

FY2023 Third-Quarter Results Briefing

Yokohama Transformation 2023 Progress & Revision of Full-Year Outlook

November 10, 2023

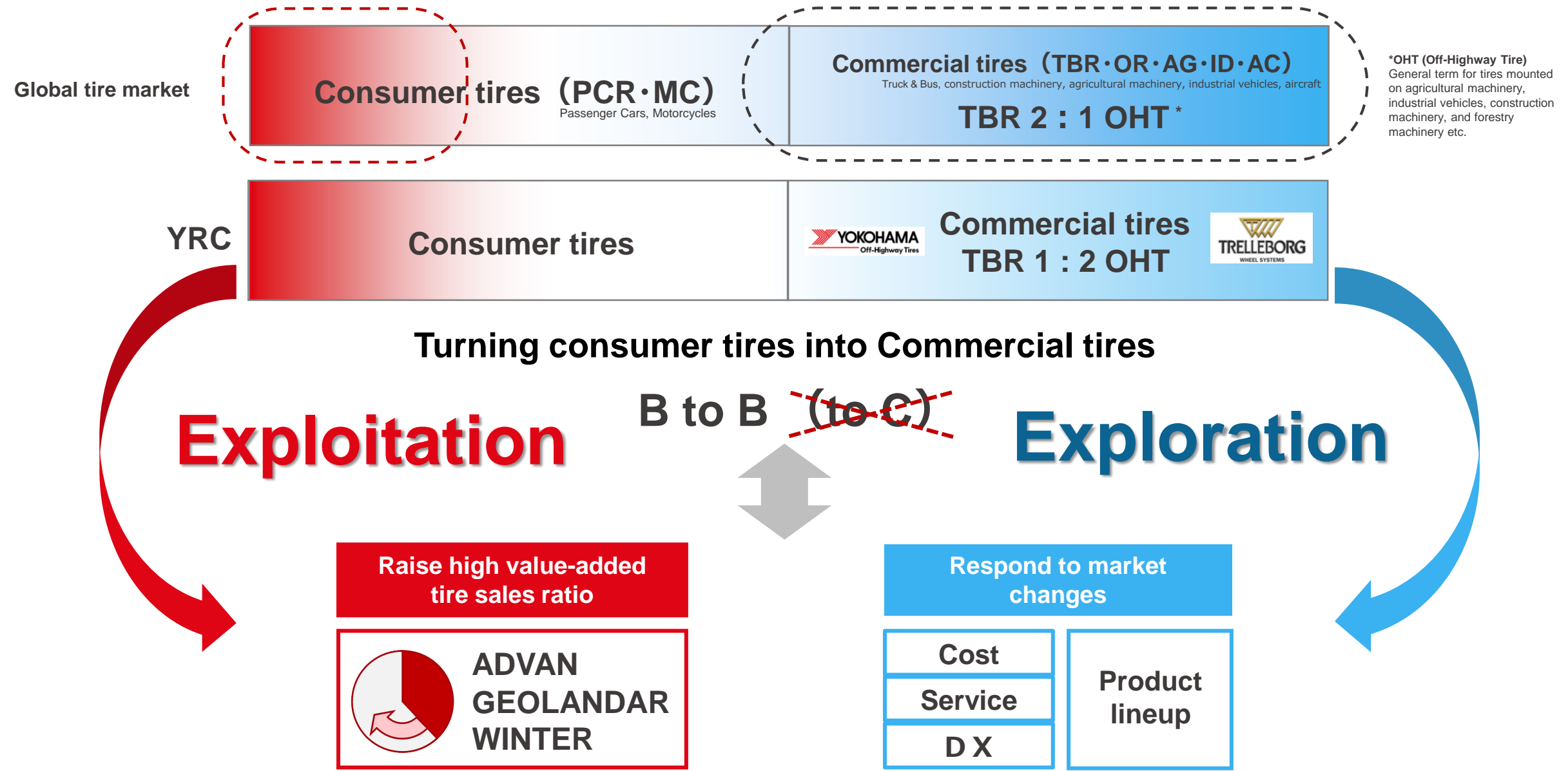
The Yokohama Rubber Co., Ltd.



YOKOHAMA Transformation 2023

Exploitation × Exploration = Transformation

Tire Strategy: Impact of CASE/MaaS on Tire Business



Cumulative Financial Results for FY2023 Third-Quarter

Billion yen	2023 1-3Q results	2022 1-3Q results	YoY change	YoY change (%)
Sales revenue	692.5	615.8	+76.7	+12.5%
Business profit	49.2	46.1	+3.1	+6.7%
Business profit margin	7.1%	7.5%	-0.4%	-
Operating profit	52.4	45.3	+7.0	+15.5%
Profit	44.6	33.3	+11.3	+33.9%
D/E Ratio	0.71	0.39 <small>(As end of Dec. 2022)</small>	+0.32 <small>(Compared to end of Dec,2022)</small>	-

YX2023 Progress: Tire Business

ADVAN·GEOLANDAR as OE



GEOLANDAR X-CV
on Toyota's new Grand Highlander SUV



GEOLANDAR A/T G015
on Subaru's new Crosstrek Wilderness
in North America

Replacement Market Sales Strengthened

- 2023 "Mud Match" campaign
- Launched EV-dedicated tire



GEOLANDAR CV4S



ADVAN Sport EV

Motorsports Activities



One-two finish in GT300 class in SUPER GT's 5th round,
Championship in SUPER GT's 8th round



Overall championship in 2023 Nürburgring Endurance Series Rounds 6, 7 & 8

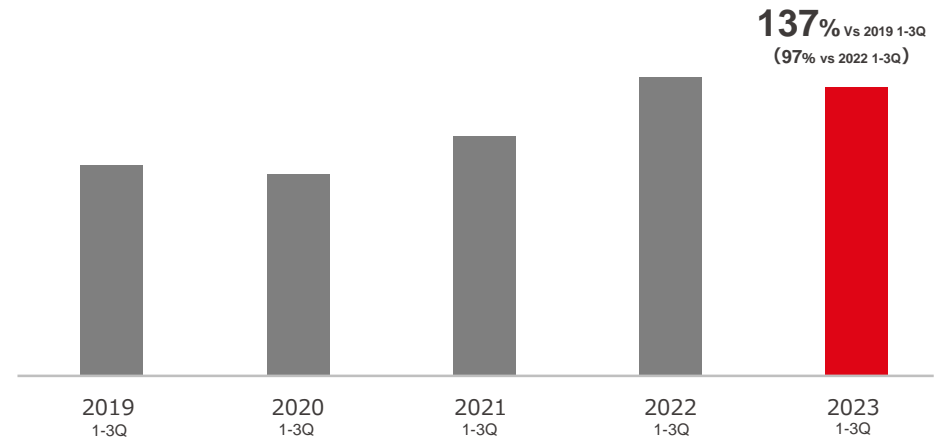


Took 1st, 2nd & 3rd at Asia Cross Country Rally, capturing overall
championship for a second straight year

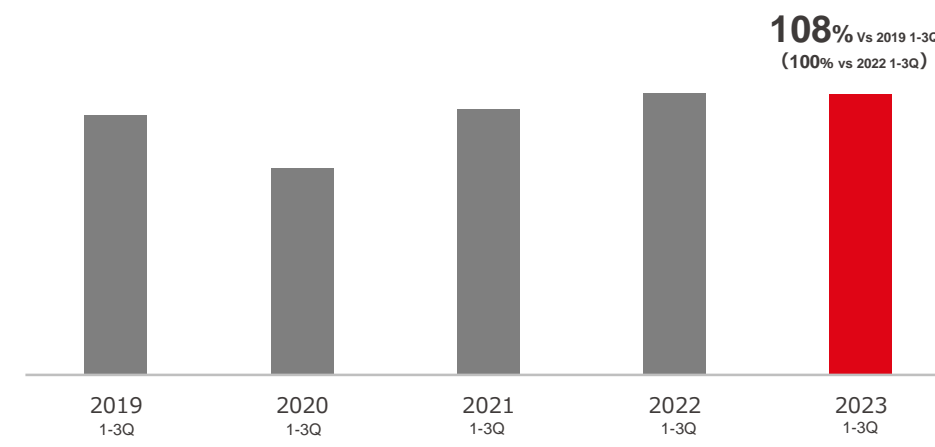
YX2023 Progress: Sales Trend of Consumer Tires

Strong sales in “WINTER” and “18-inch and larger”

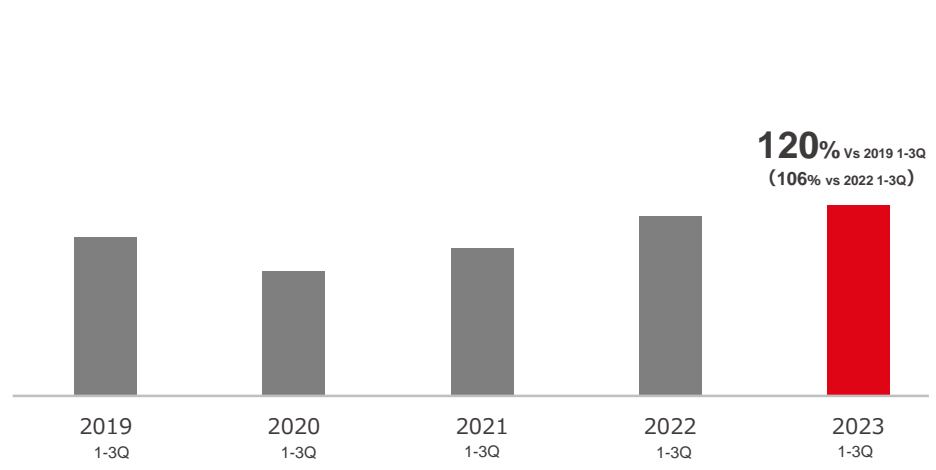
ADVAN



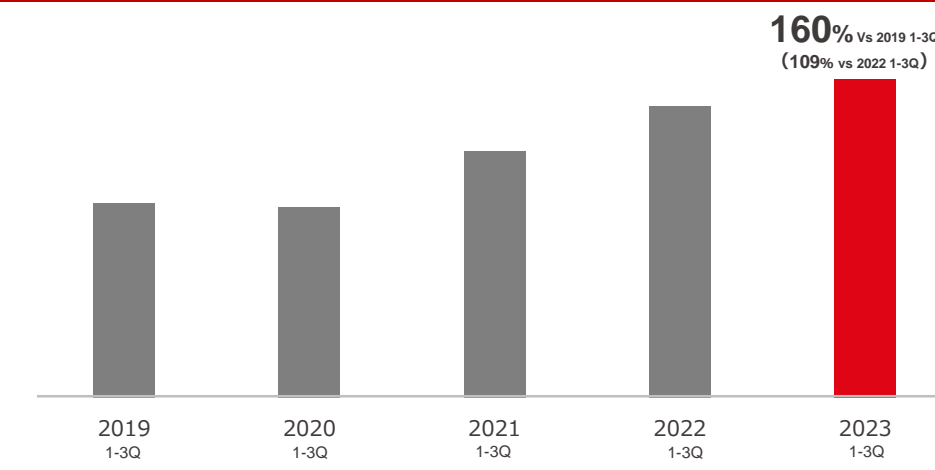
GEOLANDAR



WINTER



18-inch and larger



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

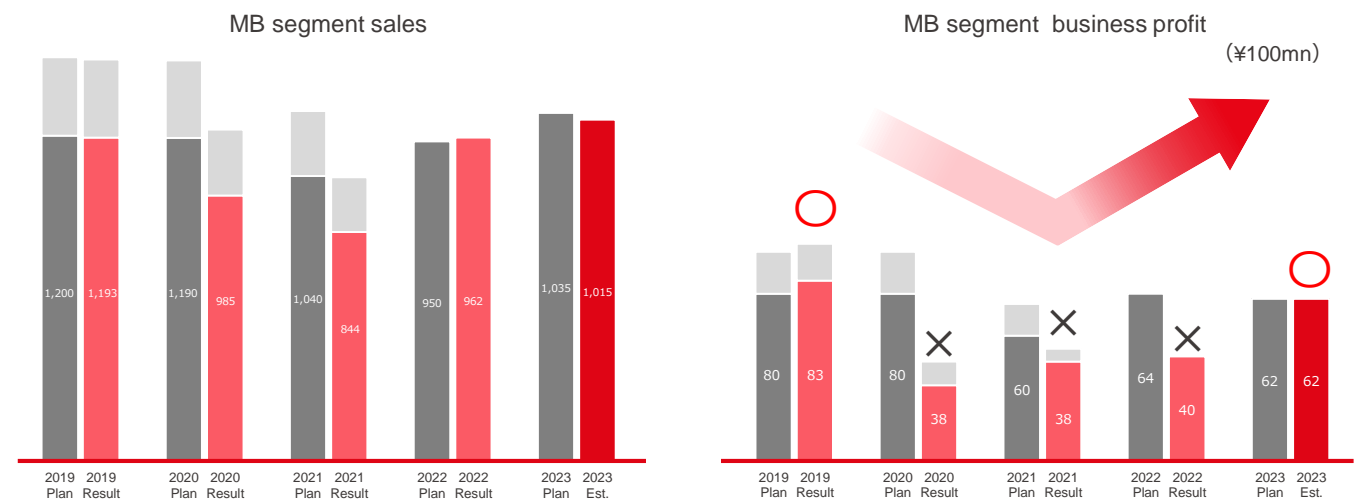
Completed transfer to Swiss-based Sika Group in Nov 2021

Aerospace products

Merged with industrial products in Mar 2022

“100-Day Plan” to maximize profits generating strong results

Reviewing business operations to improve profitability



※ 2019, 2020, and 2021 figures include Hamatite business, which was transferred in Nov 2021

■ Hose & Couplings

- Completed realignment of No. America automotive hose & couplings production network & began mass production

■ Industrial Products

- Strengthen sales of conveyor belts in Japan ; now plan to expand product lineup
- Began sales of solid fender in Japan



V-shaped solid fender

YX2023 Progress: ESG & Disclosure Initiatives

E: Environment

Certification of environmental activities
 FSC CoC certification & “site in harmony with nature” (MoE)

- Thai natural rubber subsidiary received FSC’s CoC certification
FSC certification: Awarded to companies that strive to protect forest biodiversity and deliver responsibly produced products to consumers while protecting the rights of local communities, indigenous peoples and workers
- Ibaraki Plant certified by MoE as a “site in harmony with nature” contributing to achievement of 30by30 international goal

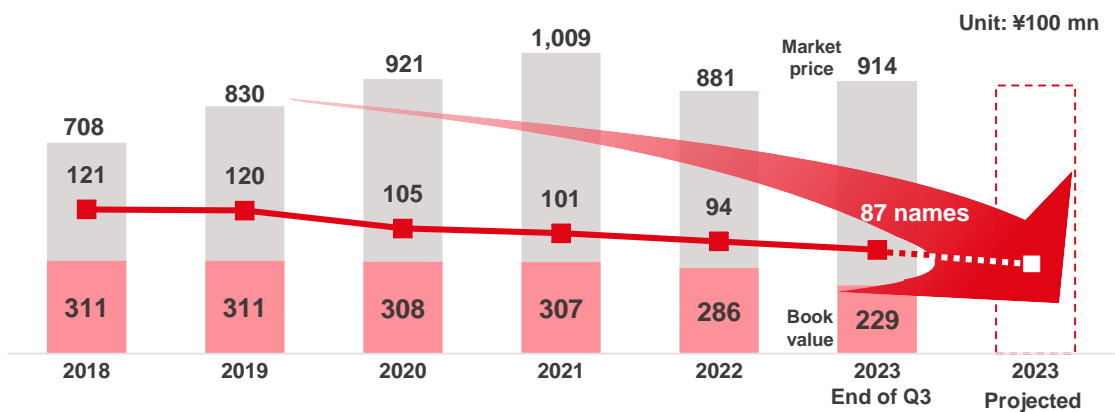


G: Governance

Unwinding of cross-shareholdings
Number of cross-shareholdings unwound from end-FY2022 to end-3Q 2023
7 names

Book value sold off
¥5.7 bn

At end-Sep 2023 **87 names** Book value **¥22.9bn**
 At end FY2022 **94 names** Book value **¥28.6bn**



Information Disclosures

“Integrated Report 2023” issued
 Contents expanded based on institutional investors’ feedback



- Value creation process story based on our strengths
- Basic thinking behind financial strategy & asset allocation
- Sustainability
(human rights, human capital, diversity & inclusion; biodiversity preservation)

Third-party evaluation of our sustainability efforts

Inclusion in ESG stock indexes

FTSE4Good

18 consecutive years

FTSE Blossom Japan

6 consecutive years

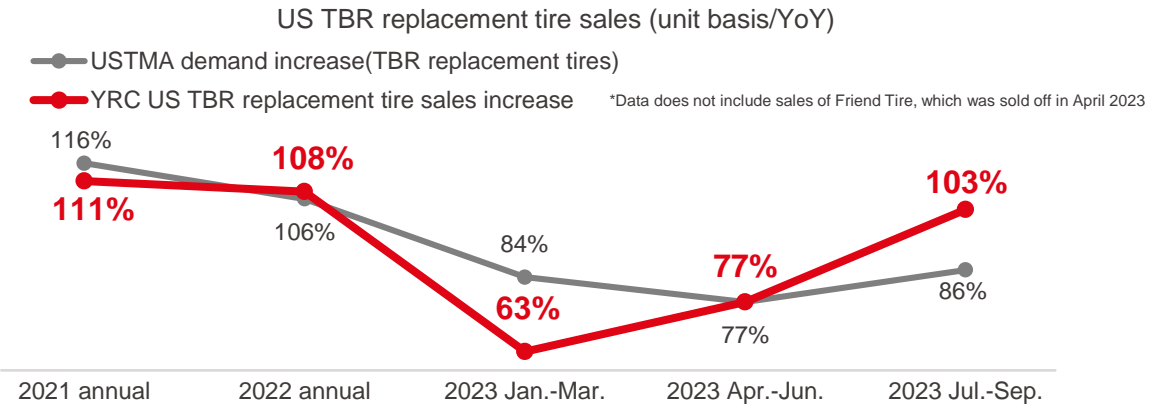
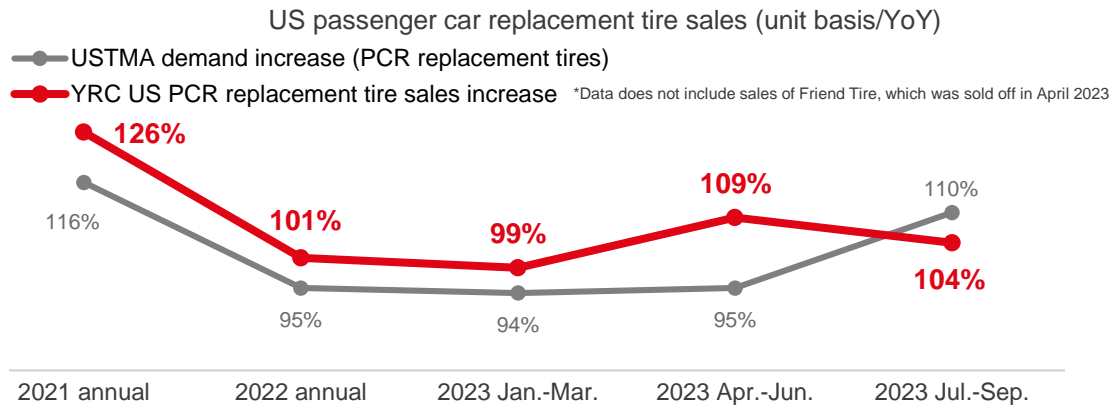
FTSE Blossom Japan Sector Relative Index

2 consecutive years

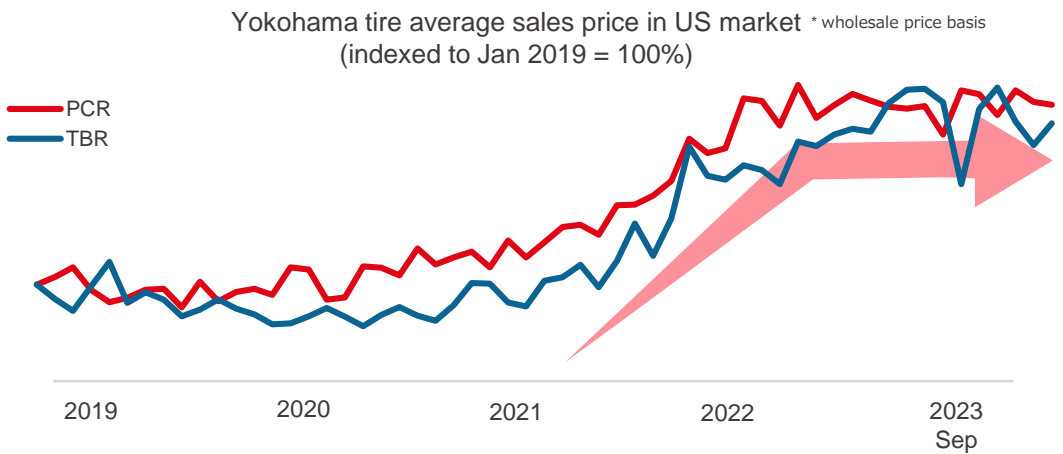
Current Conditions: Tire Business (Consumer & TBR)

Sales trend in North America

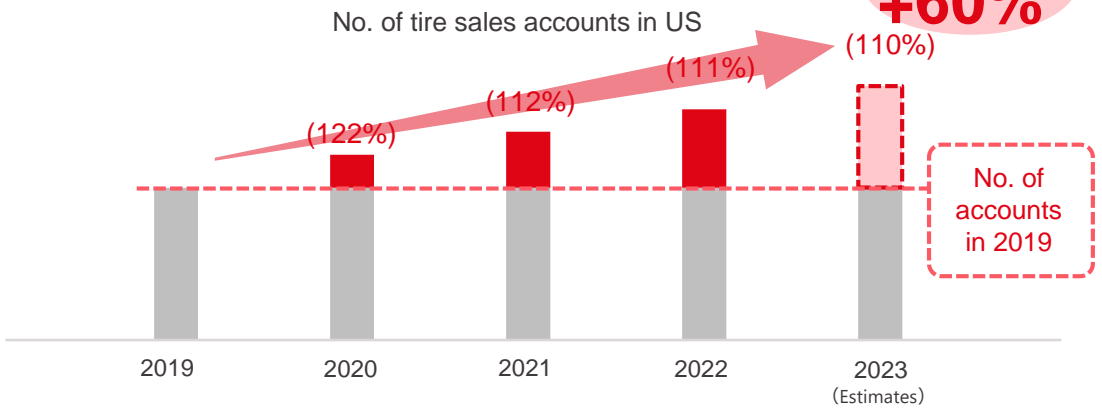
•Q3 sales up YoY



•Implement & maintain reasonable price increases

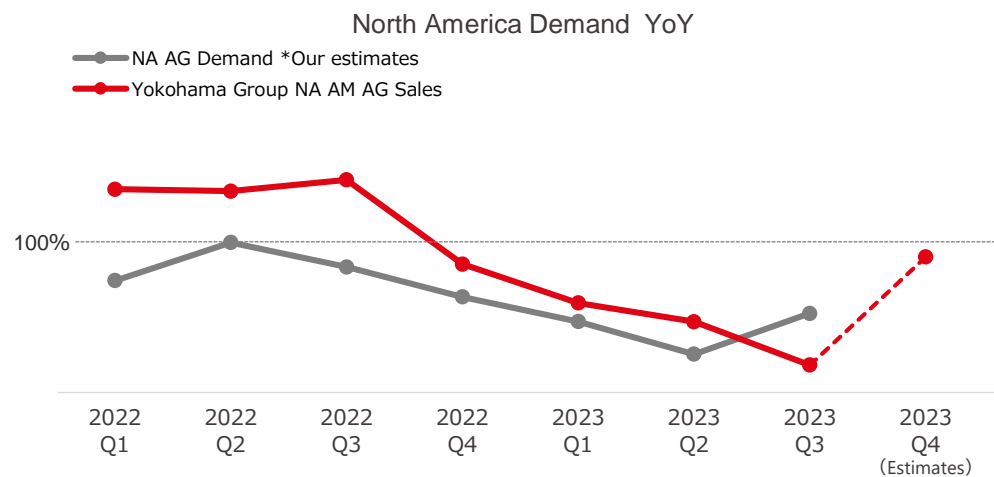
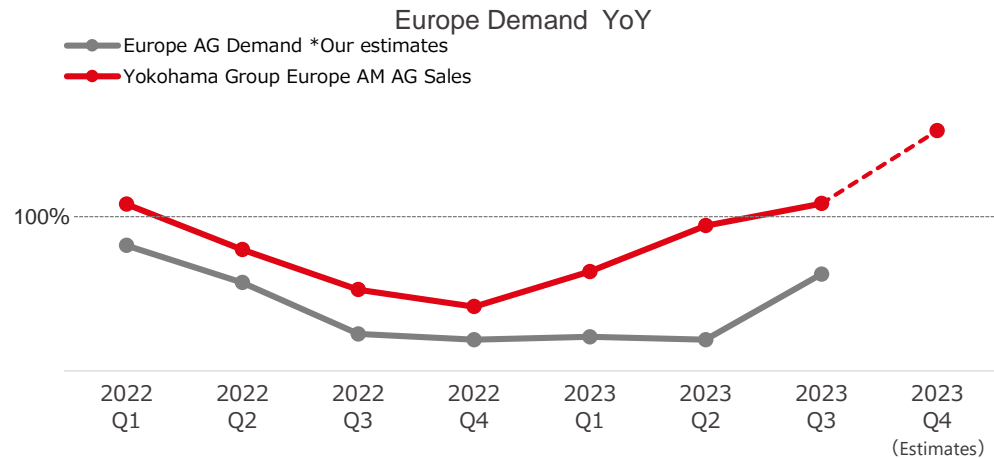


•Increasing sales accounts by building strong customer relationships

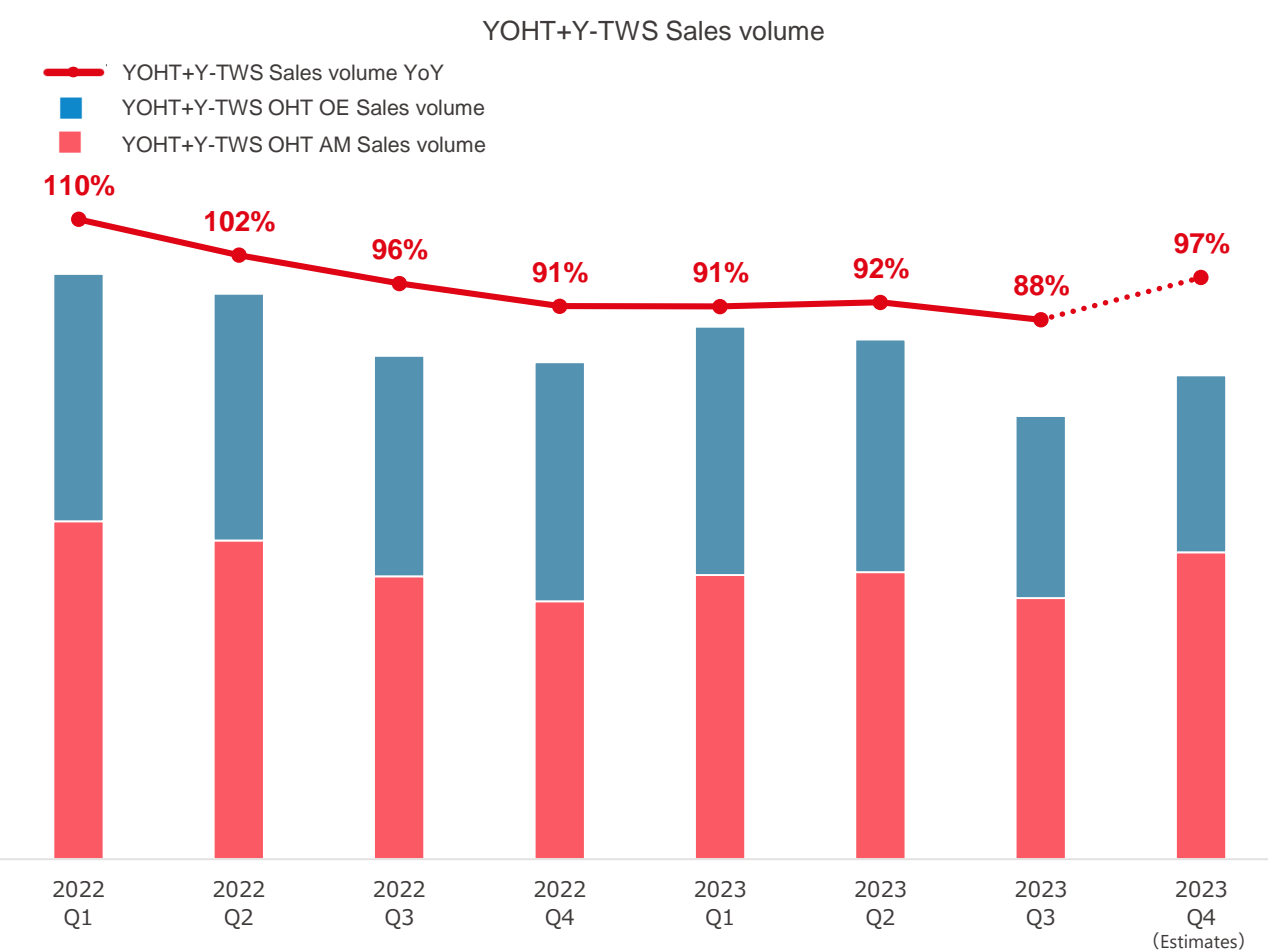


OHT Business Sales Trend

AG tires Aftermarket Demand Trend AG tires on Track for Recovery



Our Sales Trend Bottomed out in the third quarter



FY2023 Revised Forecast

Billion yen	2023 revised forecast	2023 May forecast	Change	Change (%)	YX2023 targets for 2023
Sales revenue	1000.0	1000.0	-	-	700.0
Business profit	90.0	84.5	+5.5	+6.5%	70.0
Business profit margin	9.0%	8.5%	+0.5%	-	10.0%
Operating profit	92.5	87.0	+5.5	+6.3%	-
Profit	62.5	57.0	+5.5	+9.6%	-
D/E Ratio	0.72	0.73	-0.01	-	0.4 (target for 2023)
ROE	9.4%	9.0%	+0.4%	-	10% (target for 2023)

Next Medium-Term Management Plan: Decision-making Roadmap

August 10, 2023

Decide POST YX2023 framework (internal process)

November 6, 7 2023

Discussion and sharing of business strategies

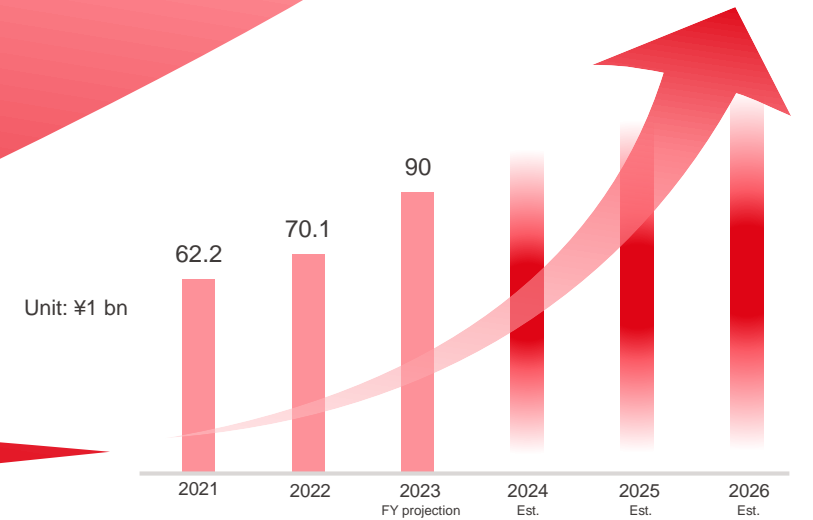
~January 2024

Collect strategies and plans

Announcement
in February 2024

YOKOHAMA Transformation 2023
POST

Completing Transformation under
Exploitation × Exploration Strategy



YX2023 POST YX2023

Financial planning to increase business profit

Commercial Tires: Acquisition Synergies

Targeting further growth while maintaining high profit margins in the OHT business

Creating synergies across
Yokohama Rubber Group

Yokohama Rubber



Over \$50 million/year

Raw materials



Optimization of production



Synergy Opportunities

Back Office/IT



Logistics





YOKOHAMA Transformation 2023