



May 13, 2026

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Notice Regarding Formulation of the Seventh Medium-Term Management Plan

GS Yuasa Corporation (the “Company”) hereby announces that it has formulated its medium-term management plan for the three-year period from fiscal 2026 to fiscal 2028 (the “Seventh Medium-Term Management Plan”), which was approved at a meeting of the Board of Directors held today. Please refer to the attached materials for details.

**(Attachment)**

Update on Long-Term Vision (Vision 2035) and Explanation of the Seventh Medium-Term Management Plan

# Creating the Future of Energy

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Briefing on the Update to the “Long-Term Vision (Vision 2035)” and the 7th Mid-Term Management Plan

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May 13, 2026  
GS Yuasa Corporation



1

## Make public infrastructure (ESS, AIDC\*, defense) a pillar of growth following mobility

- Transform the business portfolio by focusing investments on high-demand areas by leveraging technological advantages and unique, one-of-a-kind technologies



2

## Strengthen mobility as a source of cash creation

- Further improve cash creation ability by strengthening the aftermarket of lead-acid batteries for automobiles and improving the operating income ratio of lithium-ion batteries (HEVs, 12V, etc.)



3

## Enhance profitability and capital efficiency through growth, and steadily increase return to shareholders in response to the progress of growth

- Progressive dividends targeting a DOE of 3%\*<sup>2</sup>, with continued dividend increases in line with mid- to long-term growth



4

## Strengthen transparency and commitment to increase the probability of achieving plans

- Define businesses as Mobility and Public Infrastructure, and clarify responsibility for execution by setting management KPIs such as ROIC, EPS, and FCF

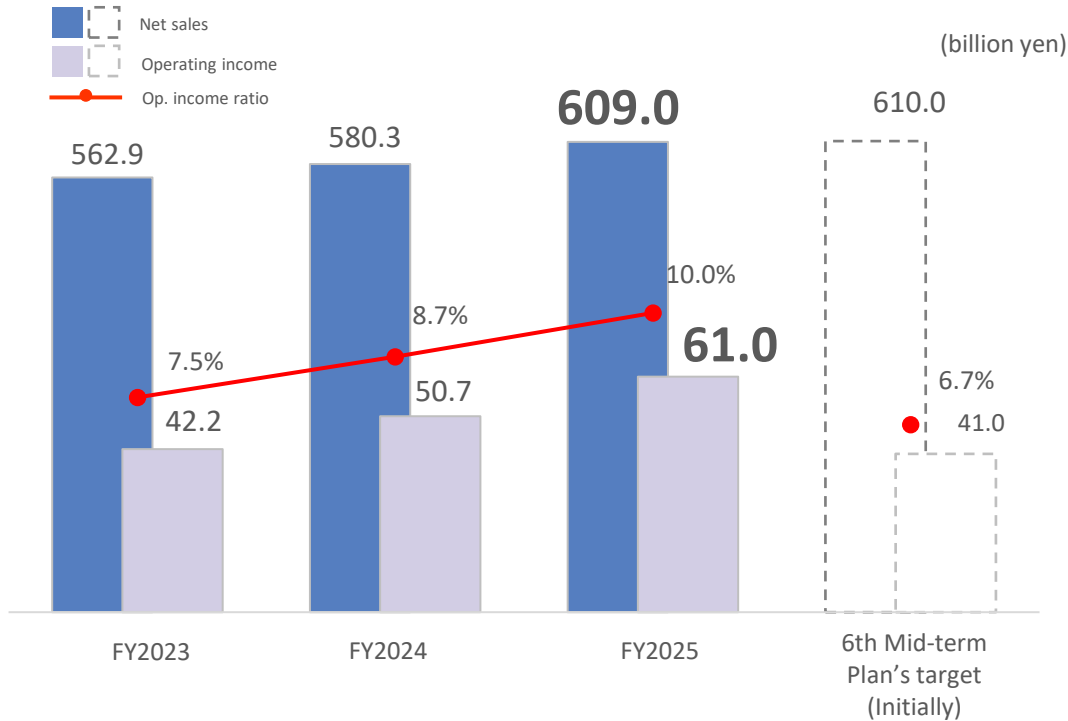
\* AIDC (AI data center)

\*<sup>2</sup> DOE is calculated as (dividend amount + cost of treasury stock) / shareholders' equity

## 7th Mid-term Management Plan

- 1. Reviewing the 6th Mid-term Management Plan**
2. Updated Long-term Vision (Vision 2035)
3. Targets of the 7th Mid-term Management Plan
4. Materiality

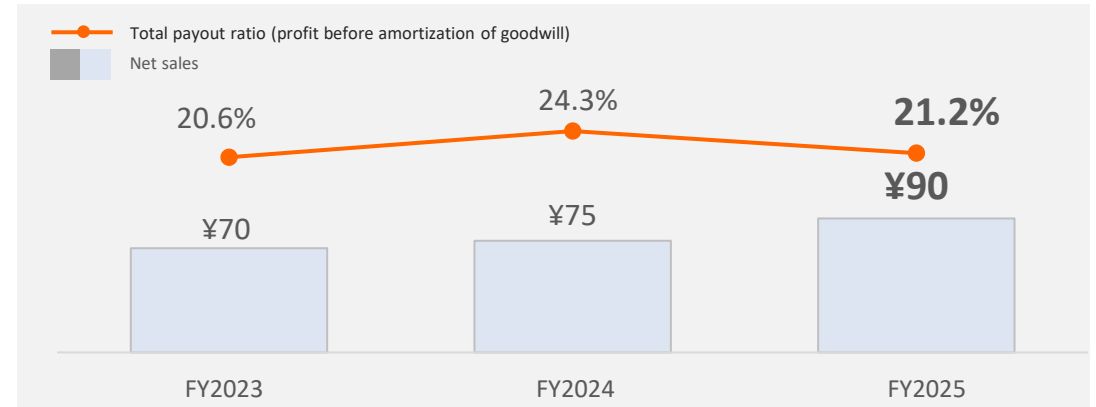
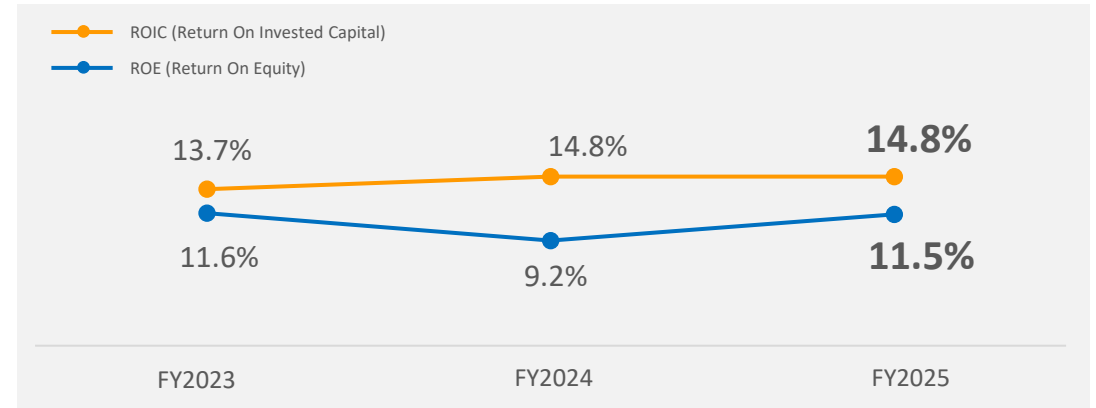
## Net Sales, Operating Income (Group)



## Results of the 6th Mid-term Management Plan

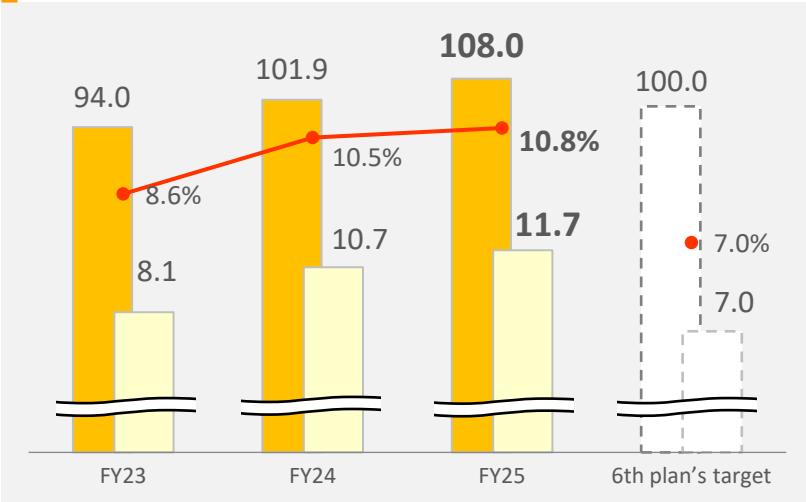
- Net sales: For a plan that factors in changes in the market environment, we steadily captured demand in our core areas, and net sales were mostly as planned.
- Operating income: We were able to exceed the plan owing to profitability improvement led by price revision.
- Total payout ratio: We delivered shareholder returns by striking a balance between growth investments and profit growth, while prioritizing the continuity and predictability of dividends.

Note: ROIC is obtained by dividing operating income before amortization of goodwill (before tax) by invested capital (Fixed assets excluding goodwill, etc. + Working capital). Invested capital is the average of the beginning and ending values.



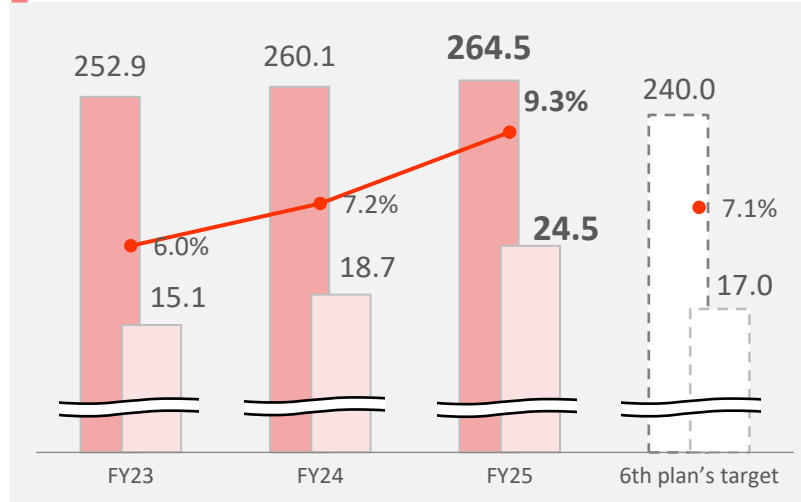
Automotive Batteries (Japan)

(billion yen)



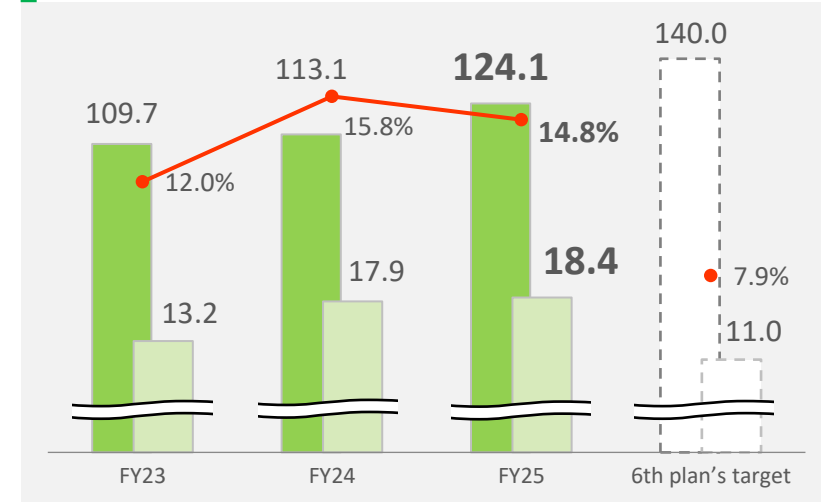
Automotive Batteries (Overseas)

(billion yen)



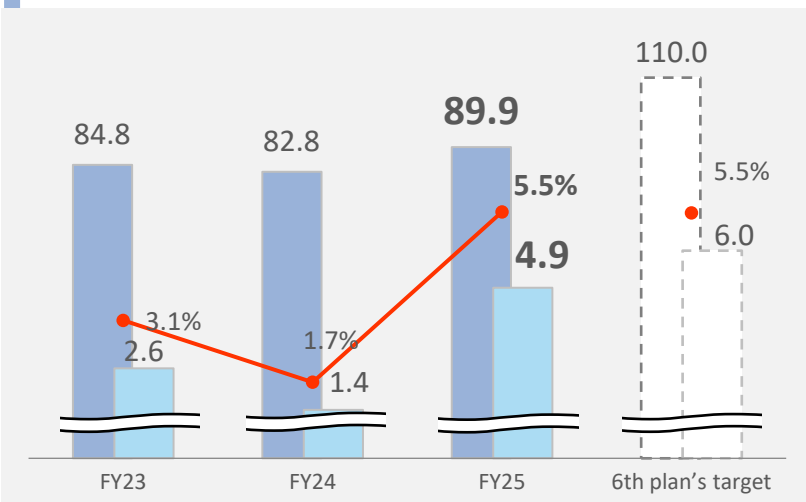
Industrial Batteries and Power Supplies

(billion yen)



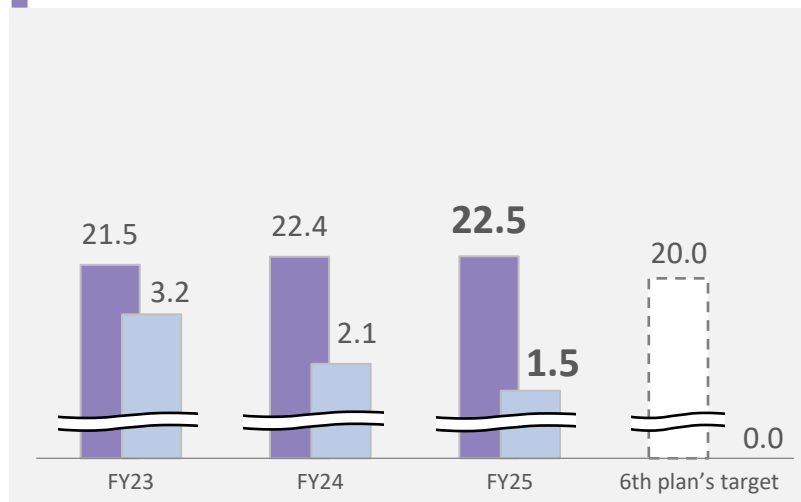
Automotive Lithium-ion Batteries

(billion yen)



Specialized Batteries and Others

(billion yen)

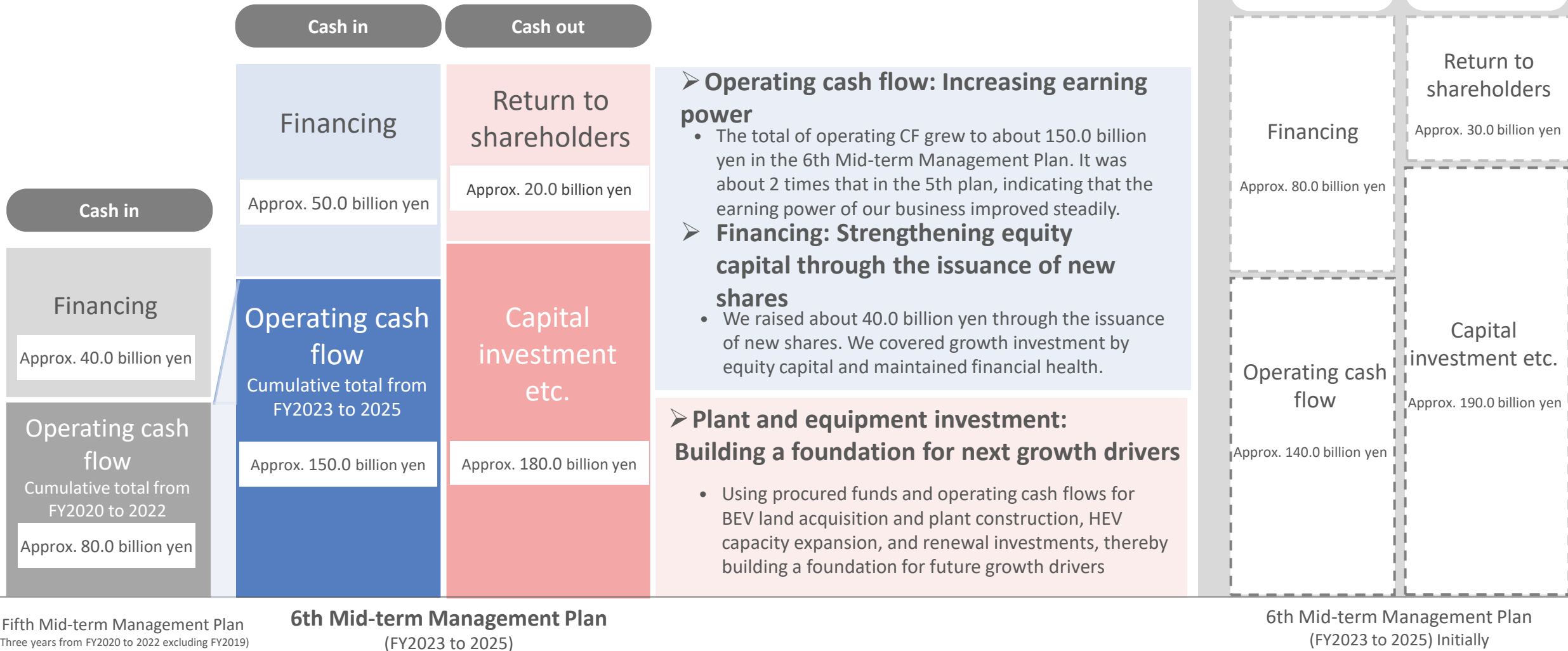


## Sixth Mid-Term Management Plan: Summary of Results

- **Automotive Batteries (Japan/Overseas)**  
Improvement in profitability through price revisions and the restructuring of China operations, with a significant contribution from IRA subsidies in FY2025.
- **Industrial Batteries and Power Supplies**  
Sales expansion driven by price revision and growth in regular field
- **Automotive Lithium-ion Batteries**  
Increase in HEV volume production

■ Net sales     —●— Op. income ratio  
■ Operating income

Operating income refers to operating income before amortization of goodwill and other items, and the operating income margin refers to the operating income margin before amortization of goodwill and other items.



Fifth Mid-term Management Plan  
(Three years from FY2020 to 2022 excluding FY2019)

6th Mid-term Management Plan  
(FY2023 to 2025)

6th Mid-term Management Plan  
(FY2023 to 2025) Initially

## Key Measures of the 6th Mid-term Management Plan

## What we did in the 6th Mid-term Management Plan

Mobility

Development of high-capacity and high-power lithium-ion batteries by leveraging a joint venture made with Honda



- We set up a joint venture with Honda. → Started joint development of high-capacity and high-output lithium-ion batteries.

Development of production and supply systems for batteries for BEV in order to expand the mobility and public infrastructure business



- We promoted the preparation of factories that was scheduled to start operating in 2027.

Vigorous creation of added value and improvement of profitability



- We improved profitability by calling attention to fair prices of automobile lead in the domestic business.

Shift in regional strategy including reconsideration of Chinese operation, concentration of resources on major bases, and maximization of profits



- We decided to withdraw from our bases in China and Turkey, considering changes in the business environment.
- We improved profitability by strengthening sales expansion and rebuilding production and sales systems in the ASEAN region.

Public Infrastructure

Profit maximization based on overwhelming advantages of the industrial batteries and power supplies business in Japan



- We built an energy solution model by combining storage batteries and STARELINK.
- We won orders for storage batteries for the electricity market, expanding the business scale.

Expansion of production of lithium-ion batteries for regular use



- We reflected raw material prices and selling prices affected by inflation.
- We increased profits by enhancing our maintenance system using a service network of more than 100 locations nationwide.

## 7th Mid-term Management Plan

1. Reviewing the 6th Mid-term Management Plan
- 2. Updated Long-term Vision (Vision 2035)**
3. Targets of the 7th Mid-term Management Plan
4. Materiality

## Changes in the business environment from the 6th Mid-term Management Plan

## Impact of changes on us (opportunities and risks)

Opportunity

Risk

Mobility



### Slowdown in the expansion of BEVs

- For each OEM, we had pursued a strategy of expanding products for BEVs, but changed the strategy for each OEM due to a sharp slowdown in the market.



### Expansion of the aftermarket for lead-acid batteries for automobiles

- The aftermarket has been on the expansionary trend partly due to prolonged periods of holding automobiles.

Public Infrastructure



### Rise of new markets due to technological evolution

- Increase in the number of AI-specific data centers (AIDC)
- Continued demand for electricity storage in the renewable energy market



### Growing awareness of security including economic security

- Growing requests for strengthening domestic production and supply systems
- Expansion of defense-related markets

Business feasibility is difficult to determine due to changes in the assumption for the BEV market.

The lead market remains resilient despite electrification, with further demand expected

Improved profitability driven by a favorable sales mix

Expansion of new markets  
(AIDC: High-reliability power supplies, ESS: Support for balancing and renewable energy )

An orientation towards domestic production and more stringent procurement requirements contributed to increases in demand for industrial use and special use.

**Mobility:** Establishing a solid foundation with a product portfolio where lead-acid and lithium-ion batteries coexist.

**Public infrastructure:** Making public infrastructure a growth driver by capabilities cultivated through the development of lead and lithium-ion batteries.

## Mobility



### Strong relationship with major OEM partners and track records of adoption

- Our long track record of adoption by major OEM partners in Japan and abroad allows us to take orders continuously and apply similar products to a wider range of vehicle models.
- We have continuously met strict onboard quality requirements and audit criteria and can begin joint development from the development stage.



### Product portfolio where lead-acid and lithium-ion batteries coexist

- Cyclical degradation control and high-current supporting technology cultivated through development from lead storage batteries to HEV/12V lithium-ion batteries



### Aftermarket foundation spreading within and outside Japan

- Our domestic and overseas sales and distribution networks established in providing lead-acid batteries allow us to capture a stable replacement demand.
- Our brand recognition and distributor networks established through long years of business allow us to maintain high market penetration.

## Public Infrastructure



### Battery performance that achieves both high power and a long life

- A track record of development of batteries that always require high power to serve as lead-acid batteries for automobiles and batteries for HEVs
- This track record was a decisive factor in winning an order for our most recent project for infrastructure.



### Reliability with safety and security based on a long track record

- High reliability which is highly regarded for defense applications as well
- High safety with which there is no problem in the market if products are used in ESS for more than 10 years



### Operation and maintenance (O&M) service capabilities that support stable operations

- A track record of building a nationwide service network for emergency use in Japan and providing seamless services from maintenance to inspections and repairs
- For ESSs, we have provided the maintenance service STARELINK to continuously support stable operation after introduction.

Consider changes in market conditions, manage risks properly, invest mainly in areas where growth and capital efficiency are expected, change our business portfolio strategically, and try to create new business based on our assets with an eye toward the next generation.



**For the lead business, create funds for growth investments through maximization of stable cash flows**



- The market will remain strong partly because there is a wave of high capacity due to SDVs\*
- Create a stable and highly profitable cash flow



**For onboard lithium-ion batteries, reduce risks through selective investment to create a profitable revenue structure**



- For BEV, reconsidering changes in business conditions
- For other lithium-ion batteries, increase the utilization rate of the existing capacity and improve profitability



**Make public infrastructure a pillar of growth, and accelerate growth through intensive investment in priority areas**

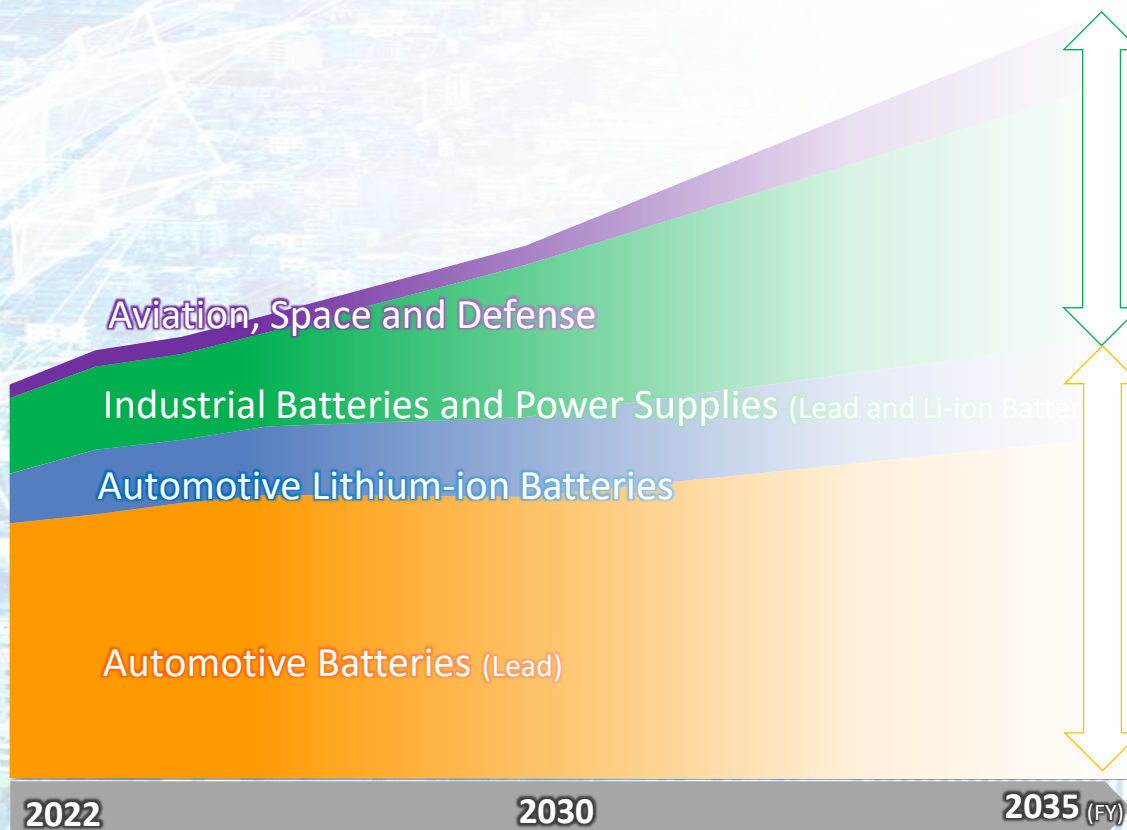


- Focus on winning orders for projects that will lead to long-term contracts and service profits in the ESS and data center areas
- Invest in factory development and launch domestically produced LiB batteries in the final year of the 7th Mid-Term Management Plan

\* SDV stands for Software Defined Vehicle. SDVs are next-generation automobiles that update vehicle functions continuously through a network.

We have updated pictures presented in Vision 2035, considering the situation of automotive batteries (lead).

## Growth projections for each segment



### Public Infrastructure

Secured **high profits** by contributing to the realization of sustainable public infrastructure

Expected to be achieved during the Eighth Mid-Term Management Plan period (until FY2031)

### Mobility

Obtained a stable and highly profitable **cash flow** by creating added value and improving profitability

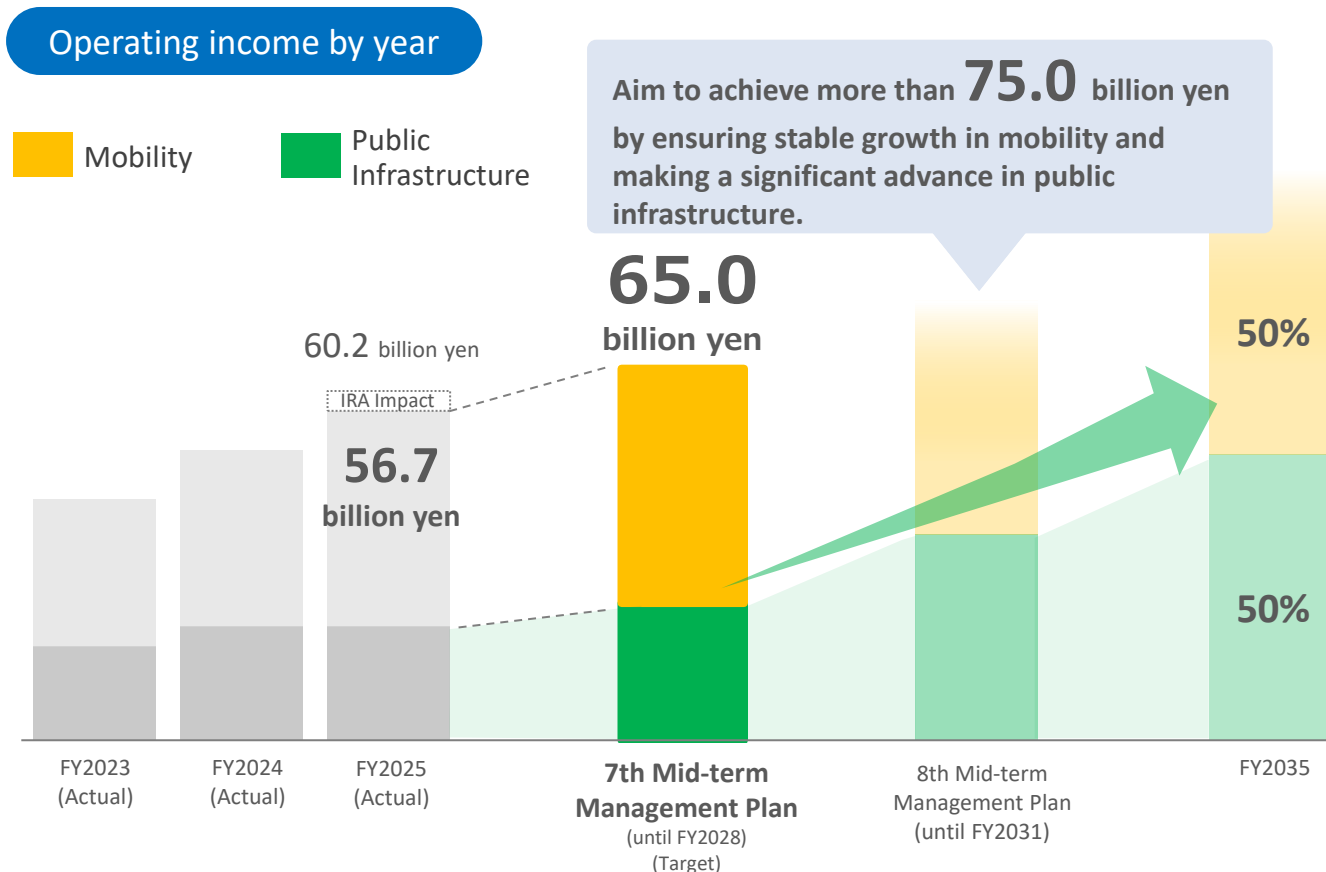
FY2035

Net sales **800.0 billion yen (Target)**

\*As of the Sixth Mid-Term Management Plan Vision 2035

With Mobility and Public Infrastructure serving as two core pillars, we aim to make their profit contribution equivalent in FY2035.

For the lead-acid battery business, we continue to focus on it as a core pillar that supports our cash creation.



### Mobility

- Make profitability the highest priority in operating businesses centering on the lead storage battery business, and secure high profitability in a stable manner. (For investments, ensure systematic operation and efficiency improvement.)
- Make operating income grow steadily through cost improvements, product mix improvements, and productivity improvements, and continue the trend of profit growth for FY2035.


### Public Infrastructure

- During the 7th Mid-term Management Plan, investments and projects will be prepared, and profits will begin to rise from the start of operation in FY2028 (accelerate the accumulation of long-term contracts and service profits).
- Led by profit growth in the next 8th-term Management Plan, make sure that the ratio of profit contribution will be 50:50 in FY2035 (expansion in priority areas such as ESSs, AI, defense, etc.).

Note: Performance figures for FY2024 and earlier are shown as operating profit before goodwill amortization, while performance and targets for FY2025 and beyond are shown as operating profit. For fiscal year 2025, the operating profit was 60.1 billion yen, and the operating profit excluding IRAs was 56.7 billion yen.

## Enter a preparation phase in the 7th plan and a recovery phase in the 8th plan

- The market entered the phase of expansion due to simultaneous rises in power supply demand caused by the installation of additional generative AI data centers and in ESS demand arising from the expansion of renewable energy.
- The number of orders taken grew against the background of growing customer expectations.

 6th Mid-term Management Plan

Market takeoff phase

- Capture demand in Japan steadily, solidify a position, and aim for overseas markets.
- Make investments in factories and equipment for producing domestic LiB batteries. (come into operation from the second half of FY2028)



7th Mid-term Management Plan

Business building and prior investment phase

ESS factory investment (FY2026 - )

Operation started (Second half of FY2028)

- With newly launched factories and products as pillars, increase sales in Japan and abroad and recover investments steadily.
- Maximize profits through the accumulation of service businesses.



8th Mid-term Management Plan and later (From FY2029)

Investment recovery and breakthrough phase

## Drawing on our unique technological expertise, we will capture demand and aim for continued growth

- Increase profits using the production capacity in which investment is made to boost production, and recover investments steadily.
- Growth in demand for large lithium-ion batteries for aircraft
- Expansion of applications in space including the Artemis program

- Investment in boosting production to support the construction of new and replacement submarines equipped with lithium-ion batteries
- Investment in boosting the production of special-purpose thermal batteries for defense.



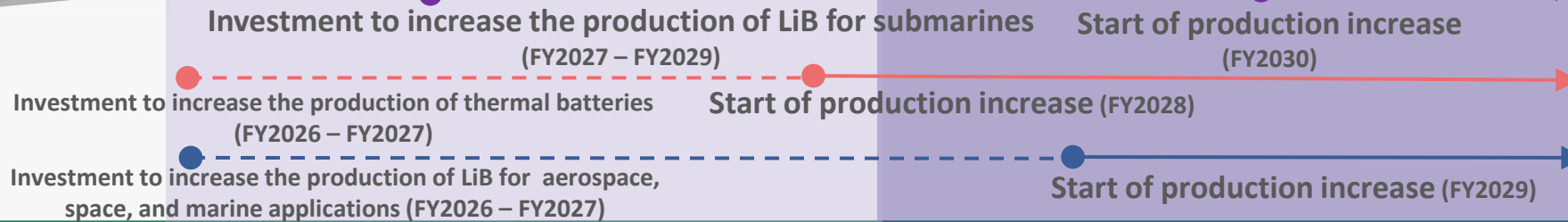
### 7th Mid-term Management Plan

Phase of business expansion and investment in capacity extension



### 8th Mid-term Management Plan and later (From FY2029)

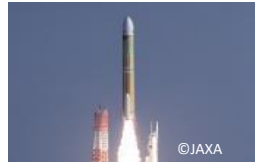
Investment recovery and breakthrough phase



Major examples of adoption and installation



ISS (International Space Station)



H3 Rocket



Boeing 787



Submarine

Major products we deal in and their applications

#### Large lithium-ion batteries



- Space, ● Aircraft, etc.

#### Thermal batteries



- Space, ● Special vehicle

#### Lithium primary batteries



- Undersea equipment, ● Seamarks, etc.

#### Silver oxide-zinc batteries



- Defense products

#### Seawater batteries

- Underwater equipment, ● Seamarks, etc.

#### Large-capacity lead storage batteries, lithium-ion batteries

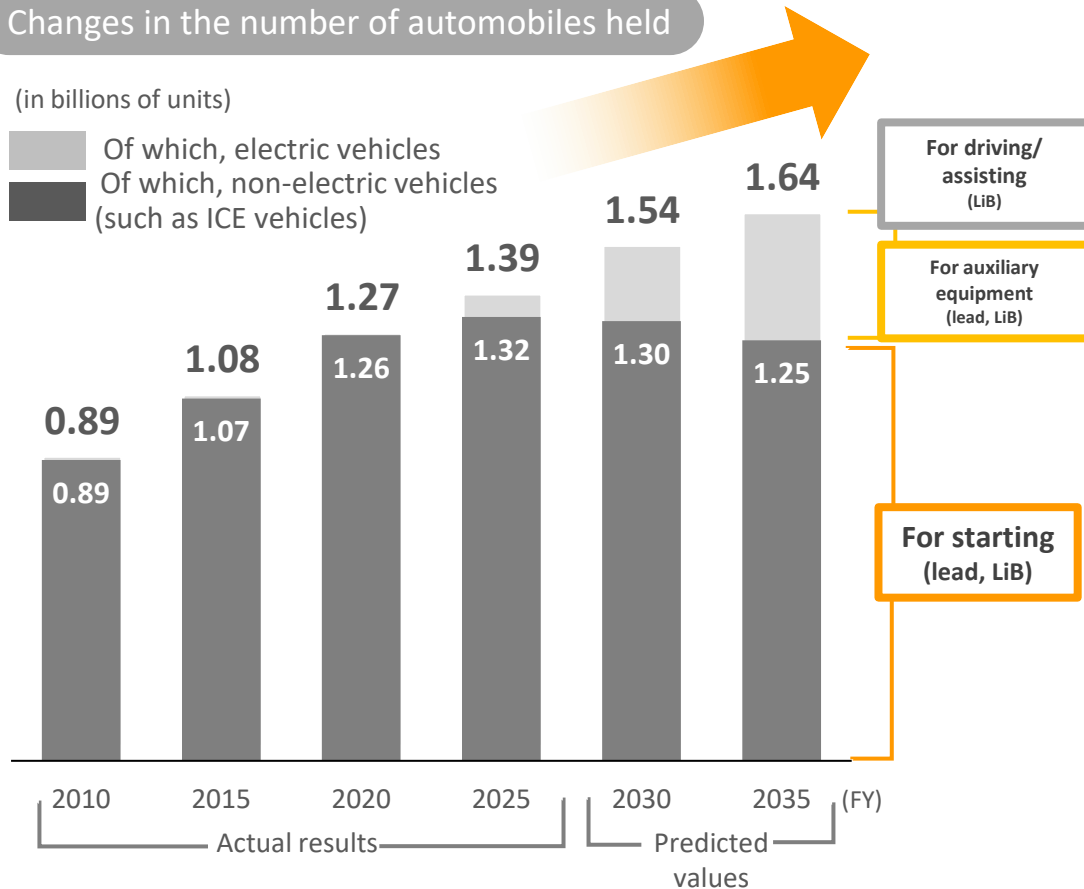
- Defense products (including for submarines)

## Create funds for growth investment through cash maximization

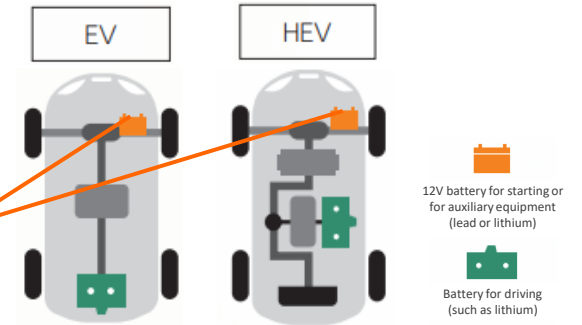
### Changes in the number of automobiles held

(in billions of units)

Of which, electric vehicles  
Of which, non-electric vehicles  
(such as ICE vehicles)



Note: Electric vehicles in the graph include HEVs, PHEVs, and BEVs.

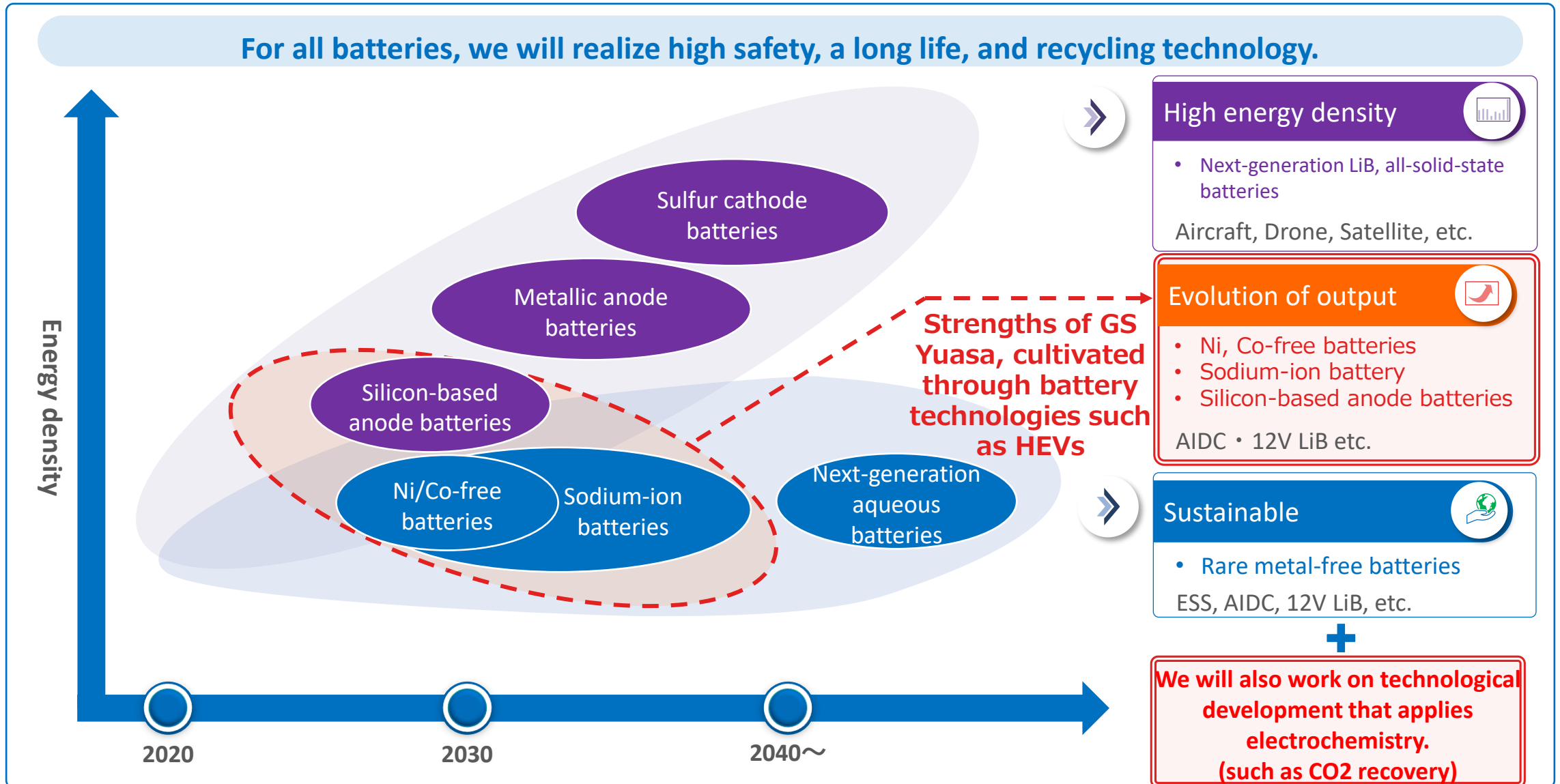


Environment

- Non-electric vehicles will account for the majority even in 2035.
- Electric vehicles are also equipped with a battery for auxiliary equipment (lead storage battery or 12V LiB).
- In particular, electric vehicles have increased in vehicle power consumption, and there are needs for higher-capacity storage batteries.

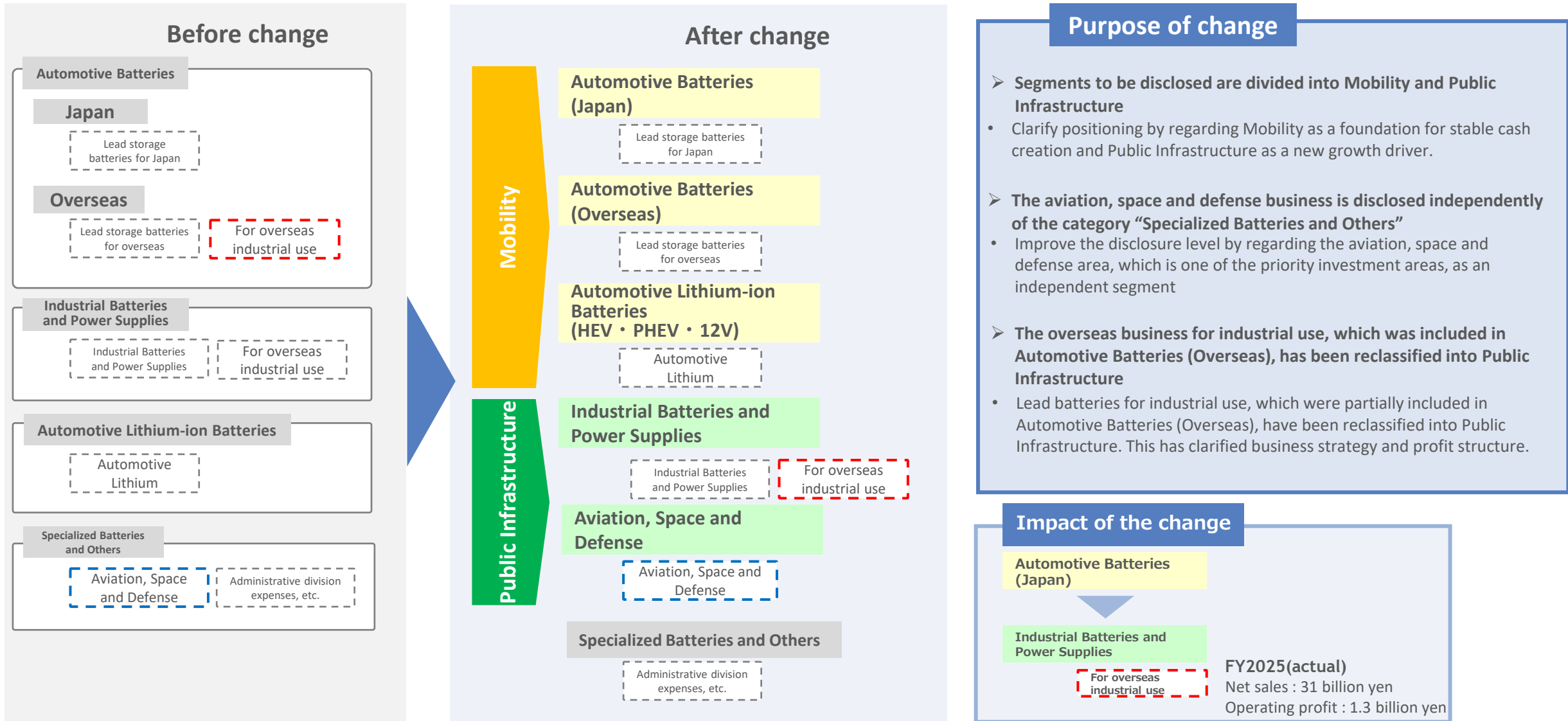
Efforts

- For lead storage batteries, pursue cash maximization by emphasizing profitability.
- Develop storage batteries (lead, 12V LiB) that meet the needs for higher-capacity batteries.
- For batteries for driving or assisting, make full use of the existing capacity with emphasis on profitability instead of making large-scale investments.



## 7th Mid-term Management Plan

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- 3. Targets of the 7th Mid-term Management Plan**
4. Materiality

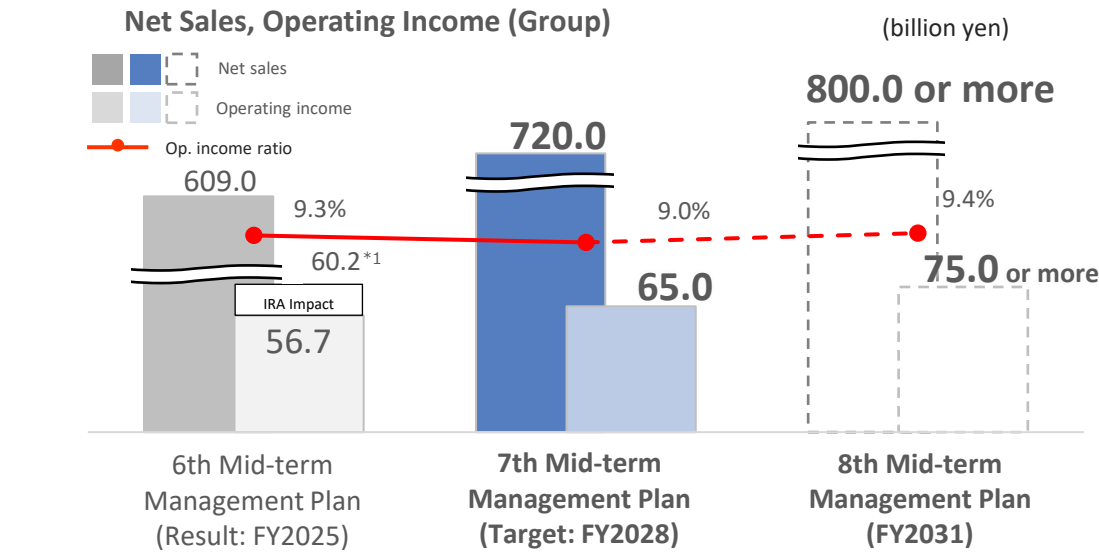


Place of the 7th Mid-term Management Plan

## Phase of building business foundations for two pillars: **Mobility** and **Public Infrastructure**

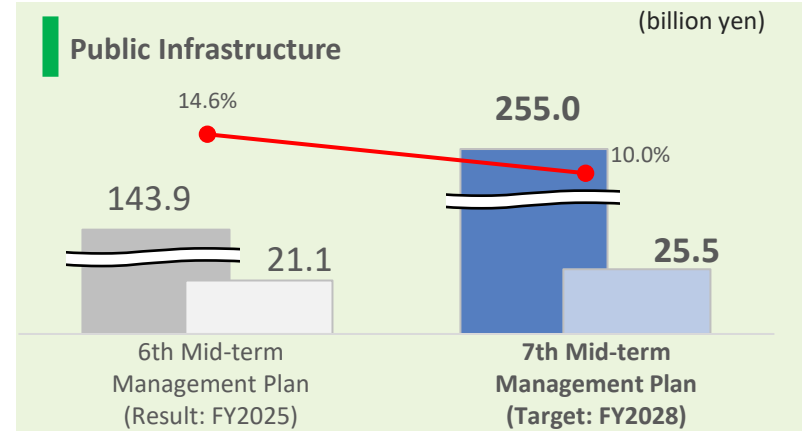
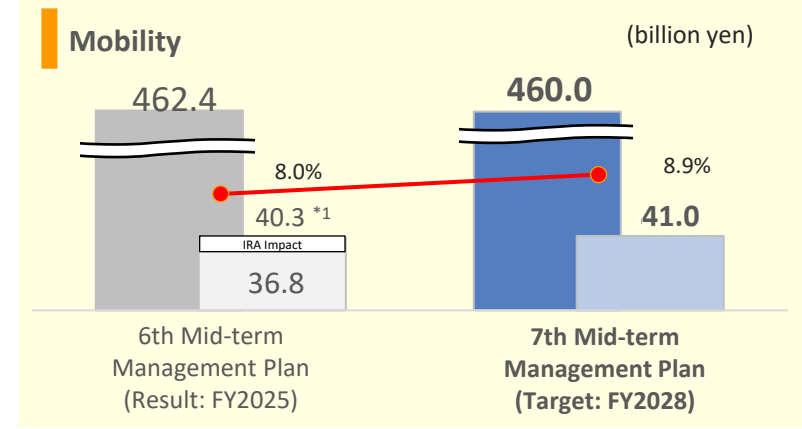
- **Mobility business:** Conduct business operation that emphasizes profitability, centering on lead storage batteries.
- **Public Infrastructure:** Regard the 7th Mid-term Management Plan as a phase of building foundations, and give priority to establishing a position.

Financial targets



|                     |               |               |
|---------------------|---------------|---------------|
| ROE*2               | 11.3%         | 9% or more    |
| ROIC*3              | 10.7%         | 9% or more    |
| Domestic lead price | ¥360,100/t    | ¥360,000/t    |
| LME                 | 1,953US \$ /t | 2,000US \$ /t |
| Exchange            | ¥151.09/US \$ | ¥150/US \$    |

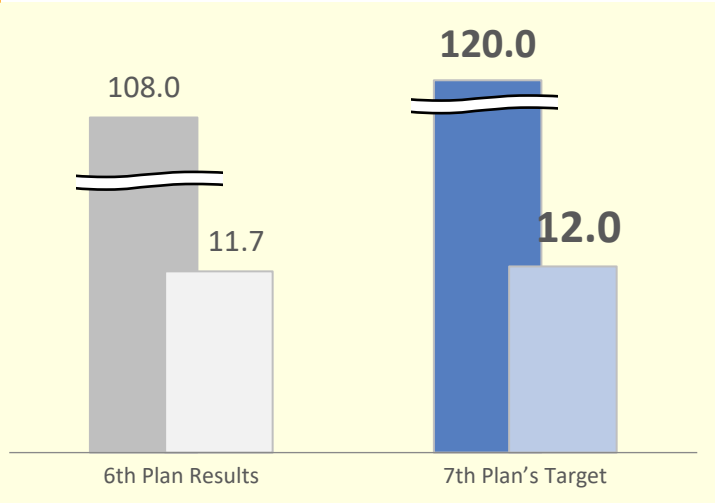
Note : Operating income and Op. income ratio exclude IRA.  
 Note1 : operating income, including the impact of IRA.  
 Note2 : ROE is calculated based on net income attributable to owners of the parent.  
 Note3 : ROIC is calculated as NOPAT divided by capital employed (interest-bearing debt plus shareholders' equity). Capital employed is the average of the amounts at the beginning and end of the period.



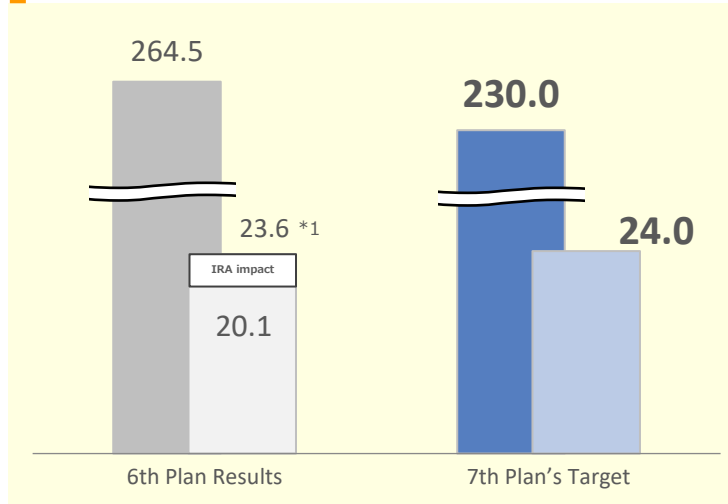
(Others)2025 actual : Net sales 2.7 billion yen Operating profit -1.2 billion yen  
 7th Mid-term Management Plan: Net sales 5.0 billion yen Operating profit -1.5 billion yen

Mobility

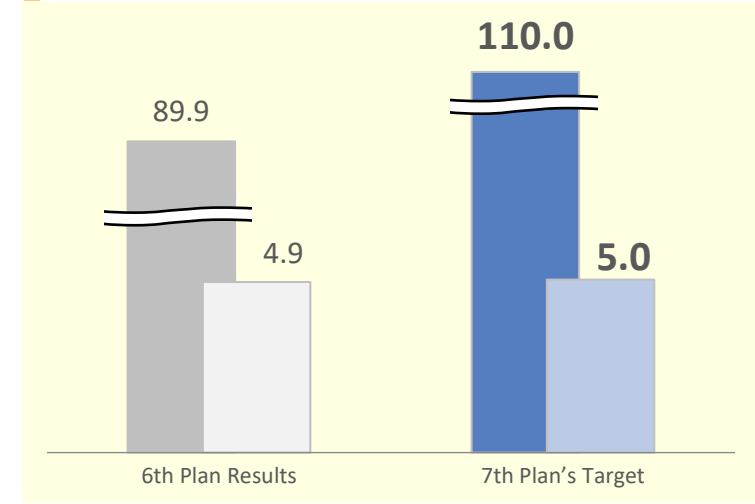
## Automotive Batteries (Japan)



## Automotive Batteries (Overseas)

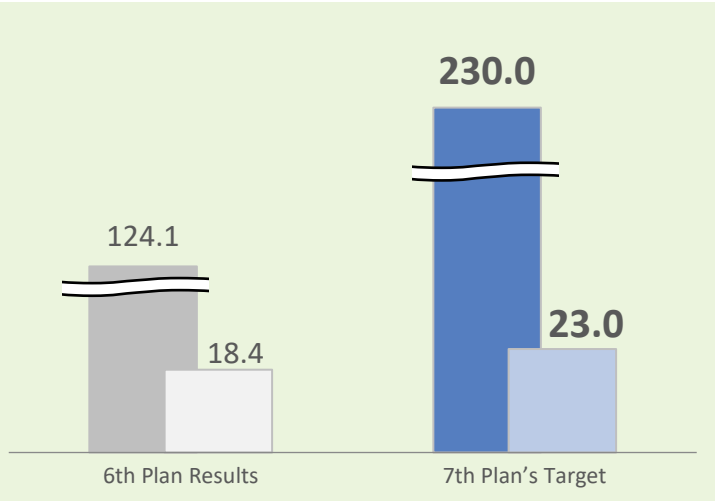


## Automotive Lithium-ion Batteries

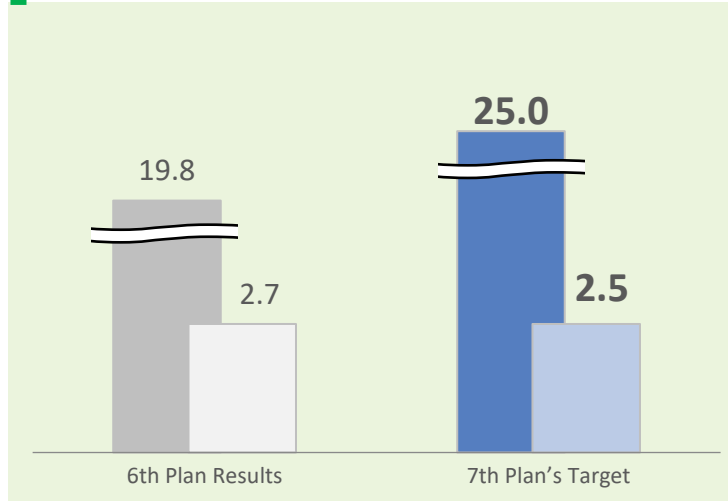


Public Infrastructure

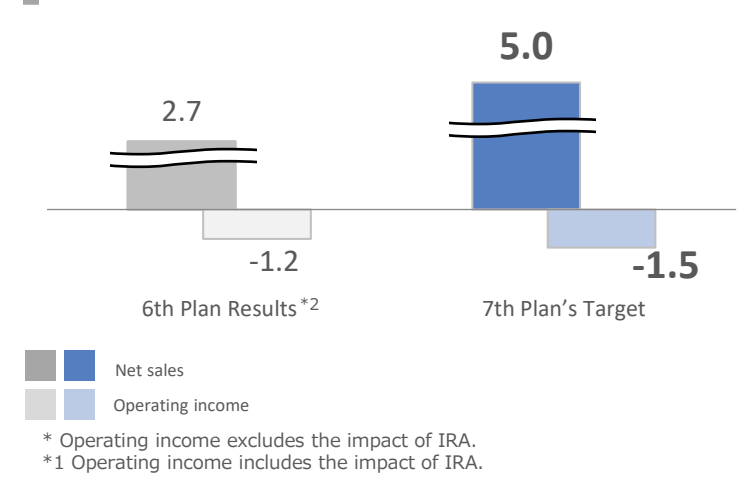
## Industrial Batteries and Power Supplies



## Aviation, Space and Defense



## Specialized Batteries and Others



■ Net sales  
■ Operating income

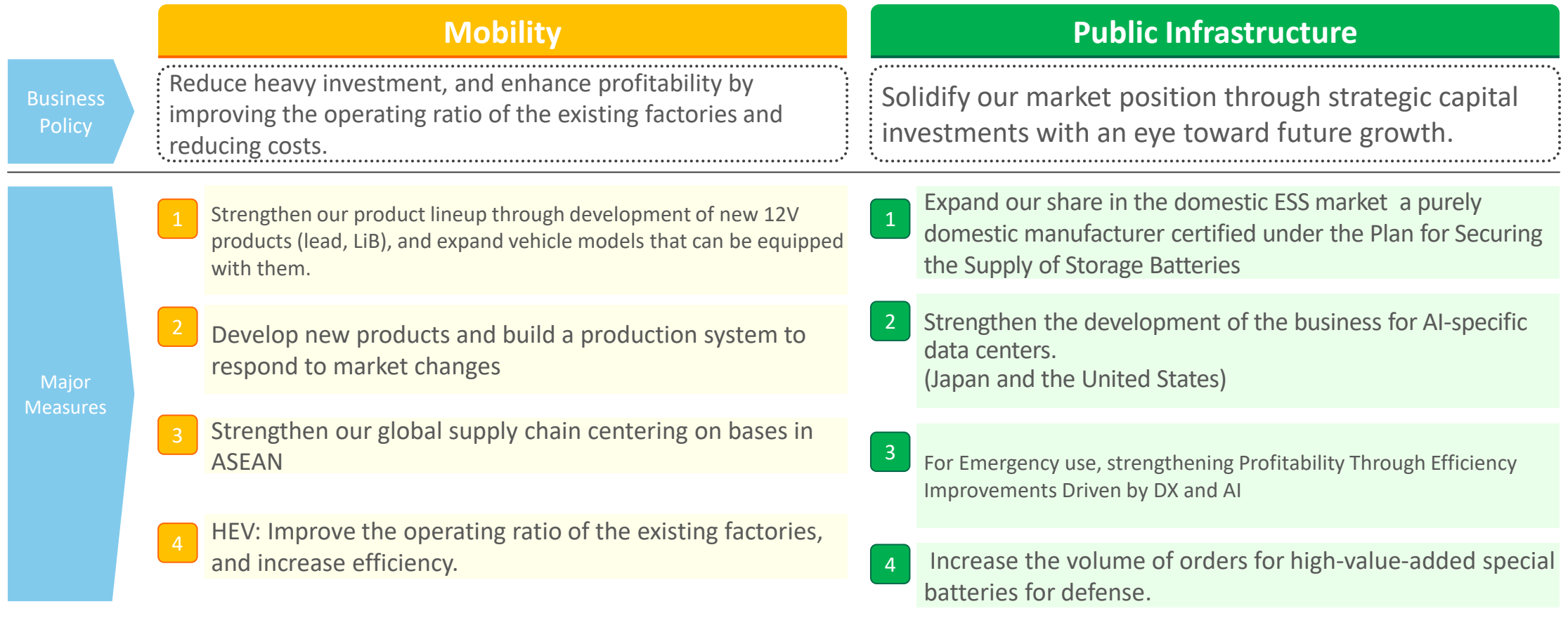
\* Operating income excludes the impact of IRA.  
\*1 Operating income includes the impact of IRA.

# Targets of the 7th Mid-term Management Plan

## -Major Measures for Achieving Goals-

**Mobility:** Ensure disciplined investments appropriate to the scale of business, and pursue further enhancement of profitability.

**Public Infrastructure:** Steadily make investments necessary for growth, and build solid business foundations.



Carry out necessary investment with emphasis on investment efficiency. Aim to improve profitability steadily by increasing the productivity of capital.

| Major Measures  | Reason for implementation (market environment)  | Reason why we can do it (advantages)   |
|---|---|--|
| <p>1 Strengthen our product lineup through development of new 12V products (lead, LiB), and expand vehicle models that can be equipped with them.</p> | <p>➤</p> <ul style="list-style-type: none"> <li>• There are growing needs for increasing the sophistication of 12V power supplies due to increases in vehicle power consumption, etc.</li> </ul>  | <ul style="list-style-type: none"> <li>• We can propose optimum solutions as the only player who delivers both lead batteries and lithium-ion batteries.</li> </ul>  |
| <p>2 Develop new products and build a production system to respond to market changes</p>  | <p>➤</p> <ul style="list-style-type: none"> <li>• Replacement demand has increased due to prolonged period of holding automobiles.</li> <li>• Expectations of performance improvement of 12V batteries for auxiliary equipment</li> </ul> | <ul style="list-style-type: none"> <li>• Strong partnership with customers based on confidence in quality and performance and our brand power</li> </ul>   |
| <p>3 Strengthen our global supply chain centering on bases in ASEAN</p>   | <p>➤</p> <ul style="list-style-type: none"> <li>• Expectations of growth of the automobiles and motorcycles markets in ASEAN</li> </ul>   | <ul style="list-style-type: none"> <li>• Realization of customer requests by using the existing foundations of each base</li> </ul>  |
| <p>4 HEV: Improve the operating ratio of the existing factories, and increase efficiency.</p>   | <p>➤</p> <ul style="list-style-type: none"> <li>• HEV demand remains strong.</li> </ul>   | <ul style="list-style-type: none"> <li>• A track record established through the development of products for Honda and TOYOTA Accumulation of design and material technology by which both high power and high durability can be optimized according to applications</li> </ul> |

Carry out active investments for profit growth, and lay the foundations for continued growth not only in the period of the 7th Mid-term Management Plan but also beyond.

| Major Measures  | Reason for implementation (market environment)  | Reason why we can do it (advantages)  |
|---|---|---|
| <p><b>1</b> Expanding our presence in the ESS market as a 100% domestically produced manufacturer certified under the “Battery Stable Supply Assurance Plan”</p>  | <p>• Demand for adjustment has increased along with the growing introduction of renewable energy, and the domestic ESS market is in the phase of expansion.</p> | <p>• We can offer one-stop services from equipment sales to O&amp;M as a purely Japanese manufacturer accredited as a supplier for the “Battery Stable Supply Assurance Plan”</p> |
| <p><b>2</b> Strengthen the development of the business for AI-specific data centers (Japan, the United States).</p>   | <p>• Investment in data centers in the United States has been accelerated in response to growing AI demand.</p>   | <p>• We have established a competitive advantage in high-power and high-durability design and can support applications for data centers under heavy load for AI.</p>              |
| <p><b>3</b> Emergency field (Japan) : Strengthening profitability through promoting efficiency by DX and AI</p>   | <p>• Strong demand for emergency use in Japan, and growing needs for services</p>   | <p>• We can provide high-quality services based on an overwhelming presence in Japan.</p>   |
| <p><b>4</b> Expanding orders for high-value-added specialty batteries, including unique products for defense applications (such as lithium-ion batteries for submarines and thermal batteries for special purposes)</p> | <p>• There is growing demand for special batteries due to an increase in the defense budget.</p>  | <p>• Regarding special batteries for defense, our top-class technological capabilities in Japan has allowed us to have a track record of continuous adoption.</p>                 |

# 3 Capital Policy and Financial Policy

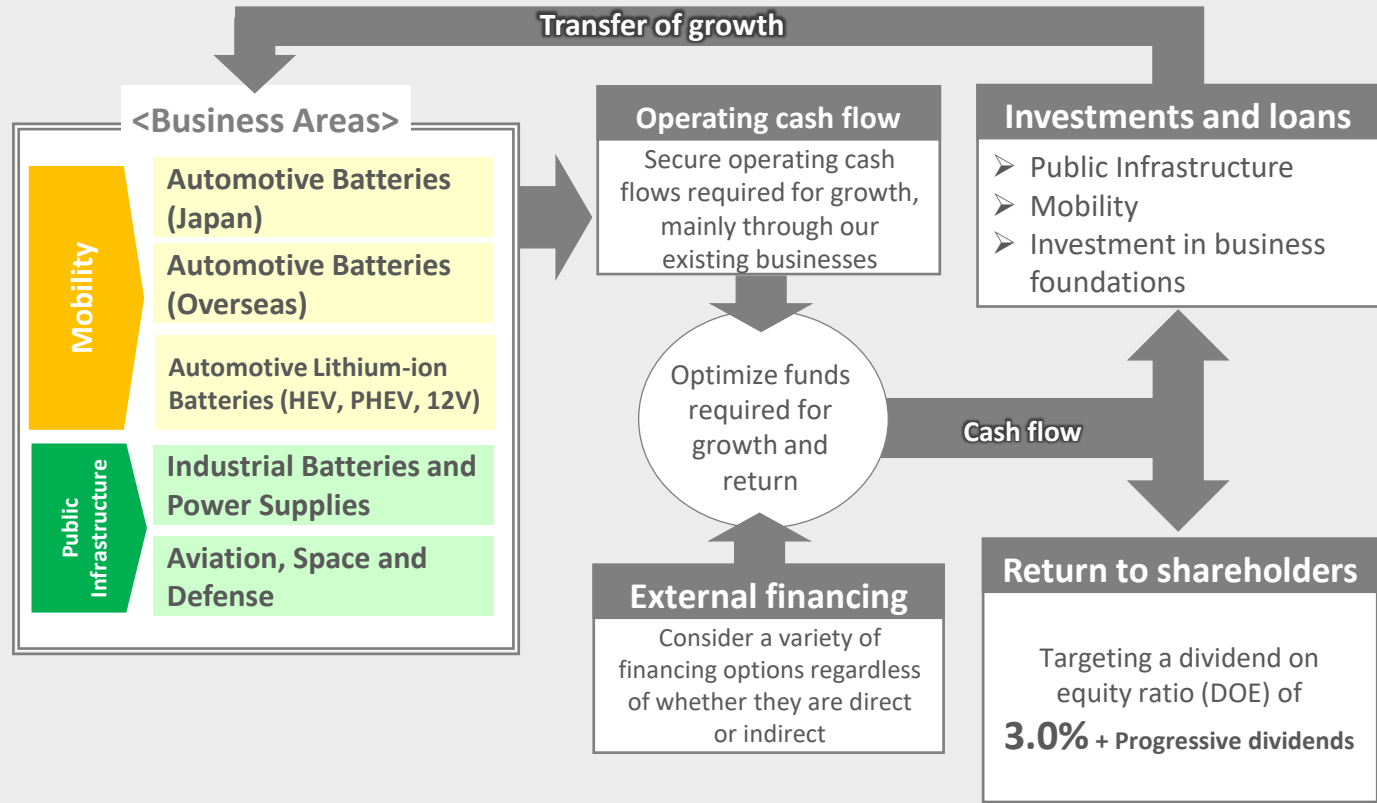
Aim to provide progressive dividends targeting a dividend on equity ratio (DOE) of 3.0% in order to reflect future results of efforts to increase profits as an increase in return to shareholders regardless of single-year income swings.

6th Mid-term Plan's target  
Total payout ratio: **30%** or more



7th Mid-term Plan's target

**Targeting a dividend on equity ratio (DOE) of 3.0% + Progressive dividends**



FY2028 target  
(April 2028 to March 2029)

Ratio of operating cash flows to liabilities with interest\*1

3 years or so

Dividend on equity ratio (DOE)\*2

3.0 % as a guide

Equity ratio

40 % or more, always

\*1 Liabilities with interest (including lease liabilities) / Operating cash flow

\*2 (Dividend paid + Amount of purchase of treasury shares) / shareholders' equity

Total of the three years of the 7th Mid-term Management Plan

Operating cash flow

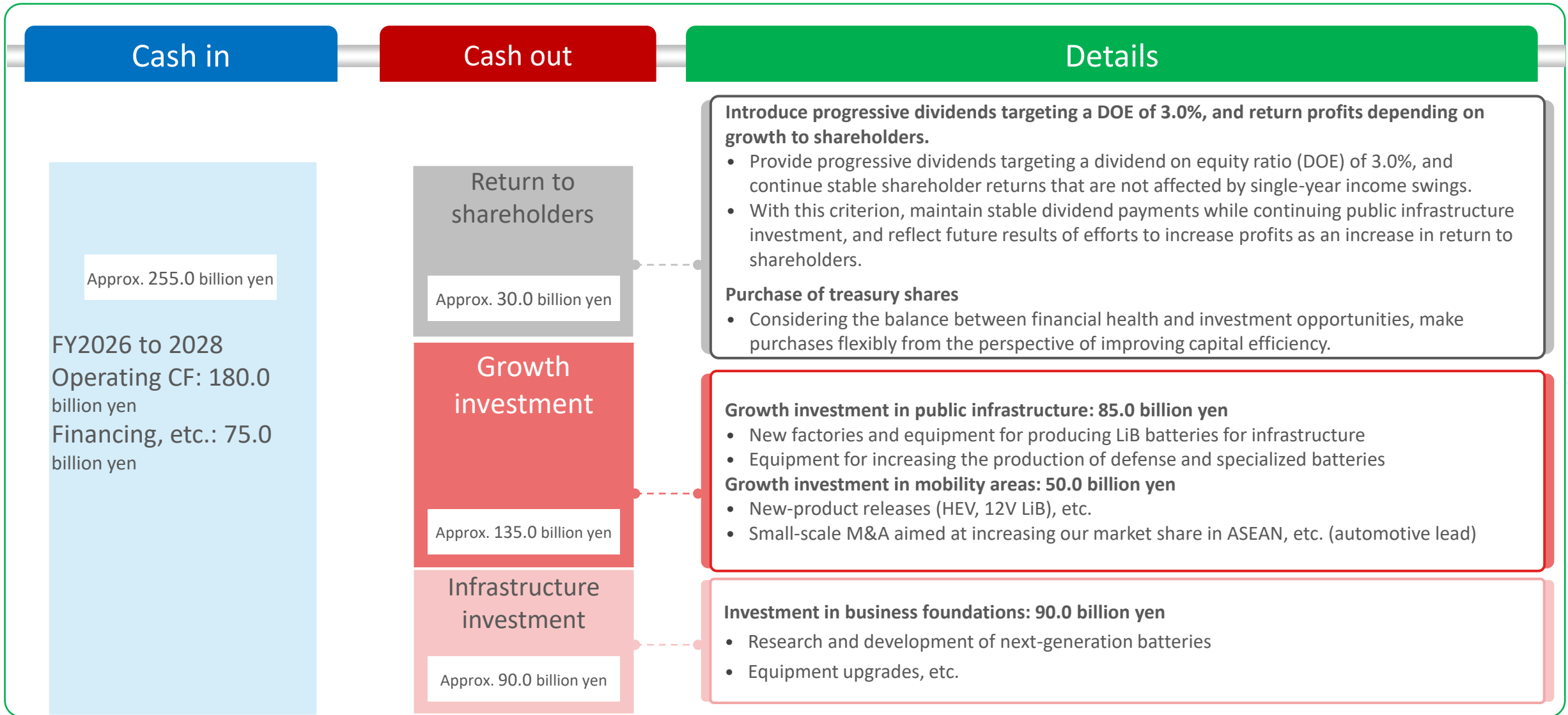
180.0 billion yen

Investing cash flow

-225.0 billion yen

Free cash flow

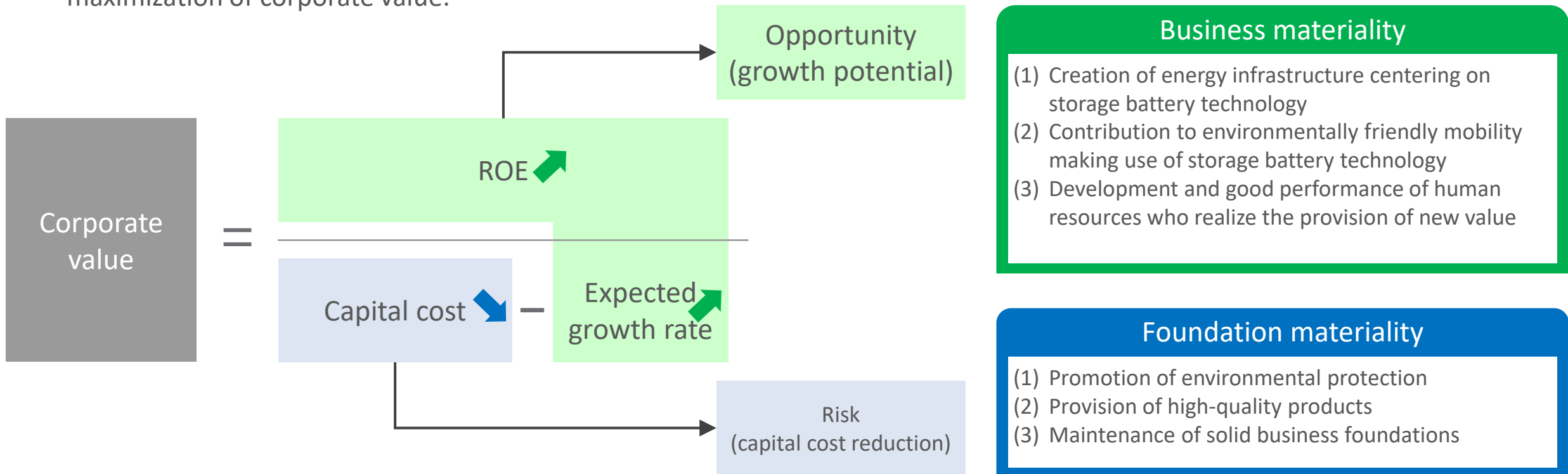
-45.0 billion yen



## 7th Mid-term Management Plan

1. Reviewing the 6th Mid-term Management Plan
2. Updated Long-term Vision (Vision 2035)
3. Targets of the 7th Mid-term Management Plan
- 4. Materiality**

- (1) With the formulation of the Seventh Medium-Term Management Plan, we have revamped our materiality from a CSR risk management–oriented approach based on the conventional CSR policy to a new framework based on the sustainability management policy, focusing on creating value for society.
- (2) Newly formulated materiality consists of, **business materiality serves as a growth driver (increase in opportunities), and foundation materiality corresponds to capital cost reduction (risk reduction)**. Addressing these issues will lead to maximization of corporate value.



## Business materiality

Creation of energy infrastructure centering on storage battery technology



Contribution to environmentally friendly mobility making use of storage battery technology



Development and good performance of human resources who realize the provision of new value



## Major Efforts

- Responding to growing demand for products for data centers through provision of high-quality storage batteries
- Contributing to reinforcing infrastructure prepared for increasingly severe and frequent disasters
- Responding to demand for storage batteries for an ESS that mitigates output changes of renewable energy
- Selling and spreading environmentally friendly products that contribute to reducing CO<sub>2</sub> emissions of society as a whole
- Contributing to growth of the energy infrastructure business by acquiring patents in new areas
- Further enhancing the profitability of lead acid batteries for both new vehicles and replacement
- Making the best use of the production capacity of HEVs to respond to the demand
- Contributing to the spread of electric vehicles through the development of next-generation batteries
- Selling and spreading environmentally friendly products that contribute to reducing CO<sub>2</sub> emissions of society as a whole
- Development of human resource portfolio management
- Acquisition, development, and optimum deployment of high-level and professional personnel
- Development of digital transformation and global human resources and next-generation managers

## Foundation materiality

Promotion of environmental protection



Provision of high-quality products



Maintenance of solid business foundations



## Major Efforts

- Reduction of environmental loads
- Prevention of environmental pollution accidents
- Improvement, based on the basic quality policy, of the quality of products and services to be provided for customers
- Pursuing manufacturing and improving the quality of products and services from customer perspectives
- Development of organizations and systems that can quickly and efficiently respond to changing business circumstances
- Improvement of management soundness and transparency through thorough implementation and enhancement of compliance management
- Development of working environments that ensure safety and security
- Creating an inclusive environment that enables diverse talent to excel
- Promotion of activities to reduce risks on supply chains

Although this document has been prepared with information believed to be correct, GS Yuasa Corporation does not guarantee the accuracy or the completeness of such information. Also, the information herein contains forward-looking statements regarding the Company's plans, outlooks, strategies and results for the future. All the forward-looking statements are based on judgments derived from information available to the Company at the time of release. Certain risks and uncertainties could cause the Company's actual results to differ materially from any projections presented herein.

