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GS Yuasa Corporation
 President: Osamu Murao
 (TSE code: 6674)
 Inquiries: Hiroaki Matsushima,
 General Manager, Corporate Office
 Tel: +81-75-312-1211

Notice Regarding Revision to Earnings Forecast

GS Yuasa Corporation (Tokyo Stock Exchange: 6674; "GS Yuasa") announces that it has revised its earnings forecast previously announced May 10, 2016 in consideration of recent company performance.

Revisions to Earnings Forecasts:

Revision to consolidated earnings forecast for first six months of fiscal year ending March 31, 2017 (April 1, 2016 - September 30, 2016)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Profit per share
Previous forecast (A)	¥ million 180,000	¥ million 7,000	¥ million 7,000	¥ million 3,000	¥ 7.27
Current forecast (B)	160,000	7,000	6,500	4,000	9.69
Change (B-A)	(20,000)	—	(500)	1,000	
Change (%)	(11.1)	—	(7.1)	33.3	
(Reference: Results for first six months ended September 30, 2015)	171,149	6,814	7,049	3,616	8.76

Revision to consolidated earnings forecast for full year (April 1, 2016 - March 31, 2017)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Profit per share
Previous forecast (A)	¥ million 410,000	¥ million 24,500	¥ million 24,000	¥ million 12,000	¥ 29.07
Current forecast (B)	360,000	23,000	22,000	12,000	29.07
Change (B-A)	(50,000)	(1,500)	(2,000)	—	
Change (%)	(12.2)	(6.1)	(8.3)	—	
(Reference: Results for fiscal year ended March 31, 2016)	365,610	21,909	21,416	9,030	21.88

Reason for Revision:

For the first six months of the fiscal year, the forecast for net sales has been revised downward due to a decline in overseas sales stemming primarily from the appreciation of the yen following Great Britain's decision to exit the European Union, as well as the decision to include the earnings of Panasonic Storage Battery Co., Ltd. (currently GS Yuasa Energy Co., Ltd.), the lead-acid battery business of Panasonic Corporation transferred to GS Yuasa, in the consolidated earnings from the third quarter instead of the second quarter as originally planned. The operating income forecast is unchanged, as profit margins have improved as a result of a decline in prices for lead, a key raw material primarily for the Japan business. The ordinary income forecast has been revised downward due to the recognition of a foreign exchange loss. Profit attributable to owners of parent has been revised upward due to a decline in income taxes in relation to the reversal of deferred tax liabilities against retained earnings of overseas affiliates in conjunction with yen appreciation.

For the full fiscal year, the forecast for net sales has been revised downward due for the same reason explained above. Although operating income and ordinary income have been revised downward due to recent increases in raw materials costs, the forecast for profit attributable to owners of parent is unchanged.

There is no change to the dividend forecast announced May 10, 2016 (interim dividend of ¥3 per share and year-end dividend of ¥7 per share).

Note: Earnings forecasts and other forward-looking statements presented herein are based on information available to GS Yuasa as of the date of this announcement. Actual financial performance may differ materially from these forecasts due to a variety of factors.