Progress of YX2026: Tire Business (Commercial Tires / OHT)



Tire Business

Commercial Tires / OHT

Stepping Up Our Proprietary Growth Strategies and Synergy Creation

In the OHT market, which is expected to see strong growth, we are deploying a multi-brand strategy and stepping up synergy creation across the Yokohama Rubber Group with Goodyear's OTR business acquired in February 2025. Through these initiatives, we aim to achieve profitable growth.

Fiscal 2025 Results

Fiscal 2025 was a year of steady progress despite the challenging business environment, as demand in the agricultural machinery market remained at historically low levels. A key milestone was the completion of the acquisition of Goodyear's OTR business (G-OTR).

With the addition of G-OTR following the acquisition completed in February 2025, we now offer a full product lineup as the "Best Alternative" across all OHT product categories. The acquisition also marked the achievement of our long-term strategic objective—pursued for more than a decade—of balancing our consumer tire and commercial tire businesses at a 1:1 ratio, in line with the ratio of the global tire market.

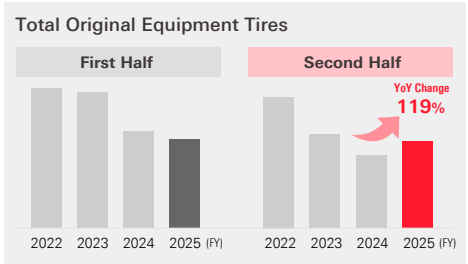
From a financial perspective, the consolidation of G-OTR made a significant contribution, with sales revenue increasing 27.4% year on year to ¥371.1 billion. Despite one-time acquisition-related costs, business profit rose 13.7% year on year to ¥31.3 billion. Excluding one-time costs, business profit increased by ¥7.7 billion year on year on an underlying basis.

With tires for agricultural machinery, by leveraging our strengths as the market leader offering a comprehensive product lineup spanning every price point, we achieved a significant improvement in the second half of fiscal 2025 compared with the first half, despite sluggish market conditions.

In particular, although agricultural machinery makers had yet to fully recover, sales of original equipment tires increased 19% from the first half. In the replacement tire market, we also repositioned Mitas as a fighter brand to compete more effectively against rival makers, further consolidating its market position.

In addition, we continued investing in products and technology, launching more than 600 new products during fiscal 2025.

Agricultural Machinery Tire Sales Performance
(weight basis)



Key Initiatives for Fiscal 2026

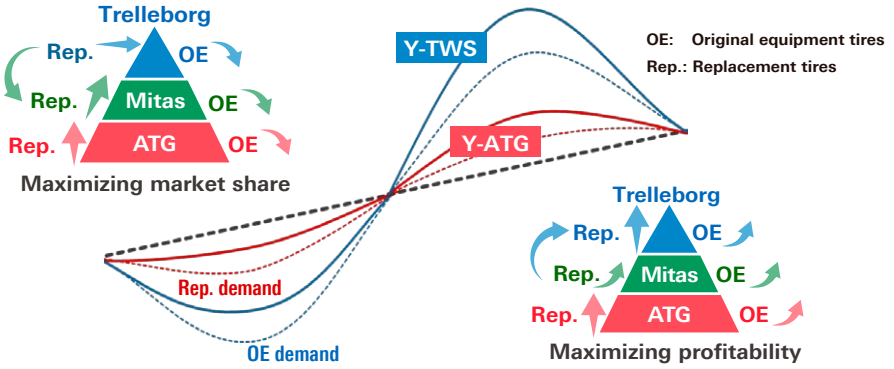
In the OHT market, where strong growth is expected to continue in fiscal 2026, we will develop our business with a "multi-brand strategy" at its core. Sustaining growth in the OHT business requires effectively managing the cyclical demand fluctuations unique to the agricultural machinery tire market. We will therefore continue implementing action plans designed to minimize the impact of the next market downturn while maximizing growth during periods of market recovery.

On the production side, we will fully realize the fixed-cost savings resulting from the closure of three plants, including our Hadera plant in Israel. At the same time, we will transfer production of G-OTR products to our existing manufacturing facilities, improving our global production efficiency and operational flexibility.

On the sales side, we will reduce our dependence on the more cyclical original equipment tire market by strengthening our replacement tire business, which offers higher profitability and more stable demand. We will also assign experienced sales executives to our key markets in the United States and Europe to work on expanding market share. We will also continue to expand and strengthen the service network for Interfit, our dedicated OHT tire maintenance service.

Regarding M&A synergies, we expect the acquisition of Y-TWS to generate cost savings of approximately US$60 million in fiscal 2026. By stepping up the synergy creation from the acquisition of G-OTR, we aim to achieve profitable growth.

Measures to Address Cyclical Demand Fluctuations in Agricultural Machinery Tire Market



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Y-TWS Maintenance Services and Digitalization

Through its OHT-dedicated tire maintenance service network "Interfit," Y-TWS provides tire and wheel replacement services worldwide. Currently, the network operates in 80 cities across 21 countries, conducting over 300,000 service visits annually through its global operations.

Interfit serves a broad range of industries, including logistics, agriculture, and construction. By performing tire replacement smoothly at customers' sites, the service minimizes equipment downtime and helps improve customers' operational efficiency. Y-TWS has also introduced its proprietary digital platform, iFit, which enables real-time job progress monitoring and predictive maintenance, further enhancing service quality and operational efficiency.

In addition, Y-TWS is developing tire management solutions that leverage digitalization. For the agricultural sector, it offers ATMS,*1 which monitors tire load, inflation pressure, and temperature in real time and recommends optimal tractor settings to improve productivity. For construction equipment and port vehicles, Y-TWS provides TPMS,*2 which continuously monitors tire pressure and temperature to improve operational efficiency and safety, while enhancing convenience for end users.

We will continue expanding the geographic coverage of Interfit while accelerating the development of new digital solutions, enabling us to provide even higher-quality services.

*1 Adaptive Tire Management System
*2 Tire Pressure Management System



Interfit Service Center (Brazil)



ATMS: Optimizing tractor performance through data



Interfit Service vehicle and staff (United States)


TPMS: Digital tool for construction/port vehicle tires

Nippon Giant Tire—A New Domestic Production Base for OTR

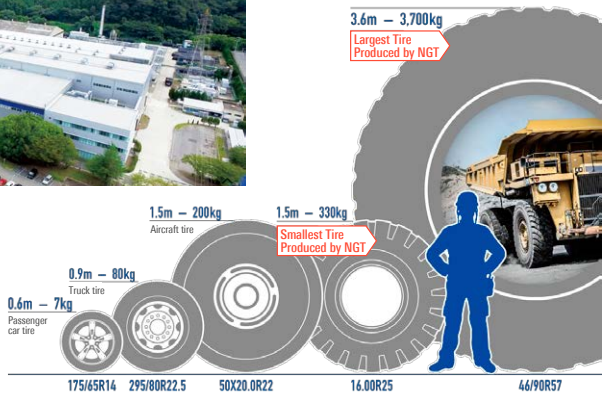
In February 2025, Yokohama Rubber completed its acquisition of Goodyear's OTR (off-the-road tire) business for construction, mining, and industrial vehicles. As a result, Nippon Giant Tire Co., Ltd. (NGT), located in Tatsuno, Hyogo Prefecture, joined the Group as a new production base for OTR. As part of the acquisition, NGT is the only major production facility worldwide that was transferred to the Yokohama Rubber Group together with the plant itself.

NGT manufactures OTR tires, including giant tires measuring approximately four meters in diameter and weighing around four tons each, which are used at mines and other sites around the world. These products support industries that form the foundation of the global economy. These tires can be manufactured at only a limited number of factories worldwide, and this is one of NGT's key strengths. Among all of the Yokohama Rubber Group's OHT production facilities worldwide, NGT also achieves an exceptionally high level of labor productivity. Its competitiveness is underpinned by technical expertise and manufacturing capabilities cultivated over many years.

As part of the post-acquisition integration, NGT plans to consolidate production from bias tires to radial tires, further strengthening its competitiveness. The transition of Goodyear-brand OTR production to Yokohama Rubber Group facilities is currently progressing worldwide. NGT, however, will remain the only production site that has continuously manufactured—and will continue to manufacture—Goodyear-brand products, further strengthening its role as the "mother plant" for OTR production.

NGT will continue to support industries around the world through the stable supply of high-quality giant tires as one of the world's leading giant tire plants and as the core production base for the Group's OTR business, thereby contributing to sustained business growth and further enhancement of corporate value.


Nippon Giant Tire (Tatsuno, Hyogo Prefecture)



Tire Sizes Produced by NGT