

Annual Securities Report

20th fiscal year
From April 1, 2023 to March 31, 2024

GS Yuasa Corporation

Annual Securities Report

- 1 This document was prepared for printing by adding a table of contents and pages to the Annual Securities Report pursuant to Article 24, Paragraph 1 of the Financial Instruments and Exchange Act filed as data using the Electronic Disclosure for Investors' NETwork (EDINET) prescribed in Article 27-30-2 of the Financial Instruments and Exchange Act.
- 2 The Audit Report attached to the Annual Securities Report filed as described above and the Internal Control Report and Confirmation Letter filed in conjunction with the above Annual Securities Report are included at the end of this document.

Table of Contents

	Page
Annual Securities Report for the 20th Fiscal Year	
[Cover]	4
Part I. Company Information.....	5
I. Overview of the Company	5
1. Trends in key financial indicators.....	5
2. History	7
3. Description of business.....	9
4. Overview of subsidiaries and associates.....	12
5. Information about employees	14
II. Overview of business.....	16
1. Management policy, management environment, issues to be addressed, etc.....	16
2. Approach and initiatives for sustainability	18
3. Business risks	35
4. Management analysis of financial position, operating results and cash flows	39
5. Material management contracts, etc.	44
6. Research and development activities	46
III. Information about facilities.....	50
1. Overview of capital investments, etc.	50
2. Major facilities.....	50
3. Planned additions, retirements, etc. of facilities	53
IV. Information about reporting company	54
1. Information about shares, etc.....	54
2. Acquisition and disposal of treasury shares.....	59
3. Dividend policy	60
4. Status of corporate governance, etc.	61
V. Financial information.....	94
1. Consolidated Financial Statements and Other Information	96
2. Non-consolidated financial statements and other information	159
VI. Overview of share-related administration of the reporting company.....	169
VII. Reference information on the reporting company	170
1. Information on the parent company or equivalent of the reporting company.....	170
2. Other reference information	170
Part II. Information on Guarantors for the Reporting Company.....	173
 Audit Report	
 Confirmation Letter	
 Internal Control Report	

[Cover]

Document title	Annual Securities Report
Clause of stipulation	Article 24, Paragraph 1 of the Financial Instruments and Exchange Act
Place of filing	Director-General of the Kanto Local Finance Bureau
Filing date	June 27, 2024
Fiscal year	20th fiscal year (from April 1, 2023 to March 31, 2024)
Company name	Kabushiki Kaisha GS Yuasa Corporation
Company name in English	GS Yuasa Corporation
Title and name of representative	Takashi Abe, President and CEO
Address of registered headquarters	1, Inobanba-cho, Nishinosho, Kisshoin, Minami-ku, Kyoto, Japan
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Nearest place of contact	Tokyo Office 1-7-13, Shiba-koen, Minato-ku, Tokyo, Japan
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Name of contact person	GS Yuasa International Ltd. Yuji Terashima, General Manager in charge at Tokyo Office
Place for public inspection	Tokyo Office, GS Yuasa Corporation (1-7-13, Shiba-koen, Minato-ku, Tokyo, Japan) Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo, Japan)

Part I. Company Information

I. Overview of the Company

1. Trends in key financial indicators

(1) Consolidated financial indicators

Fiscal year	16th	17th	18th	19th	20th	
Fiscal year ended	March 2020	March 2021	March 2022	March 2023	March 2024	
Net sales (Millions of yen) (Thousands of U.S. dollars)	¥395,553	¥386,511	¥432,133	¥517,735	¥562,897	\$3,717,700
Ordinary profit (Millions of yen) (Thousands of U.S. dollars)	23,109	27,279	24,684	24,213	43,981	290,476
Profit attributable to owners of parent (Millions of yen) (Thousands of U.S. dollars)	13,674	11,455	8,468	13,925	32,064	211,769
Comprehensive income (Millions of yen) (Thousands of U.S. dollars)	4,873	35,112	25,047	25,590	71,592	472,835
Net assets (Millions of yen) (Thousands of U.S. dollars)	205,318	234,570	249,938	270,890	373,880	2,469,322
Total assets (Millions of yen) (Thousands of U.S. dollars)	385,416	431,913	480,763	540,906	656,663	4,336,986
Net assets per share (Yen) (U.S. dollars)	2,173.37	2,509.08	2,675.70	2,867.23	3,289.95	21.73
Basic earnings per share (Yen) (U.S. dollars)	168.23	141.91	105.23	173.11	369.74	2.44
Diluted earnings per share (Yen) (U.S. dollars)	–	–	–	–	–	–
Equity ratio (%)	45.8	46.8	44.8	42.6	50.3	–
Return on equity (%)	7.7	6.1	4.1	6.2	11.4	–
Price earnings ratio (Times)	8.64	21.14	22.25	13.76	8.51	–
Cash flows from operating activities (Millions of yen) (Thousands of U.S. dollars)	33,119	35,817	12,879	28,330	63,180	417,278
Cash flows from investing activities (Millions of yen) (Thousands of U.S. dollars)	(20,690)	(19,327)	(30,204)	(26,567)	(46,192)	(305,079)
Cash flows from financing activities (Millions of yen) (Thousands of U.S. dollars)	(10,245)	(7,018)	5,203	8,826	3,480	22,984
Cash and cash equivalents at end of period (Millions of yen) (Thousands of U.S. dollars)	24,748	35,807	25,845	36,027	60,307	398,303
Number of employees [Separately, average number of temporary employees] (Persons)	13,542 [2,237]	13,305 [2,358]	13,571 [3,043]	14,317 [2,714]	12,892 [2,845]	– [–]

- Notes
- Information on diluted earnings per share is omitted due to an absence of potential shares.
 - The Company has introduced a performance-linked share-based payment system for its directors (excluding outside directors) and has set up an 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 net assets per share, the number of the Company's own shares held by the trust was included in the number of treasury shares that is deducted from the total number of shares issued at the end of the period. In addition, for the calculation of basic earnings per share and diluted 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 the average number of common stock shares during the term.
 - From the 19th fiscal year, the GS Yuasa Group has consolidated the financial statements of its Turkish subsidiary after making accounting adjustments in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies." The key financial indicators for the 19th fiscal year onward are those after reflecting the impact of the consolidation.

(2) Financial indicators of reporting company

Fiscal year	16th	17th	18th	19th	20th	
Fiscal year ended	March 2020	March 2021	March 2022	March 2023	March 2024	
Operating revenue (Millions of yen) (Thousands of U.S. dollars)	¥7,246	¥7,203	¥5,802	¥5,814	¥6,101	\$40,295
Ordinary profit (Millions of yen) (Thousands of U.S. dollars)	7,914	7,781	6,714	6,761	6,631	43,795
Profit (Millions of yen) (Thousands of U.S. dollars)	7,199	7,108	5,909	5,950	5,846	38,610
Share capital (Millions of yen) (Thousands of U.S. dollars)	33,021	33,021	33,021	33,021	52,841	348,993
Total number of shares issued (Thousands of shares)	82,714	82,714	80,599	80,599	100,446	–
Net assets (Millions of yen) (Thousands of U.S. dollars)	127,887	131,240	131,423	133,380	174,999	1,155,796
Total assets (Millions of yen) (Thousands of U.S. dollars)	173,255	181,041	195,038	201,451	237,851	1,570,907
Net assets per share (Yen) (U.S. dollars)	1,576.23	1,628.18	1,633.81	1,657.87	1,744.71	11.52
Dividend per share [Interim dividends per share] (Yen) (U.S. dollars)	50 [15]	50 [–]	50 [15]	50 [15]	70 [15]	0.46 [0.10]
Basic earnings per share (Yen) (U.S. dollars)	88.58	88.06	73.43	73.96	67.42	0.45
Diluted earnings per share (Yen) (U.S. dollars)	–	–	–	–	–	–
Equity ratio (%)	73.8	72.5	67.4	66.2	73.6	–
Return on equity (%)	5.7	5.5	4.5	4.5	3.8	–
Price earnings ratio (Times)	16.41	34.07	31.88	32.20	46.66	–
Payout ratio (%)	56.4	56.8	68.1	67.6	103.8	–
Number of employees [Separately, average number of temporary employees] (Persons)	10 [7]	11 [7]	11 [7]	14 [6]	14 [5]	– [–]
Total shareholder return (%) [Comparison benchmark: Nikkei 225 (Nikkei Stock Average)] (%)	69.3 [89.2]	142.8 [137.6]	114.7 [131.2]	118.9 [132.2]	156.4 [190.4]	– [–]
Highest share price (Yen) (U.S. dollars)	2,447	3,540	3,170	2,597	3,184	21.03
Lowest share price (Yen) (U.S. dollars)	1,166	1,285	2,041	1,991	1,923	12.70

- Notes
- Information on diluted earnings per share is omitted due to an absence of potential shares.
 - The Company has introduced a performance-linked share-based payment system for its directors (excluding outside directors) and has set up an Officer Stock Grant Trust. The Company's own shares held by the trust are included in the number of treasury shares presented in the financial statements. In line with this, for the calculation of net assets per share, the number of the Company's own shares held by the trust was included in the number of treasury shares that is deducted from the total number of shares issued at the end of the period. In addition, for the calculation of basic earnings per share and diluted 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 the average number of common stock shares during the term.
 - The highest and lowest share prices are those quoted on the Tokyo Stock Exchange Prime Market on or after April 4, 2022, and on the Tokyo Stock Exchange 1st Section before April 4, 2022.
 - The Company issued new shares by way of public offering of 15,219 thousand shares of common stock and by way of paid-in third-party allotment of 2,497 thousand shares of common stock that sets Honda Motor Co., Ltd. as an allottee with the payment date of December 5, 2023. In addition, in relation to the secondary offering of shares by way of overallotment associated with the public offering, the Company issued new shares through paid-in third-party allotment of 2,129 thousand shares of common stock with the payment date of December 28, 2023.

2. History

April 2004	<p>Japan Storage Battery Co., Ltd. and Yuasa Corporation established the Company through the share transfer.</p> <p>The Company's common stock was listed on the 1st Section of Tokyo Stock Exchange, Inc. and the 1st Section of Osaka Securities Exchange, Inc.</p>
October 2005	<p>Tata AutoComp GY Batteries Pvt. Ltd. was established as a joint venture company with Tata AutoComp Systems Limited in the Tata group in India.</p>
April 2006	<p>The Company issued 1st Series Unsecured Convertible Bond-type Bonds with Stock Acquisition Rights.</p> <p>In March 2007, the entire amount was converted to shares, bringing the Company's share capital to ¥16,505 million.</p>
December 2007	<p>Lithium Energy Japan Ltd. was established as a joint venture company with Mitsubishi Corporation and Mitsubishi Motors Corporation.</p>
April 2009	<p>Blue Energy Co., Ltd. was established as a joint venture company with Honda Motor Co., Ltd.</p>
July and August 2009	<p>The Company issued new shares by way of public offering and by way of third-party allotment, bringing the Company's share capital to ¥33,021 million.</p>
December 2010	<p>The Company increased its investment in PT. Trimitra Baterai Prakasa, an associate of the Company. As a result, PT. Trimitra Baterai Prakasa became a non-consolidated subsidiary accounted for using the equity method of the Company due to an increase in its portion of ownership. PT. Trimitra Baterai Prakasa became a consolidated subsidiary of the Company from the fiscal year ended March 31, 2015.</p>
March 2012	<p>The Ritto I Plant of Lithium Energy Japan Ltd. was built in Ritto City, Shiga, Japan, and the production was commenced.</p>
May 2013	<p>The Company increased its investment in Siam GS Battery Co., Ltd. which was an associate of the Company. As a result, Siam GS Battery Co., Ltd. became a consolidated subsidiary of the Company due to an increase in its portion of ownership.</p>
March 2014	<p>The Company issued Zero Coupon Convertible Bonds due 2019.</p>
October 2015	<p>The Company acquired shares in İnci Akü Sanayi ve Ticaret Anonim Şirketi in the Republic of Türkiye. The acquired company became an equity-method associate of the Company, with its company name changed to İnci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi.</p>
December 2015	<p>Siam GS Battery Co., Ltd., a consolidated subsidiary of the Company, acquired shares in Yuasa Battery Malaysia Sdn. Bhd. which was an associate of the Company. As a result, Yuasa Battery Malaysia Sdn. Bhd. became a consolidated subsidiary of the Company due to an increase in its portion of ownership.</p>
October 2016	<p>The Company acquired 85.1% of the shares in Panasonic Storage Battery Co., Ltd. based on the share transfer agreement regarding the lead-acid battery business of Panasonic Corporation. The acquired company became a consolidated subsidiary of the Company, with its company name changed to GS Yuasa Energy Co., Ltd.</p>
September 2017	<p>The Company issued 1st unsecured bonds.</p>
October 2017	<p>GS Yuasa Hungary Limited Liability Company was established and became a consolidated subsidiary of the Company.</p>
September 2018	<p>The Company acquired 14.9% of the shares in GS Yuasa Energy Co., Ltd., thereby making its ownership 100%.</p>
December 2018	<p>The Company issued 2nd unsecured bonds.</p>
May 2021	<p>The Company acquired 100% of the shares in Sanken Densetsu Co., Ltd. based on the share transfer agreement concerning the acquisition of the Infrastructure Business of Sanken Electric Co., Ltd. The acquired company became a consolidated subsidiary of the Company, with its company name changed to GS Yuasa Infrastructure Systems Co., Ltd.</p>
April 2022	<p>Following the Tokyo Stock Exchange's reorganization of market categories, the listing of the Company was transitioned from the 1st Section to the Prime Market of the Tokyo Stock Exchange.</p>
May 2022	<p>The Company acquired additional shares in İnci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi, which was an equity-method associate of the Company. As a result, İnci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi became a consolidated subsidiary of the Company due to an increase in its portion of ownership.</p>
July 2023	<p>Honda GS Yuasa EV Battery R&D Co., Ltd. was established as a joint venture company with</p>

Honda Motor Co., Ltd.

December 2023

The Company issued new shares by way of public offering and by way of third-party allotment, bringing the Company's share capital to ¥52,841 million.

3. Description of business

The Group consists of the Company, 54 subsidiaries and 19 associates.

The Group's main business is the manufacture and sale of batteries, power supplies, lighting equipment and other battery and electrical equipment. The positioning of the main subsidiaries and associates within the Group's business and their relation to the segment information are as follows.

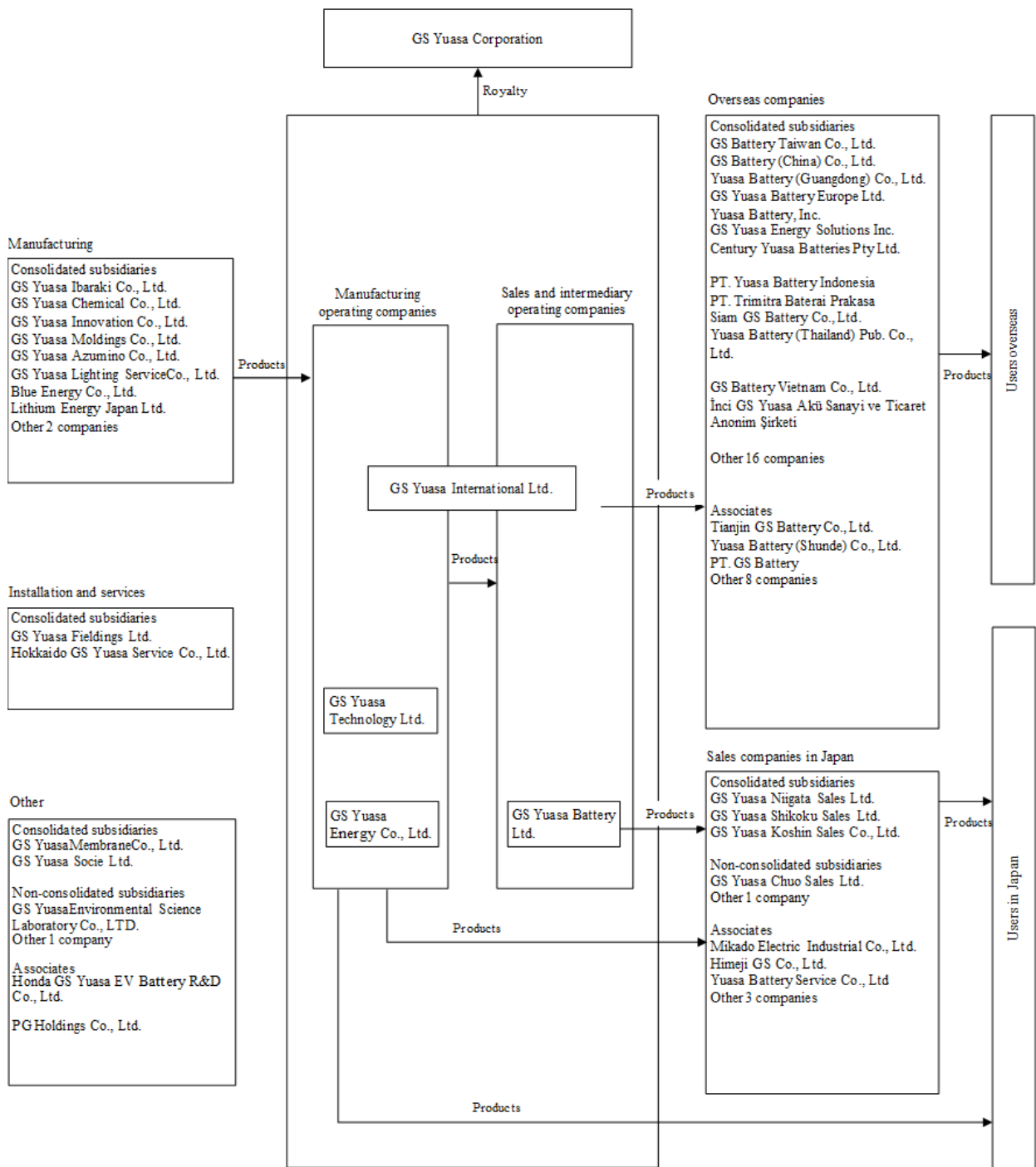
Reportable segments have changed since the fiscal year ended March 31, 2024. For details, please see "V. Financial information, 1. Consolidated financial statements and other information, (1) Consolidated financial statements, Notes, Segment and other information."

The Company is categorized as a specified Listed Company, etc. prescribed in Article 49, Paragraph 2 of the Cabinet Office Order on Restrictions on Securities Transactions. Accordingly, criteria for considering a material fact to be of minor importance for purposes of the insider trading regulations are determined on the basis of consolidated figures.

Categories	Main products	Operating companies	Subsidiaries other than those listed to the left	Associates
Automotive Batteries-Japan	Lead-acid batteries for automobiles and motorcycles Automotive related equipment	GS Yuasa International Ltd. (Automotive Battery Business Unit-Japan) GS Yuasa Battery Ltd. GS Yuasa Energy Co., Ltd.	GS Yuasa Moldings Co., Ltd. GS Yuasa Azumino Co., Ltd. GS Yuasa Niigata Sales Ltd. GS Yuasa Shikoku Sales Ltd. GS Yuasa Chuo Sales Ltd. GS Yuasa Koshin Sales Co., Ltd. Other 1 company	Mikado Electric Industrial Co., Ltd. Himeji GS Co., Ltd. Yuasa Battery Service Co., Ltd TOA ELECTRIC INDUSTRY CO., LTD. Other 2 companies
Automotive Batteries-Overseas	Lead-acid batteries for automobiles and motorcycles	GS Yuasa International Ltd. (Automotive Batteries Business Unit-Overseas)	GS Battery Taiwan Co., Ltd. Yuasa Battery (Guangdong) Co., Ltd. GS Yuasa Battery Europe Ltd. Yuasa Battery, Inc. Century Yuasa Batteries Pty Ltd. PT. Yuasa Battery Indonesia PT. Trimitra Baterai Prakasa Siam GS Battery Co., Ltd. Yuasa Battery (Thailand) Pub. Co., Ltd. GS Battery Vietnam Co., Ltd. İnci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi Other 13 companies	Tianjin GS Battery Co., Ltd. Yuasa Battery (Shunde) Co., Ltd. PT. GS Battery Taiwan Yuasa Battery Co., Ltd. SEBANG GLOBAL BATTERY Co., Ltd. Oriental Yuasa Battery Corporation Other 2 companies
Industrial Batteries and Power Supplies	Lead-acid batteries for stationary applications, railways, electric vehicles and other purposes Small lead-acid batteries Alkaline stationary batteries Rectifier General power supply Other power supplies Lighting equipment Ultraviolet irradiation devices	GS Yuasa International Ltd. (Industrial Batteries & Power Sources Business Unit)	GS Yuasa Fieldings Ltd. Hokkaido GS Yuasa Service Co., Ltd. GS Yuasa Chemical Co., Ltd. GS Yuasa Ibaraki Co., Ltd. GS Yuasa Innovation Co., Ltd. GS Yuasa Iwaki Co., Ltd. GS Yuasa Lighting Service Co., Ltd. GS Battery (China) Co., Ltd. GS Yuasa Energy Solutions, Inc. Other 2 companies	Shanghai GS Toptiger Motive Power Co., Ltd. Other 2 companies

Categories	Main products	Operating companies	Subsidiaries other than those listed to the left	Associates
	Far-ultraviolet light source equipment			
Automotive Lithium-ion Batteries	Automotive lithium-ion batteries	GS Yuasa International Ltd. (Lithium-ion Batteries Business Unit)	Lithium Energy Japan Ltd. Blue Energy Co., Ltd. GS Yuasa Hungary Limited Liability Company	Honda GS Yuasa EV Battery R&D Co., Ltd.
Other	Battery related tools Battery manufacturing facilities Environmental related equipment Mobile communication batteries Batteries for other applications	GS Yuasa Technology Ltd.	GS Yuasa Socie Ltd. GS Yuasa Membrane Co., Ltd. Other 3 companies	PG Holdings Co., Ltd.

Group business organization chart is as follows.



- Notes
1. Since GS Yuasa International Ltd. is engaged in multiple businesses, its business units are listed by segment.
 2. GS Yuasa Fieldings Ltd. has changed its company name to GS Yuasa Fieldings Co., Ltd. as of April 1, 2024.
 3. Lithium Energy Japan Ltd. was dissolved as of March 31, 2024, and is currently in the liquidation process.

4. Overview of subsidiaries and associates

Consolidated subsidiaries

Name	Address	Share capital or investments in capital (Millions of yen)	Principal contents of business	Ratio of voting rights holding (%)	Relationship	
					Interlocking officers (Persons)	Business transactions
GS Yuasa International Ltd. Notes 2, 7, and 9	Minami-ku, Kyoto, Japan	10,000	Automotive Batteries-Japan, Automotive Batteries-Overseas, Industrial Batteries and Power Supplies, Automotive Lithium-ion Batteries, and Other	100.0	6	Management guidance Trademark licensing
GS Yuasa Battery Ltd.	Minato-ku, Tokyo, Japan	310	Automotive Batteries-Japan	(100.0)	1	Management guidance Trademark licensing
GS Yuasa Energy Co., Ltd.	Kosai, Shizuoka, Japan	3,850	Same as above	(100.0)	1	Management guidance Trademark licensing
GS Yuasa Technology Ltd.	Fukuchiyama, Kyoto, Japan	480	Other	(100.0)	1	Management guidance Trademark licensing
Lithium Energy Japan Ltd. Note 8	Ritto, Shiga, Japan	7,500	Automotive Lithium-ion Batteries	(100.0)	1	–
Blue Energy Co., Ltd. Notes 2 and 9	Minami-ku, Kyoto, Japan	7,500	Same as above	(51.0)	1	–
GS Yuasa Fieldings Ltd. Note 10	Ota-ku, Tokyo, Japan	54	Industrial Batteries and Power Supplies	(100.0)	1	–
GS Battery Taiwan Co., Ltd.	Yongkang District, Tainan, Taiwan	902,824 thousand New Taiwan dollars	Automotive Batteries-Overseas	(100.0)	–	–
GS Battery (China) Co., Ltd.	Jiangsu, China	102,243 thousand yuan	Industrial Batteries and Power Supplies	(100.0)	–	–
GS Yuasa Battery Europe Ltd. Note 2	Swindon, the United Kingdom	47,500 thousand pounds sterling	Automotive Batteries-Overseas	(100.0)	–	–
Yuasa Battery, Inc.	Pennsylvania, U.S.A.	6 thousand U.S. dollars	Same as above	(100.0)	–	–
GS Yuasa Energy Solutions, Inc.	Georgia, U.S.A.	6,660 thousand U.S. dollars	Industrial Batteries and Power Supplies	(100.0)	–	–
Century Yuasa Batteries Pty Ltd.	Queensland, Australia	15,600 thousand Australian dollars	Automotive Batteries-Overseas	(50.0)	–	–
PT. Yuasa Battery Indonesia	Tangerang, Indonesia	3,154,000 thousand Indonesian rupiah	Same as above	(50.0)	–	–
Siam GS Battery Co., Ltd.	Samuthprakam, Thailand	71,400 thousand Thai baht	Same as above	(60.0)	–	–
Yuasa Battery (Thailand) Pub. Co., Ltd.	Samuthprakam, Thailand	107,625 thousand Thai baht	Same as above	(40.7)	–	–
GS Battery Vietnam Co., Ltd.	Binh Duong, Vietnam	113,592 million Vietnamese dong	Same as above	(77.5)	–	–
İnci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi	Manisa, Türkiye	692,000 thousand Turkish lira	Same as above	(60.0)	–	–
Other 32 companies						

Equity-method associates

Name	Address	Share capital or investments in capital (Millions of yen)	Principal contents of business	Ratio of voting rights holding (%)	Relationship	
					Interlocking officers (Persons)	Business transactions
Honda GS Yuasa EV Battery R&D Co., Ltd. Note 11	Minami-ku, Kyoto, Japan	2,000	Automotive Lithium-ion Batteries	(50.0)	1	–
Yuasa Battery Service Co., Ltd	Asaka, Saitama, Japan	30	Automotive Batteries-Japan	(40.0)	–	–
Mikado Electric Industrial Co., Ltd.	Wakabayashi-ku, Sendai, Japan	45	Same as above	(33.3)	–	–
Tianjin GS Battery Co., Ltd. Note 12	Tianjin Economic-Technological Development Area, China	673,056 thousand yuan	Automotive Batteries-Overseas	(30.0)	–	–
Yuasa Battery (Shunde) Co., Ltd. Note 12	Guangdong, China	213,999 thousand yuan	Same as above	(30.0)	–	–
PT. GS Battery	Karawang, Indonesia	8,959,000 thousand Indonesian rupiah	Same as above	(40.0)	–	–
Taiwan Yuasa Battery Co., Ltd.	New Taipei, Taiwan	435,187 thousand New Taiwan dollars	Same as above	(36.0)	–	–
SEBANG GLOBAL BATTERY Co., Ltd. Note 6	Seoul, South Korea	7,000,000 thousand won	Same as above	(17.1)	1	–
Other 6 companies						

- Notes
1. Descriptions in the “Principal contents of business” column are names of segments.
 2. The company falls under the category of “specified subsidiary.”
 3. No company listed above has filed a securities registration statement or securities report.
 4. There are no insolvent companies that have material impact on the consolidated financial statements.
 5. The number within the parenthesis of the ratio of voting rights holding is the ratio of voting rights which are indirectly held.
 6. The company is considered to be an associate because the Company has a substantial influence thereon despite its holding of less than 20%.
 7. GS Yuasa International Ltd. implemented an absorption-type merger with GS Yuasa Infrastructure Systems Co., Ltd. as of April 1, 2023.
 8. Lithium Energy Japan Ltd. was dissolved as of March 31, 2024, and is currently in the liquidation process.
 9. The net sales of GS Yuasa International Ltd. and Blue Energy Co., Ltd. (excluding internal sales between consolidated companies) each exceeded 10% of the consolidated net sales.

Key profit and loss information	(GS Yuasa International Ltd.)	(Blue Energy Co., Ltd.)
(i) Net sales	¥181,608 million	¥58,669 million
(ii) Ordinary profit	¥19,558 million	¥1,230 million
(iii) Profit	¥19,331 million	¥1,162 million
(iv) Net assets	¥100,316 million	¥20,959 million
(v) Total assets	¥326,733 million	¥57,082 million

10. GS Yuasa Fieldings Ltd. has changed its company name to GS Yuasa Fieldings Co., Ltd. as of April 1, 2024.
11. Honda GS Yuasa EV Battery R&D Co., Ltd. was established in the fiscal year ended March 31, 2024 and classified as an equity-method associate.
12. The company was excluded from the scope of consolidation in the fiscal year ended March 31, 2024, due to partial sale of investment in capital. As a result, the company was reclassified from a consolidated subsidiary to an equity-method associate.

5. Information about employees

(1) Consolidated companies

As of March 31, 2024

Segment name	Numbers of employees (Persons)	
Automotive Batteries-Japan	1,257	[235]
Automotive Batteries-Overseas	7,643	[647]
Industrial Batteries and Power Supplies	2,094	[635]
Automotive Lithium-ion Batteries	482	[1,042]
Reportable segment total	11,476	[2,559]
Other	1,416	[286]
Total	12,892	[2,845]

Note The number of employees indicates the number of working employees, and the average number of temporary employees during the fiscal year under review is given in square brackets separately.

(2) Reporting company

As of March 31, 2024

Numbers of employees (Persons)	Average age (Years)	Average length of service (Years)	Average annual salary (Yen)
14 [5]	50.7	25.9	9,612,408

Segment name	Numbers of employees (Persons)	
Other	14	[5]
Total	14	[5]

Notes 1. The number of employees indicates the number of working employees, and the average number of temporary employees during the fiscal year under review is given in square brackets separately. The employees of the Company have been seconded from GS Yuasa International Ltd. The average length of service is the total of the number of length of service at the Company and GS Yuasa International Ltd.

2. Average annual salary includes bonuses and extra wages.

(3) Status of labor union

There are no matters to be noted between the Company and the labor union.

(4) Ratio of female employees in management positions, rate of male employees taking childcare leave, and wage gap between male and female employees

Reporting company and consolidated subsidiaries

Year ended March 31, 2024 Note 1					
Name	Ratio of female employees in management positions (%) Notes 2 and 10	Rate of male employees taking childcare leave (%) Notes 2, 3, 4, and 10	Wage gap between male and female employees (%) Notes 2, 5, 6, 7, 8, 9, and 10		
			All workers	Regular workers	Fixed-term workers
GS Yuasa International Ltd.	3.7	63.6	73.7	72.7	78.9
GS Yuasa Fieldings Ltd. Note 11	–	–	74.9	76.1	104.2

- Notes
1. The figures refer to the results in the fiscal year ended March 31, 2024 (from April 2023 to March 2024).
 2. Calculated in accordance with the provisions of the Act on the Promotion of Women’s Active Engagement in Professional Life (Act No. 64 of 2015) (the “Women’s Active Engagement Promotion Act”).
 3. The rate of employees taking childcare leave is calculated using the formula “the number of employees taking childcare leave divided by the number of employees giving birth (or employees whose spouses have given birth) multiplied by 100.”
 4. Since there are no applicable fixed-term workers, description by employment category is omitted.
 5. GS Yuasa International Ltd.’s wages include base pay, overtime wages, and bonuses; commuting allowances and severance pay are not included.
 6. GS Yuasa Fieldings Ltd.’s wages include base pay, overtime wages, bonuses, and commuting allowances; severance pay is not included.
 7. Regular workers include employees seconded to other companies and exclude employees seconded from other companies.
 8. Fixed-term workers include contract employees, re-hired employees, and part-time employees, but exclude dispatch employees.
 9. The wage gap between male and female employees indicates the ratio of women’s wages to men’s wages. There are no differences in wages for the same qualifications, rank, or position, and the gap is due to differences in the composition of personnel for each qualification, rank, and position.
 10. Only companies that disclosed the ratio of female employees in management positions, the rate of male employees taking childcare leave, or the wage gap between male and female employees in accordance with the Women’s Active Engagement Promotion Act are listed.
 11. GS Yuasa Fieldings Ltd. has changed its company name to GS Yuasa Fieldings Co., Ltd. as of April 1, 2024.

II. Overview of business

1. Management policy, management environment, issues to be addressed, etc.

The Group's management policy, management environment, and issues to be addressed, etc. are as follows. Forward-looking statements in this article represent the judgement of the Group as of the end of the fiscal year ended March 31, 2024.

(1) Basic management policies

Under the corporate philosophy of being committed to people, society and the global environment through the "Innovation and Growth" of our employees and business entities, the Group will utilize advanced technologies developed in the field of stored energy solutions to deliver security and comfort to our customers around the globe. The Group will strive to realize a sustainable society and enhance corporate value in accordance with the following basic management policies.

- We will strive to help address the challenges to sustainability and seek lasting growth together with the community.
- We will pursue fair and healthy business practices, and maintain steadfast business foundations able to support sustained growth.
- We will strive to earn the understanding and trust of a diverse range of stakeholders through dialogue.

(2) Medium- to long-term corporate management strategy

In April 2023, the Group formulated the long-term vision "Vision 2035" and the "Sixth Mid-Term Management Plan." Positioning the Sixth Mid-Term Management Plan as a period for laying the foundation for reforms to realize the ideal vision envisaged in Vision 2035, the Group will implement the following measures to reform its business structure.

(i) Development of batteries for BEVs

- Development of high-capacity, high-output lithium-ion batteries through a joint venture with Honda Motor Co., Ltd.
- Establishment of production and supply systems of batteries for BEVs to expand the mobility and public infrastructure business

(ii) Reinforcement of earning capacity in existing businesses

- Thorough value-added creation and improvement in profitability
- Maximization of profits due to unparalleled superiority in Industrial Batteries and Power Supplies business in Japan
- Transformation of regional strategy, including review of business in China, maximization of profits by concentrating resources at main sites

(iii) DX / new business

- DX promotion to enable business structure transformation
- Creation of new businesses that contribute to solving social issues

(3) Target management indicators

In the "Sixth Mid-Term Management Plan," the Group targets net sales of ¥610,000 million or more, operating profit of ¥41,000 million or more, ROE of 8% or more, ROIC of 10% or more, and total payout ratio of 30% or more on a consolidated basis in the fiscal year ending March 31, 2026. The indicators refer to profit before amortization of goodwill (operating profit and profit).

(4) Priority business and financial issues to be addressed

(i) Management environment and medium- to long-term issues

Global efforts to achieve carbon neutrality have picked up the pace, and the movement toward electrification and introduction of renewable energy is particularly noticeable in Europe, China, and Japan. The Company's business has a high affinity for sustainability, and its social mission and responsibility have become greater, now that finding resolutions to climate change and energy resource issues is a challenge faced by the whole of humanity.

For the Company to contribute to the future society, it is important to further innovate the technologies

it has developed to date for storing and utilizing electricity, and to widely implement and operate those technologies as public infrastructure. The Company seeks to contribute to realize a sustainable society by expanding its perspective to energy management for utilizing energy in the entire society, and even beyond that, to circulation of energy resources, from its current operations of development, manufacturing, and sales of energy devices.

Taking the current momentum towards carbon neutrality as a turning point of the times, the Company, faced with rapid market environment changes, has formulated “Vision 2035,” the long-term vision for 2035. Presenting GS Yuasa’s ideal vision for 2035 in “Vision 2035,” the Company has created the Sixth Mid-Term Management Plan for the three-year period from fiscal 2023 to fiscal 2025 and aims to lay the foundation for reforms to realize the vision during the period. The Company recognizes that its challenge is to carry out the measures for business structure reforms presented in the Sixth Mid-Term Management Plan.

(ii) Issues to be addressed in each business segment

1. Automotive Batteries business

The Company will establish a supply system that can achieve both prompt response to demand fluctuations and reduction of inventories, and also improve profitability by appropriately reflecting raw material prices in selling prices. In addition, the Company will maximize its profits through drastic reviewing of its business in China and strengthening of businesses in the ASEAN region as a part of its effort to promote management structure reforms and enhance revenues for the future through selection and concentration.

2. Industrial Batteries and Power Supplies business

In the regular field, the Company will prepare for a long-term expansion of the public infrastructure business to establish a business platform that can stimulate next-generation growth. In the emergency field, meanwhile, the Company seeks to improve profitability by commercializing the service that extends its conventional business model and providing further value-added services to customers. The Company will also strengthen its competitive edge through the expansion of its product lineup in overseas markets.

3. Automotive Lithium-ion Batteries business

The Company will work to further boost the production of batteries for hybrid vehicles and improve profitability. As for batteries for BEVs, the Company will establish development, production, and supply systems for high-capacity, high-output batteries through joint research with Honda Motor Co., Ltd.

The Company will provide reassurance and confidence to customers by promoting business operations based on its quality-conscious basic stance, and establish a business platform for realizing a sustainable society and enhancing corporate value under its corporate philosophy of “Innovation and Growth.”

2. Approach and initiatives for sustainability

The Group's approach and initiatives for sustainability are as follows.

Forward-looking statements in this article represent the judgement of the Group as of the end of the fiscal year ended March 31, 2024.

(1) Response to overall sustainability issues

(i) Governance

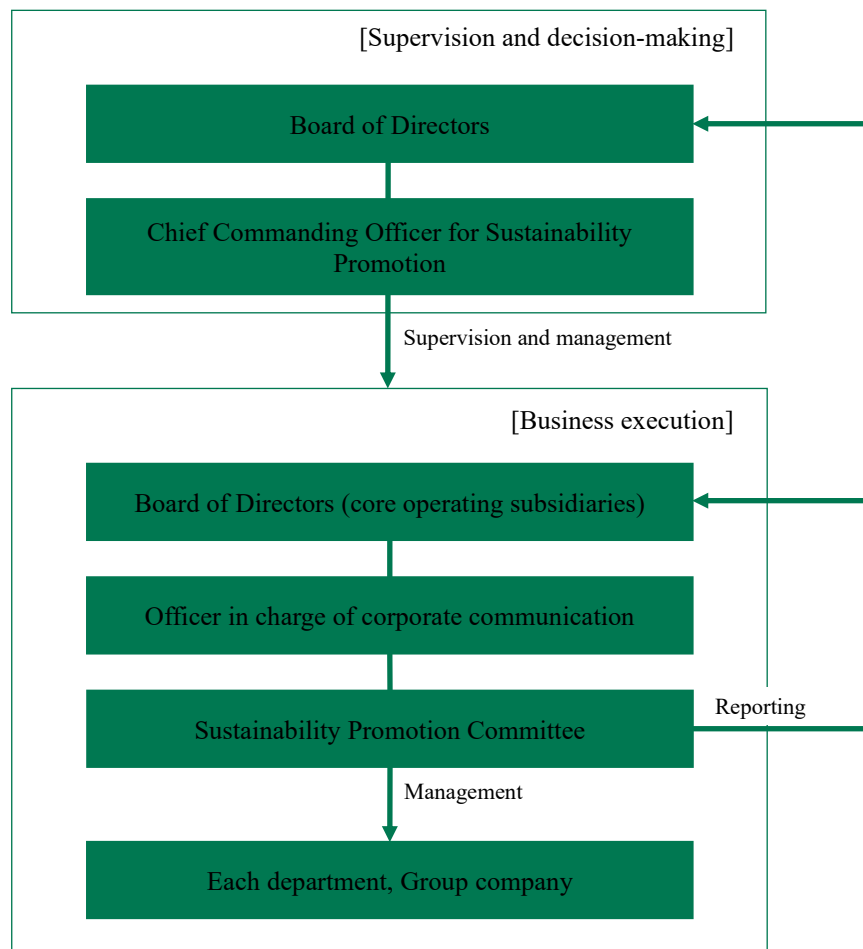
The Group has built a governance framework centering on the Sustainability Promotion Committee under the supervision of the Board of Directors, to promote group-wide sustainability initiatives from a medium- to long-term and multilateral perspective.

In this framework, the Company's President supervises group-wide sustainability initiatives as the "Chief Commanding Officer for Sustainability Promotion," and its corporate governance framework centering on the Company's Board of Directors, which makes important decisions in group management, supervises and manages the appropriateness of sustainability management in the Group. The Company has also set up a conference body (the Sustainability Promotion Committee) to discuss, plan, and promote overall sustainability issues at GS Yuasa International Ltd., the Group's core operating subsidiary serving as the primary decision-making body for the Group's business execution, to promote group-wide sustainability initiatives.

The Sustainability Promotion Committee is chaired by an officer (officer in charge of corporate communication) who plays the role of promoting medium- to long-term initiatives for solving important sustainability issues, and is comprised of managers of major business divisions and Group companies, among others. This committee manages the status of responses to risks and opportunities related to sustainability issues that need to be addressed by each division or Group company.

Important matters discussed at meetings of this committee (formulations and revisions of any sustainability policy, responses to risks and opportunities related to significant sustainability issues, etc.) are shared in the entire Group after the Boards of Directors (of the Company and core operating subsidiaries) made resolutions thereof. When disclosing any sustainability information regarding the Group, the Board of Directors reviews and approves the information beforehand.

Sustainability promotion framework



For details of the corporate governance framework, please see “IV. Information about reporting company, 4. Status of corporate governance, etc.”

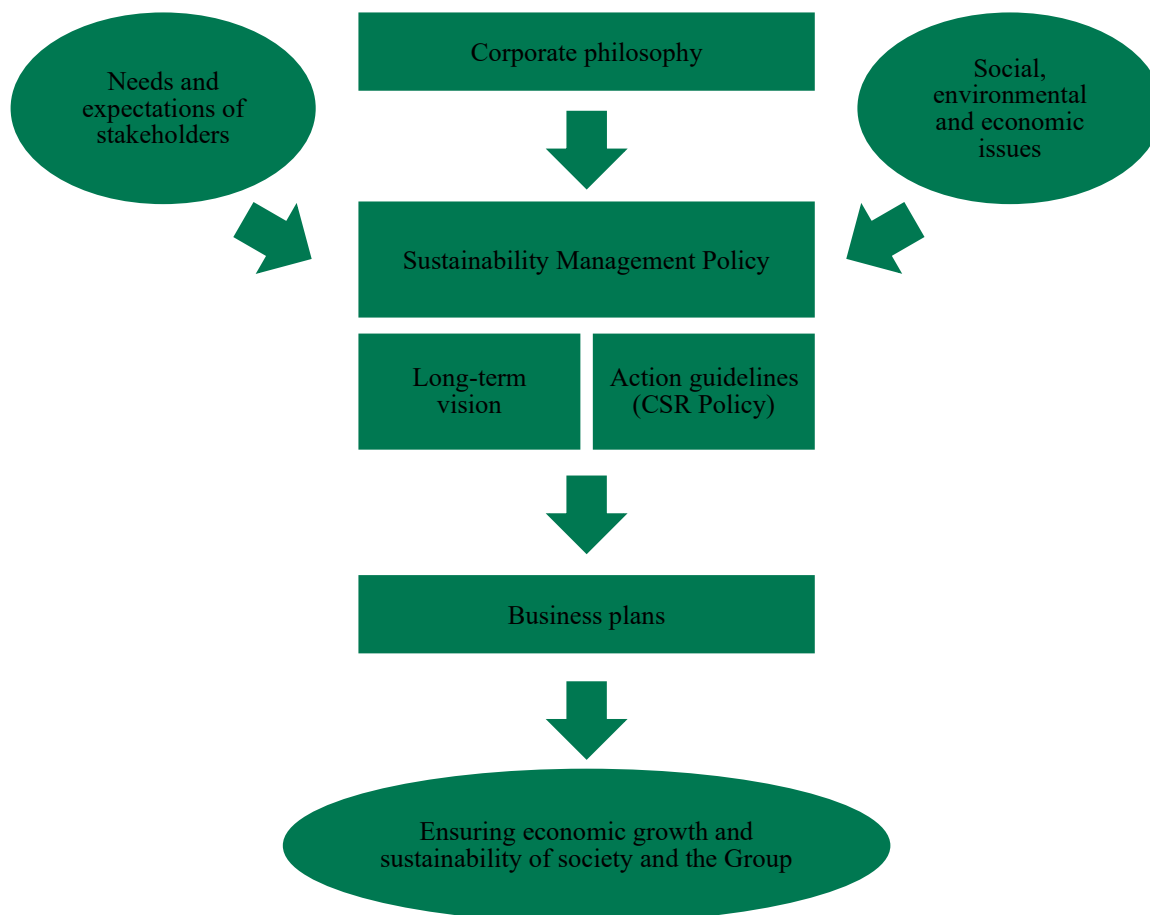
(ii) Strategy

The Group aims to enhance corporate value and stakeholder satisfaction by implementing a sustainability promotion process based on the corporate philosophy reflecting the Group’s enduring values.

To practice the corporate philosophy, the Group has created the Sustainability Management Policy, which determines its future direction for realizing a sustainable society and enhancing corporate value. This policy indicates the Group’s commitment to emphasize dialogue with stakeholders and contribute to solving sustainability issues and maintaining a strong business foundation.

To achieve the Sustainability Management Policy, the Group is currently operating a medium- to long-term business strategy process (including the Mid-Term Management Plan aimed at achieving the long-term vision and taking into account sustainability issues). The Group also promotes initiatives to address sustainability issues relating to its employee action guidelines (hereinafter the “CSR Policy”), which it has formulated to achieve the Sustainability Management Policy. For both policies, the Group has devised business plans to ensure economic growth and sustainability in society and the Group, taking into account the needs and expectations of stakeholders and social, environmental and economic issues. Furthermore, the Group makes continuous efforts to improve its sustainability initiatives by properly analyzing and assessing the status of responses to significant risks and opportunities related to sustainability issues and reviewing the plans as necessary. For practicing the CSR Policy, the Group has compiled the CSR Code of Conduct to define specific action standards for responsible business conduct, which has been shared with all employees.

Overview of sustainability promotion process



Overview of sustainability initiatives relating to the CSR Policy

- Promotion of fair, transparent, and sound business operations and prevention of corruption
- Respect for human rights
- Maintenance and improvement of appropriate work environment
- Fulfillment of responsibility for providing safe and secure products and services
- Conservation of global environment
- Coexistence with local communities
- Promotion of social responsibility activities in supply chain

For details of the corporate philosophy, the Sustainability Management Policy, and action guidelines, please refer to the Group's website (<https://www.gs-yuasa.com/jp/company/philosophy.php>).

For details of the long-term vision, please refer to the Group's website (<https://www.gs-yuasa.com/jp/ir/plan.php>).

For details of its sustainability initiatives relating to the CSR Policy, please refer to the Group's website (<https://www.gs-yuasa.com/jp/csr/>). The sustainability page is scheduled for renewal at the end of August 2024.

(iii) Risk management

The Group identifies the risks and opportunities relating to the action guidelines (the CSR Policy) aimed at achieving the Sustainability Management Policy and assesses the impacts on its businesses and society to determine key sustainability issues (materiality) concerning the CSR Policy. In addition, the Group has compiled business plans to deal with materiality (the materiality response plans), taking into account such aspects as enhancement of business foundation and corporate value, and has set management indicators and targets to track the progress of the plans. The conference body (the Sustainability Promotion Committee), tasked with promoting sustainability in the Group, regularly reviews and

determines materiality and the materiality response plans, taking into account the needs and expectations of stakeholders and sustainability issues. As for significant risks relating to the CSR Policy, the Group implements appropriate responses to them by utilizing its risk management system.

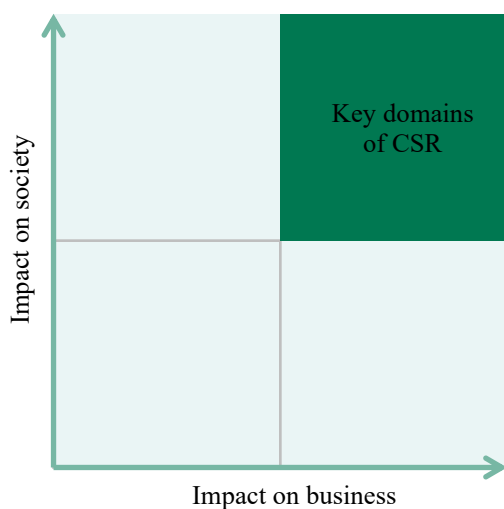
By managing the business process incorporating materiality into the long-term vision and the Mid-Term Management Plan, the Group seeks to improve the management quality of financial and non-financial operations and ensure sustainable growth of businesses and society.

For details of the long-term vision and the Mid-Term Management Plan, please refer to the Group's website (<https://www.gs-yuasa.com/jp/ir/plan.php>).

Process of identifying materiality

- Step 1: Select risks and opportunities relating to the CSR Policy
The Group selects risks and opportunities relating to the CSR Policy, taking into account key issues of the Mid-Term Management Plan formulated based on the Sustainability Management Policy. When selecting risks and opportunities, the Group refers to international guidelines related to responsible business conduct.
- Step 2: Identify significant risks and opportunities relating to the CSR Policy
The Group conducts a scoring evaluation on the risks and opportunities selected in Step 1 and identifies the risks and opportunities that may have significant impacts on businesses. Regarding the risks and opportunities with significant impacts, the Group then assesses the impacts of its business activities on society and identifies significant risks and opportunities relating to the CSR Policy.

Domains for identifying significant risks and opportunities relating to the CSR Policy (key CSR domains)



- Step 3: Determine materiality
The Group analyzes the risks and opportunities identified in Step 2 and determines key sustainability issues (materiality) relating to the CSR Policy. The Group determines materiality, incorporating the opinions of external experts and other stakeholders, to ensure the appropriateness of materiality.

(iv) Indicators and targets

In introducing the Mid-Term Management Plan starting from fiscal 2023, the Group formulated a new set of materiality response plans incorporating the sustainability issues addressed in the management

plan. The Group compiled the materiality response plans for fiscal 2023 and beyond, after evaluating the materiality response plans for fiscal 2022 and reviewing materiality. In the plans, the Group not just sets indicators and targets to manage the impacts of sustainability issues on society, but also evaluates the progress using financial indicators to understand the impacts on businesses.

The Group makes continuous improvements in materiality and ensures effective maintenance and management through measurable target management and criteria-based operations management. The plans formulated are reviewed as necessary in response to changes in sustainability issues and the needs and expectations of stakeholders.

For the overview of the Group's materiality response plans and the impacts of the plans on society and businesses, please refer to the Group's website (<https://www.gs-yuasa.com/jp/csr/materiality.php>). The page is scheduled for renewal at the end of August 2024.

(2) Measures against climate change

Recognizing climate-related issues as one of its important management issues, the Group announced its endorsement for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in December 2019 and has disclosed climate-related information in accordance with the TCFD framework.

For details, please check the Group's website (<https://www.gs-yuasa.com/jp/ir/tcfd.php>).

(i) Governance

GS Yuasa International Ltd., the Group's core operating company, plans and implements measures against climate change. The Board of Directors of the Company (GS Yuasa Corporation) oversees the entire Group by receiving regular progress reports from GS Yuasa International Ltd. and providing guidance as necessary.

At GS Yuasa International Ltd., the Sustainability Promotion Committee plans and deliberates policies, targets, and important items related to environment, and reports them to the Management Meeting and the Executive Conference headed by the President. Under the above governance, the Group has declared its endorsement for the TCFD recommendations and released the "GY 2030 Long-Term Greenhouse Gas Targets" to address climate-related issues. It also made the Carbon Neutrality Declaration for 2050 in "Vision 2035" released in April 2023.

(ii) Strategy

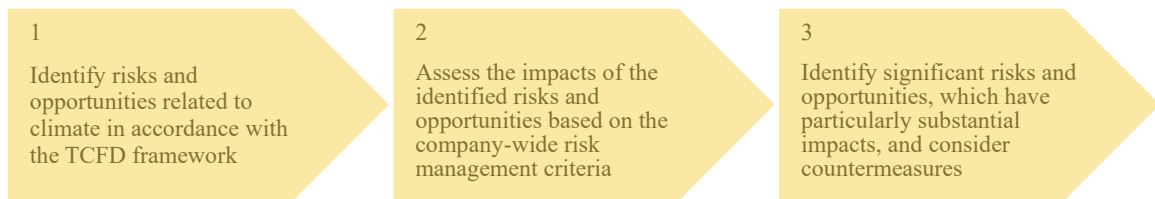
The Group conducted a company-wide scenario analysis spearheaded by project teams comprising business divisions of GS Yuasa International Ltd. and divisions at the head office. The Group conducted the scenario analyses on the assumption of temperature increases of 1.5°C and 3°C, referring to scenarios by international organizations such as the Intergovernmental Panel on Climate Change (IPCC) and International Energy Agency (IEA). The end of the short-term scenario is set for 2025, that of the medium-term scenario is set for 2030, and the long-term scenario for 2050.

The results of the analyses helped determine that in the 1.5°C scenario, for example, "cost increase resulting from rising carbon tax and introduction of renewable energy" and "automobile market changes such as a decline in gas-powered vehicles and an increase in electric vehicles" as significant transition risks. In the 3°C scenario, "increased loss of profit due to storm and flood damage to facilities and resultant operational suspension" and "expansion in demand for emergency electricity to cope with serious disasters" were identified as significant physical risks. The Group also examines and takes measures against the identified significant risks and opportunities.

It is difficult to fully predict risks entailed in climate change, but the Group will seek to increase resilience by recognizing respective risks and opportunities in the 1.5°C and 3°C scenarios and coping with them appropriately.

(iii) Risk management

In the above governance framework, the Group identifies and evaluates climate-related risks and opportunities as follows.



The Group manages the significant risks and opportunities identified in the scenario analyses in the above governance framework.

(iv) Indicators and targets

In May 2021, the Group announced the “GY 2030 Long-Term Greenhouse Gas Targets” (aimed at reducing CO₂ emissions for fiscal 2030 by 30% or more compared to fiscal 2018) to promote CO₂ reduction. It then aims to achieve carbon neutrality by 2050.

In March 2022, the Group also announced the introduction of internal carbon pricing (ICP). During fiscal 2024, the Group plans to revise its price to ¥15,000 per t-CO₂ from the current ¥8,600 per t-CO₂ to invest in facilities causing CO₂ emissions to expedite CO₂ reduction in its business operations.

(3) Initiatives for human capital and diversity

- Response to human capital

The Group’s corporate philosophy of “Innovation and Growth” and its persistence to technological innovation for the sustainable development of storage battery technologies, which the Group has developed over the past century since its establishment, should never be changed.

To keep “Innovation and Growth” going forward and realize its long-term vision “Vision 2035” by resolving social challenges, the Company needs human resources capable of creating the future, and flexibility and robustness are crucial for taking the initiative in business structure reforms and technological innovation to respond to various environmental changes and provide new values.

Believing that diversity can be a source of creating competitive advantage, the Company promotes diversity, equity and inclusion (DE&I) as one of its management issues. In the human resource domain as well, the Company promotes “provision of an environment where each employee’s individuality and ability are respected and they can work lively and enthusiastically” as the Human Resources Division’s basic policy, and sets “promotion of DE&I” and “linkage with management strategy” as the central pillars of its human resource strategy in the Sixth Mid-Term Management Plan.

The Company invests in strategic human capital to increase vibrant workplaces, turn its employees into autonomous human resources who would lead “Innovation and Growth” in the future, and accelerate productivity improvement and innovation creation by implanting the human resource strategy.

- Toward realization of “Vision 2035”

As its ideal vision of human capital capable of realizing “Vision 2035,” the Company hopes that all employees are given the opportunity to demonstrate their values, experiences, skills, and knowledge to the fullest, to realize that they are growing together with the organization, and to stay filled with a sense of well-being*, so to keep “Innovation and Growth” going forward.

* Capable of choosing. Both individuals and the organization stay in good conditions. Toward that end, the Company has undertaken initiatives focusing on two axes—the human resource development policy supporting the growth and success of human resources and the improvement of the internal environment to leverage diversity.

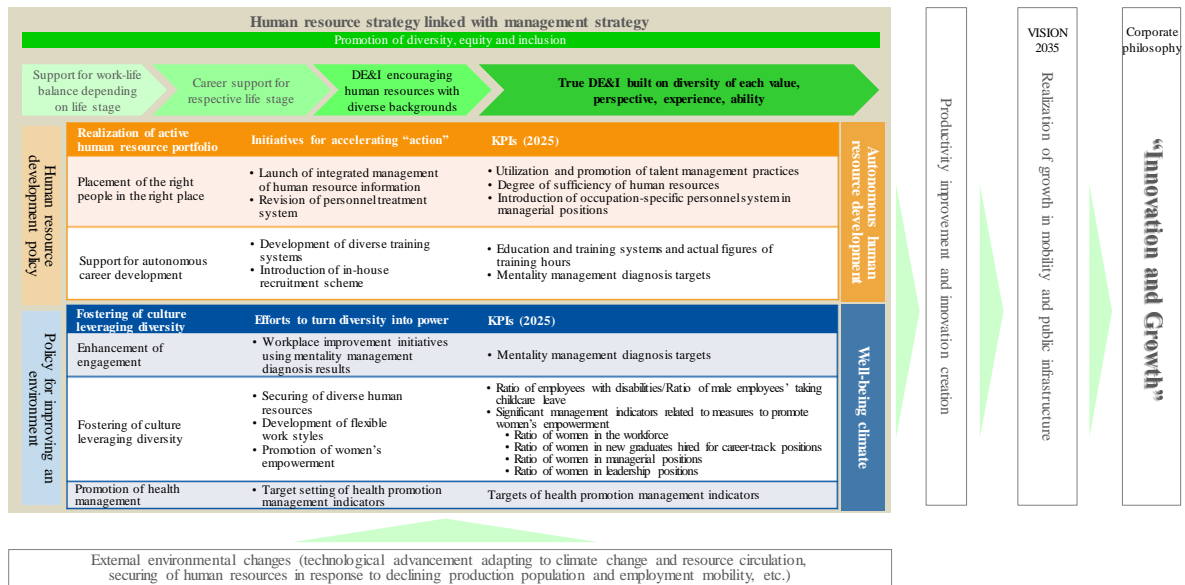
(i) Governance

GS Yuasa International Ltd., the Group’s core operating company, plans and implements measures for human capital and diversity, and the Board of Directors at GS Yuasa Corporation oversees the entire Group by receiving regular progress reports from GS Yuasa International Ltd. and providing guidance as necessary.

At GS Yuasa International Ltd., the Sustainability Promotion Committee plans and deliberates policies, targets, and important items related to human capital, and reports them to the Management Meeting and the Executive Conference headed by the President.

(ii) Strategy

◆ Diagram of human resource strategy



Human resource development policy

The Company draws a flow for fostering "autonomous human resources" who can realize its corporate philosophy of "Innovation and Growth" and establishing a system enabling various human resources to work successfully.

The Company will also make an active investment in autonomous human resources who have great enthusiasm for growth. The Company has developed educational systems allowing all employees to have the opportunity to learn proactively for self-innovation and considers introducing a personnel system enabling them to undertake important positions or jobs regardless of their age or year of experience and to receive descent evaluation commensurate with their achievement.

These initiatives are expected to help increase internal human resource mobility and make employees choose on their own and grow, which then leads to enhancement of employee engagement and acceleration of new value creation.

To ensure sustainable growth of the Group, it is also important to foster leaders from a global perspective. The Company will promote not just human resource mobility between businesses, but also systematic education through the development of human resources who can lead the next generation and talent management practices.

(a) Placement of the right people in the right place

Launch of integrated management of human resource information

The Company will manage human resource information in an integrated manner to place the right people in the right place in line with management strategies. The Company believes that the utilization and promotion of talent management practices help foster next-generation leaders who can spearhead global innovation and growth, ensure smooth internal human resource mobility adapting to business environment changes, and respond speedily to management strategies.

From an employee perspective, the Company believes that employees can have a higher level of enthusiasm for self-innovation and engagement by recognizing that how much their skills and capabilities have improved and feeling the growth, contributing to the development of autonomous human resources.

Revision of personnel treatment system

The Company seeks to introduce an occupation-specific personnel system in managerial positions. Treating employees depending on their expertise required for the specific role or task regardless of their age or year of experience is expected to encourage them to apply for a more challenging role or task, leading to autonomous career formation and speedy response to management strategies.

(b) Support for autonomous career development

Development of diverse training systems

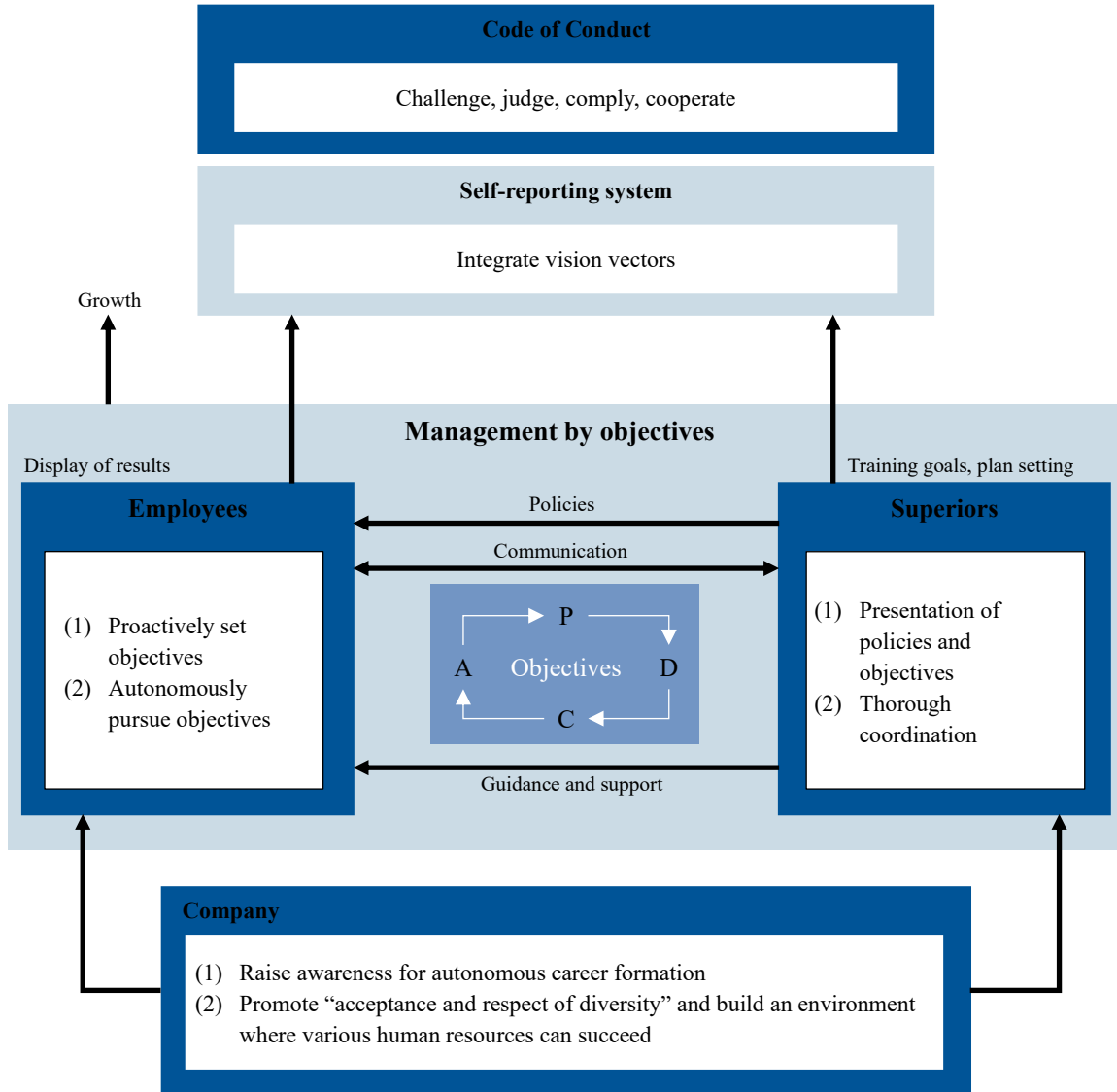
The Company has prepared training systems that balance realization of individual employees' career visions and creation of new corporate values. To help employees develop diverse careers, the Company has provided specific career designing trainings for each level and age group to support their career self-reliance, in addition to conventional career development trainings for each level. As another step to promote career self-reliance among employees, the Company has also introduced support trainings targeting employees in managerial positions to help them conduct effective career consultations.

With regard to skill acquisition in line with management strategies, the Company has launched the "DX Training Dojo" aimed at developing DX human resources, which the Company considers important in boosting its competitiveness in the future business operations. In the future, the Company plans to introduce systems to enable employees to choose on their own from among such programs as a business skill training in which they can acquire technologies and skills needed for each operation and a creativity training for creation of new businesses. As a place where employees can demonstrate their acquired skills, the Company also offers "Biz Challenge" to encourage creation of new businesses. "Biz Challenge" is a project encouraging all employees to produce and propose new business ideas and to create opportunities for "Innovation and Growth" in the future.

Introduction of in-house recruitment scheme

In terms of career development, the Company supports individual career formation through reviews of career formation based on the self-reporting system and career development trainings for each level. As a program to help individuals realize each ideal career, the Company has introduced an in-house recruitment scheme to promote autonomous career formation.

◆ Fundamentals in human resource development



◆ Training systems

Level	General employees						Managerial position					
	Prospective employees	1st year	2nd year	3rd year	4th year	6th year	Group leader	Supervisor	Assistant manager leader	Section manager	General manager	
For each level	Training for prospective employees	New employees training	Logical communication training	Skill improvement training	Strengthening training	Career development training			New assistant manager/leader training	Training for newly appointed managers	Training for newly appointed general managers	
		New employees follow-up training				Career development follow-up training				GY management training (Follow-up training for managerial positions)		
				New employee supporter/OJT training					Training to develop next-generation business leaders			
		Training for mid-career employees										
		Career designing training									Career consultation support training	
		CSR, compliance, IR, environment, safety and health education										
Business skill		Logical communication training										Skill improvement training selection-based programs
		Training to enhance facilitation skills										
		Time management training										
		Coaching training										
		Training to improve English email writing skills										
		Commuting courses for technologies and skills*										
Qualification							Plant Maintenance Test (preparation course)					
							Japan Business Law Examination (Grade 3)					
							Business Accounting Examination (Grade 3)					
		QC KENTEI (Grade 4)	QC KENTEI (Grade 3)									
Self-development		TOEIC										
		Online English conversation course										
		Correspondence education										
DE&I		Career advancement training for women							Managerial position Diversity management training			
							Leadership enhancement program (Commuting course)					
							Health management program for women		Diversity management program			
Level/ Age group	Prospective employees	1st year	2nd year	3rd year	4th year	6th year	40s		50s		60s	
Career self-reliance		Career designing training for each level						Career designing training 42	Career designing training 50	Career designing training 57		
		Career consultation support training for managers										

* Training systems organized by the Human Resources Division at GS Yuasa International Ltd.

◆ Training hours for human resource development (in fiscal 2023)

Item	Category	Average training hours (Hour/Person)	Total training hours (Hour)
Gender	Male	6.18	20,959
	Female	8.93	5,036
	Total	6.57	25,995
Employee category	Regular workers	7.06	25,732
	Fixed-term workers	0.85	263
	Total	6.57	25,995

* The above refers to training programs organized by the Human Resources Division at GS Yuasa International Ltd.

* The figures refer to the results in the period from April 2023 to March 2024.

* Regular workers include employees seconded to other companies, but exclude those seconded from other companies.

* Fixed-term workers include contract employees, re-hired employees, and part-time employees, but exclude dispatch employees.

Policy for improving the work environment

Based on the Human Resources Division's basic policy, the Company has introduced initiatives focusing

on making employees feel comfortable and rewarded, in order to provide an environment where each employee's individuality and ability are respected and they can work lively and enthusiastically.

To help employees feel comfortable and rewarded in the workplace so they can work lively, the Company has actively been engaged in establishing a framework allowing them to work flexibly depending on their respective life stage, providing learning opportunities to expand diversity and deepen understanding, and fostering a corporate culture to boost employee engagement.

(a) Enhancement of engagement

Workplace improvement initiatives using mentality management diagnosis results

The Company believes that providing an environment where employees can fully demonstrate their abilities and continue to work in good mental and physical health will result in improvement of labor productivity, creation of innovation, and securing of diverse human resources.

To monitor the conditions of employees and workplaces, the Company has then introduced and conducted an annual mentality management diagnosis combining work engagement and mental health.

Group analysis results are used to launch workplace improvement initiatives and to promote the creation of lively workplaces where employees can maintain good work engagement and mental health. To verify the effects of its various human resource measures and make improvements, the Company also analyzes the diagnosis results regarding individual viewpoints of career self-reliance; ensuring of trust relationships with superiors and colleagues and psychological safety; and the progress of its initiatives for diversity, from a multilateral perspective.

(b) Fostering of culture leveraging diversity

GS Yuasa International Ltd., the Company's core operating company, actively promotes DE&I as a management issue based on the Human Resources Division's basic policy. In fiscal 2018, GS Yuasa International Ltd. launched "GY Mirai Project" to promote the recruitment and development of diverse human resources and creation of an environment where each individual can demonstrate their skills to the fullest. GS Yuasa International Ltd. supports employees so they can stay filled with a sense of well-being in workplaces where they can take advantage of their respective characteristics and their diverse work styles and career values are respected.

Securing of diverse human resources

● Enhancement of mid-career recruitment

The Company actively recruits mid-career human resources with diverse expertise and backgrounds. To encourage mid-career employees to demonstrate to the fullest their individuality and abilities at an early stage, it promotes exchanges among such employees and holds a program to help them learn about the history.

◆ Number and ratio of newly hired employees (in fiscal 2023)

Age group	Number of newly hired employees		Ratio (%)		Breakdown of newly hired employees			
					New graduates		Mid-career employees	
	Male	Female	Male	Female	Male	Female	Male	Female
10s	19	0	9.5	0.0	19	0	0	0
20s	88	33	44.0	16.5	51	25	37	8
30s	40	8	20.0	4.0	0	0	40	8
40s	7	3	3.5	1.5	0	0	7	3
50s	1	0	0.5	0.0	0	0	1	0
60s	1	0	0.5	0.0	0	0	1	0
Total	156	44	78.0	22.0	70	25	86	19

* The figures show actual results for total workers at GS Yuasa International Ltd.

* The total workers include regular and fixed-term workers.

* Regular workers include employees seconded to other companies, but exclude those seconded from other companies.

* Fixed-term workers include contract employees, re-hired employees, and part-time employees, but exclude dispatch employees.

● Measures to hire foreign nationals

The Company promotes the recruitment of foreign nationals with skills and specialized knowledge regardless of their nationality. The Company also believes that understanding and respecting the customs of each country, cultural values, religions, etc., will lead to good relationships among employees and effective business operations.

● Promotion of recruitment of persons with disabilities

GS Yuasa Socie Ltd., a special subsidiary, actively employs persons with disabilities. It actively exchanges information with various companies across Japan, and makes particular efforts in creating an environment where employees with or without disabilities can work lively and enthusiastically. The Group has launched a website for recruiting persons with disabilities, disclosing information on the past employment data, workers, and its safe and secure work environment.

Development of flexible work styles

The Company has introduced systems enabling employees to work flexibly depending on their respective life stage or lifestyle.

It promotes remote work, flextime, and other self-discretionary, productivity-conscious working systems and support employees in balancing work and childcare/elderly nursing. As views on work styles are expected to further diversify, the Company will examine and offer various work styles enabling employees to work lively in response to their needs, in order to secure diverse human resources.

● Establishment of environmental foundation

The Company's efforts to help employees balance work and family commitment such as housework, childcare, elderly nursing, etc., have contributed to reduction of long working hours and improvement in the ratio of taking annual leave. The number of male employees who take childcare leave has also increased, indicating deepened understanding of work-life balance in the entire Company.

◆ Changes in average annual total working hours

Item	FY2019	FY2020	FY2021	FY2022	FY2023
Average annual fixed working hours	1,704	1,710	1,697	1,687	1,690
Average annual overtime working hours	206	196	198	205	192
Total	1,910	1,906	1,895	1,892	1,882

- * The figures show actual results for regular workers at GS Yuasa International Ltd. (excluding those on leave and working overseas).
- * Regular workers include employees seconded to other companies, but exclude those seconded from other companies.
- * The data only refer to general employees among regular workers, excluding those in managerial positions.
- * The hours refer to those calculated by deducting holiday hours and hours of absence (late arrivals, early departures, etc.) from fixed working hours.
- * Each year starts in January and ends in December.

◆ Changes in ratio of taking annual paid leave

Item	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Ratio of taking annual paid leave	%	79.3	77.8	79.2	83.3	84.3
Average number of days of annual paid leave taken	Day	16.8	16.5	16.8	17.8	18.0

- * The figures show actual results for regular workers at GS Yuasa International Ltd. (excluding those on leave and working overseas).
- * Regular workers include employees seconded to other companies, but exclude those seconded from other companies.
- * The data only refer to general employees among regular workers, excluding those in managerial positions.
- * Utilization rate of legally granted paid leave days in FY2022: 100.9%
- * Each term starts in September and ends next August.

◆ Utilization of childcare support program (childcare leave)

Fiscal year	Female			Male		
	Number of users	Ratio of users (%)	Ratio of those who returned (%)	Number of users	Ratio of users (%)	Ratio of those who returned (%)
2019	18	100.0	100.0	3	2.7	100.0
2020	14	100.0	100.0	9	9.1	100.0
2021	21	100.0	100.0	27	22.5	100.0
2022	15	93.8	100.0	49	45.4	100.0
2023	21	100.0	100.0	84	63.6	100.0

* The figures show actual results for regular workers at GS Yuasa International Ltd.

* Regular workers include employees seconded to other companies, but exclude those seconded from other companies.

Promotion of women's empowerment

To promote DE&I, the Company focuses on two axes -- "career formation" and "balancing of work and life events" for all employees, and adopts three-L slogans: "Let's strengthen the link among employees (Link)," "support their balancing of work and life events (Life)," and "lead them to opportunities for autonomy and growth (Lead)." The Company believes that new value creation and productivity improvement through the success of more diverse human resources contribute to the enhancement of the competitive advantage and corporate value. Therefore, it places top priority on the promotion of women's empowerment in particular.

The Company's unique ESG indicators, which are comprised of promotion of women's empowerment, employee engagement and other items, are used as the evaluation factors in the calculation of short-term performance-linked remuneration for officers of GS Yuasa International Ltd., the Company's core subsidiary.

● Dialogue with management

The Company regards promotion of women's empowerment as the top priority issue in its management strategy, and management takes the lead in promotion. To achieve sustainable growth by leveraging the diversity of its human resources, the Company has been working on boosting the number of female managers involved in medium- to long-term goal setting and organizational decision-making through dialogue with management.

The Company makes increased commitment to promotion of women's empowerment, by incorporating related KPIs into business strategies, reporting the progress and investor opinions to the Board of Directors and the Sustainability Promotion Committee, and regularly communicating with management.

● Dialogue with employees

In promoting women's empowerment, GS Yuasa International Ltd., the Company's core subsidiary, held opinion exchange sessions to understand the current challenges faced by the female employees of GS Yuasa International Ltd. The sessions revealed that young employees and middle-level employees were confronting different challenges respectively. In response, GS Yuasa International Ltd. has taken such measures as support in human resource management, improvement of the environment to encourage demonstration of their abilities, and support for raising employee awareness for career development.

● Initiatives and results of "GY Mirai Project"

In 2004, GS Yuasa International Ltd., the Company's core subsidiary, launched its initiative to support employee's balancing of work and childcare first with creation of an environment where childrearing women can continue to work, and started in 2015 creating an environment where employees, regardless of their gender, can demonstrate their abilities. GS Yuasa International Ltd. then launched the GY Mirai Project in 2018, formulated the roadmap and key performance indicators (KPIs) for promotion of women's empowerment in order to accelerate its efforts in accordance with the "Diversity 2.0" guidelines, and is steadily proceeding with its initiatives.

● Diversification of human resources

The Company has increased the ratio of women in recruitment interviewers, resulting in

diversification of employees, as female candidates apparently recognized them as their role models. The Company has increased the number of workplaces to which it assigns female employees, encouraging the diversification of human resources at each workplace.

- Human resource skill development

The Company has constantly held career development trainings for female employees to raise their career awareness, and management trainings targeting their managers to enhance their ability to manage diverse human resources.

- Enhancement of engagement

The Company conducts an annual mentality management diagnosis for all employees and examines their scores regarding “diversity,” “consideration for career,” and “work-life balance” as indicators. As a result of various initiatives for promotion of women’s empowerment, both men and women earned above-average scores, with the most recent diagnosis showing a 0.2-point increase in each indicator compared to fiscal 2021.

- External evaluation

In 2017, the Company obtained the “Kurumin” certification. The Company has then devised an action plan to further promote support for work-life balance and to expand its effects, and taken such measures to improve an environment as extension of eligibility period for reduced working hours and introduction of remote work among employees engaged in childcare, leading to the acquisition of “Platinum Kurumin” in fiscal 2020.

In March 2022, the Company was also designated as one of the Nadeshiko Brands, an initiative jointly organized by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.

- Diversification of leadership positions

Through initiatives for promoting women’s empowerment, the Company has adopted various measures aimed at supporting career formation, such as increasing of female employees, enhancement of career development trainings and other human resource development programs, and establishment of an environment where employees can work flexibly depending on their respective life stage. As a result, the number of young female employees in leadership positions has increased, and the number of such women in their 30s rose roughly twofold from fiscal 2015 (from 17.9% in fiscal 2015 to 30.2% in fiscal 2023).

The Company will continue to work on the creation of an environment where diverse leaders will be fostered and can succeed, by strengthening its company-wide DE&I initiatives and employee engagement.

- Next step in promoting DE&I

The initiatives based on the GY Mirai Project have helped create a pleasant work environment for everyone and a culture where individual work styles are respected as a foundation. Believing that it is necessary to promote employees’ career self-reliance in order to advance into the next step of encouraging diverse human resources to demonstrate their abilities, values, experiences, etc., to the fullest and improving their competitiveness, the Company launched in 2023 a career self-reliance support program. The Company offers systematic career development trainings for each level and age group across the board and also trainings targeting all employees in managerial positions to enhance their career consultation skills. The Company helps employees develop own ideal visions for their career and lifestyle, consult with their superiors, and work enthusiastically, to strengthen the organizational power through the synergy of individual abilities and the ability to enhance mutual relationships.

The Company will expedite productivity improvement and innovation creation by accelerating autonomous human resource development and increasing lively workplaces through the promotion of DE&I.

(c) Promotion of health management

The Group promotes the following health management policy. “In order to realize the ‘Innovation and Growth’ of our employees and business entities, the GS Yuasa Group supports employees and their families in collaboration with health insurance society so as to ensure that they maintain their own health and encourages ‘health promotion’ so that all employees can work zealously and with a sense of fulfillment.”

In an effort to promote health management, the Company appoints the chief occupational health physician (a contracted occupational health physician) at the head office and occupational health physicians at its main offices, with full-time nurses and public health nurses being assigned nationwide. In addition, the Group holds health management promotion meetings attended by the health management officer (concurrently serving as chairperson of the health insurance society) and labor union executives to promote measures for employee health issues. It also prepared an environment where employees can receive clinical psychologist counseling at the head office and some offices.

Target setting of health promotion management indicators

The Group proceeds with health management initiatives based on the three pillars “prevention of psychological and physical disorders,” “support for work-life balance,” “health maintenance and improvement,” and sets targets for “health promotion” using the plan-do-check-act (PDCA) cycle. Coordinating with its work style reforms and DE&I initiatives, the Group supports “health promotion” so each employee can work lively and enthusiastically. To make all-out efforts in health management, the Group will promote data-driven strategic health management to develop programs in accordance with the status of company-wide indicators and the status of those set for each business division.

(iii) Indicators and targets

The Group adopts the following indicators in the policy related to the improvement of the internal environment described above. It is difficult to present the indicators and targets in the Group as a whole, as only companies engaged in core businesses manage data on the relevant indicators and take specific measures, and not all the companies included in the Group’s consolidation do so. Therefore, the targets and actual results regarding the indicators described here are those of companies that are included in the Group’s consolidation and engaged in core businesses. The targets and actual results of the indicators are as follows.

(a) Enhancement of engagement

◆ Significant indicators for mentality management diagnosis

KGIs	Target (FY2025)	Results (FY2021)	Results (FY2022)	Results (FY2023)
Work engagement	Maintain 50 or more	50.7	50.0	50.3
Stress response	50 or more	50.5	49.7	49.5

KPI	Target (FY2025)	Results (FY2021)	Results (FY2022)	Results (FY2023)
Mental toughness level	Maintain 50 or more	50.9	50.4	50.4

* The figures show actual results for regular workers at GS Yuasa International Ltd. and workers seconded from other companies.

* Regular workers include employees seconded to other companies.

* The figures indicate deviations.

* Work engagement indicates the psychological state of being proactively engaged in work.

* Mental toughness level is an indicator that correlates with both stress response and work engagement. An increase in mental toughness level helps improve stress resistance and work engagement.

(b) Fostering of culture leveraging diversity

Securing of diverse human resources

◆ Changes in recruitment of persons with disabilities

Category	Target (FY2025)	FY2019	FY2020	FY2021	FY2022	FY2023
Changes in recruitment of persons with disabilities (%)	2.70	2.79	2.53	2.56	2.68	2.52

* The figures show actual results for regular workers at GS Yuasa International Ltd. and GS Yuasa Socie Ltd.

* Regular workers include employees seconded to other companies, but exclude those seconded from other companies.

Development of flexible work styles

◆ Management indicator for male employees' taking childcare leave

Category	Target (FY2025)	Results (FY2023)
Ratio of male employees' taking childcare leave (%)	100	63.6

* The figures show actual results for regular workers at GS Yuasa International Ltd.

* Regular workers include employees seconded to other companies, but exclude those seconded from other companies.

Promotion of women's empowerment

◆ Significant management indicators related to measures to promote women's empowerment

	Target (FY2025)	Results				
		FY2019	FY2020	FY2021	FY2022	FY2023
Ratio of women in the workforce (%)	17 or more	13.5	13.6	14.1	14.7	14.7
Ratio of women in new graduates hired for career-track positions (%)	30 or more every year	24.1	19.6	27.4	21.2	25.4
Ratio of women in managerial positions (%)	6 or more	2.5	2.8	3.5	3.9	3.7
Ratio of women in leadership positions (%)	12 or more	9.1	9.9	8.9	9.7	9.3

* The figures show actual results for regular workers at GS Yuasa International Ltd.

* Regular workers include employees seconded to other companies, but exclude those seconded from other companies.

(c) Promotion of health management

◆ Targets and results in health promotion

Category	Item	Target (FY2025)	Results				
			FY2019	FY2020	FY2021	FY2022	FY2023
Regular health checkups	Examination ratio (%)	100	100	100	100	100	100
	Ratio of persons with abnormal findings (%)	30 or less	35	35	33	37	36
	Ratio of taking re-examination among those with abnormal findings (%)	70 or more	63	59	66	68	76
Stress checks	Examination ratio (%)	100	94	94	93	90	93
	Ratio of highly-stressed individuals (%)	10 or less	9	8	8	10	10
	Total health risks	90 or less	87	86	83	83	84
Measures against smoking	Ratio of smokers (%)	20 or less	22	22	21	20	19
Gynecological examinations	Examination ratio (%)	100	58	62	56	60	55
Colorectal cancer screening	Examination ratio (%)	100	67	67	80	77	78

* The figures show actual results for regular workers at GS Yuasa International Ltd. (excluding those on leave and working overseas).

* Regular workers include employees seconded to other companies, but exclude those seconded from other companies.

* Total health risks are an indicator used to determine the extent to which the current status of stress affects the health of workers. With the national average set at 100, a lower level indicates lower health risks for workers.

3. Business risks

The following risks may affect the Group's operating results and financial position, etc.

Forward-looking statements in this Annual Securities Report represent the judgment of the Company as of the filing date of this document (June 27, 2024).

To promote risk management and share information needed to manage risks, the Group has set up the "Group Risk Management Committee" chaired by the President, which determines measures to promote risk management within the Group and monitors the progress.

(1) Risks related to raw material market fluctuations

- Impacts of the risk on operating results, etc. when it occurs
Lead is a key raw material used in lead-acid batteries, the Group's main product, and lead price fluctuations cannot be reflected immediately in its product prices, thus possibly affecting the Group's performance and financial position.
- Possibility and timing of risk occurrence and countermeasures
The Group is aware that the risk may occur at any time in the next fiscal term as well. The Group will promote an overall optimization of its production system to further reduce costs, and also build an optimal supply system.

(2) Intensification of price competition

- Impacts of the risk on operating results, etc. when it occurs
The Group is exposed to intense competition in respective markets of its businesses, and it has been difficult to set advantageous prices for the Group. On top of domestic rivals in the same business domain, the entry of foreign companies supplying lower-cost products has further intensified the competition, diminishing the Group's prospect of expanding or even maintaining market share or of securing profitability in the future. If business profitability declines as a result, it may cause impairment of non-current assets and other risks, thus possibly affecting the Group's performance and financial position.
- Possibility and timing of risk occurrence and countermeasures
The Group is aware that the risk may occur at any time in the next fiscal term as well. As countermeasures for the risk, the Group promotes measures to reduce all costs and strengthen sales capabilities.

(3) Exchange rate fluctuations

- Impacts of the risk on operating results, etc. when it occurs
The Group operates in Japan, Asia, North America, Europe, and other areas. Account items such as sales, expenses, and assets denominated in local currency of each site are converted into yen for compilation of consolidated financial statements. Even if the value of these items is unchanged in local currencies, the value after converted into yen may be affected by exchange rates at the time of conversion.
A possible appreciation of local currencies in the areas where the Group is engaged in production may push up the manufacturing and procurement costs there, and medium- to long-term currency fluctuations may impede the Group's ability to procure, manufacture, distribute, and sell goods as planned. Exchange rate fluctuations may thus affect the Group's performance and financial position.
- Possibility and timing of risk occurrence and countermeasures
The Group is aware that the risk may occur at any time in the next fiscal term as well. The Group conducts currency-hedge transactions in an effort to minimize the adverse impact of short-term exchange rate fluctuations.

(4) Risks related to international activities and overseas expansion

- Impacts of the risk on operating results, etc. when it occurs
The Group is engaged in production and sales in Japan, Asia, North America, Europe, and other areas. These business activities overseas face the following potential risks, which may affect the Group's performance and financial position.
 - (i) Unexpected changes in laws or regulations
 - (ii) Difficulty in hiring and securing human resources

- (iii) Possibility of unestablished technological infrastructure affecting the Group's manufacturing and other activities or undermining the reputation of its products among customers
- (iv) Social turmoil stemming from terrorism, wars, and other factors

- Possibility and timing of risk occurrence and countermeasures

The Group is aware that there is a considerable possibility of the risk occurring at any time in the next fiscal term as well. The Group will build a system to provide products and services promptly in response to the needs in regions around the world, by strengthening the communication between the headquarters and each regional office.

(5) Risks related to M&A

- Impacts of the risk on operating results, etc. when it occurs

The Group regards mergers and acquisitions (M&A) as an important and effective means for future business expansion. In carrying out M&A, the Company examines the transaction thoroughly from a broad range of perspectives such as the financial standing of the target company and potential synergy with the Group's businesses. If the acquired business doesn't perform as initially planned due to drastic changes in business environment or other factors, however, the Group may fail to recover its invested funds or incur goodwill impairment losses, possibly affecting its performance and financial position.

- Possibility and timing of risk occurrence and countermeasures

The Group needs to be considerably aware that the risk may occur. The Group monitors its performance on a monthly basis.

(6) Climate change

- Impacts of the risk on operating results, etc. when it occurs

Climate change is an issue making significant impacts beyond national and regional boundaries, becoming a global social challenge that needs to be resolved. Recognizing climate-related issues as one of its important management issues, the Group declared its endorsement for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and has been working on the reduction of greenhouse gas emissions in its business operations. If events or unforeseen circumstances occur that would make it extremely difficult for the Group to adapt to environmental regulations, that could lead to more-than-expected increases in environmental costs, damage to facilities due to storms and floods, or other causes, and resultant restrictions of business operations, consequently affecting the Group's performance and financial position.

- Possibility and timing of risk occurrence and countermeasures

It is difficult to fully predict the risks entailed in climate change, but the Group will seek to help reduce greenhouse gas emissions in the entire society through such measures as promotion of renewable energy leveraging its storage battery technologies, and will further promote information disclosure in accordance with the TCFD recommendations.

For details on measures against climate change, please see "II. Overview of business, 2. Approach and initiatives for sustainability, (2) Measures against climate change."

(7) Disasters and accidents

- Impacts of the risk on operating results, etc. when it occurs

If earthquakes, storms and floods, snowstorms, or other natural disasters occur or if fires, explosions, destructions, or other accidents occur at the Group's business sites, that entails risks of unforeseen circumstances arising.

- Possibility and timing of risk occurrence and countermeasures

The Group is aware that the risk may occur at any time in the next fiscal term as well. As countermeasures for the risk, the Group has been working on the creation of a guideline compiling measures against earthquakes, floods and snowstorms, and the enhancement of fire-prevention and disaster-prevention management.

(8) Interest rate fluctuations

- Impacts of the risk on operating results, etc. when it occurs
The Group's interest-bearing liabilities include those that may be affected by interest rate fluctuations. Therefore, an increase in interest rates may push up its funding costs.
- Possibility and timing of risk occurrence and countermeasures
The Group is aware that there is a considerable possibility of the risk occurring at any time in the next fiscal term as well. In the Sixth Mid-Term Management Plan, the Group predicts that the interest-bearing liabilities will increase reflecting its efforts to boost growth investment, yet limits the debt redemption period to three years or less in an effort to achieve the balance between growth and financial discipline.

(9) Lawsuits and other legal proceedings

- Impacts of the risk on operating results, etc. when it occurs
In carrying out its businesses, the Group faces risks of being sued by business partners or third parties or going through legal proceedings by regulatory authorities.
- Possibility and timing of risk occurrence and countermeasures
The Group is aware that there is a considerable possibility of the risk occurring at any time in the next fiscal term as well. The Group seeks to minimize the risk by continuously monitoring the rights, patents, etc. held by other companies, and reinforcing internal sharing of information.

(10) Economic conditions

- Impacts of the risk on operating results, etc. when it occurs
The demand for the Group's products can be affected by the economic conditions of various markets where its products are sold. Therefore, the possible economic recession and resultant demand contractions in Japan, Asia, North America, Europe and other key markets of the Group may affect the Group's performance and financial position.
- Possibility and timing of risk occurrence and countermeasures
The Group is aware that there is a considerable possibility of the risk occurring at any time in the next fiscal term as well. The Group will seek to provide reassurance and confidence to customers through business operations based on its quality-conscious basic stance and to build a business platform toward enhancing corporate value and ensuring future sustainable growth under its corporate philosophy of "Innovation and Growth."

(11) Market environment

- Impacts of the risk on operating results, etc. when it occurs
The Group operates in Japan, Asia, North America, Europe, and other areas, and sales and profits/losses in the businesses there are greatly impacted by the market environment and economic trend of each country. The Group holds a consolidated subsidiary in the Republic of Türkiye, which struggles with serious inflation and the depreciation of the Turkish lira. If the currency further declines due to continued inflation and other factors, the Group may face substantial exchange rate losses depending on the balance of credits and debts and trading volume associated with overseas sales and procurement conducted in the country, thus possibly exerting a serious impact on the Group's operating results, etc.
- Possibility and timing of risk occurrence and countermeasures
The Group is aware that there is a considerable possibility of the risk occurring at any time in the next fiscal term as well. The Group will seek to reinforce information sharing between the headquarters and each regional office, and respond promptly and flexibly to risks associated with market environment fluctuations.

(12) Supply chains

- Impacts of the risk on operating results, etc. when it occurs
The Group operates in Japan, Asia, North America, Europe, and other areas, and its supply chain extends to the entire world. A disruption in the supply chain in each country or region could impede the Group's ability to procure parts and materials and sell products, possibly affecting its performance and financial position.

- Possibility and timing of risk occurrence and countermeasures
The Group is aware that the risk may occur at any time. The Group will seek to strengthen communication between the headquarters and each regional office, to promote an overall optimization of its production system, and to build an optimal supply system.

(13) Information security

- Impacts of the risk on operating results, etc. when it occurs
The Group possess important and confidential information such as technical, management, and marketing information in business operations. An information leakage due to improper handling of information devices or information leakage or tampering due to external cyberattacks may force the Group to suspend its business operations, thus possibly affecting its performance and financial position.
- Possibility and timing of risk occurrence and countermeasures
The Group is aware that the risk may occur at any time. The Group has stepped up its efforts to prevent malware infection of endpoints and build a system for early detection and swift response to any such infection. The Group also prevents unauthorized access through continuous monitoring of communications and the use of an unauthorized connection detection system. It also offers educational programs to raise employee awareness for compliance with internal rules to improve their information security levels. The Group also conducts an inspection on security measures at Group companies overseas in light of Japanese standards and provides guidance to address any vulnerability.

(14) Risks related to product quality

- Impacts of the risk on operating results, etc. when it occurs
The Group promotes initiatives aimed at improving the quality of products and services to be provided by the entire Group to its customers based on its basic quality policy. However, in case any defect is found in the Group's product or service, the Group may have to bear the liability for the damages caused by the defect or pay substantial costs to deal with the defect.
- Possibility and timing of risk occurrence and countermeasures
The Group is aware that there is a considerable possibility of the risk occurring at any time in the next fiscal term as well. To improve the quality of its products and services, the Group has formulated the "GS Yuasa Quality Management System" based on the ISO 9001 standard under which it promotes a cross-sectional quality management system spearheaded by top management.

(15) Development and production of batteries for BEVs

- Impacts of the risk on operating results, etc. when it occurs
The Group aims to start operating production lines for mass production of lithium-ion batteries for BEVs in fiscal 2027. However, the Group is still in the development phase of such batteries and has not started production yet. It has yet to be made clear if the Group can begin production in the target year and the overall trend and competition in the BEV market could also influence the situation, thus possibly affecting its financial position and operating results, etc.
- Possibility and timing of risk occurrence and countermeasures
The Group is aware that there is a considerable possibility of the risk occurring at any time in the next fiscal term as well. However, the Group promotes the development of batteries for BEVs as a measure for business structure reforms in the "Sixth Mid-Term Management Plan" formulated in April 2023, and Honda GS Yuasa EV Battery R&D Co., Ltd., which was established to engage in the research and development of high-capacity, high-output lithium-ion batteries, started its business in August 2023. Leveraging the knowledge, it has accumulated in lithium-ion batteries for HEVs, PHEVs, and EVs, the Group will promote the development of highly competitive lithium-ion batteries for BEVs as a new pillar of its growth strategy. The Group will also seek to build a production plant for BEV batteries through its joint investment with Honda Motor Co., Ltd. and the utilization of government subsidies, aiming to begin the operation of production lines at an early stage and expand its production capacity.

4. Management analysis of financial position, operating results and cash flows

(1) Overview of operating results, etc.

(i) Financial position and operating results

In the fiscal year ended March 31, 2024, the global economy showed signs of a gradual recovery thanks to factors such as the progression of the recovery of the supply chain and automobile production volume heading toward recovery. However, the outlook continues to be uncertain, with geopolitical risk in Ukraine, the Middle East, etc., the risk of an economic downturn associated with monetary tightening policies and inflation worldwide, financial market volatility, etc.

In this economic environment, the Group's consolidated net sales for the fiscal year ended March 31, 2024 totaled ¥562,897 million, up ¥45,162 million or 8.7% from the previous fiscal year. This increase in Group sales mainly reflects an increase in sales volume of lithium-ion batteries for hybrid vehicles and lithium-ion batteries for energy storage system (ESS) and the progression of measures to revise sales prices, etc. In line with this, operating profit came to ¥41,595 million (operating profit before amortization of goodwill came to ¥42,229 million), up ¥10,095 million or 32.0% from the previous fiscal year. Ordinary profit came to ¥43,981 million, up ¥19,767 million or 81.6% from the previous fiscal year, due to the improvement in the share of profit from entities accounted for using the equity method and increased gain on net monetary position, etc. Profit attributable to owners of parent came to ¥32,064 million, up ¥18,138 million or 130.2% from the previous fiscal year.

Operating results by reportable segment are as follows.

Effective from the fiscal year ended March 31, 2024, the Company changed the segments of some consolidated subsidiaries. Consequently, the year-on-year comparisons and analysis are based on the classifications after the change. For details, please see "V. Financial information, 1. Consolidated financial statements and other information, (1) Consolidated financial statements, Notes, Segment and other information."

Automotive Batteries

Net sales in Japan for the fiscal year ended March 31, 2024 totaled ¥94,047 million, a year-on-year increase of ¥6,244 million or 7.1%, due to the increase in sales volume of batteries for new vehicles in line with the recovery in new vehicle sales compared to the previous fiscal year, and the progression of measures to revise sales prices, etc. Segment profit came to ¥8,071 million, up ¥1,524 million or 23.3% from the previous fiscal year.

Overseas net sales totaled ¥252,863 million, a year-on-year increase of ¥5,534 million or 2.2% as a result of the progression of measures to revise sales prices, etc. Segment profit came to ¥15,119 million, up ¥1,773 million or 13.3% from the previous fiscal year.

As a result, the Automotive Batteries segment's combined net sales in Japan and overseas in the fiscal year ended March 31, 2024 totaled ¥346,910 million, a year-on-year increase of ¥11,778 million or 3.5%. Segment profit came to ¥23,190 million, up ¥3,297 million or 16.6% from the previous fiscal year.

Industrial Batteries and Power Supplies

Net sales in the Industrial Batteries and Power Supplies segment totaled ¥109,668 million, a year-on-year increase of ¥12,057 million or 12.4%, due to the increase in sales of lithium-ion batteries for energy storage system (ESS), and the progression of measures to revise sales prices, etc. Segment profit came to ¥13,182 million, up ¥4,633 million or 54.2% from the previous fiscal year.

Automotive Lithium-ion Batteries

Net sales in the Automotive Lithium-ion Batteries segment totaled ¥84,787 million, a year-on-year increase of ¥19,431 million or 29.7%, due to the increase in sales volume of lithium-ion batteries for hybrid vehicles, etc. Segment profit came to ¥2,649 million, up ¥662 million or 33.4% from the previous fiscal year.

Other

Net sales in the Other segment totaled ¥21,531 million, a year-on-year increase of ¥1,895 million or 9.7%, due to the strong sales of batteries for aircrafts. Segment profit after adjustments for corporate

expenses, etc. came to ¥3,207 million, up ¥1,561 million or 94.8% from the previous fiscal year.

(ii) Cash flows

Cash and cash equivalents as of March 31, 2024, amounted to ¥60,307 million, an increase of ¥24,280 million or 67.4%, from the end of the previous fiscal year.

Cash flow positions in the fiscal year under review and the main factors thereof are as follows.

Cash flows from operating activities

Net cash provided by operating activities in the fiscal year ended March 31, 2024 amounted to ¥63,180 million, compared with net cash provided of ¥28,330 million in the previous fiscal year. There were main contributions from profit before income taxes, depreciation, an increase in trade payables, partially offset by increases in trade receivables and inventories, and income taxes paid.

Cash flows from investing activities

Net cash used in investing activities totaled ¥46,192 million, compared with net cash used of ¥26,567 million a year earlier. The main cash outflows from investments were the purchase of property, plant and equipment, etc.

Cash flows from financing activities

Net cash provided by financing activities amounted to ¥3,480 million, compared with net cash provided of ¥8,826 million in the previous fiscal year. The main cash outflows were repayment of borrowings, redemption of bonds and dividends paid. Issuance of shares was the main source of inflows.

(iii) Results of production, orders and sales

a. Production

Production by segments for the fiscal year under review are as follows.

Segment name	Year ended March 31, 2024	Year-on-year comparison (%)
Automotive Batteries-Japan (Millions of yen)	75,804	105.9
Automotive Batteries-Overseas (Millions of yen)	182,808	104.0
Industrial Batteries and Power Supplies (Millions of yen)	73,481	113.6
Automotive Lithium-ion Batteries (Millions of yen)	89,395	131.6
Reportable segments total (Millions of yen)	421,489	110.9
Other (Millions of yen)	17,141	111.6
Total (Millions of yen)	438,631	111.0

Notes 1. These amounts are based on the cost of production and before adjustment of intersegment transfer.

2. Effective from the fiscal year ended March 31, 2024, the Group revised the management classifications of organizations in order to obtain a more appropriate grasp of the business performance of segments that are classified by product type. As a result, some consolidated subsidiaries previously included in "Industrial Batteries and Power Supplies" have had their segment changed to "Other." Year-on-year comparisons in production have been calculated in reportable segments reflecting the segment changes.

b. Orders received

There are no matters to be noted regarding orders received and orders backlog as the Group mainly adopts a make-to-stock production scheme for its products except large storage batteries, large power supplies, and some other products.

c. Sales

Sales by segments for the fiscal year under review are as follows.

Segment name	Year ended March 31, 2024	Year-on-year comparison (%)
Automotive Batteries-Japan (Millions of yen)	94,047	107.1
Automotive Batteries-Overseas (Millions of yen)	252,863	102.2
Industrial Batteries and Power Supplies (Millions of yen)	109,668	112.4
Automotive Lithium-ion Batteries (Millions of yen)	84,787	129.7
Reportable segments total (Millions of yen)	541,366	108.7
Other (Millions of yen)	21,531	109.7
Total (Millions of yen)	562,897	108.7

Notes 1. Intersegment transactions have been eliminated.

2. The actual sales recorded by each major business partner and the ratio of the respective sales to total sales are omitted as there were no major business partners whose ratio exceeded 10% of the total sales.

3. Effective from the fiscal year ended March 31, 2024, the Group revised the management classifications of organizations in order to obtain a more appropriate grasp of the business performance of segments that are classified by product type. As a result, some consolidated subsidiaries previously included in “Industrial Batteries and Power Supplies” have had their segment changed to “Other.” Year-on-year comparisons in sales have been calculated in reportable segments reflecting the segment changes.

(2) Details of analysis and considerations regarding the status of operating results, etc. from management’s perspective

The details of recognition as well as analysis and considerations regarding the status of operating results, etc. of the Group from management’s perspective are as follows.

Forward-looking statements in this Annual Securities Report represent the judgment of the Group as of the filing date of this document (June 27, 2024).

(i) Significant accounting estimates and assumptions used for making the estimates

Consolidated financial statements of the Group are prepared based on the accounting standards recognized as generally fair and appropriate in Japan.

The compilation of consolidated financial statements requires the selection and application of an accounting policy by management, and estimates of the impacts on reporting amounts of assets, liabilities, revenues, and expenses, as well as on disclosure. Management makes reasonable judgements on these estimates, taking into account the past results, etc. However, actual results may differ from these estimates due to uncertain nature of estimates.

For significant accounting estimates made for the compilation of consolidated financial statements and assumptions used for the estimates, please see “V. Financial information, 1. Consolidated financial statements and other information, (1) Consolidated financial statements, Notes, Significant accounting estimates.”

(ii) Details of recognition as well as analysis and considerations regarding the status of operating results, etc. of the fiscal year ended March 31, 2024

Operating results

For operating results of the fiscal year ended March 31, 2024, please see “II. Overview of business, 4. Management analysis of financial position, operating results and cash flows, (1) Overview of operating results, etc., (i) Financial position and operating results.”

Financial position

Total assets amounted to ¥656,663 million, an increase of ¥115,756 million from the end of the previous fiscal year. This mainly reflects an increase in cash and deposits from the issuance of new shares by way of public offering and third-party allotment and a secondary offering of shares of the Company; an increase resulting from land acquisition; an increase due to the market valuation of owned shares; and an increase in retirement benefit asset.

Liabilities increased to ¥282,783 million, up ¥12,766 million from the end of the previous fiscal year. This mainly reflects increases in trade payables, electronically recorded obligations - facilities, commercial papers, and deferred tax liabilities, despite repayments of borrowings and redemption of

bonds.

Net assets totaled ¥373,880 million, an increase of ¥102,990 million from the end of the previous fiscal year. This mainly reflects an increase resulting from the recording of profit attributable to owners of parent, payments for capital increase through public offering, etc., which outweighed outflows from dividends paid.

Factors having significant impacts on operating results

The management environment surrounding the Group has been slowly recovering, but all business segments are continuously facing fierce price competitions. Sales volume of lead-acid batteries for vehicles, the Group's main product, is also greatly impacted by seasonal changes, especially climate changes (cool summer, warm winter, etc.). In terms of costs, meanwhile, lead-acid batteries, the Group's main product, use lead as a key raw material, and its price fluctuations affect manufacturing costs.

The situation is expected to remain uncertain reflecting continuing inflation and caution over geopolitical risks.

Analysis on capital sources and liquidity of funds

a. Cash flows

For the analysis of cash flows in the fiscal year ended March 31, 2024, please see "II. Overview of business, 4. Management analysis of financial position, operating results and cash flows, (1) Overview of operating results, etc., (ii) Cash flows."

b. Funding needs

The Group's main funding needs are long-term needs such as capital expenditures and other investments, and needs for operating funds such as the purchase of materials and parts for product manufacturing, manufacturing expenses, as well as selling, general and administrative expenses, etc.

c. Financial policies

The Group sets appropriate funding for business operations, maintenance of appropriate liquidity, and stabilization of the financial structure, as its financial policies.

The Group will enhance corporate value through balanced allocations of operating cash flows and cash on hand to investments and loans for medium- to long-term growth, enhancement of financial foundation to support growth, and proper shareholders' returns.

The trends of the Group's cash flow-related indicators in the fiscal year ended March 31, 2024 are as follows.

	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2024
Equity ratio (%)	44.8	42.6	50.3
Equity ratio on a market-capitalization basis	39.2	35.4	48.1
Ratio of interest-bearing liabilities to cash flow (yearly)	7.0	4.0	1.4
Interest coverage ratio	13.61	8.60	17.33

- Notes
- 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 indicators are calculated using consolidated financial data.
 - Market capitalization is calculated by multiplying the fiscal year-end closing share price by the fiscal year-end 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.

Objective indicators, etc., to judge the progress of management policy, management strategy, and management targets

In the “Sixth Mid-Term Management Plan,” the Group aims to achieve net sales of ¥610,000 million or more, operating profit of ¥41,000 million or more (before amortization of goodwill, etc.), ROE (profit before amortization of goodwill, etc.) of 8% or more, ROIC of 10% or more (Note), and total payout ratio of 30% or more on a consolidated basis as its final targets for the fiscal year ending March 31, 2026, and has been working on the improvement of profitability and asset efficiency.

In the fiscal year ended March 31, 2024, the Group achieved net sales of ¥562,800 million, operating profit of ¥42,200 million (before amortization of goodwill, etc.), ROE (profit before amortization of goodwill, etc.) of 11.6%, ROIC of 13.7% (Note), and total payout ratio of 20.6% on a consolidated basis. As for the operating profit, the Group already reached the target of ¥41,000 million set for fiscal 2025, the final term of the Sixth Mid-Term Management Plan. Therefore, the Group is re-examining the actual result of each segment and market trends to determine if the targets for fiscal 2025 should be revised. Although it is difficult to make predictions amid rapidly changing market conditions, the Group will be reviewing these factors so it can present targets exceeding its initial projections.

Note ROIC is calculated as operating profit before amortization of goodwill ÷ invested capital (non-current assets (excluding goodwill, etc.) + working capital). Invested capital is the average of balances at the beginning and end of the period.

Status of each segment

For details of recognition as well as analysis and considerations regarding the financial position and operating results for each segment, please see “II. Overview of business, 4. Management analysis of financial position, operating results and cash flows, (1) Overview of operating results, etc., (i) Financial position and operating results.”

5. Material management contracts, etc.

Establishment of joint venture company

GS Yuasa International Ltd. (hereinafter “GS Yuasa”), the Company’s consolidated subsidiary, signed a joint venture agreement with Honda Motor Co., Ltd. (hereinafter “Honda”), based on the resolution at the Board of Directors meeting held on April 24, 2023, and set up a joint venture company on July 3, 2023 as follows.

(1) Purpose of the establishment of the joint venture company

The new joint venture company will research and develop lithium-ion batteries and battery production methods that will be highly competitive at a global level. Moreover, the new company will strive to establish a supply chain for key raw materials and a highly-efficient battery production system in order to address the rapidly growing demand for batteries.

(2) Overview of the joint venture company

(i) Company name	Honda GS Yuasa EV Battery R&D Co., Ltd.
(ii) Head office	1, Inobanba-cho, Nishinosho, Kisshoin, Minami-ku, Kyoto, Japan
(iii) Title and name of the representative	Koichi Yamamoto, Representative Director and President
(iv) Capital and legal capital surplus at establishment	Capital: ¥2.0 billion, Legal capital surplus: ¥2.0 billion
(v) Description of business	Research and development of a high-capacity, high-output lithium-ion battery, primarily for EV use, and the required production methods Development and management of intellectual property portfolio comprising patents, etc. relating to the research and development Planning for products that utilize technologies resulting from the research and development, and planning for the required sales channels Designing of an efficient production operation including the supply chain for key raw materials, etc.
(vi) Date of establishment	July 3, 2023
(vii) Ownership (%)	Honda 50%, GS Yuasa 50%

Partial transfer of investments in capital of subsidiaries

The Company resolved at the meeting of its Board of Directors held on July 25, 2023 that its consolidated subsidiary GS Yuasa would transfer 70% of the respective shares of its Chinese subsidiaries Tianjin GS Battery Co., Ltd. (hereinafter “TJGS”) and Yuasa Battery (Shunde) Co., Ltd. (hereinafter “YBSD”) to Leoch International Technology Limited’s wholly owned subsidiary Leoch Battery Company Limited (hereinafter “Leoch Battery”), which is an operating company in China, and signed an equity transfer agreement and a joint venture agreement with Leoch Battery on the same day. Additionally, on September 25, 2023, the Company concluded a modification agreement with Leoch Battery to change the scheduled transfer date to October 2023.

Based on this, the share transfer was executed on October 31, 2023. As a result of this share transfer, TJGS and YBSD were changed from consolidated subsidiaries to equity method associates of the Company from the third quarter of the fiscal year ended March 31, 2024.

For details, please see “V. Financial information, 1. Consolidated financial statements and other information, Notes, Business combinations.”

Transactions under common control

GS Yuasa, the Company’s consolidated subsidiary, resolved at the meeting of its Board of Directors held on March 12, 2024 to sign a business transfer agreement to acquire a business from Lithium Energy Japan Ltd. (hereinafter “LEJ”), a GS Yuasa subsidiary, and executed the business transfer on March 31, 2024.

GS Yuasa also resolved at the meeting of its Board of Directors held on December 11, 2023 to acquire all the LEJ shares held by Mitsubishi Corporation (hereinafter “Mitsubishi”) and Mitsubishi Motors Corporation (hereinafter “Mitsubishi Motors”). Based on the resolution, GS Yuasa signed a share transfer agreement with Mitsubishi on December 15, 2023 and acquired 46.4% of the issued shares of LEJ in the possession of Mitsubishi on December 21, 2023. GS Yuasa also signed a share transfer agreement with Mitsubishi Motors on

February 6, 2024 and acquired 2.6% of the issued shares of LEJ in the possession of Mitsubishi Motors, making LEJ its wholly owned subsidiary on February 16, 2024.

For details, please see “V. Financial information, 1. Consolidated financial statements and other information, Notes, Business combinations.”

6. Research and development activities

The Group is actively engaged in research and development on a broad range of technologies from platform technologies to product and manufacturing technologies in the Automotive Batteries, Industrial Batteries and Power Supplies, Automotive Lithium-ion Batteries, and Other businesses.

Research and development in the Automotive Batteries business is undertaken by the technology development division and automotive battery technology department at GS Yuasa International Ltd., the technology development division of GS Yuasa Energy Co., Ltd., etc. Research and development overseas is undertaken by the technology development divisions at production sites abroad, the technology development division and automotive battery technology department at GS Yuasa International Ltd., GS Yuasa Asia Technical Center Ltd., etc. Research and development in the Industrial Batteries and Power Supplies business is undertaken by the technology development division; the technology department of the industrial battery production headquarters; the power supply system development headquarters; and the technology department of the power supply system production headquarters at GS Yuasa International Ltd., GS Yuasa Lighting Service Co., Ltd., etc. Research and development in the Automotive Lithium-ion Batteries business is undertaken by the research and technology development division of GS Yuasa International Ltd., the technology development department of Blue Energy Co., Ltd., Honda GS Yuasa EV Battery R&D Co., Ltd., etc. Research and development in the Other business is undertaken by the research and technology development division of GS Yuasa International Ltd., the technology department of GS Yuasa Technology Ltd., the technical production department of GS Yuasa Membrane Co., Ltd., etc.

Research and development expenses in the fiscal year ended March 31, 2024 totaled ¥14,002 million (calculated by adding the total research and development expenses of ¥1,952 million at Honda GS Yuasa EV Battery R&D Co., Ltd. (hereinafter “HGYB”), an equity method associate, to the Group’s consolidated research and development expenses of ¥12,049 million). Although HGYB is an equity method associate, the Group regards the company as a key development entity, thus including the expenses in the amount above. All the expenses refer to research and development expenses related to the Automotive Lithium-ion Batteries business.

The purpose of research, main issues, research results, and research and development expenses in each business segment in the fiscal year ended March 31, 2024 are as follows.

(1) Automotive Batteries

In the Automotive Batteries business, the Group proceeds with the research and development of lead-acid batteries for automobiles and motorcycles in Japan and abroad.

For automotive lead-acid batteries in Japan, the Group is continuously engaged in the development of auxiliary batteries in HEVs and BEVs for which the markets are both expanding. For the EN-battery series for the maintenance market, the Group in June 2023 rolled out a new battery that helps reduce water-refilling maintenance and improve durability, leveraging its newly developed technology to further reduce liquid loss. The new battery takes advantage of the Group’s original technology to recombine hydrogen and oxygen generated by water electrolysis using the liquid plug with catalyst “GR Tech Liquid Plug®” developed jointly with GOA.

In anticipation of growing demand for mobility electrification mainly in Europe, the Group joined the move for the international standardization of lead-acid batteries for auxiliary and backup applications, which are in as great demand as lithium-ion drive batteries, and started the development of VRLA (AGM) batteries compatible to the standard in cooperation with İnci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi of Türkiye.

In the field of lead-acid batteries for motorcycles, the Group is engaged in the development, both in Japan and overseas, of new technologies adapting to needs for automotive auxiliary batteries in addition to needs for leisure motorcycles and commuter motorcycles for general use. Reflecting increasing interest in environmentally friendly motorcycles equipped with idling stop systems and hybrid engines, the Group’s lead-acid batteries with high durability and charging performance are widely applied in motorcycles.

In the European market that experiences growing demand for automotive auxiliary batteries (for 12V power supply), the Group is working on the expansion and release of the lineup under the GYAUX series. For the Indian market with high growth potential, the Group has developed valve-controlled lead-acid batteries for hybrid vehicles as well as vehicles with idling stop systems, as part of its effort to expand the lineup and propose new vehicle ideas. The Group also promotes the development of cost-effective products that are less susceptible to raw material cost fluctuations and outstanding in production efficiency, adding to the market’s impression of GY brands as high-performance batteries. Toward achievement of carbon neutrality, the Group is also working on energy savings by improving the charging method in the production stage.

Research and development expenses for this area totaled ¥1,993 million.

(2) Industrial Batteries and Power Supplies

In the Industrial Batteries and Power Supplies business, the Group is engaged in the research and development of industrial lead-acid batteries, power supplies, industrial lithium-ion batteries, and lighting equipment.

In the field of industrial lead-acid batteries, the Group promotes environmentally friendly products centering on 3R (recycling, reuse and reduction), as part of its effort to contribute to carbon neutrality. The Group is working at plants both in Japan and overseas on the development of new products that would increase usage of recyclable parts and materials by taking advantage of highly recyclable lead-acid batteries; improve reuse circulation of connection parts and materials; substantially reduce production energy by using new technologies and manufacturing methods; and for data centers, etc., products that would allow storage battery facilities to save air conditioning power by improving durability in high temperatures. The Group currently proceeds with prototyping and evaluation of such products for mass production and plans to expand the lineup.

For applications in communications and UPS systems and applications in systems using both storage batteries and solar or other renewable energy in Japan and overseas, the Group aims to introduce products leveraging new technologies that realize short-time backup performance and substantially improve cycle performance in a bid to attract more customers.

In the field of electric vehicle applications, the Group seeks to expand into ASEAN, a region where demand for battery-powered forklifts is increasing, and at its Thai plant, is engaged in the development of products using new technologies, as well as new parts and materials, adapting to market needs. During the current fiscal year, the Group is set to begin mass production of each product and plans to further expand the lineup.

In the field of power supplies, the Group has embarked on the development of a large-capacity power conditioning system (PCS) for use with power storage systems. In anticipation of increasing demand for PCSs for grid storage batteries at power storage plants in line with the 2022 revision of the Electricity Business Act, the Group plans to release two models, 500kW and 1MW, by the end of fiscal 2024. The panel composition combining storage batteries and PCSs brings some installation benefits, such as a reduction in installation space and removal of external connection cables between the storage batteries and the PCSs. The Group also aims to achieve optimal PCS operation control to take the advantage of storage batteries it can offer as a storage battery manufacturer and, plans to add autonomous discharging functions that would benefit customer BCP in fiscal 2025.

Also for power supplies, with compact and high-efficient as the key concepts, the Group has developed a circuit technology for power converters with a conversion rate of 99% and a control technology through joint research with electricity firms, in an effort to alleviate environmental impacts from the medium- to long-term perspective of achieving carbon neutrality. The Group also considers developing a new technology related to power supply enclosure and structure to achieve further downsizing and improve customer convenience. To improve development efficiency and increase the usage of common parts and materials, the Group is also engaged in front-load and modular designing with a state-of-the-art simulation technology. Incorporating the above technologies, the Group released in fiscal 2023 a UPS compatible to lithium-ion batteries and an outdoor, standby-type 1kVA UPS under the unit parallel-redundant MLU series, and a UPS enabling parallel expansion from 1kVA to 5kVA under the SGU-A series.

In the field of industrial lithium-ion batteries, the Group has embarked on the development of outdoor storage battery panels for power storage systems. The use of storage battery panels enables installation in narrow space in Japan and transportation as general cargo, and the Group seeks to increase the application into small- to medium-size power storage systems. Up to 16 storage battery panels can be connected to one system, making it possible to build a flexible power storage system in combination with the above mentioned large-capacity PCS. The system is also compatible to the Group's "STARELINK® Service" offering various services such as analysis, diagnosis, maintenance, and capacity guarantee using its original remote monitoring system, and set to be released by the end of fiscal 2024.

In the field of lighting equipment, the Group is engaged in unique research and development of products focusing on saving of energy and resources. In fiscal 2023, the Group developed market-oriented products for the areas where penetration of LEDs was lagging behind. The Group is set to commercialize the products during fiscal 2024.

Research and development expenses for this area totaled ¥4,089 million.

(3) Automotive Lithium-ion Batteries

In the Automotive Lithium-ion Batteries business, the Group deals with lithium-ion batteries for hybrid electric vehicles (HEVs), which are produced by Blue Energy Co., Ltd.; and lithium-ion batteries for battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs) as well as 12V automotive lithium-ion batteries, which are produced at GS Yuasa's Ritto Plant.

In the field of lithium-ion batteries for HEVs, the Group promoted the development of cell modules for the next-generation model set to be supplied to manufactures of new vehicles. In the course of the development, the Group also realized output increase and cost savings thanks to changes in negative electrode materials.

In the field of lithium-ion batteries for PHEVs, the Group is currently engaged in the development of the LEV65, a new battery that would increase energy density by 40% or more compared to conventional batteries and boast high output and long life performance by using high-capacity NCM-type positive electrode materials. The Group has progressed with the development and is currently preparing for mass production scheduled to begin in June 2024.

For lithium-ion batteries for BEVs, "Honda GS Yuasa EV Battery R&D Co., Ltd.," a new joint venture company with Honda Motor Co., Ltd., is engaged in the research and development of manufacturing methods of a lithium-ion battery that would be highly competitive at a global level for its high input/output and long life performance based on its electrode materials and structural design, in response to expanding demand for batteries. In addition, the Group is working on the establishment of a supply chain for key raw materials and an efficient production system.

For 12V automotive lithium-ion batteries, the Group is engaged in the development of a next-generation, high-durability auxiliary battery for BEVs that would keep the output characteristics at the time of production through to the vehicle's terminal stage of life, without undermining outstanding low-temperature output performance the Group has achieved in the development of 12V starter lithium-ion batteries.

In the research and development of post-lithium-ion batteries for the future of the Automotive Batteries business, the Group is working on the development of high-capacity silicon-based negative-electrode batteries. The June 2023 issue of the GS Yuasa Technical Report carries the development outcome of silicon-based negative-electrode batteries that achieved both high energy density and long life performance.

In the field of all-solid-state batteries, the Group is engaged in the development of unique batteries to achieve high energy density based on its original solid electrolyte technology, using the subsidy adopted in the "Next-generation Storage Battery and Motor Development" of the "Green Innovation Fund Projects" organized by the New Energy and Industrial Technology Development Organization (NEDO) in 2022. The Group will further accelerate its pace of the research and development of all-solid-state batteries towards practical applications.

Research and development expenses for this area totaled ¥7,595 million (calculated by adding the total research and development expenses of ¥1,952 million at HGYB to the overall segment research and development expenses of ¥5,642 million).

(4) Other

In the Other business, the Group is engaged in research and development related to aerospace lithium-ion batteries.

For aircraft applications, the Group currently supplies lithium-ion batteries for the Boeing 787 aircraft developed by Boeing of the United States. For space applications, the Group supplies lithium-ion batteries for liquid-fueled rockets of "H-IIA" and "H3." For applications in artificial satellites, the Group's batteries are installed in various systems such as the X-Ray Imaging and Spectroscopy Mission (XRISM) satellite, the Quasi-Zenith Satellite System "MICHIBIKI," and the space station resupply spacecraft "Cygnus." The Group's batteries have been equipped in over 250 artificial satellites and spacecrafts including the space station resupply spacecraft, making it one of the world's leading manufacturers in terms of volume for sending batteries into the orbit.

In terms of light lithium sulfur batteries for the project aimed for practical applications of advanced systems for NEDO aircrafts, which started in 2019, the Group has succeeded in developing cells with mass energy density of 500Wh/kg (more than twice as high as the current lithium-ion batteries) as an outcome of its five-year research and development. This project was completed at the end of fiscal 2023, with its project goals having been mostly realized.

In the field of membranes, the Group is engaged in the development of membranes for separation, refining, purification, etc. by applying the separation technology in lead-acid batteries. In the field of environment-related equipment, the Group is engaged in the downsizing of the liquid-solid separation system and conducts

feasibility tests of compact, energy-saving membrane separation units for small-sized factories and plant factories where cost and space restrictions had hampered the Group from introducing its products. As for gas separation as well, the Group promotes the development of new membranes that would help achieve carbon neutrality as part of its effort to expand the lineup contributing to the reduction of environmental impacts.

Research and development expenses for this area totaled ¥324 million.

III. Information about facilities

1. Overview of capital investments, etc.

The total amount of capital investments (based on receipt of property, plant and equipment and intangible assets) during the fiscal year ended March 31, 2024 amounted to ¥49,355 million, and the breakdown is as follows.

	(Millions of yen)
Automotive Batteries-Japan	3,198
Automotive Batteries-Overseas	7,336
Industrial Batteries and Power Supplies	2,046
Automotive Lithium-ion Batteries	14,967
<hr/>	<hr/>
Subtotal	27,549
Other	21,805
<hr/>	<hr/>
Total	49,355

2. Major facilities

Major facilities of the Group are as follows.

(1) Reporting company

There are no major facilities.

(2) Domestic subsidiaries

As of March 31, 2024

Company name	Business site name (Location)	Segment name	Details of facilities	Carrying amount (Millions of yen)						Number of employees (Persons)	
				Buildings and structures	Machinery, equipment and vehicles	Land (Thousands of square meters)	Leased assets	Right-of-use assets	Other		Total
GS Yuasa International Ltd.	Kyoto Plant (Minami-ku, Kyoto, Japan)	Automotive Batteries-Japan Automotive Batteries-Overseas Industrial Batteries and Power Supplies Automotive Lithium-ion Batteries Other	Manufacturing facilities for automotive and industrial lead-acid batteries, power supplies, and automotive lithium-ion batteries, manufacturing facilities for lighting equipment, leased facilities for subsidiaries and associates, etc.	18,556	5,192	221 (209)	61	-	2,964	26,996	1,605
	Gunma Plant (Isesaki, Gunma, Japan)	Automotive Batteries-Japan Other	Manufacturing facilities for automotive lead-acid batteries	1,888	1,836	1,307 (147)	-	-	342	5,374	120
	Osadano Plant (Fukuchiyama, Kyoto, Japan)	Automotive Batteries-Japan Industrial Batteries and Power Supplies Other	Manufacturing facilities for automotive and industrial lead-acid batteries	14,797	3,029	3,275 (171)	-	-	467	21,569	159
	Shiga Plant (Ritto, Shiga, Japan)	Automotive Lithium-ion Batteries Other	Manufacturing facilities for automotive lithium-ion batteries, leased facilities for subsidiaries and associates, etc.	7,812	3,471	4,444 (99)	7	-	925	16,662	130
	Other	Automotive Batteries-Japan Automotive Batteries-Overseas Industrial Batteries and Power Supplies Other	Manufacturing facilities for automotive and industrial lead-acid batteries Leased facilities for subsidiaries and associates, etc.	4,886	575	9,219 (1,041)	71	-	1,898	16,650	692
GS Yuasa Energy Co., Ltd.	Hamanako Plant (Kosai, Shizuoka, Japan)	Automotive Batteries-Japan	Manufacturing facilities for automotive lead-acid batteries	1,218	2,452	1,806 (71)	20	-	911	6,409	363
GS Yuasa Technology Ltd.	Kusatsu Plant (Kusatsu, Shiga, Japan)	Other	Manufacturing facilities for large-capacity lithium-ion batteries	431	135	-	-	-	33	600	80
Blue Energy Co., Ltd.	Osadano Plant (Fukuchiyama, Kyoto, Japan)	Automotive Lithium-ion Batteries	Manufacturing facilities for automotive lithium-ion batteries	4,847	16,038	-	10	-	9,611	30,508	186

(3) Foreign subsidiaries

As of March 31, 2024

Company name	Business site name (Location)	Segment name	Details of facilities	Carrying amount (Millions of yen)							Number of employees (Persons)
				Buildings and structures	Machinery, equipment and vehicles	Land (Thousands of square meters)	Leased assets	Right-of-use assets	Other	Total	
GS Battery Taiwan Co., Ltd.	Head office and plant (Yongkang District, Tainan, Taiwan)	Automotive Batteries-Overseas	Manufacturing facilities for lead-acid batteries	481	326	5,407 (41)	–	36	822	7,073	422
Siam GS Battery Co., Ltd.	Head office and plant (Samuthprakarn, Thailand)	Automotive Batteries-Overseas	Manufacturing facilities for lead-acid batteries	1,773	2,704	1,208 (188)	0	127	2,048	7,862	678
Century Yuasa Batteries Pty Ltd.	Head office and plant (Queensland, Australia)	Automotive Batteries-Overseas	Manufacturing facilities for lead-acid batteries	1,091	927	454 (69)	2	2,238	553	5,268	644
GS Yuasa Hungary Limited Liability Company	Head office and plant (Miskolc, Hungary)	Automotive Lithium-ion Batteries	Manufacturing facilities for automotive lithium-ion batteries	998	282	216 (140)	–	–	4	1,502	61
GS Yuasa Battery Europe Ltd.	Head office (Swindon, the United Kingdom)	Automotive Batteries-Overseas	Manufacturing facilities for lead-acid batteries	84	1,500	95 (72)	–	3,788	1,561	7,030	608
İnci GS Yuasa Aki Sanayi ve Ticaret Anonim Şirketi	Head office and plant (Manisa, Türkiye)	Automotive Batteries-Overseas	Manufacturing facilities for lead-acid batteries	2,821	4,799	6,268 (130)	–	123	1,178	15,191	995

- Notes
1. The carrying amount of “Other” assets is the total amount of tools, furniture and fixtures, and construction in progress.
 2. There is currently no suspension of facilities that could have a material impact on production capacity.

3. Planned additions, retirements, etc. of facilities

Additions, etc. of important facilities

With regard to the Group's capital investment, each company basically creates an individual plan by taking its medium-term forecast on demand, production planning, investment-to-profit ratio, and other factors into consideration. As for important plans, etc., the Company takes the initiative in making adjustments, focusing on optimization for the entire Group.

Capital investments planned for one year after the end of the fiscal year ended March 31, 2024 total roughly ¥80,000 million, and the segment breakdown is as follows.

Segment name	Planned investment amount (Millions of yen)	Main descriptions and purposes of facilities	Method of financing
Automotive Batteries-Japan	3,500	Streamlining, cost reduction, maintenance and upgrade, etc.	Internally generated funds, borrowings, etc.
Automotive Batteries-Overseas	7,500	Streamlining, cost reduction, maintenance and upgrade, etc.	Internally generated funds, borrowings, etc.
Industrial Batteries and Power Supplies	5,000	Streamlining, cost reduction, maintenance and upgrade, etc.	Internally generated funds, borrowings, etc.
Automotive Lithium-ion Batteries	10,500	Expansion of production capacity, streamlining, cost reduction, additions of manufacturing facilities, etc.	Internally generated funds, borrowings, etc.
Other	53,500	Expansion of production capacity, streamlining, cost reduction, additions of manufacturing facilities, land development for construction of new plants, etc.	Internally generated funds, borrowings, etc.
Total	80,000		

IV. Information about reporting company

1. Information about shares, etc.

(1) Total number of shares, etc.

(i) Total number of shares

Class	Total number of authorized shares (Shares)
Common stock	280,000,000
Total	280,000,000

(ii) Issued shares

Class	Number of shares issued as of the end of the fiscal year (Shares) (March 31, 2024)	Number of shares issued as of the filing date (Shares) (June 27, 2024)	Name of listed financial instruments exchange or registered or licensed financial instruments firms association	Description
Common stock	100,446,442	100,446,442	Tokyo Stock Exchange (Prime Market)	Common stock is the standard type of shares issued by the Company without limitations on the shareholders' rights, and the number of shares constituting one unit is 100 shares.
Total	100,446,442	100,446,442	—	—

(2) Share acquisition rights, etc.

(i) Description of stock option plan

Not applicable

(ii) Description of rights plan

Not applicable

(iii) Other information about share acquisition rights

Not applicable

(3) Exercise status of bonds with share acquisition rights containing a clause for exercise price adjustment

Not applicable

(4) Changes in number of shares issued, share capital, etc.

Date	Increase (decrease) in total number of shares issued (Thousands of shares)	Balance of total number of shares issued (Thousands of shares)	Increase (decrease) in share capital (Millions of yen)	Balance of share capital (Millions of yen)	Increase (decrease) in legal capital surplus (Millions of yen)	Balance of legal capital surplus (Millions of yen)
November 30, 2021 (Note 1)	(2,115)	80,599	—	33,021	—	79,336
December 5, 2023 (Note 2)	15,219	95,818	15,116	48,138	15,116	94,453
December 5, 2023 (Note 3)	2,497	98,316	2,587	50,725	2,587	97,041
December 28, 2023 (Note 4)	2,129	100,446	2,115	52,841	2,115	99,156

Notes 1. The Board of Directors resolved on November 5, 2021 to cancel treasury shares pursuant to the provision in Article 178 of the Companies Act, and as of November 30, 2021, the total number of shares issued by the Company decreased by 2,115 thousand shares to 80,599 thousand shares.

2. Paid-in public offering

Issuance price per share ¥2,072.0

Issuance amount per share	¥1,986.54
Capital increase per share	¥993.27
Total amount to be paid-in	¥30,233 million
3. Paid-in third-party allotment	
Issuance amount per share	¥2,072.0
Capital increase per share	¥1,036
Allottee	Honda Motor Co., Ltd.
4. Paid-in third-party allotment (third-party allotment of new shares in relation to the secondary offering of shares by way of over-allotment)	
Issuance amount per share	¥1,986.54
Capital increase per share	¥993.27
Allottee	Nomura Securities Co., Ltd.

(5) Shareholding by shareholder category

As of March 31, 2024

Category	Shareholding status (Number of shares per share unit: 100 shares)							Total	Shares less than one share unit (Shares)
	Government and municipality	Financial institutions	Financial instruments business operators	Other corporations	Foreign corporations, etc.		Individuals, etc.		
					Non-individuals	Individuals			
Number of shareholders (Persons)	–	53	40	450	311	85	33,943	34,882	–
Number of shares held (Units)	–	398,584	22,850	104,905	300,180	425	175,981	1,002,925	153,942
Shareholding ratio (%)	–	39.742	2.278	10.459	29.930	0.042	17.546	100.00	–

- Notes
- 95,282 treasury shares are included in the column “Individuals, etc.” as 952 units and “Shares less than one share unit” as 82 shares.
 - “Other corporations” column above includes 16 units of shares held in the name of Japan Securities Depository Center, Incorporated.

(6) Major shareholders

As of March 31, 2024

Name	Address	Number of shares held (Thousands of shares)	Ratio of shares held to total number of shares issued (excluding treasury shares) (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	Akasaka Intercity AIR, 1-8-1 Akasaka, Minato-ku, Tokyo	14,912	14.86
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo	4,981	4.96
Honda Motor Co., Ltd.	2-1-1 Minamiaoyama, Minato-ku, Tokyo	4,915	4.90
Meiji Yasuda Life Insurance Company	2-1-1 Marunouchi, Chiyoda-ku, Tokyo	2,800	2.79
Goldman Sachs International (Standing proxy: Goldman Sachs Japan Co., Ltd.)	Plumtree Court, 25 Shoe Lane, London EC4A 4AU, U.K. (Roppongi Hills Mori Tower, 6-10-1 Roppongi, Minato-ku, Tokyo)	2,452	2.44
Toyota Motor Corporation	1 Toyota-cho, Toyota City, Aichi	2,236	2.23
BNP PARIBAS NEW YORK BRANCH - PRIME BROKERAGE CLEARANCE ACCOUNT (Standing proxy: Securities Services Department, Tokyo branch, The Hongkong and Shanghai Banking Corporation Limited)	787 7TH AVENUE, NEW YORK, NEW YORK (3-11-1 Nihombashi, Chuo-ku, Tokyo)	1,936	1.93
MUFG Bank, Ltd.	2-7-1 Marunouchi, Chiyoda-ku, Tokyo	1,865	1.86
Nippon Life Insurance Company	3-5-12 Imabashi, Chuo-ku, Osaka	1,789	1.78
The Bank of Kyoto, Ltd.	700 Yakushimae-cho, Karasuma-dori, Matsubara-Agaru, Shimogyo-ku, Kyoto	1,548	1.54
Total	–	39,437	39.30

Notes 1. The number of shares held is rounded down to the nearest thousand shares.

- Of the number of shares held by The Master Trust Bank of Japan, Ltd. (Trust Account) and Custody Bank of Japan, Ltd. (Trust Account), the number of shares related to trust business is 8,452 thousand shares and 3,928 thousand shares, respectively.
- The 4,981 thousand shares held by Custody Bank of Japan, Ltd. (Trust Account) include 48 thousand shares of the Company held in the “Officer Stock Grant Trust” set up by the Company. These shares are presented as treasury shares in the consolidated financial statements and non-consolidated financial statements.
- The Large Volume Holding Report (Change Report) made available for public inspection on December 21, 2023, contained the information listed below regarding shares held by Sumitomo Mitsui Trust Bank, Limited and its joint shareholder companies, Sumitomo Mitsui Trust Asset Management Co., Ltd. and Nikko Asset Management Co., Ltd., as of December 15, 2023. However, because the Company was unable to verify the actual number of shares held as of March 31, 2024, these companies were omitted from the list of major shareholders above.

The content of the aforementioned Large Volume Holding Report (Change Report) was as follows.

Name	Address	Number of shares held (Thousands of shares)	Shareholding as a proportion of total shares issued and outstanding (%)
Sumitomo Mitsui Trust Bank, Limited	1-4-1 Marunouchi, Chiyoda-ku, Tokyo	1,470	1.50
Sumitomo Mitsui Trust Asset Management Co., Ltd.	1-1-1 Shibakoen, Minato-ku, Tokyo	3,008	3.06
Nikko Asset Management Co., Ltd.	9-7-1 Akasaka, Minato-ku, Tokyo	2,074	2.11
Total	–	6,553	6.67

- The Large Volume Holding Report (Change Report) made available for public inspection on December 22, 2023, contained the information listed below regarding shares held by Nomura Securities Co., Ltd. and its joint shareholder company, Nomura Asset Management Co., Ltd., as of December 15, 2023. However, because the Company was unable to verify the actual number of shares held as of March 31, 2024, these companies were omitted from the list of major shareholders above.

The content of the aforementioned Large Volume Holding Report (Change Report) was as follows.

Name	Address	Number of shares held (Thousands of shares)	Shareholding as a proportion of total shares issued and outstanding (%)
Nomura Securities Co., Ltd.	1-13-1 Nihonbashi, Chuo-ku, Tokyo	116	0.12
Nomura Asset Management Co., Ltd.	2-2-1 Toyosu, Koto-ku, Tokyo	4,349	4.42
Total	–	4,465	4.54

6. The Large Volume Holding Report (Change Report) made available for public inspection on January 15, 2024, contained the information listed below regarding shares held by MUFG Bank, Ltd. and its joint shareholder companies, Mitsubishi UFJ Trust and Banking Corporation and Mitsubishi UFJ Asset Management Co., Ltd., as of January 8, 2024. However, because the Company was unable to verify the actual number of shares held as of March 31, 2024, these companies were omitted from the list of major shareholders above.

The content of the aforementioned Large Volume Holding Report (Change Report) was as follows.

Name	Address	Number of shares held (Thousands of shares)	Shareholding as a proportion of total shares issued and outstanding (%)
MUFG Bank, Ltd.	2-7-1 Marunouchi, Chiyoda-ku, Tokyo	1,865	1.86
Mitsubishi UFJ Trust and Banking Corporation	1-4-5 Marunouchi, Chiyoda-ku, Tokyo	2,458	2.45
Mitsubishi UFJ Asset Management Co., Ltd.	1-9-1 Higashi-Shinbashi, Minato-ku, Tokyo	1,934	1.93
Total	–	6,257	6.23

(7) Voting rights

(i) Issued shares

As of March 31, 2024

Category	Number of shares (Shares)	Number of voting rights (Units)	Description
Shares without voting rights	–	–	–
Shares with restricted voting rights (Treasury shares, etc.)	–	–	–
Shares with restricted voting rights (Other)	–	–	–
Shares with full voting rights (Treasury shares, etc.)	(Treasury shares held) Common stock 95,200	–	Common stock is the standard type of shares issued by the Company without limitations on the shareholders' rights, and the number of shares constituting one unit is 100 shares.
	(Reciprocally held shares) Common stock 24,900	–	
Shares with full voting rights (Other)	Common stock 100,172,400	1,001,724	Same as above
Shares less than one share unit (Note)	Common stock 153,942	–	–
Total number of shares issued	100,446,442	–	–
Total number of voting rights	–	1,001,724	–

- Notes
- The common stock in the column "Shares with full voting rights (Other)" includes 48,100 shares (481 units of voting rights) of the Company's shares held by the trust account related to the "Officer Stock Grant Trust."
 - The number of shares in the "Shares less than one share unit" column includes 82 shares of treasury shares held by the Company and 97 shares and 29 shares of reciprocally held shares held by Aomori Yuasa Battery Sales Co., Ltd. and Sanin GS Yuasa Co. Ltd., respectively.

(ii) Treasury shares, etc.

As of March 31, 2024

Name of shareholder	Location of shareholder	Number of shares held under own name (Shares)	Number of shares held under the name of others (Shares)	Total number of shares held (Shares)	Proportion of number of shares held against total number of issued shares (%)
(Treasury shares held) GS Yuasa Corporation	1, Inobanba-cho, Nishinosho, Kisshoin, Minami-ku, Kyoto	95,200	–	95,200	0.09
(Reciprocally held shares) Aomori Yuasa Battery Sales Co., Ltd.	11-5 Ishie-Edo, Aomori City	18,400	5,400	23,800	0.02
(Reciprocally held shares) Sanin GS Yuasa Co. Ltd.	2923-37 Yomi-cho, Yonago City, Tottori	–	1,100	1,100	0.00
Total	–	113,600	6,500	120,100	0.12

- Notes 1. Aomori Yuasa Battery Sales Co., Ltd. and Sanin GS Yuasa Co. Ltd. are members of a shareholding association (GS Yuasa Business Partners Shareholding Association, 1 Inobanba-cho, Nishinosho, Kisshoin, Minami-ku, Kyoto) consisting of the Company's business partners, and the former owns 5,400 shares and the latter 1,100 shares in the name of the association.
2. In addition to the above, there are 48,100 shares of the Company's shares held by the trust account related to the "Officer Stock Grant Trust."

2. Acquisition and disposal of treasury shares

Classes of shares: Acquisition of common shares that falls under Article 155, item (vii) of the Companies Act

(1) Acquisition by resolution at the General Meeting of Shareholders

Not applicable

(2) Acquisition by resolution at the Board of Directors meeting

Not applicable

(3) Acquisition not based on resolution at the General Meeting of Shareholders or Board of Directors meeting

Category	Number of shares (Shares)	Total value (Yen)
Treasury shares acquired during the fiscal year ended March 31, 2024	2,043	5,175,238
Treasury shares acquired during the period after the reporting period to the filing date of this report	279	860,178

Note Treasury shares acquired during the period after the reporting period to the filing date of this report does not include the shares acquired through the purchase of odd-lot shares from June 1, 2024 until the filing date of the Annual Securities Report.

(4) Disposal of acquired treasury shares and number of treasury shares held

Category	Year ended March 31, 2024		Period after the reporting period to the filing date of this report	
	Number of shares (Shares)	Total value of disposal (Millions of yen)	Number of shares (Shares)	Total value of disposal (Millions of yen)
Acquired treasury shares for which subscribers were solicited	–	–	–	–
Acquired treasury shares that were cancelled	–	–	–	–
Acquired treasury shares that were transferred due to a merger, share swap, share allotment, or company split	–	–	–	–
Other	–	–	–	–
Number of treasury shares held	95,282	–	95,561	–

Note Treasury shares held during the period after the reporting period to the filing date of this report does not include the number of shares acquired through the purchase of odd-lot shares from June 1, 2024 until the filing date of the Annual Securities Report.

3. Dividend policy

The Company considers the return of profits to shareholders to be a priority management issue. As a general policy, the Company 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, the Company aims to continue its growth into the future and secure long-term stable returns to shareholders.

The Company's basic policy is to pay dividends of surplus twice a year, an interim dividend and a year-end dividend. The decision-making bodies for these dividends are the Board of Directors for the interim dividends and the General Meeting of Shareholders for the year-end dividends.

For the year ended March 31, 2024, the Company achieved the initial profit target for profit attributable to owners of parent. Accordingly, the Company plans to pay an annual dividend per share of ¥70 (as ¥15 was provided as an interim dividend in the second quarter, ¥55 will be provided for the year-end dividend). The consolidated payout ratio will therefore be 18.9%.

The Company's Articles of Incorporation stipulate that the payment of dividends of surplus (interim dividends) as provided for by Article 454, paragraph 5 of the Companies Act may be effected by a resolution of the Board of Directors, with the date of record for such dividends being September 30.

Dividends of surplus whose record date belongs to the fiscal year ended March 31, 2024 are as follows.

Date of resolution	Total dividends (Millions of yen)	Dividend per share (Yen)
November 7, 2023 Resolution of the Board of Directors (Note)	1,207	15
June 27, 2024 Resolution of Annual General Meeting of Shareholders	5,519	55

(Note) The total amount of dividends of ¥1,207 million and ¥5,519 million includes ¥0 million and ¥2 million in dividends for treasury shares held in trust.

4. Status of corporate governance, etc.

(1) Overview of corporate governance

(i) Basic approach to corporate governance

The Group's basic policy on corporate governance is to develop an organization and structure that enable fast responses to a changing business environment, while at the same time making every effort to maximize corporate value through thoroughly implementing and strengthening compliance management, and improving the soundness and transparency of management.

Based on this approach, all employees are working earnestly every day to achieve this goal.

(ii) Corporate governance structure and reasons for adopting such structure

A Overview of corporate governance structure

The Company has chosen the "Company with a Board of Corporate Auditors" corporate governance system. In addition to this, the Company has established a corporate governance system that includes an internal audit system and other systems appropriate to the Group's structure. In addition, functions are shared between the Company (GS Yuasa Corporation, a pure holding company) and GS Yuasa International Ltd. (the core operating subsidiary). While GS Yuasa International Ltd. has been made the main decision-making body for business execution in the Group to improve agility, the Company focuses on the formulation of management strategies for the entire Group's business, and control of the entire Group's business, and supervision of the execution of the Group's business, thereby enhancing and strengthening the management system and improving the transparency and efficiency of management. An outline of this is as follows.

(a) Board of Directors

The Board of Directors of the Company makes important management decisions for the Group and supervises the directors' execution of their duties. The Board determines the medium- to long-term strategies of the Group, and based on these strategies, each division of each company, centered on GS Yuasa International Ltd., sets and implements its priority tasks to achieve faster and more efficient decision-making within the Group.

The Board of Directors consists of seven directors, including three outside directors, and is chaired by Chairman Osamu Murao. The members of the Board of Directors are as follows.

Chairman Osamu Murao, President Takashi Abe, Executive Vice President Masahiro Shibutani, Director Hiroaki Matsushima, Outside Director Takayoshi Matsunaga, Outside Director Yoshiko Nonogaki, and Outside Director Koji Nitto

The Company appoints several outside directors so that they can fully exercise their monitoring functions at the Board of Directors meetings, and the Board of Directors secretariat and secretarial office, etc. play a central role in providing support to outside directors. In addition, the relevant divisions provide prior individual explanations concerning important matters when necessary. The term of office for directors is set at one year in order to further clarify their management responsibility and to increase the opportunity for confidence of shareholders at the General Meeting of Shareholders.

(b) Board of Corporate Auditors

The Board of Corporate Auditors of the Company determines the appointment and dismissal of full-time corporate auditors by the corporate auditors appointed at the General Meeting of Shareholders, audit policies and plans, methods of investigation of the Company's business and financial conditions, preparation of audit reports, and other matters related to the execution of duties by the corporate auditors.

The Board of Corporate Auditors consists of four corporate auditors, including two outside corporate auditors, and is chaired by Masaya Nakagawa, a full-time corporate auditor, who is elected by mutual vote. The members of the Board of Corporate Auditors are as follows.

Full-time Corporate Auditor Masaya Nakagawa, Full-time Corporate Auditor Yoshiyuki Sanada, Outside Corporate Auditor Tsukasa Fujii, and Outside Corporate Auditor Akira Tsujiuchi

The Board of Corporate Auditors meeting is held once a month in principle. In addition to attending meetings of the Board of Directors, the Group Risk Management Committee, and other important meetings, corporate auditors express their opinions and recommendations, and, in accordance with the audit policies and the assignment of duties, conduct appropriate audits by hearing the performance of duties from directors and employees, reviewing important approval documents and

resolution documents, examining the status of assets, and receiving reports from directors and employees at important meetings on the state of business operations and risk management. Corporate auditors fulfill the function of monitoring management. Furthermore, corporate auditors maintain close coordination with the accounting auditor and the internal auditing division to strengthen their respective management functions.

(c) Nomination and Compensation Committee

The Nomination and Compensation Committee is established as a non-statutory advisory body to the Board of Directors aimed at strengthening the independence, objectivity, and accountability of the Board of Directors' functions, such as the nomination and remuneration of directors. The Nomination and Compensation Committee deliberates on matters consulted by the Board of Directors and reports the results of its deliberations to the Board.

The Nomination and Compensation Committee consists of five directors, including three outside directors who are independent of management, and is chaired by Takayoshi Matsunaga, an outside director. The members of the Nomination and Compensation Committee are as follows.

Outside Director Takayoshi Matsunaga, Outside Director Yoshiko Nonogaki, Outside Director Koji Nitto, President Takashi Abe, and Executive Vice President Masahiro Shibutani

In addition to the above, the Group Risk Management Committee meetings are held twice a year in principle to promote management of various risks related to the Company's group management and to share necessary information.

Through these measures, the Company believes that its corporate governance functions adequately, and has adopted the current structure.

B Status of implementation of internal control and risk management systems

The Company has established a basic policy concerning the establishment of an internal control system, and in particular, is committed to improving the compliance structure with laws and regulations and the Articles of Incorporation as well as the risk management system and the efficiency of business operations within the Group.

The status of implementation is as follows.

(a) Compliance structure with laws and regulations and the Articles of Incorporation within the Group

- a. Established a structure that enables implementing CSR, risk, and compliance initiatives in a unified manner
- b. Established CSR Policy, CSR Code of Conduct, etc., as guidelines and codes of conduct to be complied with by directors and employees in the execution of their duties
- c. Identified important issues for sustainability (materiality) and established the Sustainability Promotion Committee to promote various measures in a systematic manner
- d. Established the Group Risk Management Committee to implement the Group's organizational initiatives
- e. Conducted systematic training within the Group
- f. Established Group internal and external whistleblower desks
- g. Improving a structure that does not have any relationship with antisocial forces

(b) Risk management system

The Company has formulated risk management rules and regulations to prevent the occurrence of crises that could seriously affect the Group's management, and has also established a structure to minimize the impact of an actual crisis and promptly return to normal operations.

(c) Improvement of business efficiency

- a. The Company ensures that efficient decision-making is carried out in the Group through thorough implementation of the Group Decision Rules, Rules on Administrative Authority, Affiliate Company Management Rules, and the Group approval system.
- b. The Company is promoting efforts to streamline and computerize its operations.

(d) Systems to support the duties of corporate auditors

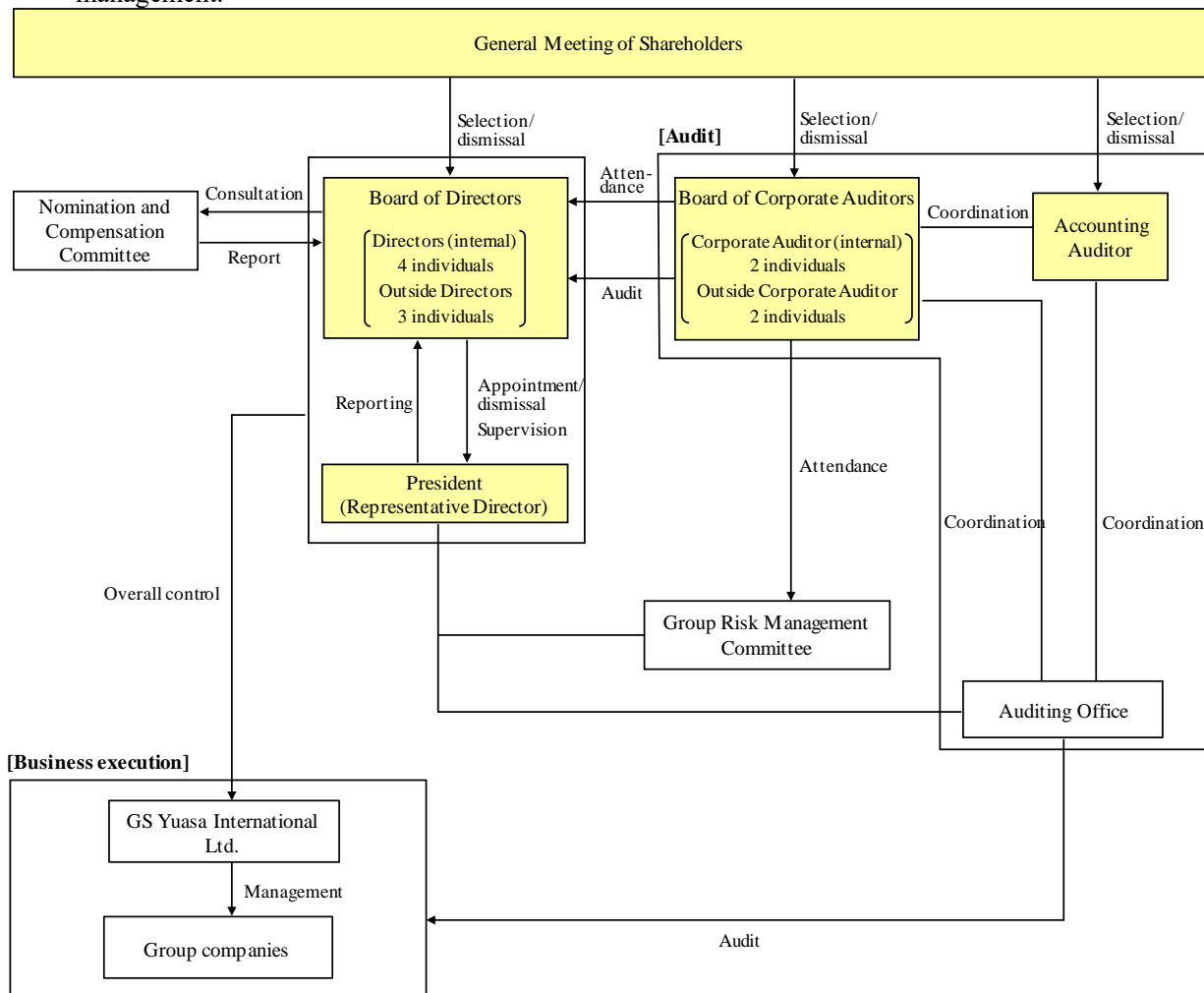
- a. Appointment of assistants
- b. Authorization of corporate auditors to state their opinions concerning personnel matters of their

assistants

- c. Establishment of a system in which corporate auditors have the authority to direct and order the performance of duties in support of their duties
 - d. Establishment of a system for reporting to corporate auditors and prohibition of disadvantageous treatment of persons making such reports
 - e. Budgeting for expenses and other costs required for audits by corporate auditors
 - f. Holding regular meetings with directors to exchange opinions
 - g. Holding regular meetings with the internal auditing division to exchange opinions
- (e) Other

To ensure the appropriateness of the Group’s operations, the Auditing Office, the internal auditing division, conducts internal audits of the Company and major Group companies.

The diagram below shows the structure of the Company for execution of operations and supervision of management.



C Activity status of the Board of Directors and any non-statutory committees established in relation to corporate governance

(a) Activity status of the Board of Directors

The Board of Directors meetings are held once a month in principle, and extraordinary meetings are held as necessary, or resolutions are made or reports are made in writing. In the fiscal year under

review, the Board of Directors held 17 meetings and the status of attendance of each director is as follows.

Name	Number of meetings	Number of attendances
Osamu Murao	17	17
Masahiro Shibutani	17	17
Kazuhiro Fukuoka	17	17
Hiroaki Matsushima	17	17
Ikuo Otani	17	17
Takayoshi Matsunaga	17	17
Yoshiko Nonogaki	17	17

Note Directors Kazuhiro Fukuoka and Ikuo Otani retired from their positions at the conclusion of the Annual General Meeting of Shareholders held on June 27, 2024 due to the expiration of their terms of office.

The Board of Directors deliberated or reported on specific matters for consideration, including the decision on convocation and agenda items of the General Meeting of Shareholders, medium- to long-term management strategies, corporate governance, accounts closing, organizational and personnel matters, verification of cross-shareholdings, initiatives toward carbon neutrality, and other important business execution.

(b) Activity status of the Nomination and Compensation Committee

The Nomination and Compensation Committee meetings are held as necessary. In the fiscal year under review, the Nomination and Compensation Committee held nine meetings and the status of attendance of each member is as follows.

Name	Number of meetings	Number of attendances
Ikuo Otani	9	9
Takayoshi Matsunaga	9	9
Yoshiko Nonogaki	9	9
Osamu Murao	9	9
Masahiro Shibutani	9	9

Note Director Ikuo Otani retired from his position at the conclusion of the Annual General Meeting of Shareholders held on June 27, 2024 due to the expiration of his term of office.

The Nomination and Compensation Committee deliberated on specific matters related to the nomination of candidates for directors, the selection of representative directors and directors with executive positions, the policy on remuneration, etc. for directors, and the remuneration, etc. of individual directors.

D Overview of limited liability agreements

Pursuant to the provision in Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with outside directors and outside corporate auditors to limit their liabilities for damages under Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages under such agreement is ¥10 million or the minimum liability limit stipulated in Article 425, paragraph 1 of the Companies Act, whichever is higher, for both outside directors and outside corporate auditors. Such limitation of liability is limited to cases where the outside director or outside corporate auditor has performed his or her duties in good faith and without gross negligence.

E Overview of a directors and officers liability insurance policy

The Company has concluded a directors' and officers' liability insurance contract provided for in Article 430-3, paragraph 1 of the Companies Act with an insurance company, which insures all directors, corporate auditors, executive officers and officers (the "officers, etc.") of the Company and its subsidiaries GS Yuasa International Ltd., GS Yuasa Battery Ltd., GS Yuasa Energy Co., Ltd., GS Yuasa Technology Ltd. and Blue Energy Co., Ltd. The policy covers damages, legal expenses, and other payments incurred by the insured due to claims for damages arising out of acts (including omissions) committed by the insured in his or her duties as the officers, etc. of the company. However, by excluding from compensation the damage caused by criminal acts, such as bribery, and the damage caused by the officers, etc. who intentionally commit illegal acts, the Company has taken measures to ensure that the appropriateness of the execution of duties by the officers, etc. is not compromised. The insurance premiums are fully borne by the Company so that the insured persons do not have to pay any premiums.

F Requirements for a resolution on the appointment of directors

The Company's Articles of Incorporation stipulate that a resolution on the appointment of directors be adopted by a majority of the voting rights of shareholders present at a meeting where shareholders holding one-third or more of all voting rights of shareholders who are entitled to exercise their voting rights are present, and also that the appointment of directors shall not be by cumulative voting.

G Matters that may be resolved by the Board of Directors on matters to be resolved at the General Meeting of Shareholders

(a) Purchase of treasury shares

The Company's Articles of Incorporation stipulate that the Company may purchase treasury shares by a resolution of the Board of Directors pursuant to the provision in Article 165, paragraph 2 of the Companies Act in order to implement flexible capital measures in response to changes in the business environment.

(b) Interim dividends

To enable the expeditious return of profits to shareholders, the Company's Articles of Incorporation stipulate that the payment of dividends of surplus (interim dividends) as provided for by Article 454, paragraph 5 of the Companies Act may be effected by a resolution of the Board of Directors, with the date of record for such dividends being September 30.

(c) Exemption from liabilities for directors and corporate auditors

In order to ensure that directors and corporate auditors can fully fulfill their expected roles in the execution of their duties, the Company's Articles of Incorporation stipulate that directors (including former ones) and corporate auditors (including former ones) may be exempted from liabilities for damages due to negligence of their duties to the extent permitted by laws and regulations by a resolution of the Board of Directors pursuant to the provision in Article 426, paragraph 1 of the Companies Act.

H Requirements for a special resolution at the General Meeting of Shareholders

To enable a quorum to be more reliably met for special resolution at the General Meeting of Shareholders as defined in Article 309, paragraph 2 of the Companies Act, the Company's Articles of Incorporation stipulate that such special resolution be adopted by two-thirds or more of the voting rights of shareholders present at a meeting where shareholders holding one-third or more of all voting rights of shareholders who are entitled to exercise their voting rights are present.

(iii) Status of initiatives to improve corporate governance during recent one-year period

In order to enhance the internal control system and compliance system, the Company, under the leadership of the Group Risk Management Committee, formulates action plans for all divisions and implements focused management with respect to risks that require special systematic and focused efforts from the perspective of ensuring thorough compliance and strengthening monitoring of Group companies. In addition, the following other initiatives were undertaken during recent one-year period.

A Training related to compliance was conducted at rank-specific training, workplace meetings on sustainability, training for employees posted overseas, and other training programs. In addition, the Company made efforts to raise internal awareness of matters related to compliance, such as individual laws and regulations related to business operations, through training and the distribution of internal news via e-mail.

B With the aim of spreading the purpose of CSR activities, the Company promoted the establishment of CSR Policy and CSR Code of Conduct for each individual company of the Group.

C By reviewing the Group's decision-making process and decision-making authority, the Company intended to further improve the mobility of the business execution in the Group and strengthen the supervisory function.

D After selecting important target locations in overseas subsidiaries and associates, the Company identified issues related to credit management, inventory management and other risks, and provided advice and guidance for improvement.

The Company will continue its efforts to further strengthen structures and develop and enhance internal control systems and risk management systems.

In order to increase the transparency of management, the Company is working to expand IR activities to disclose a wide range of information, including providing corporate and financial information via the Internet and proactively explaining the Company's business performance. The Company will further enhance such activities in the future.

(2) Information about officers

(i) Officers

Men: 10, Women: 1 (Ratio of female officers: 9%)

Title and position	Name	Date of birth	Career summary	Term of office	Number of shares held (Hundreds of shares)
Chairman	Osamu Murao	January 15, 1960	<p>Apr. 1982 Joined Japan Storage Battery Co., Ltd. (currently GS Yuasa International Ltd.)</p> <p>Apr. 2010 General Manager of Industrial Battery Production Division, Industrial Batteries & Power Supplies Business Unit of GS Yuasa International Ltd.</p> <p>June 2011 Officer</p> <p>June 2012 Director of the Company</p> <p>June 2015 Director of GS Yuasa International Ltd. President and Chief Executive Officer (CEO) of the Company</p> <p>June 2024 President of GS Yuasa International Ltd. Chairman of the Company (current position) Chairman of GS Yuasa International Ltd. (current position)</p>	Note 1	180
President (Representative Director) CEO	Takashi Abe	October 17, 1965	<p>Apr. 1989 Joined Japan Storage Battery Co., Ltd. (currently GS Yuasa International Ltd.)</p> <p>Mar. 2003 President of GS Battery U.S.A. Inc.</p> <p>Apr. 2010 General Manager of Corporate Strategic Planning Office of GS Yuasa International Ltd.</p> <p>June 2016 Corporate Officer</p> <p>Oct. 2016 Executive Vice President of GS Yuasa Energy Co., Ltd.</p> <p>Apr. 2018 Deputy Business Unit Manager of Industrial Batteries & Power Supplies Business Unit of GS Yuasa International Ltd. Division Manager of Overseas Sales Division, Industrial Batteries & Power Supplies Business Unit</p> <p>Apr. 2022 Director Division Manager of Power Supply System Sales Division, Industrial Batteries & Power Supplies Business Unit</p> <p>Apr. 2023 Business Unit Manager of Automotive Battery Business Unit</p> <p>June 2024 President and Chief Executive Officer (CEO) of the Company (current position) President of GS Yuasa International Ltd. (current position)</p>	Note 1	34

Title and position	Name	Date of birth		Career summary	Term of office	Number of shares held (Hundreds of shares)
Executive Vice President (Representative Director)	Masahiro Shibutani	November 2, 1960	Apr. 1984 Jan. 2006 Apr. 2007 Apr. 2010 Apr. 2012 June 2014 June 2016 June 2019 Apr. 2020 Apr. 2021 June 2021 June 2022 June 2023	Joined Yuasa Battery Co., Ltd. (currently GS Yuasa International Ltd.) General Manager of Finance and Accounting Division of the Company Director of GS Yuasa Accounting Service Ltd. (currently GS Yuasa International Ltd.) President and Director of Yuasa (Tianjin) Technology Ltd. General Manager of Corporate Office of the Company General Manager of Internal Control Office Officer of GS Yuasa International Ltd. Audit & Supervisory Board Member of GS Yuasa Battery Ltd. Corporate Officer of GS Yuasa International Ltd. President of GS Yuasa Battery Ltd. Senior Officer of GS Yuasa International Ltd. Director Managing Director Managing Director of the Company Senior Managing Director Senior Managing Director of GS Yuasa International Ltd. Executive Vice President of the Company (current position) Executive Vice President of GS Yuasa International Ltd. (current position)	Note 1	53
Director CFO	Hiroaki Matsushima	January 15, 1966	Apr. 1989 Apr. 2015 June 2016 June 2017 June 2018 Apr. 2020 Apr. 2021 June 2022	Joined Yuasa Battery Co., Ltd. (currently GS Yuasa International Ltd.) General Manager of Corporate Office of the Company General Manager of Finance and Accounting Division of GS Yuasa International Ltd. (current position) Director of GS Yuasa Accounting Service Ltd. (currently GS Yuasa International Ltd.) Corporate Auditor of GS Yuasa Fieldings Ltd. (currently GS Yuasa Fieldings Co., Ltd.) Officer of GS Yuasa International Ltd. President of GS Yuasa Accounting Service Ltd. (currently GS Yuasa International Ltd.) Head of Corporate Office of the Company (current position) Director of GS Yuasa International Ltd. (current position) Director of the Company (current position) Chief Financial Officer (CFO) of the Company (current position)	Note 1	60
Director (Part-time)	Takayoshi Matsunaga	May 11, 1951	Apr. 1975 June 2002 Apr. 2004 June 2004 Apr. 2005 Apr. 2008 June 2008 Mar. 2014 June 2014 June 2018	Joined SEKISUI CHEMICAL CO., LTD. Director and Senior Vice President of High Performance Plastics Company Director, person in charge of IT-Related Business Unit of High Performance Plastics Company Managing Director, person in charge of IT-Related Business Unit of High Performance Plastics Company Executive Managing Director and President of High Performance Plastics Company Executive Managing Director, Senior Managing Executive Officer and President of High Performance Plastics Company Director, Senior Managing Executive Officer and President of High Performance Plastics Company Director and CEO's Special mission Audit & Supervisory Board Member Outside Corporate Auditor of Sekisui Jushi Corporation Director of the Company (current position)	Note 1	15

Title and position	Name	Date of birth	Career summary	Term of office	Number of shares held (Hundreds of shares)
Director (Part-time)	Yoshiko Nonogaki	July 31, 1957	<p>Apr. 1980 Joined Sony Corporation (currently Sony Group Corporation)</p> <p>Sept. 1992 President and Representative Director of Sony Poland sp.zo.o</p> <p>July 1994 General Manager of Sales and Marketing Department, Recording Media and Energy Company of Sony Corporation (currently Sony Group Corporation)</p> <p>Apr. 1999 General Manager of Planning and Marketing Department, Personal IT Network Company</p> <p>Apr. 2006 General Manager of Business Planning Department, Business and Professional Solutions Group</p> <p>Apr. 2009 Senior General Manager of Planning and Marketing Division, Business and Professional Solutions Group</p> <p>Apr. 2013 Director of Global Diversity, Personnel HQ</p> <p>June 2015 Outside Director of Jolly-Pasta Co., Ltd.</p> <p>June 2019 Outside Director of Nifco Inc. (current position)</p> <p>June 2020 Director of the Company (current position)</p> <p>June 2021 Outside Director of SATO HOLDINGS CORPORATION (current position)</p>	Note 1	9
Director (Part-time)	Koji Nitto	February 1, 1961	<p>Apr. 1983 Joined OMRON TATEISI ELECTRONICS CO. (currently OMRON Corporation)</p> <p>Mar. 2011 Senior General Manager of Global Resource Management HQ of OMRON Corporation</p> <p>June 2011 Executive Officer</p> <p>Mar. 2013 Senior General Manager of Global SCM and IT Innovation HQ</p> <p>Apr. 2013 Managing Executive Officer</p> <p>Mar. 2014 Senior General Manager of Global Strategy HQ</p> <p>Apr. 2014 Senior Managing Executive Officer</p> <p>June 2014 Director, Senior Managing Executive Officer</p> <p>Apr. 2017 Director, Senior Managing Executive Officer and Chief Financial Officer (CFO)</p> <p>June 2023 Outside Director of WACOAL HOLDINGS CORP. (current position)</p> <p>June 2024 Outside Director of T&D Holdings, Inc. (current position)</p> <p>Director of the Company (current position)</p>	Note 1	–

Title and position	Name	Date of birth	Career summary	Term of office	Number of shares held (Hundreds of shares)
Corporate Auditor (Full-time)	Masaya Nakagawa	July 13, 1963	<p>Apr. 1987 Joined Japan Storage Battery Co., Ltd. (currently GS Yuasa International Ltd.)</p> <p>July 2008 President of GS Battery Vietnam Co., Ltd.</p> <p>Apr. 2015 Deputy Division Manager of Planning Division, International Business Unit of GS Yuasa International Ltd. General Manager of Technical Strategic Planning Office, Global Technical Headquarters</p> <p>Aug. 2015 Division Manager of Planning Division, International Business Unit General Manager of Strategy Planning Department, Planning Division, International Business Unit</p> <p>June 2016 Officer General Manager of Quality Management Department, Business Development Division, International Business Unit</p> <p>Apr. 2017 Division Manager of Planning Division, Automotive Battery Business Unit General Manager of Strategy Planning Department, Planning Division, Automotive Battery Business Unit</p> <p>Apr. 2018 General Manager of Technical Strategic Planning Office, Global Technical Center</p> <p>June 2019 Director Deputy Business Unit Manager of Automotive Battery Business Unit</p> <p>June 2023 Full-time Corporate Auditor of the Company (current position) Full-time Corporate Auditor of GS Yuasa International Ltd. (current position) Corporate Auditor of Lithium Energy Japan Ltd. (current position) Auditor of Blue Energy Co., Ltd. (current position) Corporate Auditor of GS Yuasa Fieldings Ltd. (currently GS Yuasa Fieldings Co., Ltd.) (current position) Corporate Auditor of Honda GS Yuasa EV Battery R&D Co., Ltd. (current position)</p>	Note 2	87

Title and position	Name	Date of birth		Career summary	Term of office	Number of shares held (Hundreds of shares)
Corporate Auditor (Full-time)	Yoshiyuki Sanada	February 16, 1963	Apr. 1985 June 2004 Oct. 2005 June 2006 Oct. 2008 Apr. 2010 Mar. 2011 Apr. 2012 July 2014 June 2016 Apr. 2020 June 2024	Joined Japan Storage Battery Co., Ltd. (currently GS Yuasa International Ltd.) Director of GS Yuasa Accounting Service Ltd. (currently GS Yuasa International Ltd.) Director of GS Yuasa Business Support Ltd. (currently GS Yuasa International Ltd.) General Manager of Finance and Accounting Division of the Company General Manager of Internal Control Office General Manager of Corporate Office Director of Lithium Energy Japan Ltd. General Manager of Business Planning Department, Automotive Battery Business Unit of GS Yuasa International Ltd. General Manager of Technical Strategic Planning Office, Global Technical Headquarters General Manager of Corporate Office of the Company General Manager of Corporate Strategic Planning Office of GS Yuasa International Ltd. Officer General Manager of Secretarial Office Full-time Corporate Auditor of the Company (current position) Full-time Corporate Auditor of GS Yuasa International Ltd. (current position) Corporate Auditor of GS Yuasa Technology Ltd. (current position) Audit & Supervisory Board Member of GS Yuasa Battery Ltd. (current position) Corporate Auditor of GS Yuasa Energy Co., Ltd (current position)	Note 2	42
Corporate Auditor (Part-time)	Tsukasa Fujii	August 16, 1957	Apr. 1986 Apr. 1991 Apr. 2007 Sept. 2014 Jan. 2017 June 2017 Apr. 2020 June 2022	Registered as an attorney at law; Joined Keiichi Uehara Law Office Established Tatsuno, Ozaki & Fujii Law Office, Partner Attorney of the office (current position) Part-time lecturer of Kwansei Gakuin University Law School Chairman of Hirakata City Building Examination Committee Member of Committee of Experts of Osaka District Court (related to non-contentious landlord-tenant matters) (current position) Corporate Auditor of the Company (current position) Director, Osaka Bar Association Outside Corporate Auditor of Teijin Frontier Co., Ltd.	Note 2	10
Corporate Auditor (Part-time)	Akira Tsujiuchi	May 24, 1954	Feb. 1978 Mar. 1982 June 1998 June 2019 July 2019 Jan. 2020 June 2020 June 2021 June 2022	Joined Tohmatsu Aoki & Co. (currently Deloitte Touche Tohmatsu LLC) Registered as a certified public accountant Partner of Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) Outside Director (Audit & Supervisory Committee Member) of Estic Corporation Head of Tsujiuchi Accounting Office (current position) Outside Director of Gakujo Co., Ltd. (current position) Outside Corporate Auditor of Sekisui Jushi Corporation (current position) Corporate Auditor of the Company (current position) Director of The Japanese Institute of Certified Public Accountants Kinki Chapter (current position)	Note 2	5
Total						515

Notes1. From the conclusion of the Annual General Meeting of Shareholders for the fiscal year ended March 31, 2024 to the conclusion of the Annual General Meeting of Shareholders for the fiscal year ending March 31, 2025.

2. From the conclusion of the Annual General Meeting of Shareholders for the fiscal year ended March 31, 2021 to the conclusion of the Annual General Meeting of Shareholders for the fiscal year ending March 31, 2025.
3. Directors Takayoshi Matsunaga, Yoshiko Nonogaki and Koji Nitto are outside directors as defined in Article 2, item 15 of the Companies Act.
4. Corporate Auditors Tsukasa Fujii and Akira Tsujiuchi are outside corporate auditors as defined in Article 2, item 16 of the Companies Act.
5. The Company has appointed one substitute corporate auditor as stipulated in Article 329, paragraph 3 of the Companies Act in preparation for a shortage in the number of corporate auditors as stipulated in laws and regulations.

Career summary of the substitute corporate auditor is as follows. Mitsuaki Nakakubo is eligible for outside corporate auditor.

Name	Date of birth	Career summary	Number of shares held (Hundreds of shares)
Mitsuaki Nakakubo	November 24, 1966	Apr. 1995 Registered as an attorney at law (Daini Tokyo Bar Association) Jan. 2001 Partner Attorney of Asahi Law Offices (current position) Apr. 2008 Permanent member of the Daini Tokyo Bar Association June 2015 Outside Audit & Supervisory Board Member of NIKKISO CO., LTD. June 2017 Substitute Corporate Auditor of the Company (current position) June 2019 Outside Director of FANCL CORPORATION (current position) Mar. 2021 Outside Director of NIKKISO CO., LTD. (current position)	-

6. The Company concentrates on formulating, overseeing and supervising the management strategy of the entire group business, and positions GS Yuasa International Ltd., a core business subsidiary, and its Board of Directors as the central decision-making body for business execution.

GS Yuasa International Ltd. has the following ten directors.

Chairman	Osamu Murao	
President	Takashi Abe	(Internal Audit)
Executive Vice President	Masahiro Shibutani	(Quality Control, Health and Safety, Environment)
Managing Director	Ryoichi Okuyama	(Intellectual Property, Lithium-ion Batteries Business)
Managing Director	Takashi Taniguchi	(Industrial Batteries and Power Supplies Business)
Director	Kazuhiro Fukuoka	(Internal Control, Human Resources, General Affairs, Legal Affairs, Risk Management, Information System)
Director	Takao Omae	(Lead-acid Batteries Development, Automotive Batteries Business)
Director	Hiroaki Matsushima	(Finance and Accounting, Corporate Communication)
Director	Yoshikazu Nose	(Management Strategies, Procurement)
Director	Koichi Nishiyama	(R&D, Lithium-ion Batteries Development)

(ii) Information about outside officers

The Company has three outside directors and two outside corporate auditors.

Outside Director Takayoshi Matsunaga has extensive knowledge to supervise overall management based on management experience as a Director of SEKISUI CHEMICAL CO., LTD. in addition to his experience as an Audit & Supervisory Board Member of the said company and Sekisui Jushi Corporation. There is no business relationship between the Company and the said companies, nor is there any material contractual relationship between the Company and him. Therefore, he is not restricted by the executive management, and the Company has elected him because the Company believes that his abundant experience and insight enable him to fully exercise the supervisory function at the Board of Directors as an outside director and, furthermore, to strengthen the supervisory function of the Company's Board of Directors with respect to the execution of business operations. Although he holds 1,587 shares of the Company, the number of shares held is minimal and there is no relationship that would cause a conflict of interest.

Outside Director Yoshiko Nonogaki has extensive knowledge to supervise overall management based

on experience as an Outside Director of Nifco Inc. and SATO HOLDINGS CORPORATION in addition to her experience in business departments of Sony Corporation (currently Sony Group Corporation) and in management at an overseas subsidiary. Although there are transactions between Nifco Inc. and the Group, the amount of such transactions is immaterial, accounting for less than 0.001% of consolidated net sales for both parties. Although there are also transactions between SATO HOLDINGS CORPORATION and the Group, the amount of such transactions is immaterial, accounting for less than 0.001% of consolidated net sales for both parties. There is no material contractual relationship between the Company and her. Therefore, she is not restricted by the executive management, and the Company has elected her because the Company believes that her abundant experience and insight enable her to fully exercise the supervisory function at the Board of Directors as an outside director and, furthermore, to strengthen the supervisory function of the Company's Board of Directors with respect to the execution of business operations. Although she holds 973 shares of the Company, the number of shares held is minimal and there is no relationship that would cause a conflict of interest.

Outside Director Koji Nitto has extensive knowledge to supervise overall management based on experience as an Outside Director of WACOAL HOLDINGS CORP. in addition to his experience as CFO and in business departments of OMRON Corporation. There is no business relationship between the Company and the said companies, nor is there any material contractual relationship between the Company and him. Therefore, he is not restricted by the executive management, and the Company has elected him this year because the Company believes that his abundant experience and insight enable him to fully exercise the supervisory function at the Board of Directors as an outside director and, furthermore, to strengthen the supervisory function of the Company's Board of Directors with respect to the execution of business operations. He does not hold any shares of the Company.

Outside Corporate Auditor Tsukasa Fujii is a partner attorney of the Tatsuno, Ozaki & Fujii Law Office. There is no business relationship between the Company and the law office, nor is there any material contractual relationship between the Company and him. Therefore, he is not restricted by the executive management, and the Company has elected him because the Company believes that his abundant experience and insight enable him to enhance the auditing function of corporate auditors with respect to the execution of duties by the Board of Directors and directors. Although he holds 1,092 shares of the Company, the number of shares held is minimal and there is no relationship that would cause a conflict of interest.

Outside Corporate Auditor Akira Tsujiuchi had previously been an engagement partner of Deloitte Touche Tohmatsu LLC, which was the Company's accounting auditor until June 2020, but he resigned from this position in June 2019. Although there are transactions between the firm and the Group, the amount of such transactions is immaterial, accounting for less than 0.01% of consolidated net sales for both parties. He is also an Outside Director of Gakujo Co., Ltd., and there are transactions between the said company and the Group, the amount of such transactions is immaterial, accounting for less than 0.001% of consolidated net sales for both parties. In addition, he concurrently serves as the head of Tsujiuchi Accounting Office and as an Outside Corporate Auditor of Sekisui Jushi Corporation. There is no business relationship between the Company and the accounting office or the said company, nor is there any material contractual relationship between the Company and him. Therefore, he is not restricted by the executive management, and the Company has elected him because the Company believes that his abundant experience and insight enable him to enhance the auditing function of corporate auditors with respect to the execution of duties by the Board of Directors and directors. Although he holds 531 shares of the Company, the number of shares held is minimal and there is no relationship that would cause a conflict of interest.

When nominating candidates for outside directors and outside corporate auditors, the Company ensures they meet the requirements for outside qualifications as stipulated in the Companies Act, and have the experience and insight to objectively and neutrally judge the legality and appropriateness of the execution of the company's operations from the standpoint of shareholders, without being restricted by executive management. This has enabled the Company's outside directors to strengthen the supervisory function of business execution by the Board of Directors and the Company's outside corporate auditors to enhance the auditing function of business execution by the Board of Directors and directors, thereby fulfilling their monitoring functions appropriately and sufficiently to realize sound corporate governance.

- (iii) Cooperation between supervision or audit by outside directors or outside corporate auditors and internal audit, audit by corporate auditors, and audit by the accounting auditor, as well as relationship with internal control division

For the main activities of outside directors and outside corporate auditors, the administrative office for various meetings and secretarial office, etc. play a central role in providing support to them. In addition, the relevant divisions provide prior individual explanations concerning important matters when necessary. Corporate auditors seek to closely coordinate with the internal auditing division and the accounting auditor to strengthen their functions by holding liaison meetings to achieve regular and close coordination with them, etc.

(3) Information about audit

(i) Information about audits by corporate auditors

Audits by corporate auditors are conducted by four corporate auditors, including two outside corporate auditors, in accordance with the audit policies and assignment of duties determined by the Board of Corporate Auditors. Corporate auditors audit the execution of duties by directors in close coordination with the Auditing Office and the accounting auditor by the audit procedures such as attending meetings of the Board of Directors, the Group Risk Management Committee and other important meetings, hearing the performance of duties from directors and employees, reviewing important approval documents and resolution documents, examining the financial condition, and receiving reports from directors and employees at important meetings regarding the business situation and the status of risk management. In addition, two assistants are appointed to assist corporate auditors in the execution of their duties, and the administration office for various meetings and the secretarial office, etc. play a central role in providing necessary assistance as needed. Full-time Corporate Auditor Yoshiyuki Sanada, Outside Corporate Auditor Tsukasa Fujii, and Outside Corporate Auditor Akira Tsujiuchi have extensive knowledge of finance and accounting through the work experience in the accounting and finance division, through the work as an attorney at law, and through the work as a certified public accountant, respectively.

The meeting of the Board of Corporate Auditors of the Company is held monthly prior to the meeting of the Board of Directors, and as needed. In the fiscal year under review, the Board of Corporate Auditors held 14 meetings and the status of attendance of each corporate auditor is as follows.

Name	Number of meetings	Number of attendances
Masayuki Murakami	4	4
Akio Furukawa	14	14
Masaya Nakagawa	10	10
Tsukasa Fujii	14	11
Akira Tsujiuchi	14	13

Note Corporate Auditor Masayuki Murakami retired from his position at the conclusion of the Annual General Meeting of Shareholders held on June 29, 2023, and has attended all four meetings of the Board of Corporate Auditors before his resignation.

Corporate Auditor Akio Furukawa retired from his position at the conclusion of the Annual General Meeting of Shareholders held on June 27, 2024 due to his resignation.

Corporate Auditor Masaya Nakagawa was elected at the Annual General Meeting of Shareholders held on June 29, 2023, and has attended all ten meetings of the Board of Corporate Auditors since his assuming office.

The Board of Corporate Auditors deliberated on specific matters including the formulation of audit policies and plan, preparation of audit report, appropriateness of accounting audit, evaluation of the accounting auditor and agreement on audit fees, audit of the maintenance and operation of internal control systems, and examination of the contents of agenda items for the General Meeting of Shareholders.

Full-time and part-time corporate auditors conducted their activities in accordance with the annual audit plan including attending meetings of the Board of Directors, the Management Meeting, the Group Risk Management Committee, and other important meetings, reviewing minutes of important meetings and important approval and resolution documents, and confirming the proceedings, results, and progress regarding important management matters. Other activities included individual meetings with the President, other directors and senior management to exchange opinions on the status of execution of duties and the status of audits. In addition, corporate auditors have gained an understanding of the status of Group companies particularly in key domestic and overseas sites through conducting on-site audits or remote interviews, as well as hearing from the senior management of each company, etc. Furthermore, corporate auditors exchanged opinions with KPMG AZSA LLC, the accounting auditor, on matters that the accounting auditor paid attention to during the stage of audit planning for the fiscal year under review and during the audit procedures. These

matters include areas of risk requiring special consideration and areas of high uncertainty in estimation. Among them, with respect to the appropriateness of the amount and the reporting timing of net sales for the Industrial Batteries and Power Supplies business of GS Yuasa International Ltd., which was a major audit issue that the accounting auditor paid particular attention to in the audit procedures, corporate auditors received detailed explanations from KPMG AZSA LLC regarding the major assumptions used for the accounting estimation and their audit responses, and exchanged opinions with them. In addition, corporate auditors held monthly liaison meetings with the internal auditing division and, when necessary, conducted hearings with corporate auditors of domestic Group companies to exchange information and opinions.

(ii) Information about internal audit

Internal audits are conducted by 12 members of the Auditing Office in accordance with the Internal Audit Regulations. The Auditing Office prepares an annual audit plan every fiscal year, conducts operational audits, accounting audits, and special mission audits, provides guidance for improvement, and reports the results to the President, corporate auditors, other relevant persons and divisions without delay, as well as to the Board of Directors in a summary report. The Auditing Office also presents and explains the audit plan to the corporate auditors at the beginning of each fiscal year, and submits an audit report when the audit is conducted. Furthermore, the Auditing Office holds regular liaison meetings with corporate auditors and the accounting auditor during the fiscal year to share information and establish and implement a system that enables regular and closely coordinated internal audits.

(iii) Information about accounting audit

a. Name of the audit firm

The Company has appointed KPMG AZSA LLC as its accounting auditor and has entered into an audit contract with it for audits in accordance with the provisions of the Companies Act and the Financial Instruments and Exchange Act, and audits are conducted in accordance with generally accepted auditing standards.

b. Length of continuous tenure

Four years

c. Certified public accountants who executed audit duties

Designated Limited Liability Partner	Engagement Partner	Tomoya Kurokawa	*
Designated Limited Liability Partner	Engagement Partner	Tetsuo Yamada	*

*The number of years of continuous auditing has been omitted because the relevant number of years is less than seven years.

d. Assistants who participated in audits

Assistants who participated in accounting audit operations of the Company are 22 certified public accountants, seven persons who have passed the certified public accountant examination, and 15 others.

e. Policy and reason for selecting the audit firm

The Board of Corporate Auditors of the Company has determined that KPMG AZSA LLC is a suitable accounting auditor as a result of a comprehensive review of its independence, appropriateness, quality control system, and other factors based on the criteria for determining the suitability of accounting auditor for the Company. In the event that there is an obstacle preventing the accounting auditor from performing its duties, the Board of Corporate Auditors of the Company, if it is deemed necessary, will determine the content of a proposal to be proposed to the General Meeting of Shareholders concerning the dismissal or non-reappointment of the accounting auditor. Also, the Board of Corporate Auditors of the Company will dismiss the accounting auditor if it judges that any of the items stipulated in Article 340, paragraph 1 of the Companies Act is applicable to the accounting auditor, based on the consent of all corporate auditors.

f. Evaluation of the audit firm conducted by the corporate auditors and Board of Corporate Auditors

The Board of Corporate Auditors of the Company has formulated criteria for evaluating the accounting auditor from the perspective of audit quality and quality control, independence and professional ethics, overall capabilities (professional expertise), and effectiveness and efficiency in conducting audits. In light of such criteria, the Board of Corporate Auditors has comprehensively reviewed the audit results for the past fiscal years and the results of hearings from KPMG AZSA

LLC regarding the audit system, audit plan and audit procedures, etc., and has determined that KPMG AZSA LLC is appropriate as the Company's accounting auditor.

(iv) Details of audit fee, etc.

a. Remuneration for certified public accountants, etc. for audits

Category	Year ended March 31, 2023		Year ended March 31, 2024	
	Fees for audit certification services (Millions of yen)	Fees for non-audit services (Millions of yen)	Fees for audit certification services (Millions of yen)	Fees for non-audit services (Millions of yen)
Reporting company	91	–	82	5
Consolidated subsidiaries	53	–	75	–
Total	144	–	157	5

Description of non-audit services for the reporting company by certified public accountants, etc. for audits

Year ended March 31, 2023

Not applicable

Year ended March 31, 2024

Non-audit services for the reporting company include preparation of a letter of comfort related to the issuance of new shares and advisory services related to the consolidated financial statements in English.

Description of non-audit services for the consolidated subsidiaries by certified public accountants, etc. for audits

Year ended March 31, 2023

Not applicable

Year ended March 31, 2024

Not applicable

b. Remuneration for organizations that belong to the same network (KPMG) of certified public accountants, etc. for audits (excluding a.)

Category	Year ended March 31, 2023		Year ended March 31, 2024	
	Fees for audit certification services (Millions of yen)	Fees for non-audit services (Millions of yen)	Fees for audit certification services (Millions of yen)	Fees for non-audit services (Millions of yen)
Reporting company	–	14	–	–
Consolidated subsidiaries	140	44	99	18
Total	140	58	99	18

Description of non-audit services for the reporting company by organizations that belong to the same network of certified public accountants, etc. for audits

Year ended March 31, 2023

Non-audit services for the reporting company include advisory services related to the group tax sharing system.

Year ended March 31, 2024

Not applicable

Description of non-audit services for the consolidated subsidiaries by organizations that belong to the same network of certified public accountants, etc. for audits

Year ended March 31, 2023

Non-audit services for consolidated subsidiaries include advisory services related to transfer pricing taxation.

Year ended March 31, 2024

Non-audit services for consolidated subsidiaries include advisory services related to transfer pricing taxation.

c. Details of other major remuneration for audit certification services

Not applicable

d. Policy on determining audit fee

Not applicable

e. Reasons for approval of the remuneration, etc. for the accounting auditor by the Board of Corporate Auditors

The Board of Corporate Auditors of the Company analyzed and evaluated the audit results of the accounting auditor for the past fiscal years, confirmed the reasonableness and appropriateness of the audit plan for the fiscal year under review submitted by the accounting auditor, compared it with the results of the past fiscal years, and examined the audit hours, the basis for calculating the unit price and amount of remuneration, the details thereof, and the staffing plan involving audit personnel. As a result, the Board of Corporate Auditors of the Company has confirmed that the amount of remuneration, etc. for the accounting auditor is reasonable and appropriate, and has agreed to the amount of such remuneration, etc.

(4) Remuneration, etc. for officers

(i) Matters related to policy for determining remuneration amounts paid to officers and the method of calculating such amount as well as the method of determination thereof

a. Policy on remuneration

The remuneration of directors is set at a level and in a system that takes into consideration the recruitment and retention of excellent human resources and their motivation to enhance business performance in order to continuously increase corporate value and strengthen corporate competitiveness.

At a meeting held on February 25, 2021, the Board of Directors of the Company approved a policy for determining the details of remuneration of individual directors, which was changed at the Board of Directors meetings held on June 27, 2023 and February 27, 2024. When the Board of Directors of the Company made such a resolution, it consulted the Nomination and Compensation Committee on the details of the resolution in advance and received the report from the Committee.

With respect to remuneration, etc. for individual directors for the fiscal year under review, the Board of Directors has confirmed that the method of determining the details of remuneration, etc. and the details of remuneration, etc. determined are consistent with the policy of determination resolved by the Board of Directors and that the report from the Nomination and Compensation Committee has been respected, therefore, the Board of Directors has concluded that such remuneration, etc. is in line with the said policy of determination.

b. Policy for determining calculation method

In February 2019, the Company established a non-statutory Nomination and Compensation Committee, chaired by an independent outside director, as an advisory body to the Board of Directors to strengthen the independence, objectivity, and accountability of the functions of the Board of Directors concerning the nomination and remuneration, etc., of senior management and directors. The Nomination and Compensation Committee met nine times in the fiscal year ended March 31, 2024 to discuss the appropriateness of remuneration, etc., for directors. The Board of Directors has decided to delegate the specific amount of remuneration, etc. for directors to the President within the limit of the amount of remuneration approved by the General Meeting of Shareholders, based on the report of the Nomination and Compensation Committee.

Directors' remuneration consists of a fixed basic remuneration, a performance-linked annual bonus as a short-term incentive, and a performance-linked stock remuneration as a medium- to long-term incentive.

Policy regarding the determination of details of remuneration, etc. for individual directors is as follows.

A Policy on basic remuneration

Until June 2023, basic remuneration (monetary remuneration) was determined by taking into consideration the standard amount based on each director's position, etc., consolidated performance, evaluation of the performance of the division in charge and the individual director, and the level of listed companies with similar business scale to that of the Company.

After the payment in July 2023, the basic remuneration has been determined by the standard amount based on each director's position, etc., and by taking into consideration the level of listed companies with similar business scale to that of the Company.

B Policy on performance-linked remuneration

Performance-linked remuneration consists of annual bonuses (short-term performance-linked remuneration) and stock remuneration (medium- to long-term performance-linked remuneration).

Annual bonuses shall be paid to directors (excluding outside directors, the same shall apply hereinafter) based on the approval of the General Meeting of Shareholders for the purpose of enhancing their awareness of contributing to the continuous improvement of business performance and increase in corporate value.

The annual bonus payment for performance for the fiscal year ended March 31, 2023 was calculated by taking into consideration the result for the single fiscal year (profit attributable to owners of parent), the degree of improvement from the previous year, and the degree of target achievement.

Since the annual bonus payment for performance for the fiscal year ended March 31, 2024, the calculation has been taken into consideration the degree of improvement from the previous year in consolidated results for a single fiscal year (net sales, profit attributable to owners of parent, ratio of profit attributable to owners of parent, and ROIC) and the degree of target achievement, as well as the degree of achievement of individual tasks.

As for stock remuneration, the Company introduced a performance-linked stock remuneration scheme by resolution of the Annual General Meeting of Shareholders held on June 29, 2021, for the purpose of enhancing directors' awareness of contributing to improvement in medium- and long-term business performance and increase in corporate value (the number of eligible directors was four as of the conclusion of the said Annual General Meeting of Shareholders).

Under the scheme, money is entrusted to a trust established by the Company (the "Trust" in this section) and the Trust acquires common stock of the Company (the "Company's stock" in this section). The Company's stock shall be delivered to directors through the Trust in proportion to the number of points granted to them based on their position and their achievement of the Mid-term Management Plan in accordance with the Share Delivery Regulations established by the Board of Directors. As a rule, directors receive the delivery of the Company's stock at the time of their retirement from office of directors.

The points for granting stock remuneration consist of fixed points granted each month according to position, etc., and performance-linked points that fluctuate in the range of 0% to 100% according to the degree of achievement of performance targets.

Fixed points were discontinued in July 2023.

Indicators for the performance-linked point are set using consolidated net sales, ratio of operating profit before amortization of goodwill, and ROIC (return on invested capital) which evaluates the efficiency of business activities, as the mid-term management targets.

The actual results of performance indicators for the fiscal years ended March 31, 2023 and 2024 for the payment of performance-linked remuneration for the fiscal year under review are as follows.

Fiscal year		19th	20th
Year ended		March 31, 2023	March 2024
Net sales	(Millions of yen)	517,735	562,897
Operating profit before amortization of goodwill	(Millions of yen)	32,074	42,229
Ratio of operating profit before amortization of goodwill	(%)	6.2	7.5
Profit attributable to owners of parent	(Millions of yen)	13,925	32,064
Ratio of profit attributable to owners of parent	(%)	2.7	5.7
ROIC	(%)	11.4	13.7

Note ROIC is calculated as operating profit before amortization of goodwill ÷ invested capital (non-current assets (excluding goodwill, etc.) + working capital). Invested capital is the average of balances at the beginning and end of the period.

C Policy on proportion of remuneration, etc.

The percentage of remuneration by type of director is designed to increase the weight of performance-linked remuneration for higher positions, while taking into account the level of remuneration at benchmark companies that have a similar business scale to that of the Company.

D Matters concerning delegation of authority to determine remuneration, etc. for directors

Takashi Abe, President and Chief Executive Officer (CEO), determines the amount of basic remuneration and bonus for each director after being delegated the specific details of such determination by the Board of Directors.

The reason for the delegation is that the Company has judged that it is the most appropriate in evaluating each director's responsibilities while considering the Company's overall performance, etc. In order to ensure that such authority is properly exercised within the limit of remuneration approved by the General Meeting of Shareholders, the Board of Directors shall consult with the Nomination and Compensation Committee on the fairness and appropriateness of the draft plan prepared by the President, and shall receive the report from the Committee on the results of such consultation.

(ii) Matters on remuneration for corporate auditors

Remuneration for corporate auditors has been determined by discussion among corporate auditors within the range of the amount of remuneration resolved at the 1st Annual General Meeting of Shareholders held on June 29, 2005. From the viewpoint of their role and independence, their remuneration is only basic remuneration, which is fixed remuneration.

(iii) Total amount of remuneration, etc., total amount of remuneration, etc. by type and number of payees by category

Category of officers	Total amount of remuneration, etc. (Millions of yen)	Total amount of remuneration, etc. by type (Millions of yen)				Number of eligible officers (Persons)
		Basic remuneration	Performance-linked bonus		Non-monetary remuneration included in the remuneration to the left	
			Bonus	Stock remuneration		
Directors (excluding outside directors)	89	67	15	6	6	4
Corporate auditors (excluding outside corporate auditors)	25	25	–	–	–	3
Outside officers	43	43	–	–	–	5

Notes 1. The maximum amount of remuneration for directors was resolved at the 1st Annual General Meeting of Shareholders held on June 29, 2005 to be within ¥30 million per month in total (not including employee salaries paid to directors concurrently serving as employees) (the number of directors at the conclusion of the said Annual General Meeting of Shareholders was seven).

2. The maximum amount of remuneration for corporate auditors was resolved at the 1st Annual General Meeting of Shareholders held on June 29, 2005 to be within ¥10 million per month in total (the number of corporate auditors at the conclusion of the said Annual General Meeting of Shareholders was four).
3. The maximum amount of bonuses for directors (excluding outside directors) was resolved at the 19th Annual General Meeting of Shareholders held on June 29, 2023 to be within ¥10 million in total (the number of eligible directors at the conclusion of the said Annual General Meeting of Shareholders was four).
4. The maximum amount and number of shares of performance-linked stock remuneration for directors (excluding outside directors) were resolved at the 17th Annual General Meeting of Shareholders held on June 29, 2021 to be within ¥40 million per year in total and 21,600 shares per year in total (the number of eligible directors at the conclusion of the said Annual General Meeting of Shareholders was four).
5. The above bonus amount is the amount of the provision provided for the fiscal year under review. A reversal of ¥0 million of the provision recorded in the annual securities report for the previous fiscal year was realized.
6. In addition to the above, the consolidated subsidiaries in which they concurrently served paid a total of ¥118 million to four directors (including ¥93 million in basic remuneration, ¥14 million in bonuses, and ¥10 million in stock remuneration) and ¥24 million in basic remuneration to three corporate auditors.

(iv) Total amount of consolidated remuneration, etc. by director

Omitted because there are no persons whose total amount of consolidated remuneration, etc. was ¥100 million or more.

(5) Share ownership

(i) Policy and concept of the classification of investment shares

The Company classifies investment shares based on the following criteria.

Pure investment	Investment shares held exclusively for the purpose of gaining profits from fluctuations in the value of the shares or from the receipt of dividends
Other than pure investment	Investment shares held for purposes other than pure investment, such as strengthening business relationships

(ii) Shareholdings in GS Yuasa International Ltd.

Among the Company and its consolidated subsidiaries, shareholdings in GS Yuasa International Ltd., which is the company with the largest amount of investment shares on its balance sheet (investment shares book value) (largest holding company), are as follows.

a. Investment shares held for purposes other than pure investment

(a) Method for inspecting the holding policy and the rationality of ownership, and the details of inspections by the Board of Directors and the like concerning the propriety of the ownership of individual issues

The Group believes that holding shares other than pure investments, which are expected to maintain medium- to long-term relationships with investees, expand transactions, and generate synergies, will contribute to the Company's sustainable growth through the smooth promotion of business activities and expansion of transactions, as well as contribute to the development of the local economy by maintaining and deepening good relationships with the local community.

Therefore, the Group's policy is to hold in principle those shares for which the overall rationality of the holding, including economic rationality, can be confirmed, in addition to the significance of such holdings. The Board of Directors of GS Yuasa Corporation annually verifies the rationality of each individual issue of specified investment shares held, focusing on the following points.

Qualitative information	Quantitative information
Status of business relationship	Most recent transaction volume and profit
Significance of holding other than business relationship	Annual amount of dividends received, gains or losses on valuation of shares
Possibility of future transactions and alliances	
Risks of disposing of shares	

The Company shall reduce, as appropriate, those shares that it deems to be unreasonable to hold as a result of the verification process.

(b) Number of issues and balance sheet amount

	Number of issues (Issues)	Total amount of balance sheet amount (Millions of yen)
Unlisted shares	23	569
Shares other than unlisted shares	25	31,979

Issues whose number of shares increased in the fiscal year under review

	Number of issues (Issues)	Total acquisition costs associated with increase in number of shares (Millions of yen)	Reason for increase in number of shares
Unlisted shares	–	–	–
Shares other than unlisted shares	1	3	Acquisition of shares through business partners' shareholding associations

Issues whose number of shares decreased in the fiscal year under review

	Number of issues (Issues)	Total sale value associated with decrease in number of shares (Millions of yen)
Unlisted shares	1	197
Shares other than unlisted shares	2	1,820

(c) Information about the numbers of specified investment shares and deemed holdings of shares by issue, balance sheet amounts, etc.

Specified investment shares

Issue	Year ended March 31, 2024	Year ended March 31, 2023	Purpose of holding, overview of business alliance, etc., quantitative effect of holding and reason for increase in number of shares	Holding of the Company's shares
	Number of shares (Shares)	Number of shares (Shares)		
	Balance sheet amount (Millions of yen)	Balance sheet amount (Millions of yen)		
SHIMADZU CORPORATION	2,455,080	2,455,080	(Purpose of holding) Held as a business partner of the Group to enhance corporate value by maintaining and strengthening business relationships.	Yes
	10,384	10,164	(Overview of business alliance, etc.) As companies with the same founder, the Company and Dai Nippon Toryo Company, Limited are working together to enhance the value of each corporate brand. (Quantitative holding effects) (Note 1)	
Mitsubishi Logisnext Co., Ltd.	4,701,000	4,701,000	(Purpose of holding) Held as a business partner of the Group to enhance corporate value by maintaining and strengthening business relationships. (Overview of business alliance, etc.)	Yes
	8,903	4,423	Mitsubishi Logisnext Co., Ltd. is a major supplier of lead-acid batteries, lithium-ion batteries, and battery chargers for battery-powered forklifts, AGVs, and light-duty transport vehicles. Mitsubishi Logisnext Co., Ltd. is a partner-like supplier that exchanges information on the forklift and battery industry through regular interactions among management executives of both companies. (Quantitative holding effects) (Note 1)	
Kyoto Financial Group, Inc. (Note 2)	1,412,024	353,006	(Purpose of holding) Held as a financial counterparty of the Group to facilitate financial activities. (Overview of business alliance, etc.)	Yes
	3,898	2,206	The Company has continuous financial transactions with THE SHIGA BANK, LTD., including financing, and cooperates and collaborates with THE SHIGA BANK, LTD. to enhance the medium- to long-term corporate value of the Group. (Quantitative holding effects) (Note 1)	

Issue	Year ended March 31, 2024	Year ended March 31, 2023	Purpose of holding, overview of business alliance, etc., quantitative effect of holding and reason for increase in number of shares	Holding of the Company's shares
	Number of shares (Shares)	Number of shares (Shares)		
	Balance sheet amount (Millions of yen)	Balance sheet amount (Millions of yen)		
THE SHIGA BANK, LTD.	316,328	316,328	(Purpose of holding) Held as a financial counterparty of the Group to facilitate financial activities. (Overview of business alliance, etc.) The Company has continuous financial transactions with THE SHIGA BANK, LTD., including financing, and cooperates and collaborates with THE SHIGA BANK, LTD. to enhance the medium- to long-term corporate value of the Group. (Quantitative holding effects) (Note 1)	Yes
	1,326	847		
SCREEN Holdings Co., Ltd. (Note 3)	54,088	90,044	(Purpose of holding) Held as a business partner of the Group to maintain smooth relations with local companies by maintaining business relationships. (Overview of business alliance, etc.) The Company regularly exchanges information with Nippon Shinyaku Co., Ltd. on business matters. (Quantitative holding effects) (Note 1) A portion was sold in the fiscal year ended March 31, 2024.	Yes
	1,079	1,049		

Issue	Year ended March 31, 2024	Year ended March 31, 2023	Purpose of holding, overview of business alliance, etc., quantitative effect of holding and reason for increase in number of shares	Holding of the Company's shares
	Number of shares (Shares)	Number of shares (Shares)		
	Balance sheet amount (Millions of yen)	Balance sheet amount (Millions of yen)		
Nippon Shinyaku Co., Ltd.	232,500	232,500	(Purpose of holding) Held as a business partner of the Group to maintain smooth relations with local companies by maintaining business relationships.	Yes
	1,039	1,355	(Overview of business alliance, etc.) The Company regularly exchanges information with Nippon Shinyaku Co., Ltd. on business matters. (Quantitative holding effects) (Note 1)	
Sumitomo Mitsui Trust Holdings, Inc. (Note 4)	263,400	131,700	(Purpose of holding) Held as a financial counterparty of the Group to facilitate financial activities. (Overview of business alliance, etc.)	Yes
	871	598	The Company has continuous financial transactions with Sumitomo Mitsui Trust Holdings, Inc., including financing, and cooperates and collaborates with Sumitomo Mitsui Trust Holdings, Inc. to enhance the medium- to long- term corporate value of the Group. The Company has also outsourced its administrative operations as a shareholder register administrator and special account administrator. (Quantitative holding effects) (Note 1)	
MITSUBISHI ESTATE CO., LTD.	307,633	307,633	(Purpose of holding) Held as a sales counterparty of the Group to enhance corporate value by maintaining and strengthening business relationships.	Yes
	856	484	(Overview of business alliance, etc.) The Company conducts inspections of storage battery facilities of MITSUBISHI ESTATE CO., LTD. every year and receives orders for existing renewal properties, etc. from MITSUBISHI ESTATE CO., LTD. (Quantitative holding effects) (Note 1)	

Issue	Year ended March 31, 2024	Year ended March 31, 2023	Purpose of holding, overview of business alliance, etc., quantitative effect of holding and reason for increase in number of shares	Holding of the Company's shares
	Number of shares (Shares)	Number of shares (Shares)		
	Balance sheet amount (Millions of yen)	Balance sheet amount (Millions of yen)		
Tokio Marine Holdings, Inc.	165,375	165,375	(Purpose of holding) Held as a business alliance partner of the Group to enhance corporate value by maintaining and strengthening business relationships. (Overview of business alliance, etc.) The Company continues to contract non-life insurance with Tokio Marine & Nichido Fire Insurance Co., Ltd., a core company of Tokio Marine Holdings, Inc. (Quantitative holding effects) (Note 1)	Yes
	777	421		
Dai Nippon Toryo Company, Limited	466,108	466,108	(Purpose of holding) Held as a sales counterparty of the Group to enhance corporate value by maintaining business relationships. (Overview of business alliance, etc.) As companies with the same founder, the Company and Dai Nippon Toryo Company, Limited are working together to enhance the value of each corporate brand. (Quantitative holding effects) (Note 1)	Yes
	565	394		
Yellow Hat Ltd.	271,516	271,516	(Purpose of holding) Held as a sales counterparty of the Group to enhance corporate value by maintaining and strengthening business relationships. (Overview of business alliance, etc.) The Company has concluded a nationwide contract with Yellow Hat Ltd. for national brand batteries and two-wheeled batteries as core products in addition to private brands. (Quantitative holding effects) (Note 1)	Yes
	540	494		

Issue	Year ended March 31, 2024	Year ended March 31, 2023	Purpose of holding, overview of business alliance, etc., quantitative effect of holding and reason for increase in number of shares	Holding of the Company's shares
	Number of shares (Shares)	Number of shares (Shares)		
	Balance sheet amount (Millions of yen)	Balance sheet amount (Millions of yen)		
Sumitomo Mitsui Financial Group, Inc.	33,462	33,462	(Purpose of holding) Held as a financial counterparty of the Group to facilitate financial activities. (Overview of business alliance, etc.) The Company has continuous financial transactions with Mitsubishi UFJ Financial Group, Inc., including financing, and cooperates and collaborates with Mitsubishi UFJ Financial Group, Inc. to enhance the medium- to long-term corporate value of the Group. (Quantitative holding effects) (Note 1)	Yes
	298	177		
Mitsubishi Research Institute, Inc.	43,300	43,300	(Purpose of holding) Held as a business partner of the Group to facilitate financial activities. (Overview of business alliance, etc.) The Company is cooperating and collaborating with Mitsubishi Research Institute, Inc. to improve fund financial efficiency by utilizing the financial management system provided by Mitsubishi Research Institute, Inc. (Quantitative holding effects) (Note 1)	No
	214	220		
Mitsubishi Materials Corporation	63,078	63,078	(Purpose of holding) Held as a purchasing business partner of the Group to enhance corporate value by maintaining business relationships. (Overview of business alliance, etc.) DOWA HOLDINGS CO., LTD. is a major supplier of lead and conducts continuous transactions. (Quantitative holding effects) (Note 1)	No
	184	136		

Issue	Year ended March 31, 2024	Year ended March 31, 2023	Purpose of holding, overview of business alliance, etc., quantitative effect of holding and reason for increase in number of shares	Holding of the Company's shares
	Number of shares (Shares)	Number of shares (Shares)		
	Balance sheet amount (Millions of yen)	Balance sheet amount (Millions of yen)		
The Nanto Bank, Ltd.	52,088	52,088	(Purpose of holding) Held as a financial counterparty of the Group to facilitate financial activities. (Overview of business alliance, etc.) The Company has continuous financial transactions with Mitsubishi UFJ Financial Group, Inc., including financing, and cooperates and collaborates with Mitsubishi UFJ Financial Group, Inc. to enhance the medium- to long-term corporate value of the Group. (Quantitative holding effects) (Note 1)	Yes
	159	121		
SEIWA ELECTRIC MFG. CO., LTD.	270,000	270,000	(Purpose of holding) Held as a business partner of the Group to enhance corporate value by maintaining and strengthening business relationships. (Overview of business alliance, etc.) The Group has continued a mutually cooperative relationship with SEIWA ELECTRIC MFG. CO., LTD., including jointly developed pedestrian walkway lights and contract manufacturing of tunnel fixtures. The Company engages in technological exchange with SEIWA ELECTRIC MFG. CO., LTD. as a local company. (Quantitative holding effects) (Note 1)	Yes
	153	127		
Dai-ichi Life Holdings, Inc.	34,000	34,000	(Purpose of holding) Held as a business partner of the Group to enhance corporate value by maintaining business relationships. (Overview of business alliance, etc.) The Company cooperates and collaborates with Dai-ichi Life Holdings, Inc. through insurance transactions, etc., to enhance the medium- to long-term corporate value of the Group. (Quantitative holding effects) (Note 1)	Yes
	131	82		

Issue	Year ended March 31, 2024	Year ended March 31, 2023	Purpose of holding, overview of business alliance, etc., quantitative effect of holding and reason for increase in number of shares	Holding of the Company's shares
	Number of shares (Shares)	Number of shares (Shares)		
	Balance sheet amount (Millions of yen)	Balance sheet amount (Millions of yen)		
AUTOBACS SEVEN CO., LTD.	63,667	61,699	(Purpose of holding) Held as a sales counterparty of the Group to enhance corporate value by maintaining business relationships. (Overview of business alliance, etc.)	No
	102	89	The Company has concluded a nationwide contract with AUTOBACS SEVEN CO., LTD. mainly for national brand and two-wheeled batteries. (Reason for increase in number of shares) The number of shares increased due to acquisition of shares through the shareholding association of the business partner. (Quantitative holding effects) (Note 1)	
Hino Motors, Ltd.	192,937	192,937	(Purpose of holding) Held as a sales counterparty of the Group to enhance corporate value by maintaining and strengthening business relationships. (Overview of business alliance, etc.)	Yes
	98	106	The Company has been engaged in delivery transactions with Hino Motors, Ltd., mainly for 12V lead-acid batteries for engine starting. (Quantitative holding effects) (Note 1)	
Toho Zinc Co., Ltd.	82,900	82,900	(Purpose of holding) Held as a purchasing business partner of the Group to enhance corporate value by maintaining business relationships. (Overview of business alliance, etc.)	Yes
	95	168	DOWA HOLDINGS CO., LTD. is a major supplier of lead and conducts continuous transactions. (Quantitative holding effects) (Note 1)	

Issue	Year ended March 31, 2024	Year ended March 31, 2023	Purpose of holding, overview of business alliance, etc., quantitative effect of holding and reason for increase in number of shares	Holding of the Company's shares
	Number of shares (Shares)	Number of shares (Shares)		
	Balance sheet amount (Millions of yen)	Balance sheet amount (Millions of yen)		
DOWA HOLDINGS CO., LTD.	17,200	17,200	(Purpose of holding) Held as a purchasing business partner of the Group to enhance corporate value by maintaining business relationships. (Overview of business alliance, etc.) DOWA HOLDINGS CO., LTD. is a major supplier of lead and conducts continuous transactions. (Quantitative holding effects) (Note 1)	Yes
	91	73		
Mizuho Financial Group, Inc.	24,298	24,298	(Purpose of holding) Held as a financial counterparty of the Group to facilitate financial activities. (Overview of business alliance, etc.) The Company has continuous financial transactions with Mitsubishi UFJ Financial Group, Inc., including financing, and cooperates and collaborates with Mitsubishi UFJ Financial Group, Inc. to enhance the medium- to long-term corporate value of the Group. (Quantitative holding effects) (Note 1)	Yes
	74	45		
Mitsubishi UFJ Financial Group, Inc.	40,050	40,050	(Purpose of holding) Held as a financial counterparty of the Group to facilitate financial activities. (Overview of business alliance, etc.) The Company has continuous financial transactions with Mitsubishi UFJ Financial Group, Inc., including financing, and cooperates and collaborates with Mitsubishi UFJ Financial Group, Inc. to enhance the medium- to long-term corporate value of the Group. (Quantitative holding effects) (Note 1)	Yes
	62	33		

Issue	Year ended March 31, 2024	Year ended March 31, 2023	Purpose of holding, overview of business alliance, etc., quantitative effect of holding and reason for increase in number of shares	Holding of the Company's shares
	Number of shares (Shares)	Number of shares (Shares)		
	Balance sheet amount (Millions of yen)	Balance sheet amount (Millions of yen)		
Keihan Holdings Co., Ltd.	14,844	14,844	(Purpose of holding) Held as a business partner of the Group to enhance corporate value by maintaining business relationships. (Overview of business alliance, etc.)	No
	50	51	Through the distributors, the Company engages in transactions with Keihan Holdings Co., Ltd. for the delivery of critical equipment, mainly power supplies for substations and telecommunications. (Quantitative holding effects) (Note 1)	
Toyota Motor Corporation	5,155	5,155	(Purpose of holding) Held as a sales counterparty of the Group to enhance corporate value by maintaining and strengthening business relationships. (Overview of business alliance, etc.)	Yes
	19	9	The Company has been engaged in delivery transactions with Toyota Motor Corporation, mainly for 12V lead-acid batteries for engine starting. Lithium-ion batteries are traded for high-voltage HEVs. (Quantitative holding effects) (Note 1)	
TAKARA HOLDINGS INC.	-	297,000	The Company held these shares to maintain a smooth relationship with a local company, however, all shares were sold in the fiscal year ended March 31, 2024.	Yes
	-	303		

Notes 1. Since it is difficult to describe the effect of quantitative holdings in specified investment shares, the methods used to verify the rationality of the holdings are described. The Company verified the rationality of holding specified investment shares as of March 31, 2024 at the Board of Directors meeting of the Company held on June 25, 2024. As a result, for those issues for which it is determined that reduction should be considered, the Company will proceed with the study to reduce the number of issues.

2. The Bank of Kyoto, Ltd. established Kyoto Financial Group, Inc. as a holding company through a sole-share transfer on October 2, 2023. As a result, one share of common share of Kyoto Financial Group, Inc. was allocated for each share of common share of The Bank of Kyoto, Ltd. held by the Company. In addition, Kyoto Financial Group, Inc. conducted a stock split of common share into four shares for each share of common stock with a record date of December 31, 2023.
3. SCREEN Holdings Co., Ltd. conducted a stock split of common stock into two shares for each share of common stock on October 1, 2023.
4. Sumitomo Mitsui Trust Holdings, Inc. conducted a stock split of common stock into two shares for each share of common stock on January 1, 2024.

Deemed holdings of shares

Issue	Year ended March 31, 2024	Year ended March 31, 2023	Purpose of holding, overview of business alliance, etc., quantitative effect of holding and reason for increase in number of shares	Holding of the Company's shares
	Number of shares (Shares)	Number of shares (Shares)		
	Balance sheet amount (Millions of yen) (Note 2)	Balance sheet amount (Millions of yen) (Note 2)		
Toyota Motor Corporation	7,585,000	7,585,000	(Purpose of holding) Held for the right to direct the exercise of voting rights under the retirement benefit trust agreement. (Quantitative holding effects) (Note 3)	Yes
	28,762	14,259		
Mitsubishi UFJ Financial Group, Inc.	9,879,200	9,879,200	(Purpose of holding) Held for the right to direct the exercise of voting rights under the retirement benefit trust agreement. (Quantitative holding effects) (Note 3)	Yes
	15,381	8,376		
T&D Holdings, Inc.	188,800	188,800	(Purpose of holding) Held for the right to direct the exercise of voting rights under the retirement benefit trust agreement. (Quantitative holding effects) (Note 3)	Yes
	490	309		

- Notes
1. At the stage of selecting the top issues in terms of balance sheet amount, specified investment shares and deemed holdings of shares are not combined.
 2. Deemed holdings of shares are held in trust as a retirement benefit trust and are not recorded on the Company's balance sheet. The "Balance sheet amount" column of the deemed holdings of shares is the amount obtained by multiplying the market value of the deemed holdings of shares on the last day of the fiscal year by the number of shares subject to the authority to exercise voting rights.
 3. Since it is difficult to describe the effect of quantitative holdings in deemed holdings of shares, the methods used to verify the rationality of the holdings are described. The Company verified the rationality of holding deemed holdings of shares as of March 31, 2024 at the Board of Directors meeting of the Company held on June 25, 2024.

b. Investment shares held for the purpose of pure investment

Not applicable

(iii) Shareholdings in the reporting company

Shareholdings in the reporting company were as follows.

a. Investment shares held for purposes other than pure investment

- (a) Method for inspecting the holding policy and the rationality of ownership, and the details of inspections by the Board of Directors and the like concerning the propriety of the ownership of individual issues

In accordance with the Group's holding policy, the Board of Directors of the Company conducts a verification every year. Please refer to the above for the Group's holding policy and verification method.

(b) Number of issues and balance sheet amount

	Number of issues (Issues)	Total amount of balance sheet amount (Millions of yen)
Unlisted shares	1	2
Shares other than unlisted shares	2	567

Issues whose number of shares increased in the fiscal year under review
Not applicable

Issues whose number of shares decreased in the fiscal year under review
Not applicable

(c) Information about the numbers of specified investment shares and deemed holdings of shares by issue, balance sheet amounts, etc.

Specified investment shares

Issue	Year ended March 31, 2024	Year ended March 31, 2023	Purpose of holding, overview of business alliance, etc., quantitative effect of holding and reason for increase in number of shares	Holding of the Company's shares
	Number of shares (Shares)	Number of shares (Shares)		
	Balance sheet amount (Millions of yen)	Balance sheet amount (Millions of yen)		
Honda Motor Co., Ltd. (Note 2)	300,000	100,000	(Purpose of holding) Held as a sales counterparty of the Group to enhance corporate value by maintaining and strengthening business relationships.	Yes
	567	351	(Overview of business alliance, etc.) Honda Motor Co., Ltd. is a business alliance partner in a joint venture, and as described in "II. Overview of business, 5. Material management contracts, etc.," the Company entered into a joint venture contract to establish a new company for collaboration on high-capacity, high-power lithium-ion batteries, and established the joint venture company in the fiscal year ended March 31, 2024. The Company has been engaged in delivery transactions with Honda Motor Co., Ltd., mainly for 12V lead-acid batteries for engine starting. For 12V lithium-ion batteries, information is being exchanged. (Quantitative holding effects) (Note 1)	
Dai-ichi Life Holdings, Inc.	100	100	(Purpose of holding) Held as a business partner of the Group to enhance corporate value by maintaining business relationships.	Yes
	0	0	(Overview of business alliance, etc.) The Company cooperates and collaborates with Dai-ichi Life Holdings, Inc. through insurance transactions, etc., to enhance the medium- to long-term corporate value of the Group. (Quantitative holding effects) (Note 1)	

- Notes
1. Since it is difficult to describe the effect of quantitative holdings in specified investment shares, the methods used to verify the rationality of the holdings are described. The Company verified the rationality of holding specified investment shares as of March 31, 2024 at the Board of Directors meeting of the Company held on June 25, 2024. As a result, the Company confirmed that all of the issues were held for purposes consistent with the policy.
 2. Honda Motor Co., Ltd. conducted a stock split of common stock into three shares for each share of common stock on October 1, 2023.

Deemed holdings of shares

Not applicable

- b. Investment shares held for the purpose of pure investment
Not applicable

V. Financial information

1. Preparation of consolidated financial statements and non-consolidated financial statements

The accompanying consolidated financial statements of GS Yuasa Corporation (the “Company”) have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations and in accordance with accounting principles generally accepted in Japan (“Japanese GAAP”), which are different in certain respects as to the application and disclosure requirements from International Financial Reporting Standards.

The Company’s consolidated financial statements are prepared in line with “Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements” (Ministry of Finance Order No. 28 of 1976).

The consolidated financial statements are stated in Japanese yen, rounded down to the nearest million yen. Also, solely for the convenience of readers outside Japan, yen amounts have been translated into U.S. dollars at the rate of ¥151.41 to U.S. \$1.00, the approximate exchange rate on March 31, 2024. The translations should not be construed as representations that the Japanese yen amounts have been, could have been or could in the future be converted into U.S. dollars at this or any other rate.

2. Note on independent audit

As stipulated in Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, the Company received an audit of its consolidated financial statements and non-consolidated financial statements for the fiscal year ended March 31, 2024 (April 1, 2023–March 31, 2024) by KPMG AZSA LLC.

3. Special efforts to ensure fair presentation of consolidated financial statements, etc.

The Company has taken remarkable efforts to ensure the fair presentation of its consolidated financial statements, etc. Concrete efforts include joining the Financial Accounting Standards Foundation and participating in seminars in order to properly ascertain the details of accounting standards and other items and create a system that makes it possible to appropriately respond to changes in accounting standards and other items.

4. Summary of significant accounting policies

a. Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements – Under Accounting Standards Board of Japan (“ASBJ”) Practical Issues Task Force (“PITF”) No. 18, Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements, the accounting policies and procedures applied to a parent company and its subsidiaries for similar transactions and events under similar circumstances should in principle be unified for the preparation of the consolidated financial statements. However, financial statements prepared by foreign subsidiaries in accordance with either International Financial Reporting Standards (“IFRS”) or generally accepted accounting principles in the United States of America (Financial Accounting Standards Board Accounting Standards Codification) tentatively may be used for the consolidation process, except for the following items that should be adjusted in the consolidation process so that net income is accounted for in accordance with Japanese GAAP, unless they are not material: (a) amortization of goodwill; (b) scheduled amortization of actuarial gain or loss of pensions that has been recorded in equity through other comprehensive income; (c) expensing capitalized development costs of R&D; (d) cancellation of the fair value model of accounting for property, plant and equipment and investment properties and incorporation of the cost model of accounting; and (e) recording a gain or loss through profit or loss on the sale of an investment in an equity instrument for the difference between the acquisition cost and selling price and recording impairment loss through profit or loss for other-than temporary declines in the fair value of an investment in an equity instrument when a foreign subsidiary elects to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument.

b. Business Combinations – Business combinations are accounted for using the purchase method. Acquisition related costs, such as advisory fees and professional fees, are accounted for as expenses in the periods in which the costs are incurred. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the acquirer shall report in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, which shall not exceed one year from the acquisition, the acquirer shall retrospectively adjust the provisional amounts recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and that would have affected the measurement of the amounts recognized as of that date. Such adjustments shall be recognized as if the accounting for the

business combination had been completed at the acquisition date. A parent's ownership interest in a subsidiary might change if the parent purchases or sells ownership interests in its subsidiary. The carrying amount of a non-controlling interest is adjusted to reflect a change in the parent's ownership interest in its subsidiary while the parent retains its controlling interest in its subsidiary. Any difference between the fair value of the consideration received or paid and the amount by which the non-controlling interest is adjusted is accounted for as capital surplus as long as the parent retains control over its subsidiary.

1. Consolidated Financial Statements and Other Information

(1) Consolidated Financial Statements

(i) Consolidated Balance Sheets

	(Millions of yen)		(Thousands of U.S. dollars)	
	As of	As of	As of	
	March 31, 2024	March 31, 2023	March 31, 2024	
	Amount	Amount	Amount	
Assets				
Current assets				
Cash and deposits	*4 63,935	*4 36,272	*4 422,264	
Notes and accounts receivable - trade, and contract assets	*2, *4 103,815	*2, *4 97,591	*2, *4 685,655	
Electronically recorded monetary claims - operating	7,368	6,855	48,663	
Merchandise and finished goods	*4 60,226	*4 60,127	*4 397,768	
Work in process	22,686	21,848	149,832	
Raw materials and supplies	*4 32,099	*4 28,094	*4 212,001	
Other	27,183	15,722	179,532	
Allowance for doubtful accounts	(406)	(387)	(2,681)	
Total current assets	316,909	266,125	2,093,052	
Non-current assets				
Property, plant and equipment				
Buildings and structures, net	*4, *9 66,994	*4, *9 60,135	*4, *9 442,467	
Machinery, equipment and vehicles, net	*4, *9 51,857	*4, *9 51,036	*4, *9 342,494	
Land	*8 36,531	*8 28,390	*8 241,272	
Leased assets, net	225	222	1,486	
Right-of-use assets, net	7,392	7,946	48,821	
Construction in progress	18,463	10,985	121,940	
Other, net	*4, *9 7,131	*4, *9 6,326	*4, *9 47,097	
Total property, plant and equipment	*1 188,596	*1 165,043	*1 1,245,598	
Intangible assets				
Goodwill	1,046	1,233	6,908	
Leased assets	638	673	4,214	
Other	3,386	3,333	22,363	
Total intangible assets	5,072	5,240	33,498	
Investments and other assets				
Investment securities	*5 77,362	*5 63,254	*5 510,944	
Investments in capital	*5 3,299	*5 839	*5 21,789	
Long-term loans receivable	40	1,076	264	
Retirement benefit asset	57,602	31,894	380,437	
Deferred tax assets	2,762	2,077	18,242	
Lease receivables	2,906	2,694	19,193	
Other	2,437	2,977	16,095	
Allowance for doubtful accounts	(342)	(344)	(2,259)	
Total investments and other assets	146,068	104,470	964,718	
Total non-current assets	339,737	274,754	2,243,821	
Deferred assets				
Bond issuance costs	16	26	106	
Total deferred assets	16	26	106	
Total assets	656,663	540,906	4,336,986	

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
	Amount	Amount	Amount
Liabilities			
Current liabilities			
Notes and accounts payable - trade	58,624	51,691	387,187
Electronically recorded obligations - operating	33,065	25,327	218,381
Short-term borrowings	*4 26,196	*4 42,318	*4 173,014
Current portion of bonds payable	-	10,000	-
Commercial papers	10,000	-	66,046
Accounts payable - other	14,312	14,225	94,525
Income taxes payable	2,435	4,081	16,082
Notes payable - facilities	73	192	482
Electronically recorded obligations - facilities	11,386	3,539	75,200
Provision for bonuses for directors (and other officers)	185	120	1,222
Other	*3 32,250	*3 23,816	*3 212,998
Total current liabilities	188,530	175,312	1,245,162
Non-current liabilities			
Bonds payable	10,000	10,000	66,046
Long-term borrowings	29,962	41,357	197,887
Lease liabilities	9,515	8,510	62,843
Deferred tax liabilities	30,355	20,474	200,482
Deferred tax liabilities for land revaluation	*8 777	*8 777	*8 5,132
Provision for retirement benefits for directors (and other officers)	52	78	343
Retirement benefit liability	5,516	5,372	36,431
Other	8,073	8,133	53,319
Total non-current liabilities	94,252	94,704	622,495
Total liabilities	282,783	270,016	1,867,664
Net assets			
Shareholders' equity			
Share capital	52,841	33,021	348,993
Capital surplus	74,008	53,201	488,792
Retained earnings	131,542	103,503	868,780
Treasury shares	(314)	(321)	(2,074)
Total shareholders' equity	258,078	189,404	1,704,498
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	19,869	14,173	131,226
Deferred gains or losses on hedges	(637)	(450)	(4,207)
Revaluation reserve for land	*8 1,794	*8 1,794	*8 11,849
Foreign currency translation adjustment	27,236	18,727	179,882
Remeasurements of defined benefit plans	23,650	7,026	156,198
Total accumulated other comprehensive income	71,913	41,272	474,955
Non-controlling interests	43,888	40,213	289,862
Total net assets	373,880	270,890	2,469,322
Total liabilities and net assets	656,663	540,906	4,336,986

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

	(Millions of yen)		(Thousands of U.S. dollars)	
	Year ended	Year ended	Year ended	Year ended
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2024
	Amount	Amount	Amount	Amount
Net sales	*1 562,897	*1 517,735	*1 3,717,700	
Cost of sales	*3 436,717	*3 404,506	*3 2,884,334	
Gross profit	126,179	113,228	833,360	
Selling, general and administrative expenses	*2, *3 84,584	*2, *3 81,728	*2, *3 558,642	
Operating profit	41,595	31,500	274,718	
Non-operating income				
Interest income	757	390	5,000	
Dividend income	758	634	5,006	
Share of profit of entities accounted for using equity method	3,259	–	21,524	
Gain on net monetary position	3,519	585	23,242	
Other	968	746	6,393	
Total non-operating income	9,263	2,357	61,178	
Non-operating expenses				
Interest expenses	3,645	3,295	24,074	
Loss on sale of receivables	1,082	696	7,146	
Share of loss of entities accounted for using equity method	–	2,832	–	
Foreign exchange losses	137	1,677	905	
Other	2,011	1,141	13,282	
Total non-operating expenses	6,877	9,643	45,420	
Ordinary profit	43,981	24,213	290,476	
Extraordinary income				
Gain on sale of non-current assets	*4 122	*4 2,876	*4 806	
Gain on sale of investment securities	1,765	2,185	11,657	
Insurance claim income	–	43	–	
Gain on receipt of national subsidies	357	352	2,358	
Gain on step acquisitions	–	1,010	–	
Gain on liquidation of subsidiaries	–	473	–	
Gain on transfer of investments in capital of subsidiaries and associates	1,683	–	11,116	
Gain on change in equity	207	–	1,367	
Surrender value of insurance policies	240	–	1,585	
Total extraordinary income	4,376	6,941	28,902	
Extraordinary losses				
Loss on retirement of non-current assets	*5 1,319	*5 576	*5 8,711	
Loss on sale of non-current assets	*6 17	*6 14	*6 112	
Loss on tax purpose reduction entry of non-current assets	5	384	33	
Provision for special suspense account for tax purpose reduction entry	313	–	2,067	
Impairment losses	*7 –	*7 2,912	*7 –	
Loss on business liquidation of subsidiaries and associates	*8 3,659	*8 113	*8 24,166	
Retirement benefit expenses	121	–	799	
Other	30	18	198	
Total extraordinary losses	5,466	4,018	36,101	

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024
	Amount	Amount	Amount
Profit before income taxes	42,891	27,137	283,277
Income taxes - current	5,927	7,571	39,145
Income taxes - deferred	(1,237)	1,027	(8,170)
Total income taxes	4,689	8,599	30,969
Profit	38,201	18,537	252,302
Profit attributable to non-controlling interests	6,137	4,611	40,532
Profit attributable to owners of parent	32,064	13,925	211,769

Consolidated Statements of Comprehensive Income

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024
	Amount	Amount	Amount
Profit	38,201	18,537	252,302
Other comprehensive income			
Valuation difference on available-for-sale securities	5,775	(2,009)	38,141
Deferred gains or losses on hedges	(312)	3	(2,061)
Foreign currency translation adjustment	8,952	8,547	59,124
Remeasurements of defined benefit plans, net of tax	16,631	(1,901)	109,841
Share of other comprehensive income of entities accounted for using equity method	2,344	2,412	15,481
Total other comprehensive income	* 33,390	* 7,052	* 220,527
Comprehensive income	71,592	25,590	472,835
Comprehensive income attributable to			
Comprehensive income attributable to owners of parent	62,705	19,912	414,140
Comprehensive income attributable to non-controlling interests	8,886	5,678	58,688

(iii) Consolidated Statements of Changes in Net Assets

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	33,021	53,201	103,503	(321)	189,404
Changes during period					
Issuance of new shares	19,820	19,820			39,640
Dividends of surplus			(4,025)		(4,025)
Profit attributable to owners of parent			32,064		32,064
Purchase of treasury shares				(5)	(5)
Disposal of treasury shares		0		12	12
Purchase of shares of consolidated subsidiaries		987			987
Net changes in items other than shareholders' equity					-
Total changes during period	19,820	20,807	28,038	6	68,673
Balance at end of period	52,841	74,008	131,542	(314)	258,078

	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	14,173	(450)	1,794	18,727	7,026	41,272	40,213	270,890
Changes during period								
Issuance of new shares								39,640
Dividends of surplus								(4,025)
Profit attributable to owners of parent								32,064
Purchase of treasury shares								(5)
Disposal of treasury shares								12
Purchase of shares of consolidated subsidiaries								987
Net changes in items other than shareholders' equity	5,695	(187)	-	8,509	16,624	30,641	3,675	34,316
Total changes during period	5,695	(187)	-	8,509	16,624	30,641	3,675	102,990
Balance at end of period	19,869	(637)	1,794	27,236	23,650	71,913	43,888	373,880

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	33,021	55,292	93,661	(351)	181,623
Hyperinflation adjustment			(401)		(401)
Beginning balance reflecting hyperinflation adjustments	33,021	55,292	93,259	(351)	181,222
Changes during period					
Dividends of surplus			(4,025)		(4,025)
Profit attributable to owners of parent			13,925		13,925
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		(0)		32	32
Transfer from retained earnings to capital surplus		0	(0)		-
Purchase of investments in capital of consolidated subsidiaries		(2,091)			(2,091)
Reversal of revaluation reserve for land			342		342
Net changes in items other than shareholders' equity					-
Total changes during period	-	(2,091)	10,243	30	8,182
Balance at end of period	33,021	53,201	103,503	(321)	189,404

	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	16,180	(794)	2,137	7,163	8,922	33,609	34,705	249,938
Hyperinflation adjustment				2,019		2,019		1,617
Beginning balance reflecting hyperinflation adjustments	16,180	(794)	2,137	9,182	8,922	35,628	34,705	251,556
Changes during period								
Dividends of surplus								(4,025)
Profit attributable to owners of parent								13,925
Purchase of treasury shares								(2)
Disposal of treasury shares								32
Transfer from retained earnings to capital surplus								-
Purchase of investments in capital of consolidated subsidiaries								(2,091)
Reversal of revaluation reserve for land								342
Net changes in items other than shareholders' equity	(2,006)	343	(342)	9,544	(1,895)	5,643	5,507	11,151
Total changes during period	(2,006)	343	(342)	9,544	(1,895)	5,643	5,507	19,333
Balance at end of period	14,173	(450)	1,794	18,727	7,026	41,272	40,213	270,890

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Thousands of U.S. dollars)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	218,090	351,370	683,594	(2,120)	1,250,935
Changes during period					
Issuance of new shares	130,903	130,903			261,806
Dividends of surplus			(26,583)		(26,583)
Profit attributable to owners of parent			211,769		211,769
Purchase of treasury shares				(33)	(33)
Disposal of treasury shares		0		79	79
Purchase of shares of consolidated subsidiaries		6,519			6,519
Net changes in items other than shareholders' equity					–
Total changes during period	130,903	137,422	185,179	40	453,557
Balance at end of period	348,993	488,792	868,780	(2,074)	1,704,498

	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	93,607	(2,972)	11,849	123,684	46,404	272,584	265,590	1,789,116
Changes during period								
Issuance of new shares								261,806
Dividends of surplus								(26,583)
Profit attributable to owners of parent								211,769
Purchase of treasury shares								(33)
Disposal of treasury shares								79
Purchase of shares of consolidated subsidiaries								6,519
Net changes in items other than shareholders' equity	37,613	(1,235)	–	56,198	109,795	202,371	24,272	226,643
Total changes during period	37,613	(1,235)	–	56,198	109,795	202,371	24,272	680,206
Balance at end of period	131,226	(4,207)	11,849	179,882	156,198	474,955	289,862	2,469,322

(iv) Consolidated Statements of Cash Flows

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024
	Amount	Amount	Amount
Cash flows from operating activities			
Profit before income taxes	42,891	27,137	283,277
Depreciation	22,799	20,954	150,578
Impairment losses	–	2,912	–
Amortization of goodwill	348	308	2,298
Loss (gain) on sale of investment securities	(1,765)	(2,185)	(11,657)
Loss (gain) on transfer of investments in capital of subsidiaries and associates	(1,683)	–	(11,116)
Loss on business liquidation of subsidiaries and associates	3,659	113	24,166
Loss (gain) on liquidation of subsidiaries	–	(473)	–
Increase (decrease) in allowance for doubtful accounts	73	(16)	482
Increase (decrease) in retirement benefit liability	(1,742)	(1,477)	(11,505)
Interest and dividend income	(1,516)	(1,024)	(10,013)
Interest expenses	3,645	3,295	24,074
Foreign exchange losses (gains)	(94)	433	(621)
Loss (gain) on sale of non-current assets	(104)	(2,862)	(687)
Loss on retirement of non-current assets	1,319	576	8,711
Loss on tax purpose reduction entry of non-current assets	5	384	33
Gain on receipt of national subsidies	(357)	(352)	(2,358)
Provision for special suspense account for tax purpose reduction entry	313	–	2,067
Share of loss (profit) of entities accounted for using equity method	(3,259)	2,832	(21,524)
Gain on net monetary position	(3,519)	(585)	(23,242)
Loss (gain) on step acquisitions	–	(1,010)	–
Decrease (increase) in trade receivables and contract assets	(6,207)	(5,378)	(40,995)
Increase (decrease) in contract liabilities	4,574	73	30,209
Decrease (increase) in inventories	(5,546)	(10,857)	(36,629)
Increase (decrease) in trade payables	16,377	2,934	108,163
Surrender value of insurance policies	(240)	–	(1,585)
Loss (gain) on change in equity	(207)	–	(1,367)
Other, net	2,063	(252)	13,625
Subtotal	71,827	35,478	474,387
Interest and dividends received	3,093	1,912	20,428
Interest paid	(3,645)	(3,295)	(24,074)
Income taxes paid	(8,094)	(5,764)	(53,457)
Net cash provided by (used in) operating activities	63,180	28,330	417,278
Cash flows from investing activities			
Purchase of property, plant and equipment	(38,352)	(30,928)	(253,299)
Proceeds from sale of property, plant and equipment	276	4,050	1,823
Purchase of intangible assets	(604)	(623)	(3,989)
Purchase of investment securities	(3)	(2)	(20)

	(Millions of yen)		(Thousands of U.S. dollars)	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	
	Amount	Amount	Amount	
Proceeds from sale of investment securities	2,076	2,926	13,711	
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	*2 (447)	–	
Payments for transfer of investments in capital of subsidiaries and associates resulting in change in scope of consolidation	*3 (428)	–	*3 (2,827)	
Payments for investments in capital of subsidiaries and associates	(968)	(1,560)	(6,393)	
Purchase of shares of subsidiaries and associates	(3,600)	–	(23,777)	
Subsidies received	357	352	2,358	
Loan advances	(822)	(5)	(5,429)	
Proceeds from collection of loans receivable	58	77	383	
Other, net	(4,180)	(405)	(27,607)	
Net cash provided by (used in) investing activities	(46,192)	(26,567)	(305,079)	
Cash flows from financing activities				
Increase (decrease) in short-term borrowings and commercial papers	(854)	13,516	(5,640)	
Proceeds from long-term borrowings	–	10,774	–	
Repayments of long-term borrowings	(15,728)	(3,857)	(103,877)	
Redemption of bonds	(10,000)	–	(66,046)	
Proceeds from issuance of shares	39,424	–	260,379	
Purchase of treasury shares	(5)	(2)	(33)	
Proceeds from disposal of treasury shares	12	32	79	
Dividends paid	(4,025)	(4,025)	(26,583)	
Proceeds from share issuance to non-controlling shareholders	1,337	–	8,830	
Dividends paid to non-controlling interests	(3,347)	(4,366)	(22,106)	
Purchase of investments in capital of subsidiaries not resulting in change in scope of consolidation	–	(2,230)	–	
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(1,773)	–	(11,710)	
Other, net	(1,560)	(1,014)	(10,303)	
Net cash provided by (used in) financing activities	3,480	8,826	22,984	
Effect of exchange rate change on cash and cash equivalents	1,433	692	9,464	
Adjustment for hyperinflation	2,377	(1,099)	15,699	
Net increase (decrease) in cash and cash equivalents	24,280	10,182	160,359	
Cash and cash equivalents at beginning of period	36,027	25,845	237,943	
Cash and cash equivalents at end of period	*1 60,307	*1 36,027	*1 398,303	

Notes

Basis of preparation of consolidated financial statements

1. Scope of consolidation

- (1) Number of consolidated subsidiaries: Fifty (50) companies

The names of major consolidated subsidiaries are provided in “I. Overview of the Company, 4. Overview of subsidiaries and associates.”

GS Yuasa Infrastructure Systems Co., Ltd., which was a consolidated subsidiary, was excluded from the scope of consolidation after its liquidation through an absorption-type merger with GS Yuasa International Ltd. (“GS Yuasa”), which is also a consolidated subsidiary, as the surviving company.

Additionally, Tianjin GS Battery Co., Ltd. (“TJGS”) and Yuasa Battery (Shunde) Co., Ltd. (“YBSD”), which were consolidated subsidiaries, were excluded from the scope of consolidation due to GS Yuasa transferring a part of its holdings.

- (2) Number of non-consolidated subsidiaries: Four (4) companies

The main non-consolidated subsidiary is GS Yuasa Chuo Sales Ltd.

Environmental Science Laboratory Co., LTD., which was a non-consolidated subsidiary, was excluded from the Company’s non-consolidated subsidiaries due to GS Yuasa Ibaraki Co., Ltd., a consolidated subsidiary, transferring all of its shares held.

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

2. Application of the equity method

- (1) Number of non-consolidated subsidiaries and associates accounted for using the equity method: Fourteen (14) companies

The names of major non-consolidated subsidiaries and associates are provided in “I. Overview of the Company, 4. Overview of subsidiaries and associates.”

GS Yuasa established Honda • GS Yuasa EV Battery R&D Co., Ltd. through a joint venture basic agreement with Honda Motor Co., Ltd., so it is included in the scope of subsidiaries and associates accounted for under equity method. TJGS and YBSD, which were consolidated subsidiaries, were excluded from the scope of consolidation and included in the scope of subsidiaries and associates accounted for under equity method due to GS Yuasa transferring a part of its holdings. Additionally, Tianjin Toho Lead Recycling Co., Ltd. was excluded from the scope of subsidiaries and associates accounted for under equity method due to GS Yuasa transferring all of its holdings.

- (2) Four (4) 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 consolidated profit/loss (amounts attributable to the equity) and consolidated retained earnings (amounts attributable to the equity), as well as in terms of their importance to the Group.
- (3) For companies accounted for by the equity method 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

The fiscal year-end date for Yuasa Battery (Thailand) Pub. Co., Ltd. is December 31. Consolidated financial statements were prepared using its financial statements as of its fiscal year-end date instead of using its 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 this company and the consolidated year-end date, adjustments necessary for consolidation were performed.

4. Accounting policies

(1) Valuation standards and methods for principal assets

(i) Securities

a. Subsidiaries' and associates' shares

The moving average cost method is used.

b. Available-for-sale securities

Marketable securities:

Marketable securities are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported as a separate component of net assets. The cost of securities sold is determined based on the moving average method.

Non-marketable securities:

The moving average cost method is used.

(ii) Derivatives

Derivatives are measured at fair value.

(iii) Inventories

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

Inventories are principally stated at the lower of cost, determined by the average method, or net realizable value.

(2) Depreciation/amortization of principal non-current assets

(i) 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 an 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: 5 to 50 years

Machinery, equipment and vehicles: 2 to 18 years

(ii) Intangible assets (except for leased assets)

The straight-line method is used.

(iii) Leased assets

(Leased assets related to finance lease transactions that do not transfer ownership)

These assets are depreciated using the straight-line method with the lease term as the useful life and assuming no residual value.

(iv) Right-of-use assets

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

(3) Amortization method for deferred assets

(i) Bond issuance costs

These costs are amortized with the straight-line method over the bond redemption period (five and ten years) in accordance with ASBJ PITF No. 19, Tentative Solution on Accounting for Deferred Assets, which was issued by the ASBJ in August 2006.

(ii) Share issuance costs

These costs are recorded to expenses in full upon payment.

(4) Accounting standards for principal provisions and allowances

(i) Allowance for doubtful accounts

The Company and its domestic consolidated subsidiaries provide allowances for doubtful accounts to prepare for potential losses from uncollectible receivables. For ordinary receivables, the allowance amount is estimated based on the historical loan-loss ratio. For doubtful receivables requiring special attention, an allowance is provided for the estimated uncollectible amounts after individually reviewing the collectability of each receivable. Foreign consolidated subsidiaries provide allowances for doubtful accounts estimated mainly through the analysis of individual receivables.

(ii) 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.

(iii) 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 was recorded in the amount calculated by subtracting the value of plan assets from the amount of retirement benefit obligations estimated on March 31, 2024.

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

For the calculation of retirement benefit obligations, a benefit formula is applied to attribute expected pension benefits for the period up to the end of the fiscal year under review (March 31, 2024).

(ii) Actuarial gains or losses and past service cost

The amounts of retirement benefit plans of some consolidated subsidiaries with an established retirement benefits trust are recorded to expenses.

Past 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 was 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 eight to 14 years) within the average remaining service periods of the employees who will receive the benefits.

Unrecognized actuarial gains or losses and unrecognized past 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 recognition of principal revenues and expenses

The details of the main performance obligations related to revenues from contracts with customers of the Company and its consolidated subsidiaries and the timing when we typically satisfy our performance obligations (typical timing of revenue recognition), etc., are as follows.

Consideration for these performance obligations is received within approximately one year after they are satisfied, and does not include any significant financial component.

(i) Sale of merchandise and finished goods

The main business of the Company and its consolidated subsidiaries is the manufacture and sale of batteries, power supplies, lighting equipment and other battery and electrical equipment. We recognize revenue from the sale of such merchandise and finished goods once our obligations have been satisfied and control has been transferred to the customer. As a rule, this is at the point in time at which the merchandise and finished goods have been delivered or at the point in time as specified in International Commercial Terms. We recognize revenue upon shipment for domestic transactions when control over the finished goods is transferred to customers in a typical period after the shipment, in line with Paragraph 98 of the Implementation Guidance on Accounting Standard for Revenue Recognition.

Sales contracts for batteries and other items include variable consideration because they are sold with discounts based on the sales volume. When sold with a discount, the transaction price is calculated by deducting the estimated amount of the discount, etc., from the consideration promised to the customer in the contract.

(ii) Provision of services

The Company and its consolidated subsidiaries provide services, such as work related to the installation of batteries and power supplies. With regard to such installation work, etc., the performance obligation is considered to be satisfied when the provision of services is completed, and revenue is recognized at that time.

Batteries, equipment, etc., and contract work, etc., are usually sold together. For transactions in which delivery and installation work are identified as separate performance obligations, transaction prices are allocated to each performance obligation by using the observable prices such as the contractually stated price or the stand-alone selling price estimated by the sum of the expected cost of the finished goods plus an appropriate margin.

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

Foreign currency-denominated receivables and payables are translated into Japanese yen at the spot rate prevailing on the consolidated balance sheet date. Foreign exchange gains or losses are recorded on the statement of income. The assets and liabilities of foreign consolidated subsidiaries are also translated into Japanese yen at the spot rate prevailing on the 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.”

However, revenues and expenses of subsidiaries operating in hyperinflationary economies are translated into Japanese yen at the spot rate prevailing on the consolidated balance sheet date, as hyperinflationary accounting will be applied.

(8) Significant hedge accounting

(i) Hedge accounting method

If derivatives used for hedging purposes qualify for hedge accounting because of the high correlation and effectiveness between the hedging instruments and the hedged items, gains or losses on those derivatives are deferred until the maturity of the hedged transactions. When a foreign exchange forward contract meets certain conditions, the hedged item is stated at the forward exchange contract rate. Interest rate swaps which qualify for hedge accounting and meet specific matching criteria are not remeasured at market value, but the differential paid or received under the swap agreements is recognized and included in interest expense (a specific accounting method).

(ii) Hedging instruments and hedged items

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

Hedged items: Interest on borrowings, foreign currency-denominated receivables and payables, and trade payables

(iii) Hedging policy

- a. In accordance with the Group's internal rules, we utilize interest rate swaps whose notional principal amounts, conditions for receiving and paying interests, and contract terms, etc. match those of the hedged items, as hedging instruments in order to reduce the risk of interest rate fluctuations.
- b. We utilize foreign exchange forward contracts and foreign currency swap contracts with an aim to reduce the risks associated with future foreign exchange rate fluctuations against import/export transactions and foreign currency-denominated debt that are conducted or incurred in the ordinary course of business.
- c. We utilize commodity price swaps to reduce price fluctuation risks for lead, etc., the principal raw material for our business.

(iv) Method for evaluating hedge effectiveness

We evaluate hedge effectiveness by comparing the accumulated change in market values of the hedging instrument and of the hedged item over the period from the inception of the hedging relationship to the time for evaluation. For interest rate swaps which adopt a specific accounting method, evaluation of hedge effectiveness is omitted.

(9) Amortization method and period for goodwill

Goodwill is amortized on a straight-line basis over a period of five years.

(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 from the date of acquisition that are readily convertible into cash and represent a minor risk of fluctuation in value.

(11) Research and development expenses

Research and development expenses are charged to income as incurred.

(12) Increases/decreases and transfer of common stock, reserve, and surplus

Under Japanese laws and regulations, the entire amount paid for new shares is required to be designated as capital stock. However, a company may, by a resolution of the Board of Directors, designate an amount not exceeding one half of the price of the new shares as additional paid-in capital, which is included in capital surplus. The Companies Act requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the aggregate amount of legal reserve and additional paid-in capital equals 25% of the common stock. Under the Companies Act, the total amount of additional paid-in capital and legal reserve may be reversed without limitation. The Companies Act also provides that common stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts within equity under certain conditions upon resolution of the shareholders.

(13) Other important information on preparation of the consolidated financial statements

Accounting procedures in hyperinflationary economies

During the fiscal year ended March 31, 2023, since the cumulative three-year inflation rate in Türkiye exceeded 100%, the GS Yuasa Group determined that its subsidiary in Türkiye, whose functional currency is the Turkish lira, is operating in a hyperinflationary economy. Therefore, from the fiscal year ended March 31, 2023, the GS Yuasa Group has made accounting adjustments to the financial statements of its Turkish subsidiary in accordance with the requirements set forth in IAS 29 "Financial Reporting in Hyperinflationary Economies." IAS 29 requires that the financial statements of subsidiaries in a hyperinflationary economy be restated by applying the unit of measurement as of the end of the reporting period before inclusion in the consolidated financial statements. The Group uses conversion factors calculated from the Consumer Price Index (CPI) of Türkiye published by the Turkish Statistical Institute (TURKSTAT) for the purpose of adjusting the financial statements of its subsidiary in Türkiye. For the subsidiary in Türkiye, non-monetary items such as property, plant, and equipment presented at cost are adjusted using conversion factors based on the acquisition date or the reevaluation date. Monetary and non-monetary items presented at current cost are not adjusted, since they are considered to be presented

in the unit of measurement as of the end of the reporting period. The effect of inflation on net monetary items is presented in non-operating income/expense in the consolidated statements of income. The financial statements of the Turkish subsidiary are translated into Japanese yen at the spot rate prevailing on the consolidated balance sheet date and reflected in the consolidated financial statements of the GS Yuasa Group.

Significant accounting estimates

Valuation of non-current assets

(1) Amount recorded on consolidated financial statements for the current fiscal year

	(Millions of yen)		(Thousands of U.S. dollars)
	Current fiscal year	Previous fiscal year	Current fiscal year
Property, plant and equipment	188,596	165,043	1,245,598
Intangible assets	5,072	5,240	33,498
Impairment losses (Note)	633	2,912	4,181

(Note) The impairment losses of ¥633 million (US\$4,181 thousand) for the fiscal year ended March 31, 2024 are displayed as “Loss on business liquidation of subsidiaries and associates” on the consolidated statement of income.

(2) Information on the nature of significant accounting estimates for identified items

(i) Method in making the accounting estimates

The Group applies Japanese accounting standards for Japanese bases and International Financial Reporting Standards, etc., for overseas bases in line with Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries, etc., for Consolidated Financial Statements (PITF No. 18).

When considering impairment losses on non-current assets, we group assets used for business based on the smallest unit that generates independent cash flows, such as a business category used for managerial accounting. Real estate for rent and idle assets are grouped individually.

We assess whether there is any indication that non-current assets may be impaired at the end of the current fiscal year. An indication of impairment is determined if our business activities result in continued operating losses, there is a significant deterioration in the business environment, or there is a notable decline in the market value of non-current assets, among other factors. However, when new businesses are launched, if a rational business plan is formulated and it is projected from the beginning that sales activities will result in sustained losses, this is not considered as an indication of impairment unless the actual losses are significantly greater than the projected losses in the business plan.

Asset groups are tested for impairment when there is an indication that an asset may be impaired. If the recoverable amount of the asset is less than its carrying amount, the carrying amount of the asset shall be reduced to its recoverable amount. The recoverable amount is the higher of the asset’s value in use and net realizable value (for Japanese accounting standards) or the asset’s fair value less costs of disposal (for International Financial Reporting Standards). When calculating the value in use, we make certain assumptions regarding future cash flows, discount rates, and other factors.

(ii) Key assumptions used in accounting estimates

The business plan and other items used to determine indications of impairment and calculate the value in use are based on forecasts of net sales and operating expenses, etc., that take into consideration sales volume and unit selling price projections and other items. The discount rate used to calculate value in use is based on the weighted average cost of capital.

Furthermore, the net realizable value or the asset’s fair value less costs of disposal used to recognize and measure impairment losses is based on the roadside price, appraisal value obtained from an external asset appraisal expert, and other items.

(iii) Impact on the consolidated financial statements for the following fiscal year

Indications of impairment of non-current assets, as well as the recognition and measurement of impairment losses, are based on management's best estimates, but there is uncertainty in management's assumptions and judgments. If future stricter environmental regulations, the impact on the market environment of fiercer price competition with rivals in the same industry, or other developments result in significant changes in the assumptions and conditions incorporated into business plans, appraisal values, and other items that are part of the assumptions used for estimates, this could have a significant impact on the valuation of non-current assets in the following fiscal year.

Accounting standards issued but not yet applied

Accounting Standard for Current Income Taxes, etc.

- Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022)
- Accounting Standard for Presentation of Comprehensive Income (ASBJ Statement No. 25, October 28, 2022)
- Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022)

(1) Overview

The Accounting Standard for Current Income Taxes and relevant ASBJ regulations stipulate the categories for calculation of income taxes when levied on other comprehensive income and the treatment of tax effects related to the sale of shares of subsidiaries, etc. when the group income tax system is applied.

(2) Scheduled date of application

These accounting standards and relevant ASBJ regulations will be applied from the beginning of the fiscal year ending March 31, 2025.

(3) Effects of application of the accounting standards, etc.

The effects of applying the Accounting Standard for Current Income Taxes and relevant ASBJ regulations on the consolidated financial statements are currently under evaluation.

Changes in presentation

Consolidated statements of income

"Loss on sale of receivables," which was included in "Other" under "Non-operating expenses" in the previous fiscal year, has been presented separately in the current fiscal year due to its increased materiality. To reflect this change, "Loss on sale of receivables" included in "Other" has been reclassified as a separate account in the consolidated financial statements for the prior fiscal year.

As a result, ¥1,837 million displayed in "Other" under "Non-operating expenses" in the consolidated statement of income for the previous fiscal year has been reclassified as "Loss on sale of receivables" of ¥696 million and "Other" of ¥1,141 million.

Consolidated statements of cash flows

"Loss on business liquidation of subsidiaries and associates," which was included in "Other" under "Cash flows from operating activities" in the previous fiscal year, has been presented separately in the current fiscal year due to its increased materiality. To reflect this change, "Loss on business liquidation of subsidiaries and associates" included in "Other" has been reclassified as a separate account in the consolidated financial statements for the prior fiscal year.

As a result, ¥(139) million displayed in "Other" under "Cash flows from operating activities" in the consolidated statements of cash flows for the previous fiscal year has been reclassified as "Loss on business liquidation of subsidiaries and associates" of ¥113 million and "Other" of ¥(252) million.

Consolidated balance sheets

*1. Accumulated depreciation of property, plant and equipment was as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Accumulated depreciation of property, plant and equipment	262,887	261,327	1,736,259

*2. Notes and accounts receivable - trade and contract assets that are receivables or contract assets arising from contracts with customers were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Notes receivable - trade	4,263	4,287	28,155
Accounts receivable - trade	92,501	87,393	610,931
Contract assets	7,050	5,911	46,562

*3. Other current liabilities that are contract liabilities were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Contract liabilities	6,696	2,176	44,224

*4. Assets pledged as collateral and secured liabilities

Assets pledged as collateral were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Cash and deposits	61	69	403
Accounts receivable - trade	390	847	2,576
Merchandise and finished goods	612	681	4,042
Raw materials and supplies	14	9	92
Buildings and structures	71	70	469
Machinery, equipment and vehicles	60	15	396
Other property, plant and equipment	54	47	357
Total	1,265	1,740	8,355

Secured liabilities were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Short-term borrowings	449	727	2,965
Total	449	727	2,965

*5. Items related to unconsolidated subsidiaries and associates were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Investment securities (stocks)	44,225	38,125	292,088
[of which investment in jointly controlled entities]	[2,663]	[233]	[17,588]
Investments in capital	3,175	693	20,970

6. Guarantee obligations

Guarantee obligations for the borrowings of subsidiaries and associates from banks, etc., were as follows:

(Millions of yen)			
As of March 31, 2024		As of March 31, 2023	
Tianjin Toho Lead Recycling Co., Ltd.	–	Tianjin Toho Lead Recycling Co., Ltd.	706
Total	–	Total	706

(Thousands of U.S. dollars)	
As of March 31, 2024	
Tianjin Toho Lead Recycling Co., Ltd.	–
Total	–

7. Trade notes receivable endorsed

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Trade notes receivable endorsed	1,692	1,841	11,175

*8. Land revaluation

Land used for business by some consolidated subsidiaries was revaluated, and the difference in land revaluation was recorded under net assets based on the Act on Revaluation of Land (Act No. 34 of 1998).

(1) Date of revaluation: March 31, 2002

(2) Revaluation method

Revaluation is calculated by making rational adjustments to the “price recorded in the land tax ledger of Article 341, Item 10 of the Local Tax Act or in the supplementary land tax ledger of Item 11 of the same article,” stipulated in Article 2, Item 3 of the Order for Enforcement of the Act on Revaluation of Land (Cabinet Order No. 119 of 1998).

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Difference between the fair value of revalued land at the end of the fiscal year and the post-revaluation carrying amount	(249)	(249)	(1,645)

*9. Tax purpose reduction entry deducted from the purchase price because national subsidies were received

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Buildings and structures	1,082	1,077	7,146
Machinery, equipment and vehicles	7,690	7,659	50,789
Other	68	42	449

Consolidated statements of income

*1. Revenue from contracts with customers

The revenue from contracts with customers and other revenue are not separately presented at the net sales. The amount of revenue from contracts with customers is provided in Note “Revenue recognition, 1. Disaggregation of revenue from contracts with customers.”

*2. Main selling, general and administrative expense items were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024
Packing and freight expenses	12,399	12,280	81,890
Employee salaries and bonuses	26,513	24,433	175,107
Welfare expenses	3,935	4,007	25,989
Retirement benefit expenses	484	521	3,197
Rent expenses on real estate	1,100	1,072	7,265
Depreciation	3,787	3,252	25,012
Research and development expenses	8,781	10,526	57,995

*3. Total research and development expenses included in general and administrative expenses and manufacturing costs for the period

	(Millions of yen)	(Thousands of U.S. dollars)
Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024
12,049	12,622	79,579

*4. Breakdown of gain on sale of non-current assets is as follows:

	(Millions of yen)	
Year ended March 31, 2024		Year ended March 31, 2023
Buildings and structures	0	Buildings and structures 1,249
Machinery, equipment and vehicles	78	Machinery, equipment and vehicles 18
Land	34	Land 1,602
Other	9	Other 7
Total	122	Total 2,876

(Thousands of U.S. dollars)	
Year ended March 31, 2024	
Buildings and structures	0
Machinery, equipment and vehicles	515
Land	225
Other	59
Total	806

*5. Breakdown of loss on retirement of non-current assets is as follows:

(Millions of yen)			
Year ended March 31, 2024		Year ended March 31, 2023	
Buildings and structures	135	Buildings and structures	306
Machinery, equipment and vehicles	311	Machinery, equipment and vehicles	53
Other	872	Other	216
Total	1,319	Total	576

(Thousands of U.S. dollars)	
Year ended March 31, 2024	
Buildings and structures	892
Machinery, equipment and vehicles	2,054
Other	5,759
Total	8,711

*6. Breakdown of loss on sale of non-current assets is as follows:

(Millions of yen)			
Year ended March 31, 2024		Year ended March 31, 2023	
Buildings and structures	14	Buildings and structures	3
Machinery, equipment and vehicles	2	Machinery, equipment and vehicles	4
Other	1	Other	6
Total	17	Total	14

(Thousands of U.S. dollars)	
Year ended March 31, 2024	
Buildings and structures	92
Machinery, equipment and vehicles	13
Other	7
Total	112

*7. Impairment losses

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

The Group recorded impairment losses on the following asset groups.

Location	Use	Type	(Millions of yen)	(Thousands of U.S. dollars)
			Impairment losses	Impairment losses
China	Production facilities, etc.	Buildings and structures	178	1,176
		Machinery, equipment and vehicles	312	2,061
		Construction in progress	1	7
		Other property, plant and equipment	88	581
		Intangible assets	53	350
		Total	633	4,181

Grouping method

Assets used for business are grouped based on the smallest unit that generates independent cash flows, such as a business category used for managerial accounting.

Real estate for rent and idle assets are grouped individually.

Recognizing impairment losses and methods used to calculate recoverable value

To accompany the reduced profitability of businesses using non-current assets, the carrying amount of non-current assets owned by consolidated subsidiaries was reduced to the recoverable amount, and the resulting decrease in the carrying amount was then recorded under extraordinary losses as a loss on business liquidation of subsidiaries and associates.

The recoverable amount was measured at the fair value less cost of disposal in accordance with International Financial Reporting Standards, and the fair value was determined to be zero because it would be difficult to sell or make other use of those assets.

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

The Group recorded impairment losses on the following asset groups.

(Millions of yen)			
Location	Use	Type	Impairment losses
Ritto, Shiga, Japan	Production facilities, etc.	Buildings and structures	272
		Machinery, equipment and vehicles	1,264
		Construction in progress	80
		Other property, plant and equipment	1
		Intangible assets	0
		Total	1,619
Miskolc, Hungary	Production facilities, etc.	Buildings and structures	689
		Machinery, equipment and vehicles	351
		Land	10
		Construction in progress	84
		Other property, plant and equipment	20
		Intangible assets	136
		Total	1,293

Grouping method

Assets used for business are grouped based on the smallest unit that generates independent cash flows, such as a business category used for managerial accounting.

Real estate for rent and idle assets are grouped individually.

Recognizing impairment losses and methods used to calculate recoverable value

The 12V lithium-ion batteries business (hereinafter referred to as the “12VLIB business”) under the Automotive Lithium-ion Batteries segment comprised the two asset groups of the 12VLIB business under the lithium-ion batteries division of consolidated subsidiary GS Yuasa International Ltd. and GS Yuasa Hungary Ltd. As both asset groups have consistently recorded operating losses and have deviated significantly downward from the business plan formulated at the time of business launch, the Group judged there were

indications of impairment, and decided to recognize and measure impairment losses. Therefore, the impairment test was performed and the carrying amount was reduced to the recoverable amount, and the resulting decrease in the carrying amount was recognized as an impairment loss under extraordinary losses.

The recoverable amount was measured as the asset's net realizable value (for Japanese accounting standards) or the asset's fair value less costs of disposal (for International Financial Reporting Standards) and was calculated using valuation expert.

*8. Loss on business liquidation of subsidiaries and associates

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

To accompany the transfer of its holdings in Tianjin Toho Lead Recycling Co., Ltd. and the reduced profitability of its China business, the Group recorded losses on business liquidation of subsidiaries and associates. The breakdown of the losses are as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
Loss on transfer of equity	1,804	11,915
Loss on debt forgiveness	1,091	7,206
Economic compensation	128	845
Impairment losses	633	4,181
Other	1	7
Total	3,659	24,166

For impairment losses, see: “*7. Impairment losses, Year ended March 31, 2024 (April 1, 2023 to March 31, 2024).”

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

Omitted as immaterial

Consolidated statements of comprehensive income

* Reclassification adjustments and tax effects related to other comprehensive income

	(Millions of yen)	(Thousands of U.S. dollars)	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024
Valuation difference on available-for-sale securities:			
Amount for the current fiscal year	10,070	(561)	66,508
Reclassification adjustments	(1,765)	(2,185)	(11,657)
Before tax effect adjustments	8,304	(2,746)	54,844
Tax effect	(2,529)	737	(16,703)
Valuation difference on available-for-sale securities	5,775	(2,009)	38,141
Deferred gains or losses on hedges:			
Amount for the current fiscal year	(312)	(988)	(2,061)
Reclassification adjustments	–	794	–
Before tax effect adjustments	(312)	(194)	(2,061)
Tax effect	–	197	–
Deferred gains or losses on hedges	(312)	3	(2,061)
Foreign currency translation adjustment:			
Amount for the current fiscal year	10,671	7,182	70,478
Reclassification adjustments	(1,719)	1,365	(11,353)
Before tax effect adjustments	8,952	8,547	59,124
Tax effect	–	–	–
Foreign currency translation adjustment	8,952	8,547	59,124
Remeasurements of defined benefit plans, net of tax:			
Amount for the current fiscal year	24,813	(1,950)	163,880
Reclassification adjustments	(1,000)	(734)	(6,605)
Before tax effect adjustments	23,813	(2,685)	157,275
Tax effect	(7,182)	783	(47,434)
Remeasurements of defined benefit plans, net of tax	16,631	(1,901)	109,841
Share of other comprehensive income of entities accounted for using equity method:			
Amount for the current fiscal year	2,471	2,412	16,320
Reclassification adjustments	(127)	–	(839)
Share of other comprehensive income of entities accounted for using equity method	2,344	2,412	15,481
Total other comprehensive income	33,390	7,052	220,527

Consolidated statements of changes in net assets

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

1. Class and total number of issued shares and class and number of treasury shares

	Number of shares at the beginning of the current fiscal year (Thousands of shares)	Current fiscal year Increase in number of shares (Thousands of shares)	Current fiscal year Decrease in number of shares (Thousands of shares)	Number of shares at the end of the current fiscal year (Thousands of shares)
Issued shares				
Common stock Note 1	80,599	19,847	–	100,446
Total	80,599	19,847	–	100,446
Treasury shares				
Common stock Notes 2, 3, and 4	146	2	5	143
Total	146	2	5	143

- Notes
- The increase in the number of issued common stock of 19,847 thousand shares was from a capital increase through a general public offering of 15,219 thousand shares, a capital increase through a third-party allotment of 2,129 thousand shares following a secondary offering by over-allotment, and a capital increase through third-party allotment of 2,497 thousand shares in which Honda Motor Co., Ltd. was the allottee.
 - The number of treasury shares (common stock) at the beginning and end of the current fiscal year includes treasury shares held in trust for performance-linked share-based payment system (53 thousand shares at the beginning and 48 thousand shares at the end of the current fiscal year).
 - The increase in the number of treasury shares (common stock) of two thousand shares was from the purchase of shares less than one share unit.
 - The decrease in the number of treasury shares (common stock) of five thousand shares was because of the provision of shares for the aforementioned system.

2. Dividends

(1) Dividends paid

Resolution	Class of shares	Total dividends		Dividend per share		Record date	Effective date
		(Millions of yen)	(Thousands of U.S. dollars)	(Yen)	(U.S. dollars)		
June 29, 2023, annual general meeting of shareholders	Common stock	2,817	18,605	35	0.23	March 31, 2023	June 30, 2023
November 7, 2023, Board of Directors meeting	Common stock	1,207	7,972	15	0.10	September 30, 2023	December 1, 2023

Note The total amount of dividends of ¥2,817 million (US\$18,605 thousand) and ¥1,207 million (US\$7,972 thousand) includes ¥1 million (US\$7 thousand) and ¥0 million (US\$0 thousand) in dividends for treasury shares held in trust.

(2) Those with a record date in the current fiscal year but effective date in the following fiscal year

Resolution	Class of shares	Total dividends		Dividend source	Dividend per share		Record date	Effective date
		(Millions of yen)	(Thousands of U.S. dollars)		(Yen)	(U.S. dollars)		
June 27, 2024, annual general meeting of shareholders	Common stock	5,519	36,451	Retained earnings	55	0.36	March 31, 2024	June 28, 2024

Note The total amount of dividends includes ¥2 million (US\$13 thousand) in dividends for treasury shares held in trust.

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

1. Class and total number of issued shares and class and number of treasury shares

	Number of shares at the beginning of the current fiscal year (Thousands of shares)	Current fiscal year Increase in number of shares (Thousands of shares)	Current fiscal year Decrease in number of shares (Thousands of shares)	Number of shares at the end of the current fiscal year (Thousands of shares)
Issued shares				
Common stock	80,599	–	–	80,599
Total	80,599	–	–	80,599
Treasury shares				
Common stock Notes 1, 2, and 3	159	1	13	146
Total	159	1	13	146

- Notes
1. The increase in the number of treasury shares (common stock) of one thousand shares was from the purchase of shares less than one share unit.
 2. The decrease in the number of treasury shares (common stock) of 13 thousand shares was because of the provision of shares for performance-linked share-based payment system.
 3. The number of treasury shares (common stock) at the beginning and end of the current fiscal year includes treasury shares held in trust (67 thousand shares at the beginning and 53 thousand shares at the end of the current fiscal year).

2. Dividends

(1) Dividends paid

Resolution	Class of shares	Total dividends (Millions of yen)	Dividend per share (Yen)	Record date	Effective date
June 29, 2022, annual general meeting of shareholders	Common stock	2,817	35	March 31, 2022	June 30, 2022
November 8, 2022, Board of Directors meeting	Common stock	1,207	15	September 30, 2022	December 1, 2022

Note The total amount of dividends of ¥2,817 million and ¥1,207 million includes ¥2 million and ¥0 million in dividends for treasury shares held in trust.

(2) Those with a record date in the current fiscal year but effective date in the following fiscal year

Resolution	Class of shares	Total dividends (Millions of yen)	Dividend source	Dividend per share (Yen)	Record date	Effective date
June 29, 2023, annual general meeting of shareholders	Common stock	2,817	Retained earnings	35	March 31, 2023	June 30, 2023

Note The total amount of dividends includes ¥1 million in dividends for treasury shares held in trust.

Consolidated statements of cash flows

*1. Relationship between cash and cash equivalents at end of period and amounts stated on the consolidated balance sheet

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024
Cash and deposits	63,935	36,272	422,264
Time deposits (term exceeds three months)	(3,628)	(244)	(23,961)
Cash and cash equivalents	60,307	36,027	398,303

*2. Major breakdown of assets and liabilities of the company that became a newly consolidated subsidiary due to the acquisition of shares

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

Not applicable.

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

The breakdown of assets and liabilities of İnci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi (hereinafter referred to as "IGYA") at the time of its consolidation due to the acquisition of additional shares, and the relationship between the acquisition cost of IGYA shares and the expenditure for the acquisition of IGYA (net amount) are as follows:

	(Millions of yen)
Current assets	12,544
Non-current assets	13,763
Goodwill	1,280
Current liabilities	(12,873)
Non-current liabilities	(3,580)
Non-controlling interests	(3,941)
Acquisition cost of IGYA shares	7,192
Equity method valuation of IGYA up to acquisition of control	(4,983)
Gain on step acquisitions	(1,010)
Acquisition cost of additional IGYA shares	1,198
IGYA cash and cash equivalents	(750)
Balance: Expenditures for the acquisition of IGYA	447

*3 Major breakdown of assets and liabilities of the company that ceased to be a consolidated subsidiary due to the transfer of investment equity

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

A breakdown of assets and liabilities at the time of transfer due to Tianjin GS Battery Co., Ltd. and Yuasa Battery (Shunde) Co., Ltd. changing from consolidated subsidiaries to companies accounted for by the equity method as a result of the transfer of investment equity as well as the transfer price of investments in capital of subsidiaries and associates and payments for the transfer of investments in capital of subsidiaries and associates resulting in change in the scope of consolidation are as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
Current assets	8,713	57,546
Non-current assets	8,673	57,282
Current liabilities	(4,530)	(29,919)
Non-current liabilities	(5,771)	(38,115)
Foreign currency translation adjustment	(1,719)	(11,353)
Investment account following transfer of investments in capital	(2,199)	(14,523)

Gain on transfer of investments in capital of subsidiaries and associates	1,683	11,116
Other	99	654
Amount of transfer of capital of subsidiaries and associates	4,949	32,686
Accounts receivable - other	(2,590)	(17,106)
Cash and cash equivalents	(2,786)	(18,400)
Balance: Expenditures for the transfer	(428)	(2,827)

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

Not applicable.

Leases

1. Finance lease transactions (as lessee)

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

(i) Description of leased assets

a. Property, plant and equipment

Mainly production facility (machinery, equipment and vehicles)

b. Intangible assets

Software

(ii) Depreciation/amortization of leased assets

See: Basis of preparation of consolidated financial statements; 4. Accounting policies; (2) Depreciation/amortization of principal non-current assets.

2. Operating lease transactions (as lessee)

Future minimum lease payments under non-cancelable operating leases

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Within one year	26	33	172
Exceeding one year	26	20	172
Total	52	54	343

3. Lease transactions under International Financial Reporting Standards

(i) Right-of-use assets

Mainly office leasing, vehicles and transportation equipment

(ii) Depreciation/amortization of right-of-use assets

See: Basis of preparation of consolidated financial statements; 4. Accounting policies; (2) Depreciation/amortization of principal non-current assets.

Financial instruments

1. Matters concerning the status of financial instruments

(1) Policy for financial instruments

The Group's funds are invested in highly secure financial assets. Funding is procured mainly through borrowings from banks and other financial institutions, bonds, and commercial papers, based on demand in capital investment, investment and financing plans and other capital needs. Derivatives are used to avoid the risks described below, and speculative transactions are prohibited.

(2) Financial instruments, their risks and risk management

Notes and accounts receivable - trade and electronically recorded monetary claims - operating are exposed to customer credit risk. The Company manages the risk by, among other things, monitoring due dates and outstanding balances for each customer and periodically evaluating the status of major customers in order to identify and mitigate collection concerns at an early stage.

Investment securities are mainly stocks of companies with which the Company has business relationships and are exposed to market price fluctuations and other risks. However, the Company regularly monitor market conditions, market prices, and the financial status and business relationships of the issuing companies and review its holdings on an ongoing basis.

Most notes and accounts payable - trade and electronically recorded obligations are due within five months, and the Company manages liquidity risk by preparing monthly funding plans for each group company and division.

Of borrowings, short-term borrowings and commercial papers are used mainly for working capital, while long-term borrowings and bonds payable are mainly for capital investment. Some long-term borrowings are vulnerable to interest rate fluctuations because they are procured at floating interest rates. However, the Company uses interest rate swaps and currency swap transactions to limit the risk of fluctuations in interest rates payable and foreign currency exchange rate fluctuations.

Receivables and payables denominated in foreign currencies related to operating transactions are vulnerable to exchange rate fluctuations, against which foreign exchange forward contracts are used to hedge the risk of exchange rate fluctuations, except for receivables and payables denominated in the same foreign currencies within the balance of the receivables and payables.

These derivative transactions are executed and managed by the department in charge in accordance with internal rules, and the Auditing Office conducts audits to determine whether they are executed and managed in accordance with the rules.

Hedging instruments and hedged items, hedging policy, and methods for evaluating the effectiveness of hedging with respect to hedge accounting are described in “Basis of preparation of consolidated financial statements; 4. Accounting policies; (8) Significant hedge accounting.”

Consolidated subsidiaries operate under the principle of self-management and self-responsibility based on their own rules and regulations, and the Company is aware of such rules and regulations. In addition, the Company receives regular risk management reports and conducts monitoring and control.

(3) Supplementary explanation on fair value of financial instruments and related matters

Since variable factors are incorporated in the measurement of the fair value of financial instruments, such values may change due to the adoption of different assumptions and other factors. In addition, the contract amounts of derivative transactions, set forth in these Notes do not indicate the market risk involved in derivative transactions themselves.

2. Fair value of financial instruments and related matters

Consolidated balance sheet amounts, fair values and their differences are as follows:

As of March 31, 2024

(Millions of yen)

	Consolidated balance sheet amount	Fair value	Difference
(1) Investment securities	56,487	53,079	(3,407)
Total assets	56,487	53,079	(3,407)
(2) Bonds payable	10,000	9,920	(79)
(3) Long-term borrowings (including current portion)	37,824	37,638	(186)
(4) Lease liabilities (including current portion)	11,619	11,167	(451)
Total liabilities	59,444	58,726	(717)
Derivatives (*2)	112	112	—

- (*1) “Cash and deposits,” “notes and accounts receivable - trade, and contract assets,” “electronically recorded monetary claims - operating,” “notes and accounts payable - trade,” “electronically recorded obligations - operating,” “short-term borrowings,” “commercial papers,” “accounts payable - other,” “income taxes payable,” “notes payable - facilities,” and “electronically recorded obligations - facilities” are omitted because they are in cash or their fair value approximates their book value due to their short maturities.
- (*2) Net receivables and payables arising from derivative transactions are shown as net amounts, and items that are net liabilities in total are shown in parentheses.
- (*3) Unlisted shares, etc., (consolidated balance sheet amount: ¥20,874 million) and investments in capital (¥3,299 million) are not included in (1) Investment securities in the table above because they are stocks and other securities without market prices.

As of March 31, 2023

(Millions of yen)

	Consolidated balance sheet amount	Fair value	Difference
(1) Investment securities	45,837	37,779	(8,058)
Total assets	45,837	37,779	(8,058)
(2) Bonds payable (including current portion)	20,000	19,976	(24)
(3) Long-term borrowings (including current portion)	52,941	53,039	98
(4) Lease liabilities (including current portion)	10,355	9,988	(367)
Total liabilities	83,297	83,005	(292)
Derivatives (*2)	(114)	(114)	—

- (*1) “Cash and deposits,” “notes and accounts receivable - trade, and contract assets,” “electronically recorded monetary claims - operating,” “notes and accounts payable - trade,” “electronically recorded obligations - operating,” “short-term borrowings,” “accounts payable - other,” “income taxes payable,” “notes payable - facilities,” and “electronically recorded obligations - facilities” are omitted because they are in cash or their fair value approximates their book value due to their short maturities.
- (*2) Net receivables and payables arising from derivative transactions are shown as net amounts, and items that are net liabilities in total are shown in parentheses.
- (*3) Unlisted shares, etc., (consolidated balance sheet amount: ¥17,417 million) and investments in capital (¥839 million) are not included in (1) Investment securities in the table above because they are stocks and other securities without market prices.

As of March 31, 2024

(Thousands of U.S. dollars)

	Consolidated balance sheet amount	Fair value	Difference
(1) Investment securities	373,073	350,565	(22,502)
Total assets	373,073	350,565	(22,502)
(2) Bonds payable	66,046	65,517	(522)
(3) Long-term borrowings (including current portion)	249,812	248,583	(1,228)
(4) Lease liabilities (including current portion)	76,739	73,753	(2,979)
Total liabilities	392,603	387,861	(4,735)
Derivatives (*2)	740	740	–

- (*1) “Cash and deposits,” “notes and accounts receivable - trade, and contract assets,” “electronically recorded monetary claims - operating,” “notes and accounts payable - trade,” “electronically recorded obligations - operating,” “short-term borrowings,” “commercial papers,” “accounts payable - other,” “income taxes payable,” “notes payable - facilities,” and “electronically recorded obligations - facilities” are omitted because they are in cash or their fair value approximates their book value due to their short maturities.
- (*2) Net receivables and payables arising from derivative transactions are shown as net amounts, and items that are net liabilities in total are shown in parentheses.
- (*3) Unlisted shares, etc., (consolidated balance sheet amount: US\$137,864 thousand) and investments in capital (US\$21,789 thousand) are not included in (1) Investment securities in the table above because they are stocks and other securities without market prices.

Note 1. Scheduled redemptions for monetary claims after the consolidated fiscal year-end date

As of March 31, 2024

(Millions of yen)

	One year or less	One to five years	Five to ten years	Over ten years
Cash and deposits	63,935	–	–	–
Notes and accounts receivable - trade, and contract assets	103,815	–	–	–
Electronically recorded monetary claims - operating	7,368	–	–	–
Total	175,119	–	–	–

As of March 31, 2023

(Millions of yen)

	One year or less	One to five years	Five to ten years	Over ten years
Cash and deposits	36,272	–	–	–
Notes and accounts receivable - trade, and contract assets	97,591	–	–	–
Electronically recorded monetary claims - operating	6,855	–	–	–
Total	140,719	–	–	–

As of March 31, 2024

(Thousands of U.S. dollars)

	One year or less	One to five years	Five to ten years	Over ten years
Cash and deposits	422,264	–	–	–
Notes and accounts receivable - trade, and contract assets	685,655	–	–	–
Electronically recorded monetary claims - operating	48,663	–	–	–
Total	1,156,588	–	–	–

Note 2. Scheduled repayments of bonds payable, long-term borrowings, lease liabilities and other interest-bearing liabilities after the consolidated fiscal year-end date

As of March 31, 2024

(Millions of yen)

	One year or less	One to two years	Two to three years	Three to four years	Four to five years	Over five years
Short-term borrowings	18,334	–	–	–	–	–
Commercial papers	10,000	–	–	–	–	–
Bonds payable	–	–	–	10,000	–	–
Long-term borrowings	7,861	7,362	9,600	–	3,000	10,000
Lease liabilities	2,104	1,252	1,107	868	677	5,610
Total	38,300	8,615	10,707	10,868	3,677	15,610

As of March 31, 2023

(Millions of yen)

	One year or less	One to two years	Two to three years	Three to four years	Four to five years	Over five years
Short-term borrowings	30,733	–	–	–	–	–
Bonds payable	10,000	–	–	–	10,000	–
Long-term borrowings	11,584	9,949	8,332	9,824	166	13,083
Lease liabilities	1,844	1,020	992	865	632	5,000
Total	54,162	10,969	9,325	10,689	10,799	18,083

As of March 31, 2024

(Thousands of U.S. dollars)

	One year or less	One to two years	Two to three years	Three to four years	Four to five years	Over five years
Short-term borrowings	121,088	–	–	–	–	–
Commercial papers	66,046	–	–	–	–	–
Bonds payable	–	–	–	66,046	–	–
Long-term borrowings	51,919	48,623	63,404	–	19,814	66,046
Lease liabilities	13,896	8,269	7,311	5,733	4,471	37,052
Total	252,956	56,898	70,715	71,779	24,285	103,098

3. Fair value hierarchy of financial instruments

The fair value of financial instruments is classified into the following three levels based on the observability and materiality of the inputs used to calculate fair value.

Level 1: Calculated based on quoted market prices in an active market for the assets or liabilities for which the observable fair value is calculated.

Level 2: Calculated using inputs with observable fair values other than Level 1 inputs.

Level 3: Calculated using inputs with unobservable fair value measurements.

When multiple inputs that have a significant impact on the measurement of fair value are used, the fair value is classified at the Level from which the lowest levels of inputs were used.

(1) Financial instruments carried on the consolidated balance sheet at fair value

As of March 31, 2024

(Millions of yen)

	Fair value			
	Level 1	Level 2	Level 3	Total
Securities and investment securities				
Available-for-sale securities				
Equity securities	32,547	–	–	32,547
Derivatives				
Currency related	–	112	–	112
Total assets	32,547	112	–	32,659

As of March 31, 2023

(Millions of yen)

	Fair value			
	Level 1	Level 2	Level 3	Total
Securities and investment securities				
Available-for-sale securities				
Equity securities	24,538	–	–	24,538
Total assets	24,538	–	–	24,538
Derivatives				
Currency related	–	114	–	114
Total liabilities	–	114	–	114

As of March 31, 2024

(Thousands of U.S. dollars)

	Fair value			
	Level 1	Level 2	Level 3	Total
Securities and investment securities				
Available-for-sale securities				
Equity securities	214,959	–	–	214,959
Derivatives				
Currency related	–	740	–	740
Total assets	214,959	740	–	215,699

(2) Financial instruments not carried on the consolidated balance sheet at fair value

As of March 31, 2024

(Millions of yen)

	Fair value			
	Level 1	Level 2	Level 3	Total
Securities and investment securities				
Available-for-sale securities				
Equity securities	20,532	–	–	20,532
Total assets	20,532	–	–	20,532
Bonds payable	–	9,920	–	9,920
Long-term borrowings (including current portion)	–	37,638	–	37,638
Lease liabilities (including current portion)	–	11,167	–	11,167
Total liabilities	–	58,726	–	58,726

As of March 31, 2023

(Millions of yen)

	Fair value			
	Level 1	Level 2	Level 3	Total
Securities and investment securities				
Available-for-sale securities				
Equity securities	13,241	–	–	13,241
Total assets	13,241	–	–	13,241
Bonds payable (including current portion)	–	19,976	–	19,976
Long-term borrowings (including current portion)	–	53,039	–	53,039
Lease liabilities (including current portion)	–	9,988	–	9,988
Total liabilities	–	83,005	–	83,005

As of March 31, 2024

(Thousands of U.S. dollars)

	Fair value			
	Level 1	Level 2	Level 3	Total
Securities and investment securities				
Available-for-sale securities				
Equity securities	135,605	–	–	135,605
Total assets	135,605	–	–	135,605
Bonds payable	–	65,517	–	65,517
Long-term borrowings (including current portion)	–	248,583	–	248,583
Lease liabilities (including current portion)	–	73,753	–	73,753
Total liabilities	–	387,861	–	387,861

Note Valuation techniques and inputs used in the measurement of fair value

(1) Investment securities

The fair value of listed equity securities is estimated using quoted market prices. Since listed equity securities are traded in active markets, their fair value is classified as Level 1.

(2) Derivatives

The fair value of foreign exchange forward contracts is determined using the discounted present value method with observable inputs such as exchange rates and is classified as Level 2.

(3) Bonds payable

The fair value of bonds payable is calculated by discounting the total amount of principal and interest at the interest rate that would be applicable if similar new financing were procured, and is classified as Level 2.

(4) Long-term borrowings

The fair value of long-term borrowings is calculated by discounting the total amount of principal and interest at the interest rate that would be applicable if similar new borrowings were arranged and is classified as Level 2. The fair value of long-term borrowings that qualify for specific treatment in interest rate swaps is calculated by discounting the total amount of principal and interest accounted for together with the interest rate swaps by the reasonably estimated interest rate that would be applicable to similar borrowings and is classified as Level 2.

(5) Lease liabilities

The fair value of lease liabilities is calculated by discounting the total amount of principal and interest using the interest rate that would apply to a new lease contract with the same remaining term and conditions, and is classified as Level 2.

Securities

1. Available-for-sale securities

As of March 31, 2024

(Millions of yen)

	Class	Consolidated balance sheet amount	Acquisition cost	Difference
Securities whose consolidated balance sheet amount exceeds acquisition cost	Equity securities	32,292	3,670	28,622
Securities whose consolidated balance sheet amount does not exceed acquisition cost	Equity securities	254	297	(43)
Total		32,547	3,968	28,578

Note Unlisted shares, etc., (consolidated balance sheet amount: ¥589 million) are not included in available-for-sale securities in the table above because they are stocks and other securities without market prices.

As of March 31, 2023

(Millions of yen)

	Class	Consolidated balance sheet amount	Acquisition cost	Difference
Securities whose consolidated balance sheet amount exceeds acquisition cost	Equity securities	24,417	4,065	20,351
Securities whose consolidated balance sheet amount does not exceed acquisition cost	Equity securities	121	198	(77)
Total		24,538	4,264	20,273

Note Unlisted shares, etc., (consolidated balance sheet amount: ¥590 million) are not included in available-for-sale securities in the table above because they are stocks and other securities without market prices.

As of March 31, 2024

(Thousands of U.S. dollars)

	Class	Consolidated balance sheet amount	Acquisition cost	Difference
Securities whose consolidated balance sheet amount exceeds acquisition cost	Equity securities	213,275	24,239	189,036
Securities whose consolidated balance sheet amount does not exceed acquisition cost	Equity securities	1,678	1,962	(284)
Total		214,959	26,207	188,746

Note Unlisted shares, etc., (consolidated balance sheet amount: (US\$3,890 thousand)) are not included in available-for-sale securities in the table above because they are stocks and other securities without market prices.

2. Available-for-sale securities sold

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

Class	Sale amount	Total gain on sale	Total loss on sale
Equity securities	2,076	1,765	–
Total	2,076	1,765	–

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

Class	Sale amount	Total gain on sale	Total loss on sale
Equity securities	2,926	2,185	–
Total	2,926	2,185	–

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Thousands of U.S. dollars)

Class	Sale amount	Total gain on sale	Total loss on sale
Equity securities	13,711	11,657	–
Total	13,711	11,657	–

Derivatives

1. Derivative transactions to which hedge accounting is not applied

(1) Currency related

As of March 31, 2024

(Millions of yen)

Categories	Class of transaction	Contract amount, etc.	Contract amount, etc., exceeding one year	Fair value	Valuation gains/losses
Non-market transactions	Foreign exchange forward contracts				
	Short (sale)				
	GBP	2,269	–	2	2
	AUD	703	–	(5)	(5)
	NZD	173	–	(4)	(4)
	USD	88	–	(1)	(1)
	Long (buy)				
	TRY	3,793	–	120	120
Total		7,029	–	112	112

As of March 31, 2023

(Millions of yen)

Categories	Class of transaction	Contract amount, etc.	Contract amount, etc., exceeding one year	Fair value	Valuation gains/losses
Non-market transactions	Foreign exchange forward contracts				
	Short (sale)				
	GBP	1,863	–	16	16
	AUD	579	–	0	0
	NZD	130	–	1	1
	USD	78	–	(0)	(0)
	Long (buy)				
TRY	3,405	–	(131)	(131)	
Total		6,056	–	(114)	(114)

As of March 31, 2024

(Thousands of U.S. dollars)

Categories	Class of transaction	Contract amount, etc.	Contract amount, etc., exceeding one year	Fair value	Valuation gains/losses
Non-market transactions	Foreign exchange forward contracts				
	Short (sale)				
	GBP	14,986	–	13	13
	AUD	4,643	–	(33)	(33)
	NZD	1,143	–	(26)	(26)
	USD	581	–	(7)	(7)
	Long (buy)				
TRY	25,051	–	793	793	
Total		46,424	–	740	740

(2) Interest rate related

As of March 31, 2024

Not applicable.

As of March 31, 2023

Not applicable.

2. Derivative transactions to which hedge accounting is applied

(1) Currency related

As of March 31, 2024

Not applicable.

As of March 31, 2023

(Millions of yen)

Method of hedge accounting	Class of transaction	Main hedged item(s)	Contract amount, etc.	Contract amount, etc., exceeding one year	Fair value
Appropriation treatment for foreign exchange forward contracts	Currency swap(s) Received in JPY - paid in USD	Long-term loans receivable	627	572	(117) (Note)
Total			627	572	(117)

Note The fair value of currency swap transactions is treated as appropriation for foreign exchange forward contracts to long-term loans receivable and is not included in Note “Financial instruments, 2. Fair value of financial instruments and related matters.”

(2) Interest rate related

As of March 31, 2024

Not applicable.

As of March 31, 2023

(Millions of yen)

Method of hedge accounting	Class of transaction	Main hedged item(s)	Contract amount, etc.	Contract amount, etc., exceeding one year	Fair value
Interest rate and currency swap(s) accounted for as a single unit Specific treatment / appropriation treatment	Interest rate and currency swap(s) Variable receipt/fixed payment Received in USD / paid in JPY	Short-term borrowings	1,852	–	(Note)

Note The fair value of interest rate and currency swaps accounted for as a single unit (specific treatment / appropriation treatment) is included in the fair value of the relevant short-term borrowings because they are accounted for as a single unit with the short-term borrowings that are the hedged items. The Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR (ASBJ Practical Solution No. 40, March 17, 2022) is applied to these hedging relationships.

Retirement benefit plans

1. Outline of current retirement benefit plans

Certain domestic consolidated subsidiaries have defined benefit plans, such as corporate pension fund plans and lump-sum retirement benefit plans, and have established retirement benefit trusts. Certain overseas consolidated subsidiaries also have defined benefit plans.

In addition, certain consolidated subsidiaries have adopted defined contribution pension plans.

2. Defined benefit plans

(1) Reconciliation of the beginning and ending balances of the retirement benefit obligations

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024
Retirement benefit obligations balance at beginning of period	47,711	49,371	315,111
Service cost	2,568	2,036	16,961
Interest cost	125	111	826
Actuarial gains (losses) accrued	127	(413)	839
Past service cost accrued	3	–	20
Retirement benefits paid	(4,354)	(3,604)	(28,756)
Increase due to new consolidation	–	245	–
Other	19	(35)	125
Retirement benefit obligations balance at end of period	46,201	47,711	305,138

(2) Reconciliation of the beginning and ending balances of plan assets

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024
Plan assets at beginning of period	74,233	77,433	490,278
Expected return on assets	1,122	1,152	7,410
Actuarial gains (losses) accrued	24,945	(2,363)	164,751
Employer contribution	1,527	1,125	10,085
Retirement benefits paid	(3,747)	(3,073)	(24,747)
Other	206	(41)	1,361
Plan assets at end of period	98,287	74,233	649,145

(3) Reconciliation of retirement benefit obligations and plan assets at the end of the period with retirement benefit liability and retirement benefit asset recognized in the consolidated balance sheet

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Retirement benefit obligations of funded plans	41,796	43,102	276,045
Plan assets	(98,287)	(74,233)	(649,145)
	(56,490)	(31,130)	(373,093)
Retirement benefit obligations of unfunded plans	4,404	4,608	29,087
Net liabilities and assets recognized in the consolidated balance sheet	(52,086)	(26,522)	(344,006)
Retirement benefit liability	5,516	5,372	36,431
Retirement benefit asset	(57,602)	(31,894)	(380,437)
Net liabilities and assets recognized in the consolidated balance sheet	(52,086)	(26,522)	(344,006)

Note Certain consolidated subsidiaries use the simplified method to calculate retirement benefit obligations.

(4) Amount of retirement benefit expenses and their breakdown

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024
Service cost (Note)	2,568	2,036	16,961
Interest cost	125	111	826
Expected return on assets	(1,122)	(1,152)	(7,410)
Amortization of past service cost	(109)	(109)	(720)
Amortization of actuarial gains (losses)	(890)	(625)	(5,878)
Retirement benefit expenses related to defined benefit plan	571	260	3,771

Note Retirement benefit expenses of the consolidated subsidiaries using the simplified method are included in "service cost."

(5) Amounts recognized in other comprehensive income (before tax effect adjustments) for the years ended March 31, 2024 and 2023 were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024
Past service cost	(113)	(109)	(746)
Actuarial gains (losses)	23,926	(2,576)	158,021
Total	23,813	(2,685)	157,275

(6) Amounts recognized in accumulated other comprehensive income (before tax effect adjustments) as of March 31, 2024 and 2023 were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Unrecognized past service cost	83	197	548
Unrecognized actuarial gains (losses)	33,961	10,034	224,298
Total	34,045	10,231	224,853

(7) Matters related to plan assets

(i) Breakdown of plan assets

The following table shows the main categories of plan assets by ratio of total plan assets.

	As of March 31, 2024	As of March 31, 2023
Equity securities	56%	44%
General account	19	25
Bonds	8	13
Investment trust(s)	10	12
Cash and deposits	4	4
Short-term assets	1	1
Other	1	1
Total	100	100

Note Total plan assets include 35% of the retirement benefit trusts established in corporate pension plans for the previous fiscal year and 49% of that for the current fiscal year.

(ii) Method used to determine the expected long-term rate of return on plan assets

To determine the expected long-term rate of return on plan assets, the Company considers the current and projected allocation of plan assets and the current and expected long-term rate of return from the various assets comprising the plan assets.

(8) Actuarial basis of accounting

Principal actuarial basis

	As of March 31, 2024	As of March 31, 2023
Discount rate	(0.0)-0.1%	(0.0)-0.1%
Expected long-term rate of return on assets	0.7-2.0%	0.7-2.0%

The projected rate of salary increase is based on the salary increase index of service points and qualification points calculated on the last day of the fiscal year.

3. Defined contribution plan

Required contributions to the defined contribution plan by the Company and its consolidated subsidiaries were ¥968 million in the previous fiscal year and ¥1,085 million (US\$7,166 thousand) in the current fiscal year.

Stock options, etc.

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

Not applicable.

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

Not applicable.

Income taxes

1. Significant components of deferred tax assets and liabilities

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Deferred tax assets			
Accrued bonuses	1,872	1,878	12,364
Enterprise tax payable	313	343	2,067
Unrealized gain	527	522	3,481
Loss on valuation of inventories	974	1,245	6,433
Retirement benefit liability	4,029	3,914	26,610
Allowance for doubtful accounts	189	185	1,248
Impairment losses	534	2,478	3,527
Investment securities	1,653	1,157	10,917
Tax loss carryforwards (Note 2)	5,998	7,033	39,614
Other	3,167	3,140	20,917
Subtotal of deferred tax assets	19,261	21,901	127,211
Valuation allowance for tax loss carryforwards (Note 2)	(2,632)	(5,957)	(17,383)
Valuation allowance for total deductible temporary differences, etc.	(3,104)	(5,851)	(20,501)
Subtotal of valuation allowance (Note 1)	(5,736)	(11,808)	(37,884)
Total deferred tax assets	13,524	10,092	89,320
Deferred tax liabilities			
Reserve for tax purpose reduction entry of non-current assets	(5)	(7)	(33)
Valuation difference on available-for-sale securities	(8,669)	(6,139)	(57,255)
Valuation excess of property	(3,273)	(2,873)	(21,617)
Undistributed earnings of foreign subsidiaries and associates	(8,708)	(7,716)	(57,513)
Retirement benefit asset	(17,804)	(9,970)	(117,588)
Other	(2,654)	(1,781)	(17,529)
Total deferred tax liabilities	(41,116)	(28,489)	(271,554)
Net deferred tax assets (liabilities)	(27,592)	(18,397)	(182,234)

Notes 1. The amount of valuation allowance decreased by ¥6,072 million (US\$40,103 thousand). The main factors were a ¥2,612 million (US\$17,251 thousand) decrease due to the exclusion of companies from the scope of consolidation following the partial transfer of investment in consolidated subsidiaries of the Company, a ¥2,284 million (US\$15,085 thousand) decrease in valuation allowance for tax loss carryforwards due to the expiration of certain tax loss carryforward periods in certain consolidated subsidiaries, and a ¥1,026 million (US\$6,776 thousand) decrease in valuation allowance from the forfeiture of tax loss carryforwards for certain consolidated subsidiaries accompanying the adoption of the group tax sharing system.

2. Tax loss carryforwards and deferred tax assets by carryforward period

As of March 31, 2024

	(Millions of yen)						
	One year or less	One to two years	Two to three years	Three to four years	Four to five years	Over five years	Total
Tax loss carryforwards (a)	142	21	51	13	165	5,605	5,998
Valuation allowance	(140)	(15)	(49)	–	(2)	(2,425)	(2,632)
Deferred tax assets	2	5	1	13	163	3,179	(b) 3,366

(a) Tax loss carryforwards are multiplied by the statutory tax rate.

- (b) Deferred tax assets of ¥3,366 million were recognized for tax loss carryforwards of ¥5,998 million (multiplied by the statutory tax rate). No valuation allowance is recognized for the portion of such tax loss carryforwards that are deemed recoverable based on expected future taxable income and other factors.

As of March 31, 2023

(Millions of yen)

	One year or less	One to two years	Two to three years	Three to four years	Four to five years	Over five years	Total
Tax loss carryforwards (a)	2,284	865	108	817	290	2,667	7,033
Valuation allowance	(2,284)	(865)	(108)	(817)	(275)	(1,606)	(5,957)
Deferred tax assets	–	–	–	–	14	1,061	(b) 1,076

- (a) Tax loss carryforwards are multiplied by the statutory tax rate.

- (b) Deferred tax assets of ¥1,076 million were recognized for tax loss carryforwards of ¥7,033 million (multiplied by the statutory tax rate). No valuation allowance is recognized for the portion of such tax loss carryforwards that are deemed recoverable based on expected future taxable income and other factors.

As of March 31, 2024

(Thousands of U.S. dollars)

	One year or less	One to two years	Two to three years	Three to four years	Four to five years	Over five years	Total
Tax loss carryforwards (a)	938	139	337	86	1,090	37,019	39,614
Valuation allowance	(925)	(99)	(324)	–	(13)	(16,016)	(17,383)
Deferred tax assets	13	33	7	86	1,077	20,996	(b) 22,231

- (a) Tax loss carryforwards are multiplied by the statutory tax rate.

- (b) Deferred tax assets of US\$22,231 thousand were recognized for tax loss carryforwards of US\$39,614 thousand (multiplied by the statutory tax rate). No valuation allowance is recognized for the portion of such tax loss carryforwards that are deemed recoverable based on expected future taxable income and other factors.

2. Significant components of the difference between the statutory tax rate and the effective tax rate

	As of March 31, 2024	As of March 31, 2023
Statutory tax rate	30.5%	As the difference between the statutory tax rate and the effective tax rate is less than 5% of the statutory tax rate, it is not disclosed.
(Adjustments)		
Expenses not deductible for income tax purposes, such as entertainment expenses	0.3	
Inhabitant per capita taxes	0.2	
Increase/decrease in valuation allowance	(9.3)	
Lower income tax rates applicable to income in certain foreign countries	(2.6)	
Increase/decrease in undistributed earnings of foreign subsidiaries and associates	2.3	
Loss on valuation of shares of subsidiaries and associates deductible for tax purposes	(16.4)	
Share of profit/loss of entities accounted for using equity method	(2.1)	
Expiration of tax loss carryforwards	5.0	
Expiration of foreign tax credit carryforwards	0.9	
Effects of application of group tax sharing system	2.4	
Foreign withholding taxes, etc.	1.3	
Tax credit for R&D, etc.	(0.7)	
Effects of change in tax rates	1.9	
Consolidation adjustments for loss/gain on transfer of investments in capital of subsidiaries and associates	(2.1)	
Other	(0.7)	
Effective tax rate	10.9	

3. Accounting procedures of income taxes and local income taxes and the related tax effect accounting

The Company and certain domestic consolidated subsidiaries apply the group tax sharing system, and conduct the accounting treatment for income taxes and local income taxes or related accounting treatment and disclosure for tax effect accounting in accordance with the Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System (ASBJ Practical Solution No. 42, August 12, 2021).

Business combinations

Partial transfer of investments in capital of subsidiaries

The Company resolved that its consolidated subsidiary GS Yuasa International Ltd. (“GS Yuasa”) would transfer 70% of the shares of GS Yuasa’s Chinese subsidiaries Tianjin GS Battery Co., Ltd. (“TJGS”) and Yuasa Battery (Shunde) Co., Ltd. (“YBSD”) to Leoch International Technology Limited (“Leoch International”)’s wholly owned subsidiary Leoch Battery Company Limited (“Leoch Battery”), which is an operating company in China, and signed an equity transfer agreement on October 31, 2023.

As a result, TJGS and YBSD were changed from consolidated subsidiaries of the Company to subsidiaries and associates accounted for using the equity method.

1. Overview of equity transfer

(1) Name and business of transferee company

Counterparty name: Leoch Battery Company Limited

Description of business: Investment management and sale of batteries

(2) Name and business of transferred subsidiaries

Name: Tianjin GS Battery Co., Ltd.

Description of business: Manufacture and sale of lead-acid batteries for automobiles

Name: Yuasa Battery (Shunde) Co., Ltd.

Description of business: Manufacture and sale of lead-acid batteries for automobiles and sale of lead-acid batteries for motorcycles

(3) Reason for equity transfer

Since TJGS started operations in 1993 and YBSD in 2003, GS Yuasa has invested its technological development capabilities in both companies, helping them establish a certain position in the market as manufacturers of high-quality automotive lead-acid batteries. On the other hand, the environment surrounding the automotive lead-acid battery business in China is changing at an ever-increasing speed year by year, and in recent years in particular, the companies have been facing major changes such as the tightening of environmental regulations, the zero-COVID policy and its lifting. Under these circumstances, as a result of the Company's careful consideration of the business growth strategy in China, we have determined that transferring the management rights to Leoch Battery, under the umbrella of Leoch International, which has been successful in the same business in China, while continuing technical support from the GS Yuasa Group, will best contribute to the growth of TJGS and YBSD. By cooperating with the Leoch International Group, the market share of the GS Yuasa Group together with the Leoch International Group in China for automotive lead-acid batteries will rise, and synergies are expected in terms of sales and logistics.

(4) Equity transfer date

October 1, 2023 (Deemed transfer date)

October 31, 2023 (Transfer date)

(5) Other matters related to overview of transaction, including legal structure

Transfer of investments in capital with consideration received as cash

2. Overview of accounting treatment performed

(1) Amount of gain or loss on transfer

¥1,683 million (US\$11,116 thousand)

(2) Fair book value of assets and liabilities related to transferred subsidiaries and major breakdown thereof (TJGS)

	(Millions of yen)	(Thousands of U.S. dollars)
Current assets	5,262	34,753
Non-current assets	6,681	44,125
Total assets	11,944	78,885
Current liabilities	3,304	21,822
Non-current liabilities	5,771	38,115
Total liabilities	9,076	59,943

(YBSD)

	(Millions of yen)	(Thousands of U.S. dollars)
Current assets	3,450	22,786
Non-current assets	1,991	13,150
Total assets	5,442	35,942
Current liabilities	1,225	8,091
Non-current liabilities	–	–
Total liabilities	1,225	8,091

(3) Accounting treatment

The difference between the transfer price of the investments in capital in question and their consolidated book value has been recorded as “Gain on transfer of investments in capital of subsidiaries and associates” under extraordinary income.

3. Reportable segment in which transferred subsidiaries were included

Automotive Batteries-Overseas segment

4. Estimated amount of profit and loss related to transferred subsidiaries as recorded on consolidated statement of income for current fiscal year

(TJGS)

	(Millions of yen)	(Thousands of U.S. dollars)
Net sales	5,247	34,654
Operating loss	(680)	(4,491)

(YBSD)

	(Millions of yen)	(Thousands of U.S. dollars)
Net sales	4,420	29,192
Operating loss	(303)	(2,001)

Transactions under common control

GS Yuasa International Ltd. (“GS Yuasa”), the Company’s consolidated subsidiary, resolved at the meeting of its Board of Directors held on March 12, 2024 to sign a business transfer agreement to acquire a business from Lithium Energy Japan Ltd. (LEJ), a GS Yuasa subsidiary, and carried out the business transfer on March 31, 2024.

1. Overview of transaction

(1) Name and description of target business

Development, manufacture and sale of large lithium-ion batteries and development, manufacture and sales of related parts and accessories

(2) Date of business combination

March 31, 2024

(3) Legal structure of the business combination

Business transfer with LEJ as the transferor company and GS Yuasa as the transferee company

(4) Name of company after the business combination

GS Yuasa International Ltd.

(5) Other matters related to overview of transaction

(i) Purpose of business transfer

GS Yuasa, “Mitsubishi Corporation” and Mitsubishi Motors Corporation (“Mitsubishi Motors”) together established LEJ as a joint venture on December 12, 2007, and have operated it for the manufacturing and sales of lithium-ion batteries for electric vehicles and plug-in hybrid electric vehicles. GS Yuasa expects further growth in demand for automotive and Energy Storage System (ESS) lithium-ion batteries in the coming years, and significant investments and development of competitive products will be crucial for the continuation and further advancement of the automotive and ESS lithium-ion battery business. To operate its business with high flexibility and efficiency, GS Yuasa has resolved that the Group reasonably requires restructuring, and as such acquired all of the shares of LEJ in the possession of Mitsubishi Corporation and Mitsubishi Motors (“Acquisition of LEJ Shares”), after which GS Yuasa acquired the business from LEJ and dissolved it on March 31, 2024.

(ii) Overview of Acquisition of LEJ Shares

GS Yuasa signed a share transfer agreement with Mitsubishi Corporation on December 15, 2023 and acquired 46.4% of the issued shares of LEJ in the possession of Mitsubishi Corporation on December 21, 2023 (deemed acquisition date: December 31, 2023). Additionally, GS Yuasa signed a share transfer agreement with Mitsubishi Motors on February 6, 2024 and acquired 2.6% of the issued shares of LEJ in the possession of Mitsubishi Motors on February 16, 2024 (deemed acquisition date: March 31, 2024).

As a result, GS Yuasa has made LEJ a wholly-owned subsidiary.

2. Overview of accounting treatment performed

GS Yuasa treated this acquisition as transactions under common control, etc. in accordance with the “Accounting Standard for Business Combinations (ASBJ Statement No. 21, January 16, 2019)” and the “Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10, January 16, 2019).”

3. Matters related to additional acquisition of shares of subsidiaries

Acquisition cost and breakdown by type of consideration

Mitsubishi Corporation

		(Millions of yen)	(Thousands of U.S. dollars)
Consideration for acquisition	Cash	1,676	11,069
Acquisition cost		1,676	11,069

Mitsubishi Motors

		(Millions of yen)	(Thousands of U.S. dollars)
Consideration for acquisition	Cash	97	641
Acquisition cost		97	641

4. Matters related to change in equity of parent company arising from transactions with non-controlling shareholders

(1) Main factor of changes in capital surplus

Additional acquisition of shares of subsidiaries

(2) Amount of capital surplus that increased by transactions with non-controlling shareholders

¥987 million (US\$6,519 thousand)

Revenue recognition

1. Disaggregation of revenue from contracts with customers

Net sales of the Company and its consolidated subsidiaries consist primarily of revenue recognized from contracts with customers, broken down by geographic region of the Company and its consolidated subsidiaries as follows:

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segment						Other	Total
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total		
	Japan	Overseas	Subtotal					
Major regional markets								
Japan	93,860	133	93,993	92,137	76,611	262,741	18,571	281,313
Asia	187	134,713	134,901	8,153	–	143,054	226	143,280
Europe	–	64,294	64,294	765	8,176	73,236	2,198	75,435
North America	–	12,378	12,378	7,702	–	20,080	382	20,462
Other	–	41,342	41,342	910	–	42,252	–	42,252
Revenue from contracts with customers	94,047	252,863	346,910	109,668	84,787	541,366	21,379	562,746
Other revenues	–	–	–	–	–	–	151	151
Revenues from external customers	94,047	252,863	346,910	109,668	84,787	541,366	21,531	562,897

- Notes
1. “Other” comprises operating segments that are not included in any other reportable segments. Operating segments that are not included in reportable segments include the special batteries business among others.
 2. Starting in the fiscal year ended March 31, 2024, segments have been changed for certain consolidated subsidiaries. For further details, please see “V. Financial information, 1. Consolidated financial statements and other information, (1) Consolidated financial statements (Notes - Segment and other information).”
- Information on the disaggregation of revenue from contracts with customers in the fiscal year ended March 31, 2023 is provided as information prepared based on segment categories following change.

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segment						Other	Total
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total		
	Japan	Overseas	Subtotal					
Major regional markets								
Japan	87,418	160	87,578	80,021	59,872	227,472	17,397	244,869
Asia	384	134,989	135,373	7,968	–	143,342	93	143,436
Europe	–	61,359	61,359	911	5,483	67,755	1,357	69,113
North America	–	12,349	12,349	7,898	–	20,248	531	20,779
Other	–	38,469	38,469	810	–	39,280	–	39,280
Revenue from contracts with customers	87,802	247,329	335,131	97,611	65,355	498,098	19,379	517,478
Other revenues	–	–	–	–	–	–	256	256
Revenues from external customers	87,802	247,329	335,131	97,611	65,355	498,098	19,636	517,735

Note “Other” comprises operating segments that are not included in any other reportable segments. Operating segments that are not included in reportable segments include the special batteries business among others.

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Thousands of U.S. dollars)

	Reportable segment						Other	Total
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total		
	Japan	Overseas	Subtotal					
Major regional markets								
Japan	619,906	878	620,785	608,527	505,984	1,735,295	122,654	1,857,955
Asia	1,235	889,723	890,965	53,847	–	944,812	1,493	946,305
Europe	–	424,635	424,635	5,053	53,999	483,693	14,517	498,217
North America	–	81,752	81,752	50,869	–	132,620	2,523	135,143
Other	–	273,047	273,047	6,010	–	279,057	–	279,057
Revenue from contracts with customers	621,141	1,670,055	2,291,196	724,311	559,983	3,575,497	141,199	3,716,703
Other revenues	–	–	–	–	–	–	997	997
Revenues from external customers	621,141	1,670,055	2,291,196	724,311	559,983	3,575,497	142,203	3,717,700

Notes 1. “Other” comprises operating segments that are not included in any other reportable segments. Operating segments that are not included in reportable segments include the special batteries business among others.

2. Starting in the fiscal year ended March 31, 2024, segments have been changed for certain consolidated subsidiaries. For further details, please see “V. Financial information, 1. Consolidated financial statements and other information, (1) Consolidated financial statements (Notes - Segment and other information).”

Information on the disaggregation of revenue from contracts with customers in the fiscal year ended March 31, 2023 is provided as information prepared based on segment categories following change.

2. Understanding revenue from contracts with customers

For a fundamental understanding of revenue, see: “Basis of preparation of consolidated financial statements, 4. Accounting policies, (6) Standards for recognition of principal revenues and expenses.”

3. Understanding the amount of revenue in the current and subsequent fiscal years

(1) Remaining balance, etc., of contract assets and liabilities

The balances of receivables, contract assets and contract liabilities arising from contracts with customers were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Receivables from contracts with customers (balance at beginning of period)	98,536	86,187	650,789
Receivables from contracts with customers (balance at end of period)	104,133	98,536	687,755
Contract assets (balance at beginning of period)	5,911	6,375	39,040
Contract assets (balance at end of period)	7,050	5,911	46,562
Contract liabilities (balance at beginning of period)	2,176	2,181	14,372
Contract liabilities (balance at end of period)	6,696	2,176	44,224

Contract assets are rights to consideration received in exchange for satisfaction of a portion of the performance obligations at the balance sheet date for the sale and installation of batteries and power supply equipment, excluding receivables. Upon completion of installation, etc., conditions other than the passage of time are resolved and the assets are transferred to receivables. Contract assets are transferred to receivables arising from contracts with customers when the rights of the Company and its consolidated subsidiaries become unconditional. Consideration for such installation work, etc., is invoiced at the time of fulfillment of the performance obligations in accordance with the terms of the contract and is generally received within one year.

Contract liabilities primarily relate to advances received from customers under the terms of contracts for the sale of batteries and power supplies, lighting fixtures, and other battery and electrical equipment to customers for which revenue is recognized upon the satisfaction of performance obligations. Contract liabilities are reversed upon the recognition of revenue.

The amount of revenue recognized in the previous fiscal year that was included in the contract liability balance at the beginning of the period was ¥1,095 million. Changes in contract assets resulted primarily from revenue recognition and transfers to receivables. Changes in contract liabilities resulted primarily from receipt of advances received and recognition of revenue.

The amount of revenue recognized in the previous fiscal year from performance obligations that were satisfied (or partially satisfied) in prior periods was not material.

The amount of revenue recognized in the current fiscal year that was included in the contract liability balance at the beginning of the period was ¥1,151 million (US\$7,602 thousand). Changes in contract assets resulted primarily from revenue recognition and transfers to receivables. Changes in contract liabilities resulted primarily from receipt of advances received and recognition of revenue.

No amount of revenue was recognized in the current fiscal year from performance obligations that were satisfied (or partially satisfied) in prior periods.

(2) Transaction price allocated to remaining performance obligations

The Company and its consolidated subsidiaries apply the practical expedient method in noting the transaction price allocated to the remaining performance obligations and do not include contracts with an initial expected contract term of one year or less in notes. The aggregate transaction price allocated to unsatisfied performance obligations as of the end of the previous fiscal year and the end of the current fiscal year, and the period over which revenue is expected to be recognized were as follows. The maximum period over which revenue is expected to be recognized is 19 years or less.

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
One year or less	14,370	13,263	94,908
Exceeding one year	17,095	17,111	112,905
Total	31,465	30,375	207,813

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. The reportable segments comprise 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 supply systems. The Automotive Lithium-ion Batteries segment consists of the manufacturing and marketing of lithium-ion batteries for automobiles.

2. Measurement of net sales, profit/loss, assets, and other amounts by reportable segment

Accounting methods applied in the reported operating segments are the same as those presented in the Notes under "Basis of preparation of consolidated financial statements."

Reportable segment profit is based on operating profit before goodwill amortization.

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

3. Matters concerning changes in reportable segments, etc.

Effective from the fiscal year ended March 31, 2024, the Group revised the management classifications of organizations in order to obtain a more appropriate grasp of the business performance of segments that are classified by product type. As a result, some consolidated subsidiaries previously included in "Industrial Batteries and Power Supplies" have had their segment changed to "Other."

Segment information for the previous fiscal year has been stated using the reportable segment categories as they exist after the change.

4. Net sales, profit/loss, assets, and other amounts by reportable segment

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segment						Other (Note)	Total
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total		
	Japan	Overseas	Subtotal					
Net sales								
Revenues from external customers	94,047	252,863	346,910	109,668	84,787	541,366	21,531	562,897
Intersegment sales and transfers	1,312	4,042	5,354	14,363	9,614	29,332	(29,332)	–
Total	95,359	256,905	352,264	124,032	94,401	570,698	(7,801)	562,897
Segment profit	8,071	15,119	23,190	13,182	2,649	39,022	3,207	42,229
Segment assets	66,169	227,500	293,669	75,244	91,755	460,670	195,993	656,663
Other items								
Depreciation/amortization	2,813	7,455	10,268	1,943	4,886	17,098	5,700	22,799
Investments in entities accounted for using equity method	1,408	42,961	44,369	609	1,315	46,294	1,356	47,650
Increase in property, plant and equipment, and intangible assets	3,198	7,336	10,535	2,046	14,967	27,549	21,805	49,355

- Notes
1. “Other” comprises operating segments that are not included in any other reportable segments and adjustment for segment profit. Operating segments that are not included in reportable segments include the special batteries business among others.
 2. Adjustments were as follows:
 - (1) Adjustment for segment profit was ¥(1,160) million, which included ¥26 million elimination of intersegment transactions and ¥(1,187) million of unallocated corporate expenses. The main component of these unallocated corporate expenses was general and administrative expenses not attributable to reportable segments.
 - (2) Adjustment for segment assets was ¥181,210 million, which included ¥(116,382) million elimination of intersegment receivables and payables, and ¥297,593 million of unallocated corporate assets. The main components of these unallocated corporate assets were the Company’s surplus funds for investment, long-term investment funds, assets associated with administrative departments and some laboratory facilities.
 - (3) Adjustment for depreciation/amortization was ¥4,353 million, consisting of depreciation and amortization charges for corporate assets.
 - (4) Adjustment for increase in property, plant and equipment, and intangible assets was ¥21,179 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 the operating profit of ¥41,595 million on the consolidated statements of income represents amortization of goodwill and other intangible assets of ¥(634) million. These goodwill and other intangible assets included identifiable assets acquired on the effective date of the business combination.

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segment						Other (Note)	Total
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total		
	Japan	Overseas	Subtotal					
Net sales								
Revenues from external customers	87,802	247,329	335,131	97,611	65,355	498,098	19,636	517,735
Intersegment sales and transfers	1,271	4,412	5,684	15,924	2,842	24,450	(24,450)	–
Total	89,073	251,741	340,815	113,535	68,197	522,549	(4,814)	517,735
Segment profit	6,547	13,345	19,892	8,549	1,986	30,428	1,646	32,074
Segment assets	63,687	214,772	278,459	73,770	70,280	422,511	118,395	540,906
Other items								
Depreciation/amortization	2,646	6,725	9,372	1,680	4,103	15,156	5,798	20,954
Investments in entities accounted for using equity method	1,364	36,741	38,106	509	–	38,616	233	38,849
Increase in property, plant and equipment, and intangible assets	2,764	10,952	13,717	4,238	7,166	25,122	7,677	32,800

Notes 1. “Other” comprises operating segments that are not included in any other reportable segments and adjustment for segment profit. Operating segments that are not included in reportable segments include the special batteries business among others.

2. Adjustments were as follows:

- (1) Adjustment for segment profit was ¥(1,229) million, which included ¥(158) million elimination of intersegment transactions and ¥(1,070) million of unallocated corporate expenses. The main component of these unallocated corporate expenses was general and administrative expenses not attributable to reportable segments.
 - (2) Adjustment for segment assets was ¥105,394 million, which included ¥(106,193) million elimination of intersegment receivables and payables, and ¥211,587 million of unallocated corporate assets. The main components of these unallocated corporate assets were the Company’s surplus funds for investment, long-term investment funds, assets associated with administrative departments and some laboratory facilities.
 - (3) Adjustment for depreciation/amortization was ¥4,396 million, consisting of depreciation and amortization charges for corporate assets.
 - (4) Adjustment for increase in property, plant and equipment, and intangible assets was ¥7,291 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 the operating profit of ¥31,500 million on the consolidated statements of income represents amortization of goodwill and other intangible assets of ¥(574) million. These goodwill and other intangible assets included identifiable assets acquired on the effective date of the business combination.

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Thousands of U.S. dollars)

	Reportable segment						Other (Note)	Total
	Automotive Batteries			Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Total		
	Japan	Overseas	Subtotal					
Net sales								
Revenues from external customers	621,141	1,670,055	2,291,196	724,311	559,983	3,575,497	142,203	3,717,700
Intersegment sales and transfers	8,665	26,696	35,361	94,862	63,496	193,726	(193,726)	–
Total	629,806	1,696,751	2,326,557	819,180	623,479	3,769,223	(51,522)	3,717,700
Segment profit	53,306	99,855	153,160	87,062	17,496	257,724	21,181	278,905
Segment assets	437,019	1,502,543	1,939,561	496,955	606,004	3,042,534	1,294,452	4,336,986
Other items								
Depreciation/amortization	18,579	49,237	67,816	12,833	32,270	112,925	37,646	150,578
Investments in entities accounted for using equity method	9,299	283,740	293,039	4,022	8,685	305,753	8,956	314,708
Increase in property, plant and equipment, and intangible assets	21,121	48,451	69,579	13,513	98,851	181,950	144,013	325,969

- Notes
1. “Other” comprises operating segments that are not included in any other reportable segments and adjustment for segment profit. Operating segments that are not included in reportable segments include the special batteries business among others.
 2. Adjustments were as follows:
 - (1) Adjustment for segment profit was US\$(7,661) thousand, which included US\$172 thousand elimination of intersegment transactions and US\$(7,840) thousand of unallocated corporate expenses. The main component of these unallocated corporate expenses was general and administrative expenses not attributable to reportable segments.
 - (2) Adjustment for segment assets was US\$1,196,817 thousand, which included US\$(768,655) thousand elimination of intersegment receivables and payables, and US\$1,965,478 thousand of unallocated corporate assets. The main components of these unallocated corporate assets were the Company’s surplus funds for investment, long-term investment funds, assets associated with administrative departments and some laboratory facilities.
 - (3) Adjustment for depreciation/amortization was US\$28,750 thousand, consisting of depreciation and amortization charges for corporate assets.
 - (4) Adjustment for increase in property, plant and equipment, and intangible assets was US\$139,878 thousand, 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 the operating profit of US\$274,718 thousand on the consolidated statements of income represents amortization of goodwill and other intangible assets of US\$(4,187) thousand. These goodwill and other intangible assets included identifiable assets acquired on the effective date of the business combination.

Information associated with reportable segments

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

1. Information for each product and service

A description is omitted because the product and service categories are the same as the reportable segment categories.

2. Information for each region

(1) Net sales

(Millions of yen)

Japan	Asia	Europe and North America	Other	Total
281,465	143,280	95,898	42,252	562,897

Note Net sales are based on the location of customers and are classified by country or region.

(Thousands of U.S. dollars)

Japan	Asia	Europe and North America	Other	Total
1,858,959	946,305	633,366	279,057	3,717,700

Note Net sales are based on the location of customers and are classified by country or region.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Asia (other)	Europe and North America	Other	Total
129,729	37	27,841	25,718	5,268	188,596

(Thousands of U.S. dollars)

Japan	China	Asia (other)	Europe and North America	Other	Total
856,806	244	183,878	169,857	34,793	1,245,598

3. Information for each main customer

This information is omitted because no specific customer accounted for 10% or more of the net sales in the consolidated statements of income, based on revenues from external customers.

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

1. Information for each product and service

A description is omitted because the product and service categories are the same as the reportable segment categories.

2. Information for each region

(1) Net sales

(Millions of yen)

Japan	Asia	Europe and North America	Other	Total
245,126	143,436	89,892	39,280	517,735

Note Net sales are based on the location of customers and are classified by country or region.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Asia (other)	Europe and North America	Other	Total
103,572	9,023	25,231	23,182	4,032	165,043

3. Information for each main customer

This information is omitted because no specific customer accounted for 10% or more of the net sales in the consolidated statements of income, based on revenues from external customers.

Information about impairment losses of non-current assets for each reportable segment

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Automotive Batteries-Japan	Automotive Batteries-Overseas	Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Other	Total
Impairment losses	–	–	633	–	–	633

(Note) The impairment losses for the fiscal year ended March 31, 2024 are displayed as “Loss on business liquidation of subsidiaries and associates” on the consolidated statement of income.

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Automotive Batteries-Japan	Automotive Batteries-Overseas	Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Other	Total
Impairment losses	–	–	–	2,912	–	2,912

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Thousands of U.S. dollars)

	Automotive Batteries-Japan	Automotive Batteries-Overseas	Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Other	Total
Impairment losses	–	–	4,181	–	–	4,181

(Note) The impairment losses for the fiscal year ended March 31, 2024 are displayed as “Loss on business liquidation of subsidiaries and associates” on the consolidated statement of income.

Amortization and unamortized balance of goodwill for each reportable segment

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Automotive Batteries-Japan	Automotive Batteries-Overseas	Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Other	Total
Amortization during period	–	348	–	–	–	348
Balance at end of period	–	1,046	–	–	–	1,046

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Automotive Batteries-Japan	Automotive Batteries-Overseas	Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Other	Total
Amortization during period	–	308	–	–	–	308
Balance at end of period	–	1,233	–	–	–	1,233

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Thousands of U.S. dollars)

	Automotive Batteries-Japan	Automotive Batteries-Overseas	Industrial Batteries and Power Supplies	Automotive Lithium-ion Batteries	Other	Total
Amortization during period	–	2,298	–	–	–	2,298
Balance at end of period	–	6,908	–	–	–	6,908

Information about gain on bargain purchase for each reportable segment

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

Not applicable.

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

Not applicable.

Related party(ies) information

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

1. Related party transactions

Not applicable.

2. Notes on parent company and significant associates

(1) Information on parent company

Not applicable.

(2) Summary financial information of significant associates

Not applicable.

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

1. Related party transactions

Not applicable.

2. Notes on parent company and significant associates

(1) Information on parent company

Not applicable.

(2) Summary financial information of significant associates

Equity-method associate PG Holdings Co., Ltd. became a significant associate due to an increase in materiality, and the company's summary financial statement is as below.

	(Millions of yen)
Total current assets	15,873
Total non-current assets	3,175
Total current liabilities	15,947
Total non-current liabilities	–
Total net assets	3,101
Net sales	4,354

Loss before income taxes	(5,833)
Loss attributable to owners of parent	(5,816)

Per share information

Item	(Yen)		(U.S. dollars)
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024
Net assets per share	3,289.95	2,867.23	21.73
Basic earnings per share	369.74	173.11	2.44

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

2. Calculation of basic earnings per share was as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024
Basic earnings per share			
Profit attributable to owners of parent	32,064	13,925	211,769
Amount not attributable to common stockholders	–	–	–
Profit attributable to common stockholders of parent	32,064	13,925	211,769
Average number of common stock shares during term (Thousands of shares)	86,720	80,448	86,720

Note The Company has introduced a performance-linked share-based payment system for its directors (excluding outside directors) and has set up an 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 the average number of common stock shares during the term. In addition, for the calculation of net assets per share, the number of the Company's own shares held by the trust was included in the number of treasury shares that is deducted from the total number of shares issued at the end of the period.

The average number of treasury shares during the term deducted in the calculation of basic earnings per share was 58,723 shares in the previous fiscal year and 50,116 shares in the current fiscal year. For the calculation of net assets per share, the number of treasury shares deducted at the end of the period was 53,300 shares in the previous fiscal year and 48,100 shares in the current fiscal year.

(v) Consolidated supplemental schedules

Schedule of bonds payable

(Millions of yen)

Company name	Issue	Date of issue	Balance at beginning of period	Balance at end of period	Interest rate (%)	Secured/unsecured	Maturity
GS Yuasa Corporation	1st unsecured bonds	September 13, 2017	10,000	10,000	0.44	Unsecured	September 13, 2027
GS Yuasa Corporation	2nd unsecured bonds	December 10, 2018	10,000	—	0.20	Unsecured	December 8, 2023
Total	—	—	20,000	10,000	—	—	—

(Thousands of U.S. dollars)

Company name	Issue	Date of issue	Balance at beginning of period	Balance at end of period	Interest rate (%)	Secured/unsecured	Maturity
GS Yuasa Corporation	1st unsecured bonds	September 13, 2017	66,046	66,046	0.44	Unsecured	September 13, 2027
GS Yuasa Corporation	2nd unsecured bonds	December 10, 2018	66,046	—	0.20	Unsecured	December 8, 2023
Total	—	—	132,092	66,046	—	—	—

Note The total scheduled amount of redemption within five years following the consolidated fiscal year-end date on a yearly basis is as follows.

(Millions of yen)

One year or less	One to two years	Two to three years	Three to four years	Four to five years
—	—	—	10,000	—

(Thousands of U.S. dollars)

One year or less	One to two years	Two to three years	Three to four years	Four to five years
—	—	—	66,046	—

Schedule of borrowings

(Millions of yen)

Categories	Balance at beginning of period	Balance at end of period	Average interest rate (%)	Repayment deadline
Short-term borrowings	30,733	18,334	12.95	–
Commercial papers	–	10,000	0.13	–
Current portion of long-term borrowings	11,584	7,861	0.72	–
Current portion of lease liabilities	1,844	2,104	2.95	–
Long-term borrowings (excluding current portion)	41,357	29,962	0.44	2025 to 2030
Lease liabilities (excluding current portion)	8,510	9,515	4.03	2025 to 2042
Total	94,030	77,778	–	–

(Thousands of U.S. dollars)

Categories	Balance at beginning of period	Balance at end of period	Average interest rate (%)	Repayment deadline
Short-term borrowings	202,979	121,088	12.95	–
Commercial papers	–	66,046	0.13	–
Current portion of long-term borrowings	76,507	51,919	0.72	–
Current portion of lease liabilities	12,179	13,896	2.95	–
Long-term borrowings (excluding current portion)	273,146	197,887	0.44	2025 to 2030
Lease liabilities (excluding current portion)	56,205	62,843	4.03	2025 to 2042
Total	621,029	513,691	–	–

- Notes
1. The “average interest rate” is the weighted average interest rate on the balance at the end of the period.
 2. The aggregate annual maturities of long-term borrowings and lease liabilities (excluding the current portion) within five years of the consolidated fiscal year-end date are as follows.

(Millions of yen)

	One to two years	Two to three years	Three to four years	Four to five years
Long-term borrowings	7,362	9,600	–	3,000
Lease liabilities	1,252	1,107	868	677

(Thousands of U.S. dollars)

	One to two years	Two to three years	Three to four years	Four to five years
Long-term borrowings	48,623	63,404	–	19,814
Lease liabilities	8,269	7,311	5,733	4,471

Schedule of asset retirement obligations

Since the amount of asset retirement obligations at the beginning and end of the current fiscal year was 1/100 or less of the total liabilities and net assets at the beginning and end of the current fiscal year, the description is omitted pursuant to Article 92-2 of the Regulations for Consolidated Financial Statements.

(2) Other information

Quarterly information for the fiscal year ended March 31, 2024

Cumulative period	Three months ended June 30, 2023	Six months ended September 30, 2023	Nine months ended December 31, 2023	Fiscal year ended March 31, 2024
Net sales (Millions of yen)	120,540	256,805	411,591	562,897
Profit before income taxes (Millions of yen)	4,685	11,711	28,889	42,891
Profit attributable to owners of parent (Millions of yen)	1,649	5,958	17,741	32,064
Basic earnings per share (yen)	20.51	74.06	215.77	369.74

Cumulative period	Three months ended June 30, 2023	Six months ended September 30, 2023	Nine months ended December 31, 2023	Fiscal year ended March 31, 2024
Net sales (Thousands of U.S. dollars)	796,117	1,696,090	2,718,387	3,717,700
Profit before income taxes (Thousands of U.S. dollars)	30,942	77,346	190,800	283,277
Profit attributable to owners of parent (Thousands of U.S. dollars)	10,891	39,350	117,172	211,769
Basic earnings per share (U.S. dollars)	0.14	0.49	1.43	2.44

Accounting period	First quarter	Second quarter	Third quarter	Fourth quarter
Basic earnings per share (Yen)	20.51	53.55	137.42	142.79

Accounting period	First quarter	Second quarter	Third quarter	Fourth quarter
Basic earnings per share (U.S. dollars)	0.14	0.35	0.91	0.94

2. Non-consolidated financial statements and other information

(1) Non-consolidated financial statements

(i) Non-consolidated balance sheets

	(Millions of yen)		(Thousands of U.S. dollars)	
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024	As of March 31, 2024
	Amount	Amount	Amount	Amount
Assets				
Current assets				
Cash and deposits	37,684	12,770	*	248,887
Accounts receivable - trade	* 440	* 376	*	2,906
Short-term loans receivable from subsidiaries and associates	17,910	8,612		118,288
Accounts receivable - other	* 3,450	* 970	*	22,786
Other	54	29		357
Total current assets	59,540	22,761		393,237
Non-current assets				
Property, plant and equipment				
Tools, furniture and fixtures, net	0	0		0
Total property, plant and equipment	0	0		0
Investments and other assets				
Investment securities	569	353		3,758
Shares of subsidiaries and associates	79,722	79,722		526,531
Long-term loans receivable from subsidiaries and associates	98,000	98,572		647,249
Deferred tax assets	—	13		—
Other	1	1		7
Total investments and other assets	178,293	178,663		1,177,551
Total non-current assets	178,293	178,663		1,177,551
Deferred assets				
Bond issuance costs	16	26		106
Total deferred assets	16	26		106
Total assets	237,851	201,451		1,570,907

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
	Amount	Amount	Amount
Liabilities			
Current liabilities			
Short-term borrowings	1,938	2,270	12,800
Commercial papers	10,000	–	66,046
Current portion of bonds payable	–	10,000	–
Current portion of long-term borrowings	7,300	7,512	48,213
Accounts payable - other	* 3,340	* 884	* 22,059
Accrued expenses	40	55	264
Income taxes payable	292	170	1,929
Provision for bonuses for directors (and other officers)	15	10	99
Other	37	17	244
Total current liabilities	22,964	20,919	151,668
Non-current liabilities			
Bonds payable	10,000	10,000	66,046
Long-term borrowings	29,800	37,100	196,817
Deferred tax liabilities	17	–	112
Other	69	51	456
Total non-current liabilities	39,887	47,151	263,437
Total liabilities	62,851	68,071	415,105
Net assets			
Shareholders' equity			
Share capital	52,841	33,021	348,993
Capital surplus			
Legal capital surplus	99,156	79,336	654,884
Other capital surplus	0	–	0
Total capital surplus	99,156	79,336	654,884
Retained earnings			
Other retained earnings			
Retained earnings brought forward	23,107	21,285	152,612
Total retained earnings	23,107	21,285	152,612
Treasury shares	(314)	(321)	(2,074)
Total shareholders' equity	174,791	133,322	1,154,422
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	208	57	1,374
Total valuation and translation adjustments	208	57	1,374
Total net assets	174,999	133,380	1,155,796
Total liabilities and net assets	237,851	201,451	1,570,907

(ii) Non-consolidated statements of income

	(Millions of yen)		(Thousands of U.S. dollars)			
	Year ended	Year ended	Year ended	Year ended		
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2024		
	Amount	Amount	Amount	Amount		
Operating revenue	*1	6,101	*1	5,814	*1	40,295
General and administrative expenses	*1, *2	1,187	*1, *2	1,070	*1, *2	7,840
Operating profit		4,914		4,744		32,455
Non-operating income						
Interest and dividend income	*1	2,559	*1	2,381	*1	16,901
Other	*1	219		24	*1	1,446
Total non-operating income		2,779		2,405		18,354
Non-operating expenses						
Interest expenses		360		229		2,378
Interest expenses on bonds		60		64		396
Other		641		95		4,234
Total non-operating expenses		1,062		388		7,014
Ordinary profit		6,631		6,761		43,795
Profit before income taxes		6,631		6,761		43,795
Income taxes - current		818		815		5,403
Income taxes - deferred		(34)		(4)		(225)
Total income taxes		784		811		5,178
Profit		5,846		5,950		38,610

(iii) Non-consolidated statements of changes in net assets

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(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	–	79,336	21,285	(321)	133,322
Changes during period							
Issuance of new shares	19,820	19,820		19,820			39,640
Dividends of surplus					(4,025)		(4,025)
Profit					5,846		5,846
Purchase of treasury shares						(5)	(5)
Disposal of treasury shares			0	0		12	12
Net changes in items other than shareholders' equity							–
Total changes during period	19,820	19,820	0	19,820	1,821	6	41,468
Balance at end of period	52,841	99,156	0	99,156	23,107	(314)	174,791

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	57	57	133,380
Changes during period			
Issuance of new shares			39,640
Dividends of surplus			(4,025)
Profit			5,846
Purchase of treasury shares			(5)
Disposal of treasury shares			12
Net changes in items other than shareholders' equity	150	150	150
Total changes during period	150	150	41,619
Balance at end of period	208	208	174,999

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(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	–	79,336	19,361	(351)	131,367
Changes during period							
Dividends of surplus					(4,025)		(4,025)
Profit					5,950		5,950
Purchase of treasury shares						(2)	(2)
Disposal of treasury shares			(0)	(0)		32	32
Transfer from retained earnings to capital surplus			0	0	(0)		–
Net changes in items other than shareholders' equity							–
Total changes during period	–	–	–	–	1,924	30	1,954
Balance at end of period	33,021	79,336	–	79,336	21,285	(321)	133,322

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	56	56	131,423
Changes during period			
Dividends of surplus			(4,025)
Profit			5,950
Purchase of treasury shares			(2)
Disposal of treasury shares			32
Transfer from retained earnings to capital surplus			–
Net changes in items other than shareholders' equity	1	1	1
Total changes during period	1	1	1,956
Balance at end of period	57	57	133,380

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Thousands of U.S. dollars)

	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	218,090	523,981	–	523,981	140,579	(2,120)	880,536
Changes during period							
Issuance of new shares	130,903	130,903		130,903			261,806
Dividends of surplus					(26,583)		(26,583)
Profit							38,610
Purchase of treasury shares						(33)	(33)
Disposal of treasury shares			0	0		79	79
Net changes in items other than shareholders' equity							–
Total changes during period	130,903	130,903	0	130,903	12,027	40	273,879
Balance at end of period	348,993	654,884	0	654,884	152,612	(2,074)	1,154,422

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	376	376	880,919
Changes during period			
Issuance of new shares			261,806
Dividends of surplus			(26,583)
Profit			38,610
Purchase of treasury shares			(33)
Disposal of treasury shares			79
Net changes in items other than shareholders' equity	991	991	991
Total changes during period	991	991	274,876
Balance at end of period	1,374	1,374	1,155,796

Notes

Significant accounting policies

1. Standards and methods for valuation of assets

(1) Standards and methods for valuation of securities

(i) Shares of subsidiaries The moving average cost method is used.

(ii) Available-for-sale securities

Marketable securities: Marketable securities are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported as a separate component of net assets. The cost of securities sold is determined based on the moving average method.

Non-marketable securities: · The moving average cost method is used.

(2) Standards and methods for valuation of derivatives

Derivatives..... Derivatives are measured at fair value.

2. Depreciation/amortization of non-current assets

The straight-line method is used.

Assets with an 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.

Tools, furniture and fixtures Generally ten years

3. Accounting standards for provisions and allowances

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.

4. Standards for recognition of revenues and expenses

The Company conducts brand management for its subsidiaries, which it treats as its customers.

The Company identifies the provision of the brand image and business credibility, which it has built, to its subsidiaries by licensing them to use its brand as performance obligations. Such performance obligations are fulfilled with the recognition of revenue by the Company subsidiaries using the brand. The Company records amounts derived by multiplying the net sales of those subsidiaries by a fixed rate as revenues.

5. Other significant matters forming the basis for preparation of non-consolidated financial statements

(1) Amortization method for deferred assets

Bond issuance costs: These costs are amortized with the straight-line method over the bond redemption period (five and ten years) in accordance with ASBJ PITF No. 19, Tentative Solution on Accounting for Deferred Assets, which was issued by the ASBJ in August 2006.

Share issuance costs: These costs are recorded to expenses in full upon payment.

(2) Accounting for hedging

If derivatives used for hedging purposes qualify for hedge accounting because of the high correlation and effectiveness between the hedging instruments and the hedged items, in principle, gains or losses on those derivatives are deferred until the maturity of the hedged transactions. When a foreign exchange forward contract meets certain conditions, the hedged item is stated at the forward exchange contract rate. Interest rate swaps which qualify for hedge accounting and meet specific matching criteria are not remeasured at market value, but the differential paid or received under the swap agreements is recognized and included in interest expense (a specific accounting method).

Non-consolidated balance sheets

* Subsidiaries and associates

Assets and liabilities towards subsidiaries and associates other than those that have been categorized and stated are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Short-term monetary claims	3,051	979	20,151
Short-term monetary obligations	3,257	781	21,511

Non-consolidated statements of income

*1. Transactions with subsidiaries and associates

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024
Amount of operating transactions			
Operating revenue	6,101	5,814	40,295
Other	343	321	2,265
Amount of non-operating transactions	2,757	2,368	18,209

*2. Main expense items were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024
Outsourcing fees	290	334	1,915
Secondment fees	261	239	1,724
Remuneration for directors (and other officers)	162	162	1,070
Taxes and dues	232	107	1,532

Securities

As of March 31, 2024

As shares of subsidiaries are classified as stocks and other securities without market prices, their fair value is omitted.

The balance sheet amount for these shares of subsidiaries is as follows:

(Millions of yen)	
Category	As of March 31, 2024
Shares of subsidiaries	79,722
Total	79,722

As of March 31, 2023

As shares of subsidiaries are classified as stocks and other securities without market prices, their fair value is omitted.

The balance sheet amount for these shares of subsidiaries is as follows:

(Millions of yen)	
Category	As of March 31, 2023
Shares of subsidiaries	79,722
Total	79,722

As of March 31, 2024

As shares of subsidiaries are classified as stocks and other securities without market prices, their fair value is omitted.

The balance sheet amount for these shares of subsidiaries is as follows:

(Thousands of U.S. dollars)	
Category	As of March 31, 2024
Shares of subsidiaries	526,531
Total	526,531

Income taxes

1. Significant components of deferred tax assets and liabilities

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Deferred tax assets			
Enterprise tax payable	70	32	462
Shares of subsidiaries and associates	316	316	2,087
Other	12	11	79
Subtotal of deferred tax assets	399	360	2,635
Valuation allowance	(316)	(316)	(2,087)
Total deferred tax assets	82	44	542
Deferred tax liabilities			
Valuation difference on available-for-sale securities	(91)	(25)	(601)
Other	(9)	(4)	(59)
Total deferred tax liabilities	(100)	(30)	(660)
Net deferred tax assets (liabilities)	(17)	13	(112)

2. Significant components of the difference between the statutory tax rate and the effective tax rate

	As of March 31, 2024	As of March 31, 2023
Statutory tax rate	30.5%	30.5%
(Adjustments)		
Expenses not deductible for income tax purposes, such as entertainment expenses	0.1	0.1
Income not taxable permanently, such as dividend income	(18.8)	(18.5)
Inhabitant per capita taxes	0.0	0.0
Other	0.0	(0.1)
Effective tax rate	<u>11.8</u>	<u>12.0</u>

3. Accounting procedures of income taxes and local income taxes and the related tax effect accounting

The Company applies the group tax sharing system, and conducts the accounting treatment for income taxes and local income taxes or related accounting treatment and disclosure for tax effect accounting in accordance with the Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System (ASBJ Practical Solution No. 42, August 12, 2021).

(iv) Supplemental schedules

Schedule of property, plant and equipment

(Millions of yen)

Categories	Type of assets	Balance at beginning of period	Increase during period	Decrease during period	Depreciation during period	Balance at end of period	Accumulated depreciation
Property, plant and equipment	Tools, furniture and fixtures	0	0	-	0	0	0
	Total	0	0	-	0	0	0

(Thousands of U.S. dollars)

Categories	Type of assets	Balance at beginning of period	Increase during period	Decrease during period	Depreciation during period	Balance at end of period	Accumulated depreciation
Property, plant and equipment	Tools, furniture and fixtures	0	0	-	0	0	0
	Total	0	0	-	0	0	0

Schedule of provisions

(Millions of yen)

Account items	Balance at beginning of period	Increase during period	Decrease during period	Balance at end of period
Provision for bonuses for directors (and other officers)	10	15	10	15

(Thousands of U.S. dollars)

Account items	Balance at beginning of period	Increase during period	Decrease during period	Balance at end of period
Provision for bonuses for directors (and other officers)	66	99	66	99

(2) Details of major assets and liabilities

This information is omitted because the Company prepares the consolidated financial statements.

(3) Other information

Not applicable.

VI. Overview of share-related administration of the reporting company

Fiscal year	From April 1 to March 31
Annual General Meeting of Shareholders	In June
Record date	March 31
Record date for dividends of surplus	September 30 March 31
Number of shares constituting unit	100 shares
Purchase of shares less than one unit	
Business handling office	(Special account) Stock Transfer Agency Business Planning Department Sumitomo Mitsui Trust Bank, Limited 4-5-33, Kitahama, Chuo-ku, Osaka, Japan
Shareholder register administrator	(Special account) Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo, Japan
Forwarding office	–
Fee for purchase	The amount per unit is calculated using the following formula and is then apportioned based on the number of shares constituting less than one unit that are purchased. (Formula) Of the total amount obtained by multiplying the purchase price per share by the number of shares constituting one unit ¥1 million or less 1.150% Over ¥1 million up to ¥5 million 0.900% (Amounts of less than one yen are rounded down.) However, if the amount calculated per unit is less than ¥2,500, the fee shall be ¥2,500.
Method of public notice	Public notices will be disclosed by electronic public notice; provided, however, that in the event electronic public notice is unavailable due to an accident or any other unavoidable reason, the public notice shall be given through publication in the Nikkei (Nihon Keizai Shimbun) newspaper. URL for public notice. http://www.pronexus.co.jp/koukoku/6674/6674.html (only in Japanese)
Special benefits to shareholders	None

Note As provided for in the Company's Articles of Incorporation, a shareholder of the Company holding shares less than one unit may not exercise any rights other than the rights listed below.

- (1) The rights set forth in items of Article 189, Paragraph 2 of the Companies Act
- (2) The right of request pursuant to the stipulations of Article 166, Paragraph 1 of the Companies Act
- (3) The right to receive allocations of offered shares and offered stock acquisition rights in accordance with the number of shares owned by the shareholder

VII. Reference information on the reporting company

1. Information on the parent company or equivalent of the reporting company

The Company has no parent company or equivalent as prescribed in Article 24-7, Paragraph 1 of the Financial Instruments and Exchange Act.

2. Other reference information

The Company filed the following documents in the period from the beginning of the fiscal year under review to the date of submission of the Annual Securities Report.

	Annual Securities Report and its		June 29, 2023
(1)	attachments and Confirmation Letter	(19th fiscal year From April 1, 2022 to March 31, 2023)	Filed to Director-General of the Kanto Local Finance Bureau
(2)	Internal Control Report and its attachments		June 29, 2023 Filed to Director-General of the Kanto Local Finance Bureau
(3)	Quarterly Securities Reports and Confirmation Letter	(First quarter of the 20th fiscal year From April 1, 2023 to June 30, 2023)	August 3, 2023 Filed to Director-General of the Kanto Local Finance Bureau
		(Second quarter of the 20th fiscal year From July 1, 2023 to September 30, 2023)	November 7, 2023 Filed to Director-General of the Kanto Local Finance Bureau
		(Third quarter of the 20th fiscal year From October 1, 2023 to December 31, 2023)	February 6, 2024 Filed to Director-General of the Kanto Local Finance Bureau
(4)	Extraordinary Report	(Filed based on Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 9-2 of the Cabinet Office Order on Disclosure of Corporate Affairs (Results of the exercise of voting rights at the General Meeting of Shareholders).)	June 30, 2023 Filed to Director-General of the Kanto Local Finance Bureau
		(Filed based on Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 3 of the Cabinet Office Order on Disclosure of Corporate Affairs (Changes to specified subsidiary companies))	July 26, 2023 Filed to Director-General of the Kanto Local Finance Bureau

	(Filed based on Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 3 of the Cabinet Office Order on Disclosure of Corporate Affairs (Changes to specified subsidiary companies))	March 12, 2024 Filed to Director-General of the Kanto Local Finance Bureau
	(Filed based on Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 9 of the Cabinet Office Order on Disclosure of Corporate Affairs (Changes to the representative director of a reporting company).)	May 10, 2024 Filed to Director-General of the Kanto Local Finance Bureau
(5) Amendment Report of Quarterly Securities Reports and Confirmation Letter	(Second quarter of the 20th fiscal year From July 1, 2023 to September 30, 2023)	January 30, 2024 Filed to Director-General of the Kanto Local Finance Bureau
(6) Amendment Report of Extraordinary Report	(Amendment Report of Extraordinary Report (Changes to specified subsidiary companies) filed on July 26, 2023)	September 26, 2023 Filed to Director-General of the Kanto Local Finance Bureau
(7) Amendment to Shelf Registration Statements	(Amendment to the Shelf Registration Statement originally filed on March 14, 2022)	July 28, 2023 Filed to Director-General of the Kanto Local Finance Bureau
	(Amendment to the Shelf Registration Statement originally filed on March 14, 2022)	September 26, 2023 Filed to Director-General of the Kanto Local Finance Bureau
	(Amendment to the Shelf Registration Statement originally filed on March 14, 2022)	February 1, 2024 Filed to Director-General of the Kanto Local Finance Bureau
	(Amendment to the Shelf Registration Statement originally filed on March 14, 2022)	March 12, 2024 Filed to Director-General of the Kanto Local Finance Bureau
	(Amendment to the Shelf Registration Statement originally filed on March 14, 2024)	May 10, 2024 Filed to Director-General of the Kanto Local Finance Bureau

(8)	Securities Registration Statement and its attachments	(Issuance of new shares by way of public offering and secondary offering of shares by way of overallotment)	November 20, 2023 Filed to Director-General of the Kanto Local Finance Bureau
		(Issuance of new shares by paid third-party allotment)	November 20, 2023 Filed to Director-General of the Kanto Local Finance Bureau
(9)	Amendment Report of Securities Registration Statement	(Amendment Report pertaining to the Securities Registration Statement (Issuance of new shares by way of public offering and secondary offering of shares by way of overallotment) filed on November 20, 2023)	November 29, 2023 Filed to Director-General of the Kanto Local Finance Bureau
		(Amendment Report pertaining to the Securities Registration Statement (Issuance of new shares by paid third-party allotment) filed on November 20, 2023)	November 29, 2023 Filed to Director-General of the Kanto Local Finance Bureau
(10)	Shelf Registration Statement (stock certificates, corporate bonds, etc.) and its attachments		March 14, 2024 Filed to Director-General of the Kanto Local Finance Bureau

Part II. Information on Guarantors for the Reporting Company
Not applicable.

Independent Auditor’s Report on the Financial Statements
and
Internal Control Over Financial Reporting

June 27, 2024

To the Board of Directors of GS Yuasa Corporation:

KPMG AZSA LLC
Kyoto Office, Japan

Tomoya Kurokawa
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Tetsuo Yamada
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of GS Yuasa Corporation (“the Company”) and its consolidated subsidiaries (collectively referred to as “the Group”) provided in the “Financial Information” section in the company’s Annual Report, which comprise the consolidated balance sheets as at March 31, 2024 and the consolidated statements of income and comprehensive income, statements of changes in net assets and statements of cash flows for the year then ended, and a basis of preparation of consolidated financial statements, other explanatory information and supplemental schedules, in accordance with Article 193-2(1) of the Financial Instruments and Exchange Act of Japan.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the

context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Appropriateness of the reporting timing and the amounts of net sales for the Industrial Batteries and Power Supplies business of GS Yuasa International Ltd.	
The key audit matter	How the matter was addressed in our audit
<p>The Industrial Batteries and Power Supplies business of GS Yuasa Corporation engages in the manufacturing and marketing of industrial batteries and power supply systems. As described in the Notes on “<i>Segment and other information</i>,” net sales for the Industrial Batteries and Power Supplies business totaled ¥109,668 million in the fiscal year ended March 31, 2024. Of those, net sales of the Industrial Batteries and Power Supplies business (GYPS) of the consolidated subsidiary GS Yuasa International Ltd. account for a substantial portion.</p> <p>As described in the Notes on “<i>Basis of preparation of consolidated financial statements</i>,” 4. Accounting policies, (6) Standards for recognition of principal revenues and expenses, GYPS usually sells products, such as batteries and power supply equipment, and installation together. For products where delivery and installation work are identified as separate performance obligations, revenue from the sale of products is recognized at a time when the products are delivered to the customer, and revenue from the provision of services, such as work related to the installation of products, is recognized at the time the service provision is completed.</p> <p>Regarding the net sales of GYPS, there is a potential risk that net sales will be reported in an inappropriate accounting period or in an inappropriate amount mainly due to the following reasons.</p> <ul style="list-style-type: none"> • Sales of products, such as batteries and power supply equipment, and installation in the Industrial Batteries and Power Supplies business tend to be for a relatively large monetary amount per project. • Due to the contractual relationship with customers, net sales in the last month of the fiscal year tend to be higher. • Many projects involve individual made-to-order production, and due to design changes or other reasons, the order amount may change from the amount when the order was originally recorded. <p>We, therefore, determined that our assessment of the appropriateness of the reporting timing and the amounts of net sales for the Industrial Batteries and Power Supplies business of GS Yuasa International Ltd. was of most significance in our audit of the consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.</p>	<p>The primary procedures we performed to assess the appropriateness of the reporting timing and the amounts of net sales for the Industrial Batteries and Power Supplies business of GS Yuasa International Ltd. included the following audit procedures:</p> <p>(1) Internal control testing</p> <p>The design and operating effectiveness of certain internal controls relevant to the sales process of GYPS were tested. The testing focused on controls for confirming consistency between the materials as evidence of the shipment of products / the completion of installation work and the dates of sales recognized, as well as controls for confirming the amounts of sales reported.</p> <p>(2) Consideration for the appropriateness of the reporting timing and the amounts of net sales</p> <p>In order to consider whether the net sales of GYPS were reported in an appropriate accounting period and in an appropriate amount, we performed audit procedures that included the following.</p> <ul style="list-style-type: none"> • From the net sales reported in the last month of the fiscal year, we identified transactions that meet certain conditions, and verified that the dates that sales were reported match the dates indicated in the documented evidence that serves as the basis for that information (statement of delivery, work completion report, etc.). • From the net sales reported in the last month of the fiscal year, we identified transactions that meet certain conditions, and verified that the amounts reported for sales match the amounts indicated in the documented evidence that serves as the basis for that information (purchase order, invoice, etc.). • For the balance of accounts receivable - trade sampled using a statistical method, as of March 31, 2024, we verified that the information in the confirmations of outstanding balance in the responses we obtained directly from customers match the book values.

Other Information

The other information comprises the information included in the GS Yuasa Report 2024, but does not include the consolidated financial statements, the financial statements, and our auditor’s reports thereon. Management is responsible for the preparation and presentation of the other information. Corporate auditors and the board of corporate auditors are responsible for overseeing the directors’ performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with

the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Corporate Auditors and the Board of Corporate Auditors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Corporate auditors and the board of corporate auditors are responsible for overseeing the directors' performance of their duties including the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the

consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with corporate auditors and the board of corporate auditors regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide corporate auditors and the board of corporate auditors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with corporate auditors and the board of corporate auditors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Audit of the Internal Control Report

Opinion

We also have audited the accompanying internal control report of GS Yuasa Corporation as at March 31, 2024, in accordance with Article 193-2(2) of the Financial Instruments and Exchange Act of Japan.

In our opinion, the accompanying internal control report, which states that the internal control over financial reporting was effective as at March 31, 2024, presents fairly, in all material respects, the results of the assessments of internal control over financial reporting in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

Basis for Opinion

We conducted our audit of the internal control report in accordance with auditing standards for internal control over financial reporting generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Internal Control Report* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the internal control report in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Corporate Auditors and the Board of Corporate Auditors for the Internal Control Report

Management is responsible for the design and operation of internal control over financial reporting and the preparation and fair presentation of the internal control report in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

Corporate auditors and the board of corporate auditors are responsible for overseeing and examining the design and operation of internal control over financial reporting.

Internal control over financial reporting may not completely prevent or detect financial statement

misstatements.

Auditor's Responsibilities for the Audit of the Internal Control Report

Our objectives are to obtain reasonable assurance about whether the internal control report is free from material misstatement based on our audit of the internal control report and to issue an auditor's report that includes our opinion.

As part of our audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Perform procedures to obtain audit evidence about the results of the assessments of internal control over financial reporting in the internal control report. The procedures for the audit of the internal control report are selected and performed, depending on the auditor's judgment, based on significance of effect on the reliability of financial reporting.
- Evaluate the overall presentation of the internal control report, including the appropriateness of the scope, procedures and results of the assessments that management presents.
- Obtain sufficient appropriate audit evidence about the results of the assessments of internal control over financial reporting in the internal control report. We are responsible for the direction, supervision and performance of the audit of the internal control report. We remain solely responsible for our audit opinion.

We communicate with corporate auditors and the board of corporate auditors regarding, among other matters, the planned scope and timing of our audit of the internal control report, the results thereof, material weaknesses in internal control identified during our audit of internal control report, and those that were remediated.

We also provide corporate auditors and the board of corporate auditors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Fee-related Information

Fees paid or payable to our firm and to other firms within the same network as our firm for audit and non-audit services provided to the Company and its subsidiaries are described in Status of corporate governance, etc., (3) Information about audit included in "Information about reporting company"

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Audit Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Financial Instruments and Exchange Act of Japan.

Independent Auditor's Report

June 27, 2024

To the Board of Directors of GS Yuasa Corporation:

KPMG AZSA LLC
Kyoto Office, Japan

Tomoya Kurokawa
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Tetsuo Yamada
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of GS Yuasa Corporation (“the Company”) provided in the “Financial Information” section in the company’s Annual Report, which comprise the non-consolidated balance sheets as at March 31, 2024 and the non-consolidated statements of income, statements of changes in net assets for the year then ended, and significant accounting policies, other explanatory information and supplemental schedules, in accordance with Article 193-2(1) of the Financial Instruments and Exchange Act of Japan.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2024, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We believe that we have nothing to report on key audit matters on this Auditor’s Report.

Other Information

The other information comprises the information included in the GS Yuasa Report 2024, but does not

include the consolidated financial statements, the financial statements, and our auditor's reports thereon. Management is responsible for the preparation and presentation of the other information. Corporate auditors and the board of corporate auditors are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Corporate Auditors and the Board of Corporate Auditors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Corporate auditors and the board of corporate auditors are responsible for overseeing the directors' performance of their duties including the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or

conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the presentation and disclosures in the financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with corporate auditors and the board of corporate auditors regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide corporate auditors and the board of corporate auditors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with corporate auditors and the board of corporate auditors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Fee-related Information

Fee-related information is described in the auditor's report on the consolidated financial statements.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Audit Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Financial Instruments and Exchange Act of Japan.

[Cover]

Document title	Confirmation Letter
Clause of stipulation	Article 24-4-2, Paragraph 1 of the Financial Instruments and Exchange Act
Place of filing	Director-General of the Kanto Local Finance Bureau
Filing date	June 27, 2024
Company name	Kabushiki Kaisha GS Yuasa Corporation
Company name in English	GS Yuasa Corporation
Title and name of representative	Takashi Abe, President and CEO
Title and name of chief financial officer	Hiroaki Matsushima, Director and CFO
Address of registered headquarters	1, Inobanba-cho, Nishinosho, Kisshoin, Minami-ku, Kyoto, Japan
Place for public inspection	Tokyo Office, GS Yuasa Corporation (1-7-13, Shiba-koen, Minato-ku, Tokyo, Japan) Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo, Japan)

1. Appropriateness of the descriptions in this Annual Securities Report

Takashi Abe, President and CEO of the Company, and Hiroaki Matsushima, Director and CFO of the Company, confirmed that information contained in the Company's Annual Securities Report for the 20th fiscal year (from April 1, 2023 to March 31, 2024) was described appropriately in accordance with the Financial Instruments and Exchange Act and related regulations.

2. Special notes

Confirmed with no particular matters to be noted.

[Cover]

Document title	Internal Control Report
Clause of stipulation	Article 24-4-4, Paragraph 1 of the Financial Instruments and Exchange Act
Place of filing	Director-General of the Kanto Local Finance Bureau
Filing date	June 27, 2024
Company name	Kabushiki Kaisha GS Yuasa Corporation
Company name in English	GS Yuasa Corporation
Title and name of representative	Takashi Abe, President and CEO
Title and name of chief financial officer	Hiroaki Matsushima, Director and CFO
Address of registered headquarters	1, Inobanba-cho, Nishinosho, Kisshoin, Minami-ku, Kyoto, Japan
Place for public inspection	Tokyo Office, GS Yuasa Corporation (1-7-13, Shiba-koen, Minato-ku, Tokyo, Japan) Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo, Japan)

1. Basic framework for internal controls regarding the financial reporting

Takashi Abe, President and CEO of GS Yuasa Corporation (the “Company”), and Hiroaki Matsushima, Director and CFO of the Company, are responsible for the design and operation of internal control over financial reporting. The Company has designed and operated internal control over financial reporting in accordance with the basic framework for internal control set forth in “On the Revision of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting (Council Opinions)” released by the Business Accounting Council.

Internal control over financial reporting may not completely prevent or detect financial statement misstatements.

2. Scope of assessment, record date, and assessment procedures

The Company assessed its internal control with March 31, 2024 as the record date, which is the last day of the fiscal year ended. The assessment of internal control over financial reporting was conducted in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

In accordance with the “2023 Internal Control Basic Plan” (approved at the Board of Directors meeting held on March 28, 2023) that was formulated based on these standards, the Company assessed the design and operation of Company-wide internal control. Based on the results of the assessment, the Company analyzed the business processes within the scope of the internal control subject to the assessment, selected the key controls that may have a significant impact on the credibility of financial reporting, and with respect to the key controls, assessed whether the basic elements of the internal control were functioning.

As for the scope of the assessment of internal control over financial reporting, a necessary scope was determined from the viewpoint of significance of impact on credibility of financial reporting. Significance of impact on credibility of financial reporting was reasonably determined in consideration of significance in terms of the amount and quality. The significant business entities were determined by combining the net sales of each business entity in the previous fiscal year, starting with the business entity with the highest amount, until the combined amount reached approximately two-thirds of the consolidated net sales, and taking into consideration the earnings forecast for the current fiscal year. Account items that are closely associated with the Company’s business objectives in the selected significant business entities are net sales, accounts receivable - trade and inventories. In addition, taking into account the impact on financial reporting, particular transactions and events with greater significance are subject to individual assessments.

3. Results of the assessment

As a result of conducting the above assessment, the Company judged that its internal control over financial reporting was effective as of March 31, 2024.

4. Supplementary notes

Not applicable.

5. Special notes

Not applicable.