

***TOYO TIRES***

# Financial Results for FY2024

February 14, 2025  
**Toyo Tire Corporation**

**80<sup>th</sup>**  
ANNIVERSARY

**1 . Financial Results for FY2024**

2 . Financial Forecast for FY2025

3 . Progress of Management Measures

- Net sales hit **the record high\* of 565.4 billion yen.**
- Operating income, ordinary income, and profit attributable to owners of parent all **hit record highs** of **94.0 billion yen**, **102.1 billion yen**, and **74.8 billion yen**, respectively, buoyed by successful sales promotion of priority products and external factors such as forex (151 JPY = 1 USD).
- Earnings forecasts for FY2025 (Forex assumption: 146 JPY = 1 USD)
  - Operating income: **85.0 billion yen**
  - Profit attributable to owners of parent: **50.0 billion yen**
- Annual dividend per share
  - FY2024: **120 yen** (Previous forecast: 110 yen)
  - FY2025: **125 yen**

\* The highest figure since 2013, when the current accounting period was applied.

# Financial Results for FY2024 (Jan-Dec)



(Unit: Millions of Yen)	2024 Results	2023 Results	Change	Change (%)	2024 Forecast	Change	2024 Oct-Dec Results	Change (YoY)
Net Sales	<b>565,358</b>	552,825	+ 12,532	+ 2.3%	560,000	+5,358	144,749	+1,145
Operating Income	<b>93,981</b>	76,899	+ 17,082	+22.2%	86,000	+ 7,981	17,743	(8,831)
Margin	<b>16.6%</b>	13.9%	—	—	15.4%	—	12.3%	—
Ordinary Income	<b>102,117</b>	86,047	+ 16,069	+ 18.7%	82,000	+ 20,117	24,309	+ 2,751
Profit Attributable to Owners of Parent*	<b>74,810</b>	72,273	+2,536	+3.5%	60,000	+ 14,810	19,613	+ 4,108

\*Profit attributable to parent company shareholders

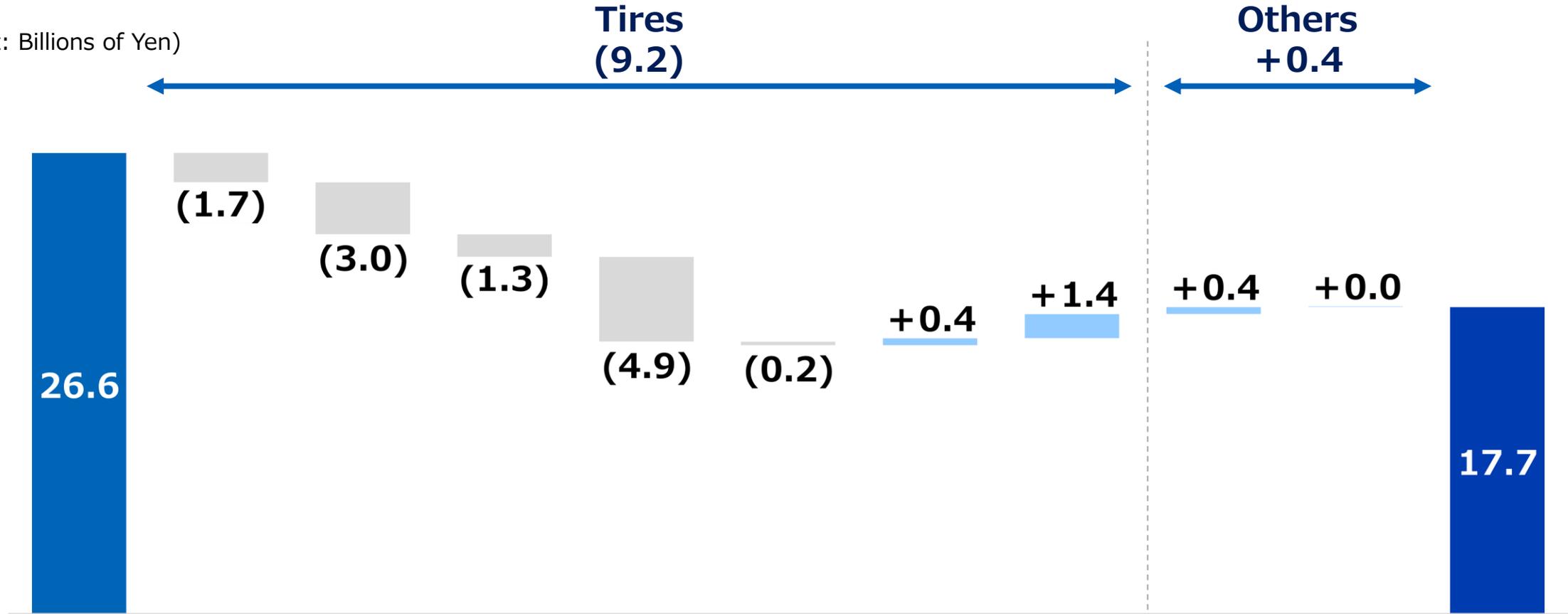
Annual Dividends per Share	<b>120 Yen</b>	100 Yen	+ 20 Yen
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1 USD	<b>151 Yen</b>	141 Yen	+ 10 Yen
1 EUR	<b>164 Yen</b>	152 Yen	+12 Yen

# Analysis of Operating Income for 4th Quarter of FY2024 (Oct-Dec) (vs 2023)



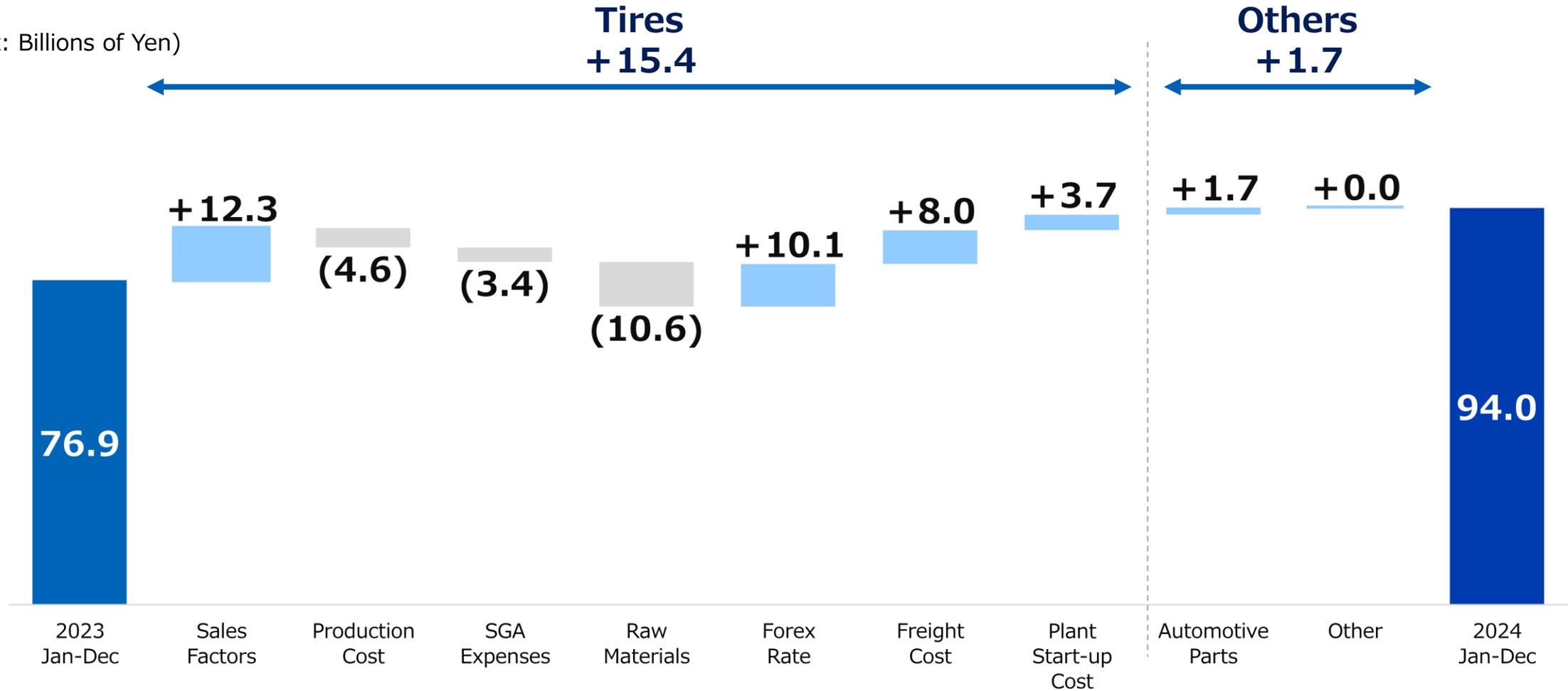
(Unit: Billions of Yen)



	2023 Oct-Dec	Sales Factors	Production Cost	SGA Expenses	Raw Materials	Forex Rate	Freight Cost	Plant Start-up Cost	Automotive Parts	Other	2024 Oct-Dec
	26.6	(1.7)	(3.0)	(1.3)	(4.9)	(0.2)	+0.4	+1.4	+0.4	+0.0	17.7
		Sales Factors	Production Cost	SGA Expenses	Raw Materials	Forex Rate	Freight Cost	Plant Start-up Cost	Automotive Parts	Other	Total
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

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

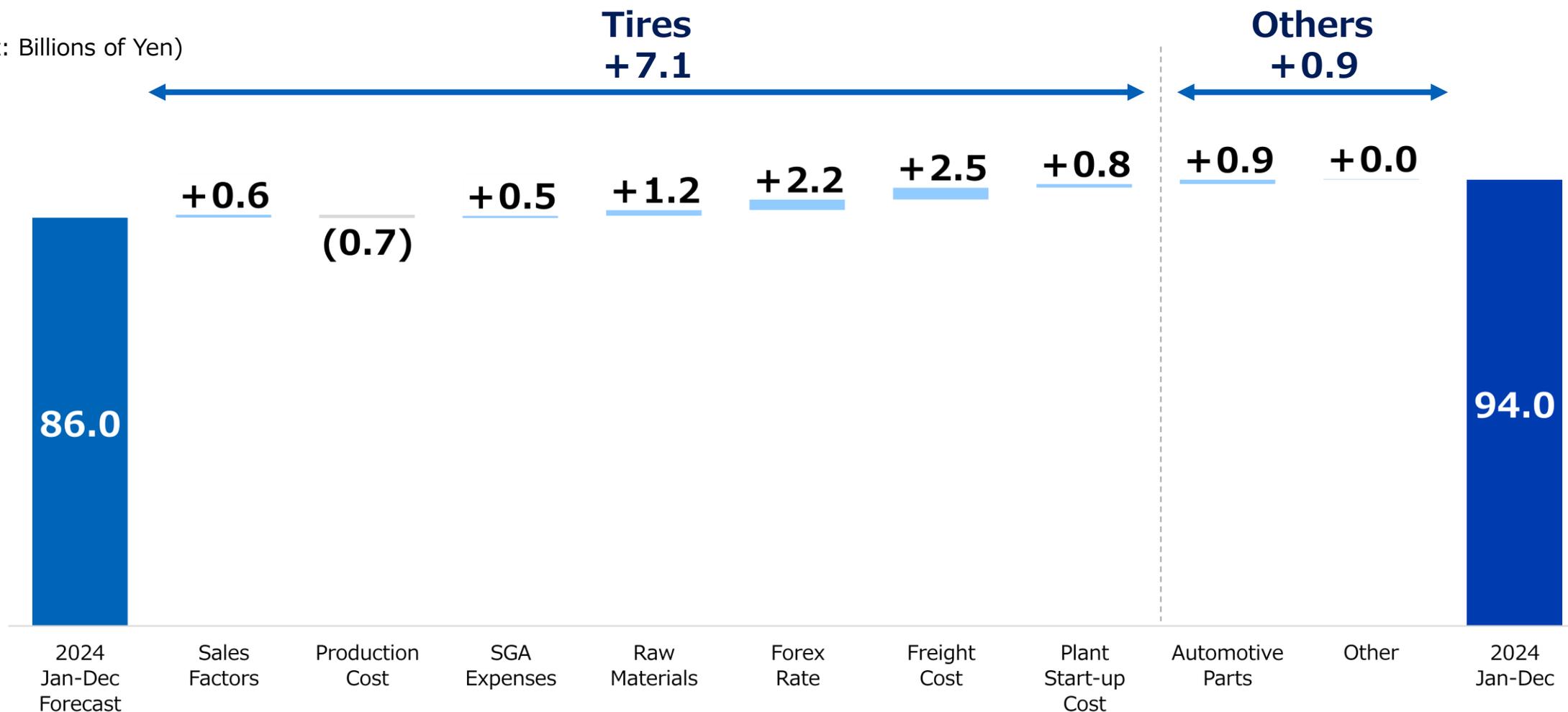
(Unit: Billions of Yen)



	Sales Factors	Production Cost	SGA Expenses	Raw Materials	Forex Rate	Freight Cost	Plant Start-up Cost	Automotive Parts	Other	Total
Jan-Sep	+14.0	(1.6)	(2.2)	(5.8)	+10.3	+7.6	+2.3	+1.3	0.0	+25.9
Oct-Dec	(1.7)	(3.0)	(1.3)	(4.9)	(0.2)	+0.4	+1.4	+0.4	0.0	(8.8)

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

(Unit: Billions of Yen)



	Sales Factors	Production Cost	SGA Expenses	Raw Materials	Forex Rate	Freight Cost	Plant Start-up Cost	Automotive Parts	Other	Total
Oct-Dec Forecast	(2.4)	(2.3)	(1.7)	(6.1)	(2.3)	(2.0)	+0.6	(0.5)	(0.0)	(16.8)
Oct-Dec Result	(1.7)	(3.0)	(1.3)	(4.9)	(0.2)	+0.4	+1.4	+0.4	+0.0	(8.8)

# Business Segments for FY2024 (Jan-Dec)

(Unit: Millions of Yen)

Net Sales	2024 Results	2023 Results	Change	Change (%)	2024 Forecast	Change	2024 Oct-Dec Results	Change (YoY)
Tires	519,832	505,438	+14,393	+2.8%	515,000	+4,832	132,685	+1,410
Automotive Parts	45,526	47,374	(1,848)	(3.9%)	45,000	+526	12,064	(264)
Other	0	25	(24)	-	0	+0	0	(0)
Adjustments	0	(13)	+12	-	0	+0	0	+0
<b>Total</b>	<b>565,358</b>	<b>552,825</b>	<b>+12,532</b>	<b>+2.3%</b>	<b>560,000</b>	<b>+5,358</b>	<b>144,749</b>	<b>+1,145</b>

\*Net sales include intersegment internal net sales or transfers

Operating Income	2024 Results	2023 Results	Change	Change (%)	2024 Forecast	Change	2024 Oct-Dec Results	Change (YoY)
Tires	92,089	76,725	+15,364	+20.0%	85,000	+7,089	17,208	(9,238)
Margin	17.7%	15.2%	-	-	16.5%	-	13.0%	-
Automotive Parts	1,880	178	+1,701	+954.6%	1,000	+880	536	+405
Margin	4.1%	0.4%	-	-	2.2%	-	4.4%	-
Other	10	(4)	+15	-	0	+10	(1)	+3
Adjustments	0	(0)	+0	-	0	+0	0	+0
<b>Total</b>	<b>93,981</b>	<b>76,899</b>	<b>+17,082</b>	<b>+22.2%</b>	<b>86,000</b>	<b>+7,981</b>	<b>17,743</b>	<b>(8,831)</b>

\*Segment profit adjustment amounts include intersegment eliminations

# Geographic Area Segments for FY2024 (Jan-Dec)



(Unit: Millions of Yen)

<b>Net Sales</b>	<b>2024 Results</b>	2023 Results	Change	Change (%)	2024 Forecast	Change	2024 Oct-Dec Results	Change (YoY)
Japan	<b>116,911</b>	122,206	(5,295)	(4.3%)	117,700	(789)	37,591	(159)
N.America	<b>373,099</b>	357,801	+15,297	+4.3%	371,600	+1,499	87,431	(731)
Other	<b>75,348</b>	72,817	+2,530	+3.5%	70,700	+4,648	19,727	+2,037
Eliminations or Adjustments	—	—	—	—	—	—	—	—
<b>Total</b>	<b>565,358</b>	552,825	+12,532	+2.3%	560,000	+5,358	144,749	+1,145

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

<b>Operating Income</b>	<b>2024 Results</b>	2023 Results	Change	Change (%)	2024 Forecast	Change	2024 Oct-Dec Results	Change (YoY)
Japan	<b>60,462</b>	67,047	(6,585)	(9.8%)	54,500	+5,962	10,420	(12,779)
N.America	<b>21,891</b>	17,589	+4,302	+24.5%	20,600	+1,291	5,322	+2,577
Other	<b>8,355</b>	3,323	+5,031	+151.4%	6,100	+2,255	2,937	+2,621
Eliminations or Adjustments	<b>3,271</b>	(11,061)	+14,332	—	4,800	(1,529)	(937)	(1,251)
<b>Total</b>	<b>93,981</b>	76,899	+17,082	+22.2%	86,000	+7,981	17,743	(8,831)

1 . Financial Results for FY2024

**2 . Financial Forecast for FY2025**

3 . Progress of Management Measures

# Financial Forecast for FY2025 (Jan-Dec)

(Unit: Millions of Yen)

	2025 Forecast	2024 Results	Change	Change (%)	2025 Jan-Jun Forecast	Change	2025 Jul-Dec Forecast	Change
Net Sales	<b>585,000</b>	565,358	+19,641	+3.5%	277,000	+3,498	308,000	+16,143
Operating Income	<b>85,000</b>	93,981	(8,981)	(9.6%)	38,000	(9,569)	47,000	+588
Margin	<b>14.5%</b>	16.6%	—	—	13.7%	—	15.3%	—
Ordinary Income	<b>75,000</b>	102,117	(27,117)	(26.6%)	30,000	(29,770)	45,000	+2,652
Profit Attributable to Owners of Parent*	<b>50,000</b>	74,810	(24,810)	(33.2%)	21,000	(21,005)	29,000	(3,805)

\*Profit attributable to parent company shareholders

Annual Dividends per Share	<b>125 Yen</b>	120 Yen	+5 Yen
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1 USD	<b>146 Yen</b>	151 Yen	(5 Yen)
1 EUR	<b>156 Yen</b>	164 Yen	(8 Yen)

## Mid-Term '21 Plan Key Performance Indicators

Consolidated OP margin

Over **14%**

Dividend policy (Dividend payout ratio)

**30%** or higher

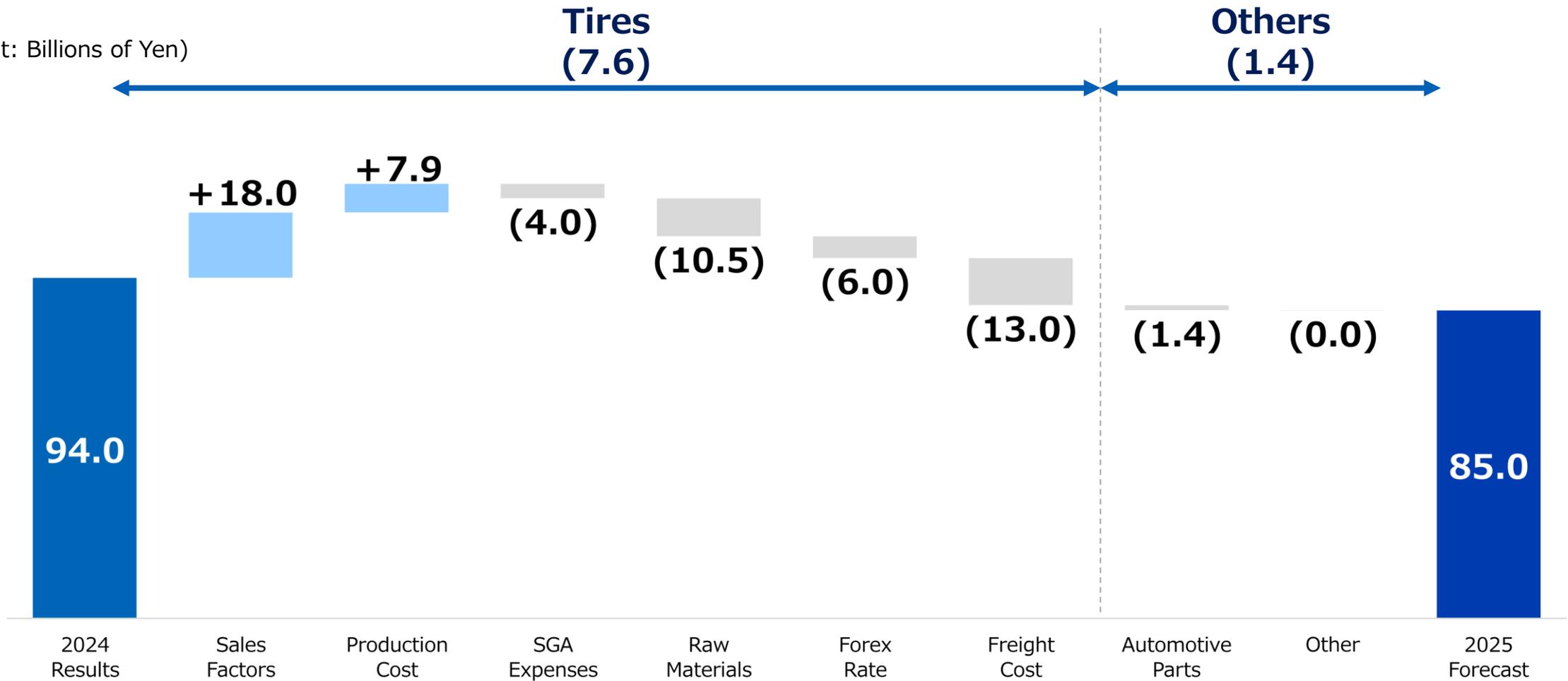
## Forex Rate Sensitivity 2025

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 FY2025 (Jan-Dec) (vs 2024)

(Unit: Billions of Yen)



	Sales Factors	Production Cost	SGA Expenses	Raw Materials	Forex Rate	Freight Cost	Automotive Parts	Other	Total
Jan-Jun Forecast	+7.8	+2.3	(2.9)	(7.8)	(2.7)	(6.0)	(0.4)	(0.0)	(9.6)
Jul-Dec Forecast	+10.2	+5.5	(1.1)	(2.7)	(3.3)	(7.0)	(1.0)	(0.0)	+0.6

# Business Segments for FY2025 (Jan-Dec)

(Unit: Millions of Yen)

<b>Net Sales</b>	<b>2025 Forecast</b>	<b>2024 Results</b>	<b>Change</b>	<b>Change (%)</b>	<b>2025 Jan-Jun Forecast</b>	<b>Change</b>	<b>2025 Jul-Dec Forecast</b>	<b>Change (YoY)</b>
Tires	<b>541,000</b>	519,832	+21,167	+4.1%	255,000	+3,708	286,000	+17,459
Automotive Parts	<b>44,000</b>	45,526	(1,526)	(3.4%)	22,000	(209)	22,000	(1,316)
Other	<b>0</b>	0	(0)	—	0	+0	0	(0)
Adjustments	<b>0</b>	0	+0	—	0	+0	0	+0
<b>合計</b>	<b>585,000</b>	565,358	+19,641	+3.5%	277,000	+3,498	308,000	+16,143

\*Net sales include intersegment internal net sales or transfers

<b>Operating Income</b>	<b>2025 Forecast</b>	<b>2024 Results</b>	<b>Change</b>	<b>Change (%)</b>	<b>2025 Jan-Jun Forecast</b>	<b>Change</b>	<b>2025 Jul-Dec Forecast</b>	<b>Change (YoY)</b>
Tires	<b>84,500</b>	92,089	(7,589)	(8.2%)	37,700	(9,198)	46,800	+1,609
Margin	<b>15.6%</b>	17.7%	—	—	14.8%	—	16.4%	—
Automotive Parts	<b>500</b>	1,880	(1,380)	(73.4%)	300	(360)	200	(1,019)
Margin	<b>1.1%</b>	4.1%	—	—	1.4%	—	0.9%	—
Other	<b>0</b>	10	(10)	—	0	(10)	0	(0)
Adjustments	<b>0</b>	0	(0)	—	0	+0	0	(0)
<b>Total</b>	<b>85,000</b>	93,981	(8,981)	(9.6%)	38,000	(9,569)	47,000	+588

\*Segment profit adjustment amounts include intersegment eliminations

# Geographic Area Segments for FY2025 (Jan-Dec)

(Unit: Millions of Yen)

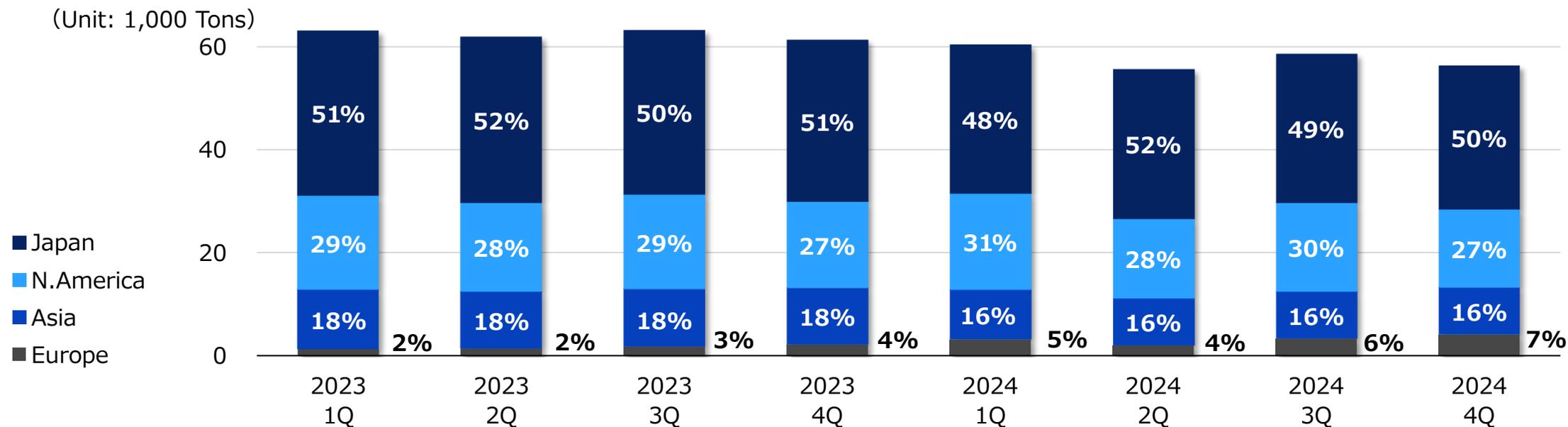
<b>Net Sales</b>	<b>2025 Forecast</b>	2024 Results	Change	Change (%)	2025 Jan-Jun Forecast	Change	2025 Jul-Dec Forecast	Change (YoY)
Japan	<b>133,400</b>	116,911	+16,488	+14.1%	61,600	+9,854	71,800	+6,634
N.America	<b>384,900</b>	373,099	+11,800	+3.2%	182,400	(3,375)	202,500	+15,175
Other	<b>66,700</b>	75,348	(8,648)	(11.5%)	33,000	(2,980)	33,700	(5,667)
Eliminations or Adjustments	<b>—</b>	—	—	—	—	—	—	—
<b>Total</b>	<b>585,000</b>	565,358	+19,641	+3.5%	277,700	+3,498	308,000	+16,143

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

<b>Operating Income</b>	<b>2025 Forecast</b>	2024 Results	Change	Change (%)	2025 Jan-Jun Forecast	Change	2025 Jul-Dec Forecast	Change (YoY)
Japan	<b>53,600</b>	60,462	(6,862)	(11.3%)	26,200	(9,408)	27,400	+2,545
N.America	<b>20,200</b>	21,891	(1,691)	(7.7%)	7,900	(621)	12,300	(1,070)
Other	<b>11,800</b>	8,355	+3,444	+41.2%	5,800	+2,342	6,000	+1,102
Eliminations or Adjustments	<b>(600)</b>	3,271	(3,871)	—	(1,900)	(1,882)	1,300	(1,988)
<b>Total</b>	<b>85,000</b>	93,981	(8,981)	(9.6%)	38,000	(9,569)	47,000	+588

# Changes in Tire Production (New Rubber Volume)

Bar graph values show tire production volume composition ratio by region



	2023				
	1Q	2Q	3Q	4Q	Total
Japan	32.0	32.2	31.9	31.4	127.5
N.America	18.3	17.3	18.4	16.8	70.8
Asia	11.5	11.0	11.1	10.9	44.5
Europe	1.3	1.4	1.8	2.2	6.8
<b>Total</b>	<b>63.1</b>	<b>62.0</b>	<b>63.2</b>	<b>61.3</b>	<b>249.6</b>
YoY	102%	100%	101%	100%	101%

	2024					2025 Forecast
	1Q	2Q	3Q	4Q	Total	
Japan	28.9	29.0	28.9	27.9	114.8	122.9
N.America	18.7	15.5	17.3	15.2	66.8	71.6
Asia	9.6	9.1	9.1	9.1	36.9	35.3
Europe	3.1	2.0	3.3	4.1	12.5	16.0
<b>Total</b>	<b>60.4</b>	<b>55.6</b>	<b>58.6</b>	<b>56.3</b>	<b>230.9</b>	<b>245.7</b>
	96%	90%	93%	92%	93%	106%

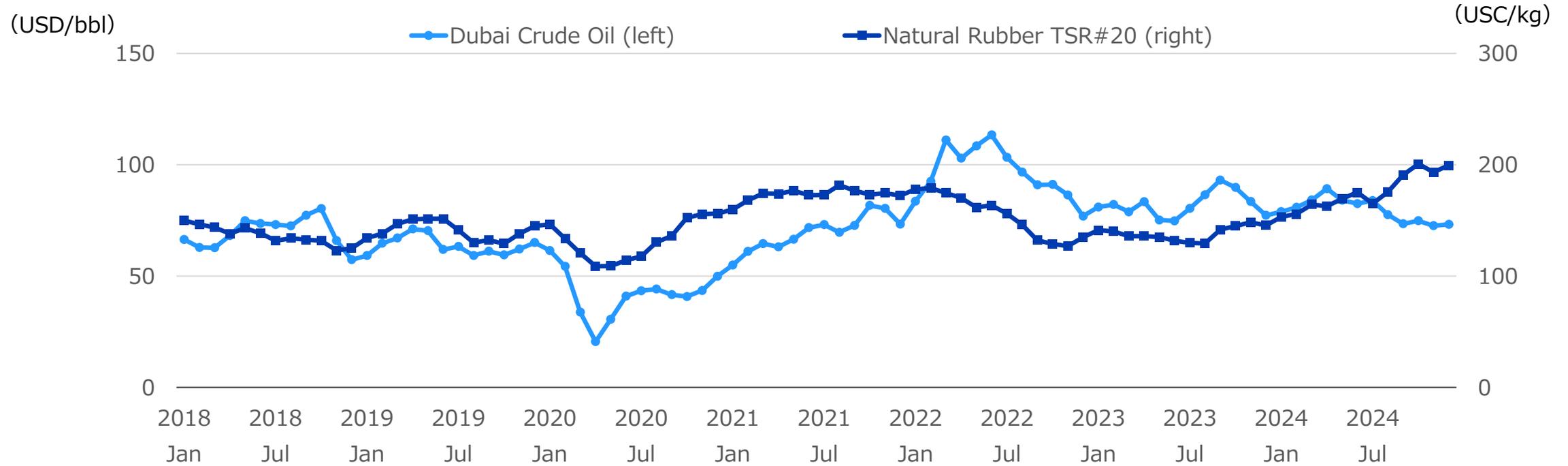
# Change in Tire Sales Quantity by Region (YoY)



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

2023	2023					2024					2025 Jan-Dec Forecast
	(%)	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	
OE Total	120	122	108	108	114	87	97	89	90	91	108
RE Japan	104	102	79	81	90	77	85	85	88	84	115
RE Overseas	107	100	103	93	101	88	99	93	101	95	102
N.America	110	104	112	96	105	93	100	99	98	98	106
Europe	103	96	94	80	94	71	85	69	106	80	75
SE Asia	106	86	92	99	95	92	101	98	113	100	104
Total	108	103	99	93	101	86	97	91	96	92	105

## 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)

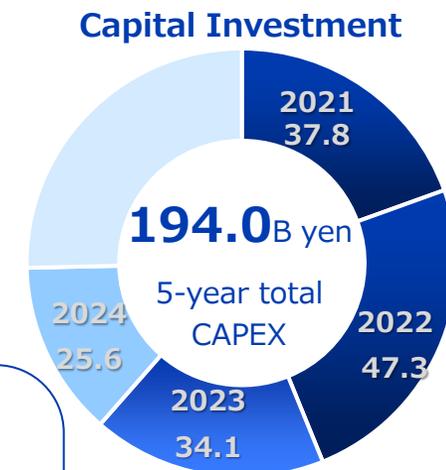
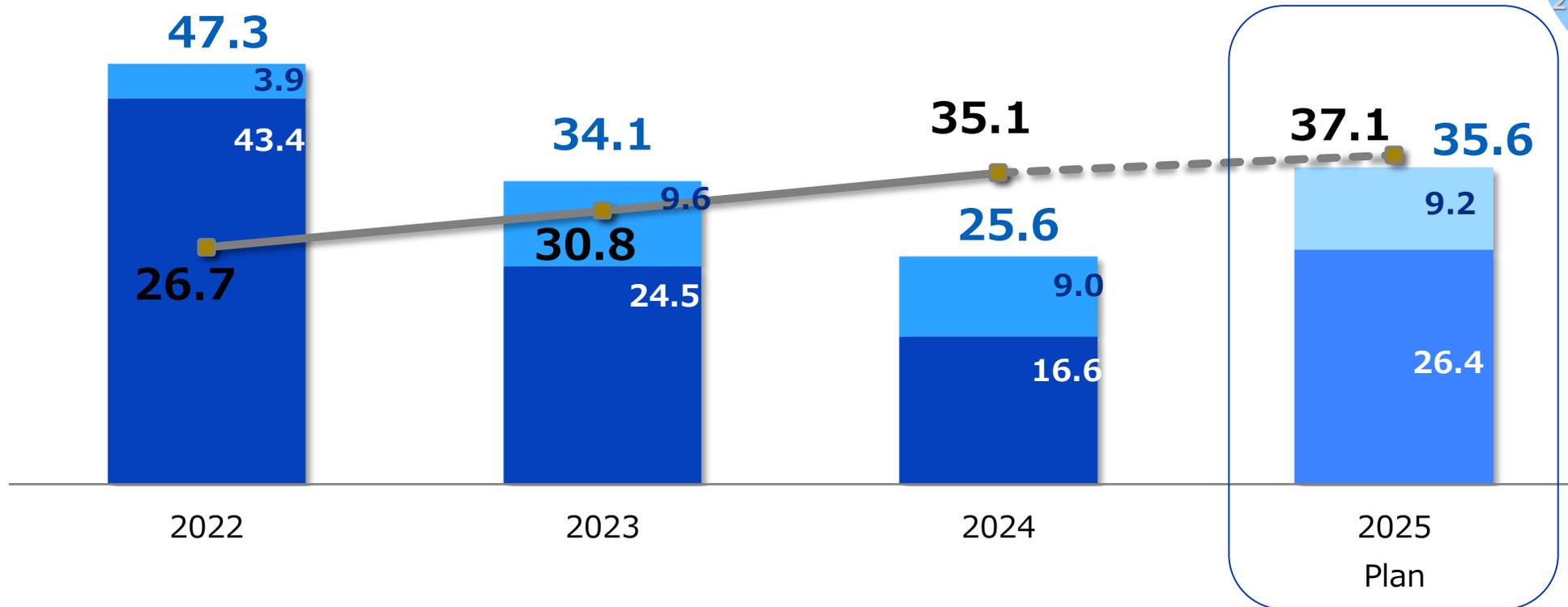
	2023					2024					2025 Forecast
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	
Natural Rubber	+0.9	+2.0	+1.0	+0.5	+4.4	(0.6)	(0.7)	(1.8)	(2.8)	(5.8)	(7.4)
Petroleum Products	(3.0)	(2.2)	+2.2	+0.8	(2.2)	+0.8	(0.3)	(2.9)	(1.7)	(4.1)	(2.0)
Other Raw Materials	(0.7)	+0.0	+0.4	+0.7	+0.5	(0.2)	+0.1	(0.3)	(0.3)	(0.7)	(1.1)
<b>Total</b>	<b>(2.8)</b>	<b>(0.2)</b>	<b>+3.6</b>	<b>+2.0</b>	<b>+2.6</b>	<b>+0.1</b>	<b>(0.9)</b>	<b>(5.0)</b>	<b>(4.9)</b>	<b>(10.6)</b>	<b>(10.5)</b>

## Capital Investment and Depreciation

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

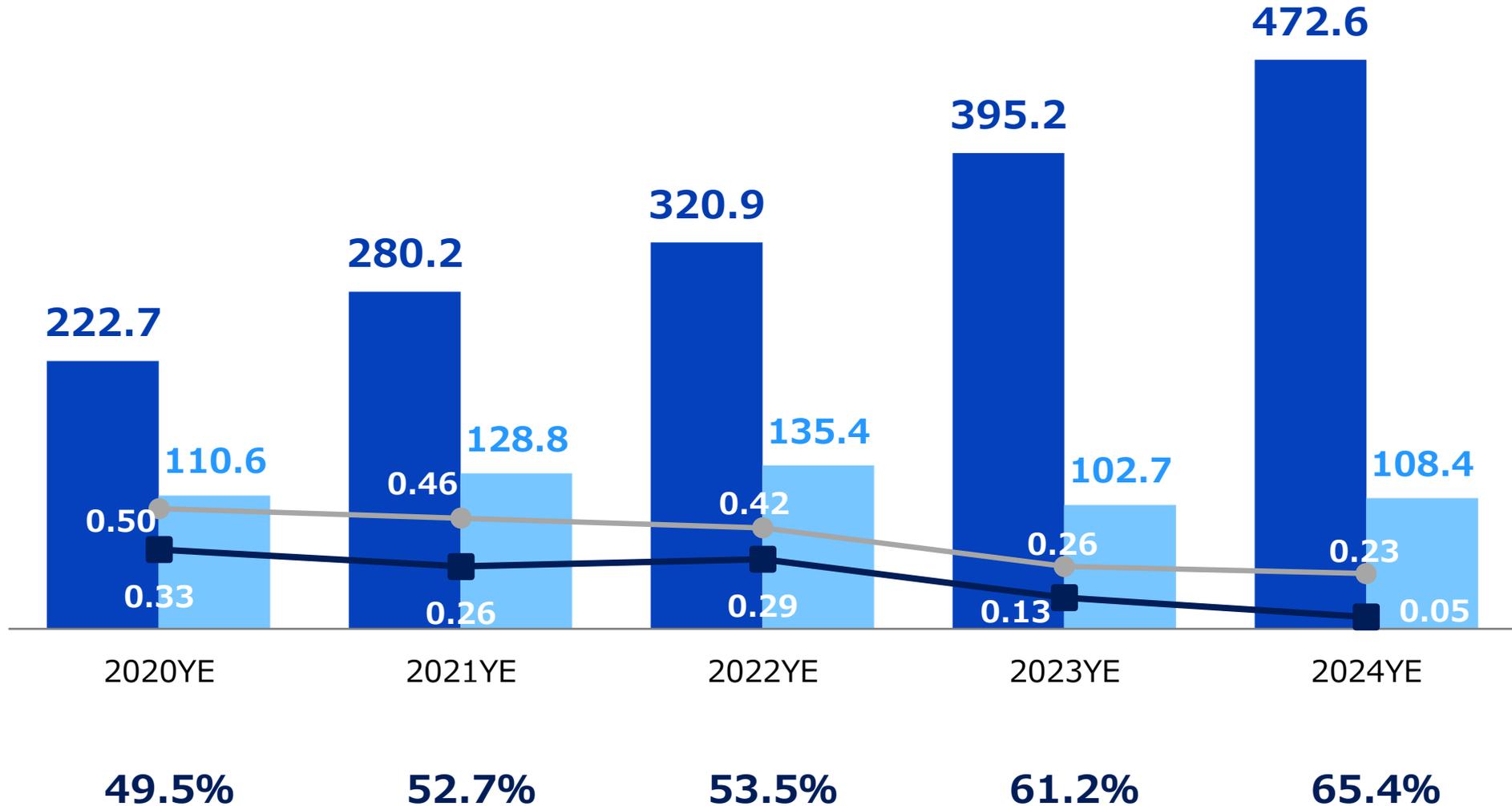
(Unit: Billions of Yen)

■ Capital Investment Tire   ■ Capital Investment Other   — Depreciation

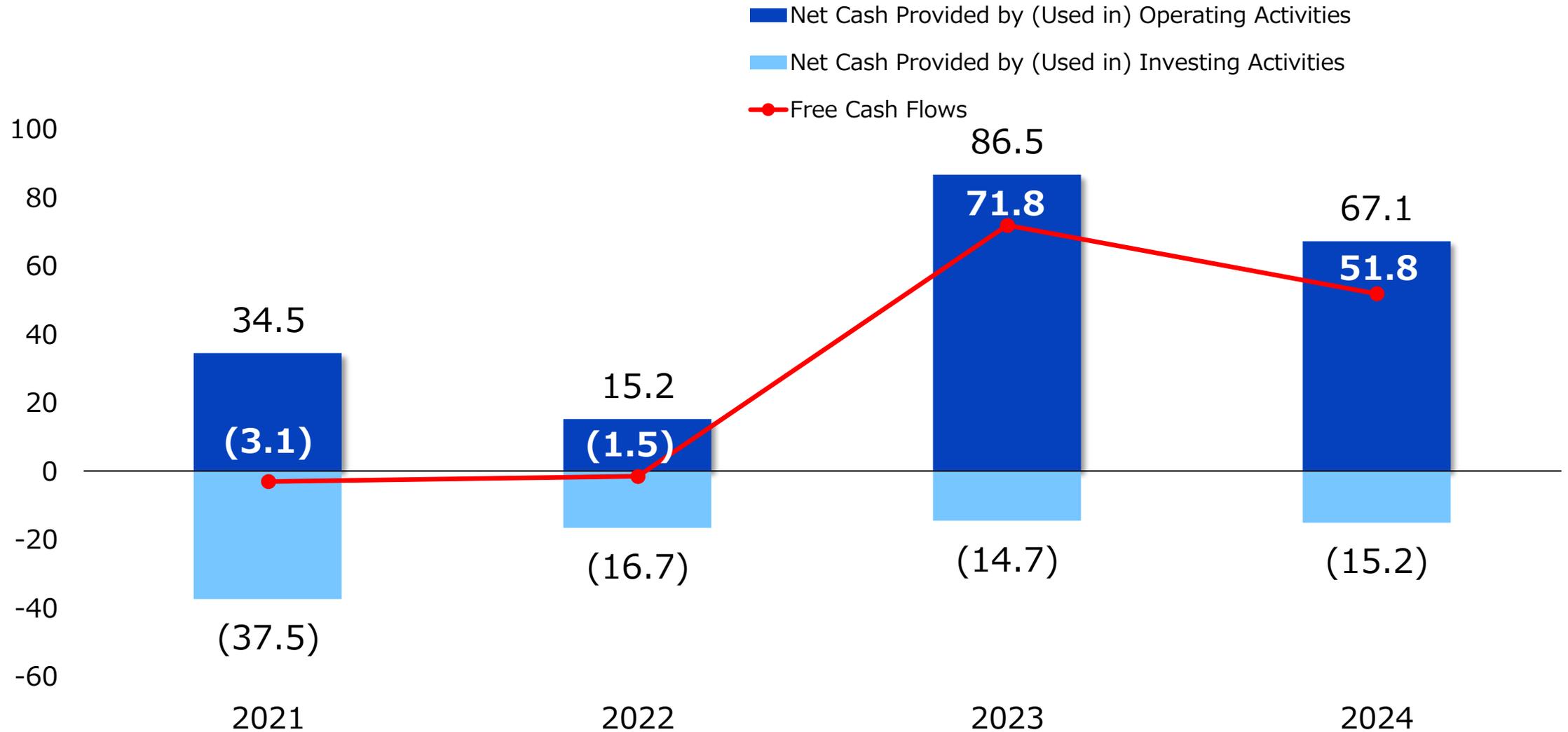


# Changes in Interest-Bearing Debt Balance and Capital Ratio

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



(Billions of Yen)

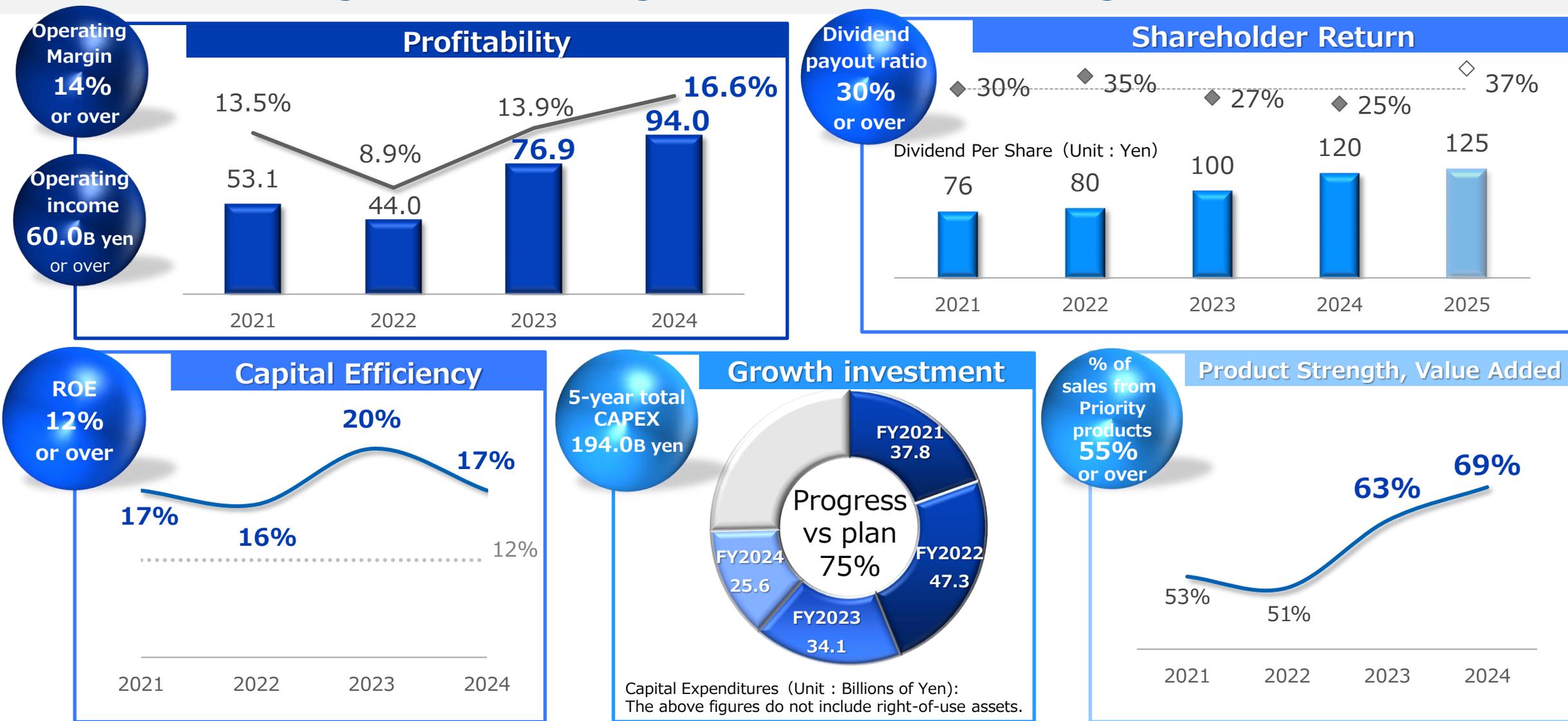


1 . Financial Results for FY2024

2 . Financial Forecast for FY2025

**3 . Progress of Management Measures**

### Achieved self-set targets. Increased organizational resilience through continuous reform



The dividend payout ratio is calculated by adjusting for non-recurring special gains and losses included in profit attributable to owners of parent. The annual dividend per share for FY2024 is subject to approval at the general meeting of shareholders to be held on March 26, 2025.

# Progress of Medium-Term Business Plan, "Mid Term '21 Plan"

## - Key Initiatives in the Final Year

In anticipation of the next medium-term business plan, continue forging ahead with the Mid-Term '21 Plan and pushing through reforms

### Boost sales of high value-added products in Japan

- Streamline the product lineup
- Achieve over 70% of sales from priority products



PROXES comfort II

### Consolidate sales functions in the European market in Serbia Streamline the product lineup

- Gradually suspending operations of sales companies in Germany, the Netherlands, Italy, and the U.K.
- Sales Headquarters in Serbia will cover the entire European region
- Combining functions for flexible and speedy business operations



Overseeing sales of the entire European region in Serbia

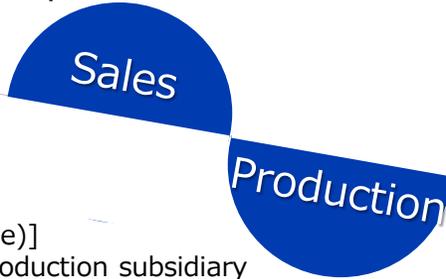
### Transferring equity interests in a tire production subsidiary in China

[Now] Producing products mainly for export to Asia and domestic markets



- [From June 2025 (subject to change)]
- An 86% stake in a PCR/LTR production subsidiary in China\* will be transferred to a local company (excluded from the scope of consolidation) after failing to gain advantages as a local producer.  
\* TOYO TIRE (ZHANGJIAGANG) CO., LTD.
  - Responsibility for supplying other Asian countries will shift from China to Japan and Malaysia.

- ◆ Optimizing allocation of management resources to build a globally optimal supply system
- ◆ Continuing to pursue flexible and speedy business operations in North America and other markets that have potential for further growth



### Utilizing the Serbia plant at capacity Building a globally optimal production system



## Continuously driving further improvement in earning power and capital optimization

### FY2024

#### Enhance Profitability

- Increased utilization at the Serbia plant
- Released more high value-added lines in Japan and Europe



**PROXES Sport 2**

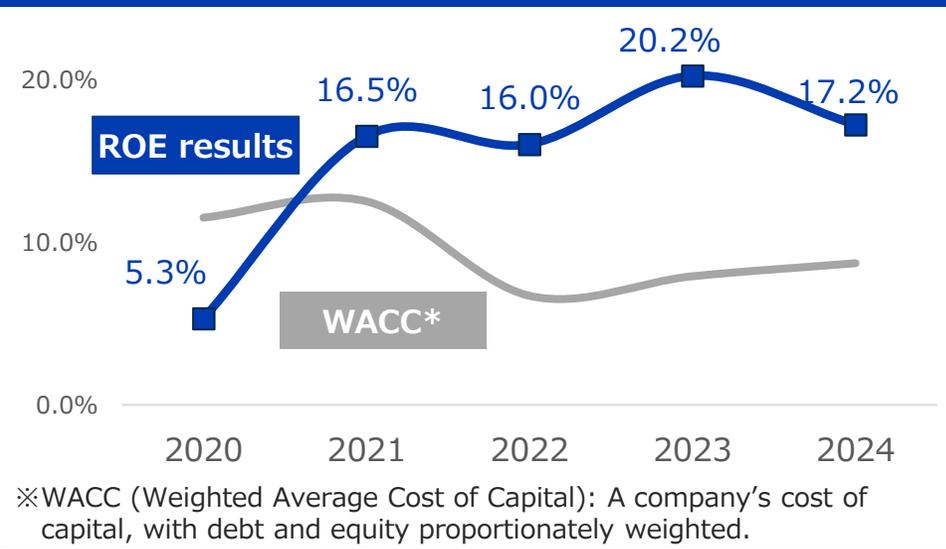


**CELSIUS AS2**

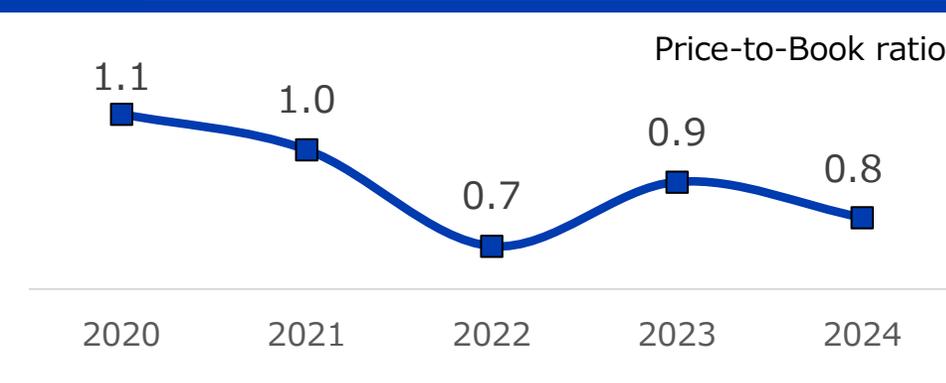
#### Optimize Capital

- Promoted sale of investment securities
- Shareholder return policy that considers the ratio of dividends to shareholders' equity, as well as payout ratio

### **ROE** Trending at levels higher than capital cost



### **PBR** Stock prices remain sluggish, dipping below 1.0



### Our responses

#### For stable growth over the mid-/long-term

- Implement measures to further increase earning power
- Promote ongoing efforts to expand shareholder returns
- Promote dialogue on capital policy
- Timely disclosure of initiatives that enhance corporate value

**Deepening discussions during the next medium-term business plan formulation process**

## Material issues: Progress on main initiatives

Value creation	Sustainable mobility in society	<b>Reducing the environmental impact of mobility, improving safety and peace of mind</b>	▶	<ul style="list-style-type: none"> <li>Proactively developed products for commercial EVs in Japan. Enhanced the light EV truck tire series with the new <b>NANOENERGY M951 EV</b> studless tire.</li> <li>Started test marketing solutions for logistics companies. Developed the Tire SAPRI app to support management of truck and bus operations.</li> </ul>
	Diverse mobility for all	<b>Ultimate driving enjoyment</b>	▶	<ul style="list-style-type: none"> <li>Developed a new tire for rugged terrain using sustainable materials. Will start to sell the <b>OPEN COUNTRY R/T TRAIL</b> tire from March 2025.</li> </ul>
Foundation for value creation	Challenging and satisfying jobs for diverse talent	<b>Developing talent</b>	▶	<ul style="list-style-type: none"> <li>Conducted organizational capability assessments to visualize talent pool.</li> <li>Supported employees' acquisition of new skills.</li> <li>Updated level-specific corporate philosophy training program.</li> </ul>
		<b>Creating healthy working environments</b>	▶	<ul style="list-style-type: none"> <li>Participated in the Health &amp; Productivity Management Alliance to enhance employee health management.</li> </ul>
	Innovating next-generation mobility technology	<b>Greater use of sustainable materials</b>	▶	<ul style="list-style-type: none"> <li>Acquired ISCC PLUS certification at our Sendai Plant and Fukushima Rubber Co., Ltd.</li> <li>Progress vis-à-vis target: 28%* *By weight in products produced at the end of 2024</li> </ul>
Managing risk to protect the value creation process	Pursuing decarbonization in all corporate activities	<b>Reducing GHG emissions</b>	▶	<ul style="list-style-type: none"> <li>Implemented full-scale internal carbon pricing (ICP).</li> <li>Applied to investment decisions on equipment renewal and other initiatives designed to help reduce Scope 1 emissions.</li> <li>Acquired <b>SBT certification</b>.</li> </ul>
	Promoting supply chain sustainability	<b>Addressing material human rights risks</b>	▶	<ul style="list-style-type: none"> <li>Investigated human rights measures not only at raw materials suppliers but also manufacturing contractors and logistics companies. (ongoing)</li> </ul>

## Key topics

Value creation

### Reducing the environmental impact of mobility, improving safety and peace of mind



**NANOENERGY  
M951 EV**

[Japan release: September 2024]

- ❑ The dedicated EV pattern offers high performance in icy and snowy conditions and high-level wear resistance.
- ❑ Improved environmental performance (low electricity consumption).
- ❑ Uses sustainable materials (recycled bead wire, and other materials).

### Ultimate driving enjoyment



**OPEN COUNTRY R/T TRAIL**

[Japan release: March 2025]

- ❑ Rugged terrain tires that offer great off-road performance, toughness and superior design.
- ❑ Uses sustainable materials (recycled bead wire, and other materials).

Foundation for value creation

### Using more sustainable materials in products

- ❑ Provided OPEN COUNTRY M/T-R\* made from over 50% sustainable materials to vehicles participating in Dakar Rally 2025.  
\*Made to Dakar Rally 2025 specifications

Land Cruiser 300 GR SPORT vehicle used by the Toyota Land Cruiser Auto Body



- ❑ Achieved 91% sustainable materials for the OPEN COUNTRY\* tire.  
\* Made to TOKYO AUTO SALON 2025 specifications



Managing risk to protect the value creation process

### Acquired SBT certification for 2030 GHG emission reduction targets



Scope 1, 2  
(Emissions from own activities)

- ▶ 46.20% reduction in total emissions by 2030 (compared to 2019)

Scope 3 (Category 1)  
(Emissions from all purchased products and services)

- ▶ Suppliers accounting for 89.00% of emissions from purchased products and services to have set science-based reduction targets by 2029

**TOYO TIRES**

**OPEN COUNTRY**



**Dakar Rally 2025**

**Victory in the Stock Class**

***TOYO TIRES***

**80<sup>th</sup>**  
**ANNIVERSARY**

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.