



# Financial Report

(January 1 ~ September 30, 2021)

November 9, 2021



**SUMITOMO**  
RUBBER INDUSTRIES

- 2021 3<sup>rd</sup> Quarter  
Financial Results Summary
  - Changes in Scope of Consolidation,  
Affiliated Companies
  - Financial Results Summary
  
- 2021 Annual Financial Results Forecast
  - Financial Results Forecast Summary
  - Capex, Depreciation,  
Tire Production Capacity etc.
  - Shareholder Returns

# Changes in Scope of Consolidation

	Consolidated Subsidiaries 98 (vs 2020 year-end : +2 )		Equity-method Affiliates 3 (vs 2020 year-end : - )	
	Newly Included +7	Excluded (5)	Newly Included -	Excluded -
Tires	Budget Motorist Centres Limited Abbotsinch Tyres & Exhausts Ltd and 5 companies (U.K./ Sales company of tires)			
Sports		Dunlop Golf School Co.Ltd. Dunlop Tennis School Co. Ltd. (Merged with Dunlop Sports Wellness Co. Ltd.)  Dunlop International Group Holdings Limited and 2 companies (U.K./ Other)		
Industrial & Other				

# Affiliated Companies (Consolidated Subs: 98, Equity-method Affiliates: 3)

	Manufacturing Companies	Sales Companies	Other Companies
Tires	Domestic 1	Domestic 11	Domestic 7
	Overseas 8	Overseas 28	Overseas 6
	Asia Pacific 4	Asia Pacific 12	Asia Pacific 2
	Europe and Africa 2	Europe and Africa 13	Europe and Africa 2
	Americas 2	Americas 3	Americas 2
Sports	Domestic 1	Domestic 1	Domestic 3
	Overseas 3	Overseas 15	Overseas 7
	Thailand, U.S., Philippines	Malaysia, U.K., Australia, Canada, China, Hong Kong, South Africa, South Korea, Thailand, France, Germany	U.K.
Industrial & Other	Domestic 1	Domestic 3	Domestic -
	Overseas 5	Overseas 1	Overseas -
	Malaysia, China, Vietnam, Switzerland, Slovenia	Hong Kong	-

**TOTAL 101**  
Domestic 28  
Overseas 73

# Consolidated Financial Results (2021 Jan.-Sep.)

**SUMITOMO**  
RUBBER GROUP

Billions of Yen

	2021		2021		2021		2021		2020 Jan.-Sep.
	Jan.-Mar.	vs 2020	Apr.-Jun.	vs 2020	Jul.-Sep.	vs 2020	Jan.-Sep.	vs 2020	
Sales Revenue	213.7	112% 22.9	226.4	152% 77.1	216.9	108% 16.7	657.0	122% 116.8	540.2
Business Profit (%) ※1	16.2 (7.6%)	569% 13.4	13.9 (6.1%)	- 19.0	2.0 (0.9%)	19% (8.2)	32.1 (4.9%)	406% 24.2	7.9 (1.5%)
Operating Profit (%)	15.6 (7.3%)	566% 12.8	13.0 (5.7%)	- 18.7	1.3 (0.6%)	14% (8.2)	29.9 (4.5%)	459% 23.4	6.5 (1.2%)
Profit ※2	10.7	- 14.1	9.8	- 15.8	0.2	9% (2.3)	20.7	- 27.5	(6.8)

※1. Business Profit : Sales Revenue – (COS + SGA)

Business Profit of 2020 Jan.-Mar. and 2019 is adjusted due to the change of accounting policy last year.

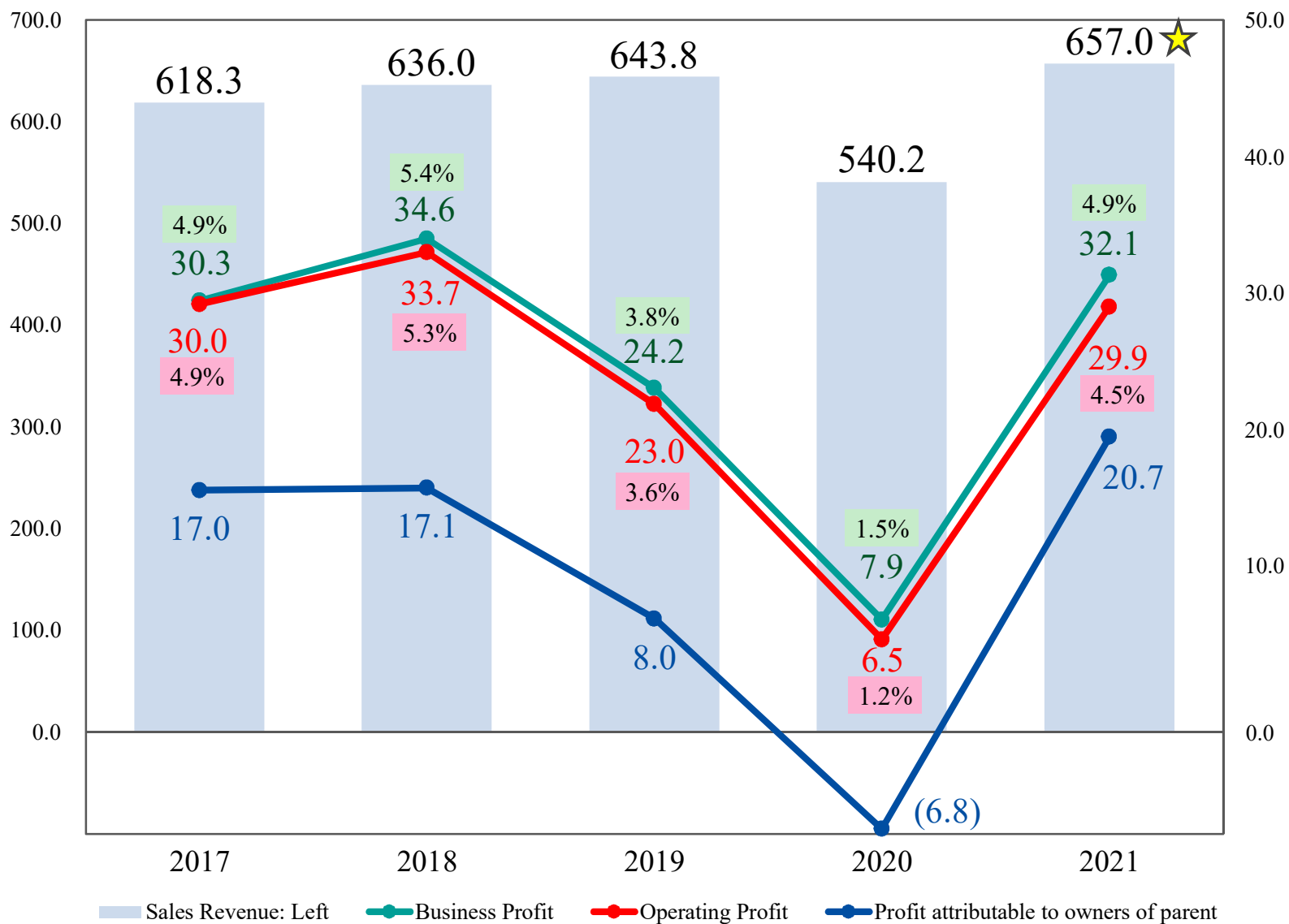
※2. Profit : Profit attributable to owners of parent

The notes 1, 2 apply throughout this report.

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

Billions of Yen

% : Profit % ★ : Record High



# Consolidated Sales Revenue / Business Profit by Reportable Segment (2021 Jan.-Sep.)

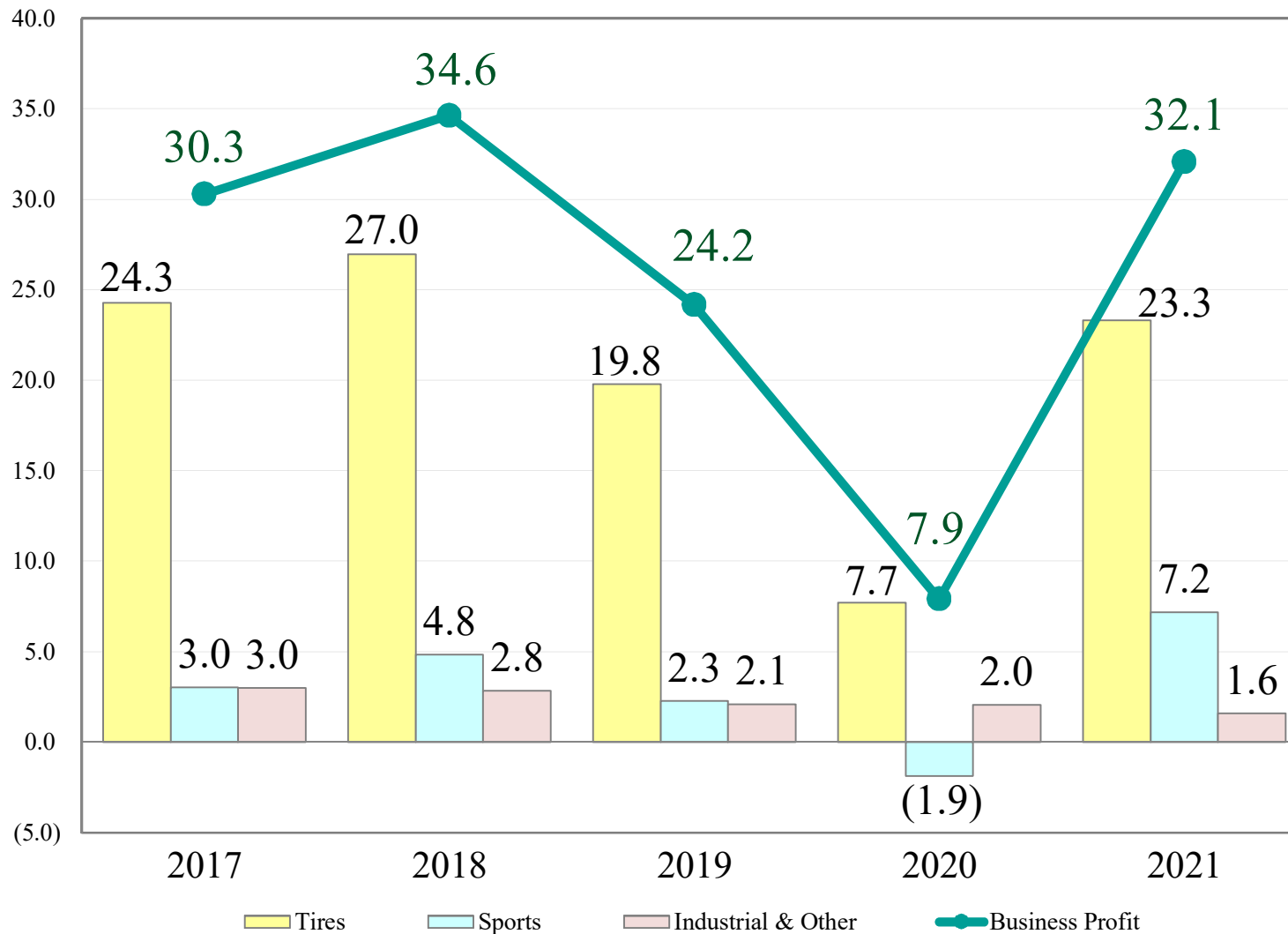
**SUMITOMO  
RUBBER GROUP**

Billions of Yen

		2021		2021		2021		2021		2020
		Jan.-Mar.	vs 2020	Apr.-Jun.	vs 2020	Jul.-Sep.	vs 2020	Jan.-Sep.	vs 2020	Jan.-Sep.
Sales Revenue	Tires	180.3	110%	189.0	148%	182.6	107%	551.9	120%	461.0
	Sports	23.3	134%	28.1	225%	24.7	124%	76.1	153%	49.8
	Industrial & Other	10.1	98%	9.3	102%	9.7	96%	29.0	99%	29.4
	Total	213.7	112%	226.4	152%	216.9	108%	657.0	122%	540.2
Business Profit	Tires	13.1	559%	10.3	-	(0.2)	-	23.3	302%	7.7
	Sports	2.5	-	3.1	-	1.6	158%	7.2	-	(1.9)
	Industrial & Other	0.6	66%	0.5	85%	0.5	93%	1.6	79%	2.0
	Total	16.2	569%	13.9	-	2.0	19%	32.1	406%	7.9

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

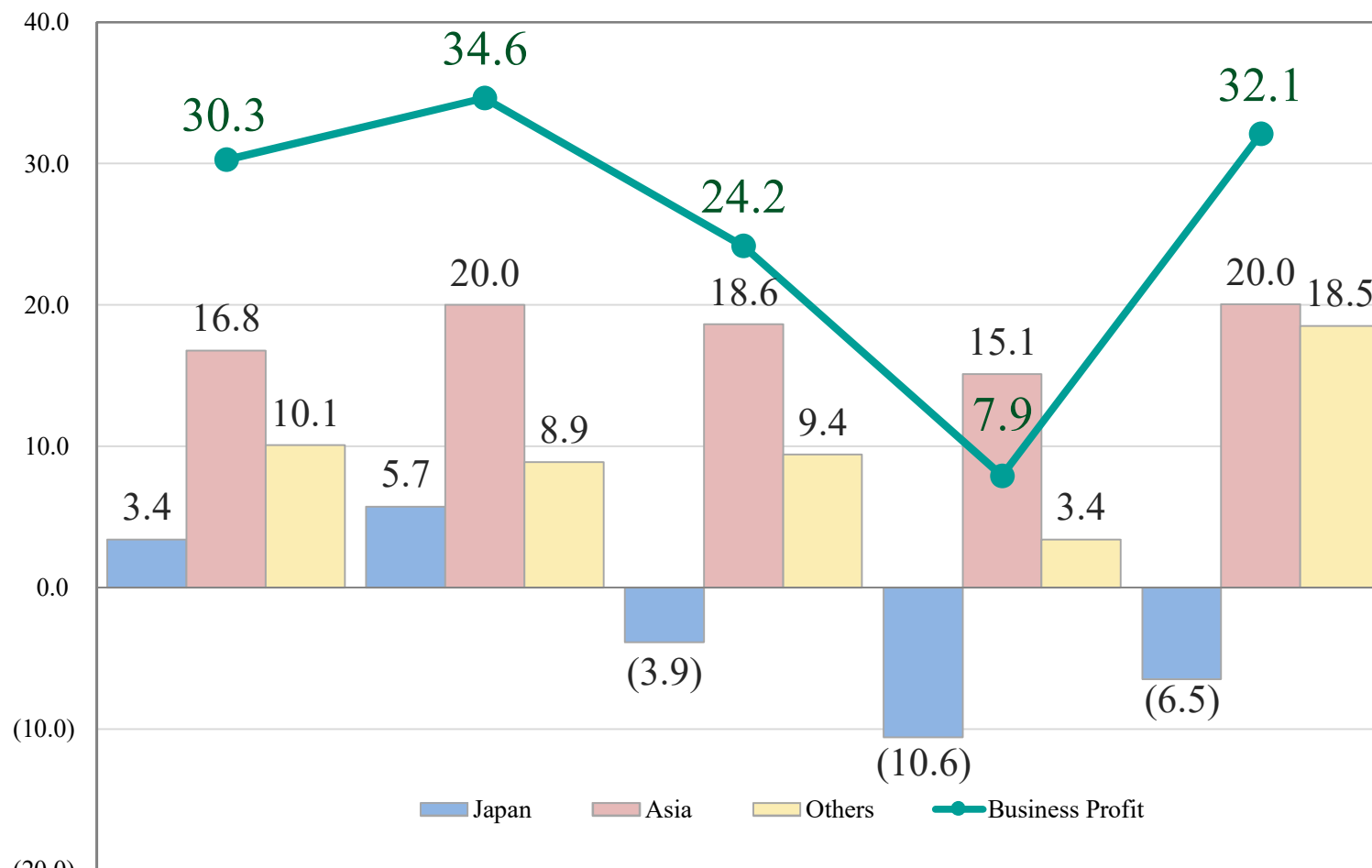
Billions of Yen





# Consolidated Business Profit by Geographic Areas (Jan.-Sep.)

Billions of Yen

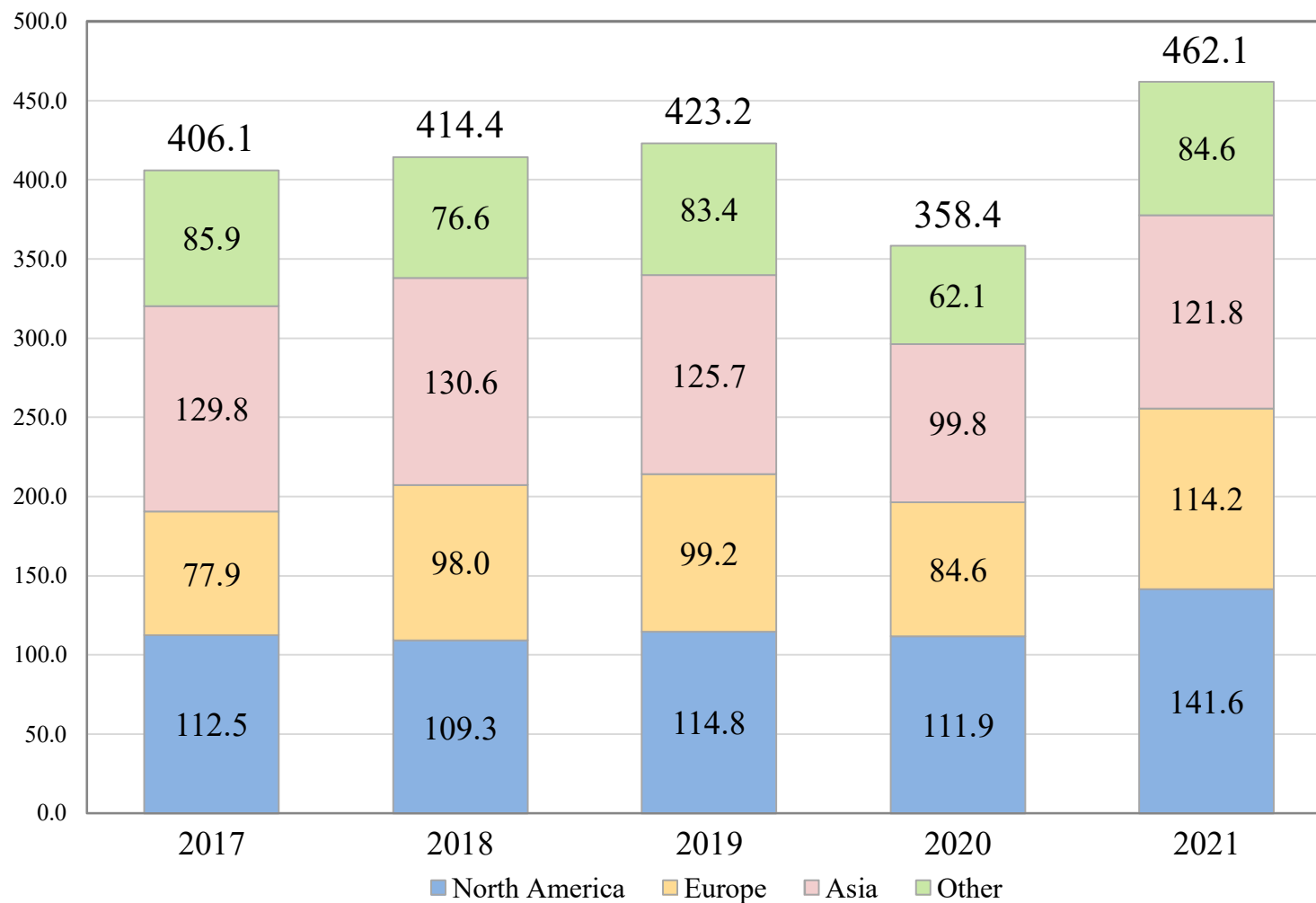


Sales Revenue	2017	2018	2019	2020	2021
Japan	264.2	269.7	273.5	222.2	241.8
Asia	124.6	124.7	119.7	95.4	117.1
Others	229.5	241.6	250.6	222.7	298.1
Total	618.3	636.0	643.8	540.2	657.0

※ Sales and Profit for geographic areas on this page are based on sales company's location.

# Overseas Sales Revenue (Jan.-Sep.)

Billions of Yen



Consolidated Sales Revenue	618.3	636.0	643.8	540.2	657.0
% of Overseas	66%	65%	66%	66%	70%

※ Overseas Sales on this page are based on customer's location.

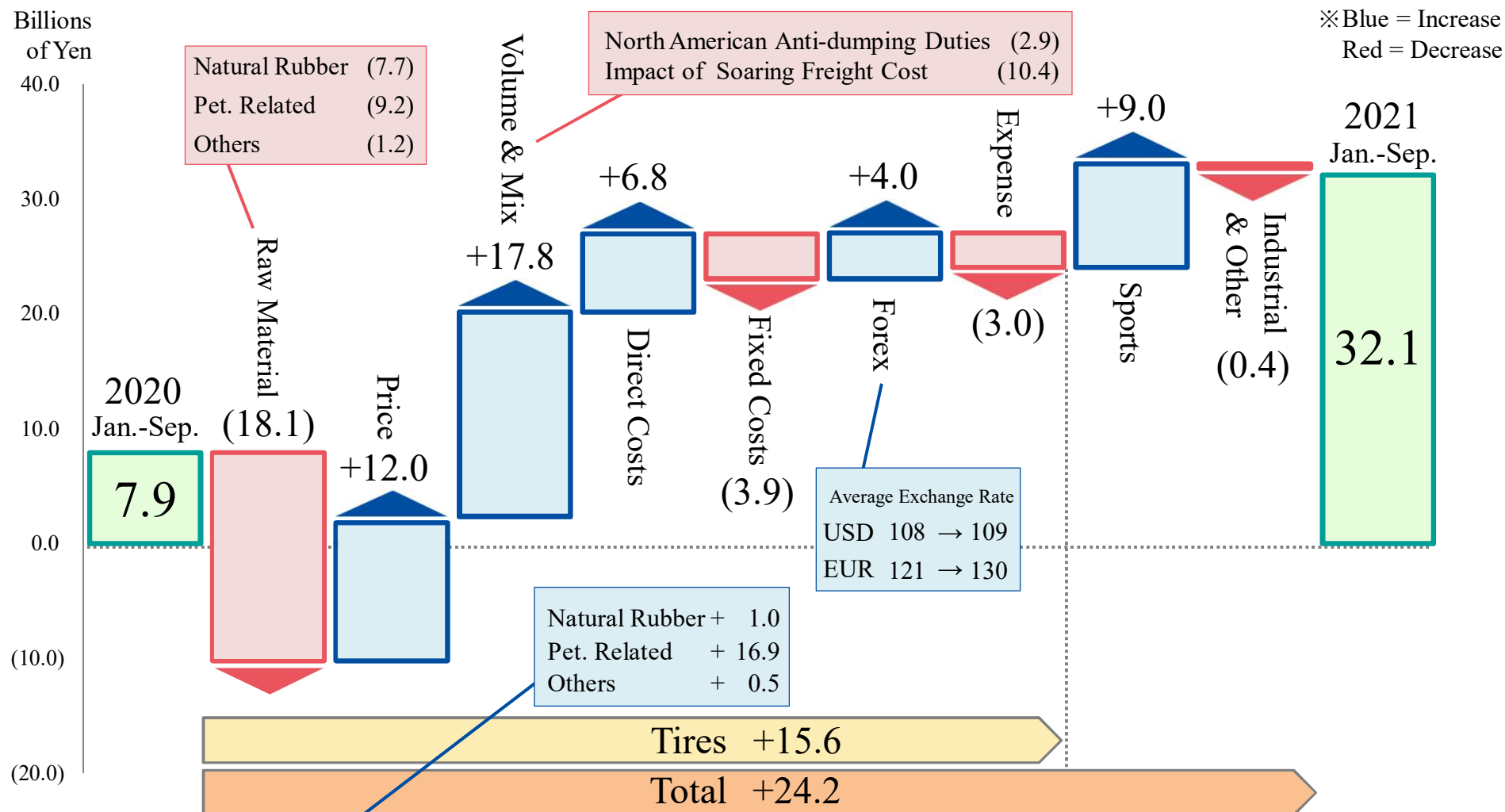
# Sales Revenue by Destination (Jan.-Sep.)

		Tires	Sports	Industrial & Other	Total	Billions of Yen
Japan	2021	147.2	28.6	19.1	195.0	
	2020	142.2	19.3	20.5	181.9	
	2019	167.9	32.3	20.4	220.6	
North America	2021	122.1	19.4	0.1	141.6	
	2020	100.9	10.7	0.3	111.9	
	2019	104.8	9.9	0.1	114.8	
Europe	2021	98.6	11.5	4.0	114.2	
	2020	72.9	8.5	3.3	84.6	
	2019	87.1	9.0	3.1	99.2	
Asia	2021	102.9	13.7	5.2	121.8	
	2020	85.3	9.6	4.9	99.8	
	2019	110.7	9.3	5.7	125.7	
Other	2021	81.1	2.9	0.6	84.6	
	2020	59.9	1.7	0.5	62.1	
	2019	81.0	1.9	0.6	83.4	
Total	2021	551.9	76.1	29.0	657.0	
	2020	461.0	49.8	29.4	540.2	
	2019	551.6	62.3	29.9	643.8	

※ Sales Revenue on this page are based on customer's location.

# Consolidated Business Profit Walk (2021 Jan.-Sep.)

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	Raw Material	Price	Volume & Mix	Direct Costs	Fixed Costs	Forex	Expense	Sports	Industrial & Other	Total
2019 → 2020	18.4	0.9	3.9	0.7	0.9	(3.7)	6.0	2.2	0.4	(16.3) ※
2018 → 2019	1.5	(0.4)	1.6	0.3	(2.3)	(5.3)	(2.6)	(2.5)	(0.8)	(10.5)

※ Includes Impact of Covid-19, (46.0).

# 【Forecast】 Consolidated Financial Results (2021 Annual)

SUMITOMO  
RUBBER GROUP

Billions of Yen

	Revised Forecast 2021	Actual 2020	YOY
Sales Revenue	925.0	790.8	117%
Business Profit (%)	46.0 (5.0%)	43.4 (5.5%)	106%
Operating Profit (%)	43.0 (4.6%)	38.7 (4.9%)	111%
Profit	29.0	22.6	128%

Aug. 5 <sup>th</sup> 2021 Forecast 2021
930.0
55.0 (5.9%)
52.0 (5.6%)
35.5

Feb. 9 <sup>th</sup> 2021 Forecast 2021
870.0
46.0 (5.3%)
43.0 (4.9%)
29.0

ROE	6.1%	4.9%
ROA ※	4.5%	4.3%
D/E Ratio	0.6	0.6

7.5%
5.4%
0.6

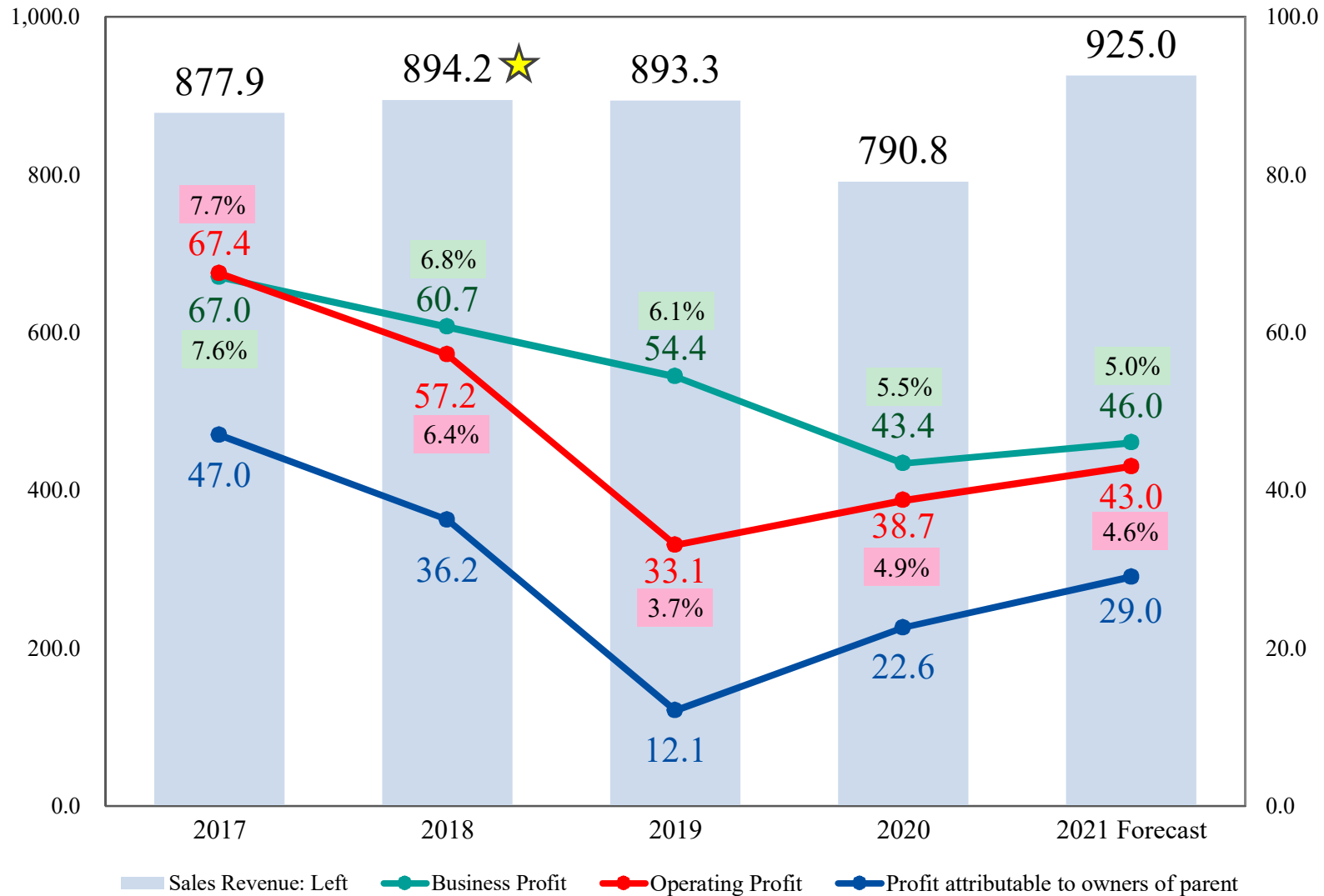
6.3%
4.7%
0.6

※ROA: “Business Profit” / “Total Assets”

# 【Forecast】 Consolidated Sales Revenue / Profit

Billions of Yen

% : Profit % ★ : Record High



# 【Forecast】 Consolidated Sales Revenue / Business Profit by Reportable Segment (2021 Annual)

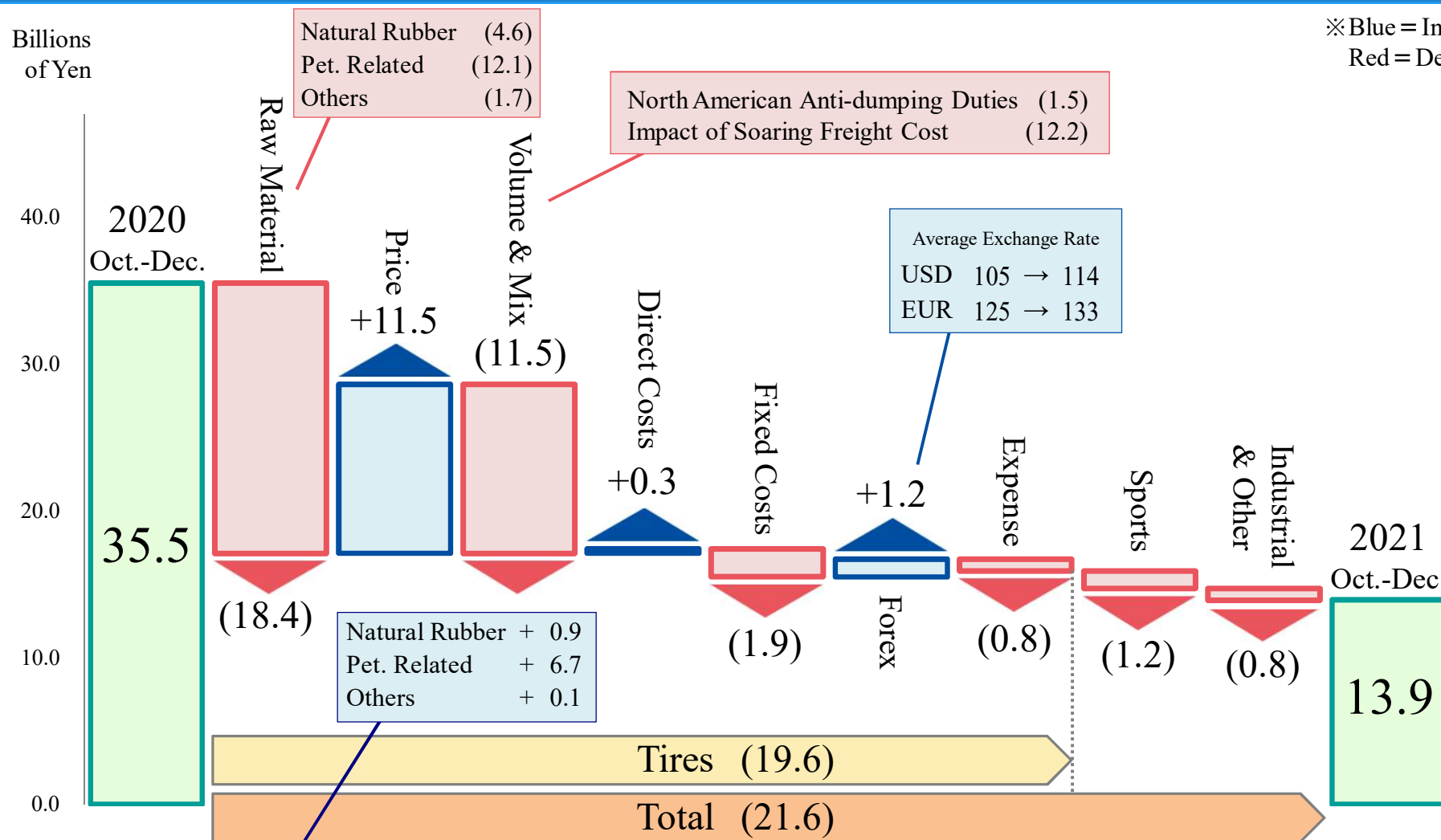
**SUMITOMO**  
RUBBER GROUP

Billions of Yen

		Revised Forecast 2021	Actual 2020	YOY	Aug. 5 <sup>th</sup> 2021 Forecast 2021	Feb. 9 <sup>th</sup> 2021 Forecast 2021
Sales Revenue	Tires	787.0	679.9	116%	794.0	742.0
	Sports	98.0	70.3	139%	95.0	83.5
	Industrial & Other	40.0	40.7	98%	41.0	44.5
	Total	925.0	790.8	117%	930.0	870.0
Business Profit	Tires	37.0	40.9	90%	46.5	39.5
	Sports	7.0	(0.7)	-	6.0	3.0
	Industrial & Other	2.0	3.2	63%	2.5	3.5
	Total	46.0	43.4	106%	55.0	46.0

# 【Forecast】 Consolidated Business Profit Walk (2021 Oct.-Dec.)

※ Blue = Increase  
Red = Decrease

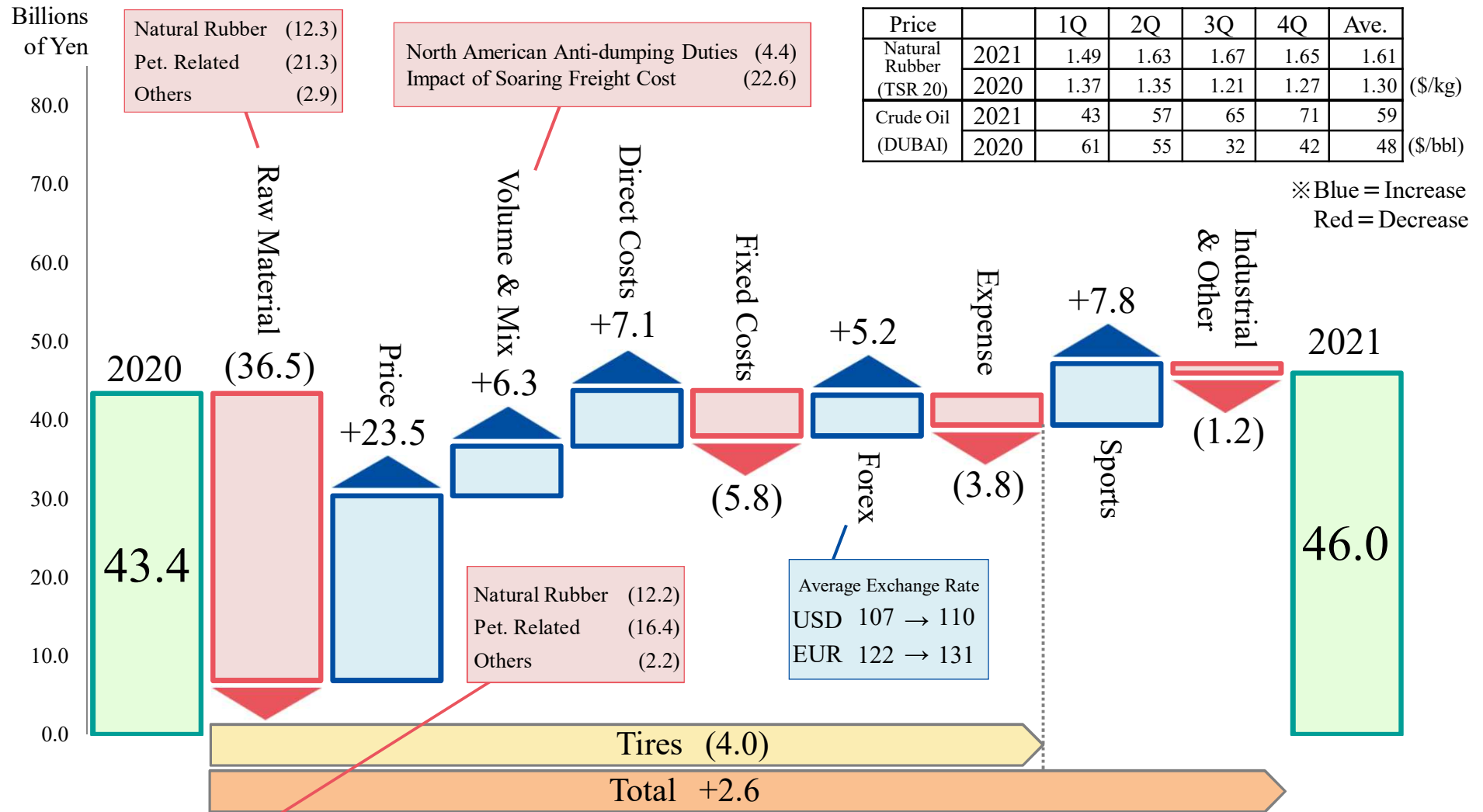


	Raw Material	Price	Volume & Mix	Direct Costs	Fixed Costs	Forex	Expense	Sports	Industrial & Other	Total
2019 Oct.-Dec. → 2020 Oct.-Dec.	7.7	(1.0)	2.8	1.5	0.0	(0.7)	2.9	(0.6)	0.1	5.3 ※
2018 Oct.-Dec. → 2019 Oct.-Dec.	4.6	1.9	(1.5)	0.9	(1.2)	(1.4)	(0.6)	1.3	0.2	4.2

※Includes Impact of Covid-19, (7.3).



# 【Forecast】 Consolidated Business Profit Walk (2021 Annual)



Price		1Q	2Q	3Q	4Q	Ave.
Natural Rubber (TSR 20)	2021	1.49	1.63	1.67	1.65	1.61
	2020	1.37	1.35	1.21	1.27	1.30
Crude Oil (DUBAI)	2021	43	57	65	71	59
	2020	61	55	32	42	48

(\$/kg)  
(\$/bbl)

	Raw Material	Price	Volume & Mix	Direct Costs	Fixed Costs	Forex	Expense	Sports	Industrial & Other	Total
Aug. 5 <sup>th</sup> Forecast	(30.8)	15.6	22.2	7.6	(6.5)	4.5	(7.1)	6.8	(0.7)	11.6
2019 → 2020	26.1	(0.1)	6.7	2.2	0.9	(4.4)	8.8	1.6	0.5	(11.0) ※

※Includes Impact of Covid-19, (53.3).

# Consolidated Business Profit Analysis by Factors

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Billions of Yen

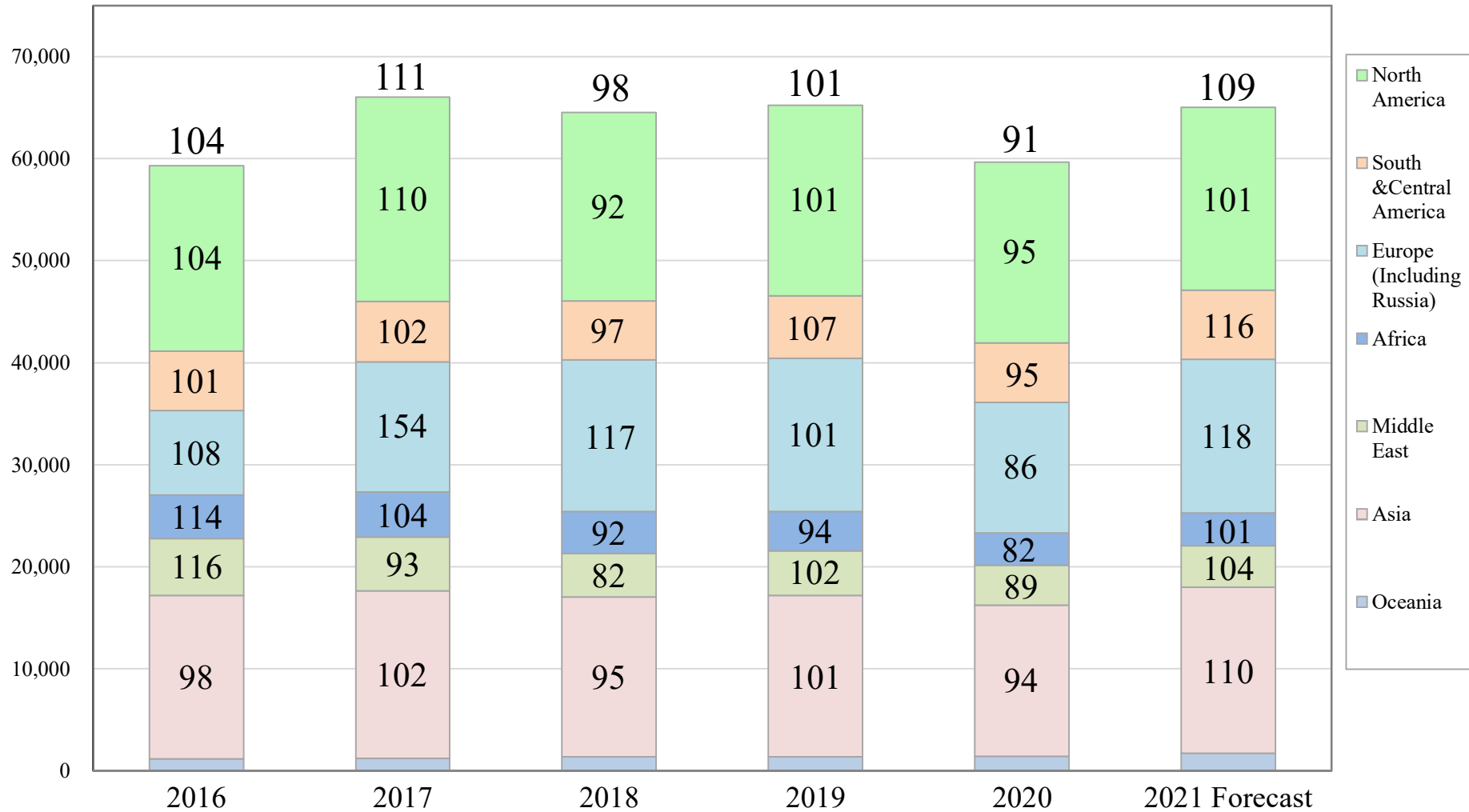
Period	Business Profit		Factors										
		vs previous year	Raw Material	Price	Volume & Mix	Direct Costs	Fixed Costs	Forex	Expense	Sports	Industrial & Other	Impact of Covid-19	
2020	Jan.-Mar.	2.8	(3.0)	5.4	1.2	(1.4)	1.0	(0.1)	(1.2)	(0.8)	0.8	0.4	(8.2)
	Apr.-Jun.	(5.1)	(16.0)	5.3	(0.6)	3.3	(0.7)	1.3	(1.2)	4.2	(0.9)	0.1	(26.9)
	Jul.-Sep.	10.2	2.7	7.7	0.3	2.0	0.4	(0.3)	(1.3)	2.6	2.3	(0.1)	(10.9)
	Oct.-Dec.	35.5	5.3	7.7	(1.0)	2.8	1.5	0.0	(0.7)	2.9	(0.6)	0.1	(7.3)
	Annual	43.4	(11.0)	26.1	(0.1)	6.7	2.2	0.9	(4.4)	8.8	1.6	0.5	(53.3)
2021	Jan.-Mar.	16.2	13.4	1.8	1.2	6.2	1.0	(0.2)	0.3	0.5	2.9	(0.3)	-
	Apr.-Jun.	13.9	19.0	(5.9)	4.1	13.2	5.7	(2.3)	1.6	(2.8)	5.5	(0.1)	-
	Jul.-Sep.	2.0	(8.2)	(14.0)	6.7	(1.6)	0.1	(1.4)	2.1	(0.7)	0.6	(0.0)	-
	Oct.-Dec.	13.9	(21.6)	(18.4)	11.5	(11.5)	0.3	(1.9)	1.2	(0.8)	(1.2)	(0.8)	-
	Annual	46.0	2.6	(36.5)	23.5	6.3	7.1	(5.8)	5.2	(3.8)	7.8	(1.2)	-
	(vs Aug. 5 <sup>th</sup> Forecast)		(9.0)	(5.7)	7.9	(15.9)	(0.5)	0.7	0.7	3.3	1.0	(0.5)	-

# Tire Sales Volume (Comparison %)

	2020 Actual					2021 Jan.-Sep. Actual, Oct.-Dec. Forecast					2021 Aug. 5th Forecast			
	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Annual	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Annual	Jan.-Jun.	Jul.-Dec.	Annual	
Domestic O.E.	92%	54%	86%	100%	83%	97%	148%	79%	86%	98%	116%	103%	109%	
Domestic Rep.	95%	90%	72%	108%	91%	99%	107%	101%	105%	103%	103%	106%	105%	
Overseas O.E.	72%	54%	76%	95%	74%	116%	146%	94%	101%	111%	129%	116%	122%	
Overseas Rep.	93%	67%	97%	108%	91%	110%	151%	96%	94%	109%	128%	98%	110%	
Details	North America	96%	66%	107%	111%	95%	106%	141%	83%	91%	101%	121%	89%	102%
	Europe	90%	65%	91%	94%	86%	100%	165%	112%	113%	118%	124%	110%	116%
	Asia	82%	80%	102%	109%	94%	138%	131%	90%	94%	110%	134%	100%	115%
	Others	105%	59%	87%	116%	91%	103%	177%	106%	84%	110%	132%	96%	112%
<b>Total</b>	<b>90%</b>	<b>67%</b>	<b>87%</b>	<b>105%</b>	<b>88%</b>	<b>107%</b>	<b>140%</b>	<b>95%</b>	<b>96%</b>	<b>107%</b>	<b>121%</b>	<b>103%</b>	<b>111%</b>	
Total Tire Sales (000 Units)	26,510	20,360	28,590	33,370	108,830	28,410	28,510	27,080	32,190	116,190	56,920	63,580	120,500	

# Tire Overseas Rep. Volume by Regional Segment

000 units



Forex (USD)

109

112

110

109

107

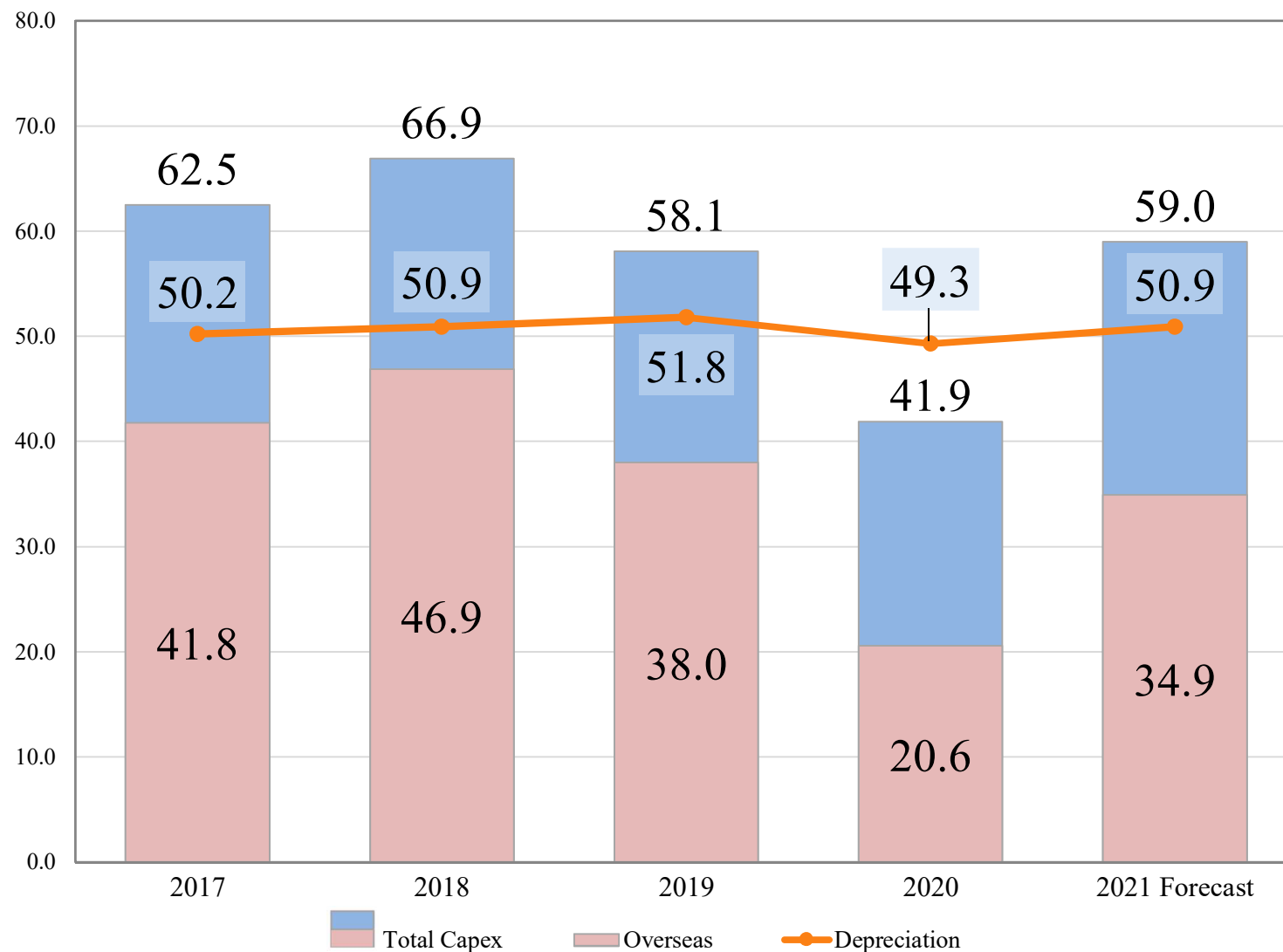
110

※ Numbers shown in the bar graph are yoy% by region.

# Capex and Depreciation (Tangible Assets Only)

No change since  
Feb. 9<sup>th</sup> 2021 Forecast

Billions of Yen



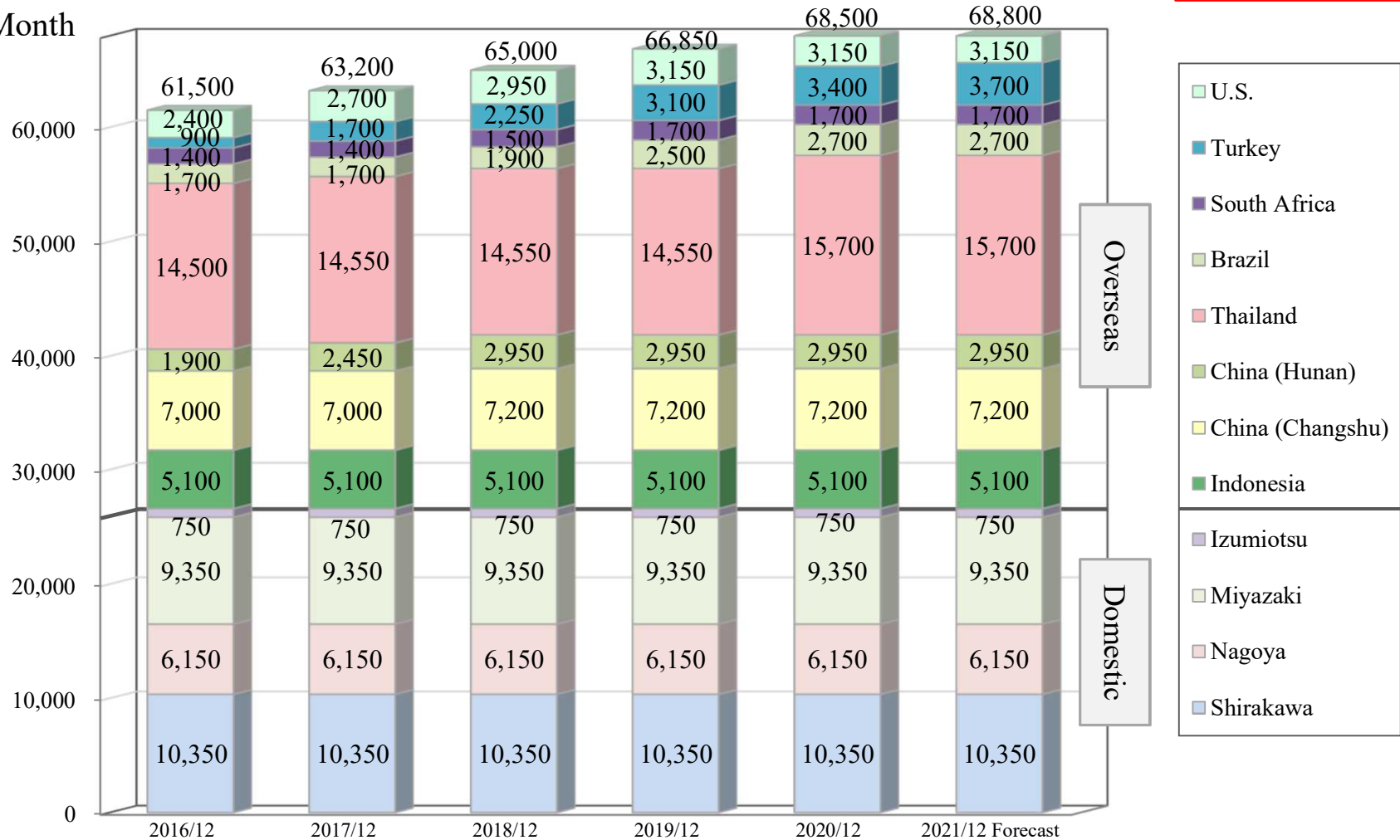
※IFRS16 (Lease) impact is not included since 2019.

# Tire Production Capacity

YOY                      101%                      103%                      103%                      103%                      102%                      100%

No change since  
Feb. 9<sup>th</sup> 2021 Forecast

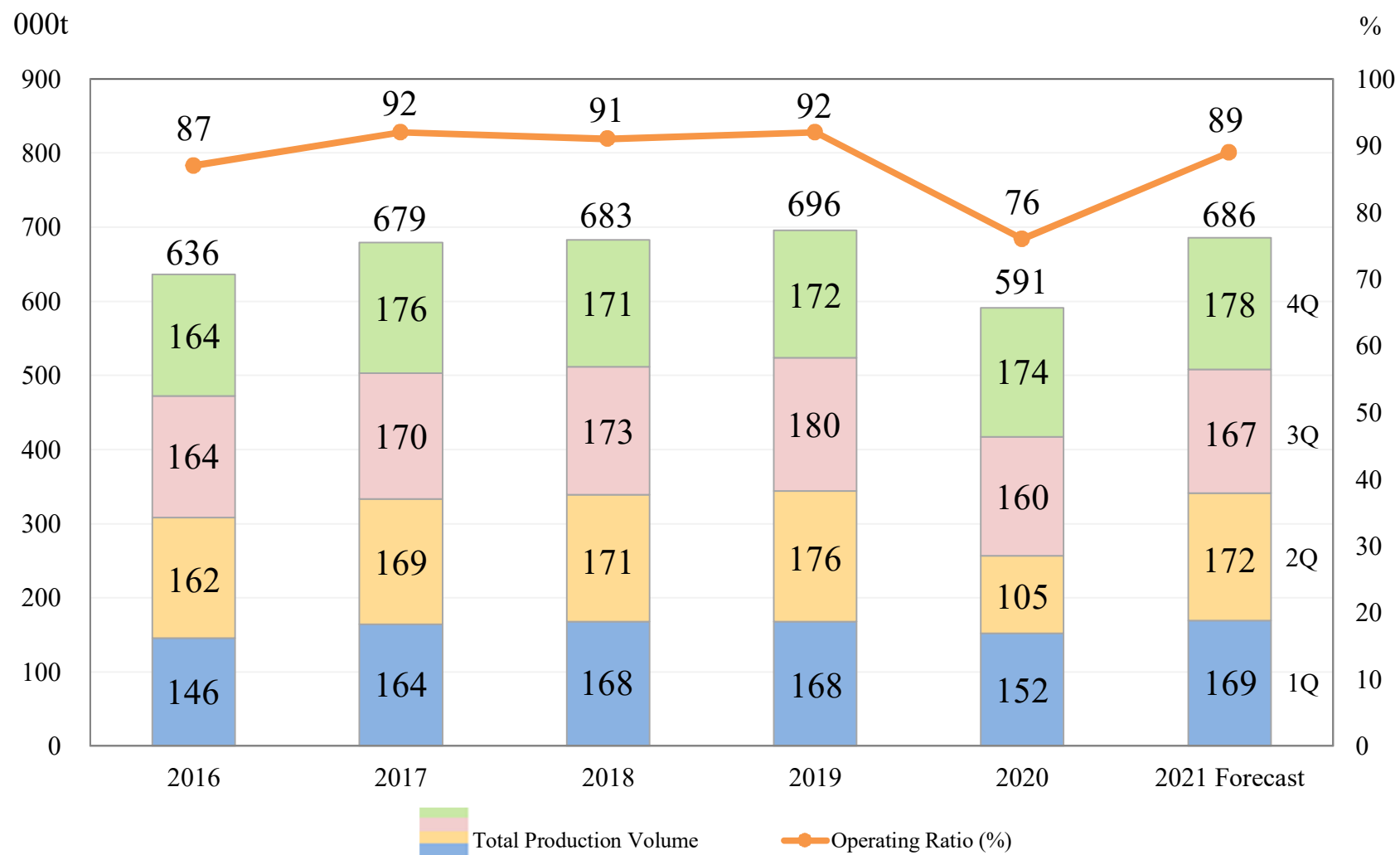
t/ Month



% of Overseas                      57%                      58%                      59%                      60%                      61%                      61%

# Tire Production Volume and Operating Ratio

YOY 106% 107% 101% 102% 85% 116%

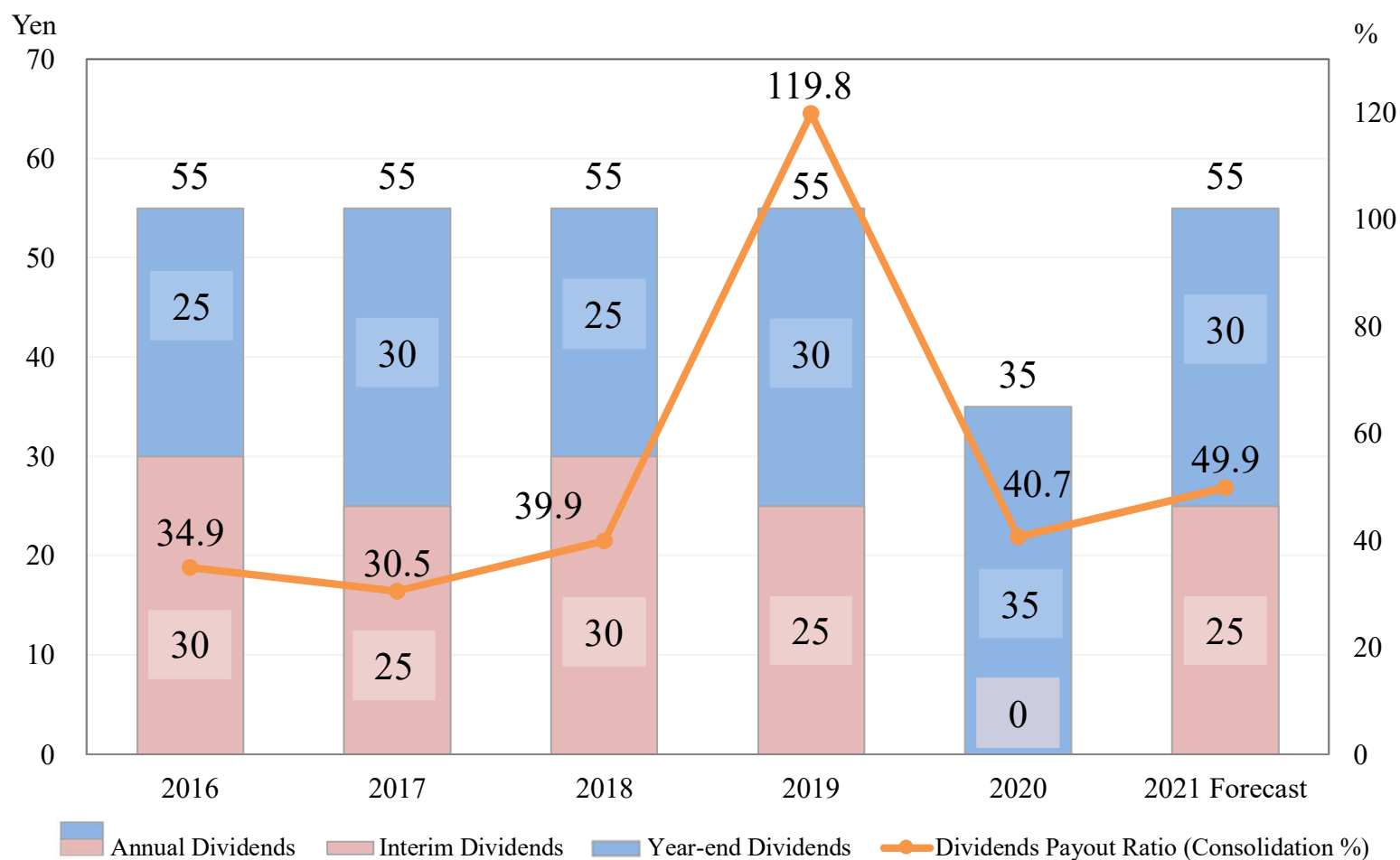


% of Overseas 59% 61% 62% 61% 63% 63%

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 based on comprehensive consideration of dividend payout ratios, performance prospects, retained earnings levels and other such indicators on a consolidated basis.

## 2021 Year-end Dividends Forecast:

Based on consolidated financial results forecast of 2021, the year-end dividends forecast is as below.







## Recent Activities (For further information, please refer to the news release on our website.)

<https://www.srigroup.co.jp/english/newsrelease/2021/index.html>

- 2021 Aug. Sumitomo Rubber Group Updates “Sustainable Natural Rubber Policy”
- Aug. Sumitomo Rubber Establishes Long-Term Sustainability Policy:  
“Driving Our Future Challenge 2050”
- Jul. Sumitomo Rubber Selected for Inclusion in Leading Indexes for ESG Investment:  
“FTSE4Good Index Series” & “FTSE Blossom Japan Index”
- Jun. Sumitomo Rubber Supports “Task Force on Climate-Related Financial Disclosures (TCFD)”  
Recommendations
- Feb. Sumitomo Rubber Joins Japan Hydrogen Association
- Feb. Sumitomo Rubber Establishes Goal for 2050: Reducing Factory CO<sub>2</sub> Emissions by 100%



**GRANDTREK AT5**



**WINTER MAXX  
SJ8+**



**SPORTMAX  
ROADSMART IV**



**WILDPeAK  
A/T3W**



CX Series



Fort



XXIO X-eks- / XXIO 12



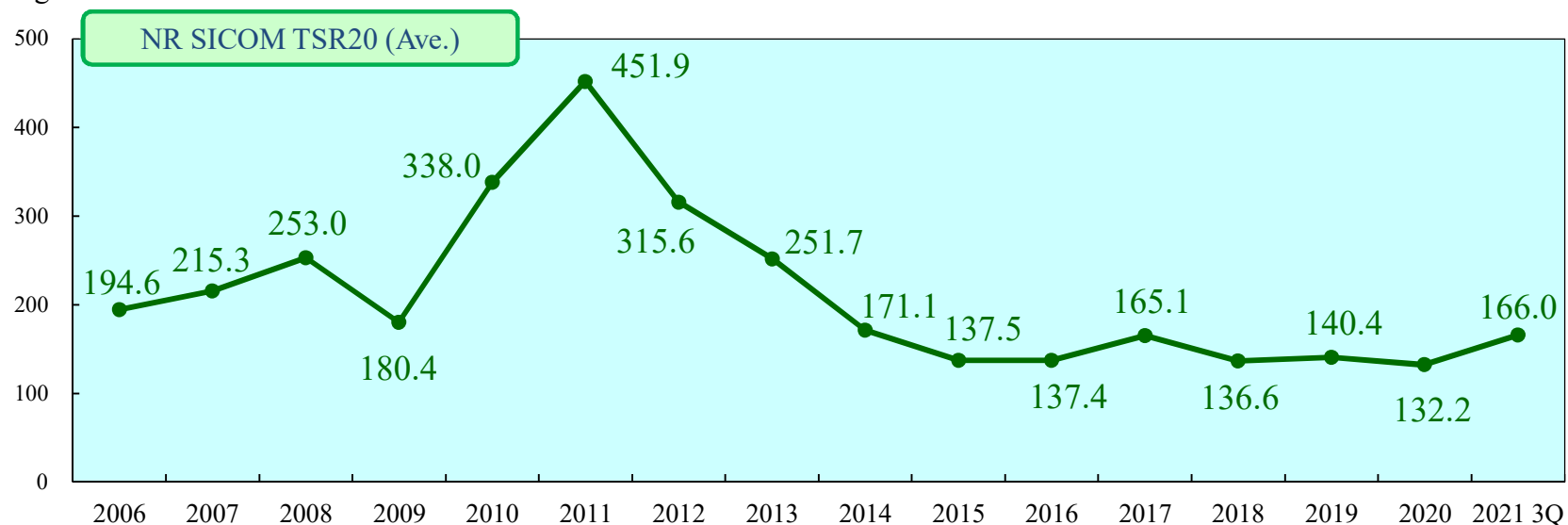
SRIXON ZX5



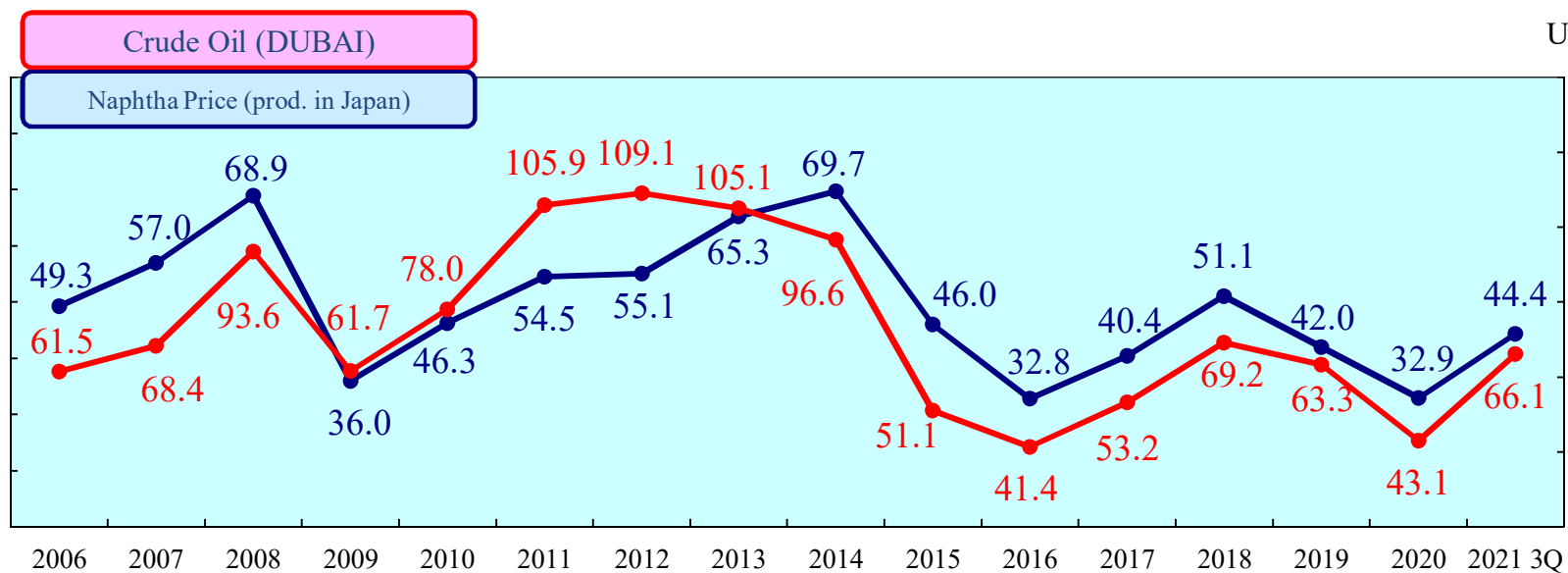
SRIXON Z-STAR Series

# Market Price: Natural Rubber / Crude Oil / Naphtha

US ¢ /kg



¥000/kl



**END**

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