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For immediate release

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Yokohama Rubber to Expand Off-Highway Tire Production Capacity in India

Tokyo - The Yokohama Rubber Co., Ltd., announced today that it will expand the Yokohama Group's global production capacity for off-highway tires by adding new facilities at ATC Tires Pvt. Ltd., the Indian tire manufacturing and sales subsidiary of the Alliance Tire Group (ATG), which Yokohama Rubber acquired in July 2016. Construction of the new facilities will begin in February at ATC Tire's Dahej Plant in the state of Gujarat.

Total planned investment is US\$45.50 million (about ¥5.1 billion at a forex rate of ¥113/\$). The investment will boost Dahej Plant's annual production capacity from the current 57,000 tons to 91,700 tons by the end of 2019. With its tire sales on a strong upward trend, Yokohama Rubber decided to expand production capacity to avoid insufficient supply capacity in the medium term.

In addition to the Dahej Plant in Gujarat, ATC Tires has a tire plant in Tirunelveli in the state of Tamil Nadu. The Dahej Plant began operations in March 2015 and now produces three core ATG tire brands—the ALLIANCE, GALAXY and PRIMEX brands, which are used on a wide range of off-road vehicles, including agricultural, construction, industrial and forestry machinery.

One of the core strategies of Yokohama Rubber's tire business is to expand its commercial tire business. In October 2015, Yokohama Rubber started manufacturing truck and bus tires at a new U.S. plant in Mississippi. It acquired ATG in 2016 and Aichi Tire Industry Co., Ltd., a maker of industrial machinery tires, in March 2017 as part of its effort to expand its commercial tire business. The investment to expand production capacity in India will further strengthen the Yokohama Group's commercial tire business and accelerate its ongoing globalization.

*"Off-Highway Tire" is an inclusive term for tires used on agricultural machinery, construction machinery, industrial machinery and forestry machinery.

Outline of ATC Tires Pvt. Ltd.'s Dahej Plant

Business: Manufacture of off-highway tires

Site area: Approximately 43.5 hectares

Representative director: Nitin Mantri (CEO of ATC Tires Pvt. Ltd.)

Employees: 1,308 (as of end-December 2017)

Location: Dahej Industrial Estate in the state of Gujarat