

# CONSOLIDATED STATEMENT OF INCOME

Bridgestone Corporation and Subsidiaries  
Years ended December 31, 2018 and 2017

	Note	2018	2017	2018
	2		Millions of yen	Thousands of U.S. dollars
<b>Net Sales</b>	17	<b>¥3,650,111</b>	¥3,643,428	<b>\$32,883,883</b>
<b>Cost of Sales</b>		<b>2,268,743</b>	2,262,590	<b>20,439,126</b>
Gross profit		<b>1,381,368</b>	1,380,838	<b>12,444,757</b>
<b>Selling, General and Administrative Expenses</b>		<b>978,636</b>	961,791	<b>8,816,541</b>
Operating income	17	<b>402,732</b>	419,047	<b>3,628,216</b>
<b>Other Income (Expenses):</b>				
Interest and dividend income		<b>11,856</b>	14,141	<b>106,811</b>
Settlement received		<b>3,854</b>	—	<b>34,721</b>
Interest expense		<b>(12,810)</b>	(12,105)	<b>(115,405)</b>
Foreign currency exchange gain (loss)		<b>(7,042)</b>	(8,508)	<b>(63,441)</b>
Gain on sales of investment securities		<b>16,238</b>	28,595	<b>146,288</b>
Gain on sales of shares of subsidiaries and associates		—	10,616	—
Gain on establishment in jointly controlled entity	12	<b>30,398</b>	—	<b>273,856</b>
Impairment loss	12	—	(10,123)	—
Expenses related to relocation of head office of Americas Operations	12	—	(4,746)	—
Loss related to civil litigation in the Americas	12	—	(4,485)	—
Other—net		<b>(17,457)</b>	(12,010)	<b>(157,271)</b>
<b>Total</b>		<b>25,037</b>	1,375	<b>225,559</b>
<b>Income before Income Taxes and Non-Controlling Interests</b>		<b>427,769</b>	420,422	<b>3,853,775</b>
<b>Income Taxes:</b>	13			
Current		<b>110,438</b>	124,709	<b>994,937</b>
Deferred		<b>17,580</b>	(1,703)	<b>158,379</b>
<b>Total</b>		<b>128,018</b>	123,006	<b>1,153,316</b>
Income before non-controlling interests		<b>299,751</b>	297,416	<b>2,700,459</b>
<b>Profit Attributable to Non-Controlling Interests</b>		<b>(8,109)</b>	(9,140)	<b>(73,054)</b>
<b>Profit Attributable to Owners of Parent</b>		<b>¥ 291,642</b>	¥ 288,276	<b>\$ 2,627,405</b>
<b>Per Share of Common Stock:</b>				
	2		Yen	U.S. dollars
<b>Basic</b>	10	<b>¥387.95</b>	¥375.67	<b>\$3.50</b>
<b>Diluted</b>	10	<b>387.28</b>	375.01	<b>3.49</b>
<b>Cash dividends applicable to the year</b>		<b>160.00</b>	150.00	<b>1.44</b>

See notes to consolidated financial statements.