February 19, 2025

Company name: The Yokohama Rubber Co., Ltd.
Representative: Masataka Yamaishi, Chairman & CEO, Chairman of the Board
(Securities code: 5101 TSE Prime Market)
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Notice regarding Acquisition and Cancellation of Treasury Stock (Acquisition of treasury stock in accordance with the Articles of Incorporation under Article 459-1 of the Companies Act, and the Cancellation of Treasury Stock in accordance with the Article 178 of the Companies Act)

The Yokohama Rubber Co., Ltd. (hereafter, Yokohama Rubber, or the Company), hereby announces that the Board of Directors has today resolved to acquire treasury stock in accordance with Paragraph 1 of Article 459 of the Companies Act and Article 34 of the Company's Articles of Incorporation and also resolved to cancel treasury stock in accordance with Article 178 of the Companies Act. Details are as follows.

1. Reasons for the Acquisition

Under Yokohama Transformation 2026 (YX2026), the Company's medium-term management plan for the three years from 2024 to 2026 that was announced on February 16, 2024, 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."

To realize this growth strategy, management has established a financial strategy that targets an equity ratio of 50% as an optimal level in a balance sheet appropriate for the Company's business structure.

Implementing this growth strategy led to Yokohama Rubber achieving record-high business profit of ¥134.4 billion (+35.6% YoY) in the fiscal year ended December 31, 2024, greatly exceeding the ¥128.5 billion management projected when it raised its full-year projections last August. In addition, with the acquisition of The Goodyear Tire & Rubber Company's mining & construction machinery tire business concluded on February 4 (JST), 2025, Yokohama Rubber has now completed all the strategic investments included in its Yokohama Transformation 2026 (YX2026) medium-term management plan.

With regard to the Company's shareholder return policy, management has moved up its target for achieving a total return ratio of 30% to fiscal 2026, the final year of YX2026, as it now expects a lull in strategic investments to help boost the Company's equity ratio above the targeted 50% by the end of December 2026.

However, management believes investors' evaluation of the Company has been negatively affected by concerns about soaring raw material costs, intensifying competition in the market for automobile tires, and sluggish demand for tires installed as original equipment on new agricultural machinery.

In line with the Company's policy of realizing an optimal capital structure and appropriate shareholder returns, management has decided to repurchase Company shares and thereby

further enhance capital efficiency.

The share acquisition is in line with the Company's growth strategy and efforts to raise capital efficiency, and does not represent a change in its strategy's initial priorities and commitment to invest in growth.

Yokohama Rubber's management is highly conscious of the cost of capital and will seek to reduce that cost by realizing an optimal capital structure while ensuring a balance between safety and efficiency as it implements strategic investments aimed at achieving "Hockey Stick Growth."

2. Share Acquisition Details

(1)	Type of shares to be acquired:	Common stock of the Company
(2)	Number of shares to be acquired:	2.4 million shares (maximum) (1.50 % of total outstanding shares, excluding treasury stock)
(3)	Total cost of shares to be acquired:	¥6 billion (upper limit)
(4)	Acquisition period:	February 20, 2025 to August 31, 2025
(5)	Acquisition method:	Market purchases based on the discretionary dealing contract regarding repurchase of shares

3. Contents of Cancellation of Treasury Stock

(1)	Type of shares to be cancelled:	Common stock of the Company
(2)	Number of shares to be cancelled:	3,714,700 shares (maximum)
(3)	Scheduled cancellation date:	September 20, 2025

(Reference) Treasury stock as of January 31, 2025

Total number of shares issued (excluding treasury stock): 159,481,961 shares

Treasury stock: 10,067,120 shares