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For immediate release

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Yokohama Rubber to Construct New Tire Plant near Delhi, India

Tokyo – The Yokohama Rubber Co., Ltd. announced today that it would construct a passenger car-tire plant in the state of Haryana adjacent to Delhi, India. As the first phase, the company plans to begin operating the plant at an annual production capacity of 700,000 tires from July 2014. The total investment in construction of the plant is approximately 4.4 billion yen. In April 2008, Yokohama Rubber signed a contract with Haryana State Industrial and Infrastructure Development Corporation Limited, of India, to acquire a business site of 25 acres in the Corporation’s Industrial Estate Bahadurgarh. But construction of the tire plant has been postponed due to recession caused by the Lehman shock and some other factors.

Yokohama Rubber will construct the new tire plant as the production base of Yokohama India Pvt. Ltd., established in April 2007, as a wholly-owned subsidiary of Yokohama Rubber. Since July 2007, Yokohama India has been selling passenger-car tires for the replacement tire market through its own sales network. The company is making an effort to expand sales by creating an image of a high-grade brand tire through placing an emphasis on high performance and high quality that characterize Yokohama-brand tires.

In 2011, sales of new cars reached approximately 3 million cars in India. In 2020, the market is expected to exceed 7 million cars to grow into the third largest car market in the world. Along with this move, the local tire market also is expected to grow at a steady pace. Yokohama Rubber plans to proactively take this as a business opportunity and upgrade its business model from “sale of imported products” to “local production/consumption”.

The Industrial Estate Bahadurgarh located approximately 40 kilometers west of Delhi, the largest commercial district in India, and some 45 minutes from Delhi International Airport with a highway to be improved within 2012. Many other benefits of the location include nearby Haryana State University of Technology expected to become a supplier of excellent human resources.

■Outline of the new tire plant (first phase)

Operator :	Yokohama India Pvt. Ltd.
Name :	Yokohama India Private Limited Bahadurgarh Plant
Area size :	Approx. 25acres (99,922.5 square meters)
Product :	Radial tires for passenger cars
Production capacity :	700,000 tires a year
No. of employees :	Approx. 350 (Planned number of all employees of Yokohama India)
Operation :	To begin in July 2014
Total investment :	Approx. 4.4 billion yen