

Summary Report of Consolidated Business Results
for the First Three Quarters of Fiscal Year 2013
(January 1, 2013 – Sep 30, 2013)

OSAKA, JAPAN – November 12, 2013 - TOYO TIRE & RUBBER CO., LTD. (“the Company”; President and CEO: Akira Nobuki) announces its Consolidated Business Results for the First Three Quarters of 2013 Fiscal Year (January 1, 2013 through September 30, 2013) as follows:

- Net Sales : 268,181 million yen.
- Operating Income : 24,677 million yen.
- Ordinary Income : 24,247 million yen.
- Net Income : 6,148 million yen.

Results by Business Units were as follows:

1. Tire Business Unit

The tire business unit posted net sales of 208,827 million yen and operating income of 21,918 million yen.

A. Original Equipment Tire Sales for the Domestic Market in Japan

Unit sales and net sales declined due to a decrease in the number of cars produced in Japan.

B Replacement Tire Sales for the Japanese Domestic Market

Unit sales of replacement tires in the Japanese domestic market have seen favorable growth due to strong sales of the new eco-friendly brand “NANOENERGY” series tire. Net sales remained at the same level as the previous term due to a declining product mix.

C Replacement Tire Sales for Overseas Markets

In the North American market, both unit sales and net sales were favorable due to an increase in sales of the number of high-value-added tires, such as those for SUVs, accompanying the economic recovery.

In the European market, unit sales and net sales were favorable due to increased efforts to create new business throughout the market.

In the Chinese market, unit and net sales declined, but in the Southeast Asian market sales have been favorable.

As a result, overall unit sales and net sales in overseas replacement tire sales experienced healthy and steady growth.

2. DiverTech Business Units (Non-Tire Business Units)

The DiverTech units posted net sales of 59,319 million yen and an operating income of 2,200 million yen.

A Transportation

In the transportation segment, net sales in automotive anti-vibration rubber products and automobile seat cushions were lower than expected. Net sales for air springs and anti-vibration components for railway cars have experienced healthy growth due to increasing sales in the Japanese maintenance and repair market and overseas new car market.

B Thermal Insulation & Waterproof Materials

In the thermal insulation materials segment, sales of rigid polyurethane products to building material makers were strong, but due to slowing sales of materials to the agricultural sector, overall net sales remained at the same level as the previous term. Sales in the waterproofing materials segment declined due to a downturn in the market.

C Industrial & Building Materials

In the industrial/building materials segment, net sales in anti-vibration rubber for building construction have been progressing steadily thanks to increasing orders.

For the first three quarters of the FY2013, operating income and ordinary income exceeded the previously announced forecast (Aug. 9, 2013). For the financial outlook for the full year, the previously announced forecast (Aug 9, 2013) will likewise be adjusted upward due to a weaker yen than we expected and the impact and cost reduction effect accompanying a drop in raw material prices.

However, the Company has decided to record an extraordinary loss provision for the recently ended third quarter in the amount of around ¥11.7 billion to cover potential future losses. Therefore, the Company revised the financial outlook for the full year forecast of FY2013.

For details, please refer to “Notice of the Recording of Extraordinary Loss Provision for Alleged U.S. Anti-Trust Law Violation” and “Notice of the Revision of the Consolidated Full-Year Forecasts” announced today.

The Company expects an exchange rate of 1 US dollar = 95 yen and 1 euro = 130 yen during the 4th quarter of FY 2013.

Notice:

In the year ended December 2012, due to being the elapsed period for the change in the fiscal year, for the prior year's results (year ended December 2012), the closing was anomalous, with consolidated results for Japanese companies having a consolidated period of nine months (April 1 ~ December 31, 2012) and overseas companies having a consolidated period of 12 months (January 1 ~December 31, 2012).

Consolidated Statements of comprehensive income

(Unit: Millions of yen)

	Previous fiscal year	Current fiscal year
	FY2012 (From April 1, 2012 to September 30, 2012)	FY2013 (From January 1, 2013 to September 30, 2013)
Income (loss) before minority interests	3,534	6,465
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,211)	9,692
Deferred gains or losses on hedges	127	255
Foreign currency translation adjustment	340	6,929
Share of other comprehensive income of associates accounted for using equity method	13	189
Total other comprehensive income	(2,729)	17,066
Comprehensive income	804	23,532
(Comprehensive income attributable to)		
Owners of the parent	876	22,994
Minority interests	(71)	537

Consolidated Balance Sheets

(Unit: Millions of yen)

	End of previous fiscal year December 31, 2012	End of current fiscal year September 30, 2013
Assets		
Current Assets		
Cash and deposits	19,577	24,604
Notes and accounts receivable – trade	73,461	71,958
Merchandise and finished goods	38,413	40,880
Work in process	2,693	2,841
Raw materials and supplies	10,496	11,634
Other	11,774	14,260
Allowance for doubtful accounts	(93)	(242)
Total current assets	156,322	165,936
Fixed Assets		
Property, plant and equipment		
Buildings and structures, net	42,583	50,737
Machinery, equipment and vehicles, net	65,147	66,722
Other, net	38,463	43,520
Total property, plant and equipment	146,194	160,981
Intangible Assets		
Goodwill	2,664	2,904
Other	5,248	5,216
Total intangible assets	7,913	8,121
Investments and other assets		
Investment securities	35,894	50,916
Other	8,232	8,807
Allowance for doubtful accounts	(273)	(260)
Total investments and other assets	43,854	59,463
Total fixed assets	197,962	228,565
Total assets	354,285	394,502

Consolidated Balance Sheets

(Unit: Millions of yen)

	End of previous fiscal year December 31, 2012	End of current fiscal year September 30, 2013
Liabilities		
Current liabilities		
Notes and accounts payable – trade	58,593	58,103
Short-term loans payable	37,960	28,472
Current portion of bonds	—	8,000
Income taxes payable	3,017	5,828
Accounts payable – other	12,023	13,038
Provision for directors' bonuses	26	—
Provision for alleged U.S. anti-trust law violation	—	11,730
Other	18,042	19,502
Total current liabilities	129,663	144,675
Noncurrent liabilities		
Bonds payable	28,000	20,000
Long-term loans payable	66,113	71,443
Provision for retirement benefits	13,201	13,136
Other provision	151	132
Other	10,522	16,710
Total noncurrent liabilities	117,988	121,422
Total liabilities	247,651	266,098
Net assets		
Shareholders' equity		
Common stock	30,484	30,484
Capital surplus	28,507	28,507
Retained earnings	38,388	42,762
Treasury stock	(106)	(114)
Total shareholders' equity	97,273	101,639
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,019	20,712
Deferred gains or losses on hedges	(240)	15
Foreign currency translation adjustments	(4,207)	2,690
Total accumulated other comprehensive income	6,571	23,418
Minority interests	2,788	3,346
Total net assets	106,633	128,404
Total liabilities and net assets	354,285	394,502

Consolidated Statements of Income

(Unit: Millions of yen)

	Current fiscal year
	FY2013 (From January 1, 2013 to September 30, 2013)
Net sales	268,181
Cost of sales	186,512
Gross profit	81,668
Selling, general and administrative expenses	56,990
Operating income	24,677
Non-operating income	
Interest income	180
Dividends income	554
Foreign exchange gains	1,051
Equity in earnings of affiliates	151
Other	1,524
Total non-operating income	3,463
Non-operating expenses	
Interest expenses	2,008
Other	1,885
Total non-operating expenses	3,893
Ordinary income	24,247
Extraordinary income	
Gain on sales of noncurrent assets	572
Total extraordinary income	572
Extraordinary loss	
Loss on retirement of noncurrent assets	373
Provision for alleged U.S. anti-trust law violation	11,730
Total extraordinary loss	12,103
Income before income taxes	12,716
Income taxes	6,251
Income before minority interests	6,465
Minority interests in income (loss)	316
Net income	6,148