

News Release



May 21, 2013

GS Yuasa Corporation

**GS Yuasa, Vietnam Subsidiary to Boost
Lead-acid Motorcycle Battery Manufacturing Capacity**

GS Yuasa Corporation (Tokyo Stock Exchange: 6674) announced today that consolidated subsidiary GS Battery Vietnam Co., Ltd. has decided to acquire land in the Vietnam Singapore Industrial Park in Binh Duong Province, where its head office plant is situated, for a lead-acid motorcycle battery assembly plant so as to gradually double its total motorcycle battery production capacity in the country.

Since 2011, Vietnam's pace of economic growth has slowed, and the trend has continued in 2013. The demand for motorcycles, however, remains strong, and the market for replacement motorcycle batteries is particularly robust, demonstrating stable growth despite the nation's economic slowdown.

GS Battery Vietnam has developed a presence as a high-end, high-quality battery brand in the Vietnamese market through its supply of new car batteries and active expansion into the replacement battery market with valve-regulated lead-acid (VLRA) batteries*. Sales of VLRA batteries have surged in Vietnam since 2010. Lead-acid motorcycle battery sales rose to 5.8 million units in 2012, with GS Battery Vietnam capturing a 60% market share.

Sales of lead-acid motorcycle batteries in the replacement market are expected to continue growing steadily in 2013 and beyond. To rapidly increase its manufacturing capability, GS Battery Vietnam acquired a 20,000m² land site and a 7,500m² building in the Vietnam Singapore Industrial Park in April 2013 for US\$4 million. Procedures are now being taken for the transfer of land use rights. Operations at the new facility are scheduled to commence in 2013, and the company plans to gradually increase its current capacity of 6 million units to 13 million units by 2017. Capital spending to increase production is expected to reach ¥1.5 billion by 2017.

*Valve-regulated lead-acid (VLRA) batteries

Oxygen gas generated during charging is absorbed by the negative plate and is resolved to the electrolyte solution. The battery has a sealed, gas-absorbent structure which requires no monitoring of the solution or water replacement during the battery's lifetime.

Overview of GS Yuasa Battery Vietnam

1. Company name	GS Battery Vietnam Co., Ltd.	
2. Establishment	May 12, 1997	
3. Location	Head office plant	Vietnam Singapore Industrial Park, Thuan An Town, Binh Duong Province
	No. 2 plant	3 Ho Nai Industrial Park, Trang Bom Town, Dong Nai Province
4. Capital	96.9 billion Vietnamese dong	
5. Shareholders and percentage of ownership	GS Yuasa Group	77.50%
	Mitsubishi Corporation	22.50%
6. Business description	Manufacture and sale of lead-acid automobile and motorcycle batteries	

Photo of the Outside of GS Battery Vietnam Co., Ltd.

