May 8, 2015

GS Yuasa Corporation
Consolidated Earnings Report for the Year ended March 31, 2015
(Japanese GAAP)

Stock listing: Tokyo Stock Exchange	Securities code: 6674
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Scheduled dates	
Ordinary general meeting of shareholders:	June 26, 2015
Dividend payout:	June 29, 2015
Filing of statutory financial report (*Yukashoken hokokusho*):	June 26, 2015

Supplementary materials to fiscal year-end earnings report available:	Yes
Fiscal year-end earnings presentation held:	Yes (targeted at institutional investors and analysts)

(Amounts rounded down to the nearest million yen)

1. Consolidated Financial Results for the Year ended March 31, 2015 (April 1, 2014 to March 31, 2015)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2015	369,760	6.3	20,914	14.9	22,357	10.0	10,043	0.6
Year ended March 31, 2014	347,995	26.8	18,197	86.2	20,333	65.9	9,982	73.1

Note: Comprehensive income: Year ended March 31, 2015: ¥ 27,091 million, 88.4%
Year ended March 31, 2014: ¥ 14,376 million 70.2%

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	yen	yen	%	%	%
Year ended March 31, 2015	24.33	22.68	6.7	6.4	5.7
Year ended March 31, 2014	24.18	24.16	7.5	6.4	5.2

Reference: Equity in earnings of equity-method affiliates:
Year ended March 31, 2015: ¥ 2,053 million
Year ended March 31, 2014: ¥ 1,956 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
March 31, 2015	359,522	182,187	44.9	390.98
March 31, 2014	340,462	154,702	41.0	337.82

Reference: Total equity: As of March 31, 2015: ¥ 161,386 million
As of March 31, 2014: ¥ 139,454 million

(3) Consolidated Cash Flow Position

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	million yen	million yen	million yen	million yen
Year ended March 31, 2015	19,729	(14,519)	(5,798)	25,708
Year ended March 31, 2014	19,704	(9,786)	589	23,392

2. Dividends

	Dividend per share					Total dividends paid (full year)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End-Q1	End-Q2	End-Q3	Year-end	Total			
	yen	yen	yen	yen	yen	million yen	%	%
Year ended March 31, 2014	-	0.00	-	8.00	8.00	3,302	33.1	2.5
Year ended March 31, 2015	-	3.00	-	7.00	10.00	4,127	41.1	2.7
Year ending March 31, 2016 (forecast)	-	3.00	-	7.00	10.00		31.8	

3. Earnings Forecast for the Year ending March 31, 2016 (April 1, 2015 to March 31, 2016)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent company		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Six months ending September 30, 2015	180,000	4.9	7,000	(7.9)	7,500	(14.8)	4,000	(23.1)	9.69
Year ending March 31, 2016	400,000	8.2	24,000	14.8	25,000	11.8	13,000	29.4	31.49

***Notes**

(1) Changes affecting the status of material subsidiaries (scope of consolidation): None

(2) Changes in accounting policy, changes in accounting estimates, and retrospective restatement

1) Changes in accordance with revisions to accounting and other standards: Yes

2) Changes other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

Note: For details, see “(Change in Accounting Policy)” in section “7. Consolidated Financial Statements, (5) Notes on the Consolidated Financial Statements” on page 17.

(3) Number of shares issued (common stock)

	March 31, 2015	March 31, 2014
1) Number of shares issued (including treasury stock)	413,574,714	413,574,714
2) Number of shares held in treasury	798,946	773,397

	Year ended March 31, 2015	Year ended March 31, 2014
3) Average number of shares outstanding during the period	412,790,571	412,812,857

(Reference) Non-consolidated Financial Results
Year ended March 31, 2015 (April 1 2014 to March 31, 2015)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2015	4,937	(16.8)	4,055	(19.5)	5,409	(13.1)	4,636	(16.1)
Year ended March 31, 2014	5,936	23.7	5,037	29.6	6,223	33.5	5,527	32.5

	Net income per share	Diluted net income per share
	yen	yen
Year ended March 31, 2015	11.23	10.45
Year ended March 31, 2014	13.39	13.38

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio*	Net assets per share
	million yen	million yen	%	yen
March 31, 2015	161,732	121,371	75.0	294.04
March 31, 2014	161,809	121,269	74.9	293.77

Reference: Total equity: As of March 31, 2015: ¥ 121,371 million
As of March 31, 2014: ¥ 121,269 million

*Equity ratio = Net assets ÷ Total assets

***Audit Status**

This report is not subject to the audit requirements of Japan's Financial Instruments and Exchange Act. As of the release date of this report, an audit of the consolidated financial statements in accordance with the Act is underway.

***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. GS Yuasa Corporation makes no assurances as to the actual results, which may differ from forecasts due to various factors such as changes in the business environment. For information related to the earnings forecast, see "(1) Results of Operations" in section "4. Qualitative Information on Quarterly Financial Results" on page 4.

4. Qualitative Information on Quarterly Financial Results

(1) Results of Operations

1) Overview

In the fiscal year ended March 31, 2015, Japan’s economic recovery was sluggish. While the impact of a reactionary decline to a demand spike prior to the consumption tax hike began to ease during the period, a slump in consumer spending and other factors hindered economic growth.

Reviewing the global economy, despite frigid weather at the start of the calendar year and other external factors, the U.S. economy continued to recover due to strong personal consumption and stable employment. In China, economic growth slowed amid slumping investment, while in Europe, a high unemployment rate was among a number of factors causing continued concern over growth. Overall, therefore, the global economy continued to demonstrate moderate recovery, although lacking in vigor.

In this environment, the GS Yuasa Group’s consolidated net sales for the fiscal year ended March 31, 2015 totaled ¥369,760 million, an increase of ¥21,764 million, or 6.3%, compared with the previous fiscal year. The increase was primarily the result of a stronger business foundation in Asia resulting from an expanded scope of consolidation, the impact of exchange rates, and higher sales of lithium-ion automotive batteries.

In terms of profitability, operating income increased by ¥2,716 million year on year, or 14.9%, to ¥20,914 million. The increase was primarily the result of higher sales of lithium-ion automotive batteries and an accompanying improvement in profitability, along with measures to raise sales prices overseas. Ordinary income increased by ¥2,024 million year on year, or 10.0%, to ¥22,357 million in tandem with the operating income rise. Net income increased by ¥61 million year on year, or 0.6%, to ¥10,043 million, which reflected an impairment loss of ¥4,400 million related to a consolidated subsidiary.

2) Business Segment Results

(Domestic Automotive Batteries)

Net sales in the domestic automotive batteries segment totaled ¥51,747 million for the fiscal year ended March 31, 2015, a decline of ¥5,158 million, or 9.1%, compared with the previous fiscal year. Overall demand for automotive lead-acid batteries declined during the period and automotive components sales also decreased. Segment income declined ¥912 million, or 27.6%, to ¥2,397 million, due to the impact of higher costs for lead, a key raw material.

(Domestic Industrial Batteries and Power Supplies)

Net sales in the domestic industrial batteries and power supplies segment for the fiscal year totaled ¥79,822 million, an increase of ¥580 million, or 0.7% from the previous fiscal year. Sales of power supplies for solar power generation equipment slumped due to restrictions by electric power companies on connections to their power grids. There was strong demand, however, for power supplies for mobile phone base stations. Sales were also boosted by the inclusion of the lighting and membrane businesses, which were previously reported in the other segment, as a result of a reorganization. Segment income totaled ¥8,657 million, a year-on-year decrease of ¥3,541 million, or 29.0%, as a result of higher costs for lead, a key raw material, and the decline in sales of power supplies for solar power generation equipment.

(Overseas Operations)

Net sales in the overseas operations segment for the fiscal year totaled ¥183,759 million, an increase of ¥19,507 million, or 11.9%, from the previous fiscal year. This was primarily the result of the conversion of Thai equity-method affiliates into consolidated subsidiaries from the second quarter of the previous year, the conversion of Indonesian equity-method non-consolidated subsidiaries into consolidated subsidiaries from the current year, as well as the benefits of yen depreciation. Segment income totaled ¥10,786 million, a year-on-year increase of ¥1,790 million, or 19.9%. Although sales volumes slumped due to economic conditions in various markets, the Group effectively implemented measures to raise sales prices, and prices for lead, a key raw material, declined in overseas markets.

(Lithium-ion Batteries)

Net sales in the lithium-ion batteries segment for the fiscal year totaled ¥45,181 million, an increase of ¥12,680 million, or 39.0%, from the previous year, driven primarily by higher sales of lithium-ion batteries for hybrid and plug-in hybrid vehicles. Although segment loss totaled ¥2,626 million, this marked an improvement of ¥4,617 million from the previous fiscal year due to improved rates of operation and the promotion of rationalization measures.

(Other)
Net sales in the other segment for the fiscal year totaled ¥9,248 million, a year-on-year decrease of ¥5,845 million, or 38.7%, from the previous year primarily as a result of transfer of the lighting and membrane businesses to the domestic industrial batteries and power supplies segment. After adjustment for corporate expenses, segment income totaled ¥1,698 million, a year-on-year increase of ¥762 million, or 81.4%.

(Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2016)
The Japanese economy is expected to demonstrate a recovery trend during the year. Stabilized yen depreciation is expected to bolster corporate earnings, while higher wages and expanded employment are also expected to support economic growth. In overseas markets, China is expected to shift to stable growth and stay on a slowing growth path, while in Europe, fiscal austerity measures and protracted high unemployment are expected to cause slow growth rates for the foreseeable future. Despite sluggish exports and other severe conditions, the U.S. economy is expected to demonstrate steady economic recovery owing to robust personal spending driven by higher wages and other factors.

Amid this business environment, the Group will strive to achieve further growth by leveraging its firm business foundation. The Group will aim to expand its business domains and improve profitability in the existing business segments of domestic automotive batteries, domestic industrial batteries and power supplies, and overseas operations, while stabilizing the management foundation of the lithium-ion batteries segment.

In consideration of the above factors, the Group has set consolidated financial targets of ¥400 billion in net sales, ¥24 billion in operating income, ¥25 billion in ordinary income, and ¥13 billion in net income for the fiscal year ending March 31, 2016.

(2) Financial Condition

(Analysis of assets, liabilities, net assets, and cash flows)
1. Assets, liabilities, and net assets
Total assets increased by ¥19,060 million from the end of the previous fiscal year to ¥359,522 million at the end of the fiscal year (March 31, 2015) as a result of increases in cash and deposits, an increase in the market valuation of owned stocks, and equity in earnings of equity method affiliates.

Liabilities decreased by ¥8,425 million from the end of the previous fiscal year to ¥177,335 million as a result of payments of trade accounts payables and facility investment fee.

Net assets totaled ¥182,187 million, an increase of ¥27,485 million from the end of the previous fiscal year due to the booking of net income and an increase in foreign currency translation adjustments, which outweighed dividend payments.

2. Status of Cash Flows
Cash and cash equivalents as of March 31, 2015 amounted to ¥25,708 million, an increase of ¥2,316 million, or 9.9%, from the end of the previous fiscal year. The main factors affecting cash flows are described below.

(Cash Flows from Operating Activities)
Net cash provided by operating activities in the fiscal year ended March 31, 2015 amounted to ¥19,729 million, compared with net cash provided of ¥19,704 million in the previous fiscal year, mainly as a result of contributions from both income before income taxes and minority interests and depreciation and amortization, which offset a decrease in trade accounts payable and the payment of income taxes.

(Cash Flows from Investing Activities)
Net cash used in investing activities in the year ended March 31, 2015 totaled ¥14,519 million, compared with net cash used of ¥9,786 million in the previous year, mainly due to outflows for the purchase of property, plant, and equipment.

(Cash Flows from Financing Activities)
Net cash used in financing activities in the year ended March 31, 2015 amounted to ¥5,798 million, compared with net cash provided of ¥589 million in the previous year. This was due mainly to the repayment of debt and the payment of dividends, which offset inflows from a capital increase in consolidated subsidiary Lithium Energy Japan.

(Reference) Trends in Cash Flow-Related Indices
The following are trends in consolidated cash flow indices for the GS Yuasa Group.

	Year ended March 31, 2013	Year ended March 31, 2014	Year ended March 31, 2015
Equity ratio (%)	43.2	41.0	44.9
Equity ratio on a market-capitalization basis (%)	54.2	66.3	62.1
Ratio of interest-bearing liabilities to cash flow (years)	4.0	4.2	4.3
Interest coverage ratio	12.65	16.54	17.36

(Calculation methods)
Equity ratio: Total equity / Total assets
Equity ratio on a market-capitalization basis: Market capitalization / Total assets
Ratio of interest-bearing liabilities to cash flow: Interest-bearing liabilities / Cash flow from operating activities
Interest coverage ratio: Cash flow from operating activities / Interest payments
*All indices are calculated using consolidated financial data.
*Market capitalization is calculated by multiplying the fiscal year-end share price by the total number of outstanding shares (after deducting treasury stock).
*Calculations involving cash flow use cash flows from operating activities shown on the consolidated cash flow statement. Interest-bearing liabilities include all liabilities recorded on the consolidated balance sheets for which interest is paid. From the fiscal year ended March 31, 2014, interest-free convertible bonds are also included. In addition, calculations involving interest expenses use interest payments shown on the consolidated statements of cash flows.
*Regarding the ratio of interest-bearing liabilities to cash flow and the interest coverage ratio, ratios are not calculated for years with negative cash flow from operating activities.

(3) Basic Policy on Profit Distribution and Dividends for the Year Ended March 31, 2015 and the Year Ending March 31, 2016

GS Yuasa considers the return of profits to shareholders to be a priority management issue. As a general policy, GS Yuasa decides the level of dividends based on a comprehensive analysis of consolidated earnings results, the financial condition, and the dividend payout ratio. Internal reserves are used to improve future earnings by maintaining and enhancing investments and competitiveness. Based on these initiatives, GS Yuasa aims to continue its growth into the future and secure long-term stable returns to shareholders.

For the fiscal year ended March 31, 2015, even though the original income targets were not met, since consolidated operating income surpassed, to a certain extent, the level of the previous year, GS Yuasa plans to pay an annual dividend of ¥10 per share, ¥2 per share more than the previous fiscal year and consistent with the original dividend forecast (consisting of a ¥3 per share interim dividend and a ¥7 per share year-end dividend). The payout ratio will therefore be 41.1%.

For the year ending March 31, 2016, GS Yuasa plans to pay an interim dividend of ¥3 per share and a year-end dividend of ¥7 per share, for an annual dividend of ¥10 per share on the assumption that the consolidated earnings targets are achieved.

5. Management Policy

(1) Basic Management Policy

GS Yuasa is striving to improve its earnings power by leveraging the technological capabilities and cost performance of its existing business segments, while expanding its business globally through opportunities in new growth markets. At the same time, using the profit of existing businesses, the Company is striving to stabilize the management foundation of new business segments (lithium-ion batteries and new energy). To meet its management goals and enable sustainable growth, the GS Yuasa Group is aiming to achieve its Corporate Vision of "Innovation and Growth" to realize new growth for the entire Group.

(2) Target Management Indices

On July 30, 2013, GS Yuasa unveiled the following profit and management index targets (consolidated basis) as part of its Third Mid-Term Management Plan. For the year under review, net sales and operating income were lower than the targets, both in terms of amount and growth rates.

Third Mid-Term Management Plan, Targets for the Fiscal Year Ended March 31, 2015:
Net Sales: ¥400 billion Operating income: ¥28 billion Profit Margin: 7.0%

Actual Results for the Fiscal Year Ended March 31, 2015
Net Sales: ¥369.7 billion Operating income: ¥20.9 billion Profit Margin: 5.7%

For the fiscal year ending March 31, 2016, although the Japanese and overseas economies are expected to demonstrate moderate recovery, it will be difficult to meet the original targets in each of the business segments. GS Yuasa has therefore set the following targets for net sales and operating income which are lower than the targets announced under the Third Mid-Term Management Plan.

Targets for the Fiscal Year Ending March 31, 2016
Net Sales: ¥400 billion Operating income: ¥24 billion Profit Margin: 6.0%

Third Mid-Term Management Plan Targets for the Fiscal Year Ending March 31, 2016
Net Sales: ¥450 billion Operating income: ¥36 billion Profit Margin: 8.0%

(3) Medium- to Long-Term Management Strategy

The Company has established the following Corporate Vision and Management Vision.

[Corporate Vision]
Innovation and Growth: We are committed to the people, society and global environment through innovation and growth of our employees and business entities.
[Management Vision]
We are committed to delivering security and comfort to our customers around the globe through advanced technologies developed in the field of stored energy solutions.

In the Third Mid-Term Management Plan, the GS Yuasa Group will aim to contribute to the creation of low environmental burden, low carbon, and disaster prevention and reduction society by leveraging the battery and power supply technologies it has developed over the years. On the basis of the Corporate Vision "Innovation and Growth," the Group will leverage all of its capabilities to achieve the following management policy.
[Management Policy]
"With the aim of becoming an energy device company that offers comfort and security to customers around the world, we will take a leap forward to become the New GS Yuasa through expansion of business domain and continuous growth."
1) Strengthen the foundations of new businesses (lithium-ion batteries and new energy field)
2) Improve our position in the global market
3) Further enhance earning power of existing businesses

(4) Issues to Address

Regarding the economic environment surrounding the company, the yen depreciation trend is expected to continue as a result of continued monetary easing in Japan and growing expectations of higher interest rates in the U.S., providing a boost to export-oriented companies in Japan.

Japanese companies geared towards domestic sales, however, are expected to face such disadvantages as soaring costs for imported materials as well as rising power costs for the higher imports of fossil fuels since the Great East Japan Earthquake. Additionally, personnel costs are on the rise, as many companies have raised wages in response to the government's policy of creating a virtuous economic cycle to end deflation. Outside Japan, foreign exchange and stock markets are fluctuating severely and there is instability in the economic environment due to continued uncertainty surrounding the European economic outlook, plunging oil prices stemming from shale oil development, and heightened risk of regional disputes.

To protect earnings amid higher manufacturing costs in Japan, it is necessary to develop high added-value products through steady technical innovation and enhanced productivity, while also offering higher quality services. Expansion into global markets is also critical for the continued expansion and growth of businesses. Achieving global growth requires the ability to grasp diversifying needs along with the flexibility and speed to respond to these needs.

Amid this challenging market environment, the fiscal year ending March 31, 2016 marks the final year of the Third Mid-Term Management Plan. GS Yuasa does not expect to meet the original plan targets. The environment requires continued strategic maneuvering, and the GS Yuasa Group will steadily promote its business to meet its management targets by emphasizing quality as the cornerstone of deepening its trusted relationships with customers.

Reviewing the business segment strategies, in the domestic automotive batteries segment, GS Yuasa will promote the rationalization through integration of manufacturing and sales to build a structure that can ensure steady earnings. Additionally, the Company will provide high value-added products which keep it a step ahead and implement winning marketing strategies.

In the domestic industrial batteries and power supplies segment, GS Yuasa will strengthen initiatives to develop new markets, new technologies, and new products in order to expand the existing business realm and establish a foundation in the new energies field.

In the overseas segment, GS Yuasa will expand its business and earnings in ASEAN, a traditionally strong market for the company, while developing newly emerging markets with growth potential and entering entirely new markets.

In the lithium-ion battery segment, in order to firmly establish the independence of the business, GS Yuasa will leverage its technologies and experience to ensure market superiority for quality and cost and build a sound business structure. The lithium-ion battery business will also enhance collaboration with other departments and actively seek out new opportunities broadly across markets.

The R&D and technology departments will conduct next-generation R&D activities and develop new technologies to make breakthroughs with existing technologies, with the goal of evolving into an energy device company.

6. Basic Policy on Selecting Accounting Standards

The GS Yuasa Group currently adopts Japanese accounting standards for its financial reporting in view of comparability between fiscal years on financial statements and comparability with other companies.

Regarding the adoption of international financial reporting standards, the Group will respond appropriately in consideration of circumstances in and outside Japan.

7. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
	Amount	Amount
Assets		
Current assets		
Cash and deposits	17,760	24,841
Notes and accounts receivable	76,475	79,348
Marketable securities	5,644	1,200
Merchandise and finished goods	30,592	33,526
Work in process	13,702	14,051
Raw materials and supplies	12,114	12,336
Deferred tax assets	3,474	2,440
Other	8,751	9,959
Allowance for doubtful receivables	(303)	(445)
Total current assets	168,211	177,259
Fixed assets		
Property, plant, and equipment		
Buildings and structures, net	54,799	52,729
Machinery and equipment, net	42,925	40,202
Land	21,892	22,533
Lease assets, net	2,368	1,668
Construction in progress	2,622	2,553
Other, net	4,568	4,977
Total property, plant, and equipment	129,177	124,665
Intangible assets		
Lease assets	455	564
Other	1,935	2,073
Total intangible assets	2,390	2,637
Investments and other assets		
Investment securities	35,497	42,555
Investments in capital	901	1,117
long-term loans receivable	57	147
Net defined benefit asset	616	7,513
Deferred tax assets	1,479	1,576
Other	2,603	2,361
Allowance for doubtful receivables	(564)	(383)
Total investments and other assets	40,591	54,887
Total fixed assets	172,159	182,190
Deferred assets		
Bond issuance cost	90	72
Total deferred assets	90	72
Total assets	340,462	359,522

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
	Amount	Amount
Liabilities		
Current liabilities		
Notes and accounts payable	42,740	36,682
Short-term borrowings	21,662	32,766
Payables	18,202	15,521
Income taxes payable	5,925	2,265
Notes payable-facilities	4,306	1,248
Provision for directors' bonuses	84	90
Other	14,215	15,988
Total current liabilities	107,135	104,564
Long-term liabilities		
Convertible Bonds	25,000	25,000
Long-term debt	33,471	24,399
Lease obligations	2,027	1,403
Deferred tax liabilities	5,253	11,159
Deferred tax liabilities for land revaluation	1,213	1,110
Provision for directors' retirement benefits	51	61
Net defined benefit liability	5,739	3,644
Other	5,867	5,991
Total long-term liabilities	78,624	72,771
Total liabilities	185,760	177,335
Net assets		
Shareholders' equity		
Common stock	33,021	33,021
Capital surplus	54,880	54,880
Retained earnings	42,488	46,498
Less treasury stock, at cost	(326)	(341)
Total shareholders' equity	130,063	134,058
Accumulated other comprehensive income		
Net unrealized gain on available-for-sale securities	6,804	9,618
Deferred gain (loss) on derivatives under hedge accounting	(20)	(5)
Land revaluation surplus	1,418	2,329
Foreign currency translation adjustments	3,808	11,792
Remeasurements of defined benefit plans	(2,620)	3,592
Total accumulated other comprehensive income	9,390	27,328
Minority interests	15,247	20,801
Total net assets	154,702	182,187
Total liabilities and net assets	340,462	359,522

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Year ended March 31, 2014 Amount	Year ended March 31, 2015 Amount
Net sales	347,995	369,760
Cost of sales	272,567	289,433
Gross profit	75,428	80,327
Selling, general and administrative expenses	57,230	59,413
Operating income	18,197	20,914
Non-operating income		
Interest income	244	260
Dividend income	314	381
Equity in earnings of equity method affiliates	1,956	2,053
Foreign exchange gain	791	-
Other	998	1,127
Total non-operating income	4,305	3,823
Non-operating expenses		
Interest expenses	1,174	1,151
Foreign exchange loss	-	302
Other	995	925
Total non-operating expenses	2,169	2,379
Ordinary income	20,333	22,357
Extraordinary income		
Gain on sales of fixed assets	40	177
Gain on sales of investment securities	1,498	35
Gain on government subsidy	-	723
Gain on contribution of securities to retirement benefit trust	1,442	-
Other	327	11
Total extraordinary income	3,308	947
Extraordinary loss		
Loss on disposal of fixed assets	329	291
Loss on sales of fixed assets	15	5
Loss on reduction of fixed assets	-	627
Impairment loss	30	4,400
Loss on product recall	6,700	-
Other	706	375
Total extraordinary loss	7,781	5,701
Income before income taxes and minority interests	15,859	17,603
Income taxes		
Current	9,233	6,054
Deferred	1,915	3,212
Total income taxes	11,148	9,266
Income before minority interests	4,710	8,337
Minority interests in net earnings (loss)	(5,271)	(1,706)
Net income	9,982	10,043

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Year ended March 31, 2014	Year ended March 31, 2015
	Amount	Amount
Income (loss) before minority interests	4,710	8,337
Other comprehensive income		
Net unrealized gain on available-for-sale securities	(212)	2,799
Deferred gain (loss) on derivatives under hedge accounting	42	15
Land revaluation surplus	-	102
Foreign currency translation adjustments	7,436	7,527
Remeasurements of defined benefit plans	-	6,213
Share of other comprehensive income of equity method affiliates	2,399	2,095
Total other comprehensive income	9,665	18,754
Comprehensive income	14,376	27,091
Components:		
Comprehensive income attributable to owners of the parent	19,209	27,173
Comprehensive income attributable to minority interests	(4,833)	(81)

(3) Consolidated Statements of Changes in Net Assets

Year ended March 31, 2014 (April 1, 2013 to March 31, 2014)

(Millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of term	33,021	54,880	34,974	(315)	122,559
Cumulative effects of changes in accounting policies					-
Restated balance	33,021	54,880	34,974	(315)	122,559
Changes during term					
Cash dividends			(2,476)		(2,476)
Net income			9,982		9,982
Purchase of treasury stock				(10)	(10)
Reversal of land revaluation surplus			9		9
Net changes other than shareholder's equity					
Total changes during term	-	-	7,514	(10)	7,503
Balance at end of term	33,021	54,880	42,488	(326)	130,063

	Accumulated other comprehensive income						Minority interests	Total net assets
	Net unrealized gain on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Land revaluation surplus	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of term	6,987	(62)	1,427	(5,559)	-	2,792	15,836	141,189
Cumulative effects of changes in accounting policies								-
Restated balance	6,987	(62)	1,427	(5,559)	-	2,792	15,836	141,189
Changes during term								
Cash dividends								(2,476)
Net income								9,982
Purchase of treasury stock								(10)
Reversal of land revaluation surplus								9
Net changes other than shareholder's equity	(182)	42	(9)	9,367	(2,620)	6,597	(589)	6,008
Total changes during term	(182)	42	(9)	9,367	(2,620)	6,597	(589)	13,512
Balance at end of term	6,804	(20)	1,418	3,808	(2,620)	9,390	15,247	154,702

Year ended March 31, 2015 (April 1, 2014 to March 31, 2015)

(Millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of term	33,021	54,880	42,488	(326)	130,063
Cumulative effects of changes in accounting policies			(685)		(685)
Restated balance	33,021	54,880	41,803	(326)	129,378
Changes during term					
Cash dividends			(4,540)		(4,540)
Net income			10,043		10,043
Purchase of treasury stock				(15)	(15)
Reversal of land revaluation surplus			(808)		(808)
Net changes other than shareholder's equity					
Total changes during term	-	-	4,694	(15)	4,679
Balance at end of term	33,021	54,880	46,498	(341)	134,058

	Accumulated other comprehensive income						Minority interests	Total net assets
	Net unrealized gain on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Land revaluation surplus	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of term	6,804	(20)	1,418	3,808	(2,620)	9,390	15,247	154,702
Cumulative effects of changes in accounting policies								(685)
Restated balance	6,804	(20)	1,418	3,808	(2,620)	9,390	15,247	154,016
Changes during term								
Cash dividends								(4,540)
Net income								10,043
Purchase of treasury stock								(15)
Reversal of land revaluation surplus								(808)
Net changes other than shareholder's equity	2,813	15	910	7,984	6,213	17,937	5,553	23,491
Total changes during term	2,813	15	910	7,984	6,213	17,937	5,553	28,170
Balance at end of term	9,618	(5)	2,329	11,792	3,592	27,328	20,801	182,187

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2014	Year ended March 31, 2015
	Amount	Amount
Cash flows from operating activities		
Income before income taxes and minority interests	15,859	17,603
Depreciation and amortization	13,430	16,260
Impairment loss	30	4,400
Amortization of goodwill	10	2
(Gain) loss on sales of investment securities	(1,498)	(29)
Gain on bargain purchase	(87)	-
Increase (decrease) in allowance for doubtful receivables	(73)	(70)
Increase (decrease) in net defined benefit liability	(693)	(1,045)
Interest and dividend income	(558)	(642)
Interest expenses	1,174	1,151
Foreign exchange (gain) loss	(31)	20
(Gain) loss on securities contribution to employees' retirement benefits trust	(1,442)	-
(Gain) loss on sales of fixed assets	(24)	(170)
Loss on disposal of fixed assets	329	291
Loss on reduction of fixed assets	-	627
Gain on government subsidy	-	(723)
Equity in (earnings) loss of equity method affiliates	(1,956)	(2,053)
(Increase) decrease in trade accounts receivable	(8,267)	2,724
(Increase) decrease in inventories	(6,075)	1,839
Increase (decrease) in trade accounts payable	10,682	(9,299)
Other - net	5,004	(429)
Sub total	25,810	30,458
Interest and dividends received	1,301	1,072
Interest paid	(1,191)	(1,136)
Income taxes paid	(6,215)	(10,664)
Net cash provided by operating activities	19,704	19,729

Cash flows from investing activities		
Purchase of property, plant, and equipment	(15,223)	(14,784)
Proceeds from sales of property, plant, and equipment	406	597
Purchase of investment securities	(924)	(364)
Proceeds from sales of investment securities	2,952	85
Purchase of subsidiaries’ shares	(16)	-
Proceeds from sales of subsidiaries’ shares	231	-
Proceeds from purchase of subsidiaries’ shares resulting in change in scope of consolidation	3,281	-
Payments for loans receivable	(29)	(92)
Collection of loans receivable	165	29
Proceeds from subsidy	-	723
Other, net	(632)	(713)
Net cash used in investing activities	(9,786)	(14,519)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings and commercial paper	(9,264)	(6,191)
Proceeds from long-term debt	3,808	1,405
Repayments of long-term debt	(14,372)	(815)
Proceeds from issuance of convertible bonds	25,034	-
Purchase of treasury stock	(10)	(15)
Dividends paid	(2,471)	(4,542)
Dividends paid to minority shareholders	(1,125)	(1,070)
Proceeds from stock issuance to minority shareholders	-	6,370
Other - net	(1,008)	(937)
Net cash provided by (used in) financing activities	589	(5,798)
Foreign currency translation adjustments on cash and cash equivalents	1,673	2,182
Net increase (decrease) in cash and cash equivalents	12,181	1,593
Cash and cash equivalents, beginning of term	11,210	23,392
Increase in cash and cash equivalents resulting from merger	-	722
Cash and cash equivalents, end of term	23,392	25,708

(5) Notes on the Consolidated Financial Statements

(Note on the Going-concern Assumption)

Not applicable

(Basis of Preparation of Consolidated Financial Statements)

1. Scope of consolidation

(1) Number of consolidated subsidiaries: Fifty-five (55) companies

Names of major consolidated subsidiaries:

GS Yuasa International Ltd.

GS Yuasa Battery Ltd.

GS Yuasa Technology Ltd.

Of these consolidated subsidiaries, PT. Trimitra Baterai Prakasa was included in scope of consolidation in the fiscal year ended March 31, 2015 because of its higher importance.

GS Doi Tec Co., Ltd., a consolidated subsidiary of the Company in the fiscal year ended March 31, 2015, absorbed a consolidated subsidiary of the Company GS Heian Lighting, Co., Ltd., and subsequently changed the name to GS Yuasa Lighting Service Co., Ltd.

Asia Jieshi Lighting Co., Ltd. was a consolidated subsidiary of the Company, but it has been excluded from consolidation as the Company sold its shares.

GS Aichi Ramtech K.K. was a consolidated subsidiary of the Company but was liquidated and have therefore been excluded from consolidation.

(2) Number of non-consolidated subsidiaries: Eight (8) companies

Names of major non-consolidated subsidiaries:

GS Yuasa Wing Ltd.

(Reason for excluding from the consolidation)

These non-consolidated subsidiaries are small in scale and have no material impact on consolidated financial statements in terms of their total assets, net sales, net income/loss (amounts attributable to the equity), and retained earnings (amounts attributable to the equity).

2. Application of the equity method

(1) Non-consolidated subsidiaries and affiliates accounted for under the equity method: Twenty-two (22) companies

Names of major non-consolidated subsidiaries and affiliates accounted for under the equity method:

Yuasa M&B

Sebang Global Battery Co., Ltd.

PT.GS Battery

(2) Eight (8) non-consolidated subsidiaries and eleven (11) affiliates are not accounted for under the equity method because they are insignificant in terms of their impact on the Company's net income/loss (amounts attributable to the equity) and retained earnings (amounts attributable to the equity), as well as in terms of their importance to the Group.

(3) For equity method-applied companies with fiscal year-end dates that differ from the consolidated fiscal year-end date, financial statements closed at each company's fiscal year-end date are used for consolidation.

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

GS Battery Taiwan Co., Ltd.

GS Battery (Tianjin) Co., Ltd.

Yuasa Battery (Guangdong) Co., Ltd.

GS Battery (U.S.A) Inc.
Yuasa Battery Inc.
Yuasa Battery Europe Ltd. and twenty-seven (27) other companies

The fiscal year-end date for the thirty-three (33) companies above is December 31. Consolidated financial statements were prepared using their financial statements as of their fiscal year-end date instead of using their financial statements provisionally closed at the consolidated fiscal year-end date. However, for important transactions that took place between the last year-end date of those companies and the consolidated year-end date, adjustments necessary for consolidation were performed.

The fiscal year-end date for other consolidated subsidiaries is March 31, which is the same as the consolidated fiscal year-end date.

4. Accounting standards

(1) Valuation standards and methods for principal assets

1) Securities

i. Subsidiaries' and affiliates' shares:

The moving-average cost method

ii. Available-for-sale securities

For which market quotations are available:

The market value method based on the market price as of fiscal year-end

(The differences between market price and acquisition cost are incorporated into net assets in full. Costs of securities sold are computed with the moving-average cost method.)

For which market quotations are not readily available:

The moving-average cost method is used

2) Derivatives

The market value method is used

3) Inventories

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

The gross average method is mainly used (for the book value on the balance sheets, a treatment of devaluation based on reduction of profitability is applied).

(2) Depreciation/amortization of principal fixed assets

1) Property, plant, and equipment (except for lease assets):

The straight-line method is used.

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

The principal useful lives are as follows.

Buildings and structures: seven (7) to fifty (50) years

Machinery, equipment and vehicles: four (4) to seventeen (17) years

2) Intangible assets (except for lease assets)

The straight-line method is mainly used.

3) Lease assets

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

These assets are depreciated with the straight-line method assuming the lease period equals the estimated useful life and the residual value at the end of the lease term is nil.

Lease transactions entered into on or before March 31, 2008 are accounted for in the same manner as operating leases.

(3) Amortization method for deferred assets

Bond issuance cost: Amortized with the straight-line method over the bond redemption period (five (5) years).

(4) Accounting standards for principal provisions and allowances

1) Allowance for doubtful receivables

The Company and its domestic consolidated subsidiaries set aside allowances for the amount not expected to be recovered from doubtful receivables based on the historical loan-loss ratio. For loans and receivables requiring special attention, a specific reserve is established after an analysis of individual receivables. Foreign consolidated subsidiaries set aside allowances for doubtful receivables mainly estimated through analysis of individual receivables.

2) Provision for directors' bonuses

To prepare for the payment of bonuses to directors, a reserve is appropriated based on the amount expected to be paid out in the consolidated fiscal year under review.

3) Provision for directors' retirement benefits

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

(5) Accounting treatment for retirement benefits

To prepare for the payment of employee retirement benefits, net defined benefit liability is recorded in the amount calculated by subtracting the value of plan assets from the amount of retirement benefit obligations estimated on March 31, 2015.

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

For calculation of retirement benefit obligations, the benefit formula is applied to attribute expected pension benefits for the period up to the end of the fiscal year under review (March 31, 2015).

2) Actuarial gains and losses, prior service cost, and transition obligations

Transition obligations are amortized using mainly the straight-line method over fifteen (15) years. As an exception, however, some consolidated subsidiaries that have established retirement benefit trusts expense it in full.

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

Actuarial gains and losses are amortized from the fiscal year that starts after the accrual of the gains or losses using the straight-line method over a certain number of years (mainly 10 to 14 years) within the average remaining service periods of the employees who will receive the benefits.

Unrecognized actuarial gains and losses, unrecognized prior service cost, and unamortized transition obligations are recorded in the net assets under the account "remeasurements of defined benefit plans" after being adjusted with tax effects.

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

Foreign currency denominated claims and liabilities are translated into Japanese yen at the spot rate prevailing on the consolidated balance sheet date. Currency translation gains or losses are recorded on the income statement as such.

The assets and liabilities of foreign consolidated subsidiaries are also translated into Japanese yen at the spot rate prevailing on their balance sheet date, while their revenues and expenses are translated into Japanese yen at the average rate for the period. Any translation gains or losses are recorded in the net assets under the account "foreign currency translation adjustments" and "minority interests" under net assets.

(7) Standards for recording revenue

Sales are recorded on the delivery basis. The percentage-of-completion method is applied to construction contracts for which the outcome of the construction activity was deemed certain. The percentage of completion is estimated based on the cost-to-cost method that uses the percentage of construction cost incurred during the period relative to the total construction cost as the percentage of completion at the end of the period. Other works are applied with the completed-contract method.

(8) Accounting method for principal hedges

1) Hedge accounting

Deferred hedge accounting is adopted. Exchange forward contracts that meet specific conditions are converted at a preset rate, while interest rate swap contracts that meet specific conditions are handled with a specific accounting method.

2) Hedging instruments and Hedged transactions

Hedging instrument: Interest rate swaps, exchange forward contracts, and commodity price swaps

Hedged transaction: Interest payable on borrowed money, foreign currency denominated claims and liabilities, trade accounts payable

3) Hedging policy

i. In accordance with internal rules and in order to reduce the risk of interest rate fluctuations, the Company utilizes interest rate swap hedging instruments in which the contract amounts, conditions for receiving and paying interests, and contract terms match those for the hedged transactions.

ii. The Company utilizes exchange forward contracts to reduce risks associated with future interest rate fluctuations against import/export transactions conducted in the ordinary business process.

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

4) Method for evaluating effectiveness of hedges

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

(9) Amortization method and period for goodwill

In principal, goodwill is amortized over five (5) years on a pro-rata basis.

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

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

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

Accounting method for consumption tax and other taxes:

Consumption tax and other taxes are excluded from transaction amounts.

(Changes in Accounting Policy)

(Accounting standards for retirement benefits)

Effective the fiscal year ended March 31, 2015, the Company adopted the main clause of paragraph 35 of *Accounting Standard for Retirement Benefits* (ASBJ Statement No. 26, May 17, 2012) and the main clause of paragraph 67 of *Guidance on Accounting Standard for Retirement Benefits* (ASBJ Guidance No. 25, March 26, 2015). In accordance with this, the Company reviewed the calculation method for retirement benefit obligations and service cost. As a result, the method for attributing expected pension benefits to periods of employee service was switched from the straight-line attribution to the benefit formula, and the discount rate was switched from the previous discount rate based on the remaining service periods of employees to a single weighted average discount rate that reflects the estimated timing and amount of each benefit payment.

At the adoption of these accounting standards, the Company followed the transitional treatments stipulated in paragraph 37 of *Accounting Standard for Retirement Benefits*, and effect from this change was recorded in retained earnings at the beginning of the fiscal year ended March 31, 2015.

As a result, at the beginning of the fiscal year ended March 31, 2015, net defined benefit liability was 1,062 million yen higher and retained earnings was 685 million yen lower. With respect to operating income, ordinary income, and income before income taxes and minority interests, the impact of this change was minor.

For the record, net assets per share for the fiscal year ended March 31, 2015, was 1.66 yen lower. The impact on net income per share and diluted net income per share was minor.

(Segment and Other Information)

Segment information

1. Overview of reportable segments

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

In the GS Yuasa Group, principal consolidated subsidiaries conduct businesses under the control of the domestic divisions based on types of products or the division that controls the foreign business operations.

The Group's 4 reportable segments are therefore based on these divisions and comprise the Domestic Automotive Batteries segment, the Domestic Industrial Batteries and Power Supplies segment, the Overseas Operations segment, and the Lithium-ion Batteries segment.

The Domestic Automotive Batteries segment consists of the manufacturing and marketing of lead-acid batteries for automobiles. The Domestic Industrial Batteries and Power Supplies segment consists of the manufacturing and marketing of industrial batteries and power supplies. The Overseas Operations segment consists of the manufacturing and marketing of batteries overseas. The Lithium-ion Batteries segment consists of the manufacturing and marketing of lithium-ion batteries for automobiles.

2. Calculation of net sales, income/loss, assets, and other amounts by reportable segment

Accounting methods applied in the reportable segments are largely in line with those presented under "Basis of Preparation of Consolidated Financial Statements."

Reportable segment income is based on operating income.

Intersegment sales or transfers are mainly based on market price and cost of manufacturing.

3. Net sales, income/loss, assets, and other amounts by reportable segment

Year ended March 31, 2014 (April 1, 2013 to March 31, 2014)

(Millions of yen)

	Reportable segment						
	Domestic Automotive Batteries	Domestic Industrial Batteries and Power Supplies	Overseas Operations	Lithium-ion Batteries	Total	Other (note)	Total
Net sales							
Sales to outside customers	56,905	79,242	164,252	32,501	332,901	15,094	347,995
Inter-segment sales and transfers	1,508	2,596	1,503	428	6,036	(6,036)	-
Total	58,414	81,838	165,755	32,929	338,938	9,057	347,995
Segment income (loss)	3,310	12,199	8,996	(7,243)	17,261	936	18,197
Segment assets	21,040	49,918	132,303	59,195	262,457	78,004	340,462
Other items							
Depreciation/amortization	590	762	4,026	5,007	10,387	3,042	13,430
Investment in equity-method affiliates	846	61	18,339	714	19,962	-	19,962
Increase in PP&E and intangible assets	1,118	1,698	5,802	6,980	15,599	3,280	18,880

Notes: 1. "Other" comprises a) businesses that are not included in reportable segment such as lighting operation and b) segment income adjustments.

2. Adjustments are as follows:

(1) Adjustment for segment income was minus 2,144 million yen, which includes minus 1,245 million yen elimination of inter-segment transactions and minus 899 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) Adjustment for segment assets was 63,759 million yen, which includes minus 68,044 million yen elimination of inter-segment claims and debts, 131,803 million yen of unallocated corporate assets. The main components of these unallocated corporate assets are working funds, long-term investment funds, and assets allocated to administrative departments and laboratory facilities.

(3) Adjustment for depreciation/amortization was 2,770 million yen consisting of depreciation and amortization charges for corporate assets.

(4) Adjustment for increase in PP&E and intangible assets was 2,906 million yen consisting of the acquisition price of PP&E and intangible assets classified as corporate assets.

Year ended March 31, 2015 (April 1, 2014 to March 31, 2015)

(Millions of yen)

	Reportable segment						
	Domestic Automotive Batteries	Domestic Industrial Batteries and Power Supplies	Overseas Operations	Lithium-ion Batteries	Total	Other (note)	Total
Net sales							
Sales to outside customers	51,747	79,822	183,759	45,181	360,512	9,248	369,760
Inter-segment sales and transfers	1,565	2,637	1,592	420	6,215	(6,215)	-
Total	53,312	82,460	185,352	45,601	366,727	3,033	369,760
Segment income (loss)	2,397	8,657	10,786	(2,626)	19,215	1,698	20,914
Segment assets	21,838	56,049	158,369	48,276	284,534	74,988	359,522
Other items							
Depreciation/amortization	768	1,071	5,013	6,011	12,865	3,394	16,260
Investment in equity-method affiliates	887	79	21,912	750	23,629	-	23,629
Increase in PP&E and intangible assets	791	1,649	4,175	1,894	8,511	3,165	11,677

Notes: 1. "Other" comprises a) businesses that are not included in any of the reportable segments such as special batteries business and b) segment income adjustment.

2. Adjustments are as follows:

(1) Adjustment for segment income was minus 2,243 million yen, which includes minus 1,361 million yen elimination of inter-segment transactions and minus 882 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) Adjustment for segment assets was 63,850 million yen, which includes minus 82,290 million yen elimination of inter-segment claims and debts, 146,141 million yen of unallocated corporate assets. The main components of these unallocated corporate assets are working funds, long-term investment funds, and assets allocated to administrative departments and laboratory facilities.

(3) Adjustment for depreciation/amortization was 3,153 million yen consisting of depreciation and amortization charges for corporate assets.

(4) Adjustment for increase in PP&E and intangible assets was 2,598 million yen consisting of the acquisition price of PP&E and intangible assets classified as corporate assets.

4. Change in Reportable Segments and Other Changes

Effective the fiscal year ended March 31, 2015, in line with the reorganization of the Company, the lightning and membrane businesses were reclassified from “Other” to “Domestic Industrial Batteries and Power Supplies.” This change is reflected in the following information on net sales and income/loss by reportable segment for the year ended March 31, 2014.

(Millions of yen)

	Reportable segment						
	Domestic Automotive Batteries	Domestic Industrial Batteries and Power Supplies	Overseas Operations	Lithium-ion Batteries	Total	Other (note)	Total
Net sales							
Sales to outside customers	56,905	85,711	164,252	32,501	339,370	8,625	347,995
Inter-segment sales and transfers	1,508	2,635	1,503	428	6,075	(6,075)	-
Total	58,414	88,346	165,755	32,929	345,446	2,549	347,995
Segment income (loss)	3,310	12,373	8,996	(7,243)	17,435	762	18,197
Segment assets	21,040	54,368	132,303	59,195	266,908	73,554	340,462
Other items							
Depreciation/amortization	590	850	4,026	5,007	10,475	2,954	13,430
Investment in equity-method affiliates	846	61	18,339	714	19,962	-	19,962
Increase in PP&E and intangible assets	1,118	1,745	5,802	6,980	15,647	3,233	18,880

Notes: 1. “Other” comprises a) businesses that are not included in any of the reportable segments such as special batteries business and b) segment income adjustment.

2. Adjustments are as follows:

(1) Adjustment for segment income was minus 2,144 million yen, which includes minus 1,245 million yen elimination of inter-segment transactions and minus 899 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) Adjustment for segment assets was 63,643 million yen, which includes minus 68,160 million yen elimination of inter-segment claims and debts, 131,803 million yen of unallocated corporate assets. The main components of these unallocated corporate assets are working funds, long-term investment funds, and assets allocated to administrative departments and laboratory facilities.

(3) Adjustment for depreciation/amortization was 2,770 million yen consisting of depreciation and amortization charges for corporate assets.

(4) Adjustment for increase in PP&E and intangible assets was 2,906 million yen consisting of the acquisition price of PP&E and intangible assets classified as corporate assets.

(Accounting Standards for Retirement Benefits)

Effective the fiscal year ended March 31, 2015, the Company adopted the main clause of paragraph 35 of *Accounting Standard for Retirement Benefits* (ASBJ Statement No. 26, May 17, 2012) and the main clause of paragraph 67 of *Guidance on Accounting Standard for Retirement Benefits* (ASBJ Guidance No. 25, March 26, 2015). In accordance with this, the Company reviewed the calculation method for retirement benefit obligations and service cost. As a result, the method for attributing expected pension benefits to periods of employee service was switched from the straight-line attribution to the benefit formula, and the discount rate was switched from the previous discount rate based on the remaining service periods of employees to a single weighted average discount rate that reflects the estimated timing and amount of each benefit payment.

The impact of this change was minor.

(Per Share Information)

Year ended March 31, 2014		Year ended March 31, 2015	
Net assets per share	337.82 yen	Net assets per share	390.98 yen
Net income per share	24.18 yen	Net income per share	24.33 yen
Diluted net income per share	24.16 yen	Diluted net income per share	22.68 yen

Note: Bases for calculation of net income per share and Diluted net income per share are as follows:

	Year ended March 31, 2014	Year ended March 31, 2015
Net income per share		
Net income (millions of yen)	9,982	10,043
Amount not attributable to common stock shareholders (millions of yen)	-	-
Net income (loss) attributable to common stock (millions of yen)	9,982	10,043
Average number of common stock shares during term (thousands of shares)	412,812	412,790
Diluted net income per share		
Adjustments to net income (millions of yen)	-	(16)
(Of which, amount written off (excluding tax))	-	(16)
Increase in the number of common stock (thousands of shares)	402	29,377
(Of which, convertible bonds)	402	29,377
Residual securities that are not dilutive and not included in the calculation for diluted net income per share	-	-

(Significant Subsequent Events)

Not applicable

8. Production, Order Intake and Sale

(1) Production results

Production results by segment for the year ended March 31, 2015

(Millions of yen, unless otherwise stated)

	Year ended March 31, 2015	Year-on-year change
	Amount	%
Domestic Automotive Batteries	36,442	100.1
Domestic Industrial Batteries and Power Supplies	55,900	110.4
Overseas Operations	124,686	103.8
Lithium-ion Batteries	43,042	103.8
Total reportable segments	260,072	108.3
Other	8,129	75.2
Total	268,202	106.9

Notes: 1. The figures above are amounts before the application of accounting treatment for inter-segment transfer and based on the cost of production

2. Exclusive of consumption taxes.

(2) Order intake

Not applicable, because except for certain products such as large size batteries and large scale power supplies, the GS Yuasa Group manufactures products based mainly on a make-to-stock strategy.

(3) Sales results

Sales results by segment for the year ended March 31, 2015

(Millions of yen, unless otherwise stated)

	Year ended March 31, 2015	Year-on-year change
	Amount	%
Domestic Automotive Batteries	51,747	90.9
Domestic Industrial Batteries and Power Supplies	79,822	100.7
Overseas Operations	183,759	111.9
Lithium-ion Batteries	45,181	139.0
Total reportable segments	360,512	108.3
Other	9,248	61.3
Total	369,760	106.3

Notes: 1. Inter-segment transactions are offset and therefore eliminated.

2. Exclusive of consumption taxes.

9. Other

(1) Corporate Officer Changes (scheduled for June 26, 2015)

1. Change of President

1) Candidate for a new Representative

Osamu Murao	President (current: Director)

2) Retiring Representative

Makoto Yoda	current: President (candidate for a Chairman)

2. Change of Representative Directors

1) Candidates for new Representative Directors

Osamu Murao	President (current: Director)
Kei Nishida	Senior Managing Director (current: Managing Director)
Shinji Tatsumi	Senior Managing Director (current: Managing Director)

2) Retiring Representative Directors

Makoto Yoda	current: President (candidate for a Chairman)
Koichi Shiina	current: Senior Managing Director

3. Other Officer Changes

1) Candidates for new Directors

Ryoichi Okuyama	Director (current: Managing Executive Officer, GS Yuasa International, Ltd.)
Masayuki Murakami	Director (current: Executive Officer, GS Yuasa International, Ltd.)
Hiroaki Yoshida	Director (current: Officer, GS Yuasa International, Ltd.)
Hirofumi Onishi	Director (Certified Public Accountant, current: Auditor, Sekisui Chemical Co., Ltd.)

2) Retiring Directors

Koichi Shiina	current: Representative Director, Senior Managing Director
Hideaki Yoshimura	current: Managing Director (candidate for a Consultant)
Hirosuke Konishi	current: Director (candidate for a Managing Executive Officer, GS Yuasa International, Ltd.)

[Reference]

(1) Quarterly income/loss

Fiscal year ended March 31, 2015 (April 1, 2014 to March 31, 2015)

(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	82,321	89,199	94,940	103,298	171,521	266,462	369,760
Operating income	3,109	4,492	5,762	7,548	7,602	13,365	20,914
Ordinary income	3,763	5,039	6,430	7,124	8,802	15,233	22,357
Net income	2,342	2,856	3,331	1,513	5,198	8,530	10,043

Fiscal year ended 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	82,278	92,557	107,526	147,911	240,468	347,995
Operating income	1,609	2,130	6,022	8,435	3,739	9,762	18,197
Ordinary income	2,658	2,421	6,290	8,963	5,079	11,369	20,333
Net income	127	2,917	1,866	5,070	3,045	4,912	9,982

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

Overview of Results for the Year ended March 31, 2015

(Millions of yen unless otherwise stated)

	9th term	10th term	11th term	Year-on year Change (b) – (a)	Year-on year change (%)	12th term
	Year ended March 31, 2013	Year ended March 31, 2014 (a)	Year ended March 31, 2015 (b)			Year ending March 31, 2016 (forecast)
Net sales	274,509	347,995	369,760	21,764	6.3	400,000
Domestic Automotive Batteries	55,648	56,905	51,747	(5,158)	(9.1)	52,000
Domestic Industrial Batteries and Power Supplies	72,427	79,242	79,822	580	0.7	81,000
Overseas Operations	119,885	164,252	183,759	19,507	11.9	218,000
Lithium-ion Batteries	10,597	32,501	45,181	12,680	39.0	40,000
Other	15,951	15,094	9,248	(5,845)	(38.7)	9,000
Operating income	9,775	18,197	20,914	2,716	14.9	24,000
Domestic Automotive Batteries	3,931	3,310	2,397	(912)	(27.6)	3,000
Domestic Industrial Batteries and Power Supplies	10,813	12,199	8,657	(3,541)	(29.0)	9,000
Overseas Operations	6,380	8,996	10,786	1,790	19.9	12,000
Lithium-ion Batteries	(11,249)	(7,243)	(2,626)	4,617	-	0
Other	(100)	936	1,698	762	81.4	0
Ordinary income	12,258	20,333	22,357	2,024	10.0	25,000
Net income (loss)	5,767	9,982	10,043	61	0.6	13,000
Net income per share (yen)	13.97	24.18	24.33	0.15	0.6	31.49
Dividend per share (yen)	6.00	8.00	10.00	2.00	25.0	10.00
Capital investment	33,159	18,570	11,008	(7,561)	(40.7)	17,000
Depreciation/amortization	13,264	12,939	15,715	2,775	21.4	17,000
Research and development expenses	6,228	6,495	6,725	230	3.5	7,000
Cash flows from operating activities	19,069	19,704	19,729	25	-	-
Cash flows from investing activities	(29,249)	(9,786)	(14,519)	(4,733)	-	-
Cash flows from financing activities	3,839	589	(5,798)	(6,387)	-	-
Cash and cash equivalents, end of term	11,210	23,392	25,708	2,316	9.9	-
Total assets	290,368	340,462	359,522	19,060	5.6	-
Net assets	141,189	154,702	182,187	27,485	17.8	-
Total debt	71,674	80,134	82,166	2,032	2.5	-
Equity ratio (%)	43.2	41.0	44.9	3.9	—	-
Return on equity (%)	4.8	7.5	6.7	(0.8)	—	-
Net assets per share (yen)	303.65	337.82	390.98	53.16	15.7	-
Overseas sales ratio (%)	44.40	48.50	52.40	3.90	8.0	-
Number of employees, end of term (persons)	12,599	13,609	14,506	897	6.6	-
Number of consolidated subsidiaries	56	57	55	(2)	-	-
Japan	24	24	22	(2)	-	-
Overseas	32	33	33	-	-	-

Note: The net income for the Year ending March 31, 2016 (forecast) represents “net income attributable to owners of the parent company.”