

# **FY2025 First-Quarter Financial Results**

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## **Briefing Material**

May 15, 2025

The Yokohama Rubber Co., Ltd.

# FY2025 1Q (Jan.-Mar.): Summary of Business Results



- Steady progress in sales revenue & business profit
- **Record high business profit** excluding one-time costs from G-OTR acquisition

(Billion yen)	2025 1Q result	YoY change	YoY change (%)	2025 plan
Sales revenue	275.1	+22.7	+9.0%	1,220.0
Business profit	24.1	-0.8	-3.2%	138.0
Business profit margin	8.7%	-1.1%	-	11.3%
Operating profit	19.3	-7.4	-27.7%	132.0
Net profit	8.5	-11.3	-56.9%	81.5
【Excluding G-OTR business】				
Sales revenue	259.2	+6.8	+2.7%	1,140.0
Business profit	26.9	+2.0	+8.2%	142.5
Business profit margin	10.4%	+0.5%	-	12.5%

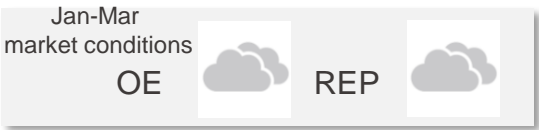
# FY2025 1Q (Jan.-Mar.): Summary of Sales Results



OE (original equipment for new vehicles)  
REP (replacement market)  
OHT (off-highway tires)

## 1Q sales in each business

### ■ Tire Business (passenger cars, trucks & buses, etc.)



### Increased sales especially in Japan, Europe, and Asia

Tire unit sales YoY growth rates: Global sales 110% (OE 108% REP 111%)

OE : Strong sales in Japan of vehicle models equipped with YOKOHAMA tires and expanded shipments to Chinese automakers for new energy vehicles

REP : Sales up sharply on higher sales of summer and winter tires in Japan, strong sales of high-inch tires in Europe and opening of new sales channels in Asia

### ■ OHT Business (Y-ATG\*,Y-TWS,G-OTR)



### Focusing on REP sales amid challenging environment

Y-ATG, Y-TWS : Sales volume YoY growth rates Global total 89% (OE 83% REP 93%)

G-OTR : sales volume YoY growth rate Global total 95%

Agricultural machinery tires (AG): OE business continues to face tough conditions due to tariff uncertainty. For REP, we plan to aggressively increase sales in every market to more than offset lower OE sales. Forecasting YoY growth in sales and profits.

Non-AG: Industrial machinery tires business is struggling, but construction machinery tires are on par with last year. Mining machinery tires are newly included in consolidated results under G-OTR.

### ■ MB Business Hose & Couplings Industrial Products



### MB business MIX improvements and structural reforms bolstered profit

Hose & Couplings: Lower demand from construction machinery makers in Japan and automaker in North America

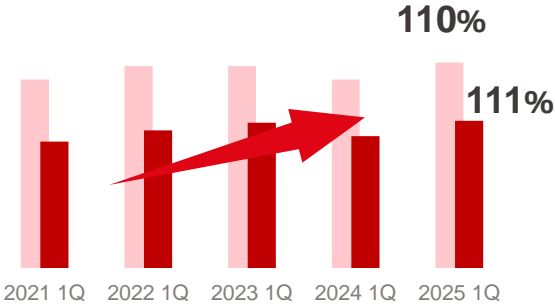
Industrial products: Our top share in the Japan market for conveyor belts contributes to stable orders from major customers. Sales of aerospace products were strong, but sales of marine products declined from the high level supported by temporary factors in 1Q FY2024

# FY2025 1Q (Jan.-Mar.): Tire Unit Sales Results

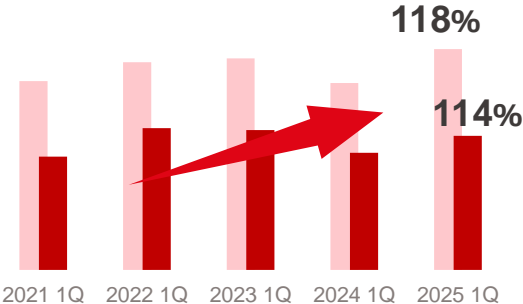


■ Tire Business (passenger cars, trucks & buses, etc) OE & REP combined sales units ■ Tire Business REP sales units only  
% figures are a comparison of unit sales in the period under review with unit sales in the same period of the previous year

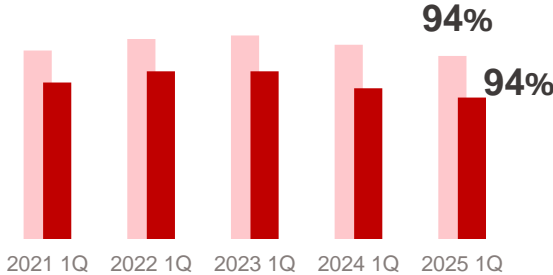
## ◆ Overall



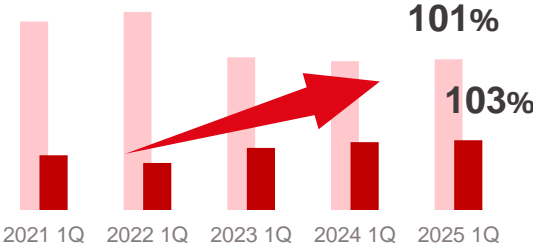
## ◆ Japan



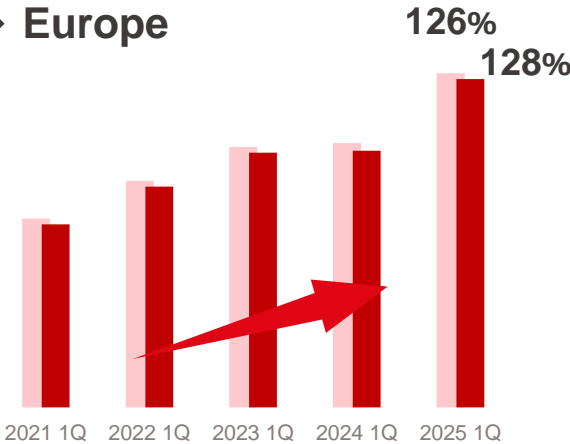
## ◆ North America



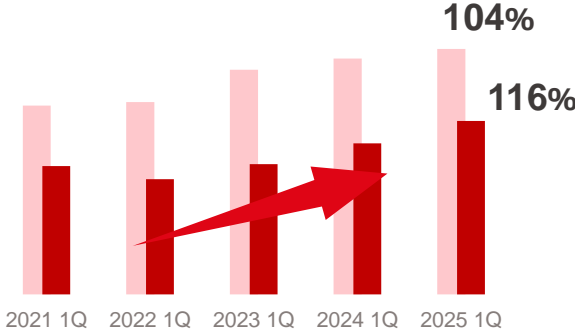
## ◆ China



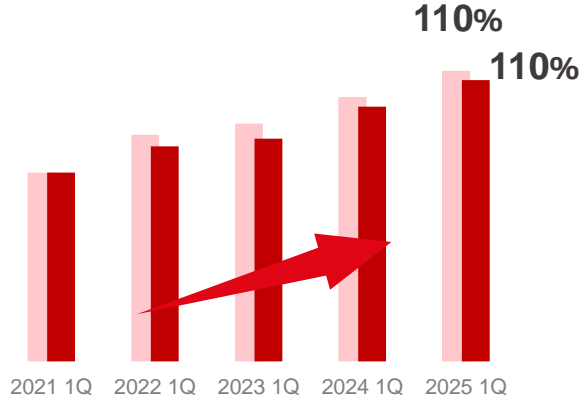
## ◆ Europe



## ◆ Asia



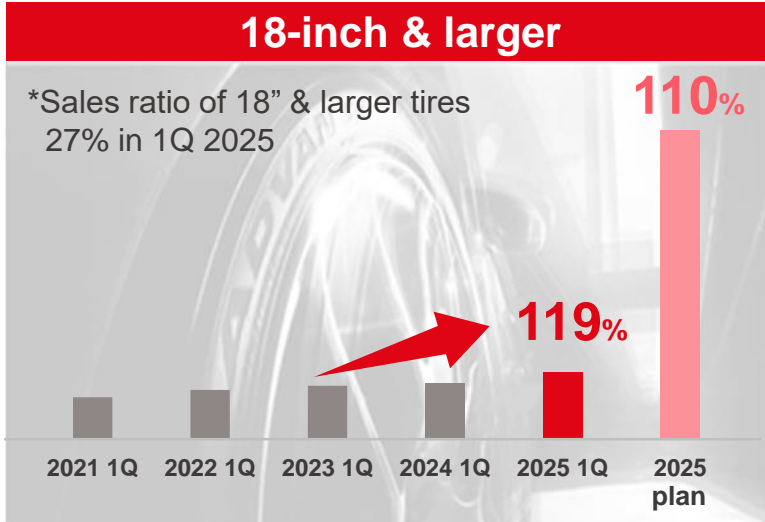
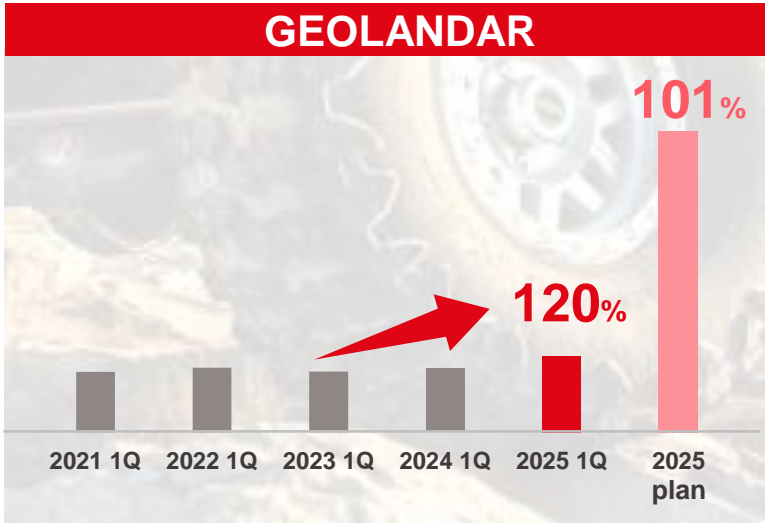
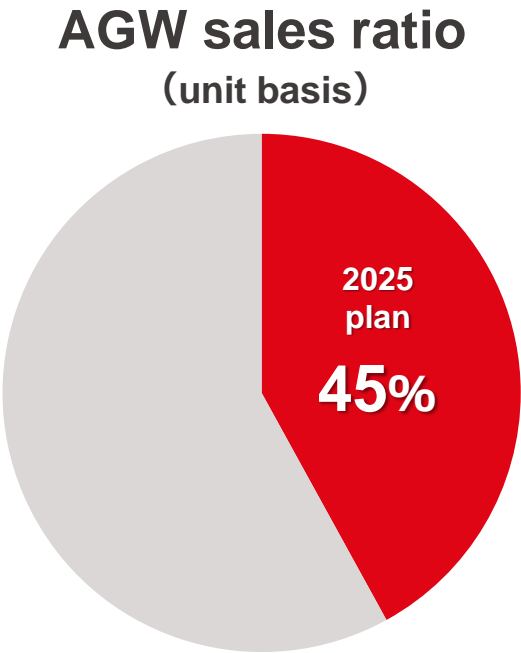
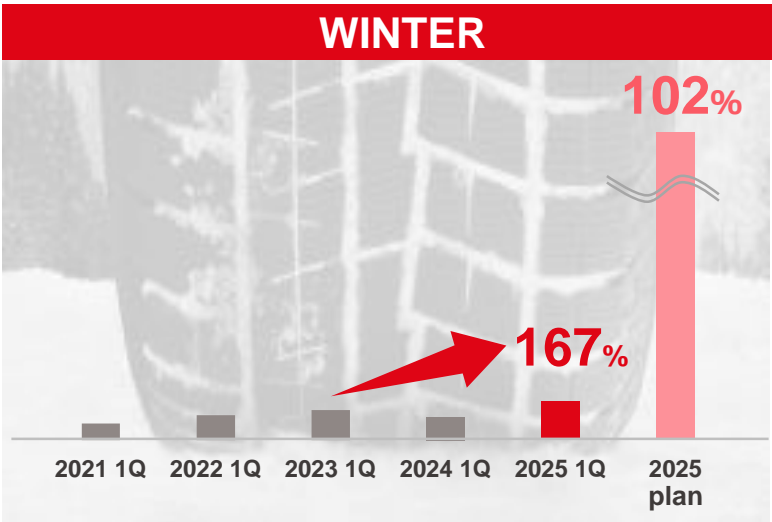
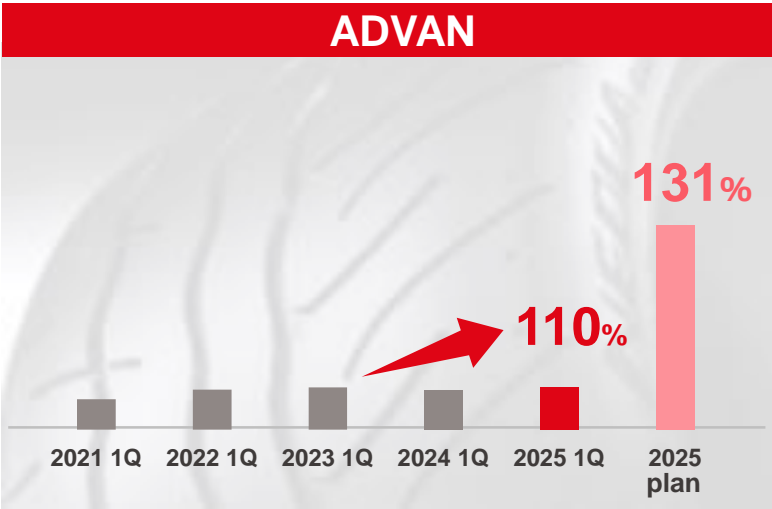
## ◆ India



# FY2025 1Q (Jan.-Mar.): High Value-added Tire Sales Growth



Year-on-year unit sales growth (1Q results and annual plan)



G-OTR Business consolidated from February



## Construction of new plants in Mexico & China

### ◆ Mexico plant



As of summer 2024



As of April 2025

### ◆ China plant



As of summer 2024



As of May 2025

## Share buybacks

- Approx. ¥6 billion bought back (Feb-Apr 2025)
- Approx. ¥10 billion cancellation of treasury stock advanced (Sep 2025 → end May), including approx. ¥4 billion acquired last year.

## Projected impact of US tariffs

### Tire Business

Passenger car tires	Universal tariff on imported auto parts (from May) Main exporters: Philippines, Japan
Truck & bus tires	Country-specific reciprocal tariffs (from July) Main exporters: Japan, Thailand
OHT	Country-specific reciprocal tariffs (from July) Main exporters: India
Others	Higher tariff on US imports of raw materials

### MB Business

Certain parts	Country-specific reciprocal tariffs (from July)
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Estimated impact in 2025 Approx. ¥16.5bn

### Measures to offset tariffs' impact

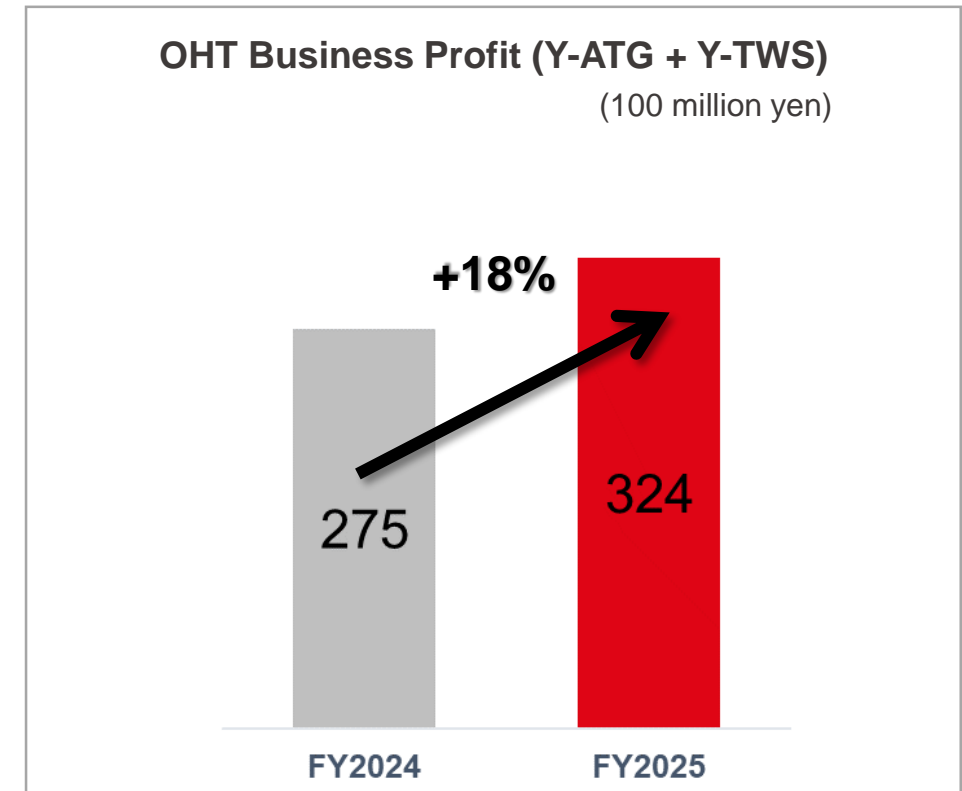
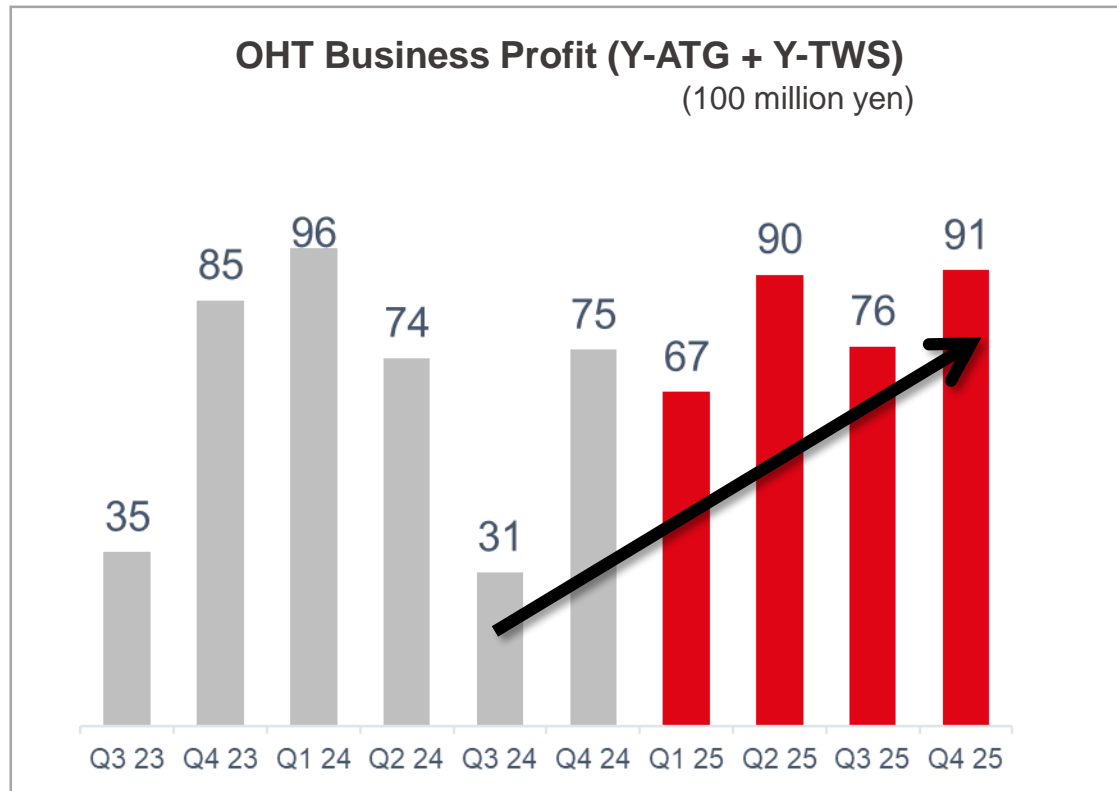
- Revise sales prices
- Increase sales volume
- Internal improvements (reduce costs)

## Fiscal 2025 plan

Steady progress in 1Q, so no changes to forecast announced in February

# Strong Recovery in OHT Business

- ***Steadily profit recovery*** QoQ in challenging markets
- FY2025 profit is expected to improve by **18%**
- Continuing to push on **REP sales**
- Effect of structural reform in FY2025 is expected to be **over ¥40 hundred million**



# Results for FY2025 First-Quarter



# Profit and Loss (First-Quarter)



Exchange Rates	US\$ 153 yen	149 yen (previous year)	+4 yen
	EUR 161 yen	161 yen (previous year)	-1 yen
TSR20*	195 cents	150 cents (previous year)	+46 cents
WTI	71 dollars	77 dollars (previous year)	-6 dollars

\*SICOM TSR20 1M

							(billion yen)	
	2025 Jan.-Mar.	2024 Jan.-Mar.	Change	Change (%)	Exchange rate impact	Change excluding impact of exchange rates	2025 Jan.-Mar. Excluding G-OTR business	Change
Sales revenue	275.1	252.4	+22.7	+9.0%	+2.2	+20.5	259.2	+6.8
Business profit*1 (Business profit margin)	24.1 (8.7%)	24.9 (9.8%)	-0.8 (-1.1%)	-3.2%	+0.4	-1.2	26.9 (10.4%)	+2.0 (+0.5%)
Operating profit (Operating profit margin)	19.3 (7.0%)	26.8 (10.6%)	-7.4 (-3.6%)	-27.7%	+0.4	-7.8		
Profit*2	8.5	19.8	-11.3	-56.9%				

\*1 Business profit = Sales revenue - (Cost of sales + SG&A expenses)

\*2 Profit attributable to owners of parent

# Business Segment (First-Quarter)

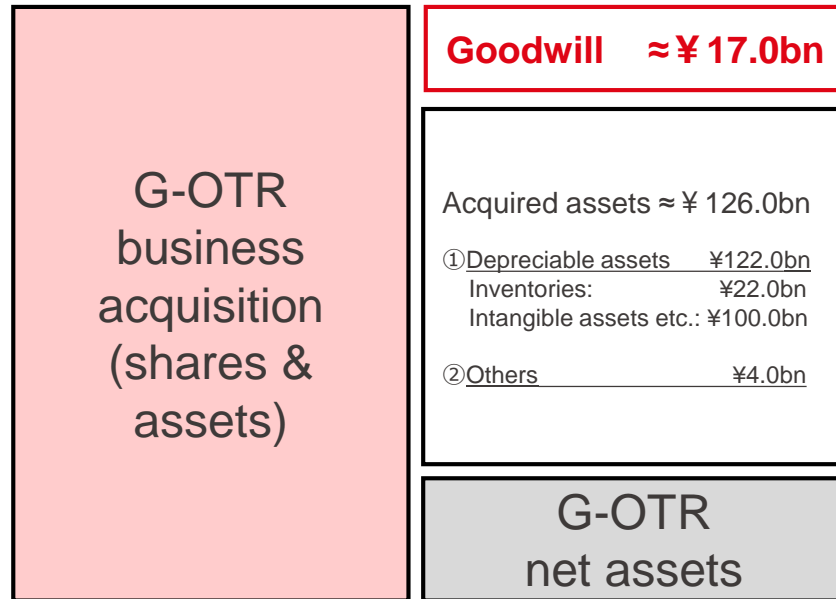


								(billion yen)	
		2025 Jan.-Mar.	2024 Jan.-Mar.	Change	Change (%)	Exchange rate impact	Change excluding impact of exchange rates	2025 Jan.-Mar. Excluding G-OTR business	Change
Sales revenue	Tires total (Tires) (OHT)*	250.3 (162.0) (88.3)	226.7 (146.3) (80.4)	+23.6 (+15.7) (+7.9)	+10.4% (+10.7%) (+9.9%)	+2.0 (+1.3) (+0.6)	+21.6 (+14.4) (+7.3)	234.4 (162.0) (72.4)	+7.7 (+15.7) (-8.0)
	MB	23.0	23.8	-0.8	-3.2%	+0.3	-1.0	23.0	-0.8
	Other	1.8	1.9	-0.1	-7.7%	—	-0.1	1.8	-0.1
	Total	275.1	252.4	+22.7	+9.0%	+2.2	+20.5	259.2	+6.8
Business profit	Tires total (Tires) (OHT)*	22.2 (18.4) (3.9)	23.4 (13.8) (9.6)	-1.1 (+4.6) (-5.7)	-4.9% (+33.1%) (-59.7%)	+0.3 (+0.2) (+0.1)	-1.4 (+4.4) (-5.8)	25.0 (18.4) (6.7)	+1.7 (+4.6) (-2.9)
	MB	1.8	1.4	+0.5	+34.7%	+0.1	+0.4	1.8	+0.5
	Other	0	0.1	-0.1	-91.1%	—	-0.1	0	-0.1
	Intersegment eliminations	0	0	-0	-78.0%	—	-0	0	-0
	Total	24.1	24.9	-0.8	-3.2%	+0.4	-1.2	26.9	+2.0

\*"OHT" is a new category in the Tires segment from 2025 that consolidates the results of our off-highway tire businesses with similar customers and product characteristics. The new subcategory includes results previously recorded under "YOHT(Y-ATG)" and "Y-TWS" as well as results of the newly acquired "G-OTR" mining & construction machinery tire business that we acquired in February 2025.

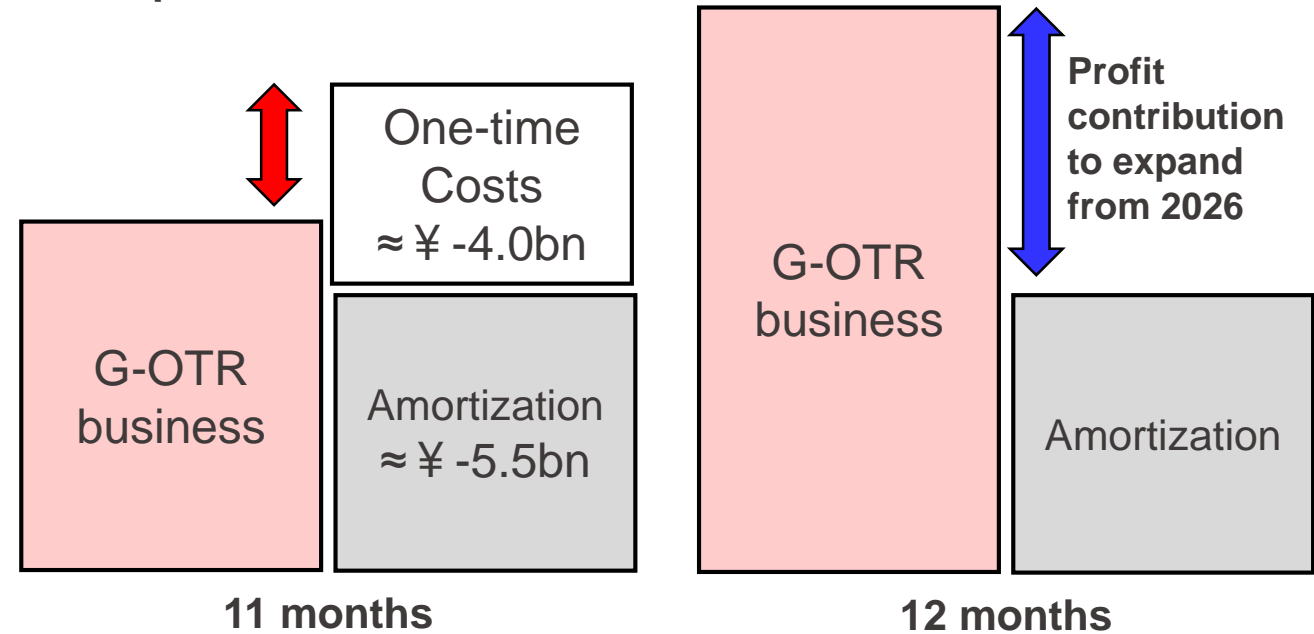
## BS impact (image)

- Fair market value of acquired assets & liabilities at time of acquisition
- Goodwill included in the G-OTR business acquisition price is approximately ¥17.0bn



## PL impact (image)

- **2025:** We expect red ink from the G-OTR business in FY25, the year the acquisition was completed, owing to significant amortization expenses and one-time costs.
- **2026:** Solid contributions to consolidated business profit from FY26 on 12 months of profits and the absence of acquisition-related one-time costs.

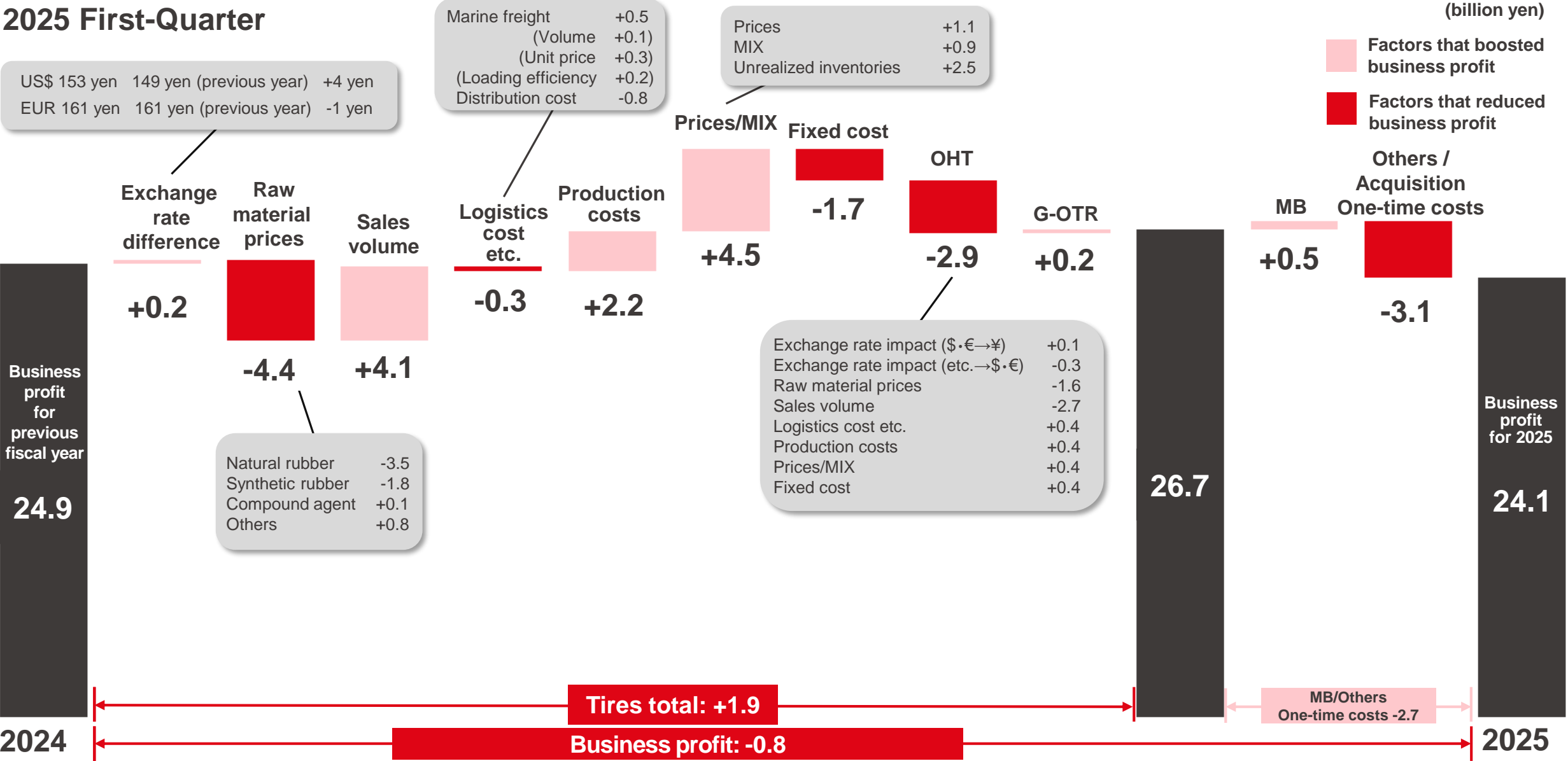


\*Above amounts are based on provisional accounting and are currently under review.

# Factor Analysis of Business Profit



## 2025 First-Quarter



# Financial Position (Comparison with the end of the previous year)



	Mar. 31 2025	Dec. 31 2024	(billion yen) Change
<b>Current assets</b>	<b>733.4</b>	<b>749.7</b>	<b>-16.3</b>
Cash and cash equivalents	89.4	136.2	-46.9
Trade and other receivables	275.7	281.0	-5.4
Inventories	311.7	280.6	+31.1
Other assets	56.7	51.8	+4.8
<b>Non-current assets</b>	<b>1,073.9</b>	<b>985.8</b>	<b>+88.0</b>
<b>Total assets</b>	<b>1,807.2</b>	<b>1,735.5</b>	<b>+71.7</b>
<b>Liabilities</b>	<b>949.9</b>	<b>831.5</b>	<b>+118.3</b>
<b>Equity</b>	<b>857.4</b>	<b>904.0</b>	<b>-46.7</b>
<b>Total liabilities and equity</b>	<b>1,807.2</b>	<b>1,735.5</b>	<b>+71.7</b>
<b>Interest-bearing debt*1</b>	<b>584.9</b>	<b>438.0</b>	<b>+146.9</b>
<b>Ratio of equity attributable to owners of parent (%)</b>	<b>46.9%</b>	<b>51.5%</b>	<b>-4.6%</b>
<b>D/E ratio</b>	<b>0.69</b>	<b>0.49</b>	<b>+0.20</b>
<b>Net D/E ratio</b>	<b>0.58</b>	<b>0.34</b>	<b>+0.25</b>

\*1: Interest-bearing debt does not include lease liabilities

# State of Cash Flows



(billion yen)

	2025 Jan. - Mar.	2024 Jan. - Mar.	Change
CF from operating activities (Excluding tax impact of gains from the sale of cross-shareholdings etc.*)	-18.9 (3.5)	-8.3	-10.5
CF from investing activities	-162.7	-8.7	-154.0
Free CF	-181.6	-17.1	-164.5
CF from financing activities	136.4	6.0	+130.4
Closing balance of cash and cash equivalents	89.4	92.3	-2.9

\*Excluding tax impact of gains from the sale of cross-shareholdings etc. refers to the increase taxes paid on the gains on sale of cross-shareholdings etc.

# Earnings Forecast for FY2025

# Profit and Loss Projections (Full Year)

No changes from the previous forecast



## Forecasts after April 2025

Exchange Rates	US\$ 140 yen	148 yen (previous forecast)	-8 yen	
	EUR 161 yen	155 yen (previous forecast)	+6 yen	
TSR20*	169 cents	157 cents (previous forecast)	+12 cents	*SICOM TSR20 1M
WTI	63 dollars	73 dollars (previous forecast)	-10 dollars	

(billion yen)							(billion yen)						
	2025 forecast	2024 result	Change	Change (%)	2025 previous forecast	Change from previous forecast		2025 1H forecast	2024 1H result	Change	Change (%)	2025 previous forecast	Change from previous forecast
Sales revenue	1,220.0	1,094.7	+125.3	+11.4%	1,220.0	—	Sales revenue	575.0	525.3	+49.7	+9.5%	575.0	—
Business profit* <sup>1</sup> (Business profit margin)	138.0 (11.3%)	134.4 (12.3%)	+3.6 (-1.0%)	+2.7%	138.0 (11.3%)	—	Business profit* <sup>1</sup> (Business profit margin)	47.5 (8.3%)	54.6 (10.4%)	-7.1 (-2.1%)	-13.0%	47.5 (8.3%)	—
Operating profit (Operating profit margin)	132.0 (10.8%)	119.2 (10.9%)	+12.8 (-0.1%)	+10.8%	132.0 (10.8%)	—	Operating profit (Operating profit margin)	38.5 (6.7%)	56.3 (10.7%)	-17.8 (-4.0%)	-31.6%	38.5 (6.7%)	—
Profit* <sup>2</sup>	81.5	74.9	+6.6	+8.8%	81.5	—	Profit* <sup>2</sup>	19.5	46.6	-27.1	-58.1%	19.5	—
ROE (%)	9.2%	9.2%	+0.0%		9.2%	—							

\*1 Business profit= Sales revenue- (Cost of sales + SG&A expenses)

\*2 Profit attributable to owners of parent



# Business Segment (Full-Year Forecast)

No changes from the previous forecast



						(billion yen)	
		2025 forecast	2024 result	Change	Change (%)	2025 previous forecast	Change from previous forecast
Sales revenue	Tires total	1,109.0	980.9	+128.1	+13.1%	1,109.0	—
	(Tires)	(713.0)	(689.5)	(+23.5)	(+3.4%)	(713.0)	—
	(OHT)*	(396.0)	(291.4)	(+104.6)	(+35.9%)	(396.0)	—
	MB	103.0	105.2	-2.2	-2.1%	103.0	—
	Other	8.0	8.6	-0.6	-7.0%	8.0	—
	Total	1,220.0	1,094.7	+125.3	+11.4%	1,220.0	—
Business profit	Tires total	127.9	127.2	+0.7	+0.6%	127.9	—
	(Tires)	(100.0)	(99.7)	(+0.3)	(+0.3%)	(100.0)	—
	(OHT)*	(27.9)	(27.5)	(+0.4)	(+1.4%)	(27.9)	—
	MB	9.6	8.6	+1.0	+11.9%	9.6	—
	Other	0.5	-1.4	+1.9	—	0.5	—
	Intersegment eliminations	—	0	-0	—	—	—
Total		138.0	134.4	+3.6	+2.7%	138.0	—

\*“OHT” is a new category in the Tires segment from 2025 that consolidates the results of our off-highway tire businesses with similar customers and product characteristics. The new subcategory includes results previously recorded under "YOHT(Y-ATG)" and "Y-TWS" as well as results of the newly acquired "G-OTR" mining & construction machinery tire business that we acquired in February 2025.

# Business Segment (First-Half Forecast)

No changes from the previous forecast



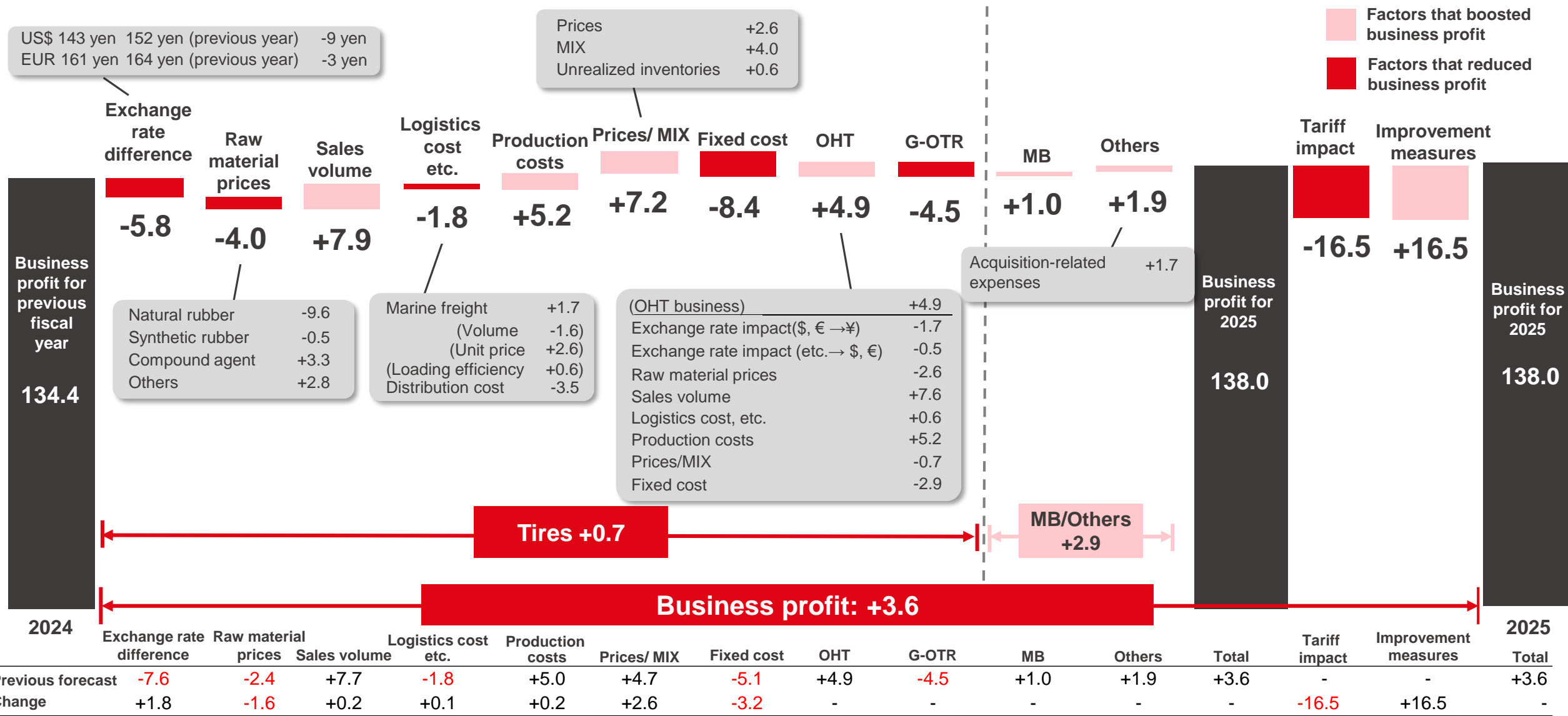
(billion yen)

		2025 forecast	2024 result	Change	Change (%)	2025 previous forecast	Change from previous forecast
Sales revenue	Tires total	520.0	469.6	+50.4	+10.7%	520.0	—
	(Tires)	(324.0)	(312.1)	(+11.9)	(+3.8%)	(324.0)	—
	(OHT)	(196.0)	(157.5)	(+38.5)	(+24.4%)	(196.0)	—
	MB	51.0	51.6	-0.6	-1.1%	51.0	—
	Other	4.0	4.2	-0.2	-3.7%	4.0	—
	Total	575.0	525.3	+49.7	+9.5%	575.0	—
Business profit	Tires total	43.7	51.7	-8.0	-15.5%	43.7	—
	(Tires)	(32.5)	(34.8)	(-2.3)	(-6.6%)	(32.5)	—
	(OHT)	(11.2)	(16.9)	(-5.7)	(-33.8%)	(11.2)	—
	MB	4.1	3.4	+0.7	+21.1%	4.1	—
	Other	-0.3	-0.5	+0.2	—	-0.3	—
	Intersegment eliminations	—	0	-0	—	—	—
	Total	47.5	54.6	-7.1	-13.0%	47.5	—

# Factor Analysis of Business Profit (Full Year)



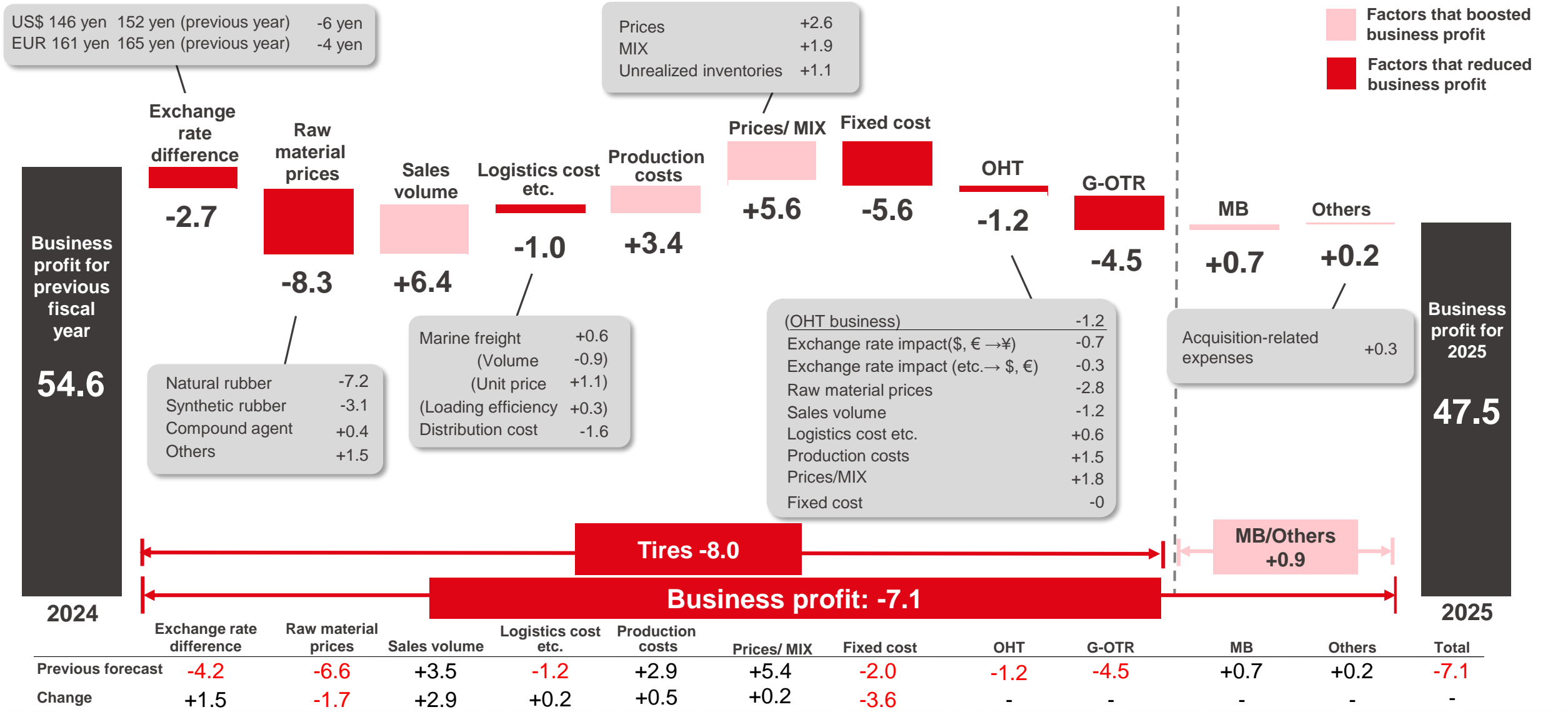
2025 (full-year forecast)



# Factor Analysis of Business Profit (First Half)



## 2025 (first-half forecast)



## Cautionary Notes Regarding Forecasts

Forecasts and outlooks included in this material are based on the judgment of the Company's management using currently available information.

Actual results and earnings may differ from the forecasts and outlooks included in the material due to various risks and uncertainties.

# (Reference) Tire Unit Sales YoY Growth

## ■ Tire Business (passenger cars, trucks & buses, etc.) Year-on-year unit sales growth by region

	2025 1Q result (Jan.-Mar.)			2025 full year		
	Total	OE	REP	Total	OE	REP
Japan	118%	123%	114%	102%	103%	101%
North America	94%	94%	94%	103%	100%	104%
Europe	126%	68%	128%	110%	63%	111%
China	101%	100%	103%	102%	96%	110%
Asia	104%	82%	116%	100%	88%	105%
India	110%	105%	110%	114%	113%	114%
Others	122%	-	122%	100%	-	100%
Total	110%	108%	111%	103%	99%	104%

Regional sales composition	
2025 1Q	2025 full year
39%	39%
17%	18%
9%	8%
13%	14%
9%	9%
4%	5%
8%	8%
100%	100%

## ■ Year-on-Year growth rate of OHT tire sales volume\*

	2025 1Q result (Jan.-Mar.)			2025 full year		
	Total	OE	REP	Total	OE	REP
Americas	90%	86%	92%	107%	101%	110%
EMEA	86%	80%	89%	106%	101%	108%
APAC	112%	95%	121%	129%	108%	136%
Total	89%	83%	93%	108%	102%	111%

## ■ AG tire replacement demand YoY

	2025 1Q
North America	Approx. 85%
Europe	Approx. 88%

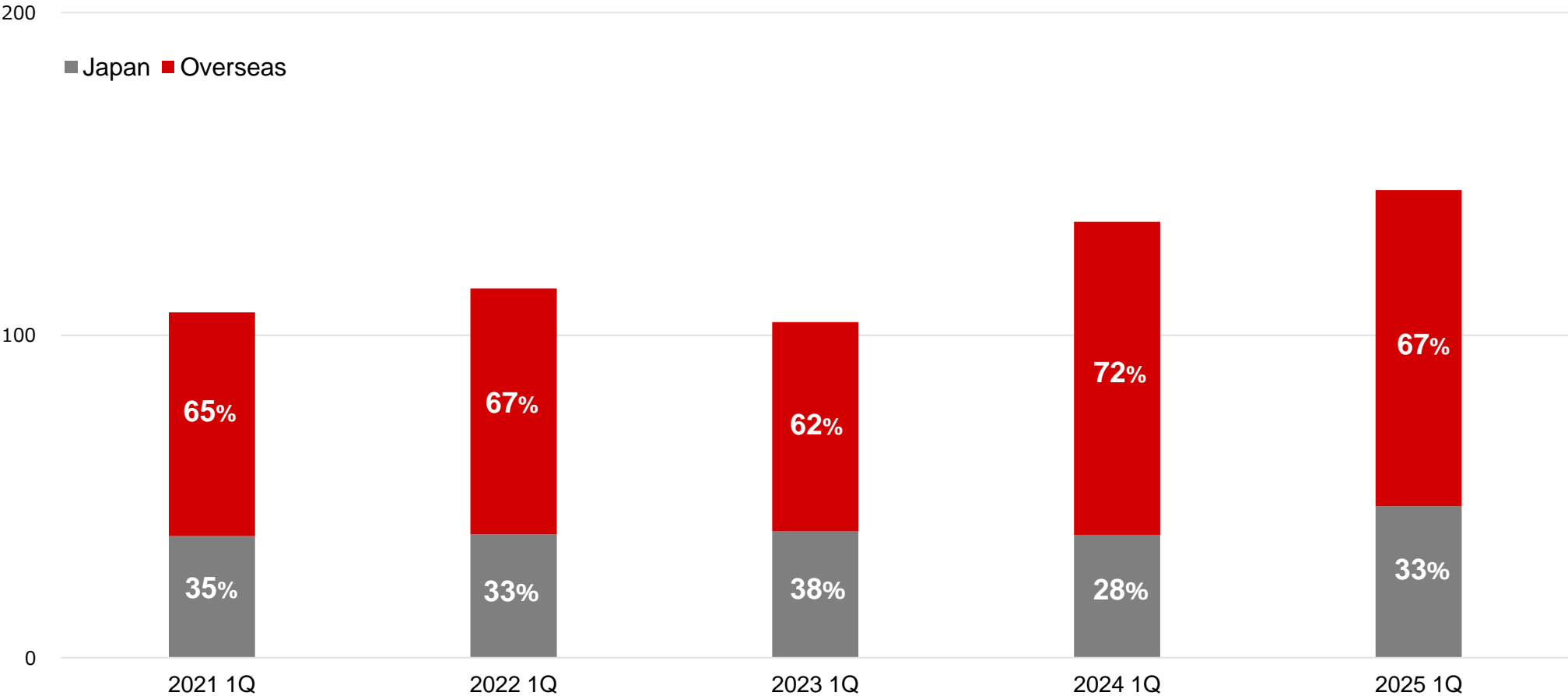
\*Our Estimate

\* YoY growth for Y-ATG & Y-TWS combined (excluding G-OTR Business)

# (Reference) Tire Production Volumes



Yokohama Rubber Group tire rubber production volumes



(Unit: thousand tons)

	2021 1Q	2022 1Q	2023 1Q	2024 1Q *1	2025 1Q *2
Japan	38	38	39	38	47
Overseas	69	76	65	97	98
Total	107	114	104	135	145

\*1 Y-TWS consolidation from 2Q 2023

\*2 G-OTR consolidation from 1Q 2025

Received “Excellence Award” in the  
4<sup>th</sup> Nikkei Integrated Report Awards



Integrated Report 2024 on Sustainability website  
[https://www.y-yokohama.com/global/sustainability/information/backnumber\\_report/](https://www.y-yokohama.com/global/sustainability/information/backnumber_report/)

