

Company Goals for the Second-Half of FY2009

Nov. 9, 2009

TOYO TIRE & RUBBER Co., LTD.

1. Forecasted Change in Business Climate

Future Business Climate

- Gradual recovery of the global economy.
Increased automobile production and resulting demand for tires.
- Societal pressure to address environmental and energy issues.
Increased demand on technology development; escalation in market competition.
- Increased raw materials cost.
- Further currency shifts; appreciation of the yen.
- U.S. trade action on China-made tire imports.
Impact of additional tariffs through 2012.

Gradual recovery in the world economy ↔ Increased risk factors

**Need to consider and implement additional measures
to prepare for future growth**

2. Company Goals for the Second-Half of FY2009

1. Road-map for Improving Profitability

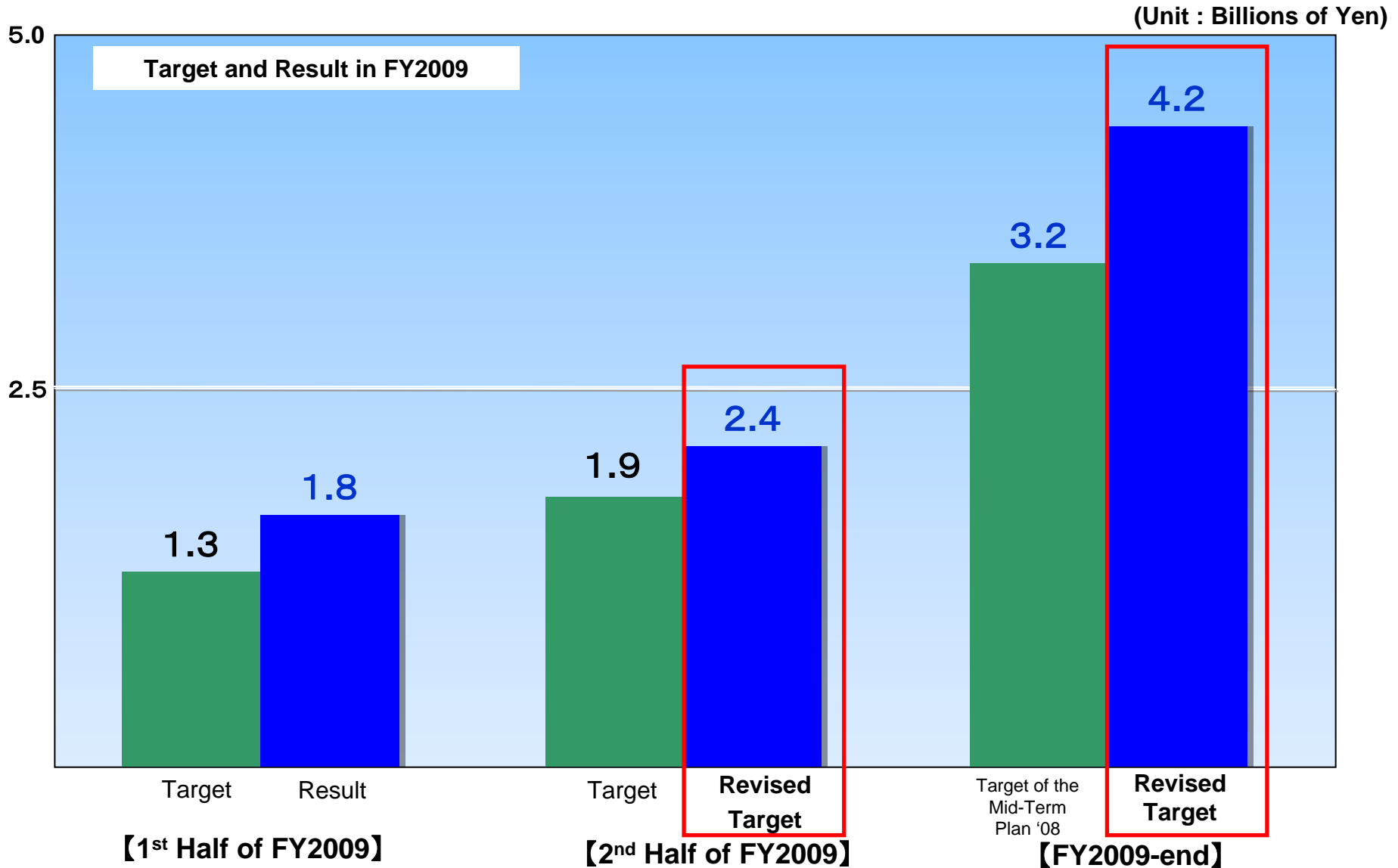
(Unit : Billions of Yen)

	First-half, FY2009 (Result against FY 2008)	FY2009 (Target)	Future Forecast
Personnel Reduction	Eliminated 150 positions (currently 8,950 employees)	8,700 employees	Increase production without increasing personnel
Labor Cost Reduction	Reduced by -1.7B Yen	Reduce by -2.0B Yen	As scheduled
Expense Reduction	Reduced by -2.08B Yen	Reduce by -4.0B Yen	As scheduled
Capital Expense Reduction	Reduced by -5.1B Yen	Reduce by -13.7B Yen	As scheduled
Inventory Reduction	Reduced inventory by: Japan: -1 month Overseas: -0.8 month	Reduce by -4.0B Yen	As scheduled
Reduction of Interest-bearing Debt	135.9B Yen	Reduce to below 130.0B Yen	As scheduled

Achieve Lean Operation: Restructure organization, reduce expenses and inventory.

2. Company Goals for the Second-Half of FY2009

2. Manufacturing Cost Reduction Project



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3. Major Projects

Tire Business

- **Revise Global Supply System**
 - Increase production at domestic plants – implement after 2nd Half FY2009
 - Increase production at North American plant
 - re-start TNA Phase 3 project – Gradual implementation after FY2010
- **China Manufacturing Plant Project**
 - Scheduled start-up for 2011 year-end
- **Improve market/product mix; Monitor and review product pricing**
- **Promote business alliance with Bridgestone**

DiverTech Business (Non-Tire Business)

- **Execute structural reform**
 - Restructure anti-vibration rubber production in Japan; close subsidiary TGK
 - To transfer TOYO RUBBER (MALAYSIA) SDN. BHD. 's share
- **Prepare for future recovery and resulting demand from increased vehicle production**
- **Improve profitability of overseas operations**

TOYO TIRES
driven to perform