

**GS Yuasa Corporation**  
**Consolidated Earnings Report for the**  
**Year ended March 31, 2019**  
**(Japanese GAAP)**

Stock listing: Tokyo Stock Exchange Securities code: 6674  
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Scheduled dates  
 Ordinary general meeting of shareholders: June 27, 2019  
 Dividend payout: June 28, 2019  
 Filing of statutory financial report (*Yukashoken hokokusho*): June 27, 2019

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, 2019 (April 1, 2018 to March 31, 2019)**

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2019	413,089	0.5	22,654	3.3	24,728	15.6	13,524	18.1
Year ended March 31, 2018	410,951	14.3	21,920	(5.1)	21,387	(5.1)	11,449	(6.4)

Note: Comprehensive income: Year ended March 31, 2019: ¥12,920 million, (45.2)%  
 Year ended March 31, 2018: ¥23,590 million, 75.6%

	Profit per share	Diluted profit 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, 2019	164.74	154.08	7.6	6.4	5.5
Year ended March 31, 2018	138.90	129.46	6.8	5.6	5.3

Reference: Equity in earnings of equity-method affiliates:

Year ended March 31, 2019: ¥2,743 million

Year ended March 31, 2018: ¥(519) million

On October 1, 2018, the Company carried out a 1-for-5 reverse stock split. "Profit per share", "diluted profit per share", and "net assets per share" were calculated assuming that the reverse stock split was effected at the beginning of the fiscal year ended March 31, 2018 (April 1, 2017).

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
March 31, 2019	384,243	207,708	46.4	2,179.03
March 31, 2018	389,216	205,638	45.2	2,138.45

Reference: Total equity: As of March 31, 2019: ¥178,320 million  
 As of March 31, 2018: ¥175,775 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, 2019	31,493	(17,570)	(11,706)	23,408
Year ended March 31, 2018	21,934	(20,810)	(6,702)	19,776

## 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, 2018	-	3.00	-	7.00	10.00	4,128	36.0	2.4
Year ended March 31, 2019	-	3.00	-	35.00	-	4,099	30.4	2.3
Year ending March 31, 2020 (forecast)	-	15.00	-	35.00	50.00		34.2	

For the year ended March 31, 2019, the effect of the reverse stock split is reflected in the year-end dividend per share, and the total annual dividend is presented as “-.”

## 3. Earnings Forecast for the Year ending March 31, 2020 (April 1, 2019 to March 31, 2020)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Six months ending September 30, 2019	200,000	2.3	5,000	(28.1)	6,000	(19.9)	3,000	(13.1)	36.54
Year ending March 31, 2020	430,000	4.1	20,000	(11.7)	22,000	(11.0)	12,000	(11.3)	146.17

### \*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: None
  - 2) Changes other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Retrospective restatement: None

### (3) Number of shares issued (common stock)

	March 31, 2019	March 31, 2018
1) Number of shares issued (including treasury stock)	82,714,942	82,714,942
2) Number of shares held in treasury	880,229	517,357

	Year ended March 31, 2019	Year ended March 31, 2018
3) Average number of shares outstanding during the period	82,093,597	82,430,501

On October 1, 2018, the Company carried out a 1-for-5 reverse stock split. The “number of shares issued (including treasury stock),” “number of shares held in treasury” and “average number of shares outstanding

during the period” were calculated assuming that the reverse stock split was effected at the beginning of the fiscal year ended March 31, 2018 (April 1, 2017).

**(Reference) Non-consolidated Financial Results**  
**Year ended March 31, 2019 (April 1, 2018 to March 31, 2019)**

(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, 2019	6,628	(1.2)	5,633	(0.9)	7,320	(0.5)	6,603	(0.5)
Year ended March 31, 2018	6,708	29.2	5,687	36.2	7,359	29.2	6,635	30.6

	Profit per share	Diluted profit per share
	yen	yen
Year ended March 31, 2019	80.44	75.13
Year ended March 31, 2018	80.50	74.95

On October 1, 2018, the Company carried out a 1-for-5 reverse stock split. “Profit per share,” “diluted profit per share,” and “net assets per share” were calculated assuming that the reverse stock split was effected at the beginning of the fiscal year ended March 31, 2018 (April 1, 2017).

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio*	Net assets per share
	million yen	million yen	%	yen
March 31, 2019	175,047	126,187	72.1	1,541.98
March 31, 2018	176,027	124,670	70.8	1,516.71

Reference: Total equity: As of March 31, 2019: ¥ 126,187 million  
As of March 31, 2018: ¥ 124,670 million

\*Financial reports are not subject to audit procedures to be conducted by certified public accountants or an audit firm.

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

The above forecasts are based on the assumptions of management in 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, 2019, the Japanese economy recovered modestly, as consumer spending in Japan was strong, buoyed by improvements in both corporate earnings and the labor environment.

Reviewing global economic trends, in the United States, consumer spending was robust due to the strong labor and income environments. Meanwhile, in China, the economy slowed down based on trade tension with the United States and other issues. In Europe, consumer spending was firm as the labor environment was on a recovery trend, but with continued uncertainty over Brexit, the situation remained unpredictable.

In this economic environment, the GS Yuasa Group's consolidated net sales for the fiscal year totaled ¥413,089 million, an increase of ¥2,137 million, or 0.5%, compared with the previous fiscal year. Sales grew mainly on progress made in passing on the increase in the price of lead into product prices and especially strong demand for replacement batteries in the automotive batteries segment. Operating income totaled ¥22,654 million for the fiscal year (¥25,066 million before goodwill amortization), an increase of ¥734 million, or 3.3%, compared with the previous fiscal year. Ordinary income increased ¥3,341 million year on year, or 15.6%, to ¥24,728 million, reflecting the increase in operating income and an improvement in equity in earnings of equity-method affiliates. In conjunction with this, profit attributable to owners of parent totaled ¥13,524 million (¥15,974 million before goodwill amortization), a year-on-year increase of ¥2,074 million, or 18.1%.

Consolidated net sales, operating income before goodwill amortization, ordinary income, profit, and profit before goodwill amortization were all record highs.

#### 2) Business Segment Results

Business reportable segments changed in the fiscal year under review. The year-on-year comparisons below are made by restating the previous year's results according to the new segments for comparison.

##### (Automotive Batteries)

Net sales in Japan totaled ¥91,460 million for the fiscal year, a year-on-year increase of ¥2,219 million, or 2.5%. Sales were bolstered mainly by strong demand for replacement batteries. Segment income (before goodwill amortization) increased ¥1,622 million year on year, or 26.4%, to ¥7,766 million, reflecting the aforementioned increase in sales as well as progress in passing on the increase in the price of lead into product prices.

Overseas net sales totaled ¥187,111 million, a year-on-year increase of ¥1,536 million, or 0.8%, mainly attributable to progress in passing on the increase in the price of lead into product prices, despite the decline in sales volume in conjunction with the impact of the economic slowdown centered in China and Southeast Asia. In association with this, overseas segment income increased ¥1,598 million year on year, or 17.8%, to ¥10,558 million.

Combined net sales from Japan and overseas totaled ¥278,572 million for the fiscal year, a year-on-year increase of ¥3,756 million, or 1.4%. Segment income (before goodwill amortization) increased ¥3,221 million year on year, or 21.3%, to ¥18,325 million.

##### (Industrial Batteries and Power Supplies)

Net sales in the industrial batteries and power supplies segment for the fiscal year totaled ¥69,984 million, a year-on-year decrease of ¥4,253 million, or 5.7%, due to a decline in sales of power supply systems and the transfer of certain businesses, along with other factors, despite strong sales of forklift batteries. Segment income totaled ¥7,317 million, a year-on-year decrease of ¥47 million, or 0.6%, due to the decline in sales.

##### (Automotive Lithium-ion Batteries)

Net sales in the automotive lithium-ion batteries segment for the fiscal year totaled ¥45,585 million, a year-on-year increase of ¥800 million, or 1.8%, due to higher sales of lithium-ion batteries for plug-in hybrid vehicles, despite the decline in sales of lithium-ion batteries for hybrid vehicles.

The segment posted income of ¥300 million, a year-on-year decrease of ¥1,020 million, or 77.3%, due to higher raw materials prices and an increase in development costs, along with other factors.

(Other)

Net sales in the other segment for the fiscal year totaled ¥18,947 million, a year-on-year increase of ¥1,833 million, or 10.7%, boosted by the increase in production of lithium-ion batteries for submarines. Segment income after adjustments for corporate expenses, etc. totaled a loss of ¥876 million, a year-on-year deterioration of ¥1,163 million due to higher R&D expenses and other factors.

(Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2020)

Regarding the economic outlook for Japan, the modest economic recovery is expected to continue, supported by firm domestic demand, but there are concerns about the impact that the October 2019 consumption tax rate hike might have on the economy. Overseas, the United States is expected to see continued robust consumer spending, backed by the solid labor environment, but the risk of an economic downturn exists due to feelings of uncertainty over the future of the United States' trade policy. In China, the economy is expected to continue its slowdown trend in the near term due to trade problems with the United States and other issues. In Europe, uncertainty surrounding Brexit is expected to weigh heavily and dull economic growth. Overall, the global economy is expected to continue to face many challenges. Amid this economic environment, the GS Yuasa Group will strive towards further growth based on the strong business foundation it has built. In the automotive batteries business, the Group is seeking to expand sales of high-value-added products in Japan, while increasing sales overseas by introducing products meeting market needs as well as by enhancing services. In the industrial batteries and power supplies business, the Group will aim to expand business scale and extend its business domains, along with efforts to further improve productivity. In the automotive lithium-ion batteries business, the Group will advance measures to respond the expansion of the lithium-ion battery market with mass production of 12V lithium-ion batteries and the building of an expansive sales framework, and will also work to grow industrial-use business. In consideration of the above factors, for the fiscal year ending March 31, 2020, the Group has set consolidated financial targets that include a record-high ¥430.0 billion in net sales. In light of global economic trends, however, as well as costs relating to expanding the lithium-ion battery market and future-oriented R&D investments, the Group is forecasting ¥20.0 billion in operating income (¥22.0 billion before goodwill amortization), and ¥12.0 billion in profit attributable to owners of parent (¥14.5 billion before goodwill amortization).

(2) Financial Condition

Total assets as of March 31, 2019, decreased by ¥4,972 million from the end of the previous fiscal year to ¥384,243 million. Despite an increase in cash and deposits and an increase in property, plant and equipment due to capital investment, there were decreases in trade accounts receivable due to collection, and decreases in goodwill and other intangible assets due to amortization.

Liabilities decreased by ¥7,042 million from the end of the previous fiscal year to ¥176,535 million. Although there was an increase due to bond issuances and execution of borrowings, this was offset by the redemption of bonds with subscription rights to shares.

Net assets totaled ¥207,708 million, an increase of ¥2,069 million from the end of the previous fiscal year. Although there were dividends paid, as well as a decline in foreign currency translation adjustments due to exchange rate fluctuations and a decrease in remeasurements of defined benefit plans in conjunction with the decline in stock prices, the Company recorded profit attributable to owners of parent.

(3) Status of Cash Flows

Cash and cash equivalents as of March 31, 2019, amounted to ¥23,408 million, an increase of ¥3,631 million, or 18.4%, 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, 2019, amounted to ¥31,493 million, compared with net cash provided of ¥21,934 million in the previous fiscal year. There were contributions from profit before income taxes, depreciation and amortization, and collection of trade accounts receivable, which were partially offset by decreases in trade accounts payable and the payment of income taxes.

(Cash Flows from Investing Activities)

Net cash used in investing activities totaled ¥17,570 million, compared with net cash used of ¥20,810 million in the previous fiscal year, mainly due to the purchase of property, plant, and equipment, and the acquisition of subsidiaries' shares.

(Cash Flows from Financing Activities)

Net cash used in financing activities amounted to ¥11,706 million, compared with net cash used of ¥6,702 million in the previous fiscal year. There was an increase in borrowings and issuance of bonds, which was outweighed by the redemption of bonds with subscription rights to shares and the payment of dividends.

(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, 2017	Year ended March 31, 2018	Year ended March 31, 2019
Equity ratio (%)	43.6	45.2	46.4
Equity ratio on a market-capitalization basis (%)	57.8	61.2	46.2
Ratio of interest-bearing liabilities to cash flow (years)	2.2	3.5	2.2
Interest coverage ratio	36.92	25.46	49.75

(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.

The amount of interest paid is the figure used in the consolidated cash flow statement.

(4) Basic Policy on Profit Distribution and Dividends for the Year Ended March 31, 2019 and the Year Ending March 31, 2020

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. Regarding the year-end dividend for the fiscal year ended March 31, 2019, GS Yuasa plans to pay a fiscal year-end dividend of ¥35 per share, due to the fact that the initial target for profit attributable to owners of parent was achieved. The consolidated payout ratio will therefore be 30.4%. Effective October 1, 2018, the

Company carried out a reverse stock split granting one share for every five shares owned. Based on stock owned after the reverse stock split, the annual dividend will be ¥50 per share.

Additionally, the Company plans to conduct share buybacks worth ¥1.5 billion as a way to further return profits to shareholders (¥921 million worth of share buybacks were conducted in the previous fiscal year). The total return ratio including this effect will therefore be 35.1% (based on profit attributable to owners of parent before goodwill amortization).

For the year ending March 31, 2020, GS Yuasa plans to pay an interim dividend of ¥15 per share and a year-end dividend of ¥35 per share, for an annual total of ¥50 per share, on the assumption that the consolidated earnings targets are achieved.

## **5. 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.

## 6. Consolidated Financial Statements and Notes

### (1) Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2018	As of March 31, 2019
	Amount	Amount
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	18,927	23,618
Notes and accounts receivable	79,919	74,393
Merchandise and finished goods	37,835	37,069
Work in process	16,621	16,869
Raw materials and supplies	15,286	13,888
Other	11,304	10,467
Allowance for doubtful receivables	(498)	(316)
<b>Total current assets</b>	<b>179,395</b>	<b>175,990</b>
<b>Fixed assets</b>		
Property, plant, and equipment		
Buildings and structures, net	50,449	54,759
Machinery and equipment, net	35,014	33,383
Land	24,047	22,406
Lease assets, net	777	646
Construction in progress	7,889	8,450
Other, net	4,669	4,555
<b>Total property, plant, and equipment</b>	<b>122,846</b>	<b>124,202</b>
Intangible assets		
Goodwill	4,349	3,347
Lease assets	843	1,098
Other	7,033	5,911
<b>Total intangible assets</b>	<b>12,226</b>	<b>10,357</b>
Investments and other assets		
Investment securities	56,685	56,062
Investments in capital	984	1,062
long-term loans receivable	191	38
Net defined benefit asset	12,096	11,668
Deferred tax assets	2,442	2,502
Other	2,719	2,612
Allowance for doubtful receivables	(438)	(332)
<b>Total investments and other assets</b>	<b>74,683</b>	<b>73,614</b>
<b>Total fixed assets</b>	<b>209,756</b>	<b>208,174</b>
<b>Deferred assets</b>		
Bond issuance cost	63	78
<b>Total deferred assets</b>	<b>63</b>	<b>78</b>
<b>Total assets</b>	<b>389,216</b>	<b>384,243</b>



	As of March 31, 2018	(Millions of yen) As of March 31, 2019
	Amount	Amount
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable	36,504	35,160
Electronically recorded obligation	15,144	17,115
Commercial paper	-	3,000
Short-term borrowings	17,464	9,905
Current portion of bonds with subscription rights to shares	25,000	-
Payables	8,804	10,823
Income taxes payable	3,005	3,247
Notes payable-facilities	140	1,036
Provision for directors' bonuses	112	112
Other	18,481	16,338
<b>Total current liabilities</b>	<b>124,657</b>	<b>96,739</b>
<b>Long-term liabilities</b>		
Bonds	10,000	20,000
Long-term debt	22,689	34,034
Lease obligations	1,223	1,239
Deferred tax liabilities	10,561	12,067
Deferred tax liabilities for land revaluation	1,042	928
Provision for directors' retirement benefits	48	52
Net defined benefit liability	6,351	4,274
Other	7,003	7,199
<b>Total long-term liabilities</b>	<b>58,920</b>	<b>79,796</b>
<b>Total liabilities</b>	<b>183,577</b>	<b>176,535</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	33,021	33,021
Capital surplus	55,313	55,313
Retained earnings	66,822	77,664
Less treasury stock, at cost	(1,387)	(2,315)
<b>Total shareholders' equity</b>	<b>153,770</b>	<b>163,684</b>
<b>Accumulated other comprehensive income</b>		
Net unrealized gain on available-for-sale securities	14,713	14,879
Deferred gain (loss) on derivatives under hedge accounting	(1)	(81)
Land revaluation surplus	2,397	2,137
Foreign currency translation adjustments	5,278	(488)
Remeasurements of defined benefit plans	(383)	(1,809)
<b>Total accumulated other comprehensive income</b>	<b>22,005</b>	<b>14,635</b>
<b>Non-controlling interests</b>	<b>29,863</b>	<b>29,388</b>
<b>Total net assets</b>	<b>205,638</b>	<b>207,708</b>
<b>Total liabilities and net assets</b>	<b>389,216</b>	<b>384,243</b>

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

	Year ended March 31, 2018	Year ended March 31, 2019
	Amount	Amount
(Millions of yen)		
<b>Net sales</b>	410,951	413,089
Cost of sales	317,890	318,097
<b>Gross profit</b>	93,061	94,991
<b>Selling, general and administrative expenses</b>	71,140	72,337
<b>Operating income</b>	21,920	22,654
<b>Non-operating income</b>		
Interest income	287	247
Dividend income	475	458
Equity in earnings of equity method affiliates	-	2,743
Foreign exchange gain	89	-
Other	659	774
Total non-operating income	1,512	4,223
<b>Non-operating expenses</b>		
Interest expenses	837	645
Sales discounts	203	160
Equity in loss of equity method affiliates	519	-
Foreign exchange loss	-	605
Other	485	737
Total non-operating expenses	2,045	2,149
<b>Ordinary income</b>	21,387	24,728
<b>Extraordinary income</b>		
Gain on sales of fixed assets	783	3,503
Gain on sales of investment securities	-	64
Other	27	297
Total extraordinary income	810	3,865
<b>Extraordinary loss</b>		
Loss on disposal of fixed assets	381	474
Loss on sales of fixed assets	205	254
Loss on valuation of investment securities	98	-
Impairment loss	-	274
Loss on liquidation of subsidiaries and affiliates	650	1,800
Other	94	565
Total extraordinary loss	1,429	3,369
<b>Profit before income taxes</b>	20,768	25,224
<b>Income taxes</b>		
Current	6,039	6,137
Deferred	(618)	1,989
<b>Total income taxes</b>	5,421	8,127
<b>Profit</b>	15,346	17,096
<b>Profit attributable to non-controlling interests</b>	3,896	3,572
<b>Profit attributable to owners of parent</b>	11,449	13,524

## Consolidated Statements of Comprehensive Income

	Year ended March 31, 2018	(Millions of yen) Year ended March 31, 2019
	Amount	Amount
<b>Profit</b>	15,346	17,096
<b>Other comprehensive income</b>		
Net unrealized gain (loss) on available-for-sale securities	3,945	201
Deferred gain (loss) on derivatives under hedge accounting	(1)	0
Foreign currency translation adjustments	2,259	(682)
Remeasurements of defined benefit plans	820	(1,424)
Share of other comprehensive income of equity method affiliates	1,219	(2,271)
Total other comprehensive income	8,244	(4,176)
<b>Comprehensive income</b>	23,590	12,920
Components:		
Comprehensive income attributable to owners of parent	19,188	9,314
Comprehensive income attributable to non-controlling interests	4,402	3,606

### (3) Consolidated Statements of Changes in Net Assets

Year ended March 31, 2018 (April 1, 2017 to March 31, 2018)

(Millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of term	33,021	55,292	59,501	(358)	147,456
Changes during term					
Cash dividends			(4,128)		(4,128)
Profit attributable to owners of parent			11,449		11,449
Purchase of treasury stock				(1,127)	(1,127)
Disposition of treasury shares		20		98	119
Retirement of treasury shares					
Reversal of revaluation reserve for land					
Effect of change in fiscal year-end of subsidiaries and affiliates					
Change in scope of consolidation					
Net changes other than shareholders' equity					
Total changes during term	-	20	7,321	(1,028)	6,314
Balance at end of term	33,021	55,313	66,822	(1,387)	153,770

	Accumulated other comprehensive income						Non-controlling 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	10,769	-	2,397	2,330	(1,231)	14,266	26,432	188,155
Changes during term								
Cash dividends								(4,128)
Profit attributable to owners of parent								11,149
Purchase of treasury stock								(1,127)
Disposition of treasury shares								119
Retirement of treasury shares								
Reversal of revaluation reserve for land								
Effect of change in fiscal year-end of subsidiaries and affiliates								
Change in scope of consolidation								
Net changes other than shareholders' equity	3,944	(1)		2,948	847	7,738	3,430	11,169
Total changes during term	3,944	(1)	-	2,948	847	7,738	3,430	17,483
Balance at end of term	14,713	(1)	2,397	5,278	(383)	22,005	29,863	205,638

Year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

(Millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of term	33,021	55,313	66,822	(1,387)	153,770
Changes during term					
Cash dividends			(4,112)		(4,112)
Profit attributable to owners of parent			13,524		13,524
Purchase of treasury stock				(931)	(931)
Disposition of treasury shares		(0)		3	3
Retirement of treasury shares		(0)		0	-
Reversal of revaluation reserve for land			260		260
Effect of change in fiscal year-end of subsidiaries and affiliates			1,084		1,084
Change in scope of consolidation			84		84
Net changes other than shareholders' equity					
Total changes during term	-	(0)	10,841	(928)	9,913
Balance at end of term	33,021	55,313	77,664	(2,315)	163,684

	Accumulated other comprehensive income						Non-controlling 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	14,713	(1)	2,397	5,278	(383)	22,005	29,863	205,638
Changes during term								
Cash dividends								(4,112)
Profit attributable to owners of parent								13,524
Purchase of treasury stock								(931)
Disposition of treasury shares								3
Retirement of treasury shares								-
Reversal of revaluation reserve for land								260
Effect of change in fiscal year-end of subsidiaries and affiliates								1,084
Change in scope of consolidation								84
Net changes other than shareholders' equity	165	(80)	(260)	(5,767)	(1,425)	(7,369)	(475)	(7,844)
Total changes during term	165	(80)	(260)	(5,767)	(1,425)	(7,369)	(475)	2,069
Balance at end of term	14,879	(81)	2,137	(488)	(1,809)	14,635	29,388	207,708

**(4) Consolidated Statements of Cash Flows**

	(Millions of yen)	
	Year ended March 31, 2018	Year ended March 31, 2019
	Amount	Amount
<b>Cash flows from operating activities</b>		
Income before income taxes	20,768	25,224
Depreciation and amortization	18,119	17,820
Impairment loss	-	274
Amortization of goodwill	1,249	1,505
(Gain) loss on valuation of investment securities	98	-
(Gain) loss on sales of investment securities	-	(64)
Loss on liquidation of subsidiaries and affiliates	650	1,800
Increase (decrease) in allowance for doubtful receivables	13	(284)
Increase (decrease) in net defined benefit liability	(3,781)	(3,698)
Interest and dividend income	(763)	(705)
Interest expenses	837	645
Foreign exchange (gain) loss	(133)	(237)
(Gain) loss on sales of fixed assets	(577)	(3,248)
Loss on disposal of fixed assets	381	474
Equity in (earnings) loss of equity method affiliates	519	(2,743)
(Increase) decrease in trade accounts receivable	(6,708)	4,122
(Increase) decrease in inventories	(5,693)	(1,670)
Increase (decrease) in trade accounts payable	3,096	(1,638)
Other – net	192	483
Sub total	28,266	38,058
Interest and dividends received	1,553	1,316
Interest paid	(861)	(633)
Income taxes paid	(7,024)	(7,248)
Net cash provided by operating activities	21,934	31,493
<b>Cash flows from investing activities</b>		
Purchase of property, plant, and equipment	(18,276)	(19,852)
Proceeds from sales of property, plant, and equipment	1,427	4,846
Purchase of intangible assets	(195)	(195)
Purchase of investment securities	(3,310)	-
Proceeds from sales of investment securities	-	745
Purchase of shares of subsidiaries	-	(2,811)
Payments for loans receivable	(6)	(1)
Collection of loans receivable	32	48
Other - net	(481)	(348)
Net cash used in investing activities	(20,810)	(17,570)

**Cash flows from financing activities**

Net increase (decrease) in short-term borrowings and commercial paper	1,262	800
Proceeds from long-term debt	4,989	12,696
Repayments of long-term debt	(16,152)	(4,057)
Proceeds from issuance of bonds	10,000	10,000
Redemption of convertible bonds with subscription rights to shares	-	(25,000)
Purchase of treasury stock	(1,127)	(931)
Proceeds from disposition of treasury stock	119	3
Dividends paid	(4,129)	(4,112)
Dividends paid to non-controlling shareholders	(1,466)	(1,316)
Proceeds from issuance of consolidated subsidiary's shares to non-controlling shareholders	379	-
Other - net	(578)	211
<b>Net cash used in financing activities</b>	<b>(6,702)</b>	<b>(11,706)</b>
Foreign currency translation adjustments on cash and cash equivalents	683	297
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(4,896)</b>	<b>2,514</b>
<b>Cash and cash equivalents, beginning of term</b>	<b>24,673</b>	<b>19,776</b>
<b>Net increase (decrease) in cash and cash equivalents resulting from change in fiscal year-end of consolidated subsidiaries</b>	<b>-</b>	<b>1,093</b>
<b>Increase in cash and cash equivalents from newly consolidated subsidiary</b>	<b>-</b>	<b>24</b>
<b>Cash and cash equivalents, end of term</b>	<b>19,776</b>	<b>23,408</b>

## **(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-four (54) companies

Names of major consolidated subsidiaries:

GS Yuasa International Ltd.

GS Yuasa Battery Ltd.

GS Yuasa Energy Co., Ltd.

GS Yuasa Technology Ltd.

GS Yuasa Finance Netherlands B.V. was excluded from the scope of consolidation as the liquidation process was finished during the fiscal Year ended March 31, 2019.

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

Name of major non-consolidated subsidiaries:

GS Engineering 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, profits/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 (20) companies

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

Yuasa M&B Ltd.

SEBANG GLOBAL BATTERY Co., Ltd.

PT. GS Battery

İnci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi

Lithium Energy and Power GmbH & Co. KG was excluded from the scope of equity method accounting as the liquidation process of the affiliate has been completed. Furthermore, Lithium Energy and Power GmbH & CoKG was excluded from the scope of equity method accounting as the Company sold its shares.

(2) Eight (8) non-consolidated subsidiaries and five (5) affiliates are not accounted for under the equity method because they are insignificant in terms of their impact on the Company's profits/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, the financial statements that were closed at their fiscal year-end dates or provisionally closed at the consolidated fiscal year-end date were used for consolidation.

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

From the fiscal year ended March 31, 2019, GS Battery Taiwan Co., Ltd. and other 15 consolidated subsidiaries have changed their fiscal year-end date to March 31. Those companies previously closed their financial statements at December 31, and the consolidated financial statements were prepared using their financial statements as of their fiscal year-end date after performing some necessary



adjustments for important transactions that took place during the period between the last year-end date of those companies and the consolidated year-end date.

The consolidation methods have also been changed for Tianjin GS Battery Co., Ltd. and other 11 consolidated subsidiaries which close their financial statements at December 31. Previously, the consolidated financial statements were prepared using their financial statements as of their fiscal year-end date after performing some necessary adjustments for important transactions that took place during the period between the last year-end date of those companies and the consolidated year-end date. However, from the fiscal year ended March 31, 2019, the Company started using their financial statements provisionally closed at the consolidated fiscal year-end date, March 31, to ensure more appropriate apprehension of management information and disclosure of consolidated financial statements.

With these changes, the consolidated earnings report for the fiscal year ended March 31, 2019, comprise financial statements for twelve months from April 1, 2018 to March 31, 2019. For reference, profit/loss of these consolidated subsidiaries for the period of January 1, 2018 to March 31, 2018, have been included in retained earnings.

#### 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:

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

##### (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: 7 to 50 years

Machinery, equipment and vehicles: 4 to 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.

- (3) Amortization method for deferred assets  
Bond issuance cost: Amortized with the straight-line method over the bond redemption period (5 and 10 years).
- (4) Accounting standards for principal provisions and allowances
- 1) Allowance for doubtful receivables  
The Company and its domestic consolidated subsidiaries provide allowances for the amount not expected to be recovered from doubtful receivables based on the historical loan-loss ratio. For loans and receivables requiring special attention, an allowance is provided for the estimated uncollectible amounts after reviewing collectability of receivables individually. Foreign consolidated subsidiaries provide 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 provision is recorded based on the amount expected to be paid.
  - 3) Provision for directors' retirement benefits  
To prepare for the payment of retirement benefits for directors and executive officers, the necessary amount at the end of the fiscal year is recorded in accordance with internal regulations of certain consolidated subsidiaries.
- (5) Accounting treatment for retirement benefits  
To prepare for the payment of employee retirement benefits, 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, 2019.
- 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, 2019).
  - 2) Actuarial gains or losses and prior service cost  
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 or losses are amortized from the fiscal year that starts after the accrual of the gains or losses using the straight-line method over a certain number of years (mainly 10 to 14 years) within the average remaining service periods of the employees who will receive the benefits.  
Unrecognized actuarial gains or losses and unrecognized prior service cost 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 "non-controlling interests."
- (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, commodity price swaps, and currency swaps

Hedged transaction: Interest payable on borrowed money, foreign currency denominated claims and liabilities, and 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 and currency swap contracts with an aim to reduce risks associated with future interest rate fluctuations against import/export transactions and foreign currency denominated debt that are conducted or incurred 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 the hedging instrument and of the targeted hedged transaction over the period from the commencement of the 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 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.

5. Note on change in presentation

With the adoption of *Partial Amendments to Accounting Standard for Tax Effect Accounting* (ASBJ Statement No. 28, February 16, 2018) from the beginning of the fiscal year ended March 31, 2019, deferred tax assets and deferred tax liabilities have been changed to be presented under “investments and other assets” and “long-term liabilities,” respectively.

Due to the change, in the consolidated balance sheets for the fiscal year ended March 31, 2018, “deferred tax assets” under “current assets” decreased 3,169 million yen, “deferred tax assets” under “investments and other assets” increased 1,061 million yen, and “deferred tax assets” under “long-term liabilities” decreased 2,108 million yen.

Note that deferred tax assets and deferred tax liabilities of single taxable entities have been offset prior to presentation, and total assets are 2,108 million yen lower than before the change.

(Segment and other information)

Segment Information

1. Overview of reportable segments

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

The GS Yuasa Group consists of segments based on business units, and the reportable segments comprised Automotive Batteries-Japan, Automotive Batteries-Overseas, Industrial Batteries and Power Supplies, and Automotive Lithium-ion Batteries.

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

2. 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 (before goodwill amortization).

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

3. Changes to reportable segments

The GS Yuasa Group implemented "reorganization of the business structure in response to markets and customers" in the previous fiscal year ended March 31, 2018 and unified the domestic automotive batteries business and the overseas lead-acid storage batteries business into the automotive battery business. In line with this, the Group's reportable segments have been reorganized into Automotive Batteries-Japan, Automotive Batteries-Overseas, Industrial Batteries and Power Supplies, and Automotive Lithium-ion Batteries. Then, Automotive Batteries-Overseas included part of transactions for overseas industrial batteries which have been traded for some time; however, from the fiscal year ended March 31, 2019, these transactions have been transferred to Industrial Batteries and Power Supplies segment.

Segment information for the fiscal year ended March 31, 2018 have been restated to conform to the revised presentation.

4. Net sales, income/loss, assets, and other amounts by reportable segment  
Year ended March 31, 2018 (April 1, 2017 to March 31, 2018)

(Millions of yen)

	Reportable segment							
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total	Other (note)	Total
	Japan	Overseas	Subtotal					
Net sales								
Sales to outside customers	89,240	185,574	274,815	74,237	44,784	393,837	17,113	410,951
Inter-segment sales and transfers	1,447	4,508	5,956	15,198	706	21,861	(21,861)	-
Total	90,688	190,083	280,771	89,436	45,490	415,698	(4,747)	410,951
Segment income (loss)	6,143	8,960	15,103	7,364	1,320	23,789	287	24,076
Segment assets	54,326	158,027	212,353	41,176	45,444	298,975	92,349	391,324
Other items								
Depreciation/amortization	1,860	4,174	6,035	1,267	5,212	12,515	5,603	18,119
Investment in equity-method affiliates	1,033	30,141	31,174	137	515	31,827	-	31,827
Increase in PP&E and intangible assets	2,361	6,359	8,721	1,115	1,360	11,197	4,604	15,802

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 2,325 million yen, which includes minus 1,304 million yen elimination of inter-segment transactions and minus 1,021 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 91,384 million yen, which includes minus 84,885 million yen elimination of inter-segment claims and debts, and 176,269 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 4,225 million yen consisting of depreciation and amortization charges for corporate assets.
  - (4) Adjustment for increase in PP&E and intangible assets was 4,110 million yen consisting of the acquisition price of PP&E and intangible assets classified as corporate assets.
3. The difference between the total segment income in the table above and operating income of 21,920 million yen on the consolidated income statements represents amortization of goodwill and other intangible assets of minus 2,156 million yen. These goodwill and other intangible assets include identifiable assets acquired on the effective date of business combination.

Year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

(Millions of yen)

	Reportable segment							
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total	Other (note)	Total
	Japan	Overseas	Subtotal					
Net sales								
Sales to outside customers	91,460	187,111	278,572	69,984	45,585	394,141	18,947	413,089
Inter-segment sales and transfers	1,369	4,065	5,435	14,583	681	20,699	(20,699)	-
<b>Total</b>	<b>92,830</b>	<b>191,176</b>	<b>284,007</b>	<b>84,567</b>	<b>46,266</b>	<b>414,841</b>	<b>(1,752)</b>	<b>413,089</b>
Segment income (loss)	7,766	10,558	18,325	7,317	300	25,943	(876)	25,066
Segment assets	57,865	155,902	213,768	43,409	47,922	305,099	79,144	384,243
Other items								
Depreciation/amortization	1,774	4,352	6,127	1,266	4,387	11,780	6,040	17,820
Investment in equity-method affiliates	1,085	28,928	30,014	111	-	30,125	-	30,125
Increase in PP&E and intangible assets	3,540	7,430	10,971	1,689	5,021	17,681	2,362	20,044

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 2,477 million yen, which includes minus 1,482 million yen elimination of inter-segment transactions and minus 995 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 68,005 million yen, which includes minus 94,070 million yen elimination of inter-segment claims and debts, and 162,076 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 4,631 million yen consisting of depreciation and amortization charges for corporate assets.
- (4) Adjustment for increase in PP&E and intangible assets was 1,960 million yen consisting of the acquisition price of PP&E and intangible assets classified as corporate assets.

3. The difference between the total segment income in the table above and operating income of 22,654 million yen on the consolidated income statements represents amortization of goodwill and other intangible assets of minus 2,412 million yen. These goodwill and other intangible assets include identifiable assets acquired on the effective date of business combination.

4. Impairment loss on fixed assets by reportable segment

(Material impairment loss on fixed assets)

With a decrease in business profitability in the Automotive Batteries-Overseas segment, the book value of fixed assets held by the segment were reduced to their recoverable amounts, and the losses were recorded in the Consolidated Statements of Income as "impairment loss" and "loss on liquidation of subsidiaries and affiliates." The impairment loss recognized for this reason in the fiscal year ended March 31, 2019 totaled 1,017 million yen, which includes 742 million yen recorded under loss on liquidation of subsidiaries and affiliates.

## (Per Share Information)

Year ended March 31, 2018		Year ended March 31, 2019	
Net assets per share	2,138.45 yen	Net assets per share	2,179.03 yen
Profit per share	138.90 yen	Profit per share	164.74 yen
Diluted profit per share	129.46 yen	Diluted profit per share	154.08 yen

Note: Bases for calculation of profits per share and diluted net profits per share are as follows:

	Year ended March 31, 2018	Year ended March 31, 2019
Profit per share		
Profit attributable to owners of parent (millions of yen)	11,449	13,524
Amount not attributable to common stockholders (millions of yen)	-	-
Profit attributable to common stockholders of parent (millions of yen)	11,449	13,524
Average number of common stock shares during term (thousands of shares)	82,430	82,093
Diluted profit per share		
Adjustments to profit attributable to owners of parent (millions of yen)	(17)	(17)
<i>(Of which, amount written off (excluding tax))</i>	(17)	(17)
Increase in the number of common stock (thousands of shares)	5,875	5,569
<i>(Of which, convertible bonds)</i>	5,875	5,569
Residual securities that are not dilutive and not included in the calculation for diluted profit per share	-	-

Note: 1. On October 1, 2018, the Company carried out a 1-for-5 reverse stock split. "Profit per share," "average number of common stock shares during term," "diluted profit per share," and "increase in the number of common stock" were calculated assuming that the reverse stock split was effected at the beginning of the fiscal year ended March 31, 2018 (April 1, 2017).

2. The Company has introduced the Performance-Based Stock Compensation Plan for its directors (excluding outside directors) and set up the Officer Stock Grant Trust. The Company's own shares held by the trust are included in the number of treasury stock presented in the consolidated financial statements. In line with this, for the calculation of profits per share and diluted net profits per share, the number of the Company's own shares held by the trust was included in the number of treasury stock that is subtracted from average number of common stock shares during term. (The fiscal Year ended March 31, 2019: 44,600 shares)

## (Significant Subsequent Events)

Not applicable

## 7. Production, Order Intake and Sale

### (1) Production results

Production results by segment for the Year ended March 31, 2019

(Millions of yen, unless otherwise stated)

	Year ended March 31, 2019	Year-on-year change
	Amount	%
Automotive Batteries-Japan	70,143	102.5
Automotive Batteries-Overseas	126,620	97.1
Industrial Batteries and Power Supplies	47,058	91.6
Automotive Lithium-ion Batteries	42,578	106.0
Total reportable segments	286,400	98.6
Other	14,736	106.0
Total	301,136	99.0

- Notes: 1. These amounts are based on the cost of production and before adjustment of inter-segment transfer.
2. Exclusive of consumption taxes.
3. The Company reclassified its reportable segments during the fiscal year ended March 31, 2019 as stated in “3. Changes to reportable segments” under “6. Consolidated Financial Statements and Notes” under “(5) Notes on the Consolidated Financial Statements (Segment and other information)”. The year-on-year change (%) in the table above was calculated based on the current reportable segments.

### (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, 2019

(Millions of yen, unless otherwise stated)

	Year ended March 31, 2019	Year-on-year change
	Amount	%
Automotive Batteries-Japan	91,460	102.5
Automotive Batteries-Overseas	187,111	100.8
Industrial Batteries and Power Supplies	69,984	94.3
Automotive Lithium-ion Batteries	45,585	101.8
Total reportable segments	394,141	100.1
Other	18,947	110.7
Total	413,089	100.5

- Notes: 1. Inter-segment transactions are offset and eliminated.
2. Exclusive of consumption taxes.
3. The Company reclassified its reportable segments during the fiscal year ended March 31, 2019 as stated in “3. Changes to reportable segments” under “6. Consolidated Financial Statements and Notes” under “(5) Notes on the Consolidated Financial Statements (Segment and other



information)". The year-on-year change (%) in the table above was calculated based on the current reportable segments.

## 8. Non-consolidated Financial Statements and Notes

### (1) Non-consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2018	As of March 31, 2019
	Amount	Amount
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	3,226	1,587
Accounts receivable	368	341
Short-term loans receivable from subsidiaries and associates	91,635	92,396
Accounts receivable - other	512	508
Other	53	55
<b>Total current assets</b>	<b>95,796</b>	<b>94,890</b>
<b>Fixed assets</b>		
Investments and other assets		
Investment securities	368	301
Shares of subsidiaries and associates	79,722	79,722
Deferred tax assets	-	16
Other	75	38
<b>Total investments and other assets</b>	<b>80,166</b>	<b>80,078</b>
<b>Total fixed assets</b>	<b>80,166</b>	<b>80,078</b>
<b>Deferred assets</b>		
Bond issuance cost	63	78
<b>Total deferred assets</b>	<b>63</b>	<b>78</b>
<b>Total assets</b>	<b>176,027</b>	<b>175,047</b>

	As of March 31, 2018	(Millions of yen) As of March 31, 2019
	Amount	Amount
<b>Liabilities</b>		
<b>Current liabilities</b>		
Short-term borrowings	2,018	2,330
Commercial paper	-	3,000
Current portion of bonds with subscription rights to shares	25,000	-
Current portion of long-term loans payable	284	296
Payables	88	81
Accrued expenses	13	27
Income taxes payable	154	146
Provision for directors' bonuses	12	12
Other	30	16
<b>Total current liabilities</b>	<b>27,602</b>	<b>5,910</b>
<b>Long-term liabilities</b>		
Bonds	10,000	20,000
Long-term debt	13,708	22,912
Long-term accounts payable - other	11	11
Deferred tax liabilities	2	-
Other	32	25
<b>Total long-term liabilities</b>	<b>23,754</b>	<b>42,948</b>
<b>Total liabilities</b>	<b>51,356</b>	<b>48,859</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	33,021	33,021
Capital surplus		
Legal capital surplus	79,336	79,336
Other capital surplus	20	20
<b>Total capital surplus</b>	<b>79,357</b>	<b>79,357</b>
Retained earnings		
Other retained earnings		
Retained earnings brought forward	13,610	16,102
<b>Total retained earnings</b>	<b>13,610</b>	<b>16,102</b>
Less treasury stock, at cost	(1,387)	(2,315)
<b>Total shareholders' equity</b>	<b>124,602</b>	<b>126,165</b>
<b>Valuation and translation adjustments</b>		
Net unrealized gain on available-for-sale securities	68	21
<b>Total valuation and translation adjustments</b>	<b>68</b>	<b>21</b>
<b>Total net assets</b>	<b>124,670</b>	<b>126,187</b>
<b>Total liabilities and net assets</b>	<b>176,027</b>	<b>175,047</b>

**(2) Non-consolidated Statement of Income**

(Millions of yen)

	Year ended March 31, 2018	Year ended March 31, 2019
	Amount	Amount
<b>Operating revenue</b>	6,708	6,628
<b>General and administrative expenses</b>	1,021	995
<b>Operating income</b>	5,687	5,633
<b>Non-operating revenue</b>		
Interest and dividend income	1,956	2,002
Other	20	16
Total non-operating revenue	1,976	2,018
<b>Non-operating expenses</b>		
Interest expenses	140	133
Interest on bonds	24	50
Other	139	148
Total non-operating expenses	304	331
<b>Ordinary income</b>	7,359	7,320
<b>Profit before income taxes</b>	7,359	7,320
<b>Income taxes</b>		
Current	695	714
Deferred	28	2
<b>Total income taxes</b>	723	716
<b>Profit</b>	6,635	6,603

### (3) Non-consolidated Statements of Changes in Net Assets

Year ended March 31, 2018 (April 1, 2017 to March 31, 2018)

(Millions of yen)

	Shareholders' Equity						Total shareholders' equity
	Common stock	Capital surplus			Retained earnings	Treasury stock	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward		
Balance at beginning of term	33,021	79,336	-	79,336	11,102	(358)	123,101
Changes during term							
Cash dividends					(4,128)		(4,128)
Profit					6,635		6,635
Purchase of treasury stock						(1,127)	(1,127)
Disposition of treasury shares			20	20		98	119
Retirement of treasury shares							
Net changes other than shareholders' equity							
Total changes during term	-	-	20	20	2,507	(1,028)	1,500
Balance at end of term	33,021	79,336	20	79,357	13,610	(1,387)	124,602

	Valuation and translation adjustments		Total net assets
	Net unrealized gain on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of term	46	46	123,148
Changes during term			
Cash dividends			(4,128)
Profit attributable to owners of parent			6,635
Purchase of treasury stock			(1,127)
Disposition of treasury shares			119
Retirement of treasury shares			
Net changes other than shareholders' equity	21	21	21
Total changes during term	21	21	1,521
Balance at end of term	68	68	124,670

Year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

(Millions of yen)

	Shareholders' Equity							
	Common stock	Capital surplus			Retained earnings		Treasury stock	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings			
					Retained earnings brought forward			
Balance at beginning of term	33,021	79,336	20	79,357	13,610		(1,387)	124,602
Changes during term								
Cash dividends					(4,112)			(4,112)
Profit					6,603			6,603
Purchase of treasury stock							(931)	(931)
Disposition of treasury shares			(0)	(0)			3	3
Retirement of treasury shares			(0)	(0)			0	-
Net changes other than shareholders' equity								
Total changes during term	-	-	(0)	(0)	2,491		(928)	1,563
Balance at end of term	33,021	79,336	20	79,357	16,102		(2,315)	126,165

	Valuation and translation adjustments		Total net assets
	Net unrealized gain on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of term	68	68	124,670
Changes during term			
Cash dividends			(4,112)
Profit			6,603
Purchase of treasury stock			(931)
Disposition of treasury shares			3
Retirement of treasury shares			-
Net changes other than shareholders' equity	(46)	(46)	(46)
Total changes during term	(46)	(46)	1,517
Balance at end of term	21	21	126,187

(4) Notes on the Non-consolidated Financial Statements

(Note on the going-concern assumption)

Not applicable

## 9. Other

### (1) Corporate Officer Changes (scheduled for June 27, 2019)

#### 1. Change of President

Not applicable

#### 2. Change of Representative Directors

Not applicable

#### 3. Other Officer Changes

##### 1) Candidate for new Corporate Auditor

Masayuki Murakami      Full-time Corporate Auditor (current: Director, GS Yuasa International Ltd.)

##### 3) Retiring Auditor

Shinji Ochiai, current: Full-time Corporate Auditor

## 10. Supplementary Information

### (1) Quarterly profit/loss

Fiscal year ending March 31, 2019 (April 1, 2018 to March 31, 2019)

	(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	96,256	99,158	110,230	107,442	195,415	305,646	413,089
Operating income	2,917	4,038	7,358	8,339	6,956	14,315	22,654
Ordinary income	3,165	4,327	8,308	8,927	7,492	15,800	24,728
Profit attributable to owners of parent	1,430	2,023	6,636	3,433	3,454	10,090	13,524

Fiscal year ended March 31, 2018 (April 1, 2017 to March 31, 2018)

	(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	87,805	96,402	112,776	113,966	184,208	296,984	410,951
Operating income	2,876	3,109	7,734	8,198	5,986	13,721	21,920
Ordinary income	3,273	3,174	7,763	7,176	6,447	14,210	21,387
Profit attributable to owners of parent	1,254	1,295	3,668	5,231	2,549	6,218	11,449

Fiscal year ended March 31, 2017 (April 1, 2016 to March 31, 2017)

	(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	75,364	83,535	95,428	105,277	158,899	254,328	359,605
Operating income	2,988	4,184	7,501	8,431	7,173	14,674	23,106
Ordinary income	2,875	3,774	8,007	7,887	6,650	14,657	22,545
Profit attributable to owners of parent	1,840	2,271	4,460	3,656	4,111	8,572	12,229

Fiscal year ended March 31, 2016 (April 1, 2015 to March 31, 2016)

	(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	81,642	89,507	94,159	100,301	171,149	265,308	365,610
Operating income	3,109	3,705	7,338	7,756	6,814	14,153	21,909
Ordinary income	3,044	4,004	7,220	7,146	7,049	14,269	21,416
Profit attributable to owners of parent	951	2,665	3,010	2,402	3,616	6,627	9,030

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
Profit attributable to owners of parent	2,342	2,856	3,331	1,513	5,198	8,530	10,043



## Overview of Results for the Year ended March 31, 2019

(Millions of yen unless otherwise stated)

	13th term	14th term	15th term	Year-on year Change (b) – (a)	Year-on year change (%)	16th term
	Year ended March 31, 2017	Year ended March 31, 2018 (a)	Year ended March 31, 2019 (b)			Year ending March 31, 2020 (forecast)
Net sales	359,605	410,951	413,089	2,137	0.5	430,000
Automotive Batteries-Japan	67,598	89,240	91,460	2,219	2.5	90,000
Automotive Batteries-Overseas	170,613	185,574	187,111	1,536	0.8	188,000
Industrial Batteries and Power Supplies	72,765	74,237	69,984	(4,253)	(5.7)	87,000
Automotive Lithium-ion Batteries	39,305	44,784	45,585	800	1.8	47,000
Other	9,323	17,113	18,947	1,833	10.7	18,000
Operating income	23,106	21,920	22,654	734	3.3	20,000
Operating income before amortization of goodwill	24,185	24,076	25,066	990	4.1	22,000
Automotive Batteries-Japan	5,676	6,143	7,766	1,622	26.4	6,000
Automotive Batteries-Overseas	10,460	8,960	10,558	1,598	17.8	9,500
Industrial Batteries and Power Supplies	8,701	7,364	7,317	(47)	(0.6)	7,500
Automotive Lithium-ion Batteries	45	1,320	300	(1,020)	(77.3)	(1,000)
Other	(699)	287	(876)	(1,163)	-	-
Ordinary income	22,545	21,387	24,728	3,341	15.6	22,000
Profit attributable to owners of parent	12,229	11,449	13,524	2,074	18.1	12,000
Profit attributable to owners of parent before amortization of goodwill	13,699	13,894	15,974	2,080	15.0	14,500
Profit per share (yen)	29.63	138.90	164.74	25.84	18.6	146.17
Annual dividend per share (yen)	10.00	10.00	-	-	-	50.00
Acquisition of treasury stock (planned for the following fiscal year)	999	921	1,500	578	62.8	-
Capital investment	19,909	15,223	21,461	6,237	41.0	27,000
Depreciation/amortization	15,241	16,506	16,115	(390)	(2.4)	18,000
Research and development expenses	9,533	11,170	9,868	(1,301)	(11.7)	11,000
Cash flows from operating activities	34,846	21,934	31,493	9,559	-	-
Cash flows from investing activities	(32,912)	(20,810)	(17,570)	3,240	-	-
Cash flows from financing activities	(3,715)	(6,702)	(11,706)	(5,003)	-	-
Cash and cash equivalents, end of term	24,673	19,776	23,408	3,631	18.4	-
Total assets	370,508	389,216	384,243	(4,972)	(1.3)	-
Net assets	188,155	205,638	207,708	2,069	1.0	-
Total debt	74,257	75,153	66,940	(8,213)	(10.9)	-
Equity ratio (%)	43.6	45.2	46.4	1.2	-	-
Return on equity (%) (Profit attributable to owners of parent before amortization of goodwill)	8.7	8.2	9.0	0.8	-	-
Net assets per share (yen)	391.83	2,138.45	2,179.03	40.58	1.9	-
Overseas sales ratio (%)	51.1	49.9	49.4	(0.5)	(1.0)	-
Number of employees, end of term (persons)	14,710	14,585	14,217	(368)	(2.5)	-
Number of consolidated subsidiaries	55	56	54	(2)	-	-
Japan	22	22	22	-	-	-
Overseas	33	34	32	(2)	(5.9)	-

Note: On October 1, 2018, the Company carried out a 1-for-5 reverse stock split. "Profit per share" and "net assets per share" were calculated assuming that the reverse stock split was effected at the beginning of the fiscal year ended March 31, 2018 (April 1, 2017). In addition, "annual dividend per share" for the year ended March 31, 2019 is not provided here and stated as "-."