15th January 2018

**YOKOHAMA to Expand Off-Highway Tyre Production Capacity in India**

YOKOHAMA will expand the YOKOHAMA Group’s global production capacity for off-highway tyres by adding new facilities at ATC Tires Pvt. Ltd., the Indian tyre manufacturing and sales subsidiary of the Alliance Tire Group (ATG), which YOKOHAMA acquired in July 2016. Construction of the new facilities will begin in February at ATC Tire’s Dahej Plant in the state of Gujarat.   
  
Total planned investment is US$45.50 million (about ¥5.1 billion at a forex rate of ¥113/$). The investment will boost Dahej Plant’s annual production capacity from the current 57,000 tons to 91,700 tons by the end of 2019. With its tyre sales on a strong upward trend, YOKOHAMA decided to expand production capacity to avoid insufficient supply capacity in the medium term.   
  
In addition to the Dahej Plant in Gujarat, ATC Tires has a tyre plant in Tirunelveli in the state of Tamil Nadu. The Dahej Plant began operations in March 2015 and now produces three core ATG tyre brands—the ALLIANCE, GALAXY and PRIMEX brands, which are used on a wide range of off-road vehicles, including agricultural, construction, industrial and forestry machinery.   
  
One of the core strategies of YOKOHAMA tyre business is to expand its commercial tyre business. In October 2015, YOKOHAMA started manufacturing truck and bus tyres at a new U.S. plant in Mississippi. It acquired ATG in 2016 and Aichi Tire Industry Co., Ltd., a maker of industrial machinery tyres, in March 2017 as part of its effort to expand its commercial tyre business. The investment to expand production capacity in India will further strengthen the YOKOHAMA Group’s commercial tyre business and accelerate its ongoing globalization.  
  
\*“Off-Highway Tyre” is an inclusive term for tyres used on agricultural machinery, construction machinery, industrial machinery and forestry machinery.

##### Outline of ATC Tires Pvt. Ltd.’ s Dahej Plant

Business: Manufacture of off-highway tyres  
Site area: Approximately 43.5 hectares  
Representative director: Nitin Mantri (CEO of ATC Tires Pvt. Ltd.)  
Employees: 1,308 (as of end-December 2017)  
Location: Dahej Industrial Estate in the state of Gujarat