Growth Strategy for the OHT Business

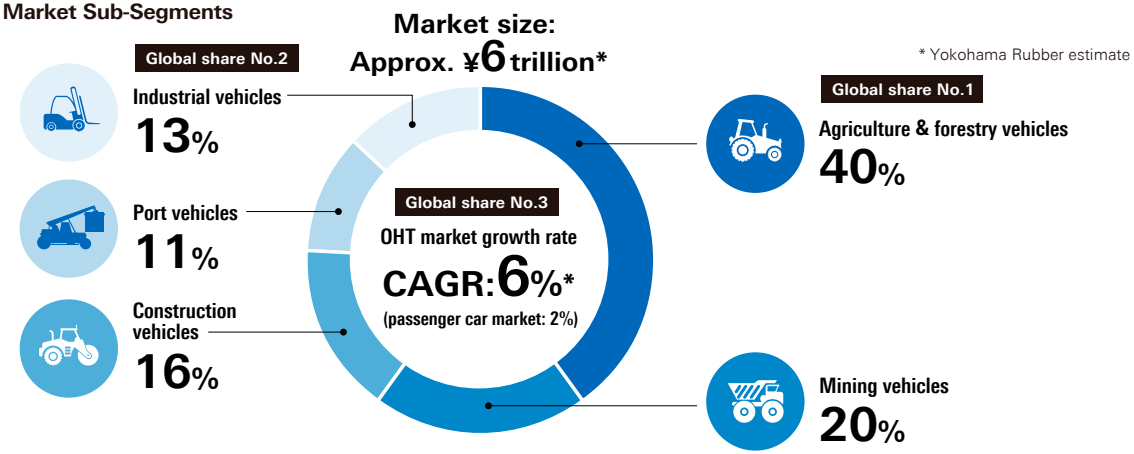
The OHT market has strong growth potential and high barriers to entry. Through M&A, Yokohama Rubber has established a comprehensive product lineup covering all OHT categories, securing its position as the world's third-largest supplier. Leveraging the strengths of our multi-brand strategy and our global sales and after-sales service network, we aim to achieve sustained growth that outpaces the market.

Growth Potential of the OHT Market

OHT is the segment with the highest growth potential in the tire industry.

The OHT segment comprises four major sub-segments—agricultural machinery tires, industrial and port vehicle tires, construction vehicle tires, and mining vehicle tires. Supported by growing demand across these industries, the market is expected to achieve solid average annual growth of approximately 6%.

Weighting of OHT Market Sub-Segments



Barriers to Entry in the OHT Segment

In addition to its high growth potential, the OHT segment is characterized by high barriers to entry, which underpin its strong profitability. Because OHT products serve vehicles operating in a wide variety of environments and applications, specialized expertise and know-how are required in technology (development and design), manufacturing, and sales, making new market entry difficult.

The specific barriers to entry are as follows.

Advanced Technological Capabilities

To meet the diverse requirements of different applications and regions, OHT manufacturers must maintain a product lineup comprising more than 6,000 tire types. In particular, the design and development of ultra-large tires for mining dump trucks require exceptionally advanced technologies and expertise.

Production and Development Complexity

Production is labor-intensive and depends heavily on the skills of experienced workers. In addition, the large dimensions of tires used for high-horsepower tractors and mining vehicles make production particularly challenging. Manufacturers must also maintain the flexibility to support high-mix, low-volume production in order to meet diverse customer requirements, further increasing the complexity of OHT production.

Sales Network and After-Sales Service

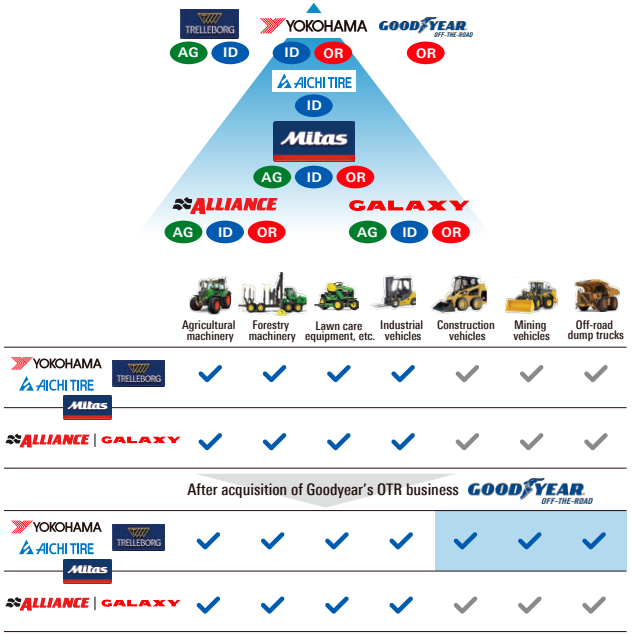
Sales approaches differ depending on the product category, with after-sales support and field service playing particularly important roles. To ensure that customers' vehicles remain in operation without interruption, highly specialized support is required. This makes it essential to deploy specialist engineers worldwide who can provide prompt and accurate assistance.

Brand Strategy for the OHT Business

Through the acquisitions of ATG and TWS, we have top market share for agricultural tires and now offer brands across a wide range of price segments, including Trelleborg, Mitas, Alliance, and Galaxy. Our strength lies in optimizing production systems for each brand while adjusting our product mix in line with economic conditions to maximize both profitability and market share.

The acquisition of Goodyear's OTR business has also enabled us to establish a full product lineup covering the entire OHT range, from tires for small forklifts to ultra-large mining vehicles, further strengthening our competitive advantage.

We will fully leverage this broad product portfolio to meet customers' diverse needs and drive further business growth.



Growth Strategy for the OHT Business

Strengthening Profitability Through M&A Synergies

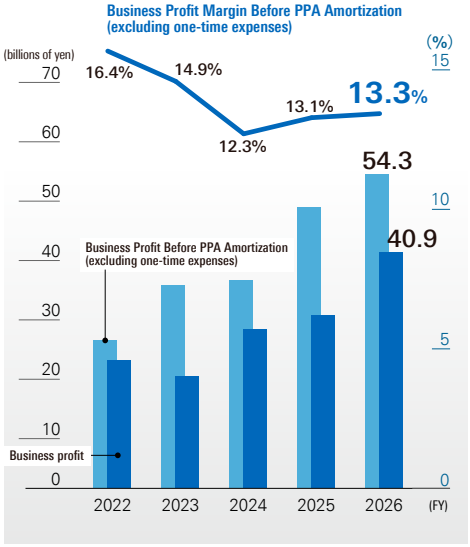
In the OHT business, the early realization of synergies from major acquisitions, including TWS and Goodyear's OTR business (G-OTR), is a powerful driver of profitability.

First, regarding cost synergies from the TWS acquisition, by fully leveraging the benefits of scale, we now expect to achieve annual cost savings of approximately US$60 million in FY2026—one year ahead of our original target of US$50 million in annual savings by FY2027.

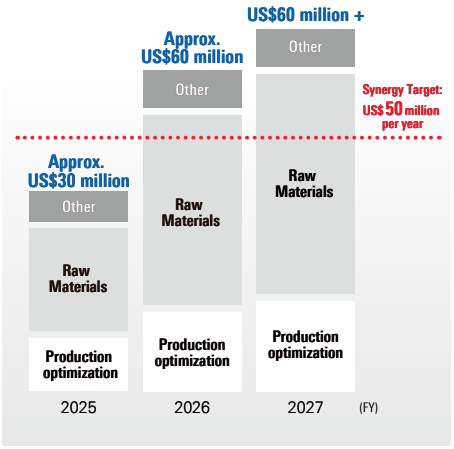
At the same time, we are pursuing the consolidation of low-return and surplus assets, closing selected plants, sharing best practices across OHT production plants, and thoroughly reducing costs through the integration of back-office functions.

We are also optimizing production as part of the integration of the newly acquired G-OTR business. Currently, many products continue to be supplied from Goodyear's higher-cost plants. We will transfer production of these products to lower-cost plants within the Yokohama Rubber Group to increase profitability.

OHT Business



Realization of M&A Synergies

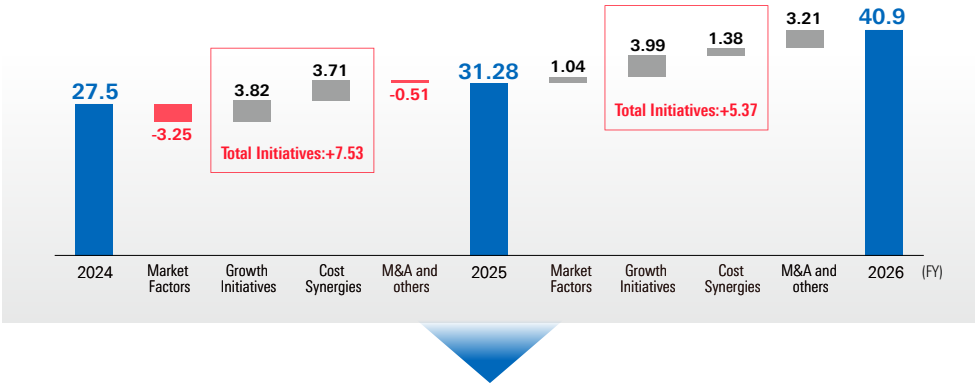


Business Profit Growth Roadmap

The OHT business has established a roadmap for sustained growth in business profit. Despite a challenging market environment and M&A-related expenses, business profit reached ¥31.3 billion in fiscal 2025, an increase of 14% year on year substantially outperforming the market average.

In fiscal 2026, we are targeting ¥40.9 billion in profit, up 31% year on year, with profit growth from internally driven growth initiatives and cost synergy generation expected to contribute ¥5.4 billion of that increase. Looking ahead, assuming a standard market recovery scenario, we aim to achieve average annual growth of approximately 20% and establish a business profit base of approximately ¥70 billion by fiscal 2029.

Factors Affecting Changes in OHT Business Profit (After PPA Amortization) (Unit: billions of yen)



Growth Initiatives

We also plan to introduce numerous new products and new tire sizes in fiscal 2026. At the same time, we will continue to focus on innovation while expanding our portfolio into high-margin niche markets.

In the agricultural machinery tire market, we will fully leverage the value of our multi-brand portfolio and capitalize on opportunities created by competitors' market withdrawals to strengthen our position in original equipment tires. In the replacement tire market, we will position Mitas as our competitive brand and target double-digit growth.

Cost Synergies

We will continue to consolidate and restructure low-return and surplus assets, including the Hadera Plant in Israel, the Prague Plant in Czechia, and the Spartanburg Plant in the United States, thereby strengthening the flexibility of our production system to respond to sudden changes in demand.

We will also shift production currently supplied by Goodyear's higher-cost plants to lower-cost plants within the Yokohama Rubber Group, including our plants in Romania and the Onomichi and Tatsuno Plants in Japan.