

FY2023 First-Half Results Briefing

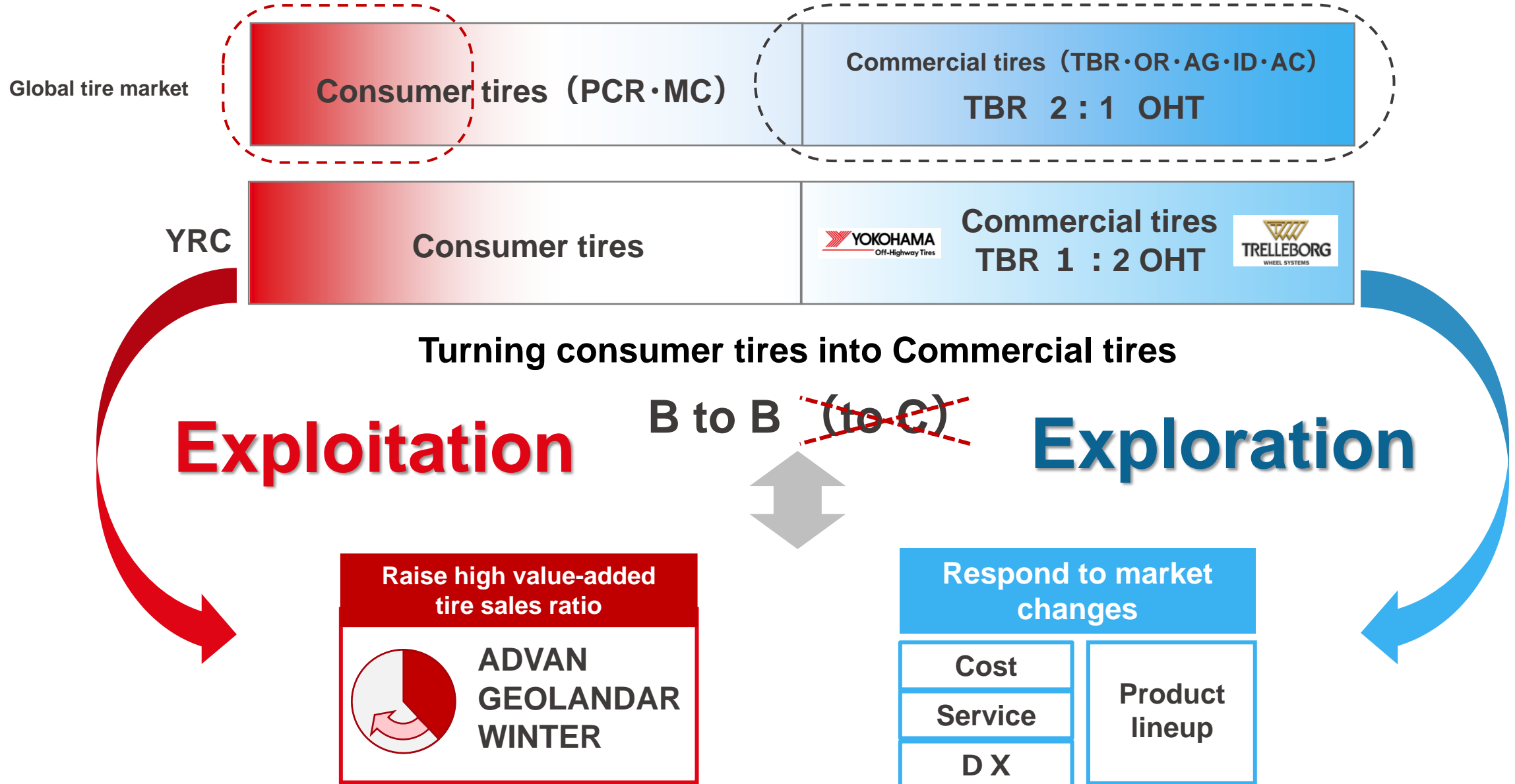
Yokohama Transformation 2023 Progress & Full-Year Outlook



YOKOHAMA Transformation 2023

Exploitation × Exploration = Transformation

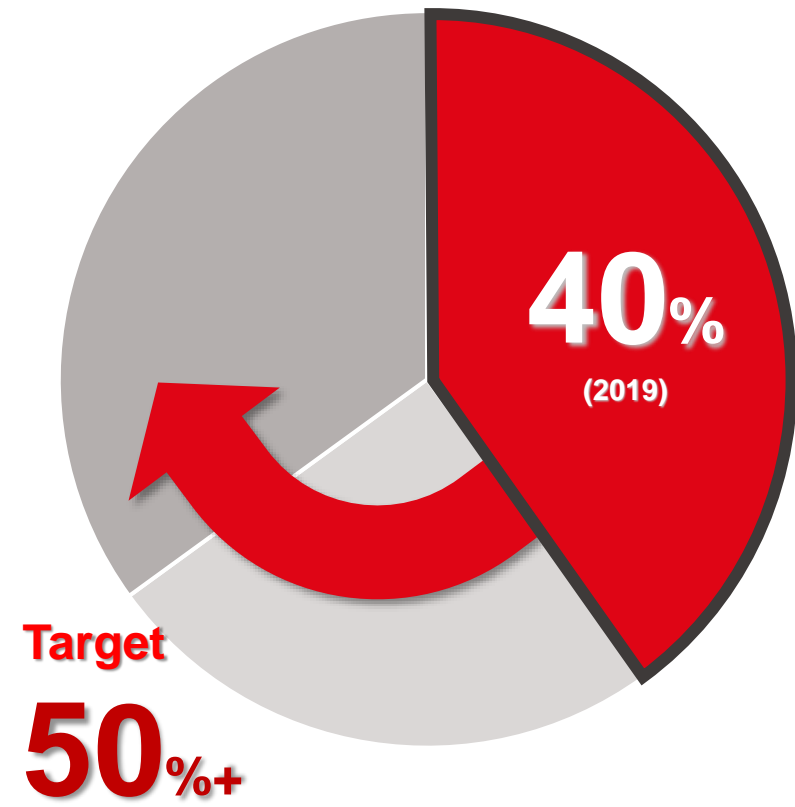
Tire Strategy: Impact of CASE/MaaS on Tire Business



FY2023 1H Results

billion yen	2023 1H result	2023 May forecast	Change from forecast	Change from forecast (%)	2022 1H result	YoY change	YoY change (%)
Sales revenue	443.2	450.0	-6.8	-1.5%	391.5	+51.7	+13.2%
Business profit	25.6	21.5	+4.1	+18.9%	27.7	-2.2	-7.8%
Business profit margin	5.8%	4.8%	+1.0%	-	7.1%	-1.3%	-
Operating profit	28.2	23.5	+4.7	+19.9%	26.9	+1.2	+4.6%
Profit	27.7	17.5	+10.2	+58.2%	23.3	+4.4	+18.8%
D/E Ratio	0.77	-	-	-	0.38	+0.40	-

Consumer Tires: Raise High Value-Added Tire Sales Ratio



UHP

ADVAN



**SUV
Pickup truck**

GEOLANDAR



WINTER

iceGUARD



- 1) Expanding OE use of ADVAN & GEOLANDAR
- 2) Strengthen sales in replacement market and Expand size lineups including for WINTER tires
- 3) Strengthen sales of tires suited to local market needs

Consumer Tires: Key Achievements in FY2023 1H

OE on Premium Cars & EVs



LEXUS RZ BEV
ADVAN V61



Toyota Alphard & Vellfire
ADVAN V03



Toyota GR Corolla
ADVAN APEX V601



MAZDA CX-90
ADVAN V61 & GEOLANDAR X-CV



Toyota Prius PHEV
BluEarth



China's FAW Toyota bZ3 BEV
BluEarth

Strengthening Sales to Replacement Market

2023 "Mud Match" sales campaign

GEOLANDAR
A/T^{XP}

GEOLANDAR
X-AT

BluEarth-Camper

Expanded size lineup for passenger cars



36th 日刊自動車新聞
大賞
用品
2023

Motorsports Activities



SUPER GT 3rd round
1st place in GT500 class



Nürburgring Endurance Series
Overall winners in 2nd & 4th
rounds



Pikes Peak Hill Climb
2nd straight overall championship and
1st place in 5 of 6 divisions



King of the Hammers
1st place finish at
US off-road race

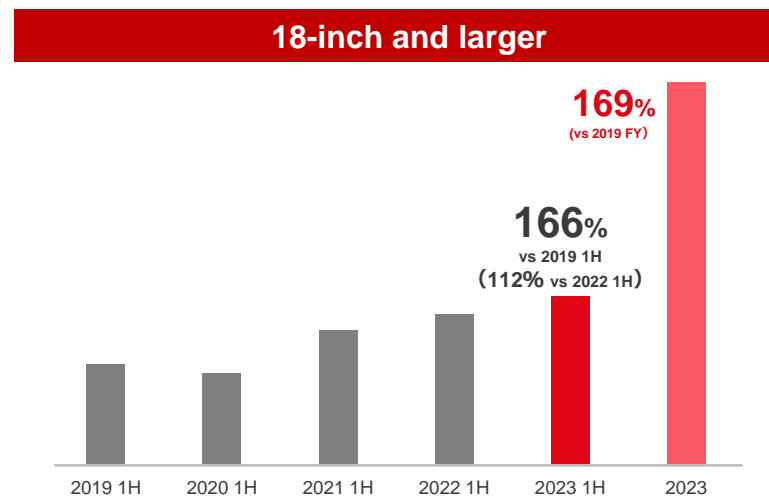
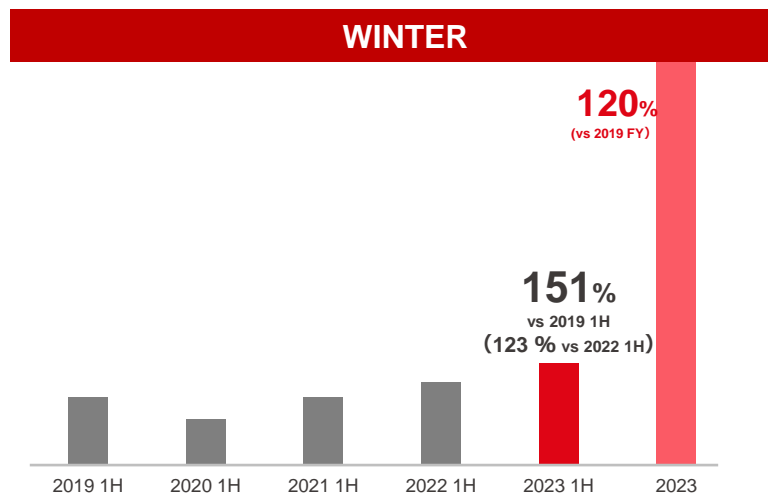
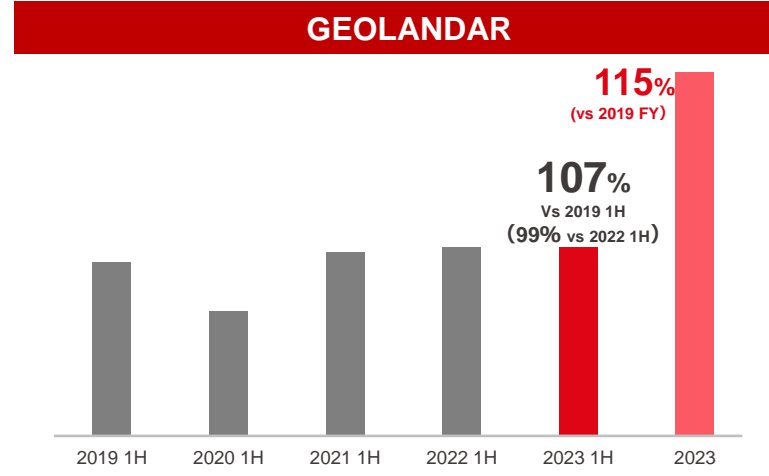
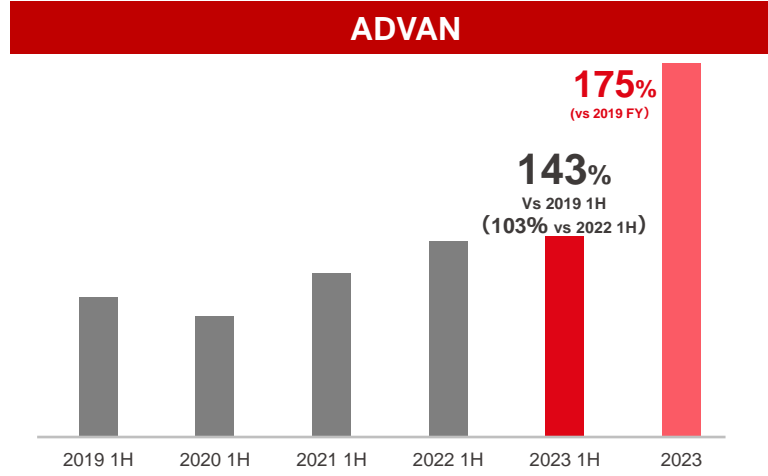
Consumer Tires: Raising High Value-Added Tire Sales Ratio

Expanding GEOLANDAR Size Lineup

Expanding OE & REP lineups
 (Launching new tires + expanding available sizes)

Unit of new sizes	2022 1H result	2022 full year result	2023 1H result
ADVAN	126	195	40
GEOLANDAR	13	39	61
WINTER	1	109	0
AGW total	140	343	101

Sales of ADVAN, WINTER & 18-inch and larger tires up YoY

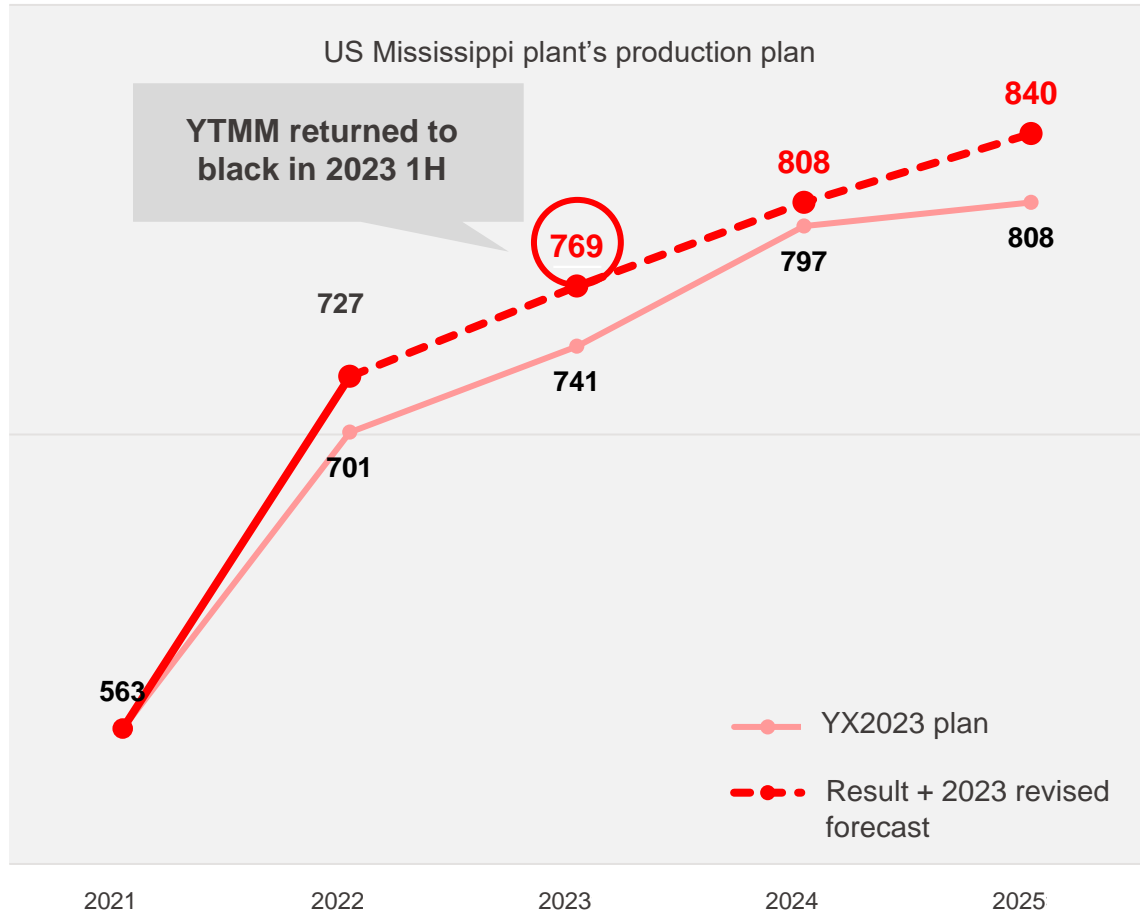


Commercial Tires: Key Achievements in FY2023 1H (TBR Business)

TBR Business

■ US TBR plant increasing output

(Unit: 1,000 tires)



■ Accelerating introduction of new service and tires for EVs

- Began test of new tire solution service for EV buses

Air-pressure sensors attached to tires' inner surface
 Tire air Pressure Remote access System (TPRS)



Kanagawa Chuo Kotsu's EV bus to be used in the practical testing

- First supply of OE tire for a new EV truck

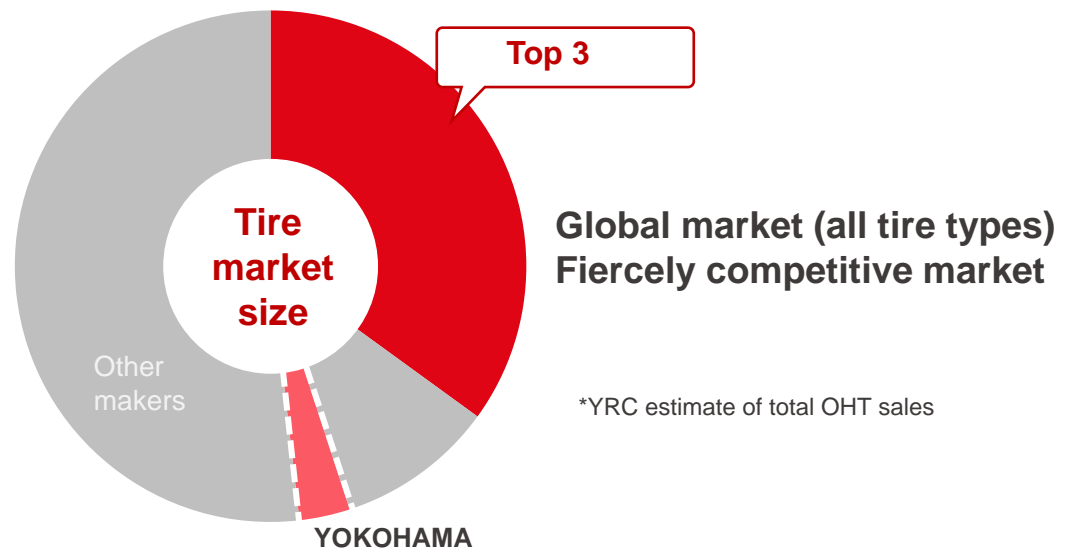
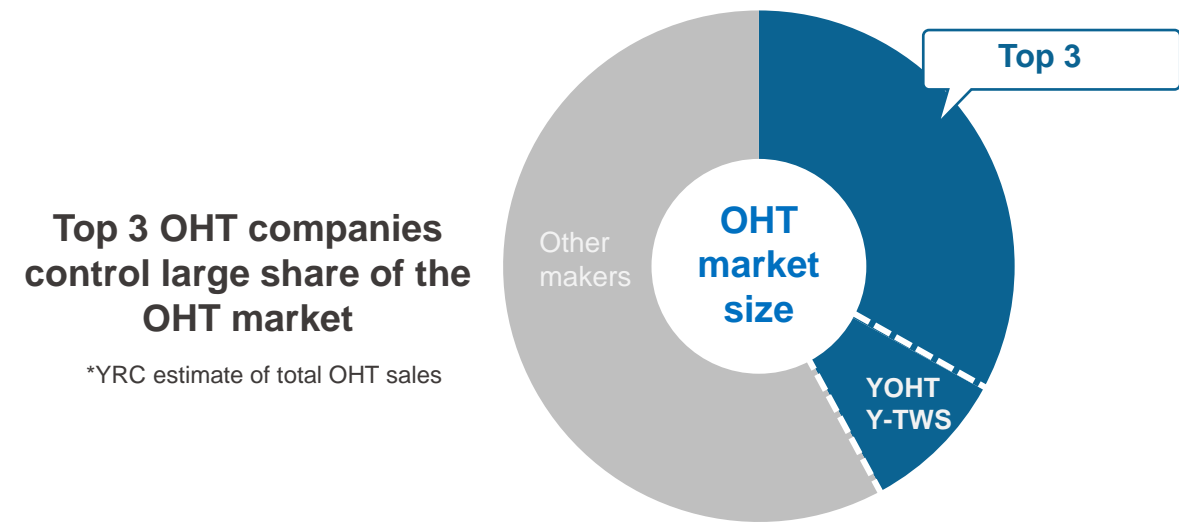
RY01C
 Standard rib tire for light trucks

- High wear resistance
- Quiet running
- Low rolling resistance

Commercial Tires: OHT Business' Growth Potential

Significance of Trelleborg Wheel Systems Holding AB Acquisition

■ OHT market is a blue ocean



■ OHT business has high profit margin (segment profit margins)

	2022
YOHT	14%
Y-TWS	13%
YRC Tire Segment	9%

■ Steady market growth (annual growth rates)

	Market growth rate
Off-highway tires (OHT) overall	+6%
Agriculture tires (AG)	+5%
Industrial tires (ID)	+5%
Passenger car tires	+2%

*YRC estimates

Commercial Tires: OHT Business' Growth Potential

Post-acquisition YOHT·Y-TWS Future Growth Potential

■ Complete product brand structure



■ Secured high market shares for AG & ID tires

Agriculture tires (AG) **No. 1***



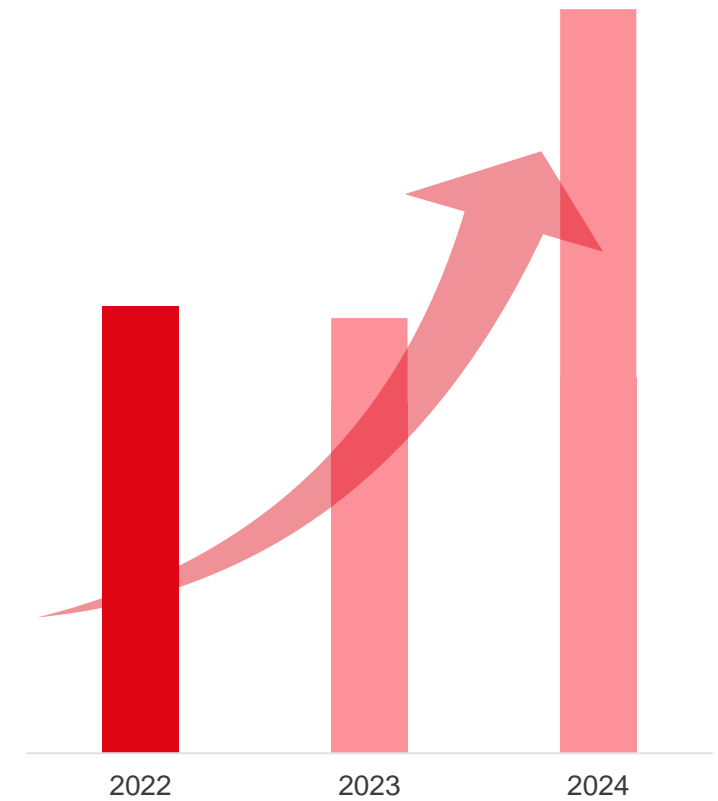
Industrial tires (ID) **No. 2***



*YRC estimates

■ Yokohama Rubber's OHT business entering new growth stage

Yokohama Rubber's OHT business profit growth (image) (YOHT+Y-TWS)



MB : Key Achievements in FY2023 1H

Strengthened/expanded by allocating resources to core product areas

Hose & couplings
Growth driver
 Increase production capacity Reorganize production sites

Industrial products
Stable earnings
 Maximize market share

Business restructuring

Hamatite
 Completed transfer to Swiss-based Sika Group in Nov 2021

Aerospace products
 Merged with industrial products in Mar 2022

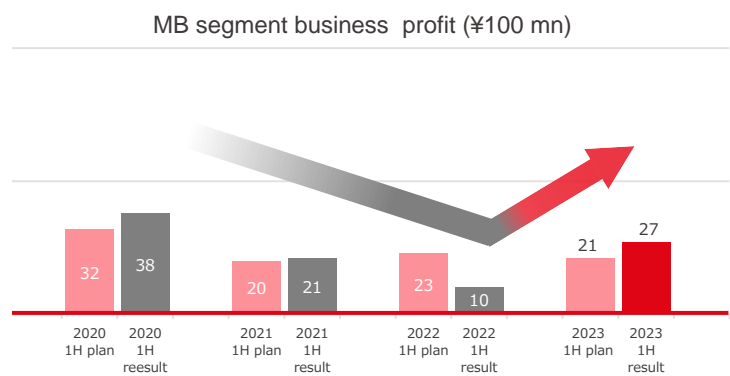
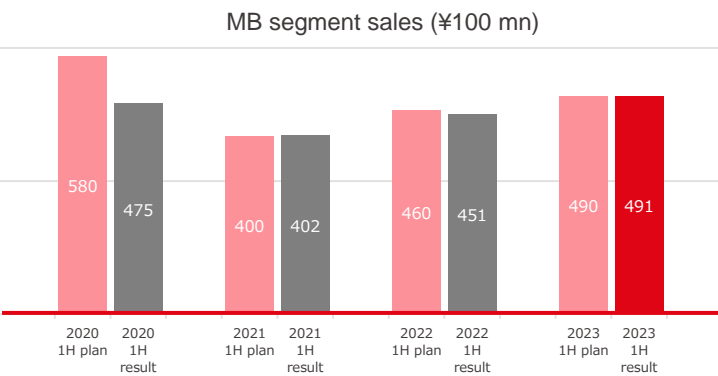
Launched 100-day plan to maximize profits

Reviewing all operations of MB segment

Speed up decision-making, organization changes, personnel assignments focused on placing right person in right place

Profit improvement measures

- Reducing costs, passing price increases on to product prices
- Maximizing production, reducing logistics expenses
- Shifting production to plants with lower costs



*2020 and 2021 figures include Hamatite business

Consumer Tires: FY2023 2H Initiatives

MIX Investment to Maximize the Ratio of High-Value-Added Tires

■ Mie Plant: Large-size SUV tires

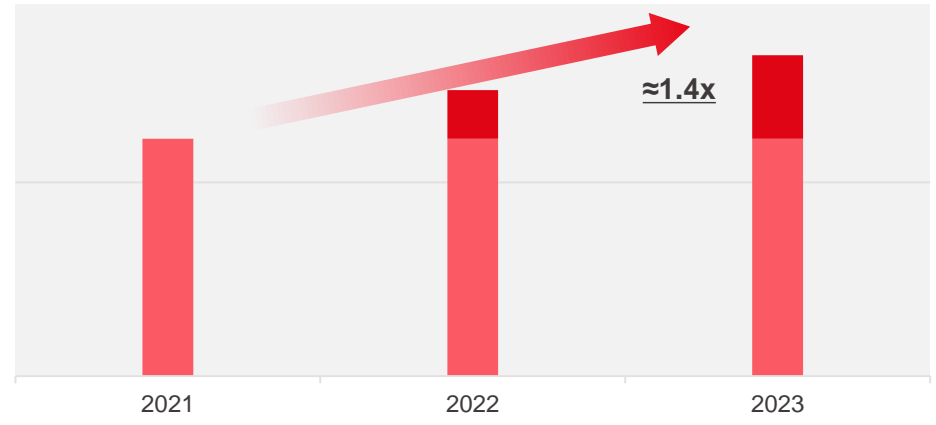
Large outer diameter tires:
Expand annual capacity from $\approx 240k \rightarrow \approx 330k$
Capacity increase of $\approx 1.4x$ (2023 vs 2021)

\rightarrow Complete expansion during YX2023



GEOLANDAR

Mie Plant expanding capacity for large SUV tires (No. of tires/year)



■ Shinshiro Plant: 18-inch and larger sizes

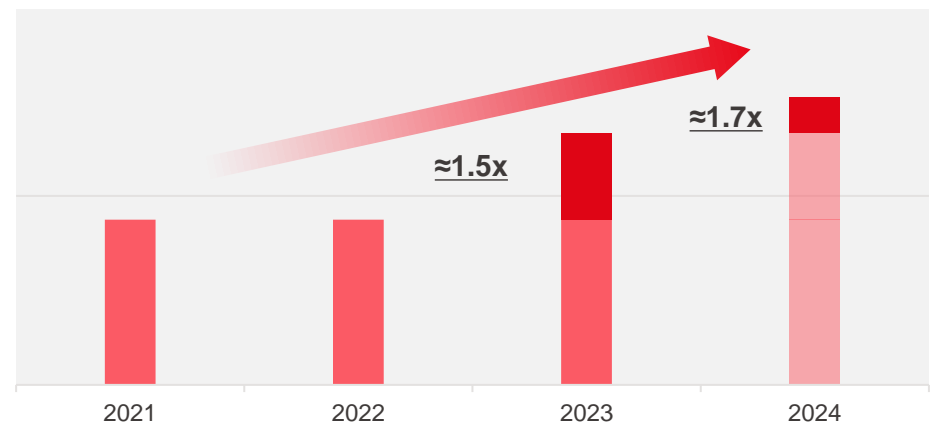
18-inch tires:
Expand annual capacity from $\approx 1.3mn \rightarrow \approx 2.0mn$
Capacity increase of $\approx 1.5x$ (2023 vs 2021)

\rightarrow Further planned expansion in 2024 to increase annual capacity to $\approx 1.7x$ vs 2021



ADVAN

Shinshiro Plant expanding capacity for high-inch tires (No. of tires/year)



Consumer Tires: FY2023 2H Initiatives

Maximize High Value-Added Tire Sales Ratio



Unit sales increase
115% target
(vs 2019)

ADVAN
CHALLENGE
the concept
“Challenges”

- 2023 “Mud Match” campaign: Launch new GEOLANDAR tires and expand unit sales

- Improve sales MIX by maximizing sales ratio of high value-added ADVAN tires
- Motorsports participation contributes to improvement of our tires’ value



GEOLANDAR CV45

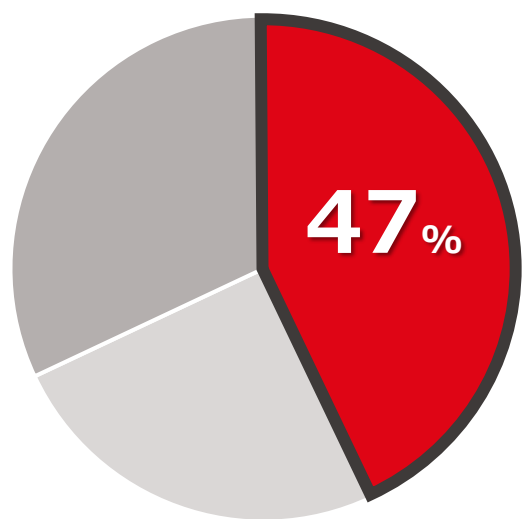


ADVAN Sport EV

Consumer Tires: Raising High Value-Added Tire Sales Ratio (2023 Outlook)

AGW sales ratio

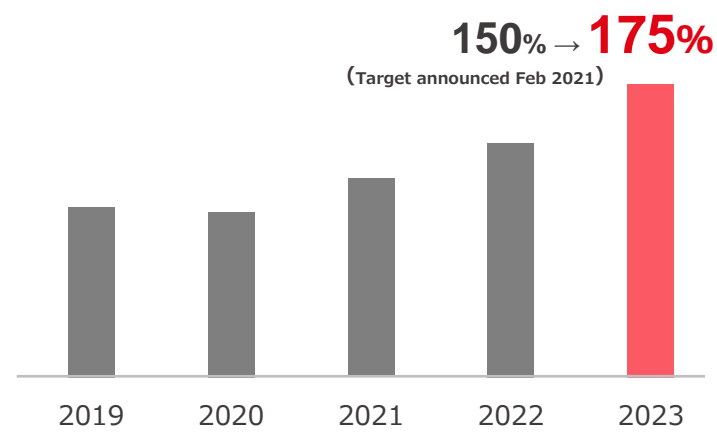
FY2023 plan



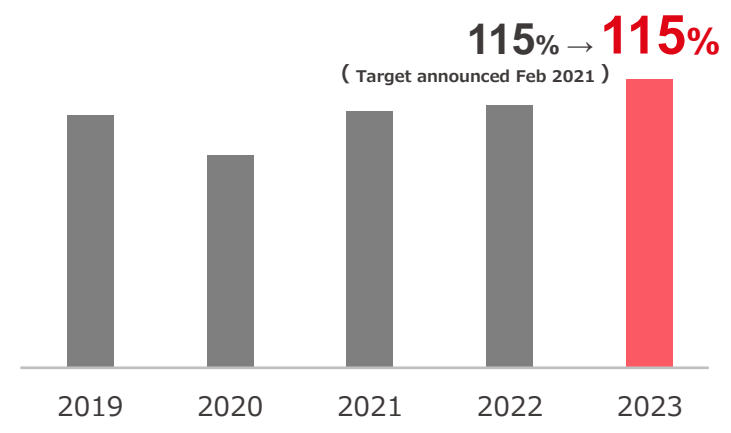
Expanding OE & REP lineups
 (Launching new tires + expanding available sizes)

	2022	2023 plan
ADVAN	195	97
GEOLANDAR	39	139
WINTER	109	126
AGW total	343	362

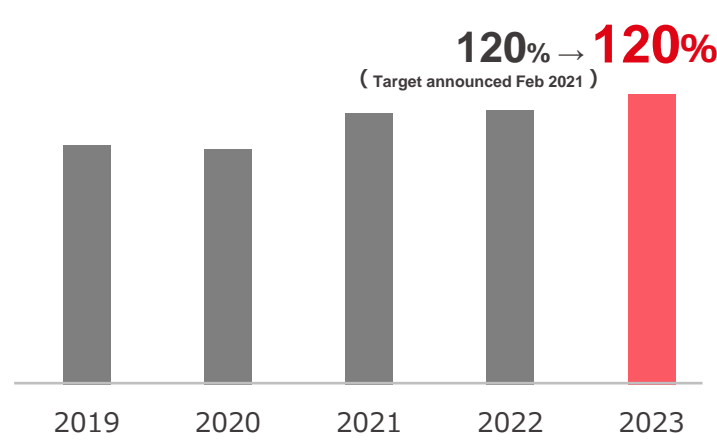
ADVAN



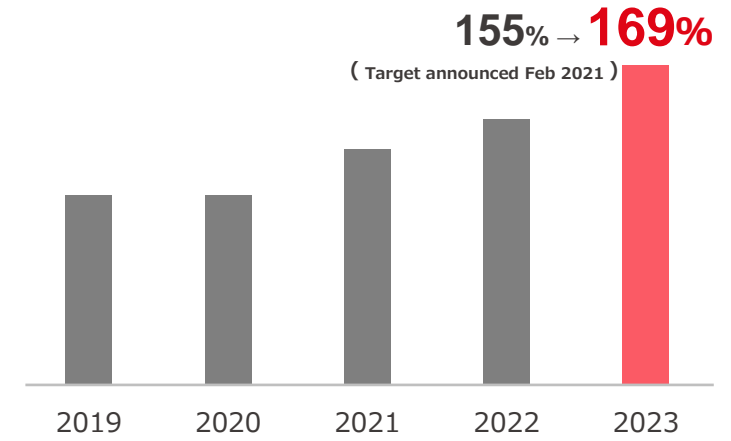
GEOLANDAR



WINTER



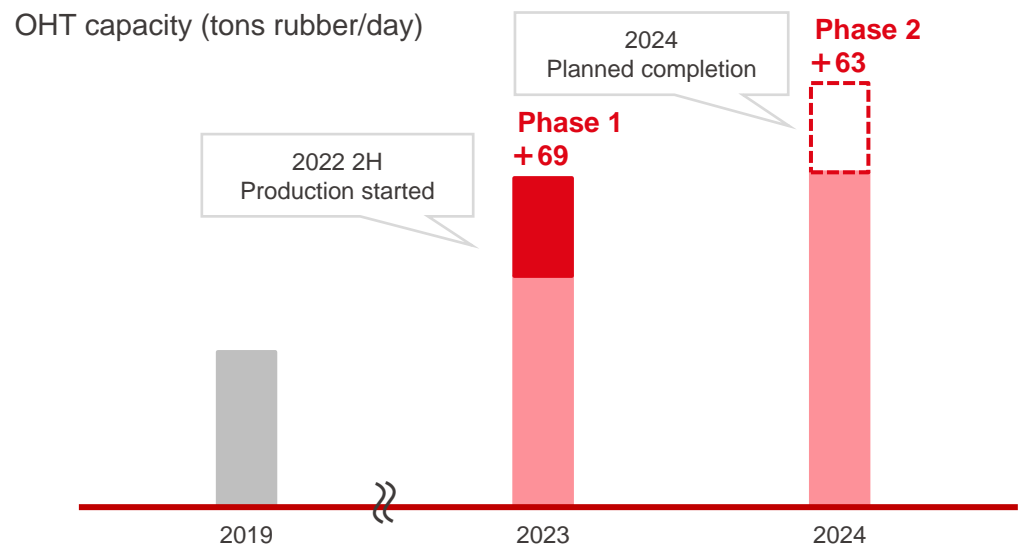
18-inch and larger



Commercial Tires: FY2023 2H Initiatives

YOHT New Plant: Construction Phase 2 Underway

Further increasing capacity to meet future demand



Visakhapatnam Plant, India
(new wing under construction on left)

Y-TWS

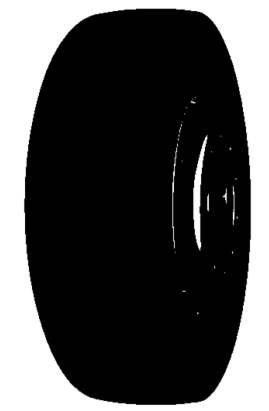
DX promotion: Joint development of tool for agricultural machinery to support tire air pressure management



TBR Business

- Launching new tire for EVs
- Supporting EV buses in Europe

Proprietary "E+" mark being applied to YOKOHAMA tires suitable for electrified vehicles



Strengthened/expanded by allocating resources to core product areas

Hose & couplings
Growth driver
 Increase production capacity
 Reorganize production sites

Industrial products
Stable earnings
 Maximize market share

Business restructuring

Hamatite

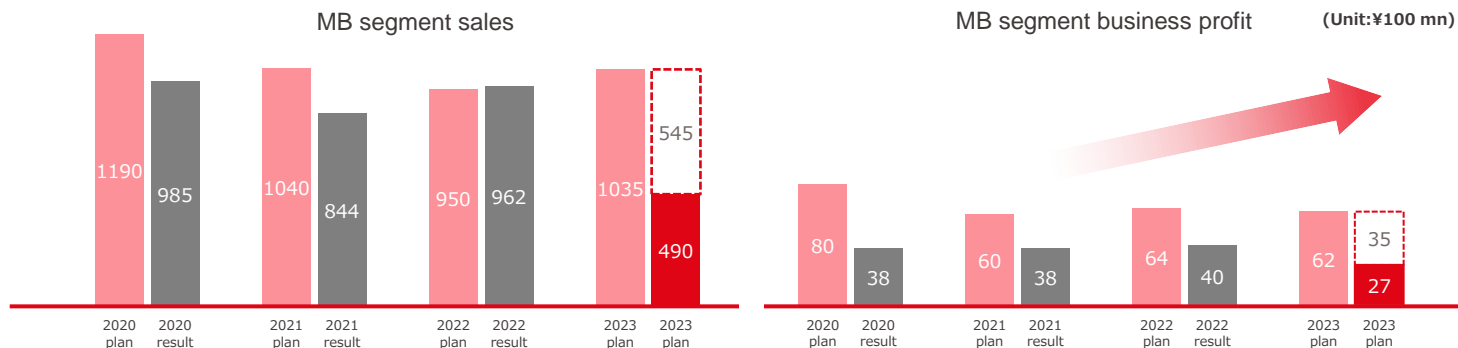
Completed transfer to Swiss-based Sika Group in Nov 2021

Aerospace products

Merged with industrial products in Mar 2022

Reap Benefits from 100-Day Plan

Review business operations, continue to improve profitability



*2020 and 2021 figures include Hamatite business

■ Hose & Couplings

- Complete realignment of No. America automotive hose & couplings production network and launch mass production

■ Industrial products

- Strengthen sales of conveyor belts in Japan
- Introduce solid fender in Japan



V-shaped solid fender

Promoting additional improvements to achieve plan

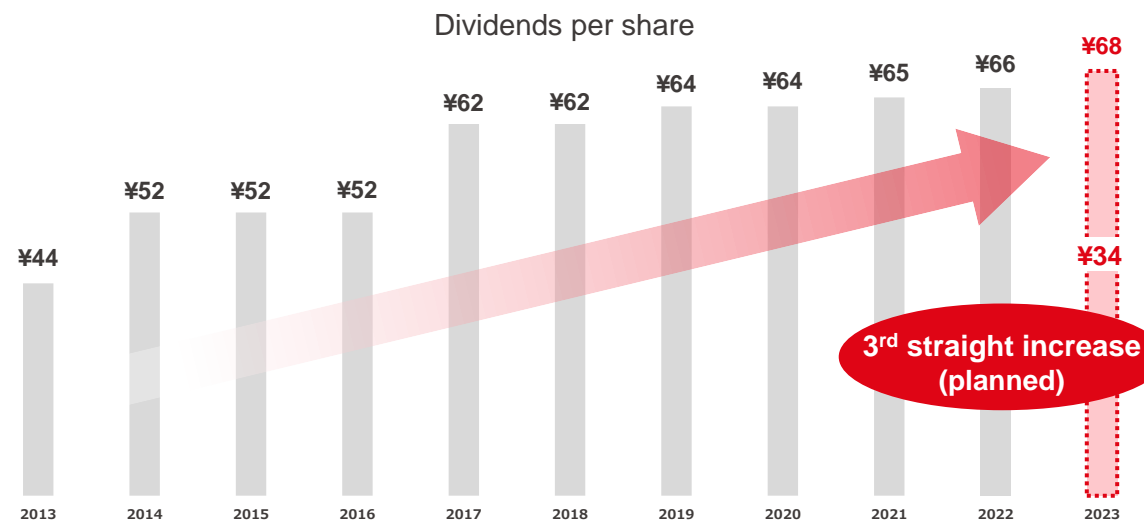
billion yen	2023 Plan	2022 Result	Change	Change (%)	YX2023 FY2023 targets
Sales revenue	1000.0	860.5	+139.5	+16.2%	700.0
Business profit	84.5	70.1	+14.4	+20.6%	70.0
Business profit margin	8.5%	8.1%	+0.4%	-	10.0%

Shareholder Return

Interim dividend: 34 yen (+1 yen increase)

Year-end dividend: 34 yen, Annual dividend: 68 yen (+2 yen increase)

*DPS figures prior to 2015 have been retroactively adjusted to reflect a 1-for-2 share merger carried out on July 1, 2015.



3rd straight increase (planned)

Sustainability: Main Achievements in 2023 1H

Environment

• Carbon neutrality

Shinshiro-Minami Plant becoming a carbon-neutral model plant



Shinshiro-Minami Plant's solar power generation facility

• Circular economy

Developed rubber material that can be easily recycled without deterioration and maintains rubber's excellent durability

• Living in harmony with nature (Nature positive)

Ibaraki Plant received 3rd ABINC award

*ABINC: Association for Business Innovation in harmony with Nature and Community



Ibaraki Plant biodiversity conservation activity

• Sustainable tire development

Mishima Plant shifted its motorsports tire line to renewable energy power source

Machine running on ADVAN tires with a 33% sustainable materials ratio won overall championship at Pikes Peak International Hill Climb



ADVAN fitted machine that won overall championship

Social

• Work-style reforms

Head office–Hiratsuka Factory merger (completed at end-March)

• Initiatives promoting respect for human rights

Human rights due-diligence workshop (May)



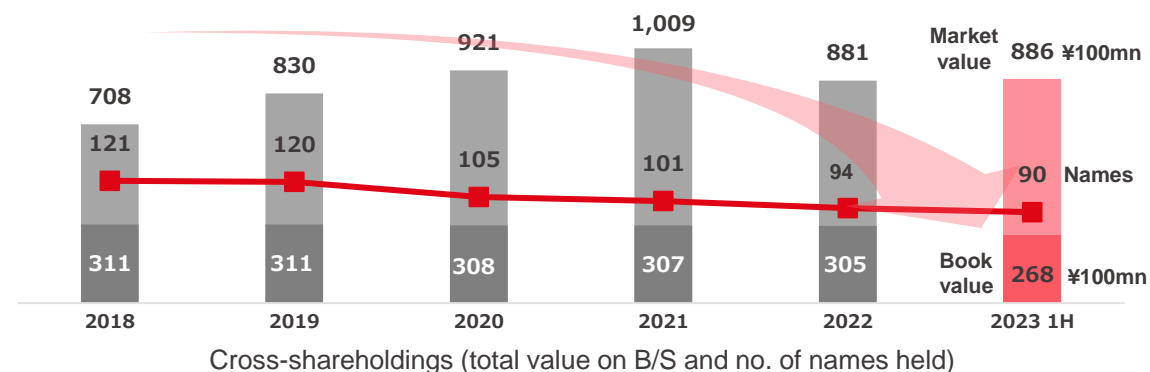
Scene from the workshop

Governance

• Transitioned to company with an Audit & Supervisory Committee

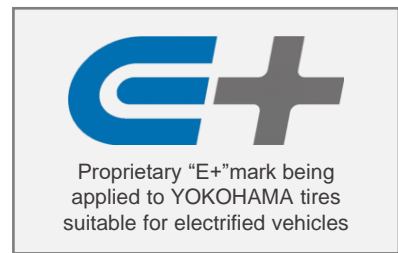
• Reducing cross-shareholdings

Sold off shares in Apr-May 2023



Environment

- Develop and accelerate marketing of EV tires



- Carbon neutrality

Conduct 1% reduction activities at all plants
Shinshiro-Minami Plant considering additional investment in solar power generation

- Circular economy

Increase ratio of sustainable materials in our tires

Accelerate technology development based on motorsports participation



ADVAN racing tire with 33% sustainable materials content

- Living in harmony with nature (Nature positive)

Revise our Guidelines for Preservation of Biodiversity
Respond to TNFD disclosure framework

Social

- Promote local community activities in Hiratsuka City

Co-sponsored recent flounder fry release event at Hiratsuka New Port



Released flounder fry



Release from central pier at Hiratsuka New Port

- Initiatives promoting respect for human rights

Conduct impact assessment designated by recent workshop on human rights due diligence

Governance

- Reduce cross-shareholdings

Decided on August 10 to sell off more shares
Expected gain on sale of investment securities: about ¥11 billion

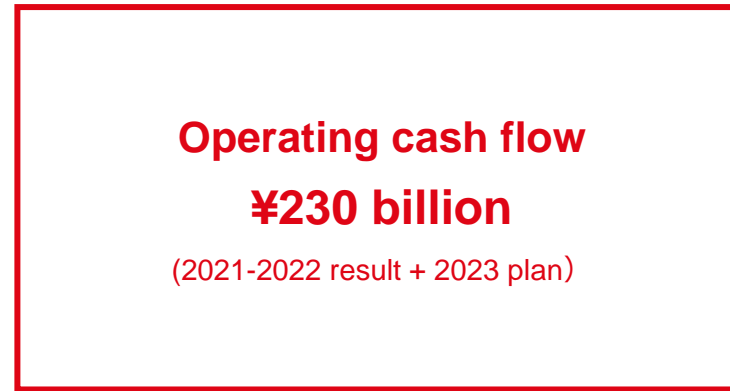
Increasing Corporate Value

Strategic investment in business growth aimed at achieving PBR of 1x

- **Growth M&A**
(TWS acquisition)
- **OHT business expansion**
(New plant in India)
- **MIX improvement**
(Expanding production lines for high value-added tires, etc.)

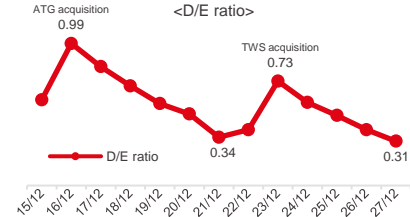
- **Maintenance**
- **Productivity**
- **Safety**
- **Quality**

- **Stable dividend**
- **Steady increases**



Strengthened governance: Transitioned to company with an Audit & Supervisory Committee
Increased engagement with investors: Promoting dialogue, meetings with top management

- **Sustaining A+ rating**
- **D/E ratio below 1x**





 **YOKOHAMA**

YOKOHAMA Transformation 2023

