

# Consolidated Business Performance for the Fiscal Year Ending December 31, 2012

February 14, 2013

TOYO TIRE & RUBBER CO., LTD.

## Major Topics

1. Consolidated Business Results for the Year Ending December 31, 2012 (FY2012)
2. Consolidated Business Outlook for the Fiscal Year Ending December 31, 2013 (FY2013)

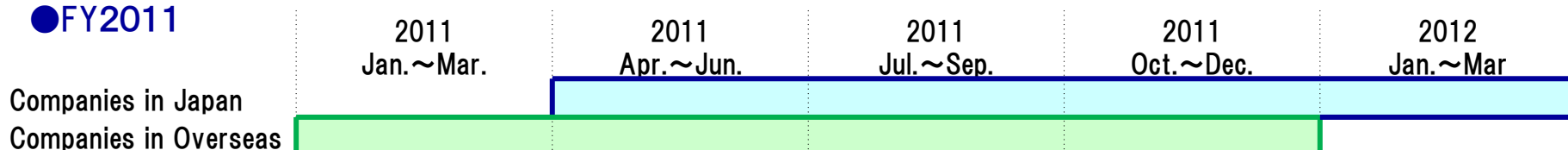
The forward-looking statement contained in these business forecasts and plans are based on information available at the current time and may contain potential risks and uncertainties.

Therefore, please keep in mind that actual results may, due to a variety of factors, differ from those expresses in the forward-looking statements.

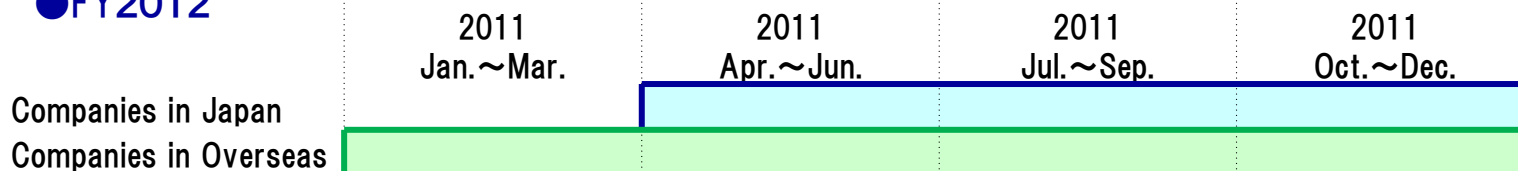
# Change of Accounting Period (the ending date of the Fiscal Year)

As of the 2012 fiscal year, the Company changed to a fiscal year ending December 31. Due to FY2012 being the transitional period for this change, details for the covered consolidated period are irregular. For the purpose of legal financial accounting, full-year data indicated in this document refers to results of the following periods.

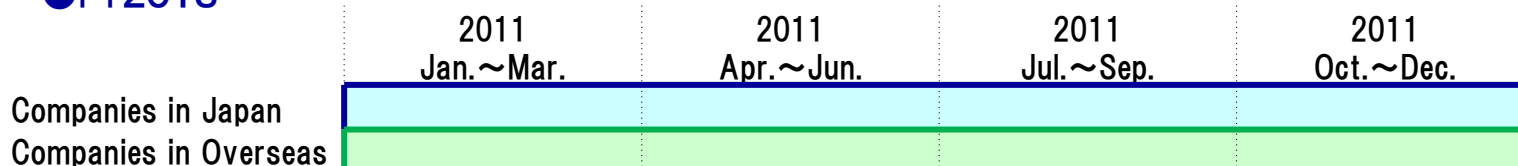
## ●FY2011



## ●FY2012



## ●FY2013



Please note that performance figures indicated as “**FY2011 \*Synchronized basis**” and “**FY2012 \*Synchronized basis**” described herein are figures calculated by replacing the comparison period with the synchronized period in order to make a comparison under the same conditions for “FY2012 full-year results” and “FY2013 full-year forecasted results,” respectively.

## Consolidated Results

Although occurring during the transitional fiscal year (9-month period for companies in Japan), record-high earnings were achieved for consolidated operating income and each consolidated income category.

## Tire Business Unit

Revenues and profits increased for the same-period comparison as a result of increased domestic demand for new cars and domestic demand for winter tires due to snowfall.

## DiverTec Business Unit

In the unit's core anti-vibration rubber for automobiles business, revenues and profits increased for the same-period comparison as a result of progress in streamlining and increasing efficiency of production.

# FY2012 Consolidated Results

(unit: Millions of yen)	Japan Overseas		Changes	Japan Overseas		FY2012 Previous Outlook (9 Nov.)
	FY2012 Results	FY2011 Results		FY2012* Synchronized basis	Changes	
Net Sales	291,110	320,569	(29,459)	279,992	11,119	291,000
Operating Income Operating Margin	15,650 5.4%	12,893 4.0%	2,757	11,978 4.3%	3,673	15,200 5.2%
Ordinary Income	13,645	10,754	2,891	9,022	4,623	10,800
Net Income	13,218	6,704	6,514	F.Y. I. *Companies in Japan(Apr.~Dec) Companies in Overseas(Jan.~Dec.)		6,300

\*Excludes the impact of the change in financial term. (Please refer to slide 3 for details)

Exchange Rate	US\$	79Yen	79Yen	0Yen	79Yen
	€	102Yen	109Yen	(7Yen)	101Yen

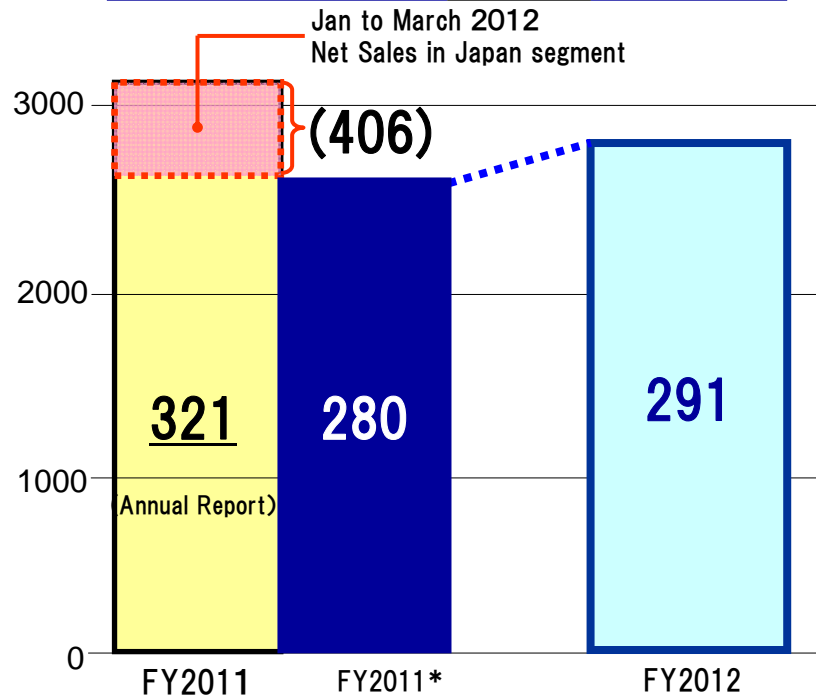
# FY2012 Net Sales & Ordinary Income Comparison

\*Excludes the impact of the change in financial term. (Please refer to slide 3 for details)

## ● Net Sales

(¥ in Billion)

FY2011* Synchronized basis	Changes	FY2012
280	+11.1	291



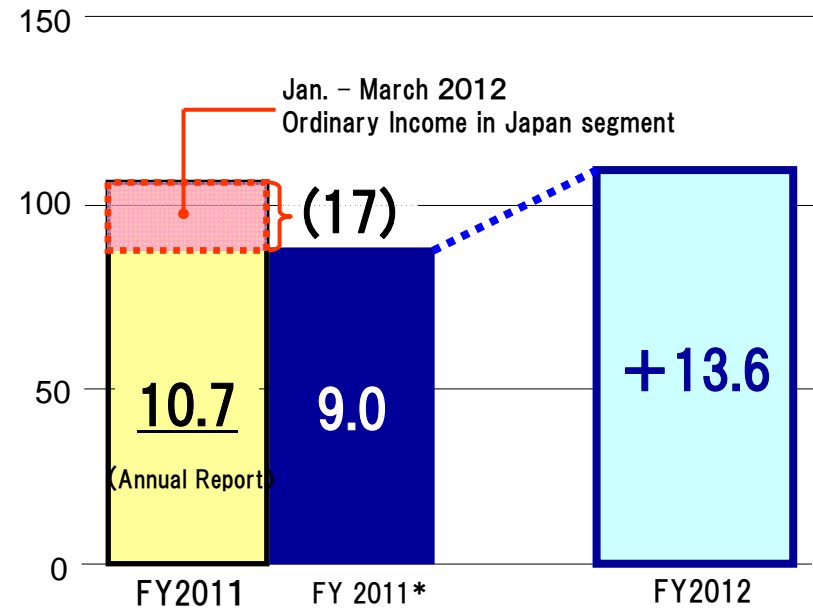
(Period: Japan nine month Overseas : 12 months)

**+11.1 Billion Yen revenue growth**

## ● Operating Income

(¥ in Billion)

FY2011* Synchronized basis	Change	FY2012
9.0	+4.6	+13.6



(Period: Japan nine month Overseas : 12 months)

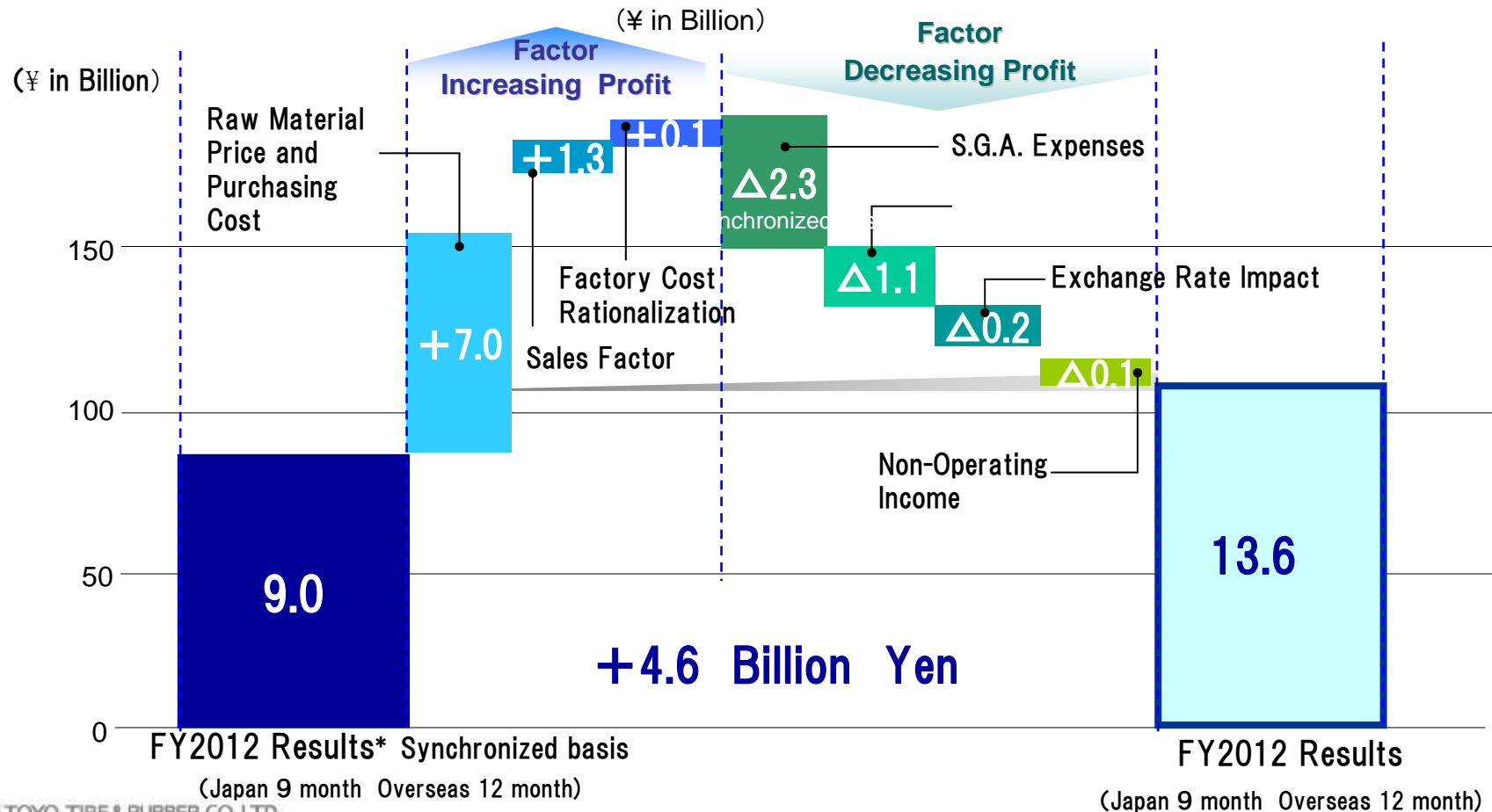
**+4.6 Billion Yen increased profit**

# FY2012 Factors contributing to the change in Ordinary Income

※Synchronized basis

FY2012* Synchronized basis	Changes		FY2012 Results
9.0	+8.3	(3.7)	+13.6
	+4.6		

(¥ in Billion)



# FY2012 Consolidated Results by Business Segment

## ● Net Sales

Japan	Japan
Overseas	Overseas

(unit: Millions of yen)	FY2012 Results	FY2011 Results	Changes
Tire	228,744	241,708	(12,963)
DiverTec	62,343	78,814	(16,470)
Others	206	300	(93)
Elimination & Corporation	(184)	(253)	69
<b>Total</b>	<b>291,110</b>	<b>320,569</b>	<b>(29,459)</b>

FY2012* Synchronized basis	Changes
219,068	9,676
60,896	1,446
279	(73)

## ● Operating Income

※ Net sales includes sales or transfers of inter-segment

(unit: Millions of yen)	FY2012 Results	FY2011 Results	Changes
Tire	13,014	10,325	2,689
Profit Margin	5.7%	4.3%	
DiverTec	2,228	2,073	154
Profit Margin	3.6%	2.6%	
Others	83	121	(38)
Elimination & Corporation	324	372	(48)
<b>Total</b>	<b>15,650</b>	<b>12,893</b>	<b>2,757</b>

FY2012* Synchronized basis	Changes
9,944	3,070
4.5%	
1,579	648
2.6%	
163	(80)

F.Y. I.

※Companies in Japan(Apr.~Dec.)  
Companies in Overseas(Jan.~Dec.)



# FY2012 Consolidated Results by Geographic Area

## ● Net Sales

(unit: Millions of yen)	Japan		Changes
	Overseas	Overseas	
	FY2012 Results	FY2011 Results	
Japan	129,909	162,276	(32,367)
North America	105,482	104,808	674
Others	55,717	53,484	2,233
Elimination & Corporate	—	—	
<b>Total</b>	<b>291,110</b>	<b>320,569</b>	<b>(29,459)</b>

Japan		Changes
Overseas		
FY2011* Synchronized basis		
121,698		8,211
104,808		674
53,484		2,233

## ● Operating Income

※Net Sales does not including Intersegment

(unit: Millions of yen)	Japan		Changes
	Overseas	Overseas	
	FY2012 Results	FY2011 Results	
Japan	11,830	7,904	3,926
North America	4,073	4,131	(58)
Others	550	2,045	(1,494)
Elimination & Corporate	(804)	(1,187)	383
<b>Total</b>	<b>15,650</b>	<b>12,893</b>	<b>2,757</b>

Japan		Changes
Overseas		
FY2011* Synchronized basis		
6,988		4,842
4,131		(58)
2,045		(1,494)

F.Y. I.

※Companies in Japan(Apr.~Dec)  
Companies in Overseas(Jan.~Dec.)

# FY2013 Outlook

Japan
Overseas

Japan
Overseas

Japan
Overseas

(unit: Millions of yen)	FY2013 Outlook	FY2012 Result	Change
<b>Net Sales</b>	<b>360,000</b>	<b>291,110</b>	<b>68,890</b>
<b>Operating Income</b> Profit Margin	<b>22,000</b> 6.1%	<b>15,650</b> 5.4%	<b>6,350</b>
<b>Ordinary Income</b>	<b>19,000</b>	<b>13,645</b>	<b>5,355</b>
<b>Net Income</b>	<b>12,000</b>	<b>13,218</b>	<b>(1,218)</b>

FY2012* Synchronized basis	Changes
<b>331,700</b>	<b>28,300</b>
<b>16,600</b> 5.0%	<b>5,400</b>
<b>15,400</b>	<b>3,600</b>

F.Y. I.

※Companies in Japan(Apr.~Dec)  
Companies in Overseas(Jan.~Dec.)

Exchange Rate	US \$	89Yen	79Yen	10Yen
	€	116Yen	102Yen	7Yen

	Exchange Rate Sensitivity
US\$	0.25 Billion Yen/Year
€	0.1 Billion Yen/ Year

# Net Sales & Ordinary Income Comparison

FY2012 Synchronized basis

In order to make a comparison under the same conditions for “FY2012 full-year results” and “FY2013 full-year forecasted results,” Japan segment results from January to March added in FY2012.

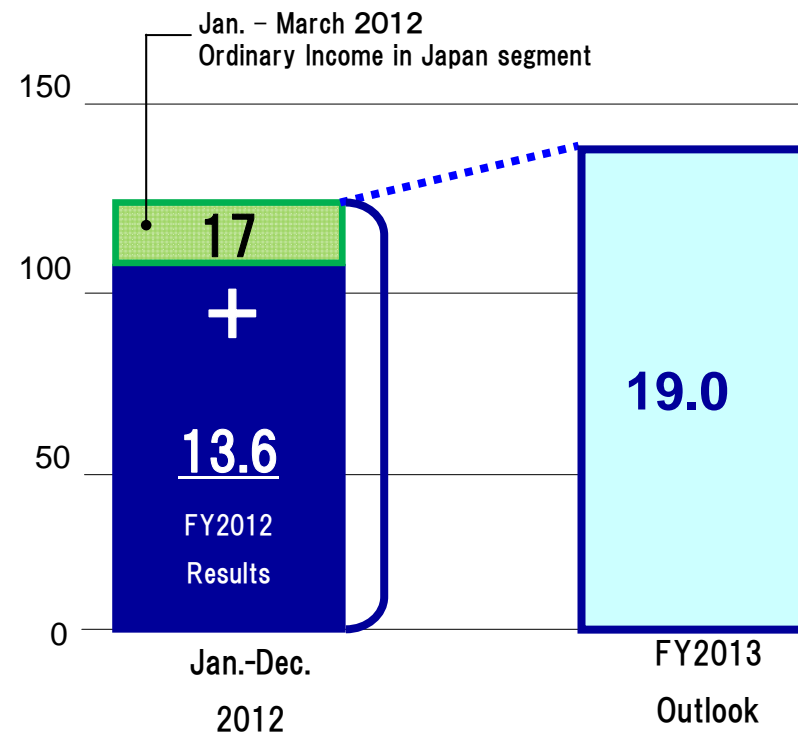
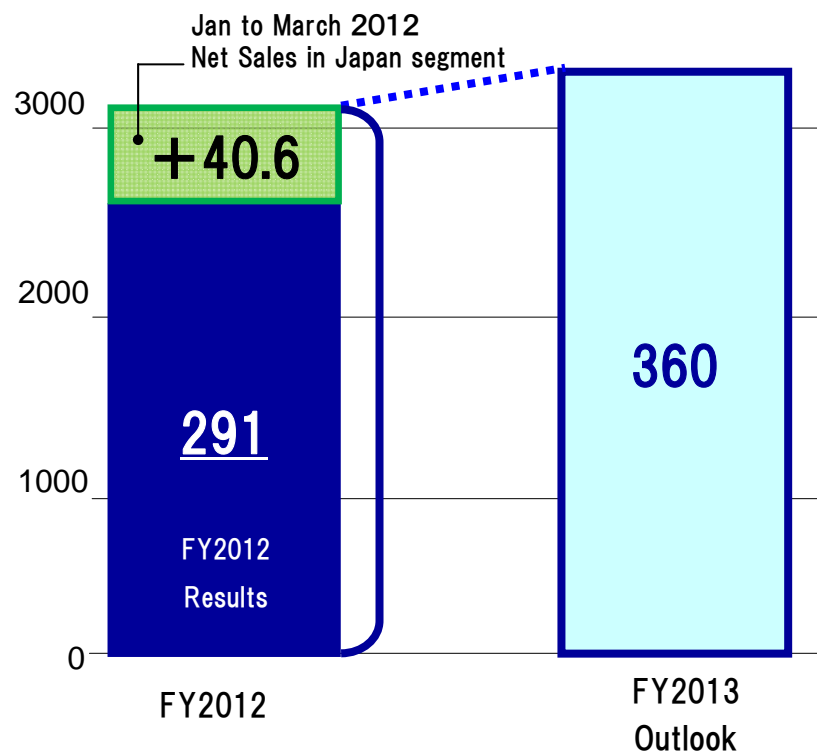
## ● Net Sales

FY2012* Synchronized basis	Changes	FY2013 Outlook
<b>331.7</b>	<b>+28.3</b>	<b>360</b>

## ● Ordinary Income

(¥ in Billion)

FY2012* Synchronized basis	Changes	FY2013 Outlook
<b>15.4</b>	<b>+3.6</b>	<b>19.0</b>

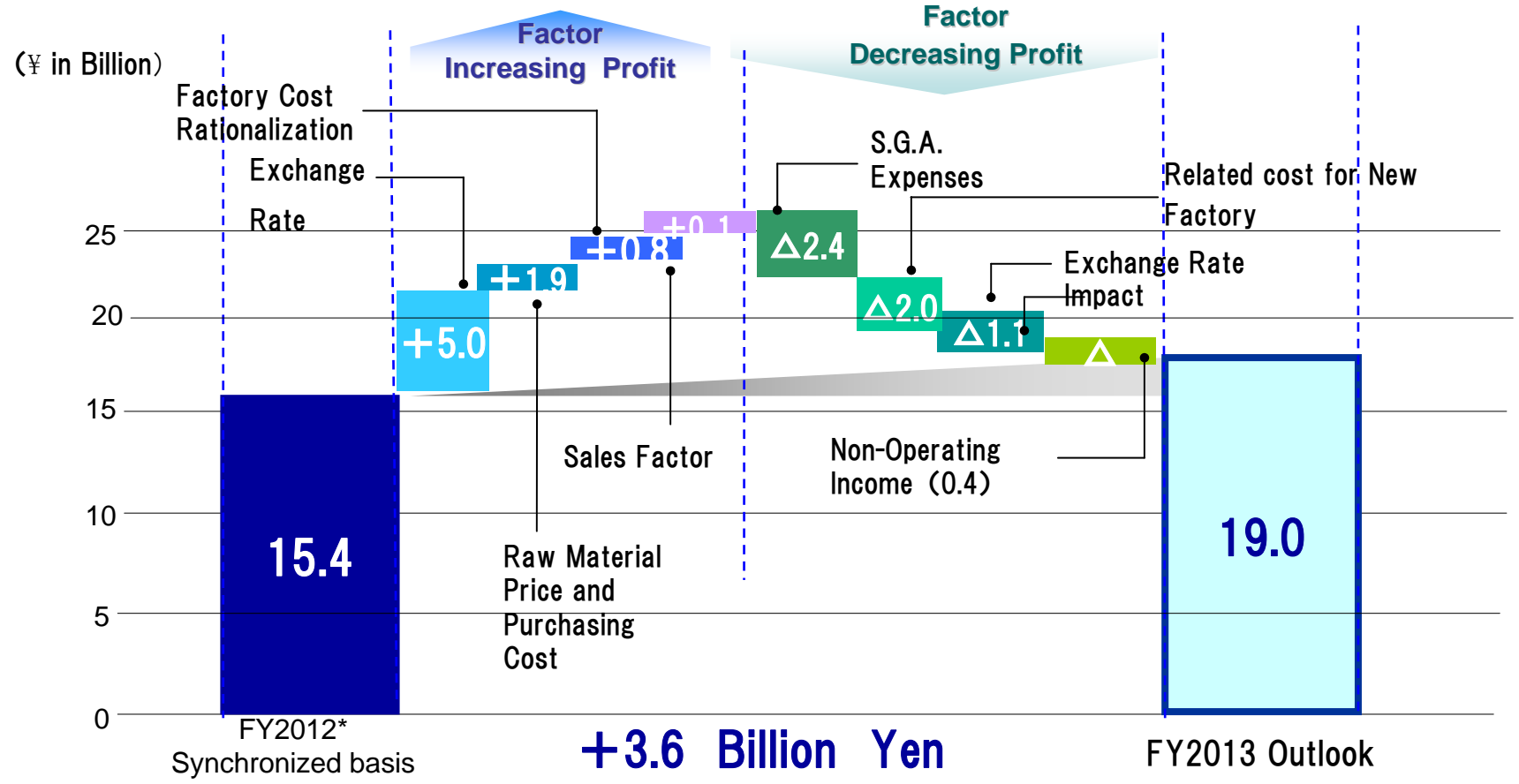


# Factors contributing to the change in Ordinary Income



(¥ in Billion)

FY2012* Synchronized basis	Change		FY2013 Outlook
15.4	+3.6		19.0
	+9.5	Δ5.9	



# Outlook for Business Segment

## ● Net Sales

	Japan		Changes
	Overseas	Overseas	
(unit: Millions of yen)	FY2013 Outlook	FY2012 Results	
Tire	284,100	228,744	55,356
DiverTec	75,800	62,343	13,457
Others	100	206	(106)
Elimination & Corporation	-	(184)	184
<b>Total</b>	<b>360,000</b>	<b>291,110</b>	<b>68,890</b>

Japan		Changes
Overseas		
FY2012* Synchronized basis		
251,400		32,700
80,300		(4,500)
0		100

## ● Operating Income

※ \* Net Sales & Operating Income including Intersegment

(unit: Millions of yen)	FY2013 Outlook	FY2012 Results	Difference
Tire	18,800	113,014	5,786
Operating Margin	6.5%	5.7%	
DiverTec	3,200	2,228	972
Operating Margin	4.2%	3.6%	
Others	100	83	(83)
Elimination & Corporation	-	324	(324)
<b>Total</b>	<b>22,000</b>	<b>15,650</b>	<b>6,350</b>

FY2011* Synchronized basis		Changes
134,000		
5.3%		
2,700		500
3.4%		
400		(400)

F.Y. I.

※ Companies in Japan (Apr.~Dec.)  
Companies in Overseas (Jan.~Dec.)

# FY2013 Outlook by Geographic Segment

● Net Sales	Japan	Japan	Changes
	Overseas	Overseas	
(unit: Millions of yen)	FY2013 Outlook	FY2012 Results	
Japan	171,000	129,909	41,091
North America	125,000	105,482	19,518
Others	64,000	55,717	8,283
<b>Total</b>	<b>360,000</b>	<b>291,110</b>	<b>68,890</b>

Japan	Changes
Overseas	
FY2012* Synchronized basis	
1710488	512
105,482	19,517
55,718	8,282

● Operating Income	Net Sales does not including Intersegment		
(unit: Millions of yen)	FY2013 Outlook	2012 Results	Changes
Japan	16,000	11,830	4,170
North America	5,600	4,073	1,527
Others	400	550	(150)
<b>Total</b>	<b>22,000</b>	<b>15,650</b>	<b>6,350</b>

FY2012* Synchronized basis	Changes
12,747	3,253
4,073	1,527
551	(151)

F.Y. I.

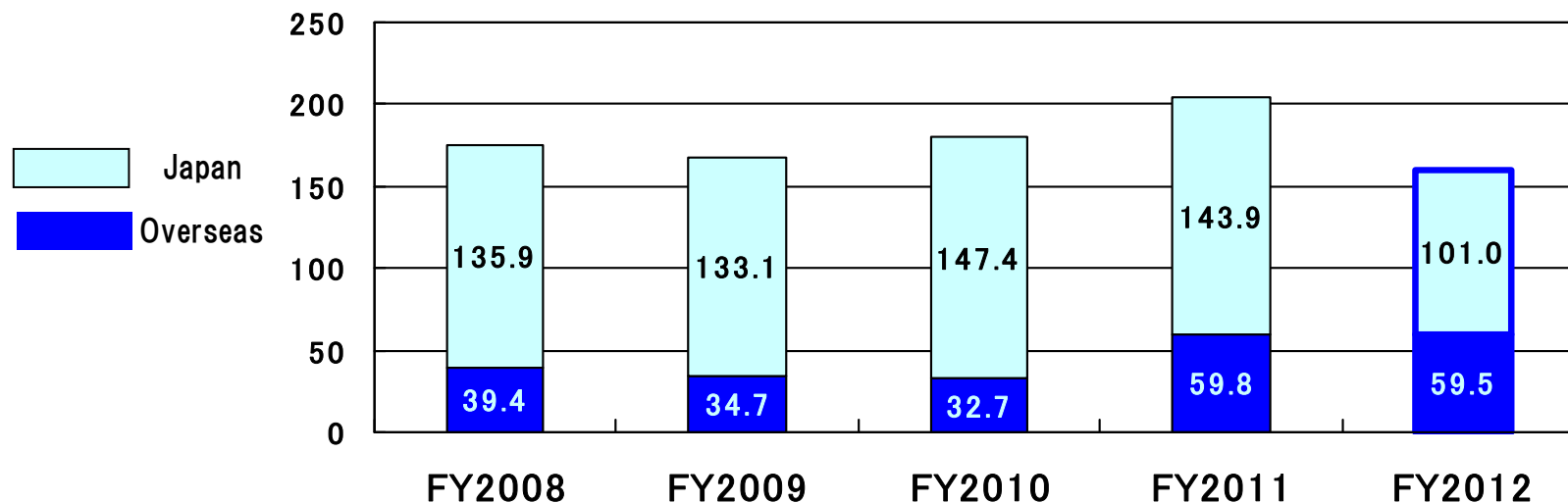
※Companies in Japan(Apr.~Dec)  
Companies in Overseas(Jan.~Dec.)

# Change in the Tire Production (New Rubber Volumes)

(unit : 1,000 ton)

\*FY2012 Japan figures means 9 month (Apr.-Dec.) production data

	FY2008	FY2009	FY2010	FY2011	FY2012 Results
J a p a n	135.9	133.1	147.4	143.9	101.0*
O v e r s e a s	39.4	34.7	32.7	59.8	59.5
G . T o t a l	175.3	167.8	180.1	203.7	160.5

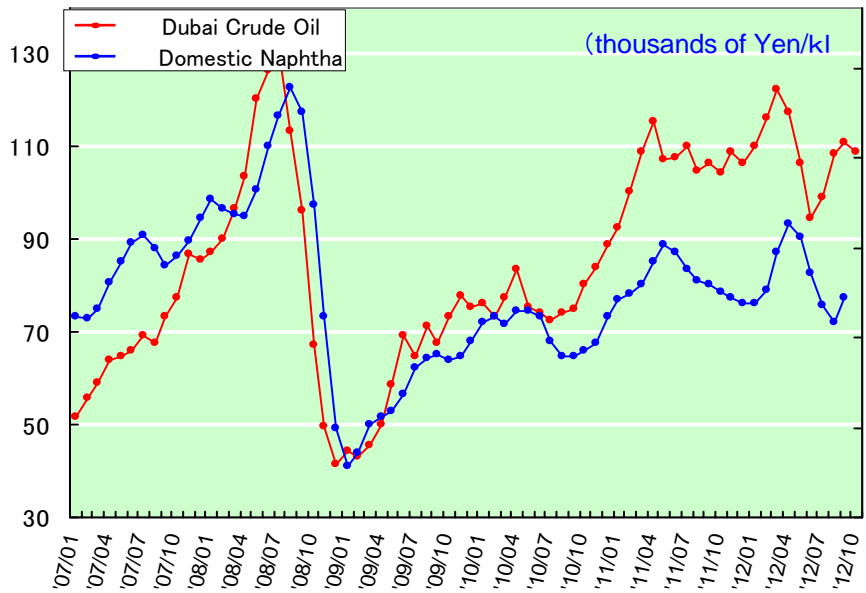


# Change in Primary Material Prices

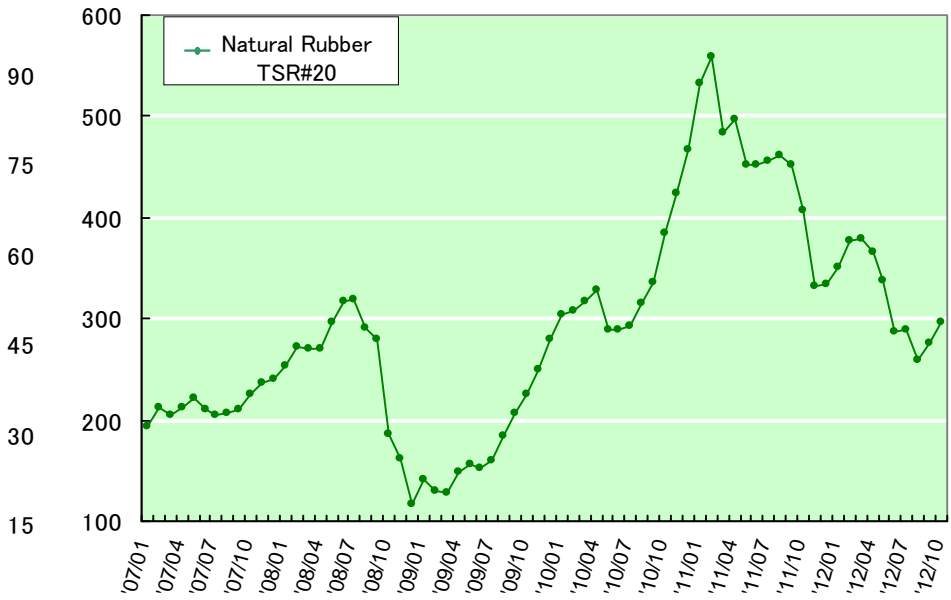
## ◆ Market Price

FY2012\* Synchronized basis

(US\$/bbl) **Change in Dubai oil and Domestic Naphtha Prices**



(US\$/kg) **Change in Natural Rubber TSR #20 Prices (SICOM)**



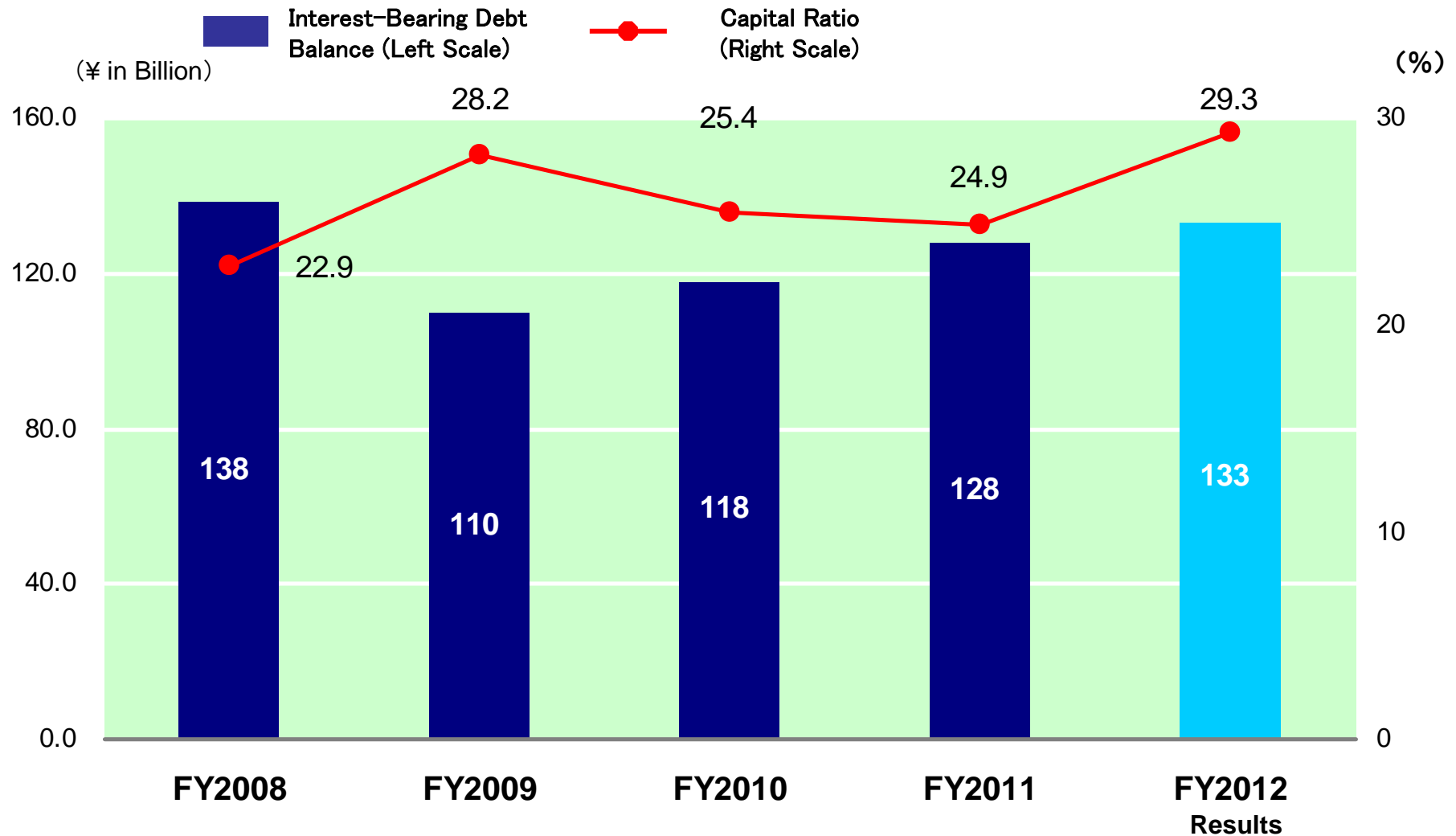
## ◆ Price Rise and Impact by Primary Raw Material (Ordinary Income Basis/ ) (¥ in Billion)

Raw Material	FY2008	FY2009	FY2010	FY2011	FY2012 Results*
Natural Rubber	(6.2)	+5.2	(10.1)	(7.6)	+8.4
Product of petroleum (naphtha)	(7.7)	+10.6	(3.2)	(8.0)	+0.4
Other Raw Materials*	(3.0)	+0.1	+3.3	(2.9)	(1.8)
Goods Purchased	(1.8)	+0.6	(0)	(0.1)	(0)
<b>Total</b>	<b>(18.7)</b>	<b>+16.5</b>	<b>(10.0)</b>	<b>(18.6)</b>	<b>+7.0</b>

\* Other Raw Materials includes variance of the estimate of inventory assets



# Change in Interest-Bearing Debt Balance and Capital Ratio



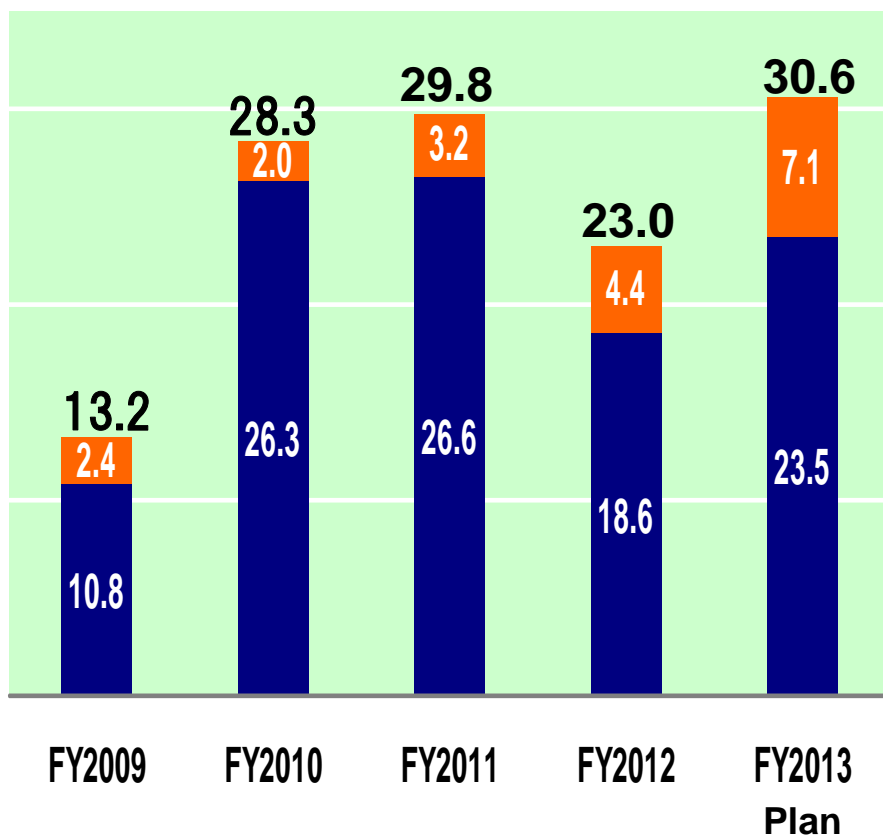
## ◆ Change in Capital Investment

### FY2013 Plan

Capital Investment: 30.6 billion Yen  
 Tires : 23.5 Billion Yen  
 DiverTec : 7.1 Billion Yen

■ Tires ■ DiverTec

(¥ in Billion)

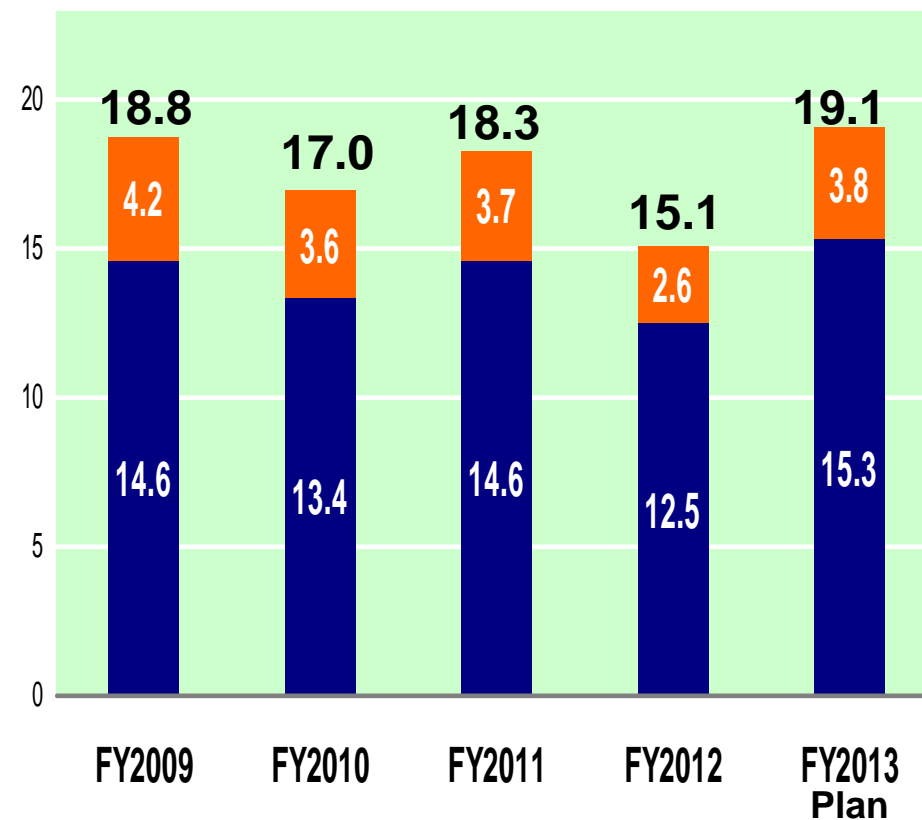


## ◆ Change in Depreciation Expenses

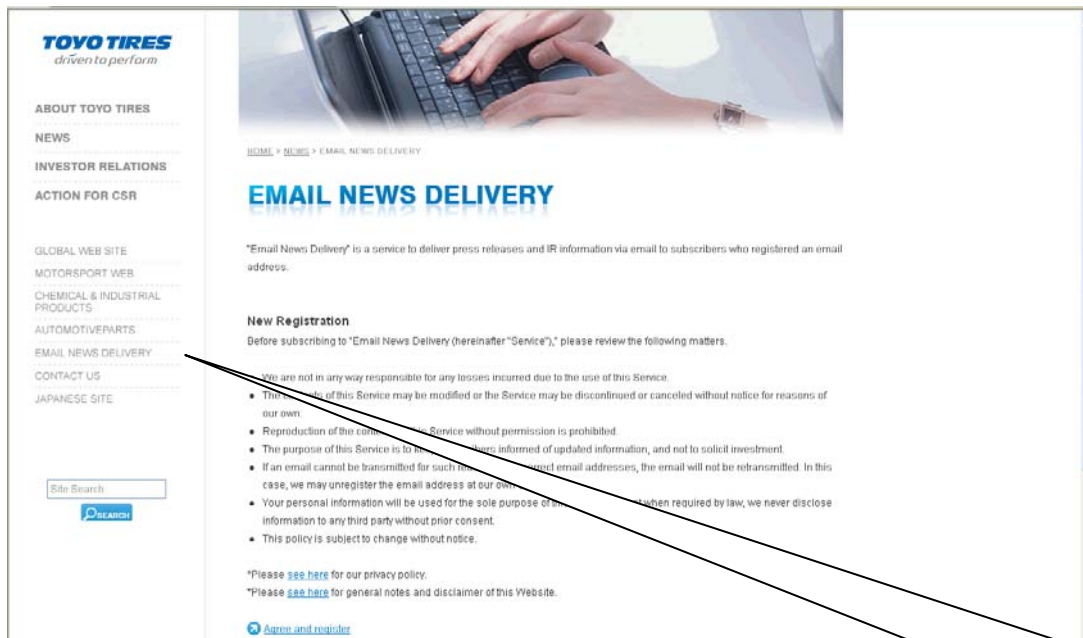
### FY2013 Plan

Depreciation Expenses: 19.1 Billion Yen  
 Tires : 15.3 Billion Yen  
 DiverTec : 3.8 Billion Yen

(¥ in Billion)



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