

Summary Report of Consolidated Business Performance
for the Second Quarter of Fiscal Year 2025
(January 1, 2025 – December 31, 2025)

HYOGO, JAPAN – August 8, 2025 - Toyo Tire Corporation (“the Company”; President & CEO: Takashi Shimizu) announces its consolidated business performance for the second quarter of fiscal year 2025 (January 1, 2025 through December 31, 2025) as follows:

Quantitative information concerning the quarterly financial results

(1) Business Results

●Net Sales:	283,410 million yen (an increase of 9,908 million yen, or 3.6% from the same period in FY2024)
●Operating Income:	48,176 million yen (an increase of 606 million yen, or 1.3% from the same period in FY2024)
●Ordinary Income:	43,730 million yen (a decrease of 16,039 million yen, or 26.8% from the same period in FY2024)
●Profit Attributable to Owners of Parent:	33,330 million yen (a decrease of 8,674 million yen, or 20.7% from the same period in FY2024)

(2) Results by Business Unit

The Tire Business Unit posted net sales of 260,409 million yen (an increase of 9,117 million yen, or 3.6% from the same period in FY2024) and an operating income of 47,084 million yen (an increase of 185 million yen, or 0.4% from the same period in FY2024).

The Automotive Parts Business Unit posted net sales of 23,001 million yen (an increase of 791 million yen, or 3.6% from the same period in FY2024) and an operating income of 1,081 million yen (an increase of 421 million yen, or 63.8% from the same period in FY2024).

(3) Explanation of financial situation

Total assets at the end of the second quarter of FY2025 of the consolidated accounting period were 707,041 million yen, a decrease of 15,624 million yen compared to the end of the previous consolidated accounting period.

Liabilities were 229,182 million yen, a decrease of 20,931 million yen compared to the end of the previous consolidated accounting period.

Interest-bearing liabilities were 94,805 million yen, a decrease of 13,644 million yen compared to the end of the previous consolidated accounting period.

Net assets as of the end of the second quarter of FY2025 of the consolidated accounting period were 477,859 million yen, an increase of 5,306 million yen compared to the end of the previous consolidated accounting period.

As a result, the capital ratio increased by 2.2 points compared to the end of the previous consolidated accounting period to 67.6 %.

Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2024	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	86,636	93,370
Notes and accounts receivable - trade	130,369	121,767
Merchandise and finished goods	86,700	91,203
Work in process	5,011	4,957
Raw materials and supplies	31,133	30,364
Other	35,027	32,624
Allowance for doubtful accounts	(1,096)	(1,016)
Total current assets	373,782	373,273
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	87,559	83,703
Machinery, equipment and vehicles, net	135,122	126,446
Other, net	64,471	63,106
Total property, plant and equipment	287,153	273,256
Intangible assets	22,119	23,300
Investments and other assets		
Investment securities	6,710	4,336
Other	33,011	32,989
Allowance for doubtful accounts	(111)	(114)
Total investments and other assets	39,610	37,211
Total non-current assets	348,884	333,768
Total assets	722,666	707,041

Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2024	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	37,725	33,382
Current portion of bonds payable	—	5,000
Short-term borrowings	20,447	11,337
Accounts payable - other	34,260	28,385
Income taxes payable	12,192	12,978
Provision for product compensation	383	392
Provision for loss on liquidation of subsidiaries and associates	4,221	2,379
Other	41,660	45,933
Total current liabilities	150,892	139,789
Non-current liabilities		
Bonds payable	25,000	20,000
Long-term borrowings	41,139	40,384
Retirement benefit liability	3,465	3,397
Provision for product compensation	699	526
Other provisions	93	94
Other	28,824	24,990
Total non-current liabilities	99,221	89,392
Total liabilities	250,113	229,182
Net assets		
Shareholders' equity		
Share capital	55,935	55,935
Capital surplus	54,214	54,255
Retained earnings	275,986	298,538
Treasury shares	(118)	(99)
Total shareholders' equity	386,017	408,629
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,924	965
Deferred gains or losses on hedges	(116)	13
Foreign currency translation adjustment	69,232	53,389
Remeasurements of defined benefit plans	15,495	14,861
Total accumulated other comprehensive income	86,535	69,229
Total net assets	472,552	477,859
Total liabilities and net assets	722,666	707,041

Consolidated Statements of Income

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Net sales	273,501	283,410
Cost of sales	158,782	168,457
Gross profit	114,719	114,952
Selling, general and administrative expenses	67,149	66,776
Operating profit	47,569	48,176
Non-operating income		
Interest income	446	704
Dividend income	345	134
Foreign exchange gains	11,865	—
Share of profit of entities accounted for using equity method	—	28
Other	1,010	1,285
Total non-operating income	13,668	2,152
Non-operating expenses		
Interest expenses	640	595
Foreign exchange losses	—	4,342
Share of loss of entities accounted for using equity method	7	—
Other	819	1,659
Total non-operating expenses	1,467	6,598
Ordinary profit	59,770	43,730
Extraordinary income		
Gain on sale of non-current assets	1,936	1,038
Gain on sale of investment securities	148	2,493
Total extraordinary income	2,084	3,532
Extraordinary losses		
Loss on retirement of non-current assets	309	394
Impairment losses	329	103
Total extraordinary losses	638	497
Profit before income taxes	61,216	46,765
Income taxes	19,210	13,434
Profit	42,005	33,330
Profit attributable to owners of parent	42,005	33,330

Consolidated Statements of comprehensive income

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Profit	42,005	33,330
Other comprehensive income		
Valuation difference on available-for-sale securities	1,128	(959)
Deferred gains or losses on hedges	(207)	130
Foreign currency translation adjustment	27,890	(15,765)
Remeasurements of defined benefit plans, net of tax	(461)	(633)
Share of other comprehensive income of entities accounted for using equity method	208	(77)
Total other comprehensive income	28,559	(17,306)
Comprehensive income	70,565	16,024
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	70,565	16,024