

February 6, 2024

GS Yuasa Corporation
Consolidated Earnings Report for the
Nine Months ended December 31, 2023
(Japanese GAAP)

Stock listing: Tokyo Stock Exchange Securities code: 6674
 URL: <https://www.gs-yuasa.com/en/>
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Scheduled dates

Filing of statutory quarterly financial report (*Shihanki hokokusho*): February 6, 2024

Dividend payout: –

Supplementary materials to quarterly earnings report available: Yes
 Quarterly earnings presentation held: Yes (targeted at institutional investors and analysts)

(Amounts rounded down to the nearest million yen)

1. Consolidated Financial Results for the Nine Months ended December 31, 2023 (April 1, 2023 to December 31, 2023)

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

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|-------------------------------------|-------------|------|------------------|------|-----------------|-------|---|-------|
| | million yen | % | million yen | % | million yen | % | million yen | % |
| Nine Months ended December 31, 2023 | 411,591 | 9.8 | 29,379 | 54.7 | 28,958 | 80.3 | 17,741 | 126.0 |
| Nine Months ended December 31, 2022 | 374,880 | 19.7 | 18,994 | 36.6 | 16,063 | (0.1) | 7,849 | 134.4 |

Note: Comprehensive income: Nine Months ended December 31, 2023: ¥30,461 million, 93.4%
 Nine Months ended December 31, 2022: ¥15,754 million, 110.5%

| | Basic earnings per share | Diluted earnings per share |
|-------------------------------------|--------------------------|----------------------------|
| | yen | yen |
| Nine Months ended December 31, 2023 | 215.77 | – |
| Nine Months ended December 31, 2022 | 97.57 | – |

Reference: Operating profit before amortization of goodwill:

Nine Months ended December 31, 2023: ¥29,814 million, 50.7%
 Nine Months ended December 31, 2022: ¥19,786 million, 31.4%

The Company uses “operating profit before amortization of goodwill” as an important indicator for management.

(2) Consolidated Financial Position

| | Total assets | Net assets | Equity ratio |
|-------------------------|--------------|-------------|--------------|
| | million yen | million yen | % |
| As of December 31, 2023 | 609,981 | 333,056 | 47.7 |
| As of March 31, 2023 | 540,906 | 270,890 | 42.6 |

Reference: Total equity: As of December 31, 2023: ¥291,004 million
 As of March 31, 2023: ¥230,677 million

2. Dividends

| | Dividend per share | | | | |
|---|--------------------|--------|--------|----------|-------|
| | End-Q1 | End-Q2 | End-Q3 | Year-end | Total |
| | yen | yen | yen | yen | yen |
| Year ended March 31, 2023 | – | 15.00 | – | 35.00 | 50.00 |
| Year ending March 31, 2024 | – | 15.00 | – | | |
| Year ending March 31, 2024 (forecast) | | | | 45.00 | 60.00 |

Note: The latest dividends forecast has been revised.

For details, please see “Notice Regarding Revision to Full-year Earnings Forecast and Upward Revision to Dividends Forecast” released today (on February 6, 2024).

3. Earnings Forecast for the Year ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(Percentages indicate year-on-year changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|-------------------------------|-------------|-----|------------------|------|-----------------|------|---|------|--------------------------|
| | million yen | % | million yen | % | million yen | % | million yen | % | yen |
| Year ending March 31, 2024 | 560,000 | 8.2 | 42,000 | 33.3 | 38,000 | 56.9 | 21,000 | 50.8 | 242.16 |

Note: The latest earnings forecast has been revised.

For details, please see “Notice Regarding Revision to Full-year Earnings Forecast and Upward Revision to Dividends Forecast” released today (on February 6, 2024).

***Notes**

- (1) Changes affecting the status of material subsidiaries (scope of consolidation): Yes
Excluded: 1 company (Tianjin GS Battery Co., Ltd.)
- (2) Use of accounting procedures specific to preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policy, changes in accounting estimates, and retrospective restatement
- 1) Changes in accordance with revisions to accounting and other standards: None
 - 2) Changes other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (4) Number of shares issued (common stock)

| | As of December 31, 2023 | As of March 31, 2023 |
|--|--|--|
| 1) Number of shares issued (including treasury shares) | 100,446,442 | 80,599,442 |
| 2) Number of treasury shares | 142,792 | 146,539 |
| | Nine Months ended December 31, 2023 | Nine Months ended December 31, 2022 |
| 3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year) | 82,225,087 | 80,446,423 |

*Quarterly 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.

4. Qualitative Information on Quarterly Financial Results

(1) Results of Operations

1) Overview

In the first nine months of the fiscal year ending March 31, 2024, the global economy showed signs of a gradual recovery thanks to factors such as the progression of the recovery of the supply chain and automobile production volume heading toward recovery. However, the outlook continues to be uncertain, with new geopolitical risk due to outbreak of conflict in the Middle East, the risk of an economic downturn, financial market volatility, etc.

In this economic environment, the GS Yuasa Group's consolidated net sales for the first nine months of the fiscal year ending March 31, 2024 totaled ¥411,591 million, up ¥36,711 million or 9.8%, from the same period of the previous fiscal year. This increase in Group sales mainly reflects an increase in sales volume of lithium-ion batteries for hybrid vehicles and the progression of measures to revise sales prices, etc. In line with this, operating profit came to ¥29,379 million (operating profit before amortization of goodwill came to ¥29,814 million), up ¥10,384 million or 54.7% from the same period of the previous fiscal year. Ordinary profit came to ¥28,958 million, up ¥12,894 million or 80.3% from the same period of the previous fiscal year, due to improvement in share of profit of entities accounted for using equity method and foreign exchange losses. Profit attributable to owners of parent came to ¥17,741 million, up ¥9,892 million or 126.0% from the same period of the previous fiscal year.

2) Business Segment Results

Effective from the first quarter of the fiscal year ending March 31, 2024, the Company changed the segments of some consolidated subsidiaries. Consequently, the year-on-year comparisons and analysis for the first nine months of the fiscal year ending March 31, 2024 are based on the classifications after the change. For further details, please see (3) Notes on the Consolidated Financial Statements of 5. Consolidated Financial Statements and Notes.

(Automotive Batteries)

Net sales in Japan for the first nine months of the fiscal year ending March 31, 2024 totaled ¥68,871 million, a year-on-year increase of ¥5,730 million or 9.1%, due to the increase in sales volume of batteries for new vehicles in line with the recovery in new vehicle sales compared to the same period of the previous fiscal year, and the progression of measures to revise sales prices, etc. Domestic automotive batteries segment profit (before goodwill amortization) came to ¥5,206 million, up ¥970 million or 22.9% from the same period of the previous fiscal year.

Overseas net sales totaled ¥190,669 million, a year-on-year increase of ¥3,729 million or 2.0% as a result of the progression of measures to revise sales prices, etc. Segment profit came to ¥13,357 million, up ¥3,139 million or 30.7% from the same period of the previous fiscal year.

As a result of the above factors, the automotive batteries segment's combined net sales in Japan and overseas in the first nine months of the fiscal year ending March 31, 2024 totaled ¥259,541 million, a year-on-year increase of ¥9,460 million or 3.8%. Overall automotive batteries segment profit (before goodwill amortization) came to ¥18,563 million, up ¥4,109 million or 28.4% from the same period of the previous fiscal year.

(Industrial Batteries and Power Supplies)

Net sales in the industrial batteries and power supplies segment totaled ¥73,749 million, a year-on-year increase of ¥7,836 million or 11.9%, due to the increase in sales of lithium-ion batteries for energy storage system (ESS), and the progression of measures to revise sales prices, etc. Segment profit totaled ¥6,447 million, a year-on-year increase of ¥3,165 million or 96.5%.

(Automotive Lithium-ion Batteries)

Net sales in the automotive lithium-ion batteries segment totaled ¥62,943 million, a year-on-year increase of ¥17,704 million or 39.1%, due to the increase in sales volume of lithium-ion batteries for hybrid vehicles, etc. Segment profit came to ¥2,439 million, up ¥1,462 million or 149.5% from the same period of the previous fiscal year.

(Other)

Net sales in the other segment totaled ¥15,356 million, a year-on-year increase of ¥1,710 million or 12.5%, due to the strong sales of batteries for aircrafts. Segment profit after adjustments for corporate expenses, etc. came to ¥2,363 million, up ¥1,290 million or 120.3% from the same period of the previous fiscal year.

(2) Financial Condition

Total assets amounted to ¥609,981 million, an increase of ¥69,074 million from the end of the previous fiscal year. This mainly reflects an increase in cash and deposits from the issuance of new shares by way of public offering and third-party allotment and a secondary offering of shares of the Company, as well as an increase in inventories and an increase in the market value of owned shares.

Liabilities increased to ¥276,925 million, up ¥6,908 million from the end of the previous fiscal year. This mainly reflects increases in trade payables and electronically recorded obligations - trade, despite redemption of bonds.

Net assets totaled ¥333,056 million, an increase of ¥62,165 million from the end of the previous fiscal year. This mainly reflects an increase due to the recording of profit attributable to owners of parent and payments for capital increase through public offering, etc., which outweighed outflows from dividends paid.

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

The consolidated earnings forecast, announced on November 7, 2023, has been revised mainly due to steady progression of activities to revise sales prices in response to rising costs, such as raw material and energy prices, efforts to reduce expenses and other measures in each segment, and growing demand for lithium-ion batteries for energy storage system in the public infrastructure field.

Regarding the dividends forecast, the year-end dividends forecast has been revised to ¥45 per share, an increase of ¥10 from the previous forecast of ¥35, to reflect the revision to the earnings forecast.

For details, please see the “Notice Regarding Revision to Full-year Earnings Forecast and Upward Revision to Dividends Forecast” also released by the Company today (February 6, 2024).

5. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

| | As of March 31, 2023 Amount | (Millions of yen) As of December 31, 2023 Amount |
|---|-----------------------------------|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 36,272 | 64,158 |
| Notes and accounts receivable - trade, and contract assets | 97,591 | 102,980 |
| Electronically recorded monetary claims - operating | 6,855 | 7,805 |
| Merchandise and finished goods | 60,127 | 61,952 |
| Work in process | 21,848 | 26,368 |
| Raw materials and supplies | 28,094 | 28,953 |
| Other | 15,722 | 24,436 |
| Allowance for doubtful accounts | (387) | (385) |
| Total current assets | 266,125 | 316,268 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 60,135 | 57,079 |
| Machinery, equipment and vehicles, net | 51,036 | 46,547 |
| Land | 28,390 | 35,715 |
| Leased assets, net | 222 | 252 |
| Right-of-use assets, net | 7,946 | 6,798 |
| Construction in progress | 10,985 | 20,764 |
| Other, net | 6,326 | 6,543 |
| Total property, plant and equipment | 165,043 | 173,701 |
| Intangible assets | | |
| Goodwill | 1,233 | 1,015 |
| Leased assets | 673 | 568 |
| Other | 3,333 | 3,132 |
| Total intangible assets | 5,240 | 4,716 |
| Investments and other assets | | |
| Investment securities | 63,254 | 72,679 |
| Retirement benefit asset | 31,894 | 32,549 |
| Deferred tax assets | 2,077 | 2,263 |
| Lease receivables | 2,694 | 2,904 |
| Other | 4,894 | 5,224 |
| Allowance for doubtful accounts | (344) | (343) |
| Total investments and other assets | 104,470 | 115,277 |
| Total non-current assets | 274,754 | 293,694 |
| Deferred assets | 26 | 17 |
| Total assets | 540,906 | 609,981 |

| | As of March 31, 2023 Amount | (Millions of yen) As of December 31, 2023 Amount |
|--|-----------------------------------|---|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 51,691 | 53,615 |
| Electronically recorded obligations - operating | 25,327 | 31,711 |
| Short-term borrowings | 42,318 | 36,131 |
| Commercial papers | - | 20,000 |
| Current portion of bonds payable | 10,000 | 10,000 |
| Accounts payable - other | 14,225 | 10,993 |
| Income taxes payable | 4,081 | 3,194 |
| Notes payable - facilities | 192 | 206 |
| Electronically recorded obligations - facilities | 3,539 | 3,511 |
| Provision for bonuses for directors (and other officers) | 120 | - |
| Other | 23,816 | 31,612 |
| Total current liabilities | 175,312 | 200,976 |
| Non-current liabilities | | |
| Bonds payable | 10,000 | - |
| Long-term borrowings | 41,357 | 30,065 |
| Lease liabilities | 8,510 | 9,062 |
| Deferred tax liabilities | 20,474 | 22,561 |
| Deferred tax liabilities for land revaluation | 777 | 777 |
| Provision for retirement benefits for directors (and other officers) | 78 | 50 |
| Retirement benefit liability | 5,372 | 5,717 |
| Other | 8,133 | 7,713 |
| Total non-current liabilities | 94,704 | 75,948 |
| Total liabilities | 270,016 | 276,925 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 33,021 | 52,841 |
| Capital surplus | 53,201 | 73,949 |
| Retained earnings | 103,503 | 117,219 |
| Treasury shares | (321) | (312) |
| Total shareholders' equity | 189,404 | 243,697 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 14,173 | 15,992 |
| Deferred gains or losses on hedges | (450) | (436) |
| Revaluation reserve for land | 1,794 | 1,794 |
| Foreign currency translation adjustment | 18,727 | 23,533 |
| Remeasurements of defined benefit plans | 7,026 | 6,423 |
| Total accumulated other comprehensive income | 41,272 | 47,306 |
| Non-controlling interests | 40,213 | 42,051 |
| Total net assets | 270,890 | 333,056 |
| Total liabilities and net assets | 540,906 | 609,981 |

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

| | (Millions of yen) | |
|---|--|--|
| | Nine months ended December 31, 2022 | Nine months ended December 31, 2023 |
| | Amount | Amount |
| Net sales | 374,880 | 411,591 |
| Cost of sales | 293,416 | 318,508 |
| Gross profit | 81,463 | 93,083 |
| Selling, general and administrative expenses | 62,469 | 63,704 |
| Operating profit | 18,994 | 29,379 |
| Non-operating income | | |
| Interest and dividend income | 927 | 1,290 |
| Share of profit of entities accounted for using equity method | – | 3,018 |
| Gain on net monetary position | 430 | 223 |
| Other | 520 | 634 |
| Total non-operating income | 1,879 | 5,166 |
| Non-operating expenses | | |
| Interest expenses | 2,152 | 2,807 |
| Share of loss of entities accounted for using equity method | 150 | – |
| Foreign exchange losses | 1,469 | 343 |
| Loss on sale of receivables | 399 | 1,005 |
| Other | 639 | 1,431 |
| Total non-operating expenses | 4,810 | 5,587 |
| Ordinary profit | 16,063 | 28,958 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 112 | 10 |
| Gain on sale of investment securities | 7 | 1,572 |
| Gain on receipt of national subsidies | – | 163 |
| Surrender value of insurance policies | – | 240 |
| Gain on step acquisitions | 1,010 | – |
| Gain on liquidation of subsidiaries | 473 | – |
| Gain on transfer of investments in capital of subsidiaries and associates | – | 1,487 |
| Gain on change in equity | – | 207 |
| Total extraordinary income | 1,604 | 3,682 |

| | Nine months ended December 31, 2022 | Nine months ended December 31, 2023 |
|---|--|--|
| | Amount | Amount |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 344 | 547 |
| Loss on sale of non-current assets | 11 | 10 |
| Loss on tax purpose reduction entry of non-current assets | – | 163 |
| Loss on business liquidation of subsidiaries and associates | 119 | 2,895 |
| Retirement benefit expenses | – | 121 |
| Other | 4 | 12 |
| Total extraordinary losses | 479 | 3,750 |
| Profit before income taxes | 17,187 | 28,889 |
| Income taxes | 5,690 | 6,063 |
| Profit | 11,497 | 22,825 |
| Profit attributable to non-controlling interests | 3,648 | 5,084 |
| Profit attributable to owners of parent | 7,849 | 17,741 |

Consolidated Statements of Comprehensive Income

| | Nine months ended December 31, 2022 | Nine months ended December 31, 2023 |
|---|--|--|
| | Amount | Amount |
| | | (Millions of yen) |
| Profit | 11,497 | 22,825 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (1,959) | 1,916 |
| Deferred gains or losses on hedges | 206 | 22 |
| Foreign currency translation adjustment | 4,651 | 4,261 |
| Remeasurements of defined benefit plans, net of tax | (385) | (603) |
| Share of other comprehensive income of entities accounted for using equity method | 1,743 | 2,039 |
| Total other comprehensive income | 4,256 | 7,635 |
| Comprehensive income | 15,754 | 30,461 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 12,011 | 23,775 |
| Comprehensive income attributable to non-controlling interests | 3,742 | 6,685 |

(3) Notes on the Consolidated Financial Statements

(Note on the going-concern assumption)

Not applicable

(Note on significant change in shareholders' equity)

On December 5, 2023, the Company issued new shares by way of paid-in public offering and paid-in third-party allotment that sets Honda Motor Co., Ltd. as an allottee. In addition, on December 28, 2023, the Company issued new shares through paid-in third-party allotment in relation to the secondary offering of shares by way of overallotment. Due to this issuance of new shares, share capital and capital surplus each increased by ¥19,820 million.

As a result, share capital and capital surplus amounted to ¥52,841 million and ¥73,949 million, respectively, at the end of the third quarter of the current fiscal year.

(Use of accounting procedures specific to preparation of quarterly consolidated financial statements)

(Tax expense calculation)

The Company calculates tax expenses by rationally estimating its effective tax rate after application of tax effect accounting to profit before income taxes for the current fiscal year, which includes the third quarter ended December 31, 2023, and multiplying profit before income taxes by said estimated effective tax rate. However, in cases where calculations using said estimated effective tax rate yield a result that is notably lacking rationality, tax expenses are calculated using the statutory effective tax rate.

(Segment and other information)
Segment information

I. Nine months ended December 31, 2022 (April 1 to December 31, 2022)

1. Net sales and profit/loss by reportable segment

(Millions of yen)

| | Reportable segment | | | | | | Other (note) | Total |
|----------------------------------|----------------------|----------|----------|---|--|---------|-----------------|---------|
| | Automotive Batteries | | | Industrial Batteries and Power Supplies | Automotive Lithium-ion Batteries | Total | | |
| | Japan | Overseas | Subtotal | | | | | |
| Net sales | | | | | | | | |
| Revenues from external customers | 63,140 | 186,940 | 250,080 | 65,913 | 45,239 | 361,234 | 13,645 | 374,880 |
| Transactions with other segments | 979 | 3,512 | 4,492 | 12,937 | 2,281 | 19,711 | (19,711) | – |
| Total | 64,120 | 190,453 | 254,573 | 78,851 | 47,521 | 380,946 | (6,065) | 374,880 |
| Segment profit | 4,235 | 10,218 | 14,453 | 3,281 | 977 | 18,713 | 1,072 | 19,786 |

- Notes: 1. "Other" comprises a) businesses that are not included in any of the reportable segments such as special batteries business and b) segment profit adjustment. Adjustment for segment profit was ¥(831) million, which includes ¥(55) million elimination of inter-segment transactions and ¥(776) million of unallocated corporate expenses. The main component of these unallocated corporate expenses is general and administrative expenses that are not attributable to reportable segments.
2. The difference between the total segment profit in the table above and operating profit of ¥18,994 million on the consolidated statements of income represents amortization of goodwill and other intangible assets of ¥791 million. These goodwill and other intangible assets include identifiable assets acquired on the effective date of business combination.

2. Information about impairment losses of non-current assets or goodwill, etc. for each reportable segment

(Significant changes in the amount of goodwill)

In the "Automotive Batteries-Overseas" segment, İnci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi was included in the scope of consolidation from the first quarter of the fiscal year ended March 31, 2023, due to the acquisition of its shares, making it a consolidated subsidiary.

The amount of goodwill increased by ¥4,121 million during the first nine months of the fiscal year ended March 31, 2023 as a result of this acquisition. Additionally, the amount of goodwill is a tentative calculation, as the distribution of acquisition cost has not been completed.

II. Nine months ended December 31, 2023 (April 1 to December 31, 2023)

1. Net sales and profit/loss by reportable segment

(Millions of yen)

| | Reportable segment | | | | | | Other (note) | Total |
|----------------------------------|----------------------|----------|----------|---|--|---------|-----------------|---------|
| | Automotive Batteries | | | Industrial Batteries and Power Supplies | Automotive Lithium-ion Batteries | Total | | |
| | Japan | Overseas | Subtotal | | | | | |
| Net sales | | | | | | | | |
| Revenues from external customers | 68,871 | 190,669 | 259,541 | 73,749 | 62,943 | 396,235 | 15,356 | 411,591 |
| Transactions with other segments | 1,013 | 3,238 | 4,251 | 10,551 | 8,917 | 23,720 | (23,720) | – |
| Total | 69,885 | 193,907 | 263,793 | 84,301 | 71,861 | 419,955 | (8,363) | 411,591 |
| Segment profit | 5,206 | 13,357 | 18,563 | 6,447 | 2,439 | 27,450 | 2,363 | 29,814 |

Notes: 1. "Other" comprises a) businesses that are not included in any of the reportable segments such as special batteries business and b) segment profit adjustment. Adjustment for segment profit was ¥(1,083) million, which includes ¥(192) million elimination of inter-segment transactions and ¥(891) million of unallocated corporate expenses. The main component of these unallocated corporate expenses is general and administrative expenses that are not attributable to reportable segments.

2. The difference between the total segment profit in the table above and operating profit of ¥29,379 million on the consolidated statements of income represents amortization of goodwill and other intangible assets of ¥435 million. These goodwill and other intangible assets include identifiable assets acquired on the effective date of business combination.

2. Matters concerning changes in reportable segments, etc.

From the first quarter of the fiscal year ending March 31, 2024, the GS Yuasa Group revised the management classifications of organizations in order to obtain a more appropriate grasp of the business performance of segments that are classified by product type. As a result, some consolidated subsidiaries previously included in "Industrial Batteries and Power Supplies" have had their segment changed to "Other."

Segment information for the nine months ended December 31, 2022 has been stated using the reportable segments as they exist after the change.

(Additional information)

(Accounting procedures in hyperinflationary economies)

During the fiscal year ended March 31, 2023, since the cumulative three-year inflation rate in Turkey exceeded 100%, the GS Yuasa Group determined that its subsidiary in Turkey, whose functional currency is the Turkish lira, is operating in a hyperinflationary economy. Therefore, the GS Yuasa Group has made accounting adjustments to the financial statements of its Turkish subsidiary in accordance with the requirements set forth in IAS 29 “Financial Reporting in Hyperinflationary Economies” from the first quarter of the fiscal year ended March 31, 2023. IAS 29 requires that the financial statements of subsidiaries in a hyperinflationary economy be restated by applying the unit of measurement as of the end of the reporting period before inclusion in the consolidated financial statements. The Group uses conversion factors calculated from the Consumer Price Index (CPI) of Turkey published by the Turkish Statistical Institute (TURKSTAT) for the purpose of adjusting the financial statements of its subsidiary in Turkey. For the subsidiary in Turkey, non-monetary items such as property, plant, and equipment presented at cost are adjusted using conversion factors based on the acquisition date or the reevaluation date. Monetary and non-monetary items presented at current cost are not adjusted, since they are considered to be presented in the unit of measurement as of the end of the reporting period. The effect of inflation on net monetary items is presented in non-operating income/loss in the consolidated statements of income. The financial statements of the Turkish subsidiary are translated into Japanese yen at the spot rate prevailing on the last day of the quarter and reflected in the consolidated financial statements of the GS Yuasa Group.

(Significant subsequent events)

Not applicable

6. Supplementary Information

(1) Quarterly profit/loss

Fiscal year ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(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 | 120,540 | 136,264 | 154,786 | – | 256,805 | 411,591 | – |
| Operating profit | 4,836 | 7,838 | 16,704 | – | 12,674 | 29,379 | – |
| Ordinary profit | 4,935 | 7,057 | 16,964 | – | 11,993 | 28,958 | – |
| Profit attributable to owners of parent | 1,649 | 4,308 | 11,783 | – | 5,958 | 17,741 | – |

Fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(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 | 111,429 | 123,794 | 139,655 | 142,854 | 235,224 | 374,880 | 517,735 |
| Operating profit | 3,570 | 4,653 | 10,770 | 12,505 | 8,224 | 18,994 | 31,500 |
| Ordinary profit | 2,246 | 3,769 | 10,048 | 8,150 | 6,015 | 16,063 | 24,213 |
| Profit attributable to owners of parent | 612 | 1,100 | 6,135 | 6,076 | 1,713 | 7,849 | 13,925 |

Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(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 | 95,458 | 99,666 | 118,022 | 118,986 | 195,124 | 313,146 | 432,133 |
| Operating profit | 3,210 | 2,016 | 8,675 | 8,761 | 5,226 | 13,902 | 22,664 |
| Ordinary profit | 4,268 | 2,301 | 9,507 | 8,607 | 6,569 | 16,076 | 24,684 |
| Profit attributable to owners of parent | 2,681 | (473) | 1,141 | 5,119 | 2,207 | 3,348 | 8,468 |

Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(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 | 76,376 | 95,949 | 105,691 | 108,494 | 172,325 | 278,016 | 386,511 |
| Operating profit | 1,002 | 4,292 | 9,089 | 10,426 | 5,294 | 14,383 | 24,810 |
| Ordinary profit | 1,699 | 4,800 | 10,123 | 10,655 | 6,500 | 16,623 | 27,279 |
| Profit attributable to owners of parent | (27) | 149 | 5,546 | 5,787 | 121 | 5,667 | 11,455 |

Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(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 | 90,082 | 100,331 | 102,662 | 102,476 | 190,414 | 293,077 | 395,553 |
| Operating profit | 2,040 | 5,508 | 6,872 | 7,254 | 7,549 | 14,421 | 21,676 |
| Ordinary profit | 2,873 | 5,551 | 7,499 | 7,185 | 8,424 | 15,924 | 23,109 |
| Profit attributable to owners of parent | 1,473 | 3,300 | 4,430 | 4,469 | 4,774 | 9,204 | 13,674 |