

Composition of Net Sales by Business Segment (Fiscal 2014)

Tire business

87%



Sports business

9%



Industrial and Other Products business

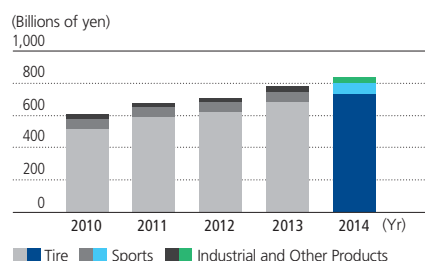
4%



Fiscal 2014 Highlights

Net Sales

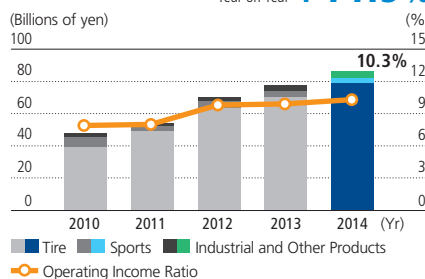
¥837.6 billion
Year on Year +7.3%



Net sales grew 7.3% to ¥837.6 billion compared with fiscal 2013. This was attributable to year-on-year sales increases in our key Tire business as well as in the Sports business and the Industrial and Other Products business segments.

Operating Income and Operating Income Ratio

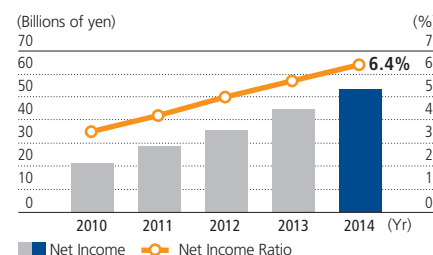
¥86.3 billion
Year on Year +11.9%



Operating income rose 11.9% year on year to ¥86.3 billion. In addition to growth in sales, factors contributing to operating income included a steady downward trend in tire material prices and a drastic fall in crude oil prices.

Net Income and Net Income Ratio

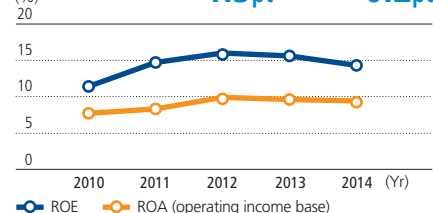
¥53.2 billion
Year on Year +18.8%



Net income rose 18.8% year on year to ¥53.2 billion due to such factors as an increase in operating income and a return on equity method investments.

ROE* and ROA**

ROE 14.3% ROA 9.4%
Year on Year -1.3pt Year on Year -0.2pt

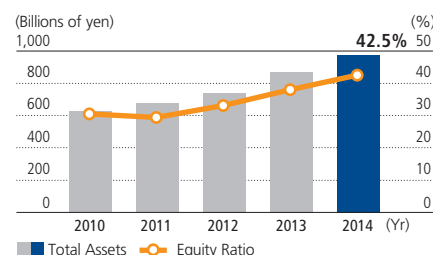


* ROE= (net income / the average of total equity at the beginning and end of the fiscal year) x 100
** ROA= (operating income / the average of total assets at the beginning and end of the fiscal year) x 100

ROE fell 1.3 percentage point year on year to 14.3% due to an increase in total equity. Despite an increase in operating income, an increase in total assets led to a 0.2 percentage point decline in ROA to 9.4%.

Total Assets and Equity Ratio

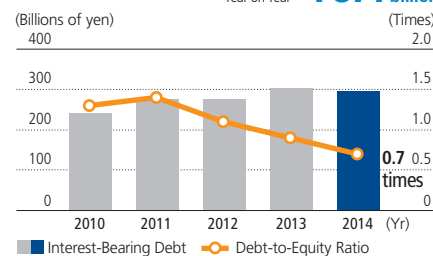
¥973.6 billion
Year on Year +¥106.1 billion



Total assets as of the fiscal 2014 year-end were up ¥106.1 billion year on year to ¥973.6 billion. This was mainly attributable to rises in current assets, such as notes and accounts receivable—trade and inventories, and an increase in property, plant and equipment.

Interest-Bearing Debt and Debt-to-Equity Ratio

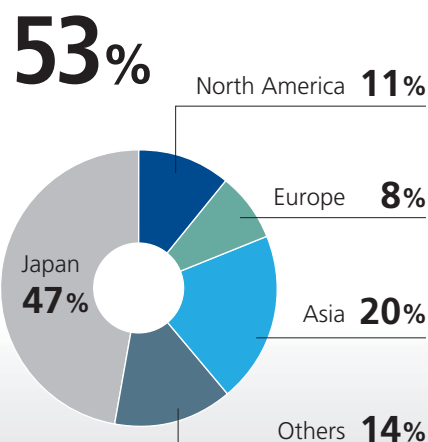
¥295.7 billion
Year on Year -¥6.4 billion



The debt-to-equity ratio improved 0.2 of a percentage point to 0.7 times due to a ¥6.4 billion decrease in interest-bearing debt and an increase in total equity.

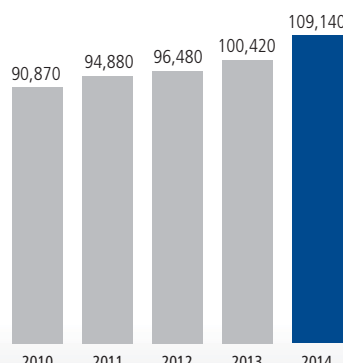
Composition of Net Sales by Region (Fiscal 2014)

Overseas Sales Ratio



Tire Sales Volume

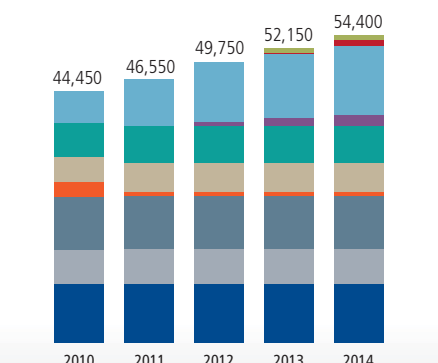
109,140 thousand tires



During fiscal 2014, the number of tires sold rose 8,720 thousand year on year thanks to sales expansion in all market segments, namely, the domestic replacement and original equipment markets as well as the overseas replacement and original equipment markets.

Tire Production Capacity

54,400 tons/month

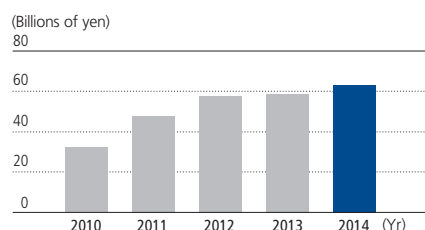


Shirakawa Nagoya Miyazaki Izumiotsu Indonesia Changshu, China Hunan, China Thailand Brazil South Africa

In fiscal 2014, we strove to expand our overseas production capacity while initiating operations at a Thailand-based factory for producing tires for agricultural machinery in April 2014, the Group's third factory in that country. As a result, the Group's tire production capacity increased 4% year on year and its overseas production ratio rose to 51%.

Capital Expenditures **¥62.8** billion

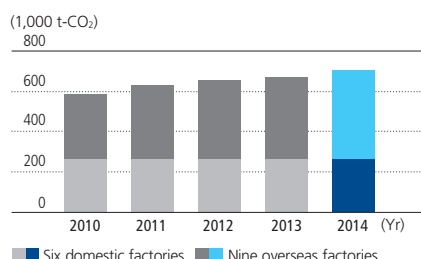
Year on Year **+¥4.2** billion



Total capital expenditures grew ¥4.2 billion year on year to ¥62.8 billion due mainly to investments aimed at establishing new business bases overseas.

Total CO₂ Emissions **703** kt

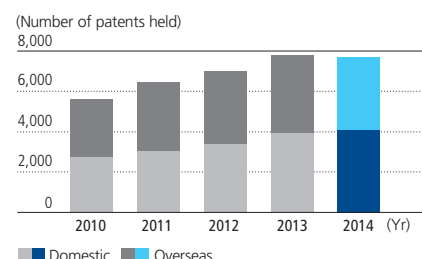
(from six domestic and nine overseas factories) Year on Year **+33** kt



CO₂ emissions from domestic factories remained unchanged while emissions from overseas factories increased. However, the pace of the increase in overall emissions fell below that of sales growth thanks to the success of our energy-saving activities.

Number of Domestic and Overseas Patents **7,680**

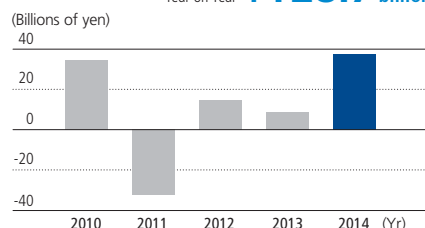
Year on Year **-110**



The number of patents we hold in Japan is increasing. Overseas, we are optimizing the number of patents we hold, giving due consideration to circumstances in each country.

Free Cash Flow **¥37.4** billion

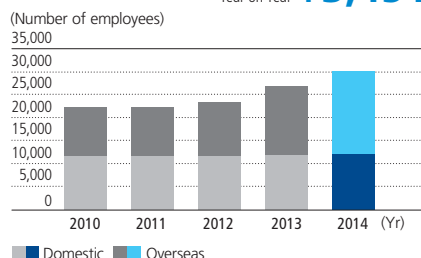
Year on Year **+¥28.7** billion



Free cash flow for fiscal 2014 was a positive ¥37.4 billion due mainly to growth in income before income taxes and minority interests.

The Number of Employees in Japan and Overseas (consolidated basis) **30,224**

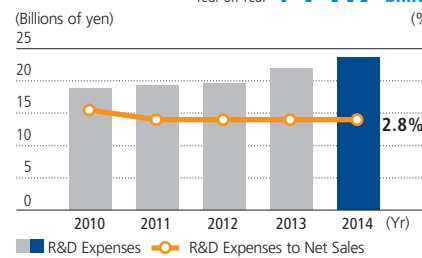
Year on Year **+3,451**



The total number of employees grew by 3,451 year on year, reflecting the establishment of new overseas bases as well as a proactive increase in production.

R&D Expenses and R&D Expenses to Net Sales **¥23.5** billion

Year on Year **+¥1.7** billion



R&D expenses in fiscal 2014 grew ¥1.7 billion year on year. This was mainly attributable to the cost of initiatives aimed at further strengthening basic technologies.