

Supplementary Information of 2022 1Q

1.Financial Highlights

(1) Quarter of the year

(Yen in billions)

		Unit	After Reclassifications (*1)								
			2021 (*2)					2022			
							FY	Q1	FY (*3)		
			Q1	Q2	Q3	Q4			vs.PY	Fcst	vs.PY
Consolidated Results											
Statements of Income	Revenue		727.2	782.8	807.4	928.6	3,246.1	891.0	123	3,650.0	112
	Adjusted Operating Profit		84.8	97.8	106.3	105.5	394.3	101.1	119	425.0	108
	Adjusted OP Margin	%	11.7	12.5	13.2	11.4	12.1	11.3	(0.3)	11.6	(0.5)
	Profit Attributable to Owners of Parent		285.2	67.1	70.5	(28.8)	394.0	53.8	19	280.0	71
	Profit from Continuing Operations		63.2	67.6	73.4	103.6	307.9	65.4	103	290.0	94
	Profit from Discontinued Operations		222.0	(0.6)	(2.9)	(132.4)	86.2	(11.6)	-	(10.0)	-
Exchange Rate	US \$	Yen/\$	106	110	110	114	110	116	110	112	102
	Euro	Yen/€	128	132	130	130	130	130	102	127	98
Analysis of Revenue and Adjusted Operating Profit vs. PY											
Revenue	Forex		+ 1.0	+ 29.0	+ 28.0	+ 55.0	+ 113.0	+ 52.0		+ 26.0	
	Price, Mix, Volume etc.		+ 51.2	+ 215.8	+ 68.3	+ 102.6	+ 437.8	+ 111.8		+ 377.9	
	Total		+ 52.2	+ 244.8	+ 96.3	+ 157.6	+ 550.8	+ 163.8		+ 403.9	
Adjusted Operating Profit	Forex		(1.0)	+ 4.0	+ 9.0	+ 8.0	+ 20.0	+ 11.0		+ 10.0	
	Raw Materials		+ 2.0	(20.0)	(31.0)	(51.0)	(100.0)	(58.0)		(145.0)	
	Price		+ 6.0	+ 12.0	+ 24.0	+ 37.0	+ 79.0	+ 56.0		+ 195.0	
	Mix		+ 8.0	+ 5.0	+ 11.0	+ 12.0	+ 36.0	+ 7.0		+ 15.0	
	Volume		+ 14.0	+ 70.0	+ 3.0	+ 23.0	+ 110.0	+ 25.0		+ 85.0	
	Conversion Cost		+ 11.0	+ 60.0	+ 14.0	(2.0)	+ 83.0	(8.0)		+ 5.0	
	Operating Expense		+ 4.0	(26.0)	(28.0)	(29.0)	(79.0)	(23.0)		(80.0)	
	Others		(8.8)	(3.4)	+ 35.1	+ 15.0	+ 37.9	+ 6.3		(54.3)	
	Total		+ 35.2	+ 101.6	+ 37.1	+ 13.0	+ 186.9	+ 16.3		+ 30.7	
Segment Information	Japan	Revenue	195.9	201.1	201.8	274.2	873.0	237.7	121	990.0	113
		Adjusted Operating Profit	21.1	22.0	22.7	51.1	117.0	31.6	150	132.0	113
		Adjusted OP Margin	%	10.8	10.9	11.3	18.6	13.4	13.3	+2.5	13.3
	Americas	Revenue	311.0	358.9	376.9	407.9	1,454.6	390.5	126	1,660.0	114
		Adjusted Operating Profit	38.4	56.6	52.4	43.3	190.6	43.4	113	237.0	124
		Adjusted OP Margin	%	12.3	15.8	13.9	10.6	13.1	11.1	(1.2)	14.3
	Europe, Russia, Middle East, India and Africa	Revenue	163.9	166.8	176.7	186.4	693.9	205.9	126	730.0	105
		Adjusted Operating Profit	8.1	8.1	16.1	9.7	42.1	19.9	244	55.0	131
		Adjusted OP Margin	%	5.0	4.9	9.1	5.2	6.1	9.6	+4.7	7.5
	China, Asia-Pacific	Revenue	91.7	93.4	91.1	110.6	386.9	104.3	114	460.0	119
		Adjusted Operating Profit	12.9	10.0	9.2	9.9	42.0	10.3	79	48.0	114
		Adjusted OP Margin	%	14.1	10.7	10.1	9.0	10.9	9.8	(4.3)	10.4
Results by Product (Tire Business)	PS/LT	Revenue	386.6	402.7	426.2	519.5	1,735.0	481.5	125		
		Adjusted Operating Profit	55.2	56.9	59.0	75.5	246.6	55.4	100		
		Adjusted OP Margin	%	14.3	14.1	13.8	14.5	14.2	11.5	(2.8)	
	TB	Revenue	178.1	191.8	210.3	233.6	814.0	220.1	124		
		Adjusted Operating Profit	20.8	20.2	28.6	18.4	88.0	21.4	103		
		Adjusted OP Margin	%	11.7	10.5	13.6	7.9	10.8	9.7	(1.9)	
	Specialties	Revenue	87.0	104.2	102.5	99.2	392.9	114.3	131		
		Adjusted Operating Profit	17.1	19.1	19.4	22.2	77.7	23.5	138		
		Adjusted OP Margin	%	19.6	18.3	18.9	22.4	19.8	20.6	+0.9	
Balance Sheet	Total Assets		4,596.1	4,436.4	4,452.7		4,574.9	4,690.5			
	Total Equity		2,548.1	2,624.0	2,638.9		2,675.4	2,769.2			
	Ratio of equity attributable to owners of parent to total assets	%	54.4	58.2	58.3		57.5	58.0			
	ROIC	%					9.0			9.2	+ 0.2
	ROE	%					12.9			11.3	(1.6)
Cash Flows	Cash flows from operating activities		90.9	24.5	59.2	106.9	281.5	66.0			
	Cash flows from investing activities		289.8	(23.8)	(83.0)	(51.3)	131.7	(74.0)			
	Free cash flow		380.7	0.7	(23.7)	55.6	413.2	(8.1)			
Investment	Capital Expenditure		37.2	57.0	45.3	122.5	262.0	35.2	95	305.0	116
Costs & Expenses	Depreciation and amortization		60.1				245.9	64.3	107	285.0	116
	R&D Expenses		22.5				95.5	26.4	117	113.0	118
Dividends	Dividend per Share	Yen		85		85	170			170	
Tire Production (tonnage of rubber)	Domestic	10,000t	12	12	12	13	48	12		52	
	Americas	10,000t	15	15	14	14	58	14		63	
	Europe, Russia, Middle East, India and Africa	10,000t	9	9	8	9	34	9		37	
	China, Asia-Pacific	10,000t	9	9	9	10	37	9		40	
	Overseas Total	10,000t	32	33	32	33	130	32		140	
	Total	10,000t	44	45	44	45	178	44		192	
	Overseas Prod. Ratio	%	74	73	72	72	73	72		73	

(*1) In accordance with the decisions of business transfer, the Company has classified its US building materials business, anti-vibration rubber business, and chemical products solutions business as discontinued operations. Accordingly, revenue and adjusted operating profit show figures for continuing operations and exclude revenue and expenses of the discontinued operations.

(*2) Note that the figures of 2nd, 3rd and 4th quarter results after reclassification of discontinued operations are approximate values, and may change as a result of the accounting audits.

(*3) Disclosed on Feb. 15, 2022.

(2) Full Year

(Yen in billions)

		Unit	Before Reclassifications				After Reclassifications (*1)						
			2019		2020		2020		2021		2022 (*2)		
			Actual	vs.PY	Actual	vs.PY	Actual	vs.PY	Actual	vs.PY	Fcst	vs.PY	
Consolidated Results													
Statements of Income	Revenue		3,507.2		2,994.5	85	2,695.2		3,246.1	120	3,650.0	112	
	Adjusted Operating Profit		343.1		222.9	65	207.4		394.3	190	425.0	108	
	Adjusted OP Margin	%	9.8		7.4	(2.3)	7.7		12.1	+ 4.5	11.6	(0.5)	
	Profit Attributable to Owners of Parent		240.1		(23.3)	-	(23.3)		394.0	-	280.0	71	
	Profit from Continuing Operations						(19.8)		307.9	-	290.0	94	
	Profit from Discontinued Operations					(3.5)		86.2	-	(10.0)	-		
Exchange Rate	US \$	Yen/\$	109	99	107	98	107	98	110	103	112	102	
	Euro	Yen/€	122	94	122	100	122	100	130	106	127	98	
Analysis of Revenue and Adjusted Operating Profit vs. PY													
Revenue	Forex				(42.0)				+ 113.0		+ 26.0		
	Price, Mix, Volume etc.				(470.7)				+ 437.8		+ 377.9		
	Total				(512.7)				+ 550.8		+ 403.9		
Adjusted Operating Profit	Forex				(11.0)				+ 20.0		+ 10.0		
	Raw Materials				+ 55.0				(100.0)		(145.0)		
	Price				+ 8.0				+ 79.0		+ 195.0		
	Mix				+ 20.0				+ 36.0		+ 15.0		
	Volume				(169.0)				+ 110.0		+ 85.0		
	Conversion Cost				(58.0)				+ 83.0		+ 5.0		
	Operating Expense				+ 95.0				(79.0)		(80.0)		
	Others				(60.2)				+ 37.9		(54.3)		
Total				(120.2)				+ 186.9		+ 30.7			
Segment Information	Japan	Revenue		918.1		762.6	83	776.3		873.0	112	990.0	113
		Adjusted Operating Profit		108.8		64.6	59	91.0		117.0	129	132.0	113
		Adjusted OP Margin	%	11.9		8.5	(3.4)	11.7		13.4	+ 1.7	13.3	(0.1)
	Americas	Revenue		1,661.7		1,407.9	85	1,163.9		1,454.6	125	1,660.0	114
		Adjusted Operating Profit		184.3		139.9	76	109.6		190.6	174	237.0	124
		Adjusted OP Margin	%	11.1		9.9	(1.2)	9.4		13.1	+ 3.7	14.3	+ 1.2
	Europe, Russia, Middle East, India and Africa	Revenue		640.1		564.3	88	550.4		693.9	126	730.0	105
		Adjusted Operating Profit		15.0		(17.6)	-	(20.9)		42.1	-	55.0	131
		Adjusted OP Margin	%	2.3		(3.1)	(5.5)	(3.8)		6.1	+ 9.9	7.5	+ 1.5
	China, Asia-Pacific	Revenue		462.8		394.6	85	323.6		386.9	120	460.0	119
		Adjusted Operating Profit		36.2		24.6	68	24.9		42.0	168	48.0	114
		Adjusted OP Margin	%	7.8		6.2	(1.6)	7.7		10.9	+ 3.2	10.4	(0.4)
Results by Product (Tire Business)	PS/LT	Revenue		1,708.1		1,455.8	85	1,455.8		1,735.0	119		
		Adjusted Operating Profit		180.9		121.8	67	121.8		246.6	203		
		Adjusted OP Margin	%	10.6		8.4	(2.2)	8.4		14.2	+ 5.8		
	TB	Revenue		807.2		660.6	82	660.6		814.0	123		
		Adjusted Operating Profit		86.8		57.0	66	57.0		88.0	154		
		Adjusted OP Margin	%	10.8		8.6	(2.1)	8.6		10.8	+ 2.2		
	Specialties	Revenue		385.4		310.9	81	310.9		392.9	126		
		Adjusted Operating Profit		84.5		40.9	48	40.9		77.7	190		
		Adjusted OP Margin	%	21.9		13.1	(8.8)	13.1		19.8	+ 6.6		
Balance Sheet	Total Assets		4,277.0		4,189.3		4,189.3		4,574.9				
	Total Equity		2,402.5		2,195.3		2,195.3		2,675.4				
	Ratio of equity attributable to owners of parent to total assets	%	54.9		51.3		51.3		57.5				
	ROIC	%	7.4		5.5	(1.9)	5.1		9.0	+ 3.9	9.2	+ 0.2	
	ROE	%	10.0		(1.0)	(11.1)	(0.9)		12.9	+ 13.8	11.3	(1.6)	
Cash Flows	Cash flows from operating activities		505.0		526.9		526.9		281.5				
	Cash flows from investing activities		(261.9)		(155.4)		(155.4)		131.7				
	Free cash flow		243.2		371.6		371.6		413.2				
Investment	Capital Expenditure		328.2		271.9	83	271.9		262.0	96	305.0	116	
Costs & Expenses	Depreciation and amortization		269.7		267.5	99	252.8		245.9	97	285.0	116	
	R&D Expenses		106.2		95.2	90	87.3		95.5	109	113.0	118	
Dividends	Dividend per Share	Yen	160		110		110		170		170		
Tire Production (tonnage of rubber)	Domestic	10,000t	51		40		40		48		52		
	Americas	10,000t	60		47		47		58		63		
	Europe, Russia, Middle East, India and Africa	10,000t	34		27		27		34		37		
	China, Asia-Pacific	10,000t	38		30		30		37		40		
	Overseas Total	10,000t	132		105		105		130		140		
	Total	10,000t	184		145		145		178		192		
	Overseas Prod. Ratio	%	72		72		72		73		73		

(*1) In accordance with the decisions of business transfer, the Company has classified its US building materials business, anti-vibration rubber business, and chemical products solutions business as discontinued operations. Accordingly, revenue and adjusted operating profit show figures for continuing operations and exclude revenue and expenses of the discontinued operations. Note that the Company revised the way of calculation for the segment results from fiscal 2021, for the purpose of evaluating each segment based on ROIC.

(*2) Disclosed on Feb. 15, 2022.

2. Additional Information

(1) Year-on-Year Tire Demand Growth (unit base, %)

			2020	2021	2022		(Ref.) vs. 2019	(Ref.) vs. 2019
			FY	FY	Q1	FY Fcst(*)	2022	2022
							1Q	FY Fcst(*)
Japan	PSR/LTR	REP	91	105	123	105	120	101
		OE	84	96	85	118	75	95
	TBR	REP	91	107	152	102	145	98
		OE	87	117	86	101	93	104
N.America	PSR/LTR	REP	92	112	105	101	105	105
		USTMA+TRAC	87	117	103		102	
		OE	74	99	91	112	75	83
	TBR	REP	101	120	106	99	125	122
		USTMA+TRAC	97	117	107		116	
		OE	71	124	101	107	87	92
Europe	PSR/LTR	REP	86	115	116	98	110	97
		OE	77	99	86	101	75	77
	TBR	REP	93	115	111	96	121	102
		OE	80	124	98	110	90	109
Asia (Thailand, China Indonesia Total)	PSR/LTR	REP	88	102		103		93
		OE	88	111		102		99
	TBR	REP	89	97		109		94
		OE	127	83		79		83

(2) Year-on-Year Sales Growth (unit base, %)

			2020	2021	2022		(Ref.) vs. 2019	(Ref.) vs. 2019
			FY	FY	Q1	FY Fcst(*)	2022	2021
							1Q	REP/OE Mix
Japan	PSR/LTR	REP	87	108	131	106~110	124	70%
		OE	82	97	89	121~125	79	30%
		Total	85	104	114	111~115	105	
	TBR	REP	87	110	160	101~105	146	70%
		OE	88	119	86	100	98	30%
		Total	87	112	131	101~105	129	
N.America	PSR/LTR	REP	86	111	112	106~110	95	70%
		OE	76	104	96	116~120	85	30%
		Total	83	109	106	106~110	92	
	TBR	REP	102	116	109	111~115	124	70%
		OE	64	119	99	100	77	30%
		Total	86	117	105	106~110	102	
Europe	PSR/CVR	REP	89	106	124	101~105	114	70%
		OE	81	90	82	111~115	72	30%
		Total	86	101	109	106~110	99	
	TBR	REP	89	111	126	101~105	140	70%
		OE	80	120	107	111~115	99	30%
		Total	87	114	120	106~110	126	
China, Asia-Pacific	PSR/LTR	REP	87	101	99	111~115	86	50%
		OE	77	109	100	101~105	85	50%
		Total	82	105	100	106~110	86	
	TBR	REP	89	106	88	106~110	76	80%
		OE	68	170	96	100	103	20%
		Total	86	113	89	106~110	80	
Global	PSR/LTR	REP	87	110	115	106~110	108	70%
		OE	78	103	93	111~115	82	30%
		Total	84	108	107	106~110	98	
	TBR	REP	92	111	111	106~110	112	80%
		OE	72	124	98	101~105	88	20%
		Total	87	114	107	106~110	105	

Key Products:

			2020	2021	2022		(Ref.) vs. 2019	
			FY	FY	Q1	FY Fcst(*)	2022	
							1Q	
ORR	Ultra-Large		83	112	121	111~115	106	
	Large	REP	87	118	105	101~105	100	
		OE	56	236	159	136~140	128	
		Total	80	137	119	111~115	108	
	Small & Medium	REP	89	112	115	106~110	109	
		OE	73	152	107	116~120	98	
Total		83	124	112	106~110	104		
PSR-HRD (≥18")			90	119	112	116~120	123	
			REP	99	126	125	116~120	153

(*) Disclosed on Feb. 15, 2022.