YOKOHAMA AT A GLANCE

Products and Companies by Business Segment
As of December 31, 2018

Tires

Principal products
Tires for passenger cars and light trucks; for trucks and buses; for construction and mining equipment; and for motor sports and tire tubes, aluminum alloy wheels, and other peripheral products

Principal production companies
Japan
Yokohama Rubber Co., Ltd.; Yokohama Tire Retread Co., Ltd.; Kameyama Bead Co., Ltd.
Overseas
Yokohama Rubber Co., Ltd.

Principal sales and marketing support companies
Japan
Yokohama Tire Japan Co., Ltd.
Overseas
Yokohama Tire Corporation (United States); Yokohama Tire (Canada) Inc. (Canada); Yokohama Tire Mexico S. de R.L. de C.V. (Mexico); Yokohama HPT Ltd. (United Kingdom); Yokohama Europe GmbH (Germany); Yokohama Russia L.L.C. (Russia); Yokohama Tire Sales (Shanghai) Co., Ltd. (China); Yokohama Tire Sales Philippines, Inc. (Philippines); Yokohama Tire Sales (Thailand) Co., Ltd. (Thailand)

Employees: 18,263

ATG (Alliance Tire Group)

Principal products
Tires for agricultural, industrial, construction, and forestry machinery

Principal production companies
ATC Tires Private Ltd. (India); Alliance Tire Company Ltd. (Israel)

Principal sales, marketing, and other support companies
Alliance Tire Europe B.V. (Netherlands); Alliance Tire Americas Inc. (United States); Alliance Tire Group K.K. (Japan)

Employees: 2,757
**MB (Multiple Business)**

**Principal products**
High-pressure hoses, conveyor belts, marine hoses and pneumatic marine fenders, antiseismic products and roadway joints, Hamatite-brand sealants and adhesives, aircraft fixtures and components

**Principal production companies**
- **Japan**
  - Yokohama Rubber Co., Ltd.
- **Overseas**
  - Yokohama Industries Americas Inc. (United States)
  - Yokohama Industries Americas de Mexico, S. de R.L. de C.V. (Mexico)
  - Yokohama Industrial Products Italy S.r.l. (Italy)
  - Yokohama Industrial Products-Hangzhou Co., Ltd. (China)
  - SC Kingflex Corporation (Taiwan)
  - PT Yokohama Industrial Products Manufacturing Indonesia (Indonesia)
  - Yokohama Rubber (Thailand) Co., Ltd. (Thailand)

**Principal sales and marketing support companies**
- **Japan**
  - Yokohama Industrial Products Japan Co., Ltd.
- **Overseas**
  - Yokohama Aerospace America, Inc. (United States)
  - Yokohama Industries Americas Ohio Inc. (United States)
  - Yokohama Industrial Products Sales-Shanghai Co., Ltd. (China)
  - Yokohama Industrial Products Asia-Pacific Pte. Ltd. (Singapore)

**Employees:** 4,008

**Other operations**
Golf equipment and services for Yokohama Rubber and its subsidiaries and affiliates

**Principal companies**
- **Japan**
  - PRGR Co., Ltd.
  - Hamagomu Fudosan Co., Ltd.
  - Acty Co., Ltd.
  - Yokohamagomu Finance Co., Ltd.
  - Yokohama Mold Co., Ltd.
- **Overseas**
  - Y.T. Rubber Co., Ltd. (Thailand)
  - Yokohama Rubber (China) Co., Ltd. (China)
  - Yokohama Rubber Singapore Pte. Ltd. (Singapore)

**Employees:** 1,246
RESULTS AND TRENDS BY BUSINESS SEGMENT

TIRES

Business results in 2018
Business profit increased 1.0%, to ¥42.3 billion, on a 1.1% decline in sales revenue, to ¥454.8 billion. The Tires segment thus accounted for 71.4% of total business profit and for 69.9% of total sales revenue.

Original equipment
Sales revenue declined in original equipment business. Japanese business in this category suffered from product changeovers for multiple vehicle models equipped with Yokohama tires and from production adjustments at automakers in connection with natural disasters. Overseas business in original equipment suffered from production adjustments by automakers in China necessitated by weak sales. Yokohama won new fitments during the year on premium-grade passenger cars in Japan and overseas.

Replacement tires
Yokohama posted sales growth in the Japanese market for replacement tires. Business there benefited from strong sales in winter tires, led by the iceGUARD 6 studless snow tire. Japanese business in replacement tires also benefited from vigorous promotion of the premium-grade tires of Yokohama’s global flagship brand, ADVAN, and the fuel-saving tires of the company’s BluEarth series. Business declined, however, in replacement tires outside Japan on account of adverse weather trends, currency instability in some emerging economies, and the negative effect on demand of concerns about US-Chinese trade frictions.

Full-year projections for 2019
Management projects that business profit in Yokohama’s Tires segment will decline 10.1% in 2019, to ¥38.0 billion, on a slight upturn in sales revenue, to ¥455.0 billion.
MB (Multiple Business)

Business results in 2018
Business profit declined 4.6%, to ¥7.4 billion, on a 3.2% increase in sales revenue, to ¥117.8 billion. The MB segment thus accounted for 12.5% of total business profit and for 18.1% of total sales revenue.

High-pressure hoses
Sales revenue increased in high-pressure hoses, led by continuing vigor in Japan and overseas in hoses for construction equipment and industrial machines and in overseas markets for automotive hoses.

Industrial materials
Yokohama also posted growth in sales revenue in industrial materials, led by continuing strong momentum in conveyor belts in Japan and overseas.

Hamatite-brand sealants and adhesives
Sales revenue declined in Hamatite sealants and adhesives, principally on account of weak demand for construction sealants in Japan.

Aircraft fixtures and components
Business declined in aircraft fixtures and components, reflecting weak demand in the commercial sector and a cyclical downturn in government demand.

Full-year projections for 2019
Management projects that business profit in the MB segment will increase 8.1% in 2019, to ¥8.0 billion, on a 1.9% increase in sales revenue, to ¥120.0 billion.
The ATG segment comprises the operations of Alliance Tire Group, which Yokohama acquired in July 2016 and which produces and markets tires for agricultural and forestry machinery and for other off-highway applications.

■ Business results in 2018
Business profit increased 11.8%, to ¥8.5 billion, on an 8.3% increase in sales revenue, to ¥68.7 billion. The ATG segment thus accounted for 14.3% of total business profit and for 10.6% of total sales revenue.

■ Off-highway tires
Sales revenue in the ATG segment increased as business expanded in replacement tires despite adverse weather patterns in Europe and as business expanded in original equipment tires, led by gains in North America and Europe.

■ Full-year projections for 2019
Management projects that business profit in the ATG segment will increase 22.9% in 2019, to ¥10.4 billion, on a 10.6% increase in sales revenue, to ¥76.0 billion.
Yokohama markets golf equipment under the PRGR brand in Japan and in China, the Republic of Korea, and Southeast Asian nations.

**Highlights of 2018**

**Wins on the US PGA tour and on the Japanese tour for a Yokohama-sponsored pro**
The Team PRGR pro Satoshi Kodaira won the RBC Heritage, on the US PGA tour, in April 2018. That made him the fifth Japanese golfer to capture a victory on the US men’s tour. Kodaira also won the Golf Nippon Series JT Cup 2018. That tournament took place in December as the concluding event in the year’s series. The win was Kodaira’s third at a Japanese “major,” following his victories at the Japan Golf Tour Championship in 2013 and at the Japan Open Golf Championship in 2015. Kodaira thus became the fourth-youngest golfer in history to capture three “majors” on the Japanese tour.

![Satoshi Kodaira—winner of 2018 RBC Heritage](image)

**Launches of new-concept and upgraded clubs as the Q series and RS series**
Yokohama introduced the Q series in March 2018 as a new approach to clubs for amateur golfers. The Q series clubs are especially good at lifting balls out of bad lies. They help apply spin to the ball and are good all-around equipment for aiming aggressively at the green. In July 2018, Yokohama remodeled its RS series of clubs for serious amateurs. The new RS clubs offer increased range and improved handling. Both of the new series have sold well since their launches.

In action at PRGR Ladies Cup: PRGR-sponsored Erina Hara

![New-concept and upgraded clubs—Q series](image)

**Eleven years of the Yokohama Tire Golf Tournament PRGR Ladies Cup**
The 11th Yokohama Tire Golf Tournament PRGR Ladies Cup took place in March 2018. That tournament has contributed to broadening the appeal of professional golf and to raising the profiles of the Yokohama Tire name and the PRGR brand.

![In action at PRGR Ladies Cup: PRGR-sponsored Erina Hara](image)