



GS Yuasa International Completes Capital Increase in Turkish Joint Venture
- To enhance production capacity and drive forward sales expansion strategy in Turkey and neighboring countries -

GS Yuasa Corporation (Tokyo Stock Exchange: 6674; "GS Yuasa") announced that its consolidated subsidiary GS Yuasa International Ltd. ("GS Yuasa International"), together with local partner İnci Holding Anonim Şirketi (Head Office: Izmir), carried out capital increase worth 100 million Turkish lira (approximately 3.0 billion yen^{*1}) in İnci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi (Head Office: Manisa Province, Turkey; "IGYA"), an equity-method affiliate in Turkey, on April 28, 2017. The capital increase does not affect the investment ratio in IGYA of the respective companies.

The main purpose of the capital increase is the construction of a new plant (expected to start operations by the end of 2018). The plant will produce batteries for environmentally friendly vehicles (start & stop vehicles) with GS Yuasa's latest technologies, demand for which is expected to grow rapidly. The company also plans to increase the production capacity of automotive lead-acid storage batteries to 6 million units a year (currently 4 million units a year).

Since its capital participation in IGYA in October 2015, GS Yuasa International has been commercializing a series of automotive lead-acid storage batteries based on its technologies, and in 2016, the company began manufacturing GS Yuasa brand products. Further, IGYA will open representative offices in UAE (Dubai), Ukraine (Kiev) and Egypt (Cairo) successively to strengthen the sales of automotive lead-acid storage batteries in countries neighboring Turkey. The GS Yuasa Group will drive forward its sales expansion strategy in untapped regions of Middle East, Africa, CIS^{*2} and Europe through these actions.

In the business of lead-acid batteries for forklifts, IGYA has sold a total of about 660,000 cells (equivalent to 27,000 forklifts) in Turkey and as export since the start of the business in 2012 through the end of 2016, and it retains the No. 1 market share (about 40%^{*3}) in the country. IGYA opened a service center in Istanbul in May 2017 to further expand its presence in the country and to improve customer satisfaction, and intends to further strengthen the relationships of trust with its customers.

GS Yuasa will continue to support IGYA by supplying high performance, high quality lead-acid storage batteries equivalent to Japanese products to customers in Middle East, Africa, CIS and Europe.

*1 Exchange rate: 1 Turkish lira = 30 yen

*2 Abbreviation of Commonwealth of Independent States. A loose regional federation of countries made up of countries that were part of the Soviet Union at the time of its dissolution.

*3 GS Yuasa study

[Profile of IGYA]

1. Company name	İnci GS Yuasa Akü Sanayi ve Ticaret Anonim Şirketi
2. Established	1984
3. Location	Manisa Province, Turkey
4. Representatives	Cihan Elbirlik, Managing Director Yuji Hashimoto, Deputy Managing Director
5. Capital	153,000,000 Turkish lira (approx. 4.6 billion yen* ¹) (as of the end of April 2017)
6. Investors	İnci Holding Anonim Şirketi 50% GS Yuasa International Ltd. 50%
7. Business	Manufacture and sales of lead-acid storage batteries for automobiles, forklifts and stationary application
8. Employees	648 (as of April 2017)

[Images]

1. IGYA (exterior)



2. Automotive lead-acid storage battery manufactured by IGYA

