

News Release

April 25th, 2011

GS Yuasa Corporation

GS Yuasa Strengthens Centralized Procurement for Overseas Operations Aiming for Cost Savings of ¥1bn in FY2012

GS Yuasa Corporation (Tokyo Stock Exchange: 6674) announced today that it will further centralize its procurement of materials for lead-acid batteries manufactured by the GS Yuasa Group outside Japan, beginning fiscal 2011. The initiative is expected to reduce costs by 500 million yen in fiscal 2011 and by 1.0 billion yen in fiscal 2012.

GS Yuasa operates 41 manufacturing and sales sites in 19 countries around the world, and is the world's third-largest producer of automobile batteries and the world's top producer of motorcycle batteries. As a whole, the GS Yuasa Group therefore procures an enormous number and value of materials for battery manufacturing. Currently, each manufacturing site negotiates prices separately with suppliers, so devising and implementing a strategy to facilitate volume procurement is an urgent task for the company.

From fiscal 2011, GS Yuasa's procurement division will take charge of procuring materials for all manufacturing sites and will negotiate prices directly with suppliers. The new centralized system will dramatically improve negotiating power compared with current site-by-site arrangements and is expected to generate significant cost savings. The system will also make it possible to centrally manage procurement data, helping to unify parts used across the group and improve logistics efficiency.

Details of Initiative

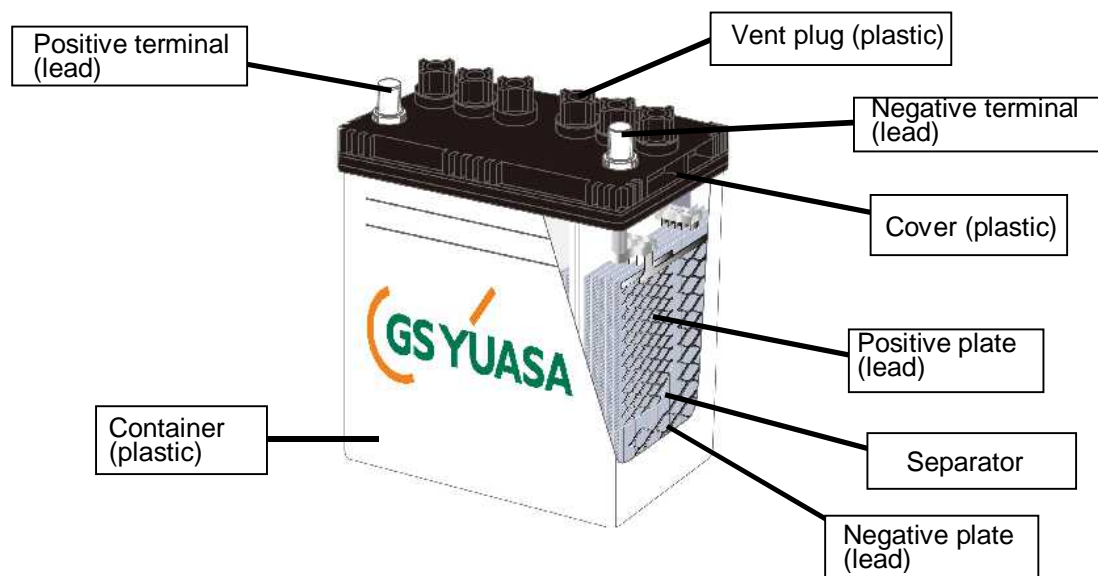
1. Sites Covered: A total of 14 manufacturing sites in China, Southeast Asia, and other regions
*The company plans to expand the initiative to more sites subject to its effects
2. Materials Covered: Lead, separators, plastics, etc.

Centralized Procurement Initiative's Initial Geographic Coverage: 14 Sites



Names of Main Battery Parts

*Items in parentheses are raw material inputs



For **customer** inquiries, please contact:

Overseas Procurement Group, Procurement Division, **GS Yuasa Corporation**, Tel: +81-(0)75-312-0331

For **media** inquiries, please contact:

Public Relations Office, **GS Yuasa Corporation**, Tel: +81-(0)75-312-1214