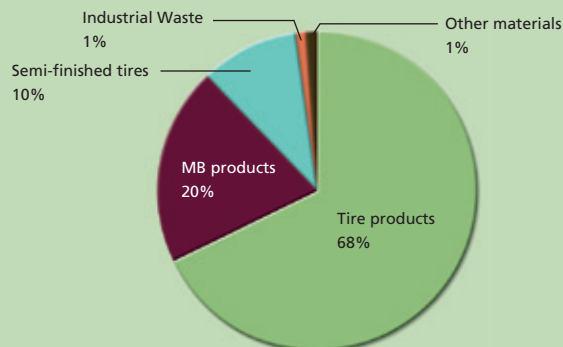




12.1% Reduction in CO₂ Emissions and 4.1% Improvement in Energy Efficiency in Three Years

In order to reduce the impact of physical distribution on the environment, Yokohama Rubber is pursuing a modal shift in transportation of goods from trucks to rail and sea to reduce CO₂ emissions. In FY2008, use of ferry services to transport tire products to remote locations increased 2.8% from the previous year to account for 59.8% of total transportation of tires, and use of JR services to transport the MB products increased 4% to account for 11% of transportation of all MB products. Ongoing efforts are also being made to increase direct shipments from plant to distributors and dealers, improve the efficiency of plant-to-plant transportation, and increase loading efficiency.

Breakdown of CO₂ emissions in physical distribution in FY2008



Eco-tires Account for Around 70% of Sales, Distributors Growing More Environmentally Conscious

Tire distributors nationwide are working to raise awareness of the benefits of eco-tires by, for example, displaying how much drivers can save on gas by using more fuel-efficient tires. As a result, customers' awareness of the environment is increasing by the year, and the DNA series of eco-tires, which appeals to both consumers financial and ecological instincts, have seen sales grow to account for around 70% of the total number of tires sold.* Tire distributors are getting more involved in their communities by, for example, exhibiting at local environmental fairs and joining in clean-up campaigns. Fulfilling the Yokohama Rubber Group's social responsibilities, distributors also collect, manage, and dispose of used tires properly.



Community activities engaged in by the former Yokohama Tire Kanto Sales included exhibiting at Sanwa's ecopark in May 2009, donating saplings, and offering test rides in electric vehicles.

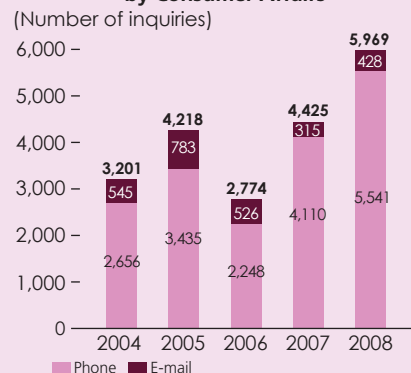
*Proportion of passenger car tires sold in Japan in FY2008 (excluding studless tires).



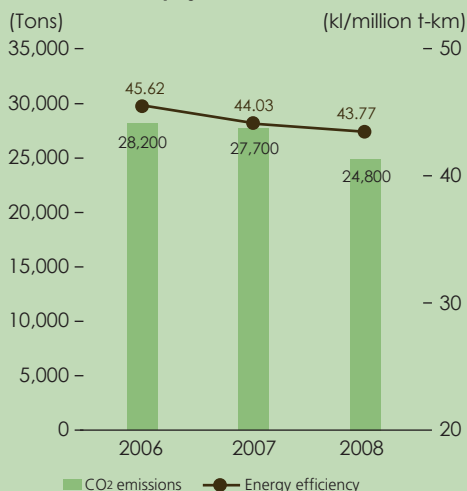
Global Gathering and Analysis of Customer Feedback In Japan

In order to gather market data, trained engineers of the Domestic Tire Services Dept., are assigned to seven cities across Japan to respond the customers' technical questionnaires and inquire. Sales forces who have received the Yokohama Rubber's own technical training program and qualified as sales engineer have also been located in distributors and 371 sales outlets across Japan to assess products that are the object of customer complaints. At head office, Consumer Affairs was established to deal directly with customer opinions and complaints by means of phone and email. The valuable market data thus collected is analyzed, shared, and used in the company to develop future products.

Trend in number of inquiries received by Consumer Affairs



Trends in CO₂ emissions and energy efficiency in physical distribution



* CO₂ emissions and energy consumption are managed by an integrated company-wide system to help reduce the impact on the environment.

As a physical distribution professional

Toshihisa Nakanishi
President of Hamagomu Logistics Co., Ltd.



As a member of the Yokohama Rubber Group, we are steadily pursuing action in line with the Group's goal of contributing to the earth by expanding use of non-road transportation, improving loading efficiency, and so on. As a professional in the field of physical distribution,

we believe that we have to go beyond the boundaries of the firm to work with other companies to ensure that truck and JR services carry freight on both the outward and return legs. As one step toward achieving this, shared service use was commenced with certain other companies in the Tire Group in spring 2009.



Employees enjoying contributing to the environment and the community

Minoru Kaneko
President of Shizuoka Company, Yokohama Tire Japan Co., Ltd.

People in Shizuoka Prefecture already recognize that one cannot contribute to society without contributing to the environment. As a tire distributor in such a prefecture, therefore, we have exhibited at the prefecture's Shizuoka Environment and Forest Fair every year since 2006. At the November 2008 event, our contribution consisted not only of exhibition of the DNA Earth-1 and a panel display, but also a "guess the name of the tire" game made by employees themselves to nurture children's interest in tires. Our employees enjoyed interacting with visitors to the event, gaining new ideas on how to contribute to the environment in the future. Out of these exchanges have emerged activities suggested by employees such as the collection and recycling of milk cartons and the collection of pull-tabs from empty cans to raise money to donate for vaccinations.

* In July 2009, the domestic replacement tire distribution business was reorganized and 18 tire distributors combined into Yokohama Tire Japan Co., Ltd. The tire distributors that were consolidated were reorganized into a system of companies serving smaller areas.



Booth at the Shizuoka Environment and Forest Fair in November 2008



Collection box for pull-tabs and PET bottle tops at one dealer



Employees personally plant trees around their outlet

Overseas

Service engineers are stationed in nine markets in Oceania, Asia, China, Middle East-Africa, Europe (including Russia and the CIS), Canada, the U.S., and Latin America to collect market data and provide technical services. In addition, service and sales engineers trained by Yokohama Rubber to understand the features of specific regions and technical levels are located in tire distributors in 118 countries around the world to provide technical services. The information thus gathered is sent back to Japan to assist in the development of next-generation products.



Training event for service engineers organized in Germany in September-October 2008



Consumer affairs' telephone support desk in Yokohama Tire Corporation in the U.S. In 2008, eight professionals worked staggered shifts to cover business hours across the U.S. and handled some 10,000 inquiries.

