

TOYO TIRES

**Consolidated Business
Performance
for the Third Quarter of FY2021**

November 12, 2021

TOYO TIRE CORPORATION

Major Topics

1. Consolidated Business Results for the Cumulative Third Quarter of FY2021
2. Consolidated Business Outlook for the Full FY2021

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.

Consolidated Business Results for 3Q of FY2021 (Jan-Sep)



(Unit: millions of yen)

	FY2021 Jan-Sep Results	FY2020 Jan-Sep Results	Year-on- Year Change	Year-on- Year Change (%)	FY2021 Jan-Jun Results	Year-on- Year Change	FY2021 Jul-Sep Results	Year-on- Year Change
Net Sales	282,808	246,823	+ 35,984	+ 14.6%	186,392	+ 35,805	96,415	+178
Operating Income	39,663	22,046	+ 17,617	+ 79.9%	26,958	+ 19,029	12,705	(1,411)
Profit Ratio	14.0%	8.9%			14.5%		13.2%	
Ordinary Income	41,781	17,271	+ 24,509	+ 141.9%	29,219	+ 24,840	12,562	(330)
Profit Attributable to Owners of Parent	28,866	9,991	+ 18,874	+ 188.9%	20,673	+ 20,153	8,193	(1,278)

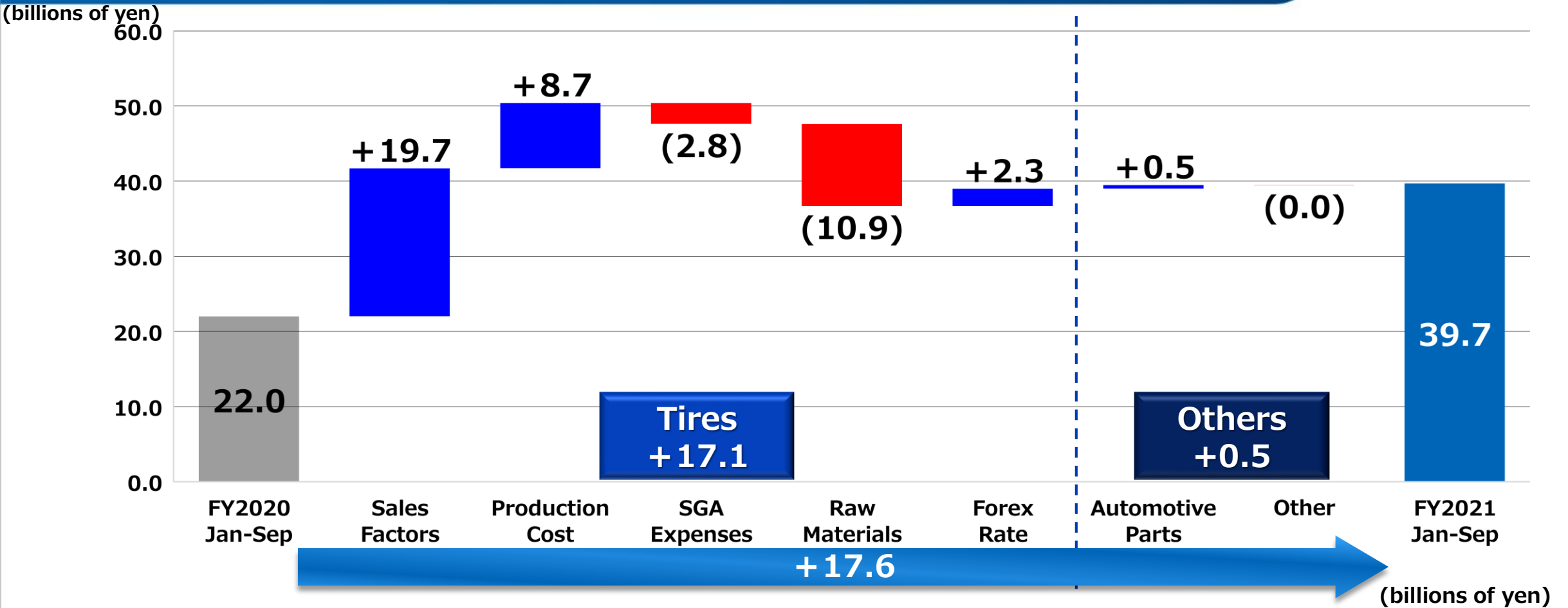
* Profit Attributable to Owners of Parent: Profit attributable to parent company shareholders

1 USD	108 Yen	108 Yen	—
1 EUR	130 Yen	121 Yen	+9 Yen

Forex Rate Sensibility 2021	
USD	0.65 Billion Yen/Year
EUR	0.10 Billion Yen/Year

Impact of 1 yen fluctuation on operating income

3Q of FY2021 (Jan-Sep) Factors Contributing to Changes in Operating Income



	Sales Factors	Production Cost	SGA Expenses	Raw Materials	Forex Rate	Tires Subtotal	Automotive Parts	Other	Total
Jan-Mar	+4.7	+1.8	+0.4	(0.2)	(0.8)	+5.8	(0.0)	(0.0)	+5.8
Apr-Jun	+11.1	+5.1	(1.6)	(3.7)	+1.5	+12.4	+0.9	+0.0	+13.3
Jul-Sep	+4.0	+1.8	(1.5)	(7.0)	+1.6	(1.0)	(0.4)	(0.0)	(1.4)

Net Sales

	FY2021 Jan-Sep Results	FY2020 Jan-Sep Results	Year-on-Year Change	Year-on-Year Change (%)	FY2021 Jan-Jun Results	Year-on- Year Change
Tires	253,968	220,690	+33,278	+15.1%	166,488	+32,057
Automotive Parts	28,816	26,097	+2,718	+10.4%	19,884	+3,755
Other	63	93	(29)	(32.3%)	47	(18)
Adjustments	(39)	(57)	+17	—	(28)	+11
Total	282,808	246,823	+35,984	+14.6%	186,392	+35,805

(Unit: millions of yen)

FY2021 Jul-Sep Results	Year-on-Year Change
87,480	+1,221
8,931	(1,036)
16	(11)
(11)	+6
96,415	+178

Operating Income

* Net sales include intersegment internal net sales or transfers

	FY2021 Jan-Sep Results	FY2020 Jan-Sep Results	Year-on-Year Change	Year-on-Year Change (%)	FY2021 Jan-Jun Results	Year-on- Year Change
Tires	41,161	24,026	+17,134	+71.3%	27,888	+18,155
Profit Ratio	16.2%	10.9%			16.8%	
Automotive Parts	(1,497)	(1,980)	+483	—	(938)	+866
Profit Ratio	(5.2%)	(7.6%)			(4.7%)	
Other	11	27	(16)	(59.3%)	16	(4)
Adjustments	(11)	(27)	+16	—	(7)	+12
Total	39,663	22,046	+17,617	+79.9%	26,958	+19,029

FY2021 Jul-Sep Results	Year-on-Year Change
13,272	(1,021)
15.2%	
(558)	(383)
(6.2%)	
(4)	(10)
(3)	+4
12,705	(1,411)

Net Sales

(Unit: millions of yen)

	FY2021 Jan-Sep Results	FY2020 Jan-Sep Results	Year-on-Year Change	Year-on-Year Change (%)	FY2021 Jan-Jun Results	Year-on- Year Change	FY2021 Jul-Sep Results	Year-on-Year Change
Japan	70,076	66,139	+3,936	+6.0%	47,452	+4,722	22,623	(786)
N.America	168,847	137,840	+31,006	+22.5%	109,035	+27,541	59,811	+3,464
Other	43,884	42,843	+1,041	+2.4%	29,903	+3,540	13,980	(2,499)
Eliminations or Corporate	—	—	—	—	—	—	—	—
Total	282,808	246,823	+35,984	+14.6%	186,392	+35,805	96,415	+178

* Net sales include intersegment internal net sales or transfers

Operating Income

	FY2021 Jan-Sep Results	FY2020 Jan-Sep Results	Year-on-Year Change	Year-on-Year Change (%)	FY2021 Jan-Jun Results	Year-on- Year Change	FY2021 Jul-Sep Results	Year-on- Year Change
Japan	22,506	10,100	+12,405	+122.8%	15,745	+13,296	6,760	(891)
N.America	12,801	9,304	+3,497	+37.6%	8,104	+3,960	4,697	(463)
Other	3,243	2,279	+964	+42.3%	2,710	+1,906	533	(942)
Eliminations or Corporate	1,111	361	+750	+207.8%	397	(134)	714	+885
Total	39,663	22,046	+17,617	+79.9%	26,958	+19,029	12,705	(1,411)

(Unit: millions of yen)

	FY2021 Jan-Mar	FY2021 Apr-Jun	FY2021 Jul-Sep	FY2021 Jan-Sep
For 55 buildings	—	—	—	—
For 99 buildings	—	—	—	—
Charges	299	242	254	795
Compensation costs, etc.	—	45	9	55
Total	299	287	264	851

FY2015 Full-Year Results	FY2016 Full-Year Results	FY2017 Full-Year Results	FY2018 Full-Year Results	FY2019 Full-Year Results	FY2020 Full-Year Results
23,063	17,034	608	8,794	—	568
7,386	35,068	12,281	2,360	—	1,698
12,104	10,418	3,156	4,858	3,365	3,507
4,119	4,260	2,590	1,516	645	1,406
46,674	66,781	18,637	17,529	4,010	7,178

*55 buildings : disclosed on March 13, 2015, 99 buildings : disclosed on April 21, 2015

Breakdown of Calculation

FY2021 Jul-Sep

The company did not post seismic isolation product costs or renovation/construction costs for changes to the 55 buildings and 99 buildings.

The company posted approx. 0.3 billion yen in compensation costs and charges (primarily, in payroll for the Seismic Isolation Rubber Task Force, etc.).

FY2021 From October onward

As at the present time it is difficult to reasonably estimate the amount, in the event that costs arise in the future, an additional reserve for product warranties may be posted depending upon the progress of measures.

***No change from the business outlook announced on August 10, 2021.**

(Unit: millions of yen)

	FY2021 Jan-Dec Outlook	FY2020 Jan-Dec Results	Year-on- Year Change	Year-on- Year Change (%)	FY2021 Jan-Sep Results	Year-on- Year Change	FY2021 Outlook for Oct-Dec	Year-on- Year Change
Net Sales	392,000	343,764	+48,235	+14.0%	282,808	+35,984	109,192	+12,251
Operating Income	48,000	36,328	+11,671	+32.1%	39,663	+17,617	8,337	(5,945)
Profit Ratio	12.2%	10.6%			14.0%		7.6%	
Ordinary Income	49,600	30,887	+18,712	+60.6%	41,781	+24,509	7,819	(5,797)
Profit Attributable to Owners of Parent	32,800	11,682	+21,117	+180.8%	28,866	+18,874	3,934	+2,243

*Profit Attributable to Owners of Parent: Profit attributable to parent company shareholders

Annual dividends per share	45 Yen	45 Yen	—	—
-------------------------------	---------------	--------	---	---

Mid-Term '21 Plan
Key Performance
Indicators

Consolidated Operating
Profit Ratio

Over **14%**

Dividend policy

Dividend payout ratio
30% or higher

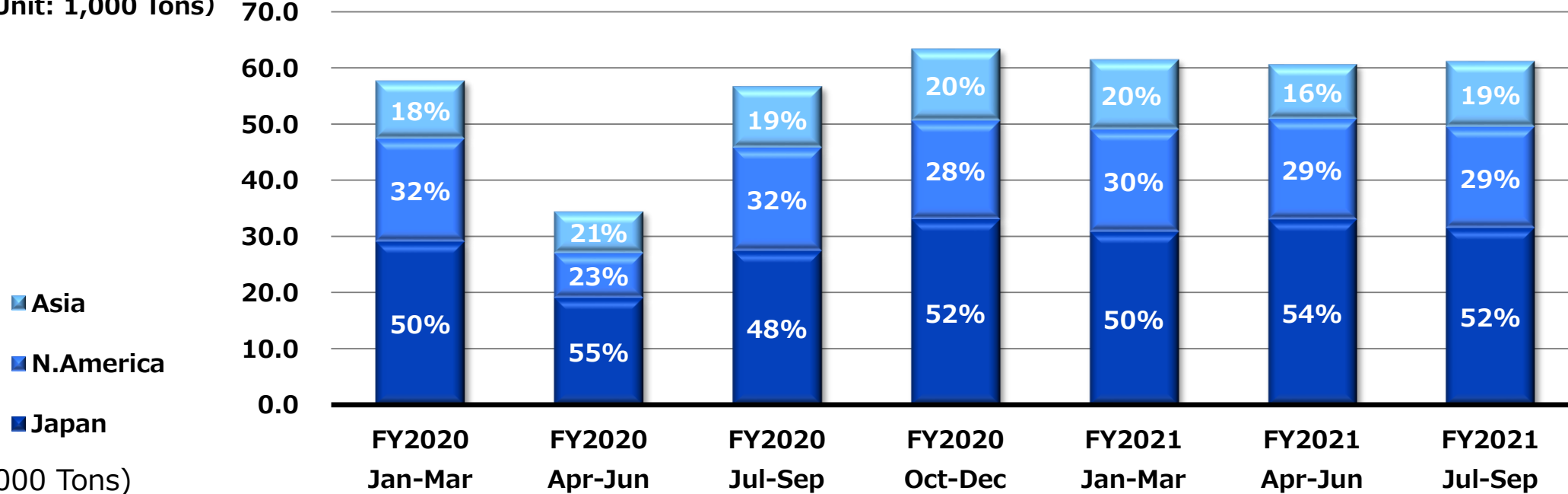
1 USD	109 Yen	107 Yen	+2 Yen
1 EUR	131 Yen	122 Yen	+9 Yen

Forex Rate Sensibility 2021	
USD	0.65 Billion Yen/Year
EUR	0.10 Billion Yen/Year

Impact of 1 yen fluctuation on operating income

* Bar graph values show tire production volume composition ratio by region (%)

(Unit: 1,000 Tons)



(Unit: 1,000 Tons)

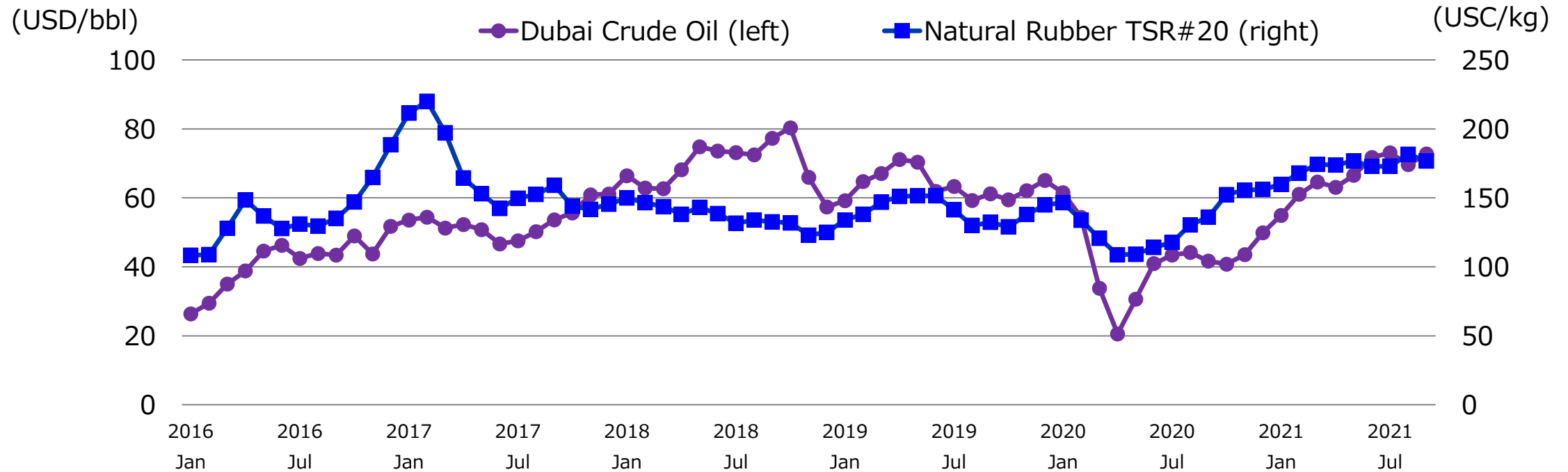
	FY2020						FY2021						FY2021 Previous Outlook
	Jan-Mar	Apr-Jun	Jul-Sep	Jan-Sep	Oct-Dec	Jan-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Jan-Sep	Oct-Dec	Jan-Dec	
Japan	29.1	19.2	27.5	75.7	33.1	108.8	30.9	33.0	31.6	95.4	32.1	127.5	127.0
N.America	18.3	8.0	18.3	44.6	17.6	62.2	18.2	17.9	17.9	54.0	18.9	72.9	76.6
Asia	10.3	7.4	10.9	28.6	12.8	41.4	12.4	9.7	11.7	33.8	10.9	44.8	44.3
Total	57.7	34.5	56.7	148.9	63.4	212.3	61.5	60.6	61.2	183.3	61.9	245.2	247.9
Year-on-Year	94%	56%	93%	81%	103%	86%	107%	176%	108%	123%	98%	115%	117%

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

(%)

	FY2020						FY2021						FY2021 Outlook	FY2021 Previous Outlook
	Jan-Mar	Apr-Jun	Jul-Sep	Jan-Sep	Oct-Dec	Jan-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Jan-Sep	Oct-Dec	Jan-Dec		
OE Total	82	38	81	68	109	77	103	210	76	112	87	104	113	
RE Japan	98	89	81	88	115	96	108	105	97	103	112	106	106	
RE Overseas	95	82	98	92	96	93	101	133	87	104	100	103	104	
Of which N. America	88	98	104	97	98	97	125	133	93	114	113	114	116	
Of which Europe	100	70	100	92	95	93	74	163	76	91	91	91	91	
Of which SE Asia	103	61	97	85	91	87	76	92	46	68	55	65	71	
Total	93	75	92	87	102	91	102	135	87	105	100	104	106	

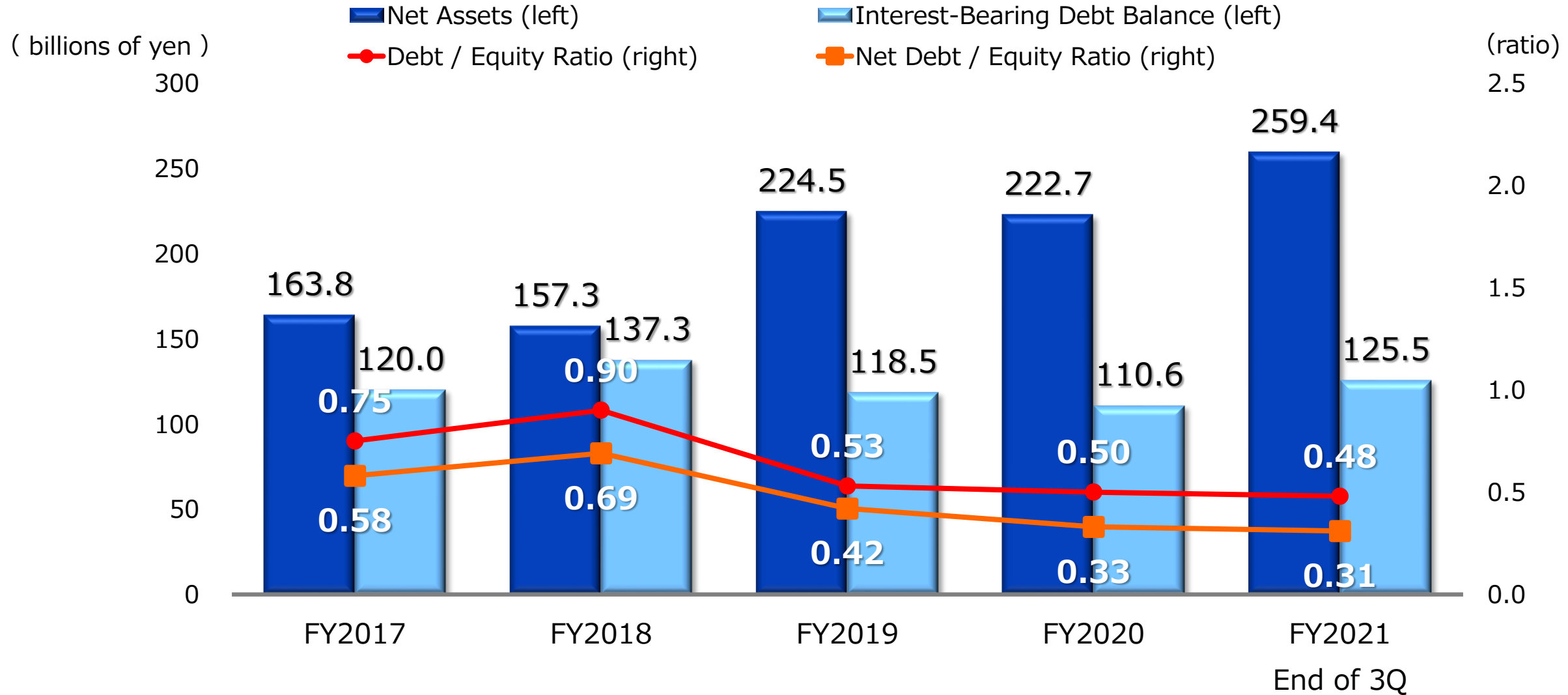
Change in Dubai Crude Oil and Natural Rubber TSR #20 Prices (SICOM)



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

(billions of yen)

	FY2020						FY2021			
	Jan-Mar	Apr-Jun	Jul-Sep	Jan-Sep	Oct-Dec	Jan-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Jan-Sep
Natural Rubber	(0.0)	+0.0	+0.3	+0.3	+0.3	+0.6	(0.6)	(1.2)	(1.6)	(3.4)
Petroleum Products	+1.3	+0.9	+2.1	+4.3	+1.1	+5.4	+0.4	(1.9)	(4.3)	(5.8)
Other Raw Materials	+0.6	+0.4	+0.5	+1.5	(0.1)	+1.3	+0.1	(0.7)	(1.0)	(1.6)
Total	+1.8	+1.4	+2.9	+6.1	+1.3	+7.3	(0.2)	(3.7)	(7.0)	(10.9)



Capital Ratio **33.6%** **32.5%** **47.5%** **49.5%** **52.4%**

TOYO TIRES