

Supplementary Information of 2023 Q1

1.Financial Highlights

(1) Quarter of the year

(Yen in billions)

		Unit	After Reclassifications (*1)										
			2022(*2)					2023					
			Q1	Q2	Q3	Q4	FY	Q1	vs.PY	FY Fcst	(*) vs.PY		
Consolidated Results													
Statements of Income	Revenue		891.0	995.3	1,090.6	1,133.1	4,110.1	1,043.5	117	4,150.0	101		
	Adjusted Operating Profit		101.1	105.5	135.6	140.4	482.6	116.8	116	510.0	106		
	Adjusted OP Margin	%	11.3	10.6	12.4	12.4	11.7	11.2	(0.2)	12.3	+ 0.5		
	Profit Attributable to Owners of Parent		53.8	39.1	95.8	111.6	300.3	90.5	168	335.0	112		
	Profit from Continuing Operations		65.4	52.2	99.6	88.2	305.4	90.7	139	340.0	111		
	Profit from Discontinued Operations		(11.6)	(13.1)	(3.8)	23.3	(5.1)	(0.2)	-	(5.0)	-		
	ROIC	%					9.4			10.5	+ 1.1		
ROE	%					10.9			11.4	+ 0.5			
Exchange Rate	US \$	Yen/\$	116	130	138	142	132	132	114	123	93		
	Euro	Yen/€	130	138	139	144	138	142	109	133	96		
Analysis of Revenue and Adjusted Operating Profit vs. PY													
Revenue	Forex		+ 52.0	+ 117.0	+ 166.0	+ 167.0	+ 502.0	+ 101.0		(232.0)			
	Price, Mix, Volume etc.		+ 111.8	+ 95.1	+ 117.3	+ 37.8	+ 362.0	+ 51.5		+ 271.9			
	Total		+ 163.8	+ 212.1	+ 283.3	+ 204.8	+ 864.0	+ 152.5		+ 39.9			
Adjusted Operating Profit	Forex		+ 11.0	+ 17.0	+ 27.0	+ 35.0	+ 90.0	+ 29.0		(51.0)			
	Raw Materials		(58.0)	(56.0)	(62.0)	(59.0)	(235.0)	(39.0)		(109.0)			
	Price		+ 56.0	+ 73.0	+ 80.0	+ 116.0	+ 325.0	+ 90.0		+ 253.0			
	Mix		+ 7.0	+ 11.0	+ 11.0	+ 4.0	+ 33.0	+ 4.0		+ 40.0			
	Volume		+ 25.0	+ 8.0	+ 3.0	(28.0)	+ 8.0	(12.0)		+ 51.0			
	Conversion Costs		(8.0)	(9.0)	(22.0)	(30.0)	(69.0)	(24.0)		(71.0)			
	Operating Expenses		(23.0)	(29.0)	(15.0)	+ 0.0	(67.0)	(13.0)		(67.0)			
	Others		+ 6.3	(7.1)	+ 7.4	(3.3)	+ 3.3	(19.3)		(18.6)			
Total		+ 16.3	+ 7.9	+ 29.4	+ 34.7	+ 88.3	+ 15.7		+ 27.4				
Segment Information	Japan	Revenue	265.6	265.9	288.9	336.7	1,157.1	300.0	113	1,275.0	110		
		Adjusted Operating Profit	30.1	25.1	36.3	59.1	150.6	41.5	138	160.0	106		
		Adjusted OP Margin	%	11.3	9.4	12.6	17.6	13.0	13.8	+ 2.5	12.5	(0.5)	
	Americas	Revenue	390.5	500.6	546.7	550.3	1,988.0	494.9	127	2,010.0	101		
		Adjusted Operating Profit	43.4	69.0	76.1	62.8	251.2	54.5	125	270.0	107		
		Adjusted OP Margin	%	11.1	13.8	13.9	11.4	12.6	11.0	(0.1)	13.4	+ 0.8	
	Europe, Russia, Middle East, India and Africa	Revenue	205.9	216.1	223.1	225.0	870.0	226.7	110	875.0	101		
		Adjusted Operating Profit	19.9	19.2	19.4	7.9	66.4	6.8	34	50.0	75		
		Adjusted OP Margin	%	9.6	8.9	8.7	3.5	7.6	3.0	(6.7)	5.7	(1.9)	
	China, Asia-Pacific	Revenue	104.3	110.3	123.5	119.0	457.0	116.9	112	485.0	106		
		Adjusted Operating Profit	10.3	7.5	9.5	12.7	39.9	8.3	81	49.0	123		
		Adjusted OP Margin	%	9.8	6.8	7.7	10.7	8.7	7.1	(2.7)	10.1	+ 1.4	
Results by Product	PS/LT	Revenue	474.6				2,203.6	567.7	120				
		Adjusted Operating Profit	53.7				261.3	57.1	106				
		Adjusted OP Margin	%	11.3				11.9	10.1	(1.2)			
	TB	Revenue	233.3				1,068.4	252.7	108				
		Adjusted Operating Profit	21.1				95.5	24.1	114				
		Adjusted OP Margin	%	9.1				8.9	9.6	+ 0.5			
	Specialties	Revenue	116.9				560.0	146.8	126				
		Adjusted Operating Profit	22.8				116.4	32.1	141				
		Adjusted OP Margin	%	19.5				20.8	21.9	+ 2.4			
	Diversified Products Business	Revenue	66.2	68.0	70.5	73.4	278.1	76.3	115				
		Adjusted Operating Profit	3.5	1.6	2.2	2.2	9.5	3.4	98				
		Adjusted OP Margin	%	5.3	2.3	3.1	3.0	3.4	4.5	(0.8)			
Balance Sheet	Total Assets		4,690.8	5,009.8	5,131.7		4,962.2	4,994.9					
	Total Equity		2,769.3	3,004.7	3,092.1		3,012.5	3,074.8					
	Ratio of equity attributable to owners of parent to total assets	%	58.0	59.0	59.3		59.8	60.6					
Cash Flows	Cash flows from operating activities		66.0	28.8	30.1	143.6	268.5	119.8					
	Cash flows from investing activities		(74.0)	(41.0)	(162.3)	(60.7)	(338.0)	(80.1)					
	Free cash flow		(8.1)	(12.2)	(132.1)	82.9	(69.5)	39.7					
Investment	Capital Expenditure		35.2	56.2	71.4	154.3	317.1	51.4	146	444.0	140		
Costs & Expenses	Depreciation and amortization		64.3	69.6	75.6	72.6	282.1	72.2	112	305.0	108		
	R&D Expenses		26.4	27.3	28.1	30.5	112.2	29.7	113	117.0	104		
Dividends	Dividend per Share	Yen		85		90	175			200			
Tire Production (tonnage of rubber)	Domestic		10,000t	12	12	12	12	48	12		51		
		North America	10,000t	9	10	9	10	38	10				
		Latin America	10,000t	4	5	5	4	19	4				
	Americas		10,000t	14	15	14	14	57	15		63		
		Europe	10,000t	7	7	6	7	28	7				
		Russia, Middle East and Africa	10,000t	1	0	0	0	2	0				
	Europe, Russia, Middle East, India and Africa	India	10,000t	1	2	2	1	6	2				
			10,000t	9	9	8	9	35	9		36		
		China	10,000t	2	1	2	2	7	2				
	China, Asia-Pacific	Asia-Pacific	10,000t	7	7	8	7	29	7				
			10,000t	9	9	10	9	37	9		40		
		Overseas Total	10,000t	32	33	33	31	129	32		139		
	Total	10,000t	44	45	44	44	177	44		190			
	Overseas Prod. Ratio	%	72	73	74	72	73	73		73			

(*1) From Fiscal 2023, calculation method for P&L by segment and by product have been changed as follows. Figures of previous year have been recalculated for comparison purpose.

By Segment: Profit/loss of export business of Japan (PSR/LTR and TBR) are reclassified from "Inter-segment" to "Japan segment". Note that the 2022 figures of 2nd, 3rd and 4th quarter results and FY results after recalculation are approximate values, and may change as a result of the accounting audits.

By Product: Calculation method for P&L by product has been partially changed.

(*2) Due to the application of IAS 12 'Income Taxes', the 2022 figures have been revised retrospectively.

(*3) Disclosed on Feb. 16, 2023

(2) Full Year

(Yen in billions)

		Unit	Before Reclassifications						After Reclassifications (*1)			
			2020		2021		2022		2022 (*2)		2023 (*3)	
			Actual	vs.PY	Actual	vs.PY	Actual	vs.PY	Actual	vs.PY	Fcst	vs.PY
Consolidated Results												
Statements of Income	Revenue		2,695.2		3,246.1	120	4,110.1	127	4,110.1	127	4,150.0	101
	Adjusted Operating Profit		207.4		394.3	190	482.6	122	482.6	122	510.0	106
	Adjusted OP Margin	%	7.7		12.1	+ 4.5	11.7	(0.4)	11.7	(0.4)	12.3	+ 0.5
	Profit Attributable to Owners of Parent		(23.3)		394.0	-	300.4	76	300.3	76	335.0	112
	Profit from Continuing Operations		(19.8)		307.9	-	305.5	99	305.4	99	340.0	111
	Profit from Discontinued Operations		(3.5)		86.2	-	(5.1)	-	(5.1)	-	(5.0)	-
	ROIC	%	5.1		9.0	+ 3.9	9.4	+ 0.4	9.4	+ 0.4	10.5	+ 1.1
ROE	%	(0.9)		12.9	+ 13.8	10.9	(2.0)	10.9	(2.0)	11.4	+ 0.5	
Exchange Rate	US \$	Yen/\$	107	98	110	103	132	120	132	120	123	93
	Euro	Yen/€	122	100	130	106	138	106	138	106	133	96
Analysis of Revenue and Adjusted Operating Profit vs. PY												
Revenue	Forex				+ 113.0		+ 502.0		+ 502.0		(232.0)	
	Price, Mix, Volume etc.				+ 437.8		+ 362.0		+ 362.0		+ 271.9	
	Total				+ 550.8		+ 864.0		+ 864.0		+ 39.9	
Adjusted Operating Profit	Forex				+ 20.0		+ 90.0		+ 90.0		(51.0)	
	Raw Materials				(100.0)		(235.0)		(235.0)		(109.0)	
	Price				+ 79.0		+ 325.0		+ 325.0		+ 253.0	
	Mix				+ 36.0		+ 33.0		+ 33.0		+ 40.0	
	Volume				+ 110.0		+ 8.0		+ 8.0		+ 51.0	
	Conversion Costs				+ 83.0		(69.0)		(69.0)		(71.0)	
	Operating Expenses				(79.0)		(67.0)		(67.0)		(67.0)	
	Others				+ 37.9		+ 3.3		+ 3.3		(18.6)	
Total				+ 186.9		+ 88.3		+ 88.3		+ 27.4		
Segment Information	Japan	Revenue	776.3		873.0	112	1,036.3	119	1,157.1		1,275.0	110
		Adjusted Operating Profit	91.0		117.0	129	140.3	120	150.6		160.0	106
		Adjusted OP Margin	%	11.7		13.4	+ 1.7	13.5	+ 0.1	13.0		12.5
	Americas	Revenue	1,163.9		1,454.6	125	1,988.0	137	1,988.0	137	2,010.0	101
		Adjusted Operating Profit	109.6		190.6	174	251.2	132	251.2	132	270.0	107
		Adjusted OP Margin	%	9.4		13.1	+ 3.7	12.6	(0.5)	12.6	(0.5)	13.4
	Europe, Russia, Middle East, India and Africa	Revenue	550.4		693.9	126	870.0	125	870.0	125	875.0	101
		Adjusted Operating Profit	(20.9)		42.1	-	66.4	158	66.4	158	50.0	75
		Adjusted OP Margin	%	(3.8)		6.1	+ 9.9	7.6	+ 1.6	7.6	+ 1.6	5.7
	China, Asia-Pacific	Revenue	323.6		386.9	120	457.0	118	457.0	118	485.0	106
		Adjusted Operating Profit	24.9		42.0	168	39.9	95	39.9	95	49.0	123
		Adjusted OP Margin	%	7.7		10.9	+ 3.2	8.7	(2.1)	8.7	(2.1)	10.1
Results by Product	PS/LT	Revenue	1,455.8		1,735.0	119	2,232.2	129	2,203.6			
		Adjusted Operating Profit	121.8		246.6	203	274.0	111	261.3			
		Adjusted OP Margin	%	8.4		14.2	+ 5.8	12.3	(1.9)	11.9		
	TB	Revenue	660.6		814.0	123	1,034.5	127	1,068.4			
		Adjusted Operating Profit	57.0		88.0	154	105.8	120	95.5			
		Adjusted OP Margin	%	8.6		10.8	+ 2.2	10.2	(0.6)	8.9		
	Specialties	Revenue	310.9		392.9	126	546.0	139	560.0			
		Adjusted Operating Profit	40.9		77.7	190	127.8	164	116.4			
		Adjusted OP Margin	%	13.1		19.8	+ 6.6	23.4	+ 3.6	20.8		
	Diversified Products Business	Revenue	214.4		243.2	113	278.1	114	278.1	114		
		Adjusted Operating Profit	1.7		10.2	614	9.5	93	9.5	93		
		Adjusted OP Margin	%	0.8		4.2	+ 3.4	3.4	(0.8)	3.4	(0.8)	
Balance Sheet	Total Assets		4,189.3		4,574.9		4,961.8		4,962.2			
	Total Equity		2,195.3		2,675.4		3,012.5		3,012.5			
	Ratio of equity attributable to owners of parent to total assets	%	51.3		57.5		59.8		59.8			
Cash Flows	Cash flows from operating activities		526.9		281.5		268.5		268.5			
	Cash flows from investing activities		(155.4)		131.7		(338.0)		(338.0)			
	Free cash flow		371.6		413.2		(69.5)		(69.5)			
Investment	Capital Expenditure		271.9		262.0	96	317.1	121	317.1	121	444.0	140
Costs & Expenses	Depreciation and amortization		252.8		245.9	97	282.1	115	282.1	115	305.0	108
	R&D Expenses		87.3		95.5	109	112.2	118	112.2	118	117.0	104
Dividends	Dividend per Share	Yen	110		170		175		175		200	
Tire Production (tonnage of rubber)	Domestic		10,000t	40		48		48		48		51
		North America	10,000t	33		39		38		38		
		Latin America	10,000t	14		19		19		19		
	Americas		10,000t	47		58		57		57		63
		Europe	10,000t	22		27		28		28		
		Russia, Middle East and Africa	10,000t	2		2		2		2		
	Europe, Russia, Middle East, India and Africa	India	10,000t	3		5		6		6		
			10,000t	27		34		35		35		36
		a	10,000t	8		10		7		7		
	China, Asia-Pacific		10,000t	22		28		29		29		
			10,000t	30		37		37		37		40
		Overseas Total	10,000t	105		130		129		129		139
	Total	10,000t	145		178		177		177		190	
Overseas Prod. Ratio	%	72		73		73		73		73		

(*1) From Fiscal 2023, calculation method for P&L by segment and by product have been changed as follows. Figures of previous year have been recalculated for comparison purpose.

By Segment: Profit/loss of export business of Japan (PSR/LTR and TBR) are reclassified from "Inter-segment" to "Japan segment".

Note that the 2022 figures after recalculation is approximate values, and may change as a result of the accounting audits.

By Product: Calculation method for P&L by product has been partially changed.

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2. Additional Information

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

			2020	2021	2022	2023	
			FY	FY	FY	Q1	FY Fcst(*)
Japan	PSR/LTR	REP	91	105	104	92	101
		OE	84	96	99	115	116
	TBR	REP	91	107	105	80	99
		OE	87	117	90	99	130
N.America	PSR/LTR	REP	92	112	96	92	102
		USTMA+TRAC	87	117	95	94	
		OE	74	99	109	107	105
	TBR	REP	101	120	115	90	89
		USTMA+TRAC	97	117	105	83	
		OE	71	124	110	107	103
Europe	PSR/LTR	REP	86	115	98	87	95
		OE	77	99	104	119	108
	TBR	REP	93	115	101	74	94
		OE	80	124	103	113	107
Asia (Thailand, China Indonesia Total)	PSR/LTR	REP	88	102	83		114
		OE	88	111	112		100
	TBR	REP	89	97	78		124
		OE	127	83	58		116

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

			2020	2021	2022	2023		2022 REP/OE Mix
			FY	FY	FY	Q1	FY Fcst(*)	
Japan	PSR/LTR	REP	87	108	102	81	101~105	70%
		OE	82	97	102	112	106~110	30%
		Total	85	104	102	91	106~110	
	TBR	REP	87	110	105	77	85~89	70%
		OE	88	119	92	102	121~125	30%
		Total	87	112	101	84	100	
N.America	PSR/LTR	REP	86	111	100	94	101~105	70%
		OE	76	104	104	102	111~115	30%
		Total	83	109	101	97	101~105	
	TBR	REP	102	116	102	88	111~115	70%
		OE	64	119	101	93	106~110	30%
		Total	86	117	102	90	111~115	
Europe	PSR/CVR	REP	89	106	101	76	95~99	70%
		OE	81	90	106	115	106~110	30%
		Total	86	101	103	86	100	
	TBR	REP	89	111	102	59	100	70%
		OE	80	120	114	120	111~115	30%
		Total	87	114	106	75	101~105	
China, Asia-Pacific	PSR/LTR	REP	87	101	95	93	111~115	50%
		OE	77	109	97	86	100	50%
		Total	82	105	96	90	106~110	
	TBR	REP	89	106	89	100	116~120	80%
		OE	68	170	105	105	101~105	20%
		Total	86	113	91	101	116~120	
Global	PSR/LTR	REP	87	110	100	86	101~105	70%
		OE	78	103	103	102	101~105	30%
		Total	84	108	101	91	101~105	
	TBR	REP	92	111	98	83	106~110	80%
		OE	72	124	104	100	106~110	20%
		Total	87	114	99	87	106~110	

Key Products:

			2020	2021	2022	2023	
			FY	FY	FY	Q1	FY Fcst(*)
ORR	Ultra-Large		83	112	107	105	101~105
	Large	REP	87	118	103	106	106~110
		OE	56	236	130	116	106~110
		Total	80	137	110	110	106~110
	Small & Medium	REP	89	112	105	90	106~110
		OE	73	152	104	106	101~105
Total		83	124	105	96	101~105	
PSR-HRD (≥18")			90	119	108	104	111~115
		REP	99	126	110	99	111~115

(*) Disclosed on Feb. 16, 2023