

(Translation of report file with Tokyo Stock Exchange on August 10, 2023)

Announcement Regarding Differences between Consolidated Financial Forecasts and Results for the Cumulative Second Quarter of the Fiscal Year Ending December 31, 2023, Revisions to the Consolidated Financial Forecasts for the Fiscal Year Ending December 31, 2023, and Revisions to Dividend Forecasts

Hyogo, Japan—August 10, 2023— Toyo Tire Corporation (President & CEO: Takashi Shimizu, hereinafter “the Company”) announced today that there will be differences between the consolidated financial forecasts for the cumulative second quarter of the fiscal year ending December 31, 2023, announced on February 14, 2023, and the consolidated financial results for the same period announced today.

Please also be informed that we have revised our consolidated financial forecasts and dividend forecasts for the fiscal year ending December 31, 2023, as follows.

1. Differences between the consolidated financial forecasts and results for the cumulative second quarter of the fiscal year ending December 31, 2023 and revisions to the consolidated financial forecasts for the fiscal year ending December 31, 2023
  - (1) Differences between the consolidated financial forecasts and results for the cumulative second quarter of the fiscal year ending December 31, 2023 (January 1, 2023 to June 30, 2023)

(Million yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Earnings per share (yen)
Previous forecasts (A) (announced Feb.14, 2023)	259,000	18,000	13,000	8,600	55.86
Results (B)	265,457	26,673	38,761	29,122	189.16
Change (B-A)	6,457	8,673	25,761	20,522	—
Percentage of change	2.5%	48.2%	198.2%	238.6%	—
Reference : FY2022	223,667	25,972	38,509	31,030	201.56

(2) Revisions to the consolidated financial forecasts for the fiscal year ending December 31, 2023  
(January 1, 2023 to December 31, 2023)

(Million yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Earnings per share (yen)
Previous forecasts (A) (announced Feb.14, 2023)	540,000	50,000	43,000	29,000	188.37
Results (B)	560,000	60,000	61,000	55,000	357.22
Change (B-A)	20,000	10,000	18,000	26,000	—
Percentage of change	3.7%	20.0%	41.9%	89.7%	—
Reference : FY2022	497,213	44,046	51,035	47,956	311.51

(3) Reasons for the differences and revisions

For the cumulative second quarter of the fiscal year ending December 31, 2023, operating income and ordinary income outperformed our previous forecasts announced on February 14, 2023, as rises in raw materials prices and ocean freight costs turned out to be lower than expected, the yen was weaker than anticipated against foreign currencies, and the benefits of cost-cutting measures were felt. In a similar vein, profit attributable to owners of parent overshot our previous forecasts announced on February 14, 2023, owing to the above-mentioned factors contributing to a gain in profits, although we recorded an extraordinary loss as disclosed today in “Announcement Regarding the Dissolution of Toyo Automotive Parts (USA), Inc. and Debt Waiver”. Given the recent performance trends and “Announcement Regarding the Sale of Investment Securities” released on June 29, 2023, we have also made upward revisions to our previous full-year consolidated sales and income forecasts as in table (2) above.

2. Revisions to the dividend forecasts

(1) Revisions to the dividend forecasts

	Annual Dividend (yen)		
	Payment at end of second quarter	Year-end payment	Total
Previous forecasts	20.00 yen	35.00 yen	55.00 yen
Revised forecasts		58.00 yen	78.00 yen
Results for FY2023	20.00 yen		
Reference : FY2022	30.00 yen	50.00 yen	80.00 yen

## (2) Reasons for the revisions

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 58.00 yen per share, up 23.00 yen from the earlier forecasts announced on February 14, 2023.

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 2024.

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.