

## Corporate Governance

**Management at the Company regards strengthening governance as absolutely essential to earning the confidence of shareholders and other stakeholders. In that spirit, management is working to increase speed and transparency in the decision-making process.**

### **Management structure**

The Company adopted the corporate officer system in 2004 to differentiate clearly between operational responsibility, invested in the corporate officers, and oversight responsibility, invested in the Board of Directors. Dividing responsibilities in that manner was a measure for increasing speed in making decisions and in putting the decisions into practice. The Board of Directors is thus responsible for making management decisions and for overseeing the performance of the directors and the corporate officers in carrying out those decisions. Presently, the senior management team comprises the president, who is authorized to make decisions as a legal representative of the Company; seven other members of the Board of Directors, including members who serve concurrently as corporate officers; and 13 corporate officers, not including officers who serve concurrently as directors.

The Company's Management Council, established in 2004, has strengthened senior management's capabilities in formulating strategy. The council comprises the president and other selected members of the Board of Directors and other executives. It reviews overall operational policy, matters crucial to the performance of work, and matters crucial to risk management from the perspective of fundamental management policy.

### **Corporate Officer and Director Personnel/Remuneration Committee**

Transparency and fairness are core emphases in appointing corporate officers and directors and in determining their compensation. Appointments and compensation receive thorough consideration in the Corporate Officer and Director Personnel/Remuneration Committee and then go to the Board of Directors for decisions.

### **Corporate auditors**

The Company has five corporate auditors, including three from outside the company. The standing corporate auditors attend meetings of the Board of Directors and of the Management Council and other important gatherings. They voice their opinions at those gatherings and monitor activity in principal sectors at the parent company and at subsidiaries in accordance with their auditing program. The Company supports that activity by assigning an assistant to the corporate auditors. In addition, the auditors maintain close communication with the independent public accounting firm retained by the Company and exchange opinions with that firm in regard to pertinent matters. They also review the results of the accounting and operational audits performed by the Company's Audit Office in accordance with the office's annual program.

Presently, the Company retains Ernst & Young ShinNihon as its independent public accountants. No common interests of any financial significance exist between the Company and its independent public accounting firm, and the Company engages in no business transactions with the firm or with any of its members apart from the accounting services performed by the firm for the Company.

## Ethical Compliance

**Rigorous compliance with the highest standards of corporate ethics is the cornerstone of transparent and effective corporate governance. It is the defining element of commitment to fulfilling corporate social responsibility. The Company undertook multiple measures in the past fiscal year to reinforce its framework for ensuring ethical compliance.**

### Organization

Established in 2003 and chaired by the president of the Company, the Company's Compliance Committee oversees activity at the Company with an eye to ensuring compliance with laws and regulations. It also conducts consciousness-raising activities in the name of promoting ethical behavior.

The Company established its Corporate Compliance Department in 2005 to strengthen the framework for ensuring ethical compliance at operations worldwide. In the same year, the Company established a hotline to allow employees to raise concerns and questions about corporate ethics anonymously. That hotline is accessible to employees from inside or outside the Company's workplaces. The Company expanded the hotline in April 2006 to accommodate queries and notifications from employees of affiliated companies and from employees of suppliers and other business partners.

### Monitors

Each sector of operations at the parent company and each subsidiary has named a compliance monitor in connection with the establishment of the compliance hotline. The monitors take part in stepped-up efforts to detect ethical breaches, to deal effectively with problems that occur, and to prevent the recurrence of problems. Each monitor submits a monthly report to the compliance secretariat at the Company's headquarters. That reporting helps ensure an up-to-date grasp of issues and potential issues and a prompt response to ethical issues that require attention.

### Training

The compliance monitors receive training in regard to compliance guidelines, and they conduct training in corporate ethics for groups of employees in each sector of operations. Corporate ethics, meanwhile, became part of the parent company's online learning program for employees in 2006.

# Directors, Corporate Auditors, and Corporate Officers

As of June 27, 2008

## Board of Directors

### **Tadanobu Nagumo**

*President and Representative Director*

### **Tatsunari Kojima**

*Director and Senior Managing Corporate Officer*

General Manager of Corporate Social Responsibility Div.

### **Takashi Yamashita**

*Director and Senior Managing Corporate Officer*

in charge of Quality Assurance, General Manager of Original Equipment Tire Sales Div.

### **Tooru Kobayashi**

*Director and Managing Corporate Officer*

President of Multiple Business Group

### **Norio Karashima**

*Director and Managing Corporate Officer*

in charge of Off-the-road Tire & Aircraft Tire Business, Tire North America Business, Tire Logistics Div., General Manager of Tire Planning Div., President of Yokohama Corporation of America

### **Toshihiko Suzuki**

*Director and Managing Corporate Officer*

General Manager of Tire Technical Div.

### **Hideo Fujiwara**

*Director and Corporate Officer*

General Manager of Corporate Planning Div., President of Yokohama Corporation North America, President of Yokohamagomu Finance Co., Ltd.

### **Kinya Kawakami**

*Director and Corporate Officer*

in charge of Corporate Purchasing Dept., General Manager of R&D Center

## Corporate Auditors

### **Michio Yuge**

### **Seiichi Suzuki**

### **Junnosuke Furukawa**

### **Yuzuru Fujita**

### **Naozumi Furukawa**

## Corporate Officers

### **Akihisa Takayama**

*Managing Corporate Officer*

General Manager of Tire Production Technology Div., General Manager of Hiratsuka Factory, President of Hamagomu Engineering Co., Ltd.

### **Koichi Tanaka**

*Managing Corporate Officer*

General Manager of Tire Domestic Sales & Marketing Div.

### **Takashi Fukui**

*Managing Corporate Officer*

in charge of PC Tire Business, General Manager of Tire Overseas Sales & Marketing Div.

### **Shinichi Suzuki**

*Managing Corporate Officer*

General Manager of Tire Production Div.

### **Seiji Takai**

*Managing Corporate Officer*

Chairman & President of Yokohama Rubber (China) Co., Ltd., Chairman of Hangzhou Yokohama Tire Co., Ltd., Chairman of Suzhou Yokohama Tire Co., Ltd., Chairman of Yokohama Hoses & Coupling (Hangzhou) Co., Ltd., Chairman of Yokohama HAMATITE (Hangzhou) Co., Ltd.

### **Toshio Izawa**

*Corporate Officer*

in charge of MB Production, General Manager of Hoses and Coupling Div., Chairman & CEO of YH America, Inc., Chairman of SAS Rubber Company

### **Yuji Goto**

*Corporate Officer*

in charge of TB Tire Business, Deputy General Manager of Original Equipment Tire Sales Div.

### **Misao Hiza**

*Corporate Officer*

in charge of MB Technical, General Manager of Hamatite Div., General Manager of Hamatite Technical Dept.

### **Hirohiko Takaoka**

*Corporate Officer*

General Manager of Sports Business Div.

### **Takao Oishi**

*Corporate Officer*

President of Yokohama Tire Corporation

### **Shigeo Komatsu**

*Corporate Officer*

Deputy General Manager of Tire Overseas Sales & Marketing Div., President of Yokohama Europe GmbH

### **Hikomitsu Noji**

*Corporate Officer*

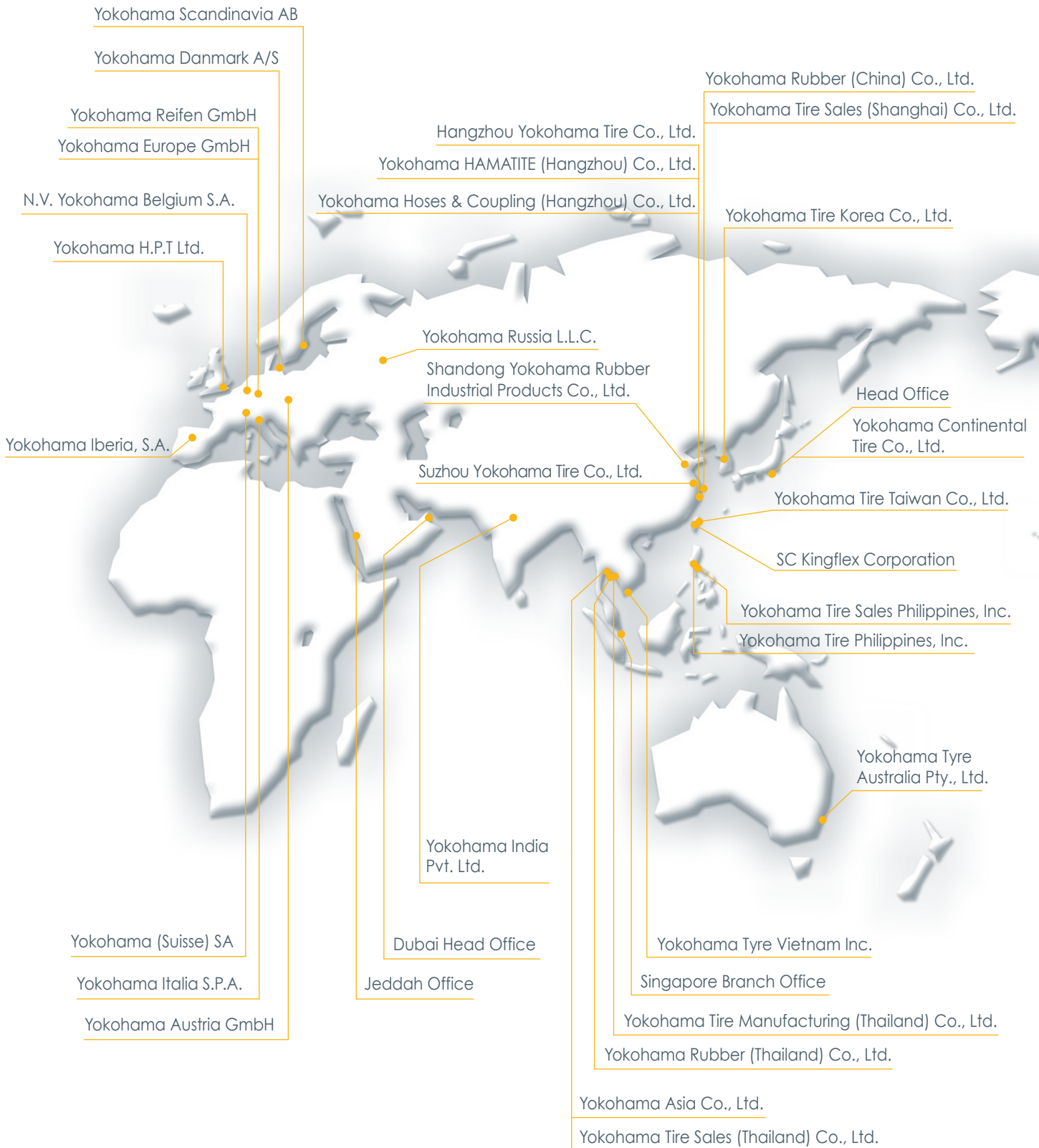
Deputy General Manager of Tire Production Div., President of Yokohama Tire Philippines, Inc.

### **Yasushi Tanaka**

*Corporate Officer*

General Manager of Corporate Planning Dept.

## Global Network





## Overseas Subsidiaries and Affiliates

### Production and sales of tires and related products

Yokohama Tire Corporation  
 Hangzhou Yokohama Tire Co., Ltd.  
 Suzhou Yokohama Tire Co., Ltd.  
 Yokohama Tire Philippines, Inc.  
 Yokohama Tyre Vietnam Inc.  
 Yokohama Tire Manufacturing (Thailand) Co., Ltd.  
 GTY Tire Company

### Sales of tires and related products

Yokohama Tire (Canada) Inc.  
 Yokohama Corporation of America  
 Yokohama Tyre Australia Pty., Ltd.  
 Yokohama H.P.T Ltd.  
 Yokohama Italia S.P.A.  
 Yokohama (Suisse) SA  
 Yokohama Scandinavia AB  
 Yokohama Reifen GmbH  
 Yokohama Austria GmbH  
 Yokohama Danmark A/S  
 Yokohama Iberia, S.A.  
 Yokohama Russia L.L.C.  
 N.V. Yokohama Belgium S.A.  
 Yokohama Tire Sales (Shanghai) Co., Ltd.  
 Yokohama Tire Taiwan Co., Ltd.  
 Yokohama Tire Korea Co., Ltd.  
 Yokohama Tire Sales Philippines, Inc.  
 Yokohama Tire Sales (Thailand) Co., Ltd.  
 Yokohama Asia Co., Ltd.  
 Yokohama India Pvt. Ltd.  
 Yokohama Rubber Latin America Comercio Ltda.

### Holding company for shares of YTC and other companies

Yokohama Corporation of North America

### Marketing support and services for European sales company

Yokohama Europe GmbH

### Overall control of Yokohama Rubber's subsidiaries in the tire and MB market in China

Yokohama Rubber (China) Co., Ltd.

### Production and sales of windshield sealants and hoses

YH America, Inc.  
 Yokohama Rubber (Thailand) Co., Ltd.

### Production and sales of windshield sealants

Yokohama HAMATITE (Hangzhou) Co., Ltd.

### Production and sales of hoses

SAS Rubber Company  
 SC Kingflex Corporation  
 Yokohama Hoses & Coupling (Hangzhou) Co., Ltd.

### Production and sales of conveyor belts

Shandong Yokohama Rubber Industrial Products Co., Ltd.

### Sales of aircraft components

Yokohama Aerospace America, Inc.

### Overseas offices and branch

Jeddah Office, Dubai Head Office, Singapore Branch Office

## Investor Information

As of March 31, 2008

### **Company Name:**

The Yokohama Rubber Co., Ltd.

### **Head Office:**

36-11, Shimbashi 5-chome, Minato-ku, Tokyo 105-8685, Japan

### **Established:**

October 13, 1917

### **Paid-in Capital:**

¥38,909 million

### **Settlement Date:**

March 31

### **General Meeting of Shareholders:**

June

### **Transfer Agent:**

The Chuo Mitsui Trust and Banking Company, Limited  
33-1, Shiba 3-chome, Minato-ku, Tokyo 105-8574, Japan

### **Stock Exchange Listings:**

Tokyo, Osaka, Nagoya

### **Contact Points for Investors:**

PR/IR section, Corporate Communications Dept.  
36-11, Shimbashi 5-chome, Minato-ku, Tokyo 105-8685, Japan  
Phone: 81-(0)3-5400-4531 Facsimile: 81-(0)3-5400-4570

### **Yokohama's Investor Relations Web Site:**

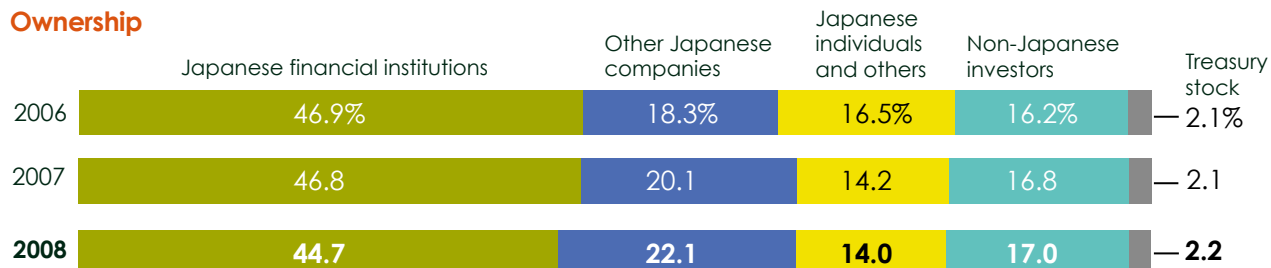
[http://www.yrc-pressroom.jp/ir\\_en/](http://www.yrc-pressroom.jp/ir_en/)

## Stock Information

As of March 31, 2008

Authorized number of shares: 700,000,000  
 Number of shares issued and outstanding: 342,598,162 (unchanged from fiscal 2007 year-end)  
 Number of shareholders: 17,037 (up 42 from fiscal 2007 year-end)

### Ownership



### Principal Shareholders

Name	Percentage of Voting Rights
ASAHI MUTUAL LIFE INSURANCE COMPANY	8.0%
ZEON CORPORATION	7.1
Master Trust Bank of Japan, Ltd. (trust account)	4.8
Japan Trustee Service Bank, Ltd. (trust account)	3.9
Mizuho Corporate Bank, Ltd.	3.8

### Common Stock Price Trends

	2008	2007	2006	2005	2004
Stock Price (Yen):					
High	<b>¥944</b>	¥790	¥700	¥480	¥387
Low	<b>436</b>	439	403	342	272
Fiscal Year-end	<b>477</b>	724	612	425	357
Shares of Common Stock Issued and Outstanding	<b>342,598,162</b>	342,598,162	342,598,162	342,598,162	342,598,162

### Stock Price Range and Trading Volume on the Tokyo Stock Exchange

