

Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending December 31, 2013

May 8, 2013

These financial statements, prepared in accordance with accounting principles generally accepted in Japan, have been translated for reference only from the original Japanese-language document "KESSAN TANSIN." The entire format is pursuant to the requirements or guidance of Tokyo Stock Exchange. As for the contents, if there are any differences or discrepancies between the original Japanese-language and the English translation, the original Japanese-language supersedes this English translation.

Bridgestone Corporation

Stock exchange listings: Tokyo, Osaka, Nagoya, Fukuoka

Code number:5108

URL:<http://www.bridgestone.co.jp>

Representative: Masaaki Tsuya, CEO and Representative Board Member Concurrently Chairman of the Board

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Scheduled date of quarterly securities report submission: May 10, 2013

Scheduled date of dividend payment commencement: -

Supplementary information for the quarterly financial statements to be prepared: Yes

Meeting to explain for the quarterly financial statements to be held: Yes

(for institutional investors and analysts)

(All amounts are rounded down to the nearest million yen)

1. Consolidated Results for the First Quarter of Fiscal 2013 (January 1, 2013 - March 31, 2013)

(1) Consolidated Operating Results (Percentage figures represent changes from the same period of previous year)

	Net sales		Operating income		Ordinary income		Net income	
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%
Three months ended March 31, 2013	794,583	9.4	74,451	18.1	70,149	13.6	43,111	2.2
Three months ended March 31, 2012	726,245	3.1	63,016	12.8	61,739	9.8	42,203	34.7

(Note) Comprehensive Income: Three months ended March 31, 2013 ¥152,151 million (7.5 %)
Three months ended March 31, 2012 ¥141,547 million (97.6%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended March 31, 2013	55.08	55.03
Three months ended March 31, 2012	53.92	53.90

(2) Consolidated Financial Position

	Total assets	Net assets	Ratio of total equity to total assets
	Yen in millions	Yen in millions	%
As of Mar. 31, 2013	3,232,436	1,555,187	46.5
As of Dec. 31, 2012	3,039,798	1,417,347	45.2

(Reference) Total equity As of March 31, 2013 ¥1,504,693 million
As of December 31, 2012 ¥1,373,021 million

2. Dividends

	Annual Dividend				
	1st quarter end	2nd quarter end	3rd quarter end	Year -end	Total
	Yen	Yen	Yen	Yen	Yen
FY 2012	—	16.00	—	16.00	32.00
FY 2013	—				
FY 2013 (Projection)		27.00	—	27.00	54.00

(Note) Changes from the latest forecasts released: No

3. Consolidated Projected Results for Fiscal 2013 (January 1, 2013 - December 31, 2013)

(Percentage figures represent changes from the same period of previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen
First half year FY 2013	1,690,000	13.5	182,000	36.0	170,000	31.8	105,000	39.5	134.13
	3,550,000	16.8	382,000	33.6	365,000	28.1	235,000	36.9	300.19

(Note) Changes from the latest forecasts released: No

* Notes

(1) Changes in principal subsidiaries during the three months ended March 31, 2013 : No
(Changes in specified subsidiaries involving change in consolidation scope)

(2) Application of special accounting treatments for consolidated quarterly financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatements

- 1) Changes due to revisions of accounting policies, etc. : Yes
- 2) Changes in policies other than 1) : No
- 3) Changes in accounting estimates : Yes
- 4) Restatements : No

(Note) These are subject to Article 10-2 and 10-5 of “the Ordinance on Terminology, Forms, and Preparation Methods of Quarterly Financial Statements, etc.” For further details, please refer to “Other Information (Notes) (2) Changes in accounting policy, Changes in accounting estimates and Restatements” on page 5.

(4) Outstanding number of shares (common stock)

- 1) Outstanding number of shares at period end (including treasury stock):

March 31, 2013	813,102,321 shares
December 31, 2012	813,102,321 shares

- 2) Number of shares of treasury stock at period end

March 31, 2013	30,269,583 shares
December 31, 2012	30,440,507 shares

- 3) Average outstanding number of shares (during the first quarter)

First Quarter ended March 31, 2013	782,715,140 shares
First Quarter ended March 31, 2012	782,661,060 shares

* Implementation status about the quarterly review

These financial statements are exempt from quarterly review procedures as required by the Financial Instruments and Exchange Act. A part of quarterly review based on Financial Instruments and Exchange Act were not completed at the time of the disclosure of these financial statements.

* Statement regarding appropriate use of forward-looking statements and other notes

The preceding descriptions of projections and plans are “forward-looking statements,” which involve known and unknown risks and uncertainties. These variables could cause the Bridgestone Group’s actual performance and results to differ substantially from management’s projections and plans, and the statements are not guarantees of future business performance.

[Index]

1. <u>Qualitative Information for the First Quarter of Fiscal 2013</u>	...P2
(1) Qualitative Information on Consolidated Operating Results	...P2
(2) Qualitative Information on Consolidated Financial Position	...P4
(3) Qualitative Information on Projections of Consolidated Results	...P4
2. <u>Other Information (Notes)</u>	...P5
(1) Application of special accounting treatments for consolidated quarterly financial statements	...P5
(2) Changes in accounting policy, Changes in accounting estimates and Restatements	...P5
3. <u>Consolidated Quarterly Financial Statements</u>	...P6
(1) Consolidated Balance Sheet	...P6
(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income	...P8
Consolidated Statement of Income	...P8
Consolidated Statement of Comprehensive Income	...P9
(3) Notes regarding going concern assumption	...P10
(4) Notes regarding significant changes in the amount of shareholders' equity	...P10
(5) Segment Information	...P10

1. Qualitative Information for the First Quarter of Fiscal 2013

The Bridgestone Corporation is referred to as the “Company,” and the Company and its subsidiaries are referred to as the “Companies.”

(1) Qualitative Information on Consolidated Operating Results

1) Sales and earnings

	FY 2013 1Q (Three months ended March 31, 2013)	FY 2012 1Q (Three months ended March 31, 2012)	Increase (Decrease)	
	Yen in billions	Yen in billions	Yen in billions	%
Net sales	794.5	726.2	68.3	9
Operating income	74.4	63.0	11.4	18
Ordinary income	70.1	61.7	8.4	14
Net income	43.1	42.2	0.9	2

In the first quarter of fiscal 2013(January 1 to March 31, 2013), the Companies' operating environment was as follows. The domestic economy showed signs of recovery with the rapid correction of the excessively appreciated Japanese yen. The United States economy has shown signs of recovery, while the European economy remained stagnant and continuous financial instability discouraged actual business activities. Asian economic expansion showed signs of a slowdown, particularly in China and India. Overall, recovery by many overseas economies was continuously weak.

Under these operating conditions, the companies continued working to achieve the ultimate goal of being the “World's undisputed No.1 tire and rubber company both in name and reality”. In this way, we will be “Dan-Totsu”, or the absolute and clear leader in all our industries and a company that is far outperforming its competitors. Stepping up our efforts on a global scale, the Companies focused on increasing the sales of highly competitive products, strengthening supply capacity of these products, improving manufacturing productivity, enhancing technology and effectively utilizing our management resources. Moreover, with business conditions evolving at unprecedented speed, the Companies were striving to rapidly implement a range of initiatives to enhance our ability to respond quickly to market trends, increase the sales of strategic products, construct and enhance business models that will extend beyond the mere sale of products, and develop eco-friendly products and businesses.

As a result, net sales in the first quarter of fiscal 2013 was ¥794.5 billion, an increase of 9% from the first quarter of fiscal 2012, operating income was ¥74.4 billion, an increase of 18%, ordinary income was ¥70.1 billion, an increase of 14% and net income was ¥43.1 billion, an increase of 2%.

2) Segment Information

		FY 2013 1Q (Three months ended March 31, 2013)	FY 2012 1Q (Three months ended March 31, 2012)	Increase (Decrease)	
		Yen in billions	Yen in billions	Yen in billions	%
Tires	Net Sales	675.3	602.5	72.8	12
	Operating income	67.9	57.0	10.9	19
Diversified Products	Net Sales	122.4	127.9	(5.5)	(4)
	Operating income	6.4	6.0	0.4	7
Consolidated Results	Net Sales	794.5	726.2	68.3	9
	Operating income	74.4	63.0	11.4	18

In the tires segment, the Companies worked to maximize sales momentum by introducing appealing new products globally, enhancing strategic products and reinforcing fundamental competencies such as specification optimization, and responding promptly to demand fluctuation in each region.

In Japan, the unit sales of tires for passenger cars and light trucks decreased compared to the first quarter of fiscal 2012 due to a decline in the sales of original equipment tires. The unit sales of tires for trucks and buses decreased substantially due to a decline in the sales of original equipment tires. In the Americas, the unit sales of tires for passenger and light truck in North America increased steadily compared to the first quarter of fiscal 2012, as well as tires for trucks and buses. In Europe, the unit sales of tires for passenger cars and light trucks decreased compared to the first quarter of fiscal 2012 due to a decline in the sales of original equipment tires. The unit sales of tires for trucks and buses increased strongly due to an increase of the sales of replacement tires. In Asia Pacific, the unit sales of tires for passenger cars and light trucks increased strongly compared to the first quarter of fiscal 2012 due to an increase of the sales of original equipment tires. The unit sales of tires for trucks and buses decreased compared to the first quarter of fiscal 2012 due to a decline in the sales of replacement tires. In China, the unit sales of tires for passenger cars and light trucks increased strongly, and the unit sales of tires for trucks and buses exceeded compared to the first quarter of fiscal 2012. In the specialty tire business, the sales rubber volume of off-the-road radial tires for construction and mining vehicles increased firmly compared to the first quarter of fiscal 2012.

As a result, net sales and operating income in the tires segment in the first quarter of fiscal 2013 totaled ¥675.3 billion and ¥67.9 billion, an increase of 12% and an increase of 19% from the first quarter of fiscal 2012, respectively.

In the diversified products segment, net sales totaled ¥122.4 billion, a decrease of 4% from the first quarter of fiscal 2012 due to a decline in the sales of domestic business. However, operating income was ¥6.4 billion, an increase of 7% from first quarter of fiscal 2012.

(Note) The amounts for segment results include inter-segment transactions that are eliminated in calculating the consolidated results.

(2) Qualitative Information on Consolidated Financial Position

Assets, Liabilities, and Net assets positions at the end of the first quarter of fiscal 2013 were as follows.

(Assets)

In assets, while cash and deposits decreased ¥9.6 billion, merchandise and finished products, tangible assets and investment securities each increased ¥37.5 billion, ¥60.0 billion and ¥42.8 billion respectively. As a result, assets increased ¥192.6 billion compared with the end of the previous fiscal year, to ¥3,232.4 billion.

(Liabilities)

In liabilities, while accounts payable-other decreased ¥33.5 billion, note and accounts payable and short-term borrowings each increased ¥32.9 billion and ¥36.6 billion. As a result, liabilities increased ¥54.7 billion compared with the end of the previous fiscal year, to ¥1,677.2 billion.

(Net assets)

In net assets, while cash dividends paid were ¥12.5 billion, net income was ¥43.1 billion, net unrealized gain on available-for-sale securities and foreign currency translation adjustments each increased ¥34.6 billion and ¥74.6 billion. As a result, net assets increased ¥137.8 billion compared with the end of the previous fiscal year, to ¥1,555.1 billion.

Consequently, the ratio of total equity to total assets increased 1.3% compared with the end of the previous fiscal year, to 46.5%.

(3) Qualitative Information on Projections of Consolidated Results

There are no changes in consolidated projections announced on February 18, 2013.

2. Other Information (Notes)

(1) Application of special accounting treatments for consolidated quarterly financial statements

(Calculation for income tax expense)

Income tax expense was calculated based upon an estimated effective tax rate for fiscal 2013.

(2) Changes in accounting policies, Changes in accounting estimates and Restatements

(Changes due to revisions of accounting policy, etc.)

Due to the application of IAS 19 "Employee Benefits" (revised in June 16, 2011) from January 1, 2013, the method of recognition and presentation of actuarial gains and losses, past service cost and interest cost changed from the first quarter of fiscal 2013 in certain overseas subsidiaries.

Those overseas subsidiaries applied the revision in this policy retrospectively, and the consolidated quarterly financial statements for the first quarter of the previous year and the consolidated financial statements for the previous year changed due to the retrospective application. The effect of this retrospective application on the consolidated quarterly financial statements for the first quarter of the previous year and the consolidated financial statements for the previous year was immaterial.

(Changes in accounting policies which are difficult to distinguish from changes in accounting estimates)

From the first quarter of fiscal 2013, domestic companies changed the depreciation method for tangible assets acquired on or after January 1, 2013 due to the revision of Corporation Tax Act in Japan. The effect of this change on the consolidated statement is immaterial.

3. Consolidated Quarterly Financial Statements**(1) Consolidated Balance Sheet**

(Yen in millions)

	FY 2012 (As of December 31, 2012)	FY 2013 1Q (As of March 31, 2013)
Assets		
Current Assets		
Cash and deposits	226,162	216,464
Notes and accounts receivable	444,669	456,357
Short-term investments	124,010	130,645
Merchandise and finished products	321,012	358,577
Work in process	34,524	38,029
Raw materials and supplies	165,188	171,469
Other	169,520	184,535
Allowance for doubtful accounts	(8,074)	(8,013)
Total Current Assets	1,476,013	1,548,064
Fixed Assets		
Tangible assets		
Buildings and structures, net	352,194	371,792
Machinery, equipment and vehicles, net	376,232	393,698
Other, net	390,509	413,477
Total tangible assets	1,118,936	1,178,968
Intangible assets	34,118	37,756
Investments and other assets		
Investments in securities	228,214	271,067
Other	187,583	201,927
Allowance for doubtful accounts	(5,067)	(5,347)
Total investments and other assets	410,730	467,647
Total Fixed Assets	1,563,785	1,684,372
Total	3,039,798	3,232,436

(Yen in millions)

	FY 2012 (As of December 31,2012)	FY 2013 1Q (As of March 31,2013)
Liabilities		
Current Liabilities		
Notes and accounts payable	168,568	201,476
Short-term borrowings	182,821	219,446
Commercial paper	40,435	36,762
Current portion of bonds	60,972	61,453
Lease obligations	864	934
Income taxes payable	55,827	38,346
Accounts payable-other	149,543	115,956
Other	231,072	228,974
Total Current Liabilities	890,105	903,349
Long-term Liabilities		
Bonds	63,121	63,385
Long-term borrowings	262,330	271,731
Lease obligations	9,546	10,236
Accrued pension and liability for retirement benefits	302,794	318,088
Other	94,552	110,456
Total Long-term Liabilities	732,345	773,899
Total Liabilities	1,622,450	1,677,248
Net Assets		
Shareholders' equity		
Common stock	126,354	126,354
Capital surplus	122,630	122,764
Retained earnings	1,428,747	1,459,336
Treasury stock-at cost	(57,247)	(56,926)
Total Shareholders' equity	1,620,484	1,651,527
Accumulated other comprehensive income		
Net unrealized gain(loss) on available-for-sale securities	133,439	168,080
Deferred gain(loss) on derivative instruments	(948)	(857)
Foreign currency translation adjustments	(246,190)	(171,533)
Post retirement liability adjustment for foreign consolidated companies	(133,763)	(142,524)
Total accumulated other comprehensive income	(247,462)	(146,834)
Stock acquisition rights	1,099	1,059
Minority Interests	43,226	49,435
Total Net Assets	1,417,347	1,555,187
Total	3,039,798	3,232,436

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income First Quarter	(Yen in millions)	
	FY 2012 1Q (Three months ended March 31, 2012)	FY 2013 1Q (Three months ended March 31, 2013)
Net Sales	726,245	794,583
Cost of Sales	485,884	524,585
Gross profit	240,360	269,998
Selling, General and Administrative Expenses		
Goods freightage expenses	31,127	34,498
Advertising and promotion expenses	19,318	22,928
Salaries, allowances and bonuses	48,566	52,986
Retirement benefit expenses	3,801	4,634
Depreciation	5,652	6,649
Research and development expenses	19,980	21,112
Other	48,897	52,736
Total selling, general and administrative expenses	177,344	195,546
Operating income	63,016	74,451
Non-operating Income		
Interest income	744	1,307
Dividend income	115	184
Foreign currency exchange gain	995	—
Other	5,229	4,724
Total non-operating income	7,084	6,216
Non-operating expenses		
Interest expense	4,516	3,877
Foreign currency exchange loss	—	3,768
Other	3,844	2,871
Total non-operating expenses	8,360	10,518
Ordinary income	61,739	70,149
Income before income taxes and minority interests	61,739	70,149
Income taxes	17,839	23,369
Income before minority interests	43,900	46,779
Minority interests	1,696	3,668
Net income	42,203	43,111

Consolidated Statement of Comprehensive Income
First Quarter

(Yen in millions)

	FY 2012 1Q (Three months ended March 31, 2012)	FY 2013 1Q (Three months ended March 31, 2013)
Income before minority interests	43,900	46,779
Other comprehensive income (loss)		
Unrealized gain on available-for-sale securities	46,791	34,640
Deferred gain (loss) on derivative instruments	(669)	19
Foreign currency translation adjustments	54,873	78,602
Post retirement liability adjustment for foreign consolidated companies	(4,439)	(8,771)
Share of other comprehensive income in affiliates	1,091	881
Total other comprehensive income	97,647	105,371
Comprehensive income	141,547	152,151
Comprehensive income attribute to:		
Shareholders of Bridgestone Corporation	137,438	143,739
Minority Interests	4,108	8,411

(3) Notes regarding going concern assumption

Not applicable

(4) Notes regarding significant changes in the amount of shareholders' equity

Not applicable

(5) Segment Information

I FY 2012 First Quarter (Three months ended March 31, 2012)

1. Information about Sales and Income (Loss) by reportable segment

(Yen in millions)

	Tires	Diversified Products	Total	Adjustments (Note)	Consolidated
Net sales:					
External customers	601,534	124,711	726,245	—	726,245
Inter-segment	1,040	3,212	4,252	(4,252)	—
Total	602,574	127,923	730,498	(4,252)	726,245
Segment income (Operating income)	57,001	6,086	63,087	(71)	63,016

(Note) Adjustments of segment income refer to elimination of intersegment transactions.

II FY 2013 First Quarter (Three months ended March 31, 2013)

1. Information about Sales and Income (Loss) by reportable segment

(Yen in millions)

	Tires	Diversified Products	Total	Adjustments (Note)	Consolidated
Net sales:					
External customers	674,690	119,893	794,583	—	794,583
Inter-segment	698	2,523	3,222	(3,222)	—
Total	675,388	122,417	797,806	(3,222)	794,583
Segment income (Operating income)	67,937	6,493	74,431	20	74,451

(Note) Adjustments of segment income refer to elimination of intersegment transactions.