



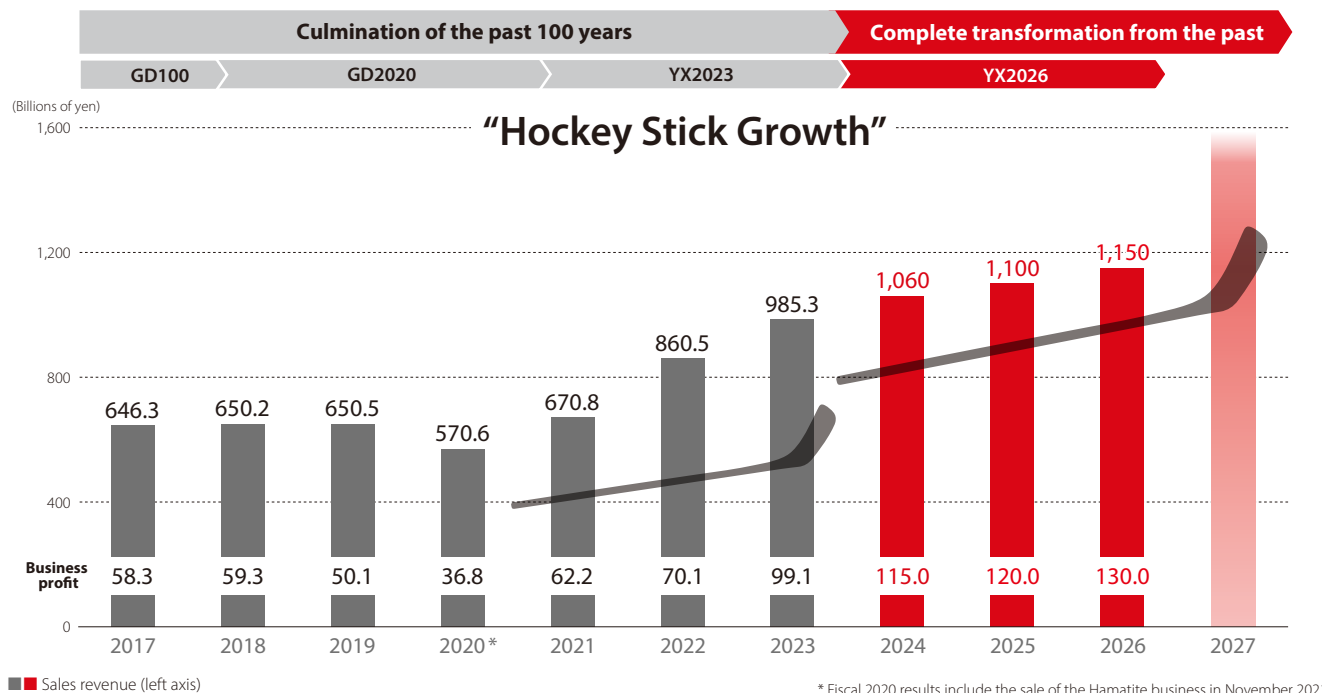
New Medium-term Management Plan

Yokohama Transformation 2026 (YX2026) FY2024–FY2026

The Yokohama Rubber Group launched its new Medium-term Management Plan “Yokohama Transformation 2026 (YX2026)” for the three-year period from fiscal 2024 to fiscal 2026. We will continue to “exploit” our strengths in existing businesses and “explore” new value, strategies which we have been promoting since the previous Medium-term Management Plan “YX2023,” and complete our transformation with the determination not to leave no negative legacy for the next generation.



Basic Policy and Financial Targets



Under YX2026, our fundamental policy for increasing corporate value is positioned as our growth strategy. Not content with the slight gains achieved to date, we are aiming for “Hockey Stick Growth” during YX2026, or in fiscal 2027 at the latest, by implementing the growth strategies set for each business. Our financial targets for fiscal 2026 are sales revenue of ¥1.15 trillion, business profit of ¥130 billion, business profit margin of 11%, and ROE that exceeds 10%.

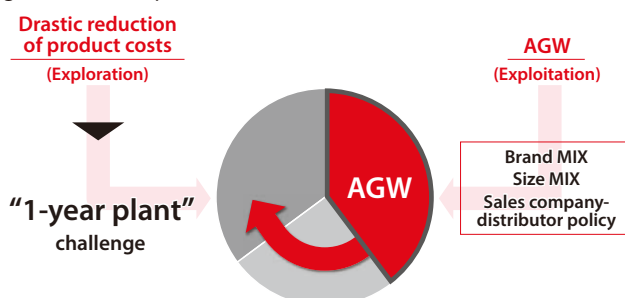
	YX2026 targets
Sales revenue	¥1,150 billion
Business profit	¥130 billion
Business profit margin	11%
Equity ratio	50% target
ROE	Above 10%
Operating CF	¥385 billion (3yr cumulative)
Capital investment	Within scope of depreciation (excluding strategic investments)

Consumer Tires Strategy

“1-year plant” challenge

Under YX2026, we will continue to actively promote maximizing the ratio of high value-added products and aim to improve profitability. In the past few years, tire makers from China and other emerging countries have gained prominence. Therefore, in order to achieve “Hockey Stick Growth,” we need to compete in cost competition. In YX2026, we will take on the “1-year plant” challenge which involves bringing a new plant on line within one year, aiming to achieve low cost and high efficiency.

Approach to increasing ratio of high value-added products



»P.32

Further increasing the ratio of high value-added products

In addition to enhancing brand value by promoting our tires as original equipment for premium cars and participating in motorsports events around the world, we will widen the implementation of our "Product and Regional Strategies." By meeting needs in each market, we will aim to increase unit sales in each region, and expand sales of our ADVAN, GEOLANDAR, and winter tires, as well as 18-inch and larger size tires.



Commercial Tires Strategy

▶P.34

OHT Business: Improve market position and expand operations

Tires for agricultural & forestry machinery: We will further strengthen our market position by applying a multibrand strategy that leverages our production, technology, and sales strengths in each tier of this market segment.

Tires for industrial & port-use machinery: We aim for profitable growth by expanding and strengthening our network providing maintenance service.

Tires for construction machinery and mining machinery: We will promote the expansion of our business by promoting "Programmatic M&A," a strategy that continuously considers and executes M&A.

TBR Business: Strengthen sales in countries and regions where appropriate prices are maintained

As Chinese tire makers expand production and exports, Western governments are implementing protective policies such as anti-dumping and countervailing duties, creating a gap between supply and demand. We will aim for profitable growth by strengthening sales in countries and regions where these measures are supporting the maintenance of appropriate pricing.

Multiple Business (MB) Strategy

▶P.38

Shifting to a growth strategy based on the management foundation realized in YX2023

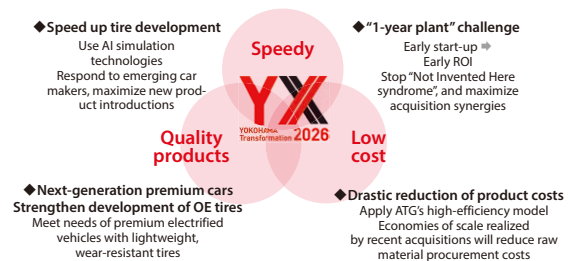
The MB Business is now shifting to a growth strategy based on the management foundation realized in YX2023. In YX2026, we have positioned the hose and couplings business as a growth driver and will decisively implement improvements for further growth. In the industrial products business, we will complete improvements to stabilize our profit structure. Through these efforts, we will increase the presence of the MB Business by achieving a business profit margin of 10%.

Technology and Production Strategies

▶P.50

"Low cost, speedy development of quality products"

During YX2026, we will strengthen our business foundations throughout the Group under the motto "Low cost, speedy development of quality products." "Quality products" refers to strengthening development of OE tires suitable for the next-generation of premium cars. "Low cost" refers to drastically reduced costs that can't be beat by other companies, and "Speedy" refers to the "1-year plant" challenge aimed at speeding up tire development.



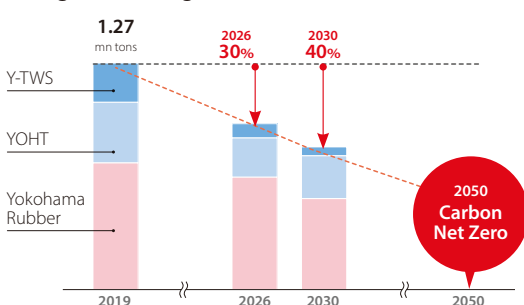
Sustainability Strategy

▶P.60

Contribute to a decarbonized and recycling-oriented society while increasing profits

Based on the idea that sustainability activities are an important corporate activity that should contribute to the Company's growth. Instead of making excessive investments now that will place a burden on future management, we will make sure that our environment-related investments conform to normal investment recovery standards and are compatible with our efforts to generate profits. With regard to reducing greenhouse gas emissions, which includes efforts by Y-TWS (Yokohama-TWS), we plan to reduce the Group's 2019-level Scope 1 & 2 emissions of greenhouse gases by 30% by 2026 vs 2019 and 40% by 2030 vs 2019, and are continuing efforts to help achieve a zero-carbon society by 2050. With regard to the promotion of the expansion of sustainable raw materials, we will accelerate efforts to contribute to the circular economy and reduce greenhouse gas emissions (Scope 3).

Reduce greenhouse gas emissions (Scope 1 + Scope 2 emissions vs 2019)



Promote use of sustainable raw materials (recyclable + renewable materials)

