

FY2021 Results Briefing

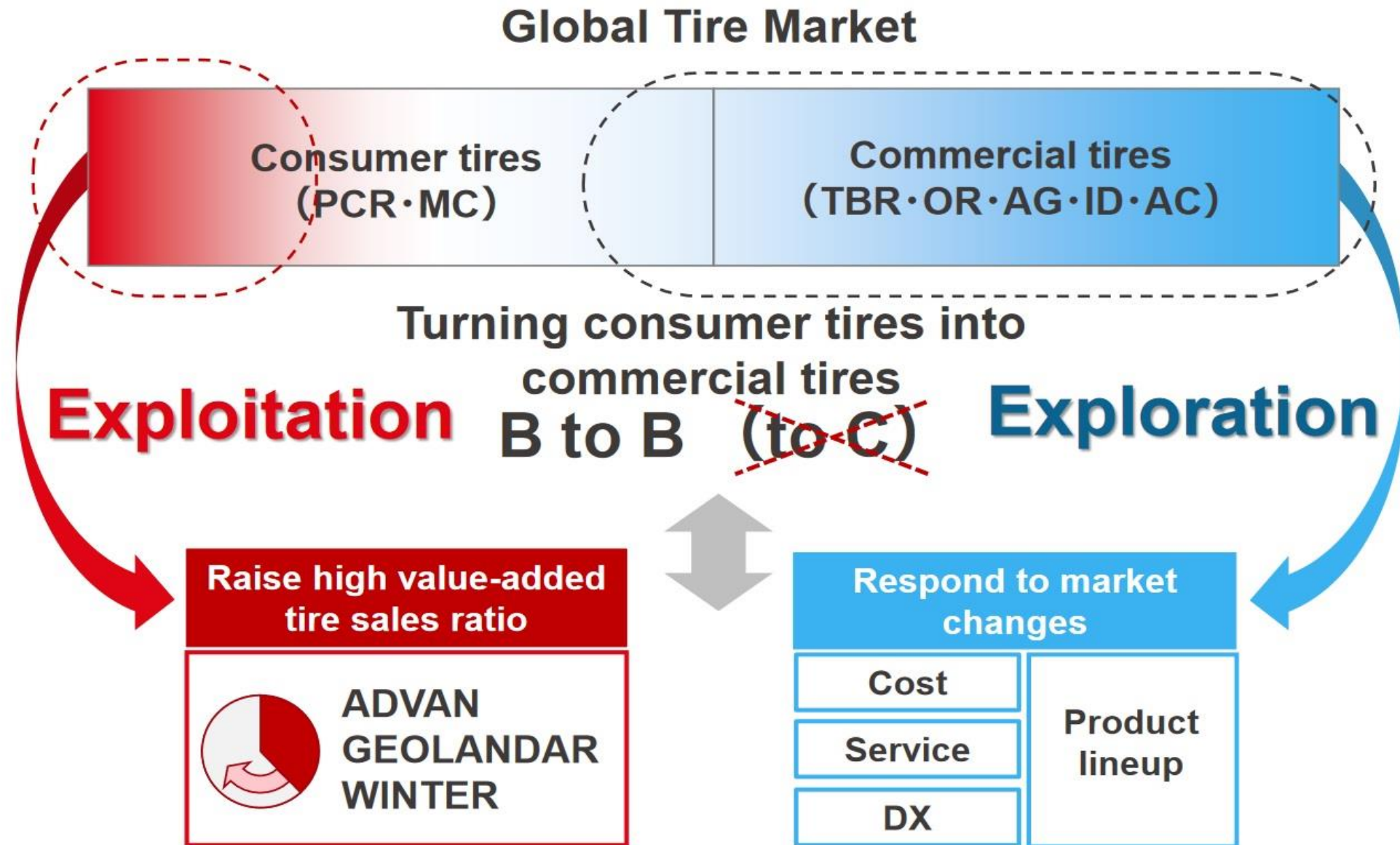
Yokohama Transformation 2023: Looking Back at 2021 and Ahead to Activities in 2022



YOKOHAMA Transformation 2023

Exploitation × Exploration = Transformation

Tire Strategy: Impact of CASE/MaaS on Tire Business

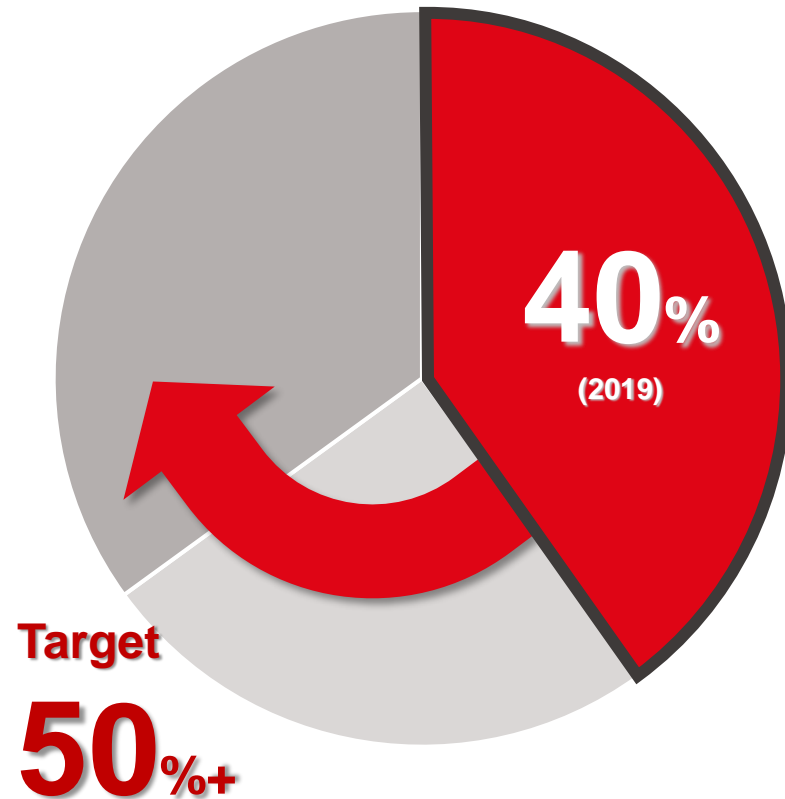


FY2021 Results



| billion yen | 2021 result | Nov. 2021 Forecast | 2020 result | Change from forecast | Change (YoY) | YX2023 Targets for FY21 |
|---------------------------|----------------|-----------------------|----------------|-------------------------|-----------------|-------------------------------|
| Sales revenue | 670.8 | 655.0 | 551.1 | +15.8 | +119.7 | 620.0 |
| Business profit | 62.2 | 52.5 | 35.9 | +9.7 | +26.3 | 50.0 |
| Business profit margin | 9.3% | 8.0% | 6.5% | +1.3% | +2.8% | 8.1% |
| Operating profit | 83.6 | 74.5 | 36.0 | +9.1 | +47.6 | - |
| Profit | 65.5 | 58.0 | 26.3 | +7.5 | +39.2 | - |
| ROE | 13.9% | - | 6.3% | - | +7.6 | 10% (2023 target) |
| D/E Ratio | 0.34 | - | 0.50 | - | ▲0.16 | 0.4 (2023 target) |

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

Key Achievements in 2021: Tire Business:

OE on Premium Cars and EVs



Mercedes-AMG's
G63 BRABUS series fitted with
ADVAN Sport V107



Lexus NX now running on
BluEarth-XT AE61



Toyota's Land Cruiser (overseas
specs) now equipped with
GEOLANDAR A/T G31



Mitsubishi Outlander PHEV now
running on
GEOLANDAR X-CV

Launch WINTER tires worldwide

iceGUARD 7
アイスガード セブン iG70
BluEarth*WINTER
V906
904W

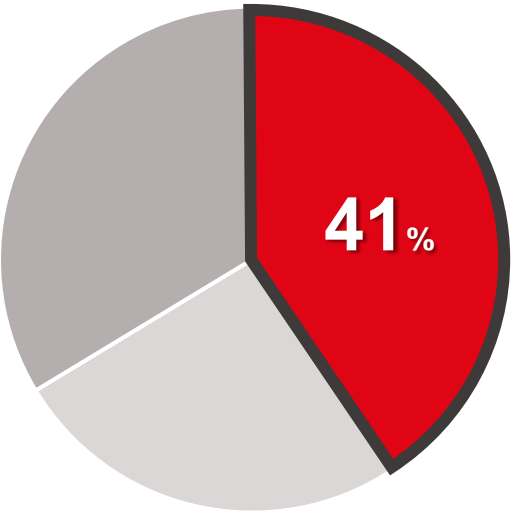


Consumer Tires: Raise High Value-Added Tire Sales Ratio



AGW sales ratio

FY2021 result

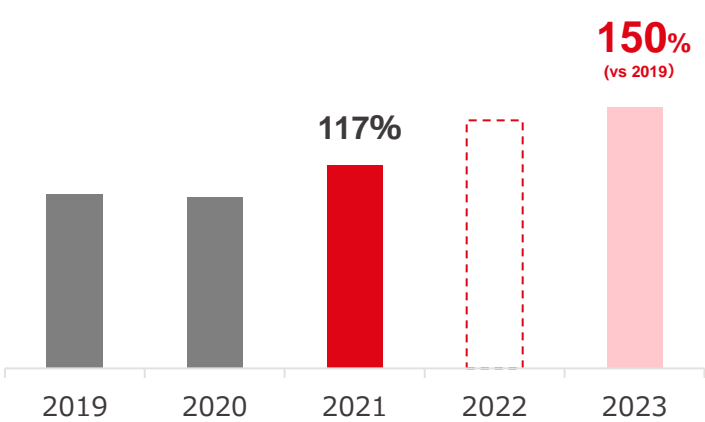


Up 1ppt from FY2019

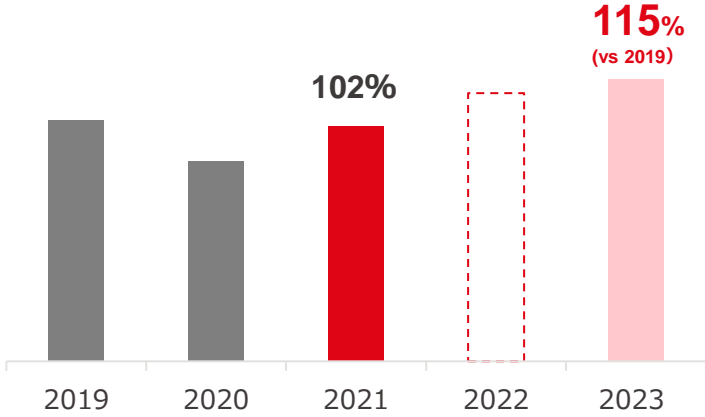
Expanding OE/REP size lineup
(Launching new tires + expanding available sizes)

| | 2019 | 2020 | 2021 | 2023 |
|-----------|------|------|------|------|
| ADVAN | 148 | 73 | 65 | 170 |
| GEOLANDAR | 78 | 88 | 47 | 124 |
| WINTER | 127 | 61 | 186 | 111 |
| AGW Total | 353 | 222 | 298 | 405 |

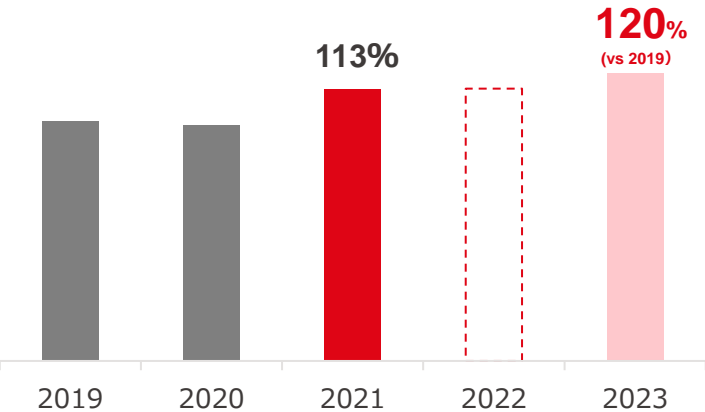
ADVAN



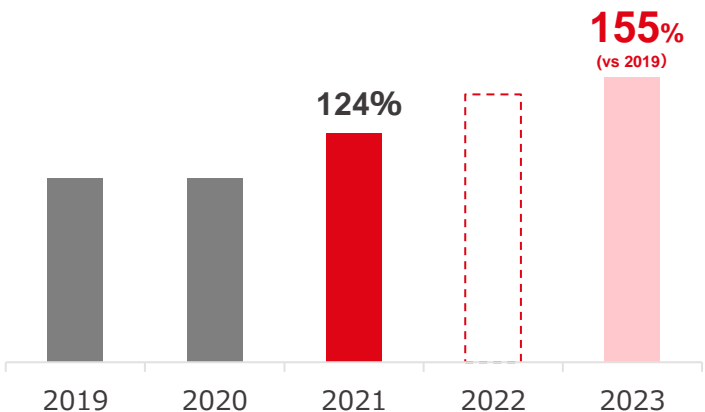
GEOLANDAR



WINTER



18-inch and larger



Key Achievements in 2021: MB Business

Strengthened/expanded by allocating resources to core product areas

Hose & couplings
Growth driver

Expanded
production capacity

Industrial products
Stable earnings

Increased production
efficiency

Business restructuring

Hamatite

**Business
transferred in
Nov 2021**

**Aerospace
products**

Hose & couplings

Invested in capacity expansion of Chinese plant



China hose & coupling plant

Industrial products

Aggregated production of marine hoses at plants in Hiratsuka and Indonesia



Indonesia marine hose plant

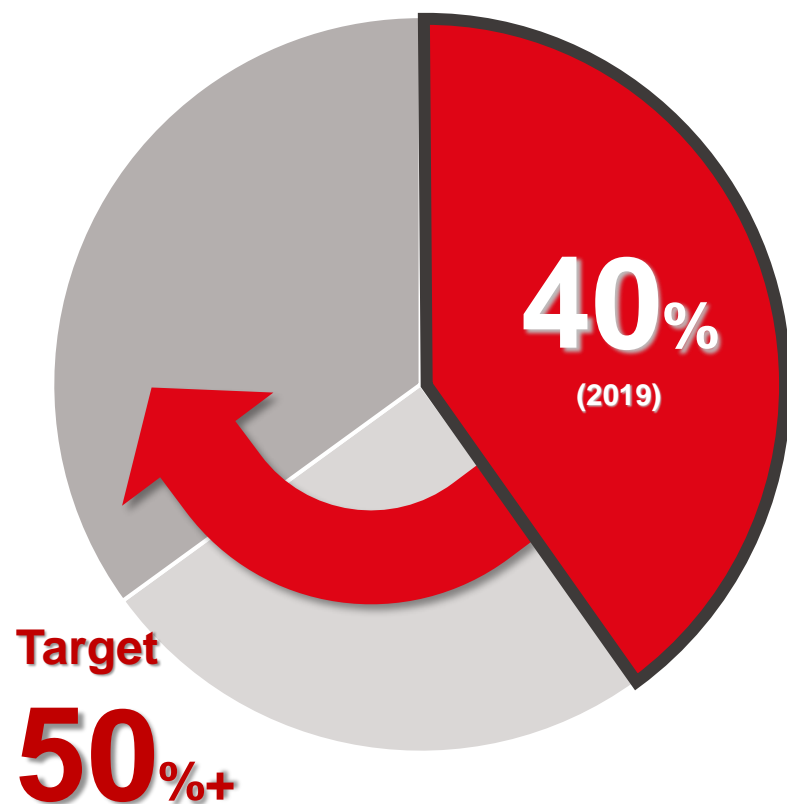
Hamatite

Hamatite business transfer to Sika AG completed on November 1, 2021



Sika Hamatite

Consumer Tires: Raise High Value-Added Tire Sales Ratio Further in 2022



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: OE on Premium Cars & Active in Motorsports

ADVAN



BMW M M3 Sedan & M4 Coupe on
ADVAN Sport V107 (additional sizes)



BMW X5/X6 M performance
on ADVAN Sport V107

GEOLANDAR



Lexus LX
on GEOLANDAR X-CV

OE on Premium EV



Mercedes-AMG EQS
on ADVAN Sport V107

YOKOHAMA tires in the motorsports scene



SUPER GT GT500
TOYOTA GR Supra



SUPER GT GT500
NISSAN Z



Nürburgring 24-Hour Endurance Race
BMW M4 GT3



SUPER FORMULA
Control tire race

Consumer Tires: Strengthen Sales in Replacement Market



2021 New WINTER
Winter

2022 New ADVAN
Summer

2023 New GEOLANDAR
Mud

iceGUARD 7 **BluEarth*WINTER**
V43-F 070 V906



ADVAN
Sport
V107



ADVAN
NEOVA
AD09



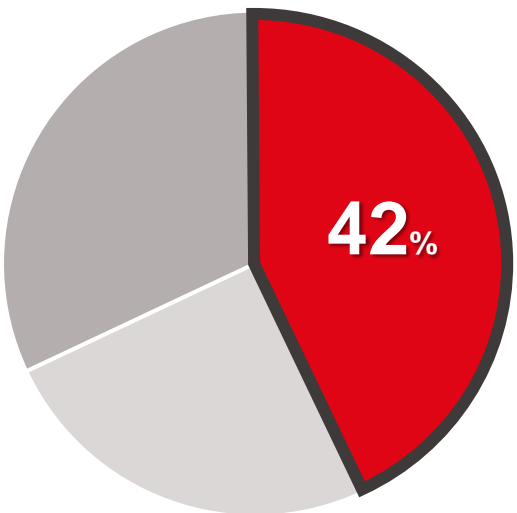
GEOLANDAR



Consumer Tires: Raise High Value-Added Tire Sales Ratio Further in 2022

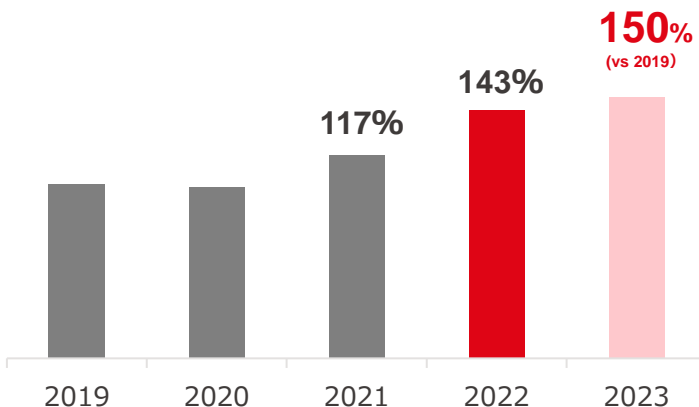
AGW sales ratio

FY2022 plan

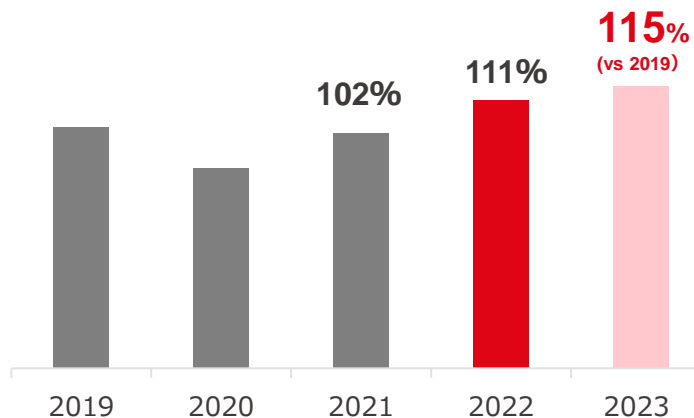


(% relative to 2019)

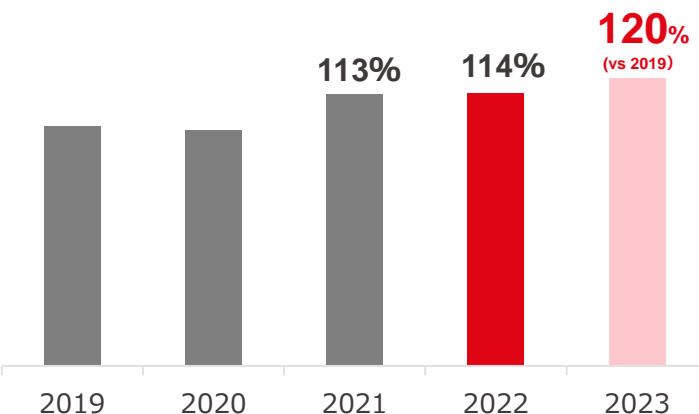
ADVAN



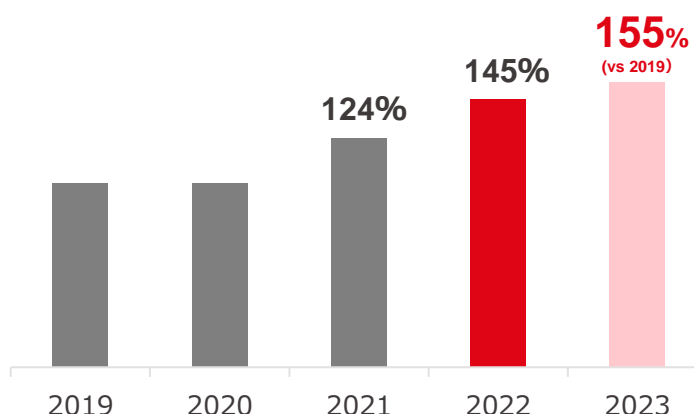
GEOLANDAR



WINTER



18-inch and larger

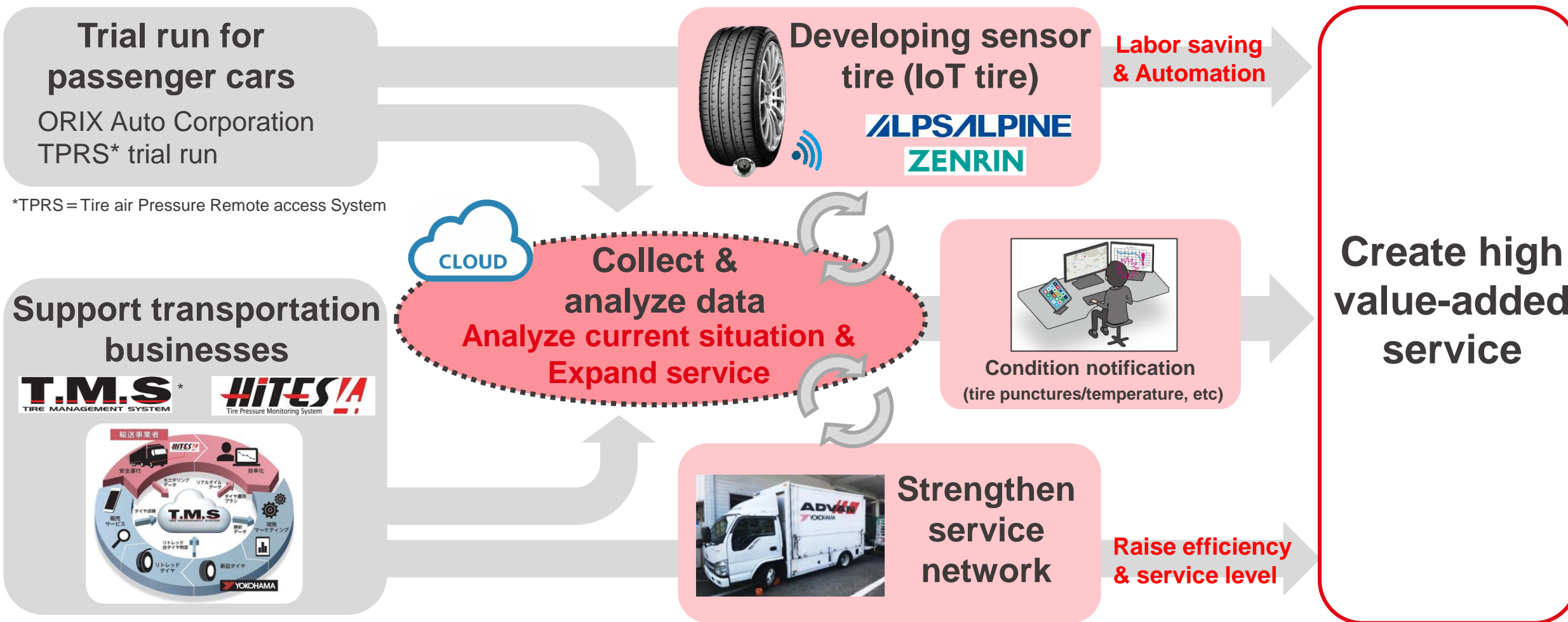


Expanding OE/REP size lineup
(Launch new tires + expand available sizes)

| | 2022 | 2023 |
|-----------|------|------|
| ADVAN | 251 | 170 |
| GEOLANDAR | 60 | 124 |
| WINTER | 128 | 111 |
| AGW Total | 439 | 405 |

Commercial Tires: Respond to Market Changes

DX: Digital transformation



*TPRS = Tire air Pressure Remote access System

*T.M.S = TIRE MANAGEMENT SYSTEM

MB Strategy: Shifting Portfolio to Products with Highly Stable Earnings and Strong Growth Potential



Strengthen/expand 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

Transfer completed in November 2021

Aerospace products

Structural reforms

Hose & couplings

- Expand production capacity at hose & couplings plant in Japan
- Reorganize production of automotive hose & couplings in North America



Ibaraki Plant

Industrial products

Maximize share in Japan's conveyor belts market



Conveyor belt line at industrial products plant

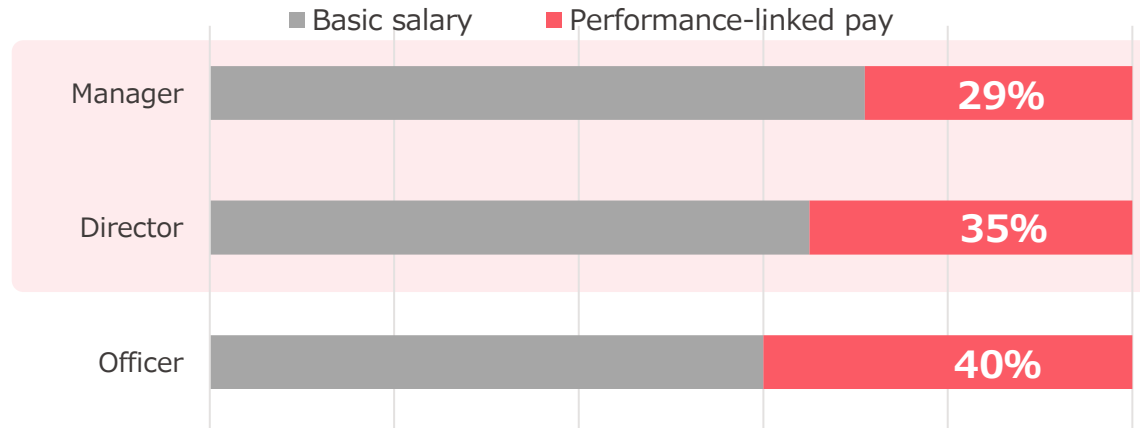
Aerospace products

Business restructuring
(technology collaborations, function integration, space utilization)

Manager assignments based on job-type

Link **job performance & remuneration**

- Expand performance-lined remuneration, including LTIP and bonuses
- Pay adjusted immediately upon assignment/removal



Job-based manager assignments

- Assign staff most suited to position, regardless of company affiliation
- Accelerate promotions, including skipping levels (30yr-old section heads possible)

Merger of head office & Hiratsuka plant

Integrate **planning, production, sales, R&D, & logistic**

Speedy decision-making



- Move completion: End-March 2023 (planned)
- Cafeteria renewal (new combined conference hall & cafeteria)

Promote **work-stye reforms**

Ability to work anywhere at anytime



- Expand work-at-home and flexible hours
- Establish new Tokyo office with remotework spaces (in Shinagawa Intercity)



Carbon Neutrality

2050: YRC activities

Net zero

*2030: 38% reduction (from 2013)

Mitigate climate change

Circular Economy

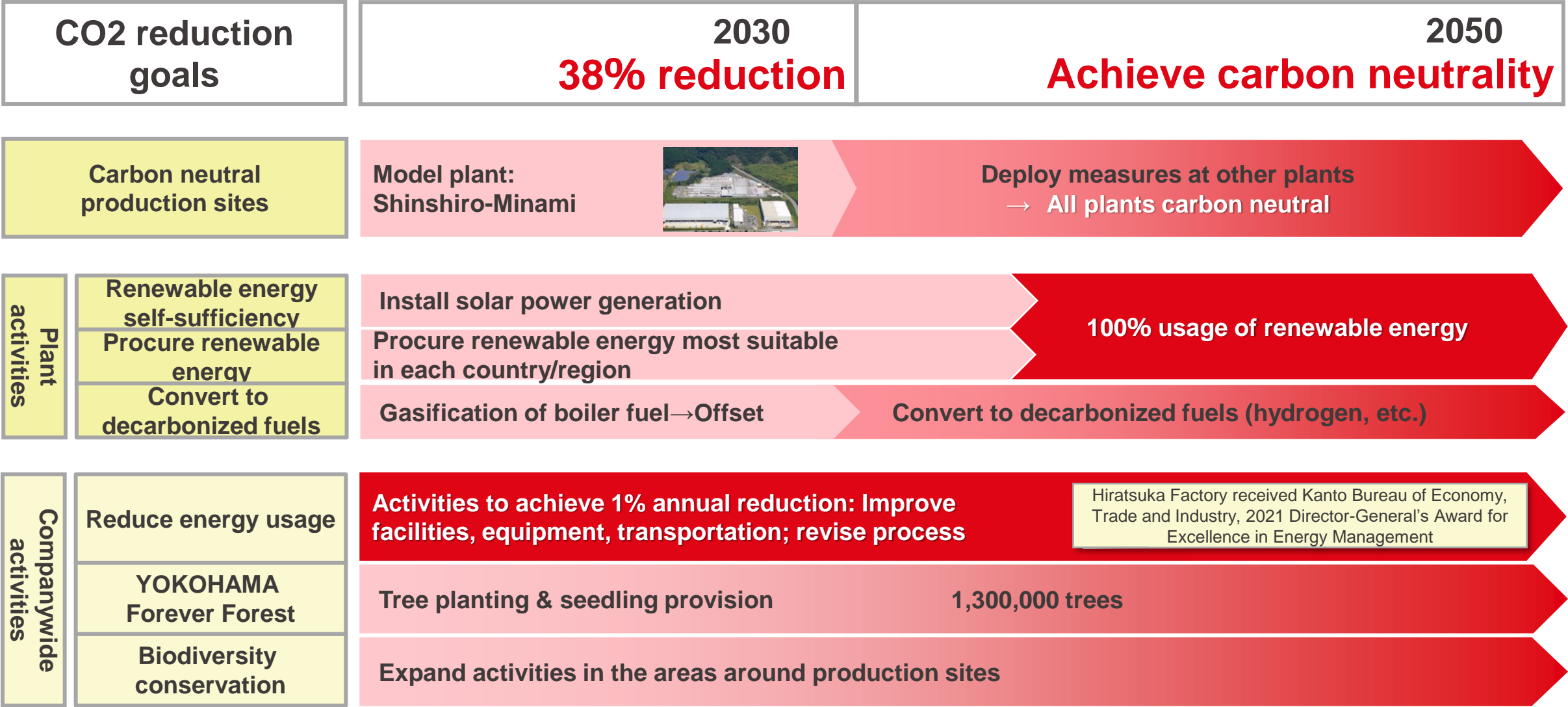
Increase ratio of renewable/recyclable materials used

2030: **30%+**

Provide sustainable resources

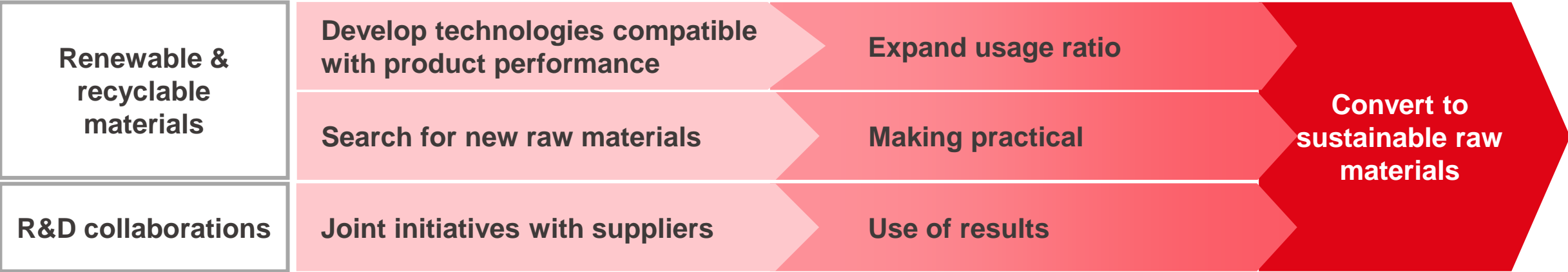
Coexistence with Nature

- Forever Forest activities: **1.3mn trees** by 2030
- Promoting procurement of sustainable natural rubber
- Conducting biodiversity conservation activities suitable local ecosystem



Environment: Roadmap to Realizing Circular Economy

| | 2025 | 2030 | 2050 |
|---------------|---|---|----------------------------------|
| Goals & Steps | Step 1: Strengthen foundations Goal 27% | Step 2: Expand to products Goal 30% | Use sustainable materials |



R&D collaborations



Butadiene produced from biomass



Butadiene produced from bioethanol

Supporting sustainable procurement of natural rubber

- Providing fertilizer to rubber plantations
- Supporting agroforestry



MoE award for contributing to recycling-oriented society

Yokohama Tire Retread's Hokkaido Plant received 2021 award



People & Society

◆ Human rights

- Establish Human rights policy in 2022
- Promoting diversity

◆ Social contributions based on needs of our local communities

FY2021: 20 contributions, including to front-line Covid19 medical support



Human rights-related survey of suppliers



Donation of tires to healthcare facilities in Kanagawa Prefecture

Governance

◆ Full compliance with Japan's Governance Code*

◆ Group governance

- Using overseas headquarters to strengthen regional governance
- Using internal audits & IT to strengthen prevention of fraudulent activities

* Assuming a proposal on election of directors is approved at this year's general meeting of shareholders.



Proactive disclosure of climate change-related information

- ◆ Becomes TCFD supporter this January
- ◆ Disclosures will be made ahead of the deadline* for applying the revised Governance Code

- After ordinary general meetings of shareholders held on or after April 4, 2022
→ After March 2023

Disclosures to be made in Integrated Report

- ◆ Will issue first Integrated Report in 2022

Third-party recognition of our sustainability efforts

Selection for inclusion in ESG stock indexes

- FTSE 4 Good Index Series: 17 straight years
- FTSE Blossom Japan Index: 5 straight years



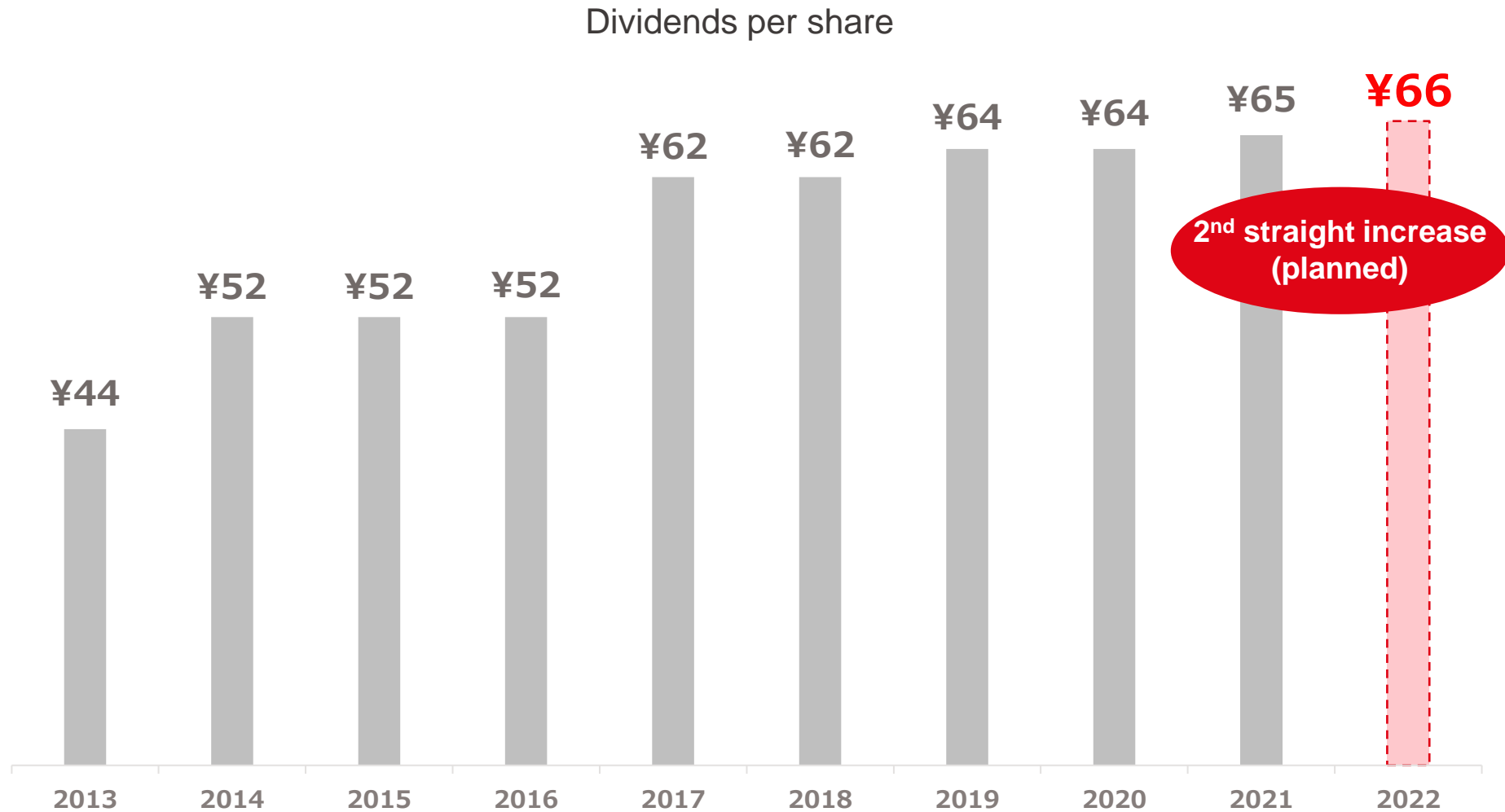
FTSE4Good



FTSE Blossom
Japan

| (¥ billion) | 2022 Plan | 2021 Result | Change | Change (%) | YX2023 Targets for FY22 |
|---------------------------|-----------|-------------|--------|------------|-------------------------------|
| Sales revenue | 750.0 | 670.8 | +79.2 | +11.8% | 650.0 |
| Business profit | 60.0 | 62.3 | -0.22 | -3.5% | 60.0 |
| Business profit margin | 8.0% | 9.3% | -1.3% | - | 9.2% |
| Operating profit | 58.5 | 83.1 | -25.1 | -30.1% | - |
| Profit | 40.0 | 84.6 | -25.5 | -38.9% | - |
| ROE | 7.4% | 13.9% | -6.5% | - | 10% (2023 goal) |
| D/E ratio | 0.32x | 0.34x | -0.02x | - | 0.4x (2023 goal) |

Dividends





YOKOHAMA Transformation 2023