

Affirmed BBB+ and J-2 on Toyo Tire & Rubber; Outlook Stable

September 6, 2010

JCR has affirmed the BBB+ rating on senior debts, each of the outstanding bonds and shelf registration (preliminary), respectively, revising the rating outlook from Negative to Stable. JCR has also affirmed the J-2 rating on the CP program of the issuer.

<Rationale>

The sharply decreased demand owing to the financial crisis is now recovering. Although Toyo Tire & Rubber Co., Ltd. expects an increase in the quantity sold for the fiscal year ending March 31, 2011, there are concerns about an increase in the raw materials cost and the appreciation of yen. However, it is likely to ensure a certain level of profit. Although the interest-bearing debt increased temporarily, it has reduced the debt by improving the financial structure. It is expanding capacity at the North American tire plant and constructing a tire plant in China in line with the demand recovery. However, it intends to reduce the interest-bearing debt at the end of March 2011 as planned in the medium-term business plan. JCR changed the rating outlook for the Company from Negative to Stable, taking into consideration demand trend, recovery of business performance through cost reductions and financial improvement.

Issuer: Toyo Tire & Rubber Co., Ltd. (5105)

Senior debts: BBB+/Stable

Issues	Amount(bn)	Issue Date	Due Date	Coupon	Rating
bonds no.16	Y5	Dec. 3, 2003	Dec. 3, 2010	1.63%	BBB+
bonds no.19	Y5	June 1, 2005	June 1, 2012	1.21%	BBB+
bonds no.20	Y10	Sept. 18, 2008	Sept. 16, 2011	1.88%	BBB+

Shelf Registration: preliminary BBB+

Maximum: Y25 billion

Valid: two years effective from January 15, 2009

CP: J-2

Maximum: Y15 billion