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**Notice of upward revision to financial targets in “Yokohama Transformation 2026,”  
the medium-term management plan for fiscal years 2024 to 2026**

The Yokohama Rubber Co., Ltd. (hereafter, Yokohama Rubber, or the Company) reports that it has upwardly revised the financial targets in Yokohama Transformation 2026 (YX2026), the Company’s medium-term management plan announced on February 16, 2024.

1. Reasons for the revisions

Under the medium-term management plan YX2026 launched at the start of fiscal 2024, Yokohama Rubber is advancing the “exploitation” of the strengths of its existing businesses and the “exploration” of new value as it aims to complete the transformation begun under its previous medium-term plan while being mindful to not leave any negative legacies for the next generation. Under this guiding philosophy, Yokohama Rubber will resolutely implement the growth strategies established for each of its businesses as it aims to achieve “Hockey Stick Growth” during YX2026 to fiscal 2027.

YX2026’s initial financial targets for the fiscal 2026 included sales revenue of ¥1,150 billion, business profit of ¥130 billion, and a business profit margin of 11%. However, considering recent business results, the realization of “Technological and Production Transformation” that will be promoted during YX2026, and the expected contribution to earnings from the acquisition of Goodyear’s OTR business that was announced in the “Notice regarding the acquisition of The Goodyear Tire & Rubber Company’s mining & construction machinery tire business” submitted on July 22, 2024, Yokohama Rubber has upwardly revised these YX2026 financial targets, raising sales revenue to ¥1,250 billion, an increase of ¥100 billion, and business profit to ¥150 billion, an increase of ¥20 billion. The business profit margin target has been increased to 12%.

2. Revised financial targets for fiscal 2026

	Previous targets	Revised targets
Sales revenue	¥1,150 billion	¥1,250 billion
Business profit	¥130 billion	¥150 billion
Business profit margin	11%	12%
Equity ratio	50% target	50% target
ROE	Above 10%	Above 10%
Operating cash flow	¥385 billion (3yr cumulative)	¥410 billion (3yr cumulative)
Capital investment	Within scope of depreciation (excluding strategic investments)	Within scope of depreciation (excluding strategic investments)