

Bridgestone Corporation
IR Department
1-1, Kyobashi 3-chome
Chuo-ku, Tokyo 104-8340, Japan
Phone: +81 3-6836-3100
Fax: +81 3-6836-3168
<https://www.bridgestone.com/>

Bridgestone Transfers its Chemical Products Solutions Business to Endeavour United; Progress of Restructuring Diversified Products Business Based on Mid Term Business Plan (2021-2023)

Tokyo (December 10, 2021) - Bridgestone Corporation (Bridgestone) announced today that it will transfer its chemical products solutions business to Endeavour United II Investment Business Limited Partnership (EU Investment Partnership)*¹.

The process to transfer the business to EU Investment Partnership will be that; Bridgestone will establish a wholly owned subsidiary company (the new company) which will succeed Bridgestone's chemical products solutions business*². Bridgestone will transfer all ownership of Bridgestone Group's chemical products solutions business to the new company, and then, will sell all shares of stock of the new company to EU Investment Partnership. This transaction is expected to close by the end of August 2022*³, subject to regulatory approvals and other customary closing conditions.

*1 A fund under management of Endeavour United Co., Ltd. (EU)

*2 Chemical products solutions business consists of automotive seat pad business, advanced chemical products business, and precision components for office equipment business.

*3 Bridgestone will sell all stocks of Bridgestone Precision Molding Philippines, Inc. (BPMP) which is a manufacturing company of precision components for office equipment, directly to the new company at a later date, so the expected closure date of the transaction does not include that of BPMP.

Bridgestone is restructuring the portfolio of its diversified products business to sharply focus on areas where it can leverage its core competencies. This is part of the overall reinforcement of portfolio management in the Mid Term Business Plan (2021-2023), announced on February 16, 2021. The Mid Term Business Plan (2021-2023) aims to rebuild earning power through expense and cost structure reformation and enforcing premium business strategy to allow the company to enhance strategic growth investment. By executing these strategies, Bridgestone is transforming to a "strong" Bridgestone capable of adapting to the changing business environment.

Chemical products solutions business is a part of the chemical and industrial products business which represents about half*⁴ of the sales of the Bridgestone Group's diversified products business. The Group has both taken up and withdrawn from various diversified chemical and industrial products businesses throughout its history, responding to changes in social needs and the business

environment. Without exception, Bridgestone considered and evaluated chemical products solutions business thoroughly and comprehensively, including the pathway to make sustainable growth for both business and employees, potential to leverage Bridgestone's core competencies, and profitability toward the future, in prior to the decision. As a result, Bridgestone has made the decision that it is the best for the business to grow further, continuing to provide social and customer value while maintaining the competitiveness under EU, which has various experience to revive many companies mainly in manufacturing business area. Also, Bridgestone expects that the employees can leverage their careers and skills for their growth through this new opportunity.

All employees associated with chemical products solutions business in the Group will work as members of EU through the transaction. Until the day when the transfer is completed, the Group will take respectful and appropriate actions to them so that they can work with positiveness and security under the new environment. The Group is also working closely with its customers, suppliers, and local communities to minimize the impact as much as possible.

As for the business transfer's impact on Bridgestone's earnings, management expects to post a loss on the sale of about ¥37 billion (after tax) recorded under profit or loss from discontinued operations separately from continuing operations. However, the exact amount is currently being examined and is therefore subject to change. The impact on its consolidated projections for 2021 to be minor.

*4 Actual 2020 sales revenue basis

The overview of chemical products solutions business is as follows.

<Consolidated sales revenue on global basis>

Approximately 55.7 billion yen (actual 2020)

<Overview of the companies related with chemical products solutions business and their main facilities>

Company	Facilities	Location	No. of Employees ^{*5}	Operations
Bridgestone Corporation ^{*6}	Head office	Chuo-ku, Tokyo	207	Head office
	Chemical & Industrial Products Technical Center	Yokohama, Kanagawa		R&D
Bridgestone Chemitech Co., Ltd.	Head Office Nabari	Nabari, Mie	567	Manufacturing automotive seat pads, advanced chemical products, and precision components for office equipment
	Fujinomiya	Fujinomiya, Shizuoka		
	Hofu	Hofu, Yamaguchi		
	Ageo ^{*7}	Ageo, Saitama		

Bridgestone Diversified Chemical Products Co., Ltd.	Head office	Chuo-ku, Tokyo	739	Sales of advanced chemical products
	Nagoya	Komaki, Aichi		
	Osaka	Osaka		
	Hiroshima	Hiroshima		
	Kurume	Kurume, Fukuoka		
	Kita-Kanto	Honjo, Saitama		
	Totsuka	Yokohama, Kanagawa		Manufacturing advanced chemical products
	Komaki	Komaki, Aichi		
	Mie	Iga, Mie		
	Yoshida	Akitakata, Hiroshima		
	Tosu	Tosu, Saga		
	Shikoku ^{*8}	Kita, Kagawa		
	Gifu ^{*9}	Anpachi, Gifu		
Gotemba ^{*10}	Gotemba, Shizuoka			
Bridgestone APM Company ^{*6}	Upper Sandusky	Upper Sandusky, Ohio	503	Manufacturing and sales of automotive seat pads
	Dickson	Dickson, Tennessee		
	Sanborn	Niagara, New York		
Bridgestone NCR Co., Ltd. ^{*6*11}	Rayong	Rayong, Thailand	106	Manufacturing and sales of automotive seat pads
Bridgestone Precision Molding Philippines, Inc. ^{*12}	Cavite	Suburb of Manilla, Philippines	807	Manufacturing and sales of precision components for office equipment
Bridgestone Chemical Products Malaysia Sdn. Bhd.	Shah Alam	Selangor, Malaysia	97	Manufacturing advanced chemical products
Bridgestone Electro-Materials (Hong Kong) Ltd.	Hong Kong	Hong Kong, China	10	Sales of precision components for office equipment
Guangzhou Bridgestone Chemical Products Co., Ltd. ^{*13}	Guangzhou	Guangzhou Province, China	378	Manufacturing and sales of automotive seat pads

Bridgestone (Kaiping) Diversified Products Co., Ltd.	Kaiping	Kaiping, Guangzhou Province, China	525	Manufacturing precision components for office equipment and advanced chemical products
	Shenzhen	Shenzhen, Guangzhou Province, China		Sales of advanced chemical products
Bridgestone Wuhan Chemical Products Co., Ltd.	Wuhan	Wuhan, Hubei Province, China	99	Manufacturing automotive seat pads

*5 As of November 30, 2021

*6 Only chemical products solutions business will be transferred.

*7 Scheduled to be closed in 4th quarter of 2023

*8 Scheduled to be closed in 3rd quarter of 2022

*9 Scheduled to be closed in 1st quarter of 2023

*10 Scheduled to be closed in 2nd quarter of 2023

*11 Invest Ratio of Bridgestone Group : 80.0%

*12 Bridgestone plans to transfer all shares of stocks directly to the new company separately in the subsequent day

*13 Invest Ratio of Bridgestone Group : 52.0%

The Bridgestone Group will reinforce its portfolio management in line with the changing business environment, to evolve to a sustainable solutions company which aims to continuously provide social value and customer value.

For more information on the Bridgestone Group's Mid Term Business Plan (2021-2023), [click here](#).

<Overview of EU>

1. Company name : Endeavour United Co., Ltd.
2. Headquarter : 6F Marunouchi 2-chome Building, 2-5-1 Marunouchi
Chiyoda-ku, Tokyo, Japan
3. Representative : Tomohiko Mimura
4. Number of Employees : 48 (As of December 10, 2021)
5. Type of Business : Management of Investment Fund

<For reference: Progress of business portfolio / manufacturing footprints restructuring>

*Business portfolio restructuring

Date of Announcement	Business	News Release
January 7, 2021	Commercial Roofing	LafargeHolcim to acquire Firestone Building Products from Bridgestone Americas
June 15, 2021	Synthetic Rubber in China	Bridgestone Announces its Progress of Rebuilding Earning Power Based on Mid Term Business Plan (2021-2023) Restructuring Synthetic Rubber Business in China
November 1, 2021	Conveyor Belt	Bridgestone Announces its Progress of Restructuring Diversified Products Business Based on Mid Term Business Plan (2021-2023) Withdrawing from Conveyor Belt Business
December 10, 2021	Anti-vibration Rubber	Bridgestone Transfers its Anti-Vibration Rubber Business to Anhui Zhongding Holding Group; Progress of Restructuring Diversified Products Business Based on Mid Term Business Plan (2021-2023)
December 10, 2021	Chemical Products Solutions	Bridgestone Transfers its Chemical Products Solutions Business to Endeavour United; Progress of Restructuring Diversified Products Business Based on Mid Term Business Plan (2021-2023)

*Manufacturing footprints restructuring

Date of Announcement	Manufacturing Footprint	News Release
August 21, 2020	Port Elizabeth Plant, South Africa	Bridgestone announces its proposal to close tyre manufacturing plant in Port Elizabeth, South Africa
September 16, 2020	Bethune Plant, France	Bridgestone announces project to cease activity at its Bethune plant in France
March 3, 2021	PT Bridgestone Astra Indonesia Bridgestone Everlight (Shanghai) Co., Ltd Bridgestone Automotive Products de Mexico S.A. de C.V.	Japanese only

March 29, 2021	Kisai Plant, Bridgestone Cycle Corporation	Japanese only
August 2, 2021	Iwata Plant, Bridgestone Corporation	Bridgestone Announces its Progress of Restructuring Diversified Products Business Based on Mid Term Business Plan (2021-2023) Restructuring Its Production Activities at Iwata Plant
October 8, 2021	Ageo Plant, Bridgestone Chemitech Co., Ltd.	Bridgestone Announces its Progress of Restructuring Diversified Products Business Based on Mid Term Business Plan (2021-2023) Consolidating Its Plants for Automotive Seat Pads in Japan
November 26, 2021	3 Plants in Bridgestone Diversified Chemical Products Co., Ltd.	Bridgestone Consolidates Its Plants for Advanced Chemical Products in Japan; Progress of Restructuring Diversified Products Business Based on Mid Term Business Plan (2021-2023)
December 6, 2021	Bridgestone Tecnifibre Co., Ltd.	Bridgestone Sells All Stocks of a Tennis Ball Sales and Manufacturing Company in Thailand; Progress of Restructuring Diversified Products Business Based on Mid Term Business Plan (2021-2023)
December 7, 2021	Bridgestone (Huizhou) Tire Co., Ltd.	Bridgestone Consolidates its Manufacturing Footprints of Truck and Bus Radial Tires in China; Progress of Manufacturing Footprint Restructuring Based on Mid Term Business Plan (2021-2023)

About Bridgestone Corporation:

Bridgestone is a global leader in tires and rubber building on its expertise to provide solutions for safe and sustainable mobility. Headquartered in Tokyo, the company employs approximately 140,000 people globally and conducts business in more than 150 countries and territories worldwide. Bridgestone offers a diverse product portfolio of premium tires and advanced solutions backed by innovative technologies, improving the way people around the world move, live, work and play.

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