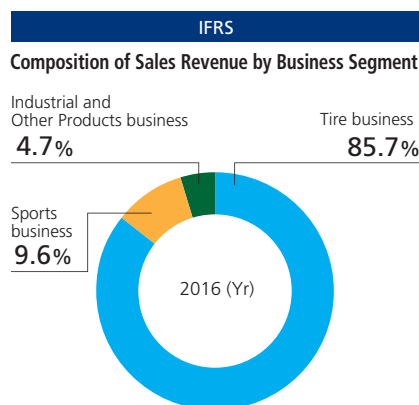
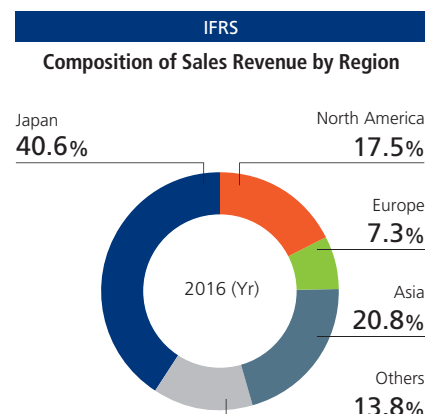


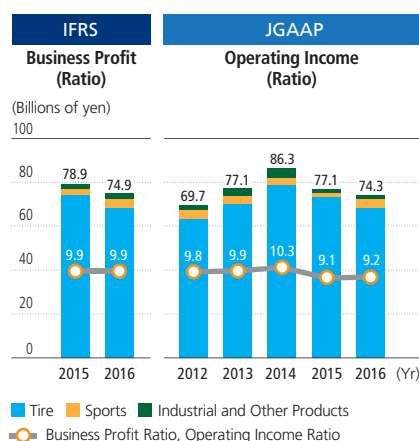
Sales revenue in fiscal 2016 decreased 5.2% year on year to ¥756.7 billion due mainly to the effect of the appreciation of the yen.



Sales revenue in fiscal 2016 is composed as follows: Tire business sales 85.7%, Sports business sales 9.6%, and Industrial and Other Products business sales 4.7%.

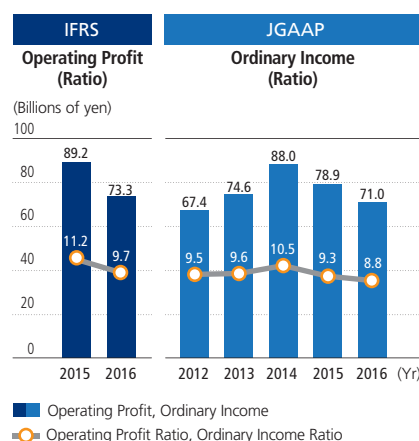


Backed by growing sales in the replacement and original equipment markets overseas, overseas sales as a percentage of consolidated sales revenue stood at 59.4%.

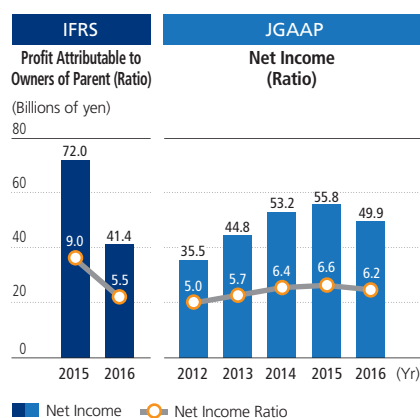


Business profit* (corresponding to operating income under JGAAP) declined 5.0% year on year due mainly to yen appreciation.

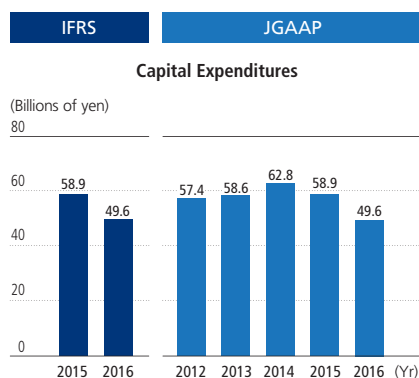
*Business profit = sales revenue - (cost of sales + selling, general and administrative expenses)



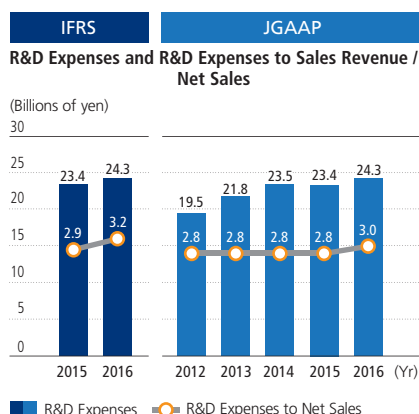
Operating profit (corresponding to ordinary income under JGAAP) decreased 17.8% year on year due mainly to the effect of the appreciation of the yen. In addition, operating profit in the previous fiscal year was temporarily boosted by extraordinary income (recorded under the then prevailing accounting treatment) recognized in connection with the dissolution of an alliance with The Goodyear Tire & Rubber Company. Please note, the figure calculated for fiscal 2015 under IFRS is greater than that originally calculated under JGAAP.



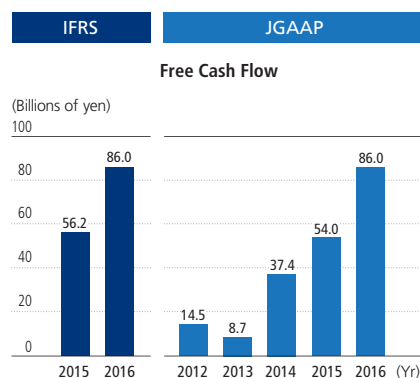
After deducting tax expenses, profit attributable to owners of parent decreased 42.5% year on year due mainly to the effect of the appreciation of the yen.



Total capital expenditures amounted to ¥49.6 billion and included such major uses of funds as investment in the Tire business for upgrading and streamlining domestic production facilities and improving labor efficiency as well as in boosting the capacities of factories in South Africa and Turkey.

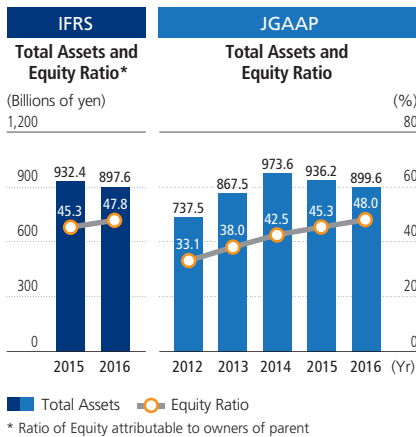


R&D expenses in fiscal 2016 edged up ¥0.9 billion year on year to ¥24.3 billion. The primary use of funds was for new product development involving the Company's proprietary material development technology.

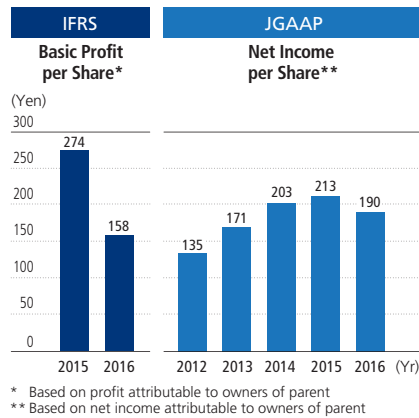


Free cash flow for fiscal 2016 was a positive ¥86.0 billion. This was due mainly to an influx of cash in connection with the posting of profit before tax, a decrease in inventories, a decrease in trade and other receivables and the sale of stock associated with the dissolution of an alliance with The Goodyear Tire & Rubber Company.

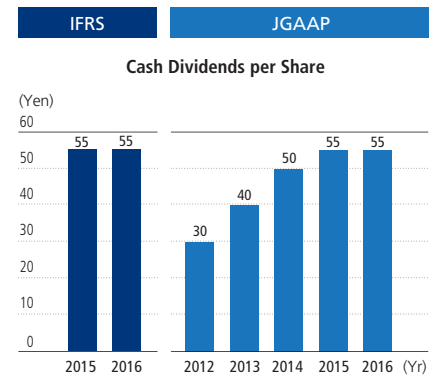
Note: The comments presented above are based on IFRS figures and values.



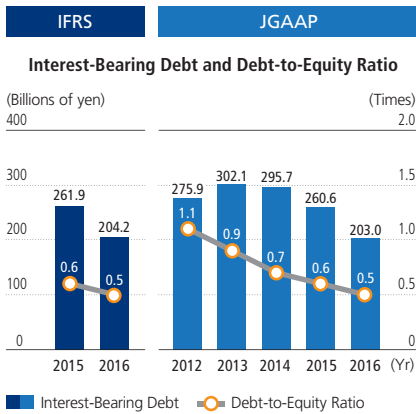
Total assets as of the fiscal 2016 year-end were down ¥34.8 billion year on year to ¥897.6 billion, reflecting such factors as a decrease in other financial assets despite an increase in cash and cash equivalents.



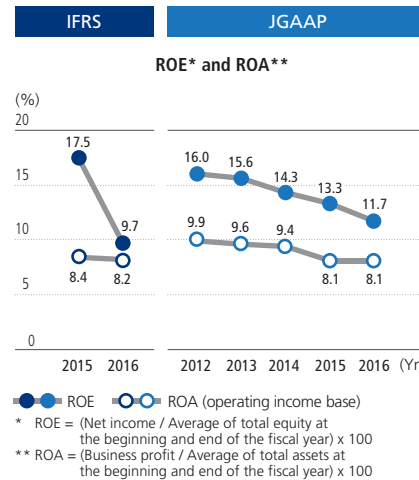
Basic profit per share for fiscal 2016 stood at ¥157.6. This item is calculated by dividing profit attributable to owners of the parent by the weighted average number of common shares outstanding during the period.



Annual per share cash dividends for fiscal 2016 totaled ¥55 and included an interim dividend of ¥30 per share.



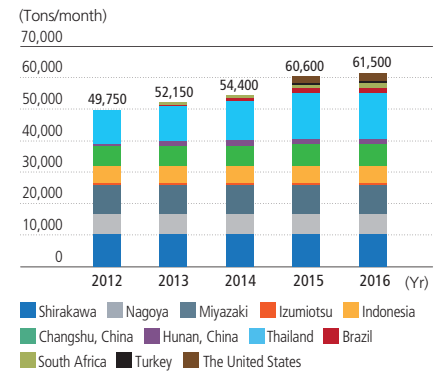
Interest-bearing debt at the end of fiscal 2016 decreased ¥57.6 billion year on year to ¥204.2 billion. Reflecting this, the debt-to-equity ratio improved 0.1 of a percentage point to 0.5 times.



ROE fell 7.8 percentage points year on year to 9.7% due to an increase in total equity and a decrease* in profit attributable to owners of parent. ROA declined 0.2 of a percentage point year on year to 8.2%, reflecting a decrease in business profit and other factors.

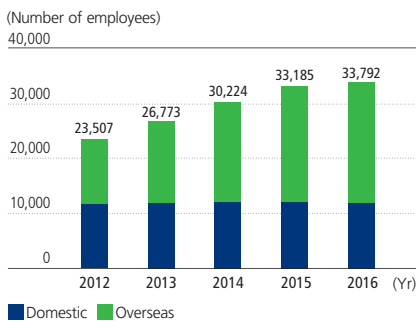
*The decrease is attributable to the dissolution of an alliance with The Goodyear Tire & Rubber Company in fiscal 2015

Tire Production Capacity



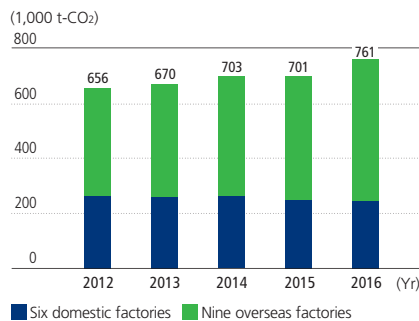
Tire production capacity totaled 61,500 tons per month, up 1.5% compared with the previous fiscal year thanks to a rise in the production capacities of our factories in Turkey and South Africa.

The Number of Employees in Japan and Overseas (consolidated basis)



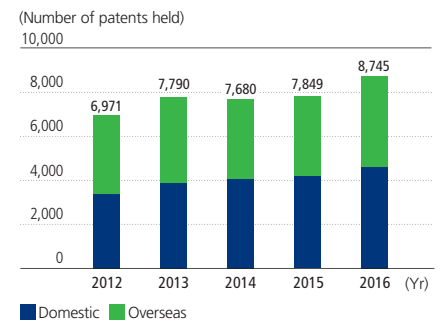
The total number of employees grew by 607 year on year due to expansions in workforces overseas, especially in Turkey and Thailand, aimed at boosting production volume.

Total CO₂ Emissions



CO₂ emissions from domestic factories declined, while emissions from overseas factories increased, with total emissions during fiscal 2016 increasing year on year.

Number of Domestic and Overseas Patents



The number of patents held by the Company increased both in Japan and overseas.