

NEWS RELEASE



YOKOHAMA

October 26, 2006
For immediate release

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Upward Revision of Forecasts for First Half of Fiscal 2007

Tokyo—The Yokohama Rubber Co., Ltd. announced today that based on its recent performance trends, it has revised its consolidated and non-consolidated forecasts for the first half of fiscal 2007 (April 1, 2006 to September 30, 2006), which were publicized on May 11, 2006 in the announcement of financial results for fiscal year 2006. The current revised consolidated forecast includes 222.0 billion yen for net sales, a 0.9% increase over the previous forecast, 3.0 billion yen for ordinary profit, a 172.7% increase compared to same, and 3.3 billion yen for net income, a 450.0% increase.

Although affected by increases in prices of raw materials, mainly natural rubber, the forecast for ordinary profit exceeds the previous one, reflecting improved cost reduction, profits from consolidated affiliates in North America, and a weaker-than-expected foreign exchange rate of yen. The current revised forecast for net income is attributable to an increase in extraordinary gain as a result of sale of some investment securities held by the company, in addition to the increased ordinary profit. We will publicize our consolidated and non-consolidated forecasts for the entire fiscal year at the time of announcing the results for the first half of this fiscal year.

Consolidated results (Millions of yen)

	Revised forecasts	Forecasts in Previous Announcement	Change	Results for the first half of fiscal 2006
Net sales	222,000	220,000	0.9%	201,260
Ordinary profit	3,000	1,100	172.7%	4,033
Net income	3,300	600	450.0%	13,363

Non-consolidated results (Millions of yen)

	Revised forecasts	Forecasts in Previous Announcement	Change	Results for the first half of fiscal 2006
Net sales	155,000	153,000	1.3%	135,926
Ordinary profit	5,500	4,300	27.9%	6,583
Net income	5,500	4,000	37.5%	3,716

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