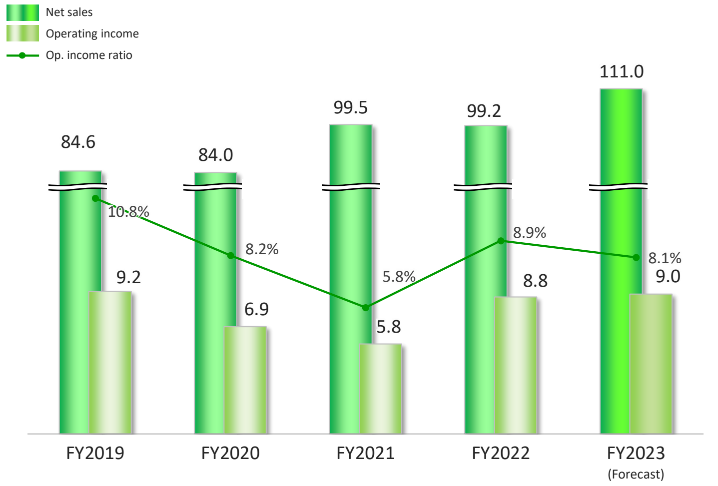
We will share any new developments with stakeholders during the Company's financial results briefing or through other avenues.

2. Segment Results Forecast (Industrial Batteries and Power Supplies)

GS YUASA

Industrial Batteries and Power Supplies | **Sales and profit will increase**

Net Sales, Operating income, Op. income ratio (Billion yen)



FY2023 Forecast of Performance Trends (Apr-Mar)

- [Emergency field (Japan)]
  Increase in sales volume due to recovery in private demand and improvement in long delivery times for components, revision of selling price increase are expected
- [Regular field (Japan)]
  Sales of ESS for renewable energy will increase due to increase in project of subsidies
- [For forklifts (Global)]
  In Japan, revision of selling price is expected
  Overseas, sales volume will increase

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The net sales forecast for the Industrial Battery and Power Supply segment is 111 billion yen, for a year-on-year increase of 11.8 billion yen.

The operating income forecast is 9 billion yen, a year-on-year increase of 200 million yen.

Regarding the emergency field in Japan, we expect a recovery in private demand, for example, demand from data centers, as well as an improvement in long delivery times for components and the revision of selling prices.

We expect these factors to translate into a sales volume increase.

Regarding the regular field in Japan, we expect an increase in subsidy projects - toward achieving carbon neutrality - translating into an increase in sales of ESS.

Regarding batteries for forklifts globally, in Japan, revision of selling prices is expected, and overseas, sales volume is expected to increase.

We face great competition in the regular field, with lower profit margins compared to the emergency field.

However, we started “Koto-zukuri,” that is, service creation businesses, such as our STARELINK service, and we will be building a business model generating profit over a long period of time.

Fiscal year 2023 will mark the start of maintenance and replacement of the lithium-ion batteries for grid connection for the large wind power generation project in Hokkaido, which were delivered in 2020 and 2021.

Going forward, we will be expanding this type of business model.

2. Segment Results Forecast (Industrial Batteries and Power Supplies)

Strategies of Regular Field

FY2023 Estimated Budget for Renewable Energies

- **Project to accelerate the introduction of renewable energy through the introduction of grid storage batteries, etc. and rationalization of the power distribution network, etc.**

  Accelerate introducing renewable energies in order to achieve carbon neutrality in 2050

  Business overview

  ① Support for introduction of grid storage batteries, etc.
  ② Support for planning and demonstration
  ③ Community symbiosis-type renewable energy commendation project

  FY2023 Budget request **10 billion yen**

- **Subsidy to promote demand-side-led introduction of solar power generation**

  Promote the expansion of introduction through a demand-side-driven introduction model because the use of renewable energy is required for business activities, such as RE100.

  Business overview

  Support for installation of solar power generation equipment when demand-side who wish to use renewable energy and install solar power generation equipment on their own and conclude a long-term contract for its use ⇒ Support will be expanded to storage batteries combined facilities from FY2023.

  FY2023 Budget request **16.5 billion yen**

Source: Ministry of Economy, Trade and Industry, "Outline of FY2023 Request for Estimates of Natural Resources and Energy"

Growing importance of storage batteries

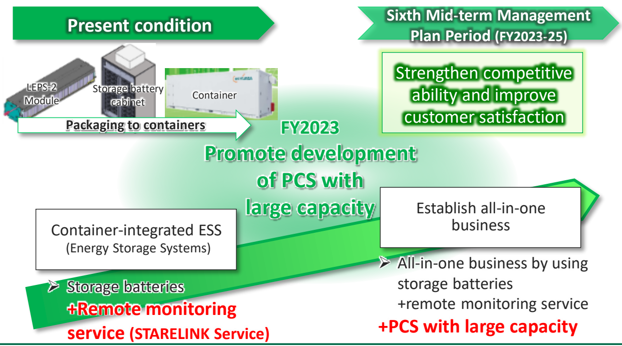
For achieving carbon neutrality in 2050, the importance of energy storage systems (ESS) is increasing.

Subsidies related to renewable energies are expanding on the demand-side, grid connection, etc.

Utilize expanding opportunities

Regular field

Increase capacity approx. **3 times** (compared to FY2022)
(Capacity target approx. 300MWh)



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Next are the strategies for the regular field, which we intend to expand significantly, as outlined in Vision 2035.

The Japanese government has plans to distribute subsidies related to carbon neutrality this fiscal year, as well.

A project to accelerate the introduction of renewable energy through the introduction of grid storage batteries, etc., and the rationalization of the power distribution network, etc. will be awarded 10 billion yen in subsidies.

Additionally, 16.5 billion yen in subsidies have been allocated to the promotion of demand-side-led introduction of solar power generation.

In addition to government policy and initiatives, there has also been an acceleration in terms of initiatives toward carbon neutrality on the part of private companies, with greater importance on energy storage systems.

GS Yuasa seeks to leverage these opportunities, and have therefore set ourselves a sales target of 300 MWh, which is approximately three times the capacity in the previous fiscal year.

In addition to the sale of products, like our container-integrated ESS, we will also offer clients services like our STARELINK service, and make a contribution as a general energy company.

In fiscal year 2023, we would also like to accelerate the development of large-scale power conditioners, so that we can provide further value to clients.

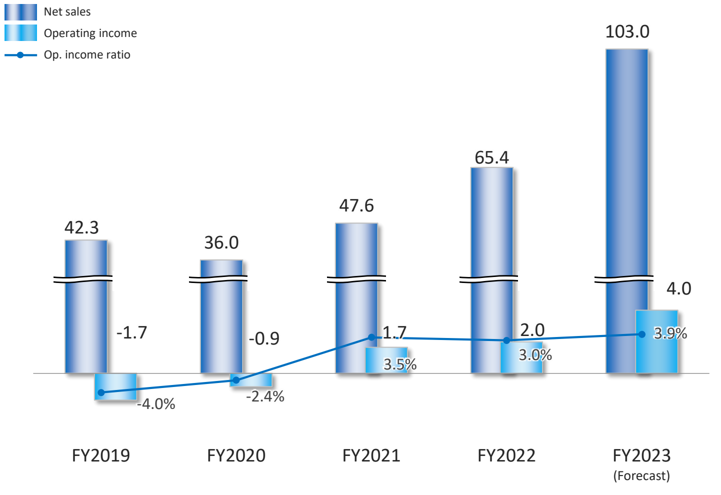
2. Segment Results Forecast (Automotive Lithium-ion Batteries)

GS YUASA

Automotive Lithium-ion Batteries

Sales and profit will increase

Net Sales, Operating income, Op. income ratio (Billion yen)



FY2023 Forecast of Performance Trends (Apr-Mar)

- [For HEVs]
  Sales volume will increase due to easing the semiconductor shortage and the number of car models adopted will increase
- [For PHEVs]
  Sales volume will increase due to easing the semiconductor shortage
- [For BEVs]
  Prepare for establishment of joint venture R&D company with Honda
- [For ESS]
  ESS for renewable energy will increase

30

Next is the Automotive Lithium-ion battery segment, in which net sales are expected to expand significantly this fiscal year.

The net sales forecast is 103 billion yen, a significant year-on-year increase of 37.6 billion yen.

The operating income forecast is 4 billion yen, a year-on-year increase of 2 billion yen.

Regarding batteries for HEVs, we expect sales will increase due to the easing of the semiconductor shortage and an increase in the number of car models adopted.

Similarly, we expect an increase in sales volume for batteries for PHEVs, due to the easing of the semiconductor shortage.

Regarding batteries for BEVs, we are making preparations for the establishment of a joint venture R&D company with Honda Motor.

Lastly, regarding batteries for ESS, we expect an increase in ESS for renewable energy - as I mentioned when discussing the Industrial Battery and Power Supply segment - and we have expectations for an increase in operations at Lithium Energy Japan.

2. Segment Results Forecast (Automotive Lithium-ion Batteries)

Regarding the Signing of a Joint Venture Agreement to Establish New Company, Honda・GS Yuasa EV Battery R&D Co., Ltd.

Overview of new company

Name	Honda・GS Yuasa EV Battery R&D Co., Ltd.
Address	1, Inobanba-cho, Nishinosho, Kisshoin, Minami-ku, Kyoto
Capital	Amount of capital at establishment: 2 billion yen Amount of capital reserve at establishment: 2 billion yen
Investors	GS Yuasa International Ltd. 50%, Honda Motor Co., Ltd. 50%

A broad scope of collaborations

- Research and development of a high-capacity, high-output lithium-ion battery, primarily for EV use, and the required production methods
- Establishment and management of intellectual properties including patents related to the joint research and development
- Planning for products that utilize technologies resulting from the joint research and development, and planning for the required sales channels
- Designing of an efficient production operation including the supply chain for key raw materials

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I would now like to discuss the signing of a joint venture agreement to establish a new company together with Honda Motor Co., Ltd. - as previously announced.

As announced in a joint release issued on January 23rd, GS Yuasa and Honda Motor will be establishing a new company by the name of Honda・GS Yuasa EV Battery R&D Co., Ltd., for the research and development of a high-capacity, high-output lithium-ion battery, primarily for EV use.

The new company is expected to be established during 2023, and is expected to begin operations during the same year.

In terms of investment, this is an entity accounted for using the equity method with a 50% contribution from each party.

2. Segment Results Forecast (Automotive Lithium-ion Batteries)

GS YUASA

Strategy of batteries for BEVs

GS YUASA
HONDA

Investment →
← Payment of dividends, etc.

Honda・GS Yuasa EV Battery R&D

A joint venture company for research and development of a high-capacity, high-output lithium-ion batteries
(Equity method affiliates)

IP (Intellectual Property) licensing →
← Payment of royalties, etc.

Production facility

GS YUASA Blue Energy Image of production capacity

Utilization of subsidies
(Supply Security Plan for Storage Batteries)

Business name	GS Yuasa International Ltd., Honda Motor Co., Ltd., Blue Energy Co., Ltd.		
Total amount	Approx. 434.1 billion yen	Amount of subsidy	Approx. 158.7 billion yen (maximum)
Production scale	20GWh (in Japan)		
Articles	Automotive and stationary lithium-ion batteries		
Contents	Conduct R&D on high-capacity, high-output storage batteries and develop manufacturing technologies for mass production. Also, invest in mass production and start operation of production line in April 2027. (Full-scale mass production will begin in October 2027). The production line will be launched sequentially through 2030, and mass production will begin.		

FY2023

≪Sixth Mid-Term Management Plan (FY2023-2025)≫
- Establish a joint venture company for research and development (Honda・GS Yuasa EV Battery R&D)
- Research and development of a high-capacity, high-output lithium-ion batteries
- Prepare production for batteries for BEVs and ESS (Consider in Shiga Prefecture, etc.)

<FY2027>
- Start operation from April
- Started full-scale mass production from October

<-FY2030>
- Set up production lines sequentially

<-FY2035>
- Aim to increase production ability to exceed 20GWh

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As announced on April 28th, the three companies of GS Yuasa, Honda Motor, and Blue Energy have signed a joint R&D agreement and deepened their collaboration in the field of lithium-ion batteries and the joint R&D of their manufacturing.

A mass production investment plan also involving Blue Energy - which both companies already carried out business collaboration with for the manufacturing and sale of batteries for HEVs - and the joint R&D between GS Yuasa and Honda Motor was approved by the Ministry of Economy, Trade and Industry, as a supply security plan for storage batteries.

The total amount for this business comes to approximately 434.1 billion yen, with approximately 158.7 billion yen in subsidies.

The production scale will be 20 GWh, in Japan.

The start of operations is scheduled for April of 2027, with full-scale mass production expected from October.

We expect to continue setting up production lines through to fiscal year 2030, expanding production capacity amongst the three companies to 20 GWh.

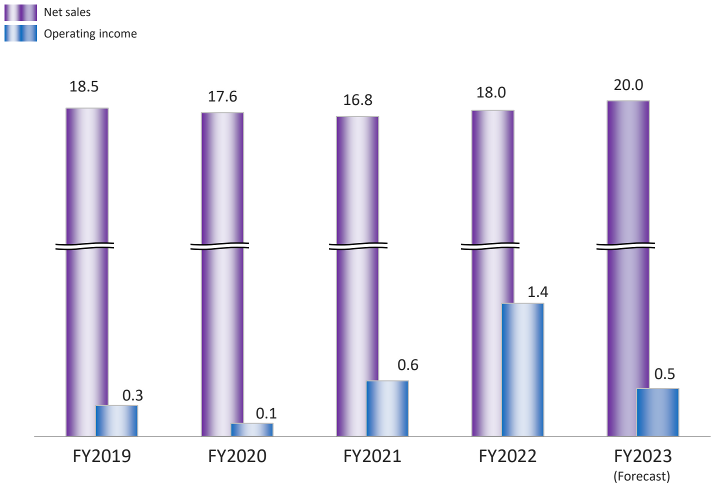
Following this, toward fiscal year 2035, the GS Yuasa Group will aim to increase its production capacity to exceed 20 GWh.

2. Segment Results Forecast (Specialized Batteries and Others)

Specialized Batteries and Others

Sales will increase, profit will decline

Net Sales, Operating income (Billion yen)



FY2023 Forecast of Performance Trends (Apr-Mar)

- [Lithium-ion batteries for submarines]
  Sales will slight decrease due to soaring raw material prices, despite continued stable orders
- [Lithium-ion batteries for aircrafts]
  Despite the impact of raw material price hikes, sales to airlines (for replacement) remained strong due to increased demand

Next is Specialized Batteries and Others, the net sales forecast for which is 20 billion yen, a year-on-year increase of 2 billion yen.

The operating income forecast is 500 million yen, a year-on-year decrease of 900 million yen.

Regarding lithium-ion batteries for submarines, we expect a slight decrease in sales due to soaring raw material prices, despite continued stable orders.

Regarding lithium-ion batteries for aircrafts, despite the impact of raw material price hikes, we expect sales to airlines of replacement batteries to remain strong.

3. Capital Investment, Depreciation, R&D Costs

(Billion yen)

		FY2022 Actual	FY2023 Forecast	Change
Capital Investment		32.8	51.0	+18.2
Automotive Batteries	Japan	2.8	4.0	+1.2
	Overseas	11.0	6.5	-4.5
Industrial Batteries and Power Supplies		4.3	2.5	-1.8
Automotive Lithium-ion Batteries		7.2	17.0	+9.8
Others		7.7	21.0	+13.3
Depreciation		21.0	21.0	±0.0
Automotive Lithium-ion Batteries		4.1	4.5	+0.4
R&D Costs		12.6	14.0	+1.4
(Ratio of R&D expenses to net sales)		2.4%	2.4%	±0.0P

Major investment projects
- Maintenance and renewal of facilities in Automotive Batteries Business and Industrial Batteries Business
- Investment to increase production for Blue Energy No.2 plant and strengthen capacity of Lithium Energy Japan
- Land acquisition for production of batteries for BEVs

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We expect to carry out 51 billion yen in capital investment in fiscal year 2023.

We intend to carry out investment to increase production for Blue Energy's No.2 Plant and strengthen capacity at Lithium Energy Japan.

Consequently, we expect a significant increase in automotive lithium-ion batteries.

We forecast 21 billion yen in depreciation, with a slight increase in depreciation in the Automotive Lithium-ion battery segment due to the emergence of depreciation costs for Blue Energy's No.2 Plant, which started operations in fiscal year 2022.

Lastly, we forecast 14 billion yen in R&D costs.

4. Financial Status

GS YUASA

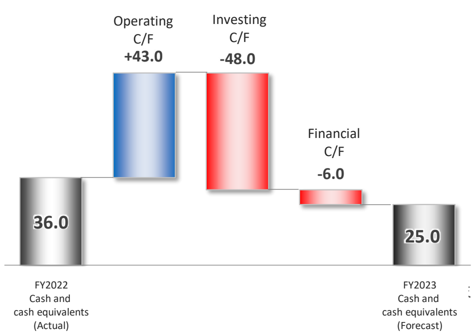
About financial security

- Total assets will increase due to establishment of joint venture company with Honda and additional capital investment for Blue Energy No.2 plant although inventories will be reduced
  ⇒Maintain financial security

Balance sheet and cash flow statements (Forecast) (End of FY2023)

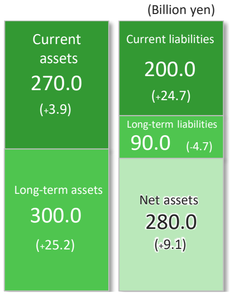
Cash flow statements (Forecast) (FY2023)

(Billion yen)



Balance sheet (Forecast) (End of FY2023)

(Billion yen)



Note: Comparisons with figures as of March 31, 2023.

Financial indicators	FY2022 (Actual)	FY2023 (Forecast)	Sixth Mid-Term Management Plan target
Interest-bearing debt to operating cash flow ratio	3.7 years	2.5 years	About 3 years
Equity ratio	42.6%	43.0%	Maintain 40% or more
Return on equity (ROE)	6.5%	6.3%	8% or more
Return on invested capital (ROIC)	11.4%	11.5%	10% or more
Debt	103.7 billion yen	Less than 100.0 billion yen	-

Note 1: ROE refers to operating income before amortization of goodwill and ROIC refers to profit before amortization of goodwill
Note 2: Financial indicators “Debt” is total liabilities
Note 3: 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.

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Next is the financial status for fiscal year 2023.

Although we expect a reduction in inventories, total assets will increase due to the establishment of a joint venture company with Honda Motor and additional capital investment for Blue Energy's No.2 plant.

With that being said, we will be able to maintain financial security.

Due to an increase in capital investment, we expect negative free cash flow of 5 billion yen.

However, we will be utilizing cash and cash equivalents to execute shareholder returns and for the repayment of interest-bearing borrowings.

We expect operating income before the amortization of goodwill to increase, and consequently a slight improvement in ROIC.

We will continue to take into account the Company’s financial situation, while accelerating growth.

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.

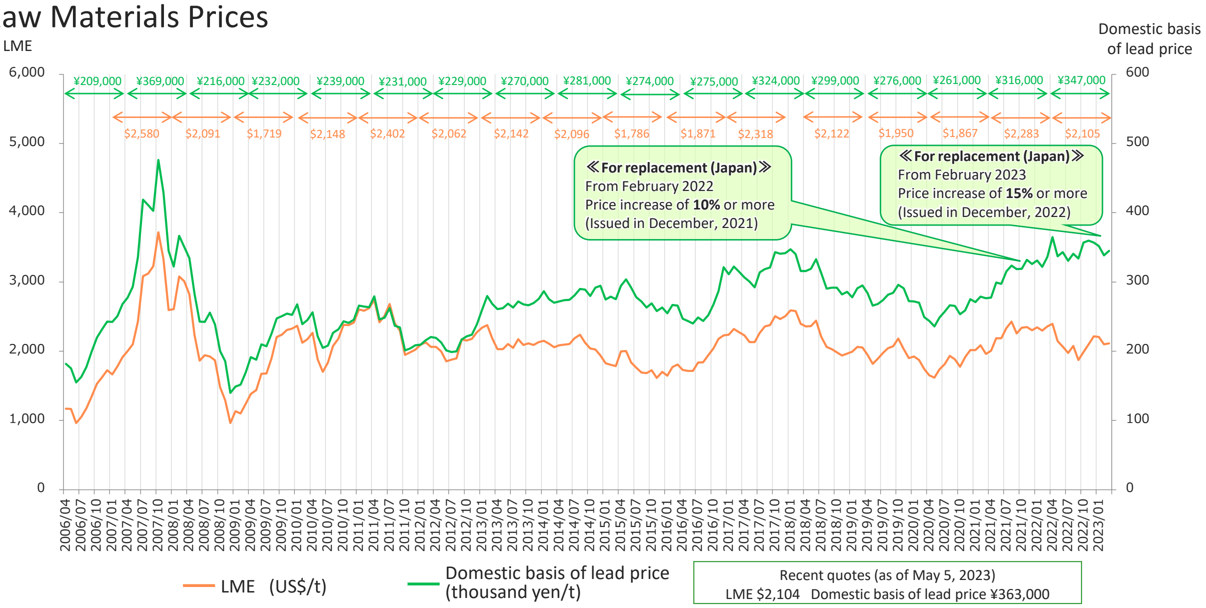
Creating the Future of Energy

Creating the Future of Energy

Reference

Reference

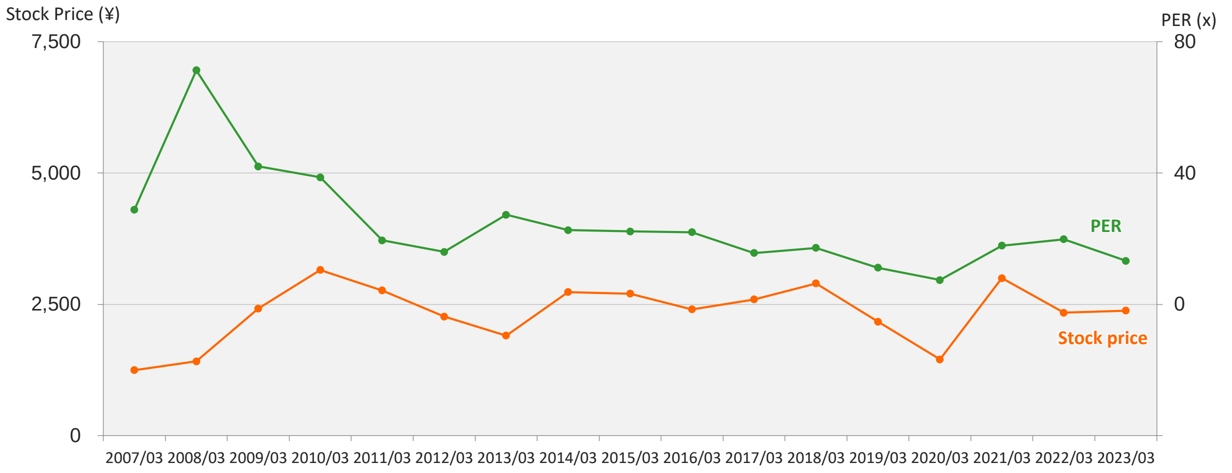
Raw Materials Prices



Recent quotes (as of May 5, 2023)
LME $2,104 Domestic basis of lead price ¥363,000

Reference

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.

Reference

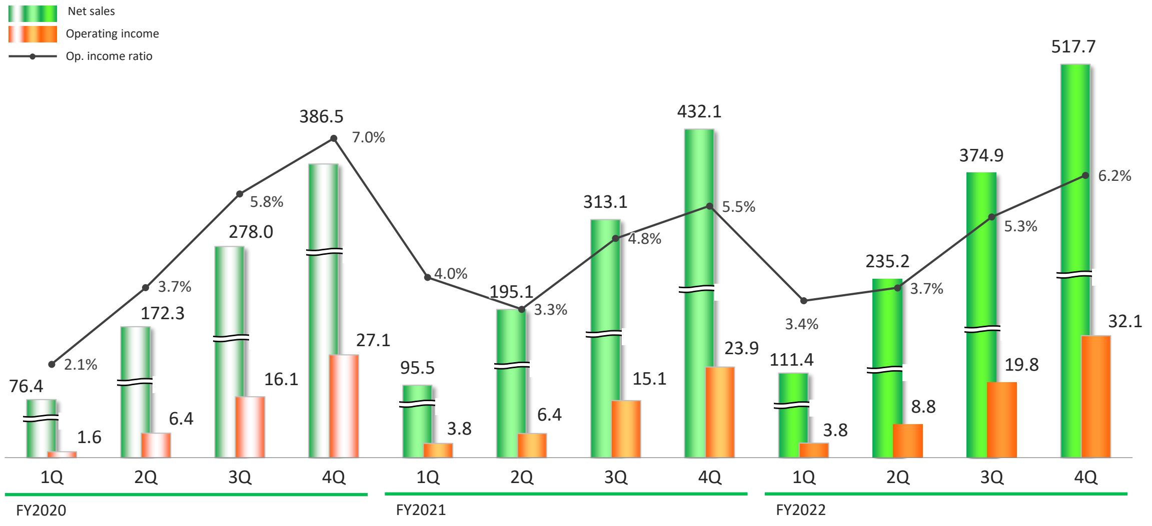
Fiscal year		2018	2019	2020	2021	2022
Operating income ratio	(%)	6.1	6.1	7.0	5.5	6.2
Return on equity（ROE）	(%)	9.0	9.0	7.2	4.6	6.5
Return on invested capital （ROIC）	(%)	11.3	10.9	12.0	9.7	11.4
Earnings per share（EPS）	(¥)	194.58	195.92	167.72	118.02	179.47
Dividend per share	(¥)	50	50	50	50	50 (planned)
Purchase of treasury stock (amount planned for the next fiscal year)	(¥bn)	1.4	1.5	0.0	0.0	0.0
Total return ratio	(%)	34.3	34.9	29.8	42.4	27.9

Fiscal year		2018	2019	2020	2021	2022
Total borrowings	(¥bn)	66.9	64.5	65.4	82.5	103.7
D/E ratio	(x)	0.42	0.42	0.41	0.50	0.55
Equity ratio	(%)	46.4	45.8	46.8	44.8	42.6
Debt to cash flow ratio	(year)	2.2	2.2	2.2	7.0	3.7

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: 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.
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 EPS and Dividend per share take into account the share consolidation.

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.

Reference

External ratings of Sustainability activities

Sustainability evaluations

(As of April 30, 2023)

	ESG rating by MSCI (U.S.)*1	ESG rating by FTSE (English)*2	CSR assessment by Toyo Keizai Inc.*3				CDP (English) assessments*4
			HR utilization	Environment	Corporate governance	Sociality	
2023	BBB	3.6	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
2019	A	3.2	AA	AA	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 : June)

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

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

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

Evaluation, certification and accreditation for GS Yuasa's Sustainability-related efforts

- Selected as a certified company of the Company with Excellent Health Management 2022 by the Ministry of Economy, Trade and Industry
- Received the highest rank "particularly excellent in terms of initiatives for employees' health" from DBJ Employees' Health Management Rating
- Received Platinum Kurumin certification as a company that supports child care by the Ministry of Health, Labour and Welfare