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For immediate release

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Yokohama Rubber to Build New Off-Highway Tire Plant in India

Tokyo—The Yokohama Rubber Co., Ltd., announced today that it will build a new plant in India's Special Projects Zone, Atchutapuram Industrial Park, Visakhapatnam, Andhra Pradesh for the purpose of expanding production capacity of ATG (Alliance Tire Group), a Yokohama Rubber Group company engaged in the manufacturing and sale of off-highway tires, such as those used on agricultural and other equipment. The new plant will have a daily production capacity of 55 tons (rubber weight), with planned capital investment totaling US\$165 million. Construction will start in the third quarter of 2020, and the new plant is scheduled to come on line in the first quarter of 2023.

ATG currently has two tire plants in India—the Dahej Plant in the state of Gujarat and the Tirunelveli Plant in Tamil Nadu. The plants produce all three of ATG's core off-highway tire brands—the ALLIANCE, GALAXY and PRIMEX brands—which are used on agricultural, construction, industrial and forestry machinery. With global demand expanding, Yokohama Rubber launched a project to expand the capacity of its existing line at ATG's Dahej plant in February 2018. Upon the project's completion, capacity has been increased 1.6-fold. However, expectations for further increases in demand for ATG's off-highway tires led to the decision to build an entirely new plant.

The Atchutapuram Industrial Park is located in the state of Andhra Pradesh in eastern India. It is also near the port of Visakhapatnam, which makes it an advantageous location for exporting finished products. The new plant's site has a total area of about 320,000m², which provides plenty of room for future expansion.

Yokohama Rubber's current medium-term management plan, the Grand Design 2020 (GD2020) includes a commercial tire strategy that targets "Positioning commercial tires as a pillar of growth in our second century and off-highway tires as a growth driver." Accordingly, in addition to expanding sales of YOKOHAMA tires for construction, the Company is endeavoring to expand its off-highway tire business, which includes ATG tires as well as Group company Aichi Tire Industry's tires for industrial machinery. The new plant in India will expand the Yokohama Group's global off-highway tire production network to eight plants in four countries, including three in India, one in Israel, one in Vietnam, and three in Japan. Global off-highway tire daily production capacity will increase to 480 tons (rubber weight). Going forward, the Group will continue to strengthen its global competitiveness in the off-highway tire sector.

<Outline of new plant>

Company name: ATC Tires AP Pvt. Ltd.

Business: Manufacture and sale of off-highway tires

Production items: ALLIANCE, GALAXY and PRIMEX brand tires

Site area: Approximately 320,000m²

Daily production capacity: 55 tons (rubber weight)

Location: Visakhapatnam, Andhra Pradesh, India