

Summary Report of Consolidated Business Results  
for the First Quarters of Fiscal 2010  
(April 1, 2010 – June 30, 2010)

OSAKA, JAPAN – August 3, 2010 - TOYO TIRE & RUBBER CO., LTD. (President and CEO: Kenji Nakakura) announces its Consolidated Business Results for the First Quarter of 2011 Fiscal Year (April 1, 2010 through June 30, 2010) as follows:

- Net Sales: 72,162 million yen (an increase of 9,789 million yen or 15.7% from the same period for FY 2009).
- Operating Income: 2,612 million yen (compared with an Operating Loss of 3,054 million yen for the same period for FY 2009).
- Ordinary Income: 1,399 million yen (compared with an Ordinary Loss of 2,943 million yen for the same period for FY 2009) .
- Net Income: 743 million yen (compared with a Net Loss of 2,620 million yen for the same period for FY 2009).

Results by Business Units were as follows:

1. Tire Business Unit

The tire business unit posted net sales of 53,097 million yen and operating income of 1,995 million yen.

A. Original Equipment Tire Sales for the Japanese Domestic Market

Compare to the same period of FY2009, the production of automobile has been improving due to the support by government tax incentives on consumer purchases of hybrid vehicles and increased number of car for export markets. As a result, net sales and unit sales of original equipment tire sales for the Japanese domestic market exceeds the level of the first quarter of FY2009

B Replacement Tire Sales for the Japanese Domestic Market

Unit sales and net sales of replacement tire sales for the Japanese Domestic Market significantly exceeded the level of the same period for FY2009. This is because tires demand has been increased with recovery of the domestic economy.

C Replacement Tire Sales for Overseas Markets

Regarding replacement tire sales for North America and European markets, unit sales exceeded the level of the first quarter of FY2009, and net sales significantly exceeded the same term of FY2009. In Middle East and South East

Asia markets, unit sales and net sales significantly increased. As a result, unit sales and net sales for overseas replacement tire sales significantly increased over the first quarter of FY2009.

## 2. DiverTech Business Units ( Non-Tire Business Units)

The DiverTech units posted net sales of 19,058 million yen and operating income of 65 million yen.

### A. Industrial & Building Materials

In the industrial/building materials segment, net sales of anti-vibration rubber for building construction fell substantially below previous year levels due to weak demand as businesses deferred investments in infrastructure and building projects. Net sales of rubber-coated fabric products increased over the first quarter of FY2009.

### B Transportation

In the transportation segment, net sales of automobile anti-vibration rubber products, mainstay of DiverTech Business Unit, automotive seat cushions significantly exceeded the level of the first quarter of FY2009 due to increased sales of eco-friendly car such as hybrid car boosted. Net sales of air springs and anti-vibration components for railway car exceeded FY2009 same term level, owing to a steady order from the markets.

### C Thermal Insulation & Waterproof Materials

In the thermal insulation material segments, unit sales of rigid polyurethane product fell substantially below same term of FY2009 level due to decreasing of new apartment building projects. Regarding waterproof segment, unit sales significantly exceeded FY2009 same term level.

## Consolidated Balance Sheets

(Unit: Millions of yen)

	End of current fiscal year June 30, 2010	End of previous fiscal year March 31, 2010
<b>Assets</b>		
<b>Current Assets</b>		
Cash and deposits	25,251	30,580
Notes and accounts receivable – trade	60,054	60,042
Merchandise and finished goods	26,970	26,951
Work in process	2,339	2,283
Raw materials and supplies	7,426	6,644
Other	10,514	9,656
Allowance for doubtful accounts	(246)	(293)
<b>Total current assets</b>	<b>132,309</b>	<b>135,865</b>
<b>Fixed Assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	40,825	40,899
Machinery, equipment and vehicles, net	38,804	39,688
Other, net	33,562	32,713
<b>Total property, plant and equipment</b>	<b>113,192</b>	<b>113,301</b>
<b>Intangible Assets</b>		
Goodwill	274	325
Other	2,151	2,219
<b>Total intangible assets</b>	<b>2,425</b>	<b>2,544</b>
<b>Investments and other assets</b>		
Investment securities	29,449	34,118
Other	7,772	7,924
Allowance for doubtful accounts	(547)	(546)
<b>Total investments and other assets</b>	<b>36,675</b>	<b>41,496</b>
<b>Total fixed assets</b>	<b>152,292</b>	<b>157,342</b>
<b>Total assets</b>	<b>284,602</b>	<b>293,207</b>

## Consolidated Balance Sheets

(Unit: Millions of yen)

	End of current fiscal year June 30, 2010	End of previous fiscal year March 31, 2010
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable – trade	55,777	52,698
Short-term loans payable	38,603	35,970
Current portion of bonds	5,000	8,000
Income taxes payable	464	1,201
Accounts payable – other	8,630	11,876
Provision for product compensation	387	497
Other	13,305	13,305
<b>Total current liabilities</b>	<b>122,169</b>	<b>123,550</b>
<b>Noncurrent liabilities</b>		
Bonds payable	15,000	15,000
Long-term loans payable	46,334	49,561
Provision for retirement benefits	13,099	12,978
Other provision	178	186
Other	5,094	6,908
<b>Total noncurrent liabilities</b>	<b>79,706</b>	<b>84,634</b>
<b>Total liabilities</b>	<b>201,875</b>	<b>208,184</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	30,484	30,484
Capital surplus	28,507	28,507
Retained earnings	21,229	21,248
Treasury stock	(103)	(102)
<b>Total shareholders' equity</b>	<b>80,117</b>	<b>80,136</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	4,966	7,747
Deferred gains or losses on hedges	190	(54)
Foreign currency translation adjustments	(4,697)	(5,050)
<b>Total valuation and translation adjustments</b>	<b>459</b>	<b>2,642</b>
<b>Minority interests</b>	<b>2,149</b>	<b>2,243</b>
<b>Total net assets</b>	<b>82,726</b>	<b>85,023</b>
<b>Total liabilities and net assets</b>	<b>284,602</b>	<b>293,207</b>

## Consolidated Statements of Income

(Unit: Millions of yen)

	Previous fiscal year	Current fiscal year
	FY2009 (From April 1, 2009 to June 30, 2009)	FY2010 (From April 1, 2010 to June 30, 2010)
Net sales	62,373	72,162
Cost of sales	49,848	52,348
Gross profit	12,524	19,813
Selling, general and administrative expenses	15,578	17,201
Operating income (loss)	(3,054)	2,612
Non-operating income		
Interest income	18	16
Dividends income	337	251
Equity in earnings of affiliates	542	56
Other	283	205
Total non-operating income	1,182	528
Non-operating expenses		
Interest expense	625	535
Foreign exchange losses	—	620
Other	446	584
Total non-operating expenses	1,071	1,741
Ordinary income (loss)	(2,943)	1,399
Extraordinary income		
Gain on sales of investment securities	1,072	—
Total extraordinary income	1,072	—
Extraordinary loss		
Loss on retirement of noncurrent assets	163	58
Impairment loss	143	—
Total extraordinary loss	307	58
Income (loss) before income taxes	(2,178)	1,340
Income taxes	119	484
Income taxes for prior periods	235	—
Income before minority interests	—	856
Minority interests in income	87	112
Net income (loss)	(2,620)	743