

Equity

Total equity at December 31, 2018, amounted to ¥2,436.2 billion (\$21.9 billion). This was 1%, or ¥33.4 billion (\$301 million), higher than the previous fiscal year-end.

Cash dividends paid were ¥120.3 billion (\$1,084 million), while net unrealized gain on available-for-sale securities decreased by ¥67.8 billion (\$611 million) and losses related to foreign currency translation adjustments increased by ¥81.4 billion (\$733 million). However, profit attributable to owners of parent increased to ¥291.6 billion (\$2,627 million).

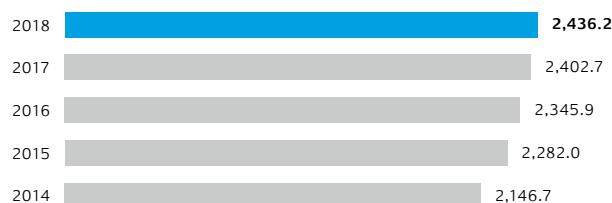
Consequently, total assets at the end of fiscal 2018 stood at ¥3,863.7 billion (\$34.8 billion), a decrease of 2%, or ¥95.3 billion (\$859 million), from the previous fiscal year-end. Furthermore, the ratio of shareholders' equity, excluding stock acquisition rights and non-controlling interests, to total assets at the end of fiscal 2018 was 61.6%, an increase of 2.4 percentage points compared with the previous fiscal year-end.

The ratio of total debt to debt and shareholders' equity was 14.6% at December 31, 2018, compared with a ratio of 16.4% at the previous fiscal year-end.

Net return on shareholders' equity (ROE) was 12.4%, a decrease of 0.1 percentage point compared with the previous fiscal year. Net return on total assets (ROA) was 7.5%, the same as the previous fiscal year.

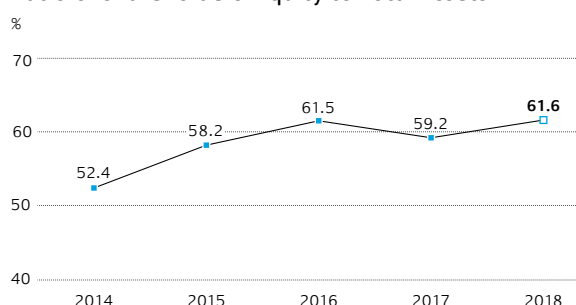
Total Equity

¥ billion



Note: Bridgestone Europe NV/SA, a consolidated overseas subsidiary of the Company, has adopted International Financial Reporting Standards (IFRS) in its consolidated financial statements from fiscal 2017. The changes in accounting policy resulting from the adoption of IFRS are applied retrospectively, and therefore, total assets and other items for fiscal 2016 have been adjusted retrospectively.

Ratio of Shareholders' Equity to Total Assets



ELEVEN-YEAR SUMMARY

Bridgestone Corporation and Subsidiaries
Years ended December 31

	2018	2017	2016	2015
Millions of yen, except per share data and financial ratios				
Net sales	¥ 3,650,111	¥ 3,643,428	¥ 3,337,017	¥ 3,790,251
Overseas sales	2,968,123	2,959,067	2,683,488	3,128,343
Tires (net sales excluding inter-segment transactions)	3,041,100	3,021,000	2,759,275	3,168,219
Diversified products (net sales excluding inter-segment transactions)	609,012	622,428	577,742	622,032
Operating income	402,732	419,047	449,549	517,248
Profit attributable to owners of parent	291,642	288,276	265,551	284,294
Total equity	2,436,162	2,402,739	2,345,900	2,282,012
Total assets	3,863,699	3,959,039	3,716,030	3,795,847
Ratio of shareholders' equity to total assets	61.6	59.2	61.5	58.2
Per share in yen:				
Net income				
Basic	387.95	375.67	339.04	362.99
Diluted	387.28	375.01	338.52	362.52
Shareholders' equity	3,163.71	3,115.69	2,915.85	2,820.48
Cash dividends	160.00	150.00	140.00	130.00
Capital expenditure	268,421	234,850	194,111	253,581
Depreciation and amortization	200,477	200,377	188,062	202,334
Research and development costs	103,551	99,792	95,403	94,978

Notes: 1. Solely for the convenience of readers, the Japanese yen amounts in this annual report are translated into U.S. dollars at the rate of ¥111.00 to \$1, the approximate year-end rate.
2. Certain overseas subsidiaries applied IAS 19 "Employee Benefits" (amended on June 16, 2011). As this change in accounting policy is applied retrospectively, the amount of total equity for fiscal 2012 reflects the retrospective application.

Net Return on Shareholders' Equity

2018	2017	2016	2015	2014
% of simple average of year-end shareholders' equity				
12.4	12.5	11.8	13.3	15.5

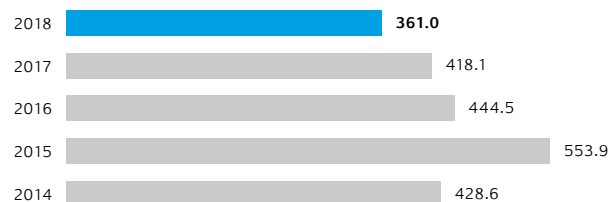
Net Return on Total Assets

2018	2017	2016	2015	2014
% of simple average of year-end total assets				
7.5	7.5	7.1	7.3	8.0

Cash Flow

Net cash provided by operating activities

¥ billion



Cash flow

Consolidated cash and cash equivalents decreased by ¥67.9 billion (\$612 million), to ¥433.9 billion (\$3,909 million), compared with an increase of ¥30.1 billion during the previous fiscal year.

Net cash provided by operating activities was ¥361.0 billion (\$3,252 million), a decrease of ¥57.2 billion (\$515 million) from the previous fiscal year. Income taxes paid were ¥143.7 billion (\$1,295 million), compared with ¥67.3 billion in the previous fiscal year. However, income before income taxes and non-controlling interests was ¥427.8 billion (\$3,854 million), compared with ¥420.4 billion in the previous fiscal year, and

depreciation and amortization totaled ¥200.5 billion (\$1,806 million), compared with ¥200.4 billion in the previous fiscal year.

Net cash used in investing activities increased by ¥42.3 billion (\$381 million), compared with the previous fiscal year, to ¥243.1 billion (\$2,190 million). This was due to payments for purchase of property, plant and equipment of ¥257.5 billion (\$2,320 million), compared with ¥198.3 billion during the previous fiscal year, despite proceeds from sales of investments in securities of ¥20.5 billion (\$185 million), compared with ¥31.8 billion in the previous fiscal year.

Net cash used in financing activities decreased by ¥31.0 billion (\$279 million), compared with the previous fiscal year, to

2014	2013	2012	2011	2010	2009	2008
Millions of yen, except per share data and financial ratios						
¥ 3,673,965	¥ 3,568,091	¥ 3,039,738	¥ 3,024,356	¥ 2,861,615	¥ 2,597,002	¥ 3,234,406
2,979,922	2,893,251	2,343,546	2,330,154	2,189,765	1,982,192	2,448,300
3,088,627	3,033,660	2,554,126	2,536,731	2,377,305	2,151,314	2,622,890
585,338	534,431	485,612	487,625	484,310	445,687	611,516
478,038	438,132	285,995	191,322	166,450	75,712	131,551
300,589	202,054	171,606	102,970	98,914	1,044	10,412
2,146,658	1,862,964	1,417,348	1,165,672	1,176,147	1,120,797	1,019,996
3,960,908	3,577,045	3,039,799	2,677,344	2,706,640	2,808,439	2,768,470
52.4	50.5	45.2	42.2	42.2	38.7	35.8
383.84	258.10	219.26	131.56	126.19	1.33	13.33
383.39	257.81	219.10	131.50	126.16	1.33	13.33
2,650.47	2,305.64	1,754.30	1,444.53	1,458.01	1,385.43	1,263.30
100.00	57.00	32.00	22.00	20.00	16.00	24.00
296,396	274,862	245,644	201,390	182,648	178,204	275,301
188,333	176,180	155,066	158,044	170,663	180,547	187,420
94,147	89,098	82,801	83,982	85,154	85,766	93,252