

# CONSOLIDATED STATEMENT OF INCOME

Bridgestone Corporation and Subsidiaries  
Years ended December 31, 2017 and 2016

	Note	2017	2016	2017
	2		Millions of yen	Thousands of U.S. dollars
<b>Net Sales</b>	17	<b>¥3,643,428</b>	¥3,337,017	<b>\$32,242,726</b>
<b>Cost of Sales</b>		<b>2,262,590</b>	1,972,476	<b>20,022,920</b>
Gross profit		<b>1,380,838</b>	1,364,541	<b>12,219,806</b>
<b>Selling, General and Administrative Expenses</b>		<b>961,791</b>	914,992	<b>8,511,425</b>
Operating income	17	<b>419,047</b>	449,549	<b>3,708,381</b>
<b>Other Income (Expenses):</b>				
Interest and dividend income		<b>14,141</b>	13,166	<b>125,142</b>
Interest expense		<b>(12,105)</b>	(10,169)	<b>(107,124)</b>
Foreign currency exchange gain (loss)		<b>(8,508)</b>	(7,802)	<b>(75,292)</b>
Gain on sales of investment securities		<b>28,595</b>	11,118	<b>253,053</b>
Gain on sales of shares of subsidiaries and associates		<b>10,616</b>	—	<b>93,947</b>
Impairment loss	12	<b>(10,123)</b>	(4,414)	<b>(89,584)</b>
Expenses related to relocation of head office of Americas Operations	12	<b>(4,746)</b>	—	<b>(42,000)</b>
Loss related to civil litigation in the Americas	12	<b>(4,485)</b>	—	<b>(39,690)</b>
Loss related to reorganization of R&D and manufacturing base	12	<b>—</b>	(17,649)	<b>—</b>
Other—net		<b>(12,010)</b>	(12,211)	<b>(106,284)</b>
<b>Total</b>		<b>1,375</b>	(27,961)	<b>12,168</b>
<b>Income before Income Taxes and Non-Controlling Interests</b>		<b>420,422</b>	421,588	<b>3,720,549</b>
<b>Income Taxes:</b>	13			
Current		<b>124,709</b>	113,488	<b>1,103,620</b>
Deferred		<b>(1,703)</b>	32,662	<b>(15,071)</b>
<b>Total</b>		<b>123,006</b>	146,150	<b>1,088,549</b>
Income before non-controlling interests		<b>297,416</b>	275,438	<b>2,632,000</b>
<b>Profit Attributable to Non-Controlling Interests</b>		<b>(9,140)</b>	(9,887)	<b>(80,885)</b>
<b>Profit Attributable to Owners of Parent</b>		<b>¥288,276</b>	¥ 265,551	<b>\$ 2,551,115</b>
<b>Per Share of Common Stock:</b>				
	2		Yen	U.S. dollars
<b>Basic</b>	10	<b>¥375.67</b>	¥339.04	<b>\$3.32</b>
<b>Diluted</b>	10	<b>375.01</b>	338.52	<b>3.32</b>
<b>Cash dividends applicable to the year</b>		<b>150.00</b>	140.00	<b>1.33</b>

See notes to consolidated financial statements.