

Corporate Philosophy

Launched in 1990

Basic Philosophy

To enrich people's lives and contribute to their greater happiness and well-being by devoting our wholehearted energies and advanced technology to the creation of beneficial products.

Management Policies

Take on the challenge of new technologies to produce new value.
Develop proprietary business fields to expand the scope of business.
Create a workplace that values, improves and energizes people.
Deal fairly with society and value harmony with the environment.

Action Guidelines

Develop ourselves so that we may give our personal best.
Trust, challenge and improve one another.
Nurture a welcoming, open spirit.

Corporate Slogan

Excellence by nature

CSR Management Vision

Launched in 2008

To build a trusted identity as a contributing member of the global community

CSR Action Guidelines

Identify continually changing social trends.
Spot ways of contributing.
Act swiftly to earn firm trust.
Practice CSR in one's own work.

Corporate Philosophy

CSR Management Vision

The Founding Spirit

The Founding Spirit

1. Production is a social service. Its purpose is to make people's lives more convenient and enjoyable. Its aim should be to offer good, useful products at moderate prices.
2. There must be a basic commitment to delivering quality products unrivaled by those of competitors.
3. Management should adhere to the principles of fairness and consideration. The mission of a fair, honest management is to ensure capital, share the fruits of endeavor with its workers, and fulfill its responsibilities to consumers – to act, in other words, rationally.
4. A company should have as few employees as possible and make the best use of the productivity of machines. This is the great secret for improving efficiency.
5. The success or failure of a business depends on how much one is willing to study, and with how much determination, to mutually improve and grow. Accordingly, one must make a great effort.

Yokohama Rubber's founding spirit may be found in a talk given by then president Suekichi Nakagawa at the opening of the Yokohama Plant in Yokohama in 1929, in which he advocated a balancing of social and economic needs that is shared by the CSR management of today.

Building a trusted identity as

**"a contributing member of
the global community"**

Responsibility

GD100 Medium-range Management Plan Launched in 2006

GD100 Vision and Basic Policy

To Mark the Yokohama Centennial in 2017

- Evoke a distinctive global identity in building corporate value and in building a strong market presence

Long-term Financial Targets (by March 31, 2018)

Net sales: ¥1 trillion, Operating income: ¥100 billion,
Operating return on sales: 10%

Basic Policy

- Deliver the best products at competitive prices and on time
- Assert world-class strengths in technologies for protecting the environment
- Foster a customer-oriented corporate culture that honors rigorous standards of corporate ethics



GD100 Basic Policy on the Environment

Following the principle of "dealing fairly with society and valuing harmony with the environment," we shall assert world-class strengths in technologies for protecting the environment.

- Continued improvement of environmental management
- Action to combat global warming
- Contributing to creation of a sustainable recycling society

Progress of GD100

GD100 is a plan that revises business strategy and overarching goals every three years. Phase I was completed in the fiscal year ended March 31, 2009 and Phase II is starting in April 1, 2009.

■ Results of Phase I (FY2007-2009)

In Phase I, we pursued both higher sales and profit in line with the theme of "profitable growth." Adhering to a policy of reinforcing environmental management, the CSR Division was established in 2008 to enhance the social side to management. Regarding attainment of our financial targets, record highs of 551.4 billion yen for sales and 33.1 billion yen for operating income were set in the fiscal year ended March 31, 2008. Owing to the global recession, however, sales declined to 517.3 billion yen and operating income to 12.8 billion yen in the fiscal year ended March 31, 2009, both below their

respective targets of 560 billion yen and 35.0 billion yen.

■ Targets for Phase II (FY2010-2012)

The goal of Phase II is to strengthen CSR management in line with the theme of achieving "quality growth" with the aim of becoming a good global citizen that values people, society, and the environment and is trusted by a society. On the financial front, we aim to achieve sales of 550 billion yen and operating profit of 38.5 billion yen in the fiscal year ended March 31, 2012.

Quantitative targets for Phase II (FY2012)

Net sales	550 billion yen
Operating income	38.5 billion yen
Operating return on sales	7%
3-year free cash flow	At least 30.0 billion yen

Note: On page 9, the fiscal year indicates the period ended March of the year shown, i.e. FY2009 is the fiscal year from April, 2008 through March 31, 2009.