

May 8th, 2007

GS Yuasa Corporation
Mitsubishi Corporation
Mitsubishi Motors Corporation

**GS Yuasa, MC and MMC to Establish New Company to
Manufacture Lithium-ion Batteries**

~ Mass production of large capacity / high performance batteries,
that can be used in electric vehicles ~

GS Yuasa Corporation (President Makoto Yoda, Head Office Minami-ku, Kyoto), Mitsubishi Corporation (President Yorihiro Kojima, Head Office Chiyoda-ku, Tokyo), and Mitsubishi Motors Corporation (President Osamu Masuko, Head Office Minato-ku, Tokyo) have begun collaboration on establishing a joint venture company to manufacture large capacity and high performance Lithium-ion batteries that can be used in electric vehicles (EV). The three partners aim to complete the details and set up the new company sometime within half a year.

GS Yuasa is expected to own a 51% share of the new company, with MC and MMC owing 34% and 15% respectively. The new company's headquarters will be located within GS Yuasa's Kyoto head office. During the first stage of development, 3 billion yen will be invested to install automated mass production lines within GS Yuasa's Kyoto head office plant, capable of manufacturing 200,000 cells per year. Operations are slated to commence by 2009.

Application of Large Lithium-ion batteries is expected to increase dramatically across a wide variety of industries, including automobiles. Construction of systems that can quickly meet these market needs has become a vital issue. GS Yuasa possesses advanced technologies in Large Lithium-ion batteries and is striving to broaden their applications. Meanwhile, MC intends to enter the battery manufacturing business and aims to create other related businesses as well. MMC is working to increase the use of the "cleanest" possible vehicles i.e., EV. The three companies decided that by combining their unique strengths, they could exhibit optimum synergy through the establishment of this new company.

The batteries that will be produced by the new company are based on the "LIM series" of Large Lithium-ion batteries manufactured by GS Yuasa (currently the only mass producer of Large Lithium-ion batteries in Japan) and thanks to a review of the certain factors such as cell-structure and electrode materials, improve energy density and power density. These new batteries have ten times the capacity of those for hybrid electric vehicles, and are the perfect choice for EVs. MMC plans to install the batteries to its next generation EV "i MiEV" (i Mitsubishi innovative Electric Vehicle), which it aims to introduce to the market by 2010. The batteries can also be supplied to EVs manufactured by other auto-makers and to industrial applications for energy storage use.

Furthermore, the new batteries are characteristic of high-speed energy input and output which comply with high-speed charge specifications under consideration by electrical power companies and potentially with plug-in hybrid electric vehicles (P-HEV). We hope that our product will become the de facto standard for Large Lithium-ion batteries, and that new company shall increase production capacity and line-up of the products in response to the expanding market.

【Overview of New JV Company】

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| 1. Name | Yet to be announced |
| 2. Period of establishment | Aim is within half a year |
| 3. Location of Headquarters and factory | 1, Inobanba-cho, Nishinosho, Kisshoin, Minami-ku, Kyoto, Japan (at GS Yuasa's Kyoto Head Office) |
| 4. Size of factory | 7000m ² |
| 5. Capital | Around 3 billion yen |
| 6. Investors and percent ownership | GS Yuasa 51%, MC 34%, MMC 15% (planned) |
| 7. Type of business | Manufacturing of Large capacity Lithium-ion batteries |
| 8. Production scale | 20,000 units / year in first fiscal year |

【Overview of GS Yuasa Corporation】

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|---------------------|---|
| 1. Name | GS Yuasa Corporation |
| 2. Established | April 1 st , 2004 |
| 3. Head Office | 1, Inobanba-cho, Nishinosho, Kisshoin, Minami-ku, Kyoto, Japan |
| 4. Capital | 16.3 billion yen |
| 5. Type of business | Manufacturing & Sales of batteries, power supply systems and lighting equipment, other batteries and electric equipment |

【Overview of Mitsubishi Corporation】

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|---------------------|---|
| 1. Name | Mitsubishi Corporation |
| 2. Established | April 1 st , 1950 |
| 3. Head Office | 3-1, Marunouchi 2-Chome, Chiyoda-ku, Tokyo, Japan |
| 4. Capital | 199.2 billion yen |
| 5. Type of business | General trading company (sogo shosha) |

【Overview of Mitsubishi Motors Corporation】

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|---------------------|---|
| 1. Name | Mitsubishi Motors Corporation |
| 2. Established | April 22 nd , 1970 |
| 3. Head Office | 33-8, Shiba 5-chome, Minato-ku, Tokyo, Japan |
| 4. Capital | 657.3 billion yen |
| 5. Type of business | Automobile development, production, sales and exports |

【Photographs】

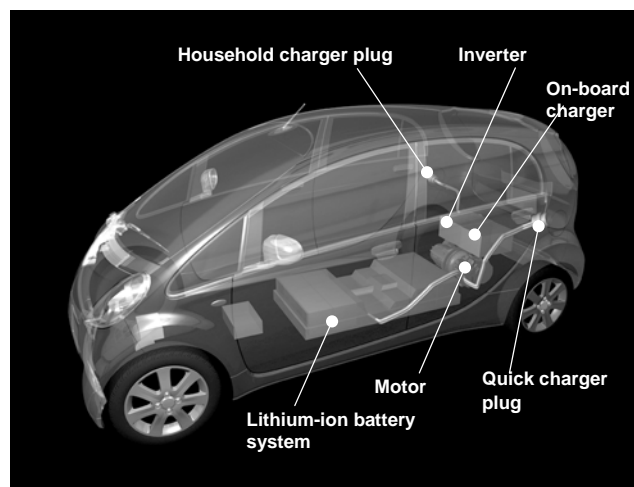
1. "LEV50" Large Lithium-ion battery (Cell)



2. "LEV50-4" Large Lithium-ion battery (Module)



【Image showing an MMC "i MiEV" equipped with a Lithium-ion battery】



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