

Financial Report

(January 1 ~ September 30, 2024)

November 8, 2024



SUMITOMO
RUBBER INDUSTRIES

- **2024 3rd Quarter Financial Results Summary**
 - Changes in Scope of Consolidation, Affiliated Companies
 - Financial Results Summary

- **2024 Annual Financial Results Forecast**
 - Financial Results Forecast Summary
 - Capex, Depreciation, Tire Production Capacity etc.
 - Shareholder Returns

■ **2024 3rd Quarter Financial Results Summary**

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■ **2024 Annual Financial Results Forecast**




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Changes in Scope of Consolidation

No change since
Aug. 7th 2024

Consolidated Subsidiaries **83**
(vs 2023 year-end : (14))




Equity-method Affiliates **3**
(vs 2023 year-end : -)

	Newly Included +1	Excluded (15)	Newly Included -	Excluded -
<p>Tires</p> 	DUNLOP TYRE JAPAN,LTD.* (Japan/Sales)	Dunlop Tire Hokkaido Ltd. And 10 other companies* (Japan/Sales) Dunlop Tire Trading (Tianjin) Co.,Ltd.(China/Sales) Dunlop Tire Trading (Shanghai) Co.,Ltd. (China/Sales)		
<p>Sports</p> 				
<p>Industrial & Other</p> 		Lonstroff AG (Switzerland/Manufacture) Lonstroff Medical Elastomer d.o.o.(Slovenia/Manufacture)		

*As of January 1, 2024, Dunlop Tire Hokkaido Ltd. and 10 other domestic tire sales subsidiaries have been merged into Dunlop TYRE JAPAN,LTD. along with part of the Replacement Sales Division function of Sumitomo Rubber Industries Tire Domestic Operations.

Affiliated Companies

No change since
Aug. 7th 2024

	Manufacturing Companies		Sales Companies		Other Companies		
 Tires	Domestic	1	Domestic	1	Domestic	7	
	Overseas	8	Overseas	29	Overseas	6	
		Asia Pacific	4	Asia Pacific	7	Asia Pacific	2
		Europe and Africa	2	Europe and Africa	19	Europe and Africa	2
		Americas	2	Americas	3	Americas	2
 Sports	Domestic	1	Domestic	1	Domestic	3	
	Overseas	3	Overseas	12	Overseas	7	
		Thailand, U.S., Philippines		Malaysia, U.K., Canada, Australia, China, Hong Kong, South Africa, South Korea, Thailand, France, Germany		U.K.	
 Industrial & Other	Domestic	1	Domestic	2	Domestic	-	
	Overseas	3	Overseas	1	Overseas	-	
		Malaysia, China, Vietnam		Hong Kong		-	

Total 86
Domestic 17
Overseas 69

Financial Results (2024 Jan.-Sep.)

- **Sales revenue (874.9 B of yen) and business profit (61.5 B of yen) have reached record high in the 3rd quarter. Business profit (%) was 7.0%**
- **Recording of impairment loss related to structural reforms, operating profit was 11.5 B of yen, and profit was 4.0 B of yen.**
- **Tires: Sales revenue and business profit have reached record high in the 3rd quarter.**
Revenue and profit increased YoY (sales volume of the flagship product “WILDPEAK” has increased in North America)
- **Sports: Sales revenue has reached record high in the 3rd quarter.**
Revenue increased but profit decreased YoY (sales volume of golf business increased in North America; sales volume of tennis business increased in Japan)
- **Industrial & other: Revenue decreased but profit increased YoY (sales declined following the sale of a subsidiary engaged in rubber parts for medical applications in Europe; business profit (%) increased)**

Current main initiatives

Structural reforms

Decided to terminate production in a U.S. factory and dissolve the factory, as well as to sell a subsidiary engaged in operation of sports and other facilities

We have made substantial progress in 2 businesses, in addition to 4 businesses already announced

Substantial progress achieved in 6 out of 10 target businesses

Laying the groundwork for growing lines of business

ACTIVE TREAD Technology ~Rubber to fit all roads~

Next-generation all-season tires “SYNCHRO WEATHER” launched on October 1, 2024

Consolidated Financial Results (2024 Jan.-Sep.)



Billions of Yen

	2024 Jan.-Mar.	vs 2023	2024 Apr.-Jun.	vs 2023	2024 Jul.-Sep.	vs 2023	2024 Jan.-Sep.	vs 2023	2023 Jan.-Sep.
Sales Revenue	291.4	105% +14.6	295.7	104% +11.3	287.9	99% (1.6)	874.9	103% +24.2	850.7
Business Profit (%) *1,3	23.2 8.0%	291% +15.2	19.1 6.5%	210% +10.0	19.2 6.7%	77% (5.7)	61.5 7.0%	147% +19.5	42.0 4.9%
Operating Profit (%) *3	20.7 7.1%	266% +12.9	21.3 7.2%	235% +12.2	(30.5) -	- (55.1)	11.5 1.3%	28% (30.0)	41.4 4.9%
Profit *2,3	24.8	620% +20.8	13.9	331% +9.7	(34.7)	- (53.7)	4.0	15% (23.2)	27.2

*1. Business Profit : Sales Revenue – (COS + SGA)

*2. Profit : Profit attributable to owners of parent

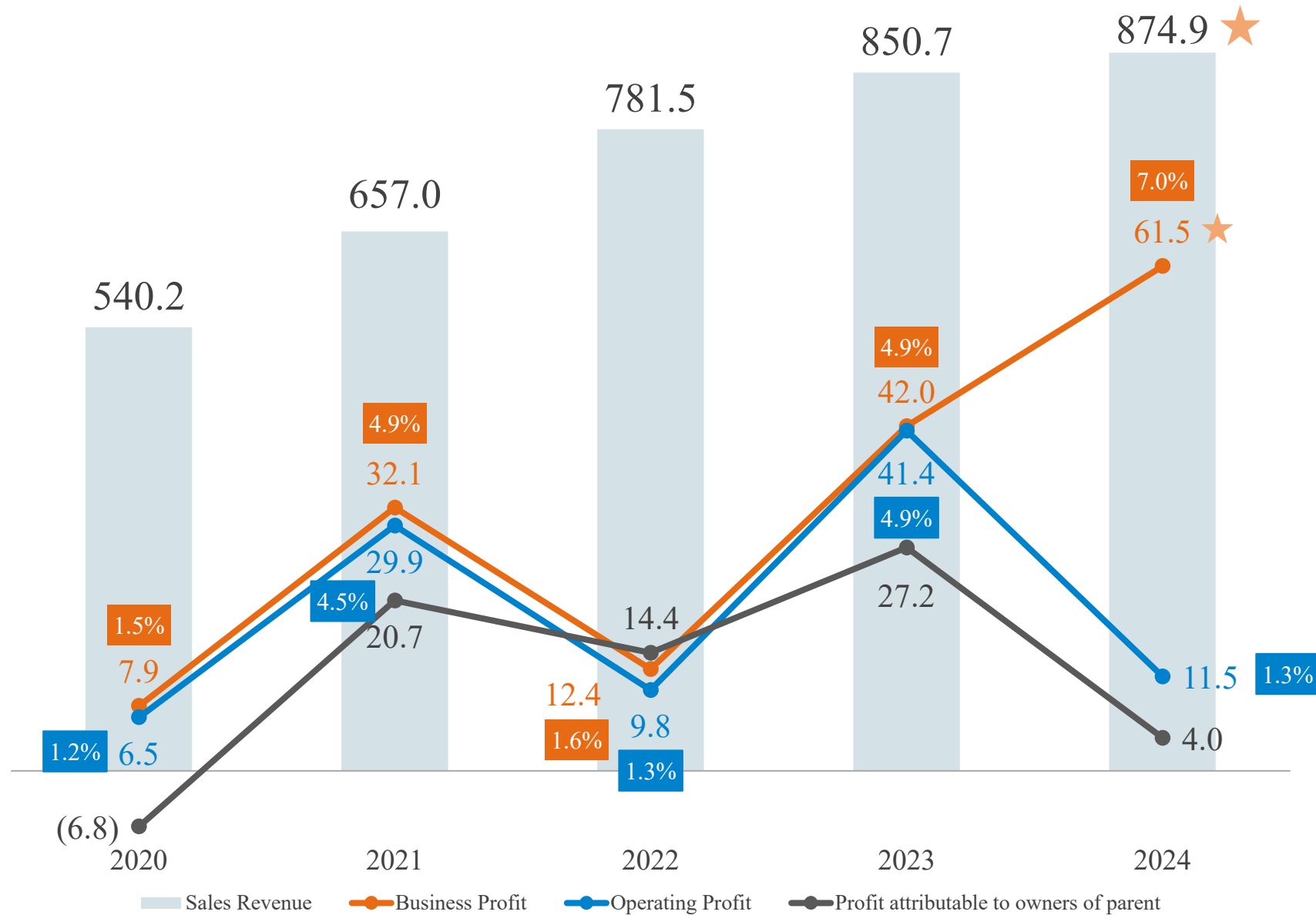
*3. Accounting adjustments have been applied since 2nd quarter, 2022, as pursuant to IAS 29 “Financial Reporting in Hyperinflationary Economies”.

The above notes apply throughout this report.

Consolidated Sales Revenue / Profit (Jan.-Sep.)



Billions of Yen % : Profit Ratio ★ : Record High



Consolidated Sales Revenue / Business Profit by Reportable Segment (2024 Jan.-Sep.)



Billions of Yen

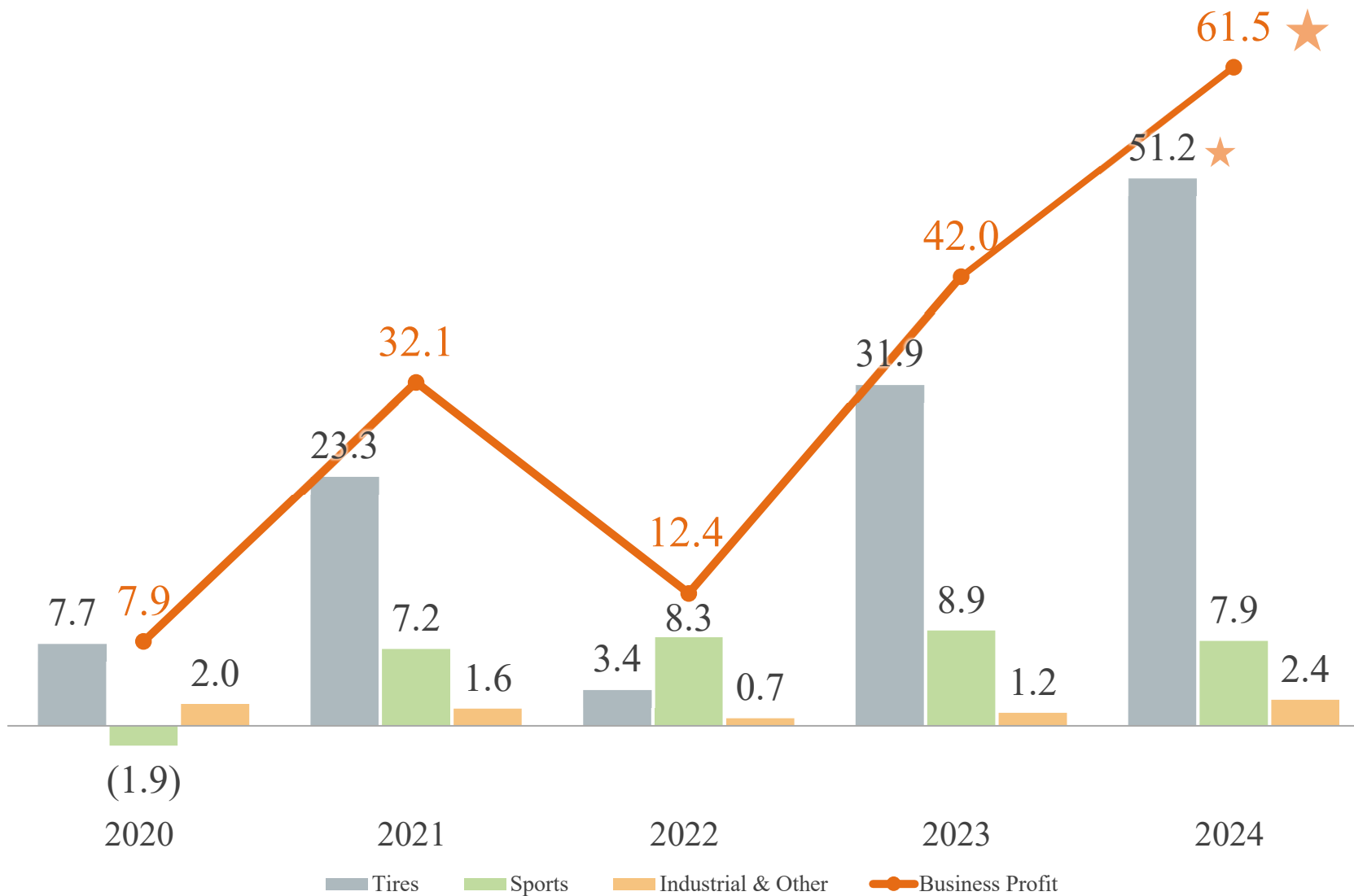
	2024 Jan.-Mar.	vs 2023	2024 Apr.-Jun.	vs 2023	2024 Jul.-Sep.	vs 2023	2024 Jan.-Sep.	vs 2023	2023 Jan.-Sep.	
Sales Revenue	Tires	244.1	106%	252.0	104%	252.7	101%	748.8	104%	720.6
	Sports	36.7	103%	34.9	107%	26.1	90%	97.7	100%	97.3
	Industrial & Other	10.6	92%	8.8	84%	9.1	84%	28.5	87%	32.9
	Total	291.4	105%	295.7	104%	287.9	99%	874.9	103%	850.7
Business Profit	Tires	18.3	945%	15.7	201%	17.1	78%	51.2	161%	31.9
	Sports	4.2	77%	2.7	281%	1.0	39%	7.9	89%	8.9
	Industrial & Other*	0.7	117%	0.6	210%	1.1	344%	2.4	201%	1.2
	Total	23.2	291%	19.1	210%	19.2	77%	61.5	147%	42.0

*The elimination of inter-segment transactions is included.

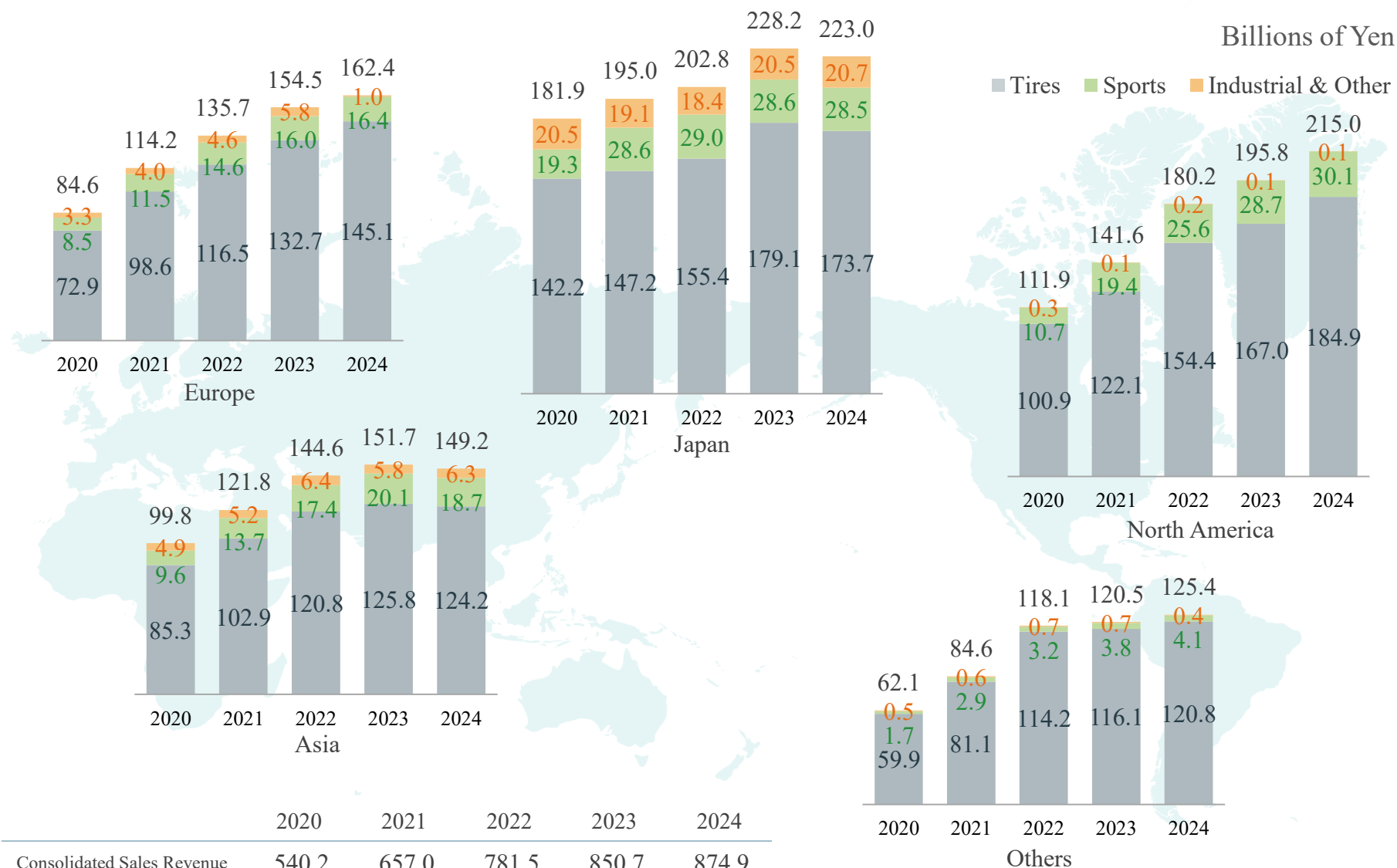
Consolidated Business Profit by Reportable Segment (Jan.-Sep.)



Billions of Yen ★: Record High



Sales Revenue by Destination (Jan.-Sep.)

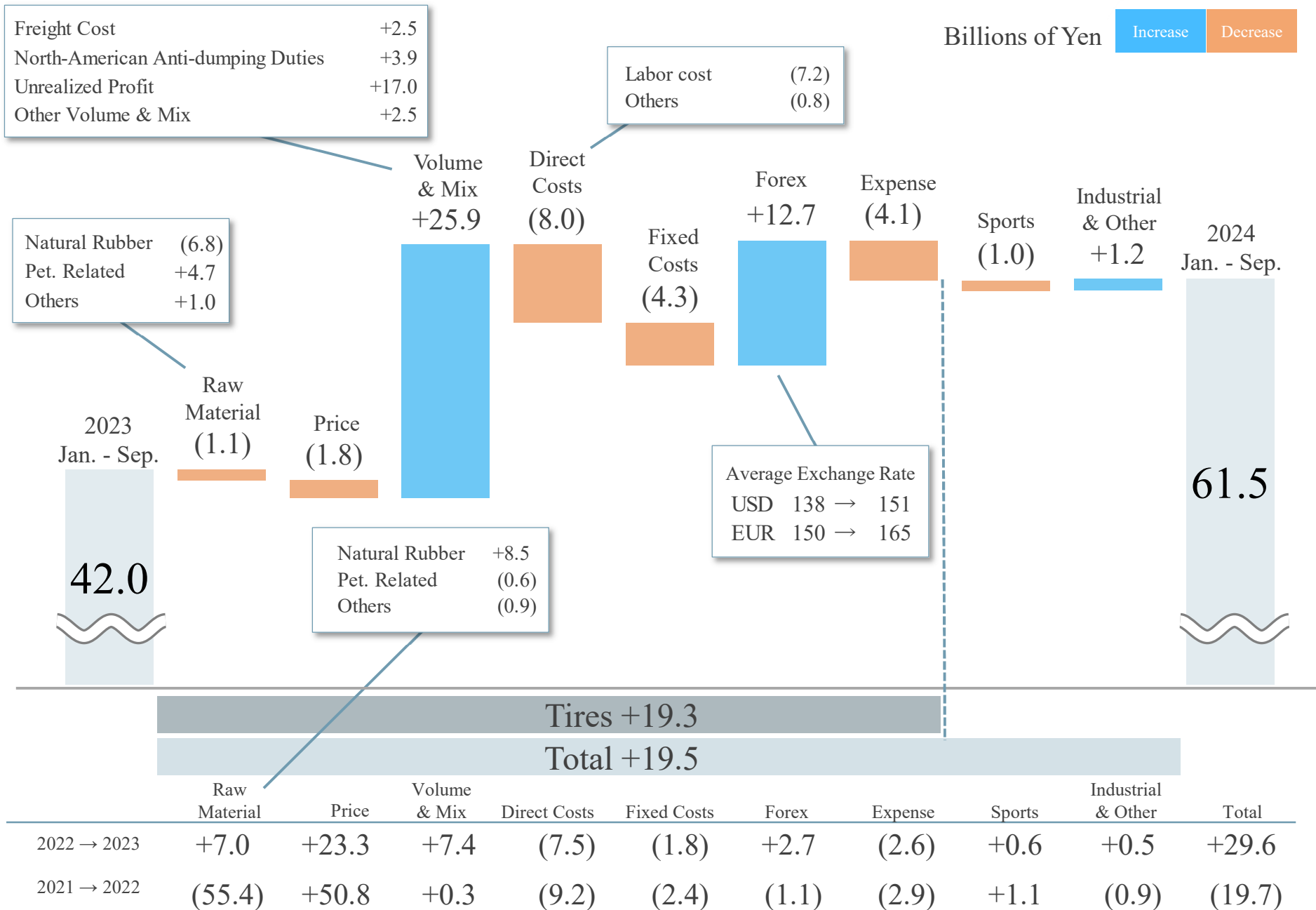


	2020	2021	2022	2023	2024
Consolidated Sales Revenue	540.2	657.0	781.5	850.7	874.9
% of Overseas	66%	70%	74%	73%	75%

*Sales Revenues on this page are classified by country or region based on customer's location.

Consolidated Business Profit Walk (2024 Jan.-Sep.)

Billions of Yen Increase Decrease



Consolidated Statement of Profit & Loss



Billions of Yen

	2023 Jan.-Sep.	2024 Jan.-Sep.	vs 2023 Jan.- Sep.
Sales revenue	850.7	874.9	+24.2
Cost of sales	(629.7)	(614.9)	+14.9
Selling, general and administrative expenses	(179.0)	(198.6)	(19.6)
Business profit	42.0	61.5	+19.5
Other income	1.9	3.5	+1.6
Other expenses	(2.4)	(53.5)	(51.1)
Operating profit	41.4	11.5	(30.0)
Financial income	10.3	7.9	(2.3)
Financial expenses	(5.2)	(11.8)	(6.6)
Equity in earnings of affiliates	(0.0)	0.0	+0.1
Profit before tax	46.5	7.7	(38.8)
Income tax expenses	(18.7)	(1.0)	+17.6
Non-controlling interests	(0.6)	(2.6)	(2.0)
Profit	27.2	4.0	(23.2)

Main factor

1 Business profit

Refer to page.6 to 12 for details

2 Other income

	Actual	vs 2023
Non-operating profit	2.2 B of yen	+0.9 B of yen
Other extraordinary profit	1.0 B of yen	+0.7 B of yen

3 Other expenses

Impairment losses, etc. related to termination of production and dissolution of a U.S. factory	(46.5) B of yen	(46.5) B of yen
Loss on sale of a subsidiary	(3.2) B of yen	(3.2) B of yen
Non-operating expenses	(1.8) B of yen	(0.6) B of yen

4 Financial income

Gain on net monetary position	5.0 B of yen	(2.6) B of yen
Interest received	2.4 B of yen	+0.3 B of yen

5 Financial expenses

Interest expenses	(5.2) B of yen	(0.5) B of yen
Foreign exchange loss	(4.9) B of yen	(4.5) B of yen

Consolidated Statement of Financial Position



Billions of Yen

	As of Dec. 31, 2023	As of Sep. 30, 2024	vs Dec. 31, 2023
Current assets	624.7	638.5	① +13.8
Non-current assets	642.0	632.9	② (9.1)
Total assets	1,266.7	1,271.4	+4.6
Current liabilities	331.1	334.0	+2.9
Non-current liabilities	294.2	300.2	+6.0
Total liabilities	625.3	634.2	③ +8.9
Total equity attributable to owners of parent	624.1	619.5	④ (4.6)
Non-controlling interests	17.3	17.7	+0.4
Total equity	641.4	637.2	(4.2)
Total liabilities and equity	1,266.7	1,271.4	+4.6
Equity ratio	49.3%	48.7%	(0.5)P

Main factor

① Current assets	vs Dec. 31, 2023
Inventories	+33.5 B of yen
Other current assets	+22.6 B of yen
Trade and other receivables	(21.5) B of yen
Cash and cash equivalents	(20.3) B of yen
② Non-current assets	
Tangible assets	(27.5) B of yen
Deferred tax assets	+10.7 B of yen
Intangible assets (including goodwill)	+4.5 B of yen
Other financial assets	+3.3 B of yen
③ Total liabilities	
Interest-bearing debt	+17.9 B of yen (310.9 → 328.8)
Trade and other liabilities	(16.1) B of yen
Other current liabilities	+15.1 B of yen
Income tax payable	(6.3) B of yen
④ Equity	
Dividends paid	(21.6) B of yen
Foreign currency translation adjustment	+12.1 B of yen
Profit	+4.0 B of yen

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【Forecast】 Consolidated Financial Results (2024 Annual)



Billions of Yen

	Revised Forecast 2024	Actual 2023	YOY	Aug. 7th 2024 Forecast 2024	Feb. 14 th 2024 Forecast 2024
Sales Revenue	1,200.0	1,177.4	102%	1,200.0	1,200.0
Business Profit (%)	80.0 6.7%	77.7 6.6%	103%	80.0 6.7%	80.0 6.7%
Operating Profit (%)	5.0 0.4%	64.5 5.5%	8%	61.0 5.1%	61.0 5.1%
Profit	1.0	37.0	3%	41.0	37.0
ROIC ^{*1}	6.0%	5.7%		5.7%	5.7%
ROE	0.2%	6.3%		6.1%	5.7%
ROA ^{*2}	6.3%	6.2%		6.1%	6.2%
D/E Ratio	0.5	0.5		0.5	0.5

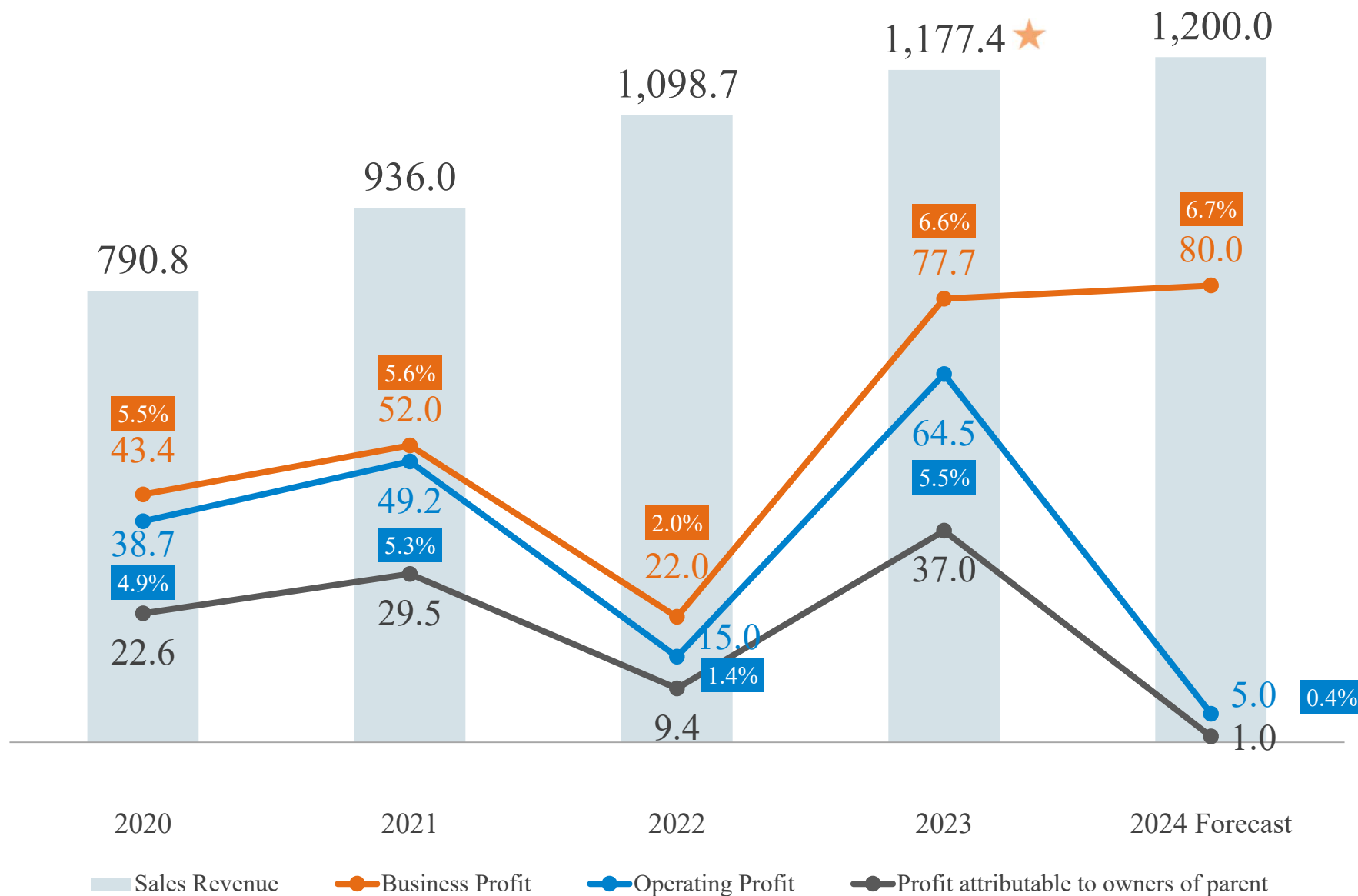
*1. ROIC : Net Business Profit After Tax / Invested Capital

*2. ROA : Business Profit / Total Assets

【Forecast】 Consolidated Sales Revenue / Profit



Billions of Yen % : Profit Ratio ★ : Record High



【Forecast】 Consolidated Sales Revenue / Business Profit by Reportable Segment (2024 Annual)

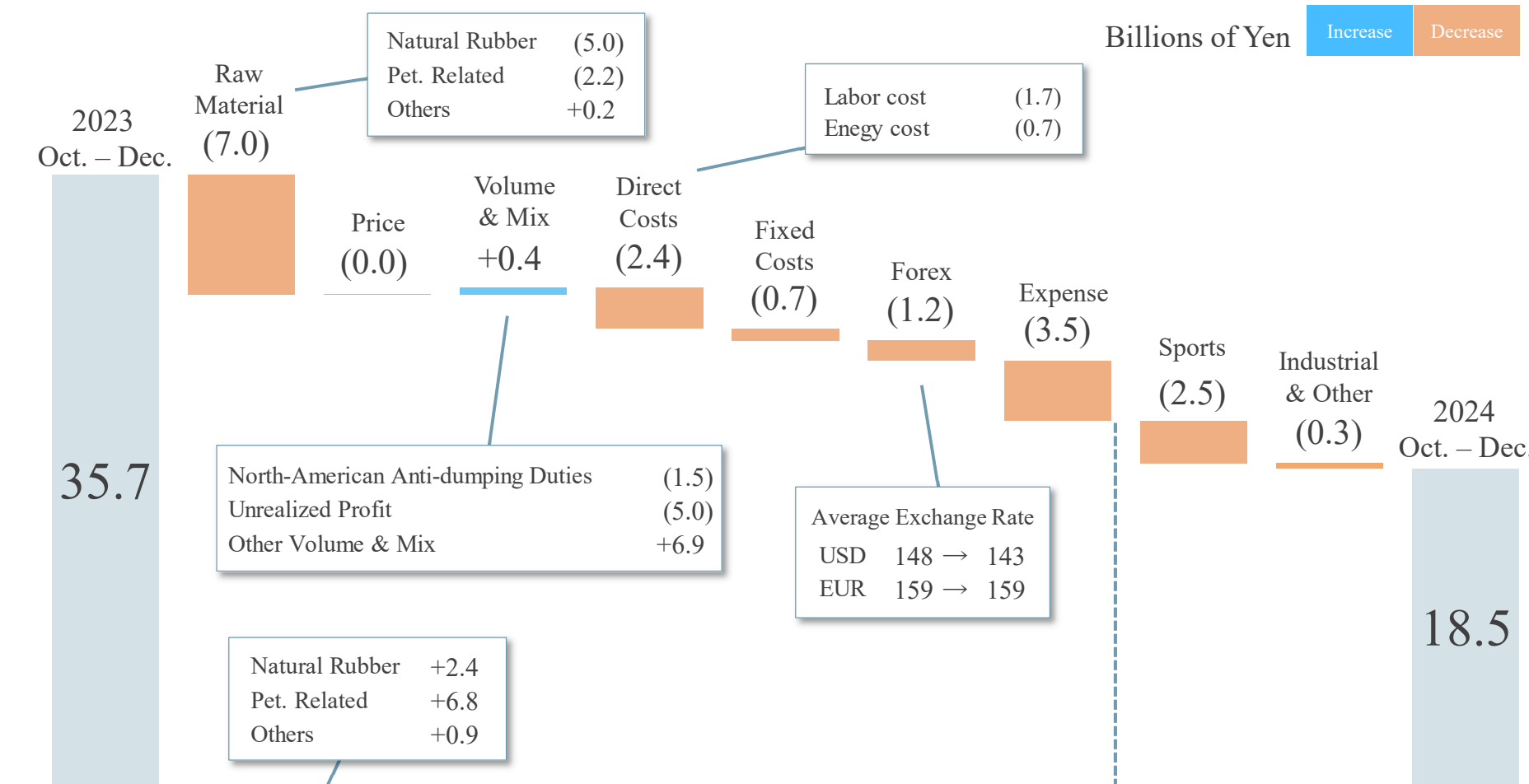


Billions of Yen

	Revised Forecast 2024	Actual 2023	YOY	Aug. 7th 2024 Forecast 2024	Feb. 14 th 2024 Forecast 2024	
Sales Revenue	Tires	1,032.5	1,006.4	103%	1,030.0	1,033.0
	Sports	129.5	126.6	102%	132.5	131.5
	Industrial & Other	38.0	44.4	86%	37.5	35.5
	Total	1,200.0	1,177.4	102%	1,200.0	1,200.0
Business Profit	Tires	68.5	63.6	108%	67.5	66.5
	Sports	9.0	12.5	72%	10.0	11.0
	Industrial & Other *	2.5	1.6	155%	2.5	2.5
	Total	80.0	77.7	103%	80.0	80.0

*The elimination of inter-segment transactions is included. 18

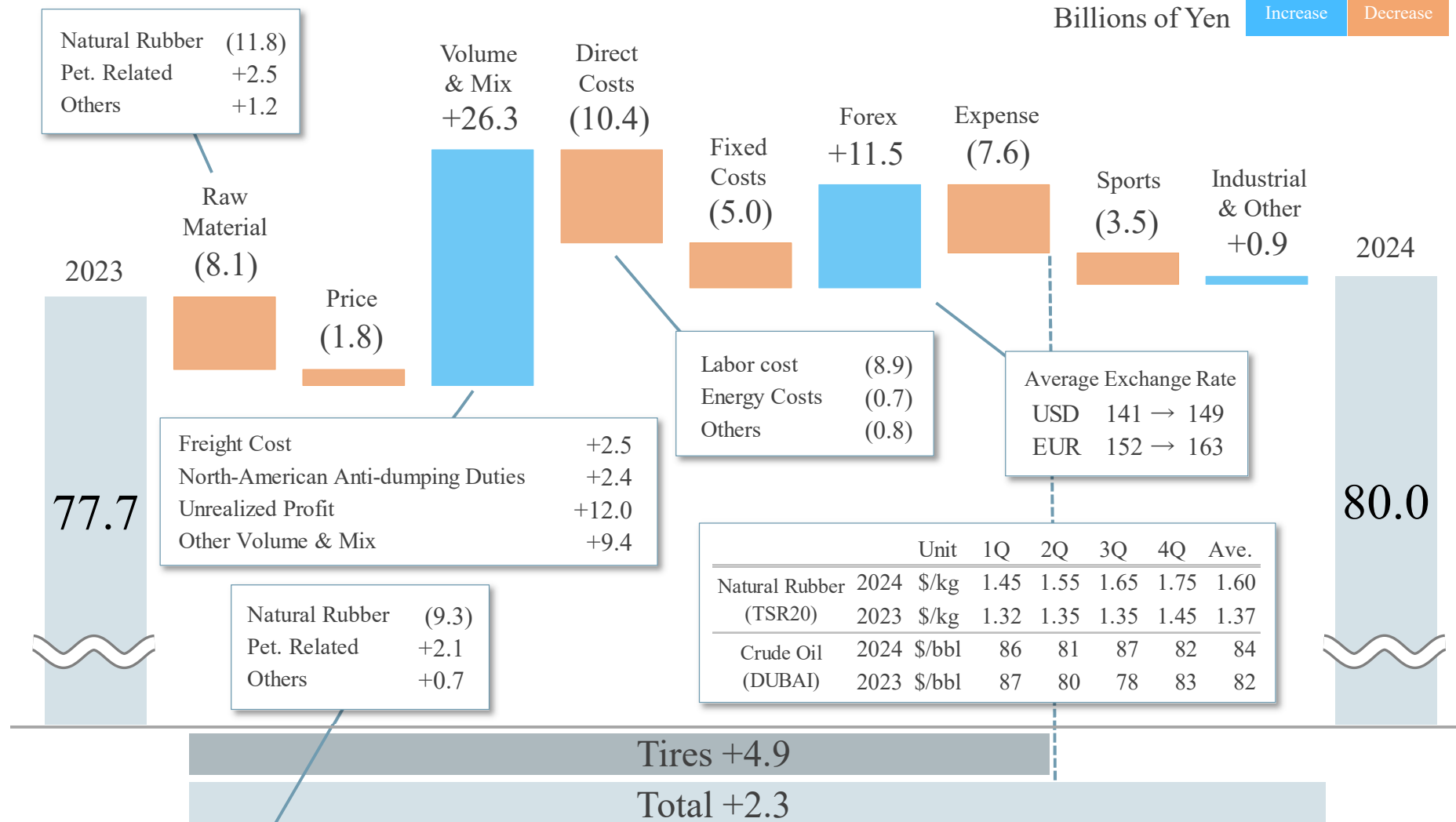
【Forecast】 Consolidated Business Profit Walk (2024 Oct.-Dec.)



	Raw Material	Price	Volume & Mix	Direct Costs	Fixed Costs	Forex	Expense	Sports	Industrial & Other	Total
2022 → 2023 Oct.-Dec. Oct.-Dec.	+10.1	+2.1	+14.9	(1.0)	(2.2)	+1.6	(2.7)	+2.9	+0.4	+26.1
2021 → 2022 Oct.-Dec. Oct.-Dec.	(13.4)	+18.1	(7.8)	(5.5)	+0.5	(1.6)	+0.6	(0.8)	(0.4)	(10.3)

【Forecast】 Consolidated Business Profit Walk (2024 Jan.-Dec.)

Billions of Yen Increase Decrease



	Raw Material	Price	Volume & Mix	Direct Costs	Fixed Costs	Forex	Expense	Sports	Industrial & Other	Total
Aug. 7 th Forecast	(6.5)	(2.1)	+21.3	(10.8)	(7.8)	+17.6	(7.8)	(2.5)	+0.9	+2.3
2022 → 2023	+17.1	+25.4	+22.3	(8.5)	(4.0)	+4.3	(5.3)	+3.5	+0.9	+55.7

Consolidated Business Profit Analysis by Factors



Billions of Yen

Period	Business Profit		Factors								
		vs Previous Year	Raw Material	Price	Volume & Mix	Direct Costs	Fixed Costs	Forex	Expense	Sports	Industrial & Other
2023	Jan.-Mar.	8.0 (6.8)	(4.5)	+10.8	(8.9)	(3.9)	(0.7)	(0.3)	(1.0)	+1.5	+0.2
	Apr.-Jun.	9.1 +9.7	+1.2	+8.1	+4.1	(2.6)	(0.0)	+0.6	(0.8)	(1.3)	+0.4
	Jul.-Sep.	24.9 +26.7	+10.3	+4.4	+12.2	(1.0)	(1.1)	+2.4	(0.8)	+0.4	(0.1)
	Oct.-Dec.	35.7 +26.1	+10.1	+2.1	+14.9	(1.0)	(2.2)	+1.6	(2.7)	+2.9	+0.4
	Annual	77.7 +55.7	+17.1	+25.4	+22.3	(8.5)	(4.0)	+4.3	(5.3)	+3.5	+0.9
2024	Jan.-Mar.	23.2 +15.2	+3.8	(0.1)	+11.1	(2.2)	(1.4)	+5.3	(0.2)	(1.2)	+0.1
	Apr.-Jun.	19.1 +10.0	(0.3)	(1.4)	+7.5	(2.7)	(1.8)	+7.6	(0.9)	+1.7	+0.3
	Jul.-Sep.	19.2 (5.7)	(4.6)	(0.3)	+7.3	(3.1)	(1.1)	(0.2)	(3.0)	(1.5)	+0.8
	Oct.-Dec.	18.5 (17.2)	(7.0)	(0.0)	+0.4	(2.4)	(0.7)	(1.2)	(3.5)	(2.5)	(0.3)
	Annual	80.0 +2.3	(8.1)	(1.8)	+26.3	(10.4)	(5.0)	+11.5	(7.6)	(3.5)	+0.9
vs Aug 7 th Forecast		+0.0	(1.6)	+0.3	+5.0	+0.4	+2.8	(6.1)	+0.2	(1.0)	+0.0

Tire Sales Volume (Comparison %)



vs Previous year	2023 Actual					2024 Jan.-Sep. Actual, Oct.-Dec. Forecast					Aug. 7th 2024 Forecast			
	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Annual	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Annual	Jan.-Jun.	Jul.-Dec.	Annual	
Domestic O.E.	112%	121%	108%	108%	112%	78%	90%	87%	90%	87%	84%	92%	88%	
Domestic Rep.	98%	108%	89%	97%	98%	86%	97%	108%	108%	100%	92%	111%	102%	
Overseas O.E.	101%	108%	92%	101%	100%	90%	89%	89%	86%	88%	89%	90%	90%	
Overseas Rep.	87%	94%	97%	96%	93%	100%	93%	99%	103%	99%	96%	105%	101%	
Details	North America	81%	92%	109%	100%	95%	107%	86%	98%	104%	99%	96%	102%	99%
	Europe	90%	85%	100%	91%	92%	102%	105%	90%	96%	98%	103%	98%	101%
	Asia	91%	104%	89%	92%	94%	93%	89%	103%	114%	99%	91%	114%	102%
	Others	85%	93%	91%	102%	92%	100%	93%	104%	98%	99%	96%	106%	101%
Total	94%	101%	96%	99%	97%	93%	93%	97%	99%	96%	93%	102%	97%	
Total Tire Sales (000 Units)	26,450	26,860	26,850	28,190	108,360	24,610	24,870	26,090	28,030	103,600	49,490	56,000	105,480	

Tire Volume by Category (Comparison %)

vs Previous Year	Actual 2023 Jan.-Sep.				Actual 2023 Jan.-Dec.			
	O.E.	Rep.	Total	Composition ratio	O.E.	Rep.	Total	Composition ratio
Passenger Tires	104%	95%	98%	88%	105%	96%	98%	88%
Advanced Tires *1	115%	104%	108%	38% *2	117%	103%	108%	38% *2
Truck & Bus Tires	111%	82%	84%	3%	112%	83%	85%	4%
Motorcycle, Industrial & Other Tires	110%	81%	91%	9%	103%	85%	92%	9%
Total	105%	93%	97%	100%	105%	94%	97%	100%

vs Previous Year	Actual 2024 Jan.-Sep.				2024 Jan.-Dec. Forecast			
	O.E.	Rep.	Total	Composition ratio	O.E.	Rep.	Total	Composition ratio
Passenger Tires	89%	96%	94%	88%	88%	99%	96%	88%
Advanced Tires *1	97%	100%	99%	40% *2	96%	101%	99%	39% *2
Truck & Bus Tires	103%	93%	94%	3%	108%	94%	95%	4%
Motorcycle, Industrial & Other Tires	77%	102%	91%	9%	80%	103%	93%	9%
Total	88%	97%	94%	100%	88%	99%	95%	100%

< Advanced Tires Composition Ratio by Year > *2

		2022 Actual	2023 Actual	2024 Forecast
Advanced Tires *1	O.E.	44%	50%	54%
	Rep.	31%	33%	34%
	Total	35%	38%	39%

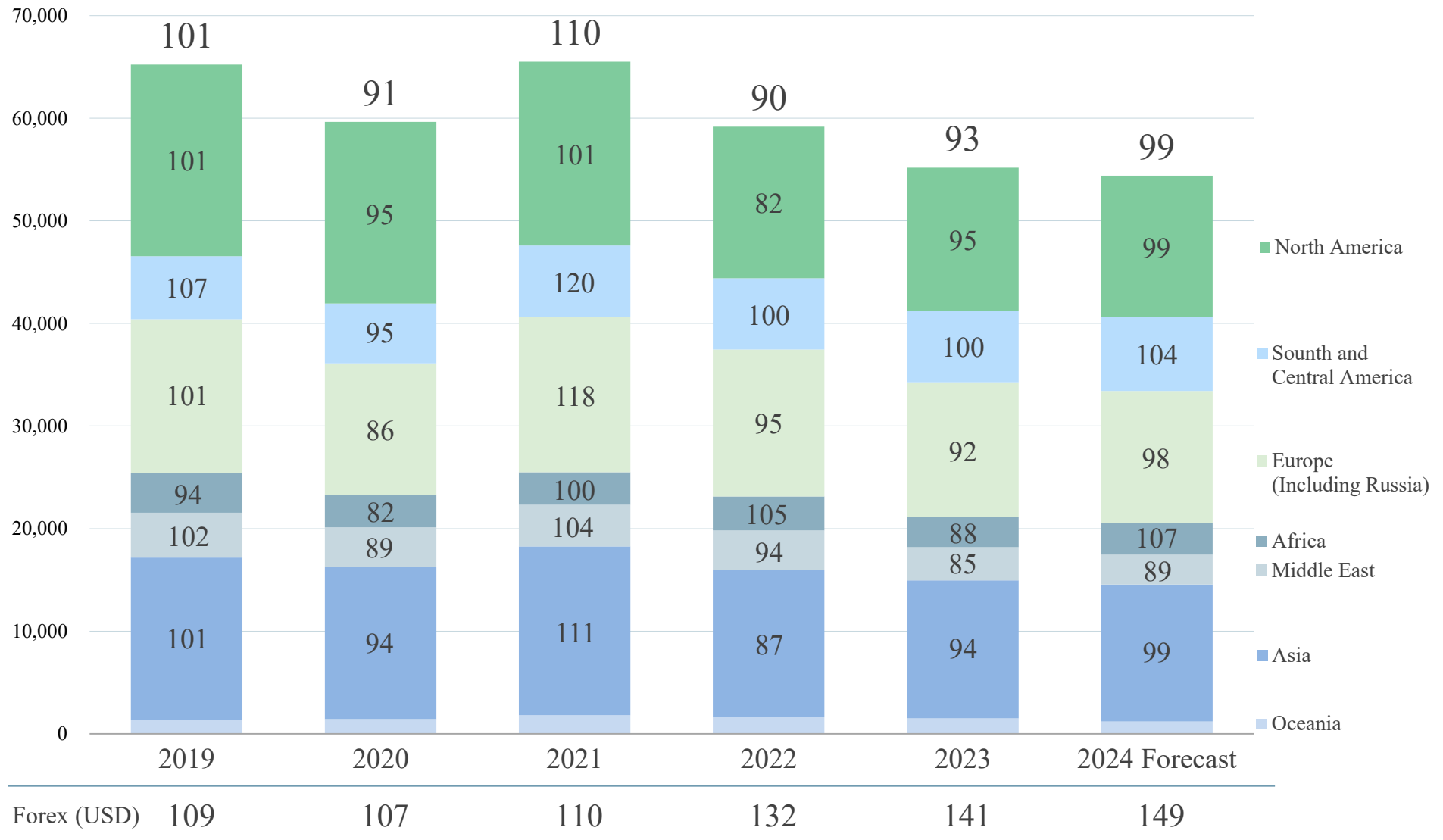
*1.Advanced Tires: Primarily for SUVs and Passenger car tires with a size of 18" or larger
 *2.Composition Ratio to Passenger Tires

Tire Overseas Rep. Volume by Regional Segment



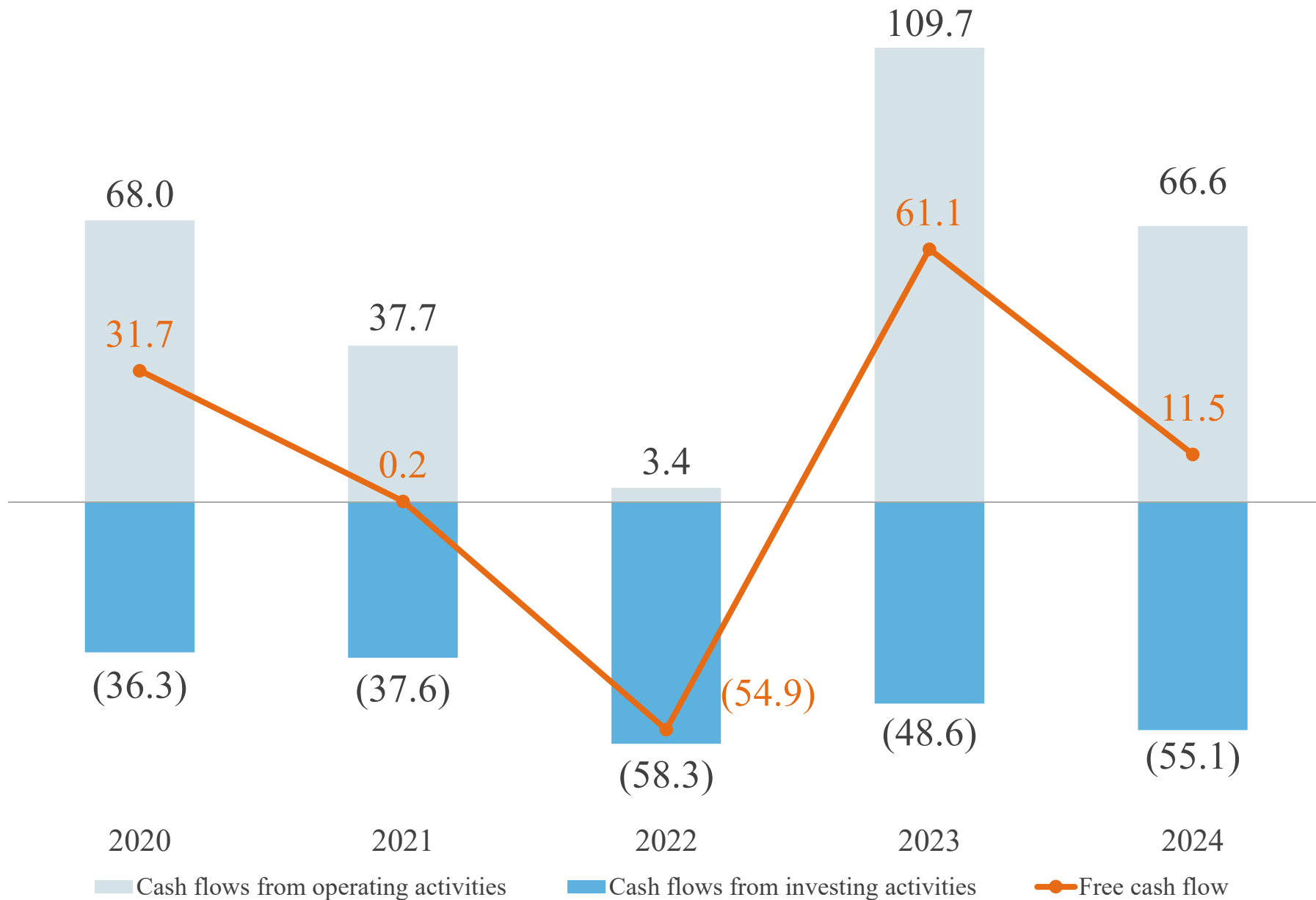
Unit : 000

*Numbers shown in the bar graph are yoy % by region.



Cash Flows (Jan.-Sep.)

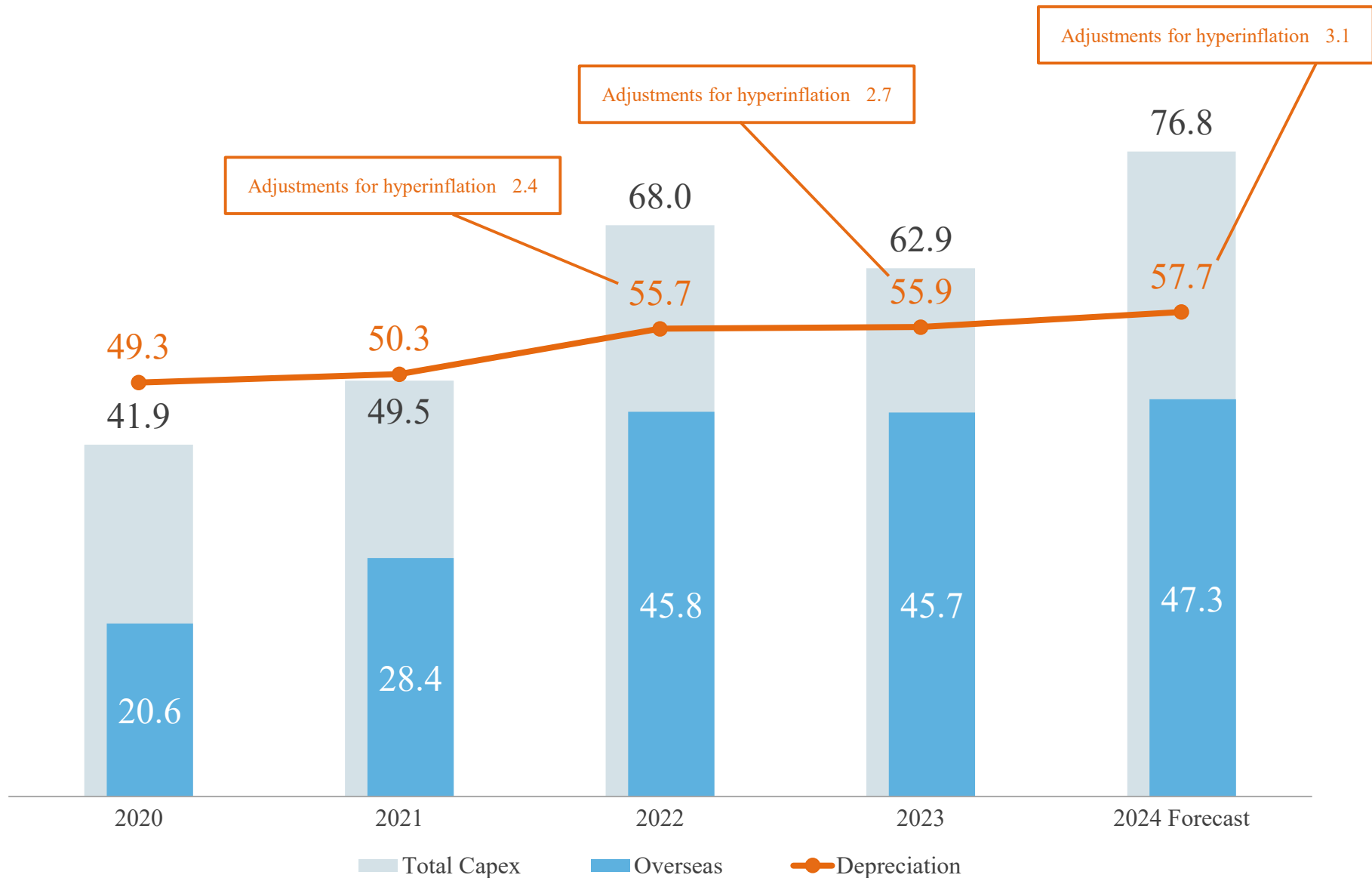
Billions of Yen



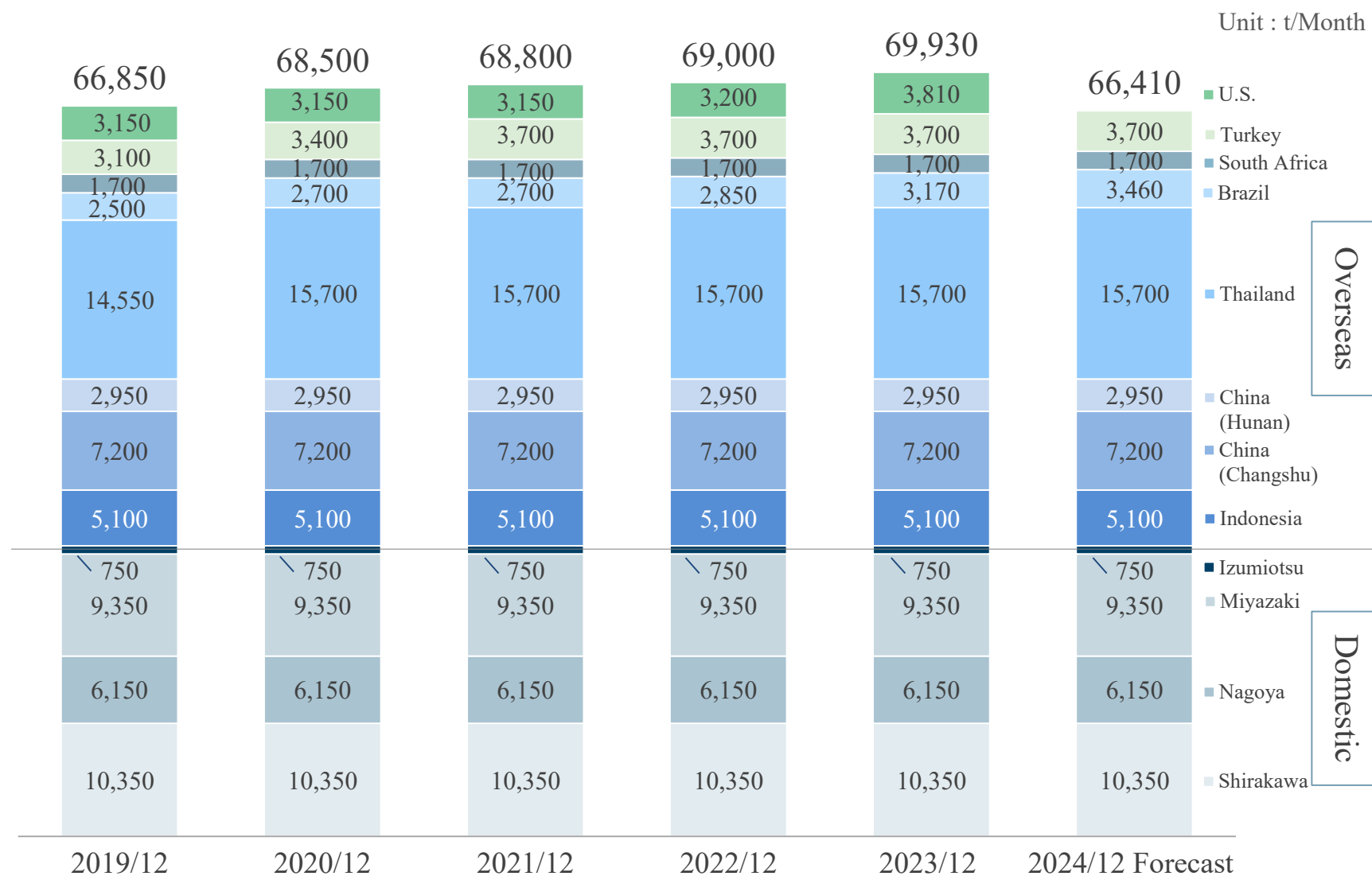
Capex and Depreciation (Tangible Assets Only)

No change since
Aug. 7th 2024

Billions of Yen



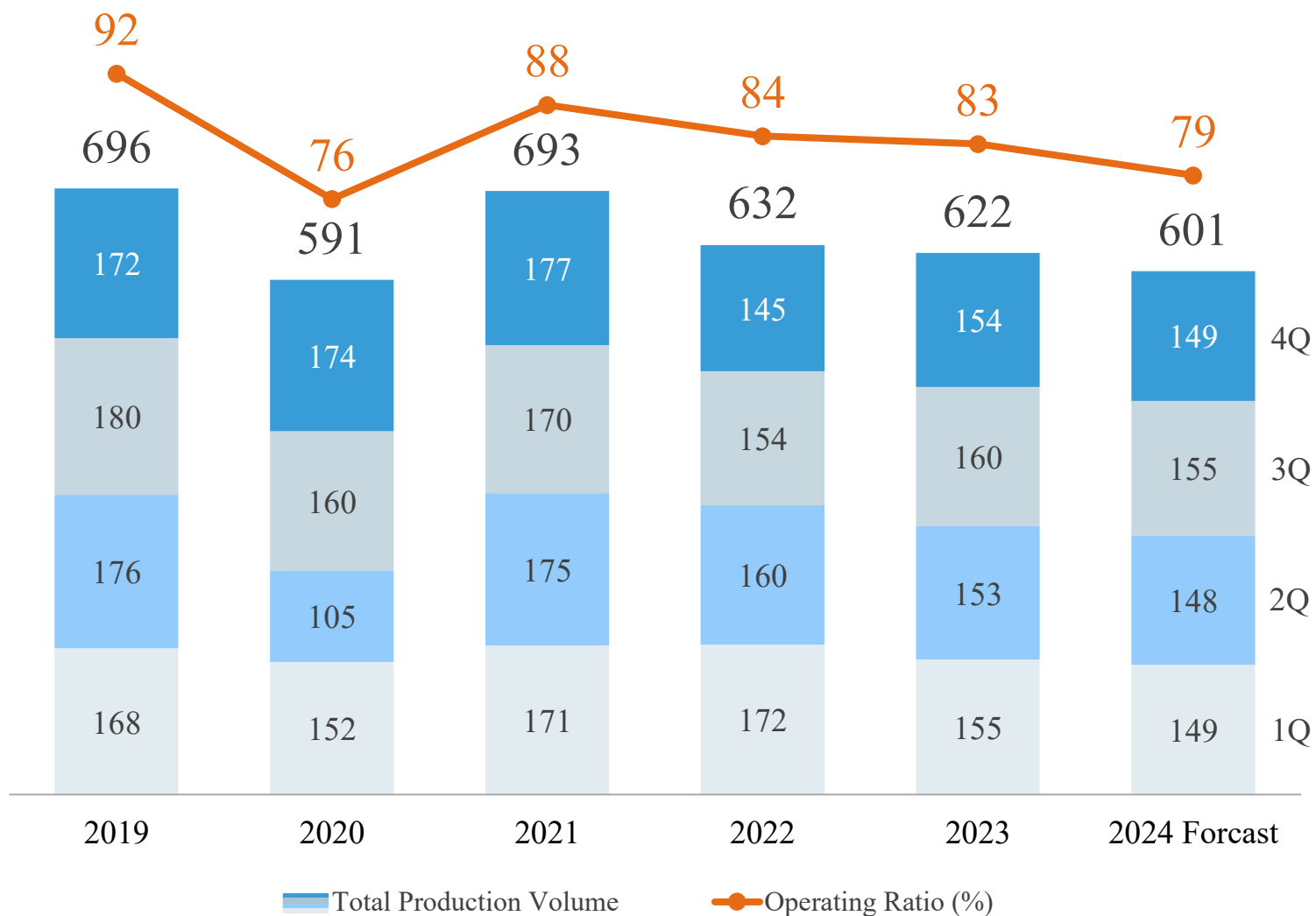
Tire Production Capacity



% of Overseas	60%	61%	61%	61%	62%	60%
YoY	103%	102%	100%	100%	101%	95%

Tire Production Volume and Operating Ratio

Unit : 000t



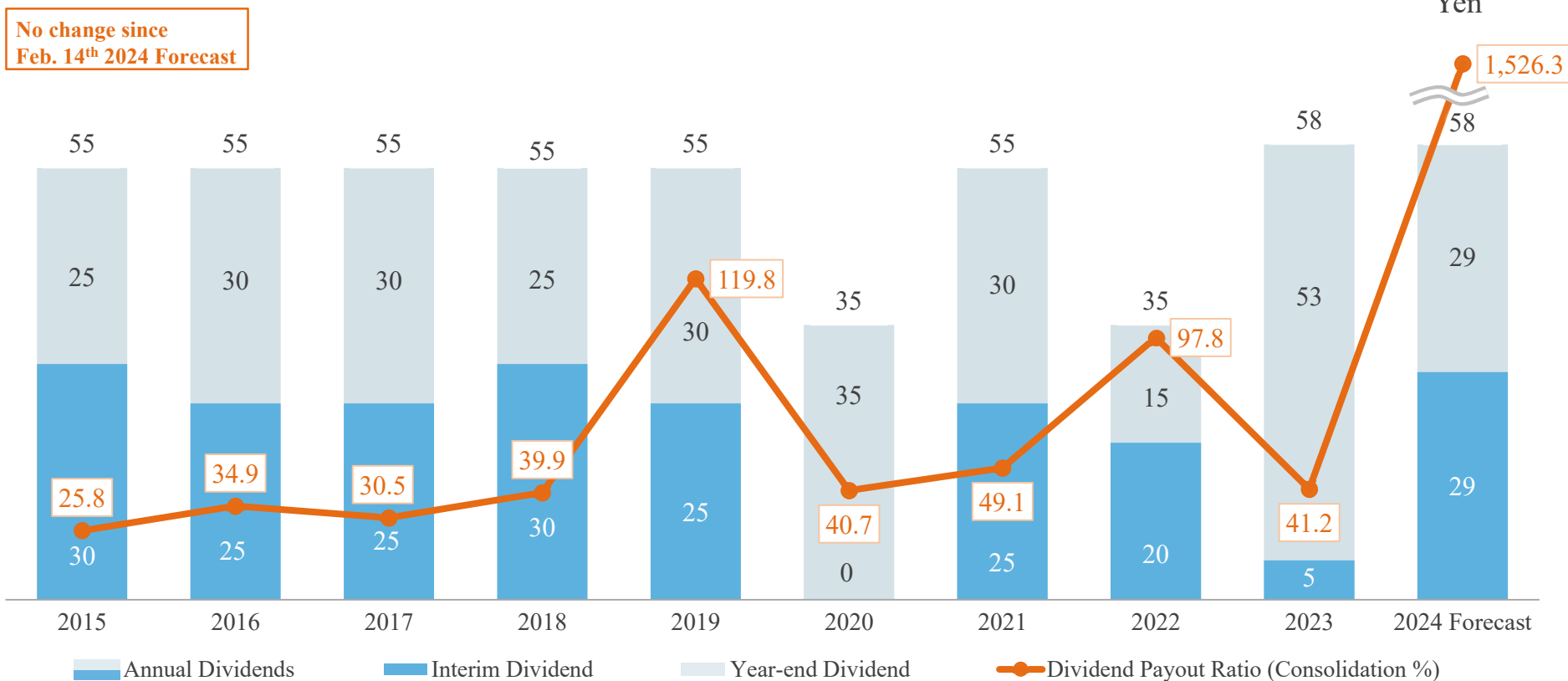
% of Overseas	61%	63%	63%	63%	64%	64%
YoY	102%	85%	117%	91%	98%	97%

Shareholder Returns

We consider the return of gains to shareholders to be a matter deserving of the utmost priority. Accordingly, our basic policy is to ensure a long-term, stable stream of shareholder returns based on comprehensive consideration of dividend payout ratios, performance prospects, retained earnings levels and other such indicators on a consolidated basis.

Forecast of 2024 Annual Dividends :

Due to impairment losses related to structural reforms, etc., the profit for the fiscal year 2024 is expected to decrease significantly compared to Aug. 7th forecast. Nevertheless, we have kept the year-end dividend of 29 yen per share, and the annual dividends are expected to be 58 yen, because free cash flow has been secured.



	2019	2020	2021	2022	2023
Total Shareholder Return	107.1%	75.2%	101.3%	102.5%	136.2%
Dividend Yield *	4.1%	3.9%	4.7%	3.0%	3.8%

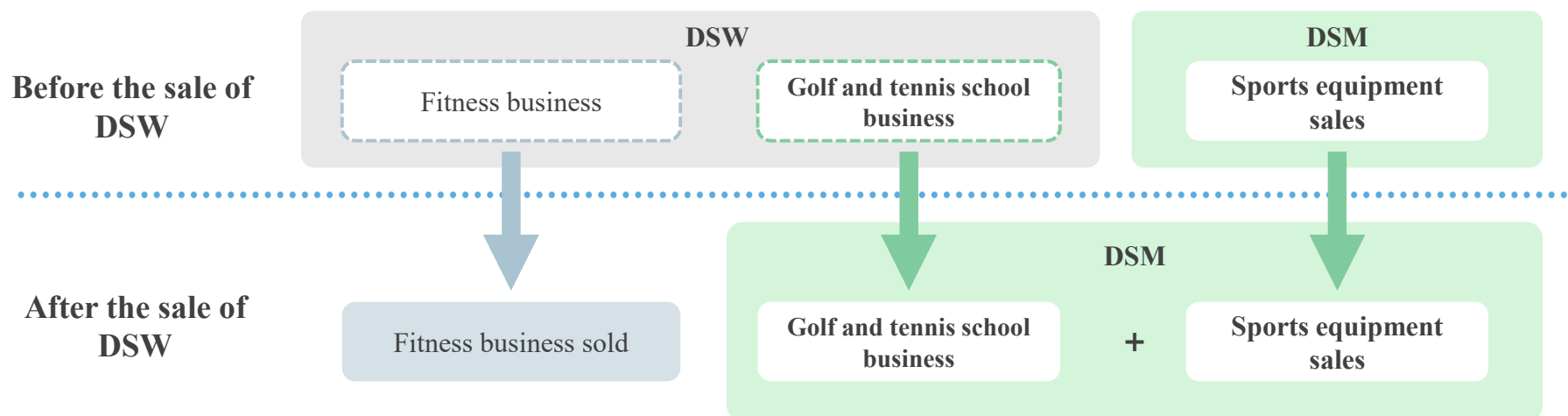
*Dividend Yield = Annual Dividends per share / End of each financial year's closing price

Decided to sell a subsidiary engaged in operation of sports and other facilities

Announced on Sep. 27, 2024

- **Dunlop Sports Wellness Co., Ltd.** (“DSW”) has been engaged in fitness and other related service businesses, including the operation of golf and tennis schools.
- DSW has been recovering from the downturn caused by the COVID-19 pandemic, but we have decided to sell it as part of our Selection & Concentration strategy for existing lines of business, expecting that DSW will continue to grow under new ownership.
- **The operation of golf and tennis schools** will be transferred to Dunlop Sports Marketing Co., Ltd. (“DSM”) to create synergies with its sports equipment sales business.

Business structure of DSM after the sale



Decided to terminate production in a U.S. tire manufacturing subsidiary and dissolve the company

Announced on November 7, 2024

- We have decided to terminate production at Sumitomo Rubber USA, LLC (“SRUSA”), our subsidiary manufacturing tires for passenger cars, motorcycles, trucks, and buses, and dissolve the company.

Background of the production termination

- 1923 Started operation in Buffalo, New York
- 2015 Dissolved the alliance agreement and joint venture with The Goodyear Tire & Rubber Company
Acquired 100% of shares of Goodyear Dunlop Tires North America, Ltd, and renamed it as SRUSA
Shifted from "low-variety, high-volume production" to "high-variety, low-volume production"
Also tried to switch to the production of high-added-value but technically challenging SUV tires, but progress did not meet expectations
- 2020 Temporarily suspended the dispatch of support teams from Japan due to the COVID-19 pandemic
- 2023 Resumed the dispatch of support teams from Japan
The North America business, including sales of imported products from Thailand and Japan, turned a profit
However, productivity improvements at SRUSA did not progress as expected
SRUSA also faced challenges such as the COVID-19 pandemic and rising logistics cost.
- 2024 Although signs of recovery have begun to appear, the expected productivity and profitability improvements were not made within the planned timeframe, leading to the decision to terminate production and dissolve SRUSA.

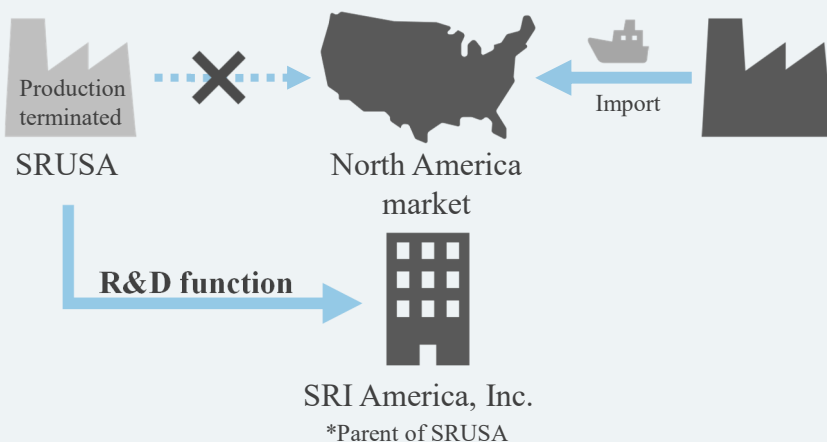
Future Plan

Production, R&D, and employees of SRUSA

- Necessary supply structure has been secured by transferring production to other factories and through other means => The impact of termination of production is minimized
- Tire R&D will be transferred to SRI America, Inc.*
- We will provide SRUSA's employees with the fullest support possible to facilitate their transition and reemployment

Sales to the North America market

- The sales structure of Sumitomo Rubber North America, Inc. remains unchanged
- For the time being, focus on sales of imported tires from tire manufacturing subsidiaries in Asia and other group factories.



Effects of Termination of Production and Dissolution

(Billions of yen)

Timing	Effect on Profit & Loss (Based on profit before tax)	Effect on cash
FY24Q3 Actual	(46.5)	-
FY24Q4 Forecast *	about (20.3)	about (5.2)
FY25 and beyond Forecast *	about (7.9)	about (3.2)
Total	about (74.6)	about (8.4)

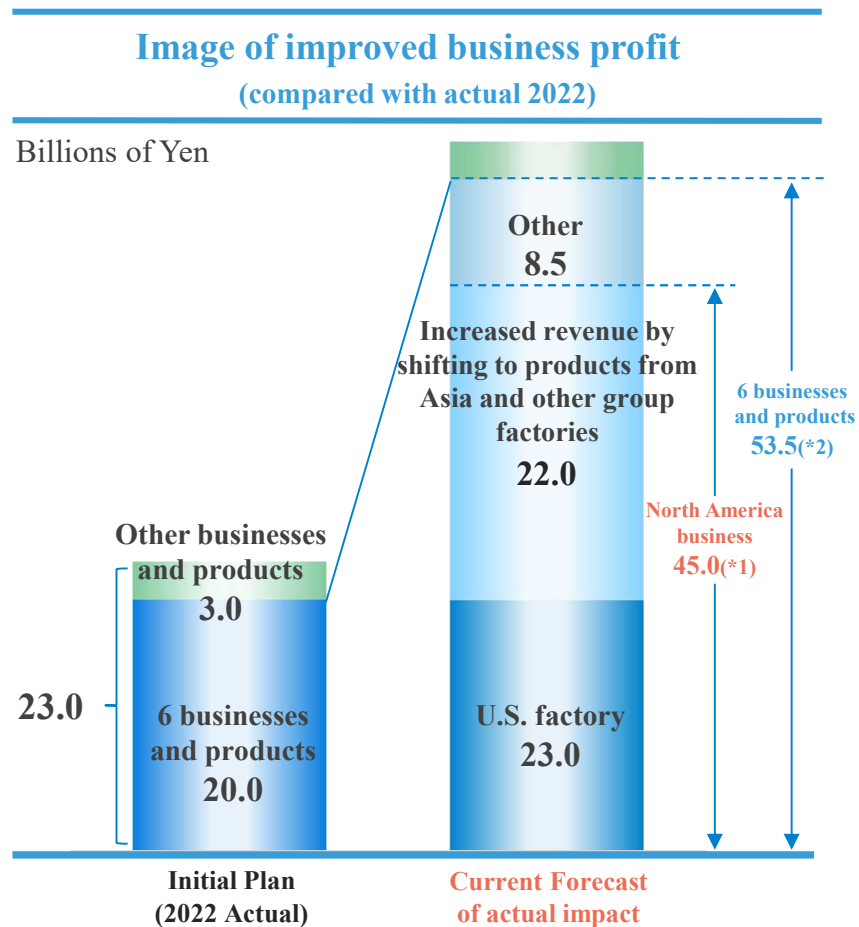
* Calculated at a rate of \$1=150 yen
For the current estimate, actual amounts may vary significantly

Positive Impact on Business Profit

$$45.0 \text{ B of yen/year} = \left[\begin{array}{c} \text{Decreased fixed cost} \\ + \\ \text{Increased revenue by shifting} \\ \text{to products from Asia and} \\ \text{other group factories} \end{array} \right]$$

*Of which, 31.0 B of yen is anticipated for 2025

Made substantial progress in all 6 businesses and products as planned for 2024, completing the critical phase of structural reforms



Overview

- Designated the period through 2025 as the one for **”Selection & Concentration of Existing Lines of Business”** and now implementing structural reforms for about 10 target businesses and products
- **Achieved substantial progress for 6 businesses and products**, as planned for 2024 in the Mid-Term Plan
- The positive impact on business profit is expected to **exceed** the initially planned **23.0 B of yen** through the implementation of structural reforms
- Continue shifting resources to growing lines of businesses as structural reforms progress

*1. Effects on North America business (of which, 31.0 B of yen is anticipated for 2025)

*2. Total amount of the expected profit improvements based on the current forecast of business profit improvements in businesses and product lines that have achieved substantial progress

Continue reforms in 2025 for remaining businesses and products in response to changes in the business environment

4 businesses already announced as the target of structural reforms

Business and Product Line Name	Overview	Announcement	Completion Schedule
Gas hoses business	Withdrawal from domestic residential gas hoses production and sales business	October 2023	Plan to withdraw by March 2025
Business of Rubber Parts for Medical Applications in Europe	Sold Lonstroff AG, a subsidiary for the manufacture and sales in Europe	December 2023	Sold in January 2024
Fitness business	Decided to sell Dunlop Sports Wellness Co., Ltd., a subsidiary engaged in operation of sports and other facilities	September 2024	Plan to sell in December 2024
Tire business	Decided to terminate production in a U.S. tire manufacturing factory and dissolve the company	November 2024	To terminate production on November 7, and plan to dissolve



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Next-generation all-season tire utilizing the new ACTIVE TREAD technology that changes the functional traits of rubber depending on road surface conditions.



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Flagship tire for premium vehicles that achieve handling performance and grip at high levels.



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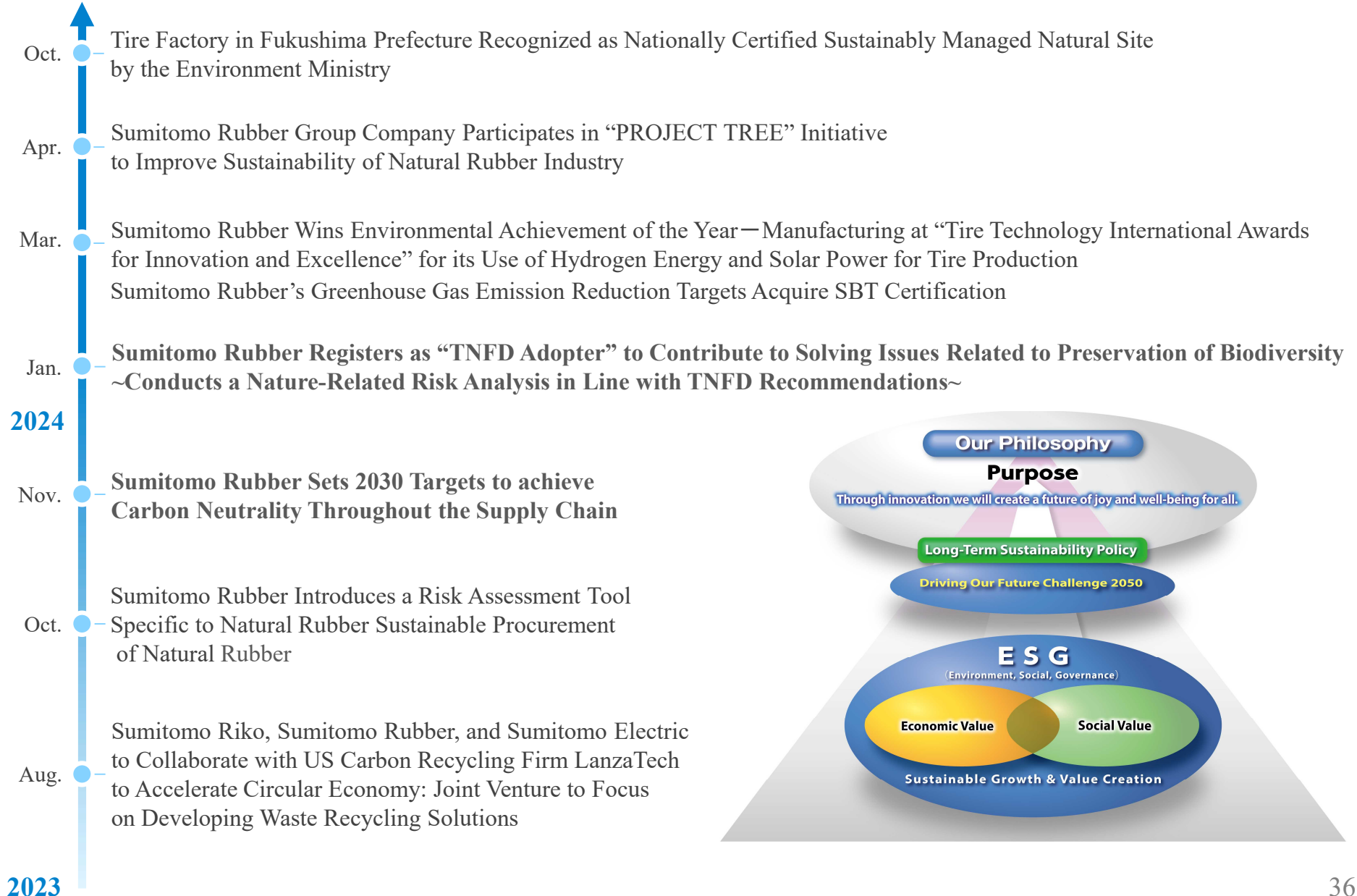


Our brand-new SRIXON ZXi golf clubs achieve the highest ball speed in SRIXON History.

*It will be launched on Nov.9,2024

Recent Activities

For further information, please refer to the news release on our website. (<https://www.srigroup.co.jp/english/newsrelease/2024/index.html>)



END

SUMITOMO RUBBER GROUP