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For immediate release

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Yokohama Rubber to Start Phase II-stage Expansion for Tire Plant in Philippines

Tokyo – The Yokohama Rubber Co., Ltd., announced today that the company will start the Phase II expansion for Yokohama Tire Philippines Inc. (YTPI), a local subsidiary for manufacturing and selling passenger car tires, in May this year. With a total investment of 11 billion yen, the Phase II expansion will enable an increase of 2.5 million tires in the annual production capacity of YTPI. It is targeted that operation at Phase II will start in fall of 2014 and the company plans to begin full-fledged production in 2015. The annual production capacity of YTPI is expected to reach 12.5 million tires by the time the Phase II expansion is completed.

In January 2011, Yokohama Rubber announced its plan to expand the annual production capacity of the YTPI from then 7 million to 17 million tires by 2017. According to the plan, Yokohama Rubber would invest 20 billion yen in the Phase I expansion to increase the capacity by 3 million tires a year by 2013. Also planned was the following Phase II expansion to increase the capacity to 13 million by 2014.

With the Phase I expansion completed as scheduled, its operation will begin in February 2013 and will enter full-fledged production in 2014. The Phase II expansion of this time also is based on the initial plan. However, because of the change in the market environment demanding for larger-sized higher value added tires, the production capacity in terms of the quantity of tires will slight decrease in the Phase II expansion so as to enhance the production for such tires. To accommodate these Phase I and II expansions, the company also expanded the plant's site area by 2.8 times to 46 hectares from the original 16 hectares by newly leasing an adjacent land of 30 hectares last February 2011.

In 1996, the YTPI was founded as a production base for passenger car tires for export. At present, it manufactures tires for passenger cars and sports utility vehicles with internal diameters from 13 to 18 inches (and to 20 inches by the end of 2013). In addition to exporting most of these tires to North America, Europe and ASEAN countries, YTPI is delivering some of the tires to automotive manufacturers in North America and Asian countries.

■Outline of Yokohama Tire Philippines Inc.

Lines of business:	Manufacturing and sale of tires for passenger cars and sports utility vehicles
Site area:	46 hectares
Representative:	Tetsuya Kuze
Number of employees:	2,078 (as of the end of 2012)
Location:	Clark Freeport Zone, Philippines