

May 12, 2021

GS Yuasa Corporation
Consolidated Earnings Report for the
Year ended March 31, 2021
(Japanese GAAP)

Stock listing: Tokyo Stock Exchange Securities code: 6674
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Scheduled dates

Ordinary general meeting of shareholders: June 29, 2021
 Dividend payout: June 30, 2021
 Filing of statutory financial report (*Yukashoken hokokusho*): June 29, 2021

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, 2021 (April 1, 2020 to March 31, 2021)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2021	386,511	(2.3)	24,810	14.5	27,279	18.0	11,455	(16.2)
Year ended March 31, 2020	395,553	(4.2)	21,676	(4.3)	23,109	(6.5)	13,674	1.1

Note: Comprehensive income: Year ended March 31, 2021: ¥35,112 million, 620.5%
 Year ended March 31, 2020: ¥4,873 million, -62.3%

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	yen	yen	%	%	%
Year ended March 31, 2021	141.91	–	6.1	6.7	6.4
Year ended March 31, 2020	168.23	–	7.7	6.0	5.5

Reference: Share of profit or loss of entities accounted for using equity method:

Year ended March 31, 2021: ¥2,471 million

Year ended March 31, 2020: ¥2,209 million

Operating profit before amortization of goodwill:

Year ended March 31, 2021: ¥27,069 million, 13.1%

Year ended March 31, 2020: ¥23,935 million, -4.5%

The Company uses “operating profit before amortization of goodwill” as an important indicator for management.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2021	431,913	234,570	46.8	2,509.08
As of March 31, 2020	385,416	205,318	45.8	2,173.37

Reference: Total equity: As of March 31, 2021: ¥202,245 million
As of March 31, 2020: ¥176,336 million

(3) Consolidated Cash Flows

	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, 2021	35,817	(19,327)	(7,018)	35,807
Year ended March 31, 2020	33,119	(20,690)	(10,245)	24,748

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, 2020	–	15.00	–	35.00	50.00	4,060	29.7	2.3
Year ended March 31, 2021	–	0.00	–	50.00	50.00	4,033	35.2	2.1
Year ending March 31, 2022 (forecast)	–	15.00	–	35.00	50.00		33.6	

3. Earnings Forecast for the Year ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Six months ending September 30, 2021	200,000	16.1	6,500	22.8	7,500	15.4	3,000	2369.7	37.17
Year ending March 31, 2022	430,000	11.3	24,000	(3.3)	26,000	(4.7)	12,000	4.8	148.66

***Notes**

- (1) Changes affecting the status of material subsidiaries (scope of consolidation): None
 (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)

	As of March 31, 2021	As of March 31, 2020
1) Number of shares issued (including treasury shares)	82,714,942	82,714,942
2) Number of treasury shares	2,109,320	1,579,708
	Year ended March 31, 2021	Year ended March 31, 2020
3) Average number of shares outstanding during the period	80,720,081	81,281,763

(Reference) Non-consolidated Financial Results
Year ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(1) Non-consolidated Operating Results (Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2021	7,203	(0.6)	6,304	0.2	7,781	(1.7)	7,108	(1.3)
Year ended March 31, 2020	7,246	9.3	6,292	11.7	7,914	8.1	7,199	9.0

	Basic earnings per share	Diluted earnings per share
	yen	yen
Year ended March 31, 2021	88.06	-
Year ended March 31, 2020	88.58	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2021	181,041	131,240	72.5	1,628.18
As of March 31, 2020	173,255	127,887	73.8	1,576.23

Reference: Total equity: As of March 31, 2021: ¥131,240 million
 As of March 31, 2020: ¥127,887 million

*Financial reports are not subject to audit procedures to be conducted by certified public accountants or an audit firm.

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

The above forecasts are based on the assumptions of management in 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, please see “(1) Operating Results” in section “4. Qualitative Information on Operating Results, etc.” on page 5.

4. Qualitative Information on Operating Results, etc.

(1) Operating Results

1) Overview

In the fiscal year ended March 31, 2021, the global economy saw business conditions deteriorate severely owing to the impact of the novel coronavirus (COVID-19) pandemic. While economic activity has been resuming in stages and there is great expectation that vaccinations will gradually end the spread of infection, the recent resurgence in infections means that the economic outlook remains highly uncertain.

In this economic environment, the GS Yuasa Group's consolidated net sales for the fiscal year totaled ¥386,511 million, ¥9,042 million or 2.3% less than in the previous fiscal year. The main reasons for the decline in Group sales were a decrease in domestic and overseas sales of lead-acid batteries for new vehicles and lithium-ion batteries for plug-in hybrid vehicles. Operating profit was ¥24,810 million (¥27,069 million before goodwill amortization), a year-on-year increase of ¥3,134 million or 14.5%, due to solid domestic and overseas sales of replacement batteries for automobiles and lithium-ion batteries for hybrid vehicles. Ordinary profit rose to ¥27,279 million, a ¥4,169 million or 18.0% year-on-year increase on the back of the increase in operating profit and improvements in non-operating items, such as the recording of foreign exchange gains. Additionally, a new record high was set for operating profit and ordinary profit. Profit attributable to owners of parent, on the other hand, fell to ¥11,455 million, a year-on-year decrease of ¥2,219 million or 16.2%, that takes into account the recording of impairment losses as well as the recoverability of deferred tax assets in light of the decline in profitability of some consolidated subsidiaries.

2) Business Segment Results

(Automotive Batteries)

Net sales in Japan for the fiscal year ended March 31, 2021, totaled ¥83,639 million, a year-on-year decline of ¥4,419 million, or 5.0%. Demand for replacement batteries was solid, but shipments of batteries for new vehicles decreased owing to the large decline in production of new automobiles, particularly in the first quarter of the fiscal year. Net sales also were negatively affected as product selling prices were lowered to reflect the fall in the price of lead. Domestic segment profit (before goodwill amortization) came to ¥8,669 million, ¥1,692 million or 24.3% more than in the previous fiscal year, on the growth in sales of replacement batteries.

Overseas net sales totaled ¥165,296 million, ¥3,157 million or 1.9% more than in the previous fiscal year. Although there was an impact from lower automobile sales in countries around the world during the first quarter due to the COVID-19 pandemic (as was also the case in Japan), sales of replacement batteries increased primarily in Europe and Australia from the second quarter onward. Segment profit expanded to ¥12,225 million, a year-on-year increase of ¥3,038 million, or 33.1%. The profit growth mainly reflects the increased sales of replacement batteries and the positive impact on profit from the fall in the price of lead.

As a result of the above factors, the automotive batteries segment's combined net sales in Japan and overseas for the fiscal year totaled ¥248,936 million, ¥1,261 million or 0.5% less than in the previous fiscal year. Overall automotive batteries segment profit (before goodwill amortization) came to ¥20,895 million, ¥4,730 million or 29.3% more than in the previous fiscal year.

(Industrial Batteries and Power Supplies)

Net sales in the industrial batteries and power supplies segment totaled ¥84,037 million, a year-on-year decline of ¥528 million, or 0.6%. The start of shipments of lithium-ion batteries for large-scale wind power generation facilities was a positive factor but overall sales were depressed by the wind

down in the sales cycle for power supplies to telecom companies and a decline in sales of forklift batteries. Segment profit came to ¥6,890 million, a year-on-year decrease of ¥2,267 million, or 24.8%, reflecting the abovementioned change in sales composition.

(Automotive Lithium-ion Batteries)

Net sales in the automotive lithium-ion batteries segment totaled ¥35,950 million, ¥6,313 million or 14.9% less than in the previous fiscal year. The decline primarily reflects lower sales of lithium-ion batteries used in plug-in hybrid vehicles, which offset an increase in overall sales of batteries for hybrid vehicles. The segment posted an operating loss of ¥852 million, a year-on-year improvement of ¥856 million reflecting an increase in sales of batteries for hybrid vehicles.

(Other)

Net sales in the other segment totaled ¥17,587 million, a year-on-year decline of ¥938 million, or 5.1%. The decline mainly reflects lower sales of lithium-ion batteries for aircrafts. Segment profit after adjustments for corporate expenses, etc., came to ¥136 million, a year-on-year decrease of ¥185 million or 57.6%.

(Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2022)

In the next fiscal year, we expect the economy to recover due to progress in the administration of vaccines, and the effect from the economic policies, etc. of the various countries, particularly those of the United States and China. On the other hand, COVID-19 infections are continuing to spread to varied degrees depending on the region, and on top of that, variant strains are also occurring, leaving the outlook uncertain. Furthermore, disruptions in the supply chain, triggered by COVID-19, disasters, and other factors, have begun to be observed.

Under these economic conditions, the Group will work to strengthen profitability in the lead-acid battery business and achieve profitability in the lithium-ion battery business. For automotive batteries, although we expect conditions to vary depending on the region, we will work to maintain our production and sales system at levels proportionate to demand. For industrial batteries and power supplies, we will quickly incorporate the infrastructure business we acquired from Sanken Electric Co., Ltd. while striving to strengthen profitability in our existing fields. We also aim to take advantage of the trend of carbon neutral policies and create opportunities for business growth. For our automotive lithium-ion batteries, we will implement initiatives to meet growing demand for these batteries for hybrid vehicles.

Taking all this into account, for consolidated operating results for the fiscal year ending March 31, 2022, we expect to achieve record-high net sales of ¥430,000 million. However, bearing in mind the continuing uncertainty of the economic outlook owing to the spread of COVID-19 infections, our plans for investing in development for the future, and the trends of major resource prices, we are forecasting lower profit with operating profit of ¥24,000 million (¥25,000 million for operating profit before goodwill amortization) and ordinary profit of ¥26,000 million. Taking into account the impact of extraordinary income and losses, we are forecasting an increase in profit, with profit attributable to owners of parent of ¥12,000 million.

(2) Financial Condition

Total assets as of March 31, 2021, amounted to ¥431,913 million, ¥46,496 million more than at the end of the previous fiscal year. The increase mainly reflects increases in cash and deposits and the market value of owned shares.

Liabilities increased to ¥197,342 million, ¥17,244 million more than at the end of the previous fiscal year, as increases in trade accounts payable and other liabilities, as well as deferred tax

liabilities, outweighed a decrease in advances received for a large project order received by the Industrial Batteries and Power Supplies segment.

Net assets totaled ¥234,570 million, an increase of ¥29,252 million from the end of the previous fiscal year. The increase mainly reflects an increase in the market value of owned shares and foreign currency translation adjustment due to forex rate fluctuations, which outweighed outflows from dividends paid and the purchase of treasury shares.

(3) Cash Flows

Cash and cash equivalents as of March 31, 2021, amounted to ¥35,807 million, an increase of ¥11,059 million, or 44.6%, 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, 2021, amounted to ¥35,817 million, compared with net cash provided of ¥33,119 million in the previous fiscal year. There were contributions from profit before income taxes, depreciation, increase in trade payables, partially offset by a decrease in advance received and the payment of income taxes.

(Cash Flows from Investing Activities)

Net cash used in investing activities totaled ¥19,327 million, compared with net cash used of ¥20,690 million a year earlier. The main cash outflow from investments was the purchase of property, plant and equipment.

(Cash Flows from Financing Activities)

Net cash used in financing activities amounted to ¥7,018 million, compared with net cash used of ¥10,245 million in the previous fiscal year. The main cash outflows were for the repayment of borrowings, the purchase of treasury shares, and dividends paid.

(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, 2019	Year ended March 31, 2020	Year ended March 31, 2021
Equity ratio (%)	46.4	45.8	46.8
Equity ratio on a market- capitalization basis (%)	46.2	30.6	56.0
Ratio of interest-bearing liabilities to cash flow (years)	2.2	2.2	2.0
Interest coverage ratio	49.75	40.57	43.75

(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 paid

*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 shares).

*Calculations involving cash flow use cash flows from operating activities shown on the consolidated statements of cash flows. 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 statements of cash flows.

(4) Basic Policy on Profit Distribution and Dividends for the Year Ended March 31, 2021 and the Year Ending March 31, 2022

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 year ended March 31, 2021, profit attributable to owners of parent was ¥11,455 million, which was over the ¥9,000 million set as the profit target in the earnings forecast announced on February 4, 2021. Based on this result, the company plans to pay annual dividend per share for the year ended March 31, 2021 of ¥50, which is an increase of ¥10 from the ¥40 paid for the year ended March 31, 2020. The consolidated payout ratio will therefore be 35.2%.

For dividends for the year ending March 31, 2022, assuming that the forecast profits are achieved, the Company plans to pay an interim dividend per share of ¥15 and a year-end dividend per share of ¥35 to provide an annual dividend per share of ¥50.

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 and Notes

(1) Consolidated Balance Sheets

	As of March 31, 2020 Amount	(Millions of yen) As of March 31, 2021 Amount
Assets		
Current assets		
Cash and deposits	25,226	36,280
Notes and accounts receivable - trade	68,704	74,269
Electronically recorded monetary claims - operating	6,933	5,039
Merchandise and finished goods	35,918	37,236
Work in process	14,718	14,973
Raw materials and supplies	13,655	15,658
Other	10,906	11,189
Allowance for doubtful accounts	(349)	(315)
Total current assets	175,714	194,332
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	51,720	52,837
Machinery, equipment and vehicles, net	32,904	38,703
Land	22,138	22,737
Leased assets, net	453	296
Right-of-use assets, net	4,555	5,075
Construction in progress	11,408	9,699
Other, net	4,671	5,180
Total property, plant and equipment	127,852	134,530
Intangible assets		
Goodwill	1,995	659
Leased assets	982	1,078
Other	3,448	2,681
Total intangible assets	6,426	4,419
Investments and other assets		
Investment securities	53,684	64,349
Investments in capital	1,549	1,657
Long-term loans receivable	28	707
Retirement benefit asset	12,945	23,920
Deferred tax assets	2,976	3,497
Lease receivables	2,266	2,616
Other	2,238	2,152
Allowance for doubtful accounts	(330)	(323)
Total investments and other assets	75,358	98,578
Total non-current assets	209,636	237,528
Deferred assets		
Bond issuance costs	65	52
Total deferred assets	65	52
Total assets	385,416	431,913

	As of March 31, 2020	(Millions of yen) As of March 31, 2021
	Amount	Amount
Liabilities		
Current liabilities		
Notes and accounts payable - trade	30,778	34,742
Electronically recorded obligations - operating	14,893	16,367
Short-term borrowings	14,786	13,440
Accounts payable - other	9,984	15,976
Income taxes payable	3,786	4,761
Notes payable - facilities	370	358
Electronically recorded obligations - facilities	1,998	3,270
Provision for bonuses for directors (and other officers)	123	120
Other	25,294	18,802
Total current liabilities	102,015	107,839
Non-current liabilities		
Bonds payable	20,000	20,000
Long-term borrowings	29,761	31,980
Lease obligations	5,457	6,041
Deferred tax liabilities	10,627	18,045
Deferred tax liabilities for land revaluation	928	928
Provision for retirement benefits for directors (and other officers)	59	64
Retirement benefit liability	4,094	4,562
Other	7,154	7,880
Total non-current liabilities	78,082	89,503
Total liabilities	180,098	197,342
Net assets		
Shareholders' equity		
Share capital	33,021	33,021
Capital surplus	55,301	55,301
Retained earnings	87,180	95,869
Treasury shares	(3,680)	(4,654)
Total shareholders' equity	171,823	179,537
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,933	17,171
Deferred gains or losses on hedges	(244)	(115)
Revaluation reserve for land	2,137	2,137
Foreign currency translation adjustment	(6,265)	417
Remeasurements of defined benefit plans	(3,047)	3,098
Total accumulated other comprehensive income	4,513	22,708
Non-controlling interests	28,982	32,324
Total net assets	205,318	234,570
Total liabilities and net assets	385,416	431,913

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

	(Millions of yen)	
	Year ended March 31, 2020	Year ended March 31, 2021
	Amount	Amount
Net sales	395,553	386,511
Cost of sales	302,639	289,944
Gross profit	92,913	96,566
Selling, general and administrative expenses	71,237	71,755
Operating profit	21,676	24,810
Non-operating income		
Interest income	318	207
Dividend income	474	419
Share of profit of entities accounted for using equity method	2,209	2,471
Foreign exchange gains	–	595
Other	672	890
Total non-operating income	3,675	4,584
Non-operating expenses		
Interest expenses	816	818
Sales discounts	126	119
Foreign exchange losses	730	–
Other	568	1,178
Total non-operating expenses	2,241	2,115
Ordinary profit	23,109	27,279
Extraordinary income		
Gain on sale of non-current assets	2,275	1,350
Gain on sale of investment securities	75	299
Other	56	–
Total extraordinary income	2,407	1,650
Extraordinary losses		
Loss on retirement of non-current assets	688	569
Loss on sale of non-current assets	57	14
Impairment losses	124	2,760
Loss on valuation of investment securities	–	15
Loss on sale of shares of subsidiaries and associates	9	–
Loss on liquidation of subsidiaries and associates	900	–
Factory relocation expenses	21	713
Other	404	7
Total extraordinary losses	2,205	4,081

	Year ended March 31, 2020	Year ended March 31, 2021
	Amount	Amount
Profit before income taxes	23,311	24,847
Income taxes		
Income taxes - current	6,932	7,948
Income taxes - deferred	(327)	2,107
Total income taxes	6,604	10,056
Profit	16,707	14,791
Profit attributable to non-controlling interests	3,032	3,336
Profit attributable to owners of parent	13,674	11,455

Consolidated Statements of Comprehensive Income

	Year ended March 31, 2020	(Millions of yen) Year ended March 31, 2021
	Amount	Amount
Profit	16,707	14,791
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,919)	5,236
Deferred gains or losses on hedges	(256)	234
Foreign currency translation adjustment	(5,443)	7,891
Remeasurements of defined benefit plans, net of tax	(1,238)	6,145
Share of other comprehensive income of entities accounted for using equity method	(1,975)	813
Total other comprehensive income	(11,833)	20,320
Comprehensive income	4,873	35,112
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,551	29,650
Comprehensive income attributable to non-controlling interests	1,321	5,461

(3) Consolidated Statements of Changes in Net Assets

Year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	33,021	55,313	77,664	(2,315)	163,684
Changes during period					
Dividends of surplus			(4,083)		(4,083)
Profit attributable to owners of parent			13,674		13,674
Purchase of treasury shares				(1,381)	(1,381)
Disposal of treasury shares		(11)		16	4
Change in scope of consolidation			(30)		(30)
Change in scope of equity method			(44)		(44)
Net changes in items other than shareholders' equity					
Total changes during period	–	(11)	9,516	(1,365)	8,138
Balance at end of period	33,021	55,301	87,180	(3,680)	171,823

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	14,879	(81)	2,137	(488)	(1,809)	14,635	29,388	207,708
Changes during period								
Dividends of surplus								(4,083)
Profit attributable to owners of parent								13,674
Purchase of treasury shares								(1,381)
Disposal of treasury shares								4
Change in scope of consolidation								(30)
Change in scope of equity method								(44)
Net changes in items other than shareholders' equity	(2,945)	(162)		(5,776)	(1,237)	(10,122)	(406)	(10,528)
Total changes during period	(2,945)	(162)	–	(5,776)	(1,237)	(10,122)	(406)	(2,389)
Balance at end of period	11,933	(244)	2,137	(6,265)	(3,047)	4,513	28,982	205,318

Year ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	33,021	55,301	87,180	(3,680)	171,823
Changes during period					
Dividends of surplus			(2,842)		(2,842)
Profit attributable to owners of parent			11,455		11,455
Purchase of treasury shares				(1,003)	(1,003)
Disposal of treasury shares		(0)		30	29
Increase by merger			76		76
Net changes in items other than shareholders' equity					
Total changes during period	–	(0)	8,688	(973)	7,714
Balance at end of period	33,021	55,301	95,869	(4,654)	179,537

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	11,933	(244)	2,137	(6,265)	(3,047)	4,513	28,982	205,318
Changes during period								
Dividends of surplus								(2,842)
Profit attributable to owners of parent								11,455
Purchase of treasury shares								(1,003)
Disposal of treasury shares								29
Increase by merger								76
Net changes in items other than shareholders' equity	5,237	129		6,682	6,145	18,194	3,342	21,537
Total changes during period	5,237	129	–	6,682	6,145	18,194	3,342	29,252
Balance at end of period	17,171	(115)	2,137	417	3,098	22,708	32,324	234,570

(4) Consolidated Statements of Cash Flows

	(Millions of yen)	
	Year ended March 31, 2020	Year ended March 31, 2021
	Amount	Amount
Cash flows from operating activities		
Profit before income taxes	23,311	24,847
Depreciation	17,659	18,031
Impairment losses	124	2,760
Amortization of goodwill	1,352	1,335
Loss (gain) on valuation of investment securities	–	15
Loss (gain) on sale of investment securities	(66)	(299)
Loss on liquidation of subsidiaries and associates	900	–
Increase (decrease) in allowance for doubtful accounts	55	(74)
Increase (decrease) in retirement benefit liability	(3,025)	(1,907)
Interest and dividend income	(793)	(627)
Interest expenses	816	818
Foreign exchange losses (gains)	245	(589)
Loss (gain) on sale of non-current assets	(2,217)	(1,335)
Loss on retirement of non-current assets	688	569
Share of loss (profit) of entities accounted for using equity method	(2,209)	(2,471)
Decrease (increase) in trade receivables	(3,898)	315
Increase (decrease) in advances received	5,675	(5,646)
Decrease (increase) in inventories	672	(162)
Increase (decrease) in trade payables	(2,020)	3,388
Other, net	2,311	3,503
Subtotal	39,581	42,470
Interest and dividends received	1,082	1,250
Interest paid	(816)	(818)
Income taxes paid	(6,728)	(7,085)
Net cash provided by (used in) operating activities	33,119	35,817

	Year ended March 31, 2020	Year ended March 31, 2021
	Amount	Amount
Cash flows from investing activities		
Purchase of property, plant and equipment	(19,931)	(19,019)
Proceeds from sale of property, plant and equipment	2,538	1,286
Purchase of intangible assets	(44)	(99)
Purchase of investment securities	(4)	(3)
Proceeds from sale of investment securities	128	375
Payments for investments in capital of subsidiaries and associates	(582)	(214)
Purchase of shares of subsidiaries and associates	(2,500)	(600)
Loan advances	–	(750)
Proceeds from collection of loans receivable	37	4
Other, net	(331)	(307)
Net cash provided by (used in) investing activities	(20,690)	(19,327)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings and commercial papers	(2,218)	(2,719)
Proceeds from long-term borrowings	2,275	9,050
Repayments of long-term borrowings	(1,590)	(6,371)
Purchase of treasury shares	(1,381)	(1,003)
Proceeds from disposal of treasury shares	4	29
Dividends paid	(4,083)	(2,842)
Dividends paid to non-controlling interests	(1,742)	(2,085)
Other, net	(1,508)	(1,074)
Net cash provided by (used in) financing activities	(10,245)	(7,018)
Effect of exchange rate change on cash and cash equivalents	(1,059)	1,586
Net increase (decrease) in cash and cash equivalents	1,124	11,057
Cash and cash equivalents at beginning of period	23,408	24,748
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	211	–
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	–	1
Cash and cash equivalents at end of period	24,748	35,807

(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-four (54) companies

Names of major consolidated subsidiaries:

GS Yuasa International Ltd.

GS Yuasa Battery Ltd.

GS Yuasa Energy Co., Ltd.

GS Yuasa Technology Ltd.

(2) Number of non-consolidated subsidiaries: Six (6) companies

Name of major non-consolidated subsidiaries:

Chuo GS Battery Sales Ltd.

GS Engineering Ltd., which was a non-consolidated subsidiary, was merged with and absorbed into Yuasa Engineering Ltd., a consolidated subsidiary. Additionally, Yuasa Engineering Ltd. has changed its name to GS Yuasa Engineering 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, profit/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 associates accounted for under the equity method: Nineteen (19) companies

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

SEBANG GLOBAL BATTERY Co., Ltd.

PT. GS Battery

İnci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi

(2) Six (6) non-consolidated subsidiaries and five (5) associates are not accounted for under the equity method because they are insignificant in terms of their impact on the Company's profit/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, the financial statements that were closed at their fiscal year-end dates or provisionally closed at the consolidated fiscal year-end date were used for consolidation.

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

Yuasa Battery (Thailand) Pub. Co., Ltd. and two (2) other companies

The fiscal year-end date for the three 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 fiscal year-end date of those

companies and the consolidated year-end date, adjustments necessary for consolidation were performed.

4. Accounting policies

(1) Valuation standards and methods for principal assets

1) Securities

i. Subsidiaries' and associates' shares:

The moving-average cost method is used.

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 non-current assets

1) Property, plant and equipment (except for leased assets)

The straight-line method is used.

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

The principal useful lives are as follows.

Buildings and structures: 7 to 50 years

Machinery, equipment and vehicles: 4 to 17 years

2) Intangible assets (except for leased assets)

The straight-line method is mainly used.

3) Leased 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.

4) Right-of-use assets

The straight-line method is used based on the lease term.

(3) Amortization method for deferred assets

Bond issuance costs: Amortized with the straight-line method over the bond redemption period (5 and 10 years).

(4) Accounting standards for principal provisions and allowances

1) Allowance for doubtful accounts

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 accounts mainly estimated through analysis of individual receivables.

- 2) Provision for bonuses for directors (and other officers)
To prepare for the payment of bonuses to directors, a provision is recorded based on the amount expected to be paid.
- 3) Provision for retirement benefits for directors (and other officers)
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, retirement 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, 2021.
 - 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, 2021).
 - 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 accumulated other comprehensive income of 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 statement of income 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 adjustment" and "non-controlling interests."
- (7) Standards for recording revenue
Sales are recorded on the shipping 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) Method of significant hedge accounting
 - 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 instruments: Interest rate swaps, exchange forward contracts, commodity swaps, and currency swaps

Hedged transactions: Interest on borrowings, foreign currency denominated claims and liabilities, and trade payables

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, etc., 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 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.

(Changes in presentation)

(Consolidated balance sheets)

From the fiscal year ended March 31, 2021, the Company has changed the presentation method for “electronically recorded obligations - facilities,” which was included in “electronically recorded obligations - operating” under “current liabilities” in the previous fiscal year, to be separately presented as the amount is considered to be material. The consolidated financial statements for the fiscal year ended March 31, 2020 have been recast to reflect this change.

As a result, in the consolidated balance sheets for the fiscal year ended March 31, 2020, ¥16,892 million of “electronically recorded obligations - operating” under “current liabilities” was adjusted to “electronically recorded obligations - facilities” of ¥1,998 million and “electronically recorded obligations - operating” of ¥14,893 million.

(Consolidated statements of income)

From the fiscal year ended March 31, 2021, the Company has changed the presentation method for “factory relocation expenses,” which was included in “other” under “extraordinary losses” in the previous fiscal year, to be separately presented as the amount is considered to be material. The consolidated financial statements for the fiscal year ended March 31, 2020 have been recast to reflect this change.

As a result, in the consolidated statements of income for the fiscal year ended March 31, 2020, ¥425 million of “other” under “extraordinary losses” was adjusted to “factory relocation expenses” of ¥21 million and “other” of ¥404 million.

(Additional information)

(Application of consolidated taxation system)

In the fiscal year under review, the Company and some of its domestic consolidated subsidiaries made a submission for approval to adopt the consolidated taxation system, and the new system shall be applied from the fiscal year ending March 31, 2022. Therefore, from the fiscal year ended March 31, 2021, the relevant accounting procedures have been carried out on the assumption of the application of the consolidated taxation system based on the “Practical Solution on Tentative Treatment of Tax Effect Accounting Under Consolidated Taxation System (Part 1)” (ASBJ Practical Issues Task Force (PITF) No. 5, January 16, 2015) and the “Practical Solution on Tentative Treatment of Tax Effect Accounting Under Consolidated Taxation System (Part 2)” (ASBJ PITF No. 7, January 16, 2015).

As for items revised on non-consolidated taxation system in connection with the transition to the group tax sharing system introduced in the “Act Partially Amending the Income Tax Act” (Act No. 8 of 2020), the Company has not applied the provisions of paragraph 44 of the “Guidance on Accounting Standard for Tax Effect Accounting” (Accounting Standards Board of Japan (ASBJ) Guidance No. 28, February 16, 2018) as allowed by the provisions of paragraph 3 of the “Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System” (ASBJ PITF No. 39, March 31, 2020). Accordingly, amounts of deferred tax assets and deferred tax liabilities are determined in accordance with the provisions of the tax law before revision.

(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.

The GS Yuasa Group consists of segments based on business units, and the reportable segments comprised Automotive Batteries-Japan, Automotive Batteries-Overseas, Industrial Batteries and Power Supplies, and Automotive Lithium-ion Batteries.

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

2. Calculation of net sales, profit/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 profit is based on operating profit (before goodwill amortization).

Inter-segment sales and transfers are mainly based on market price and cost of goods manufactured.

3. Net sales, profit/loss, assets, and other amounts by reportable segment
Year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(Millions of yen)

	Reportable segment							
	Automotive Batteries			Industrial Batteries		Total	Other (note)	Total
	Japan	Overseas	Subtotal	Power Supplies	and Automotive Lithium-ion Batteries			
Net sales								
Revenues from external customers	88,059	162,138	250,198	84,566	42,264	377,028	18,525	395,553
Transactions with other segments	1,380	3,937	5,318	12,032	720	18,070	(18,070)	–
Total	89,439	166,076	255,516	96,598	42,984	395,099	454	395,553
Segment profit (loss)	6,976	9,187	16,164	9,157	(1,708)	23,613	322	23,935
Segment assets	58,141	148,179	206,321	57,210	49,322	312,853	72,563	385,416
Other items								
Depreciation/amortization	3,167	4,414	7,581	1,654	3,258	12,494	5,164	17,659
Investments in entities accounted for using equity method	1,141	29,017	30,158	275	–	30,434	2,405	32,839
Increase in property, plant and equipment, and intangible assets	2,334	5,518	7,853	1,882	4,708	14,444	5,525	19,970

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

2. Adjustments are as follows:

- (1) Adjustment for segment profit was ¥(2,152) million, which includes ¥(1,198) million elimination of inter-segment transactions and ¥(953) million of unallocated corporate expenses. The main component of these unallocated corporate expenses is general and administrative expenses that are not attributable to reportable segments.
- (2) Adjustment for segment assets was ¥61,114 million, which includes ¥(94,929) million elimination of inter-segment claims and debts, and ¥156,044 million of unallocated corporate assets. The main components of these unallocated corporate assets are working funds, long-term investment funds, assets allocated to administrative departments and some laboratory facilities.
- (3) Adjustment for depreciation/amortization was ¥3,782 million consisting of depreciation and amortization charges for corporate assets.
- (4) Adjustment for increase in property, plant and equipment, and intangible assets was ¥5,101 million consisting of the acquisition price of property, plant and equipment, and intangible assets classified as corporate assets.

3. The difference between the total segment profit in the table above and operating profit of ¥21,676 million on the consolidated statements of income represents amortization of goodwill and other intangible assets of ¥(2,258) million. These goodwill and other intangible assets include identifiable assets acquired on the effective date of business combination.

Year ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(Millions of yen)

	Reportable segment								
	Automotive Batteries			Industrial Batteries and Automotive Power Supplies		Lithium-ion Batteries	Total	Other (note)	Total
	Japan	Overseas	Subtotal	Supplies	Batteries				
Net sales									
Revenues from external customers	83,639	165,296	248,936	84,037	35,950	368,924	17,587	386,511	
Transactions with other segments	1,252	2,879	4,132	11,921	7,050	23,104	(23,104)	–	
Total	84,892	168,176	253,068	95,958	43,001	392,028	(5,517)	386,511	
Segment profit (loss)	8,669	12,225	20,895	6,890	(852)	26,932	136	27,069	
Segment assets	59,759	167,901	227,660	56,593	52,640	336,894	95,018	431,913	
Other items									
Depreciation/amortization	3,137	4,467	7,604	1,688	3,525	12,818	5,212	18,031	
Investments in entities accounted for using equity method	1,256	31,855	33,112	288	–	33,401	3,146	36,547	
Increase in property, plant and equipment, and intangible assets	2,660	4,327	6,987	1,398	4,245	12,631	6,473	19,104	

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

2. Adjustments are as follows:

- (1) Adjustment for segment profit was ¥(2,263) million, which includes ¥(1,364) million elimination of inter-segment transactions and ¥(898) million of unallocated corporate expenses. The main component of these unallocated corporate expenses is general and administrative expenses that are not attributable to reportable segments.
- (2) Adjustment for segment assets was ¥81,407 million, which includes ¥(100,470) million elimination of inter-segment claims and debts, and ¥181,878 million of unallocated corporate assets. The main components of these unallocated corporate assets are working funds, long-term investment funds, assets allocated to administrative departments and some laboratory facilities.
- (3) Adjustment for depreciation/amortization was ¥3,826 million consisting of depreciation and amortization charges for corporate assets.
- (4) Adjustment for increase in property, plant and equipment, and intangible assets was ¥5,877 million consisting of the acquisition price of property, plant and equipment, and intangible assets classified as corporate assets.

3. The difference between the total segment profit in the table above and operating profit of ¥24,810 million on the consolidated statements of income represents amortization of goodwill and other intangible assets of ¥(2,258) million. These goodwill and other intangible assets include identifiable assets acquired on the effective date of business combination.

4. Information about impairment losses of non-current assets or goodwill, etc. for each reportable segment (Material impairment losses on non-current assets)

In the Automotive Lithium-ion Batteries segment, the carrying value of non-current assets was written down to reflect a decrease in the profitability of production equipment owned by a consolidated subsidiary, resulting in recognition of the impairment loss as an extraordinary loss.

The impairment loss recognized for this reason in the fiscal year ended March 31, 2021 totaled ¥2,760 million.

(Per share information)

Year ended March 31, 2020		Year ended March 31, 2021	
Net assets per share	¥2,173.37	Net assets per share	¥2,509.08
Basic earnings per share	¥168.23	Basic earnings per share	¥141.91

Notes: 1. Diluted earnings per share is not provided here, as there are no residual securities.

2. Bases for calculation of basic earnings per share are as follows:

	Year ended March 31, 2020	Year ended March 31, 2021
Basic earnings per share		
Profit attributable to owners of parent (millions of yen)	13,674	11,455
Amount not attributable to common stockholders (millions of yen)	–	–
Profit attributable to common stockholders of parent (millions of yen)	13,674	11,455
Average number of common stock shares during term (thousands of shares)	81,281	80,720

Note: The Company has introduced the Performance-Based Stock Compensation Plan for its directors (excluding outside directors) and set up the Officer Stock Grant Trust. The Company's own shares held by the trust are included in the number of treasury shares presented in the consolidated financial statements. In line with this, for the calculation of basic earnings per share, the number of the Company's own shares held by the trust was included in the number of treasury shares that is subtracted from average number of common stock shares during term (the fiscal year ended March 31, 2021: 69,900 shares, the fiscal year ended March 31, 2020: 82,900 shares)

(Significant subsequent events)

At a meeting of the Board of Directors held on August 4, 2020, it was resolved that consolidated subsidiary GS Yuasa International Ltd. ("GS Yuasa") acquire all of the shares of Sanken Densetsu Co., Ltd., which was scheduled to take over operation of the infrastructure business of Sanken Electric Co., Ltd. ("Sanken Electric"), and a share transfer agreement was concluded on the same day. As a result, on May 1, 2021, it acquired 100% of outstanding shares in Sanken Densetsu Co., Ltd.

1. Outline of business combination

(1) Name and business of acquired company

Name of acquired company: Sanken Densetsu Co., Ltd.

Description of business: Power supply equipment product development, manufacture, and sale; installation planning; installation; mounting; wiring, on-site adjustment tests, and the maintenance, inspection, and other work and repairs related to power supply equipment, such as battery replacement.

(2) Reason for business combination

Under the prevailing market environment for GS Yuasa's Industrial Batteries and Power Supplies business, demand is expected to grow for emergency power supplies. This growth in demand is expected due to Japan's National Resilience policies and the construction of new data centers and the expansion of existing ones in response to popularization of IoT among other factors. Meanwhile, competition in this field has been intensifying largely due to proactive moves by rival companies to enter the market, and competition is expected to continue to intensify further. In light of these circumstances, the Company concluded that integrating the technological and developmental capabilities cultivated by Sanken Electric and the GS Yuasa Group would enable it to strengthen its competitive edge and achieve sustainable growth.

(3) Date of business combination

May 1, 2021

- (4) Legal structure of the business combination
 - Purchase of shares with cash
- (5) Name of company after the business combination
 - GS Yuasa Infrastructure Systems Co., Ltd.
- (6) Share of voting rights to be acquired
 - 100%
- (7) Main grounds for determining the acquiring company
 - Cash acquisition of shares by the Company's consolidated subsidiary GS Yuasa.
- 2. Acquisition costs of the acquired company and consideration by class
 - ¥4,767 million
 - At present, the cost of acquisition has yet to be determined and the amount shown above is provisional. Additionally, the entire settlement was in cash.
- 3. Description and amounts of major relevant costs for the acquisition
 - Yet to be determined.
- 4. Goodwill to be recognized, reason for recognition, and amortization method and period
 - Yet to be determined.
- 5. Amount of assets acquired and liabilities assumed on the date of the business combination
 - Yet to be determined.

7. Production, Order Intake and Sale

(1) Production results

Production results by segment for the year ended March 31, 2021

(Millions of yen, unless otherwise stated)

Segment	Year ended March 31, 2021	Year-on-year change
	Amount	%
Automotive Batteries-Japan	63,441	94.7
Automotive Batteries-Overseas	113,573	103.7
Industrial Batteries and Power Supplies	56,880	107.6
Automotive Lithium-ion Batteries	40,659	101.7
Total reportable segments	274,555	101.9
Other	14,616	96.4
Total	289,172	101.6

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, 2021

(Millions of yen, unless otherwise stated)

Segment	Year ended March 31, 2021	Year-on-year change
	Amount	%
Automotive Batteries-Japan	83,639	95.0
Automotive Batteries-Overseas	165,296	102.0
Industrial Batteries and Power Supplies	84,037	99.4
Automotive Lithium-ion Batteries	35,950	85.1
Total reportable segments	368,924	97.9
Other	17,587	94.9
Total	386,511	97.7

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

2. Exclusive of consumption taxes.

8. Non-consolidated Financial Statements and Notes

(1) Non-consolidated Balance Sheets

	As of March 31, 2020 Amount	(Millions of yen) As of March 31, 2021 Amount
Assets		
Current assets		
Cash and deposits	7	5,747
Accounts receivable - trade	346	346
Short-term loans receivable from subsidiaries and associates	92,142	93,479
Accounts receivable - other	637	641
Other	53	15
Total current assets	93,186	100,230
Non-current assets		
Property, plant and equipment		
Tools, furniture and fixtures, net	0	0
Investments and other assets		
Investment securities	245	334
Shares of subsidiaries and associates	79,722	79,722
Long-term loans receivable from subsidiaries and associates	-	683
Deferred tax assets	33	16
Other	1	1
Total investments and other assets	80,003	80,758
Total non-current assets	80,003	80,758
Deferred assets		
Bond issuance costs	65	52
Total deferred assets	65	52
Total assets	173,255	181,041

	As of March 31, 2020 Amount	(Millions of yen) As of March 31, 2021 Amount
Liabilities		
Current liabilities		
Short-term borrowings	2,102	1,549
Current portion of long-term borrowings	–	3,700
Accounts payable - other	82	85
Accrued expenses	25	38
Income taxes payable	140	144
Provision for bonuses for directors (and other officers)	13	10
Other	41	12
Total current liabilities	2,405	5,540
Non-current liabilities		
Bonds payable	20,000	20,000
Long-term borrowings	22,912	24,212
Long-term accounts payable - other	11	3
Other	38	44
Total non-current liabilities	42,961	44,259
Total liabilities	45,367	49,800
Net assets		
Shareholders' equity		
Share capital	33,021	33,021
Capital surplus		
Legal capital surplus	79,336	79,336
Other capital surplus	9	8
Total capital surplus	79,345	79,345
Retained earnings		
Other retained earnings		
Retained earnings brought forward	19,218	23,484
Total retained earnings	19,218	23,484
Treasury shares	(3,680)	(4,654)
Total shareholders' equity	127,904	131,196
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(17)	44
Total valuation and translation adjustments	(17)	44
Total net assets	127,887	131,240
Total liabilities and net assets	173,255	181,041

(2) Non-consolidated Statement of Income

	Year ended March 31, 2020	(Millions of yen) Year ended March 31, 2021
	Amount	Amount
Operating revenue	7,246	7,203
General and administrative expenses	953	898
Operating profit	6,292	6,304
Non-operating income		
Interest and dividend income	1,949	1,940
Other	11	38
Total non-operating income	1,960	1,978
Non-operating expenses		
Interest expenses	138	124
Interest on bonds	64	63
Arrangement fee	–	187
Other	135	125
Total non-operating expenses	338	501
Ordinary profit	7,914	7,781
Profit before income taxes	7,914	7,781
Income taxes		
Income taxes - current	715	683
Income taxes - deferred	(0)	(9)
Total income taxes	714	673
Profit	7,199	7,108

(3) Non-consolidated Statements of Changes in Net Assets

Year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings		Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings	Retained earnings brought forward		
Balance at beginning of period	33,021	79,336	20	79,357	16,102	(2,315)	126,165	
Changes during period								
Dividends of surplus					(4,083)		(4,083)	
Profit					7,199		7,199	
Purchase of treasury shares						(1,381)	(1,381)	
Disposal of treasury shares			(11)	(11)		16	4	
Net changes in items other than shareholders' equity								
Total changes during period	–	–	(11)	(11)	3,116	(1,365)	1,739	
Balance at end of period	33,021	79,336	9	79,345	19,218	(3,680)	127,904	

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	21	21	126,187
Changes during period			
Dividends of surplus			(4,083)
Profit			7,199
Purchase of treasury shares			(1,381)
Disposal of treasury shares			4
Net changes in items other than shareholders' equity	(39)	(39)	(39)
Total changes during period	(39)	(39)	1,700
Balance at end of period	(17)	(17)	127,887

Year ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings	Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings		
					Retained earnings brought forward		
Balance at beginning of period	33,021	79,336	9	79,345	19,218	(3,680)	127,904
Changes during period							
Dividends of surplus					(2,842)		(2,842)
Profit					7,108		7,108
Purchase of treasury shares						(1,003)	(1,003)
Disposal of treasury shares			(0)	(0)		30	29
Net changes in items other than shareholders' equity							
Total changes during period	–	–	(0)	(0)	4,265	(973)	3,291
Balance at end of period	33,021	79,336	8	79,345	23,484	(4,654)	131,196

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(17)	(17)	127,887
Changes during period			
Dividends of surplus			(2,842)
Profit			7,108
Purchase of treasury shares			(1,003)
Disposal of treasury shares			29
Net changes in items other than shareholders' equity	61	61	61
Total changes during period	61	61	3,353
Balance at end of period	44	44	131,240

(4) Notes on the Non-consolidated Financial Statements
(Note on the going-concern assumption)
Not applicable

9. Other

(1) Corporate Officer Changes (scheduled for June 29, 2021)

1. Change of President

Not applicable

2. Change of Representative Directors

Not applicable

3. Other Officer Changes

1) Corporate Officer Changes

Toshiyuki Nakagawa Vice President (current: Senior Managing Director)

2) Candidate for new Director

Masahiro Shibuya Managing Director (current: Managing Director, GS Yuasa International Ltd.)

3) Retiring Director

Akio Furukawa Current: Director (candidate for Corporate Auditor)

4) Candidate for new Corporate Auditor

Akio Furukawa Corporate Auditor (Full-time) (current: Director)

Akira Tsujiuchi Corporate Auditor (Part-time) (current: Certified Public Accountant, Tsujiuchi Certified Public Accountant Office)

5) Retiring Audit & Supervisory Board Member

Katsuya Ohara Current: Corporate Auditor (Full-time)

Hideaki Yamada Current: Corporate Auditor (Full-time)

10. Supplementary Information

(1) Quarterly profit/loss

Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(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	76,376	95,949	105,691	108,494	172,325	278,016	386,511
Operating profit	1,002	4,292	9,089	10,426	5,294	14,383	24,810
Ordinary profit	1,699	4,800	10,123	10,655	6,500	16,623	27,279
Profit attributable to owners of parent	(27)	149	5,546	5,787	121	5,667	11,455

Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(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	90,082	100,331	102,662	102,476	190,414	293,077	395,553
Operating profit	2,040	5,508	6,872	7,254	7,549	14,421	21,676
Ordinary profit	2,873	5,551	7,499	7,185	8,424	15,924	23,109
Profit attributable to owners of parent	1,473	3,300	4,430	4,469	4,774	9,204	13,674

Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

(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	96,256	99,158	110,230	107,442	195,415	305,646	413,089
Operating profit	2,917	4,038	7,358	8,339	6,956	14,315	22,654
Ordinary profit	3,165	4,327	8,308	8,927	7,492	15,800	24,728
Profit attributable to owners of parent	1,430	2,023	6,636	3,433	3,454	10,090	13,524

Fiscal year ended March 31, 2018 (April 1, 2017 to March 31, 2018)

(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	87,805	96,402	112,776	113,966	184,208	296,984	410,951
Operating profit	2,876	3,109	7,734	8,198	5,986	13,721	21,920
Ordinary profit	3,273	3,174	7,763	7,176	6,447	14,210	21,387
Profit attributable to owners of parent	1,254	1,295	3,668	5,231	2,549	6,218	11,449

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 profit	2,988	4,184	7,501	8,431	7,173	14,674	23,106
Ordinary profit	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

Overview of Results for the Year ended March 31, 2021

(Millions of yen, unless otherwise stated)

	15th term	16th term	17th term	Year-on-year change (b) – (a)	Year-on-year change (%)	18th term
	Year ended March 31, 2019	Year ended March 31, 2020 (a)	Year ended March 31, 2021 (b)			Year ending March 31, 2022 (forecast)
Net sales	413,089	395,553	386,511	(9,042)	(2.3)	430,000
Automotive Batteries-Japan	91,460	88,059	83,639	(4,419)	(5.0)	83,000
Automotive Batteries-Overseas	177,052	162,138	165,296	3,157	1.9	176,000
Industrial Batteries and Power Supplies	80,042	84,566	84,037	(528)	(0.6)	102,000
Automotive Lithium-ion Batteries	45,585	42,264	35,950	(6,313)	(14.9)	51,000
Other	18,947	18,525	17,587	(938)	(5.1)	18,000
Operating profit	22,654	21,676	24,810	3,134	14.5	24,000
Operating profit before amortization of goodwill	25,066	23,935	27,069	3,134	13.1	25,000
Automotive Batteries-Japan	7,766	6,976	8,669	1,692	24.3	6,500
Automotive Batteries-Overseas	9,926	9,187	12,225	3,038	33.1	10,000
Industrial Batteries and Power Supplies	7,827	9,157	6,890	(2,267)	(24.8)	7,500
Automotive Lithium-ion Batteries	300	(1,708)	(852)	856	50.1	1,000
Other	(754)	322	136	(185)	(57.6)	–
Ordinary profit	24,728	23,109	27,279	4,169	18.0	26,000
Profit attributable to owners of parent	13,524	13,674	11,455	(2,219)	(16.2)	12,000
Profit attributable to owners of parent before amortization of goodwill	15,974	15,925	13,538	(2,387)	(15.0)	13,000
Profit per share (yen)	164.74	168.23	141.91	(26.32)	(15.6)	148.66
Annual dividend per share (yen)	–	50.00	50.00	–	–	50.00
Acquisition of treasury shares (planned for the following fiscal year)	1,378	1,500	–	(1,500)	–	–
Total return ratio (profit before amortization of goodwill) (%)	34.3	34.9	29.8	(5.1)	–	–
Capital investment	21,461	18,220	23,159	4,939	27.1	35,000
Depreciation/amortization	16,115	15,979	16,210	231	1.4	18,000
Research and development expenses	9,868	9,517	11,201	1,684	17.7	11,500
Cash flows from operating activities	31,493	33,119	35,817	2,697	–	–
Cash flows from investing activities	(17,570)	(20,690)	(19,327)	1,362	–	–
Cash flows from financing activities	(11,706)	(10,245)	(7,018)	3,226	–	–
Cash and cash equivalents at end of period	23,408	24,748	35,807	11,058	44.7	–

	15th term	16th term	17th term	Year-on-year change (b) – (a)	Year-on-year change (%)	18th term
	Year ended March 31, 2019	Year ended March 31, 2020 (a)	Year ended March 31, 2021 (b)			Year ending March 31, 2022 (forecast)
Total assets	384,243	385,416	431,913	46,496	12.1	–
Net assets	207,708	205,318	234,570	29,252	14.2	–
Total debt	66,940	64,548	65,420	872	1.4	–
Equity ratio (%)	46.4	45.8	46.8	1.0	–	–
Return on equity (%) (Profit attributable to owners of parent before amortization of goodwill)	9.0	9.0	7.2	(1.9)	–	–
Net assets per share (yen)	2,179.03	2,173.37	2,509.08	335.71	15.4	–
Overseas sales ratio (%)	49.4	46.2	47.4	1.2	–	–
Number of employees, end of period (persons)	14,217	13,542	13,305	(237)	(1.8)	–
Number of consolidated subsidiaries	54	54	54	–	–	–
Japan	22	22	22	–	–	–
Overseas	32	32	32	–	–	–

Notes: 1. On October 1, 2018, the Company carried out a 1-for-5 reverse stock split. In addition, “annual dividend per share” for the year ended March 31, 2019 is not provided here and stated as “–.”

2. Of the acquisition of treasury shares of ¥1,500 million planned for the fiscal year ended March 31, 2020, acquisition of ¥999 million was completed in the fiscal year ended March 31, 2021. The Company plans to acquire ¥500 million in the fiscal year ending March 31, 2022.