

Business Performance for the First Quarter
of the year ending March 31, 2010

August 6, 2009

TOYO TIRE & RUBBER CO., LTD.

Major Topics

1. Consolidated Business Results for the First Quarter of FY2009
2. Consolidated Business Forecast for the First Half of FY2009
3. Supplemental Information on Business Results and Forecasts

The forward-looking statement contained in these business forecasts and plans are based on information available at the current time and may contain potential risks and uncertainties.

Therefore, please keep in mind that actual results may, due to a variety of factors, differ from those expressed in the forward-looking statements.

1. Consolidated Business Results for the First Quarter of FY2009 (1)

Business Results

(Unit : Millions of yen)

	Results for the 1Q of FY2009	Results for the 1Q of FY2008	(Yr.-on-Yr.)	(Ref.) Results for the 4Q of FY2008
Net sales	62,373	86,639	72.0%	59,014
Operating income (loss)	(3,054)	1,259	—	(3,575)
Ordinary income (loss)	(2,943)	1,205	—	(4,641)
Net income (loss)	(2,620)	(1,438)	—	(732)

1. Consolidated Business Results for the First Quarter of FY2009 (2)

Results by Business Segment

(Unit : Millions of yen)

		Results for the 1Q of FY2009	Results for the 1Q of FY2008	(Yr.-on-Yr.)	(Ref.) Results for the 4Q of FY2008
Tires	Net sales	47,151	62,141	75.9%	44,566
	Operating income (loss)	(2,489)	1,257	—	(2,573)
DiverTech & Other Businesses	Net sales	15,221	24,498	62.1%	14,449
	Operating income (loss)	(557)	(0)	—	(996)
Eliminations	Operating income (loss)	(7)	1	—	(6)

※Net sales do not include intersegment sales and transfer amounts.

1. Consolidated Business Results for the First Quarter of FY2009 (3)

Result by Geographic Segment

(Unit : Millions of yen)

		Results for the 1Q of FY2009	Results for the 1Q of FY2008	(Inc./Dec.)	(Ref.) Results for the 4Q of FY2008
Japan	Net sales	33,431	44,546	(11,115)	31,238
	Operating income (loss)	(3,792)	(724)	(3,068)	(6,588)
North America	Net sales	19,992	28,040	(8,048)	18,659
	Operating income	35	1,139	(1,104)	(383)
Others	Net sales	8,949	14,052	(5,103)	9,117
	Operating income	283	545	(262)	278
Eliminations	Operating income (loss)	420	299	+121	3,116

※Net sales do not include intersegment sales and transfer amounts.

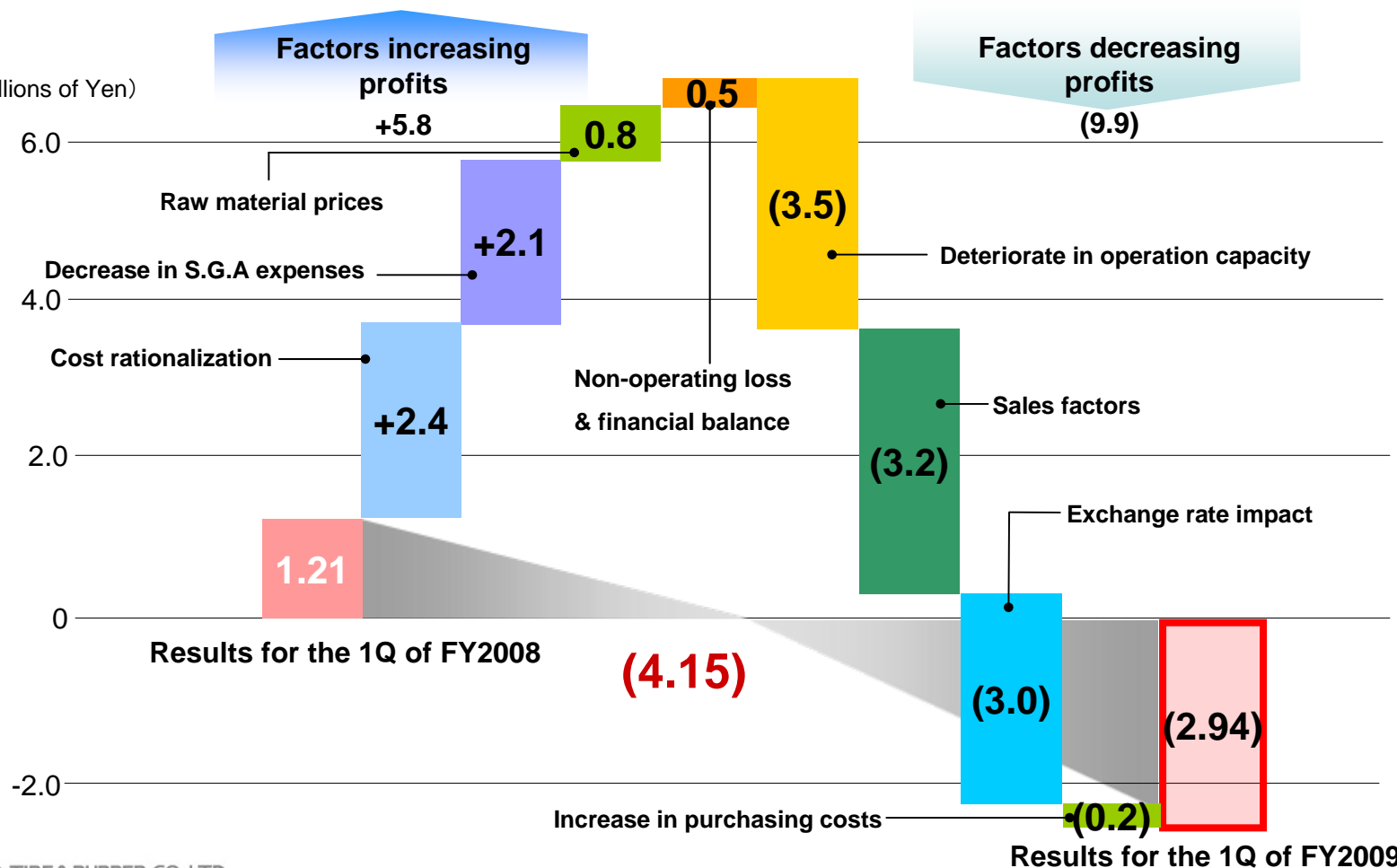
1. Consolidated Business Results for the First Quarter of FY2009 (4)

Factors contributing to the change in ordinary income (Year-on-Year)

(Unit : Millions of yen)

Results for the 1Q of FY2008	Results for the 1Q of FY2009	Inc. (Dec.)
1,205	(2,943)	(4,148)

(Unit : Billions of Yen)

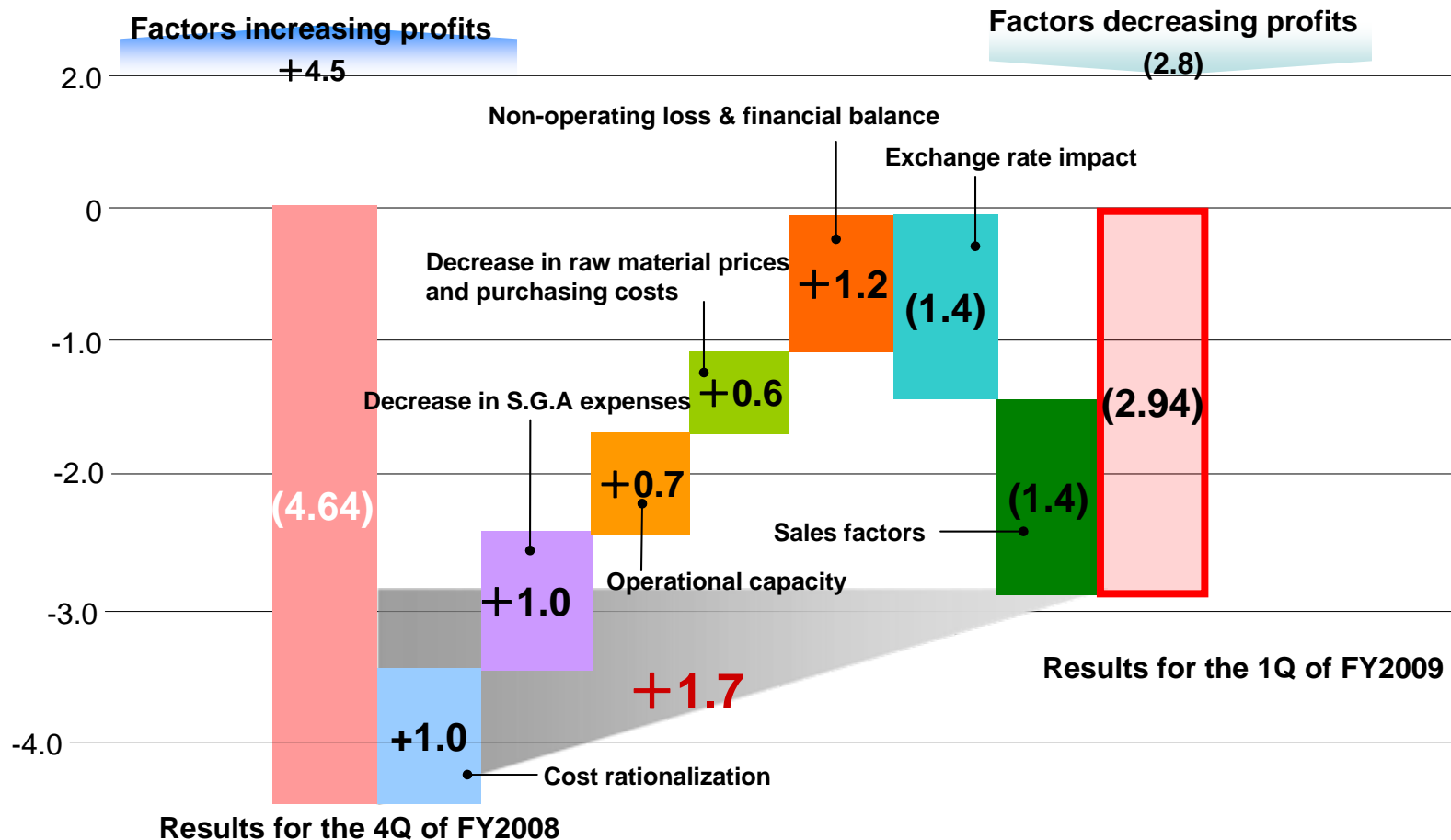


1. Consolidated Business Results for the First Quarter of FY2009 (5)

Factors Contributing to the Change in Ordinary Income (Compared to the 4Q of FY2008) (Unit: Millions of Yen)

Results for the 4Q of FY2008	Results for the 1Q of FY2009	Inc. (Dec.)
(4,641)	(2,943)	+1,698

(Unit : Billions of Yen)



Business Climate from the 2Q to the 4Q in FY2009 and Business Forecast for FY2009

Business Climate from the 2Q to the 4Q

■ Climate of Tire Demand (Regions and Tire Types)

- Japan: Easing production reduction of new cars, owing to the economic stimulation program by Japanese government (e.g. :fixed high way toll of 1,000 yen, tax reduction for eco car purchasers, fixed cash handout and etc.)
Recovering demand for PC replacement tires
- Overseas: Tire demand has not been recovered yet even though slowdown in USA is gradually stopping.
Consumption recovery is seen in China. It takes time to recover global demand including North American and European markets.

■ Price Re-Hike of raw materials ■ Continuous Appreciation of the Yen

- Prices of raw materials made from crude oil are gradually higher, due to price hike of crude oil

Business Situation & Policies from the 2Q to the 4Q

■ In domestic plants, operations of PC tires are better than the original plan. Work overtime and holidays in some sites.

■ Promote Policies for Profitability Improvement

- Build optimal manufacturing system and personnel system
- Continuous cost down activities and their reinforcement -Cut labor costs and expenses with streamlined operations
 - 【Additional Policies】 3 Extra holidays in Aug. and Sep. for administrative divisions including sales, technical staffs and office workers at 7 sites including headquarters
- Cut interesting-bearing debt - revise capital expenditure and reduce inventory

Business Forecast for FY2009

- No revision at present, for business conditions remain uncertain after the 3Q

2. Consolidated Business Forecast for the First Half of FY2009 (2)

Business Performance : No revision from the original plan

(Unit : Millions of Yen)

	Forecast for the 1 st Half of FY 2009	Results for the 1 st Half of FY 2008	(Yr.- on- Yr.)
Net sales	140,000	172,820	81.0%
Operating income (loss)	(2,800)	1,177	—
Ordinary income (loss)	(4,100)	274	—
Net income (loss)	(4,200)	(2,214)	—

Progress on Profitability Improvement

(Unit : Billions of Yen)

	The 1Q of FY2009 (Results)	FY2009 (Full-Year Plan)	FY2010 (Plan)
Personnel Structure	(Compared to the end of Mar. '09) - 200(ppl) 8,900(ppl)	8,700(ppl)	8,300(ppl)
Labor Costs	(Compared to the 1Q of FY2008) -7.6	-2.0	—
Expenses	(Compared to the 1Q of FY2008) -11.1	-4.0	—
Capital Expenditure	(Compared to the 1Q of FY2008) -4.9	Investment plan for 3 years 104 → 54	
Inventory	(Inventory month compared to the end of Mar. '09) Japan :-0.7(month) Overseas :-0.1(month)	(Compared to the end of Dec. '08) -4.0	—
Interest-Bearing Debt	140.9	Below 130	Below 120

Tires : Sales Volumes by Region (Year-on-Year)

Region	FY2007	FY2008	The 4Q of FY2008 (Results)	The 1Q of FY2009 (Results)
Japan	99%	86%	65%	92%
Overseas	115%	100%	81%	77%
(North America)	(114%)	(90%)	(70%)	(83%)
(Europe)	(110%)	(102%)	(90%)	(59%)
Total	108%	94%	75%	82%

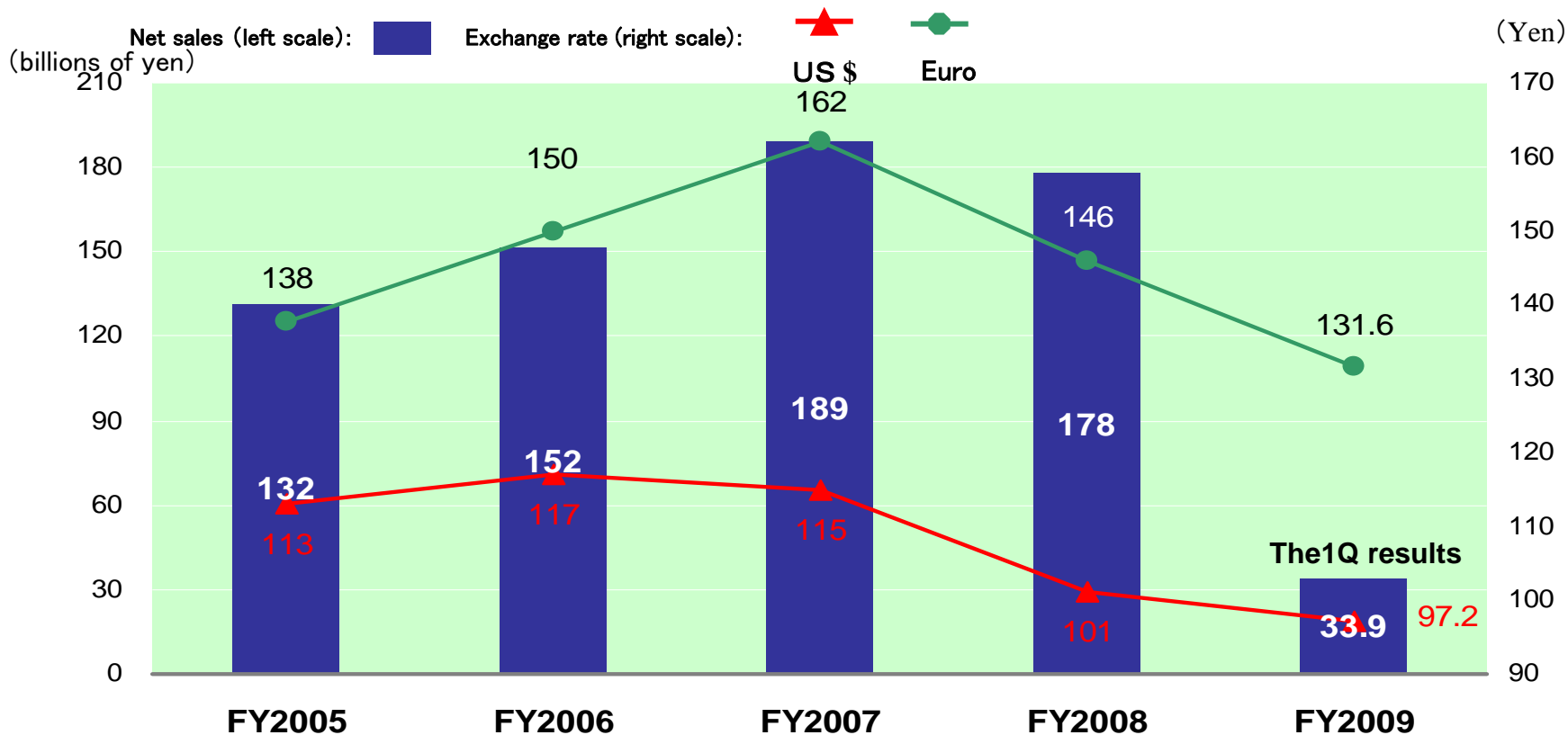
Change in Tire Production (New Rubber Volumes)

(Unit : Thousand Tons)

Region	FY2007	FY2008	The 4Q of FY2008 (Results)	The 1Q of FY2009 (Results)
Japan	156.0	146.7	23.8	27.2
Overseas	40.0	39.2	10.3	10.9
Total	196.0	185.9	33.1	38.1

※Production at joint venture companies is included based on the volumes the company has received.

Changes in overseas sales and exchange rates



Forecast Exchange Rates for FY2009

(Maker sales basis)

	Results for the 1Q	Forecast for the 1 st Half	Forecast for FY2009
US\$: 97.2 yen/US\$	95 yen/US\$	95yen/US\$
Euro	: 131.6 yen/Euro	130 yen /Euro	125 yen / Euro

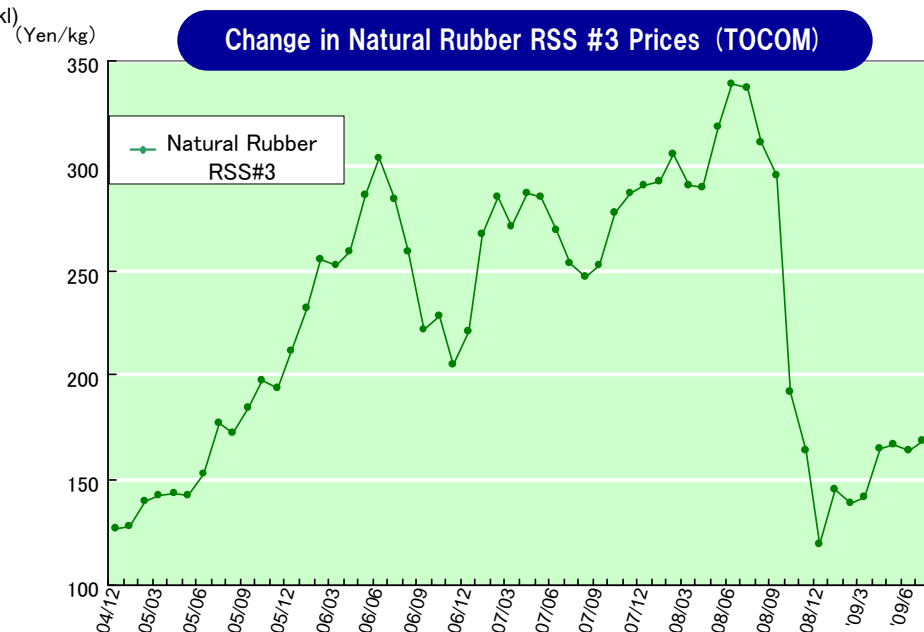
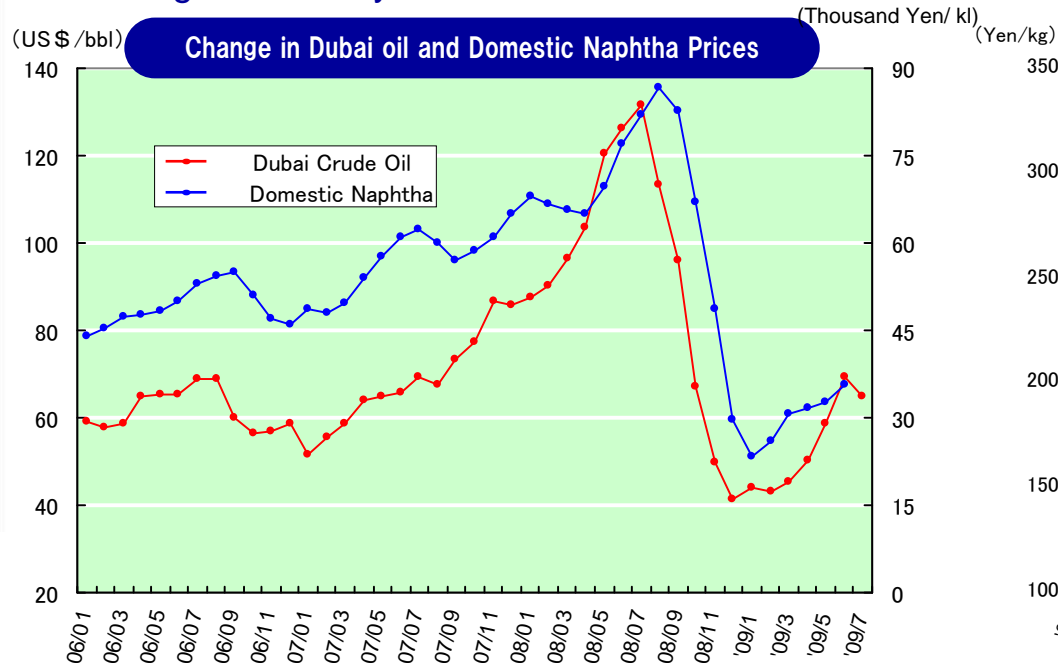
Exchange Rate Sensitivity

(Impact of 1 yen fluctuation on ordinary income)

- US\$: 0.24 billion yen/year
- Euro: 0.1 billion yen/ year

4. Supplemental Information on Business Results and Forecasts (4)

Change in Primary Material Prices



Price Rise and Impact by Primary Raw Material (Ordinary Income Basis)

(Unit : Billions of Yen)

Raw Material	FY 2005	FY 2006	FY 2007	FY 2008	Results for the 1Q of FY 2009
Natural Rubber	(1.5)	(6.4)	(1.5)	(6.2)	+0
Synthetic Rubber	(1.8)	(1.7)	(1.7)	(3.4)	+0.4
Compounding Agents and Chemicals	(4.0)	(3.4)	(1.9)	(4.4)	+0.3
Other Raw Materials	(2.0)	(0.9)	(0.3)	(2.9)	+0.1
Goods Purchased	0	(0.8)	(0.7)	(1.8)	(0.2)
Total	(9.3)	(13.2)	(6.1)	(18.7)	+0.6

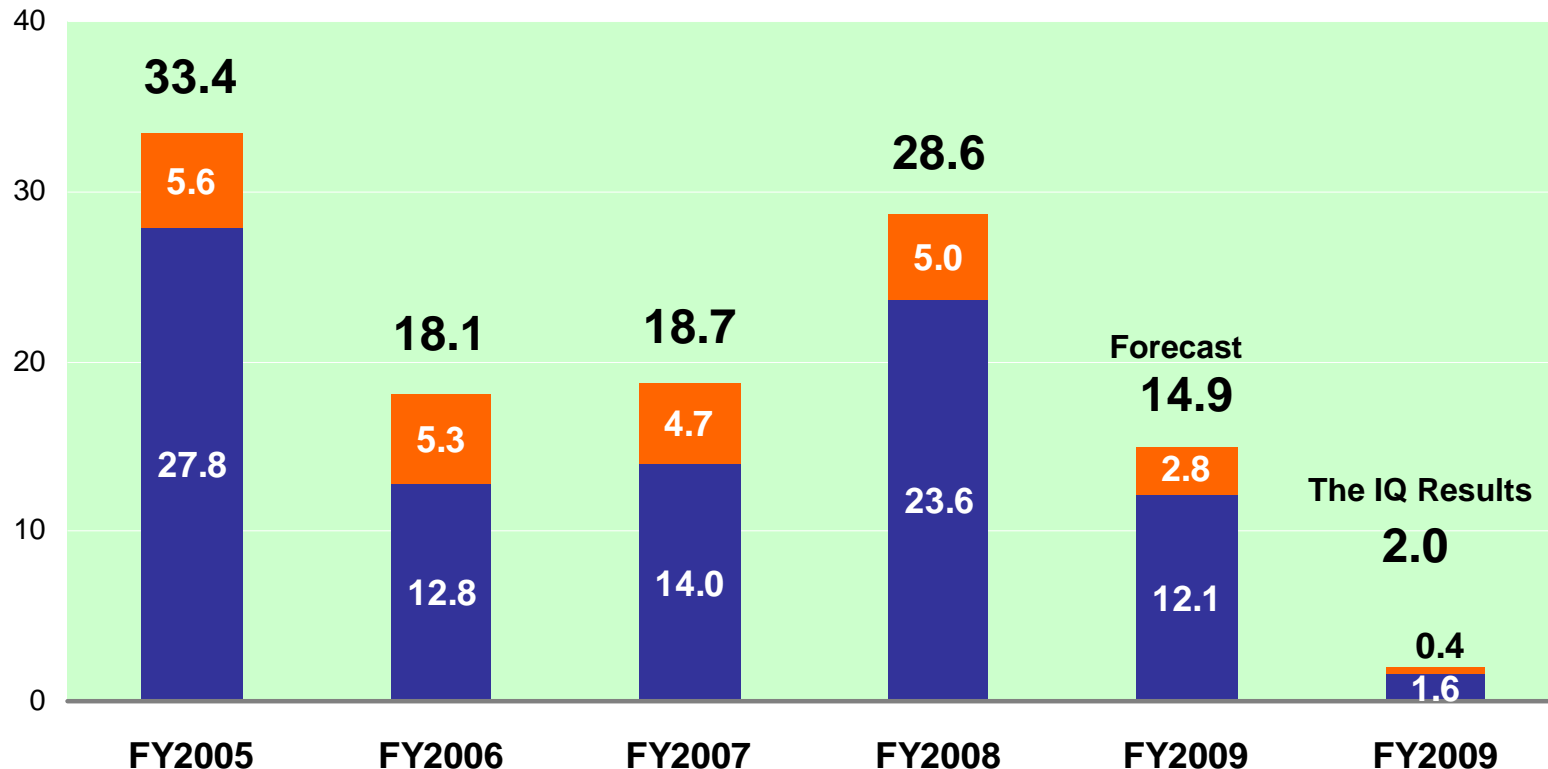
Change in Capital Investment (Property, Plant and Equipment)

FY2009 Forecast

Depreciation Expenses: 14.9 Billion Yen

(Tires: 12.1 Billion Yen, DiverTech & Others: 2.8 Billion Yen)

(Unit: Billions of Yen) ■ Tires ■ DiverTech & Others



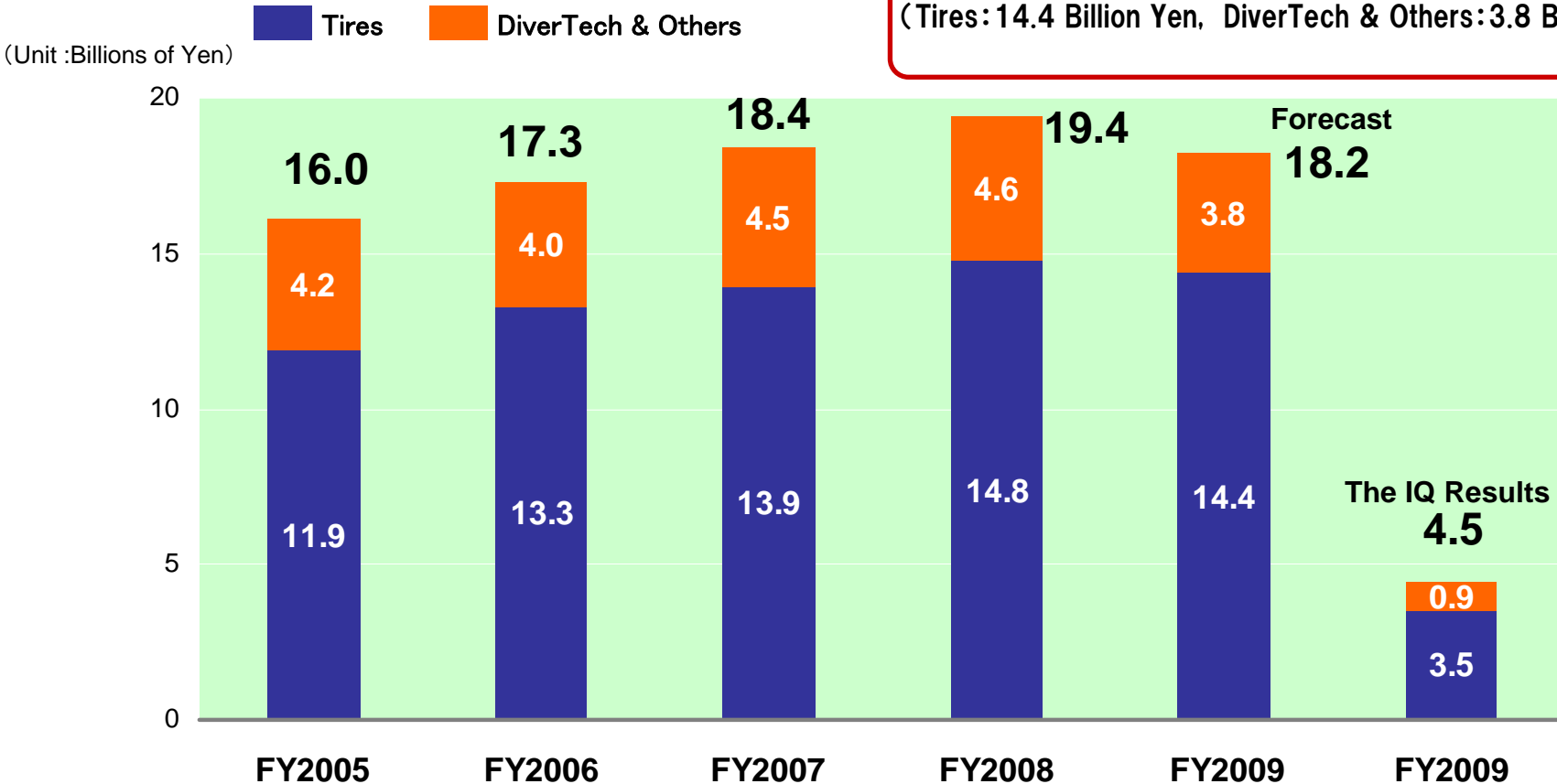
※In this table, the figures for DiverTech & Others from FY2005 to FY2006 are the combined figures of the former business segments, including Chemical & Industrial Products, Automotive Parts and Others.

Change in Depreciation Expenses (Property, Plant and Equipment)

FY2009 Forecast

Depreciation Expenses: 18.2 Billion Yen

(Tires: 14.4 Billion Yen, DiverTech & Others: 3.8 Billion Yen)

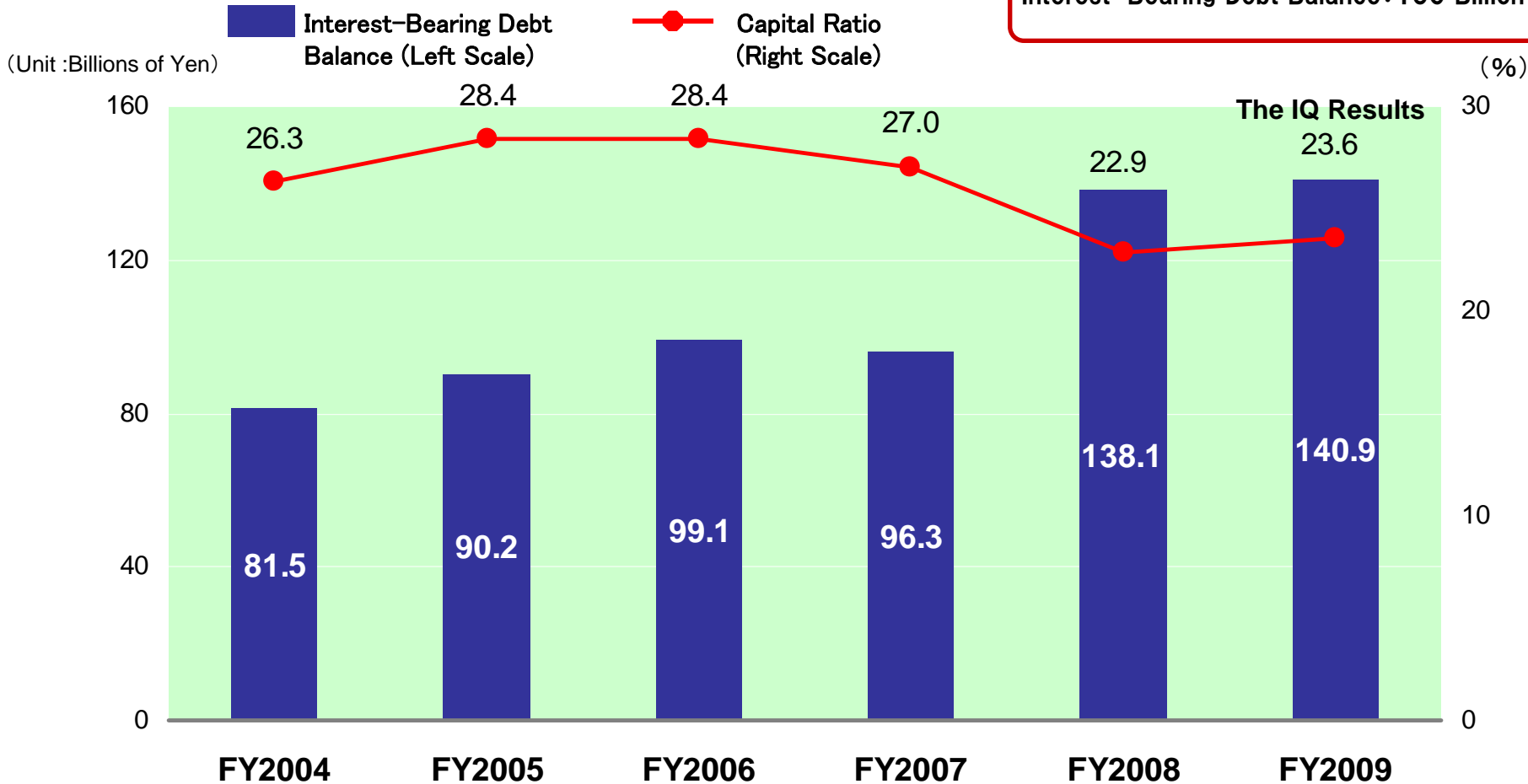


※In this table, the figures for DiverTech & Others from FY2005 to FY2006 are the combined figures of the former business segments, including Chemical & Industrial Products, Automotive Parts and Others.

4. Supplemental Information on Business Results and Forecasts (7)

Change in Interest-Bearing Debt Balance and Capital Ratio

FY2009 Year-End Forecast
Interest-Bearing Debt Balance: 130 Billion Yen



TOYO TIRES
driven to perform

2. Consolidated Business Forecast for the First Half of FY2009 (4)

Factors Contributing to the change in Ordinary Income (Year-on-Year) (Millions of Yen)

Results for the 1 st Half of FY2008	Forecast for the 1 st Half of FY2009	Inc. (Dec.)

(Unit : Billions of Yen)

