



July 30, 2019

To Whom it may concern

Company name	Toyo Tire Corporation (Stock code: 5105, TSE 1st Section)
Representative	Takashi Shimizu Representative Director and President
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Toyo Tire to Establish a Plant and a Subsidiary to Produce Tires in Europe

Hyogo, Japan - July 30, 2019 - Toyo Tire Corporation (HQ: Itami, Hyogo, Japan; President & CEO: Takashi Shimizu; hereinafter, "Toyo Tire") announced that, at the meeting of the Board of Directors held today, it passed a resolution to construct a tire production plant and establish a tire production subsidiary in Europe in order to ramp up production capacity of radial tires for passenger vehicles and light trucks.

1. Rationale of the establishment of a tire production plant and a tire production subsidiary

Toyo Tire intends to continuously strengthen its business platform by producing highly added value product with timely supply to the global market. In such connection, Toyo Tire announced within the "2017 mid-term plan" to consider a new manufacturing platform with a focus on sustainable growth in 2020 and onwards.

Toyo Tire is supplying tires for the European and Russian market from factories in Japan and Malaysia. As of 2022, the new manufacturing base in Serbia will take on a key role in this regard. This new production portfolio will reinforce our global tire manufacturing and supply system.

IoT (Internet of Things, ex: MES*1) will be fully installed at this plant, which will operate as a sophisticated smart factory. Toyo will take on the challenge for a new level of competitive manufacturing, while achieving high quality at low cost and plan to supply differentiated and highly added value products for luxury passenger vehicles and light trucks within and outside the European market. *1: MES: Stands for Manufacturing Execution System.

The Republic of Serbia complies with all requirements for Toyo Tire. Outstanding resource of highly skilled workforce but comparatively low wage, integration of automotive industries due to ongoing investment by foreign companies, and a blossoming relationship with Japan. Thus, a particularly attractive business environment is being prepared within Europe.

Toyo Tire will begin construction of the plant in Serbia in May 2020, initiate tire manufacturing operations in January 2022, with a capacity of five million tires annually (based on tires for passenger vehicles) by the summer of 2023.

2. Outline of the new tire production plant

Scheduled Construction Site:	Indijia City, Autonomous Province of Vojvodina, the Republic of Serbia
Site Area:	About 600,000 m ² (about 150 acres)
Production Capability:	Five million tires annually (based on tires for passenger vehicles)
Number of Employees:	About 500
Investment:	About 48.8 billion Japanese Yen (390.5 million Euros)
Items Manufactured:	Radial tires for passenger vehicles and light trucks

3. Profile of the new tire production subsidiary

Name:	TBD
Location:	Belgrade, the Republic of Serbia
Representative:	TBD
Business Details:	Manufacture and sales of radial tires for passenger vehicles and light trucks
Ownership:	Wholly owned by Toyo Tire
Capital:	20 billion yen (160 million Euros)

*The company's name and representative will be announced as they are determined.

4. Schedule

Resolution at Toyo Tire's Board meeting:	July 30, 2019
Establishment of the new subsidiary:	September 2019 (planned)
Completion of the new plant:	January 2022 (planned)
Start of Manufacturing:	January 2022 (planned)

5. Future outlook

Toyo Tire does not expect this investment decision to have any material impact on its consolidated earnings results for the year ending December 2019.