

Supplementary Information of 2014 1Q**1.Financial Highlights****(1) Quarter of the year**

(Yen in billions)

		Unit	2013					2014		
			1H		FY		1Q	vs.PY		
			1Q	2Q	3Q	4Q				
Consolidated Results										
Statements of Income	Net Sales		794.5	910.6	1,705.1	900.8	962.0	3,568.0	863.6	109
	Operating Income		74.4	115.9	190.3	126.5	119.2	438.1	116.3	156
	OP Margin		9.4	12.7	11.2	14.0	12.4	12.3	13.5	+4.1
	Ordinary Income		70.1	114.8	184.9	123.1	124.6	434.7	113.8	162
	Net Income		43.1	73.9	117.0	78.8	6.1	202.0	71.9	167
Exchange Rate	US \$	Yen/\$	93	99	96	99	100	98	103	111
	Euro	Yen/€	122	129	126	131	136	130	141	116
Analysis of Net Sales and Operating Income vs. PY										
Net Sales	Forex		+91.0	+147.0	+238.0	+155.0	+136.0	+529.0	+61.0	
	Price, Mix, Volume etc.		(22.7)	+0.9	(21.8)	+8.5	+12.6	(0.7)	+8.0	
	Total		+68.3	+147.8	+216.2	+163.5	+148.6	+528.3	+69.0	
Operating Income	Forex		+21.0	+33.0	+54.0	+35.0	+25.0	+114.0	+16.0	
	Raw Materials		+27.0	+34.0	+61.0	+24.0	+15.0	+100.0	+16.0	
	Depreciation		0.0	(2.0)	(2.0)	0.0	+1.0	(1.0)	(1.0)	
	SGA		0.0	+1.0	+1.0	(2.0)	(12.0)	(13.0)	(4.0)	
	Strategic Products		+3.0	+5.0	+8.0	+3.0	+4.0	+15.0	+1.0	
	Price, Mix, Volume etc.		(39.6)	(25.9)	(65.4)	(4.0)	+4.4	(62.9)	+13.9	
Total		+11.4	+45.1	+56.6	+56.0	+37.4	+152.1	+41.9		
Segment Information (*1)										
Business Segment	Tires	Net Sales	675.3	772.3	1,447.7	763.9	825.2	3,036.9	727.0	108
		OP	67.9	105.2	173.2	115.0	109.2	399.4	105.8	156
		OP Margin	%	10.1	13.6	12.0	15.1	13.2	13.2	14.6
	Diversified Products	Net Sales	122.4	142.0	264.4	141.0	140.6	546.2	140.2	115
		OP	6.4	10.6	17.1	11.4	9.9	38.5	10.4	162
		OP Margin	%	5.3	7.5	6.5	8.1	7.1	7.1	7.5
Geographic Segment (*2)	Japan	Net Sales	289.2	320.6	609.9	296.9	363.4	1,270.3	308.8	107
		OP	51.0	57.4	108.4	50.1	60.9	219.5	51.7	101
		OP Margin	%	17.6	17.9	17.8	16.9	16.8	17.3	16.8
	Americas	Net Sales	367.5	434.9	802.5	435.0	414.4	1,651.9	395.6	108
		OP	35.9	42.2	78.2	44.5	33.6	156.4	35.7	100
		OP Margin	%	9.8	9.7	9.7	10.2	8.1	9.5	9.0
	Europe	Net Sales	93.5	107.4	200.9	111.5	110.8	423.3	112.0	120
		OP	(4.3)	5.0	0.6	1.1	1.5	2.0	6.2	+
		OP Margin	%	(4.7)	4.7	0.3	1.0	1.4	0.5	5.6
	Other	Net Sales	200.5	226.0	426.5	217.6	218.6	862.7	200.9	100
		OP	20.4	16.6	37.1	22.5	20.5	80.2	19.9	97
		OP Margin	%	10.2	7.4	8.7	10.4	9.4	9.3	9.9
Market	Net Sales	Domestic	146.5	151.5	298.1	148.6	228.0	674.8	174.3	119
		Overseas	648.0	759.0	1,407.0	752.1	733.9	2,893.2	689.2	106
		Americas	362.8	433.2	796.1	430.2	402.2	1,628.6	388.6	107
		Europe	94.7	105.3	200.1	111.0	113.8	425.0	111.9	118
		Other	190.4	220.4	410.8	210.8	217.9	839.6	188.5	99
Investment	Capital Expenditure			108.6			274.9			
Costs & Expenses	Depreciation			84.4			176.1			
	R&D Expenses			43.4			89.0			
	Interest Expense			(0.4)			2.3			
Liabilities	Interest-Bearing Debt		663.9	573.6	570.9		564.2	554.8	84	
Tire Production (tonnage of rubber)	Domestic	10,000t	13	13	26	13	13	52	12	
	Overseas	Americas	10,000t	14	15	28	14	14	57	15
		Europe	10,000t	6	5	11	4	5	20	5
		Other	10,000t	13	13	26	14	13	53	13
		Overseas Total	10,000t	32	33	65	32	33	130	33
	Total	10,000t	45	46	91	45	45	182	46	
	Overseas Prod. Ratio	%	72	71	71	71	72	71	73	

(*1)Segment Information (Business, Geographic): including transactions caused by businesses among segments

(*2)Americas: North America, Latin America

Other: Asia Pacific, Middle East, Africa, Russia

(2) Full Year

(*1)released on February 18, 2014

	Unit	2010			2011			2012			2013			2014(*1)							
		Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	1H Fcst.	vs.PY	FY Fcst.	%	vs.PY			
Consolidated Results																					
Statements of Income	Net Sales	2,861.6	100	110	3,024.3	100	106	3,039.7	100	101	3,568.0	100	117	1,790.0	105	3,800.0	100	106			
	Operating Income	166.4	5.8	220	191.3	6.3	115	285.9	9.4	149	438.1	12.3	153	210.0	110	460.0	12.1	105			
	Ordinary Income	147.9	5.2	272	179.3	5.9	121	285.0	9.4	159	434.7	12.2	153	201.0	109	442.0	11.6	102			
	Extra Loss (Gain)	6.2	0.2		20.5	0.7		16.9	0.6		94.6	2.7									
	Net Income	98.9	3.5	+	102.9	3.4	104	171.6	5.6	167	202.0	5.7	118	127.0	109	285.0	7.5	141			
Exchange Rate	US \$	Yen/\$	88		94		80		91		80		100		98		123		100		
	Euro	Yen/€	116		89		111		96		103		93		130		126		135		
Analysis of Net Sales and Operating Income vs. PY																					
Net Sales	Forex	(136.0)			(187.0)			(41.0)			+529.0			+42.0		+41.0					
	Price, Mix, Volume etc.	+400.6			+349.7			+56.3			(0.7)			+42.8		+190.9					
	Total	+264.6			+162.7			+15.3			+528.3			+84.8		+231.9					
Operating Income	Forex	(27.0)			(37.0)			(12.0)			+114.0			+16.0		+21.0					
	Raw Materials	(131.0)			(255.0)			+92.0			+100.0			+14.0		(23.0)					
	Depreciation	+3.0			+4.0			+1.0			(1.0)			(6.0)		(14.0)					
	SGA	(37.0)			(22.0)			(4.0)			(13.0)			(28.0)		(40.0)					
	Strategic Products(*1)	+30.0			+21.0			(5.0)			+15.0			+12.0		+29.0					
	Price, Mix, Volume etc.	+252.7			+313.8			+22.6			(62.9)			+11.6		+48.8					
	Total	+90.7			+24.8			+94.6			+152.1			+19.6		+21.8					
Segment Information(*2)																					
Business Segment	Tires (*4)	Net Sales	2,379.5		111	2,539.7		107	2,557.2		101	3,036.9		119	1,520.0		105	3,250.0		107	
		OP	153.1		204	185.4		121	260.4		140	399.4		153	189.0		109	419.0		105	
		OP Margin %	6.4		+2.9	7.3		+0.9	10.2		+2.9	13.2		+3.0	12.4		+0.5	12.9		(0.3)	
	Diversified Products (*5)	Net Sales	494.6		109	500.5		101	499.0		100	546.2		109	280.0		106	570.0		104	
		OP	13.3		+	5.8		43	25.5		439	38.5		151	20.0		116	40.0		104	
		OP Margin %	2.7		+2.6	1.2		(1.5)	5.1		+4.0	7.1		+1.9	7.1		+0.7	7.0		(0.0)	
Geographic Segment (*3)	Japan	Net Sales	1,154.6		114	1,229.0		106	1,218.7		99	1,270.3		104	600.0		98	1,290.0		102	
		OP	61.6		428	69.5		113	158.4		228	219.5		139	88.0		81	200.0		91	
		OP Margin %	5.3		+3.9	5.7		+0.3	13.0		+7.3	17.3		+4.3	14.7		(3.1)	15.5		(1.8)	
	Americas	Net Sales	1,223.9		108	1,288.6		105	1,330.9		103	1,651.9		124	860.0		107	1,790.0		108	
		OP	48.3		140	61.9		128	92.3		149	156.4		169	80.0		102	167.0		107	
		OP Margin %	4.0		+0.9	4.8		+0.9	6.9		+2.1	9.5		+2.5	9.3		(0.4)	9.3		(0.1)	
	Europe	Net Sales	383.8		106	413.1		108	348.8		84	423.3		121	210.0		105	440.0		104	
		OP	7.1		+	11.3		160	1.8		16	2.0		111	0.5		76	8.5		415	
		OP Margin %	1.9		+5.1	2.8		+0.9	0.5		(2.2)	0.5		(0.0)	0.2		(0.1)	1.9		+1.4	
	Other (*6)	Net Sales	611.9		120	699.6		114	699.9		100	862.7		123	430.0		101	940.0		109	
		OP	44.9		137	48.2		107	55.7		116	80.2		144	39.0		105	93.5		117	
		OP Margin %	7.3		+0.9	6.9		(0.5)	8.0		+1.1	9.3		+1.3	9.1		+0.4	9.9		+0.6	
Market	Net Sales	Domestic	671.8		23	109	694.2		23	103	696.1		23	100	674.8		19	97			
		Overseas	2,189.7		77	110	2,330.1		77	106	2,343.5		77	101	2,893.2		81	123			
		Americas(*7)	1,212.9		108	1,273.3		105	1,321.2		104	1,628.6		123							
		Europe	387.9		107	418.8		108	348.1		83	425.0		122							
		Other	588.8		119	638.0		108	674.1		106	839.6		125							
Balance Sheet	Total Assets	2,706.6			2,677.3			3,039.7			3,577.0										
	ROA	%	3.6			3.8			6.0					6.1							
	Net Assets	1,176.1			1,165.6			1,417.3			1,862.9										
	ROE	%	8.9			9.1			13.7					12.7							
	Ratio of total equity to total assets	%	42.2			42.2			45.2					50.5							
Cash Flows	Interest-Bearing Debt	663.1		84	602.5		91	620.0		103	564.2		91					540.0		96	
	Operating Cashflow	247.7			152.1			404.4			471.7										
	Investing Cashflow	(170.5)			(177.0)			(237.9)			(265.2)										
Investment	Free Cashflow	77.1			(24.9)			166.5			206.5										
	Capital Expenditure	159.7		102	174.7		109	223.6		128	255.9		114					305.0		119	
	Diversified	22.8		107	26.6		117	21.9		82	19.0		87					35.0		184	
Costs & Expenses	Total	182.6		102	201.3		110	245.6		122	274.9		112					340.0		124	
	Depreciation	167.6		5.9	158.0		5.2	94		155.0		5.1	98		176.1		4.9	114		108	
	R&D Expenses	85.1		3.0	99	83.9		2.8	99	82.8		2.7	99		89.0		2.5	108		101	
Dividends	Interest Expense	11.8		0.4	59		8.2		0.3	70		7.5		0.2	91		2.3		0.1	31	
	Dividend per Share(*8)	Yen	20.0			22.0			32.0					57.0				40.0		80.0	
Tire Production (tonnage of rubber)	Domestic	10,000t	55			57			54					52				26		53	
	Overseas	Americas	10,000t	54			58			55					57				31		62
		Europe	10,000t	23			25			20					20				11		22
		Other	10,000t	46			49			46					53				28		58
		Overseas Total	10,000t	123			132			122					130				70		142
	Total	10,000t	177			189			176					182				97		195	
	Overseas Prod. Ratio	%	69			70			69					71				73		73	

(*1)The category/scope of Strategic Products is renewed in 2014.

(*2)Segment Information (Business, Geographic): including transactions caused by businesses among segments

(*3)Americas: North America, Latin America

Other: Asia Pacific, Middle East, Africa, Russia

(*4)Net sales of "Specialty Tires" business accounts for less than 10% of "Tires" business in 2013.

(*5)Net sales composition of "Diversified Products" segment in 2013 is as follows.

Chemical and Industrial Products : More than 50% , BSAM Diversified Products : More than 30% , Sporting goods, bicycles : More than 10%

(*6)Net sales composition of "Other" segment in 2013 is as follows.

Asia & Oceania : More than 60% , China : More than 20% , Middle East & Africa, Russia : Less than 20%

(*7) "United States" in 2013 : ¥1,206.6 billion

(*8)1H Fcst.= Interim Dividend, FY Fcst.= Annual Dividend

2. Additional Information

(1)Year-on-Year Replacement Tire Demand Growth (unit base,%)

		2012	2013	2014
		FY	FY	1Q
Japan	PSR/LTR	100	104	122
	TBR	94	107	148
N.America	PSR/LTR	97	104	106
	TBR	97	99	108
Europe	PSR/LTR	87	99	109
	TBR	81	107	116

(2)Year-on-Year Sales Growth (unit base,%)

			2012	2013	2014	2013FY
			FY	FY	1Q	Component ratio (Approx.)
Japan	PSR/LTR	REP	99	104	122	70%
		OE	105	97	119	30%
		Total	101	101	121	
	TBR	REP	87	107	150	70%
		OE	114	102	116	30%
		Total	93	106	138	
N.America	PSR/LTR	REP	93	101	102	70%
		OE	116	106	103	30%
		Total	98	103	102	
	TBR	REP	84	106	102	70%
		OE	96	112	119	30%
		Total	88	108	108	
Europe	PSR/CVR	REP	78	98	109	70%
		OE	95	92	108	30%
		Total	83	96	109	
	TBR	REP	75	111	108	70%
		OE	94	102	106	30%
		Total	82	108	107	
Asia Pacific	PSR/LTR	REP	98	110	113	50%
		OE	140	96	83	50%
		Total	115	103	98	
	TBR	REP	97	109	102	90%
		OE	164	115	58	10%
		Total	102	109	96	
China	PSR/LTR	REP	92	132	122	60%
		OE	89	110	113	40%
		Total	91	122	118	
	TBR	REP	86	142	93	100%
		OE	88	141	91	
		Total	88	141	91	

(3)Year-on-Year Sales Growth of Strategic Products (unit base,%)

The category/scope of Strategic Products is renewed in 2014.

		2012	2013	2014
		FY	FY	1Q
PSR-REP	RFT	100	100	120
	Premium Summer(*1)			105
	Premium Winter(*2)			125

(*1)POTENZA,TURANZA/REGNO,DUELER bland tires(including ECOPIA sub name bland tires)

(*2)BLIZZAK bland tires

PSR-REP	Eco-friendly Strategic Products(*3)			135
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(*3)ECOPIA, ECOPIA sub name bland tires and equivalent products

TBR-REP	Eco-friendly Strategic Products(*4)			130
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(*4)ECOPIA bland tires and equivalent products

Specialty Tires	Ultralarge ORR(*5)	110	115	95
	Large ORR(*5)	95	85	75
	APR	115	110	115

(*5)Based on rubber weight for Ultralarge and Large ORR