May 9, 2017

GS Yuasa Corporation
Consolidated Earnings Report for the Year ended March 31, 2017
(Japanese GAAP)

Stock listing:	Tokyo Stock Exchange	Securities code: 6674
URL:	http://www.gs-yuasa.com/us	
Representative:	Osamu Murao, President	
Information contact:	Hiroaki Matsushima General Manager, Corporate Office	Tel: +81-75-312-1211

Scheduled dates	
Ordinary general meeting of shareholders:	June 29, 2017
Dividend payout:	June 30, 2017
Filing of statutory financial report (*Yukashoken hokokusho*):	June 29, 2017

Supplementary materials to fiscal year-end earnings report available:	Yes
Fiscal year-end earnings presentation held:	Yes (targeted at institutional investors and analysts)

(Amounts rounded down to the nearest million yen)

1. Consolidated Financial Results for the Year ended March 31, 2017 (April 1, 2016 to March 31, 2017)

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2017	359,605	(1.6)	23,106	5.5	22,545	5.3	12,229	35.4
Year ended March 31, 2016	365,610	(1.1)	21,909	4.8	21,416	(4.2)	9,030	(10.1)

Note: Comprehensive income: Year ended March 31, 2017: ¥13,433 million, -%
Year ended March 31, 2016: ¥(3,592) million, -%

	Profit per share	Diluted profit per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	yen	yen	%	%	%
Year ended March 31, 2017	29.63	27.62	7.8	6.3	6.4
Year ended March 31, 2016	21.88	20.39	5.7	6.1	6.0

Reference: Equity in earnings of equity-method affiliates:
Year ended March 31, 2017: ¥ 370 million
Year ended March 31, 2016: ¥ 1,758 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
March 31, 2017	370,508	188,155	43.6	391.83
March 31, 2016	346,523	177,790	44.4	372.43

Reference: Total equity: As of March 31, 2017: ¥ 161,722 million
As of March 31, 2016: ¥ 153,723 million

(3) Consolidated Cash Flow Position

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	million yen	million yen	million yen	million yen
Year ended March 31, 2017	34,846	(32,912)	(3,715)	24,673
Year ended March 31, 2016	30,215	(17,311)	(9,685)	27,788

2. Dividends

	Dividend per share					Total dividends paid (full year)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End-Q1	End-Q2	End-Q3	Year-end	Total			
	yen	yen	yen	yen	yen	million yen	%	%
Year ended March 31, 2016	-	3.00	-	7.00	10.00	4,127	45.7	2.6
Year ended March 31, 2017	-	3.00	-	7.00	10.00	4,127	33.7	2.6
Year ending March 31, 2018 (forecast)	-	3.00	-	7.00	10.00		33.0	

3. Earnings Forecast for the Year ending March 31, 2018 (April 1, 2017 to March 31, 2018)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Six months ending September 30, 2017	180,000	13.3	7,000	(2.4)	6,000	(9.8)	3,000	(27.0)	7.27
Year ending March 31, 2018	400,000	11.2	24,000	3.9	22,500	(0.2)	12,500	2.2	30.28

***Notes**

(1) Changes affecting the status of material subsidiaries (scope of consolidation): Yes
Included in the scope of consolidation: One company
Company name: Panasonic Storage Battery Co., Ltd. (current: GS Yuasa Energy Co., Ltd.)
Note. For details, see “1. Scope of consolidation” in section (Basis of Preparation of Consolidated Financial Statements), on page 16.

(2) Changes in accounting policy, changes in accounting estimates, and retrospective restatement
1) Changes in accordance with revisions to accounting and other standards: None
2) Changes other than 1) above: None
3) Changes in accounting estimates: None
4) Retrospective restatement: None

(3) Number of shares issued (common stock)

	March 31, 2017	March 31, 2016
1) Number of shares issued (including treasury stock)	413,574,714	413,574,714
2) Number of shares held in treasury	835,277	817,203

	Year ended March 31, 2017	Year ended March 31, 2016
3) Average number of shares outstanding during the period	412,752,274	412,766,742

(Reference) Non-consolidated Financial Results
Year ended March 31, 2017 (April 1, 2016 to March 31, 2017)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2017	5,190	(0.6)	4,175	(1.8)	5,696	0.1	5,082	1.6
Year ended March 31, 2016	5,223	5.8	4,252	4.9	5,692	5.2	5,003	7.9

	Profit per share	Diluted profit per share
	yen	yen
Year ended March 31, 2017	12.31	11.46
Year ended March 31, 2016	12.12	11.28

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio*	Net assets per share
	million yen	million yen	%	yen
March 31, 2017	174,882	123,148	70.4	298.37
March 31, 2016	162,978	122,183	75.0	296.02

Reference: Total equity: As of March 31, 2017: ¥ 123,148 million
As of March 31, 2016: ¥ 122,183 million

*This report is not subject to the audit requirements of Japan’s Financial Instruments and Exchange Act.

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

The above forecasts are based on the assumptions of management in the light of information available as of the release date of this report. GS Yuasa Corporation makes no assurances as to the actual results, which may differ from forecasts due to various factors such as changes in the business environment. For information related to the earnings forecast, see “(1) Results of Operations” in section “4. Qualitative Information on Quarterly Financial Results” on page 4.

4. Qualitative Information on Quarterly Financial Results

(1) Results of Operations

1) Overview

In the fiscal year ended March 31, 2017, although the Japanese economy experienced weak consumer spending amid poor summer weather and other factors, as of the end of the fiscal year, the economy was demonstrating a moderate recovery due to improvement in the labor environment. Corporate economic sentiment was buoyed by an upturn in exports and higher stock prices driven by yen depreciation from November. The accelerating rise in energy prices, however, weakened the economic recovery's momentum.

Reviewing the global economy, China's economic growth was sluggish. Although declines in fixed assets investment and exports leveled off and the economic slowdown abated, labor market adjustments continued to grow. The U.S. economy maintained its recovery trend, driven mostly by consumer spending backed by an improved labor environment. In Europe, uncertainties increased over Britain's decision to exit the European Union, causing persistent concerns over possible economic slowdown. Overall, therefore, the global economy remained stagnant.

In this environment, the GS Yuasa Group's consolidated net sales for the fiscal year totaled ¥359,605 million, a decrease of ¥6,004 million, or 1.6%, compared with the previous fiscal year. Although sales in the Domestic Automotive Batteries segment increased with the inclusion of Panasonic's domestic lead-acid battery business in the consolidated results from the end of the second quarter, sales in the Overseas Operations segment declined primarily to the impact of yen appreciation.

In terms of profitability, operating income totaled ¥23,106 million for the fiscal year (¥24,185 million before goodwill amortization), an increase of ¥1,197 million, or 5.5%, compared with the previous year. Although yen appreciation impacted results, changes in the demand environment for automotive batteries and lower costs bolstered profitability. Ordinary income increased by ¥1,128 million year on year, or 5.3%, to ¥22,545 million. While equity in earnings of equity method affiliates declined due to the amortization of goodwill for overseas equity method affiliates, foreign exchange loss declined due to yen depreciation at the end of the fiscal year. Profit attributable to owners of parent totaled ¥12,229 million (¥13,699 million before goodwill amortization), a year-on-year increase of ¥3,198 million, or 35.4%, due to declines in loss on liquidation of consolidated subsidiaries and impairment losses.

2) Business Segment Results

(Domestic Automotive Batteries)

Net sales in the domestic automotive batteries segment totaled ¥67,598 million for the fiscal year, a year-on-year increase of ¥16,612 million, or 32.6%. Sales were bolstered by higher demand for start & stop vehicle batteries for new cars and the replacement battery market, along with the acquisition of Panasonic's domestic lead-acid battery business. Segment income (before goodwill amortization) increased ¥2,385 million year on year, or 72.5%, to ¥5,676 million, reflecting the benefit of changes in battery demand and the business acquisition.

(Domestic Industrial Batteries and Power Supplies)

Net sales in the domestic industrial batteries and power supplies segment for the fiscal year totaled ¥72,765 million, a year-on-year decline of ¥2,039 million, or 2.7%. While demand for compact UPS increased, sales of power supplies for photovoltaic power generation and lighting equipment declined. Segment income totaled ¥8,701 million, a year-on-year increase of ¥640 million, or 7.9%, due mainly to lower selling, general and administrative expenses and lower costs.

(Overseas Operations)

Net sales in the overseas operations segment for the fiscal year totaled ¥170,613 million, a year-on-year decrease of ¥20,788 million, or 10.9%. Although sales of automotive batteries increased in China and Southeast Asia, conversion of local currency-based sales into yen had a significant impact on results. Segment income totaled ¥10,460 million, a year-on-year decrease of ¥898 million, or 7.9%, mainly due to the impact of conversion of local currency-based sales into yen, as with net sales.

(Automotive Lithium-ion Batteries)
Net sales in the automotive lithium-ion batteries segment for the fiscal year totaled ¥39,305 million, a year-on-year increase of ¥992 million, or 2.6%. Although sales of lithium-ion batteries for plug-in hybrid vehicles slumped, sales of lithium-ion batteries for hybrid vehicles increased. Segment income rebounded from a loss in the previous year to income of ¥45 million, a year-on-year improvement of ¥611 million due to the increased sales and cost reductions.

(Other)
Net sales in the other segment for the fiscal year totaled ¥9,323 million, a year-on-year decline of ¥781 million, or 7.7%, due to a temporary decline in sales of batteries, mainly specialty batteries, caused by a delay in recording the sales. Segment loss after adjustments of corporate expenses, etc. totaled ¥699 million, a year-on-year decrease of ¥463 million.

(Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2018)
Regarding the economic outlook for Japan, signs of growth can be seen, supported by a moderate recovery in consumer spending backed by an improved labor environment and higher corporate earnings buoyed by yen depreciation. There remain concerns, however, stemming from recent increases in energy prices linked to higher costs for resources, as well as other factors pressuring consumption and corporate earnings.

In regard to economic trends in major regions outside Japan, China's economic growth is expected to continue to slow due to sluggish consumption and declining exports. The U.S. economy is expected to continue to grow due to sustained recovery in consumer spending and benefits from expected lower taxes and infrastructure investments. The European economic forecast remains unpredictable circumstances, as there are no signs of recovery from the sluggishness caused by concerns over Britain's exit from the European Union.

Amid this economic environment, the GS Yuasa Group will strive towards higher growth and profit margins based on the strong business foundation it has built. In the domestic automotive batteries business, the Group will seek expanded market share in Japan and further manufacturing rationalization, along with expansion of the business domain outside Japan. In the domestic industrial batteries and power supplies business, the Group will aim to secure profits through rationalization measures. In the new lithium-ion batteries business, the Group will aim to generate further efficiencies and place the business on a stable and steady path to achieve profitability.

In consideration of the above factors, the Group has set consolidated financial targets of ¥400.0 billion in net sales, ¥24.0 billion in operating income (¥26.5 billion before goodwill amortization), ¥12.5 billion in profit attributable to owners of parent (¥15.5 billion before goodwill amortization) for the fiscal year ending March 31, 2018.

(2) Financial Condition

(Analysis of assets, liabilities, net assets, and cash flows)
1. Assets, liabilities, and net assets
Total assets as of March 31, 2017 increased by ¥23,985 million from the end of the previous fiscal year to ¥370,508 million. Despite a decline in cash and deposits, there were increases in goodwill following the acquisition of a newly consolidated subsidiary at the end of September, along with increases in market valuation of held securities, new capital investments, and defined benefit asset.

Liabilities increased by ¥13,620 million from the end of the previous fiscal year to ¥182,353 million. As with assets, liabilities increased mainly due to the acquisition of a newly consolidated subsidiary.

Net assets totaled ¥188,155 million, an increase of ¥10,365 million from the end of the previous fiscal year. Despite a decrease in foreign currency translation adjustments due to yen appreciation compared with the end of the previous fiscal year, net unrealized gain on available-for-sale securities increased due to higher stock prices and the company recorded profit attributable to owners of parent.

2. Status of Cash Flows
Cash and cash equivalents as of March 31, 2017 amounted to ¥24,673 million, a decrease of ¥3,114 million, or 11.2%, from the end of the previous fiscal year. The main factors affecting cash flows are described below.

(Cash Flows from Operating Activities)
Net cash provided by operating activities in the fiscal year ended March 31, 2017 amounted to ¥34,846 million, compared with net cash provided of ¥30,215 million in the previous fiscal year, mainly as a result of contributions from profit before income taxes and depreciation and amortization, which offset the payment of income taxes.

(Cash Flows from Investing Activities)
Net cash used in investing activities totaled ¥32,912 million, compared with net cash used of ¥17,311 million in the previous year, mainly due to outflows for the purchase of property, plant, and equipment and the purchase of shares of a newly consolidated subsidiary.

(Cash Flows from Financing Activities)
Net cash used in financing activities amounted to ¥3,715 million, compared with net cash used of ¥9,685 million in the previous year. This was due mainly to the payment of dividends.

(Reference) Trends in Cash Flow-Related Indices

The following are trends in consolidated cash flow indices for the GS Yuasa Group.

	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2017
Equity ratio (%)	44.9	44.4	43.6
Equity ratio on a market-capitalization basis (%)	62.1	57.3	57.8
Ratio of interest-bearing liabilities to cash flow (years)	4.3	2.5	2.2
Interest coverage ratio	17.36	26.27	36.92

(Calculation methods)
Equity ratio: Total equity / Total assets
Equity ratio on a market-capitalization basis: Market capitalization / Total assets
Ratio of interest-bearing liabilities to cash flow: Interest-bearing liabilities / Cash flow from operating activities
Interest coverage ratio: Cash flow from operating activities / Interest payments
*All indices are calculated using consolidated financial data.
*Market capitalization is calculated by multiplying the fiscal year-end share price by the total number of outstanding shares (after deducting treasury stock).
*Calculations involving cash flow use cash flows from operating activities shown on the consolidated cash flow statement. Interest-bearing liabilities include all liabilities recorded on the consolidated balance sheets for which interest is paid.
The amount of interest paid is the figure used in the consolidated cash flow statement.

(3) Basic Policy on Profit Distribution and Dividends for the Year Ended March 31, 2017 and the Year Ending March 31, 2018

GS Yuasa considers the return of profits to shareholders to be a priority management issue. As a general policy, GS Yuasa decides the level of dividends based on a comprehensive analysis of consolidated earnings results, the financial condition, and the dividend payout ratio. Internal reserves are used to improve future earnings by maintaining and enhancing investments and competitiveness. Based on these initiatives, GS Yuasa aims to continue its growth into the future and secure long-term stable returns to shareholders.

For the fiscal year ended March 31, 2017, since the original target for profit attributable to owners of parent was met, GS Yuasa plans to pay an annual dividend of ¥10 per share, (consisting of a ¥3 per share interim dividend and a ¥7 per share year-end dividend). The payout ratio will therefore be 33.7%.

Additionally, since the profit attributable to owners of parent before goodwill amortization exceeded a certain level, the Company plans to conduct share buyback worth ¥1.0 billion as a further way to return profits to shareholders. The payout ratio including this effect will therefore be 37.4% (based on profit attributable to owners of parent before goodwill amortization).

For the year ending March 31, 2018, GS Yuasa plans to pay an interim dividend of ¥3 per share and a year-end dividend of ¥7 per share, for an annual dividend of ¥10 per share on the assumption that the consolidated earnings targets are achieved. This is based on a total return ratio policy of 30% or higher, one of the management indices included in the newly formulated Fourth Mid-Term Management Plan.

5. Basic Policy on Selecting Accounting Standards

The GS Yuasa Group currently adopts Japanese accounting standards for its financial reporting in view of comparability between fiscal years on financial statements and comparability with other companies.

Regarding the adoption of international financial reporting standards, the Group will respond appropriately in consideration of circumstances in and outside Japan.

6. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2016 Amount	As of March 31, 2017 Amount
Assets		
Current assets		
Cash and deposits	28,604	24,994
Notes and accounts receivable	72,858	71,941
Merchandise and finished goods	36,172	34,445
Work in process	13,125	15,534
Raw materials and supplies	11,833	12,859
Deferred tax assets	2,725	3,175
Other	10,825	10,715
Allowance for doubtful receivables	(350)	(507)
Total current assets	175,795	173,159
Fixed assets		
Property, plant, and equipment		
Buildings and structures, net	48,194	51,122
Machinery and equipment, net	35,453	33,895
Land	22,487	24,250
Lease assets, net	1,346	954
Construction in progress	5,148	9,418
Other, net	4,454	4,636
Total property, plant, and equipment	117,085	124,278
Intangible assets		
Goodwill	157	5,599
Lease assets	501	679
Other	3,415	8,053
Total intangible assets	4,073	14,332
Investments and other assets		
Investment securities	44,711	47,711
Investments in capital	903	810
long-term loans receivable	187	225
Net defined benefit asset	332	6,714
Deferred tax assets	1,338	1,317
Other	2,820	2,329
Allowance for doubtful receivables	(778)	(406)
Total investments and other assets	49,514	58,702
Total fixed assets	170,673	197,313
Deferred assets		
Bond issuance cost	54	36
Total deferred assets	54	36
Total assets	346,523	370,508

	As of March 31, 2016	As of March 31, 2017
	Amount	Amount
Liabilities		
Current liabilities		
Notes and accounts payable	37,147	35,774
Electronically Recorded Obligation	1,312	8,480
Short-term borrowings	24,106	27,534
Payables	17,880	14,858
Income taxes payable	2,297	3,616
Notes payable-facilities	1,787	2,317
Provision for directors' bonuses	105	120
Other	14,636	17,119
Total current liabilities	99,272	109,820
Long-term liabilities		
Convertible Bonds	25,000	25,000
Long-term debt	24,502	21,723
Lease obligations	967	1,163
Deferred tax liabilities	7,857	11,190
Deferred tax liabilities for land revaluation	1,042	1,042
Provision for directors' retirement benefits	65	66
Net defined benefit liability	3,819	5,913
Other	6,205	6,432
Total long-term liabilities	69,460	72,532
Total liabilities	168,733	182,353
Net assets		
Shareholders' equity		
Common stock	33,021	33,021
Capital surplus	55,292	55,292
Retained earnings	51,399	59,501
Less treasury stock, at cost	(350)	(358)
Total shareholders' equity	139,363	147,456
Accumulated other comprehensive income		
Net unrealized gain on available-for-sale securities	8,491	10,769
Deferred gain (loss) on derivatives under hedge accounting	(9)	-
Land revaluation surplus	2,397	2,397
Foreign currency translation adjustments	6,942	2,330
Remeasurements of defined benefit plans	(3,461)	(1,231)
Total accumulated other comprehensive income	14,360	14,266
Non-controlling interests	24,066	26,432
Total net assets	177,790	188,155
Total liabilities and net assets	346,523	370,508

(Millions of yen)

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Year ended March 31, 2016 Amount	Year ended March 31, 2017 Amount
Net sales	365,610	359,605
Cost of sales	280,871	270,992
Gross profit	84,739	88,613
Selling, general and administrative expenses	62,830	65,506
Operating income	21,909	23,106
Non-operating income		
Interest income	342	327
Dividend income	394	361
Equity in earnings of equity method affiliates	1,758	370
Compensation income	-	251
Other	1,068	589
Total non-operating income	3,564	1,901
Non-operating expenses		
Interest expenses	1,105	931
Sales discounts	209	203
Foreign exchange loss	2,154	919
Other	587	408
Total non-operating expenses	4,057	2,463
Ordinary income	21,416	22,545
Extraordinary income		
Gain on sales of fixed assets	19	98
Gain on sales of investment securities	84	18
Insurance income	-	121
Gain on step acquisitions	171	-
Other	32	100
Total extraordinary income	307	338
Extraordinary loss		
Loss on disposal of fixed assets	1,020	604
Loss on sales of fixed assets	5	12
Impairment loss	1,591	391
Loss on liquidation of subsidiaries and affiliates	1,600	-
Loss on dissolution of employees' pension fund	-	159
Other	549	191
Total extraordinary loss	4,766	1,359
Profit before income taxes	16,957	21,523
Income taxes		
Current	5,784	6,202
Deferred	743	349
Total income taxes	6,527	6,551
Profit	10,429	14,971
Profit attributable to non-controlling interests	1,399	2,742
Profit attributable to owners of parent	9,030	12,229

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Year ended March 31, 2016	Year ended March 31, 2017
	Amount	Amount
Profit	10,429	14,971
Other comprehensive income		
Net unrealized gain on available-for-sale securities	(1,105)	2,257
Deferred gain (loss) on derivatives under hedge accounting	(4)	9
Land revaluation surplus	68	-
Foreign currency translation adjustments	(4,653)	(3,488)
Remeasurements of defined benefit plans	(7,050)	1,334
Share of other comprehensive income of equity method affiliates	(1,277)	(1,651)
Total other comprehensive income	(14,022)	(1,538)
Comprehensive income	(3,592)	13,433
Components:		
Comprehensive income attributable to owners of parent	(3,937)	11,227
Comprehensive income attributable to non-controlling interests	344	2,205

(3) Consolidated Statements of Changes in Net Assets

Year ended March 31, 2016 (April 1, 2015 to March 31, 2016)

(Millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of term	33,021	54,880	46,498	(341)	134,058
Changes during term					
Cash dividends			(4,127)		(4,127)
Profit attributable to owners of parent			9,030		9,030
Purchase of treasury stock				(8)	(8)
Reversal of land revaluation surplus					-
Capital increase of consolidated subsidiaries		412			412
Net changes other than shareholder's equity					
Total changes during term	-	412	4,901	(8)	5,305
Balance at end of term	33,021	55,292	51,399	(350)	139,363

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Net unrealized gain on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Land revaluation surplus	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of term	9,618	(5)	2,329	11,792	3,592	27,328	20,801	182,187
Changes during term								
Cash dividends								(4,127)
Profit attributable to owners of parent								9,030
Purchase of treasury stock								(8)
Reversal of land revaluation surplus								-
Capital increase of consolidated subsidiaries								412
Net changes other than shareholder's equity	(1,127)	(4)	68	(4,849)	(7,054)	(12,967)	3,265	(9,703)
Total changes during term	(1,127)	(4)	68	(4,849)	(7,054)	(12,967)	3,265	(4,397)
Balance at end of term	8,491	(9)	2,397	6,942	(3,461)	14,360	24,066	177,790

Year ended March 31, 2017 (April 1, 2016 to March 31, 2017)

(Millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of term	33,021	55,292	51,399	(350)	139,363
Changes during term					
Cash dividends			(4,127)		(4,127)
Profit attributable to owners of parent			12,229		12,229
Purchase of treasury stock				(8)	(8)
Reversal of land revaluation surplus					-
Capital increase of consolidated subsidiaries					-
Net changes other than shareholder's equity					-
Total changes during term	-	-	8,101	(8)	8,093
Balance at end of term	33,021	55,292	59,501	(358)	147,456

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Net unrealized gain on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Land revaluation surplus	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of term	8,491	(9)	2,397	6,942	(3,461)	14,360	24,066	177,790
Changes during term								
Cash dividends								(4,127)
Profit attributable to owners of parent								12,229
Purchase of treasury stock								(8)
Reversal of land revaluation surplus								-
Capital increase of consolidated subsidiaries								-
Net changes other than shareholder's equity	2,278	9	-	(4,612)	2,230	(94)	2,366	2,272
Total changes during term	2,278	9	-	(4,612)	2,230	(94)	2,366	10,365
Balance at end of term	10,769	-	2,397	2,330	(1,231)	14,266	26,432	188,155

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2016	Year ended March 31, 2017
	Amount	Amount
Cash flows from operating activities		
Income before income taxes	16,957	21,523
Depreciation and amortization	16,004	16,314
Impairment loss	1,591	391
Amortization of goodwill	8	641
(Gain) loss on sales of investment securities	(84)	(18)
Loss on liquidation of subsidiaries and affiliates	1,600	-
Increase (decrease) in allowance for doubtful receivables	290	(151)
Increase (decrease) in net defined benefit liability	(2,797)	(3,084)
Interest and dividend income	(737)	(688)
Interest expenses	1,105	931
Foreign exchange (gain) loss	(24)	47
(Gain) loss on sales of fixed assets	(13)	(86)
Loss on disposal of fixed assets	1,020	604
Equity in (earnings) loss of equity method affiliates	(1,758)	(370)
(Increase) decrease in trade accounts receivable	4,169	1,523
(Increase) decrease in inventories	(2,985)	(2,817)
Increase (decrease) in trade accounts payable	2,779	1,607
Other – net	(2,456)	3,546
Sub total	34,669	39,913
Interest and dividends received	1,359	1,244
Interest paid	(1,150)	(943)
Income taxes paid	(4,663)	(5,368)
Net cash provided by operating activities	30,215	34,846

Cash flows from investing activities		
Purchase of property, plant, and equipment	(10,509)	(18,375)
Proceeds from sales of property, plant, and equipment	105	200
Purchase of intangible assets	(1,836)	(372)
Purchase of investment securities	(5,029)	(1,654)
Proceeds from sales of investment securities	805	30
Purchase of subsidiaries' shares resulting in change in scope of consolidation	(237)	(12,971)
Payments for loans receivable	(193)	(47)
Collection of loans receivable	4	136
Other, net	(419)	140
Net cash used in investing activities	(17,311)	(32,912)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings and commercial paper	14	(7,383)
Proceeds from long-term debt	3,841	13,792
Repayments of long-term debt	(11,265)	(3,292)
Purchase of treasury stock	(8)	(8)
Dividends paid	(4,130)	(4,127)
Dividends paid to non-controlling shareholders	(1,200)	(1,668)
Proceeds from issuance of consolidated subsidiary's shares to non-controlling shareholders	4,111	-
Other - net	(1,046)	(1,028)
Net cash used in financing activities	(9,685)	(3,715)
Foreign currency translation adjustments on cash and cash equivalents	(1,138)	(1,332)
Net increase (decrease) in cash and cash equivalents	2,079	(3,114)
Cash and cash equivalents, beginning of term	25,708	27,788
Cash and cash equivalents, end of term	27,788	24,673

(5) Notes on the Consolidated Financial Statements

(Note on the going-concern assumption)

Not applicable

(Basis of Preparation of Consolidated Financial Statements)

1. Scope of consolidation

(1) Number of consolidated subsidiaries: Fifty-five (55) companies

Names of major consolidated subsidiaries:

GS Yuasa International Ltd.

GS Yuasa Battery Ltd.

GS Yuasa Energy Co., Ltd.

GS Yuasa Technology Ltd.

Of these consolidated subsidiaries, GS Yuasa Energy Co., Ltd. was newly included in scope of consolidation because the Company acquired their additional shares in the fiscal year ended March 31, 2017.

GS Logitec Ltd., a previously consolidated subsidiary, was absorbed by GS Yuasa International Ltd. and excluded from scope of consolidation in the fiscal year ended March 31, 2017.

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

Names of major non-consolidated subsidiaries:

GS Yuasa Wing Ltd.

(Reason for excluding from the consolidation)

These non-consolidated subsidiaries are small in scale and have no material impact on consolidated financial statements in terms of their total assets, net sales, profits/loss (amounts attributable to the equity), and retained earnings (amounts attributable to the equity).

2. Application of the equity method

(1) Non-consolidated subsidiaries and affiliates accounted for under the equity method: Twenty-four (24) companies

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

Yuasa M&B Ltd.

Sebang Global Battery Co., Ltd.

PT.GS Battery

İnci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi

Lithium Energy and Power GmbH & CoKG

(2) Eight (8) non-consolidated subsidiaries and six (6) affiliates are not accounted for under the equity method because they are insignificant in terms of their impact on the Company’s profits/loss (amounts attributable to the equity) and retained earnings (amounts attributable to the equity), as well as in terms of their importance to the Group.

(3) For equity method-applied companies with fiscal year-end dates that differ from the consolidated fiscal year-end date, financial statements closed at each company’s fiscal year-end date are used for consolidation.

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

GS Battery Taiwan Co., Ltd.

GS Battery (Tianjin) Co., Ltd.

Yuasa Battery (Guangdong) Co., Ltd.

GS Battery (U.S.A) Inc.
Yuasa Battery Inc.
GS Yuasa Battery Europe Ltd. and twenty-seven (27) other companies

The fiscal year-end date for the thirty-three (33) companies above is December 31. Consolidated financial statements were prepared using their financial statements as of their fiscal year-end date instead of using their financial statements provisionally closed at the consolidated fiscal year-end date. However, for important transactions that took place between the last year-end date of those companies and the consolidated year-end date, adjustments necessary for consolidation were performed.

The fiscal year-end date for other consolidated subsidiaries is March 31, which is the same as the consolidated fiscal year-end date.

4. Accounting standards

(1) Valuation standards and methods for principal assets

1) Securities

i. Subsidiaries' and affiliates' shares:

The moving-average cost method

ii. Available-for-sale securities

For which market quotations are available:

The market value method based on the market price as of fiscal year-end

(The differences between market price and acquisition cost are incorporated into net assets in full. Costs of securities sold are computed with the moving-average cost method.)

For which market quotations are not readily available:

The moving-average cost method is used

2) Derivatives

The market value method is used

3) Inventories

Merchandise and finished goods, work in process, raw materials and supplies:

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

(2) Depreciation/amortization of principal fixed assets

1) Property, plant, and equipment (except for lease assets):

The straight-line method is used.

Assets held by the Company or its domestic consolidated subsidiaries with acquisition price of 100 thousand yen or more and less than 200 thousand yen are depreciated using the straight-line method over three years.

The principal useful lives are as follows.

Buildings and structures: seven (7) to fifty (50) years

Machinery, equipment and vehicles: four (4) to seventeen (17) years

2) Intangible assets (except for lease assets)

The straight-line method is mainly used.

3) Lease assets

(Finance leases for which ownership of the leased assets does not transfer to the lessees)

These assets are depreciated with the straight-line method assuming the lease period equals the estimated useful life and the residual value at the end of the lease term is nil.

(3) Amortization method for deferred assets

Bond issuance cost: Amortized with the straight-line method over the bond redemption period (five (5) years).

(4) Accounting standards for principal provisions and allowances

1) Allowance for doubtful receivables

The Company and its domestic consolidated subsidiaries provide allowances for the amount not expected to be recovered from doubtful receivables based on the historical loan-loss ratio. For loans and receivables requiring special attention, an allowance is provided for the estimated uncollectible amounts after reviewing collectability of receivables individually. Foreign consolidated subsidiaries provide allowances for doubtful receivables mainly estimated through analysis of individual receivables.

2) Provision for directors' bonuses

To prepare for the payment of bonuses to directors, a provision is recorded based on the amount expected to be paid.

3) Provision for directors' retirement benefits

To prepare for the payment of retirement benefits for directors and executive officers, the necessary amount at the end of the fiscal year is recorded in accordance with internal regulations of certain consolidated subsidiaries.

(5) Accounting treatment for retirement benefits

To prepare for the payment of employee retirement benefits, net defined benefit liability is recorded in the amount calculated by subtracting the value of plan assets from the amount of retirement benefit obligations estimated on March 31, 2017.

1) The method for attributing expected pension benefits to periods of employee service

For calculation of retirement benefit obligations, the benefit formula is applied to attribute expected pension benefits for the period up to the end of the fiscal year under review (March 31, 2017).

2) Actuarial gains or losses and prior service cost

Prior service cost is amortized using mainly the straight-line method over a certain number of years (14 years), which is within the average remaining service periods of employees at the time when the service cost incurred.

Actuarial gains or losses are amortized from the fiscal year that starts after the accrual of the gains or losses using the straight-line method over a certain number of years (mainly 10 to 14 years) within the average remaining service periods of the employees who will receive the benefits.

Unrecognized actuarial gains or losses and unrecognized prior service cost are recorded in the net assets under the account "remeasurements of defined benefit plans" after being adjusted with tax effects.

(6) Standards for translating principal assets or liabilities denominated in foreign currencies into Japanese yen

Foreign currency denominated claims and liabilities are translated into Japanese yen at the spot rate prevailing on the consolidated balance sheet date. Currency translation gains or losses are recorded on the income statement as such.

The assets and liabilities of foreign consolidated subsidiaries are also translated into Japanese yen at the spot rate prevailing on their balance sheet date, while their revenues and expenses are translated into Japanese yen at the average rate for the period. Any translation gains or losses are recorded in the net assets under the account "foreign currency translation adjustments" and "non-controlling interests" under net assets.

(7) Standards for recording revenue

Sales are recorded on the delivery basis. The percentage-of-completion method is applied to construction contracts for which the outcome of the construction activity was deemed certain. The percentage of completion is estimated based on the cost-to-cost method that uses the percentage of construction cost incurred during the period relative to the total construction cost as the percentage of completion at the end of the period. Other works are applied with the completed-contract method.

(8) Accounting method for principal hedges

1) Hedge accounting

Deferred hedge accounting is adopted. Exchange forward contracts that meet specific conditions are converted at a preset rate, while interest rate swap contracts that meet specific conditions are handled with a specific accounting method.

2) Hedging instruments and Hedged transactions

Hedging instrument: Interest rate swaps, exchange forward contracts, commodity price swaps, and currency swaps

Hedged transaction: Interest payable on borrowed money, foreign currency denominated claims and liabilities, trade accounts payable

3) Hedging policy

i. In accordance with internal rules and in order to reduce the risk of interest rate fluctuations, the Company utilizes interest rate swap hedging instruments in which the contract amounts, conditions for receiving and paying interests, and contract terms match those for the hedged transactions.

ii. The Company utilizes exchange forward contracts and currency swap contracts with an aim to reduce risks associated with future interest rate fluctuations against import/export transactions and foreign currency denominated debt that are conducted or incurred in the ordinary business process.

iii. The Company utilizes commodity swaps to reduce price fluctuation risks for lead, the principal raw material for its business.

4) Method for evaluating effectiveness of hedges

The Company evaluates the effectiveness of hedges by comparing the accumulated change in market values of the hedging instrument and of the targeted hedged transaction over the period from the commencement of the hedge transaction to the time for evaluation. For interest rate swaps which adopt a specific accounting method, evaluation is omitted.

(9) Amortization method and period for goodwill

In principal, goodwill is amortized over five (5) years on a pro-rata basis.

(10) Scope of cash and cash equivalents in the consolidated statements of cash flows

Cash and cash equivalents in the consolidated statements of cash flows are composed of cash on hand, bank deposits able to be withdrawn on demand, and short-term investments with maturities of three months or less at the date of acquisition and that represent a minor risk of fluctuation in value.

(11) Other important information on preparation of the Consolidated Financial Statements

Accounting method for consumption tax and other taxes:

Consumption tax and other taxes are excluded from transaction amounts.

(Segment and other information)

Segment Information

1. Overview of reportable segments

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

In the GS Yuasa Group, principal consolidated subsidiaries conduct businesses under the control of the domestic divisions based on types of products or the division that controls the foreign business operations.

The Group's 4 reportable segments are therefore based on these divisions and comprise the Domestic Automotive Batteries segment, the Domestic Industrial Batteries and Power Supplies segment, the Overseas Operations segment, and the Automotive Lithium-ion Batteries segment.

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

2. Calculation of net sales, income/loss, assets, and other amounts by reportable segment

Accounting methods applied in the reportable segments are largely in line with those presented under "Basis of Preparation of Consolidated Financial Statements."

Reportable segment income is based on operating income (before goodwill amortization).

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

(Changes to reportable segment)

As the GS Yuasa Group changed its management metrics from operating income to operating income before amortization of goodwill in the fiscal year ended March 31, 2017, its measurement of segment income has also been changed.

These changes enable the Company to measure operating results from its main business by separating income/loss that are generated or incurred outside of the GS Yuasa Group's main business activities and are not managed by each segment.

For reference, these changes have no material impact on the financial statements for the fiscal year ended March 31, 2016.

3. Net sales, income/loss, assets, and other amounts by reportable segment

Year ended March 31, 2016 (April 1, 2015 to March 31, 2016)

(Millions of yen)

	Reportable segment						
	Domestic Automotive Batteries	Domestic Industrial Batteries and Power Supplies	Overseas Operations	Automotive Lithium-ion Batteries	Total	Other (note)	Total
Net sales							
Sales to outside customers	50,986	74,804	191,402	38,312	355,505	10,104	365,610
Inter-segment sales and transfers	1,309	2,978	1,357	927	6,573	(6,573)	-
Total	52,296	77,783	192,759	39,239	362,079	3,531	365,610
Segment income (loss)	3,291	8,061	11,358	(565)	22,145	(235)	21,909
Segment assets	22,398	59,512	156,985	45,310	284,207	62,315	346,523
Other items							
Depreciation/amortization	815	1,125	5,336	5,298	12,576	3,428	16,004
Investment in equity-method affiliates	882	91	26,984	514	28,473	-	28,473
Increase in PP&E and intangible assets	1,495	1,399	4,182	2,753	9,830	5,140	14,971

Notes: 1. “Other” comprises a) businesses that are not included in any of the reportable segments such as special batteries business and b) segment income adjustment.

2. Adjustments are as follows:

(1) Adjustment for segment income was minus 2,427 million yen, which includes minus 1,456 million yen elimination of inter-segment transactions and minus 970 million yen of unallocated corporate expenses. The main component of these unallocated corporate expenses is SG&A expenses that are not attributable to reportable segments.

(2) Adjustment for segment assets was 52,538 million yen, which includes minus 90,360 million yen elimination of inter-segment claims and debts, 142,898 million yen of unallocated corporate assets. The main components of these unallocated corporate assets are working funds, long-term investment funds, and assets allocated to administrative departments and laboratory facilities.

(3) Adjustment for depreciation/amortization was 3,124 million yen consisting of depreciation and amortization charges for corporate assets.

(4) Adjustment for increase in PP&E and intangible assets was 4,393 million yen consisting of the acquisition price of PP&E and intangible assets classified as corporate assets.

3. Impairment loss on fixed assets or goodwill by reportable segment

(Material impairment loss on fixed assets)

In the overseas operations segment, as profitability of business using fixed assets has declined and liquidation process of certain consolidated subsidiaries has started, the book value of some fixed assets held in the segment was reduced to their recoverable amounts, and the losses were recorded as “impairment loss” and “loss on liquidation of subsidiaries and affiliates.”

The impairment loss recorded for this reason in the fiscal year ended March 31, 2016 totaled 2,237 million yen combined with 646 million yen included in loss on liquidation of subsidiaries and affiliates.

Year ended March 31, 2017 (April 1, 2016 to March 31, 2017)

(Millions of yen)

	Reportable segment						
	Domestic Automotive Batteries	Domestic Industrial Batteries and Power Supplies	Overseas Operations	Automotive Lithium-ion Batteries	Total	Other (note)	Total
Net sales							
Sales to outside customers	67,598	72,765	170,613	39,305	350,282	9,323	359,605
Inter-segment sales and transfers	1,497	3,150	1,096	877	6,623	(6,623)	-
Total	69,096	75,916	171,710	40,183	356,905	2,700	359,605
Segment income (loss)	5,676	8,701	10,460	45	24,884	(699)	24,185
Segment assets	52,521	41,355	145,081	40,480	279,439	91,069	370,508
Other items							
Depreciation/amortization	1,340	1,224	4,204	5,554	12,324	3,989	16,314
Investment in equity-method affiliates	936	120	26,275	985	28,316	-	28,316
Increase in PP&E and intangible assets	1,916	1,253	3,788	1,839	8,798	11,863	20,661

Notes: 1. “Other” comprises a) businesses that are not included in any of the reportable segments such as special batteries business and b) segment income adjustment.

2. Adjustments are as follows:

(1) Adjustment for segment income was minus 2,449 million yen, which includes minus 1,434 million yen elimination of inter-segment transactions and minus 1,015 million yen of unallocated corporate expenses. The main component of these unallocated corporate expenses is SG&A expenses that are not attributable to reportable segments.

(2) Adjustment for segment assets was 90,081 million yen, which includes minus 69,197 million yen elimination of inter-segment claims and debts, 159,278 million yen of unallocated corporate assets. The main components of these unallocated corporate assets are working funds, long-term investment funds, and assets allocated to administrative departments and laboratory facilities.

(3) Adjustment for depreciation/amortization was 3,591 million yen consisting of depreciation and amortization charges for corporate assets.

(4) Adjustment for increase in PP&E and intangible assets was 5,156 million yen consisting of the acquisition price of PP&E and intangible assets classified as corporate assets.

3. The difference between the total segment income in the table above and operating income of 23,106 million yen on the consolidated income statements represents amortization of goodwill and other intangible assets of minus 1,078 million yen. These goodwill and other intangible assets include identifiable assets acquired on the effective date of business combination.

4. Impairment loss on fixed assets or goodwill by reportable segment

(Material impairment loss on fixed assets)

In the automotive lithium-ion batteries segment and domestic industrial batteries and power supplies segment, some of the assets held by consolidated subsidiaries for business purposes ceased to be used. The book values of these fixed assets were reduced to their recoverable amounts, and the losses were recorded as “impairment loss” under extraordinary loss. The impairment loss recorded for this reason in the fiscal year ended March 31, 2017 was 391 million yen.

(Material change in the amount of goodwill)

In the domestic automotive batteries segment, Panasonic Storage Battery Co., Ltd. (current: GS Yuasa Energy Co., Ltd.) was included in the scope of consolidation in the fiscal year ended March 31, 2017 as GS Yuasa Corporation acquired the shares in the company. With the acquisition, goodwill for the fiscal year ended March 31, 2017 was increased by 6,084 million yen.

(Per Share Information)

Year ended March 31, 2016		Year ended March 31, 2017	
Net assets per share	372.43 yen	Net assets per share	391.83 yen
Profit per share	21.88 yen	Profit per share	29.63 yen
Diluted profit per share	20.39 yen	Diluted profit per share	27.62 yen

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

	Year ended March 31, 2016	Year ended March 31, 2017
Profit per share		
Profit attributable to owners of parent (millions of yen)	9,030	12,229
Amount not attributable to common stockholders (millions of yen)	-	-
Profit attributable to common stockholders of parent (millions of yen)	9,030	12,229
Average number of common stock shares during term (thousands of shares)	412,766	412,752
Diluted profit per share		
Adjustments to profit attributable to owners of parent (millions of yen)	(16)	(17)
(Of which, amount written off (excluding tax))	(16)	(17)
Increase in the number of common stock (thousands of shares)	29,377	29,377
(Of which, convertible bonds)	29,377	29,377
Residual securities that are not dilutive and not included in the calculation for diluted profit per share	-	-

(Significant Subsequent Events)

Not applicable

7. Production, Order Intake and Sale

(1) Production results

Production results by segment for the year ended March 31, 2017

(Millions of yen, unless otherwise stated)

	Year ended March 31, 2017	Year-on-year change
	Amount	%
Domestic Automotive Batteries	45,409	135.0
Domestic Industrial Batteries and Power Supplies	48,695	90.0
Overseas Operations	111,246	88.7
Automotive Lithium-ion Batteries	34,428	89.5
Total reportable segments	239,780	95.3
Other	9,360	123.7
Total	249,140	96.1

Notes: 1. These amounts are based on the cost of production and before adjustment of inter-segment transfer.

2. Exclusive of consumption taxes.

(2) Order intake

Not applicable, because except for certain products such as large size batteries and large scale power supplies, the GS Yuasa Group manufactures products based mainly on a make-to-stock strategy.

(3) Sales results

Sales results by segment for the year ended March 31, 2017

(Millions of yen, unless otherwise stated)

	Year ended March 31, 2017	Year-on-year change
	Amount	%
Domestic Automotive Batteries	67,598	132.6
Domestic Industrial Batteries and Power Supplies	72,765	97.3
Overseas Operations	170,613	89.1
Automotive Lithium-ion Batteries	39,305	102.6
Total reportable segments	350,282	98.5
Other	9,323	92.3
Total	359,605	98.4

Notes: 1. Inter-segment transactions are offset and eliminated.

2. Exclusive of consumption taxes.

8. Other

(1) Corporate Officer Changes (scheduled for June 29, 2017)

1. Change of President

   Not applicable

2. Change of Representative Directors

   1) Retiring representative directors

   Shinji Tatsumi, current: Senior Managing Director

3. Other Officer Changes

   1) Change of title

Kei Nishida	Director (current: Senior Managing Director)
Toshiyuki Nakagawa	Director (current: Managing Director)
Toru Bomoto	Director (current: Managing Director)

   2) Candidate for new Director

Ikuo Otani	Director (former Senior Managing Director, Wacoal Holdings Corp.)

   3) Retiring Directors

   Makoto Yoda, current: Chairman (candidate for Advisor)
   Shinji Tatsumi, current: Representative Director, Senior Managing Director
   Masaru Sawada, current: Director (to be reappointed as Director, GS Yuasa International Ltd.)
   Ryoichi Okuyama, current: Director (to be reappointed as Director, GS Yuasa International Ltd.)
   Masayuki Murakami, current: Director (to be reappointed as Director, GS Yuasa International Ltd.)
   Hiroaki Yoshida, current: Director (to be reappointed as Director, GS Yuasa International Ltd.)

   4) Candidates for new Auditor

Hideaki Yamada	Full-time Corporate Auditor (current: Managing Executive Officer, GS Yuasa International Ltd.)
Tsukasa Fujii	Part-time Corporate Auditor (current: Lawyer, Tatsuno,Ozaki & Fujii Law Office)

   5) Retiring Auditor

   Kiyoshi Ogawa, current: Full-time Corporate Auditor
   Seiji Abe, current: Part-time Corporate Auditor

   6) Candidates for new Substitute Auditor

Mitsuaki Nakakubo	Substitute Auditor (current: Lawyer, Asahi Law Offices)

   7) Retiring Substitute Auditor

   Shingo Takimoto, current: Substitute Auditor

9. Supplementary Information

(1) Quarterly profit/loss

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

(Millions of yen)

	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	75,364	83,535	95,428	105,277	158,899	254,328	359,605
Operating income	2,988	4,184	7,501	8,431	7,173	14,674	23,106
Ordinary income	2,875	3,774	8,007	7,887	6,650	14,657	22,545
Profit attributable to owners of parent	1,840	2,271	4,460	3,656	4,111	8,572	12,229

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

(Millions of yen)

	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	81,642	89,507	94,159	100,301	171,149	265,308	365,610
Operating income	3,109	3,705	7,338	7,756	6,814	14,153	21,909
Ordinary income	3,044	4,004	7,220	7,146	7,049	14,269	21,416
Profit attributable to owners of parent	951	2,665	3,010	2,402	3,616	6,627	9,030

Fiscal year ended March 31, 2015 (April 1, 2014 to March 31, 2015)

(Millions of yen)

	Q1 (Apr. – Jun.)	Q2 (Jul. – Sep.)	Q3 (Oct. – Dec.)	Q4 (Jan. – Mar.)	Q2 YTD (Apr. – Sep.)	Q3 YTD (Apr. – Dec.)	Full year
Net sales	82,321	89,199	94,940	103,298	171,521	266,462	369,760
Operating income	3,109	4,492	5,762	7,548	7,602	13,365	20,914
Ordinary income	3,763	5,039	6,430	7,124	8,802	15,233	22,357
Profit attributable to owners of parent	2,342	2,856	3,331	1,513	5,198	8,530	10,043

Fiscal year ended March 31, 2014 (April 1, 2013 to March 31, 2014)

(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	65,632	82,278	92,557	107,526	147,911	240,468	347,995
Operating income	1,609	2,130	6,022	8,435	3,739	9,762	18,197
Ordinary income	2,658	2,421	6,290	8,963	5,079	11,369	20,333
Profit attributable to owners of parent	127	2,917	1,866	5,070	3,045	4,912	9,982

Fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(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	62,900	64,581	68,396	78,631	127,481	195,878	274,509
Operating income	1,426	2,630	2,405	3,311	4,057	6,463	9,775
Ordinary income	1,927	3,025	3,207	4,099	4,952	8,159	12,258
Profit attributable to owners of parent	1,062	2,085	2,371	248	3,147	5,519	5,767

Overview of Results for the Year ended March 31, 2017

(Millions of yen unless otherwise stated)

	11th term	12th term	13th term			14th term
	Year ended March 31, 2015	Year ended March 31, 2016 (a)	Year ended March 31, 2017 (b)	Year-on year Change (b) – (a)	Year-on year change (%)	Year ending March 31, 2018 (forecast)
Net sales	369,760	365,610	359,605	(6,004)	(1.6)	400,000
Domestic Automotive Batteries	51,747	50,986	67,598	16,612	32.6	85,000
Domestic Industrial Batteries and Power Supplies	79,822	74,804	72,765	(2,039)	(2.7)	74,000
Overseas Operations	183,759	191,402	170,613	(20,788)	(10.9)	188,000
Automotive Lithium-ion Batteries	45,181	38,312	39,305	992	2.6	37,000
Other	9,248	10,104	9,323	(781)	(7.7)	16,000
Operating income	20,914	21,909	23,106	1,197	5.5	24,000
Operating income before amortization of goodwill	-	-	24,185	-	-	26,500
Domestic Automotive Batteries	2,397	3,291	5,676	2,385	72.5	5,700
Domestic Industrial Batteries and Power Supplies	8,657	8,061	8,701	640	7.9	8,500
Overseas Operations	10,786	11,358	10,460	(898)	(7.9)	11,300
Automotive Lithium-ion Batteries	(2,626)	(565)	45	611	-	1,000
Other	1,698	(235)	(699)	(463)	-	-
Ordinary income	22,357	21,416	22,545	1,128	5.3	22,500
Profit attributable to owners of parent	10,043	9,030	12,229	3,198	35.4	12,500
Profit attributable to owners of parent before amortization of goodwill	-	-	13,699	-	-	15,500
Profit per share (yen)	24.33	21.88	29.63	7.75	35.4	30.28
Annual dividend per share (yen)	10.00	10.00	10.00	-	-	10.00
Acquisition of treasury stock (planned for the following fiscal year)	-	-	1,000	-	-	-
Capital investment	11,008	12,955	19,909	6,954	53.7	25,000
Depreciation/amortization	15,715	15,309	15,241	(68)	(0.4)	19,000
Research and development expenses	6,725	6,996	9,533	2,536	36.3	12,000
Cash flows from operating activities	19,729	30,215	34,846	4,631	-	-
Cash flows from investing activities	(14,519)	(17,311)	(32,912)	(15,601)	-	-
Cash flows from financing activities	(5,798)	(9,685)	(3,715)	5,969	-	-
Cash and cash equivalents, end of term	25,708	27,788	24,673	(3,114)	(11.2)	-
Total assets	359,522	346,523	370,508	23,985	6.9	-
Net assets	182,187	177,790	188,155	10,365	5.8	-
Total debt	82,166	73,608	74,257	649	0.9	-
Equity ratio (%)	44.9	44.4	43.6	(0.8)	-	-
Return on equity (%)	6.7	5.7	7.8	2.1	-	-
Net assets per share (yen)	390.98	372.43	391.83	19.40	5.2	-
Overseas sales ratio (%)	52.40	55.50	51.10	(4.40)	(7.9)	-
Number of employees, end of term (persons)	14,506	14,415	14,710	295	2.0	-
Number of consolidated subsidiaries	55	55	55	-	-	-
Japan	22	22	22	-	-	-
Overseas	33	33	33	-	-	-

Note. From the 13th term forward, operating income for each segment represents operating income before amortization of goodwi ll.