Consolidated Financial Results
for the Nine Months Ended September 30, 2025
[IFRS]

November 12, 2025

Company name	: Sumitomo Rubber Industries, Ltd.
Stock exchange listing	: Tokyo Stock Exchange
Code number	: 5110
URL	: https://www.srigroup.co.jp/english/
Representative	: Satoru Yamamoto, President and CEO, Representative Director
Contact	: Shinji Araki, General Manager, Accounting & Finance Headquarters
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Scheduled date of commencing dividend payments	: -
Supplementary documents for quarterly financial results	: Yes
Quarterly financial results briefing session	: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded to the nearest unit.)

1. Consolidated Financial Results for the Nine Months Ended September 30, 2025 (January 1, 2025 to September 30, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Sales revenue		Business profit		Operating profit		Profit attributable to owners of parent		Comprehensive income	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	861,609	(1.5)	48,507	(21.1)	46,133	301.7	26,013	542.3	24,635	23.1
September 30, 2024	874,942	2.8	61,514	46.6	11,485	(72.3)	4,050	(85.1)	20,017	(74.8)

(Note) “Business profit” is “Sales revenue” subtracted by “Cost of sales” and “Selling, general and administrative expenses.”

	Basic profit per share	Diluted profit per share	Business profit to sales revenue ratio
Nine months ended	Yen	Yen	%
September 30, 2025	98.93	-	5.6
September 30, 2024	15.40	-	7.0

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of parent	Ratio of equity attributable to owners of parent	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
September 30, 2025	1,417,211	681,292	662,009	46.7	2,518.71
December 31, 2024	1,341,123	675,810	656,134	48.9	2,494.54

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
Nine months ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
September 30, 2025	85,814	(154,262)	72,128	102,083
September 30, 2024	66,584	(55,052)	(32,856)	69,939

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended	Yen	Yen	Yen	Yen	Yen
December 31, 2024	-	29.00	-	29.00	58.00
December 31, 2025	-	35.00	-		
Fiscal year ending December 31, 2025 (Forecast)				35.00	70.00

(Note) Revision to the dividends forecast announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025 (January 1, 2025 to December 31, 2025)

(% indicates changes from the previous corresponding period.)

	Sales revenue		Business profit		Operating profit		Profit attributable to owners of parent		Basic profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,200,000	(1.0)	95,000	8.0	84,000	650.9	45,000	356.2	171.16

(Note) Revision to the financial results forecast announced most recently: Yes

Notes:

(1) Changes in significant subsidiaries during the nine months ended September 30, 2025
(changes in specified subsidiaries resulting in changes in scope of consolidation) : None

(2) Changes in accounting policies and changes in accounting estimates

1) Changes in accounting policies required by IFRS : None

2) Changes in accounting policies other than 1) : None

3) Changes in accounting estimates : Yes

(3) Total number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury stock)

September 30, 2025	:	263,043,057 shares
December 31, 2024	:	263,043,057 shares

2) Total number of treasury stock at the end of the period

September 30, 2025	:	206,455 shares
December 31, 2024	:	15,195 shares

3) Average number of shares during the period

Nine months ended September 30, 2025	:	262,933,245 shares
Nine months ended September 30, 2024	:	263,023,980 shares

* Review by certified public accountants or auditing firms of the attached quarterly financial statements: None

* Explanation of the proper use of financial results forecast and other notes

The earnings projections and other forward-looking statements herein are based on certain assumptions made in light of the information currently available to Sumitomo Rubber Industries, Ltd. (the "Company") and its group companies (collectively, the "Group") and do not constitute any promises by the Company that they will be realized. Actual results could differ significantly from these forecasts due to changes in various factors surrounding the businesses of the Company and the Group.

With regard to the matters related to the underlying assumptions for the above forecasts, please refer to page 5 of the attached documents of the Consolidated Financial Results for the Period under Review, "1. Qualitative Information on Quarterly Financial Results for the Period under Review, (3) Consolidated Financial Results Forecast and Other Future Forecast."

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1. Qualitative Information on Quarterly Financial Results for the Period under Review

(1) Operating Results

	For the nine months ended September 30, 2024	For the nine months ended September 30, 2025	Change in ratio
	Millions of yen	Millions of yen	%
Sales revenue	874,942	861,609	(1.5)
Tires	748,763	740,178	(1.1)
Sports	97,689	93,165	(4.6)
Industrial and Other Products	28,490	28,266	(0.8)
Business profit	61,514	48,507	(21.1)
Tires	51,154	40,921	(20.0)
Sports	7,926	4,653	(41.3)
Industrial and Other Products	2,262	2,957	30.7
Adjustments	172	(24)	-
Operating profit	11,485	46,133	301.7
Profit attributable to owners of parent	4,050	26,013	542.3

(Note) “Business profit” is “Sales revenue” subtracted by “Cost of sales” and “Selling, general and administrative expenses.”

Foreign exchange rates applied

	For the nine months ended September 30, 2024	For the nine months ended September 30, 2025	Increase (Decrease)
	Yen	Yen	Yen
Yen / U.S. Dollar	151	148	(3)
Yen / Euro	165	166	1

During the fiscal year ended September 30, 2025, the Group steadily implements the Mid-Term Plan for 2023-2027. As the Group reaches the turning point in 2025, in January, it concluded an agreement to acquire the trademark and other rights of DUNLOP in tires for four-wheel vehicles in Europe, North America, and the Oceania region, and closed the transaction on May 7. The Group has since launched the DUNLOP business in North America and Oceania as the first step. Additionally, in March, the Group announced the Long-term Corporate Strategy "R.I.S.E. 2035", aimed at achieving its goals for the year 2035. It encapsulates the Group’s desire of “Continuing to Provide ‘New Experiential Value’ Born from Rubber to Everyone,” and to this end, it aims to promote the premiumization of tires and build new sources of revenue. The Group will also promote global brand management centered around DUNLOP.

Tire sales volume through the fiscal year ended September 30, 2025 was lower than the level of the same period of the previous fiscal year due to the market stagnation caused by inflation and other factors as well as the discontinuation of some low-profit products. Cumulative business profit from the beginning of the fiscal year under review decreased from the same period of the previous fiscal year mainly due to the effect of increase in the unit price of tire raw materials. However, business profit for the period from July through September 2025 increased, from the same period of the previous fiscal year.

Cumulative sales revenue from the beginning of the fiscal year decreased 1.5% from the same period of the previous fiscal year to ¥861,609 million, business profit decreased 21.1% to ¥48,507 million, operating profit increased 301.7% to ¥46,133 million and profit attributable to owners of parent increased 542.3% to ¥26,013 million.

Sales revenue for the period from July through September 2025 increased 0.5% from the same period of the previous fiscal year to ¥289,417 million, business profit increased 5.1% to ¥20,197 million, and operating profit was ¥19,099 million, compared to an operating loss of ¥30,466 million in the same period of the previous year. Profit attributable to owners of parent was ¥11,639 million, compared to a loss of ¥34,679 million in the same period of the previous year.

Business performance by business segment was as follows.

Tire Business

Sales revenue in the tire business decreased 1.1% from the same period of the previous fiscal year to ¥740,178 million, and business profit decreased 20.0% to ¥40,921 million.

In the domestic original equipment market, sales volume significantly exceeded the level of the same period of the previous fiscal year due to production cutbacks at some automobile manufacturers during the same period of the previous year.

In the domestic replacement market, sales volume fell below the level of the same period last year, due to the discontinuation of low-priced products last fall and a decline in orders for offtake products.

In the overseas original equipment market, a significant drop occurred in the sales volume to automobile manufacturers in Asia, particularly China.

In the overseas replacement market, overall sales volume in the Asia-Oceania region decreased from the level of the same period of the previous fiscal year as we put emphasis on sales focusing on profitability due to more budget-minded consumers and aggressive price initiatives launched by major Chinese brands. In Europe, overall sales volume slightly declined from the level of the same period of the previous fiscal year as we focused on profitability amid intensified price competition from other companies and sales decreased due to the deterioration of market conditions in the UK, though sales volume of all-season tires which are a key strength of our FALKEN brand increased through the expansion of the products. In the American region, overall sales in North America decreased from the same period of the previous fiscal year. This is partly because sales were not recorded temporarily due to a revision to the terms and conditions of business with a major customer, and because impacts of tariffs were proactively passed on to selling prices. In June, the Company started selling tires of the Dunlop brand acquired from The Goodyear Tire and Rubber Company as scheduled.

In South America, sales volume increased as a result of efforts to expand sales through flexible collaboration with distributors, the rapid depreciation of the Brazilian currency, and a decline in competitors' imported products in the market primarily due to delays in customs clearance for imports into Brazil during the first half of 2025.

As a result, sales revenue and business profit in the tire business fell below the level of the same period of the previous fiscal year.

Sports Business

Sales revenue in the sports business decreased 4.6% from the same period of the previous fiscal year to ¥93,165 million, and business profit decreased 41.3% from the same period of the previous fiscal year to ¥4,653 million.

In the golf goods market, overall sales revenue exceeded the level of the same period of the previous fiscal year due to increased sales in Japan and the United States which stemmed from strong sales of the Group's flagship SRIXON brand golf clubs and balls, despite a decline in sales in South Korea, where market conditions deteriorated.

In the tennis goods markets, sales exceeded the level of the previous fiscal year due to increased sales in the major markets of Japan, Europe and North America.

Sales revenue in the sports business fell below the level of the same period of the previous fiscal year, as we transferred all shares of the target company's wellness business, excluding the golf and tennis schools, to new shareholders in early December 2024. Business profit decreased due to a decline in sales in South Korea, a highly profitable market.

Industrial and Other Products Business

Sales revenue in the industrial and other products business decreased 0.8% from the same period of the previous fiscal year to ¥28,266 million, and business profit increased 30.7% to ¥2,957 million.

Sales in the industrial and other products business fell below the level of the previous fiscal year due to a decline in sales in the business of rubber parts for office equipment and rubber glove, as well as withdrawal from the gas pipe business at the end of March and a stock transfer of our subsidiary engaged in manufacturing and sales of medical rubber products in Europe at the end of 2024. Business profit exceeded the level of the previous fiscal year due to robust domestic sales of medical rubber products and solid sales performance in the vibration control business, as well as improved product mix of rubber parts for office equipment.

(2) Financial Position

	As of December 31, 2024	As of September 30, 2025	Increase (Decrease)
	Millions of yen	Millions of yen	Millions of yen
Total assets	1,341,123	1,417,211	76,088
Total liabilities	665,313	735,919	70,606
Total equity	675,810	681,292	5,482
Total equity attributable to owners of parent	656,134	662,009	5,875
Total equity attributable to owners of parent ratio (%)	48.9	46.7	(2.2)
Equity attributable to owners of parent per share	2,494.54 yen	2,518.71 yen	24.17 yen

The financial position of the Group was as follows.

Total assets increased ¥76,088 million from the end of the previous fiscal year to ¥1,417,211 million mainly as a result of increase in intangible assets, although there was decrease in trade and other receivables and net defined benefit asset.

Total liabilities increased ¥70,606 million from the end of the previous fiscal year to ¥735,919 million mainly as a result of decrease in interest-bearing debt.

Total equity as of September 30, 2025 increased ¥5,482 million from the end of the previous fiscal year to ¥681,292 million, of which equity attributable to owners of parent accounted for ¥662,009 million, and non-controlling interest accounted for ¥19,283 million.

As a result, ratio of equity attributable to owners of parent was 46.7%, and equity attributable to owners of parent per share was ¥2,518.71.

(3) Consolidated Financial Results Forecast and Other Future Forecast

Regarding the fiscal year ending December 31, 2025, we expect to maintain the initial forecast due to the decline in raw material prices, the yen depreciation, and the easing of the impact from tariff hikes by the United States, despite the negative impact from a decrease in tire sales volume compared to the previous forecast.

As a result, we have revised the consolidated results forecasts for the full-year as below.

Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025 (January 1, 2025 to December 31, 2025)

	Forecast	Previous forecast	Increase (Decrease)	Change in ratio	(Reference) Results for the same period of the previous year
	Millions of yen	Millions of yen	Millions of yen	%	Millions of yen
Sales revenue	1,200,000	1,215,000	(15,000)	(1.2)	1,211,856
Tires	1,035,000	1,049,500	(14,500)	(1.4)	1,046,394
Sports	125,000	124,000	1,000	0.8	125,650
Industrial and Other Products	40,000	41,500	(1,500)	(3.6)	39,812
Business profit	95,000	95,000	-	-	87,941
Tires	84,000	84,000	-	-	76,181
Sports	6,500	6,500	-	-	7,878
Industrial and Other Products	4,500	4,500	-	-	3,725
Adjustments	-	-	-	-	157
Operating profit	84,000	84,000	-	-	11,186
Profit attributable to owners of parent	45,000	45,000	-	-	9,865

Foreign exchange rates applied

	Forecast	Previous forecast	Increase (Decrease)	(Reference) Rate applied for the same period of the previous year
	Yen	Yen	Yen	Yen
Yen / U.S. Dollar	149	149	-	152
Yen / Euro	168	168	-	164

The results forecast and other forward-looking statements herein are based on certain assumptions made in light of the information currently available to the Company and the Group as of the date of the release of this document and include potential risks and uncertainty. Please note that actual results may differ significantly from these forecasts due to changes in various factors surrounding the businesses of the Company and the Group.

2. Condensed Quarterly Consolidated Financial Statements and Primary Notes

(1) Condensed Quarterly Consolidated Statements of Financial Position

(Millions of yen)

	As of December 31, 2024	As of September 30, 2025
Assets		
Current assets		
Cash and cash equivalents	100,382	102,083
Trade and other receivables	221,679	194,592
Other financial assets	2,262	2,286
Inventories	290,947	307,571
Other current assets	54,492	69,906
Subtotal	669,762	676,438
Assets related to disposal groups classified as held for sale	-	5,568
Total current assets	669,762	682,006
Non-current assets		
Tangible assets	444,047	439,785
Goodwill	29,457	29,575
Intangible assets	59,087	169,584
Investments accounted for using equity method	4,529	4,617
Other financial assets	34,000	32,194
Net defined benefit asset	62,378	25,366
Deferred tax assets	34,687	30,682
Other non-current assets	3,176	3,402
Total non-current assets	671,361	735,205
Total assets	1,341,123	1,417,211

(Millions of yen)

	As of December 31, 2024	As of September 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and loans payable	89,805	181,387
Trade and other payables	186,587	158,284
Other financial liabilities	14,272	14,491
Income tax payable	6,339	8,367
Provisions	7,178	2,843
Other current liabilities	66,434	67,170
Total current liabilities	370,615	432,542
Non-current liabilities		
Bonds and loans payable	162,637	174,685
Other financial liabilities	64,877	66,454
Net defined benefit liability	24,578	24,738
Provisions	871	882
Deferred tax liabilities	19,644	15,147
Other non-current liabilities	22,091	21,471
Total non-current liabilities	294,698	303,377
Total liabilities	665,313	735,919
Equity		
Capital stock	42,658	42,658
Capital surplus	39,788	39,791
Retained earnings	520,815	528,634
Treasury stock	(26)	(367)
Other components of equity	52,899	51,293
Total equity attributable to owners of parent	656,134	662,009
Non-controlling interest	19,676	19,283
Total equity	675,810	681,292
Total liabilities and equity	1,341,123	1,417,211

(2) Condensed Quarterly Consolidated Statements of Income and Comprehensive Income

Condensed Quarterly Consolidated Statements of Income

(Millions of yen)

	For the nine months ended September 30, 2024	For the nine months ended September 30, 2025
Sales revenue	874,942	861,609
Cost of sales	(614,850)	(608,945)
Gross profit	260,092	252,664
Selling, general and administrative expenses	(198,578)	(204,157)
Business profit	61,514	48,507
Other income	3,520	2,440
Other expenses	(53,549)	(4,814)
Operating profit	11,485	46,133
Financial income	7,910	15,701
Financial expenses	(11,753)	(21,457)
Share of profit (loss) of entities accounted for using equity method	36	93
Profit before tax	7,678	40,470
Income tax expenses	(1,022)	(12,190)
Profit	6,656	28,280
Profit attributable to:		
Owners of parent	4,050	26,013
Non-controlling interests	2,606	2,267
Profit	6,656	28,280
Profit per share		
Basic profit per share (Yen)	15.40	98.93

Condensed Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the nine months ended September 30, 2024	For the nine months ended September 30, 2025
Profit	6,656	28,280
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	692	725
Remeasurements of defined benefit plan	-	(2,433)
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges	9	(5)
Currency translation differences of foreign operations	12,660	(1,932)
Other comprehensive income, net of tax	13,361	(3,645)
Comprehensive income	20,017	24,635
Comprehensive income attributable to:		
Owners of parent	16,803	23,040
Non-controlling interests	3,214	1,595
Comprehensive income	20,017	24,635

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

For the nine months ended September 30, 2024

(Millions of yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Currency translation differences of foreign operations	Cash flow hedges
Balance as of January 1, 2024	42,658	39,702	522,716	(43)	10,201	(4)
Profit			4,050			
Other comprehensive income					10,150	9
Total comprehensive income	-	-	4,050	-	10,150	9
Purchase of treasury stock				(3)		
Disposal of treasury stock				0		
Dividends			(21,568)			
Share-based payment transactions		2		21		
Transfer to retained earnings			44			
Other		126				
Total transactions with owners	-	128	(21,524)	18	-	-
Balance as of September 30, 2024	42,658	39,830	505,242	(25)	20,351	5

	Equity attributable to owners of parent					Non-controlling interests	Total Equity
	Other components of equity				Total		
	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plan	Other components of equity relating to disposal groups classified as held for sale	Total			
Balance as of January 1, 2024	10,784	-	(1,900)	19,081	624,114	17,316	641,430
Profit				-	4,050	2,606	6,656
Other comprehensive income	694		1,900	12,753	12,753	608	13,361
Total comprehensive income	694	-	1,900	12,753	16,803	3,214	20,017
Purchase of treasury stock				-	(3)		(3)
Disposal of treasury stock				-	0		0
Dividends				-	(21,568)	(2,718)	(24,286)
Share-based payment transactions				-	23		23
Transfer to retained earnings	(44)			(44)	-		-
Other				-	126	(126)	-
Total transactions with owners	(44)	-	-	(44)	(21,422)	(2,844)	(24,266)
Balance as of September 30, 2024	11,434	-	-	31,790	619,495	17,686	637,181

For the nine months ended September 30, 2025

(Millions of yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Currency translation differences of foreign operations	Cash flow hedges
Balance as of January 1, 2025	42,658	39,788	520,815	(26)	43,499	5
Profit			26,013			
Other comprehensive income					(1,261)	(5)
Total comprehensive income	-	-	26,013	-	(1,261)	(5)
Purchase of treasury stock				(358)		
Disposal of treasury stock		(0)		0		
Dividends			(16,827)			
Share-based payment transactions		3		17		
Transfer to retained earnings			(1,367)			
Other						
Total transactions with owners	-	3	(18,194)	(341)	-	-
Balance as of September 30, 2025	42,658	39,791	528,634	(367)	42,238	-

	Equity attributable to owners of parent				Non-controlling interests	Total Equity
	Other components of equity			Total		
	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plan	Total			
Balance as of January 1, 2025	9,395	-	52,899	656,134	19,676	675,810
Profit			-	26,013	2,267	28,280
Other comprehensive income	726	(2,433)	(2,973)	(2,973)	(672)	(3,645)
Total comprehensive income	726	(2,433)	(2,973)	23,040	1,595	24,635
Purchase of treasury stock			-	(358)		(358)
Disposal of treasury stock			-	0		0
Dividends			-	(16,827)	(1,988)	(18,815)
Share-based payment transactions			-	20		20
Transfer to retained earnings	(1,066)	2,433	1,367	-		-
Other			-	-		-
Total transactions with owners	(1,066)	2,433	1,367	(17,165)	(1,988)	(19,153)
Balance as of September 30, 2025	9,055	-	51,293	662,009	19,283	681,292

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	For the nine months ended September 30, 2024	For the nine months ended September 30, 2025
Cash flows from operating activities		
Profit before tax	7,678	40,470
Depreciation and amortization	62,534	58,481
Impairment loss	43,951	199
Interest and dividends income	(2,936)	(3,782)
Interest expenses	5,156	5,358
Share of loss (profit) of entities accounted for using equity method	(36)	(93)
Decrease (increase) in inventories	(37,465)	(20,355)
Decrease (increase) in trade and other receivables	26,412	25,048
Increase (decrease) in trade and other payables	(15,816)	(20,887)
Changes in assets and liabilities related to retirement benefits	(189)	33,252
Other, net	4,476	(18,671)
Subtotal	93,765	99,020
Interest received	2,412	3,157
Dividend income received	511	598
Interest expenses paid	(4,967)	(5,069)
Income taxes paid	(25,137)	(11,892)
Net cash provided by (used in) operating activities	66,584	85,814
Cash flows from investing activities		
Purchase of tangible assets	(41,610)	(41,803)
Proceeds from sales of tangible assets	457	138
Purchase of intangible assets	(10,853)	(114,744)
Proceeds from sales of investment securities	67	2,506
Other, net	(3,113)	(359)
Net cash provided by (used in) investing activities	(55,052)	(154,262)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	39,365	77,113
Proceeds from long-term debt and newly issued bonds	-	33,189
Repayments of long-term debt and redemption of bonds	(35,000)	(7,189)
Repayments of lease obligations	(13,055)	(11,960)
Cash dividends paid	(21,446)	(16,678)
Cash dividends paid to non-controlling interests	(2,718)	(1,988)
Other, net	(2)	(359)
Net cash provided by (used in) financing activities	(32,856)	72,128
Effect of exchange rate change on cash and cash equivalents	1,232	(1,979)
Net increase (decrease) in cash and cash equivalents	(20,312)	1,701
Cash and cash equivalents at the beginning of current period	90,251	100,382
Cash and cash equivalents included in assets relating to disposal groups classified as held for sale	(220)	-
Cash and cash equivalents at the end of current period	69,939	102,083

(5) Notes on Condensed Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumption)

None

(Change in Accounting Estimate)

As required pursuant to IAS 29 “Financial Reporting in Hyperinflationary Economies,” the Group has, since the second quarter of the fiscal year ended December 31, 2022, revised the financial statements of its Turkish subsidiary, whose functional currency is the Turkish lira, to reflect the unit of measurement that is current as of the period end, and has included said revised financial statements in its consolidated financial statements. When restating the acquisition costs of non-monetary items by applying a conversion coefficient based on the initial acquisition date thereof, certain assumptions were made. With the availability of new information, the Group refined its estimates and accordingly changed its accounting estimates in the fiscal year ended September 30, 2025. As a result of this change in estimates, tangible assets increased ¥6,351 million, intangible assets increased ¥40 million, cost of sales increased ¥691 million, selling, general and administrative expenses increased ¥38 million, and financial income increased ¥7,120 million.

(Segment Information)

1. Information by reportable segment

Reportable segments of the Group are the units for which separate financial information is available and periodically reviewed by the Board of Directors as the highest decision-making body for the purposes of deciding the allocation of management resources and evaluating business performance.

The Group has three divisions based on operations in Tires, Sports and Industrial and Other Products. Each division formulates comprehensive strategies for both domestic and overseas markets and develops business activities.

Therefore, the Group identifies “Tires”, “Sports”, and “Industrial and Other Products” as reportable segments.

Major products and services or details of business that belong to each reportable segment are as follows:

Reportable segment	Major products and services or details of business
Tires	Tires and tubes (for automobiles, construction vehicles, industrial vehicles, automotive races and rallies, motorcycles, etc.) Automotive system business (instant mobility systems, deflation warning systems, etc.)
Sports	Sporting goods (golf clubs, golf balls and other golf goods, tennis goods, etc.) Operation of golf tournaments Operation of golf and tennis schools Fitness business (Note)
Industrial and Other Products	High-performance rubber products (vibration control dampers, rubber parts for office equipment, rubber parts for medical applications, etc.) Daily life supplies (rubber gloves for cooking and other operations, ramps for wheelchair use, etc.) Products for infrastructure (marine dock fenders, flooring materials for factories and sports facilities, etc.)

(Note)

In early December, 2024, the sale of all shares of the target company of the fitness business has been completed.

2. Reportable segment sales revenues and profit or loss

Inter-segment sales revenues are stated at wholesale prices based on current market values.

Figures for reportable segment are based on business profit.

Information about reportable segment sales revenues and profit or loss is as follows.

For the nine months ended September 30, 2024 (January 1, 2024 to September 30, 2024)

(Millions of yen)

	Reportable segment			Total	Adjustments (Note 2)	Amounts recorded in Condensed Quarterly Consolidated Statements of Income
	Tires	Sports	Industrial and Other Products			
Sales revenue from external customers	748,763	97,689	28,490	874,942	-	874,942
Inter-segment sales revenue	914	104	1,007	2,025	(2,025)	-
Total	749,677	97,793	29,497	876,967	(2,025)	874,942
Segment profit (Business profit) (Note 1)	51,154	7,926	2,262	61,342	172	61,514
Other income and expenses						(50,029)
Operating profit						11,485

(Notes)

1. "Segment profit (Business profit)" is "Sales revenue" subtracted by "Cost of sales" and "Selling, general and administrative expenses."
2. Segment profit included in "Adjustment" comprised elimination of inter-segment transactions.

For the nine months ended September 30, 2025 (January 1, 2025 to September 30, 2025)

(Millions of yen)

	Reportable segment			Total	Adjustments (Note 2)	Amounts recorded in Condensed Quarterly Consolidated Statements of Income
	Tires	Sports	Industrial and Other Products			
Sales revenue from external customers	740,178	93,165	28,266	861,609	-	861,609
Inter-segment sales revenue	1,027	82	1,000	2,109	(2,109)	-
Total	741,205	93,247	29,266	863,718	(2,109)	861,609
Segment profit (Business profit) (Note 1)	40,921	4,653	2,957	48,531	(24)	48,507
Other income and expenses						(2,374)
Operating profit						46,133

(Notes)

1. "Segment profit (Business profit)" is "Sales revenue" subtracted by "Cost of sales" and "Selling, general and administrative expenses."
2. Segment profit included in "Adjustment" comprised elimination of inter-segment transactions.

(Significant Subsequent Events)

None

(Contingent Liabilities)

Significant lawsuit

For the nine months ended September 30, 2025 (January 1, 2025 to September 30, 2025)

In July 2025, SUMITOMO RUBBER (CHINA) CO., LTD, a Company's consolidated subsidiary, filed a lawsuit against Changshu Yanjiang Comprehensive Services Co., Ltd. and Changshu Sunchen Supply Chain Management Co., Ltd. with Suzhou Intermediate People's Court, seeking cancellation of the contract for the warehouse lease, and payment of damages. It is difficult to reasonably estimate the impact of the lawsuit on the financial position and operating results of the Group at this time, and therefore, such impact has not been reflected in the condensed quarterly consolidated financial statements.