

(Translation of report file with Tokyo Stock Exchange on August 10, 2022)

Announcement Regarding Revisions to Financial Forecasts and Dividend Forecasts

Hyogo, Japan—August 10, 2022—Toyo Tire Corporation (President & CEO: Takashi Shimizu, hereinafter “the Company”) announced today that at its Board of Directors meeting held on August 10, 2022, as shown below it revised its consolidated financial forecasts and dividend forecasts for the fiscal year 2022—all of which were originally announced on May 12, 2022—in light of its recent business performance trends.

1. Revisions to the consolidated financial forecasts

(1) Revisions to the consolidated financial forecasts for the fiscal year ending December 31, 2022 (January 1, 2022 to December 31, 2022)

(Million yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Earnings per share (yen)
Previous forecasts (A) (announced May 12, 2022)	485,000	50,000	53,000	38,500	250.10
Revised forecasts (B)	500,000	50,000	60,000	53,000	344.26
Change (B-A)	15,000	—	7,000	14,500	—
Percentage of change	3.1%	—	13.2%	37.7%	—
Reference : FY2021 (Jan.1, 2021 to Dec.31, 2021)	393,647	53,080	55,909	41,350	268.62

(2) Reason

Given the ongoing yen's depreciation in the exchange market and the Company's plan to sell part of its cross-shareholdings as disclosed in “Announcement Regarding the Sale of Investment Securities ” released on July 27, 2022, the Company now expects profit attributable to owners of parent for the fiscal year ending December 2022 to be higher than its earlier forecast announced on May 12, 2022.

2. Revisions to the dividend forecasts

(1) Content of revisions

	Annual Dividend (yen)		
	Payment at end of second quarter	Year-end payment	Total
Previous forecasts	30.00 yen	40.00 yen	70.00 yen
Revised forecasts		50.00 yen	80.00 yen
Results for FY2022	30.00 yen		
Reference : FY2021	20.00 yen	56.00 yen	76.00 yen

(2) Reason

The Company regards the return of part of its profits to its shareholders as an important management mission and has paid dividends to them every fiscal year in a stable manner.

Going forward, adhering to this stable dividend policy, the Company will continue to meet the expectations of its shareholders by paying dividends that are linked to its business performance while maintaining the Company's financial soundness. While the Company is considering setting a consolidated dividend payout ratio of 30% or higher every year during the period of its medium-term management plan, "Mid-term '21 Plan" (from FY2021 to FY2025), the Company is committed to realizing its stable and performance-linked profit distribution policy by adjusting non-recurring and special gains and losses included in net income and by linking the ratio to profits that are more reflective of the Company's real performance.

Pursuant to this basic dividend policy, and as a result of taking into account the revisions to the consolidated financial forecasts announced today, the Company has decided to pay a year-end dividend of 50.00 yen per share, up 10.00 yen from the earlier forecasts announced on May 12, 2022. We plan to include the topic of the payment of this year-end dividend in the agenda for the annual general meeting of shareholders to be held in March 2023.

The forecasts above have been made based on the information available as of the date of this document. Actual results may be materially different depending on various factors.