

May 2, 2023
For immediate release

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Yokohama Rubber Completes Acquisition of Trelleborg Wheel Systems Holding AB

Hiratsuka, Japan — The Yokohama Rubber Co., Ltd., announces that today, May 2, it has completed the acquisition of all outstanding shares of Trelleborg Wheel Systems Holding AB (hereinafter, TWS), a Swedish company engaged in the manufacture and sale of off-highway tires (hereinafter, OHT) for agricultural and industrial machinery, from Trelleborg AB, which was previously announced on March 25, 2022. From the second quarter of fiscal 2023, Yokohama Rubber's consolidated accounts will include TWS, the estimated impact of which is currently under examination.

The TWS acquisition is part of Yokohama Rubber's strategic initiatives to expand its OHT business, which is positioned as a future growth driver for the company's commercial tire business under Yokohama Transformation 2023 (YX2023), the company's medium-term management plan for FY2021–FY2023. Yokohama Rubber believes that, among commercial tires, OHT business is capable of securing stably high earnings.

The acquisition will bring consumer tire to commercial tire sales composition of Yokohama Rubber's tire business in line with the global tire market ratio of 1:1, from the current 2:1 ratio weighted toward consumer tires. In addition, this acquisition will lead to further growth of Yokohama Rubber's OHT business through synergies generated by the combined strengths of both companies in all areas, from the development of new products and services to manufacturing, sales, quality control, and sustainability.

Comment from Masataka Yamaishi, Yokohama Rubber President, Chairman of the Board

The acquisition fits perfectly with our medium-term management plan, YX2023. TWS's wide range of products and brand portfolio, global sales and manufacturing footprint, service scheme, leading technology, and skilled people will enable us to consolidate our position among the top tire producers in the world, moving up in the rankings of the world's largest tire producers. We warmly welcome the successful team from TWS into the Yokohama Rubber Group and are excited to work together in the future.

Comment from Peter Nilsson, Trelleborg AB President and CEO

TWS has during the past few years more than doubled in size and substantially increased its profitability. Today the business is in great shape. There is an ongoing consolidation in the OHT sector, and TWS will be a valuable complement to Yokohama Rubber's existing offering in a multiple of dimensions. I would like to extend a big and heartfelt thank you to all employees in TWS and wish them and Yokohama Rubber every success in their new corporate constellation.

Overview of Trelleborg Wheel Systems Holding AB

Head office: Trelleborg, Sweden
Main business: Manufacture & sale of tires for agricultural and industrial machinery
Net sales: 13,277 million Swedish krona (approx. ¥172.5 billion) in FY2022
Enterprise value: 2,074 million Euro
Production sites: 14 (1 each in Italy, Latvia, Serbia, Slovenia, 3 in the Czech Republic, 2 in Sri Lanka, 2 in China, 2 in the U.S., and 1 in Brazil)
Sales offices: 40
Key product brand: TRELLEBORG, Mitas
Employees: 6,621 (as of end-December 2022)

Overview of Trelleborg AB

Established: 1905
Head Office: Trelleborg, Sweden
Share Capital: 2,620 million Swedish krona (approx. ¥34.0 billion)
Main business: Manufacture & sale of polymer-based rubber products for industry
Net sales: 30,095 million Swedish krona (approx. ¥390.9 billion) in FY2022
Employees: 16,701 (as of end-December 2022)