



Nine Months Ended December 31, 2022(FY2022) Result Briefing

February 7, 2023

GS Yuasa Corporation

FY2022 3rd Quarter Financial Results

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FY2022 3rd Quarter Financial Results

- The outlook for the global economy remains uncertain, with prices rising due to higher raw material prices and increased energy costs arising from the situation in Ukraine and other factors. However, the stagnation in economic activity caused by COVID-19 is easing, and the Zero-COVID Policy has been revised in China. In addition, the Bank of Japan expanded the allowable volatility of long-term interest rates, which has changed the rapid depreciation of yen.
- Group sales and operating income increased mainly thanks to sales volume increase of lithium-ion batteries for hybrid vehicles (HEVs) and the impact of consolidation of our site in Turkey, and the impact of weaker yen of the exchange. On the other hand, ordinary income decreased due to deterioration in equity in earnings of affiliates and foreign exchange losses.
- Profit attributable to owners of parent increased due to the loss of the impact of impairment losses recorded in the previous fiscal year.

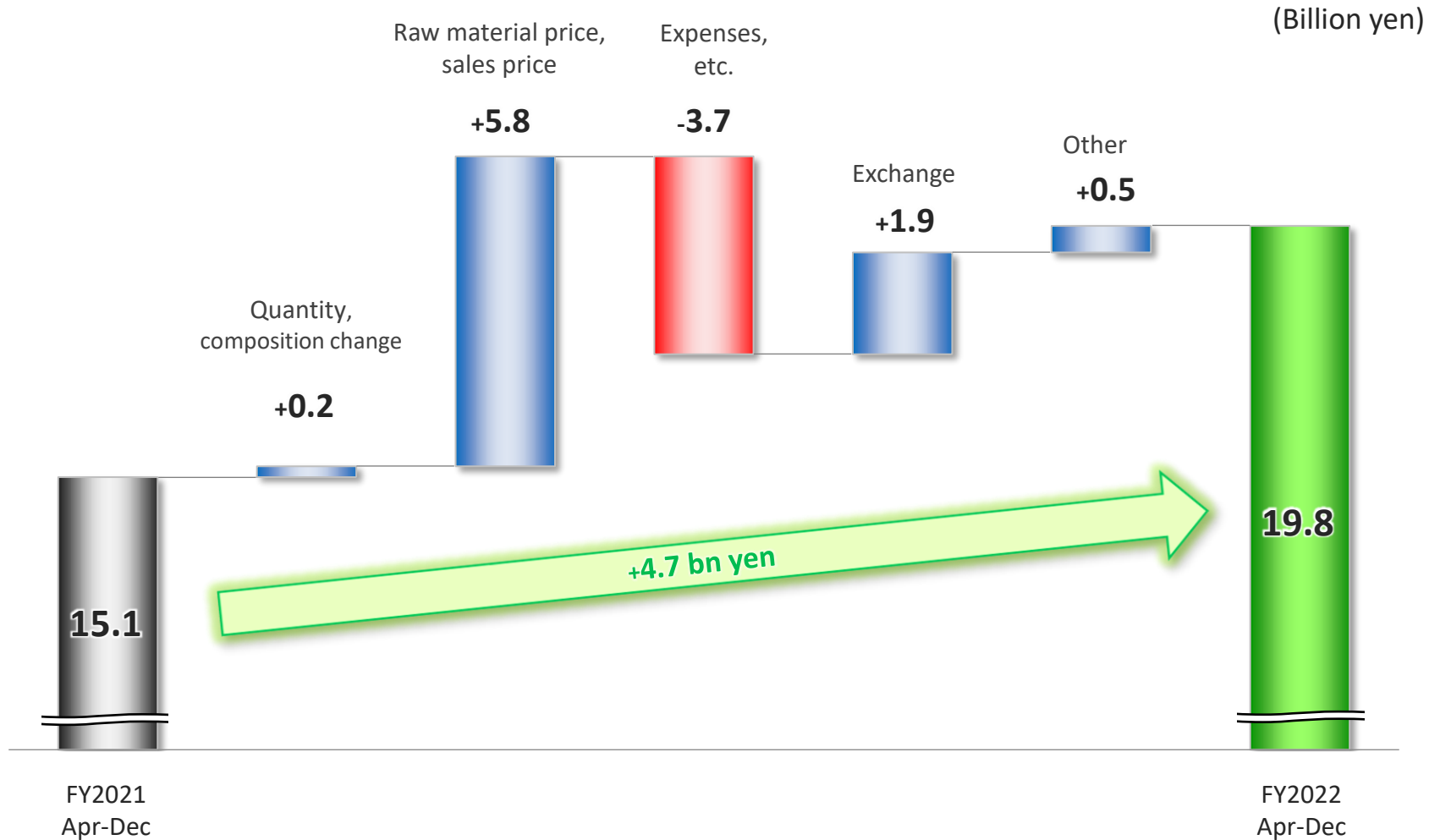
2. Net Sales, Profits



	FY2021 Apr-Dec (Nine Months)	FY2022 Apr-Dec (Nine Months)	Change	(Billion yen) (YoY%)
Net Sales	313.1	Record 374.9	+61.8	(+19.7%)
Operating income (Operating income ratio)	13.9 4.4%	Record 19.0 5.1%	+5.1 +0.7P	(+36.6%)
Operating income before amortization of goodwill (Operating income ratio before amortization of goodwill)	15.1 4.8%	Record 19.8 5.3%	+4.7 +0.5P	
Ordinary income	16.1	16.1	-0.0	(-0.1%)
Extraordinary income	2.3	1.6	-0.7	
Extraordinary loss	7.4	0.5	-6.9	
Profit before income taxes	11.0	17.2	+6.2	
Income taxes	4.9	5.7	+0.8	
Profit attributable to non-controlling interests	2.7	3.6	+0.9	
Profit attributable to owners of parent (Net profit ratio)	3.3 1.1%	7.8 2.1%	+4.5 +1.0P	(+134.4%)
Profit attributable to owners of parent before amortization of goodwill (Net profit ratio before amortization of goodwill)	4.3 1.4%	8.6 2.3%	+4.3 +0.9P	
Domestic lead price quote	¥312,000/t	¥347,100/t	+¥35,100/t	
LME	2,266US\$/t	2,093US\$/t	-173US\$/t	
Exchange rate	¥111.45/US\$	¥136.85/US\$	+¥25.40/US\$	

2. Net Sales, Profits

Factors for Operating Income Change (year-on-year comparison)



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

3. Segment Results

(Billion yen)

		FY2021 Apr-Dec (Nine Months)		FY2022 Apr-Dec (Nine Months)		Change	
		Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: %)	Net sales	Operating income (Op. income ratio: pp)
Automotive Batteries	Japan	58.8	4.3 (7.3)	63.1	4.2 (6.7)	+4.3	-0.1 (-0.6)
	Overseas	138.0	7.1 (5.2)	186.9	10.2 (5.5)	+48.9	+3.1 (+0.3)
Industrial Batteries and Power Supplies		71.0	2.0 (2.9)	67.2	3.5 (5.2)	-3.8	+1.5 (+2.3)
Automotive Lithium-ion Batteries		33.2	1.3 (3.9)	45.2	1.0 (2.2)	+12.0	-0.3 (-1.7)
Specialized Batteries and Others		12.1	0.3 (2.7)	12.4	0.8 (6.8)	+0.3	+0.5 (+4.1)
Total		313.1	15.1 (4.8)	374.9	19.8 (5.3)	+61.8	+4.7 (+0.5)

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

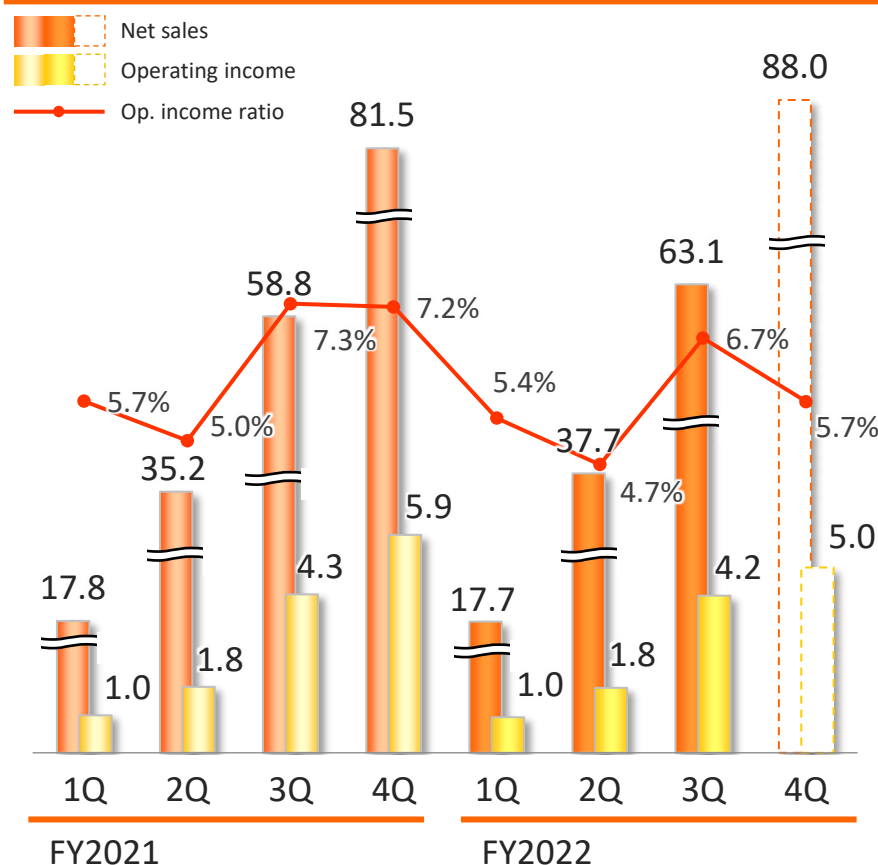
3. Segment Results (Automotive Batteries (Japan))

Automotive Batteries (Japan)

**Sales increased,
Profit declined**

(Billion yen)

Net Sales, Operating income, Op. income ratio



FY2022 3Q Sales Overview

- Sales volume of batteries for new automobiles progressed at the same level as the previous year because of the impact of production decrease of automakers due to semiconductor shortage, etc.
- Net sales increased due to price increases and other factors, despite a slight decrease in sales volume of batteries for replacement

Main Profit Change Factors

Quantity, composition change	-0.8
Raw material prices, sales prices	+0.7
Streamlining, expenses, etc.	+0.0

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

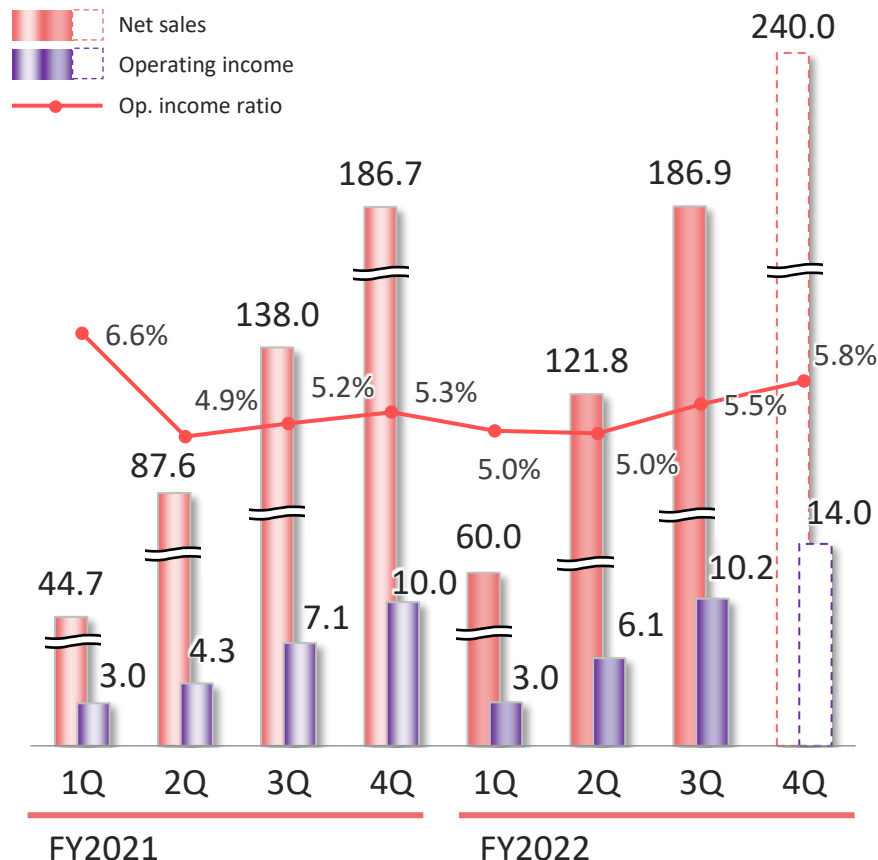
3. Segment Results (Automotive Batteries (Overseas))

Automotive Batteries (Overseas)

Sales and profit increased

(Billion yen)

Net Sales, Operating income, Op. income ratio



FY2022 3Q Sales Overview

- Sales volume of batteries for automobiles and motorcycles in Southeast Asia remained strong
- Sales volume of batteries for automobiles increased due to consolidation of Turkish site
- Sales increased due to the revision of selling prices in response to soaring raw material prices, etc. and the impact of yen depreciation

Main Profit Change Factors

Quantity, composition change	-1.2
Raw material prices, sales prices	+4.0
Expenses, etc.	-1.6
Exchange	+1.9

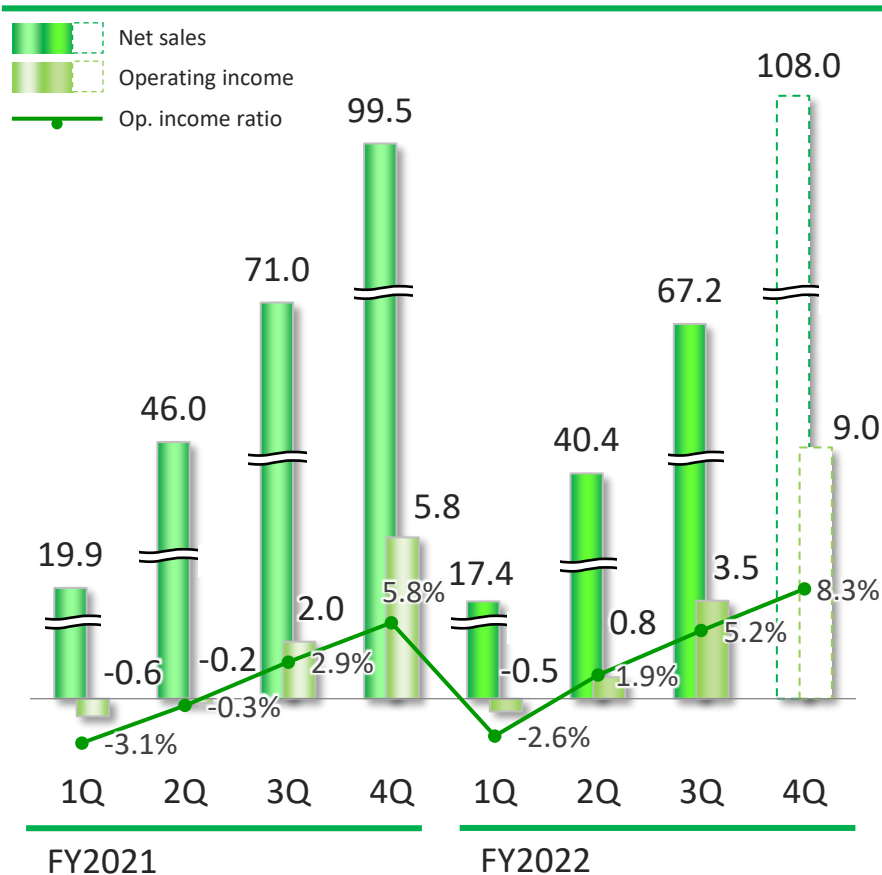
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Industrial Batteries and Power Supplies

**Sales declined,
Profit increased**

(Billion yen)

Net Sales, Operating income, Op. income ratio



FY2022 3Q Sales Overview

- Sales decreased because supply of lithium-ion batteries for interconnected system of large wind power generation in Hokkaido finished in the previous fiscal year
- Sales of lithium-ion batteries for renewable energies increased
- Sales of backup batteries and power supplies decreased due to long delivery times for mini-UPS components
- Sales volume of new and replacement batteries for forklifts progressed steadily

Main Profit Change Factors

Quantity, composition change	+1.4
Raw material prices, sales prices	+0.2
Streamlining, expenses, etc.	-0.1

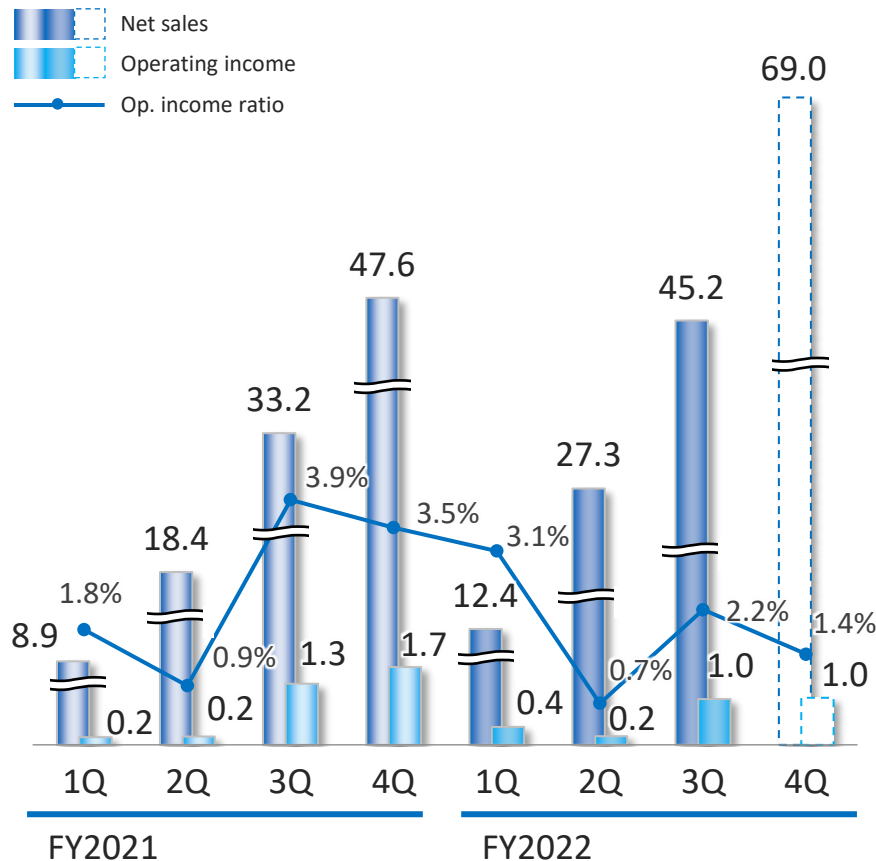
3. Segment Results (Automotive Lithium-ion Batteries)

Sales increased,
profit declined

(Billion yen)

Automotive Lithium-ion Batteries

Net Sales, Operating income, Op. income ratio



FY2022 3Q Sales Overview

- [Blue Energy]
Sales volume of lithium-ion batteries for hybrid vehicles (HEVs) increased because No.2 plant started operation
- [Lithium Energy Japan]
Sales volume of plug-in hybrid vehicles (PHEVs) models equipped with our lithium-ion batteries decreased

Main Profit Change Factors

Quantity, composition change	+0.8
Raw material prices, sales prices	+0.9
Expenses, etc.	-2.0

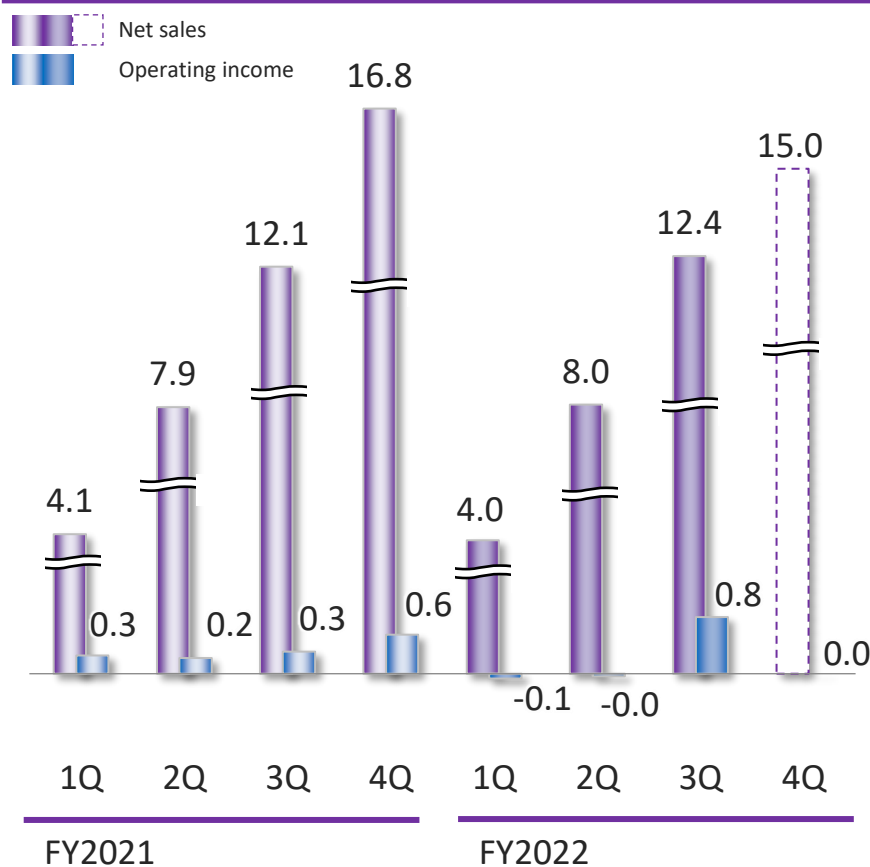
3. Segment Results (Specialized Batteries and Others)

Specialized Batteries and Others

Sales and profit increased

(Billion yen)

Net Sales, Operating income



FY2022 3Q Sales Overview

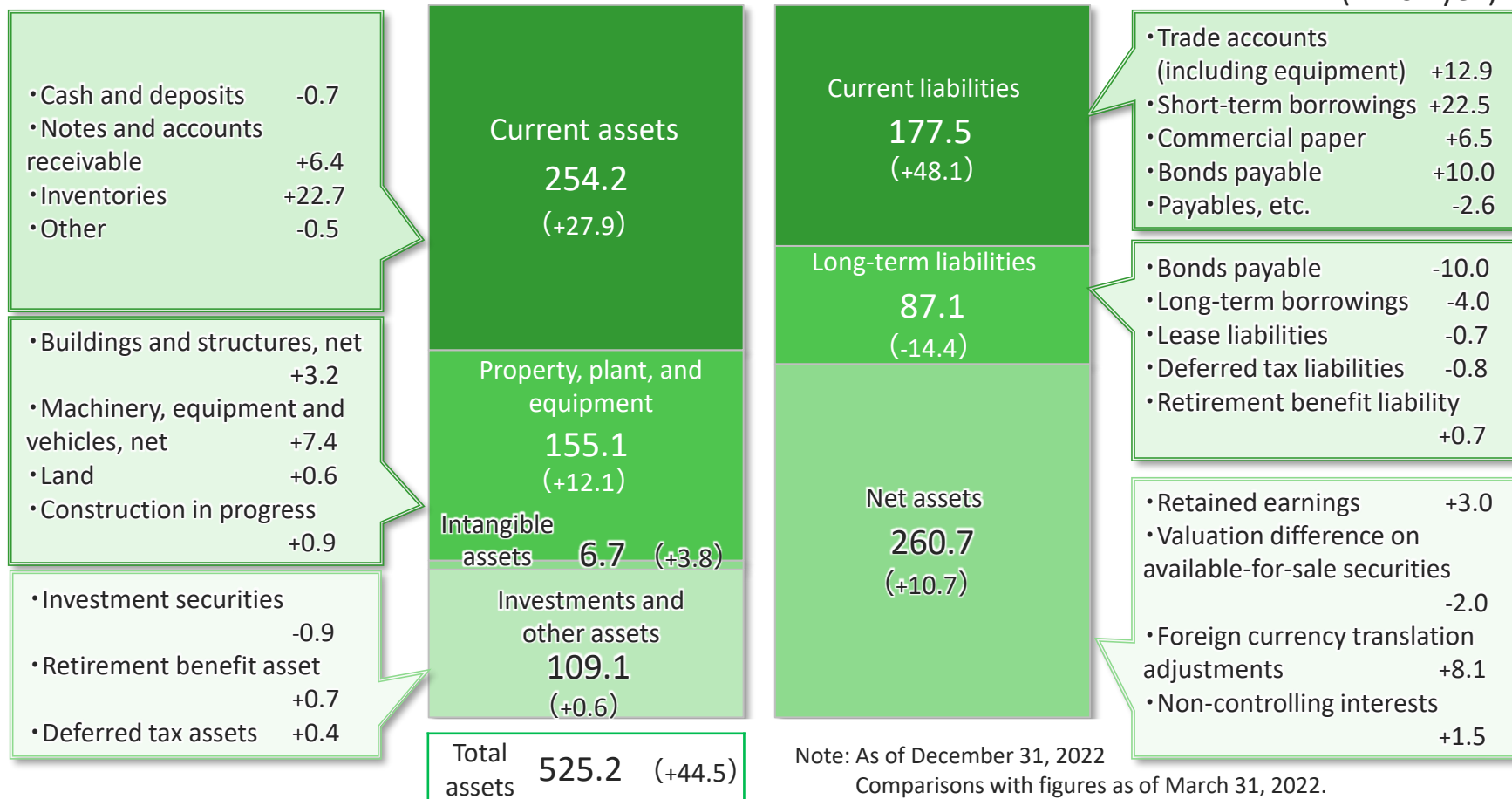
- Sales volume of lithium-ion batteries for aircrafts mainly to airlines (for replacement) increased

Main Profit Change Factors

Profit increased due to increase in sales volume of lithium-ion batteries for aircrafts and decrease in expenses

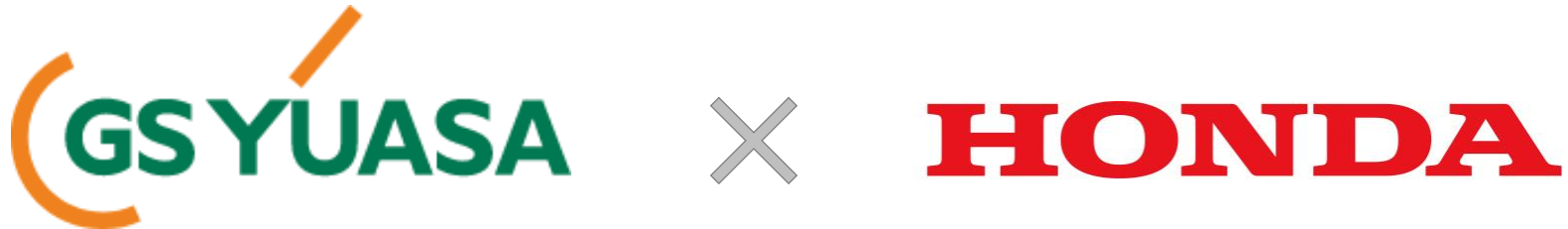
4. Balance Sheet

(Billion yen)



	3/31/2022	12/31/2022
Equity ratio	44.8%	42.7%
Total borrowings	¥82.5bn	¥107.4bn

Signing of Memorandum of Understanding with Honda Motor Co., Ltd. for collaboration



Purpose of collaboration

In order to address the rapidly growing demand for batteries, the two companies reached this agreement to work toward the joint research and development of lithium-ion batteries and battery production methods that will be highly competitive in the global market, as well as the establishment of a supply chain for key raw materials and a highly-efficient battery production system.

Discussing a broad scope of collaborations

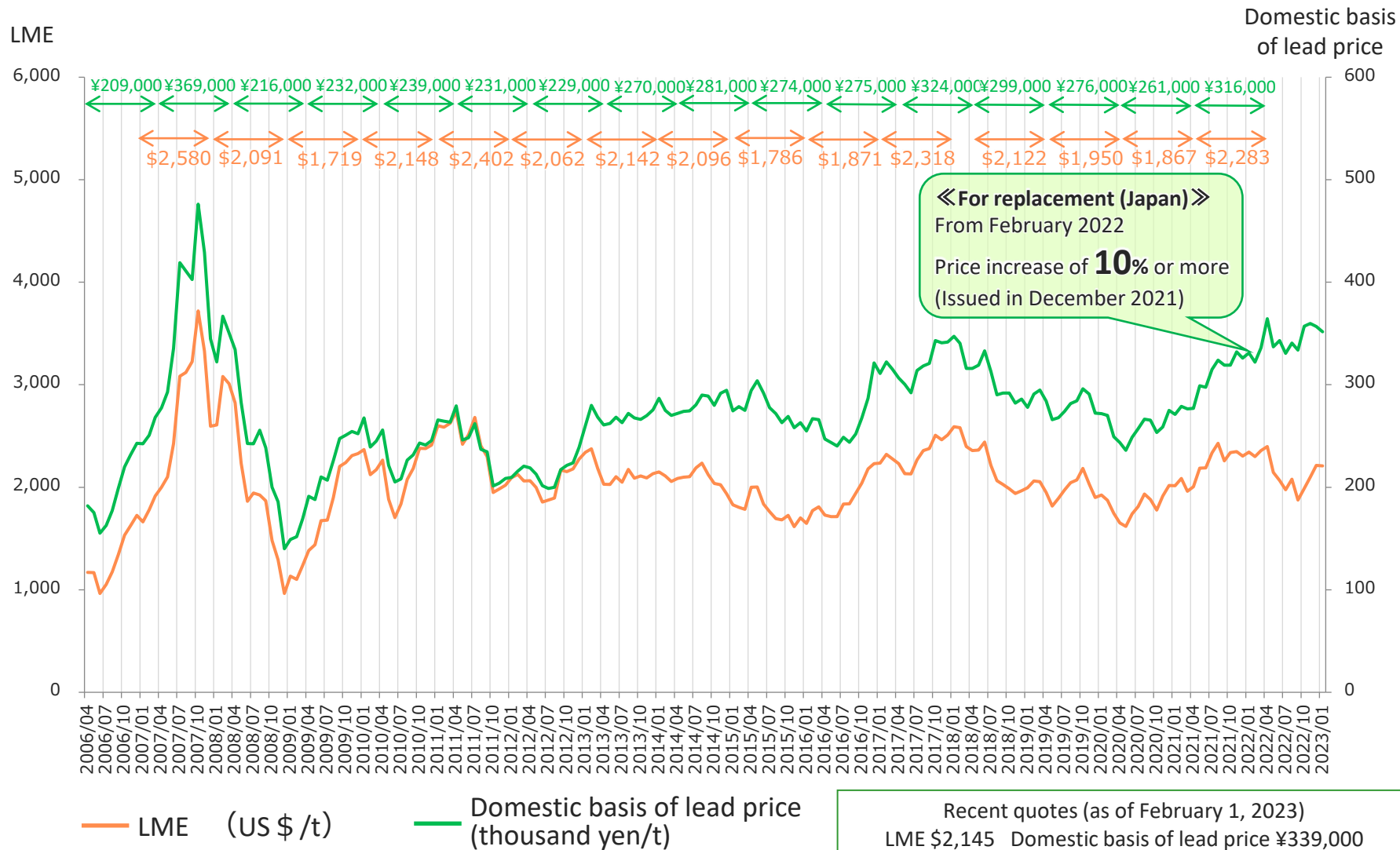
- Research and development of a high-capacity, high-output lithium-ion battery, primarily for EV use, and the required production methods
- Establishment and management of intellectual properties including patents related to the joint research and development
- Planning for products that utilize technologies resulting from the joint research and development, and planning for the required sales channels
- Designing of an efficient production operation including the supply chain for key raw materials

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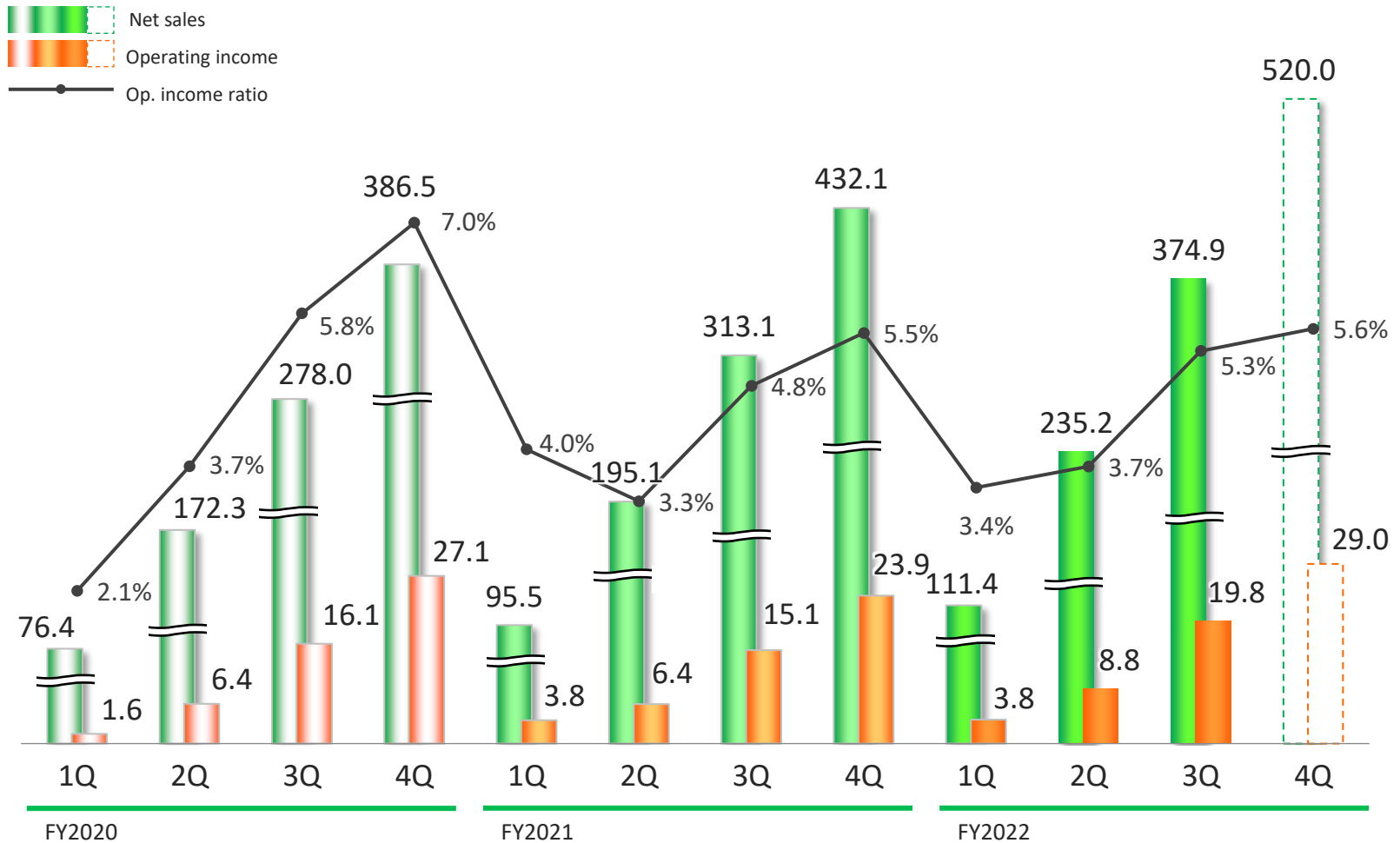
Reference

Raw Materials Prices



Net Sales, Operating Income, Op. Income Ratio

(Billion yen)



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