

Supplementary Information of 2022 Q3

1. Financial Highlights

(1) Quarter of the year

(Yen in billions)

		Unit	After Reclassifications (*1)												
			2021					2022							
			9 Months			FY	9 Months			FY	(*2)				
			Q1	Q2	Q3		Q1	Q2	Q3		vs.PY	Fcst	vs.PY		
Consolidated Results															
Statements of Income	Revenue		727.2	783.2	807.3	2,317.7	3,246.1	891.0	995.3	1,090.6	2,976.9	128	4,050.0	125	
	Adjusted Operating Profit		84.8	97.6	106.2	288.6	394.3	101.1	105.5	135.6	342.2	119	470.0	119	
	Adjusted OP Margin	%	11.7	12.5	13.2	12.5	12.1	11.3	10.6	12.4	11.5	(1.0)	11.6	(0.5)	
	Profit Attributable to Owners of Parent		285.2	67.1	70.5	422.8	394.0	53.8	39.1	95.8	188.7	45	260.0	66	
	Profit from Continuing Operations		63.2	68.1	73.2	204.6	307.9	65.4	52.2	99.6	217.2	106	295.0	96	
	Profit from Discontinued Operations		222.0	(1.0)	(2.7)	218.3	86.2	(11.6)	(13.1)	(3.8)	(28.4)	-	(35.0)	-	
	ROIC	%					9.0						9.4	+ 0.4	
ROE	%					12.9						10.5	(2.4)		
Exchange Rate	US \$	Yen/\$	106	110	110	109	110	116	130	138	129	118	130	118	
	Euro	Yen/€	128	132	130	130	130	130	138	139	136	105	136	104	
Analysis of Revenue and Adjusted Operating Profit vs. PY															
Revenue	Forex		+ 1.0	+ 29.0	+ 28.0	+58.0	+ 113.0	+ 52.0	+ 117.0	+ 166.0	+335.0		+ 450.0		
	Price, Mix, Volume etc.		+ 51.2	+ 215.8	+ 68.3	+335.3	+ 437.8	+ 111.8	+ 95.1	+ 117.3	+324.2		+ 353.9		
	Total		+ 52.2	+ 244.8	+ 96.3	+393.3	+ 550.8	+ 163.8	+ 212.1	+ 283.3	+659.2		+ 803.9		
Adjusted Operating Profit	Forex		(1.0)	+ 4.0	+ 9.0	+12.0	+ 20.0	+ 11.0	+ 17.0	+ 27.0	+55.0		+ 86.0		
	Raw Materials		+ 2.0	(20.0)	(31.0)	(49.0)	(100.0)	(58.0)	(56.0)	(62.0)	(176.0)		(239.0)		
	Price		+ 6.0	+ 12.0	+ 24.0	+42.0	+ 79.0	+ 56.0	+ 73.0	+ 80.0	+209.0		+ 316.0		
	Mix		+ 8.0	+ 5.0	+ 11.0	+24.0	+ 36.0	+ 7.0	+ 11.0	+ 11.0	+29.0		+ 30.0		
	Volume		+ 14.0	+ 70.0	+ 3.0	+87.0	+ 110.0	+ 25.0	+ 8.0	+ 3.0	+36.0		+ 10.0		
	Conversion Cost		+ 11.0	+ 60.0	+ 14.0	+85.0	+ 83.0	(8.0)	(9.0)	(22.0)	(39.0)		(65.0)		
	Operating Expense		+ 4.0	(26.0)	(28.0)	(50.0)	(79.0)	(23.0)	(29.0)	(15.0)	(67.0)		(67.0)		
	Others		(8.8)	(3.4)	+ 35.1	+22.9	+ 37.9	+ 6.3	(7.1)	+ 7.4	+6.6		+ 4.7		
Total		+ 35.2	+ 101.6	+ 37.1	+173.9	+ 186.9	+ 16.3	+ 7.9	+ 29.4	+53.6		+ 75.7			
Segment Information	Japan	Revenue		195.9	201.5	201.7	599.1	873.0	237.7	227.5	262.8	728.1	122	1,020.0	117
		Adjusted Operating Profit		21.1	21.8	22.6	65.6	117.0	31.6	20.6	35.8	88.0	134	128.0	109
		Adjusted OP Margin	%	10.8	10.8	11.2	10.9	13.4	13.3	9.1	13.6	12.1	+1.1	12.5	(0.8)
	Americas	Revenue		311.0	358.9	376.9	1,046.8	1,454.6	390.5	500.6	546.7	1,437.8	137	1,930.0	133
		Adjusted Operating Profit		38.4	56.6	52.4	147.4	190.6	43.4	69.0	76.1	188.4	128	253.0	133
		Adjusted OP Margin	%	12.3	15.8	13.9	14.1	13.1	11.1	13.8	13.9	13.1	(1.0)	13.1	+ 0.0
	Europe, Russia, Middle East, India and Africa	Revenue		163.9	166.8	176.7	507.5	693.9	205.9	216.1	223.1	645.1	127	850.0	122
		Adjusted Operating Profit		8.1	8.1	16.1	32.4	42.1	19.9	19.2	19.4	58.5	181	64.0	152
		Adjusted OP Margin	%	5.0	4.9	9.1	6.4	6.1	9.6	8.9	8.7	9.1	+2.7	7.5	+ 1.5
	China, Asia-Pacific	Revenue		91.7	93.4	91.1	276.2	386.9	104.3	110.3	123.5	338.0	122	460.0	119
		Adjusted Operating Profit		12.9	10.0	9.2	32.1	42.0	10.3	7.5	9.5	27.2	85	41.0	98
		Adjusted OP Margin	%	14.1	10.7	10.1	11.6	10.9	9.8	6.8	7.7	8.0	(3.6)	8.9	(1.9)
Results by Product (Tire Business)	PS/LT	Revenue		386.6	402.7	426.2	1,215.5	1,735.0	481.5	523.3	600.3	1,605.0	132		
		Adjusted Operating Profit		55.2	56.9	59.0	171.1	246.6	55.4	63.7	74.5	193.6	113		
		Adjusted OP Margin	%	14.3	14.1	13.8	14.1	14.2	11.5	12.2	12.4	12.1	(2.0)		
	TB	Revenue		178.1	191.8	210.3	580.3	814.0	220.1	264.6	272.2	756.9	130		
		Adjusted Operating Profit		20.8	20.2	28.6	69.6	88.0	21.4	28.1	29.2	78.7	113		
		Adjusted OP Margin	%	11.7	10.5	13.6	12.0	10.8	9.7	10.6	10.7	10.4	(1.6)		
	Specialties	Revenue		87.0	104.2	102.5	293.7	392.9	114.3	142.3	145.0	401.6	137		
		Adjusted Operating Profit		17.1	19.1	19.4	55.5	77.7	23.5	37.0	33.3	93.8	169		
		Adjusted OP Margin	%	19.6	18.3	18.9	18.9	19.8	20.6	26.0	23.0	23.4	+4.5		
Balance Sheet	Total Assets		4,596.1	4,436.4	4,452.7	4,452.7	4,574.9	4,690.5	5,009.5	5,131.4	5,131.4				
	Total Equity		2,548.1	2,624.0	2,638.9	2,638.9	2,675.4	2,769.2	3,004.6	3,092.0	3,092.0				
	Ratio of equity attributable to owners of parent to total assets	%	54.4	58.2	58.3	58.3	57.5	58.0	59.0	59.3	59.3				
Cash Flows	Cash flows from operating activities		90.9	24.5	59.2	174.6	281.5	66.0	28.8	30.1	124.9				
	Cash flows from investing activities		289.8	(23.8)	(83.0)	183.0	131.7	(74.0)	(41.0)	(162.3)	(277.3)				
	Free cash flow		380.7	0.7	(23.7)	357.7	413.2	(8.1)	(12.2)	(132.1)	(152.4)				
Investment	Capital Expenditure		37.2	57.0	45.3	139.5	262.0	35.2	56.2	71.4	162.9	117	326.0	124	
Costs & Expenses	Depreciation and amortization		60.1	59.0	62.8	182.0	245.9	64.3	69.6	75.6	209.5	115	278.0	113	
	R&D Expenses		22.5	22.9	22.6	68.0	95.5	26.4	27.3	28.1	81.7	120	112.0	117	
Dividends	Dividend per Share	Yen		85		85	170		85		85		170		
Tire Production (tonnage of rubber)	Domestic	10,000t	12	12	12	36	48	12	12	12	36		48		
	Americas	10,000t	15	15	14	44	58	14	15	14	43		58		
	Europe, Russia, Middle East, India and Africa	10,000t	9	9	8	25	34	9	9	8	27		35		
	China, Asia-Pacific	10,000t	9	9	9	28	37	9	9	10	28		38		
	Overseas Total	10,000t	32	33	32	97	130	32	33	33	98		131		
	Total	10,000t	44	45	44	133	178	44	45	44	134		179		
Overseas Prod. Ratio	%	74	73	72	73	73	72	73	74	73		73			

(*1) In accordance with the decisions of business transfer, the Company has classified its US building materials business, anti-vibration rubber business, and chemical products solutions business as discontinued operations. Accordingly, revenue, adjusted operating profit, ROIC and ROE show figures for continuing operations and exclude revenue and expenses of the discontinued operations.

(*2) Revised on Nov. 10, 2022.

(2) Full Year

(Yen in billions)

		Unit	Before Reclassifications				After Reclassifications (*1)						
			2019		2020		2020		2021		2022 (*2)		
			Actual	vs.PY	Actual	vs.PY	Actual	vs.PY	Actual	vs.PY	Fcst	vs.PY	
Consolidated Results													
Statements of Income	Revenue		3,507.2		2,994.5	85	2,695.2		3,246.1	120	4,050.0	125	
	Adjusted Operating Profit		343.1		222.9	65	207.4		394.3	190	470.0	119	
	Adjusted OP Margin	%	9.8		7.4	(2.3)	7.7		12.1	+ 4.5	11.6	(0.5)	
	Profit Attributable to Owners of Parent		240.1		(23.3)	-	(23.3)		394.0	-	260.0	66	
	Profit from Continuing Operations						(19.8)		307.9	-	295.0	96	
	Profit from Discontinued Operations						(3.5)		86.2	-	(35.0)	-	
	ROIC	%	7.4		5.5	(1.9)	5.1		9.0	+ 3.9	9.4	+ 0.4	
ROE	%	10.0		(1.0)	(11.1)	(0.9)		12.9	+ 13.8	10.5	(2.4)		
Exchange Rate	US \$	Yen/\$	109	99	107	98	107	98	110	103	130	118	
	Euro	Yen/€	122	94	122	100	122	100	130	106	136	104	
Analysis of Revenue and Adjusted Operating Profit vs. PY													
Revenue	Forex				(42.0)				+ 113.0		+ 450.0		
	Price, Mix, Volume etc.				(470.7)				+ 437.8		+ 353.9		
	Total				(512.7)				+ 550.8		+ 803.9		
Adjusted Operating Profit	Forex				(11.0)				+ 20.0		+ 86.0		
	Raw Materials				+ 55.0				(100.0)		(239.0)		
	Price				+ 8.0				+ 79.0		+ 316.0		
	Mix				+ 20.0				+ 36.0		+ 30.0		
	Volume				(169.0)				+ 110.0		+ 10.0		
	Conversion Cost				(58.0)				+ 83.0		(65.0)		
	Operating Expense				+ 95.0				(79.0)		(67.0)		
	Others				(60.2)				+ 37.9		+ 4.7		
Total				(120.2)				+ 186.9		+ 75.7			
Segment Information	Japan	Revenue		918.1		762.6	83	776.3		873.0	112	1,020.0	117
		Adjusted Operating Profit		108.8		64.6	59	91.0		117.0	129	128.0	109
		Adjusted OP Margin	%	11.9		8.5	(3.4)	11.7		13.4	+ 1.7	12.5	(0.8)
	Americas	Revenue		1,661.7		1,407.9	85	1,163.9		1,454.6	125	1,930.0	133
		Adjusted Operating Profit		184.3		139.9	76	109.6		190.6	174	253.0	133
		Adjusted OP Margin	%	11.1		9.9	(1.2)	9.4		13.1	+ 3.7	13.1	+ 0.0
	Europe, Russia, Middle East, India and Africa	Revenue		640.1		564.3	88	550.4		693.9	126	850.0	122
		Adjusted Operating Profit		15.0		(17.6)	-	(20.9)		42.1	-	64.0	152
		Adjusted OP Margin	%	2.3		(3.1)	(5.5)	(3.8)		6.1	+ 9.9	7.5	+ 1.5
	China, Asia-Pacific	Revenue		462.8		394.6	85	323.6		386.9	120	460.0	119
		Adjusted Operating Profit		36.2		24.6	68	24.9		42.0	168	41.0	98
		Adjusted OP Margin	%	7.8		6.2	(1.6)	7.7		10.9	+ 3.2	8.9	(1.9)
Results by Product (Tire Business)	PS/LT	Revenue		1,708.1		1,455.8	85	1,455.8		1,735.0	119		
		Adjusted Operating Profit		180.9		121.8	67	121.8		246.6	203		
		Adjusted OP Margin	%	10.6		8.4	(2.2)	8.4		14.2	+ 5.8		
	TB	Revenue		807.2		660.6	82	660.6		814.0	123		
		Adjusted Operating Profit		86.8		57.0	66	57.0		88.0	154		
		Adjusted OP Margin	%	10.8		8.6	(2.1)	8.6		10.8	+ 2.2		
	Specialties	Revenue		385.4		310.9	81	310.9		392.9	126		
		Adjusted Operating Profit		84.5		40.9	48	40.9		77.7	190		
		Adjusted OP Margin	%	21.9		13.1	(8.8)	13.1		19.8	+ 6.6		
Balance Sheet	Total Assets		4,277.0		4,189.3		4,189.3		4,574.9				
	Total Equity		2,402.5		2,195.3		2,195.3		2,675.4				
	Ratio of equity attributable to owners of parent to total assets	%	54.9		51.3		51.3		57.5				
Cash Flows	Cash flows from operating activities		505.0		526.9		526.9		281.5				
	Cash flows from investing activities		(261.9)		(155.4)		(155.4)		131.7				
	Free cash flow		243.2		371.6		371.6		413.2				
Investment	Capital Expenditure		328.2		271.9	83	271.9		262.0	96	326.0	124	
Costs & Expenses	Depreciation and amortization		269.7		267.5	99	252.8		245.9	97	278.0	113	
	R&D Expenses		106.2		95.2	90	87.3		95.5	109	112.0	117	
Dividends	Dividend per Share	Yen	160		110		110		170		170		
Tire Production (tonnage of rubber)	Domestic	10,000t	51		40		40		48		48		
	Americas	10,000t	60		47		47		58		58		
	Europe, Russia, Middle East, India and Africa	10,000t	34		27		27		34		35		
	China, Asia-Pacific	10,000t	38		30		30		37		38		
	Overseas Total	10,000t	132		105		105		130		131		
	Total	10,000t	184		145		145		178		179		
Overseas Prod. Ratio	%	72		72		72		73		73			

(*1) In accordance with the decisions of business transfer, the Company has classified its US building materials business, anti-vibration rubber business, and chemical products solutions business as discontinued operations. Accordingly, revenue, adjusted operating profit, ROIC and ROE show figures for continuing operations and exclude revenue and expenses of the discontinued operations. Note that the Company revised the way of calculation for the segment results from fiscal 2021, for the purpose of evaluating each segment based on ROIC.

(*2) Revised on Nov. 10, 2022.

2. Additional Information

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

			2020	2021	2022					(Ref.) vs. 2019	(Ref.) vs. 2019
			FY	FY	Q1	Q2	Q3	9 Months	FY Fcst(*1)	2022	2022
										9 Months	FY Fcst(*1)
Japan	PSR/LTR	REP	91	105	123	96	116	112	103	98	99
		OE	84	96	85	84	122	95	102	76	82
	TBR	REP	91	107	152	90	123	122	102	99	98
		OE	87	117	86	78	105	89	92	92	94
N.America	PSR/LTR	REP	92	112	105	98	93	98	100	104	104
		USTMA+TRAC	87	117	103	93	90	95		99	
		OE	74	99	91	115	125	111	111	87	90
	TBR	REP	101	120	106	110	121	116	112	144	137
		USTMA+TRAC	97	117	107	103	106	106		120	
OE	71	124	101	114	113	109	109	111	91	95	
Europe	PSR/LTR (*2)	REP	86	115	109	105	91	101	100	99	101
		OE	77	99	84	101	129	101	106	71	75
	TBR	REP	93	115	111	110	89	103	99	109	105
		OE	80	124	98	101	113	103	104	97	103
Asia (Thailand, China Indonesia Total)	PSR/LTR	REP	88	102					88		79
		OE	88	111					109		106
	TBR	REP	89	97					84		72
		OE	127	83					64		68

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

			2020	2021	2022					(Ref.) vs. 2019	(Ref.) vs. 2019
			FY	FY	Q1	Q2	Q3	9 Months	FY Fcst(*1)	2022	2021
										9 Months	REP/OE Mix
Japan	PSR/LTR	REP	87	108	131	87	116	111	101~105	97	70%
		OE	82	97	89	89	122	99	101~105	77	30%
		Total	85	104	114	87	118	107	101~105	89	
	TBR	REP	87	110	160	81	122	121	101~105	101	70%
		OE	88	119	86	83	109	92	95~99	97	30%
		Total	87	112	131	81	118	111	100	100	
N.America	PSR/LTR	REP	86	111	112	100	99	103	100	98	70%
		OE	76	104	96	97	125	104	106~110	80	30%
		Total	83	109	106	99	105	103	101~105	92	
	TBR	REP	102	116	109	103	102	104	106~110	119	70%
		OE	64	119	99	106	99	101	100	76	30%
Total	86	117	105	104	101	103	101~105	101			
Europe	PSR/CVR	REP	89	106	124	106	92	107	100	99	70%
		OE	81	90	82	100	140	102	101~105	77	30%
		Total	86	101	109	104	103	105	100	91	
	TBR	REP	89	111	126	125	73	107	101~105	105	70%
		OE	80	120	107	121	133	119	111~115	109	30%
Total	87	114	120	124	87	110	106~110	106			
China, Asia-Pacific	PSR/LTR	REP	87	101	99	94	108	100	100	86	50%
		OE	77	109	100	88	119	102	100	81	50%
		Total	82	105	100	92	113	101	100	83	
	TBR	REP	89	106	88	90	95	91	95~99	83	80%
		OE	68	170	96	98	131	107	106~110	120	20%
		Total	86	113	89	91	100	93	95~99	88	
Global	PSR/LTR	REP	87	110	115	99	101	105	100	98	70%
		OE	78	103	93	96	123	103	101~105	81	30%
		Total	84	108	107	98	108	104	101~105	92	
	TBR	REP	92	111	111	101	96	102	100	101	80%
		OE	72	124	98	106	112	105	101~105	92	20%
		Total	87	114	107	102	100	103	101~105	98	

Key Products:

			2020	2021	2022					(Ref.) vs. 2019	
			FY	FY	Q1	Q2	Q3	9 Months	FY Fcst(*1)	2022	
										9 Months	
ORR	Ultra-Large		83	112	121	103	103	108	106~110	102	
	Large	REP	87	118	105	94	108	102	100	104	
		OE	56	236	159	142	117	136	131~135	150	
		Total	80	137	119	105	110	111	106~110	115	
	Small & Medium	REP	89	112	115	103	112	110	106~110	107	
		OE	73	152	107	85	107	99	101~105	105	
Total		83	124	112	96	110	105	101~105	107		
PSR-HRD (≥18")			90	119	112	103	117	110	111~115	116	
REP			99	126	125	109	110	114	111~115	142	

(*1) Revised on Nov. 10, 2022.

(*2) In accordance with the change in the scope of demand figures, the figures of 1st and 2nd quarter for fiscal 2022 have been revised.