

Management Plan



Phase II

November 12, 2008

The Yokohama Rubber Co., Ltd.

Management Plan



Phase II

Vision and Basic Policy

To Mark the Yokohama Centennial in 2017

Evoke a distinctive global identity...

- in building corporate value and
- in building a strong market presence

Long-Term Financial Targets

Net sales:
¥1 trillion

Operating income:
¥100 billion

Operating return on sales:
10%

Basic Policy

Deliver the best products at competitive prices and on time

Assert world-class strengths in technologies for protecting the environment

Foster a customer-oriented corporate culture that honors rigorous standards of corporate ethics

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Issues and Themes

Presented here:

A summary of Phase II of GD100

To be presented later in 2009:

Phase II financial targets

Phase I

(April 1, 2006 to March 31, 2009)

Achieve profitable sales growth amid...

Surging global demand

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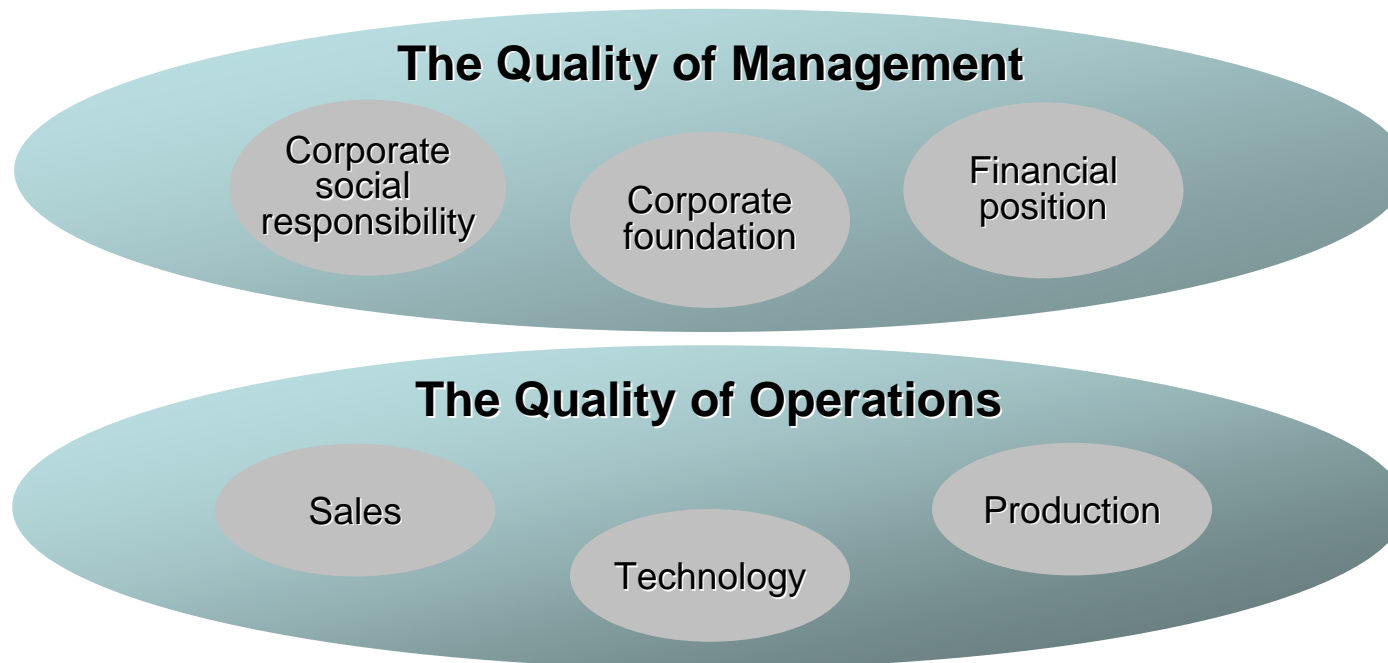
(April 1, 2009 to March 31, 2012)

Address the issues of...

- The global financial crisis
- Weakening demand
- Fluctuating raw material prices
- Economic uncertainty
- Environmental degradation

Strengthen fundamentals qualitatively to lay the groundwork for renewed growth in Phase III of GD100, starting in April 2012

Quality Growth



Phase II of GD100 is a time for achieving quality growth worldwide in the name of laying the groundwork for achieving the GD100 goals for the Yokohama centennial in 2017

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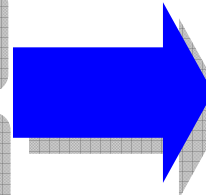
Tackling Phase II

Phase I Focuses

(April 1, 2006 to March 31, 2009)

Environmental management

Corporate ethics



Phase II Focus

(April 1, 2009 to March 31, 2012)

Corporate social responsibility

Fulfilling **corporate social responsibility** is how companies earn the trust of the community

Yokohama will step up its emphasis on fulfilling its corporate responsibility in the interest of reinforcing its corporate foundation

Build a More-Prominent Identity in the Global Marketplace through Corporate Branding

- Offer competitive products globally—especially products that feature unique strengths in protecting the environment and conserving resources
- Win new-car fitments around the world to raise Yokohama's market visibility



Fortify Global Marketing

Supplement operations in...

Japan

North
America

China

...with expanded
operations in...

Europe

Asia &
Oceania

Latin
America

Mid. East
& Africa

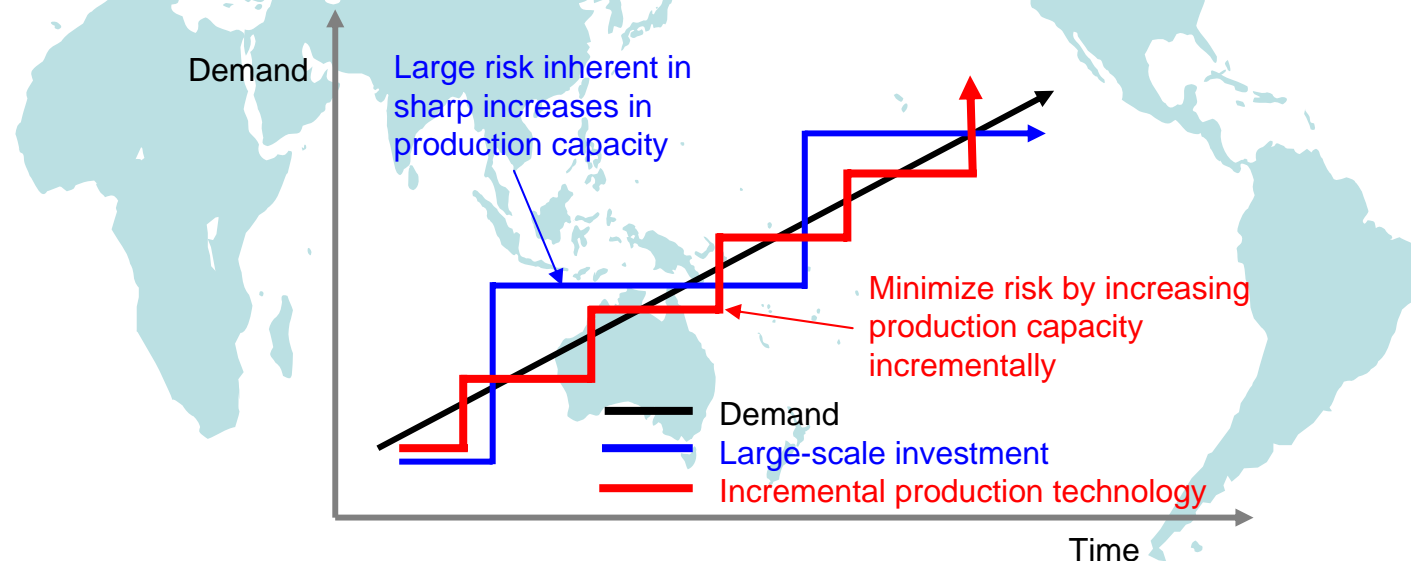
Localize strategy for each region and put in place localized management teams to share in regional market expansion

Strengthen sales and marketing capabilities in each region and deploy products matched to local needs and circumstances

Use Original, Small-Scale Production Technology to Increase Production Capacity Incrementally

- Tailor investment flexibly to regional trends in demand
- Establish local production capabilities in emerging markets, such as India, Brazil, and Russia

Build a framework to respond promptly to opportunities in a global context



Globalize Operations Aggressively In Growth Sectors

Strengthen production and sales operations for industrial products, hoses, and sealants and adhesives in North America, Europe, and China

Secure Cash Flows from New Lines of Business

Develop business in electronic materials and in structural adhesives for automobiles

Environmental Technology

Establish a position among the world leaders in technologies for protecting the environment and for conserving energy and resources

Curtail global warming

Conserve energy and resources

Recycle and reuse resources

Technology for Benefiting Customers and for Supporting Corporate Growth

Sharpen the focus on quality manufacturing in the spirit of delivering the best products at competitive prices and on time

Product differentiation

Safety and comfort

Flexible production

Cost reductions

Begin a New Phase of Waste Reduction (*Muda-Dori*)

- Redouble efforts to deliver the best products at competitive prices and on time
- Strengthen overall cost competitiveness through sweeping kaizen improvements

Structurally Revamp Japanese Operations

- Fortify operations qualitatively
- Improve responsiveness to future changes in the structure of demand

Reinforce Foundation for Renewed Growth in Phase III of GD100

Strengthen fundamental technology

Globalize R&D

Create model for regional companies

Foster human resources globally

Upgrade procurement

Set up GD100 Promotion Department

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Nothing in this presentation constitutes a recommendation or invitation to sell or buy shares of The Yokohama Rubber Co., Ltd.

All plans, projections, and other content described in this presentation that are not historical results reflect judgments based on presently available information, and they are subject to known and unknown risks and to other unforeseeable events.

The company's actual performance could therefore differ significantly from management's expectations.