

TREADS DIGITAL

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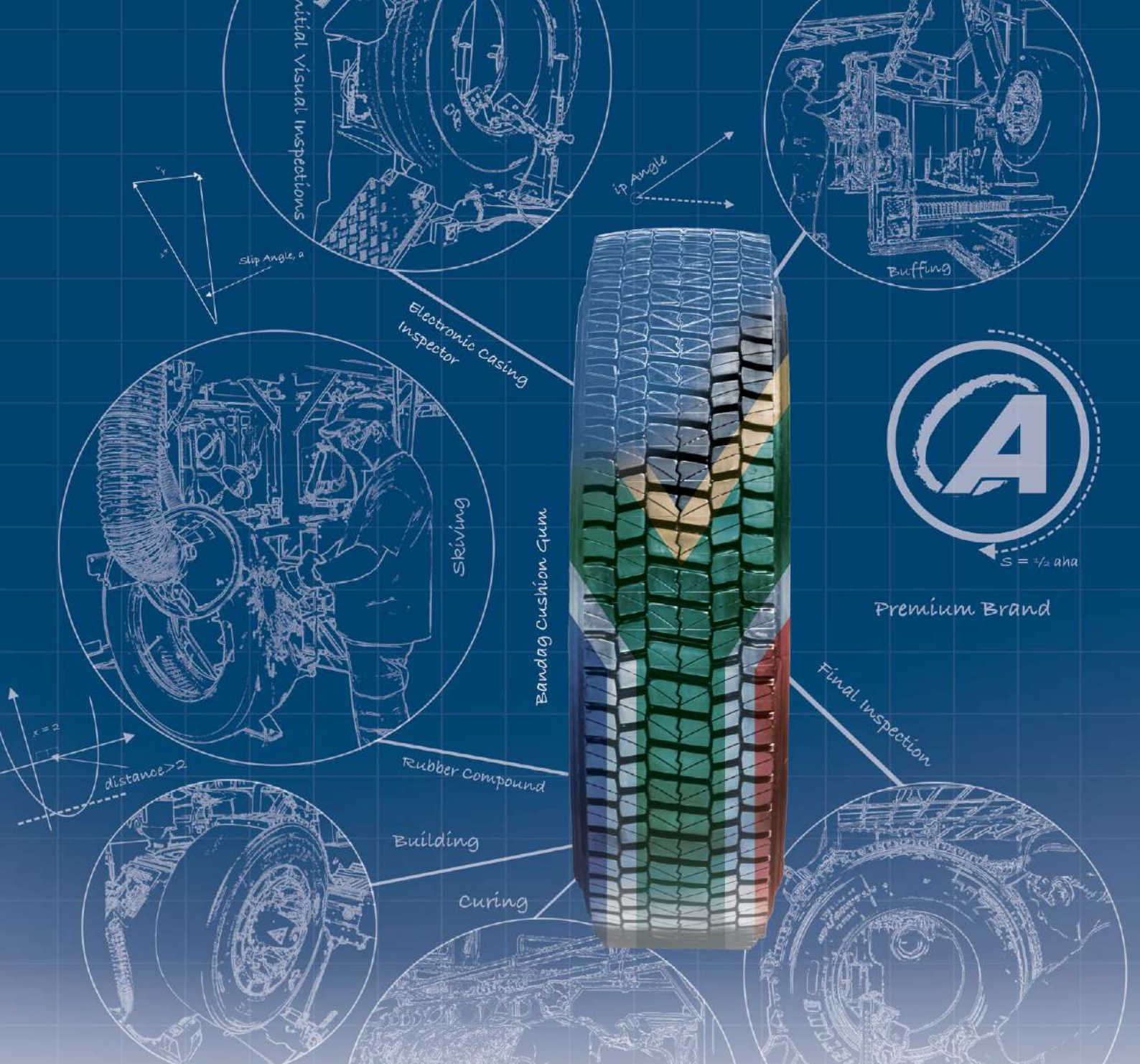
WHY ANTI-DUMPING DUTIES ARE NOT ADDRESSING THE REAL ISSUES IMPORTERS SPEAK OUT

INTERACTIVE POLL!
HAVE YOUR TO SAY!

TEPA TALK: WHY TRAINING YOUR STAFF MAKES BUSINESS SENSE

NEW ONLINE RETAIL PLATFORM FOR WHEELS HITS THE MARKET

THE TIRE COLOGNE 2026 GIVES THE TRANSFORMATION OF THE INDUSTRY A PROFILE



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Editor's Corner

Among the various long-term issues needing to be addressed within the South African tyre industry, illicit trade and its detrimental effects across every industry sector – not to mention the consumer – remains the most critical.

Unfortunately, a handful of 'bad eggs' who refuse to play by the rules and are determined to bypass the system for their own personal gain, are not only wreaking havoc, but they are also growing in number.

Perhaps nowhere is this more evident than when it comes to unscrupulous players who are finding new ingenious ways to dodge paying anti-dumping fees on products coming in from the Far East.

Which begs the question. Did the implementation of anti-dumping fees as a measure to protect local manufacturers have the desired effect. In response to our previous story on local manufacture, TIASA voices their thoughts on the matter.

Take our poll, to voice your opinion on all of this.

Yours in tyres



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**WHY ANTI-DUMPING DUTIES
ARE NOT ADDRESSING
THE REAL ISSUE
IMPORTERS SPEAK OUT**



In the previous edition, we explored the challenges facing South Africa's remaining tyre manufacturers and their call for stronger protection against unfair imports. Now, the Tyre Importers Association of South Africa (TIASA) offers its perspective. While agreeing that illicit trade is harming the industry, TIASA argues that the real issue is not anti-dumping duties, but the failure to enforce existing legislation. In this follow-up, they explain why they believe stronger enforcement—not higher tariffs—is the key to creating a fair and competitive tyre market.

Following our feature story in the previous edition, which highlighted the plight of our three remaining local tyre producers, the Tyre Importers Association of South Africa (TIASA), representing South Africa's legitimate importers who play by the rules (Apollo, Pirelli, Michelin, Treadzone, Maxxis, Tubestone, Reivilo, Vaal Tyre Centre, Stamford, Auto & Truck Tyres, TiAuto, Transafrika, Tyre & Wheel), felt compelled to add their thoughts and concerns to the matter. Chairman, Charl de Villiers was their designated spokesman.

There is one issue on which both local tyre producers and legitimate importers appear to agree: Unfair trade practices are damaging the domestic tyre sector. They may be on opposite sides of the camp, but businesses that rely on imports (mainly from the Far East), to service their customers, are finding it equally difficult to compete.

“The problem isn't a lack of anti-dumping duties – it's the failure to enforce the laws that already exist.”

Higher duties don't stop dishonest traders. They simply penalise legitimate importers while consumers end up paying more.

And this, despite that imports have now overtaken the sale of locally made tyres, accounting for over 60 percent of market share.

So, what is really going on?

Our previous story on the challenges facing South Africa's remaining three local makers revealed their call to the relevant government bodies to provide them with the right support structures to continue operating and protect local jobs.

They pointed to the significant and growing influx of tyre imports from China, emphasising the need to address the loopholes that were enabling South African importers to pay a mere fraction of the required anti-dumping duties in place, or even evade paying anti-dumping duties altogether, by importing via China's closest neighbours (country hopping).

Consequently, the SATMC applied to ITAC to review this practice, in hopes of implementing similar anti-dumping duties on tyres coming in from Thailand, Cambodia and Vietnam.

According to TIASA, although they share the local producers' frustrations on unfair trade practices that are wreaking havoc on the market, the focus on anti-dumping duties as the primary remedy has proven to be the wrong tool for the job.

"I hate to admit it, but we predicted this and brought it to ITAC's attention in

our submission during the investigation, stated Charl de Villiers.

According to TIASA, the core problem was, and remains, the failure to enforce existing legislation.

Before the anti-dumping application was tabled, they claimed, TIASA had, on numerous occasions, provided SARS with intelligence via the Tyre Industry Forum, (a body of which SATMC is also a member), identifying importers whose market pricing suggested they were not declaring their goods correctly.

"The evidence was visible in the marketplace to anyone paying attention," continued de Villiers.

"Our concern, then and now, is straightforward: imposing higher duties does not change the behaviour of bad actors. Those on the fence are nudged toward under-declaration as margins compress. Those already under-declaring simply continue. The only parties harmed by higher duties are the legitimate importer, and ultimately, the consumer. Those that stand to gain is government and the local producers who are able to increase prices. (Prices increased roughly three-to-four times during 2025, depending on brand and tyre category), through separate manufacturer announcements).

"The most persistent form of illicit trade in our industry has nothing to do with anti-dumping margins, reiterated





de Villiers. “It is the deliberate under-declaration of import values, weights and tariff classifications by a minority of importers and their clearing agents.”

De Villiers explained: “SARS recently presented with a striking example at an industry forum meeting: an importer declared the weight of a container of truck tyres as 1kg, whereas the actual weight should have been approximately 13 000kg. The waste tyre levy on that shipment should have been R29 900. Instead, only R2.30 was paid. The competitive advantage gained through that single shipment was between three and four percent over legitimate importers.

Alarmingly, when SARS approached the clearing agent in question, he simply put it down to a capturing error, paid a small fine and that was the end of the matter.

Which begs the question. How many of these shipments are being missed?

“No anti-dumping margin addresses this! If anything, the higher the duty environment, the greater the incentive to under-declare,” said de Villiers.

A simple solution to this, according to TIASA would be to cross-reference all shipment declarations against the Bill of Lading weights supplied by the shipping lines. This data is already in SARS’ possession as part of standard clearing documentation and given the precision require in load distribution aboard vessels, the likelihood of legitimate weight discrepancies is near zero. This one step could substantially close the loophole.

Allegedly, the industry has repeatedly requested that importers found guilty of under-declaration or duty circumvention be publicly identified, but because the POPIA Act currently prevents SARS from sharing this information, offenders pay administrative fines and return to the same practices.

So, what would need to happen to get around this? TIASA has proposed that a legal mechanism be brought into effect allowing for industry notification of proven corporate offenders, without exposing SARS to liability.

“This would be a meaningful deterrent,” suggested de Villiers, “It is so frustrating



The tools to tackle illicit trade already exist. What the industry needs is the political will and administrative agility to use them.





No anti-dumping margin can fix deliberate under-declaration of import values, weights and tariff classifications.



for our members as we continue to see these actors active in the market without any repercussions in how they go about their business.”

What of tyre-and-rim combinations?

TIASA does not share the SATMC’s view that tyre-and-rim combinations represent a material circumvention risk, claiming the data does not support this. According to TIASA the market has as natural ceiling on how many combinations it can absorb, further stating that consumers do not need new rims every time they replace their tyres. Therefore, they said, the practice is commercially self-limiting. What is more, while an importer may not legally demount and sell the components separately, a dealer or fleet operator faces no such restriction.

“The importation of tyre-and-rim combinations has shown a steady decline from 2023 when it represented 25 percent of TBR imports. In 2024, importation declined year-on-year by more than 34 percent and again by a further 20 percent in 2025, which is less than what the industry imported in 2021. Currently, tyre-and-rim combinations represent less than 11 percent of imported truck tyres. Therefore, this

was never the needle-mover SATMC suggested,” countered de Villiers.

He went on to say: “At an Industry Forum meeting in May 2025, TIASA presented SARS data highlighting a clear case of under-declaration of TBR tyres (tariff code 4011.20.26). This data showed one importer consistently declaring TBR tyres at \$51 per unit, at a time when the cheapest available price from China was approximately \$95. SARS acknowledged they were unable to verify the data and no action was taken. To date, one year later, nothing has changed. The administrative will – and the political will – to act, simply does not exist.”

Zero-rated anti-dumping factory causes confusion

On this point, TIASA and the SATMC appear to agree, challenging the rationale provided by ITAC that a constructed value had to be used because a local market selling price could not be established for one particular factory.

Explained de Villiers: “It is difficult to understand how one factory in China could not be assessed by the same methodology applied to all others. ITAC’s failure to publish its calculations further compounds the issue. Transparency in these determinations is not optional if

the system is to retain legitimacy. To this point, ITAC is now proposing sweeping changes to the International Trade and Administration Act (ITAA), which is a major concern for TIASA.

“An important document submitted to ITAC by XA, (representing TIASA and other players), highlights all the shortcomings we see if the proposed amendments are implemented, and one can only hope that sanity prevails and that we are afforded the opportunity to consult with government on the proposed changes.”

According to TIASA, this is a real concern, not only to our industry, but to all. Should this be implemented, the Minister/ITAC could potentially do as they please without proper judicial review. Lack of disclosure threatens transparency, and secret agreements between government and applicants can only lead to questionable actions.

Country hopping, a frustration for all

When it comes to country hopping, TIASA shares the SATMC's frustration at the outcome of ITAC's 18-month investigation into trade pattern shifts through Thailand, Cambodia and Vietnam.

He echoed: “We believe there is sufficient circumstantial evidence that some Chinese producers rerouted production to avoid the dumping margin. The failure to impose duties on those origins was a significant missed opportunity to level the playing field and reinforces the broader point: the anti-dumping instrument is only as effective as the investigative capacity and political will behind it.”

Realistically, the question we should be asking is: Does a trade remedy exist globally that can counter what China has built? China has invested heavily in next-generation manufacturing infrastructure. In the tyre industry alone, there are factories in China operating

with fewer than 100 employees, producing upward of 140 000 tyres per day, whereas South Africa's three remaining local producers collectively employ approximately 4 500 people and produce 36 000 to 45 000 units per day.

Can anti-dumping duties manufacture competitiveness given the stark realities of the growth and influential power of this global economy?

“ITAC has created a pricing floor that allowed local manufacturers to raise their sell-out prices in line with the cost increases borne by legitimate importers. The consumer paid more. The state collected more in duties. The illicit trade carried on as before.”

Instead, TIASA believes the answer lies in smarter enforcement technology, trade facilitation reform and targeted legislative tools.

They insist they are not opposed to fair competition, nor to measures that protect legitimate industry participants from unfair trade.

“We are, however, deeply concerned that the anti-dumping route consumed years of industry energy and government resources, delivering limited benefit, while the underlying enforcement failures that enable illicit trade, remain largely unaddressed,” he said.

In closing, deVilliers reiterated: “The SATMC's frustration, as expressed by Nduduzo Chala, is understandable and mainly justified. But the path forward is no to search for a higher or broader duty regime. It is to fix the pipes that are leaking. The tools exist. The data exists. What we need is the political will and administrative agility to deploy them.

“TIASA stands ready to work with SATMC, SARS, ITAC and other players on implementing the enforcement

mechanisms outlined above. A fair, competitive and compliant tyre market benefits importers and manufacturers alike. The is more that unites us that divides us, and the consumer's interest in safe, affordable tyres must remain the common ground.”

In a nutshell, as strong advocates of the established Tyre Industry Forum, TIASA members are pressing for:

- Name and shame – those companies (importers and clearing agents) that are found guilty of duty circumvention must be fined and their names must be made public.
- Permits must be revoked if found guilty
- Communication: SARS and Industry must communicate as one to the consumers and industry to try and discourage illicit trade.
- Dealer buy-in: we need stronger buy-in from dealers that support illicit trade. If we are not going to all play with our hands above the table we are on a slippery slope and a race to the bottom.

There is more that unites manufacturers and legitimate importers than divides them. A fair, competitive and compliant tyre market benefits everyone—including the consumer.



WHY TRAINING YOUR STAFF MAKES BUSINESS SENSE

Even When You're Worried About Losing Them

Many tyre dealers and fitment centres view staff training as a risk, but the greater risk is often not training at all. In an industry shaped by evolving technology, compliance requirements and customer expectations, investing in skills development improves performance, reduces costly mistakes and helps build a stronger, more productive workforce.

Written By: Khwezi Makhathini – TEPA PR, Social and Communications Coordinator

If you run a tyre shop or fitment centre today, you're probably juggling the same pressures as everyone else: tight margins, complex vehicles, compliance requirements and customers who expect things to be done right the first time. In that context, training can feel like a risk; expensive, time-consuming, and, for many owners, a gateway to losing good staff to competitors. It's a fair concern. But it's only half the picture.

Evidence from South African and international research consistently shows that trained staff are more productive, make

fewer mistakes and deliver more consistent service. On the shop floor, that translates into less rework, faster turnaround times and fewer disputes; all things that contribute directly to a stronger return on investment (ROI) and quietly protect your bottom line.

The uncomfortable truth is this: untrained staff don't stay forever either. What they do leave behind are errors, inefficiencies and reputational damage. Training doesn't create the risk of turnover; it helps reduce the cost of it, while improving operational performance in ways that strengthen the business financially over time.

There's also a practical reality to consider.

Vehicles are becoming more complex, and the industry is transitioning to new occupational qualifications under the QCTO framework. Businesses that invest early in skills are better positioned to keep up with technical change and compliance requirements, rather than scrambling to catch up later.

Yes, staff mobility exists. But many businesses find that when training is paired with clear expectations, internal progression and a culture of professionalism, employees are more likely to stay engaged and loyal. Training sends a simple message: you are valued here.



TEPA

Proud Association of 

This is where Tyre, Equipment, Parts Association (TEPA) plays an important role; supporting practical, industry-aligned training approaches and advocating for systems that work for real businesses on the ground.

At the same time, TEPA's training committee, led in close collaboration with merSETA, is actively helping the industry transition from legacy qualifications to new occupational qualifications. That work includes developing practical curricula for in-demand skills programmes that reflect what businesses need on the ground. Several programmes have already been

completed, including Hot Vulcaniser, Tyre re-treader, Wheel Aligner and Tyre Fitter.

Additional programmes identified by the industry still need to be developed, such as Suspension Specialist (fitment of brakes and shocks), Battery Fitter, Basic Service Technician, Salesperson (counterhand/parts sales), Exhaust Fitment and Fabrication and Automotive Glass Fitter and Replacer. Once the QCTO approves the skills programmes, the TEPA training committee will be able to support implementation of training programmes. In the meantime, members who want to understand the training pathway or discuss current support

can contact the TEPA Committee Chairperson, Angie Frederic, or by email at angief@setatraining.co.za.

If you haven't reviewed your skills gaps recently, now is the time. Engage with TEPA's training committee, plan deliberately and view upskilling not as a risk but an opportunity to future-proof your business.

For training-related guidance or questions, contact TEPA Committee Chairperson Angie Frederic on 0836116115 or angief@setatraining.co.za.

NEW ONLINE RETAIL PLATFORM FOR WHEELS HITS THE MARKET



In this digital age, we are constantly being introduced to new initiatives and products that make for faster transactions and added convenience.

One such example is the brand new WheelsXplorer, designed to function as a 'Virtual Showroom' for independent dealers, allowing them to offer a massive, technically-verified range of wheels to their customers without the overhead of physical floor stock.

Developed by Etraction, who are currently rolling it out to the South African tyre and wheel dealer network, the company describes the product as a significant digital shift.

“As the industry faces increasing pressure on stockholding and cash flow, we are launching . It’s a B2B platform designed to function as a “Virtual Showroom” for independent dealers, allowing them to offer a massive, technically-verified range of wheels to their customers without the overhead of physical floor stock,” claims a company spokesman.

“For years, the wheel category has operated on a simple assumption: If you want to sell it, you need to stock it. That assumption is starting to break. Today, most dealers are trying to sell from a showroom that no longer matches what customers are asking for.

Vehicles have become more complex, fitment requirements more technical, and the range of options has expanded beyond what any single dealer can realistically carry. At the same time, cash flow is under pressure. The result? Dealers are holding stock that doesn’t move while

losing sales on sizes they don't have.

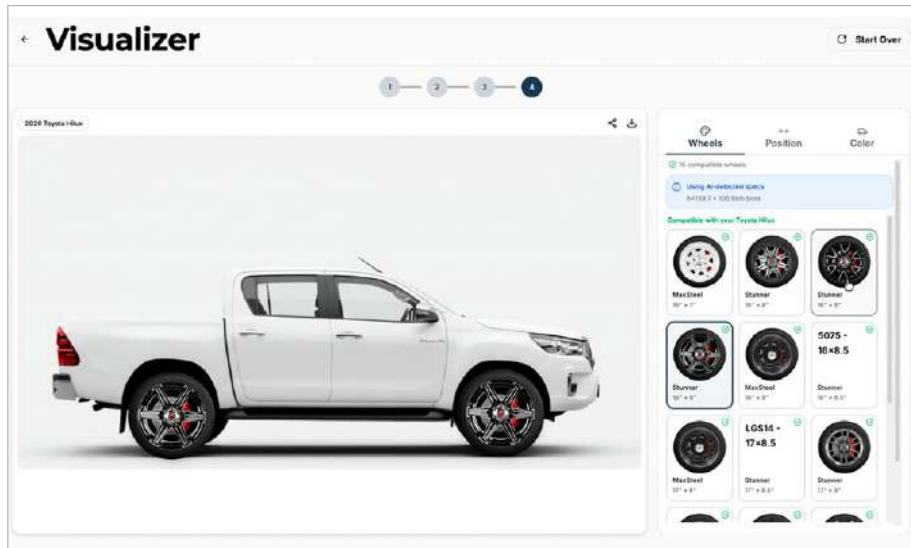
This is where the idea of virtual inventory is starting to shift how wheels are sold," they add.

According to Etraction, instead of relying purely on physical stock, dealers are beginning to use digital platforms to present a broader, technically accurate range, without taking on the same capital risk, and platforms like WheelsXplorer are built around this shift.

Rather than acting as a traditional catalogue, it allows dealers to search wheels based on vehicle-specific fitment, removing one of the biggest friction points in the category: getting it wrong.

And getting it wrong is expensive, claims Etraction, which claims incorrect fitment leads to delays, returns, and lost customer confidence. In many cases, dealers don't lose a sale because of price - they lose it because of uncertainty, uncertainty about whether the wheel will fit, uncertainty about how it will look, uncertainty about whether it's the right choice. When that uncertainty isn't resolved quickly, the customer walks.

They further stated: "Digital tools are starting to remove that friction. By



combining fitment verification with visualisation, dealers can now show customers exactly how a wheel will look on their specific vehicle, before committing. That moment of clarity often becomes the turning point where hesitation disappears and the sale is made.

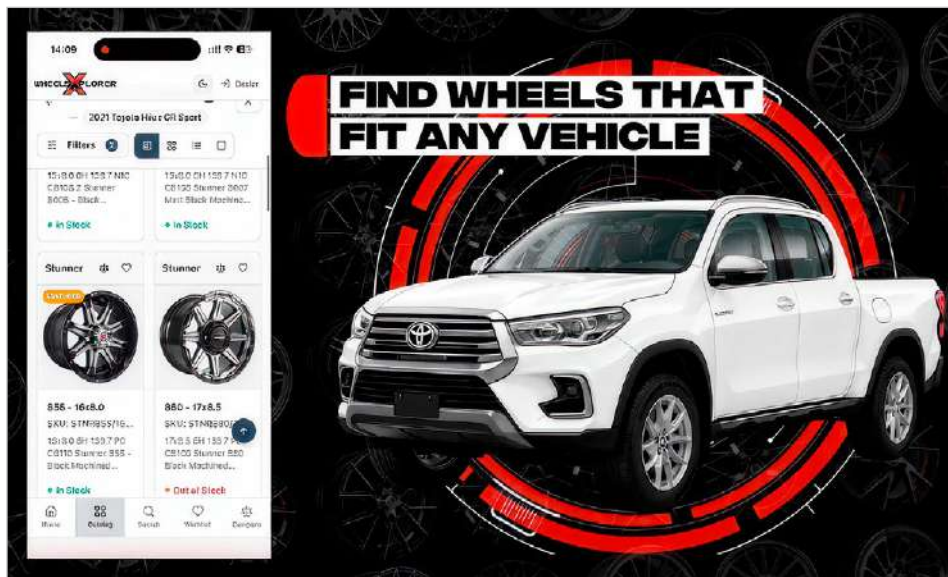
"From a commercial perspective, the impact is straightforward:

- Less capital tied up in slow-moving stock
- Fewer costly fitment errors and returns
- Faster, more confident sales conversations
- The ability to offer range without carrying it

For distributors, the shift is just as significant. The advantage is no longer just about who holds the most stock - it's about who can provide access, accuracy, and fulfilment.

In that sense, the role of the distributor is evolving from supplier to enabler, suggests Etraction.

"Physical stock still matters. But increasingly, it's being supported and extended by digital capability. For independent dealers, the implication is clear: The future of wheel sales is not about holding more stock, but about selling with more certainty," they conclude.



WheelsXplorer is a free platform available to any dealer to use. The only requirement is registering a profile on the Etraction app, E-Connect, which is also free.



TiAUTO INVESTMENTS ANNOUNCES ACQUISITION BY GLOBAL TRADING AND INVESTMENT GROUP MARUBENI CORPORATION



TiAuto Investments, one of Southern Africa's leading automotive retail and services groups, today announced that it has entered into an agreement to partner with Marubeni Corporation, a global trading and investment company headquartered in Japan.

The transaction marks a significant milestone in TiAuto's nearly 60-year history and positions the business for its next phase of growth across Southern Africa.

Founded in 1967, TiAuto has grown into a market-leading automotive aftermarket business, operating a portfolio of trusted brands including

Tiger Wheel & Tyre, Tyres & More® and Treads Unlimited. Today, the group operates 161 stores across South Africa, Botswana, Namibia, Zimbabwe and Zambia, serving millions of motorists each year through its extensive retail, wholesale and automotive service network.

Marubeni brings extensive international experience in the automotive maintenance sector, with established operations in Asia and Latin America. The acquisition represents Marubeni's first investment in the African automotive maintenance market and reflects its confidence in both the long-term growth prospects of the region and the strength of the TiAuto business.

Alex Taplin, Chief Executive Officer of TiAuto Investments, said:

"This is an exciting new chapter for TiAuto. We are proud of the business we have built over almost six decades and of the trusted brands, talented people and loyal customers that have contributed to our success. Marubeni's investment is a strong endorsement of our strategy, our market position and the opportunities that lie ahead."

Taplin added that the transaction will provide TiAuto with access to global expertise, additional resources and international best practices, while maintaining the local leadership, customer focus and entrepreneurial culture that have been central to the group's success.



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BUILDING A SAFER, FAIRER AUTOMOTIVE AFTERMARKET



The South African automotive aftermarket, especially the tyres, parts and equipment sector, is evolving rapidly. New entrants, alternative supply chains and price-sensitive consumers are reshaping the market. This is positive, but it also highlights a reality the sector can no longer ignore: growth without compliance carries real consequences.

Compliant businesses feel those consequences daily. Accredited dealers and fitment centres invest in proper sourcing, skilled technicians, safety standards, regulatory compliance and consumer protection. These are not optional costs; they are the price of doing business responsibly. When non-compliant operators bypass them, they gain a short-term pricing advantage, creating an uneven playing field where responsible businesses are penalised rather than rewarded.

This is not a call to exclude people from the industry. Informal traders, especially in

the second-hand tyre space, contribute to affordability, access and local economic activity. The problem is not their presence, but the lack of consistent standards, training and accountability. Formalisation is not exclusion; it is a pathway to safer, more sustainable and legitimate participation.

The same balance matters for consumers. In a difficult economy, lower prices are appealing, but cheaper does not always mean safer. Sub-standard tyres, counterfeit or poorly sourced parts, outdated equipment and incorrect fitment may save money upfront, only to cost far more in vehicle damage, insurance disputes or, in the worst cases, lives lost. Consumers deserve affordability, but also transparency, choice and confidence.

Members of the Tyres, Equipment and Parts Association (TEPA) sit at the centre of these realities. They support competition and access, but also know that a sustainable aftermarket depends on trust in parts, equipment, fitment and the businesses serving motorists every day.

Automotive Aftermarket and Right to Repair guidelines point toward a

more inclusive and competitive future. But regulation alone is not enough. The sector needs shared responsibility: fair enforcement, realistic pathways to compliance, and consumer awareness that price should never be the only measure of value.

Ultimately, a safer aftermarket is not one that costs the most or the least, but one that works for businesses, consumers and all road users.



Proud Association of 

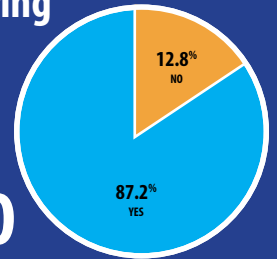


In our previous issue, we asked...

Do you believe the local tyre manufacturing industry needs greater government support?

HERE ARE THE RESULTS...

87.2% YES 12.8% NO



HAVE YOUR SAY...

Do you believe illegitimate importers who are attempting to avoid paying anti-dumping import duties should be exposed and dealt with in a firmer manner?

[CLICK HERE TO VOTE](#)



YES



NO



Results will be published in our next edition. *NB: Your identity will remain confidential



By John Stone

For the past two decades Sapphire Media has supported the worldwide tyre and automotive industry as a unique Business Media Consultant delivering professional editorial and marketing/PR services to a global client base and as a regular columnist in leading publications.

CONTINENTAL SETS BENCHMARK IN 2026 EUROPEAN SUMMER TYRE TESTS



Continental delivered a standout performance in this year's independent European summer tyre tests, securing 13 wins and 19 podium finishes across 24 evaluations conducted by leading automotive publications and mobility organisations. The results underline the company's ability

to consistently perform at the top across a wide range of tyre segments and test conditions.

TOP RESULTS IN ALL CORE CATEGORIES

Across multiple test formats, Continental tyres ranked among the top performers, particularly in key categories such as

braking, wet grip and overall balance. The results demonstrate a high level of consistency across different vehicle classes, from sustainability-focused products to ultra-high performance applications. The results verify Continental's ambitions as premium tyre manufacturer.

CONSISTENCY ACROSS SEGMENTS

“These results confirm the consistency of our product performance across different segments and test conditions,” said Andreas Schlenke, Tire Expert at Continental. “They show that our focus on braking, wet grip and overall balance translates directly into strong results in independent testing.”

THE PRODUCTS BEHIND THE RESULTS

The PremiumContact 7 was named overall winner in the Auto Zeitung UHP summer tyre test, receiving top marks for its balanced performance in both wet and dry conditions.

The SportContact 7 secured first place in the Auto Bild sportscars UHP test, where it was recognised for its precise handling and shortest braking distances.

CONSISTENT PERFORMANCE LEVELS

Across tests, a clear pattern emerges: strong braking performance, high levels of wet grip and a well-balanced overall driving behaviour. These strengths were consistently highlighted by independent testers and confirm Continental’s focus on core safety and performance characteristics.

WHAT INDEPENDENT TESTERS SAY

Independent test organisations highlighted Continental’s performance across key disciplines:

“Outstanding in wet conditions and very good in dry conditions... a clear winner.” – Auto Zeitung on the PremiumContact 7.

“The king of handling, with outstanding performance on wet and dry roads.” – Auto Bild sportscars on the SportContact 7.

OUR ENGINEERING FOCUS

These results are supported by continuous development in tread design, compound technologies and tyre construction, enabling a balanced combination of safety, efficiency and driving dynamics.

STRONG START FOR CONTINENTAL INTO THE YEAR 2026

The 2026 European test season once again demonstrates Continental’s ability to deliver reliable top-level performance across a broad portfolio and a wide range of independent evaluations.



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THE TIRE COLOGNE 2026 GIVES THE TRANSFORMATION OF THE INDUSTRY A PROFILE



With around 400 exhibitors from 33 countries and around 14.600 participants from 110 countries, THE TIRE COLOGNE 2026 has once again confirmed its position as the leading international trade fair of the tyre and wheel industry. The trade fair's global relevance was underscored by

the high proportion of international visitors: two-thirds of attendees came from abroad.

THE TIRE COLOGNE is increasingly developing from a pure product fair into a platform where the decisive themes of the industry are discussed, innovations are

made visible and new perspectives for growth and competitiveness are pointed out.

"The challenges for the industry are becoming more complex and global. All the more important are platforms that provide orientation, bundle knowledge and enable an exchange between the

economy, politics and science. THE TIRE COLOGNE assumes precisely this role for the tyre and wheel industry", says Oliver Frese, Chief Operating Officer of Koelnmesse.

WALK OF SERVICES STRIKES A CHORD ON THE MARKET

The WALK OF SERVICES highlighted the extent to which the industry is evolving: building on the strong core business of tyres and workshop equipment, digital solutions and additional services are opening up new opportunities for growth and success. The strong response was also especially evident in an increase in the number of German visitors by 5 percent and in greater participation from the specialised tyre trade and the workshop environment.

With 147 participating companies, including 44 new exhibitors, the WALK OF SERVICES developed into one of the most dynamic formats of THE TIRE COLOGNE 2026. The focus was on employees, system and process solutions, tyre service and workshop technology, automotive services as well as disposal and sustainability.

"With the WALK OF SERVICES, THE TIRE COLOGNE has created a platform that offers concrete solutions and new perspectives for trade and workshops. The high level of participation and the great interest of visitors confirms how relevant this offering is for the industry", says Stephan Helm, Chairman of the German Tyre Retail and Vulcanisation Trade Association (BRV).

COOPERATION WITH THE GLOBAL OTR CONFERENCE STRENGTHENS THE SPECIAL TYRE SEGMENT

One particular highlight of the event programme was the cooperation with the OTR Conference. The event brought together leading experts from the off-the-

road segment and offered valuable insights into market trends, sustainability strategies, safety, digitalisation and perspectives for the future of special tyres.

The named themes were thereby not discussed as isolated trends, but instead as closely linked developments that will in future decisively define the competitiveness of companies.

CIRCULAR ECONOMY IS BECOMING A SUCCESS FACTOR

One special area of focus of the trade fair was on the theme of circular economy. Questions revolving around resource efficiency, recycling, remoulding and circular value creation chains provided the focus in numerous lectures, discussions and exhibition presentations.

The INNOVATION LAB thereby also provided insights with practical relevance. Live demonstrations made innovative technologies directly experienceable and showed how digital solutions can in future contribute to increasing efficiency and opening up new business potential. In this regard, one particular area of focus was on RFID-based ecosystems that allow new possibilities for transparency, process control and data-based services through the tyre lifecycle.

The participation of Oliver Krischer, Minister for the Environment, Nature Conservation and Transport of the Federal State of North Rhine-Westphalia, underlined the increasing economic and political importance of these developments. In the context of the trade fair, he emphasised the central role of circular value creation chains for a future-capable industry and praised THE TIRE COLOGNE as a platform for an exchange about concrete approaches to solutions and new economic perspectives.

The next edition of THE TIRE COLOGNE

takes place from 30 May to 1 June 2028 in Cologne.

THE TIRE COLOGNE is the leading international trade fair for the tyre and wheel industry. It unites the segments of tyres, retail trade and automotive services as well as increasingly production, recycling and sustainable recycling management. The industry sponsor of the trade fair is the Bundesverband Reifenhandel und Vulkaniseur-Handwerk e.V. (German Tyre Retail and Vulcanisation Trades Association) [BRV], Bonn

Koelnmesse – industry trade fairs for the mobility segment: Koelnmesse stages INTERMOT and THE TIRE COLOGNE, two major international trade fairs in the mobility segment, hosted at its trade fair grounds in Cologne/Germany.

Alongside tires and wheels, THE TIRE COLOGNE focuses on equipment for motor vehicle servicing and tire fitting centres and presents a comprehensive range of products and services for tire retreading and the recycling and disposal of old tires.

INTERMOT is the show for motorised two-wheelers and presents the key innovations in electromobility, accessories, clothing, parts, customizing, touring and workshop equipment.

The events serve as central, international business platforms, bringing the industry together with a carefully targeted approach to showcase the latest products, developments and innovations.

Further information: <https://www.thetire-cologne.com/trade-fair/the-tire-cologne/the-tire-cologne-worldwide/>

MICHELIN'S UNIVERSAL TIRE DIGITAL TWIN: TURNING TIRES INTO INTELLIGENT ROAD SENSORS



Michelin is once again pushing tire technology beyond the rubber itself. With its universal tire digital twin, the company is introducing a software-driven innovation designed to make driving safer, smarter and more predictable.

At its simplest, Michelin's tire digital twin

is a virtual model of a tire. It continuously estimates and predicts the condition of the tire by using existing vehicle data, advanced algorithms, tire physics, artificial intelligence and Michelin's long-standing knowledge of tire behaviour. Michelin says the system can work without adding physical sensors inside the tire, and is designed to be compatible with all tire

brands and vehicle types.

For the driver, that means the tire becomes more than a passive contact point with the road. It becomes a source of real-time intelligence.

HOW THE MICHELIN DIGITAL TWIN WORKS

Modern vehicles already collect large

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amounts of data through onboard systems. Michelin's digital twin uses this information to estimate key tire-related conditions such as pressure, wear, load, grip and driving conditions.

Instead of simply sending a warning after a problem appears, the system is designed to help the vehicle understand what is happening at tire level in real time. Michelin describes the solution as an embedded "brain" that can interact with vehicle systems to improve performance, safety and predictability.

This is especially important as vehicles become more software-defined. In these new vehicle architectures, performance, safety functions and user experience can increasingly be improved through software throughout the life of the vehicle.

WHY IT MATTERS FOR SAFETY

The tire is the only contact point between the vehicle and the road. That makes accurate tire intelligence critical.

Michelin says its digital twin can help vehicles anticipate grip levels, support braking performance, monitor pressure, detect slow leaks, estimate load and assist with predictive maintenance. The technology is also linked to future capabilities such as rolling resistance and grip estimation, which may help identify hydroplaning risks.

In practical terms, this could help a vehicle respond more intelligently in difficult driving conditions. It could also support advanced driver assistance systems such as ABS and ADAS by giving them more accurate information about the tire's real-world condition.

Michelin has already pointed to its partnership with Brembo and the SENSIFY braking system as an example of how tire data can improve braking

performance. According to Michelin, integrating the tire's actual state into braking algorithms has shown shorter braking distances of up to four metres and improved stability during hard braking.

NO EXTRA TIRE SENSORS REQUIRED

One of the most important parts of Michelin's announcement is that the system does not require additional tire-mounted sensors.

Instead, the digital twin uses data already available from the vehicle. Michelin says this makes the solution easier to deploy and more universal, because it can work across different tire brands, vehicle brands and vehicle types. This includes passenger cars, trucks and even autonomous shuttles.

That universality is what separates this from many connected tire systems that rely on dedicated hardware inside the tire.

PREDICTIVE MAINTENANCE AND LONGER TIRE LIFE

The digital twin is not only about safety. It also has a maintenance and sustainability benefit.

By continuously estimating tire condition, the system can help predict when tires are approaching the end of their useful life, when pressure may need attention, or when a slow leak is developing. Michelin's connected-solutions article highlights SmartWear for tire wear measurement and end-of-life prediction, as well as pressure monitoring and slow leak detection.

For fleet operators, manufacturers and future mobility platforms, this could help reduce downtime, improve maintenance planning and extend tire life. For everyday drivers, it could mean fewer surprises and better guidance on when action is needed.

THE BIGGER PICTURE: TIRES IN THE SOFTWARE-DEFINED VEHICLE ERA

Michelin's digital twin shows how the role of the tire is changing.

In the past, tire innovation was mostly about tread design, compound technology, durability and rolling resistance. Those areas still matter, but tires are now becoming part of the vehicle's wider data ecosystem.

Michelin says it has spent more than ten years developing the technology, supported by patents and testing over several million kilometres. The company is positioning the digital twin as a key technology for the future of software-defined and autonomous vehicles.

As vehicles become increasingly connected, the tire can no longer be viewed as a simple mechanical component. It is becoming a live source of data that helps the vehicle make better decisions.

WHAT THIS MEANS FOR THE TIRE INDUSTRY

For the tire industry, Michelin's universal tire digital twin represents a major shift.

It moves tire value beyond the physical product and into software, data and predictive intelligence. It also opens the door for closer partnerships between tire manufacturers, vehicle manufacturers, braking system suppliers and mobility technology companies.

For drivers, the promise is simple: safer journeys, better performance and smarter tire maintenance, without changing driving habits or adding extra tire hardware.

Michelin's message is clear. The tire of the future will not only carry the vehicle. It will help the vehicle think.

PIRELLI BEGINS CLOSED-LOOP TIRE RECYCLING USING RECOVERED CARBON BLACK

Pirelli said the project supports a broader strategy involving additional facilities and industrial ecosystems designed to convert waste into recovered manufacturing inputs.

Pirelli North America launched its first internal closed-loop tire recycling initiative as part of a broader strategy to increase recycled and bio-based material use in tire production. The Tire Recycling Foundation recognized the project with a Circle of Change Award in the Value Chain Collaboration category.

CLOSED-LOOP TIRE RECYCLING PROCESS

The tire recycling initiative focuses on recovering scrap tires generated during manufacturing operations in North America. Bolder Industries collects and processes the materials using pyrolysis technology.

The company converts the scrap tires into ISCC PLUS-certified BolderBlack recovered carbon black (rCB), which Pirelli reuses in North American tire production. Pirelli said the project supports a broader strategy involving additional facilities and industrial ecosystems designed to convert waste into

recovered manufacturing inputs.

The company also said recovered carbon black can partially replace virgin carbon black in tire production.

TIRE RECYCLING FOUNDATION RECOGNITION

The Tire Recycling Foundation's Circle of Change Award recognizes organizations and individuals advancing tire recycling technologies and sustainability practices.

The award also highlights efforts to expand end-use markets and support circular economy principles.

"The Rome plant is one of the most technologically advanced manufacturing facilities in Pirelli," said Claudio Zanardo, CEO of Pirelli North America. "This initiative reflects an approach focused on increasing the use of recovered materials within existing production processes. It is part of a broader effort to gradually integrate raw materials derived from recycled resources into our products while maintaining consistency in performance and quality."

"Our collaboration demonstrates that a traceable, mass-balance approach to tire-to-tire circularity is not only achievable, but it's ready to scale inside a premium



manufacturing environment, meeting real performance and certification requirements at every step," said Bolder Industries CEO Tony Wibbeler. "This is the kind of progress the industry has been working toward for many years."

CIRCULARITY TARGETS

Pirelli said the tire recycling initiative supports the company's broader circularity and sustainability objectives. By 2030, the company aims for more than 80% bio-based and recycled materials in its best products available on the market.

Pirelli also targets 40% bio-based and recycled materials across total production by 2030.

MAGNA TYRES UNVEILS MA801 TR SOLID TIRE FOR RECYCLING, INDUSTRIAL USE

Magna Tyres introduced the MA801 TR solid tire for compact wheel loaders and telescopic handlers operating in recycling and heavy industrial environments. The company presented the tire May 4-7 at IFAT 2026 in Munich, Germany.

MAGNA MA801 TR KEY SPECIFICATIONS

Application: Compact wheel loaders and telescopic handlers

Construction: Solid (flat-free)

Tread design: Extra-deep, non-directional

Design structure: Reinforced triangular construction

Benefit: Puncture-resistant construction aimed at maximizing uptime

Sizes: 13.00-24, 14.00-24

TREAD DESIGN AND STRUCTURE

The MA801 TR features a reinforced tread architecture for traction and stability in environments with sharp debris and continuous heavy loads. Its solid construction eliminates puncture risk, which can reduce downtime and tire maintenance needs.

PERFORMANCE IN DEMANDING APPLICATIONS

With an extra-deep tread profile and



robust design, Magna said the tire is built for long service life and consistent performance in recycling and industrial use cases.

APOLLO TYRES IS THE FASTEST CLIMBER IN 'BRAND STRENGTH' RANKINGS FOR 2026

Apollo Tyres Ltd has achieved a marked increase in 'Brand Strength' in India, its domestic market, according to new independent analysis by Brand Finance of the world's strongest and most valuable tyre brands.

Brand Finance conducts the only brand analysis specific to the global tyre market, evaluates Brand Strength in a process compliant with ISO 20671. The research considers a wide range of factors, including marketing investment, stakeholder equity and their impact on business performance.

The data is derived from Brand Finance's proprietary market research programme and publicly available sources. Brands are assessed primarily within their leading territories, with market-specific scores contributing to an overall analysis.

Apollo Tyres' improved performance in Brand Strength -- making it the fastest climber in the rankings -- has been driven by sports sponsorship campaigns that are being activated globally, as well as significant investment in product innovation, customer engagement, new distribution networks and strategic marketing initiatives.

In the latest update, Apollo Tyres has risen from 13th last year to 6th in 2026 in the Brand Strength Index for global tyre brands. Brand Finance identified an increase in general consumer awareness of the Apollo Tyres brand, with 'familiarity' increasing by 15.8%, and 'understanding' by 26.4%.

Each brand in the study is assigned a



Brand Strength Index (BSI) score out of 100, which feeds into the brand value calculation. For 2026, Apollo Tyres has achieved a score of 80.59, versus 66.63 last year.

SPORTS SPONSORSHIPS POWERING APOLLO TYRES' GLOBAL BRAND STRENGTH

There have been several significant new developments over the past year that have helped drive positive awareness of Apollo Tyres, particularly in India.

In September 2025, the Apollo Tyres brand became the lead sponsor of the Indian Cricket Team, conferring huge brand reach. This deal grants Apollo Tyres the Title Sponsor Rights for all home

international matches (both men's and women's teams) and domestic cricket tournaments organised by the Board of Control for Cricket in India. The Apollo Tyres logo now features prominently on the front and leading arm of the official Team India jersey.

"The new Brand Strength rankings provide important independent validation of our global marketing efforts," comments Udyan Ghai, Group Head, Marketing, Apollo Tyres Ltd.

"Whether through new products, enhanced services or improved accessibility, our focus remains on delivering value to customers while further strengthening the Apollo Tyres brand in markets around the world."

YOKOHAMA RUBBER Q1 SALES REPORT SHOWS PROFITS RISE

Yokohama Rubber reported higher sales and profit for the first quarter (Q1) of fiscal 2026. Gains in its tire business, stronger high-value tire sales and growth in off-highway tires drove the increase.

The company said the results reflect continued execution of its Yokohama Transformation 2026 plan. The plan focuses on "exploitation" of existing business strengths and "exploration" of new value. Yokohama Rubber said the strategy "again produced strong results in all of the Group's businesses."

YOKOHAMA Q1 RESULTS

For the three months ended March 31, Yokohama Rubber reported consolidated sales revenue of ¥303.8 billion (approx. \$1.91 billion). That marked a 10.4% increase from ¥275.1 billion (approx. \$1.73 billion) a year earlier.

Business profit increased 84.6% year over year to ¥44.4 billion (approx. \$280.1 million).

Operating profit rose 34.5% to ¥26.0 billion (approx. \$163.9 million). Profit attributable to owners of the parent climbed 72.6% to ¥14.7 billion (approx. \$92.7 million).

TIRE SEGMENT LEADS GROWTH

Yokohama Rubber's tire segment remained its largest business. Tire segment sales revenue totaled ¥278.1 billion (approx. \$1.75 billion). The figure increased 11.1% year over year and represented 91.5% of consolidated sales revenue.

Tire segment business profit increased 89.1% to ¥42.0 billion (approx. \$264.8 million).

Within consumer tires, original equipment sales increased year over year. Yokohama Rubber said strong sales in Japan offset continued weakness in Japanese automakers' sales in China.

Replacement tire sales also increased. Yokohama Rubber said unfavorable weather and other factors reduced North American replacement sales.

Continued sales activity in Japan supported overall replacement sales. Strong sales of high-inch and other high-value-added tires in Europe also contributed. The company also expanded business in China, India and other regional markets.

OFF-HIGHWAY TIRES SUPPORT RESULTS

Yokohama Rubber increased sales of off-highway tires despite what it described as a harsh demand environment. Sales of tires

for agricultural machinery rose year over year. Stronger customer relationships helped the company gain market share as demand gradually rebounded.

In the replacement market, Yokohama Rubber credited its multi-brand strategy for higher sales. The strategy centers on Mitas, Alliance and Galaxy brand tires. Rebounding North American demand also supported results.

The company attributed the increase in consolidated business profit to several factors. These included higher sales of high-value-added consumer tires and high-inch tires. Increased OHT sales volume also contributed. Yokohama Rubber also cited profitability improvement efforts and internal cost-reduction initiatives.

MB SEGMENT REVENUE AND PROFIT RISE

The MB (Multiple Businesses) segment generated sales revenue of ¥24.0 billion (approx. \$151.2 million). That marked a 4.2% increase year over year and accounted for 7.9% of consolidated sales revenue.

MB segment business profit increased 21.2% to ¥2.2 billion (approx. \$14.1 million).

The hose and couplings business recorded lower sales year over year. Reduced new-vehicle production in North America offset strong replacement-market demand for hydraulic hoses in Japan.

The industrial products business increased sales. The company maintained a high share of the conveyor belt market. It also won new marine products contracts and increased sales of defense-related equipment.

SALEM PLANT CLOSURE AFFECTS PROFIT

Yokohama Rubber increased operating profit year over year despite recording a ¥13.0 billion (approx. \$81.9 million) one-time expense. The charge related to the closure of the company's U.S. tire plant in Salem, Virginia.

Operating profit rose to ¥26.0 billion (approx. \$163.9 million). In the first quarter of 2025, operating profit totaled ¥19.3 billion (approx. \$121.9 million).

Profit before tax increased 87.1% to ¥26.0 billion (approx. \$163.6 million). A year earlier, profit before tax totaled ¥13.9 billion (approx. \$87.4 million).

Basic earnings per share rose to ¥93.62 (approx. \$0.59). In the first quarter of 2025,

earnings per share totaled ¥53.74 (approx. \$0.34).

ASSETS AND EQUITY INCREASE

As of March 31, Yokohama Rubber reported total assets of ¥2.05 trillion (approx. \$12.90 billion). The figure increased ¥47.9 billion (approx. \$301.6 million) from Dec. 31, 2025.

Higher property, plant and equipment, trade receivables and inventories drove the increase.

Total liabilities rose ¥35.5 billion (approx. \$223.4 million) to ¥993.6 billion (approx. \$6.26 billion). Higher interest-bearing debt primarily caused the increase.

Total equity increased ¥12.4 billion (approx. \$78.2 million) to ¥1.05 trillion (approx. \$6.63 billion). Growth in other equity components related mainly to foreign exchange fluctuations drove the increase.

YOKOHAMA RUBBER REVISES 2026 FORECAST

Yokohama Rubber revised its consolidated earnings forecast for the first half and full fiscal year ending Dec. 31. For the first half, the company forecasts sales revenue of ¥610.0 billion (approx. \$3.84 billion). That would represent a 5.3% year-over-year increase.

Yokohama Rubber also forecasts business profit of ¥75.0 billion (approx. \$472.7 million), up 20.7%.

The company forecasts operating profit of ¥86.0 billion (approx. \$542.0 million), up 56.8%. It also forecasts profit attributable to owners of the parent of ¥45.0 billion (approx. \$283.6 million), up 26.6%.

For the full year, Yokohama Rubber forecasts sales revenue of ¥1.3 trillion (approx. \$8.19 billion), up 5.3%.

The company also forecasts business profit of ¥188.0 billion (approx. \$1.18 billion), up 12.9%. Operating profit is expected to reach ¥191.5 billion (approx. \$1.21 billion), up 25.2%.

Yokohama Rubber forecasts profit attributable to owners of the parent of ¥109.0 billion (approx. \$686.9 million), up 3.4%.

The company maintained its dividend forecast. Yokohama Rubber expects an annual dividend of ¥172 per share (approx. \$1.08). The total includes ¥62 per share (approx. \$0.39) at the end of the second quarter and ¥110 per share (approx. \$0.69) at year-end.

GOODYEAR ANNOUNCES FIRST QUARTER 2026 RESULTS

The Goodyear Tire & Rubber Company (NASDAQ:GT) reported first quarter 2026 results today and the company will host an investor call tomorrow morning, Thursday, May 7, at 8:30 a.m. Eastern time led by Mark Stewart, Goodyear's chief executive officer and president, and Christina Zamarro, the company's executive vice president and chief financial officer.

"The first quarter reflected a challenging environment, marked by weak consumer industry demand in both OE and replacement across the majority of our key geographies," said Stewart. "Despite a weak environment, our first quarter results were in line with our expectations and reflect our commitment to drive value for our brands in the marketplace, where we offer world-class differentiated products and services."

"Looking ahead, increased pressure on industry demand and higher raw material costs stemming from the conflict in the Middle East require that we continue to take meaningful actions to strengthen our cost structure," added Stewart. "We have consistently demonstrated a strong capability in driving cost transformation. We expect to deliver further savings to position the company for long term value creation."

FINANCIAL RESULTS

Goodyear's first quarter 2026 net sales were \$3.9 billion, with tire unit volumes totaling 34.0 million. First quarter 2026 Goodyear net loss was \$249 million, or \$0.86 per share, compared to Goodyear net income one year ago of \$115 million, or \$0.40 per share. First quarter 2026 included several significant items, including, on a pre-tax basis, rationalization charges of \$104 million. This significant item, and others, are excluded from adjusted earnings.

First quarter 2026 adjusted net loss was \$112 million compared to adjusted net loss of \$11 million in the prior year's quarter. Adjusted loss per share was \$0.39 compared to \$0.04 in the prior year's quarter. Per share amounts are diluted.

SEGMENT RESULTS

The company reported segment operating income of \$95 million in the first quarter of 2026, compared to \$195 million from one



year ago. Segment operating income includes a \$46 million benefit from a tariff adjustment following a recent U.S. Supreme Court decision.

After adjusting for the sales of its Chemical business and the Dunlop brand, segment operating income decreased \$63 million. The decrease in segment operating income reflects higher inflation and other costs of \$163 million and the impact of lower volume of \$159 million, partially offset by benefits from Goodyear Forward of \$107 million, favorable price/mix versus raw material costs of \$103 million and an IEEPA tariff adjustment of \$46 million.

Additional earnings materials can be found on Goodyear's investor relations website at <http://investor.goodyear.com>.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

See "Non-GAAP Financial Measures" and "Financial Tables" for further explanation and reconciliation tables for historical Total Segment Operating Income and Margin; Adjusted Net Income (Loss); and Adjusted Diluted Earnings per Share, reflecting the impact of certain significant items on the 2026 and 2025 periods.

Americas' first quarter 2026 net sales of \$2.1 billion were 17.5% lower than the previous year, driven by a decline in consumer replacement volume and the sale of the Chemical business. Tire unit volume decreased 17.0%. Replacement tire unit volume decreased 23.2%, driven by weak industry conditions in North America. Replacement volumes reflect lower sell-in industry volume, increased competitive promotional activity and the planned rationalization of lower-tier product offerings. Original equipment tire unit volume increased 8.2%, reflecting strong consumer market share gains. Similar to prior quarters,

Commercial industry volume was lower in both OE and replacement given a prolonged industry downturn.

Segment operating income of \$37 million decreased \$118 million from last year. Excluding the impact of the sale of the Chemical business, Americas' segment operating income decreased \$87 million driven by the impact of lower volume, general inflation and higher other costs, partially offset by Goodyear Forward benefits, the expected IEEPA tariff refund, and price/mix versus raw materials.

EMEA's first quarter 2026 net sales of \$1.4 billion increased 6.7% from first quarter 2025, driven by benefits from currency and price/mix, partly offset by lower tire volume, inclusive of the sale of the Dunlop brand. Replacement unit volume decreased 15.2%, driven by market weakness in the E.U., increased competition and the planned rationalization of lower-tier product offerings. Original equipment tire unit volume increased 8.1%, reflecting strong consumer market share gains.

First quarter segment operating income of \$1 million increased \$6 million from the prior year. Excluding the impact of the sale of the Dunlop brand, EMEA's segment operating income increased \$13 million driven by benefits from price/mix versus raw materials and Goodyear Forward, partly offset by higher costs and inflation.

Asia Pacific's first quarter 2026 net sales of \$455 million were 4.0% lower than the previous year, as a result of lower volume. Tire unit volume decreased 3.8%, driven by weak OE industry demand in China.

First quarter 2026 segment operating income of \$57 million was \$12 million higher than the prior year driven by benefits from price/mix versus raw materials and Goodyear Forward, partly offset by the impact of lower volume.



