

2. Dividends

	Dividend per share				
	End-Q1	End-Q2	End-Q3	Year-end	Total
	yen	yen	yen	yen	yen
Year ended March 31, 2013	-	0.00	-	6.00	6.00
Year ending March 31, 2014	-				
Year ending March 31, 2014 (forecast)		0.00	-	8.00	8.00

Note: No revision has been made to the latest dividends forecast.

3. Earnings Forecast for the Year ending March 31, 2014 (April 1, 2013 to March 31, 2014)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Six months ending September 30, 2013	160,000	25.5	4,000	(1.4)	5,000	1.0	2,500	(20.6)	6.06
Year ending March 31, 2014	350,000	27.5	16,000	63.7	17,000	38.7	10,000	73.4	24.22

Note: No revision has been made to the latest earnings forecast.

*Notes

- (1) Changes affecting the status of material subsidiaries (scope of consolidation): None.
- (2) Use of accounting procedures specific to preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policy, changes in accounting estimates, and retrospective restatement
 - 1) Changes in accordance with revisions to accounting and other standards: None
 - 2) Changes other than 1) above: Yes
 - 3) Changes in accounting estimates: Yes
 - 4) Retrospective restatement: None

Note: This relates to Article 10-5 of the *Regulations on the Terminology, Format and Preparation of Quarterly Consolidated Financial Statements*. For details, see section 2. Other Information: (4) "Changes in accounting policy, changes in accounting estimates, and retrospective restatement" on page 6.

(4) Number of shares issued (common stock)

	June 30, 2013	March 31, 2013
1) Number of shares issued (including treasury stock)	413,574,714	413,574,714
2) Number of shares held in treasury	756,870	753,540
	Three Months ended June 30, 2013	Three Months ended June 30, 2012
3) Average number of shares outstanding during the period	412,819,658	412,830,284

***Quarterly Review Status**

This report is not subject to the quarterly review requirements of Japan's Financial Instruments and Exchange Act. As of the release date of this report, a review of the quarterly consolidated financial statements in accordance with the Act had been completed.

***Appropriate Use of Earnings Forecast and Other Important Information**

The above forecasts are based on the assumptions of management in the light of information available as of the release date of this report. Actual results may differ from forecasts due to various factors such as changes in the business environment. For information related to the earnings forecast, see section "Note on Consolidated Earnings Forecast and Other Forward-Looking Statements" on page 5.

1. Qualitative Information on Quarterly Financial Results

(1) Results of Operations

1). Overview

In the first three months of the fiscal year ending March 31, 2014, the Japanese economy continued its moderate recovery. Expectations surrounding economic and fiscal measures the Japanese government formulated at the end of 2012 led to depreciation of the yen and higher stock prices, while personal consumption and corporate sentiment also showed signs of improvement.

The global economic outlook remained clouded with uncertainty. Although the U.S. economy continued to recover on the back of lower unemployment rates and robust housing investment, the European economy remained in recession due to the debt crisis and deterioration in economic conditions, despite some areas of the region's economy showing signs of bottoming out. In China, concerns of an economic slowdown heightened amid a decline in exports.

In this environment, the GS Yuasa Group's consolidated net sales for the first three months of the fiscal year ending March 31, 2014 totaled ¥65,632 million, an increase of ¥2,731 million yen, or 4.3%, compared with the same period of the previous fiscal year. In Japan, although sales of lithium-ion automotive batteries for electric vehicles, replacement lead-acid batteries, and automotive components declined, sales of power supply systems increased with the introduction of a feed-in tariff system for electricity, while overseas sales grew, particularly in North America and in Asian countries.

In terms of profitability, operating income increased ¥183 million compared with the same period of the previous fiscal year, or 12.8%, to ¥1,609 million. Despite the lower sales of lithium-ion automotive batteries for electric vehicles and replacement lead-acid batteries, profitability improved in the overseas and other segments. Ordinary income increased by ¥730 million year on year, or 37.9%, to ¥2,658 million as the Group booked foreign exchange gains in non-operating income. Net income declined by ¥934 million year on year, or 88.0%, to ¥127 million, due to an extraordinary loss recorded in relation to a recall of some lithium-ion automotive batteries, which were manufactured by a subsidiary and contained imperfections, as well as income tax expenses and the recording of minority interests in net loss.

During the quarter, consolidated subsidiary Lithium Energy Japan Corporation responded to a recall announced on June 4, 2013 by major customer Mitsubishi Motors Corporation in relation to some vehicles equipped with the subsidiary's lithium-ion batteries which contained imperfections. An extraordinary loss of ¥3.0 billion has been recorded in estimation of losses related to the recall. There is a possibility that GS Yuasa's share of the recall expenses will change after negotiations.

2). Business Segment Results

(Domestic Automotive Batteries)

Net sales in the domestic automotive batteries segment totaled ¥12,053 million for the first three months of the fiscal year ending March 31, 2014, a decline of ¥617 million, or 4.9%, compared with the same period of the previous fiscal year. Sales of new vehicle lead-acid batteries, mainly auxiliary batteries for idle-stop vehicles and hybrid vehicles, increased, while sales of replacement lead-acid batteries and automotive components declined. Segment operating income declined ¥261 million, or 71.5%, to ¥104 million, mainly as a result of the lower sales and fluctuations in the cost of core materials.

(Domestic Industrial Batteries and Power Supplies)

Net sales in the domestic industrial batteries and power supplies segment for the first three months of the fiscal year ending March 31, 2014 totaled ¥14,287 million, an increase of ¥342 million, or 2.5%, from the same period of the previous year owing to higher demand for solar power generation equipment. The segment's operating income totaled ¥566 million, a year-on-year increase of ¥84 million, or 17.5%, mainly due to strong production growth driven by the higher sales.

(Overseas Operations)

Net sales in the overseas operations for the first three months of the fiscal year ending March 31, 2014 totaled ¥35,375 million, an increase of ¥4,395 million, or 14.2%, from the same period of the previous fiscal year as a result of higher sales in North America and in Asian countries. Operating income totaled ¥2,049 million, a year-on-year increase of ¥361 million, or 21.4%, as the benefits of higher sales outweighed the impact of fluctuations in the cost of core materials.

(Lithium-ion Batteries)

Net sales in the lithium-ion batteries segment for the three-month period totaled ¥1,524 million, a decrease of ¥1,619 million, or 51.5%, from the same period of the previous year due primarily to a decline in sales of batteries for electric vehicles. The segment's operating loss totaled ¥1,635 million, a deterioration of ¥581 million from the same period of the previous fiscal year.

(Other)

Net sales in the other segment for the first three months of the fiscal year ending March 31, 2014 totaled ¥2,391 million, a year-on-year increase of ¥230 million, or 10.7%, owing mainly to higher sales of lithium-ion aircraft batteries. After adjustment for corporate expenses, the segment posted operating income of ¥524 million, a year-on-year improvement of ¥580 million, mainly as a result of the improved profitability of specialty batteries and lighting equipment.

(2) Financial Condition

(Analysis of assets, liabilities, net assets, and cash flows)

1. Assets, liabilities, and net assets

Total assets at the end of the first quarter (June 30, 2013) amounted to ¥305,040 million, an increase of ¥14,671 million from the end of the previous fiscal year. Although notes and accounts receivable declined, there was an increase in property, plant, and equipment as a result of the consolidation of Siam GS Battery Co., Ltd. and Siam GS Sales Co., Ltd.

Liabilities at June 30, 2013 totaled ¥159,052 million, an increase of ¥9,873 million from the end of the previous fiscal year as a result of the consolidation of Siam GS Battery Co., Ltd. and Siam GS Sales Co., Ltd.

In the financial statements for the first quarter, the statements of income for Siam GS Battery Co., Ltd. and Siam GS Sales Co., Ltd. were not incorporated into the consolidated statements of income. Only the companies' balance sheets were incorporated into the consolidated balance sheets at the end of the first quarter.

Net assets at June 30, 2013 totaled ¥145,987 million, an increase of ¥4,798 million from the end of the previous fiscal year due to increases in the foreign currency translation adjustment account and minority interests, which outweighed dividend payments.

(3) Note on Consolidated Earnings Forecast and Other Forward-Looking Statements

There is no change to the earnings forecast for the fiscal year ending March 31, 2014, announced on May 9, 2013.

2. Other Information

(1) Changes Affecting the Status of Material Subsidiaries

Not applicable

(2) Changes in the Scope of Consolidation or Equity Method Application

As of June 30, 2013, Siam GS Battery Co., Ltd. and Siam GS Sales Co., Ltd. are included in the scope of consolidation because the Company underwrote third party allocation of newly issued shares of Siam GSBattery Co., Ltd.

(3) Use of Accounting Procedures Specific to Preparation of Quarterly Consolidated Financial Statements

Regarding taxes, a reasonable estimate of the effective tax rate for the projected full-year pretax income for the current fiscal year, including the actual income figure for the three months ended June 30, 2013, has been arrived at using the tax-effect accounting method. This estimated effective tax rate has been used to calculate taxes against income before taxes and minority interests for the three months ended June 30, 2013.

(4) Changes in Accounting Policy, Changes in Accounting Estimates, and Retrospective Restatement

(Change in depreciation of property, plant, and equipment)

The Company and its consolidated subsidiaries in Japan previously applied the declining balance method for depreciation of property, plant, and equipment excluding buildings.

The Company, however, reviewed the relation between output and corresponding facility maintenance costs including depreciation and concluded that it is more appropriate to allocate depreciation expense equally over the estimated usable life of the assets.

Furthermore, in light of an effort to unify accounting policies with those applied by overseas consolidated subsidiaries that are of increasing importance, effective the three months ended June 30, 2013, the depreciation method was switched to the straight-line method.

Due to this change, in the three months ended June 30, 2013, operating income, ordinary income, and income before income taxes and minority interests were each 769 million yen higher compared with what they would have been under the previous accounting method.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

	As of March 31, 2013 Amount	(Millions of yen) As of June 30, 2013 Amount
Assets		
Current assets		
Cash and deposits	11,223	16,785
Notes and accounts receivable	62,239	57,229
Merchandise and finished goods	24,666	27,621
Work in process	10,110	13,643
Raw materials and supplies	8,172	11,165
Deferred tax assets	2,962	2,948
Other	9,651	9,831
Allowance for doubtful receivables	(324)	(347)
Total current assets	128,703	138,876
Fixed assets		
Property, plant, and equipment		
Buildings and structures, net	47,357	49,337
Machinery and equipment, net	29,682	31,975
Land	20,762	21,841
Lease assets, net	3,121	2,937
Construction in progress	11,671	12,102
Other, net	2,440	3,422
Total property, plant, and equipment	115,037	121,617
Intangible assets		
Lease assets	636	578
Other	1,711	1,793
Total intangible assets	2,347	2,371
Investments and other assets		
Investment securities	37,271	35,031
Other	7,564	7,698
Allowance for doubtful receivables	(571)	(565)
Total investments and other assets	44,265	42,164
Total fixed assets	161,650	166,153
Deferred assets	14	11
Total assets	290,368	305,040

	As of March 31, 2013 Amount	(Millions of yen) As of June 30, 2013 Amount
Liabilities		
Current liabilities		
Notes and accounts payable	27,104	30,235
Short-term borrowings	37,684	37,373
Commercial paper	4,000	4,000
Payables	13,795	13,891
Income taxes payable	2,495	1,659
Notes payable-facilities	1,368	1,438
Other	12,054	15,649
Total current liabilities	98,504	104,246
Long-term liabilities		
Long-term debt	29,990	33,687
Lease obligations	2,987	2,734
Provision for retirement benefits	6,775	6,589
Other	10,921	11,794
Total long-term liabilities	50,674	54,805
Total liabilities	149,179	159,052
Net assets		
Shareholders' equity		
Common stock	33,021	33,021
Capital surplus	54,880	54,880
Retained earnings	34,974	32,625
Less treasury stock, at cost	(315)	(317)
Total shareholders' equity	122,559	120,209
Accumulated other comprehensive income		
Net unrealized gain on available-for-sale securities	6,987	7,316
Deferred gain (loss) on derivatives under hedge accounting	(62)	(25)
Land revaluation surplus	1,427	1,427
Foreign currency translation adjustments	(5,559)	(2,091)
Total accumulated other comprehensive income	2,792	6,627
Minority interests	15,836	19,151
Total net assets	141,189	145,987
Total liabilities and net assets	290,368	305,040

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

	(Millions of yen)	
	Three Months ended June 30, 2012	Three Months ended June 30, 2013
	Amount	Amount
Net sales	62,900	65,632
Cost of sales	49,564	51,230
Gross profit	13,335	14,401
Selling, general and administrative expenses	11,909	12,792
Operating income	1,426	1,609
Non-operating income		
Interest income	25	32
Dividend income	179	196
Equity in earnings of equity method affiliates	867	661
Foreign exchange gain	-	368
Other	183	208
Total non-operating income	1,255	1,467
Non-operating expenses		
Interest expenses	337	269
Foreign exchange loss	218	-
Other	198	149
Total non-operating expenses	755	418
Ordinary income	1,927	2,658
Extraordinary income		
Gain on sales of fixed assets	32	16
Reversal of deposits	14	-
Gain on sales of investment securities	-	498
Gain on phased acquisition of subsidiary's shares	-	211
Other	10	71
Total extraordinary income	56	798
Extraordinary loss		
Loss on disposal of fixed assets	9	47
Loss on sales of fixed assets	1	4
Loss on revaluation of investment securities	26	-
Loss on product recall	-	3,000
Special extra retirement payments	17	-
Other	4	173
Total extraordinary loss	58	3,225
Income before income taxes and minority interests	1,925	231
Income taxes	1,105	2,010
Income (loss) before minority interests	820	(1,779)
Minority interests in net earnings (loss)	(242)	(1,907)
Net income	1,062	127

Consolidated Statements of Comprehensive Income

	Three Months ended June 30, 2012	(Millions of yen) Three Months ended June 30, 2013
	Amount	Amount
Income (loss) before minority interests	820	(1,779)
Other comprehensive income		
Net unrealized gain on available-for-sale securities	(1,061)	318
Deferred gain (loss) on derivatives under hedge accounting	(123)	37
Foreign currency translation adjustments	2,219	3,359
Share of other comprehensive income of equity method affiliates	965	720
Total other comprehensive income	1,999	4,435
Comprehensive income	2,819	2,656
Components:		
Comprehensive income attributable to owners of the parent	2,754	3,962
Comprehensive income attributable to minority interests	65	(1,306)

(3) Notes on the Consolidated Financial Statements

(Note on the going-concern assumption)

Not applicable

(Note on significant change in shareholders' equity)

Not applicable

(Segment and other information)

I. Three months ended June 30, 2012 (April 1 to June 30, 2012)

Net sales and income/loss by reportable segment

(Millions of yen)

	Reportable segment						Others (note)	Total
	Domestic		Overseas Operations	Lithium-ion Batteries	Total	Total		
	Domestic Automotive Batteries	Industrial Batteries and Power Supplies						
Net sales								
Sales to outside customers	12,302	13,435	30,600	3,135	59,473	3,427	62,900	
Inter-segment sales and transfers	369	509	379	7	1,266	(1,266)	—	
Total	12,671	13,945	30,979	3,143	60,740	2,160	62,900	
Segment income (loss)	366	481	1,688	(1,054)	1,482	(56)	1,426	

Note: "Others" comprises a) businesses that are not included in any of the reportable segments such as lighting operation and b) segment income adjustment. Segment income adjustment was minus 582 million yen, which includes minus 321 million yen elimination of inter-segment transactions and minus 261 million yen of unallocated corporate expenses. The main component of these unallocated corporate expenses is SG&A expenses that are not attributable to reportable segments.

II. Three months ended June 30, 2013 (April 1 to June 30, 2013)

1. Net sales and income/loss by reportable segment

(Millions of yen)

	Reportable segment						Others (note)	Total
	Domestic		Overseas Operations	Lithium-ion Batteries	Total	Total		
	Domestic Automotive Batteries	Industrial Batteries and Power Supplies						
Net sales								
Sales to outside customers	11,783	13,766	35,026	1,494	62,071	3,560	65,632	
Inter-segment sales and transfers	270	520	349	29	1,169	(1,169)	-	
Total	12,053	14,287	35,375	1,524	63,241	2,391	65,632	
Segment income (loss)	104	566	2,049	(1,635)	1,084	524	1,609	

Note: "Others" comprises a) businesses that are not included in any of the reportable segments such as lighting operation and b) segment income adjustment. Segment income adjustment was minus 525 million yen, which includes minus 315 million yen elimination of inter-segment transactions and minus 210 million yen of unallocated corporate expenses. The main component of these unallocated corporate expenses is SG&A expenses that are not attributable to reportable segments.

2. Change in Reportable Segments and Other Changes

(Change in depreciation of property, plant, and equipment)

The Company and consolidated subsidiaries in Japan previously applied the declining balance method for depreciation of property, plant, and equipment excluding buildings. The Company, however, reviewed the relation between output and corresponding facility maintenance costs including depreciation and concluded that it is more appropriate to allocate depreciation expense equally over its estimated usable life of the assets. Furthermore, in light of an effort to unify accounting policies with those adopted by overseas consolidated subsidiaries that are of increasing importance, effective the three months ended June 30, 2013, the depreciation method was switched to the straight-line method.

Due to this change, in the three months ended June 30, 2013, segment income was 55 million yen higher in the Domestic Automotive Batteries segment, and 82 million yen higher in the Domestic Industrial Batteries and Power Supplies segment compared with what it would have been under the previous accounting method, while the loss in the Lithium-ion Batteries segment was 495 million yen lower than what it would have been under the previous accounting method.

4. Supplementary Information

(1) Quarterly income/loss

Fiscal year ending March 31, 2014 (April 1, 2013 to March 31, 2014)

(Millions of yen)

	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	65,632	-	-	-	-	-	-
Operating income	1,609	-	-	-	-	-	-
Ordinary income	2,658	-	-	-	-	-	-
Net income	127	-	-	-	-	-	-

Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(Millions of yen)

	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	62,900	64,581	68,396	78,631	127,481	195,878	274,509
Operating income	1,426	2,630	2,405	3,311	4,057	6,463	9,775
Ordinary income	1,927	3,025	3,207	4,099	4,952	8,159	12,258
Net income	1,062	2,085	2,371	248	3,147	5,519	5,767

Fiscal year ended March 31, 2012 (April 1, 2011 to March 31, 2012)

(Millions of yen)

	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	60,348	71,546	73,358	80,180	131,895	205,253	285,434
Operating income	812	3,985	4,129	7,103	4,797	8,927	16,030
Ordinary income	1,186	3,881	4,934	7,989	5,067	10,002	17,991
Net income	131	2,344	3,251	6,005	2,476	5,727	11,733

Fiscal year ended March 31, 2011 (April 1, 2010 to March 31, 2011)

(Millions of yen)

	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	59,229	68,793	69,417	75,073	128,022	197,440	272,514
Operating income	2,241	3,872	5,841	5,633	6,114	11,955	17,589
Ordinary income	2,079	3,750	6,365	5,318	5,829	12,195	17,513
Net income	815	1,798	5,427	3,681	2,613	8,041	11,722

Fiscal year ended March 31, 2010 (April 1, 2009 to March 31, 2010)

(Millions of yen)

	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	48,917	60,442	63,595	74,269	109,360	172,955	247,224
Operating income	(2,243)	2,156	4,235	7,373	(87)	4,148	11,521
Ordinary income	(2,293)	2,340	4,032	6,092	47	4,079	10,171
Net income	(2,412)	740	2,096	6,064	(1,672)	423	6,487