



Fiscal Year Ended March 31, 2020 (FY2019) Results Briefing

May 21, 2020

GS Yuasa Corporation

FY2019 Financial Results

1. Net Sales, Profits	4
2. Segment Results	6
- Automotive Battery (Japan)	7
- Automotive Battery (Overseas).....	9
- Industrial Battery and Power Supply.....	11
- Automotive Lithium-ion Battery.....	13
- Others.....	14
3. Balance Sheet	15
4. Cash Flow Statements	16
5. Capital Investment, Depreciation, R&D Costs.....	17

Progress with Fifth Mid-Term Management Plan & FY2020 Initiatives

1. Impact of Covid-19 coronavirus.....	19
2. Targets and Progress of Fifth Mid-Term Management Plan.....	22
3. Fifth Mid-Term Management Plan Policy and Points.....	23
4. Progress by Segment.....	24
- Automotive Battery (Japan).....	24
- Automotive Battery (Overseas)	25
- Industrial Battery and Power Supply.....	26
- Automotive Lithium-ion Battery.....	27
- Others.....	28
5. Fifth Mid-Term Management Plan Topics.....	29
6. Progress with ESG Targets.....	32

FY2019 Financial Results

1. Net Sales, Profits

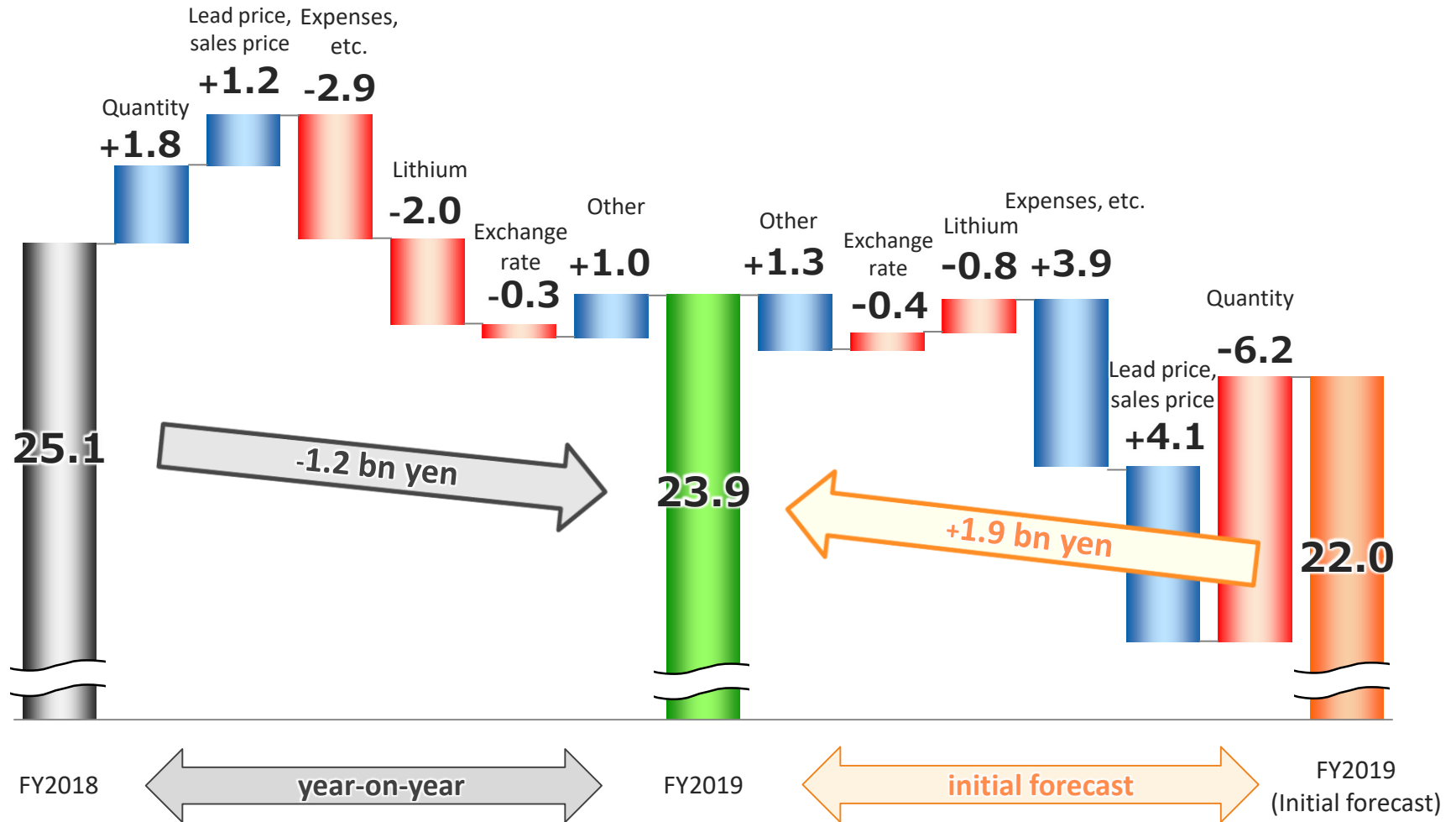
	FY2018	FY2019	Change	(YoY%)	(Billion yen) [Reference] Feb. 2020 forecast
Net sales	413.1	395.6	-17.5	(-4.2%)	400.0
Operating income	22.7	21.7	-1.0	(-4.3%)	20.0
Operating income before amortization of goodwill (Operating income ratio before amortization of goodwill)	25.1 6.1%	23.9 6.1%	-1.2 -0.0P		22.0 5.5%
Ordinary income	24.7	23.1	-1.6	(-6.5%)	22.0
Extraordinary income	3.9	2.4	-1.5		-
Extraordinary loss	3.4	2.2	-1.2		-
Profit before income taxes	25.2	23.3	-1.9		-
Income taxes	8.1	6.6	-1.5		-
Profit attributable to non-controlling interests	3.6	3.0	-0.6		-
Profit	13.5	Record 13.7	+0.2	(+1.1%)	12.0
Profit before amortization of goodwill (Profit ratio before amortization of goodwill)	16.0 3.9%	15.9 4.0%	-0.1 +0.1P		14.5 3.6%
Domestic lead price quote (¥10,000/t)	29.89	27.56	-2.33		30.0
LME (US\$/t)	2,122	1,950	-172		2,100
Exchange rate (¥/US\$)	111.07	108.96	-2.11		110.0
Annual dividend (¥/share)	¥50	¥50 (Plan)	±0		-
Purchase of treasury stock	1.38	1.5 (Plan)	+0.12		-

Impact of Covid-19 coronavirus

➤ There was some impact on net sales, primarily in China, but the impact on profits was limited.

1. Net Sales, Profits

Factors for Operating Income Change (year-on-year / initial forecast comparison)
(Billion yen)



Note: Operating income is operating income before amortization of goodwill.

2. Segment Results

(Billion yen)

		FY2018		FY2019		Change		[Reference] Feb. 2020 forecast	
		Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: pp)	Net sales	Operating income (Op. income ratio: %)
Auto- motive Battery	Japan	91.5	7.8 (8.5)	88.1	7.0 (7.9)	-3.4	-0.8 (-0.6)	88.0	5.5 (6.3)
	Overseas	177.1	9.9 (5.6)	162.1	9.2 (5.7)	-15.0	-0.7 (+0.1)	164.0	8.5 (5.2)
Industrial Battery and Power Supply		80.0	7.8 (9.8)	84.6	9.2 (10.8)	+4.6	+1.4 (+1.0)	87.0	9.0 (10.3)
Automotive Lithium-ion Battery		45.6	0.3 (0.7)	42.3	-1.7 (-4.0)	-3.3	-2.0 (-4.7)	43.0	-1.0 (-2.3)
Others		18.9	-0.8 (-4.0)	18.5	0.3 (1.7)	-0.4	+1.1 (+5.7)	18.0	-
Total		413.1	25.1 (6.1)	395.6	23.9 (6.1)	-17.5	-1.2 (-0.0)	400.0	22.0 (5.5)

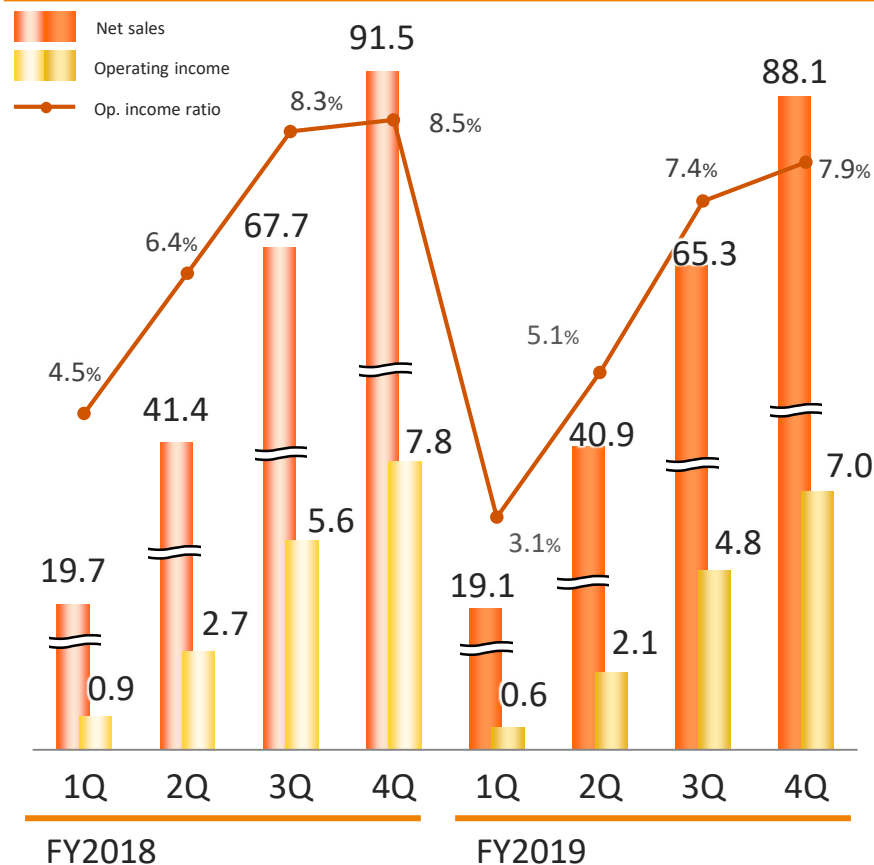
Note 1: Operating income is operating income before amortization of goodwill and operating income ratio is operating income ratio before amortization of goodwill.

Note 2: From FY2019, some consolidated subsidiaries that were included in “Automotive Battery-Overseas” have been reclassified to “Industrial Battery and Power Supply.” Segment information for FY2018 has been recast to conform to this revision.

2. Segment Results (Automotive Battery (Japan))

Automotive Battery (Japan)

Net Sales, Operating income, Op. income ratio



Sales and profit declined

(Billion yen)

FY2019 Sales Overview

- While sales volume of batteries for new automobiles increased led by EN Standard compliant lead-acid batteries, selling prices declined due to fall in lead prices
- Sales volume of replacement batteries increased particularly batteries for start & stop (S&S) vehicles

Main Profit Change Factors

Quantity	-0.5
Lead prices, sales prices	+1.0
Streamlining, expenses, etc.	-1.3

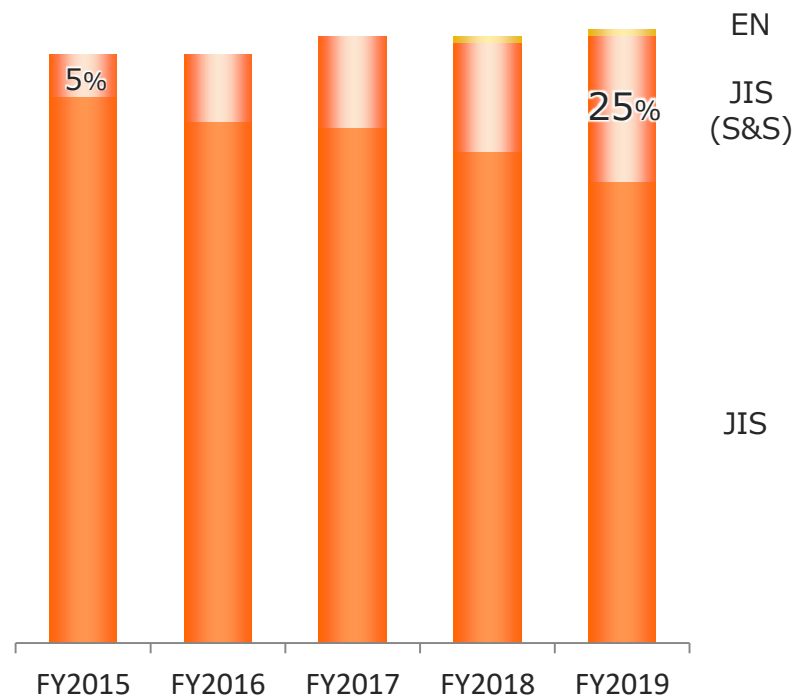
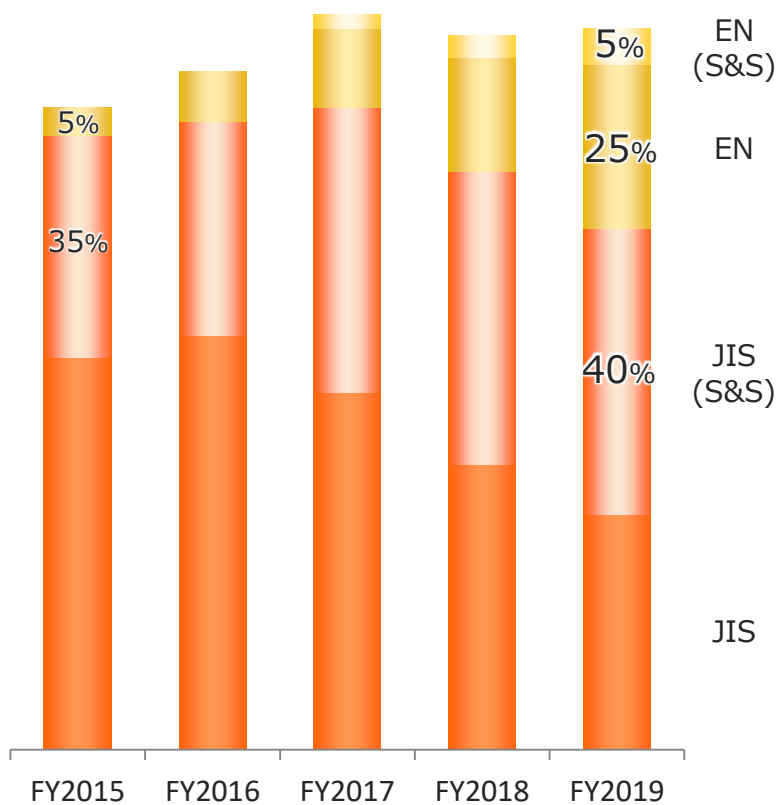
Note: Operating income is operating income before amortization of goodwill and Op. income ratio is Op. income ratio before amortization of goodwill.

2. Segment Results (Automotive Battery (Japan))

Shipment ratio of batteries for new automobile and replacement batteries (Quantity) 

New automobile battery shipment ratio

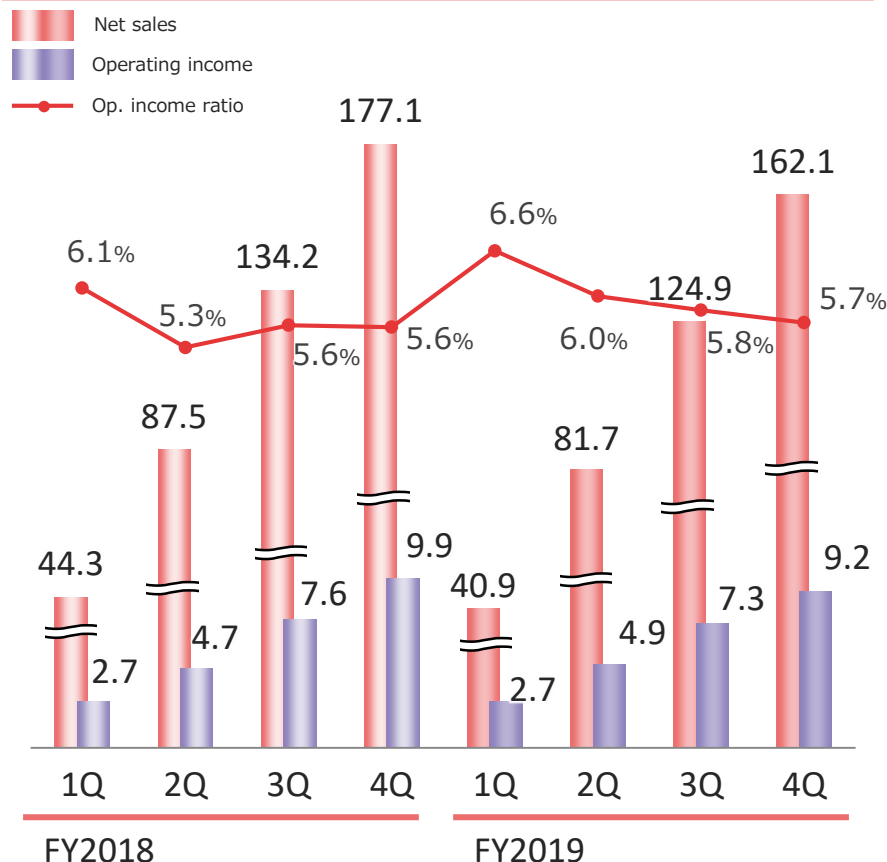
Replacement battery shipment ratio



2. Segment Results (Automotive Battery (Overseas))

Automotive Battery (Overseas)

Net Sales, Operating Income, Op. Income Ratio



Sales and profit declined

(Billion yen)

FY2019 Sales Overview

- While there was impact from Covid-19, primarily in China, sales volume of both automotive and motorcycle batteries increased on the back of strong sales in Southeast Asia
- Impact of lower product prices owing to fall in lead prices
- Impact from foreign currency translation due to stronger yen

Main Profit Change Factors

Quantity	+1.2
Lead prices, sales prices	+0.1
Streamlining, expenses, etc.	-1.7
Exchange	-0.3

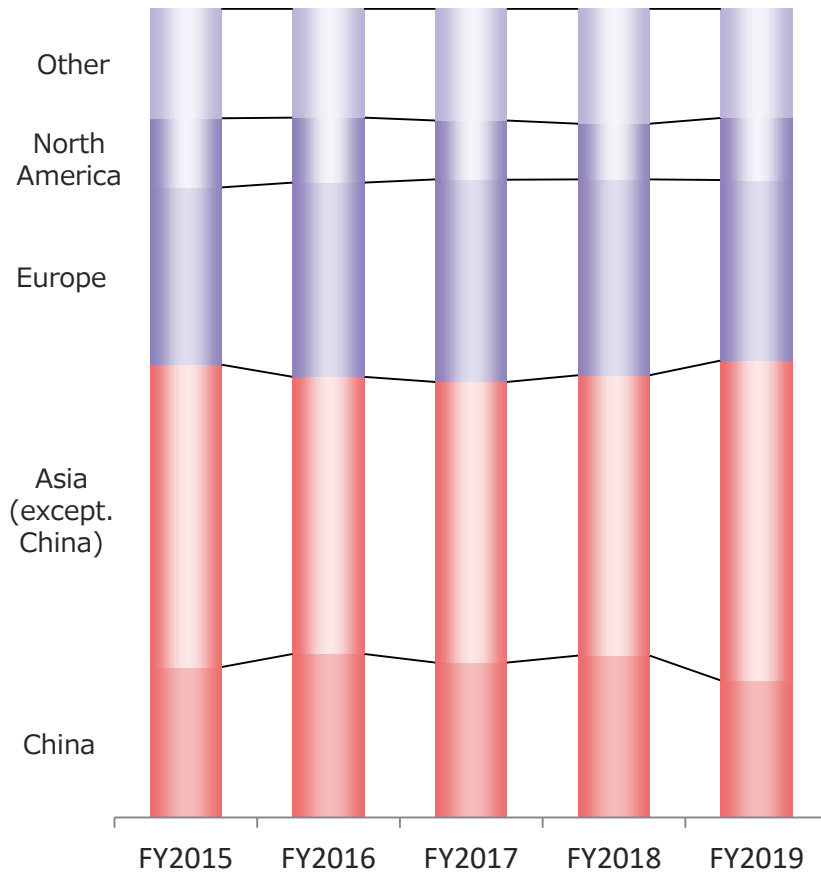
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2. Segment Results (Automotive Battery (Overseas))

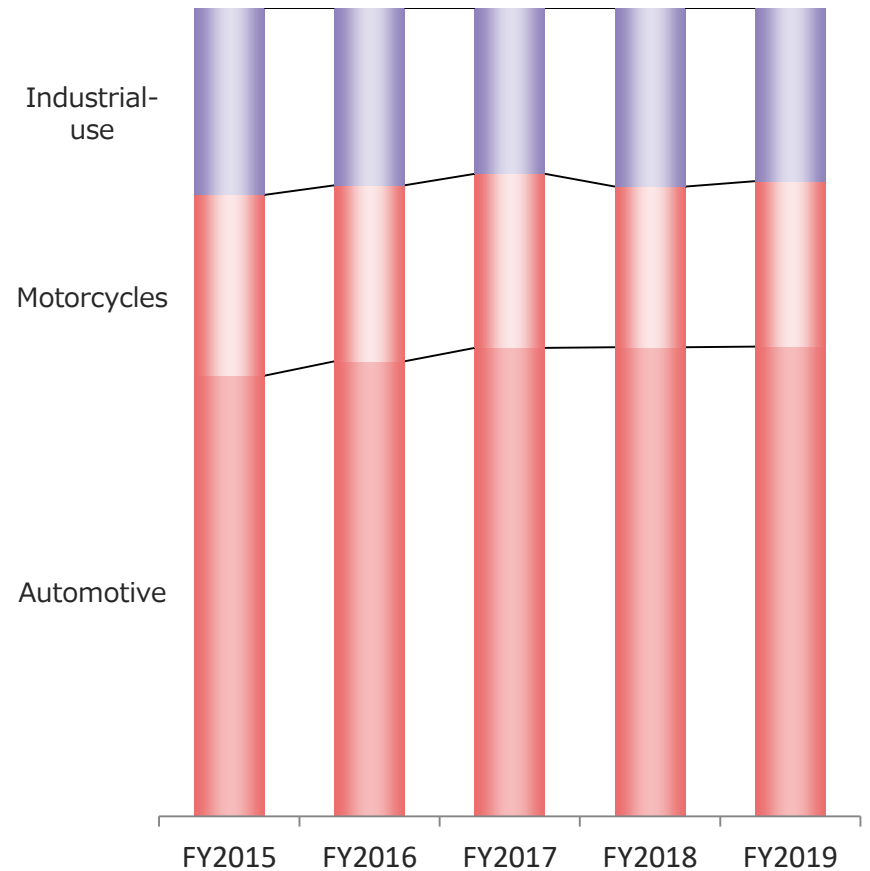
Net sales by region and model (incl. industrial-use)



Net sales by region



Net sales by model

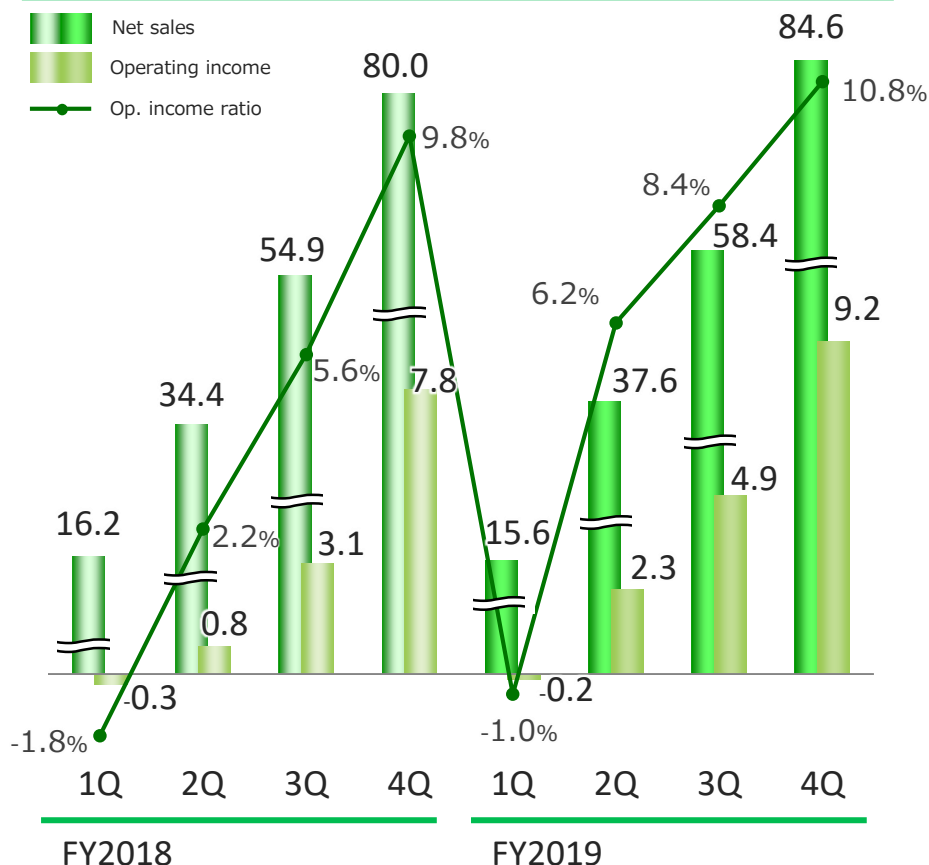


2. Segment Results (Industrial Battery and Power Supply)

Industrial Battery and Power Supply

Sales and profit increased

Net Sales, Operating Income, Op. Income Ratio



FY2019 Sales Overview

(Billion yen)

- Sales of mainstay industrial batteries and power supplies remained strong mainly for social infrastructure back-up uses such as data centers and power companies
- Temporary fall in sales of lead-acid batteries for forklifts due to suspension of operations at customer plants, etc.
- Sales of industrial-use lithium-ion batteries increased

Main Profit Change Factors

Quantity	+1.1
Lead prices, sales prices	+0.2
Streamlining, expenses, etc.	+0.1

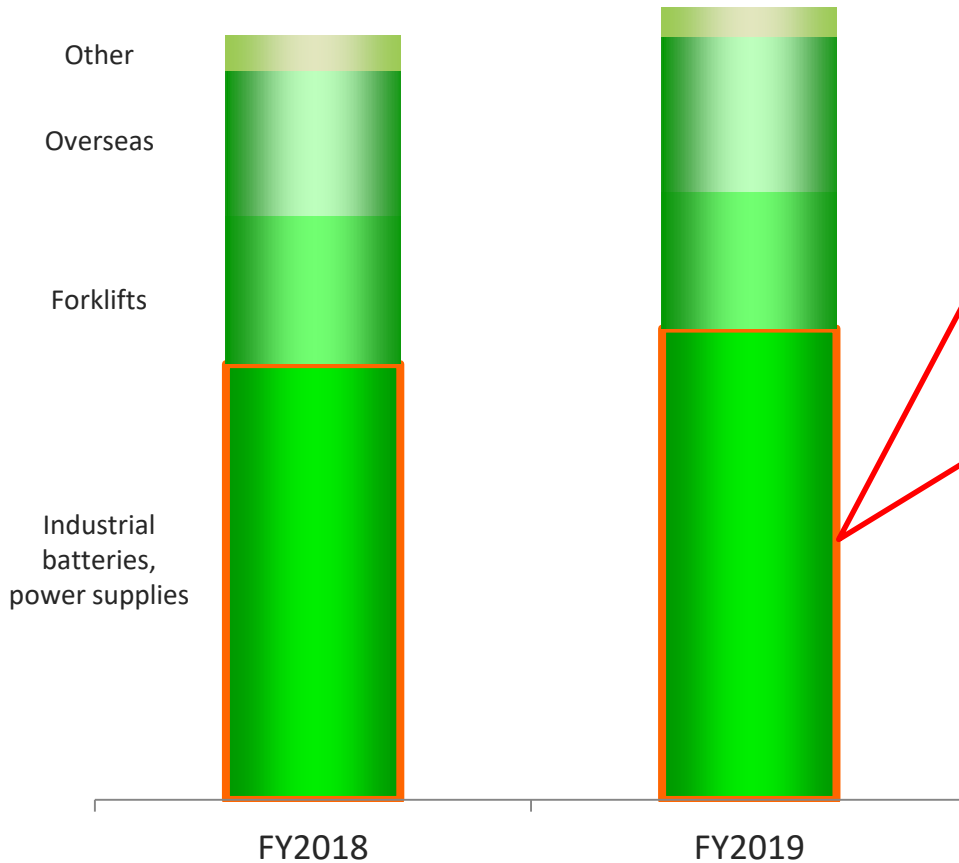
Note: From FY2019, some consolidated subsidiaries that were included in "Automotive Battery-Overseas" have been reclassified to "Industrial Battery and Power Supply." Segment information for FY2018 has been recast to conform to this revision.

2. Segment Results (Industrial Battery and Power Supply)

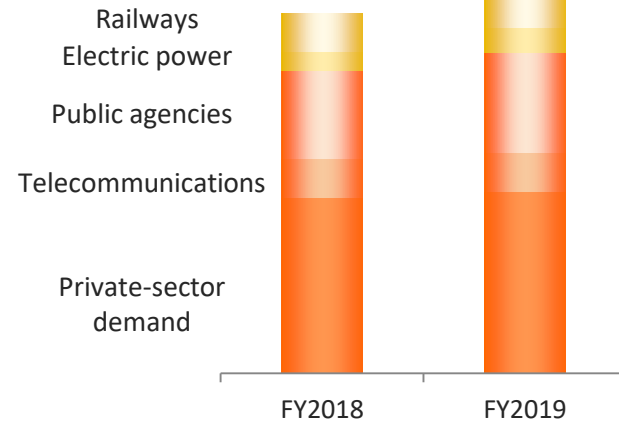
Net sales by model



Net sales by model



Net sales by demand source

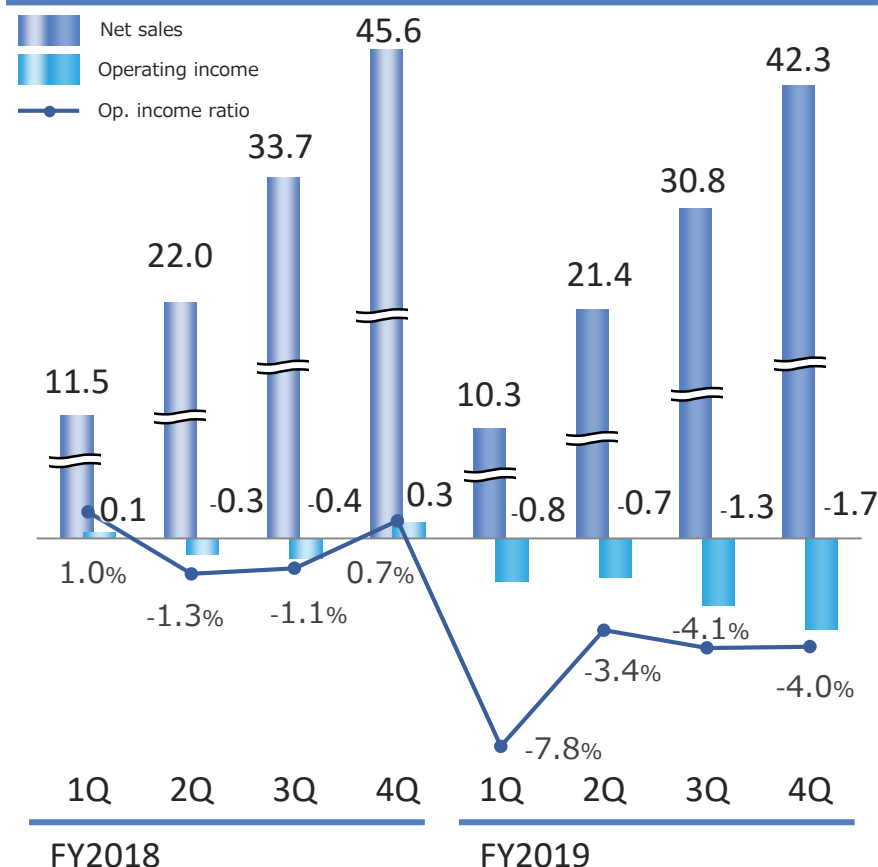


2. Segment Results (Automotive Lithium-ion Battery)

Automotive Lithium-ion Battery

Sales and profit decline

Net Sales, Operating Income, Op. Income Ratio



(Billion yen)

FY2019 Sales Overview

- [Lithium Energy Japan]
Sales of lithium-ion batteries for plug-in hybrid electric vehicles of overseas automobile manufacturers declined
- [Blue Energy]
Sales of lithium-ion batteries for hybrid vehicles increased as supply for new vehicle model commenced

Main Profit Change Factors

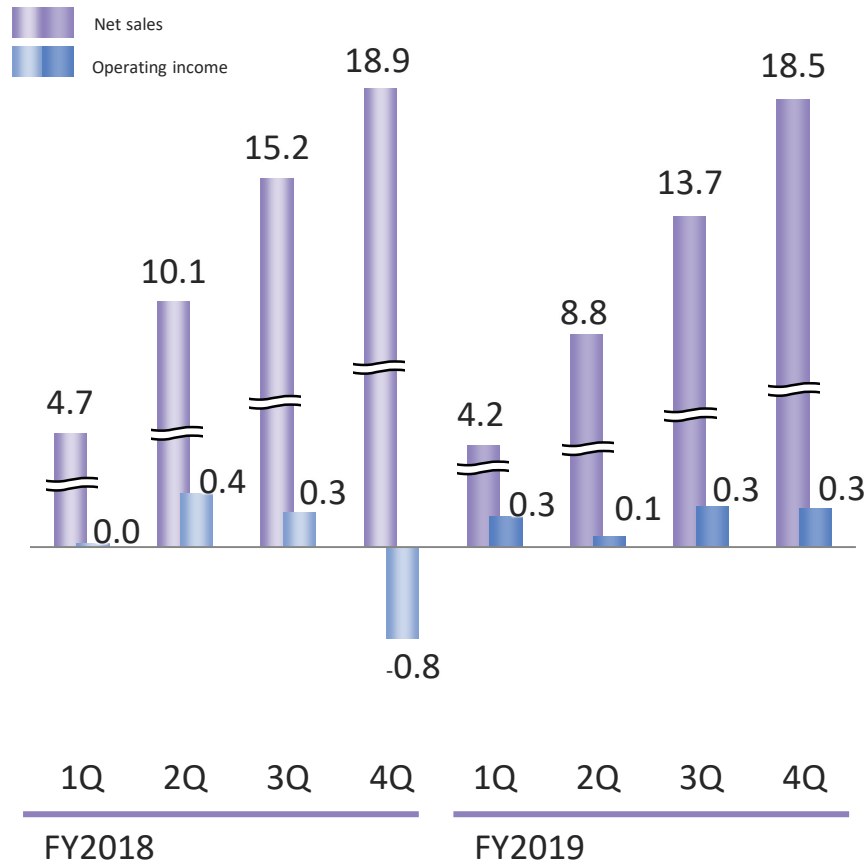
Impact of lower sales

Increase in startup expenses at Hungary plant

2. Segment Results (Others)

Others

Net Sales, Operating Income



Sales declined, profit increased

(Billion yen)

FY2019 Sales Overview

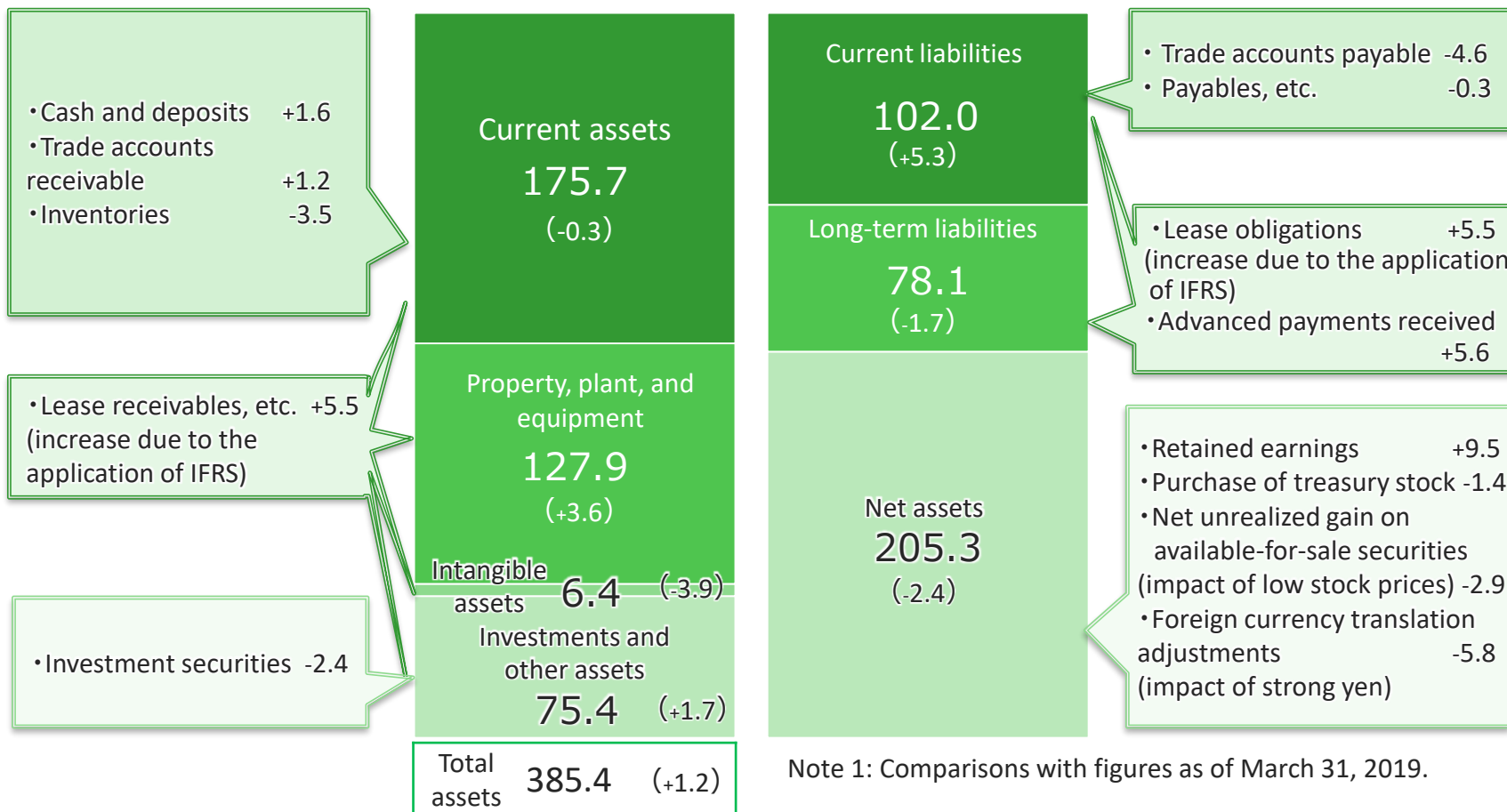
- Production of lithium-ion batteries for submarines progressed smoothly
- Sales of lithium-ion batteries for aircraft increased
- Sales of lithium-ion batteries for satellites declined

Main Profit Change Factors

Increased on the back of cost cuts in administrative and research divisions

3. Balance Sheet

(Billion yen)

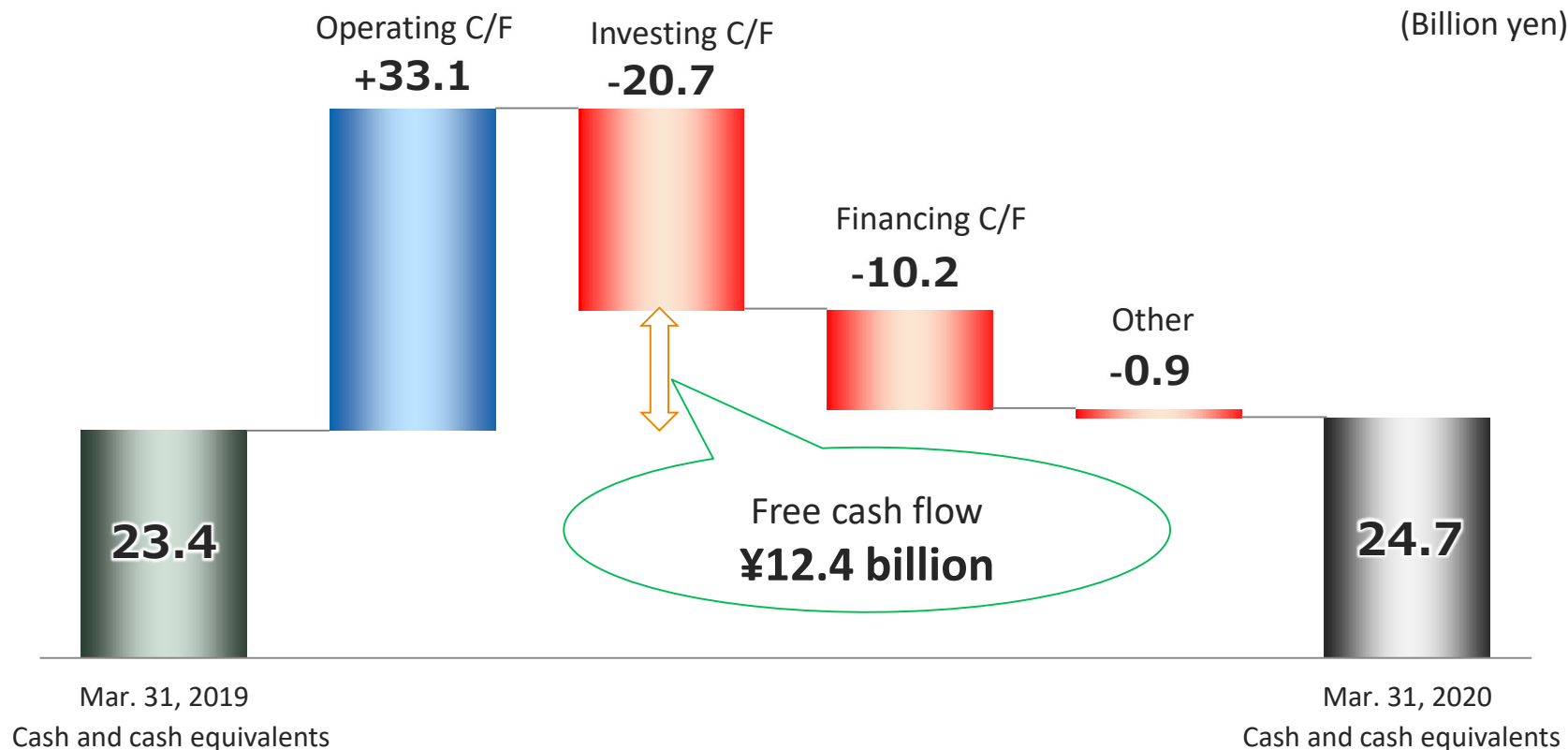


Note 1: Comparisons with figures as of March 31, 2019.

	3/31/2019	3/31/2020
Equity ratio	46.4%	45.8%
ROE (return on equity)	9.0%	9.0%
Total borrowings	¥66.9bn	¥64.5bn

Note 2: ROE is based on profit before goodwill amortization.

4. Cash Flow Statements



Highlights

- Operating C/F totaled ¥33.1 billion, exceeding the ¥31.5 billion a year ago, as a result of securing ¥42.3 billion in profit before amortization.
- As a result of capital investment and payment for shares of subsidiaries and affiliates, free cash flow came to ¥12.4 billion, which was allocated to fund shareholder returns and accumulation of cash on hand.

5. Capital Investment, Depreciation, R&D Costs

(Billion yen)

		FY2018	FY2019	Change
Capital Investment		21.5	18.2	-3.3
Automotive Battery	Japan	3.6	2.2	-1.4
	Overseas	6.7	5.5	-1.2
Industrial Battery and Power Supply		2.1	1.7	-0.4
Automotive Lithium-ion Battery		5.2	5.0	-0.2
Others		3.9	3.8	-0.1
Depreciation		16.1	16.0	-0.1
Automotive Lithium-ion Battery		4.3	3.2	-1.1
R&D Costs		9.9	9.5	-0.4
(Ratio of R&D expenses to net sales)		2.4%	2.4%	+0.0P

Note: From FY2019, some consolidated subsidiaries that were included in “Automotive Battery-Overseas” have been reclassified to “Industrial Battery and Power Supply.” Segment information for FY2018 has been recast to conform to this revision.



**Progress with Fifth Mid-Term Management Plan
& FY2020 Initiatives**

1. Impact of Covid-19 coronavirus

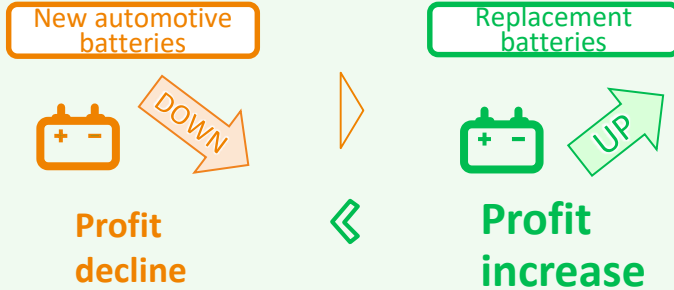
Situation at GS Yuasa bases by region

	Situation
Japan	<ul style="list-style-type: none">➤ Automotive Batteries (Japan) is affected by a decline in production of new vehicles by manufacturers➤ Automotive Lithium-ion Batteries is affected by a decline in sales volume of electric vehicles➤ Impact on Industrial Battery & Power Supply is limited
China	<ul style="list-style-type: none">➤ Operations generally restored. Operations now recovered to approx. 80% of pre-outbreak level➤ Operation of Japanese auto manufacturers also on recovery trend and shipments are recommencing in stages
Asia (except. China)	<ul style="list-style-type: none">➤ Operations have recovered to approx. 80% in Thailand and Vietnam and approx. 60% in Indonesia. Operations in Malaysia suspended due to government restrictions
Europe, U.S.	<ul style="list-style-type: none">➤ Government restrictions are beginning to ease in all countries➤ Operation of production bases in the U.K. have recovered to approx. 70%➤ Operation of production bases in the U.S. remains at about 50%
Australasia	<ul style="list-style-type: none">➤ In Australia, the impact on sales is limited at the moment but there are concerns regarding future impact on sales➤ New Zealand's lockdown has been lifted and it is on a recovery trend

1. Impact of Covid-19 coronavirus

Impact on business

Automotive lead-acid storage batteries



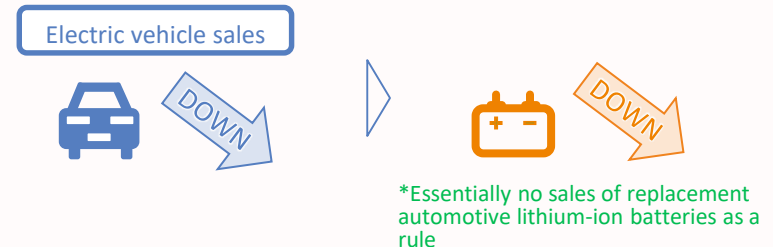
- Sales of replacement automotive lead-acid storage batteries increase as long as vehicle ownership numbers do not change, even if sales of new automobile batteries fall
- An increase in sales of replacement automotive lead-acid storage batteries is positive in terms of profits

Lead price



- If demand (new vehicles + replacement) declines, the price of lead, the main raw material, tends to fall, which lowers the selling price but is positive in terms of cost

Automotive lithium-ion batteries



- Sales of automotive lithium-ion batteries decline if the number of EVs sold declines

Industrial batteries, power supply systems



- Industrial batteries and power supply systems are an important platform that underpin societal infrastructure. While they would be affected by economic slowdown, demand should be relatively stable

1. Impact of Covid-19 coronavirus

Assumption for FY2020

- We assume that the novel coronavirus pandemic will come to an end in the first half, and that in the second half demand will start to recover and production and sales activities at GS Yuasa's business bases will normalize

Group-wide estimate

- Compared with the results for the previous term, net sales may decline by approx. 10% and operating income may decline by roughly a third.
- ✓ Automotive Battery (Japan): Sales of new automobile batteries are expected to decline and profit is also expected to fall due to worsening of operational status. While sales of replacement batteries are also expected to decline slightly, the impact on sales volume and profit are expected to be limited.
- ✓ Automotive Battery (Overseas): Declines in sales and profits are likely to be unavoidable for the period covered by our assumption, although the situation differs by region and country.
- ✓ Industrial Battery and Power Supply: The negative impact on financial results is likely to be limited in the short term, as there is a backlog of past orders.
- ✓ Automotive Lithium-ion Battery: Expected to be negatively affected by a decline in sales of electric vehicles

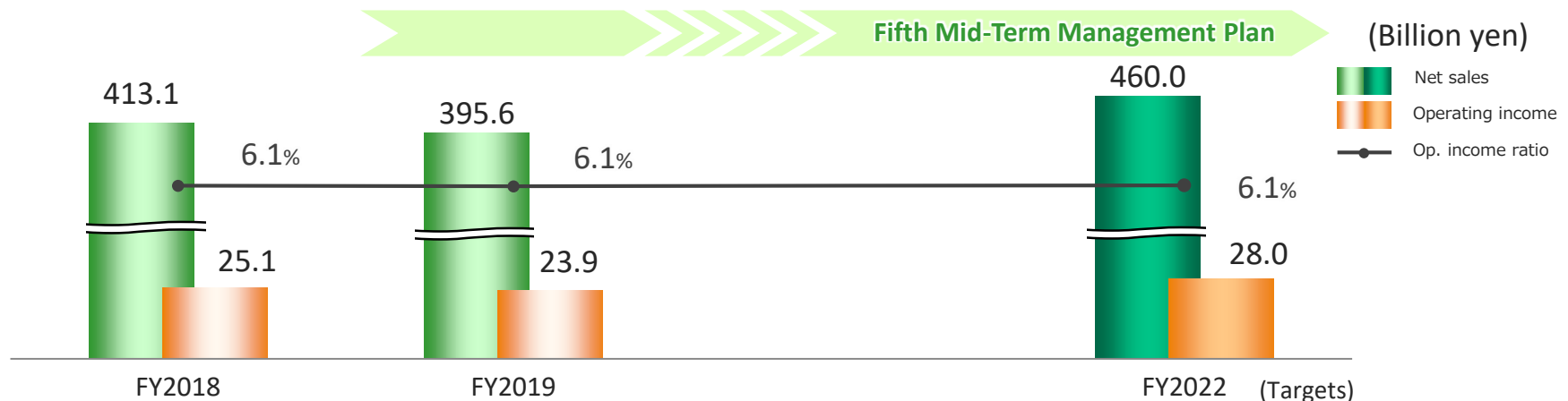
2. Targets and Progress of Fifth Mid-Term Management Plan

Changes to the duration of the Fifth Mid-Term Management Plan

As the future is completely unpredictable due to the impact of the Covid-19 coronavirus, GS Yuasa has decided to alter the duration of the Fifth Mid-Term Management Plan.

- ① The final fiscal year of the fifth mid-term management plan will be FY2022.
- ② GS Yuasa will prepare a single year plan for FY2020 and exclude that year from the Fifth Mid-Term Management Plan.

Net sales, operating income, op. income ratio



Note: Operating income is operating income before amortization of goodwill and op. income ratio is op. income ratio before amortization of goodwill.

ROE, total return ratio

	FY2018 results	FY2019 results	FY2022 targets
ROE (return on equity)	9.0 %	9.0 %	8 % or more
Total return ratio	34.3 %	34.9 %	30 % or more

Note: The above indices are based on income before amortization of goodwill (operating income and profit).

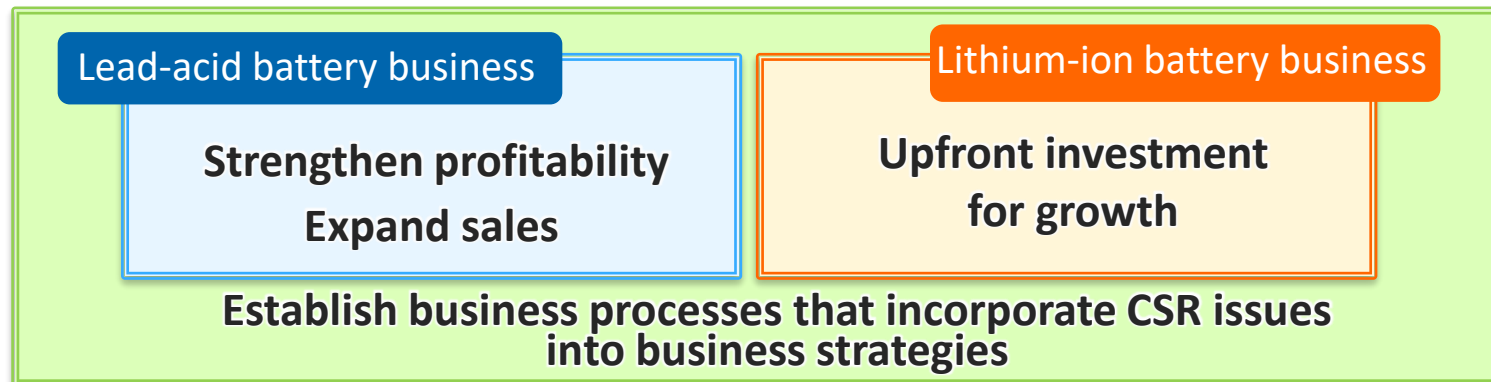
3. Fifth Mid-Term Management Plan Policy and Key Points

Mid-Term Management Policy

Based on the Mono-Koto Zukuri (product and service creation) concept, GS Yuasa will engage in strategic activities that lead to sustainable growth of both the lead-acid battery and lithium-ion battery businesses through creation of new value.

Key points

- As demand for lithium-ion batteries for both automotive and industrial applications is expected to increase significantly, we will leverage our strengths relating to hybrid electric vehicle, 12V LiBs, and batteries for industrial applications in order to pursue further expansion
- Global demand for lead-acid batteries is stable



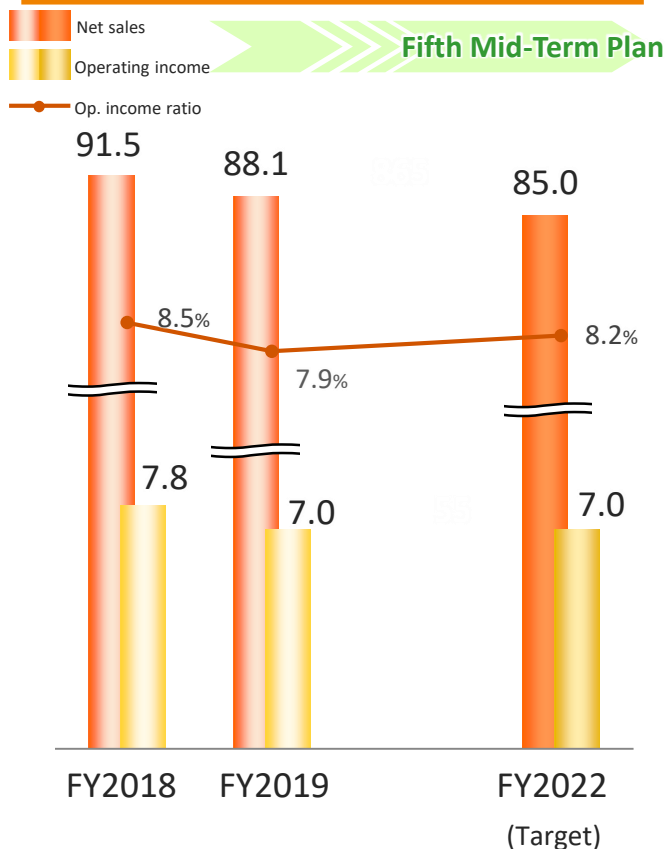
We aim to achieve sustainable business growth and contribute to the sustainable development of society

4. Progress by Segment (Automotive Battery (Japan))

Automotive Battery (Japan)

(Billion yen)

Net Sales, Operating Income, Op. Income Ratio



Tasks under Fifth Mid-Term Management Plan and Progress

1. "Selection and concentration" with emphasis on profits

2. Expansion of high value-added products

➤ Sales of batteries for stop & start vehicles increased led by replacement batteries
Shipment volume of replacement batteries for stop & start vehicles: Up 27% year on year

3. Enhanced productivity, cost reductions

4. Development of high performance, high quality products

5. Synergies from transfer of business

FY2020 Initiatives

➤ Expand domain of high value added products

➤ Formulate measures to build optimal production system, enhance productivity through leveraging AI and IoT

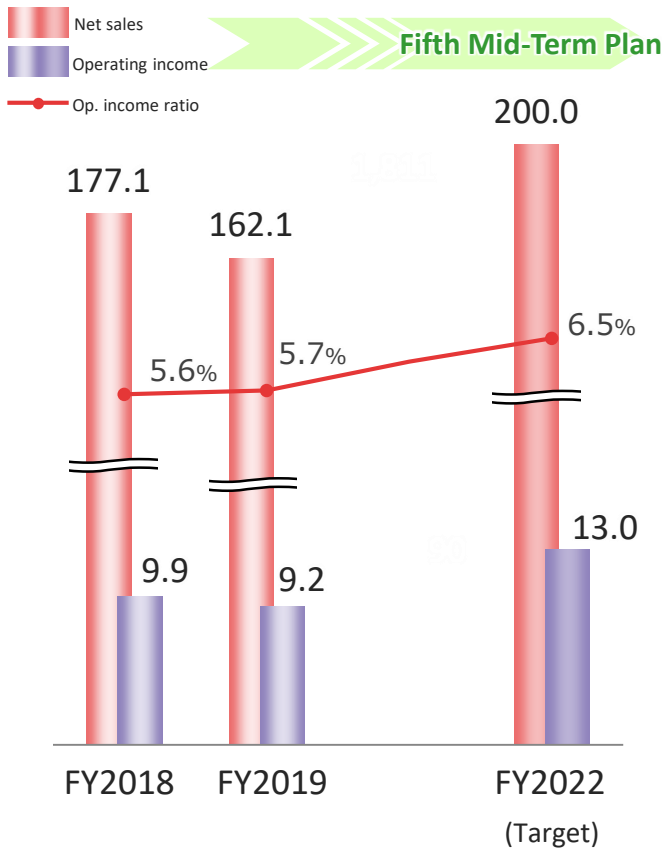
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4. Progress by Segment (Automotive Battery (Overseas))

Automotive Battery (Overseas)

(Billion yen)

Net Sales, Operating Income, Op. Income Ratio



Tasks under Fifth Mid-Term Management Plan and Progress

1. Enhance profit ratio in regions with high market shares

- Win orders for high value-added products primarily in ASEAN region
 Thailand (Siam GS Battery) Op. income ratio Up 3.6 pp year on year

2. Sales expansion in regions with low market shares
3. Expand strategically into untapped regions

FY2020 Initiatives

- Build production systems and develop new products that meet customer needs in each market
- Promote business expansion in strategically important bases of Turkey, India, etc.
 (Equity method affiliates in Turkey and India)

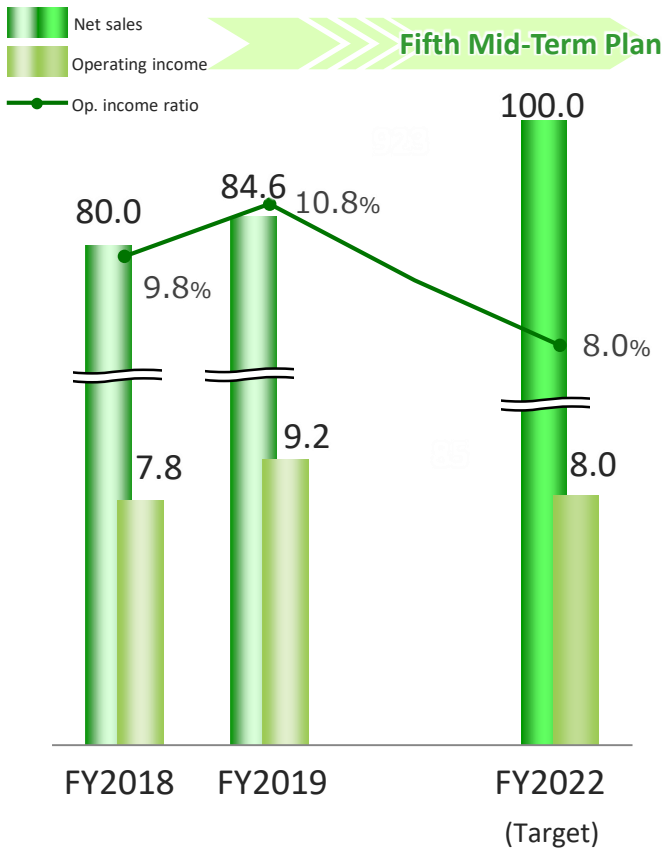
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4. Progress by Segment (Industrial Battery and Power Supply)

Industrial Battery and Power Supply

(Billion yen)

Net Sales, Operating Income, Op. Income Ratio



Tasks under Fifth Mid-Term Management Plan and Progress

1. Introduce high value-added products and services in existing fields

- Expand IoT-based *Koto Zukuri* (service creation)
Launch storage battery monitoring system
“DATAWINDOW-S”

2. Establish market position in environment and energy fields
3. Develop and nurture businesses that are optimized for each region in overseas markets

FY2020 Initiatives

- Capture new demand outside of emergency-use, especially for industrial lithium-ion batteries, and enhance profitability
- Promote AI/IoT-based *Koto Zukuri* (service creation)
- Promote expansion strategy for overseas markets with low share or presence, and preparation of foundations in untapped regions

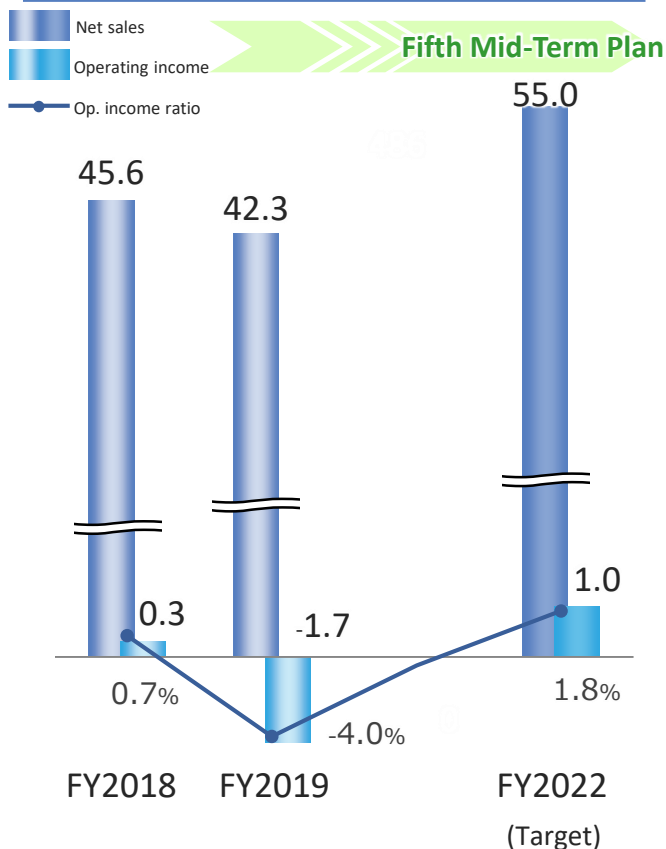
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4. Progress by Segment (Automotive Lithium-ion Battery)

Automotive Lithium-ion Battery

(Billion yen)

Net Sales, Operating Income, Op. Income Ratio



Tasks under Fifth Mid-Term Management Plan and Progress

1. Focus on hybrid electric vehicles, 12V LiBs, and industrial applications

- Enhance production capacity for hybrid electric vehicles LiBs
 - Build Blue Energy Plant No.2 (completion in 2022)
- 12V LiB Hungary Plant launched operations
- Started production of LiBs for ESS* market

2. Strengthen coordination with existing customers for plug-in hybrid electric vehicles and electric vehicles
3. Develop future technologies that will differentiate us from competitors

FY2020 Initiatives

- Expand sales of lithium-ion batteries for hybrid electric vehicles (existing and new customers) and expand production capacity
- Commence mass production at the Hungary Plant, which launched operations in October 2019
- Stable supply of lithium-ion batteries to ESS market (large wind power project in Hokkaido, household-use post-feed-in tariff system (FIT) projects, etc.)

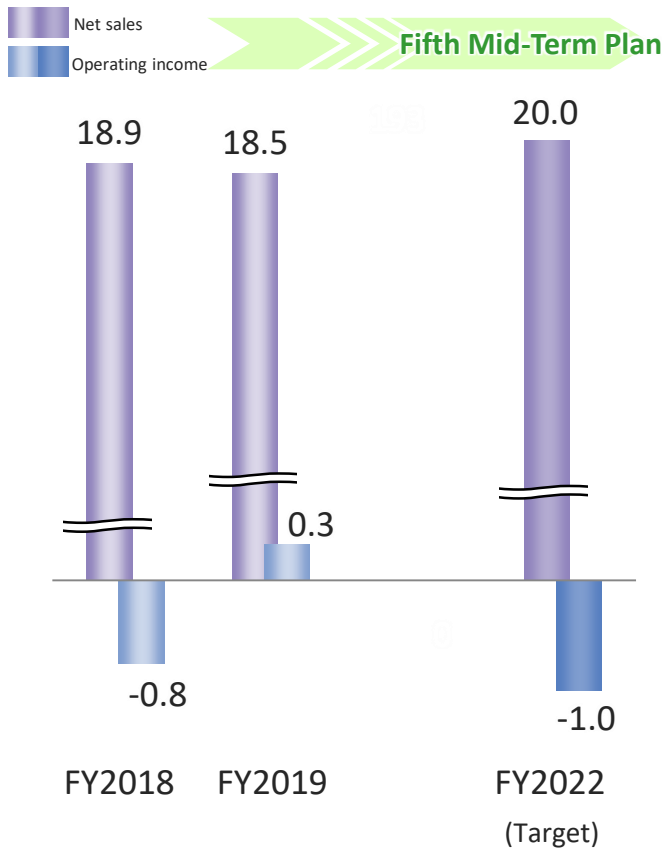
*ESS: Abbreviation of Energy Storage System

4. Progress by Segment (Others)

Others

(Billion yen)

Net Sales, Operating Income



Tasks under Fifth Mid-Term Management Plan and Progress

1. Stable supply of lithium-ion batteries for submarines and enhancement of their performance

- Carry out production as planned
- Confirmed all orders from vessel No. 1 through No. 5

2. Expand sales of LiBs for aircraft and satellites by enhancing reliability and durability

FY2020 Initiatives

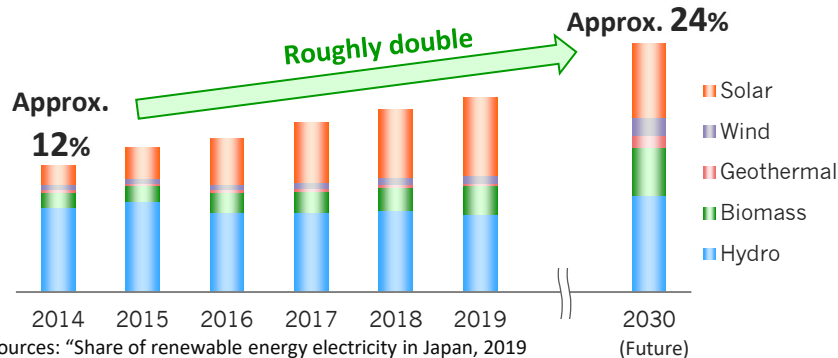
- Stable supply of lithium-ion batteries for submarines
- Expand sales of lithium-ion batteries for satellites and aircraft

5. Fifth Mid-Term Management Plan Topics

Business Model of Large Wind Power Generation Project in Hokkaido



Share of renewable energy in annual energy production in Japan



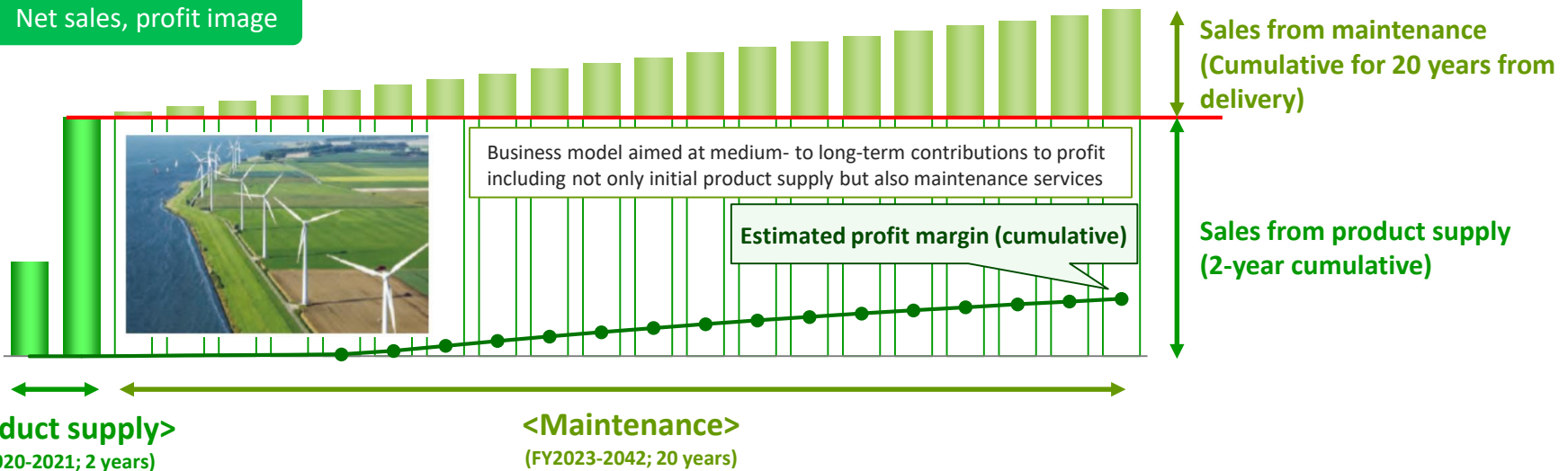
Sources: "Share of renewable energy electricity in Japan, 2019 (Preliminary report)" of the Institute for Sustainable Energy Policies; "Response to Realization of Energy Mix for 2030" of the Agency for Natural Resources and Energy

- Renewable energy demand is increasing
- Storage batteries required to mitigate output fluctuations

GS Yuasa's strategy

- Control initial costs to contribute to the spread of renewable energy
- Ensure differentiation with other companies with safe and reliable maintenance services, and contribute to profits from medium- to long-term perspective

Net sales, profit image

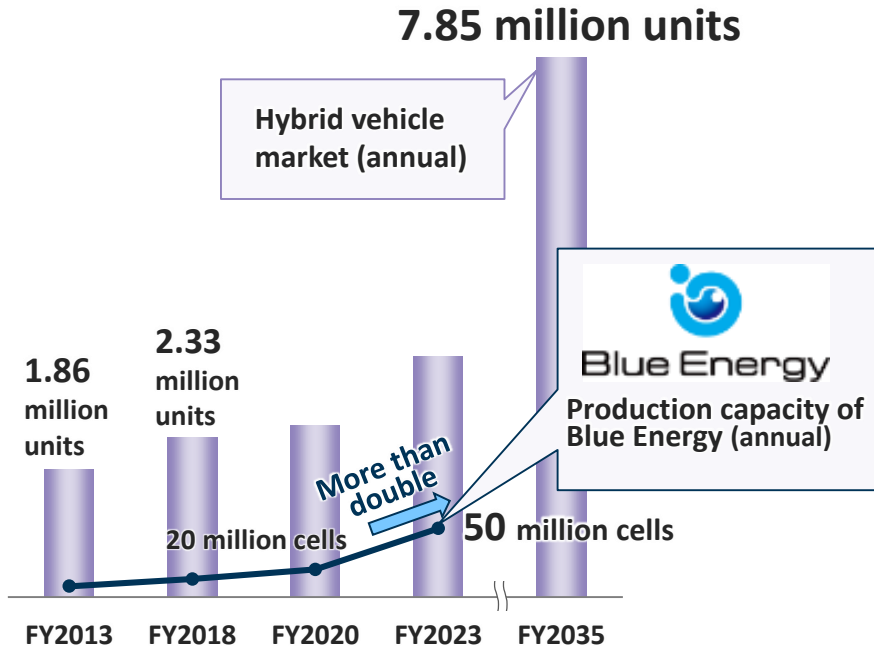


5. Fifth Mid-Term Management Plan Topics

Demand for lithium-ion batteries for hybrid vehicles and our strategy



Hybrid vehicle market and enhancement of our production capacity



Production, especially among Japanese automakers, of hybrid vehicles offering excellent balance between environmental performance and price, is expected to increase in Europe, North America, and China.

GS Yuasa's strategy

Instead of placing priority on investment, we will enhance production capacity in response to market needs and business inquiries

Minimize risk and grow steadily and stably.

FY2011
Started supplying to Honda

FY2020
Started supplying to new customers

FY2023
Blue Energy's No. 2 Plant to launch full-scale operations

*Source: "FY2019 Intensive Analytical Study of HEV- and EV-related Markets" by Fuji Keizai (includes some estimates)

5. Fifth Mid-Term Management Plan Topics

Contribution to defense field through batteries for submarines, etc.

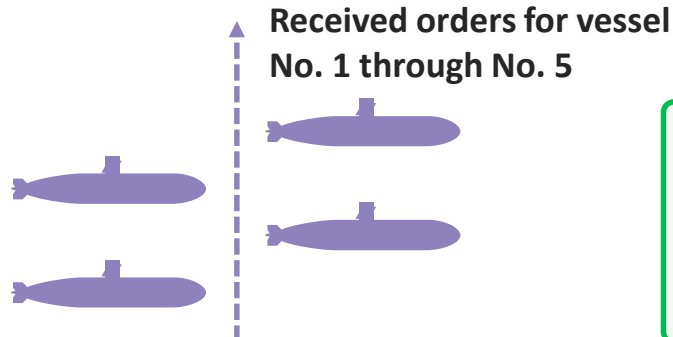


Photo courtesy of Maritime Self-Defense Force

2015: Won order for the world's first lithium-ion batteries for submarines

Production: From Mar. 2017
Delivery: Aug. 2018

Yuasa Corporation and Japan Storage Battery Co., Ltd. engaged in friendly rivalry to supply storage batteries for submarines

1959: Yuasa lead-acid batteries selected for installation in Oyashio, the first submarine built in Japan after WWII

The National Defense Program Guidelines approved by the Cabinet in December 2018 includes plans to increase the number of submarines to 22.

GS Yuasa's strategy

Our lithium-ion batteries are chosen for extreme applications that require the highest levels of performance and quality.

We will continue to contribute to national defense by ensuring supply stability while also deploying the technologies in other applications

6. Progress with ESG Targets

ESG-related initiatives

	Tasks for sustainable growth	Activities, targets	Status in FY2019
Environment: Contribute to sustainability of the global environment as an energy device company			
E	<ul style="list-style-type: none"> ➢ Development and global sales of environment-friendly products ➢ Reduction of environmental burden of business activities 	<ul style="list-style-type: none"> ➢ Ratio of environment-friendly products to overall sales: 35% (2021) ➢ Group-wide CO2 emission reduction target: 6%/3 years ➢ Group-wide water use reduction target: 8%/3 years 	<ul style="list-style-type: none"> ➢ Proactively captured demand for stop & start vehicle batteries, overall demand for which is growing, and improved the ratio of environment-friendly products ➢ Reduced electricity consumption by introducing solar power generation at some overseas production bases (CO2 emission reduction) ➢ Recycled water used by charging facilities (water use reduction)
Social: Respect for human rights and contribution to society			
S	<ul style="list-style-type: none"> ➢ Respect for human rights ➢ Enhancement of productivity and motivation through human resources development ➢ Enhancement of work environments and occupational health and safety ➢ Products and information sharing that is reassuring to consumers ➢ Contribution to the addressing of societal issues with responsible procurement and reduction of procurement risks 	<ul style="list-style-type: none"> ➢ Enhance human rights education and risk management ➢ Nurture independent human resources and establish groundwork for utilizing diverse human resources ➢ Promote measures to improve work-life balance ➢ Achieve group-wide quality improvement 	<ul style="list-style-type: none"> ➢ Held meetings at all workplaces on respecting human rights ➢ Implemented annual-plan-based training by rank and education on quality issues ➢ Expanded the target of mandatory use of 10 paid holidays to managerial staff and limited-term employees ➢ Implemented systematic activities based on emphasis on quality, one of our key management principles
Governance: Promotion of fair, transparent, and swift group-wide governance			
G	<ul style="list-style-type: none"> ➢ Respect for international norms and compliance with laws of respective countries ➢ Protection of intellectual property ➢ Thorough management of confidential information ➢ Swift and appropriate management decision-making 	<ul style="list-style-type: none"> ➢ Promote compliance education, preparation of legal information ➢ Contribute to elimination of counterfeit goods and bolster patent infringement prevention activities ➢ Management that is mindful of the corporate governance code 	<ul style="list-style-type: none"> ➢ Disseminated legal information through compliance awareness information material ➢ Won a trademark infringement law suit in China. Received final judgment for revocation in a lawsuit asking for revocation of a similar trademark in Hong Kong ➢ Appointment of female outside director (planned) →Outside directors account for more than a third, →Ensuring diversity

Support for TCFD recommendations and participation in TCFD Consortium

Climate change due to global warming is an important issue facing society

GS Yuasa's initiatives

- Promote reduction in greenhouse gas emissions from business activities.
- Promote efforts to reduce greenhouse gases emitted by society as a whole by promoting use of renewable energy systems using our storage battery technologies



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.



Reference

Received two joint renewable energy awards and an award for energy conservation

New Energy Award

Agency for Natural Resources and Energy Commissioner's Prize



Oki Hybrid Project
Japan's first community-based renewable energy installation/expansion project harnessing cutting-edge technology



Lithium-ion battery system at Nishinoshima Transformer Station in Oki, Shimane Prefecture

New Energy Award

New Energy Foundation Chairman's Prize



Installation of large storage battery system to mitigate short-period output fluctuations



Lithium-ion battery system at a solar power plant in Toritouchigenya, Kushiro-cho, Hokkaido Prefecture



LED street light lamp
"LEGA:LAMP-R"

GS Yuasa will continue its efforts to help reduce greenhouse gases emitted by society as a whole by promoting the use of renewable energy systems and energy-saving products that use the company's technologies.

External ratings of CSR activities

CSR evaluations

	ESG rating by MSCI (U.S.) ^{*1}	CSR assessment by Toyo Keizai Inc. ^{*2}				CSR assessment by EcoVadis (France) ^{*3}
		HR utilization	Environment	Corporate governance	Sociality	
2019	A	AA	AA	AA	AA	57 points (rank: silver)
2018	AA	AA	AA	AA	AA	50 points (rank: silver)
2017	AA	AA	AA	AA	AA	50 points (rank: silver)
2016	A	C	C	B	C	37 points (rank: bronze)

*1: ESG rating of MSCI (U.S.) is done by Japan ESG Select Leaders Index and is seven-grade evaluation of AAA, AA, A, BBB, BB, B and CCC.

*2: Toyo Keizai Inc.'s CSR assessment is five-grade evaluation of AAA, AA, A, B and C.

*3: EcoVadis (France): Total marks for CSR assessment is 100 points. The average score of the companies surveyed is 44.0 points (as of February 2019)

Evaluation, certification and accreditation for GS Yuasa's CSR-related efforts



健康経営優良法人
Health and productivity

- Selected as a certified company of the Company with Excellent Health Management 2020 by the Ministry of Economy, Trade and Industry



- Received Kurumin Mark, certified as a company that supports child care by the Ministry of Health, Labour and Welfare



- Received the highest rank "particularly excellent in terms of initiatives for employees' health" from DBJ Employees' Health Management Rating

External ratings of IR activities

➤ **Won First Award for Excellence at 22nd NIKKEI Annual Report Awards**



GS Yuasa received its first-ever Award for Excellence at the 22nd NIKKEI Annual Report Award.

The “GS Yuasa Report 2019” won the award in light of its “clear future-oriented value creation” and “good balance between financial and nonfinancial information and high degree of completeness as an integrated report”.

➤ **Bronze Prize in “Gomez IR Site Ranking”**

GS Yuasa’s website received a bronze prize in the IR website ranking by Gomez Consulting Co., Ltd., which evaluates the ease of use and extensiveness of the investor relations sections of company websites. (December 2019)

➤ **Ranked “A” in Overall Ranking of All Japanese Listed Companies’ Website Ranking by Nikko Investor Relations**

GS Yuasa’s website was ranked “A” in the Overall Ranking of the 2019 All Japanese Listed Companies’ Website Ranking by Nikko Investor Relations. (December 2019)

ESG indices that include GS Yuasa

➤ MSCI Japan ESG Select Leaders Index

Developed by Morgan Stanley Capital International (MSCI), the index compiles companies with high ESG evaluations in each industry category. The index is used for ESG investment managed by the Government Pension Investment Fund (GPIF), an entity managing and investing pension reserve funds in Japan. GS Yuasa has been selected for the index, acquiring an “A” rating (there are seven ratings: AAA, AA, A, BBB, BB, B and C). (As of December 2019)



➤ FTSE4Good Index Series

GS Yuasa has been selected for inclusion in this world-leading ESG investment index series developed by FTSE Russell, a subsidiary of the London Stock Exchange. The FTSE4Good Index Series is a series of stock market indices made up of corporations that satisfy global criteria for ESG management and performance. (As of December 2019)



FTSE4Good

➤ FTSE Blossom Japan Index

GS Yuasa has been selected by FTSE Russell, a subsidiary of the London Stock Exchange, for inclusion in the FTSE Blossom Japan Index, a stock market index made up of Japanese corporations with outstanding ESG practices. The index is used for ESG investment managed by the Government Pension Investment Fund (GPIF), an entity managing and investing pension reserve funds in Japan. (As of December 2019)

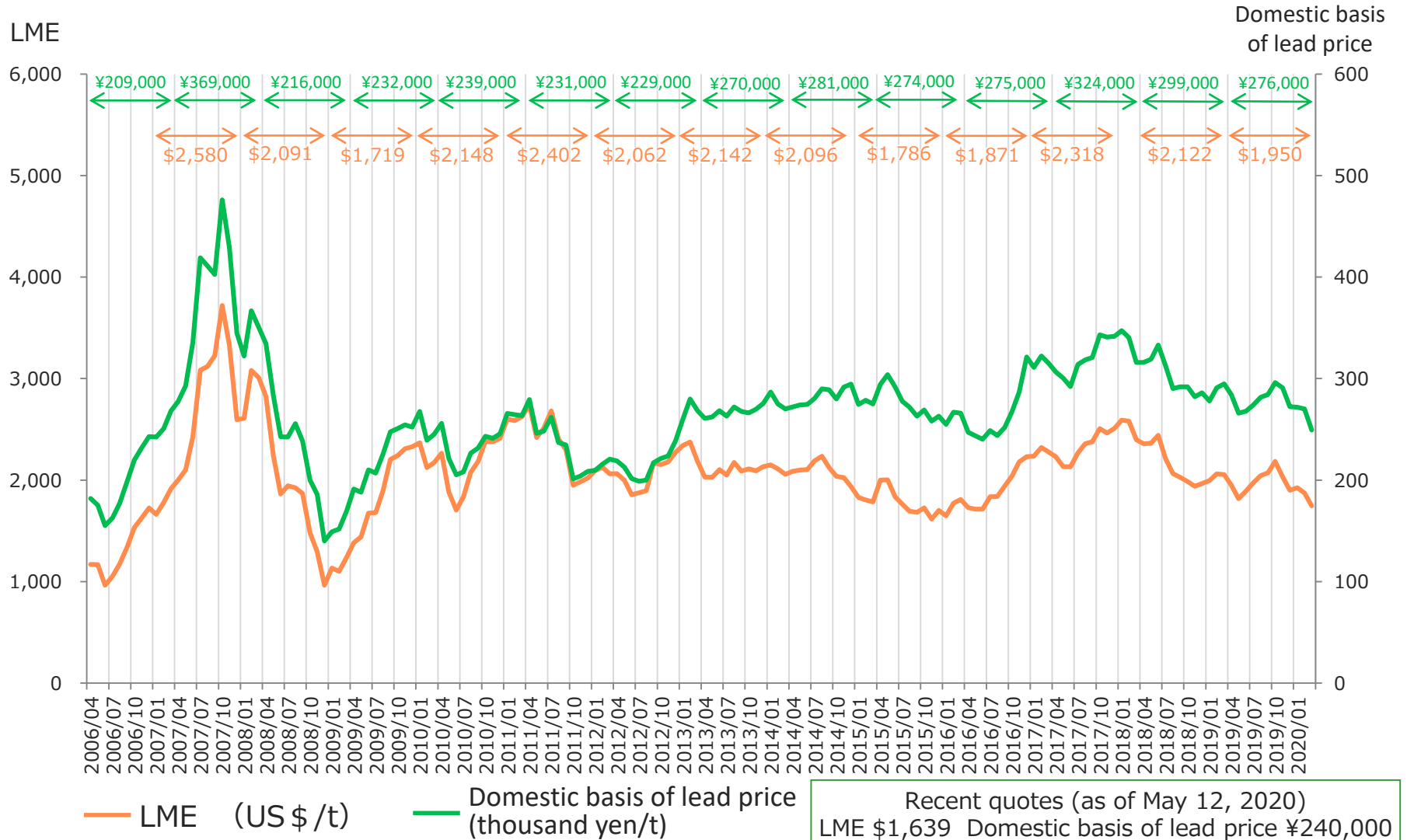


FTSE Blossom Japan

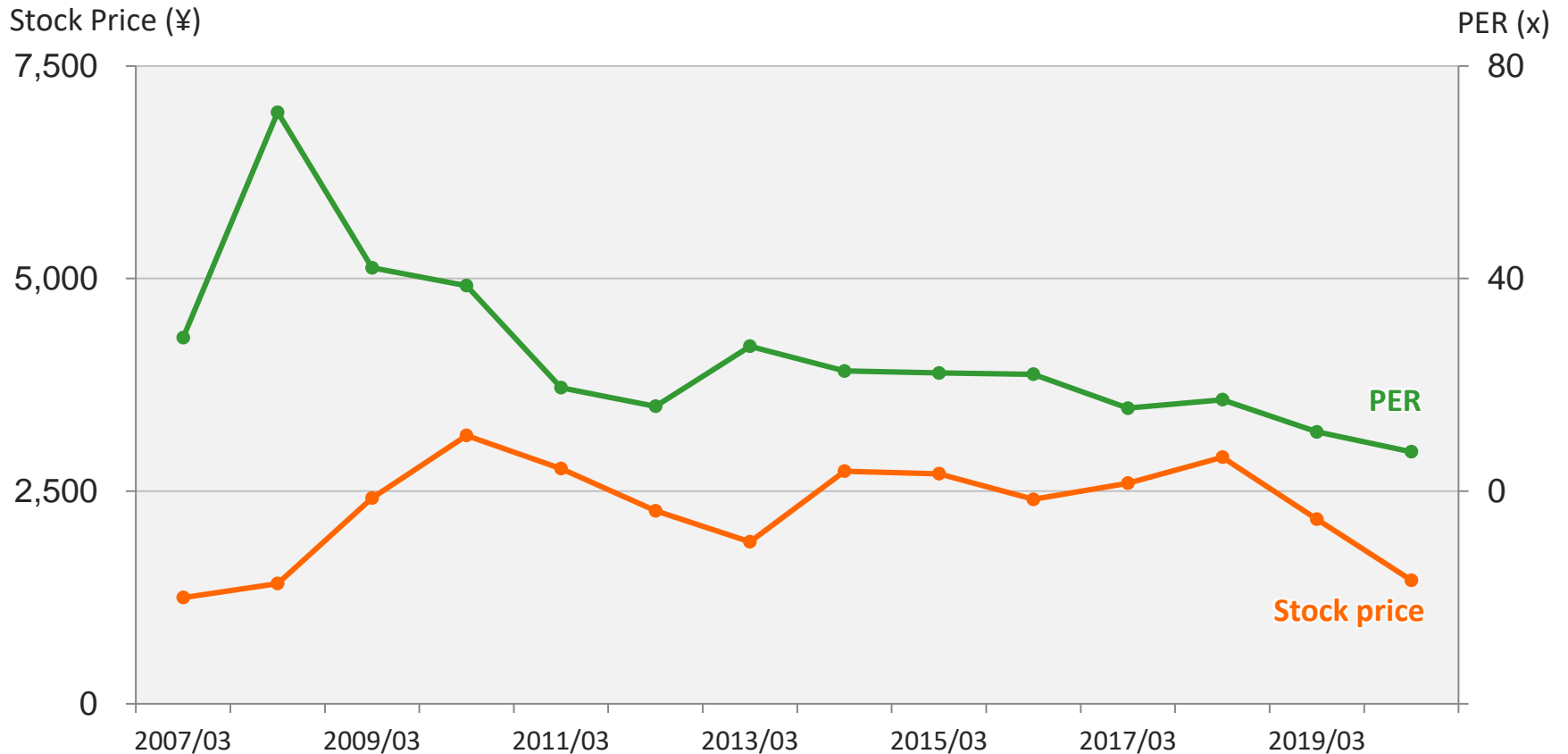
*1 The inclusion of GS Yuasa in any MSCI Index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute support, endorsement, or promotion of GS Yuasa by MSCI or any of its affiliates. The MSCI Indexes are the exclusive property of MSCI. MSCI and the MSCI Index names and logos are trademarks or service marks of MSCI and/or its affiliates.

*2 FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that GS Yuasa has been independently assessed according to the FTSE4Good and FTSE Blossom Japan criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series and FTSE Blossom Japan Index. Created by the global index provider FTSE Russell, the FTSE4Good Index Series and FTSE Blossom Japan Index are designed to measure the performance of companies and Japanese companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good and FTSE Blossom Japan indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

Raw Materials Prices



Stock Price, Price to Earnings Ratio (PER)



- Notes: 1. Closing price on the last trading day of March.
 2. PER is based on profit before amortization of goodwill.
 3. GS Yuasa carried out a five-to-one reverse stock split of its common stock upon changing the number of shares per trading unit from 1,000 to 100 shares (effective date Oct. 1, 2018), and Stock Price and PER take into account the share consolidation.

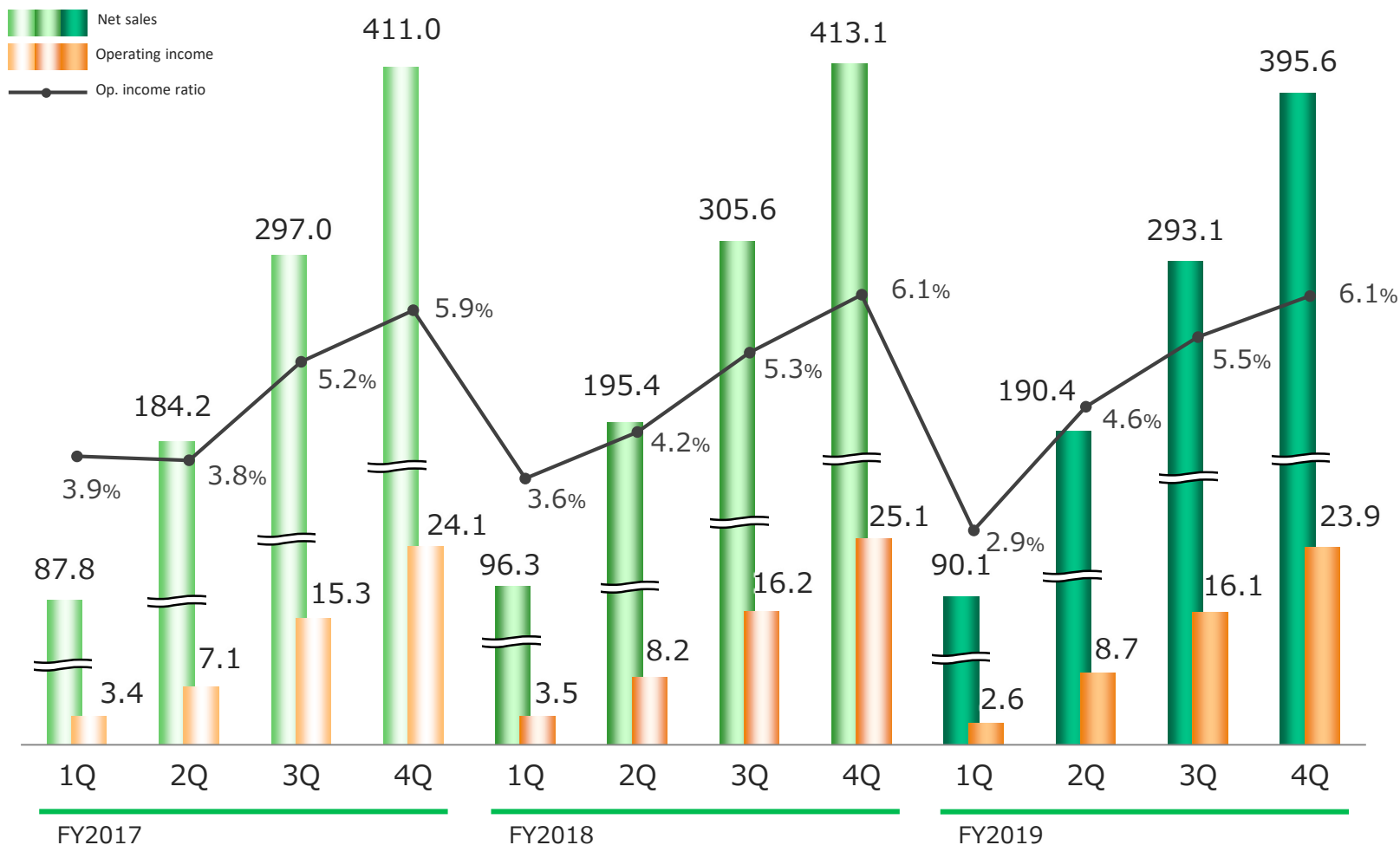
	Fiscal year	2015	2016	2017	2018	2019
Operating income ratio	(%)	6.0	6.7	5.9	6.1	6.1
Return on equity (ROE)	(%)	5.7	8.7	8.2	9.0	9.0
Return on invested capital (ROIC)	(%)	9.8	11.1	10.9	11.3	10.9
Earnings per share (EPS)	(¥)	109.39	165.95	168.55	194.58	195.92
Dividend per share	(¥)	50	50	50	50	50 (planned)
Purchase of treasury stock (amount planned for the next fiscal year)	(¥bn)	-	1.0	0.9	1.4	1.5 (planned)
Total return ratio	(%)	45.7	37.4	36.3	34.3	34.9

	Fiscal year	2015	2016	2017	2018	2019
Total borrowings	(¥bn)	73.6	74.2	75.1	66.9	64.5
D/E ratio	(x)	0.54	0.52	0.50	0.42	0.42
Equity ratio	(%)	44.4	43.6	45.2	46.4	45.8
Debt to cash flow ratio	(year)	2.5	2.2	3.5	2.2	2.2

- Notes: 1. The above indices for FY2016 onward are based on profit before amortization of goodwill (operating income, profit).
 2. ROIC is calculated as follows: Operating income before amortization of goodwill ÷ invested capital (fixed assets [excl. goodwill amortization] + working capital). Invested capital is the average of amount at beginning and end of term.
 3. GS Yuasa carried out a five-to-one reverse stock split of its common stock upon changing the number of shares per trading unit from 1,000 to 100 shares (effective date Oct. 1, 2018), and EPS and Dividend per share take into account the share consolidation.

Net Sales, Operating Income, Op. Income Ratio

(Billion yen)



Note: Operating income is operating income before amortization of goodwill and op. income ratio is op. income ratio before amortization of goodwill.