



Message from the COO



Pursuing innovation

Shinji Seimiya

President & COO

The watchword for the new medium-term management plan is “Low cost, speedy development of quality products.” To stay ahead of the competition, I will take the lead in addressing challenges and ensuring that Yokohama Rubber continues to create distinctive products.

On Becoming President

I assumed the position of President & COO in March 2024. Since I first joined the Company, I have been involved in tire design and development. From that perspective, my primary focus for Yokohama Rubber is the distinctive quality and performance of our products.

The automotive industry is currently undergoing a major transformation, and it is essential that we respond to the various technological demands involved, such as environmental performance and electrification. Looking at the tire industry overall, customer needs are diversifying in a global market, competition from China and India is intensifying, and supply chains are

increasingly complex. To stay ahead of the competition, we must maintain a sense of urgency, without being bound by the conventional thinking of Japanese manufacturing.

In such an environment, looking at the Company overall, I felt that to further enhance the corporate structure reformed under the leadership of Chairman Yamaishi, we needed to strengthen the production and technology department. As a manufacturing company, technology and production must take center stage, with sales, logistics, and other departments providing support. I am taking decisive action for reform so that we can continue to stay ahead of the competition in the future.

The Technological Superiority Cultivated by Yokohama Rubber

Yokohama Rubber’s strength is its advanced rubber blending and mixing technology, used in high value-added products such as ADVAN ultra-high performance tires, GEOLANDAR tires for SUVs and pickup trucks, and winter tires.

In 2022, to further advance the HAICoLab AI Utilization Concept, we developed and implemented a proprietary rubber compound design system that incorporates AI compound generation technology. This system provides us with new insights, such as compound formulas that human engineers are unlikely to consider. We are working to further refine the system, while utilizing it to accelerate development of high-performance products.

▶P46-49 “A Roundtable Discussion between Our COO and Young Engineers”

We are also highly skilled at fine-tuning products to meet the demands of automakers. In addition to Japanese car makers, Yokohama tires are fitted on new premium cars from prominent firms such as Porsche, Mercedes-AMG, and BMW-M.

Further, synergies derived from acquisitions have enhanced our competitiveness in the global market. Yokohama Rubber acquired Alliance Tire Group B.V. (ATG) in 2016, Aichi Tire Industry Co., Ltd. in 2017, and Trelleborg Wheel Systems Holding AB (TWS) in 2023. Yokohama Rubber and TWS are focused on quality and performance, while ATG’s strengths are productivity and cost competitiveness. Combining these areas of expertise and learning from each other has generated synergies in terms of productivity and quality, making Yokohama Rubber Group stronger overall.

through technical and production reforms

Achieving “Low Cost, Speedy Development of Quality Products”

The new Yokohama Transformation 2026 (YX2026) management plan was designed to strengthen the foundation of the Yokohama Rubber Group overall. The watchword for this plan is “Low cost, speedy development of quality products.” Quality is the most important factor for expanding sales of high value-added products. Our focus is on the things that matter, such as ensuring that our tires are chosen for next-generation new premium vehicles, so we pursue development without compromising performance. Yokohama Rubber leads the industry in the number of tire sizes with grade “a” traction ratings for wet surface performance in the Japanese replacement tire market. We will continue to focus on maintaining this position, and with the full-fledged shift to electric vehicles now underway around the world, ensuring full compliance with environmental guidelines and other regulations.

At the same time, the market environment is rapidly changing, so speed has become increasingly important. Yokohama Rubber needs a sense of urgency that is second to none. For example, as a manufacturing company, we inevitably tend to focus on making products that will receive a perfect score.

At one time, Japanese makers paid little heed to the

inexpensive products made by companies in China and other emerging markets, taking the time to repeatedly make prototypes for every component, and creating products that scored 100% in terms of quality. However, as emerging market makers have gained experience, rapidly honed their technological capabilities and expanded their market share around the world, we have no choice but to compete with them. We need to increase our cost competitiveness in certain areas, and launch new products with an emphasis on speed.

Through the YX2026 plan, we aim to achieve low cost and high efficiency. As the centerpiece of our “Hockey Stick Growth” plan for consumer tires, we have adopted a “1-year plant” strategy to establish within a year new factories or production lines that are more than just makeshift facilities. Further, to achieve the aim of “Low cost, speedy development of quality products,” we will accelerate tire development by utilizing AI and simulation technology, strengthen the development of tires for next-generation premium vehicles, and substantially reduce manufacturing costs by applying ATG’s low-cost production model. As head of the Company, I will take the lead in implementing these reforms.

To Our Stakeholders

As a company, our responsibility to stakeholders is to achieve growth, with the aim of increasing sales and profits regardless of the market environment. For this reason as well, we must strengthen Yokohama Rubber’s foundations. It is essential for us to create products that customers will use, and to help realize a sustainable world. This is our mission and purpose.

We absolutely do not want to compete on cost with makers in China and other emerging markets. Our aim is to reduce costs and strengthen the foundations of profitability while maintaining the distinctive quality of Yokohama Rubber, and never forget our commitment to developing and producing the sort of high value-added products that so many stakeholders appreciate.

The key to realizing this ambition is the distinctive qualities of Yokohama Rubber. It is essential that people think of YOKOHAMA as a trusted brand that differs from the competition. We will continue to strive to increase our corporate value, without forgetting the perspective of stakeholders. Thank you for your continued support.

