

January 10th, 2013

GS Yuasa Corporation

**Blue Energy Receives METI Subsidy
~Lithium-ion Battery Production Capacity to Be Steadily Expanded~**

GS Yuasa Corporation (Tokyo Stock Exchange: 6674) announced today that consolidated subsidiary Blue Energy Co., Ltd. was awarded a government subsidy from Japan's Ministry of Economy, Trade and Industry (METI) on November 6, 2012 under a program to promote domestic plant construction in industries that create low-carbon-type employment. Blue Energy received the subsidy on December 28, 2012 and has treated the money as a reduction entry, booking ¥318.7 billion in extraordinary income as a gain on government subsidy, and the same amount in extraordinary losses as a loss on reduction of fixed assets.

In February 2011, Blue Energy began mass production of lithium-ion batteries for hybrid-electric vehicles (HEV) at its Osadano Plant. The company applied for and received the subsidy to expand production of highly reliable lithium batteries with world-class quality amid fierce global competition in the battery business. Blue Energy will utilize the subsidy to make new capital investments and increase annual production capacity for HEV and other lithium-ion batteries to 15 million cells, making it one of the largest manufacturers in the world.

The GS Yuasa Group will use the subsidy to invest in new manufacturing technology and bolster its competitiveness to compete against global battery makers.

Overview of Blue Energy Co., Ltd.

Company name	Blue Energy Co., Ltd.
Established	April 1, 2009
Head office	1-37 Osadano-cho, Fukuchiyama City, Kyoto, Japan
Capital	¥7.5 billion
Shareholders	GS Yuasa Corporation 51% Honda Motor Co., Ltd. 49%
Business	Manufacture, sale, research and development of high-performance lithium-ion batteries