

***TOYO TIRES***

# Financial Results for 1st Quarter of FY2025

May 13, 2025

**Toyo Tire Corporation**

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

- 1. Financial Results for 1st Quarter of FY2025**
2. Financial Forecast for FY2025
3. Topics

- Net sales amounted to **135. 5 billion yen, a record high\*** for the first quarter.
- **Operating income** decreased year-on-year due to higher costs (raw materials, etc.) but reached **22.4 billion yen**, driven chiefly by **strong sales of large-diameter tires in North America**.
- **Ordinary income and profit attributable to owners of parent also recorded a year-on-year decrease** due to the recording of foreign exchange losses from the yen's appreciation.
- Assuming tariff impact can be absorbed with appropriate measures, **earnings forecasts for FY2025 remain unchanged**.
- Annual dividend per share forecast for FY2025 **maintained at 125 yen**.

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

# Financial Results for 1st Quarter of FY2025 (Jan-Mar)



(Unit: Millions of Yen)	2025 1Q Results	2024 1Q Results	Change	Change (%)
Net Sales	135,510	127,557	+7,953	+6.2%
Operating Income	22,419	25,975	(3,556)	(13.7%)
Margin	16.5%	20.4%	—	—
Ordinary Income	18,256	31,880	(13,623)	(42.7%)
Profit Attributable to Owners of Parent*	13,505	23,058	(9,553)	(41.4%)

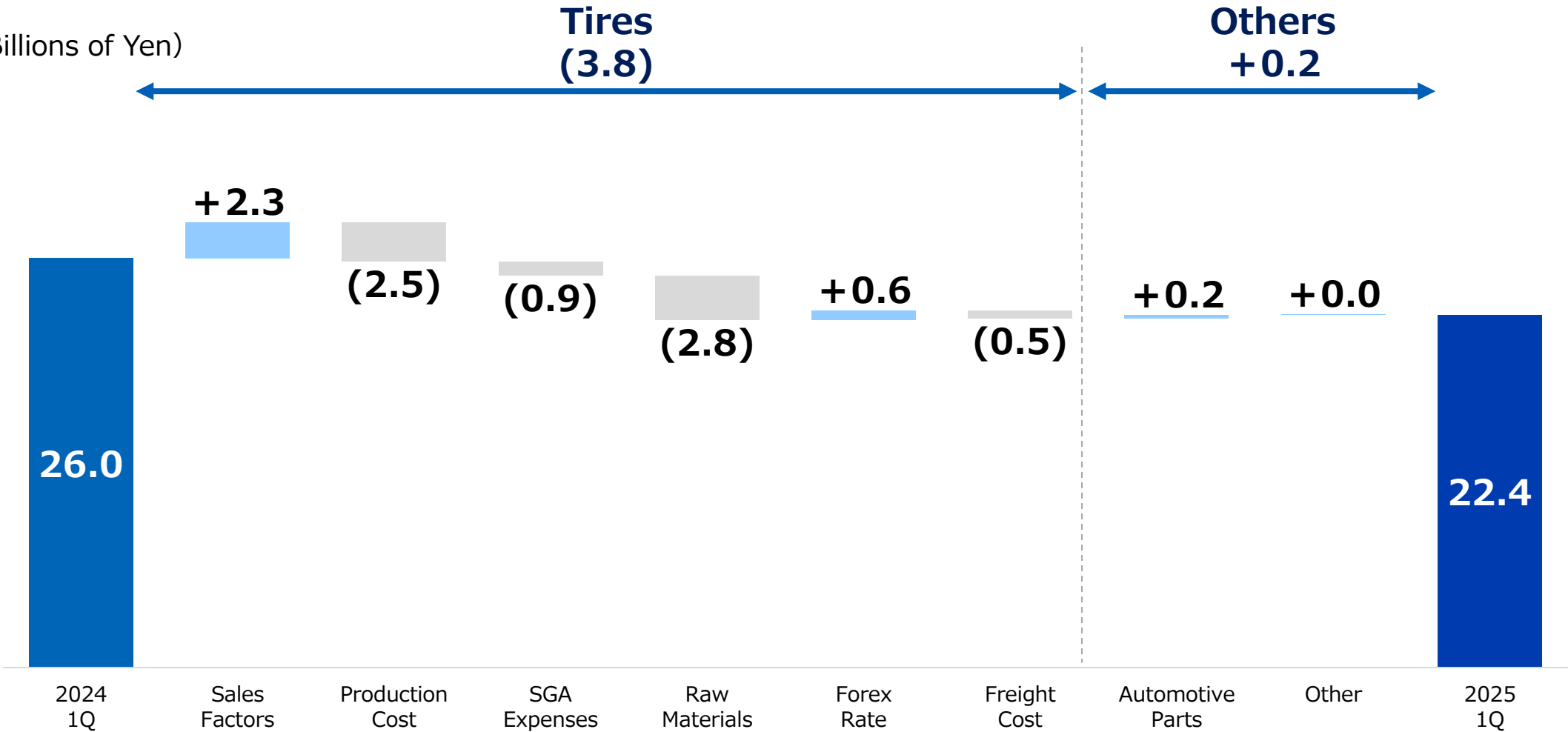
\*Profit attributable to parent company shareholders

1 USD	154 Yen	146 Yen	+ 8 Yen
1 EUR	160 Yen	160 Yen	+0 Yen

# Analysis of Operating Income for 1st Quarter of FY2025 (Jan-Mar) (vs 2024)



(Unit: Billions of Yen)



2023 4Q	Sales Factors	Production Cost	SGA Expenses	Raw Materials	Forex Rate	Freight Cost	Plant Start-up Cost	Automotive Parts	Other	2024 4Q
26.6	(1.7)	(3.0)	(1.3)	(4.9)	(0.2)	+0.4	+1.4	+0.4	+0.0	17.7

# Business Segments for 1st Quarter of FY2025 (Jan-Mar)

(Unit: Millions of Yen)

<b>Net Sales</b>	<b>2025 1Q Results</b>	<b>2024 1Q Results</b>	<b>Change</b>	<b>Change (%)</b>
Tires	<b>123,764</b>	116,566	+7,198	+6.2%
Automotive Parts	<b>11,746</b>	10,991	+754	+6.9%
Other	—	0	(0)	—
Adjustments	—	(0)	+0	—
<b>Total</b>	<b>135,510</b>	127,557	+7,953	+6.2%

\*Net sales include intersegment internal net sales or transfers

<b>Operating Income</b>	<b>2025 1Q Results</b>	<b>2024 1Q Results</b>	<b>Change</b>	<b>Change (%)</b>
Tires	<b>21,901</b>	25,654	(3,753)	(14.6%)
Margin	17.7%	22.0%	—	—
Automotive Parts	<b>509</b>	314	+195	+62.0%
Margin	4.3%	2.9%	—	—
Other	<b>8</b>	5	+2	+60.0%
Adjustments	<b>0</b>	0	(0)	—
<b>Total</b>	<b>22,419</b>	25,975	(3,556)	(13.7%)

\*Segment profit adjustment amounts include intersegment eliminations

# Geographic Area Segments for 1st Quarter of FY2025 (Jan-Mar)

(Unit: Millions of Yen)

<b>Net Sales</b>	<b>2025 1Q Results</b>	<b>2024 1Q Results</b>	<b>Change</b>	<b>Change (%)</b>
Japan	26,978	24,853	+2,125	+8.6%
N.America	91,545	85,031	+6,514	+7.7%
Other	16,986	17,673	(686)	(3.9%)
Eliminations or Adjustments	—	—	—	—
<b>Total</b>	<b>135,510</b>	<b>127,557</b>	<b>+7,953</b>	<b>+6.2%</b>

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

<b>Operating Income</b>	<b>2025 1Q Results</b>	<b>2024 1Q Results</b>	<b>Change</b>	<b>Change (%)</b>
Japan	13,981	21,674	(7,693)	(35.5%)
N.America	5,361	4,305	+1,055	+24.5%
Other	4,129	2,136	+1,993	+93.3%
Eliminations or Adjustments	(1,052)	(2,141)	+1,088	—
<b>Total</b>	<b>22,419</b>	<b>25,975</b>	<b>(3,556)</b>	<b>(13.7%)</b>

1. Financial Results for 1st Quarter of FY2025

**2. Financial Forecast for FY2025**

3. Topics



# Financial Forecast for 2nd Quarter of FY2025 (Jan-Jun)

There is no change from February forecast

**TOYO TIRES**

(Unit: Millions of Yen)	2025 1H Forecast	2024 1H Results	Change	Change (%)
Net Sales	277,000	273,501	+ 3,498	+1.3%
Operating Income	38,000	47,569	(9,569)	(20.1%)
Margin	13.7%	17.4%	—	—
Ordinary Income	30,000	59,770	(29,770)	(49.8%)
Profit Attributable to Owners of Parent*	21,000	42,005	(21,005)	(50.0%)
*Profit attributable to parent company shareholders				
Interim Dividends per Share	60 Yen	50 Yen	+ 10 Yen	
1 USD	147 Yen	150 Yen	(3 Yen)	
1 EUR	157 Yen	163 Yen	(6 Yen)	

# Financial Forecast for FY2025 (Jan-Dec)

There is no change from February forecast



(Unit: Millions of Yen)	2025 Forecast	2024 Results	Change	Change (%)	2025 2H Forecast	Change (YoY)
Net Sales	585,000	565,358	+ 19,641	+ 3.5%	308,000	+16,143
Operating Income	85,000	93,981	(8,981)	(9.6%)	47,000	+588
Margin	14.5%	16.6%	—	—	15.3%	—
Ordinary Income	75,000	102,117	(27,117)	(26.6%)	45,000	+2,652
Profit Attributable to Owners of Parent*	50,000	74,810	(24,810)	(33.2%)	29,000	(3,805)

\*Profit attributable to parent company shareholders

Annual Dividends per Share	125 Yen	120 Yen	+ 5 Yen	—
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1 USD	146 Yen	151 Yen	(5 Yen)
1 EUR	156 Yen	164 Yen	(8 Yen)

## Mid-Term '21 Plan Key Performance Indicators

Consolidated OP margin	Over 14%
Dividend policy (Dividend payout ratio)	30% or higher

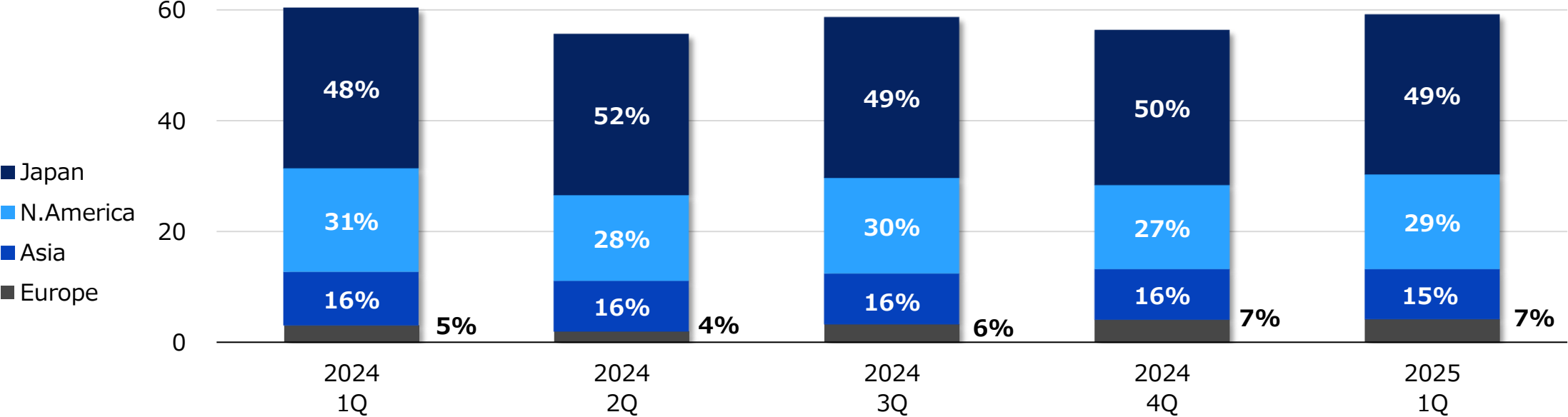
Forex Rate Sensitivity 2025

USD	0.8 Billion Yen/Year
EUR	0.1 Billion Yen/Year

Impact of 1 yen fluctuation on operating income 9/18

Bar graph values show tire production volume composition ratio by region

(Unit: 1,000 Tons)



	2024					2025 1Q Results	2025 Forecast
	1Q	2Q	3Q	4Q	Total		
Japan	28.9	29.0	28.9	27.9	114.8	28.8	122.9
N.America	18.7	15.5	17.3	15.2	66.8	17.1	71.6
Asia	9.6	9.1	9.1	9.1	36.9	9.0	35.3
Europe	3.1	2.0	3.3	4.1	12.5	4.2	16.0
Total	60.4	55.6	58.6	56.3	230.9	59.1	245.7
YoY	96%	90%	93%	92%	93%	98%	106%

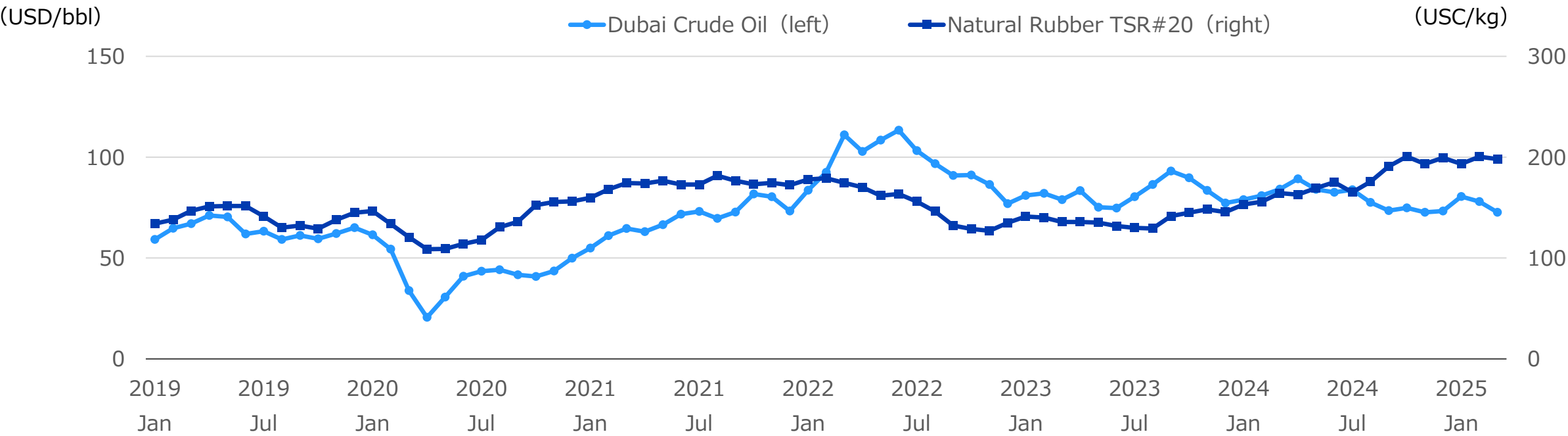
# Change in Tire Sales Quantity by Region (YoY)



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

(%)		2024					2025 1Q Results	2025 Forecast
		1Q	2Q	3Q	4Q	Total		
OE Total		87	97	89	90	91	104	108
RE Japan		77	85	85	88	84	97	115
RE Overseas		88	99	93	101	95	99	102
	N.America	93	100	99	98	98	105	106
	Europe	71	85	69	106	80	67	75
	SE Asia	92	101	98	113	100	103	104
Total		86	97	91	96	92	99	105

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



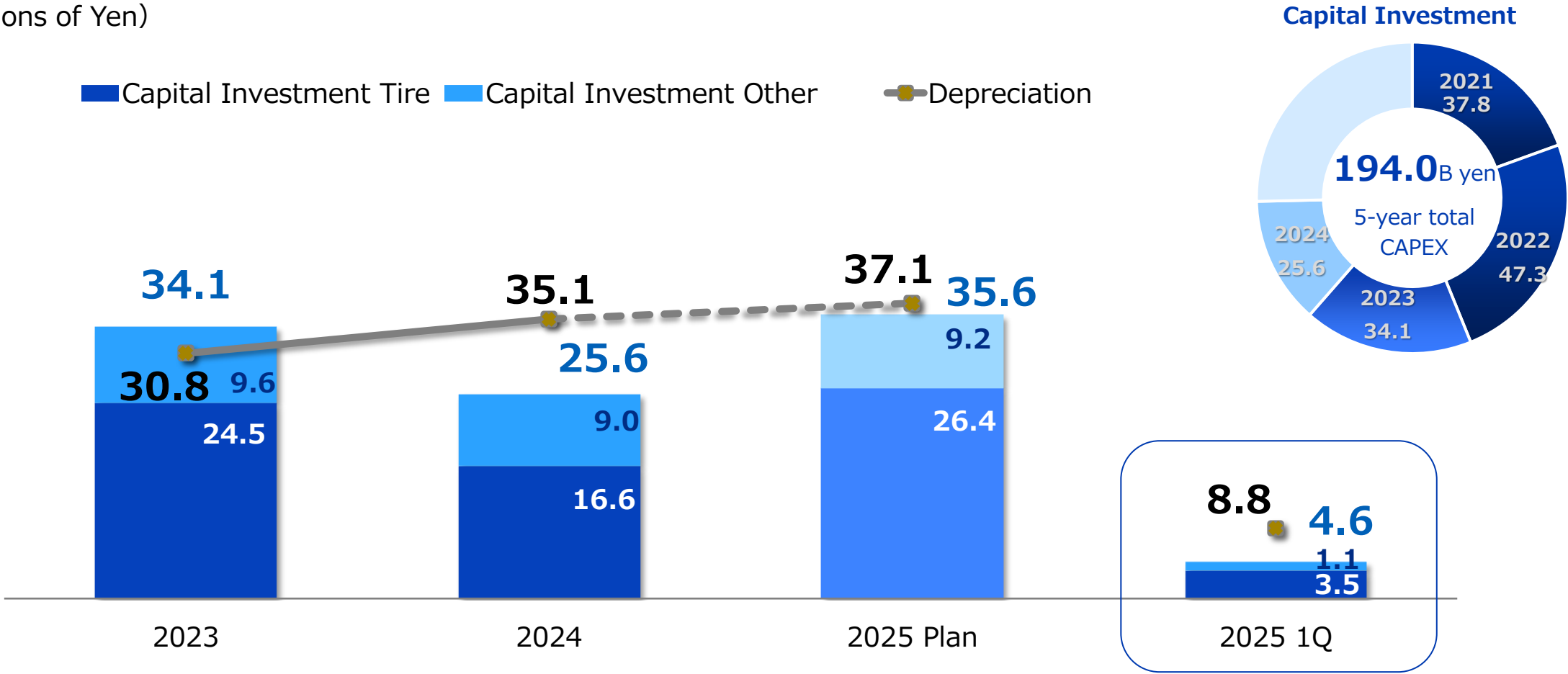
Price Changes & Impact of Raw Materials (Operating Income Basis)

(Unit: Billions of Yen)	2024					2025 1Q Results	2025 Forecast
	1Q	2Q	3Q	4Q	Total		
Natural Rubber	(0.6)	(0.7)	(1.8)	(2.8)	(5.8)	(2.8)	(7.4)
Petroleum Products	+0.8	(0.3)	(2.9)	(1.7)	(4.1)	(0.3)	(2.0)
Other Raw Materials	(0.2)	+0.1	(0.3)	(0.3)	(0.7)	+0.3	(1.1)
Total	+0.1	(0.9)	(5.0)	(4.9)	(10.6)	(2.8)	(10.5)

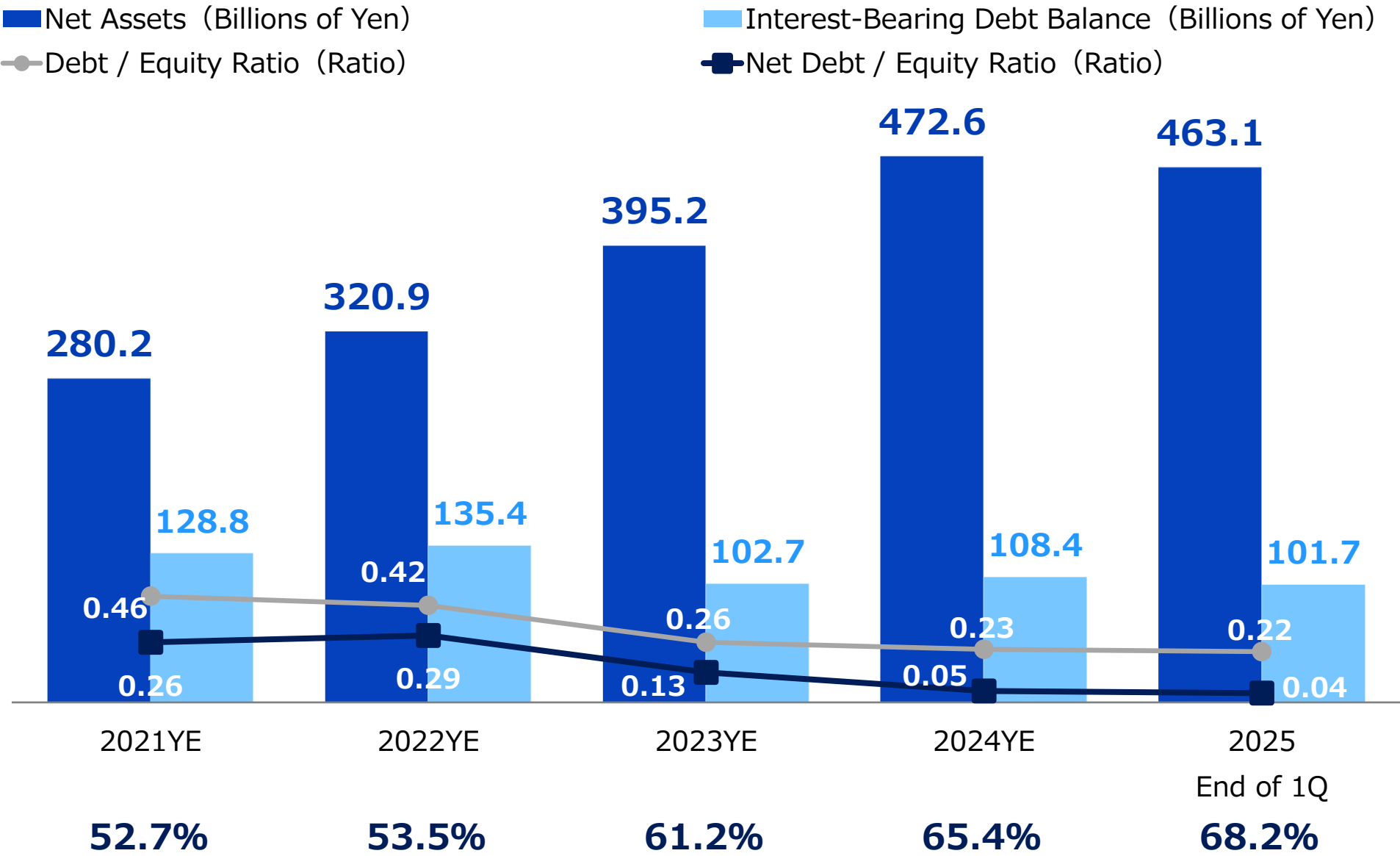
## Capital Investment and Depreciation

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

(Unit: Billions of Yen)



# Changes in Interest-Bearing Debt Balance and Capital Ratio



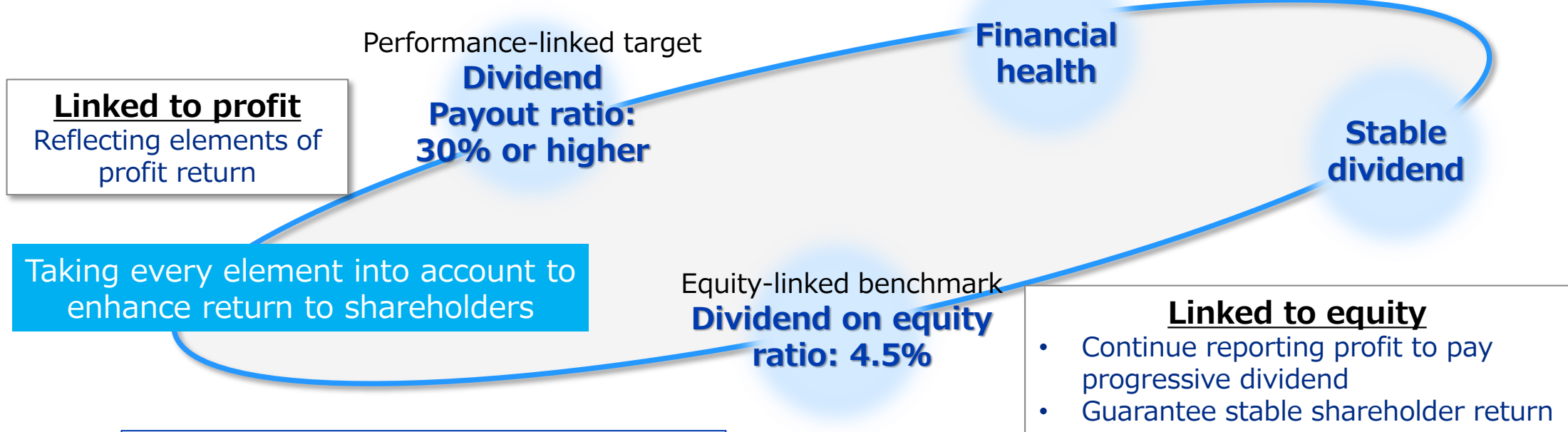
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### **3. Topics**



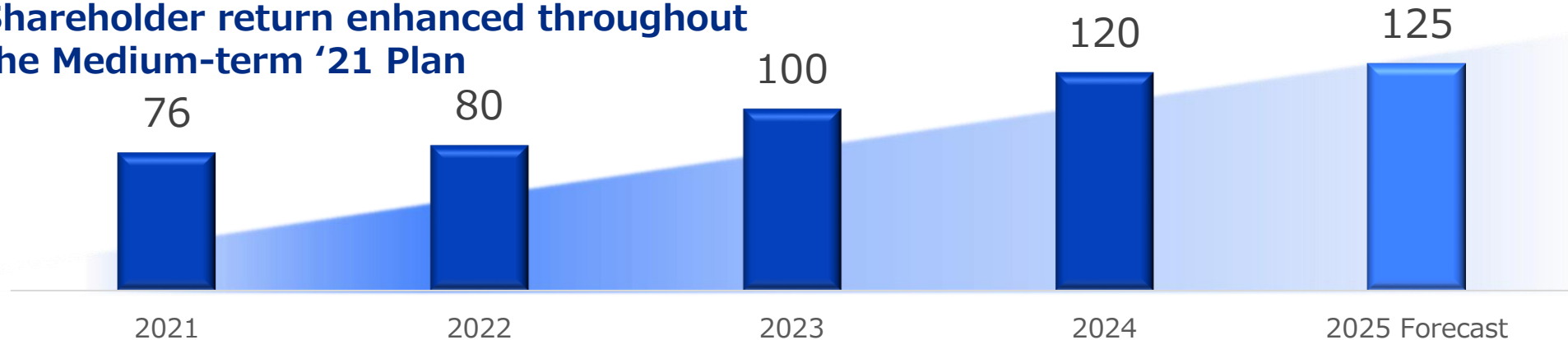
## Seeking to provide stable and progressive dividends

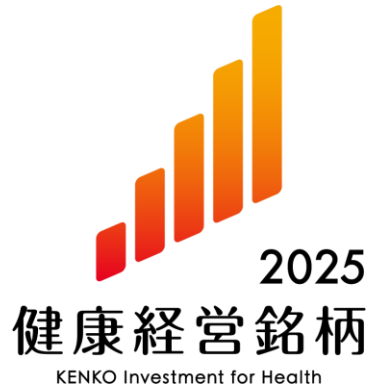
– Enhancing shareholder return from a medium- to long-term perspective –



■ **Dividend Per Share (Unit:Yen)**

**Shareholder return enhanced throughout the Medium-term '21 Plan**





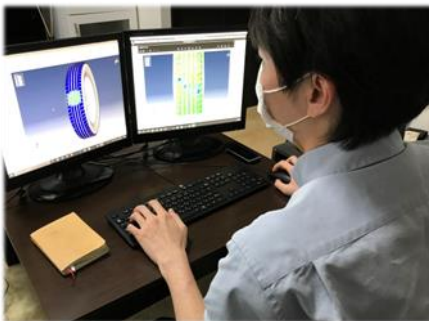
## A healthy and energized workforce enhances productivity and revitalizes the organization

[Selected achievements]

- **Banned smoking throughout the Group**
- **Recommended 100% work-from-home to reduce commuters' burden during extreme heat and prevent heatstroke**  
→ Recommendation of 100% work-from-home established as a permanent system
- **Continued discussions and improvement investment to enhance comfort and safety on the shop floor**

### About the KENKO Investment for Health Stock Selection

Selected from among listed companies within the top 500 applicants (in the large enterprise category), with additional points awarded for having no records of major legal violations, maintaining a high ROE, and engaging in dialogue with investors. In 2025, 53 enterprises were selected.



Encouraging work-from-home



New work suits with improved comfort



At the 2025 KENKO Investment for Health Award Ceremony  
(Right: President & CEO Takashi Shimizu)

2024: Narrowed down domestic product line (withdrew commoditized products)

## Proactively launching high-value-added lines to the market



**Released premium tires exclusively for high-roof *kei* cars with enhanced wet grip performance**

(Launched in Mar. '25)

**PROXES LuKII**

- Launched tires for high-roof *kei* cars, a popular model in Japan
- Part of the silica dispensing agent in the compound is made from eco-friendly, natural, and sustainable raw materials
- Improved wet braking performance / reduced rolling resistance
  - **Wet braking performance: Up by 12%**
  - **Rolling resistance: Down by 9%**

Both compared with existing model (TRANPATH LuK)



**Released SUV tires that achieve a quiet ride while driving in the city**

(Launched in Apr. '25)

**OPEN COUNTRY H/T II**

- Also available with a "White Letter / White Ribbon" design on the side
- Achieves a quiet ride and rolling resistance for city driving
- To meet popular demand for smaller sizes for *kei* cars, now available in a greater variety of sizes from 14" to 18"
- Uniquely designed to lower noise while driving  
Achieves quietness qualifying "Low Car Exterior Sound Tires\*"



**TOYO TIRES**

**OPEN COUNTRY**



**SCORE SAN FELIPE 250  
OVERALL CHAMPIONS**

***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.