# Sumitomo Rubber Industries, Ltd.
# Financial Report

(January 1 ~ June 30, 2026)

August 6, 2026

TAKING YOU BEYOND

# Key Subjects

- **2026 2nd Quarter Financial Results Summary**
  - Changes in Scope of Consolidation, Affiliated Companies
  - Highlights, Financial Results Summary
- **2026 Annual Financial Results Forecast**
  - Financial Results Forecast Summary
  - Capex, Depreciation, Tire Production Capacity
  - Shareholder Returns

## ■ 2026 2nd Quarter Financial Results Summary

- Changes in Scope of Consolidation, Affiliated Companies
- Highlights, Financial Results Summary

## ■ 2026 Annual Financial Results Forecast

- Financial Results Forecast Summary
- Capex, Depreciation, Tire Production Capacity
- Shareholder Returns

# Changes in Scope of Consolidation

| | Consolidated Subsidiaries 85 (vs 2025 year-end : +1) | | Equity-method Affiliates 3 (vs 2025 year-end : - ) | |
|---|---|---|---|---|
| | Newly Included +1 | Excluded - | Newly Included - | Excluded - |
| Tires | VIADUCTSI, informacijske tehnologije, d.o.o. (Slovenia / Other) | | | |
| Sports | | | | |
| Industrial & Other | | | | |

# Affiliated Companies

| | | Manufacturing Companies | Sales Companies | Other Companies |
|---|---|---|---|---|
| Tires | Domestic | 1 | 1 | 7 |
| | Overseas | 8 | 29 | 10 |
| | Asia Pacific | 4 | 7 | 2 |
| | Europe and Africa | 2 | 19 | 5 |
| | Americas | 2 | 3 | 3 |
| Sports | Domestic | 1 | 1 | 2 |
| | Overseas | 3 | 12 | 6 |
| | | Thailand, Americas, Philippines | Malaysia, U.K., Canada, Australia, China, Hong Kong, South Africa, South Korea, Thailand, France, Germany | U.K. |
| Industrial & Other | Domestic | - | 3 | - |
| | Overseas | 3 | 1 | - |
| | | Malaysia, China, Vietnam | Hong Kong | - |

**Total 88**
Domestic 16
Overseas 72

# Highlights

## Financial Results (2026 Jan.-Jun.)

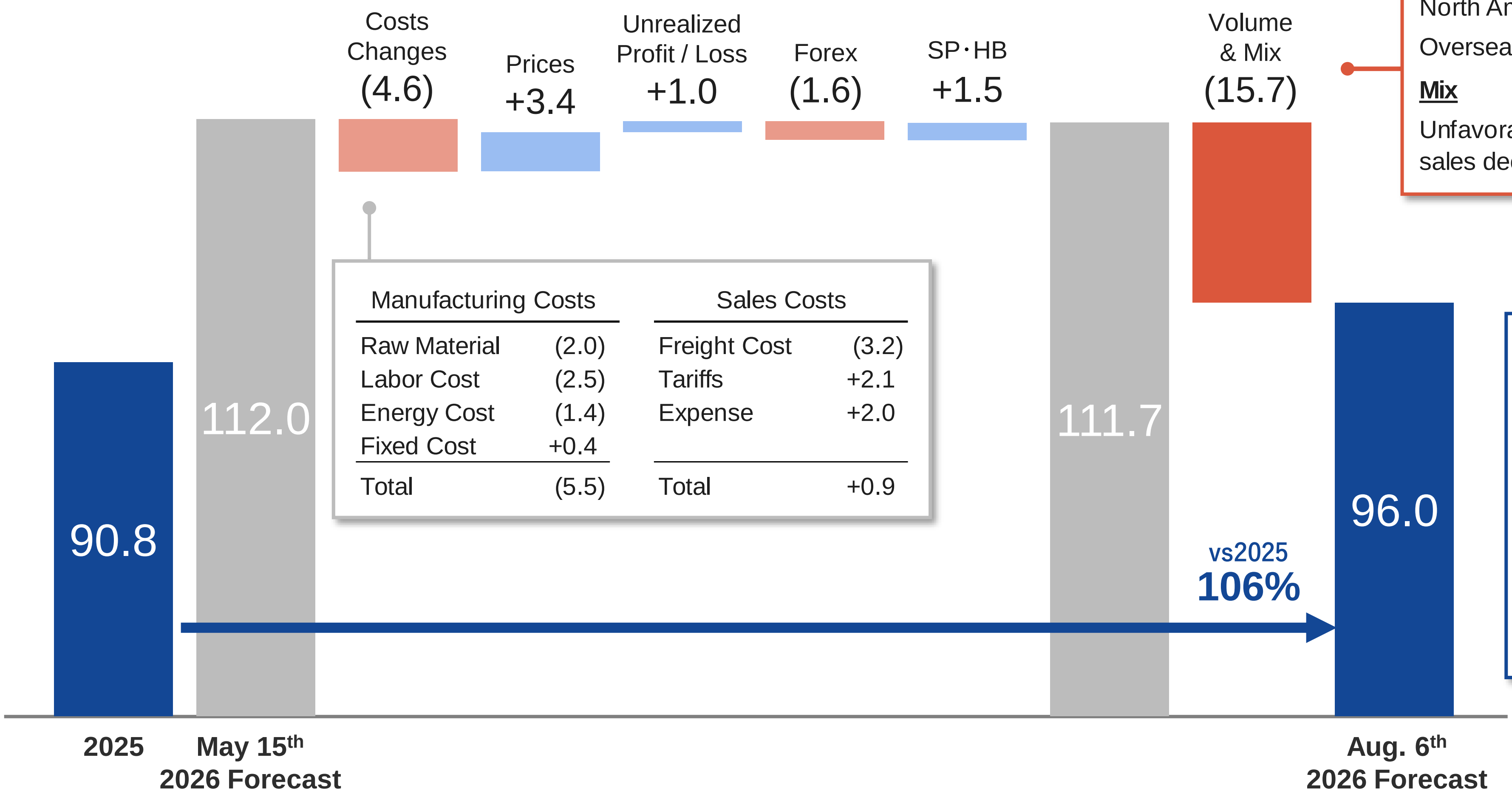
- **Sales Revenue reached a record high (Total: increased 8% YOY to 619.8 B of yen, Tires: increased 9% YOY to 534.4 B of yen)**
  - Tire sales volume remained flat YOY, while SYNCHRO WEATHER performed well during the summer sales season. Favorable foreign exchange effects also contributed to earnings growth.
- **Business Profit exceeded the May 15 forecast (Total: increased 41% YOY to 39.8 B of yen, Tires: increased 54% YOY to 34.1 B of yen)**
  - The reduced impact of raw material procurement premiums due to geopolitical tensions in the Middle East, the effects of internal cost reduction measures, and profit growth in the Sports and Other segment contributed to overall earnings growth

## 2026 Annual Financial Results Forecast

- **Sales Revenue (increased 10% YOY to 1,330.0 B of yen) (10.0 B of yen higher than the May 15 forecast )**
  Above the May 15 forecast due to price pass-through and favorable foreign exchange effects
- **Business Profit (increased 6% YOY to 96.0 B of yen ) (16.0 B of yen lower than the May 15 forecast )**
  Below the May 15 forecast due to lower tire sales volume, mix deterioration and other factors
- **Annual tire sales volume increased 2% YOY (down 3 percentage points from the May 15 forecast)**
  Sales volume targets were revised for each market to reflect current market conditions
  - Maintained sales growth above industry levels in both Europe and the U.S.
  - Steady growth in sales of SYNCHRO WEATHER in Japan; high-inch tire sales targets revised upward
  - ICE Pro sales to begin in Japan in August 2026, marking the first new winter tire launch in six years
  - Steady progress in expanding the DUNLOP-brand tires distribution network in Europe, U.S., and Australia
  - WILDPEAK sales in North America remain above industry levels; flagship WPAT4W sales are expected to grow steadily

# 2026 Consolidated Business Profit Walk (vs May 15th Forecast)

Billions of Yen




| Manufacturing Costs | | Sales Costs | |
|---|---|---|---|
| Raw Material | (2.0) | Freight Cost | (3.2) |
| Labor Cost | (2.5) | Tariffs | +2.1 |
| Energy Cost | (1.4) | Expense | +2.0 |
| Fixed Cost | +0.4 | | |
| Total | (5.5) | Total | +0.9 |

**Volume(vs May 15th Forecast)**

| | |
|---|---|
| Middle East Rep. | 88% |
| North America Rep. | 92% |
| Overseas O.E. | 95% |

**Mix**

Unfavorable premium tire mix due to sales declines in Europe and the U.S.

**Sales are expected to exceed industry average in major markets**

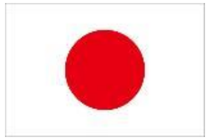
| Volume (vs 2025) | | Market Conditions*1 |
|---|---|---|
| Middle East Rep. | 83% | - |
| North America Rep. | 98% | 94% |
| FALKEN*2 | 101% | - |
| Excluding one-off factors*3 | 101% | |
| WILDPEAK | 99% | - |
| Excluding one-off factors*3 | 98% | |
| Europe Rep. | 127% | 94% |

*1: Market conditions are based on our estimates
*2: FALKEN includes WILDPEAK
*3: Build-up of inventory, etc., due to the resumption of operations by major customers

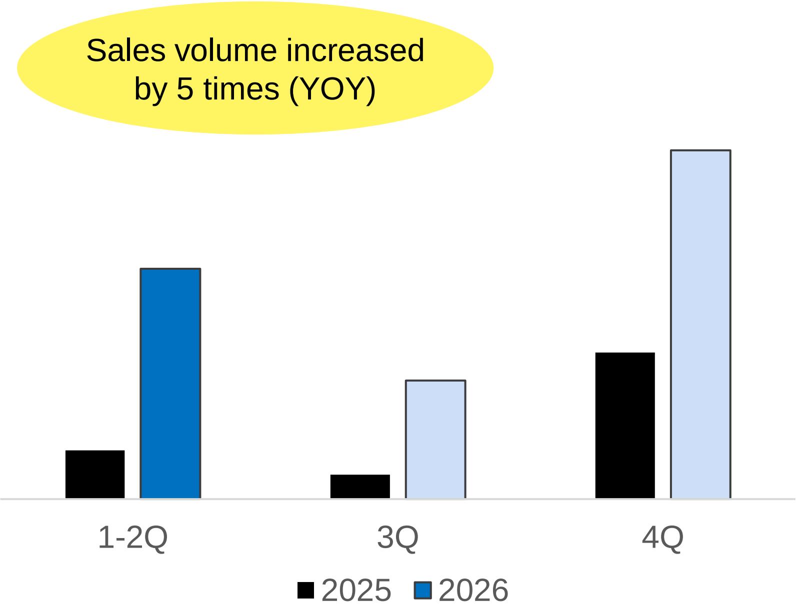
DUNLOP

# [Japan] Strong Sales: SYNCHRO WEATHER

With increased recognition as a summer tire, **sales volume for the 1st half of FY2026 has expanded to about five times high compared to the previous year.**
It has received high appreciation especially from **those who want to expand their range of activities** or be **free from the stress of changing tires.**



**SYNCHRO WEATHER**
Number of units sold
**Sales Plan: 1 million units**




## Results of the 1st Half of the Year

✓ Release of 11 sizes for 18” and larger in Mar. 2026 expanded the variety to 112 sizes. Further expansion of certified stores contributed to dominate the all-season market (The market expanded about 2.4 times compared to the previous year*) *POS data aggregation results

✓ The sales exceeded the planned results in the high-inch category.
**Sales amount and profit significantly exceeded the original plan.**
**Greatly contributed to the improvements of the sales structure.**

✓ Advertising to raise awareness of its function as a summer tire


## Next Actions for the 2nd Half of the Year

✓ DUNLOP will continue to strengthen our initiatives in the 1st half of the year and expand sales of SYNCHRO WEATHER during the winter season by promoting “the all-season tire with which you can drive on ice"

**Expanding the sales to Europe and the U.S. in FY2027**

# [Japan] Product Strategy for the Winter Demand Season

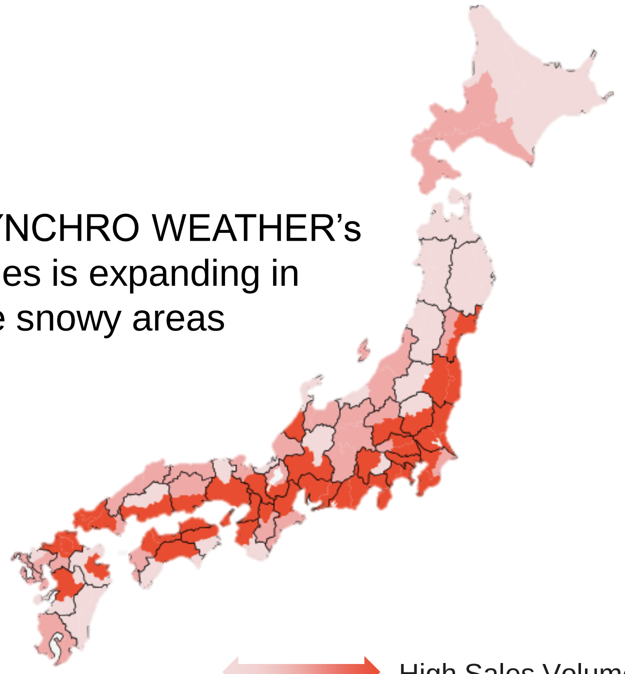
With the next-generation all-season tire SYNCHRO WEATHER and ICE Pro, the brand-new product, we will meet the variety of the customers’ needs. DUNLOP's unique product lineup broadly covers winter demand.

## The values provided by the 3 products and customer needs

| | | spring period | winter period |
|---|---|---|---|
| SYNCHRO WEATHER Purchaser | For the customers focusing on summer tire | ✓Needs to prepare for unexpected snow<br>✓Needs to expand the range of activities (Potential nees for all-season tires) | ✓Needs to prepare for unexpected snow<br>✓Needs to expand the range of activities<br>✓Having concerns against cost and stock place for studless tyres |
| | | ✓Need to be free from the cost of time, money, and place | **✓Needs to be free from the time and efforts to change tires**<br>**✓Eliminating worries during rainy weather** |
| WINTER MAX03 Purchaser | For the customers preferring the combination of summer and winter tires | | **✓Prioritizing the balance between performance and economic efficiency** |
| ICEPro Purchaser | | | **✓High frequency of driving on icy roads** |

## Sales Areas of SYNCHRO WEATHER

SYNCHRO WEATHER’s sales is expanding in the snowy areas

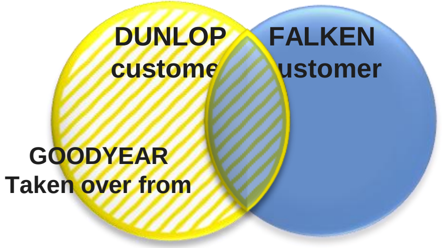


High Sales Volume

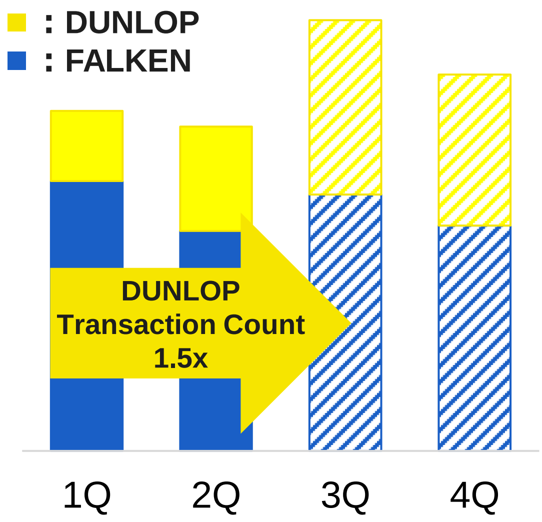
*Color coding is a reference to the sales volume

# [Europe] DUNLOP/FALKEN Sales Strategy

Due to difficulties of launching the offtake products, sales volume did not meet the original plan for the 1st half of the year. The sales for the whole year will grow up to 127% YOY as the market's average is 94%.
Expansion of winter tire sales and price increase is planned during the 2nd half to improve our profit in the area.




**Sales Volume in Europe**
**(Passenger car tires** *Replacement Tires**)**




*1: AMS = Germany's 3rd largest car magazine with 500,000 copies annually,

## Results of the 1st Half of the Year

- Sales achievement of the offtake products is 77% against the original plan partially due to the challenges on lauching.
- Meanwhile, **sales channel expansion is progressing at a good rate.**
  - Over 1,000 new accounts
  - Strategic alliances with major wholesalers in Italy and Spain
- The new product **"BLUE RESPONSE TG" got top ratings by AMS*1**
- **Received the German Retailer Gold Award**


## Next Actions for the 2nd Half of the Year

- **Countermeasures for the offtake business**
  - **Strengthening operations and trusts**
  - Expanding sales of **winter tires through strong sales channels** cultivated by FALKEN
  - Participation in the bidding business
- Price Increase
- Sales of BLUE RESPONSE TG at fair prices

**Continuing to focus on the expansion of the business opportunities**

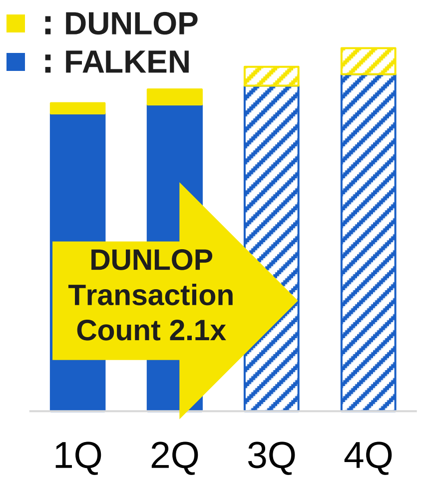
**Promoting the new DUNLOP**

# [North America] DUNLOP/FALKEN Sales Strategy

FALKEN marked the sales achievement of 94% YOY, which is 2 pts higher than the market's demand (92% YOY). DUNLOP accelerates the growth of the whole business in the North America by expandig the distribution stores with the new products.

**Sales Volume in North America (Passenger car tires)**

*For Replacemet Tires




**Decline in Demand (YOY)**

| | 1st Half | Excluding one-off factors |
|---|---|---|
| U.S. Market | 92% | - |
| DUNLOP +FALKEN | 97% | 100% |
| FALKEN | 94% | 97% |
| WILDPEAK | 91% | 99% |

DUNLOP FALKEN

## Results of the 1st Half of the Year

- FALKEN achieved 94% YOY, exceeding the industry average.
- **Significant expansion of stores for D> through Fanatic's sales channels and orders for DUNLOP**
- Awarded for "Excellent" for the performance from the major retailer

BLUE RESPONSE A/S

WILDPEAK A/T4W

## Next Actions for the 2nd Half of the Year

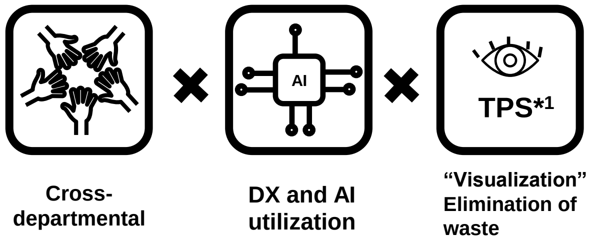
- Expansion of BLUE RESPONSE A/S (from 44 sizes to 80 sizes by Aug.)
- Expansion of size range of WILDPEAK series (292 sizes in total)
- The second new product of DUNLOP: GRANDTREK HLX will be launched by the end of year
- Price Increase (from Aug.)

**Growth with New Products in FY2027**

# Project ARK Progress

Against the cumulative target of 30.0 billions of Yen by the end of 2027,
**29.5 billions of Yen has been identified as actionable measures.**

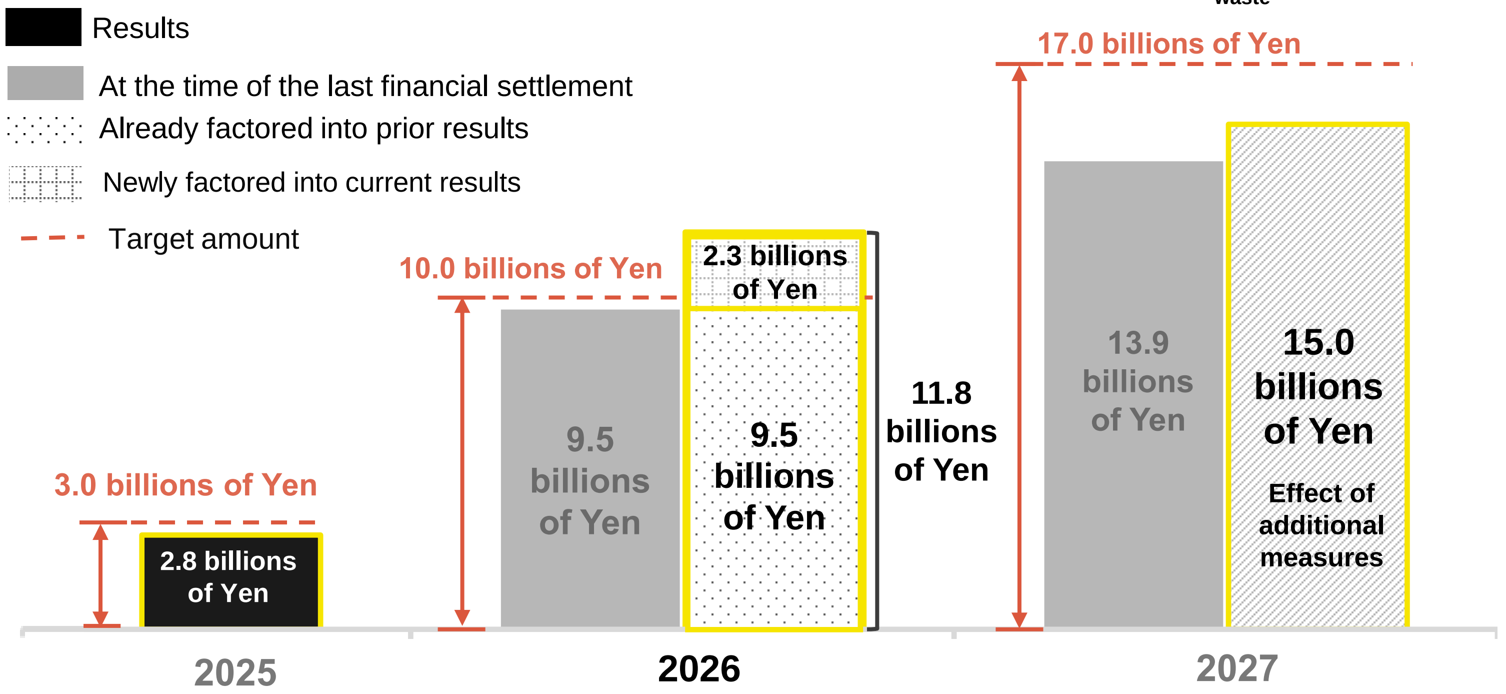
**The 3 elements of Project ARK**




## Financial Impact of Project ARK

| (billions of Yen) | 2025 | 2026 | | |
|---|---|---|---|---|
| | | Q1 results | Q2 | Jul.-Dec. |
| Tires direct costs | +2.1 | +1.2 | +1.2 | +3.2 |
| Tires fixed costs | +0.0 | +0.0 | +0.0 | +0.1 |
| Tires expenses | +0.3 | +0.5 | +1.0 | +3.1 |
| Sports | +0.3 | +0.1 | +0.2 | +0.4 |
| Industrial & Other | +0.2 | +0.1 | +0.2 | +0.4 |
| Total | +2.8 | +2.0 | +2.5 | +7.2 |

**+11.8**




3-year cumulative 26.2 → 29.5 / 30.0 (billions of Yen)

### Main Measures and Ideas

- Consolidation and abolition across business divisions of subsidiaries and bases (offices, warehouses)
- TPS*1 Cost reduction at the Thailand plant, main plant for the U.S.
- Utilization of AI for tire demand prediction & shortening development lead time through virtual prototyping
- Reducing raw material costs by reducing tire weight (currently being applied to new products for replacement market)

*1 TPS: Toyota Production System

# Consolidated Financial Results (2026 Jan.-Jun.)

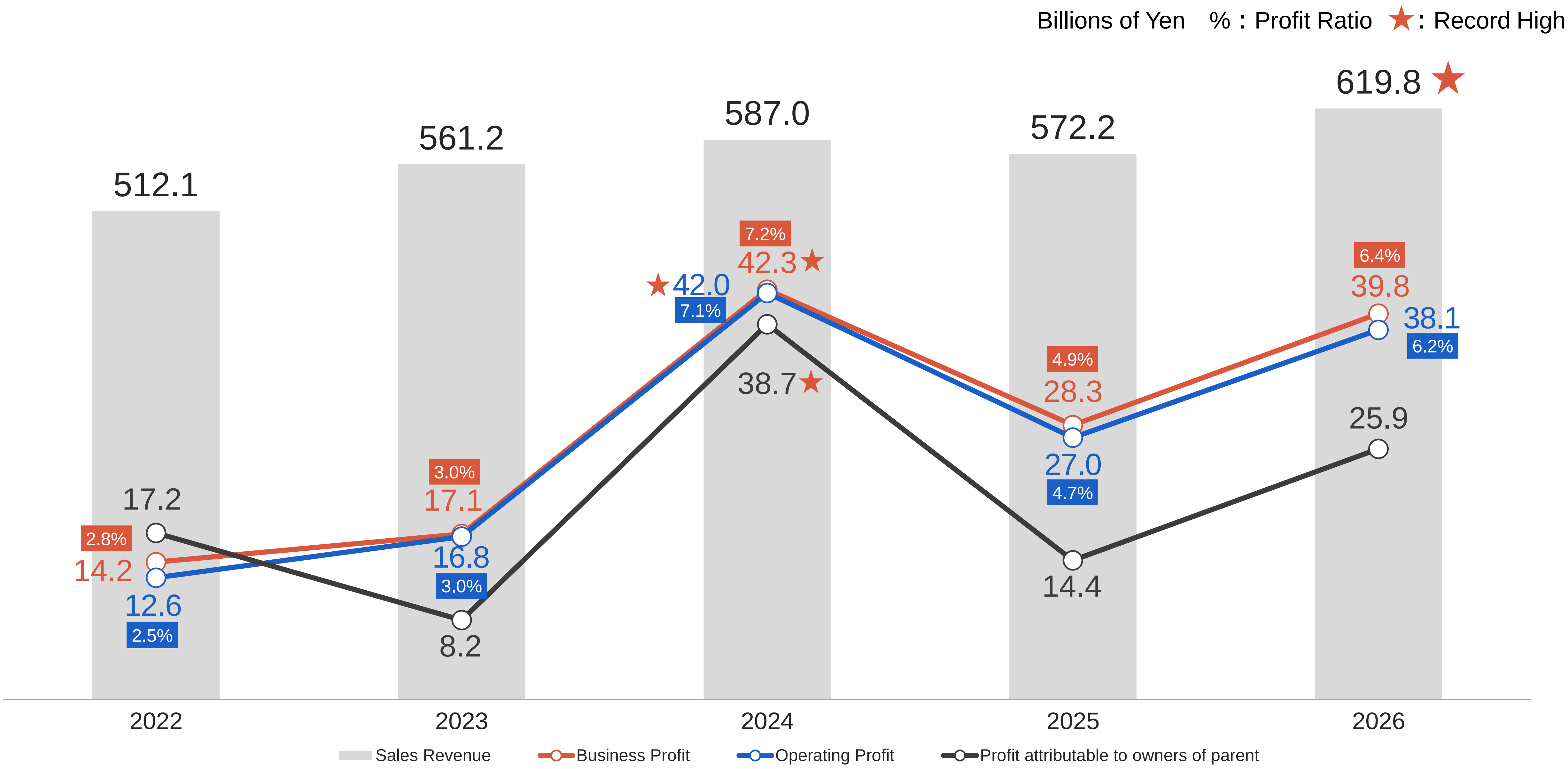
Billions of Yen

| | 2026 Jan.-Mar. | vs 2025 | 2026 Apr.-Jun. | vs 2025 | **2026 Jan.-Jun.** | **vs 2025** | May 15th 2026 Forecast 2026 Jan.-Jun. | 2025 Jan.-Jun. |
|---|---|---|---|---|---|---|---|---|
| Sales Revenue | 302.2 | 105% +14.4 | 317.6 | 112% +33.2 | **619.8** | **108% +47.6** | 620.0 | 572.2 |
| Business Profit (%) *1,3 | 16.8 5.6% | 119% +2.7 | 23.0 7.2% | 162% +8.8 | **39.8 6.4%** | **141% +11.5** | 38.0 6.1% | 28.3 4.9% |
| Operating Profit (%) *3 | 15.1 5.0% | 122% +2.7 | 23.1 7.3% | 157% +8.4 | **38.1 6.2%** | **141% +11.1** | 34.0 5.5% | 27.0 4.7% |
| Profit *2,3 | 8.6 | 241% +5.0 | 17.3 | 160% +6.5 | **25.9** | **180% +11.5** | 20.0 | 14.4 |

*1. Business Profit : Sales Revenue – (COS + SGA)
*2. Profit : Profit attributable to owners of parent
*3. Accounting adjustments have been applied since 2nd quarter, 2022, as pursuant to IAS 29 “Financial Reporting in Hyperinflationary Economies”.

The above notes apply throughout this report.

# Consolidated Sales Revenue / Profit (Jan.-Jun.)



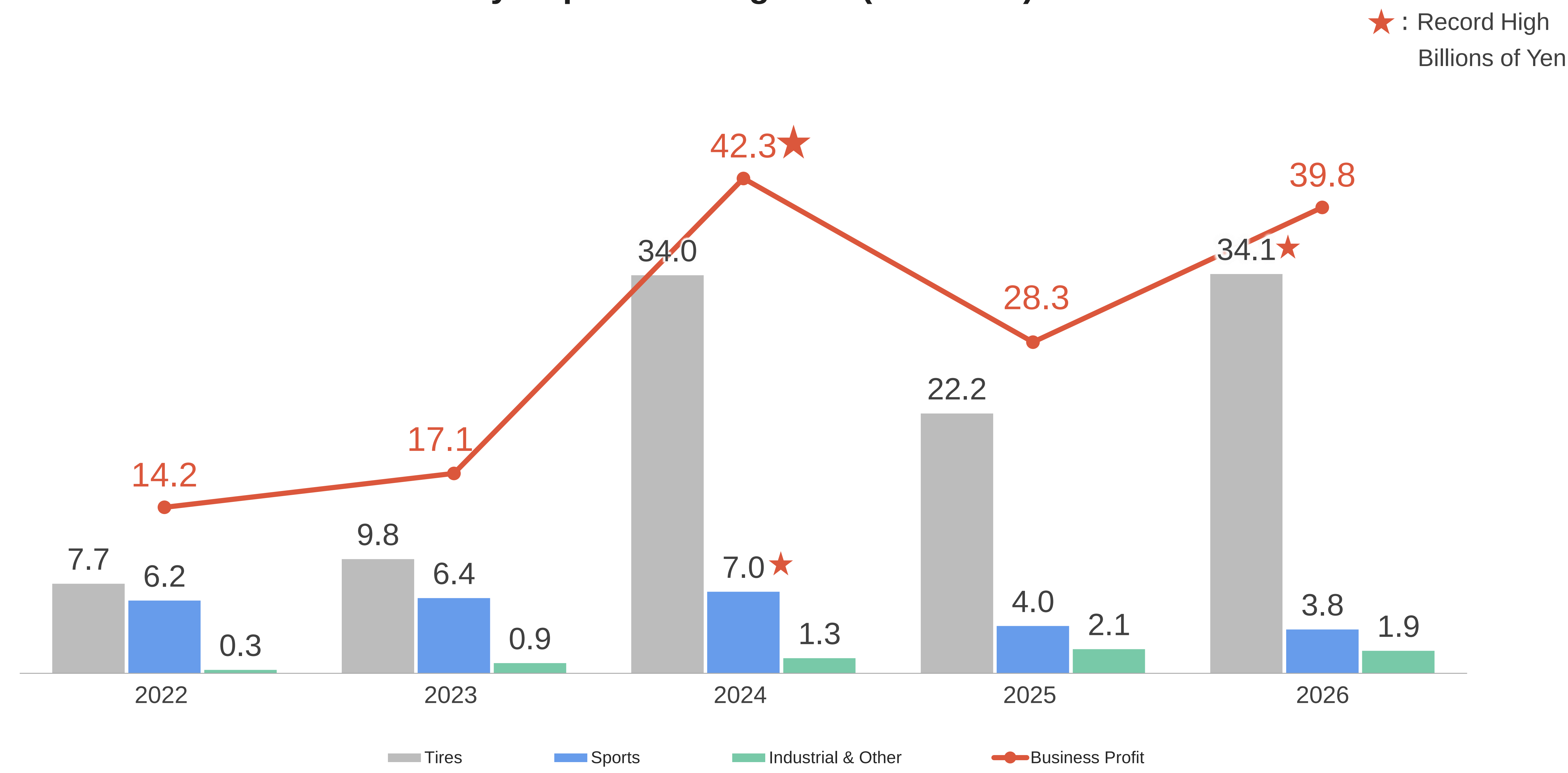
# Consolidated Sales Revenue / Business Profit by Reportable Segment (2026 Jan.-Jun.)

Billions of Yen

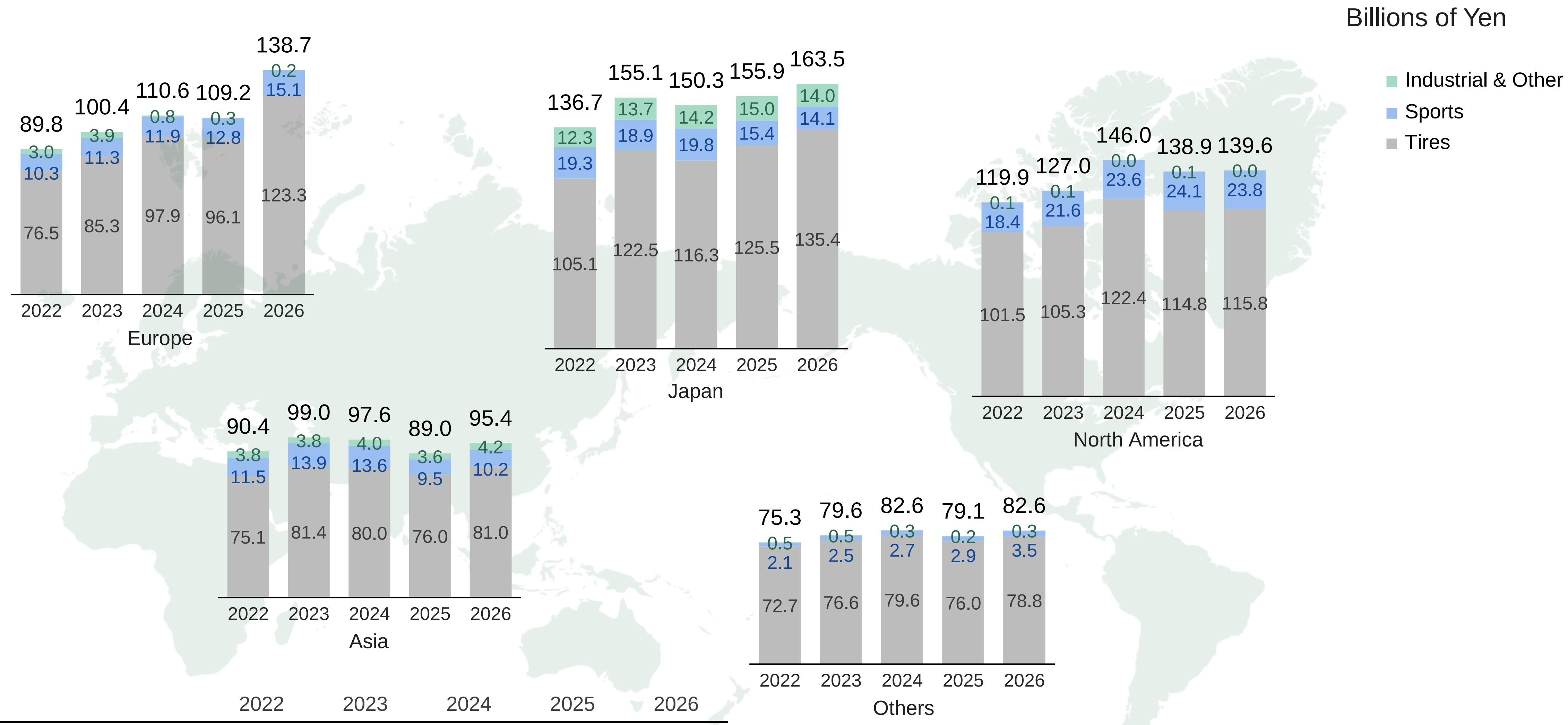
| | | 2026 Jan.-Mar. | vs 2025 | 2026 Apr.-Jun. | vs 2025 | **2026 Jan.-Jun.** | **vs 2025** | May 15th 2026 Forecast 2026 Jan.-Jun. | 2025 Jan.-Jun. |
|---|---|---|---|---|---|---|---|---|---|
| Sales Revenue | Tires | 259.9 | 106% | 274.5 | 113% | **534.4** | **109%** | 537.0 | 488.3 |
| | Sports | 32.2 | 99% | 34.5 | 107% | **66.7** | **103%** | 65.5 | 64.7 |
| | Industrial & Other | 10.1 | 93% | 8.6 | 103% | **18.7** | **97%** | 17.5 | 19.2 |
| | Total | 302.2 | 105% | 317.6 | 112% | **619.8** | **108%** | 620.0 | 572.2 |
| Business Profit | Tires | 14.8 | 135% | 19.4 | 172% | **34.1** | **154%** | 33.5 | 22.2 |
| | Sports | 0.9 | 53% | 2.8 | 123% | **3.8** | **93%** | 3.0 | 4.0 |
| | Industrial & Other * | 1.1 | 76% | 0.8 | 137% | **1.9** | **94%** | 1.5 | 2.1 |
| | Total | 16.8 | 119% | 23.0 | 162% | **39.8** | **141%** | 38.0 | 28.3 |

*The elimination of inter-segment transactions is included.

# Consolidated Business Profit by Reportable Segment (Jan.-Jun.)



# Sales Revenue by Destination (Jan.-Jun.)

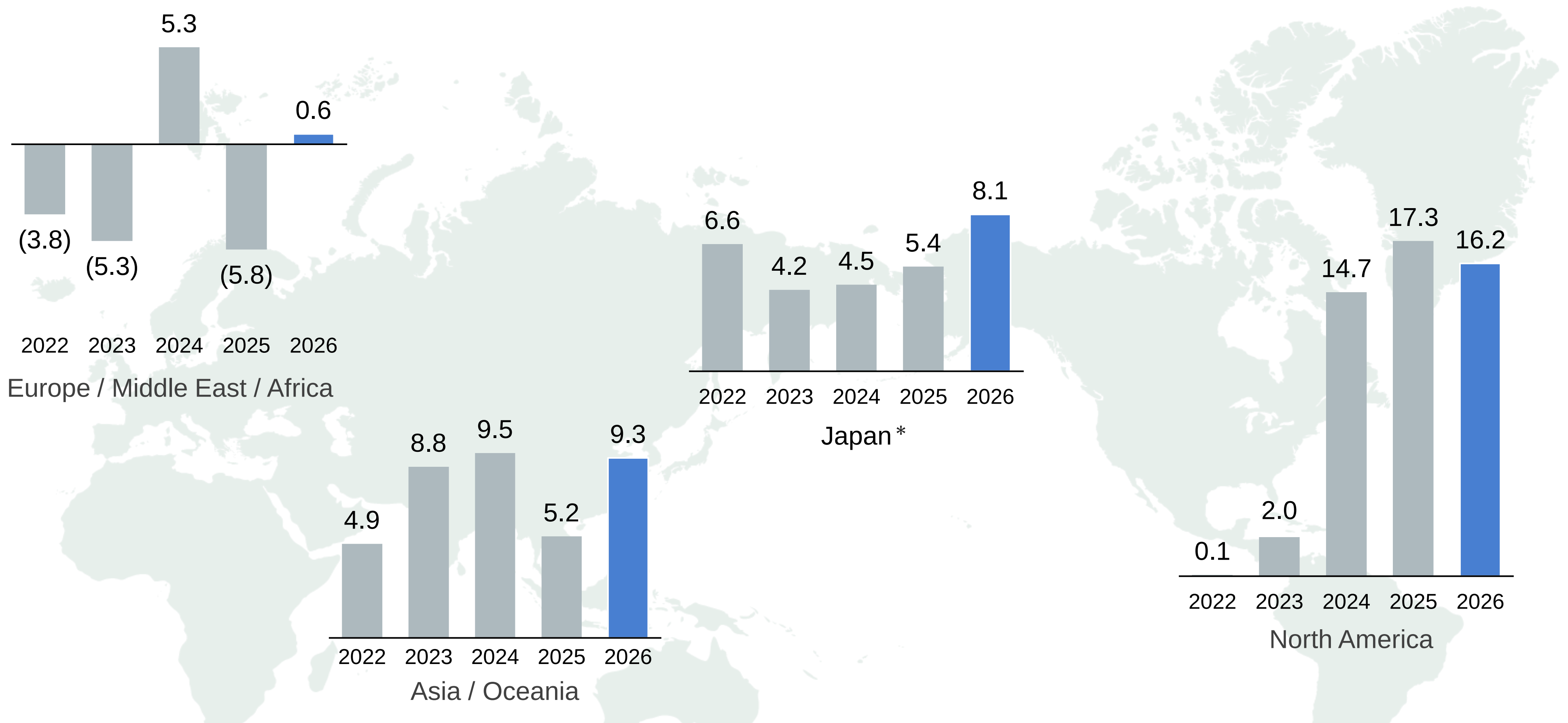



| | 2022 | 2023 | 2024 | 2025 | 2026 |
|---|---|---|---|---|---|
| Consolidated Sales Revenue | 512.1 | 561.2 | 587.0 | 572.2 | 619.8 |
| % of Overseas | 73% | 72% | 74% | 73% | 74% |

*Sales Revenues on this page are classified by country or region based on customer's location.

# Consolidated Tire Business Profit by Region (Jan.-Jun.)

Billions of Yen

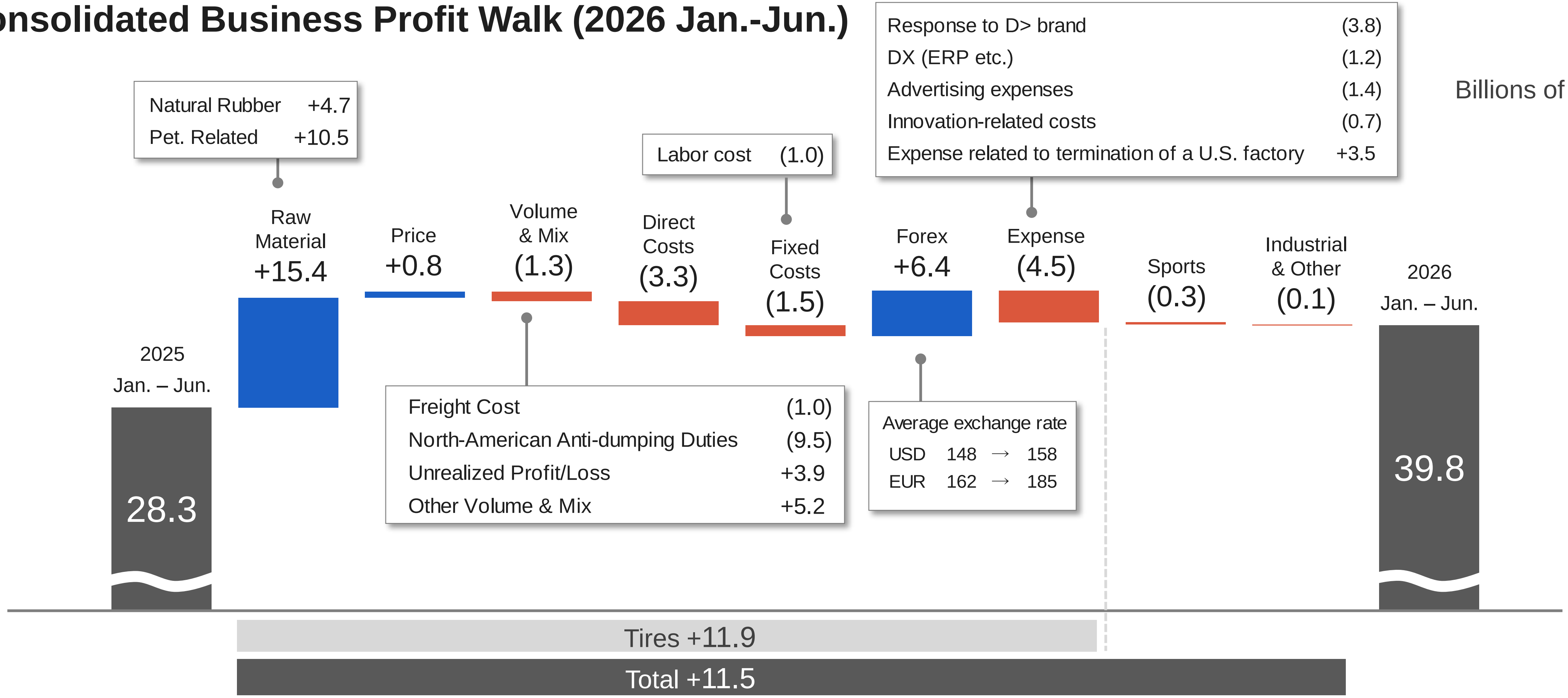



| | 2022 | 2023 | 2024 | 2025 | 2026 |
|---|---|---|---|---|---|
| Business Profit of Tires | 7.7 | 9.8 | 34.0 | 22.2 | 34.1 |
| Overseas | 1.1 | 5.6 | 29.5 | 16.8 | 26.0 |
| % of Overseas | 14% | 57% | 87% | 76% | 76% |

*Direct export sales from Japan that do not go through group sales companies are aggregated in Japan.

# Consolidated Business Profit Walk (2026 Jan.-Jun.)

Billions of Yen




| | 2025 Jan.-Jun. | Raw Material | Price | Volume & Mix | Direct Costs | Fixed Costs | Forex | Expense | Sports | Industrial & Other | 2026 Jan.-Jun. | YOY |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| May 15th Forecast | 28.3 | +12.1 | +3.1 | (0.9) | (2.4) | (1.8) | +7.4 | (6.2) | (1.0) | (0.6) | 38.0 | +9.7 |
| 2024→2025 | 42.3 | (13.8) | +8.6 | (0.2) | (0.7) | +4.5 | (4.2) | (6.0) | (2.9) | +0.7 | 28.3 | (14.0) |

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# Consolidated Statement of Profit & Loss

| Billions of Yen | 2025 Jan.-Jun. | | 2026 Jan.-Jun. | YOY |
|---|---|---|---|---|
| Sales Revenue | 572.2 | | **619.8** | +47.6 |
| Cost of sales | (406.0) | | **(425.6)** | (19.6) |
| Selling, general and administrative expenses | (137.9) | | **(154.4)** | (16.5) |
| **Business profit** | 28.3 | 1 | **39.8** | +11.5 |
| Other income | 1.5 | 2 | **2.3** | +0.8 |
| Other expenses | (2.7) | 3 | **(4.0)** | (1.2) |
| **Operating profit** | 27.0 | | **38.1** | +11.1 |
| Financial income | 11.8 | 4 | **5.7** | (6.1) |
| Financial expenses | (18.9) | 5 | **(6.2)** | +12.7 |
| Equity in earnings of affiliates | 0.1 | | **0.1** | +0.0 |
| **Profit before tax** | 20.1 | | **37.7** | +17.7 |
| Income tax expense | (4.4) | | **(10.1)** | (5.7) |
| Non-controlling interests | (1.3) | | **(1.8)** | (0.5) |
| **Profit** | 14.4 | | **25.9** | +11.5 |

## Main factor

### 1 Business profit

Refer to page.6 to 7 and 13 to 19 for details.

| | Actual | vs 2025 |
|---|---|---|
| **2 Other income** | | |
| Other non-operating profit | 1.9 B of yen | +0.6 B of yen |
| **3 Other expenses** | | |
| Other non-operating expenses | (2.2) B of yen | (0.6) B of yen |
| Loss on retirement or sales of non-current assets | (0.7) B of yen | +0.2 B of yen |
| Structual reform in North America | (0.7) B of yen | (1.0) B of yen |
| **4 Financial income** | | |
| Gain on net monetary position | 3.8 B of yen | (6.0) B of yen |
| Interest received | 1.5 B of yen | +0.0 B of yen |
| **5 Financial expenses** | | |
| Interest expenses | (4.3) B of yen | (0.8) B of yen |
| Foreign exchange loss | (1.5) B of yen | +12.6 B of yen |

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# Consolidated Statement of Financial Position

| Billions of Yen | As of Dec. 31, 2025 | As of Jun. 30, 2026 | YOY |
|---|---|---|---|
| Current assets | 679.3 | **718.1** | 1 +38.8 |
| Non-current assets | 780.6 | **794.1** | 2 +13.5 |
| **Total assets** | 1,459.9 | **1,512.2** | +52.2 |
| Current liabilities | 379.9 | **404.8** | +24.9 |
| Non-current liabilities | 343.7 | **332.6** | (11.1) |
| **Total liabilities** | 723.6 | **737.4** | 3 +13.8 |
| Total equity attributable to owners of parent | 716.1 | **754.2** | 4 +38.2 |
| Non-controlling interest | 20.2 | **20.5** | +0.3 |
| **Total equity** | 736.3 | **774.7** | +38.4 |
| **Total liabilities and equity** | 1,459.9 | **1,512.2** | +52.2 |
| Equity ratio | 49.0% | **49.9%** | +0.9P |

**Main factor**

vs Dec. 31, 2025

1 **Current assets**

| | |
|---|---|
| Inventories | +51.4 B of yen |
| Other current assets | (10.4) B of yen |
| Trade and other receivables | (2.0) B of yen |

2 **Non-current assets**

| | |
|---|---|
| Tangible assets | +11.9 B of yen |
| Intangible assets (including goodwill) | +6.6 B of yen |
| Deferred tax assets | (7.0) B of yen |

3 **Total liabilities**

| | |
|---|---|
| Bonds and loans payable | +25.7 B of yen |
| Other non-current liabilities | +3.5 B of yen |
| Deferred tax liabilities | (11.8) B of yen |
| Income tax payable | (4.5) B of yen |

4 **Equity**

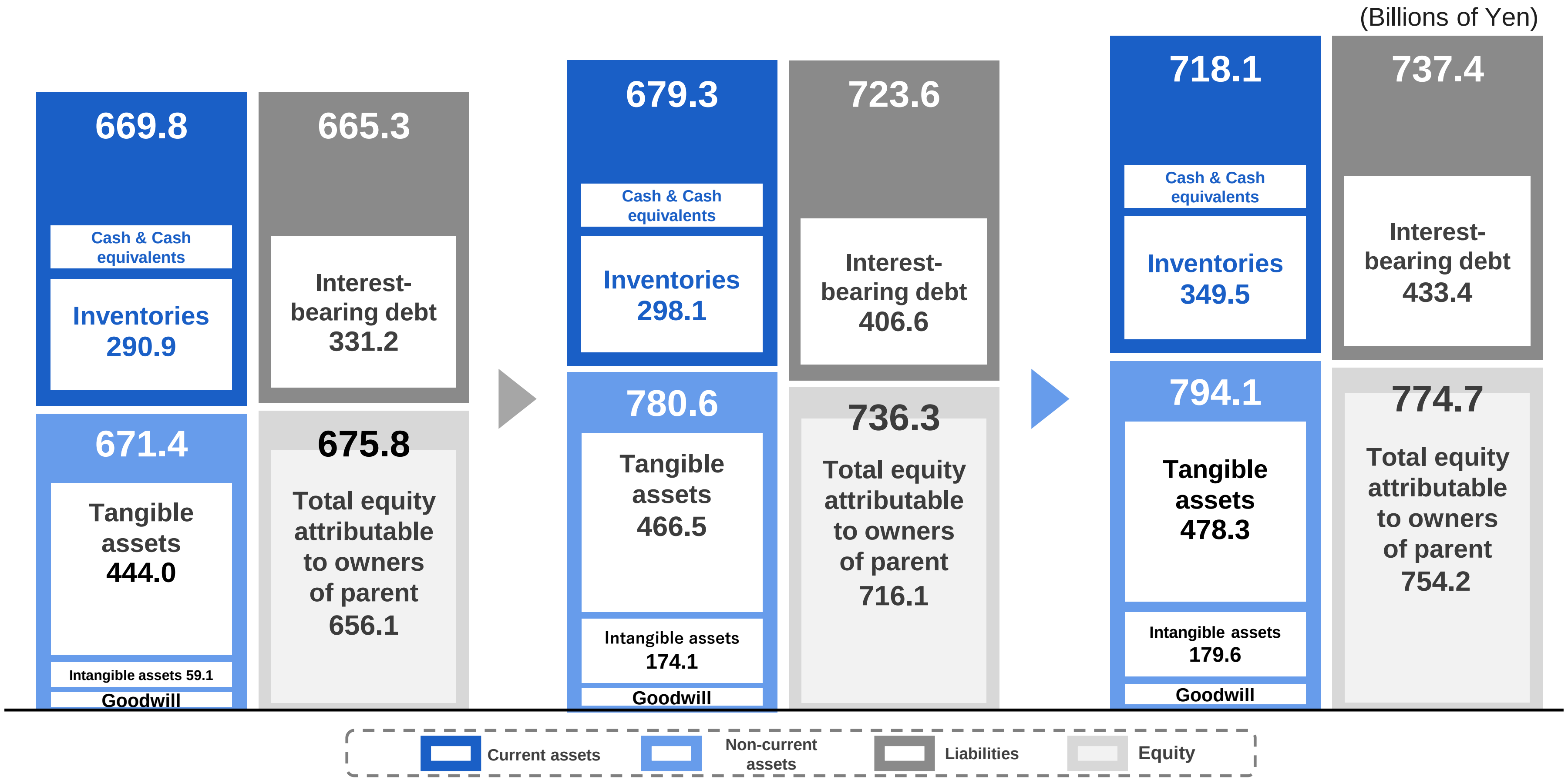
| | |
|---|---|
| Profit | +25.9 B of yen |
| Foreign currency translation adjustment | +22.8 B of yen |
| Dividends paid | (11.0) B of yen |

Interest-bearing debt +26.8 B of yen
(406.6→433.4)

# Changes in consolidated balance sheet

▶Working to improve capital efficiency while reviewing capital structure

| | As of December 31, 2024 | As of December 31, 2025 | As of June 30, 2026 |
|---|---|---|---|
| Total assets : | 1,341.1 Billions of yen | 1,459.9 Billions of yen | 1,512.2 Billions of yen |
| ROE : | 1.5% | 7.3% | 7.4% (Annual forecast) |



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# 【Forecast】Consolidated Financial Results (2026 Jan.-Dec.)

Billions of Yen

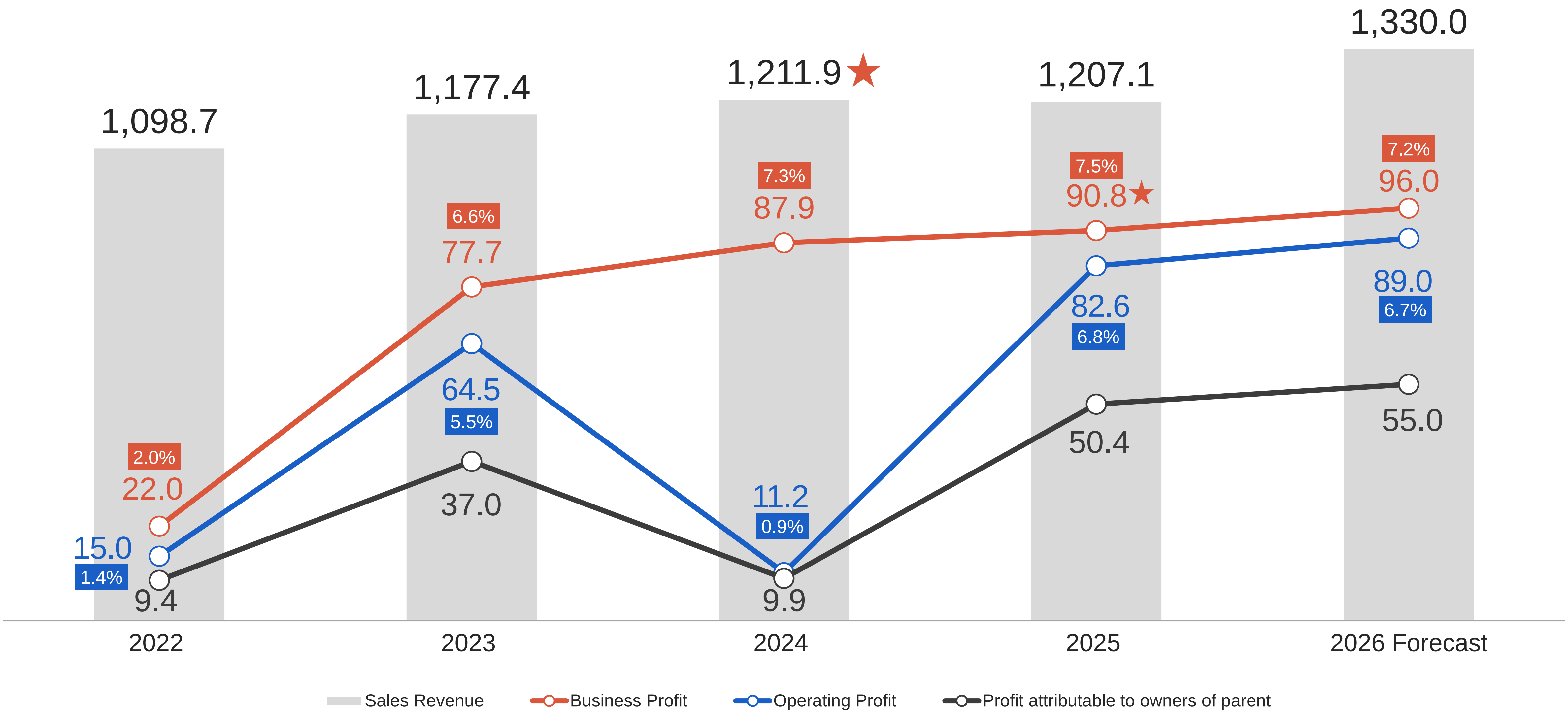
| | Revised Forecast 2026 | Actual 2025 | YOY | May 15th 2026 Forecast 2026 | Revised Forecast 2026 Jul.-Dec. | vs 2025 |
|---|---|---|---|---|---|---|
| Sales Revenue | **1,330.0** | 1,207.1 | 110% | 1,320.0 | 710.2 | 112% |
| Business Profit (%) | **96.0**<br>**7.2%** | 90.8<br>7.5% | 106% | 112.0<br>8.5% | 56.2<br>7.9% | 90% |
| Operating Profit (%) | **89.0**<br>**6.7%** | 82.6<br>6.8% | 108% | 100.0<br>7.6% | 51.0<br>7.2% | 92% |
| Profit | **55.0** | 50.4 | 109% | 55.0 | 29.3 | 81% |

| | Revised Forecast 2026 | Actual 2025 | May 15th 2026 Forecast 2026 |
|---|---|---|---|
| ROIC *1 | **5.8%** | 6.2% | 6.9% |
| ROE | **7.4%** | 7.3% | 7.5% |
| ROA *2 | **6.3%** | 6.5% | 7.5% |
| D/E Ratio | **0.6** | 0.6 | 0.6 |

*1. ROIC : Net Business Profit After Tax / Invested Capital
*2. ROA : Business Profit / Total Assets

# 【Forecast】Consolidated Sales Revenue / Profit (2026 Annual)

Billions of Yen　％：Profit Ratio　★：Record High



# 【Forecast】Consolidated Sales Revenue / Business Profit by Reportable Segment (2026 Annual)

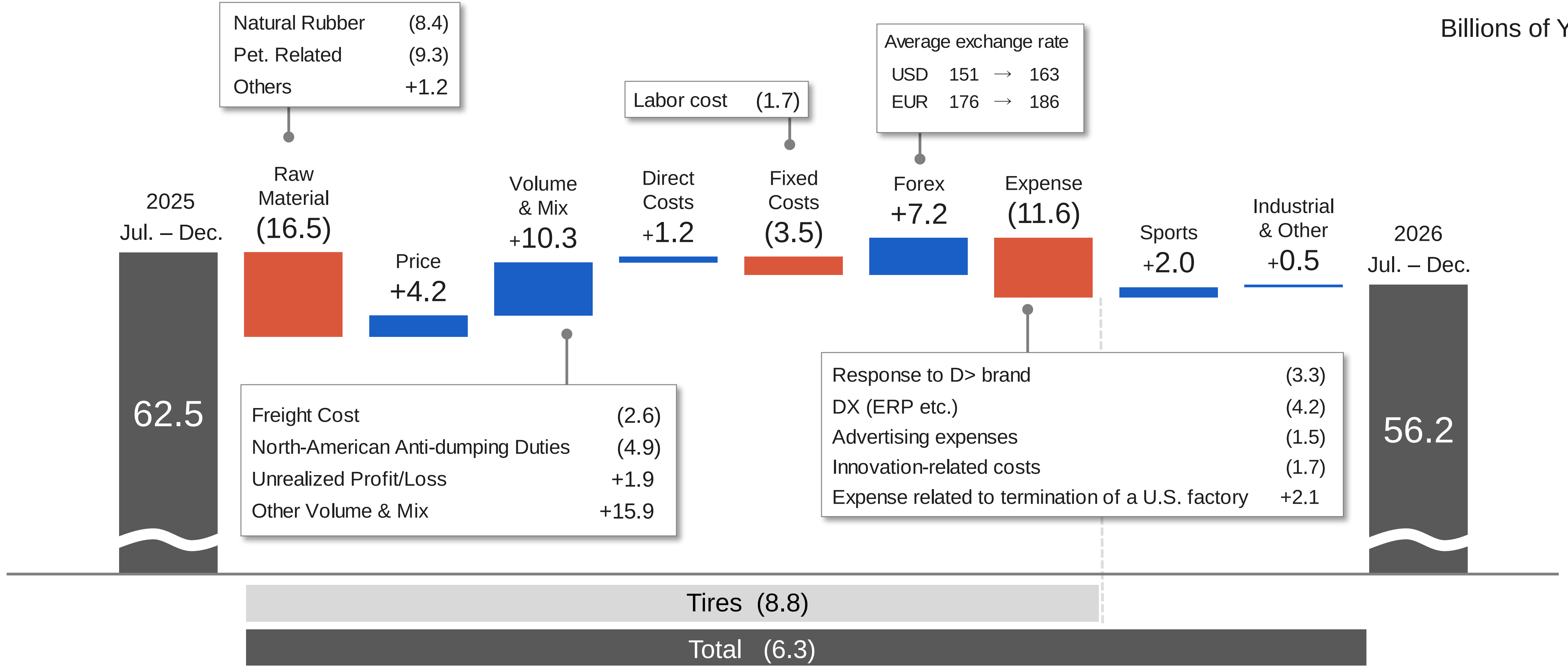
Billions of Yen

| | | Revised Forecast 2026 | Actual 2025 | YOY | May 15th Forecast 2026 | Revised Forecast 2026 Jul.-Dec. | vs 2025 |
|---|---|---|---|---|---|---|---|
| Sales Revenue | Tires | **1,161.0** | 1,043.7 | 111% | 1,154.5 | 626.6 | 113% |
| | Sports | **131.0** | 125.6 | 104% | 127.5 | 64.3 | 106% |
| | Industrial & Other | **38.0** | 37.8 | 101% | 38.0 | 19.3 | 104% |
| | Total | **1,330.0** | 1,207.1 | 110% | 1,320.0 | 710.2 | 112% |
| Business Profit | Tires | **83.0** | 79.8 | 104% | 100.5 | 48.9 | 85% |
| | Sports | **8.5** | 6.8 | 124% | 7.0 | 4.7 | 170% |
| | Industrial & Other * | **4.5** | 4.1 | 109% | 4.5 | 2.6 | 123% |
| | Total | **96.0** | 90.8 | 106% | 112.0 | 56.2 | 90% |

*The elimination of inter-segment transactions is included.

# 【Forecast】Consolidated Business Profit Walk (2026 Jul.-Dec.)

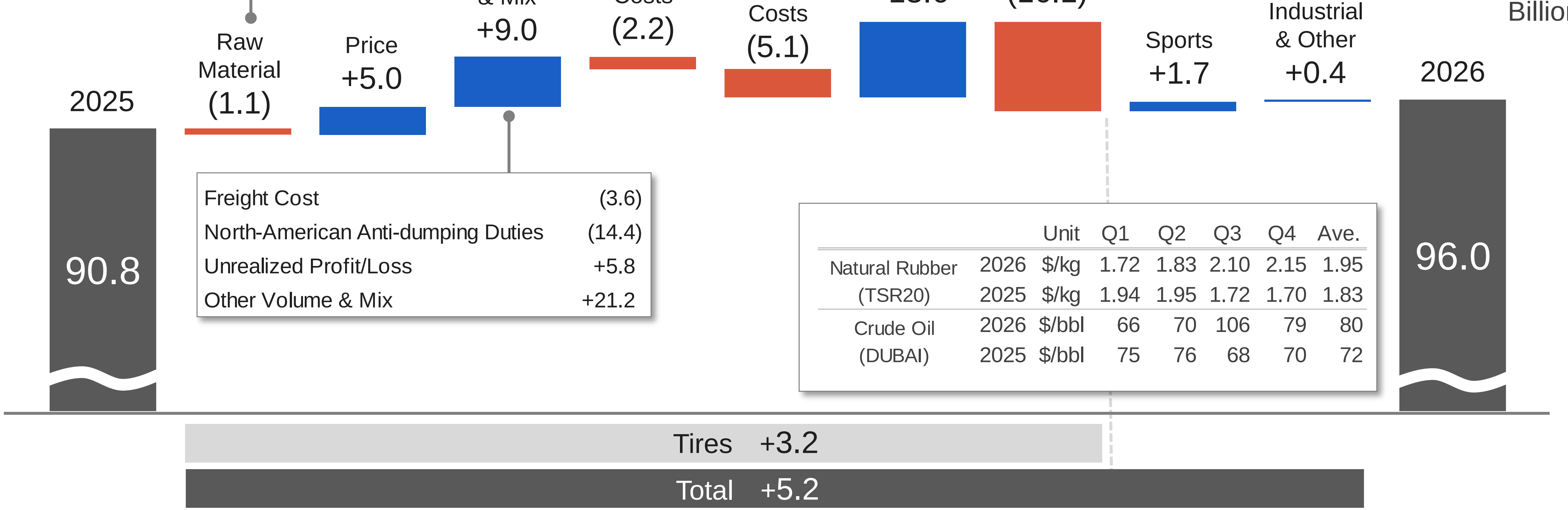
Billions of Yen




| | 2025 Jul.-Dec. | Raw Material | Price | Volume & Mix | Direct Costs | Fixed Costs | Forex | Expense | Sports | Industrial & Other | 2026 Jul.-Dec. | YOY |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| May 15th Forecast | 62.5 | (11.2) | (1.5) | +25.7 | +4.1 | (3.7) | +7.8 | (11.8) | +1.2 | +1.0 | 74.0 | +11.5 |
| Aug. 6th Forecast | 62.5 | (16.5) | +4.2 | +10.3 | +1.2 | (3.5) | +7.2 | (11.6) | +2.0 | +0.5 | 56.2 | (6.3) |
| vs May 15th Forecast | +0.0 | (5.3) | +5.7 | (15.4) | (2.9) | +0.2 | (0.6) | +0.2 | +0.8 | (0.5) | (17.8) | (17.8) |

# 【Forecast】Consolidated Business Profit Walk (2026 Jan.-Dec.)

Billions of Yen




| | |
|---|---|
| Natural Rubber | (3.6) |
| Pet. Related | +1.3 |
| Others | +1.3 |

| | |
|---|---|
| Freight Cost | (3.6) |
| North-American Anti-dumping Duties | (14.4) |
| Unrealized Profit/Loss | +5.8 |
| Other Volume & Mix | +21.2 |

| | |
|---|---|
| Labor cost | (2.7) |

Average exchange rate

| | | | |
|---|---|---|---|
| USD | 150 | → | 160 |
| EUR | 169 | → | 185 |

| | |
|---|---|
| Response to D> brand | (7.1) |
| DX (ERP etc.) | (5.4) |
| Advertising expenses | (2.9) |
| Innovation-related costs | (2.5) |
| Expense related to termination of a U.S. factory | +5.7 |

| | | Unit | Q1 | Q2 | Q3 | Q4 | Ave. |
|---|---|---|---|---|---|---|---|
| Natural Rubber (TSR20) | 2026 | $/kg | 1.72 | 1.83 | 2.10 | 2.15 | 1.95 |
| | 2025 | $/kg | 1.94 | 1.95 | 1.72 | 1.70 | 1.83 |
| Crude Oil (DUBAI) | 2026 | $/bbl | 66 | 70 | 106 | 79 | 80 |
| | 2025 | $/bbl | 75 | 76 | 68 | 70 | 72 |

| | 2025 Jan.-Dec. | Raw Material | Price | Volume & Mix | Direct Costs | Fixed Costs | Forex | Expense | Sports | Industrial & Other | 2026 Jan.-Dec. | YOY |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| May 15th Forecast | 90.8 | +0.9 | +1.6 | +24.8 | +1.7 | (5.5) | +15.2 | (18.0) | +0.2 | +0.4 | 112.0 | +21.2 |
| Aug. 6th Forecast | 90.8 | (1.1) | +5.0 | +9.0 | (2.2) | (5.1) | +13.6 | (16.1) | +1.7 | +0.4 | 96.0 | +5.2 |
| vs May 15th Forecast | +0.0 | (2.0) | +3.4 | (15.8) | (3.9) | +0.4 | (1.6) | +2.0 | +1.5 | (0.0) | (16.0) | (16.0) |

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# Consolidated Business Profit Analysis by Factors

Billions of Yen

| Period | | Business Profit | vs Previous year | Raw Material | Price | Volume & Mix | Direct Costs | Fixed Costs | Forex | Expense | Sports | Industrial & Other |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2025 | Jan.-Mar. | 14.1 | (9.1) | (8.8) | +2.8 | +1.5 | (0.6) | +2.0 | (1.5) | (2.8) | (2.5) | +0.8 |
| | Apr.-Jun. | 14.2 | (4.9) | (5.0) | +5.8 | (1.7) | (0.1) | +2.5 | (2.7) | (3.1) | (0.4) | (0.0) |
| | Jul.-Dec. | 62.5 | +16.8 | +13.1 | +16.7 | (25.1) | +4.9 | +2.5 | +3.3 | +0.0 | +1.9 | (0.5) |
| | Annual | 90.8 | +2.8 | (0.7) | +25.3 | (25.3) | +4.2 | +7.0 | (0.9) | (6.0) | (1.0) | +0.2 |
| 2026 | Jan.-Mar. | 16.8 | +2.7 | +10.0 | +3.3 | (7.7) | (1.7) | (0.3) | +2.5 | (2.3) | (0.8) | (0.3) |
| | Apr.-Jun. | 23.0 | +8.8 | +5.4 | (2.5) | +6.4 | (1.6) | (1.2) | +3.9 | (2.2) | +0.5 | +0.2 |
| | Jul.-Dec. | 56.2 | (6.3) | (16.5) | +4.2 | +10.3 | +1.2 | (3.5) | +7.2 | (11.6) | +2.0 | +0.5 |
| | Annual | 96.0 | +5.2 | (1.1) | +5.0 | +9.0 | (2.2) | (5.1) | +13.6 | (16.1) | +1.7 | +0.4 |
| vs May 15th Forecast | | | (16.0) | (2.0) | +3.4 | (15.8) | (3.9) | +0.4 | (1.6) | +2.0 | +1.5 | (0.0) |

"Factors" spans the columns Raw Material through Industrial & Other.

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# Tire Sales Volume (Comparison %)

| vs Previous year | | 2025 Actual | | | | | 2026 Jan.-Jun. Actual, Jul.-Dec. Forecast | | | | | May 15th 2026 Forecast | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Jan.-Mar. | Apr.-Jun. | Jul.-Sep. | Oct.-Dec. | Annual | Jan.-Mar. | **Apr.-Jun.** | Jul.-Sep. | Oct.-Dec. | **Annual** | Jan.-Mar. | Apr.-Jun. | Jul.-Sep. | Oct.-Dec. | Annual |
| Domestic O.E. | | 120% | 104% | 98% | 102% | 105% | 107% | **99%** | 107% | 100% | **103%** | 107% | 98% | 107% | 100% | 103% |
| Domestic Rep. | | 96% | 91% | 98% | 93% | 94% | 96% | **108%** | 98% | 99% | **100%** | 96% | 103% | 97% | 102% | 99% |
| Overseas O.E. | | 91% | 92% | 92% | 87% | 90% | 97% | **97%** | 95% | 98% | **97%** | 97% | 103% | 100% | 107% | 102% |
| Overseas Rep. | | 94% | 96% | 90% | 92% | 93% | 96% | **103%** | 114% | 107% | **105%** | 96% | 109% | 119% | 114% | 110% |
| Details | North America | 83% | 97% | 81% | 87% | 87% | 89% | **92%** | 104% | 109% | **98%** | 89% | 97% | 120% | 124% | 107% |
| | Europe | 97% | 90% | 108% | 98% | 98% | 113% | **127%** | 135% | 135% | **127%** | 113% | 143% | 137% | 134% | 131% |
| | Asia | 104% | 95% | 89% | 96% | 96% | 98% | **103%** | 113% | 90% | **101%** | 98% | 104% | 110% | 100% | 103% |
| | Others | 94% | 100% | 86% | 90% | 92% | 81% | **92%** | 103% | 95% | **93%** | 81% | 97% | 111% | 100% | 98% |
| Total | | 97% | 95% | 93% | 93% | 94% | 97% | **102%** | 107% | 103% | **102%** | 97% | 106% | 110% | 108% | 105% |
| Total Tire Sales (000 Units) | | 23,850 | 23,690 | 24,210 | 25,800 | 97,560 | 23,220 | **24,250** | 25,870 | 26,510 | **99,850** | 23,220 | 25,030 | 26,690 | 27,920 | 102,860 |

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# Tire Volume by Category (Comparison %)

| vs Previous Year | Actual 2025 Jan.-Jun. | | | | Actual 2025 Jan.-Dec. | | | |
|---|---|---|---|---|---|---|---|---|
| | O.E. | Rep. | Total | Composition ratio | O.E. | Rep. | Total | Composition ratio |
| Passenger Tires | 99% | 95% | 96% | 88% | 96% | 94% | 94% | 88% |
| Advanced Tires * | 102% | 98% | 99% | 45% | 99% | 95% | 97% | 47% |
| Truck & Bus Tires | 106% | 96% | 97% | 3% | 112% | 93% | 95% | 4% |
| Motorcycle, Industrial & Other Tires | 101% | 97% | 99% | 9% | 96% | 91% | 93% | 8% |
| Total | 100% | 95% | 96% | 100% | 97% | 93% | 94% | 100% |

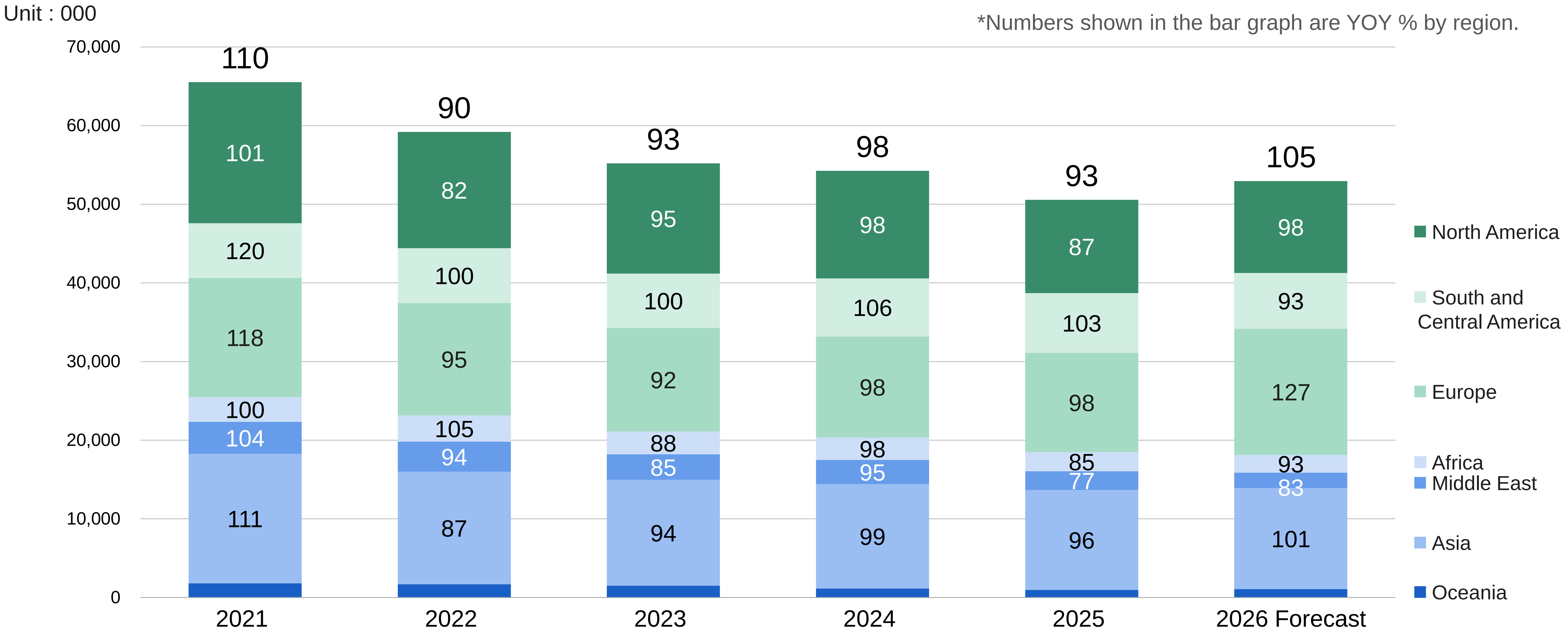
| vs Previous Year | **Actual 2026 Jan.-Jun.** | | | | 2026 Jan.-Dec. Forecast | | | |
|---|---|---|---|---|---|---|---|---|
| | O.E. | Rep. | Total | Composition ratio | O.E. | Rep. | Total | Composition ratio |
| Passenger Tires | **100%** | **100%** | **100%** | **88%** | 100% | 104% | 103% | 88% |
| Advanced Tires | **100%** | **105%** | **103%** | **47%** | 104% | 111% | 109% | 50% |
| Truck & Bus Tires | **102%** | **93%** | **94%** | **3%** | 89% | 97% | 96% | 3% |
| Motorcycle, Industrial & Other Tires | **96%** | **95%** | **95%** | **9%** | 95% | 100% | 98% | 8% |
| Total | **100%** | **99%** | **99%** | **100%** | 100% | 104% | 102% | 100% |

## Premium Tires Composition Ratio by Year

| | **Premium Tires** | | |
|---|---|---|---|
| | O.E. | Rep. | Total |
| **Actual 2024** | 56% | 42% | 46% |
| **Actual 2025** | 57% | 44% | 47% |
| **2026 Forecast** | 59% | 46% | 50% |

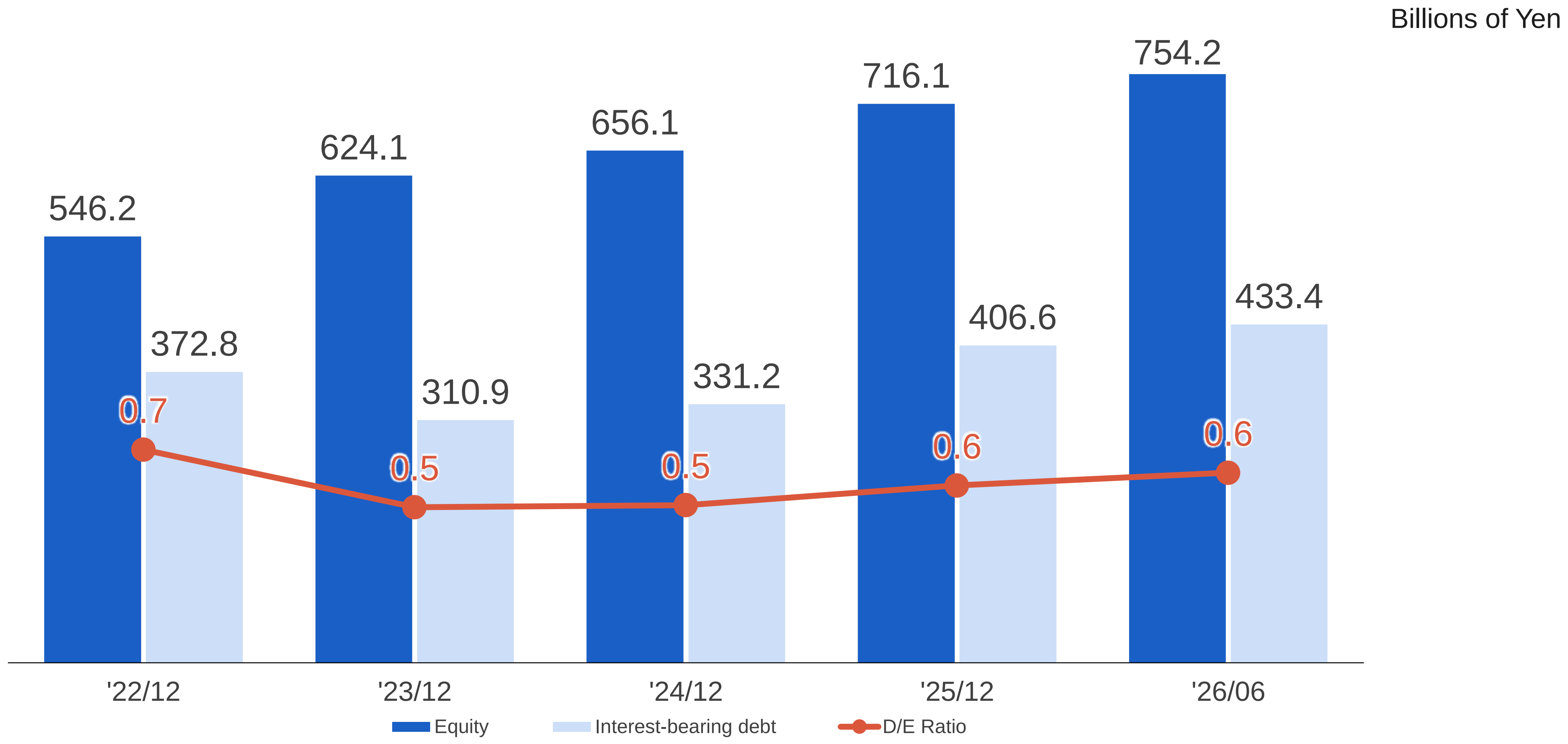
*Premium Tires
Differentiated products(SYNCHRO WEATHER, WILDPEAK, European all-season tires, Winter tires, etc. ), SUVs and Passenger car tires with a size of 18” or larger

# Tire Overseas Rep. Volume by Regional Segment



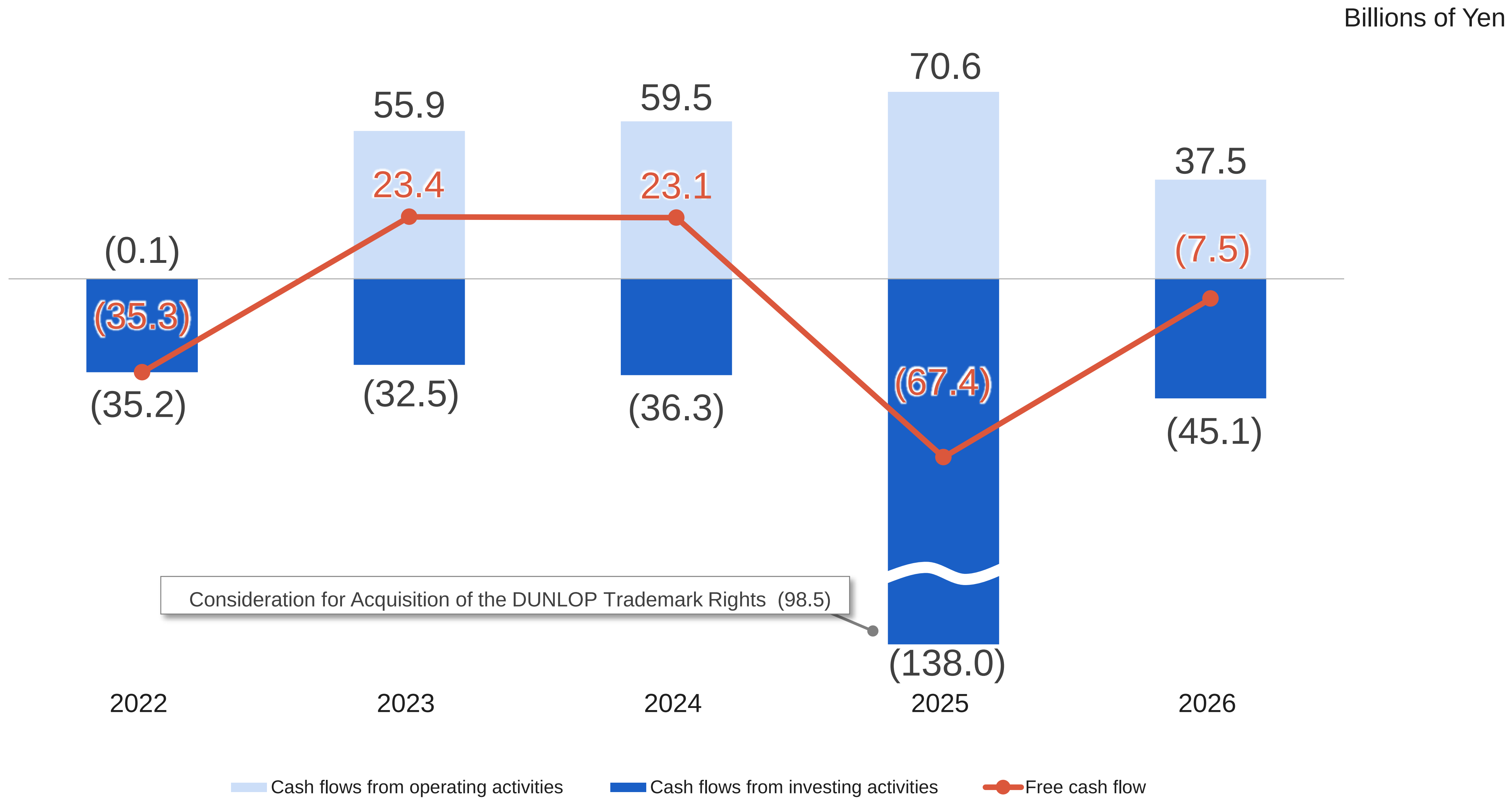

| Forex (USD) | 110 | 132 | 141 | 152 | 150 | 160 |
|---|---|---|---|---|---|---|

# Equity / Interest-Bearing Debt

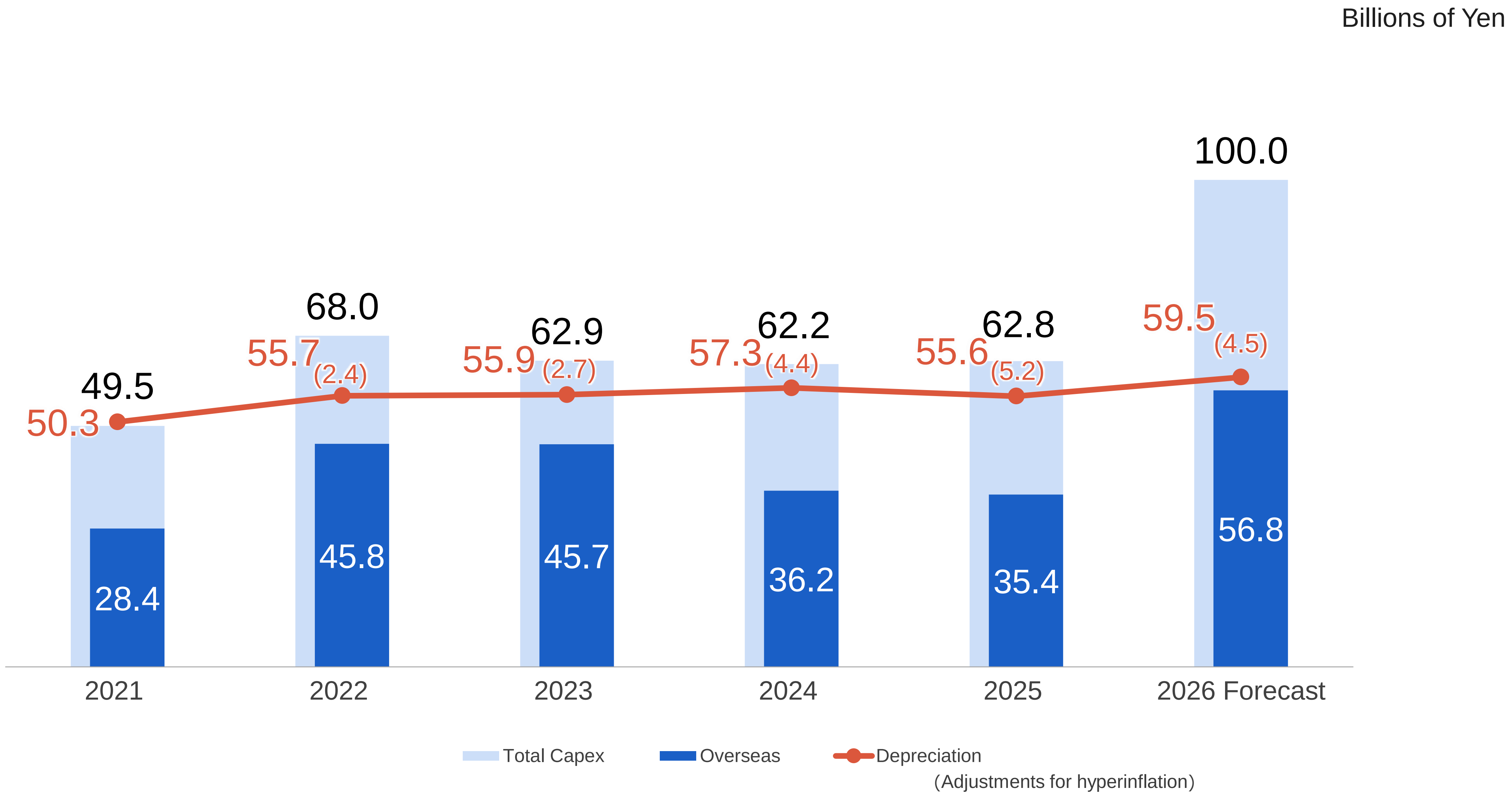



| | | | | | |
|---|---|---|---|---|---|
| Equity Ratio | 44.6% | 49.3% | 48.9% | 49.0% | 49.9% |

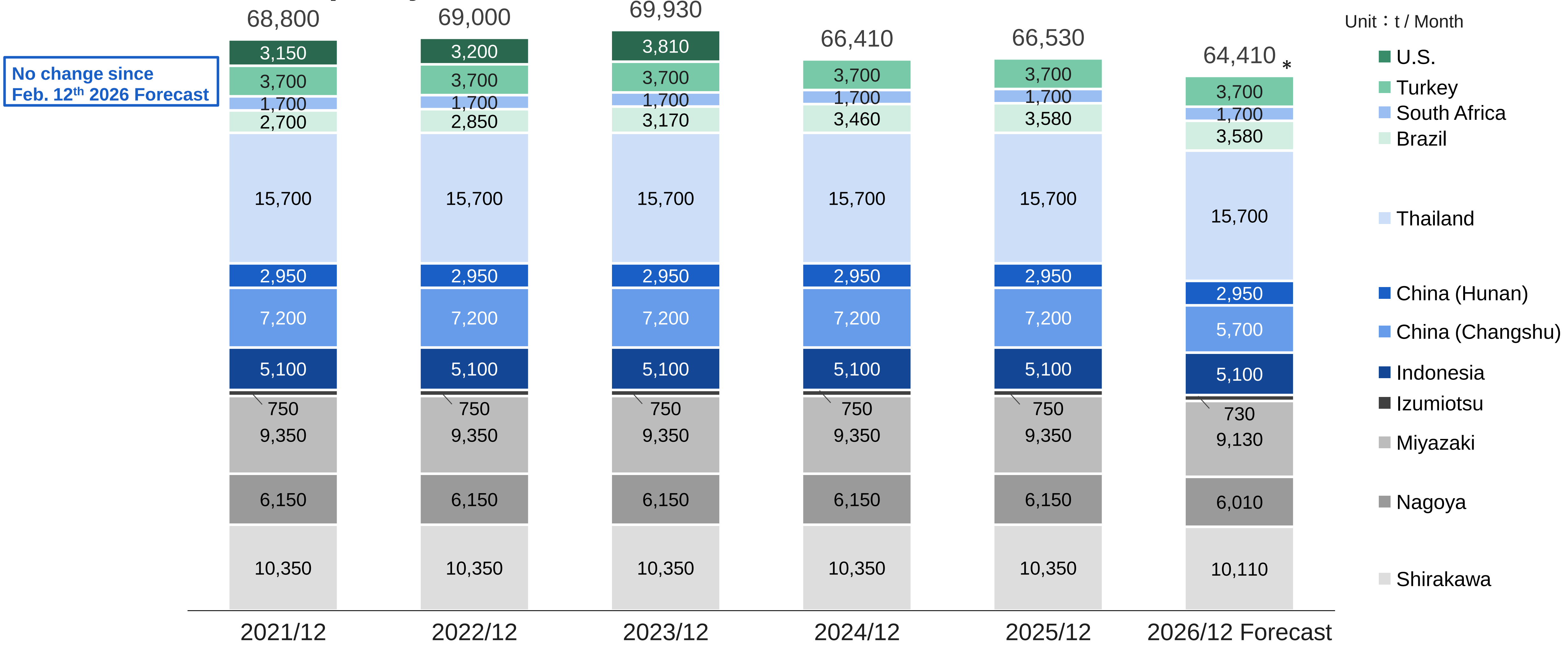
# Cash Flows (Jan.-Jun.)



# Capex and Depreciation (Tangible Assets Only)



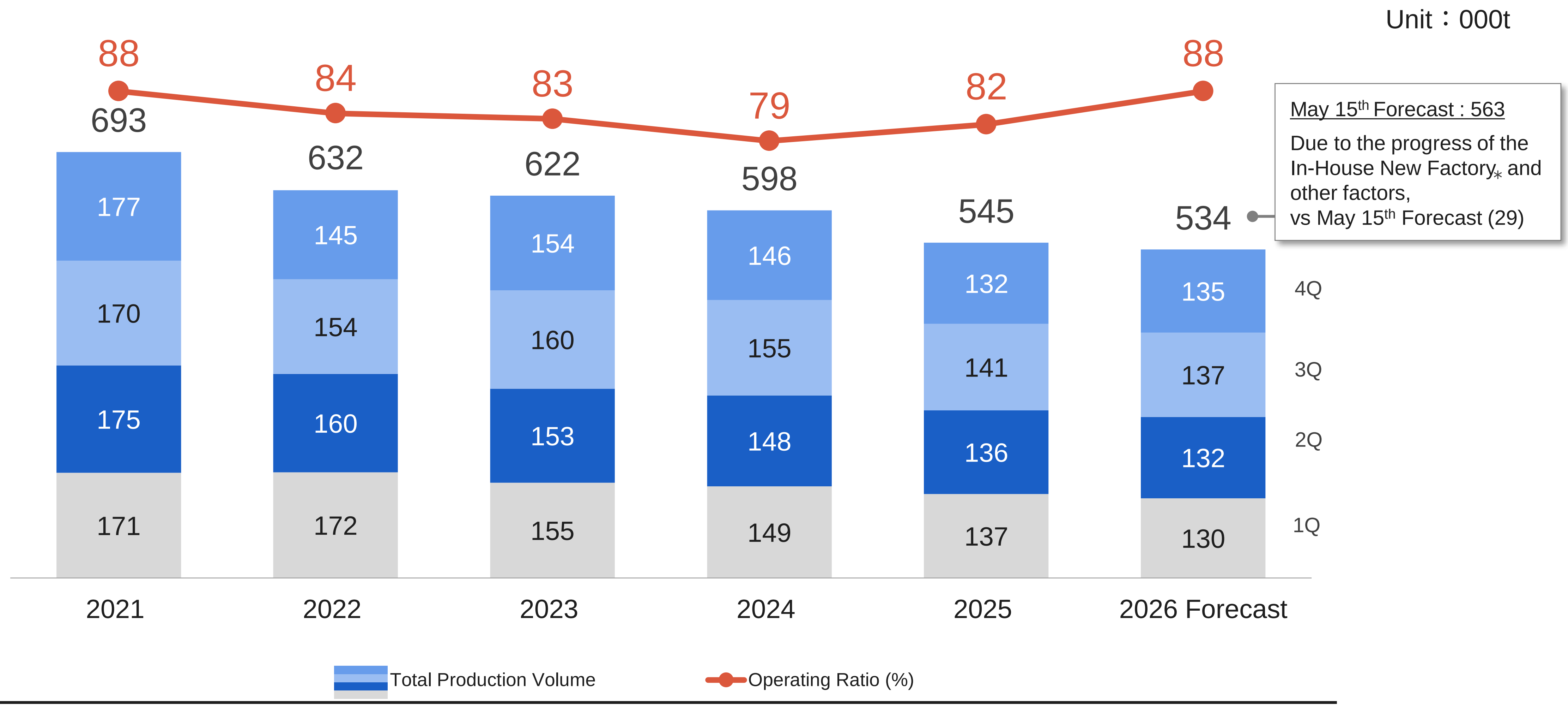
# Tire Production Capacity




| | 2021/12 | 2022/12 | 2023/12 | 2024/12 | 2025/12 | 2026/12 Forecast |
|---|---|---|---|---|---|---|
| % of Overseas | 61% | 61% | 62% | 60% | 60% | 60% |
| YOY | 100% | 100% | 101% | 95% | 100% | 97% |

*Following changes in the number of operating days, we have revised the production capacity of each factory.

# Tire Production Volume and Operating Ratio




| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 Forecast |
|---|---|---|---|---|---|---|
| % of Overseas | 63% | 63% | 64% | 64% | 64% | 63% |
| YOY | 117% | 91% | 98% | 96% | 91% | 98% |

*A concept of renewing part of existing production facilities with state-of-the-art production lines. This allows for the transition to competitive, advanced production equipment without halting operations at the entire factory

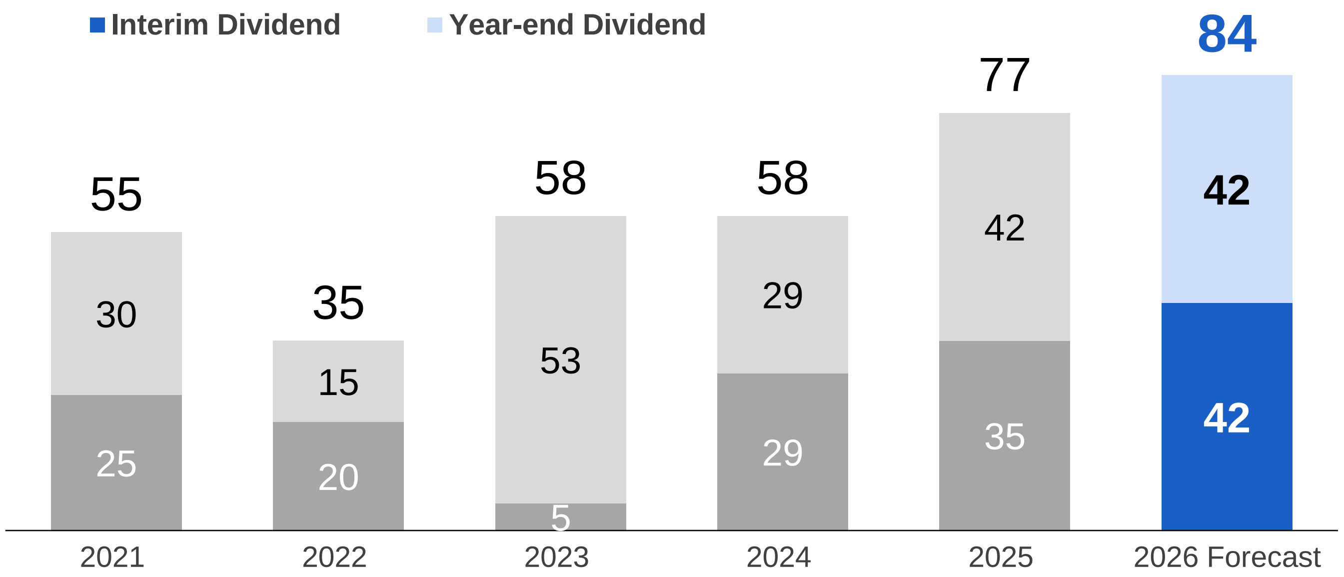
# Shareholder Returns

We consider the return of gains to shareholders to be a matter deserving of the utmost priority. Accordingly, our basic policy is to ensure a long-term, stable stream of shareholder returns, targeting from 2026 a consolidated dividend payout ratio of 40%+ and a DOE of 3%+.

## Determination of 2026 Interim Dividend Payment and Forecast of Annual Dividends :

Based on the consolidated financial results for the six months ended Jun. 30, 2026, we have decided to pay an interim dividend of 42 yen per share (unchanged from Feb. 12, 2026 forecast). We have kept the year-end dividend of 42 yen per share, the same as Feb. 12, 2026 forecast, and the annual dividends are expected to be 84 yen.

**No change since Feb. 12th 2026 Forecast**




（Reference）Trends in Dividend Payout Ratio and DOE (%)

| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 Forecast |
|---|---|---|---|---|---|---|
| Dividend Payout Ratio | 49.1 | 97.8 | 41.2 | 154.6 | 40.2 | 40.1% |
| DOE | 3.0 | 1.8 | 2.6 | 2.4 | 3.0 | 3.1% |

*DOE = Total dividends / Equity

*DOE prior to fiscal year 2025 is for reference only.

# Our Flagship Products

DUNLOP

SYNCHRO WEATHER

Next-generation all-season tire utilizing the new ACTIVE TREAD technology that changes the functional traits of rubber depending on road surface conditions.

DUNLOP

WINTER MAXX ICE Pro

WINTER MAXX's new series. Studless winter tire engineered for ultimate on-ice performance, sacrificing a conflicting element.

DUNLOP

GRANDTREK R/T01

DUNLOP's first rugged terrain tire superior in durability and off-road capabilities, with double sidewall design allowing for customization.

SRIXON®

ZXi RKT

Srixon ZXi RKT, dedicated to rocket-like ball speed and high linearity.

*Scheduled release date: September 12

# Promoting Sustainability Management

**Recent Activities** For further information, please refer to the news release on our website.(https://www.srigroup.co.jp/english/newsrelease/2026/index.html)

**2026**

- Jul. – DUNLOP Group Publishes Human Rights Report 2026
- Jun. – DUNLOP Group Publishes Integrated Report 2026 : Reporting Financial and Non-Financial Initiatives Toward the Realization of Its Long-Term Corporate Strategy
- Apr. – DUNLOP Conducts Smallholder Support Program Toward Sustainable Natural Rubber Procurement: Contributing to Improving Farmers' Livelihoods
- Mar. – Six Research Results on Tire and Road Wear Particles Presented at Tire Technology Expo 2026: — Scientific Verification at Three Stages: Generation, Dispersal, and Accumulation
- Dec. – DUNLOP Recognized for the First Time as an "A List" (the Highest Rating) for "Climate Change" and "Water Security" Categories in CDP 2025

  DUNLOP Adopts Sustainable Carbon Black for Mass-Production Tires for Certain Passenger Car Models, Production Commences at Its Miyazaki Factory
- Aug. – Results of Initiatives to Reduce Tire and Road Wear Particles Presented at Conferences in Japan and Abroad
- Jul. – Sumitomo Rubber Provides Tires Adopting Sustainable Carbon Black for GT300 Class in Round 4 of 2025 AUTOBACS SUPER GT: Implementing Outcome of Collaboration with Mitsubishi Chemical with Future Plan to Adopt it for General-Use Tires

**2025**

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TAKING YOU BEYOND