

***TOYO TIRES***

# Financial Results for 3rd Quarter of FY2024

November 13, 2024

**Toyo Tire Corporation**

**1. Financial Results for 3rd Quarter of FY2024**

2. Financial Forecast for FY2024

3. Topics

- Net sales amounted to **420.6 billion yen, a record high\*** for the third quarter.
- Both operating income and ordinary income **hit a record high** of **76.2 billion yen** and **77.8 billion yen**, respectively, buoyed by successful sales promotion of priority products and external factors such as forex.
- Given the business conditions up to the end of the third quarter and anticipated extraordinary income, **earnings forecasts for FY2024 have been revised upward.**
  - Operating income: **86.0 billion yen** (Previous forecast: 81.0 billion yen)
  - Profit attributable to owners of parent: **60.0 billion yen** (Previous forecast: 50.0 billion yen)
- Following the upward revision of earnings forecasts, **the dividend per share forecast has also been raised.**
  - Annual dividend per share: **110 yen** (Year-end: 60 yen) (Previous forecast: 105 yen)

# Financial Results for 3rd Quarter of FY2024 (Jan-Sep)



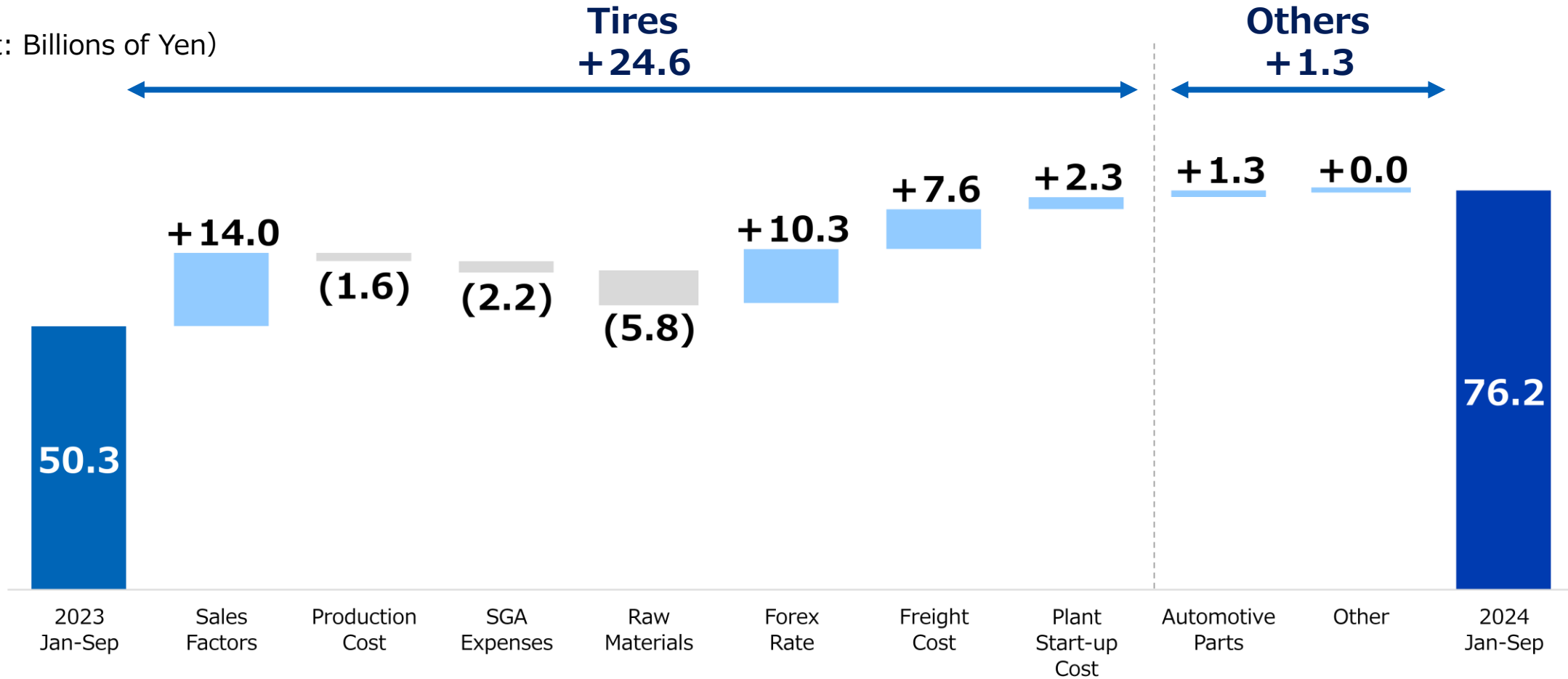
(Unit: Millions of Yen)	2024 Jan-Sep Results	2023 Jan-Sep Results	Change	Change (%)	2024 1H Results	Change	2024 Jul-Sep Results	Change (YoY)
Net Sales	<b>420,608</b>	409,221	+11,387	+2.8%	273,501	+8,044	147,107	+3,343
Operating Income	<b>76,237</b>	50,324	+25,913	+51.5%	47,569	+20,895	28,668	+5,017
Margin	<b>18.1%</b>	12.3%	—	—	17.4%	—	19.5%	—
Ordinary Income	<b>77,808</b>	64,489	+13,318	+20.7%	59,770	+21,009	18,038	(7,690)
Profit Attributable to Owners of Parent*	<b>55,196</b>	56,768	(1,571)	(2.8%)	42,005	+12,882	13,191	(14,453)

\*Profit attributable to parent company shareholders

1 USD	<b>151 Yen</b>	138 Yen	+13 Yen
1 EUR	<b>164 Yen</b>	150 Yen	+14 Yen

# Analysis of Operating Income for 3rd Quarter of FY2024 (Jan-Sep) (vs 2023)

(Unit: Billions of Yen)



	Sales Factors	Production Cost	SGA Expenses	Raw Materials	Forex Rate	Freight Cost	Plant Start-up Cost	Automotive Parts	Other	合計
Jan-Mar	+0.2	+0.8	(1.1)	+0.1	+3.9	+5.9	+1.2	+0.4	+0.0	+11.4
Apr-Jun	+5.1	(0.7)	(1.2)	(0.9)	+4.6	+1.1	+0.6	+1.0	+0.0	+9.5
Jul-Sep	+8.8	(1.7)	+0.1	(5.0)	+1.8	+0.6	+0.5	(0.1)	+0.0	+5.0

# Business Segments for 3rd Quarter of FY2024 (Jan-Sep)



(Unit: Millions of Yen)

<b>Net Sales</b>	<b>2024 Jan-Sep Results</b>	2023 Jan-Sep Results	Change	Change (%)	2024 1H Results	Change	2024 Jul-Sep Results	Change (YoY)
Tires	<b>387,146</b>	374,163	+12,983	+3.5%	251,291	+8,768	135,854	+4,214
Automotive Parts	<b>33,462</b>	35,045	(1,583)	(4.5%)	22,209	(715)	11,252	(868)
Other	<b>0</b>	24	(24)	(100.0%)	0	(17)	0	(6)
Adjustments	<b>(0)</b>	(12)	+12	–	(0)	+8	0	+3
<b>Total</b>	<b>420,608</b>	409,221	+11,387	+2.8%	273,501	+8,044	147,107	+3,343

\*Net sales include intersegment internal net sales or transfers

<b>Operating Income</b>	<b>2024 Jan-Sep Results</b>	2023 Jan-Sep Results	Change	Change (%)	2024 1H Results	Change	2024 Jul-Sep Results	Change (YoY)
Tires	<b>74,881</b>	50,278	+24,603	+48.9%	46,898	+19,498	27,982	+5,104
Margin	<b>19.3%</b>	13.4%	–	–	18.7%	–	20.6%	–
Automotive Parts	<b>1,343</b>	46	+1,297	+2819.6%	660	+1,388	683	(91)
Margin	<b>4.0%</b>	0.1%	–	–	3.0%	–	6.1%	–
Other	<b>12</b>	(0)	+12	–	10	+8	1	+3
Adjustments	<b>0</b>	(0)	0	–	0	–	0	–
<b>Total</b>	<b>76,237</b>	50,324	+25,913	+51.5%	47,569	+20,895	28,668	+5,017

\*Segment profit adjustment amounts include intersegment eliminations

# Geographic Area Segments for 3rd Quarter of FY2024 (Jan-Sep)



(Unit: Millions of Yen)

<b>Net Sales</b>	<b>2024 Jan-Sep Results</b>	2023 Jan-Sep Results	Change	Change (%)	2024 1H Results	Change	2024 Jul-Sep Results	Change (YoY)
Japan	<b>79,319</b>	84,455	(5,135)	(6.1%)	51,745	(3,998)	27,573	(1,137)
N.America	<b>285,667</b>	269,638	+16,029	+5.9%	185,775	+11,458	99,892	+4,571
Other	<b>55,621</b>	55,127	+493	+0.9%	35,980	+584	19,640	(90)
Eliminations or Adjustments	<b>—</b>	—	—	—	—	—	—	—
<b>Total</b>	<b>420,608</b>	409,221	+11,387	+2.8%	273,501	+8,044	147,107	+3,343

\*Net sales do not include intersegment internal net sales or transfers

<b>Operating Income</b>	<b>2024 Jan-Sep Results</b>	2023 Jan-Sep Results	Change	Change (%)	2024 1H Results	Change	2024 Jul-Sep Results	Change (YoY)
Japan	<b>50,041</b>	43,848	+6,193	+14.1%	35,607	+12,698	14,433	(6,504)
N.America	<b>16,569</b>	14,843	+1,725	+11.6%	8,521	(1,447)	8,048	+3,172
Other	<b>5,418</b>	3,007	+2,410	+80.2%	3,457	+1,424	1,960	+985
Eliminations or Adjustments	<b>4,208</b>	(11,375)	+15,584	—	(17)	+8,220	4,226	+7,363
<b>Total</b>	<b>76,237</b>	50,324	+25,913	+51.5%	47,569	+20,895	28,668	+5,017

1. Financial Results for 3rd Quarter of FY2024
- 2. Financial Forecast for FY2024**
3. Topics



# Financial Forecast for FY2024 (Jan-Dec)



(Unit: Millions of Yen)	2024 Forecast	2023 Results	Change	Change (%)	2024 Previous Forecast	Change	2024 Oct-Dec Forecast	Change (YoY)
Net Sales	<b>560,000</b>	552,825	+7,174	+1.3%	560,000	±0	139,391	(4,213)
Operating Income	<b>86,000</b>	76,899	+9,100	+11.8%	81,000	+5,000	9,762	(16,812)
Margin	<b>15.4%</b>	13.9%	—	—	14.5%	—	7.0%	—
Ordinary Income	<b>82,000</b>	86,047	(4,047)	(4.7%)	76,000	+6,000	4,191	(17,366)
Profit Attributable to Owners of Parent*	<b>60,000</b>	72,273	(12,273)	(17.0%)	50,000	+10,000	4,803	(10,702)

\*Profit attributable to parent company shareholders

Annual Dividends per Share	<b>110 Yen</b>	100 Yen	+10 Yen	—	105 Yen	+5 Yen
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1 USD	<b>149 Yen</b>	141 Yen	+8 Yen
1 EUR	<b>162 Yen</b>	152 Yen	+10 Yen

## Mid-Term '21 Plan Key Performance Indicators

Consolidated OP margin

Over **14%**

Dividend policy (Dividend payout ratio)

**30%** or higher

## Forex Rate Sensitivity 2024

USD	<b>0.8 Billion Yen/Year</b>
EUR	<b>0.1 Billion Yen/Year</b>

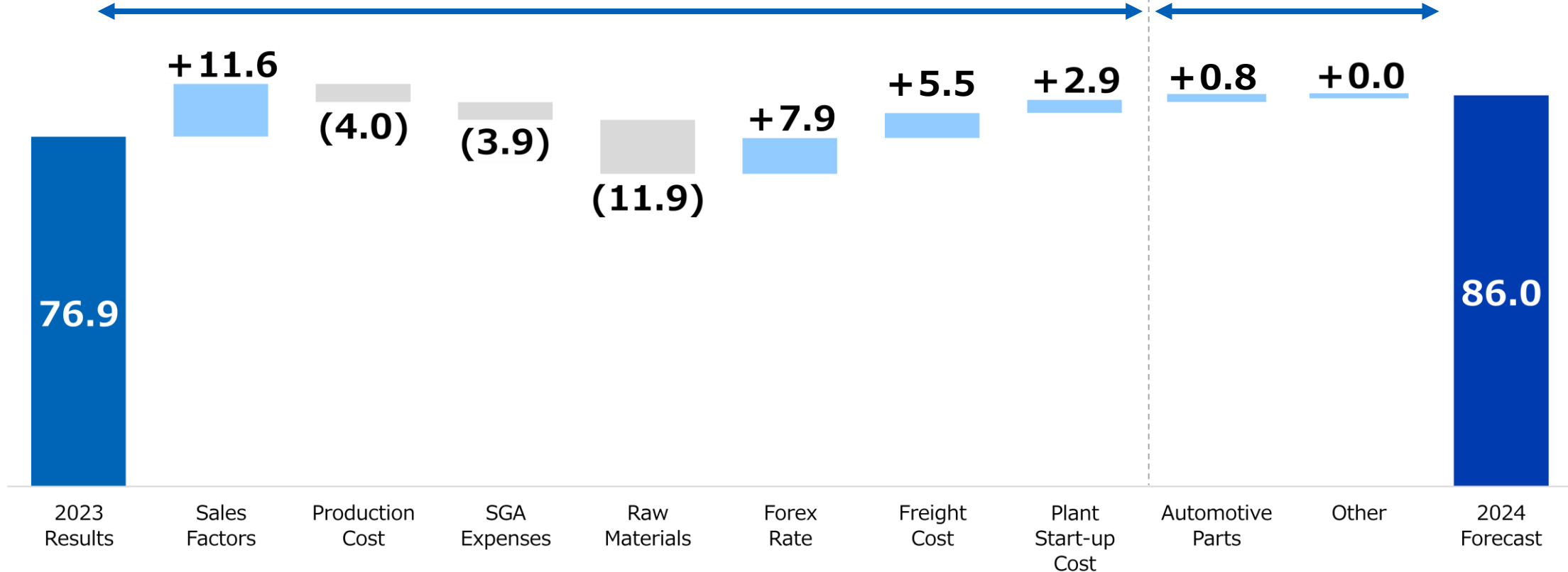
Impact of 1 yen fluctuation on operating income

# Analysis of Operating Income for FY2024 (Jan-Dec) (vs 2023)

(Unit: Billions of Yen)

**Tires  
+8.3**

**Others  
+0.8**

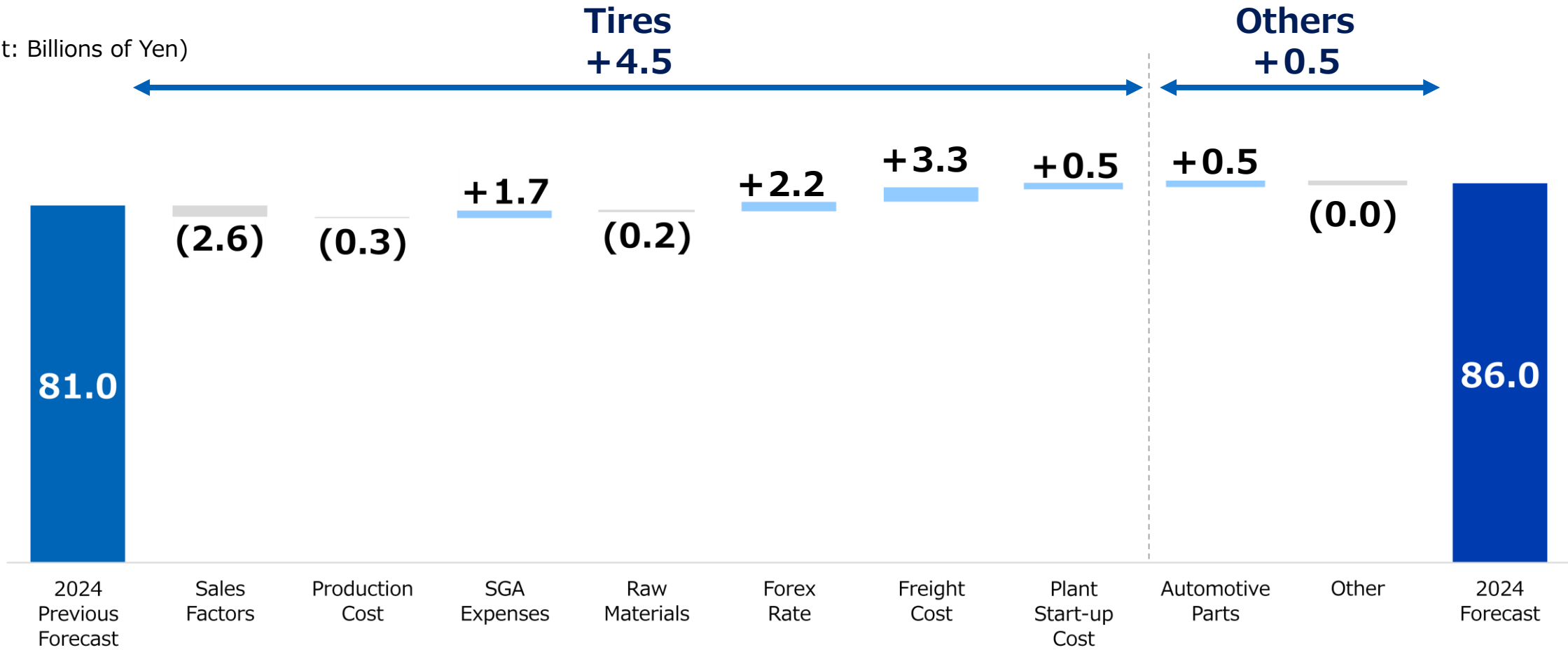


	Sales Factors	Production Cost	SGA Expenses	Raw Materials	Forex Rate	Freight Cost	Plant Start-up Cost	Automotive Parts	Other	Total
Jan-Jun Results	+5.2	+0.1	(2.2)	(0.8)	+8.5	+7.0	+1.8	+1.4	+0.0	<b>+20.9</b>
Jul-Sep Results	+8.8	(1.7)	+0.1	(5.0)	+1.8	+0.6	+0.5	(0.1)	+0.0	<b>+5.0</b>
Oct-Dec Forecast	(2.4)	(2.3)	(1.7)	(6.1)	(2.3)	(2.0)	+0.6	(0.5)	(0.0)	<b>(16.8)</b>

# Analysis of Operating Income for FY2024 (Jan-Dec) (vs Previous Forecast)



(Unit: Billions of Yen)



# Business Segments for FY2024 (Jan-Dec)

(Unit: Millions of Yen)

Net Sales	2024 Forecast	2023 Results	Change	Change (%)	2024 Previous Forecast	Change	2024 Oct-Dec Forecast	Change (YoY)
Tires	515,000	505,438	+9,561	+1.9%	515,000	±0	127,853	(3,422)
Automotive Parts	45,000	47,374	(2,374)	(5.0%)	45,000	±0	11,537	(791)
Other	0	25	(25)	—	0	±0	0	(1)
Adjustments	0	(13)	+13	—	0	±0	0	+1
<b>Total</b>	<b>560,000</b>	<b>552,825</b>	<b>+7,174</b>	<b>+1.3%</b>	<b>560,000</b>	<b>±0</b>	<b>139,391</b>	<b>(4,213)</b>

\*Net sales include intersegment internal net sales or transfers

Operating Income	2024 Forecast	2023 Results	Change	Change (%)	2024 Previous Forecast	Change	2024 Oct-Dec Forecast	Change (YoY)
Tires	85,000	76,725	+8,274	+10.8%	80,500	+4,500	10,118	(16,328)
Margin	16.5%	15.2%	—	—	15.6%	—	7.9%	—
Automotive Parts	1,000	178	+821	—	500	+500	(343)	(475)
Margin	2.2%	0.4%	—	—	1.1%	—	(3.0%)	—
Other	0	(4)	+4	—	0	±0	(12)	(8)
Adjustments	0	(0)	+0	—	0	±0	0	±0
<b>Total</b>	<b>86,000</b>	<b>76,899</b>	<b>+9,100</b>	<b>+11.8%</b>	<b>81,000</b>	<b>+5,000</b>	<b>9,762</b>	<b>(16,812)</b>

\*Segment profit adjustment amounts include intersegment eliminations

# Geographic Area Segments for FY2024 (Jan-Dec)

(Unit: Millions of Yen)

Net Sales	2024 Forecast	2023 Results	Change	Change (%)	2024 Previous Forecast	Change	2024 Oct-Dec Forecast	Change (YoY)
Japan	117,700	122,206	(4,506)	(3.7%)	118,900	(1,200)	38,380	+629
N.America	371,600	357,801	+13,798	+3.9%	368,400	+3,200	85,932	(2,231)
Other	70,700	72,817	(2,117)	(2.9%)	72,700	(2,000)	15,078	(2,610)
Eliminations or Adjustments	—	—	—	—	—	—	—	—
<b>Total</b>	<b>560,000</b>	<b>552,825</b>	<b>+7,174</b>	<b>+1.3%</b>	<b>560,000</b>	<b>±0</b>	<b>139,391</b>	<b>(4,213)</b>

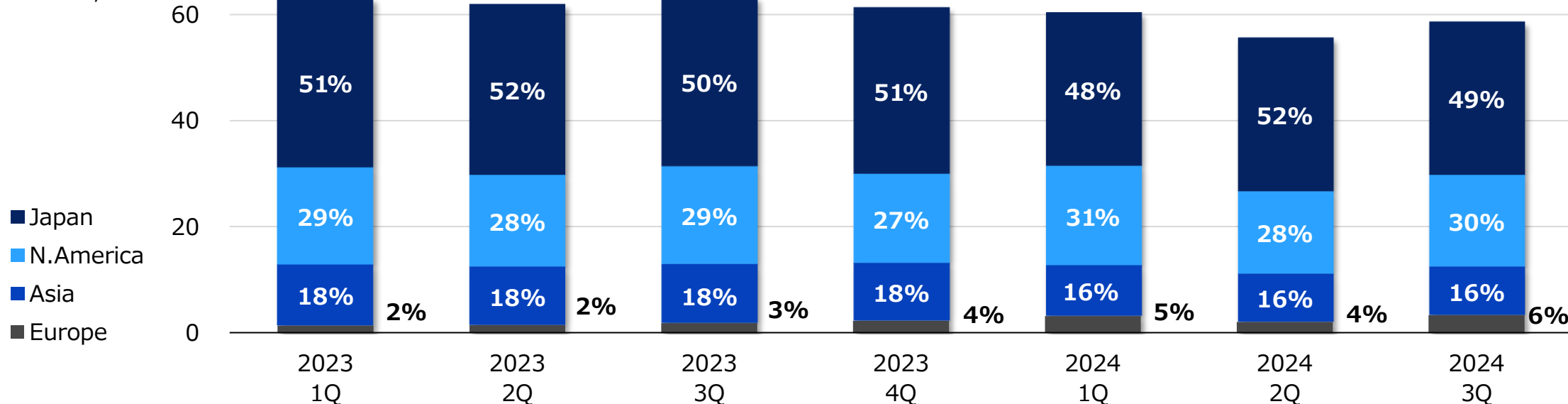
\*Net sales do not include intersegment internal net sales or transfers

Operating Income	2024 Forecast	2023 Results	Change	Change (%)	2024 Previous Forecast	Change	2024 Oct-Dec Forecast	Change (YoY)
Japan	54,500	67,047	(12,547)	(18.7%)	47,400	+7,100	4,458	(18,741)
N.America	20,600	17,589	+3,010	+17.1%	20,600	±0	4,030	+1,285
Other	6,100	3,323	+2,776	+83.5%	6,400	(300)	681	+366
Eliminations or Adjustments	4,800	(11,061)	+15,861	—	6,600	(1,800)	591	+276
<b>Total</b>	<b>86,000</b>	<b>76,899</b>	<b>+9,100</b>	<b>+11.8%</b>	<b>81,000</b>	<b>+5,000</b>	<b>9,762</b>	<b>(16,812)</b>

# Changes in Tire Production (New Rubber Volume)

Bar graph values show tire production volume composition ratio by region

(Unit: 1,000 Tons)



	2023						2024						2024 Previous Forecast
	1Q	2Q	3Q	Jan-Sep	4Q	Total	1Q	2Q	3Q	Jan-Sep	4Q Forecast	2024 Forecast	
Japan	32.0	32.2	31.9	<b>96.1</b>	31.4	127.5	28.9	29.0	28.9	<b>86.9</b>	30.1	<b>116.9</b>	118.9
N.America	18.3	17.3	18.4	<b>54.0</b>	16.8	70.8	18.7	15.5	17.3	<b>51.6</b>	15.0	<b>66.5</b>	70.8
Asia	11.5	11.0	11.1	<b>33.6</b>	10.9	44.5	9.6	9.1	9.1	<b>27.8</b>	9.0	<b>36.8</b>	37.0
Europe	1.3	1.4	1.8	<b>4.5</b>	2.2	6.8	3.1	2.0	3.3	<b>8.4</b>	3.4	<b>11.8</b>	12.0
<b>Total</b>	63.1	62.0	63.2	<b>188.3</b>	61.3	249.6	60.4	55.6	58.6	<b>174.6</b>	57.4	<b>232.0</b>	238.8
YoY	102%	100%	101%	<b>101%</b>	100%	101%	96%	90%	93%	<b>93%</b>	94%	<b>93%</b>	96%

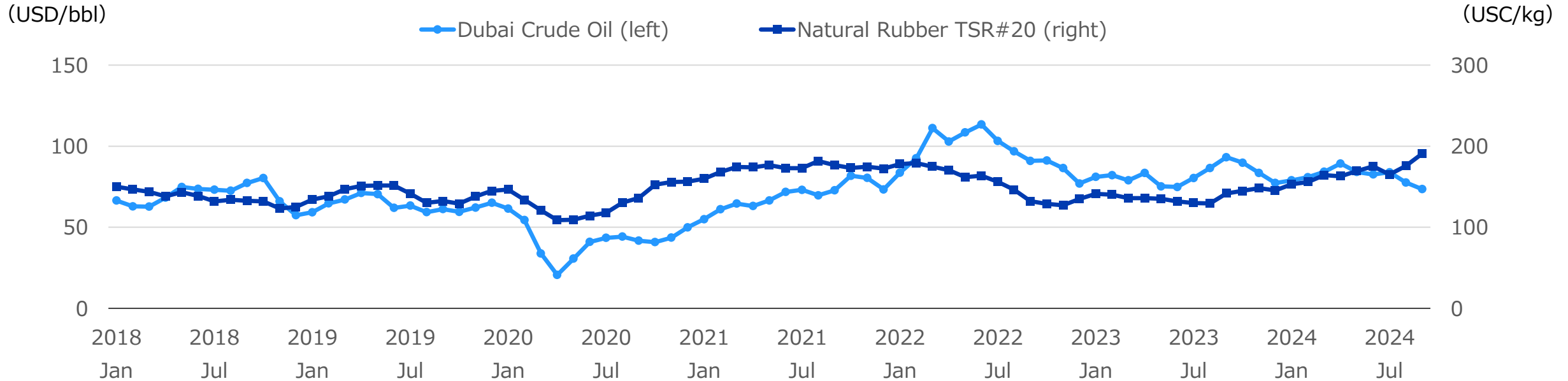
# Change in Tire Sales Quantity by Region (YoY)



Year-on-Year when the same period of the previous year = 100

	2023						2024				2024 Forecast		2024 Previous Forecast
	1Q	2Q	3Q	Jan-Sep	4Q	Total	1Q	2Q	3Q	Jan-Sep	4Q	Jan-Dec	
OE Total	120	122	108	<b>116</b>	108	114	87	97	89	<b>91</b>	93	<b>92</b>	95
RE Japan	104	102	79	<b>94</b>	81	90	77	85	85	<b>82</b>	106	<b>90</b>	94
RE Overseas	107	100	103	<b>103</b>	93	101	88	99	93	<b>93</b>	101	<b>95</b>	98
N.America	110	104	112	<b>108</b>	96	105	93	100	99	<b>98</b>	103	<b>99</b>	101
Europe	103	96	94	<b>98</b>	80	94	71	85	69	<b>74</b>	77	<b>75</b>	82
SE Asia	106	86	92	<b>94</b>	99	95	92	101	98	<b>97</b>	111	<b>100</b>	98
Total	108	103	99	<b>103</b>	93	101	86	97	91	<b>91</b>	101	<b>94</b>	97

## Change in Dubai Crude Oil and Natural Rubber TSR #20 Prices (SICOM)



## Price Changes & Impact of Raw Materials (Operating Income Basis)

(Unit: Billions of Yen)

	2023						2024				2024 Forecast
	1Q	2Q	3Q	Jan-Sep	4Q	Total	1Q	2Q	3Q	Jan-Sep	
Natural Rubber	+0.9	+2.0	+1.0	<b>+3.9</b>	+0.5	+4.4	(0.6)	(0.7)	(1.8)	<b>(3.0)</b>	<b>(5.9)</b>
Petroleum Products	(3.0)	(2.2)	+2.2	<b>(3.1)</b>	+0.8	(2.2)	+0.8	(0.3)	(2.9)	<b>(2.4)</b>	<b>(5.2)</b>
Other Raw Materials	(0.7)	0.0	+0.4	<b>(0.2)</b>	+0.7	+0.5	(0.2)	+0.1	(0.3)	<b>(0.4)</b>	<b>(0.8)</b>
<b>Total</b>	<b>(2.8)</b>	<b>(0.2)</b>	<b>+3.6</b>	<b>+0.6</b>	<b>+2.0</b>	<b>+2.6</b>	<b>+0.1</b>	<b>(0.9)</b>	<b>(5.0)</b>	<b>(5.8)</b>	<b>(11.9)</b>

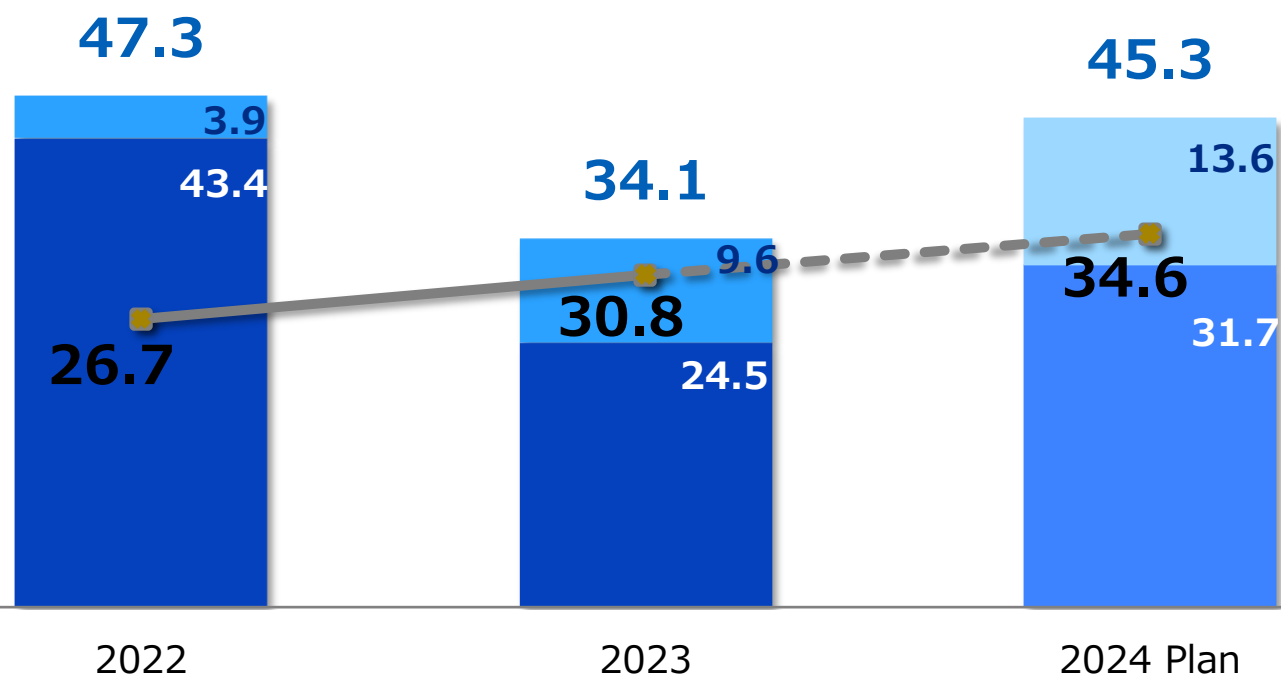


## Capital Investment and Depreciation

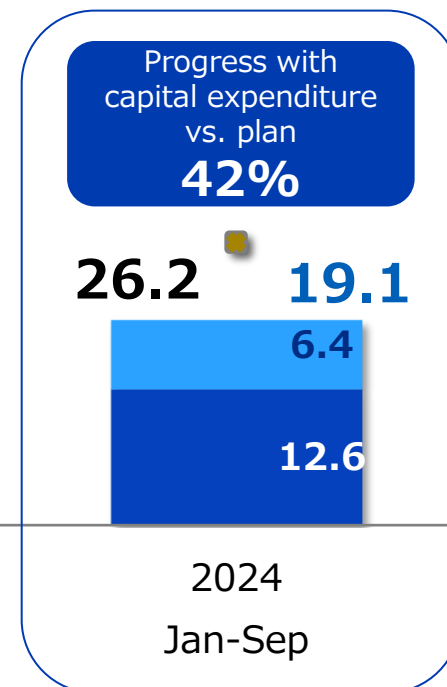
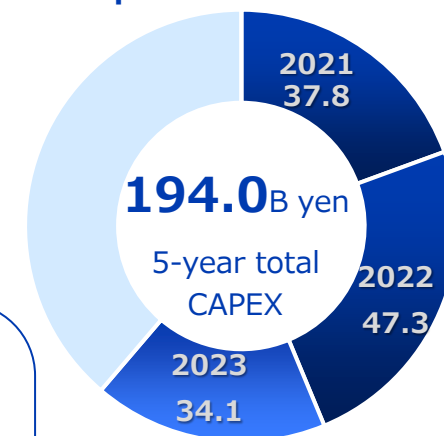
Note) Figures for capital expenditure do not include right-of-use assets, whereas figures for depreciation do.

(Unit: Billions of Yen)

■ Capital Investment Tire ■ Capital Investment Other ● Depreciation



### Capital Investment

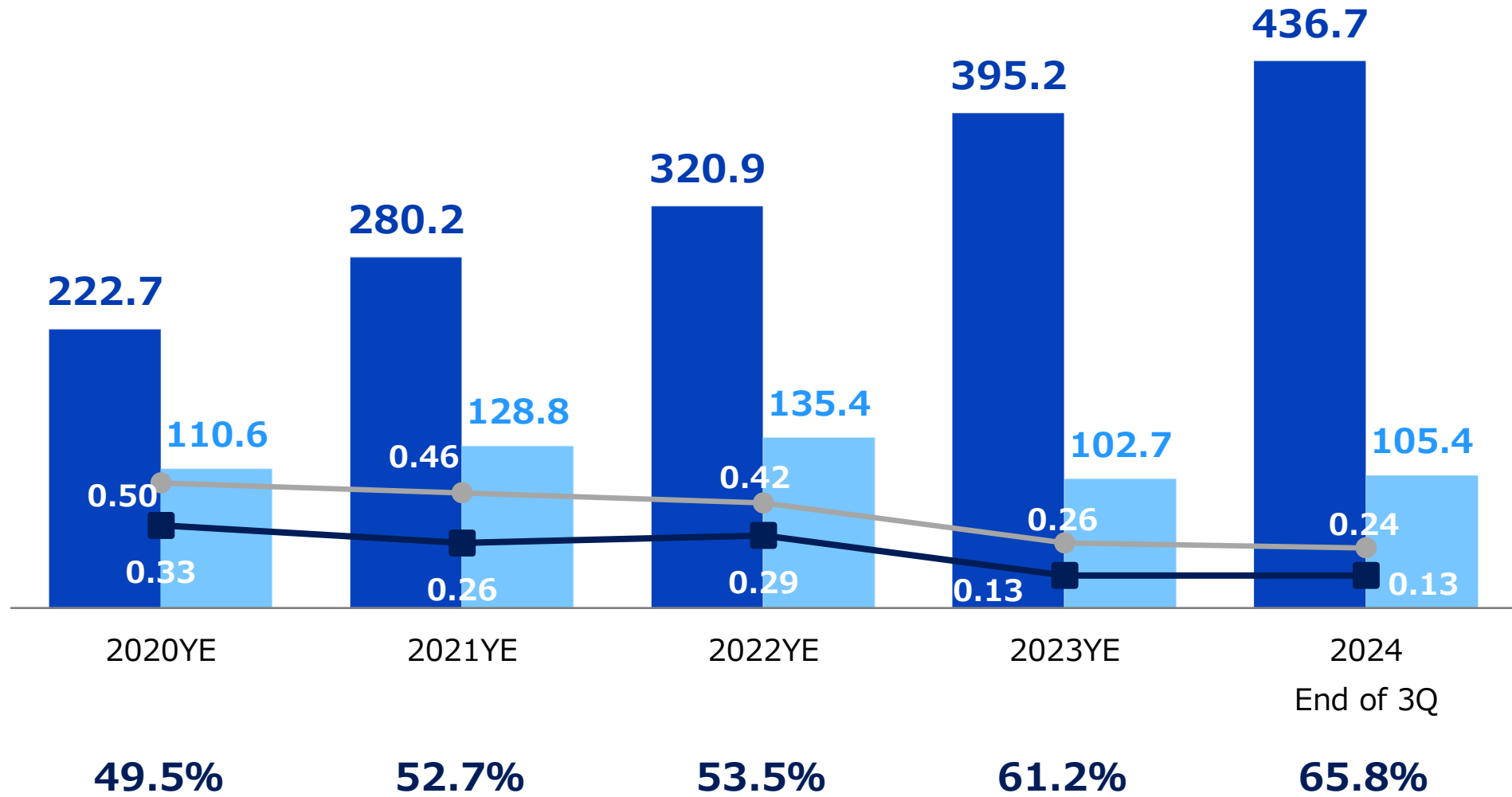


[Ref.] Capital expenditures including right-of-use assets

Year	2022	2023
Capital expenditures including right-of-use assets	48.0	50.6

# Changes in Interest-Bearing Debt Balance and Capital Ratio

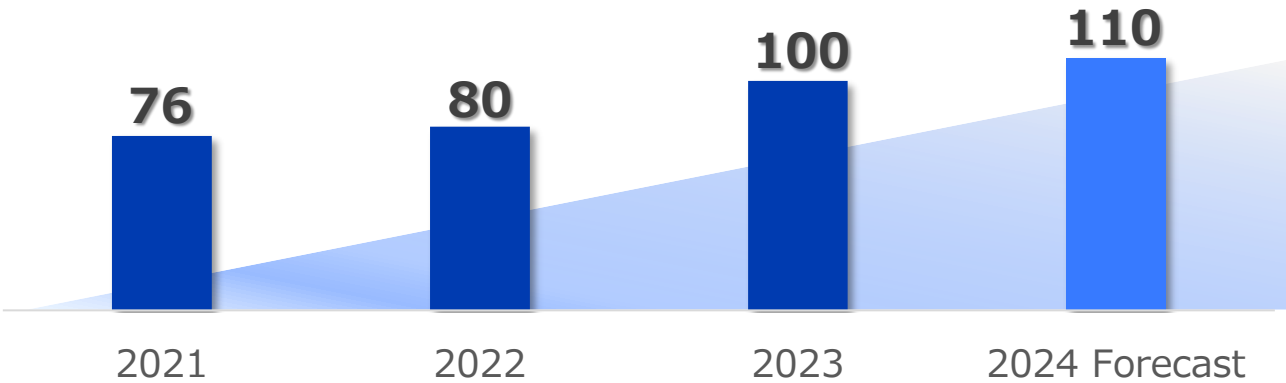
■ Net Assets (Billions of Yen)
 ■ Interest-Bearing Debt Balance (Billions of Yen)
 ● Debt / Equity Ratio (Ratio)
 ■ Net Debt / Equity Ratio (Ratio)



1. Financial Results for 3rd Quarter of FY2024
2. Financial Forecast for FY2024

### **3. Topics**

## ■ Dividend Per Share (Forecasts) (Unit: Yen)



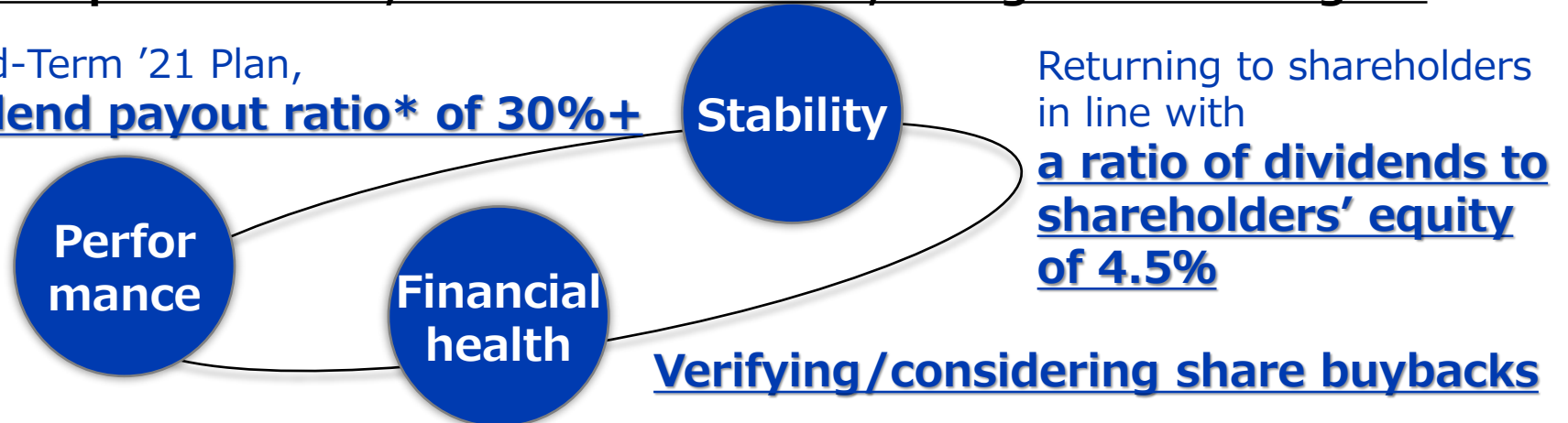
- Target payout ratio for the Mid-Term '21 Plan: 30% or higher
- FY2021-FY2023 average: **30% of payout ratio achieved**
- Since FY2021: **Dividends have continued to increase**

■ FY2024: Dividend forecast also considers **the ratio of dividends to shareholders' equity**

- Returns to shareholders are determined by considering a comprehensive range of factors, such as performance, financial conditions, and growth strategies.

As laid out in the Mid-Term '21 Plan,

Maintaining dividend payout ratio\* of 30%+



- Based on profit calculated by adjusting for non-recurring special gains and losses included in profit attributable to owners of the parent, which more accurately reflects the actual profit values

**Deepening discussions while drawing up the next medium-term business plan starting in 2026**

## NANOENERGY M951 EV

(Launched in September)



### Launched NANOENERGY M951 EV, a studless tire for light electric trucks



- Incorporating an asymmetrical pattern exclusive to EVs to achieve high braking performance in icy/snowy conditions, along with enhanced wear resistance
- A wear-resistant NCP\* compound improves power consumption and wear resistance, contributing to greater eco-friendliness

\* Nano Composite Polymer

Made from recycled bead wires to benefit the environment

- **Rolling resistance: Reduced 15%\***
- **Wear & service life: Up 38%\***

\*Compared to the Company's existing models (M919)

### "PROXES" selected for MAZDA CX-80

#### **PROXES Sport**

- Achieves a high level of balance across various performance metrics, such as reduced rolling resistance, dry steering stability, wet grip performance, and quietness
- Ensures smooth power delivery, providing a comfortable, high-quality ride experience



New MAZDA CX-80 crossover SUV



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**TOYO TIRES**

**OPEN COUNTRY**



**2024 SCORE BAJA 400  
OVERALL CHAMPIONS**

***TOYO TIRES***

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

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