July 31, 2024

To whom it may concern

Company name: The Yokohama Rubber Co., Ltd.
Representative: Masataka Yamaishi, Chairman & CEO, Chairman of the Board
(Securities code: 5101 TSE Prime Market)
Inquiries: Michio Yoshitake, General Manager and Head of Corporate Finance & Accounting Dept.
(Telephone: +81-463-63-0414)

Notice regarding revisions to consolidated earnings forecast for the first half of the fiscal year ending December 2024

The Yokohama Rubber Co., Ltd. (hereafter, Yokohama Rubber or "the Company") has revised its consolidated earnings forecast for the first half of the fiscal year ending December 2024, which was previously announced on February 16, 2024.

1. Revisions to Consolidated Earnings Forecast for First Half of the Fiscal Year ending December 2024
(January 1 – June 30, 2024)

	Sales revenue	Business profit	Operating profit	Profit attributable to owners of the parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecasts (A) (Announced Feb. 16, 2024)	500,000	42,000	43,000	25,500	158.63
Revised forecasts (B)	525,000	54,500	56,000	46,500	290.01
Difference (B-A)	25,000	12,500	13,000	21,000	—
Percent change (%)	5.0%	29.8%	30.2%	82.4%	—
(Reference) Results for first half of previous fiscal year (January 1 – June 30, 2023)	443,164	25,566	28,182	27,678	172.62

2. Reasons for the revision

Under its current medium-term management plan YX2026, Yokohama Rubber is implementing a growth strategy as a basic policy for improving corporate value. Under this growth strategy, the Company will not settle for slight increases but instead aims to achieve "Hockey Stick Growth."

In the second quarter (April 1 – June 30) of the current fiscal year, Yokohama Rubber's tire business achieved a large increase in sales of replacement tires in the European market while also posting strong sales of replacement tires in Japan. The Company also continued its efforts to improve its sales composition by expanding sales of its high value-added tires. Meanwhile, regarding logistics costs, efficient supply chain management enabled the tire business to offset the impact from higher marine freight rates (container market conditions) and reduce costs more than initially expected. As a result, tire business earnings greatly exceeded the Company's initial forecast.

The Company's off-highway tire (OHT) business continued to deal with difficult market conditions, especially

for original equipment tires, but robust sales activities and thorough cost improvements enabled the business to post results largely in line with the initial forecast.

MB (Multiple Businesses) segment results exceeded expectations, thanks in part to the industrial products business' strong sales of conveyor belts.

Foreign exchange fluctuations also contributed to stronger-than-expected first-half results as the yen's depreciation against the US dollar and the Euro pushed USD/JPY and EUR/JPY higher than the forex assumptions in the Company's initial earnings forecast and contributed to increases in sales and profits as well as an improvement in net financial gains/losses due to the recording of foreign exchange gains.

As previously reported on July 22 in "Notice regarding the acquisition of The Goodyear Tire & Rubber Company's mining & construction machinery tire business," Yokohama Rubber has agreed to purchase Goodyear's OTR business. An expense related to this acquisition of approximately ¥900 million will be included in selling, general and administrative expenses for the first half of the current fiscal year.

Considering the factors mentioned above, Yokohama Rubber expects its consolidated results for first half of the current fiscal year to exceed the earnings forecast it announced on February 16, 2024. Accordingly, the Company revises its first-half earnings forecast as shown in the table above.

The Company is currently reviewing its forecasts for full-year earnings and for its interim and year-end dividends, while examining the progress being made toward realizing the financial targets of its YX2026 medium-term management plan. The results of these reviews will be explained when the Company announces first-half financial results on August 9.

*The revised earnings forecasts shown in the table above have been prepared by the Company based on information available as of the date of this notice, and actual results may differ from the revised forecasts due to various factors.