

Financial Report

(January 1 ~ March 31, 2025)

May 15, 2025



SUMITOMO
RUBBER INDUSTRIES

■ **2025 1st Quarter Financial Results Summary**

- Changes in Scope of Consolidation, Affiliated Companies
- Highlights, Financial Results Summary

■ **2025 Annual Financial Results Forecast**

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

■ 2025 1st Quarter Financial Results Summary

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■ 2025 Annual Financial Results Forecast

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Changes in Scope of Consolidation

No change since
2024 year-end



Consolidated Subsidiaries **82**
(vs 2024 year-end : -)

Equity-method Affiliates **3**
(vs 2024 year-end : -)

	Newly Included -	Excluded -	Newly Included -	Excluded -
<p>Tires</p> 				
<p>Sports</p> 				
<p>Industrial & Other</p> 				

Affiliated Companies

No change since
2024 year-end

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

Total 85
 Domestic 16
 Overseas 69

Financial Results (2025 Jan.-Mar.)

- Sales revenue (287.8 B of yen), business profit (14.1 B of yen), operating profit (12.3 B of yen) and profit attributable to owners of parents (3.6 B of yen).
- Business profit (%) was 4.9%.
- Sales revenue in tire business has reached record high. Also, business profit in industrial & other business has reached record high.

Current main initiatives

Structural reforms

Implemented approximately 10 business-and-product reforms as planned, mainly focusing on North America.

▶ To be completed in 2025.

Promoting premiumization of tire business

Acquired trademark and other rights of DUNLOP in tires for four-wheel consumer vehicles in Europe, North America, and Oceania.
Closing date: May 7, 2025.

▶ Sequentially introduce our own products.

Building the foundation for growth business lines

Expanding the lineup of next-generation all-season tires
“SYNCHRO WEATHER” equipped with ACTIVE TREAD Technology.
As of Oct 2024: 40 sizes → As of Mar 2025: 76 sizes

▶ Dec 2025: 96 sizes
Jun 2026: 110 sizes

Tire sensing technology “SENSING CORE”
The launch of the business for automakers and fleet management.

▶ Service for predicting automobile breakdowns to start in 2025.

Acquisition of trademark and other rights of DUNLOP in four-wheel consumer vehicle tires in Europe, North America, and Oceania from Goodyear completed on May 7

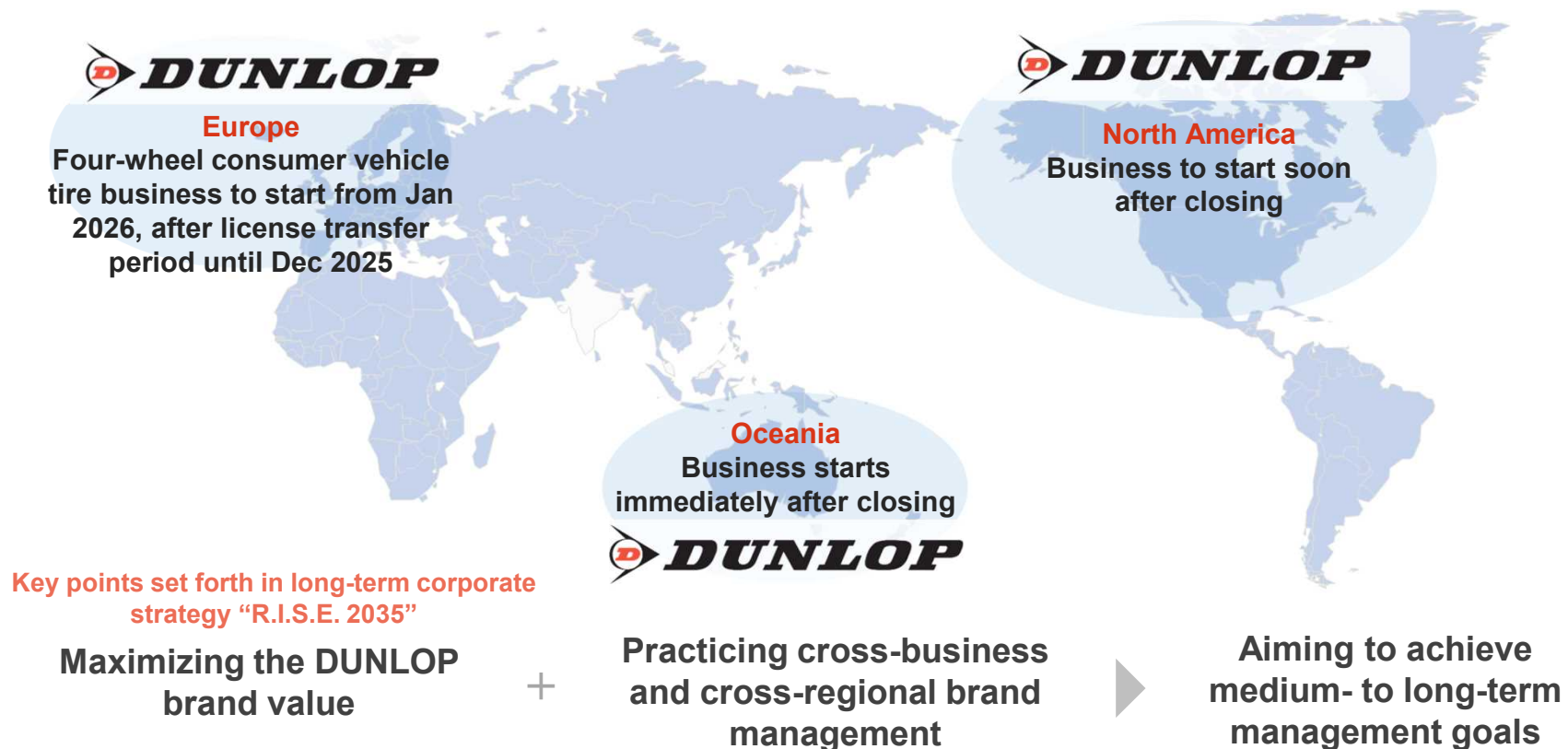
Closing date : May 7, 2025 (Japan time & US time)

Acquisition price : Trademark and other contract rights

Transfer-support expenses on transition of customers in Europe

Purchase price for initial inventory: **104** M of USD

631 M of USD



Consolidated Financial Results (2025 Jan.-Mar.)



Billions of Yen

	2025 Jan.-Mar.	2024 Jan.-Mar.	vs 2024	2024 Actual
Sales Revenue	287.8	291.4	99%	1,211.9
Business Profit (%) <small>*1,3</small>	14.1 4.9%	23.2 8.0%	61%	87.9 7.3%
Operating Profit (%) <small>*3</small>	12.3 4.3%	20.7 7.1%	60%	11.2 0.9%
Profit <small>*2,3</small>	3.6	24.8	14%	9.9

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

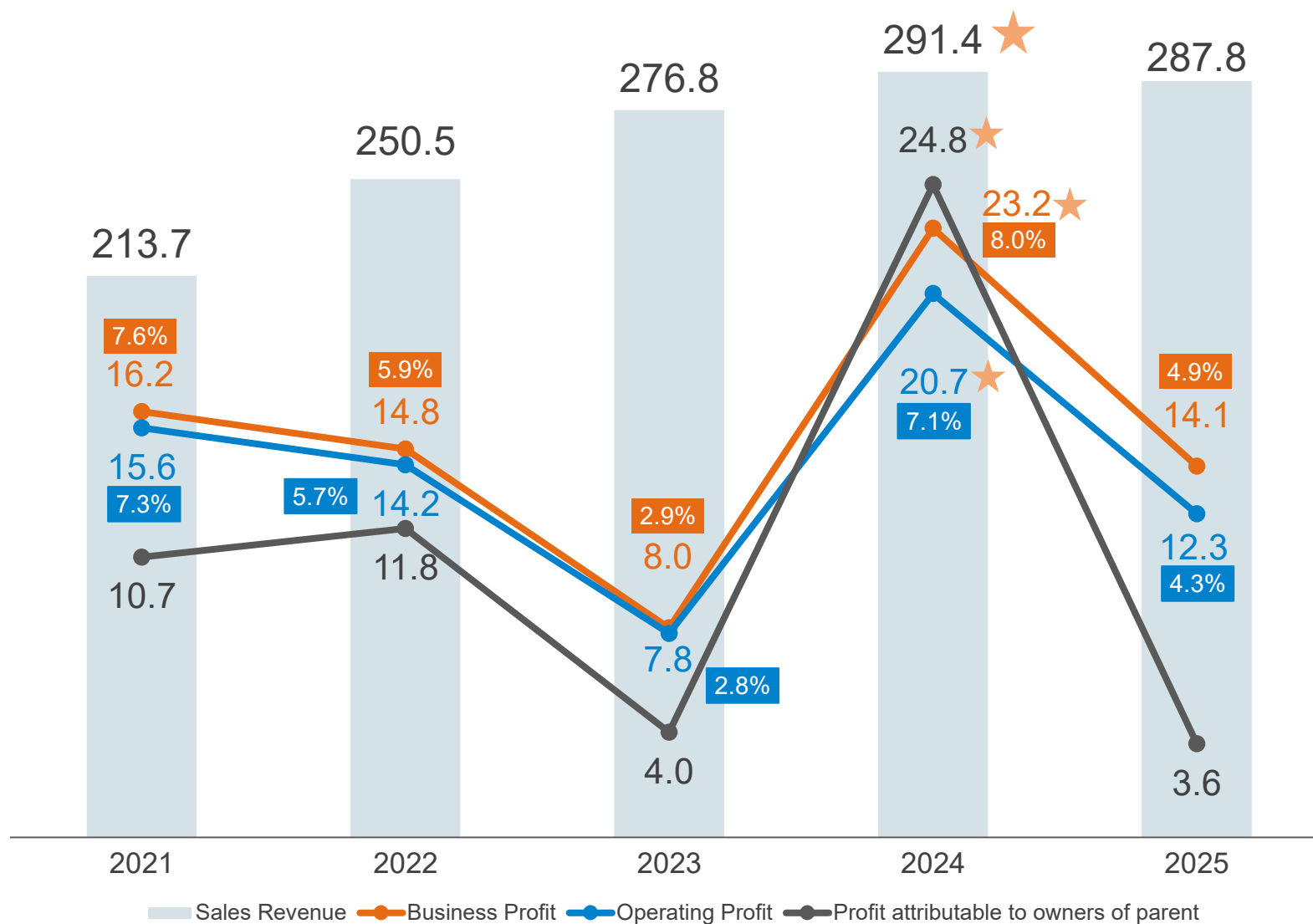
*2. Profit : Profit attributable to owners of parent

*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.-Mar.)

Billions of Yen % : Profit Ratio ★ : Record High



Consolidated Sales Revenue / Business Profit by Reportable Segment
(2025 Jan.-Mar.)



Billions of Yen

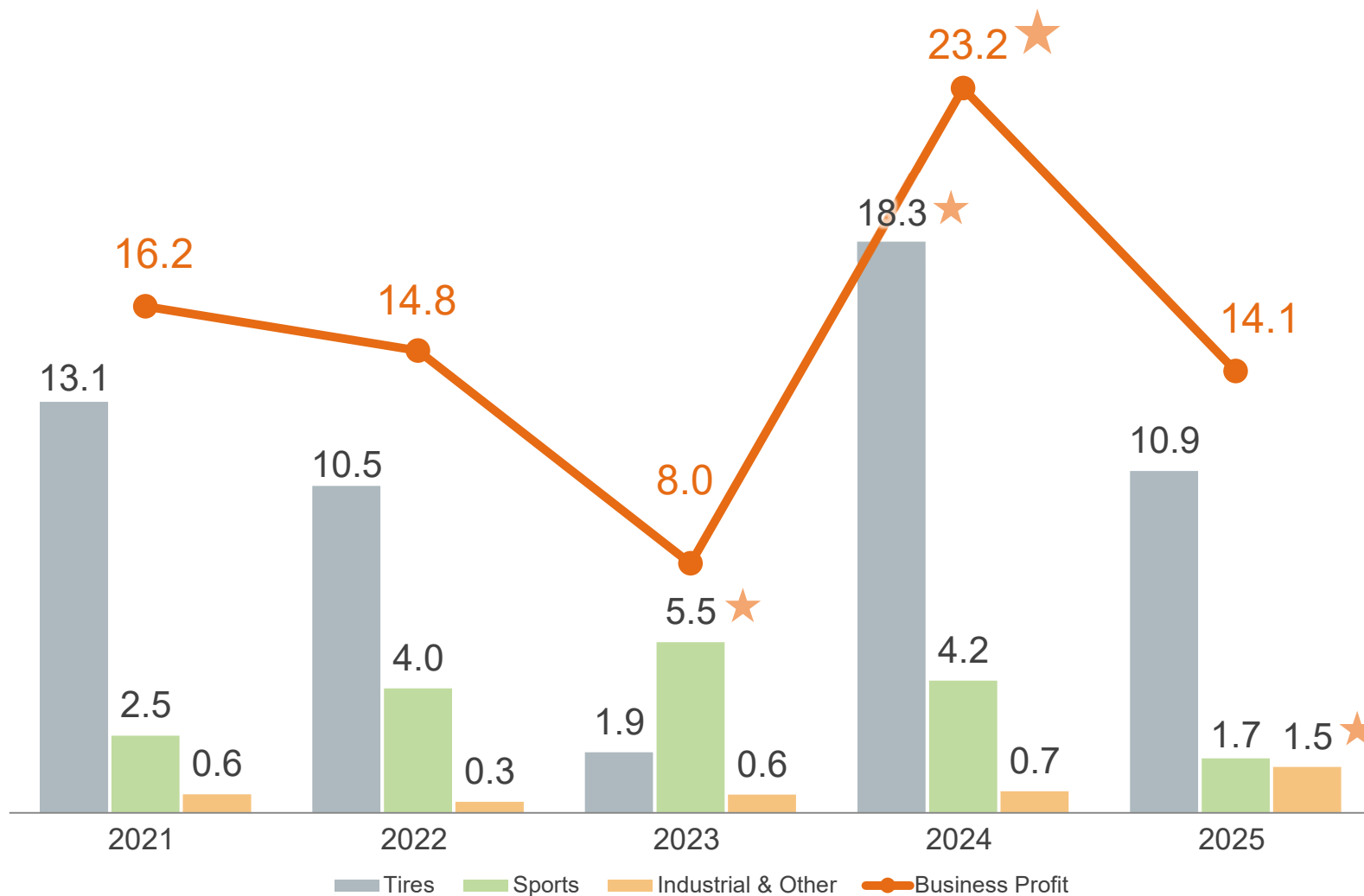
		2025 Jan.-Mar.	2024 Jan.-Mar.	vs 2024	2024 Actual
Sales Revenue	Tires	244.6	244.1	100%	1,046.4
	Sports	32.4	36.7	88%	125.7
	Industrial & Other	10.8	10.6	102%	39.8
	Total	287.8	291.4	99%	1,211.9
Business Profit	Tires	10.9	18.3	60%	76.2
	Sports	1.7	4.2	41%	7.9
	Industrial & Other *	1.5	0.7	215%	3.9
	Total	14.1	23.2	61%	87.9

*The elimination of inter-segment transactions is included.

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



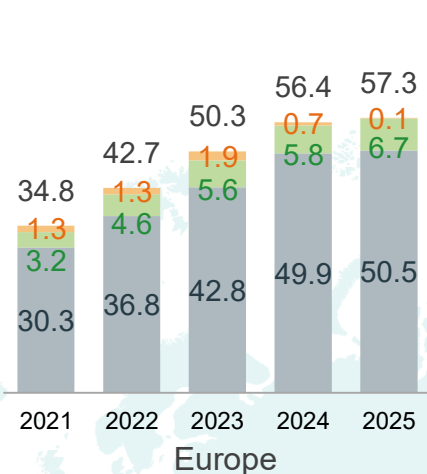
Billions of Yen ★ : Record High



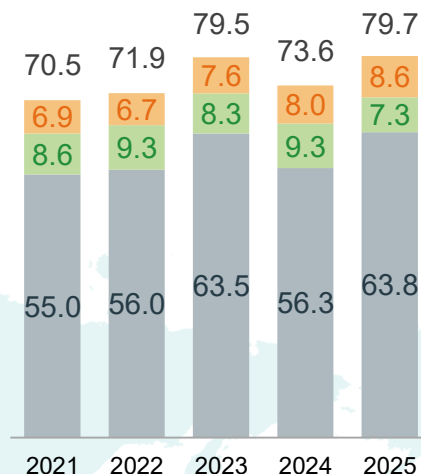
Sales Revenue by Destination (Jan.-Mar.)

Billions of Yen

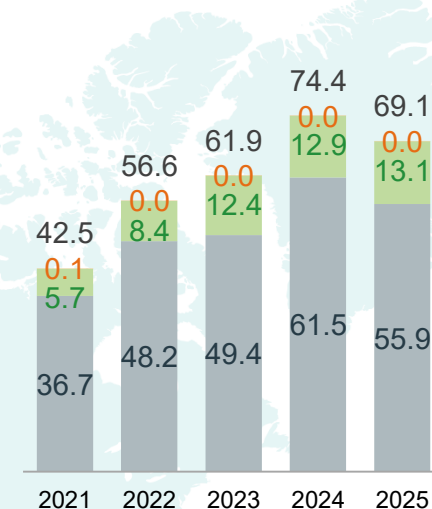
■ Tires ■ Sports ■ Industrial & Other



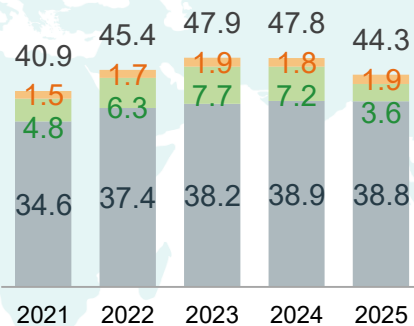
Europe



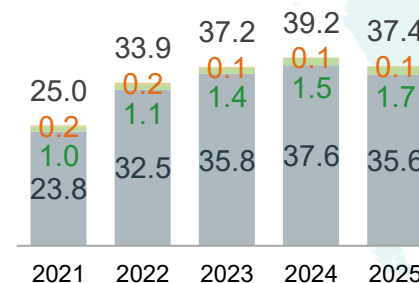
Japan



North America



Asia



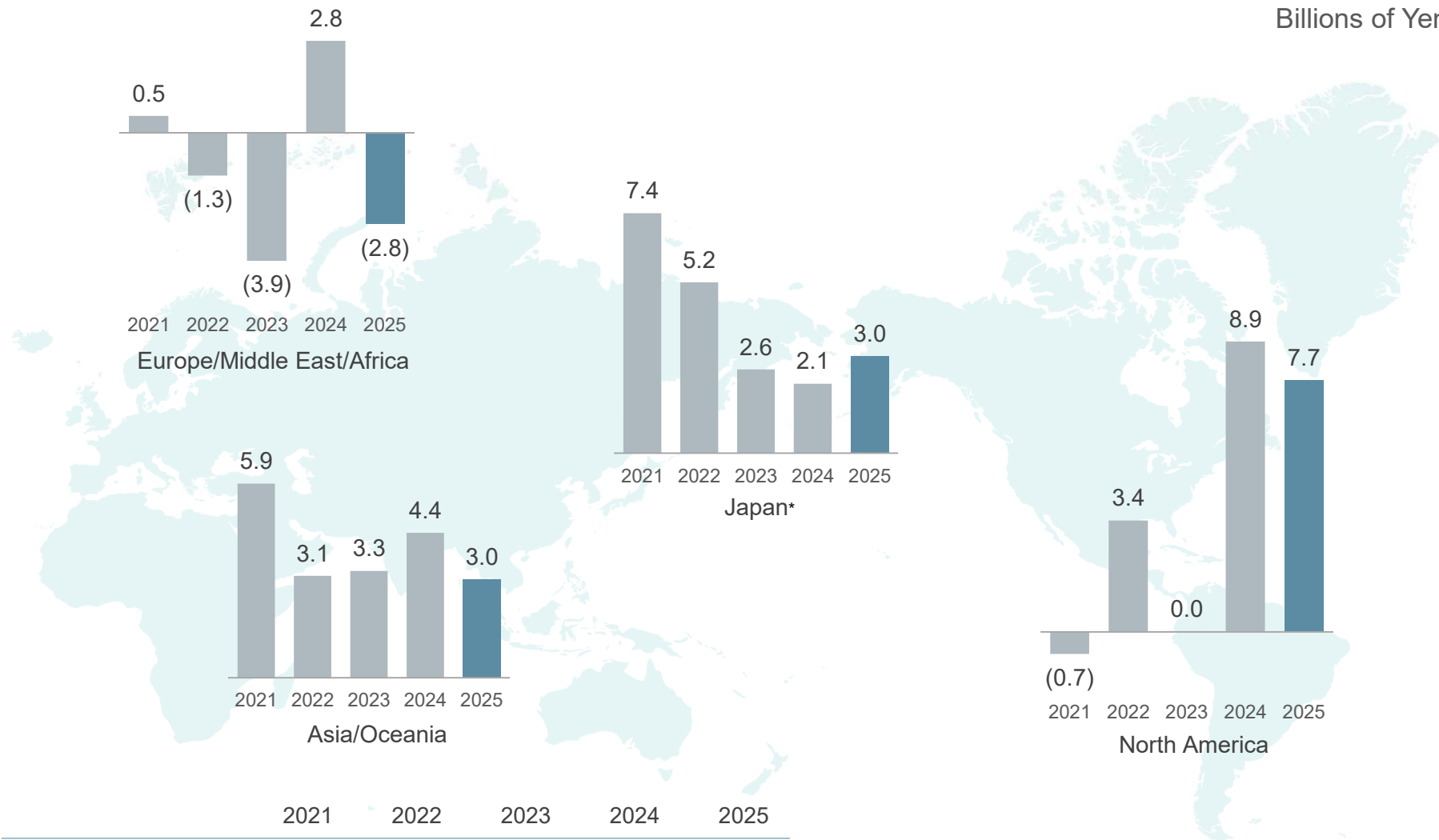
Others

	2021	2022	2023	2024	2025
Consolidated Sales Revenue	213.7	250.5	276.8	291.4	287.8
% of Overseas	67%	71%	71%	75%	72%

*Sales Revenue on this page are based on customer's location.

Consolidated Tire Business Profit by Region (Jan.-Mar.)

Billions of Yen



	2021	2022	2023	2024	2025
Business profit of Tires	13.1	10.5	1.9	18.3	10.9
Overseas	5.8	5.2	(0.6)	16.2	7.9
% of Overseas	44%	50%	-	88%	73%

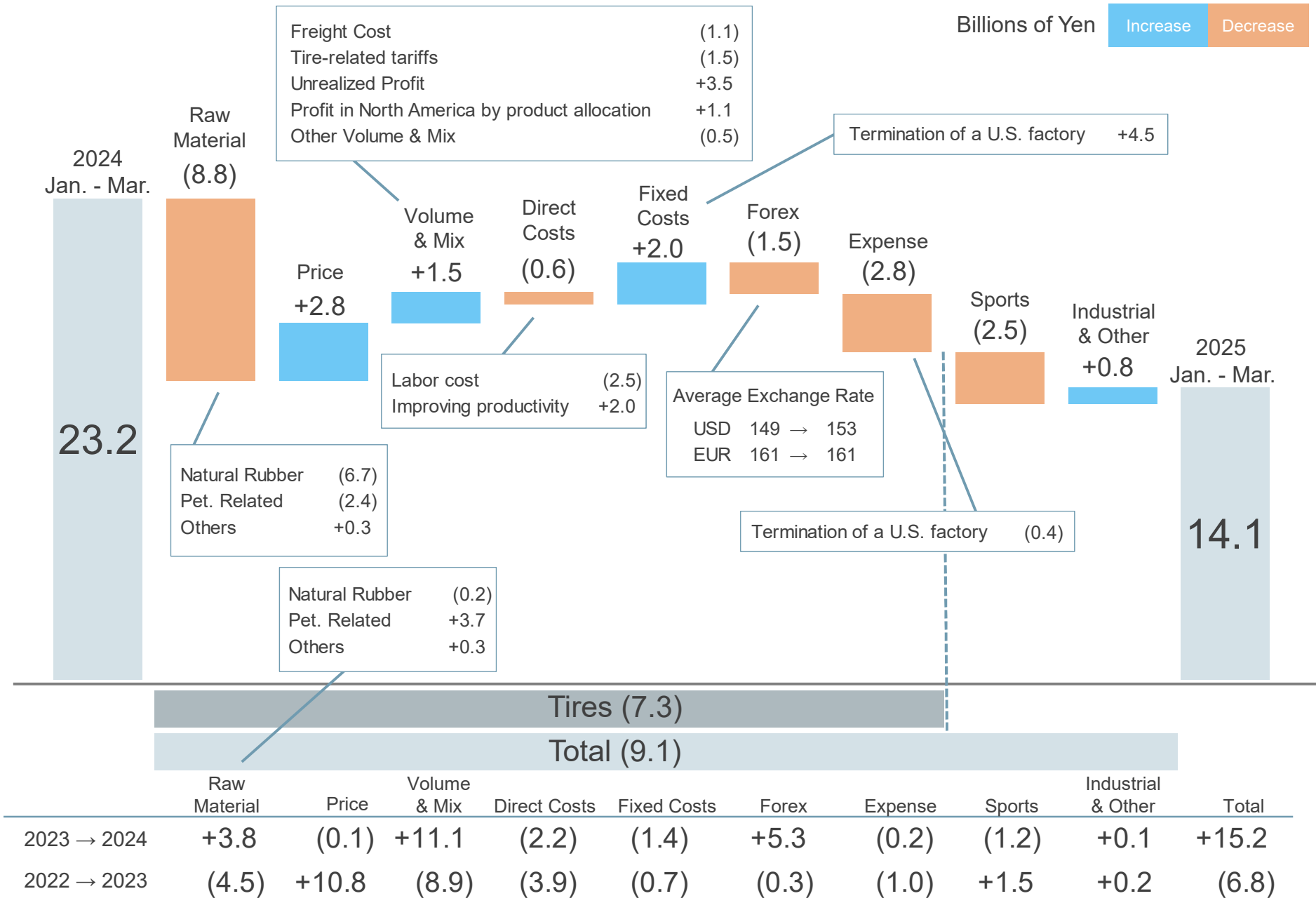
*Direct export sales from Japan that do not go through group sales companies are aggregated in Japan.

Consolidated Business Profit Walk (2025 Jan.-Mar.)

Billions of Yen

Increase

Decrease



Consolidated Statement of Profit & Loss

	2024 Jan.-Mar.	2025 Jan.-Mar.	Billions of Yen vs 2024 Jan.- Mar.
Sales revenue	291.4	287.8	(3.6)
Cost of sales	(202.3)	(204.1)	(1.8)
Selling, general and administrative expenses	(65.8)	(69.5)	(3.7)
Business profit	23.2	14.1	(9.1)
Other income	0.8	1.0	+0.2
Other expenses	(3.3)	(2.8)	+0.5
Operating profit	20.7	12.3	(8.4)
Financial income	6.9	2.6	(4.3)
Financial expenses	(1.7)	(10.9)	(9.2)
Equity in earnings of affiliates	(0.0)	0.0	+0.0
Profit before tax	25.9	4.0	(21.9)
Income tax expenses	0.4	(0.8)	(1.1)
Non-controlling interests	(1.4)	0.4	+1.8
Profit	24.8	3.6	(21.3)

Main factor

1 Business profit

Refer to page 6 to 14 for details

2 Other income

Other non-operating profit

	Actual	vs 2024 Jan.- Mar.
Other non-operating profit	0.9 B of yen	+0.5 B of yen

3 Other expenses

Other non-operating expenses	(1.2) B of yen	+1.2 B of yen
Impairment losses, etc. related to termination of production and dissolution of a U.S. factory	(0.8) B of yen	(0.8) B of yen
Loss on retirement or sales of non-current assets	(0.4) B of yen	(0.2) B of yen

4 Financial income

Gain on net monetary position	1.6 B of yen	(0.8) B of yen
Interest received	0.9 B of yen	(0.2) B of yen
Foreign exchange profit	-	(3.2) B of yen

5 Financial expenses

Foreign exchange loss	(8.0) B of yen	(8.0) B of yen
Interest expenses	(1.7) B of yen	+0.0 B of yen
Loss on valuation of derivatives	(1.2) B of yen	(1.2) B of yen

Consolidated Statement of Financial Position



Billions of Yen

	As of Dec. 31, 2024	As of Mar. 31, 2025	vs Dec. 31, 2024	Main factor
Current assets	669.8	634.7	① (35.0)	① Current assets vs Dec. 31, 2024 Trade and other receivables (13.8) B of yen Cash and cash equivalents (13.3) B of yen Inventories (8.3) B of yen
Non-current assets	671.4	655.5	② (15.9)	
Total assets	1,341.1	1,290.2	(50.9)	
Current liabilities	370.6	351.4	(19.3)	② Non-current assets Tangible assets (16.8) B of yen Intangible assets(including goodwill) + 4.7 B of yen Deferred tax assets (1.7) B of yen
Non-current liabilities	294.7	289.5	(5.2)	
Total liabilities	665.3	640.8	③ (24.5)	
Total equity attributable to owners of parent	656.1	631.2	④ (24.9)	③ Total liabilities Trade and other payables (18.4) B of yen Other current liabilities (10.7) B of yen Interest-bearing debt + 7.1 B of yen (331.2→338.3)
Non-controlling interest	19.7	18.2	(1.5)	
Total equity	675.8	649.4	④ (26.4)	
Total liabilities and equity	1,341.1	1,290.2	(50.9)	④ Equity Foreign currency translation adjustment (17.1) B of yen Dividends paid (7.6) B of yen Profit + 3.6 B of yen
Equity ratio	48.9%	48.9%	±0.0P	

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■ 2025 Annual Financial Results Forecast

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【Forecast】 Consolidated Financial Results (2025 Jan.-Jun.)

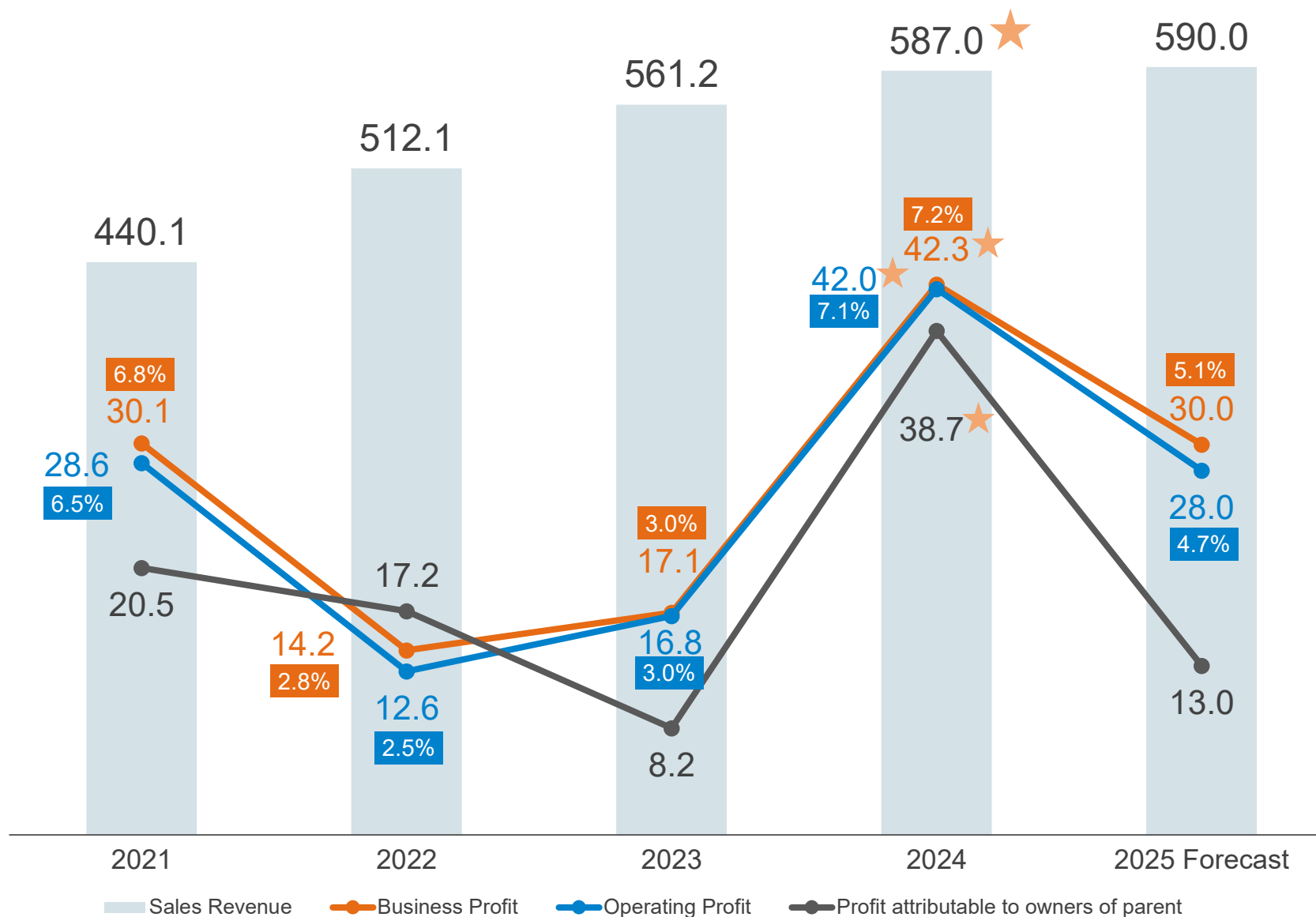


Billions of Yen

	Revised Forecast 2025 Jan.-Jun.	Actual 2024 Jan.-Jun.	vs 2024	Feb. 13 th 2025 Forecast 2025 Jan.-Jun.	Revised Forecast 2025 Apr.-Jun.	Actual 2024 Apr.-Jun.
Sales Revenue	590.0	587.0	101%	600.0	302.2	295.7
Business Profit (%)	30.0 5.1%	42.3 7.2%	71%	30.0 5.0%	15.9 5.3%	19.1 6.5%
Operating Profit (%)	28.0 4.7%	42.0 7.1%	67%	25.0 4.2%	15.7 5.2%	21.3 7.2%
Profit	13.0	38.7	34%	13.0	9.4	13.9

【Forecast】 Consolidated Sales Revenue / Profit (Jan.-Jun.)

Billions of Yen % : Profit Ratio ★ : Record High



【Forecast】 Consolidated Sales Revenue / Business Profit
by Reportable Segment (2025 Jan.-Jun.)



Billions of Yen

		Revised Forecast 2025 Jan.-Jun.	Actual 2024 Jan.-Jun.	vs 2024	Feb. 13 th 2025 Forecast 2025 Jan.-Jun.	Revised Forecast 2025 Apr.-Jun.	Actual 2024 Apr.-Jun.
Sales Revenue	Tires	502.5	496.1	101%	513.5	257.9	252.0
	Sports	68.5	71.6	96%	68.5	36.1	34.9
	Industrial & Other	19.0	19.4	98%	18.0	8.2	8.8
	Total	590.0	587.0	101%	600.0	302.2	295.7
Business Profit	Tires	24.0	34.0	71%	24.0	13.1	15.7
	Sports	4.0	7.0	57%	4.5	2.3	2.7
	Industrial & Other *	2.0	1.3	152%	1.5	0.5	0.6
	Total	30.0	42.3	71%	30.0	15.9	19.1

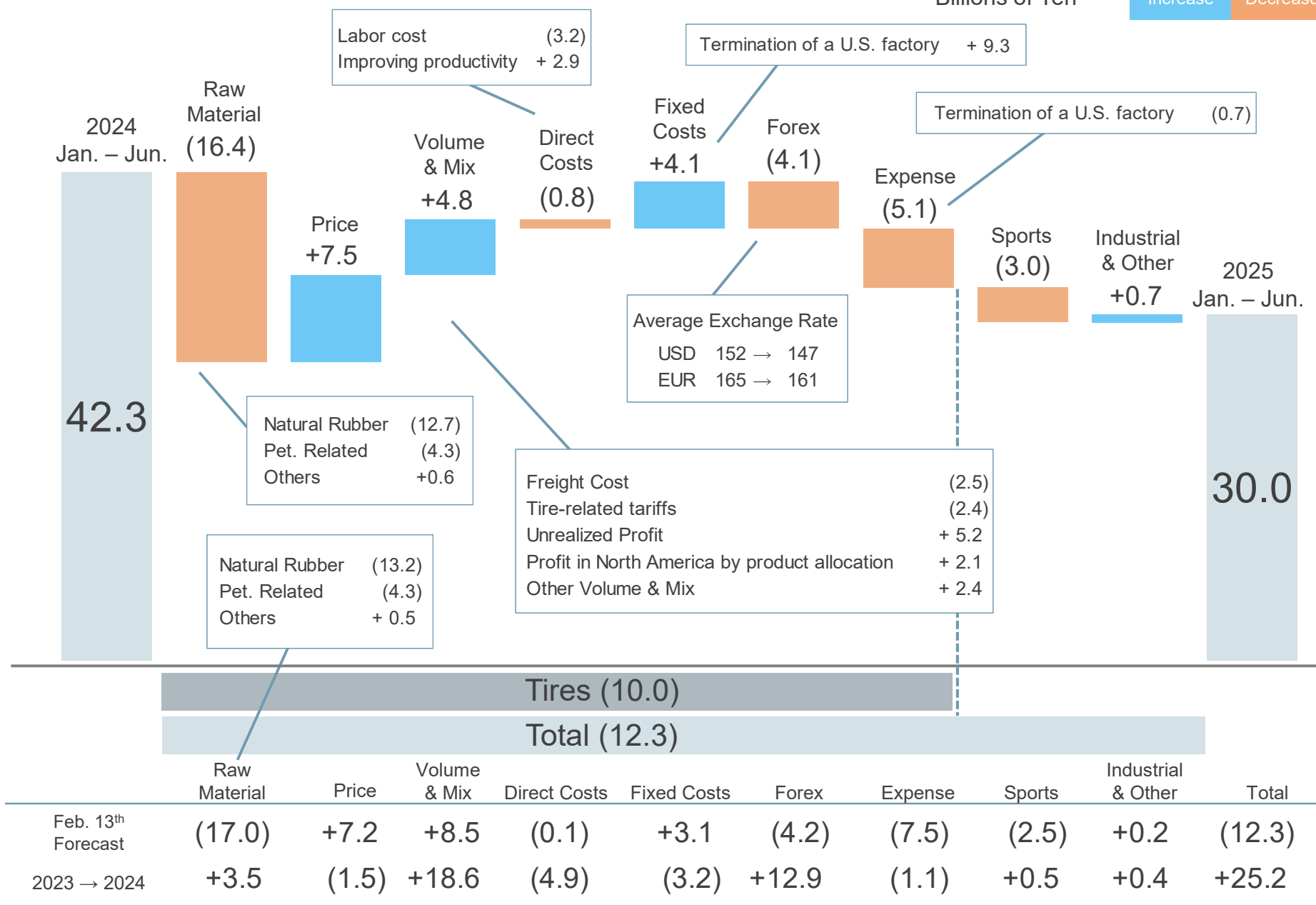
*The elimination of inter-segment transactions is included. 20

【Forecast】 Consolidated Business Profit Walk (2025 Jan.-Jun.)

Billions of Yen

Increase

Decrease



【Forecast】 Consolidated Financial Results (2025 Annual)



Billions of Yen

Feb. 13th 2025
Forecast
2025

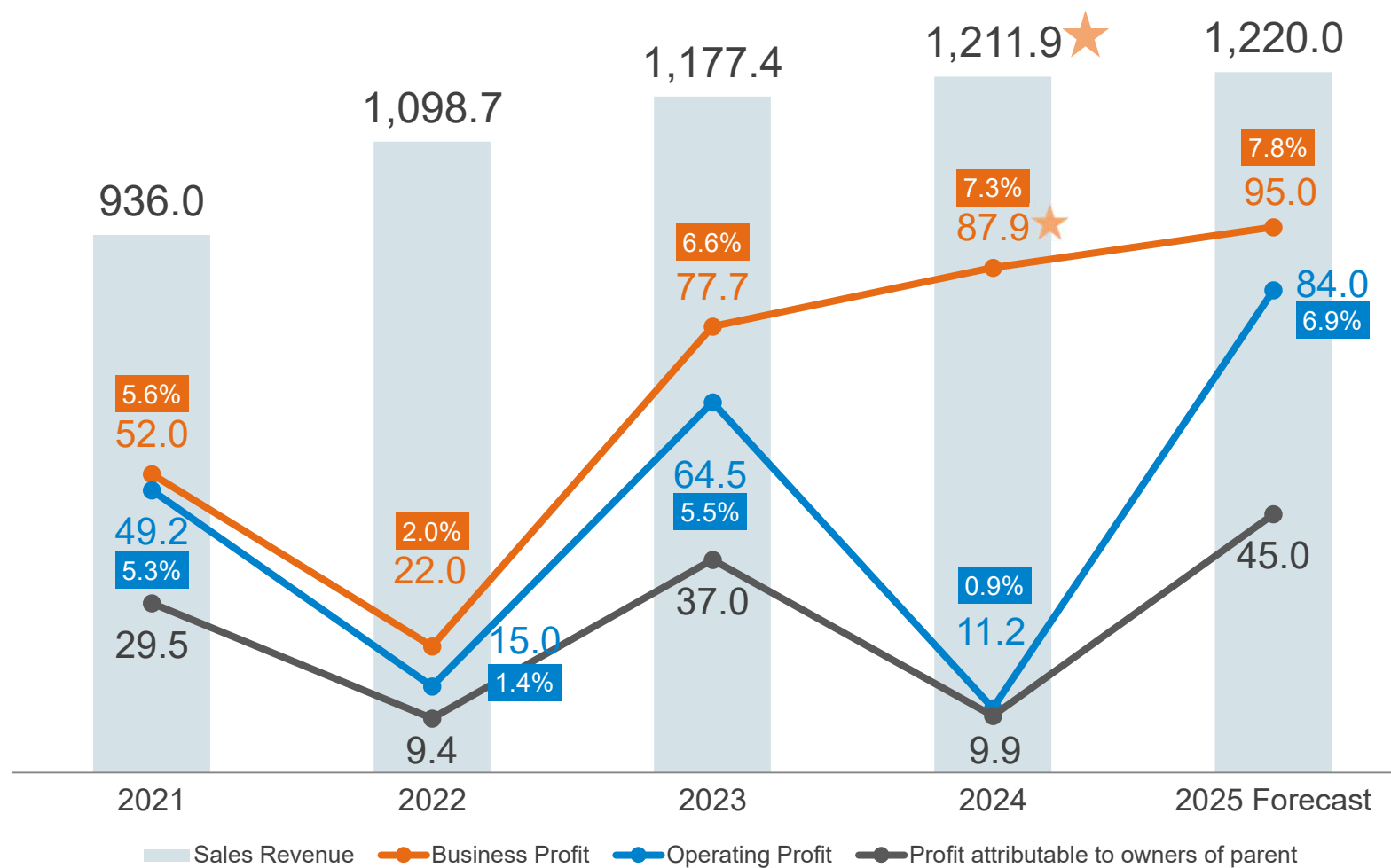
	Revised Forecast 2025	Actual 2024	YOY	
Sales Revenue	1,220.0	1,211.9	101%	1,250.0
Business Profit (%)	95.0 7.8%	87.9 7.3%	108%	95.0 7.6%
Operating Profit (%)	84.0 6.9%	11.2 0.9%	751%	84.0 6.7%
Profit	45.0	9.9	456%	45.0
ROIC ^{*1}	6.7%	6.5%		6.5%
ROE	7.0%	1.5%		6.7%
ROA ^{*2}	6.9%	6.7%		6.7%
D/E Ratio	0.7	0.5		0.6

*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 (2025 Jan.-Dec.)



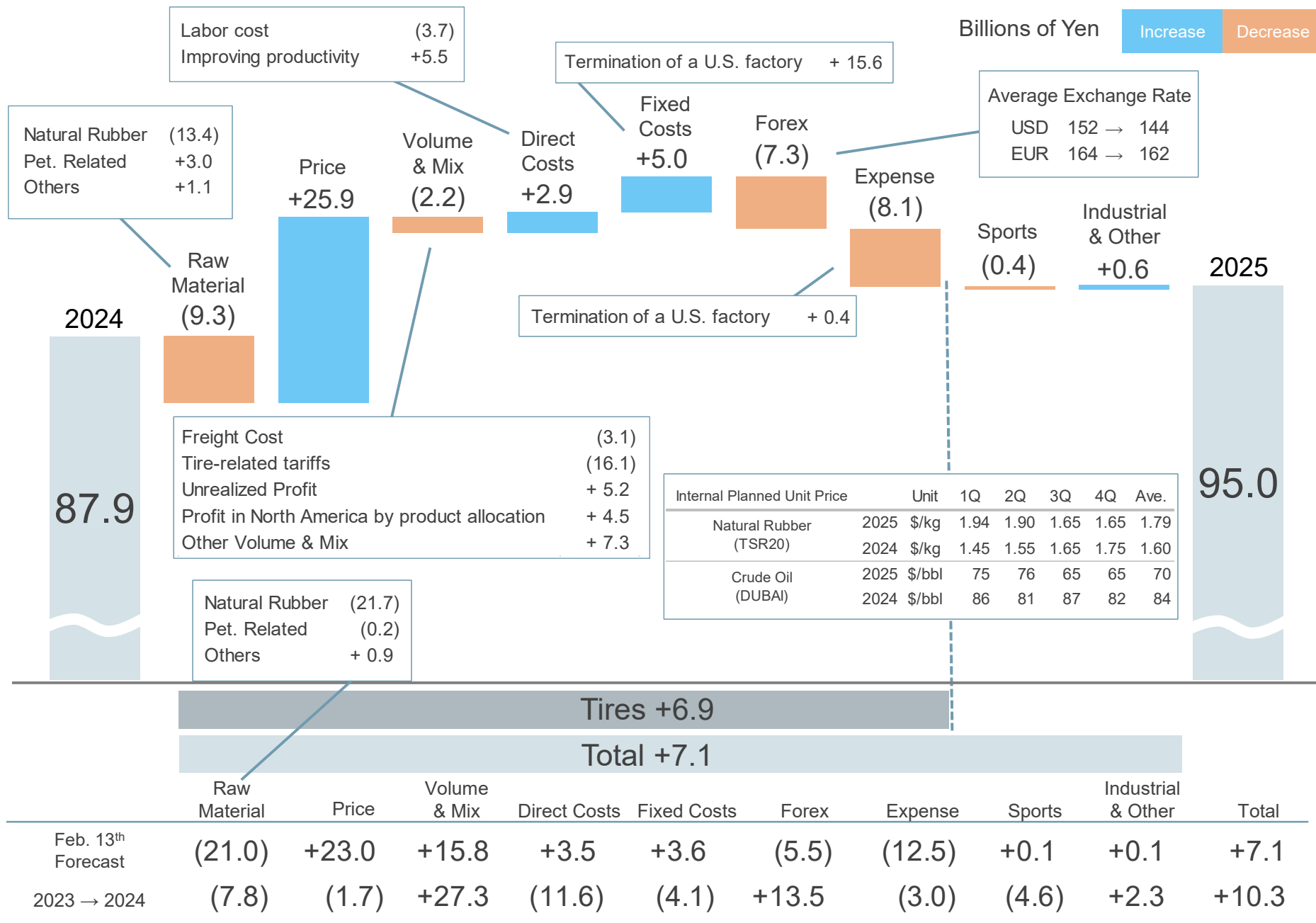
Billions of Yen

Feb. 13th 2025
Forecast
2025

		Revised Forecast 2025	Actual 2024	vs 2024	
Sales Revenue	Tires	1,054.0	1,046.4	101%	1,088.5
	Sports	124.5	125.7	99%	124.5
	Industrial & Other	41.5	39.8	104%	37.0
	Total	1,220.0	1,211.9	101%	1,250.0
Business Profit	Tires	83.0	76.2	109%	83.0
	Sports	7.5	7.9	95%	8.0
	Industrial & Other*	4.5	3.9	116%	4.0
	Total	95.0	87.9	108%	95.0

*The elimination of inter-segment transactions is included.

【Forecast】 Consolidated Business Profit Walk (2025 Jan.-Dec.)



Consolidated Business Profit Analysis by Factors

Billions of Yen

Period		Business Profit		Factors								
				Raw Material	Price	Volume & Mix	Direct Costs	Fixed Costs	Forex	Expense	Sports	Industrial & Other
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.-Dec.	45.6	(14.9)	(11.3)	(0.2)	+8.7	(6.7)	(0.9)	+0.6	(1.9)	(5.1)	+1.9
	Annual	87.9	+10.3	(7.8)	(1.7)	+27.3	(11.6)	(4.1)	+13.5	(3.0)	(4.6)	+2.3
2025	Jan.-Mar.	14.1	(9.1)	(8.8)	+2.8	+1.5	(0.6)	+2.0	(1.5)	(2.8)	(2.5)	+0.8
	Apr.-Jun. Forecast	15.9	(3.2)	(7.6)	+4.7	+3.3	(0.2)	+2.1	(2.6)	(2.3)	(0.5)	(0.1)
	Jul.-Dec. Forecast	65.0	+19.4	+7.1	+18.4	(7.0)	+3.7	+0.9	(3.2)	(3.0)	+2.6	(0.1)
	Annual	95.0	+7.1	(9.3)	+25.9	(2.2)	+2.9	+5.0	(7.3)	(8.1)	(0.4)	+0.6
vs Feb. 13 th Forecast			+0.0	+11.7	+2.9	(18.0)	(0.6)	+1.4	(1.8)	+4.4	(0.5)	+0.5

Tire Sales Volume (Comparison %)

vs Previous year		2024 Actual					2025 Jan.-Mar. Actual, Apr.-Dec. Forecast					Feb.13 th 2025 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.		78%	90%	87%	88%	86%	120%	102%	103%	102%	106%	113%	102%	107%
Domestic Rep.		86%	97%	108%	103%	98%	96%	91%	91%	98%	94%	92%	97%	95%
Overseas O.E.		90%	89%	89%	90%	90%	91%	93%	92%	93%	92%	97%	95%	96%
Overseas Rep.		100%	93%	99%	102%	98%	94%	99%	99%	98%	98%	97%	102%	100%
Details	North America	107%	86%	98%	101%	98%	83%	107%	96%	92%	94%	95%	102%	99%
	Europe	102%	105%	90%	96%	98%	97%	95%	107%	104%	101%	97%	109%	103%
	Asia	93%	89%	103%	114%	99%	104%	94%	94%	101%	98%	97%	98%	98%
	Others	100%	93%	104%	100%	99%	94%	101%	99%	97%	98%	99%	100%	100%
Total		93%	93%	97%	98%	95%	97%	97%	97%	98%	97%	98%	100%	99%
Total Tire Sales (000 Units)		24,610	24,870	26,090	27,760	103,330	23,850	24,190	25,250	27,180	100,470	48,540	53,770	102,310

Tire Volume by Category (Comparison %)

vs Previous Year	Actual 2024 Jan.-Mar.				Actual 2024 Jan.-Dec.			
	O.E.	Rep.	Total	Composition ratio	O.E.	Rep.	Total	Composition ratio
Passenger Tires	86%	95%	92%	88%	89%	98%	95%	88%
Advanced Tires *2	99%	102%	101%	41% *1	96%	101%	99%	40% *1
Premium Tires *3	-	-	-	44% *1	-	-	-	44% *1
Truck & Bus Tires	106%	87%	89%	3%	100%	97%	98%	4%
Motorcycle, Industrial & Other Tires	76%	121%	98%	9%	79%	104%	93%	9%
Total	85%	96%	93%	100%	88%	98%	95%	100%

vs Previous Year	Actual 2025 Jan.-Mar.				2025 Jan.-Dec. Forecast			
	O.E.	Rep.	Total	Composition ratio	O.E.	Rep.	Total	Composition ratio
Passenger Tires	102%	94%	96%	87%	98%	97%	97%	88%
Premium Tires *3	105%	96%	100%	45% *1	101%	104%	103%	46% *1
Truck & Bus Tires	109%	98%	99%	3%	110%	94%	96%	4%
Motorcycle, Industrial & Other Tires	102%	106%	104%	9%	96%	93%	94%	8%
Total	102%	95%	97%	100%	98%	97%	97%	100%

Advanced Tires/Premium Tires Composition Ratio*1 by Year

From actual 2024, the definition of the tires that the company focuses on has changed from advanced tires*2 to premium tires*3.

	Advanced Tires *2			Premium Tires *3		
	O.E.	Rep.	Total	O.E.	Rep.	Total
Actual 2023	50%	33%	38%	-	-	-
Actual 2024	54%	34%	40%	56%	39%	44%
2025 Forecast	-	-	-	57%	41%	46%

*1.Composition Ratio to Passenger Tires

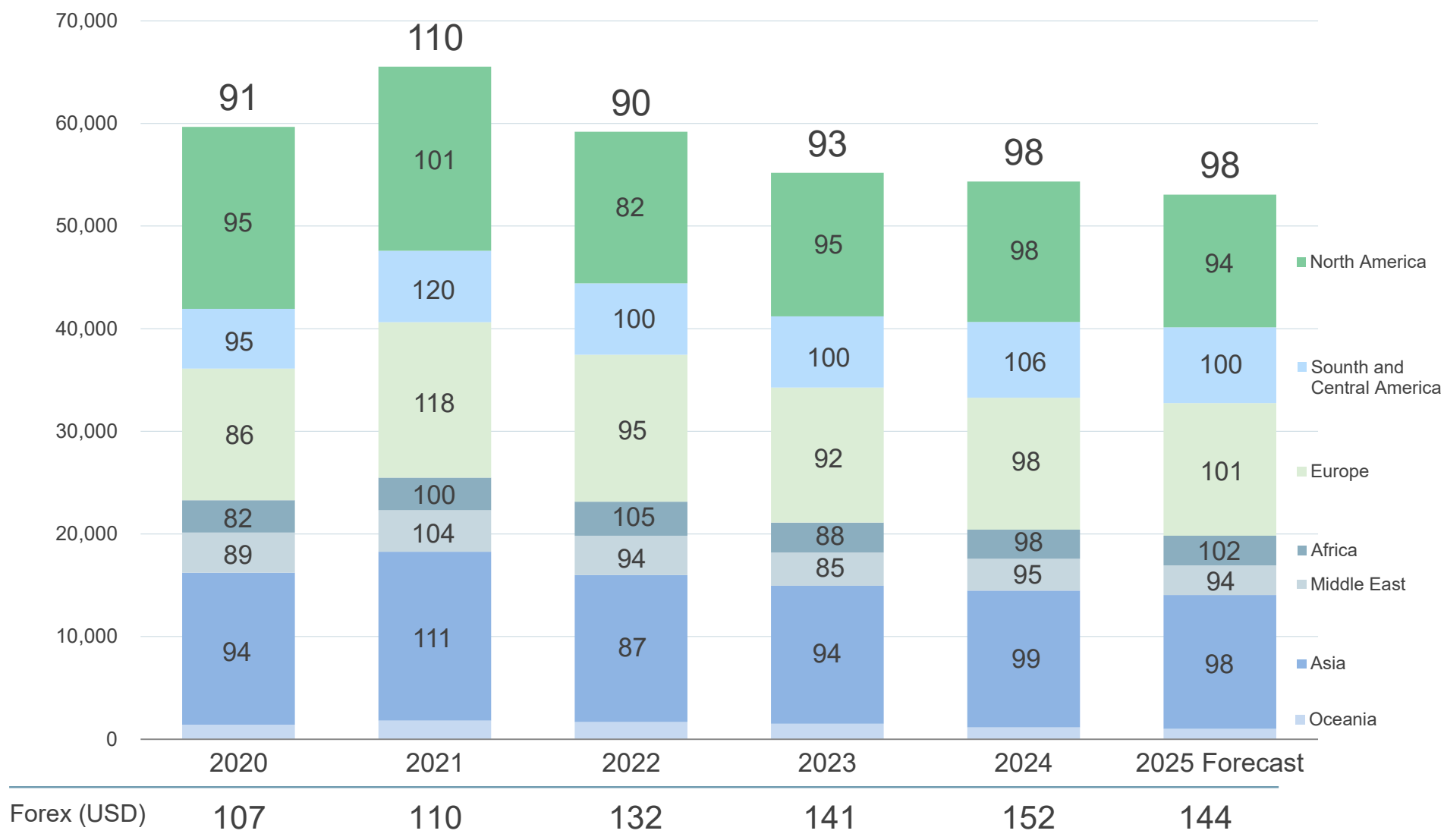
*2.Advanced Tires : Primarily for SUVs and Passenger car tires with a size of 18" or larger

*3.Premium Tires : Differentiated products(SYNCHRO WEATHER, WILDPEAK, European all-season tires), SUVs and Passenger car tires with a size of 18" or larger

Tire Overseas Rep. Volume by Regional Segment

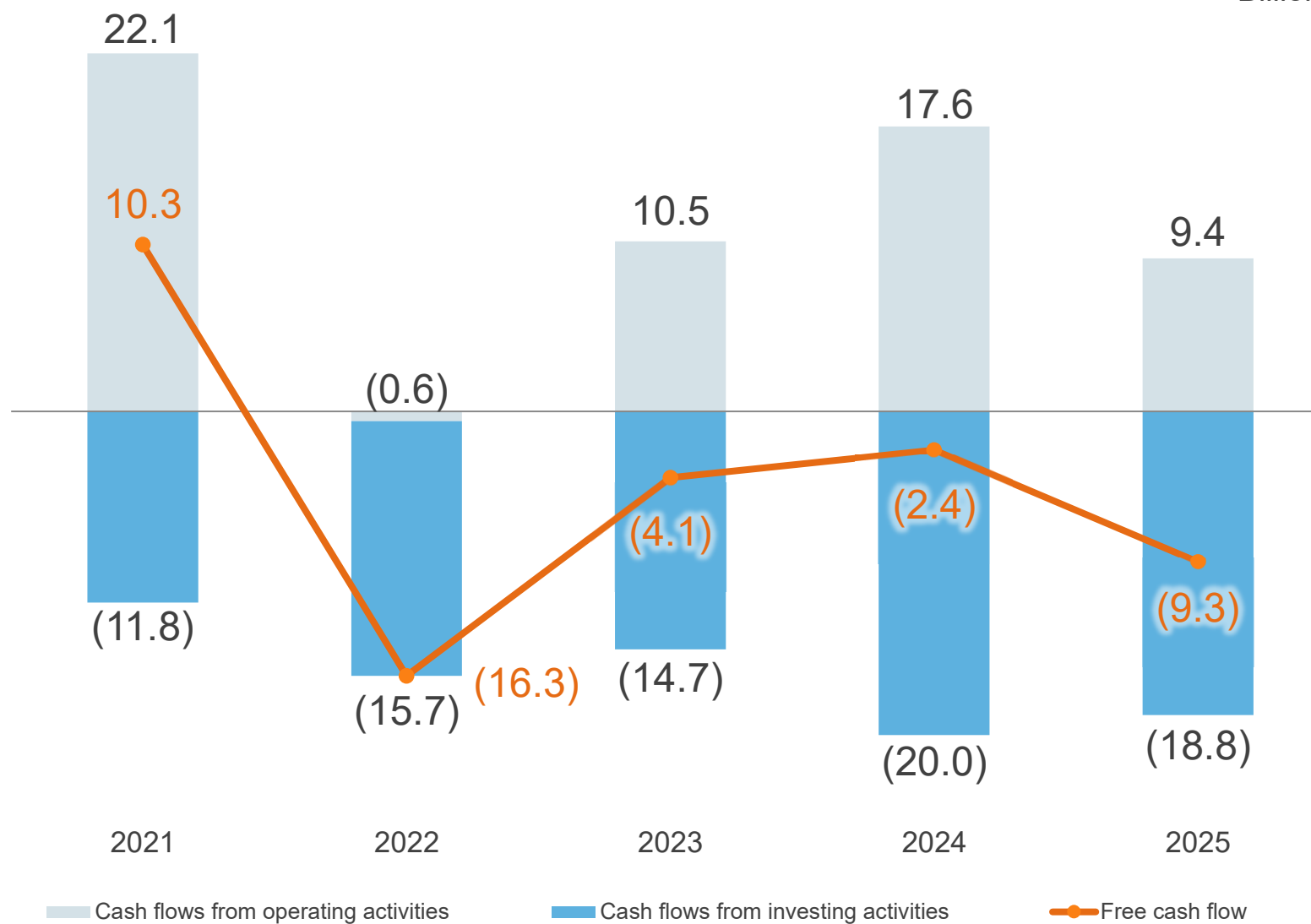
Unit : 000

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



Cash Flows (Jan.-Mar.)

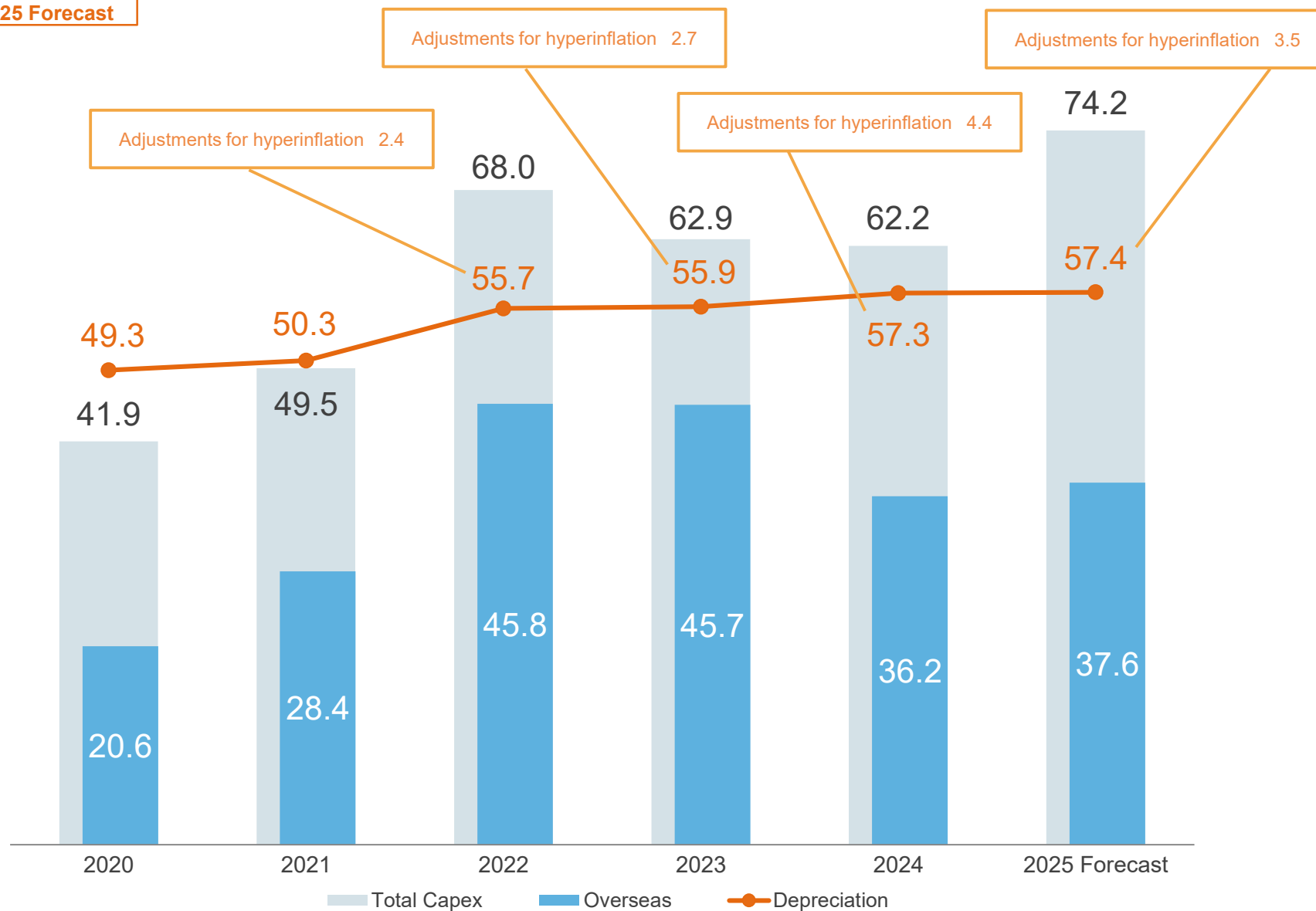
Billions of Yen



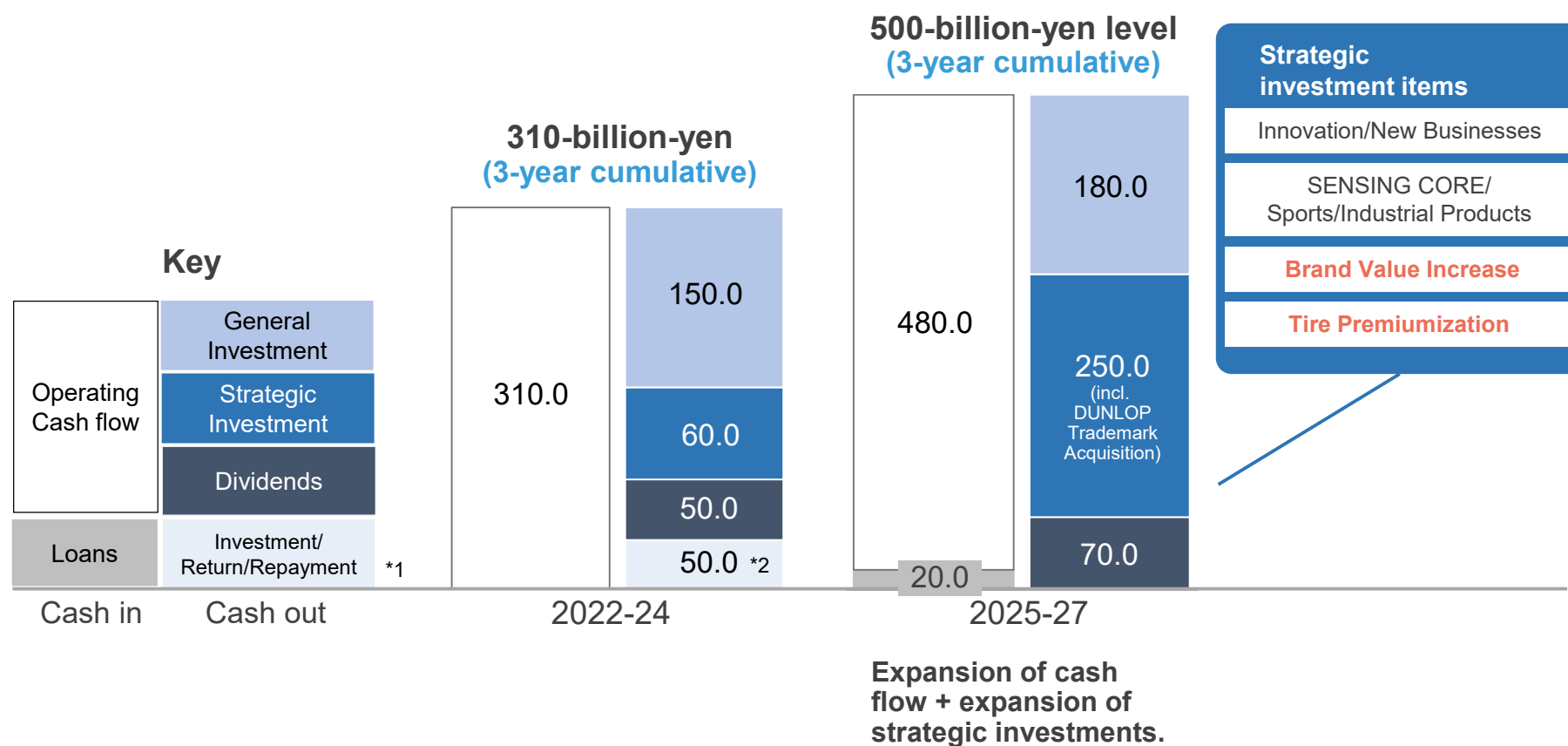
Capex and Depreciation (Tangible Assets Only)

No change since
Feb. 13th 2025 Forecast

Billions of Yen



Utilizing the expanded cash flow from structural reform and premiumization of tires for strategic investment expansion and stable shareholder returns.



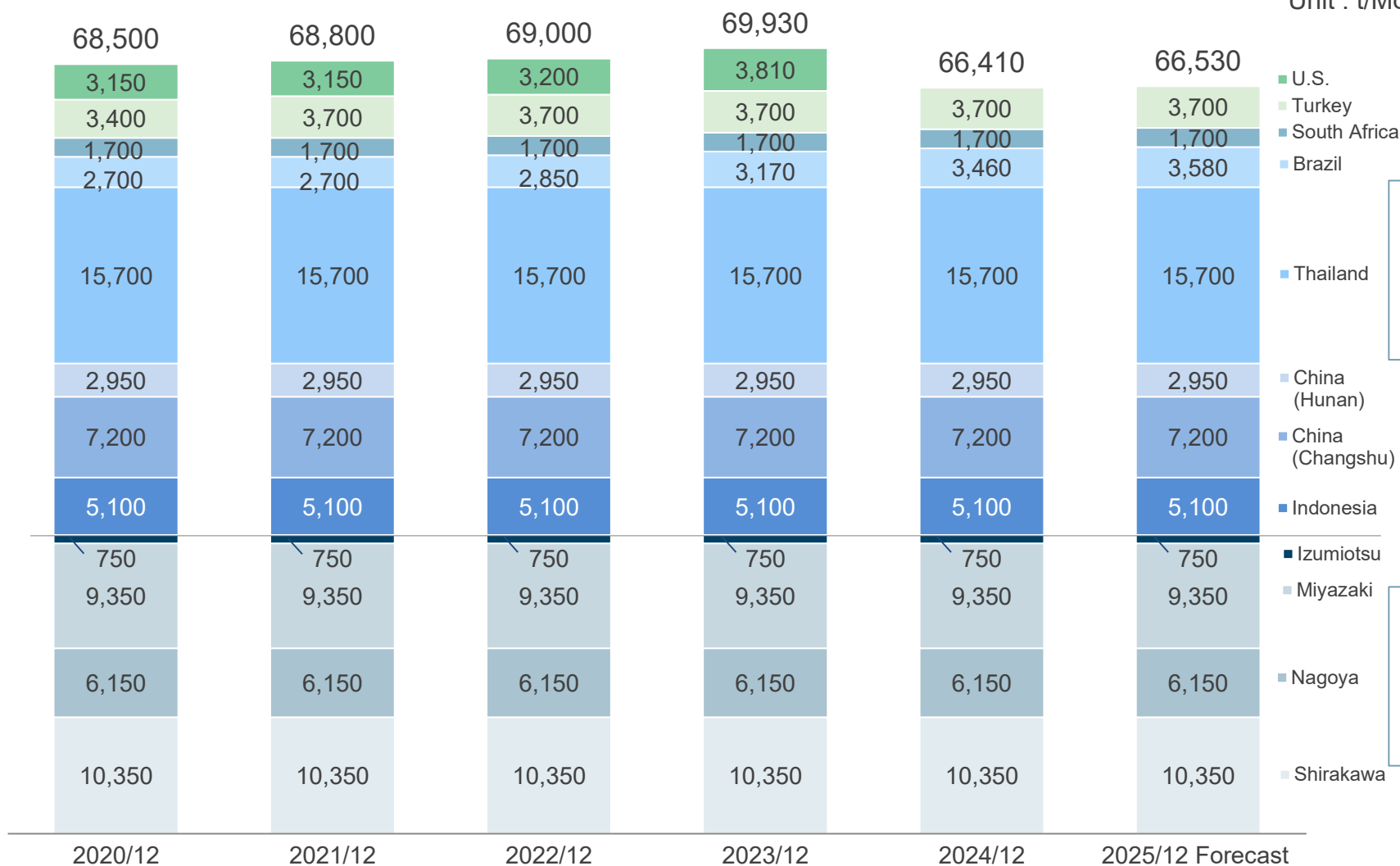
*1 In addition to strategic M&A, the optimal allocation will be determined on a case-by-case basis, considering financial indicators, capital structure balance, etc.

*2 Partially includes retained cash

Tire Production Capacity

No change since
Feb. 13th 2025 Forecast

Unit : t/Month

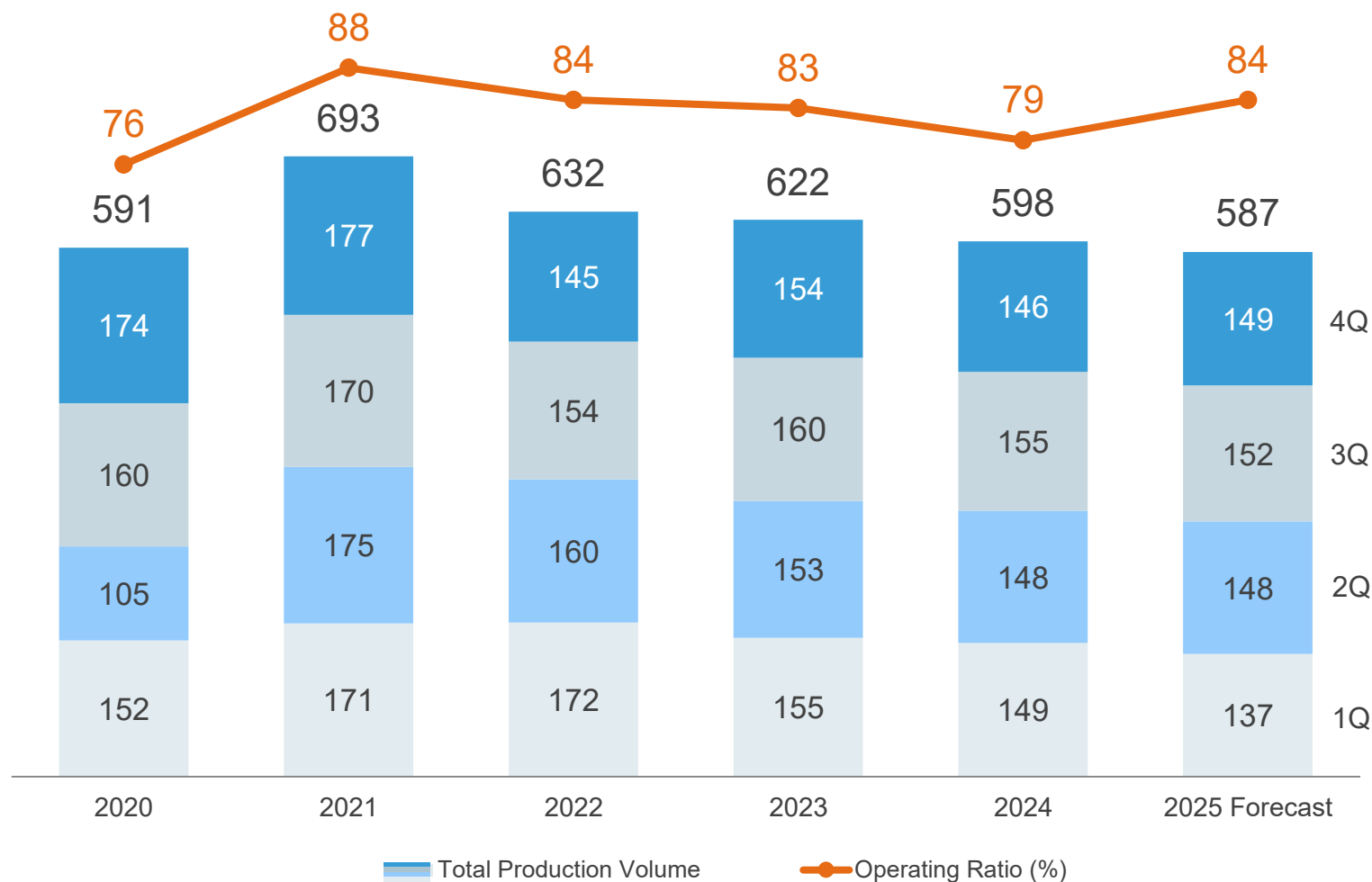


% of Overseas	61%	61%	61%	62%	60%	60%
YoY	102%	100%	100%	101%	95%	100%

Tire Production Volume and Operating Ratio



Unit : 000t



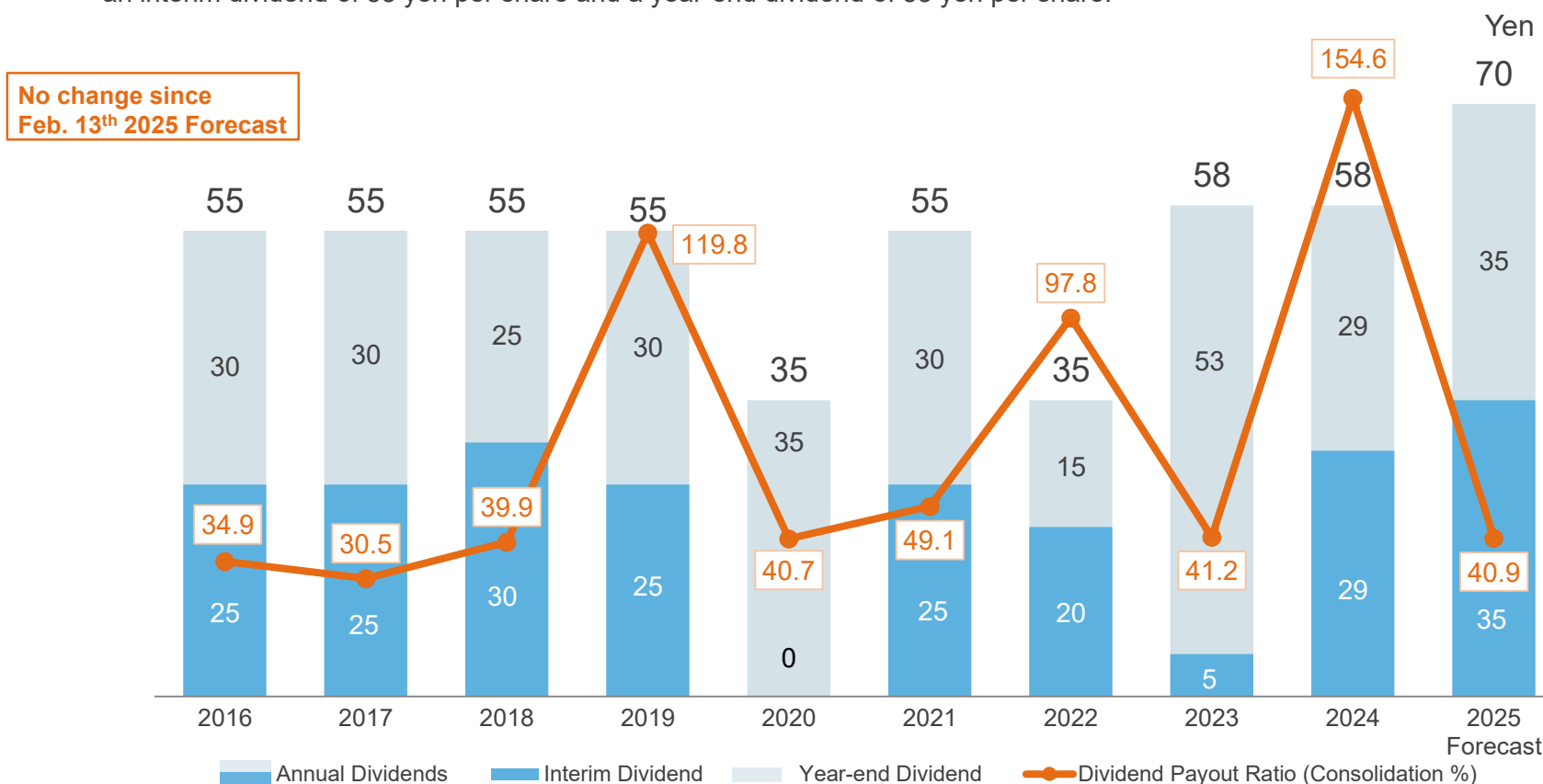
% of Overseas	63%	63%	63%	64%	64%	63%
YoY	85%	117%	91%	98%	96%	98%

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 2025 Annual Dividends:

Regarding forecast of 2025 annual dividends, we currently plan to pay an annual dividend of 70 yen per share, consisting of an interim dividend of 35 yen per share and a year-end dividend of 35 yen per share.

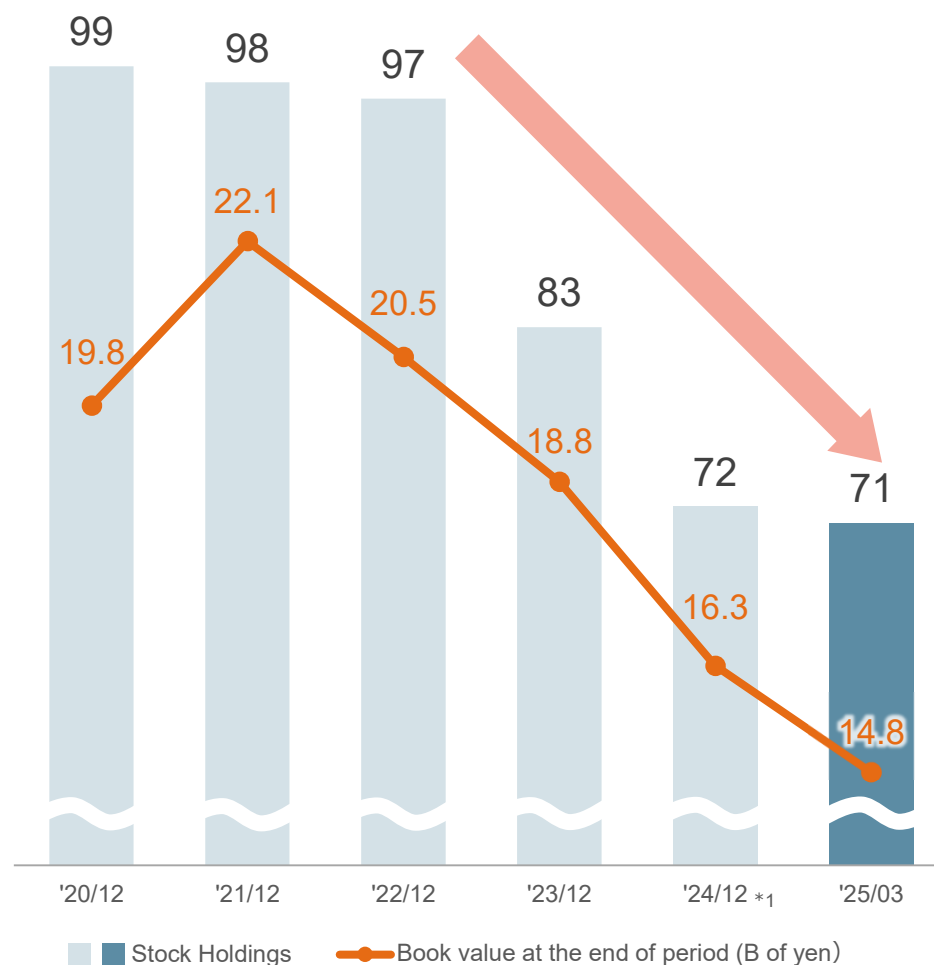


	2020	2021	2022	2023	2024
Total Shareholder Return	69.0%	94.4%	95.5%	128.3%	151.5%
Dividend Yield *	3.9%	4.7%	3.0%	3.8%	3.3%

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

Progress status of Cross-Shareholdings' sales

In the first quarter of 2025, we sold two stocks,
which generated free cash flow.



2025 Jan.-Mar.

► Number of stocks sold

2 stocks

(Including one where half of the position was sold)

► Raising amount of Cash

0.7 B of yen

► Profit on sales of investment securities

0.3 B of yen

(Non-consolidated financial statement only) *2

► Equity ratio

2024/12 1.2% ⇒ 2025/03 **1.1%**

2024/12 book value ⇒ 2025/03 book value
16.3B of yen 14.8 B of yen

*1. Including investment in Viaduct Inc., a US-based AI-powered connected vehicle analytics company.

*2. Consolidated financial statement was not affected on profit due to adopt IFRS.

Our Flagship Products

 **DUNLOP**



SYNCHRO WEATHER 

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

 **DUNLOP**



SPORT MAXX LUX

Premium comfort tire that boasts both quiet cabin and steering stability.

 **FALKEN**



e.ZIEX

Replacement tire for EV with our highest level of energy efficiency for the European market.

SRIXON®

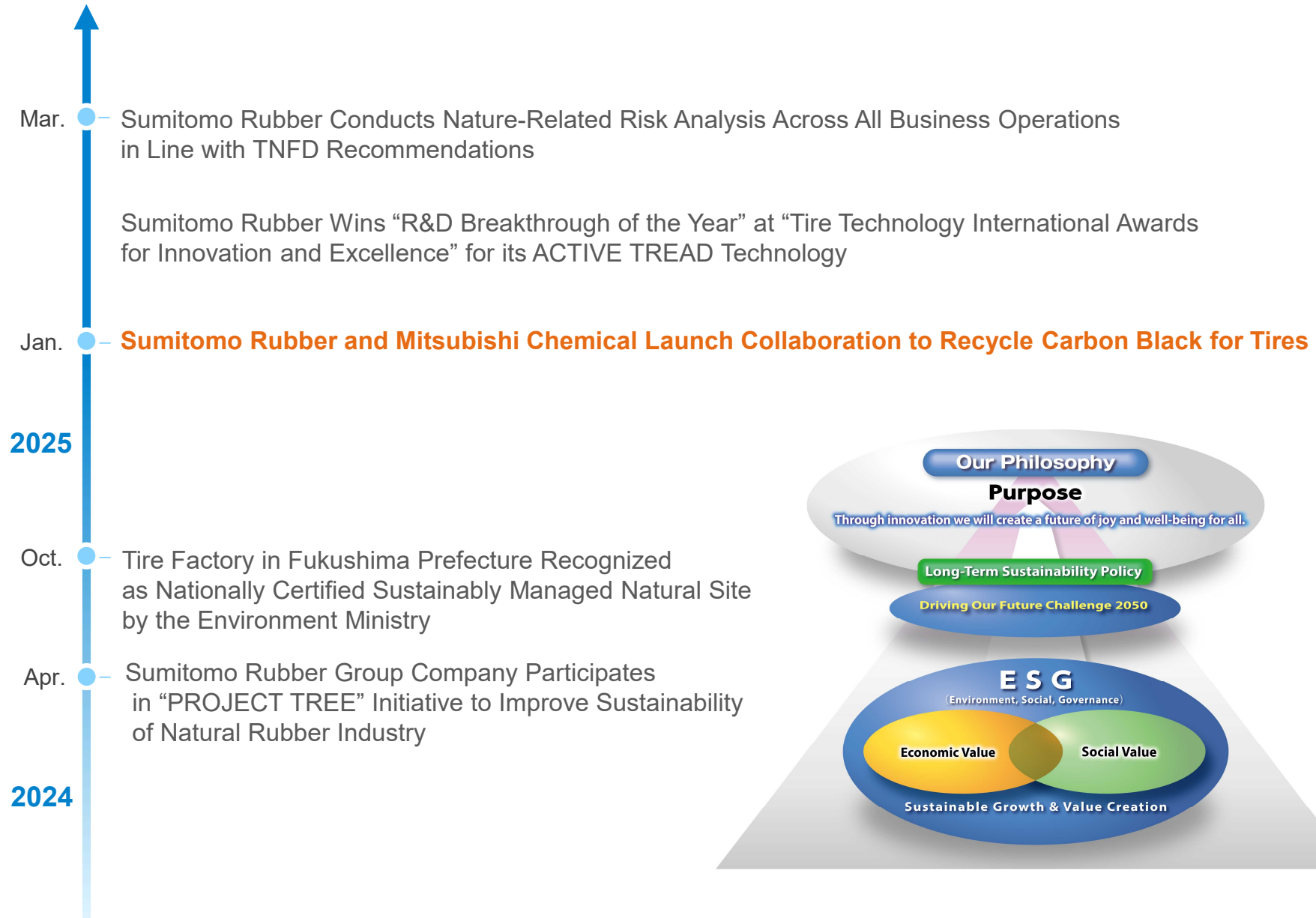


ZXi

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

Recent Activities

For further information, please refer to the news release on our website. (<https://www.srigroup.co.jp/english/newsrelease/2025/index.html>)



END

SUMITOMO RUBBER GROUP