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For immediate release

Contact:
Corporate Planning Department
Corporate Communications Section
Phone: 81-3-5400-4531
Fax: 81-3-5400-4570

Yokohama Rubber decides to more than double capacity of new OHT plant under construction in India

Tokyo - The Yokohama Rubber Co., Ltd., announced today that it has decided to invest in additional production capacity at the Visakhapatnam Plant now under construction in India in order to further expand the production capacity of Yokohama Off-Highway Tires (YOHT), a Yokohama Rubber Group company engaged in the manufacturing and sale of off-highway tires (OHT), such as those used on agricultural and other equipment. An additional investment of US\$171 million will increase the new plant's daily production capacity from the originally planned 55 tons (rubber weight) in the first stage of operations, scheduled to begin in the first quarter of 2023, to 123 tons in the second stage, scheduled to start in the first quarter of 2024.

During January 2021, Yokohama Rubber consolidated its OHT business with that of the Alliance Tire Group (ATG), a Yokohama Group company specializing in OHT tires, to create a strong, integrated global OHT business under the name of YOHT. YOHT currently has two tire plants in India—the Dahej Plant in the state of Gujarat and the Tirunelveli Plant in Tamil Nadu. The plants produce three of the Group's core off-highway tire brands—the ALLIANCE, GALAXY and PRIMEX brands—which are used on agricultural, construction, industrial and forestry machinery. With global demand expanding, Yokohama Rubber recently expanded capacity at the Dahej Plant and began the construction of the new Visakhapatnam Plant in the third quarter of 2020. The Company has now decided to further expand capacity at the new plant to meet the continually growing demand for OHT. The Visakhapatnam Plant is being built on a 390,000m² site, which includes a recently acquired additional 70,000m². The site has a room for further capacity expansion in the future.

Yokohama Rubber's medium-term management plan, Yokohama Transformation 2023 (YX2023), includes a commercial tire strategy that positions the Group's OHT business as a future growth driver. The Group plans to expand its OHT business by capitalizing on the strength of a multi-brand lineup that includes YOKOHAMA, ALLIANCE, GALAXY, PRIMEX, and AICHI brand OHTs to develop new markets and meet diverse customer needs. At the same time, the Group is increasing its OHT production capacity in an effort to further accelerate the strengthening of its competitiveness in the global OHT market.

Outline of Visakhapatnam Plant

Company name: ATC Tires AP Pvt. Ltd.

Location: Atchutapuram Industrial Park, Visakhapatnam, Andhra Pradesh, India

Business: Manufacture and sale of off-highway tires

Production items: ALLIANCE, GALAXY and PRIMEX brand tires

Daily production capacity: 123 tons (rubber weight) *including 2nd stage expansion

Site area: Approximately 390,000m²