

Supplementary Information of 2020 Q2

1.Financial Highlights

(1) Quarter of the year

(Yen in billions)

		Unit	2019						2020					
			1H			FY			1H			FY (*3)		
			Q1	Q2	Q3	Q4	Q1	Q2	vs.PY	vs.PY				
Consolidated Results														
Statements of Income	Revenue		848.2	891.7	1,739.9	883.8	883.5	3,507.2	752.2	603.2	1,355.5	78	2,700.0	77
	Adjusted Operating Profit		82.1	70.1	152.1	105.1	78.5	335.7	49.8	(1.6)	48.3	32	100.0	30
	Adjusted OP Margin	%	9.7	7.9	8.7	11.9	8.9	9.6	6.6	(0.3)	3.6	(5.2)	3.7	(5.9)
	Profit Attributable to Owners of Parent		55.8	42.9	98.7	89.9	51.6	240.1	19.5	(41.5)	(22.0)	-	TBD	-
Exchange Rate	US \$	Yen/\$	110	110	110	107	109	109	109	108	108	98	106	98
	Euro	Yen/€	125	123	124	119	120	122	120	119	120	96	119	98
Analysis of Revenue and Adjusted Operating Profit vs. PY														
Revenue	Forex								(14.0)	(13.0)	(27.0)		(71.0)	
	Price, Mix, Volume etc.								(82.0)	(275.5)	(357.5)		(736.2)	
	Total								(96.0)	(288.5)	(384.5)		(807.2)	
Adjusted Operating Profit	Forex								(2.0)	(2.0)	(4.0)		(11.0)	
	Raw Materials								+8.0	+10.0	+17.0		+48.0	
	Price								+7.0	+3.0	+10.0		+0.0	
	Volume								(29.0)	(91.0)	(121.0)		(229.0)	
	Operating Expense (*1)								+5.0	+51.0	+56.0		+102.0	
	Depreciation and amortization								(2.0)	+0.0	(2.0)		+2.0	
	Others								(19.2)	(42.6)	(59.9)		(147.7)	
Total								(32.2)	(71.6)	(103.9)		(235.7)		
Segment Information (*2)	Japan	Revenue	215.3	221.5	436.8	230.0	251.3	918.1	194.9	162.4	357.3	82		
		Adjusted Operating Profit	24.5	22.5	47.0	28.8	33.0	108.8	14.0	4.7	18.7	40		
		Adjusted OP Margin	%	11.4	10.2	10.8	12.5	13.1	11.9	7.2	2.9	5.2	(5.5)	
	Americas	Revenue	396.7	434.4	831.1	423.1	407.5	1,661.7	363.0	283.8	646.7	78		
		Adjusted Operating Profit	38.7	46.4	85.2	55.5	43.6	184.3	30.2	4.7	34.9	41		
		Adjusted OP Margin	%	9.8	10.7	10.2	13.1	10.7	11.1	8.3	1.6	5.4	(4.9)	
	Europe, Russia, Middle East, India and Africa	Revenue	156.7	166.7	323.3	158.5	158.3	640.1	142.6	106.2	248.8	77		
		Adjusted Operating Profit	4.3	4.7	9.0	5.6	0.5	15.0	(1.2)	(12.2)	(13.4)	-		
		Adjusted OP Margin	%	2.7	2.8	2.8	3.5	0.3	2.3	(0.9)	(11.5)	(5.4)	(8.2)	
	China, Asia-Pacific	Revenue	119.9	117.4	237.2	115.5	110.0	462.8	89.9	91.9	181.7	77		
		Adjusted Operating Profit	11.4	9.7	21.1	9.3	5.9	36.2	4.8	4.1	8.9	42		
		Adjusted OP Margin	%	9.5	8.2	8.9	8.0	5.3	7.8	5.4	4.4	4.9	(4.0)	
	Balance Sheet	Total Assets		4,186.8		4,292.2	4,150.0		4,277.0	4,004.7		4,147.0		
ROA		%						5.6						
Total Equity			2,426.5		2,357.6	2,297.3		2,402.5	2,266.3		2,229.5			
ROE		%						10.0						
Cash Flows	Cash flows from operating activities		122.1	97.0	219.0	77.9	208.1	505.0	64.1	81.1	145.2			
	Cash flows from investing activities		(72.2)	(145.8)	(218.1)	(39.0)	(4.8)	(261.9)	(59.3)	(44.9)	(104.1)			
	Free cash flow		49.8	(48.9)	0.9	38.9	203.3	243.2	4.8	36.2	41.0			
	Investment	Capital Expenditure		53.9	72.2	126.1	86.8	115.2	328.2	53.1	60.5	113.6	90	270.0
Costs & Expenses	Depreciation and amortization		65.9	68.3	134.1	67.3	68.3	269.7	66.9	66.3	133.1	99	255.0	95
	R&D Expenses		25.3	27.5	52.8	25.7	27.7	106.2	26.5	22.2	48.7	92	100.0	94
Dividends	Dividend per Share	Yen			80			160			50		TBD	
Tire Production (tonnage of rubber)	Domestic	10,000t	13	13	26	13	12	51	12	8	20			
	Americas	10,000t	15	16	31	15	14	60	13	7	20			
		Europe, Russia, Middle East, India and Africa	10,000t	9	9	18	8	8	34	8	4	12		
		China, Asia-Pacific	10,000t	10	10	20	10	8	38	8	5	13		
		Overseas Total	10,000t	35	35	69	32	31	132	28	16	44		
	Total	10,000t	47	48	96	45	43	184	40	24	64			
	Overseas Prod. Ratio	%	73	72	73	72	71	72	71	65	69			

(*1) SG&A and other operating income/expense.

(*2) Segment Information: including transactions caused by businesses among segments

(*3) Revised as of Aug 7th, 2020.

2. Additional Information

(1) Year-on-Year Tire Demand Growth (unit base, %)

			2018	2019	2020		
			FY	FY	Q1 Actual	Q2 Actual	1H Actual
Japan	PSR/LTR	REP	99	97	90	84	87
		OE	100	100	93	53	73
	TBR	REP	99	101	91	84	87
		OE	99	96	99	76	88
N.America	PSR/LTR	REP	103	102	87	66	78
		USTMA	99	100	95	75	84
		OE	100	94	82	29	56
	TBR	REP	107	88	101	90	95
		USTMA	99	97	95	84	89
		OE	120	101	78	38	58
Europe	PSR/LTR	REP	101	97	84	68	76
		OE	101	94	85	36	61
	TBR	REP	109	101	89	74	82
		OE	105	90	76	51	64
Asia (Thailand, India, China Indonesia Total)	PSR/LTR	REP	102	99			
		OE	96	90			
	TBR	REP	97	97			
		OE	96	92			

(2) Year-on-Year Sales Growth (unit base, %)

			2018	2019	2020		
			FY	FY	Q1 Actual	Q2 Actual	1H Actual
Japan	PSR/LTR	REP	101	98	88	78	83
		OE	105	101	94	53	75
		Total	102	99	90	68	79
	TBR	REP	98	100	90	78	84
		OE	100	96	101	76	88
		Total	99	99	94	77	86
N.America	PSR/LTR	REP	94	98	89	66	77
		OE	111	90	81	30	54
		Total	100	95	86	53	69
	TBR	REP	99	91	102	86	94
		OE	129	100	74	33	54
		Total	109	94	89	64	76
Europe	PSR/CVR	REP	101	95	86	73	80
		OE	102	100	92	41	66
		Total	102	97	88	60	75
	TBR	REP	104	100	94	73	84
		OE	122	88	77	44	61
		Total	109	96	88	64	76
China, Asia Pacific (*1)	PSR/LTR	REP	90	92	74	78	76
		OE	105	95	69	63	66
		Total	96	93	72	71	72
	TBR	REP	93	91	69	85	77
		OE	110	89	69	54	62
		Total	96	91	69	81	75
Global	PSR/LTR	REP	97	96	86	71	78
		OE	106	96	84	42	63
		Total	100	96	85	60	72
	TBR	REP	100	96	90	79	85
		OE	119	97	79	45	62
		Total	104	96	87	70	78

2019FY
Component ratio (Approx.)
60%
40%
70%
30%
70%
30%
60%
40%
70%
30%
50%
50%
80%
20%

(*1) 2020 Actual : Excluding India due to new segmentation.

Key Products:

			2018	2019	2020			
			FY	FY	Q1 Actual	Q2 Actual	1H Actual	
ORR	Ultra-Large		115	102	92	85	88	
	Large	REP	93	106	88	98	93	
		OE	147	78	53	47	50	
		Total	104	98	79	84	81	
	Small & Medium	REP	102	96	102	80	91	
		OE	116	94	72	58	65	
Total		107	97	87	71	79		
PSR-HRD (≥18")			116	106	92	60	75	
			REP	110	110	99	81	90