



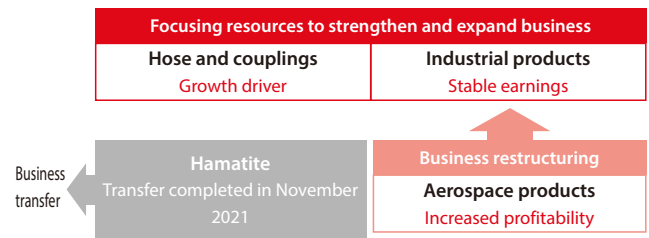
Strategy by Business

Multiple Business (MB) Shifting to a growth strategy based on the strengthened management foundation realized during YX2023

We will focus our resources on the Hose and Couplings business and the Industrial Products business, which are two of our strong business areas, and promote a strategy to drive the growth of the Multiple Business (MB). We will build a comprehensive portfolio by positioning the Hose and Couplings business as a growth driver and the Industrial Products business as a stable earnings base.

Summary of YX2023

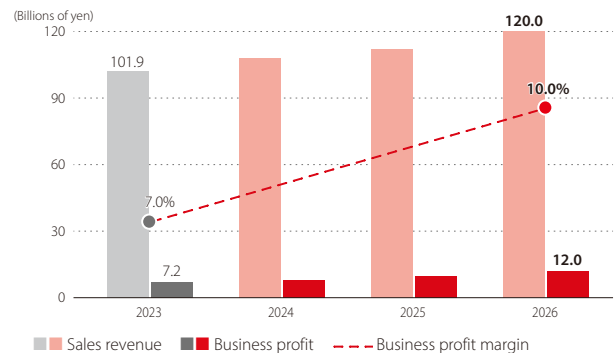
Although the MB business had been performing significantly below targets since fiscal 2020, during the final year of YX2023, the business management structure was substantially revised and the business made a concerted effort to improve, resulting in the MB Business achieving 2023 targets. We also completed structural reforms, including the transfer of the Hamatite business in November 2021 and the integration of the aerospace products division into the industrial products division in March 2022, laying the foundation for growth in the next medium-term management plan.



YX2026 growth strategy

The MB Business is now shifting to a growth strategy based on the strengthened management foundation realized during YX2023. In YX2026, we have positioned the hose and couplings business as a continuous growth driver. We will reconstruct the value chain for hydraulic hoses and fittings and transform the production structure for automotive hoses. In the industrial products business, we aim to expand overseas sales of conveyor belts based on our solid market position in Japan, and we will complete internal improvements for marine hoses to stabilize our high-profit structure. As a result of these improvements, in fiscal 2026, the final year of YX2026, we aim to achieve sales of ¥120 billion (+17.8% vs fiscal 2023), business profit of ¥12 billion (+66.7% vs fiscal 2023), and business profit margin of 10% (+3 points vs fiscal 2023), increasing the presence of the MB Business.

Multiple Business (MB) YX2026 quantitative targets (internal targets)



A Practical Example from Our Exploitation × Exploration Strategy

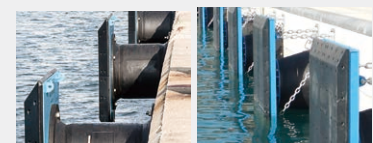
Yokohama Rubber Enters the Onshore Solid Fender Market to Expand Market Share

Utilizing the technological capabilities and brand power of our pneumatic fenders cultivated over many years, we entered the solid fender market, which is the main market for fenders. Through this effort, we aim to become a comprehensive maker of fender materials and strengthen our earnings base.

Fenders are shock absorbing materials that protect ship hulls and wharfs from impacts during berthing. They are placed in areas between wharfs and ships at port mooring facilities, and between hulls to protect ships during offshore cargo handling. Pneumatic fenders absorb impacts utilizing the elasticity of the air within the fender while solid fenders absorb impacts utilizing the elasticity of rubber. Solid fenders account for about 80% of fender demand. In 2023, we launched a new basic model V-type solid fender widely used in ports and harbors, and, in 2024, we added a middle model cell-type solid fender and a high-end model cone-type solid fender to our product lineup, completing a lineup that meets a wide range of user needs.



V-type solid fender installed on the quay wall



Cell-type solid fender

Cone-type solid fender

Priority measures in fiscal 2024

As part of our efforts to strengthen our industrial products business, we will increase conveyor belt production capacity at our Hiratsuka Factory by approximately 1.3 times. We will add production lines for a variety of canvas belts to meet a wide range of user needs in a timely manner featuring characteristics such as abrasion resistance, heat resistance, oil resistance, flame resistance, and power-saving performance.

Conveyor belts are used around the world to transport ore, earth, sand, and other materials, serving as "transport arteries," which are indispensable to many industrial fields. Proud of its world-leading technology, Yokohama Rubber has continued to develop and provide a variety of products over the years that meet diverse needs in

Japan and overseas.

By increasing our production capacity, we aim to support many industries that require conveyor belts and contribute to the sustainable development of society.



FLAME GUARD #2110, a flame-retardant, medium-temperature, heat-resistant conveyor belt manufactured at the Hiratsuka Factory

Other Business (PRGR Business)

Using a variety of innovative technologies, we are developing products that allow people to experience the fun and joy of golf.



Summary of YX2023

Due to the golf bubble caused by the COVID-19 pandemic, the population of golfers in Japan and Asia peaked in 2022, and special demand for golf equipment in Japan and Asia as well as PRGR Business sales also grew significantly in fiscal 2022. In 2023, sales declined compared to 2022 due to the post-peak decline and reduced distributor inventories. However, profit for the three years was significantly higher than in the previous medium-term management plan period, and management improvements were made to ensure a stable profit.

In the South Korean market, the introduction of high-performance and high-quality products into the women's market, which had expanded due to the golf bubble, significantly increased market share, enabling us to establish our position as a premium brand. In addition, by improving the product development flow, we were able to develop products that reflect market needs, strengthen pre-launch orders and sales promotion activities, and launch products with high profit margins.

Through the development of new technologies for the future, we are steadily sowing seeds for our future growth strategy.

YX2026 growth strategy

In addition to managing the total number of coefficients of repulsion, which is a unique technology, we will further differentiate ourselves from other companies by integrating the development of new technologies and promote growth in sales and profits.

In addition, we aim to stabilize the business foundation that we have improved through YX2023, improve profit efficiency by developing a product lineup suitable for customers, reduce inventories

caused by the golf bubble, and reduce costs in response to worsening exchange rate fluctuations. By doing so, we will continue to improve profit margins.

Priority measures in fiscal 2024

In the domestic market, we will launch the new RS X Series of drivers and expand our market share with a focus on drivers. We will also promote retail-based sales of the successful IRON series to continue to secure our iron market share.

In the South Korea market, we launched sales of the new SUPER egg driver to strengthen our position in the premium golf products market and expand our market share. We will reduce inventories generated by the golf bubble to stimulate and promote demand for new products, analyze in detail customer needs that have changed due to the golf bubble post-peak decline, and develop products featuring new technologies.

Furthermore, in the domestic golf market, we will promote the creation of PRGR fans by introducing the new RED EYES POCKET_BLE, a small measuring device that links to a smartphone, which allows video shooting of golf swings while measuring golf ball flight distance, and increasing contact points with golfers outside of golf clubs.



RS X Series
For athletes and average golfers offering improved high initial speed and forgiveness



SUPER egg Series
For average golfers who want to focus on maximizing their driving distance