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For immediate release

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Yokohama Rubber Announces Consolidated Financial Results for First Quarter ended June 30, 2004

Tokyo—The Yokohama Rubber Co., Ltd. today announced its consolidated results for the first quarter ended June 30, 2004 (April 1, 2004 – June 30, 2004). During the quarter, net sales increased 7.5% to 91,072 million yen, operating income 11.8% to 3,287 million yen, ordinary income 34.5% to 2,856 million yen, and net income 59.3% to 986 million yen.

In the Tire Group, while sales increased 8.6% to 66,476 million yen, operating income increased 34.2% to 3,279 million yen. In the domestic market, sales of replacement tires grew steadily. In the overseas market, tire group sales were favorable mainly in Europe, Asia and North America.

In the Multiple Business Group, while sales increased 4.7% to 24,596 million yen, operating income declined 97.9% to 10 million yen. Although high-pressure hoses and automotive sealing materials did well, sales of golf products suffered stagnant domestic demand and decreased from the same period in the preceding year.

For the first half year ending September 30, 2004, Yokohama Rubber expects sales to increase 2.2% from the same period in the preceding year to 186 billion yen, ordinary income to decline 26.8% to 2 billion yen, and net income to decline 66.4% to 500 million yen.

Overview of Results for First Quarter ended June 30, 2004

Financial Results		(Millions of Yen)
	For the three months ended June 30, 2004	For the three months ended June 30, 2003
Net sales	¥91,072	¥84,740
Operating income	3,287	2,939
Ordinary income	2,856	2,123
Net income	986	619
Per Share (Yen):		
Net Income: Basic	2.66	1.59

Financial Position		(Millions of Yen)
	June 30, 2004	March 31, 2004
Shareholders' equity	¥128,335	¥127,832
Total assets	422,956	429,350

Results by Group		(Millions of Yen)
	For the three months ended June 30, 2004	For the three months ended June 30, 2003
Tires		
Sales	¥66,476	¥61,238
Operating income	3,279	2,444
Multiple Business (MB)		
Sales	¥24,596	¥23,501
Operating income	10	469

Results by Region		(Millions of Yen)
	For the three months ended June 30, 2004	For the three months ended June 30, 2003
Japan		
Sales	¥71,135	¥66,962
Operating income	2,779	2,757
North America		
Sales	¥15,606	¥14,138
Operating income	61	43
Other Regions		
Sales	4,330	3,639
Operating income	200	221

- Notes:
- (1) This information has been prepared in accordance with generally accepted accounting principles in Japan.
 - (2) All amounts have been rounded to the nearest million yen.
 - (3) In Segment Information, Sales indicates only sales to third parties; Operating income includes income from transactions between segments.
 - (4) In Results by Region, North America includes the United States and Canada, and Other Regions includes Oceania, Europe, and Asia.