

2014

Business Report for the 96th Fiscal Period

Bridgestone Corporation

Note:

This English translation of the Business Report for the 96th Fiscal Period is for convenience only. If there are any differences between this translation and the Japanese original, the Japanese original supersedes this translation.

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Message to Shareholders

First, I would like to convey my thanks to all of our shareholders for your support of the Bridgestone Group.

In this message, I will provide an overview of the Bridgestone Group (“The Group”)’s business results for its 96th fiscal year (January 1, 2014, to December 31, 2014).

The Group’s operating environment during this fiscal year was impacted by a variety of significant factors, including rapid depreciation of the yen and a drop in crude oil prices near the second half of the year under review. The domestic economy showed signs of gradual recovery due to the effectiveness of economic and monetary policies, with some uncertainty partly affected by a lackluster demand rally after an increase in the consumption tax rate. Overall, the recovery of many overseas economies continued to be weak and remained uncertain. Under these conditions, the Group continued efforts to increase the sale of highly competitive products and services, and build and enhance business models that extend beyond the mere sale of products.

As a result, net sales in fiscal 2014 were ¥3,673.9 billion, an increase of 3% from fiscal 2013; operating income was ¥478.0 billion, an increase of 9%; ordinary income was ¥463.2 billion, an increase of 7%; and net income was ¥300.5 billion, an increase of 49%.

For fiscal 2014, the Company plans to pay a cash dividend of ¥100 per share, comprising a year-end cash dividend of ¥60 per share and an interim cash dividend of ¥40 per share.

Looking ahead, the Group’s operating environment is undergoing substantial change in a wide range of areas, including politics, economy, the environment and technical innovation. Social structures and consumer attitudes also are changing significantly. In this setting, based on the corporate philosophy, the Group will pursue the ultimate goals of becoming “a truly global company” and achieving “Dan-Totsu* in all aspects of our business.” The Group remains firmly committed to the principles of “Lean & Strategic” and “Optimize on a Group and Global Basis” and will continue implementing management reforms by utilizing “the Strategic Business Unit (SBU) organization” and

“the Mid-Term Management Plan” as managerial tools.

Furthermore, the following three points will be priority tasks in managing the Group’s business operations.

- 1. Cultivating a global corporate culture—The Group will continue to promote a consistent group and global brand strategy and accelerate innovation of technology and business models.**
- 2. Developing human resources capable of global management—The Group will continue to promote the diversification of its human resources through active development and promotion of talent including national staff, early career employees and women, as well as through the designation of English as an official company language.**
- 3. Upgrading the global management structure— To continue to build the global management structure, the Group will focus on three primary approaches: enhancement of governance systems, restructure of the tire business SBUs and expansion of the diversified product business.**

To support these priority tasks, the Group will promote continuous improvements and management reforms. I respectfully ask all of our shareholders for their continued support as we continue to strengthen Bridgestone’s business operations.

March 2015

Masaaki Tsuya

CEO and Representative Board Member; concurrently Chairman of the Board

* “Dan-Totsu” is the Japanese term for “the absolute and clear leader”

(Attachment to the Notice of the 96th Annual General Meeting of Shareholders)

Business Report

(January 1, 2014 through December 31, 2014)

I. CURRENT STATUS OF THE BRIDGESTONE GROUP

1. Business Developments and Results of Operations

The Bridgestone Group (the “Group”) operating environment during this fiscal year was impacted by a variety of significant factors, including rapid depreciation of the yen and a drop in crude oil prices near the second half of the year. The domestic economy showed signs of gradual recovery due to the effectiveness of economic and monetary policies, with some uncertainty partly affected by a lackluster demand rally after an increase in the consumption tax rate. The United States economy continued to rebound, driven by an increase in consumer spending. Although the European economy is showing signs of recovery, the impact of geopolitical risk was perceived. The Asian economic expansion continued to slow down, particularly in China and India, and economic stagnation continued in Thailand. Overall, many overseas economies continued their weak recovery despite an uncertain economic outlook.

Under these operating conditions, the Group continued working to realize the ultimate goal of becoming “a truly global company” and achieving “Dan-Totsu in all aspects of our business.” By increasing our efforts on a global scale, the Group has worked to better anticipate market trends and competitors’ movements. The Group focused on enhancing technology and promoting innovation to increase the sales of highly competitive products and services. The Group continued to build and enhance business models that will extend beyond the mere sales of products. Moreover, the Group strove to rapidly implement a range of initiatives to increase the sale of strategic products, strengthen supply capacity, improve manufacturing productivity, effectively utilize our management resources, and develop eco-friendly products and businesses.

As a result, net sales in fiscal 2014 were ¥3,673.9 billion, an increase of 3% from fiscal 2013; operating income was ¥478.0 billion, an increase of 9%; ordinary income was ¥463.2 billion, an increase of 7%; and net income was ¥300.5 billion, an increase of 49%.

(1) Developments and results by business segment

In **the global tire segment**, the Group worked to maximize sales momentum by introducing new world-class products, enhancing strategic products, reinforcing fundamental competencies such as specification optimization, and responding promptly to demand fluctuation in each region.

In Japan, due to last-minute demand associated with an increase in consumption tax, total unit sales for passenger car and light truck tires increased steadily and unit sales for truck and bus tires increased strongly compared to fiscal 2013. In the Americas, unit sales for passenger car and light truck tires in North America increased steadily and unit sales for truck and bus tires increased strongly compared to fiscal 2013. In Europe, unit sales for passenger car and light truck tires decreased and unit sales for truck and bus tires increased strongly. In Asia Pacific, unit sales for passenger car and light truck tires remained unchanged from fiscal 2013 and unit sales for truck and bus tires increased steadily compared to fiscal 2013. In China, unit sales for passenger car and light truck tires increased steadily, but unit sales for truck and bus tires decreased substantially compared to fiscal 2013. In the specialty tire business, the sales volume of off-the-road radial tires for construction and mining vehicles decreased compared to fiscal 2013 due to slow recovery of demand leading to inventory adjustment at mines.

As a result, net sales and operating income in the tires segment during fiscal 2014 totaled ¥3,093.3 billion and ¥435.8 billion, an increase of 2% and 9%, respectively, from fiscal 2013.

In **the diversified products segment**, net sales totaled ¥601.8 billion, an increase of 10% from fiscal 2013, and operating income was ¥42.1 billion, an increase of 9% from fiscal 2013 due to an increase in the profit of the Bridgestone Americas, Inc. (BSAM)-diversified products and domestic business.

(2) Research and development (R&D)

The Group aims to achieve the corporate mission of “Serving Society with Superior Quality.” It conducts R&D activities in accordance with the Mid-Term Management Plan, with the objective of establishing a competitive business model on a global basis through innovation in technology and business models and by strengthening design capabilities that creatively link corporate activities with customers and society.

The tire segment is based on the development philosophy of “peace-of-mind” for stakeholders, seeking to create new added value through the core elements; environment and comfort.

As a part of this initiative, Bridgestone Corporation (the “Company”) has developed value added tires with a newly developed “ologic” technology. This technology has received great acclaim at home and abroad, winning awards that include “Tire Technology of the Year” at the world’s leading “Tire Technology EXPO” and “2016 Environment Minister’s Award for Global Warming Prevention Activity—technology manufactured products category.” The Company continues to provide customers with eco-friendly and fuel-efficient tires, revolutionizing Nanostructure-Oriented Properties Control Technology (“NanoPro-Tech”), a Company-patented materials technology developed through collaborative research projects with companies in different industries.

Looking ahead to an increasingly mobile society, the Company has developed a new sensor technology that provides the driver with real-time information for monitoring tire wear and tread depth, based on the Contact Area Information Sensing (“CAIS”) concept. This technology enables more accurate timing for tire replacement and rotation, which can contribute to a safer driving experience and help reduce costs for users when it is rolled out in volume-production tires in the future.

In order to achieve the level of “100% sustainable materials,” the Group has accelerated R&D activity to explore renewable natural rubber from Guayule to replace currently-used natural rubber harvested from Hevea trees. Construction of a processing research laboratory for Guayule in Arizona, the U.S. has been completed with the intent of full commercialization of tires using Guayule in the 2020s.

In **the diversified products segment**, the Group continues to strengthen its product lineups in key operational fields. At the same time, the Group is managing R&D activities with the objective of providing products that accurately meet constantly changing needs and foster customer satisfaction.

The Group also is concentrating on technology development pursued in collaboration with the tire development segment. Drawing on rubber material development technology from the tire business, the Group has developed conveyor belts with

energy-saving and flame-resistant rubber material.

Additionally, the Group is promoting initiatives that support its commitment to business model innovation, including developing a conveyor belt wear monitoring system capable of automatically measuring the thickness of conveyor belts at mining sites.

2. Capital Investment

The Group makes strategic investments in strengthening supply capacity, quality and productivity, as well as saving energy and expanding R&D facilities. Consequently, the Group's capital investment amounted to ¥296.3 billion in fiscal 2014.

In the tire segment, the Group continued with construction of new plants in the U.S. and Thailand for off-the-road radial tires for construction and mining vehicles, and in Vietnam and Russia for radial tires for passenger cars. In addition, production capacity was increased at existing plants, including those in China and Hungary. As a result, the Group's capital investment amounted to ¥268.3 billion in fiscal 2014.

In the diversified products segment, the Group made capital investments amounting to ¥28.0 billion in fiscal 2014, including enhancing production capacity at existing plants in China.

3. Financing

The Group continues to diversify its funding sources and to secure long-term financing. To that end, in fiscal 2014, the Group raised funds by issuing long-term debt of ¥99.3 billion, bonds of ¥70.0 billion and through other methods.

At the period-end, the total interest-bearing debt (see note below) was ¥592.9 billion, an increase of ¥28.7 billion from the end of the previous fiscal year.

Note: Interest-bearing debt includes short-term debt, bonds, long-term debt and obligations under finance leases.

4. Management Tasks

The Group's operating environment is undergoing substantial change in a wide range of areas, including politics, economics, the environment and technical innovation. Social structures and consumer attitudes also are changing significantly.

In this setting, the Group follows a corporate philosophy that consists of the mission "Serving Society with Superior Quality" and four foundations for fulfilling this mission: "Seijitsu-Kyocho [Integrity and Teamwork]"; "Shinshu-Dokuso [Creative Pioneering]"; "Genbutsu-Genba [Decision-Making Based on Verified, On-Site Observations]"; and "Jukuryo-Danko [Decisive Action after Thorough Planning]". Based on this corporate philosophy, the Group will pursue its ultimate goal of becoming "a truly global company" and achieving "Dan-Totsu in all aspects of our business."

To achieve the goals outlined above, the Group remains firmly committed to the principles of "Lean & Strategic" and "Optimize on a Group and Global basis." In other words, the Group maintains an optimum balance between short-term and mid- to long-term management measures, with a focus on "Lean" in the short-term and "Strategic" in the mid- and long-terms. At the same time, the Group continues to implement management reforms, giving the highest priority to optimization on a group and global basis.

In accordance with this fundamental approach, the Group makes full use of "the Strategic Business Unit (SBU) organization" and "the Mid-Term Management Plan" as tools to improve the quality and the speed of management reforms.

The 2014 MTP announced in October 2014 includes three priority items: "cultivating global corporate culture"; "developing human resources capable of global management"; and "upgrading the global management structure."

In regard to the first item, "cultivating a global corporate culture," the Group ensures group and global consistency, promoting the brand strategy as a part of a fully integrated marketing strategy and accelerating technology and business model innovation. In an operating environment undergoing significant change, the Group tries to foresee market trends, increase sales of highly competitive products and services, and construct and enhance business models that will extend beyond the mere sale of

products. The Group also will make ongoing efforts to improve all aspects of its management. By doing so, the Group creates customer value and ensures further development of its competitive advantage and differentiation.

To achieve the second item, “developing human resources capable of global management,” the Group will implement measures that include personnel relocation on a global scale and global educational programs. Further, the Group facilitates open-minded discussions that include a variety of members at Global EXCO (Global Executive Committee), the highest body of global business execution. The Group also is advancing the participation of local/regional staff in global management roles by designating English as an official company language in international meetings.

In regard to the third item, “upgrading the global management structure,” the Group is focused on three primary activities: enhancing governance systems; restructuring tire business SBUs; and expanding the diversified product business.

To expand governance systems, the Group is working to increase the quality and the speed of management decisions in expanding its global business. To that end, the Group is strengthening the checks and balances functions of the Board of Directors and upgrading the Board Committees that support management, such as advisory committees to the Board of Directors.

To restructure tire business SBUs, in July 2014 the China and Asia Pacific SBUs were combined to establish BSCAP as the head office for the tire business. Going forward, the Group will optimize the global management system and, as a part of its efforts, is considering the restructuring of the tire business SBUs by expanding the European SBU to include the Middle East, Africa, Turkey and Russia.

To expand the diversified product business, the Group works to ensure further growth and improvements of the diversified product business by enhancing collaboration among businesses.

In addition, the Group will increase efforts to build systems that support the fulfillment of its responsibilities to stakeholders. To that end, the Group will conduct regular yearly reviews of its policy for the development of internal control systems that ensure appropriate operations. Moreover, the Group will undertake reviews of that policy as

needed and steadily develop systems in accordance with the policy. As a reflection of the Integrated CSR Enhancement Committee, the Group's corporate social responsibility activities will establish systems and heighten the effectiveness of activities in all areas, including rigorous risk management for environmental protection, product safety, compliance, and disaster prevention and safety initiatives as well as employee education and corporate citizenship activities.

The Company entered into a plea agreement with the U.S. Department of Justice for anti-competitive activities associated with the sales of automotive anti-vibration rubber products in February 2014. After serious review of and reflection on its business practices, the Group committed to pursuing increasingly high levels of corporate governance and compliance in order to regain trust. In March 2014, the Group established the Compliance Committee composed of outside directors as one of the measures to ensure fair business practices and competition, and implemented enhanced procedures focused on anti-competitive activities and bribery prevention under the supervision and advice of the committee.

5. Assets and Operating Results

	Unit	FY 2011	FY 2012	FY 2013	FY 2014
Net Sales	Yen in millions	3,024,355	3,039,738	3,568,091	3,673,964
Net Income	Yen in millions	102,970	171,605	202,053	300,589
Net Income per Share	Yen	131.56	219.26	258.10	383.84
Total Assets	Yen in millions	2,677,344	3,039,798	3,577,045	3,960,908

Note 1: Net income per share is calculated using the average number of shares during each period.

Note 2: Net income for fiscal 2012 increased significantly from fiscal 2011, principally due to the impact of the decline in the prices of raw materials. Total assets for fiscal 2012 increased significantly from fiscal 2011, principally due to capital investments for production equipment and the depreciation of the Japanese yen.

Net sales for fiscal 2013 increased significantly from fiscal 2012, primarily due to increased sales volume of tires and the depreciation of the Japanese yen. Total assets for fiscal 2013 increased significantly from fiscal 2012, primarily due to the continuing depreciation of the Japanese yen.

To learn more about the factors contributing to the significant increase in net income in fiscal 2014 as compared to fiscal 2013, please see "Note 1. Business Developments and Results of Operations" in "I. CURRENT STATUS OF THE BRIDGESTONE GROUP." Additionally, total

assets for fiscal 2014 increased significantly from fiscal 2013 mainly due to the continuing depreciation of the Japanese yen.

Note 3: Certain overseas subsidiaries applied IAS 19 “Employee Benefits” (revised in June 16, 2011) from fiscal 2013. As this change in accounting policy is applied retrospectively, the amount of total assets and other information for fiscal 2012 reflect the retrospective application.

6. Major Subsidiaries

Company	Capital	Ownership	Primary Operations
Bridgestone Tire Japan Co., Ltd.	Yen in millions 710	100.0%	Management of domestic sales of tires for replacement market and sale of tires
Bridgestone Retail Japan Co., Ltd.	Yen in millions 300	(100.0%) 100.0%	Sale of tires and automotive parts
Bridgestone Diversified Chemical Products Co., Ltd.	Yen in millions 310	100.0%	Manufacture and sale of synthetic resin products
Bridgestone Diversified Products East Co., Ltd.	Yen in millions 200	100.0%	Sale of and work on industrial rubber products and building materials
Bridgestone Diversified Products West Co., Ltd.	Yen in millions 200	100.0%	Sale of and work on industrial rubber products and building materials
Bridgestone Sports Co., Ltd.	Yen in millions 3,000	100.0%	Manufacture and sale of sporting goods
Bridgestone Cycle Co., Ltd.	Yen in millions 1,870	100.0%	Manufacture and sale of bicycles
Bridgestone Finance Corporation	Yen in millions 50	100.0%	Lending, purchasing of sales receivables and entrusted processing of accounting and salary payments
Bridgestone Americas, Inc.	USD in thousands 127,000	100.0%	Management of Americas operations
Bridgestone Americas Tire Operations, LLC	USD in thousands 1	(100.0%) 100.0%	Manufacture and sale of tires

Company	Capital	Ownership	Primary Operations
Bridgestone Retail Operations, LLC	USD in thousands 1	(100.0%) 100.0%	Sale of tires and automotive components, and automotive maintenance and repair services
Bridgestone Bandag, LLC	USD in thousands 1	(100.0%) 100.0%	Manufacture and sale of retreading materials and provision of related services
Bridgestone Canada Inc.	CAD in thousands 127,552	(100.0%) 100.0%	Manufacture and sale of tires and sale of automotive components
Bridgestone de Mexico, S.A. de C.V.	MXN in thousands 455,997	(100.0%) 100.0%	Manufacture and sale of tires
Bridgestone Firestone Venezolana, C.A.	VEF in thousands 10,421	(100.0%) 100.0%	Manufacture and sale of tires
Bridgestone do Brasil Industria e Comercio Ltda.	BRL in thousands 458,787	(100.0%) 100.0%	Manufacture and sale of tires
Bridgestone Argentina S.A.I.C.	ARS in thousands 201,241	(100.0%) 100.0%	Manufacture and sale of tires
Bridgestone Europe NV/SA	EUR in thousands 724,668	100.0%	Management of European operations and sale of tires
Bridgestone Deutschland GmbH	EUR in thousands 14,000	(100.0%) 100.0%	Sale of tires and automotive components
Bridgestone Poznan Sp. z o.o.	PLN in thousands 558,058	(100.0%) 100.0%	Manufacture and sale of tires
Bridgestone UK Ltd.	GBP in thousands 18,335	(100.0%) 100.0%	Sale of tires and automotive components
Bridgestone France S.A.S.	EUR in thousands 74,090	(100.0%) 100.0%	Manufacture and sale of tires and sale of automotive components
Bridgestone Italia Sales S.R.L.	EUR in thousands 6,000	(100.0%) 100.0%	Sale of tires and automotive components
Bridgestone Hispania S.A.	EUR in thousands 56,726	(99.8%) 99.8%	Manufacture and sale of tires and sale of automotive components

Company	Capital	Ownership	Primary Operations
Bridgestone (China) Investment Co., Ltd.	USD in thousands 204,558	100.0%	Management of Chinese tire operations and sale of tires
Bridgestone Asia Pacific Pte. Ltd.	SGD in thousands 1,156,247	100.0%	Management of China and Asia Pacific tire operations and sale of tires
Thai Bridgestone Co., Ltd.	THB in thousands 400,000	(69.2%) 69.2%	Manufacture and sale of tires
Bridgestone Tire Manufacturing (Thailand) Co., Ltd.	THB in thousands 6,921,000	(100.0%) 100.0%	Manufacture and sale of tires
P.T. Bridgestone Tire Indonesia	USD in thousands 24,960	(54.3%) 54.3%	Manufacture and sale of tires
Bridgestone Australia Ltd.	AUD in thousands 205,819	(100.0%) 100.0%	Sale of tires
Bridgestone Middle East & Africa FZE	AED in thousands 17,000	100.0%	Management of Middle East and Africa tire operations and sale of tires
Bridgestone South Africa (Pty) Ltd.	ZAR in thousands 206	(100.0%) 100.0%	Manufacture and sale of tires
Bridgestone C.I.S. LLC	RUB in thousands 600,592	80.0%	Sale of tires
Bridgestone Earthmover Tyres Pty. Ltd.	AUD in thousands 7,000	100.0%	Sale of off-the-road tires for mining and construction vehicles
Firestone Polymers, LLC	USD in thousands 1	(100.0%) 100.0%	Manufacture and sale of synthetic rubber
Bridgestone Natural Rubber (Thailand) Co., Ltd.	THB in thousands 447,000	100.0%	Processing of natural rubber
Firestone Building Products Company, LLC	USD in thousands 1	(100.0%) 100.0%	Manufacture and sale of commercial roofing material and other products
Bridgestone Treasury Singapore Pte. Ltd.	USD in thousands 50,700	100.0%	Lending and purchasing of sales receivables

Note 1: Merger of two diversified products companies

As of January 1, 2015, Bridgestone Diversified Products East Co., Ltd. merged with Bridgestone Diversified Products West Co., Ltd. and changed its corporate name to Bridgestone Diversified Products Japan Co., Ltd.

Note 2: Figures in the parentheses in the "Ownership" column represent the percentage of indirect ownership.

7. Major Business Operations

The Group is composed of the tire business segment and the diversified products segment. The tire business includes manufacturing and sale of tires and tire tubes, sale of tire-related products, manufacturing and sale of retread material and related services, and automotive maintenance and repair services. The diversified products segment includes the manufacture and sale of chemical and industrial products, BSAM-diversified products, sporting goods and bicycles, and other businesses. Major business operations for each business segment are as follows:

Business segments	Products and operations	
Tires	Tires and tire tubes for passenger cars, trucks and buses, construction and mining vehicles, industrial machinery, agricultural machinery, aircraft, motorcycles and scooters; tire-related products; retreading materials and services; automotive maintenance and repair services; raw materials for tires; and others	
Diversified products	Chemical and industrial products	Vehicle parts, polyurethane foam and related products, electronic precision parts, industrial materials-related products, civil engineering and construction materials and equipment, and others
	BSAM-diversified products	A Bridgestone Americas, Inc. business that supplies commercial roofing materials and other materials
	Sporting goods	Golf balls, golf clubs and other sporting goods
	Bicycles	Bicycles, bicycle-related goods and others
	Others	Finance and other services

8. Major Offices and Plants

Bridgestone Corporation

Headquarters	3-1-1 Kyobashi, Chuo-ku, Tokyo		
Technical Center	Kodaira, Tokyo and Totsuka-ku, Yokohama, Kanagawa		
Nasu Plant	Nasushiobara, Tochigi	Shimonoseki Plant	Shimonoseki, Yamaguchi
Tochigi Plant	Nasushiobara, Tochigi	Kitakyushu Plant	Wakamatsu-ku, Kitakyushu, Fukuoka
Tokyo Plant	Kodaira, Tokyo	Tosu Plant	Tosu, Saga
Yokohama Plant	Totsuka-ku, Yokohama, Kanagawa	Saga Plant	Miyaki-gun, Saga
Iwata Plant	Iwata, Shizuoka	Kurume Plant	Kurume, Fukuoka
Seki Plant	Seki, Gifu	Amagi Plant	Asakura, Fukuoka
Hikone Plant	Hikone, Shiga	Kumamoto Plant	Tamana, Kumamoto
Hofu Plant	Hofu, Yamaguchi		

Subsidiaries

• Japan

Bridgestone Tire Japan Co., Ltd.	Chuo-ku, Tokyo
Bridgestone Retail Japan Co., Ltd.	Chuo-ku, Tokyo
Bridgestone Diversified Chemical Products Co., Ltd.	Chuo-ku, Tokyo
Bridgestone Diversified Products East Co., Ltd.	Minato-ku, Tokyo
Bridgestone Diversified Products West Co., Ltd.	Nishi-ku, Osaka, Osaka
Bridgestone Sports Co., Ltd.	Minato-ku, Tokyo
Bridgestone Cycle Co., Ltd.	Ageo, Saitama
Bridgestone Finance Corporation	Chuo-ku, Tokyo

- The Americas

Bridgestone Americas, Inc.	U.S.
Bridgestone Americas Tire Operations, LLC	U.S.
Bridgestone Retail Operations, LLC	U.S.
Bridgestone Bandag, LLC	U.S.
Bridgestone Canada Inc.	Canada
Bridgestone de Mexico, S.A. de C.V.	Mexico
Bridgestone Firestone Venezolana, C.A.	Venezuela
Bridgestone do Brasil Industria e Comercio Ltda.	Brazil
Bridgestone Argentina S.A.I.C.	Argentina
Firestone Polymers, LLC	U.S.
Firestone Building Products Company, LLC	U.S.

Technical Center	U.S.
Des Moines Plant	U.S.
La Vergne Plant	U.S.
Wilson Plant	U.S.
Warren Plant	U.S.
Aiken Plant	U.S.
Joliette Plant	Canada
Monterrey Plant	Mexico
Cuernavaca Plant	Mexico
Sao Paulo Plant	Brazil
Bahia Plant	Brazil

- Europe

Bridgestone Europe NV/SA	Belgium
Bridgestone Deutschland GmbH	Germany
Bridgestone Poznan Sp. z o.o.	Poland
Bridgestone UK Ltd.	United Kingdom
Bridgestone France S.A.S.	France
Bridgestone Italia Sales S.R.L.	Italy
Bridgestone Hispania S.A.	Spain

Technical Center	Italy
Poznan Plant	Poland
Stargard Plant	Poland
Tatabanya Plant	Hungary
Bethune Plant	France
Bilbao Plant	Spain
Burgos Plant	Spain

• Overseas, other areas

Bridgestone (China) Investment Co., Ltd.	China
Bridgestone Asia Pacific Pte. Ltd.	Singapore
Thai Bridgestone Co., Ltd.	Thailand
Bridgestone Tire Manufacturing (Thailand) Co., Ltd.	Thailand
P.T. Bridgestone Tire Indonesia	Indonesia
Bridgestone Australia Ltd.	Australia
Bridgestone Middle East & Africa FZE	U.A.E.
Bridgestone South Africa (Pty) Ltd.	South Africa
Bridgestone C.I.S. LLC	Russia
Bridgestone Earthmover Tyres Pty. Ltd.	Australia
Bridgestone Natural Rubber (Thailand) Co., Ltd.	Thailand
Bridgestone Treasury Singapore Pte. Ltd.	Singapore

Note: Countries indicate where subsidiaries' headquarters are located.

9. Employees

Business segments	Number of employees	Increase (decrease) from the previous period-end
Tires	126,701	(368)
Diversified products	17,931	(29)
Total	144,632	(397)

10. Major Lenders and Debt Balance (Bridgestone Corporation)

Lenders	Debt Balance (Yen in millions)
Sumitomo Mitsui Banking Corporation	30,000
Mizuho Bank, Ltd.	27,425
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	10,935
Nippon Life Insurance Company	10,000
Sumitomo Mitsui Trust Bank, Limited	5,000
Mitsubishi UFJ Trust and Banking Corporation	5,000
Others	4,219
Total	92,580

II. SHARES OF BRIDGESTONE CORPORATION AS OF DECEMBER 31, 2014

1. **Total Number of Shares Authorized to be Issued:** 1,450,000,000 shares
2. **Total Number of Shares Issued and Outstanding:** 813,102,321 shares
3. **Number of Shareholders:** 58,885 shareholders
4. **Major Shareholders**

Name of Shareholders	Number of Shares owned (in thousands)	Percentage owned
Ishibashi Foundation	76,693	9.79%
Japan Trustee Services Bank, Ltd. (Trust account)	37,630	4.81%
The Master Trust Bank of Japan, Ltd. (Trust account)	37,363	4.77%
Hiroshi Ishibashi	24,300	3.10%
Nippon Life Insurance Company	18,041	2.30%
Sumitomo Mitsui Banking Corporation	18,000	2.30%
Nagasaka Corporation	16,325	2.08%
Nomura Securities Co., Ltd.	12,785	1.63%
The Bank of New York Mellon SA/NV 10	11,056	1.41%
State Street Bank and Trust Company 505225	9,192	1.17%

Note 1: Shares held by trust banks include shares owned in the trustees' capacity.

Note 2: The Company holds 29,961 thousand in treasury stock, which is not included in the above table.

III. STOCK ACQUISITION RIGHTS OF BRIDGESTONE CORPORATION

1. Status of Stock Acquisition Rights as of the Period-End

(1) Stock acquisition rights held by directors (excluding outside directors)

Name of stock acquisition rights (date of approval)	Class and number of shares to be issued or transferred upon exercise of stock acquisition rights	Issue price (per stock acquisition right)	Exercise price (per share)	Exercise period	Number of stock acquisition rights (units) and number of holders
The 6th Stock Acquisition Rights (Mar. 27, 2008)	3,000 common stocks	None	¥1,936	Apr. 1, 2010, to Mar. 31, 2015	30 units 1 person
The 7th Stock Acquisition Rights (Mar. 26, 2009)	16,000 common stocks	¥1,264 (Note)	¥1	May 1, 2009, to Apr. 30, 2029	160 units 4 persons
The 8th Stock Acquisition Rights (Mar. 30, 2010)	21,500 common stocks	¥1,400 (Note)	¥1	May 6, 2010, to Apr. 30, 2030	215 units 4 persons
The 9th Stock Acquisition Rights (Mar. 29, 2011)	24,000 common stocks	¥1,656 (Note)	¥1	May 2, 2011, to Apr. 30, 2031	240 units 4 persons
The 10th Stock Acquisition Rights (Mar. 27, 2012)	49,000 common stocks	¥1,648 (Note)	¥1	May 1, 2012, to Apr. 30, 2032	490 units 4 persons
The 11th Stock Acquisition Rights (Mar. 26, 2013)	54,000 common stocks	¥3,313 (Note)	¥1	May 1, 2013, to Apr. 30, 2033	540 units 4 persons
The 12th Stock Acquisition Rights (Mar. 25, 2014)	33,600 common stocks	¥3,153 (Note)	¥1	May 1, 2014, to Apr. 30, 2034	336 units 4 persons

(2) Stock acquisition rights held by Outside Directors

Name of stock acquisition rights (date of approval)	Class and number of shares to be issued or transferred upon exercise of stock acquisition rights	Issue price (per stock acquisition right)	Exercise price (per share)	Exercise period	Number of stock acquisition rights (units) and number of holders
The 8th Stock Acquisition Rights (Mar. 30, 2010)	1,000 common stocks	¥1,400 (Note)	¥1	May 6, 2010, to Apr. 30, 2030	10 units 1 person
The 9th Stock Acquisition Rights (Mar. 29, 2011)	3,000 common stocks	¥1,656 (Note)	¥1	May 2, 2011, to Apr. 30, 2031	30 units 3 persons
The 10th Stock Acquisition Rights (Mar. 27, 2012)	3,000 common stocks	¥1,648 (Note)	¥1	May 1, 2012, to Apr. 30, 2032	30 units 3 persons

(3) Stock acquisition rights held by officers other than directors (corporate auditors)

Name of stock acquisition rights (date of approval)	Class and number of shares to be issued or transferred upon exercise of stock acquisition rights	Issue price (per stock acquisition right)	Exercise price (per share)	Exercise period	Number of stock acquisition rights (units) and number of holders
The 7th Stock Acquisition Rights (Mar. 26, 2009)	6,000 common stocks	¥1,264 (Note)	¥1	May 1, 2009, to Apr. 30, 2029	60 units 1 person
The 8th Stock Acquisition Rights (Mar. 30, 2010)	6,000 common stocks	¥1,400 (Note)	¥1	May 6, 2010, to Apr. 30, 2030	60 units 1 person
The 9th Stock Acquisition Rights (Mar. 29, 2011)	8,500 common stocks	¥1,656 (Note)	¥1	May 2, 2011, to Apr. 30, 2031	85 units 2 persons

Name of stock acquisition rights (date of approval)	Class and number of shares to be issued or transferred upon exercise of stock acquisition rights	Issue price (per stock acquisition right)	Exercise price (per share)	Exercise period	Number of stock acquisition rights (units) and number of holders
The 10th Stock Acquisition Rights (Mar. 27, 2012)	3,000 common stocks	¥1,648 (Note)	¥1	May 1, 2012, to Apr. 30, 2032	30 units 1 person
The 11th Stock Acquisition Rights (Mar. 26, 2013)	3,000 common stocks	¥3,313 (Note)	¥1	May 1, 2013, to Apr. 30, 2033	30 units 1 person

2. Status of Stock Acquisition Rights Issued during the Current Period

(1) Stock acquisition rights issued to employees of Bridgestone Corporation

Name of stock acquisition rights (date of approval)	Class and number of shares to be issued or transferred upon exercise of stock acquisition rights	Issue price (per stock acquisition right)	Exercise price (per share)	Exercise period	Number of stock acquisition rights (units) and number of holders
The 12th Stock Acquisition Rights (Mar. 25, 2014)	98,300 common stocks	¥3,153 (Note)	¥1	May 1, 2014, to Apr. 30, 2034	983 units 46 persons

(2) Stock acquisition rights issued to directors, corporate auditors and employees of subsidiaries.

None applicable.

Note: The Company and those to whom stock acquisition rights are allocated or offset on the date of allocation, the receivables and payables for the issue price payments and the same amount of remuneration for services.

IV. DIRECTORS AND CORPORATE AUDITORS OF BRIDGESTONE CORPORATION

1. Directors and Corporate Auditors

Names	Positions	Titles as corporate officers, responsibilities, or posts Important concurrent posts
Masaaki Tsuya	Representative Board Member Concurrently Chairman of the Board	CEO Concurrently Chairman, BIOC
Kazuhisa Nishigai	Representative Board Member	COO Concurrently responsible for Japan Tire Business; Concurrently Vice Chairman, BIOC
Yoshiyuki Morimoto	Member of the Board	Senior Vice President Chief Technology Officer Responsible for Technology; Concurrently responsible for Production Technology
Narumi Zaitso	Member of the Board	Senior Vice President Responsible for International Tire Business Operations Member of the Board of Bridgestone (China) Investment Co., Ltd. Member of the Board and Chief Executive Officer of Bridgestone Asia Pacific Pte. Ltd. Member of the Board of Brisa Bridgestone Sabanci Lastik Sanayi ve Ticaret A.S.
Sakie Tachibana Fukushima	Member of the Board	President and Representative Director of G&S Global Advisors Inc. Outside Director of Ajinomoto Co., Inc. Outside Director of J. Front Retailing Co., Ltd. Outside Director of Mitsubishi Corporation
Kimiko Murofushi	Member of the Board	Professor Emeritus, Professor of Endowed Research Division of Human Welfare Sciences, Ochanomizu University
Scott Trevor Davis	Member of the Board	Professor, Department of Global Business, College of Business, Rikkyo University Outside Director of Seven & i Holdings Co., Ltd. Outside Director of Sompo Japan Nipponkoa Holdings, Inc. Outside Corporate Auditor of Nissen Holdings Co., Ltd

Names	Positions	Titles as corporate officers, responsibilities, or posts Important concurrent posts
Yuri Okina	Member of the Board	Vice Chairman of the Institute, the Japan Research Institute, Limited Outside Director of Nippon Yusen Kabushiki Kaisha Outside Director of Seven Bank, Ltd.
Mikio Masunaga	Corporate Auditor	Full-time
Masahito Tsuji	Corporate Auditor	Full-time
Kenichi Masuda	Corporate Auditor	Lawyer (Partner, Anderson Mori & Tomotsune) Outside Corporate Auditor of LIFENET INSURANCE COMPANY
Tomoko Watanabe	Corporate Auditor	Patent Attorney (Representative, Watanabe Tomoko International Patent Office)

Note 1: The information above is as of December 31, 2014.

Note 2: Directors Sakie Tachibana Fukushima, Kimiko Murofushi, Scott Trevor Davis, and Yuri Okina are Outside Directors as set forth in Article 2-15 of the Companies Act.

Note 3: Corporate Auditors Kenichi Masuda and Tomoko Watanabe are Outside Corporate Auditors as set forth in Article 2-16 of the Companies Act.

Note 4: The Company has notified the Tokyo Stock Exchange, the Nagoya Stock Exchange, and the Fukuoka Stock Exchange of Director Sakie Tachibana Fukushima, Director Kimiko Murofushi, Director Scott Trevor Davis, Director Yuri Okina, Corporate Auditor Kenichi Masuda, and Corporate Auditor Tomoko Watanabe as independent directors/auditors whose requirements are specified by the respective financial instruments exchanges.

Note 5: Corporate Auditor Masahito Tsuji has a respectable knowledge of finance and accounting, derived from his long professional career in the Company.

Note 6: Corporate Officers of Bridgestone Corporation as of December 31, 2014 (presented for readers' reference).

Names	Titles	Responsibilities or posts
Masaaki Tsuya *	CEO	Concurrently Chairman, BIOC
Kazuhisa Nishigai *	COO	Concurrently Responsible for Japan Tire Business; Concurrently Vice Chairman, BIOC
Yoshiyuki Morimoto *	Senior Vice President	Chief Technology Officer Responsible for Technology; Concurrently Responsible for Production Technology
Narumi Zaitu *	Senior Vice President	Responsible for International Tire Business Operations Member of the Board and Chief Executive Officer of Bridgestone Asia Pacific Pte. Ltd.
Shuichi Ishibashi	Senior Vice President	Responsible for Global Original Equipment Tire Sales; Concurrently Chief Marketing Officer Responsible for Group Global Marketing Strategy; Concurrently Assistant to Senior Vice President, Responsible for Diversified Products, Sports, and Cycle Business; Concurrently Assistant to Vice President and Senior Officer, Responsible for Diversified Products Business Diversified Products New Business Models Development
Akihiro Eto	Senior Vice President	Responsible for Diversified Products, Sports, and Cycle Business Chief Financial Officer Finance Corporate Planning
Asahiko Nishiyama	Senior Vice President	Seconded to Bridgestone Americas, Inc. Executive Chairman of Bridgestone Americas, Inc.
Gary Garfield	Senior Vice President	Member of the Board, Chief Executive Officer and President of Bridgestone Americas, Inc.
Eduardo Minardi	Senior Vice President	Executive Chairman of Bridgestone Europe NV/SA
Yuichiro Takenami	Vice President and Senior Officer	Secretary General, BIOC; Concurrently responsible for Global Innovation Innovation Development Chief Information Officer IT & Network; Concurrently Assistant to Senior Vice President, Corporate Planning

Shinichi Yochi	Vice President and Senior Officer	Responsible for Management Corporate Management Internal Auditing Chief Risk Officer, Chief Human Rights Officer Human Resources and General Affairs
Yutaka Yamaguchi	Vice President and Senior Officer	Responsible for CSR and Quality Management CSR and Quality Management Planning
Masato Hiruma	Vice President and Senior Officer	Responsible for Products Development
Motoi Mochizuki	Vice President and Senior Officer	Responsible for Diversified Products Business Diversified Products Sales
Minoru Shimizu	Vice President and Senior Officer	Responsible for Replacement Tire Sales; Seconded to Bridgestone Tire Japan Co., Ltd. Chairman and Chief Executive Officer of Bridgestone Tire Japan Co., Ltd.
Masakazu Sekiguchi	Vice President and Senior Officer	Responsible for Global Logistics Center Procurement Internal Manufacturing Management; Concurrently Assistant to Senior Vice President, Responsible for Production Technology
Franco Annunziato	Vice President and Senior Officer	Member of the Board, Chief Executive Officer and President of Bridgestone Europe NV/SA
Gordon Knapp	Vice President and Senior Officer	Member of the Board and Chief Operating Officer of Bridgestone Americas, Inc.
Christine Karbowiak	Vice President and Senior Officer	Member of the Board, Chief Administrator Officer, Chief Risk Officer and Executive Vice President of Bridgestone Americas, Inc.
Shingo Kubota	Vice President and Officer	Deputy Secretary General, BIOC
Kenichi Togami	Vice President and Officer	Assistant to Senior Vice President, Responsible for International Tire Business Operations
Toyohiko Oka	Vice President and Officer	Assistant to Vice President and Officer, Chief Risk Officer, Chief Human Rights Officer, Human Resources and General Affairs

Hidekazu Kimizu	Vice President and Officer	Chief Compliance Officer, Legal Affairs; Concurrently Director, Office of Corporate Management
Masahiro Isobe	Vice President and Officer	Global Original Equipment Tire Sales; Concurrently Director, Original Equipment Tire Sales Division 1
Takashi Yasukochi	Vice President and Officer	Safety and Disaster Prevention
Masashi Ohara	Vice President and Officer	Chief Quality Officer, Quality; Concurrently Director, Group Global Quality Planning and Administration Division
Akira Matsuda	Vice President and Officer	Environment
Hideki Komatsu	Vice President and Officer	Central Research; Concurrently Director, Central Research Division; Concurrently Assistant to Vice President and Officer, Innovation Development
Masahiro Higashi	Vice President and Officer	Consumer Products Global Marketing Strategy and Motorsport; Concurrently Director, Global Customer and Market Research Division
Hiroshi Yoshimori	Vice President and Officer	Commercial Products Global Marketing Strategy and Advanced Business Planning; Concurrently Director, Advanced Business Planning Division; Concurrently General Manager, Advanced Business Planning Office
Yoshihiko Ichikawa	Vice President and Officer	Tire Products Development and Motorsport Technology; Concurrently Assistant to Senior Vice President Chief Technology Officer Responsible for Technology
Tatsuro Hamada	Vice President and Officer	Tire Research and Material Development; Concurrently Assistant to Vice President and Officer, Internal Manufacturing Management
Makoto Hashimoto	Vice President and Officer	Tire Plant Design and Coordination
Mahito Fuji	Vice President and Officer	Production Technology Development
Koki Takahashi	Vice President and Officer	Diversified Products Business Planning and Administration
Satoshi Shibao	Vice President and Officer	Chemical and Industrial Products Production and Technology; Concurrently Director, Chemical and Industrial Products Manufacturing Division

Mitsuhira Shimazaki	Vice President and Officer	Asia Pacific, China, Middle East, Africa and Russia Tire Business Operations; Concurrently International Tire Business Operations
Tomohiro Fukuda	Vice President and Officer	Specialty Tire Business and Chief Quality Officer, Specialty Tire Business
Yoda Naohisa	Vice President and Officer	Japan Tire Production and Chief Quality Officer, Japan Tire Production
Shigeru Niho	Vice President and Officer	Global Logistics Center Planning and Administration
Yoichi Sato	Vice President and Officer	Global Production Administration and Logistics, Mold Technology and Manufacturing
Makio Ohashi	Vice President and Officer	Seconded to Asahi Carbon Co., Ltd. Chairman and Chief Executive Officer of Asahi Carbon Co., Ltd.
Koji Kajiwara	Vice President and Officer	Seconded to Bridgestone Tire Japan Co., Ltd. Member of the Board, Senior Vice President of Bridgestone Tire Japan Co., Ltd., Commercial Tires Solutions Business, Commercial Tires in-house Company; Concurrently Chairman and Chief Executive Officer of Bridgestone Tire Service East Japan Co., Ltd.; Concurrently Chairman and Chief Executive Officer of Bridgestone Tire Service West Japan Co., Ltd.
Michihiro Suzuki	Vice President and Officer	Seconded to Bridgestone Americas, Inc.
Bill Thompson	Vice President and Officer	Member of the Board and Chief Financial Officer of Bridgestone Americas, Inc.
Philip Dobbs	Vice President and Officer	Member of the Board and Chief Marketing Officer, U.S. and Canada Consumer Tire of Bridgestone Americas, Inc.
Ryutaro Ishii	Vice President and Officer	Seconded to Bridgestone Americas, Inc.
Hideo Hara	Vice President and Officer	Seconded to Bridgestone Americas, Inc.
Fumihiko Yanaga	Vice President and Officer	Seconded to Bridgestone Europe NV/SA
Kunitoshi Takeda	Vice President and Officer	Seconded to Bridgestone Asia Pacific Pte. Ltd. Member of the Board and Chief Operating Officer of Bridgestone Asia Pacific Pte. Ltd.
Shinichi Sato	Vice President and Officer	Seconded to Bridgestone Cycle Co., Ltd. Assistant to President of Bridgestone Cycle Co., Ltd.

Yasushi Ota	Vice President and Officer	Seconded to Bridgestone Cycle Co., Ltd. Executive Vice President of Bridgestone Cycle Co., Ltd.
Takeo Kumakura	Vice President and Officer	Seconded to Bridgestone Diversified Products (China) Co., Ltd. Chairman of Bridgestone Diversified Products (China) Co., Ltd.

Note: The list above includes those who concurrently serve as a Member of the Board denoted by an asterisk and those seconded to subsidiaries as described in the "Responsibilities or posts" column.

2. Directors' and Corporate Auditors' Remuneration for the Current Period

(1) Total amounts of remuneration, subtotals by types of remuneration and the number of recipients by the categories of directors and corporate auditors

Categories	Total amounts of remuneration (Yen in millions)	Remuneration by types (Yen in millions)			Number of recipients (in persons)
		Monthly payments	Bonuses	Stock options	
Member of the Board	488	255	127	105	9
(of which Outside Directors)	62	62	—	—	5
Corporate Auditor	99	99	—	—	5
(of which Outside Corporate Auditors)	36	36	—	—	3
Total	588	354	127	105	14

Note 1: The figures above include remuneration paid to one Outside Director and one Outside Corporate Auditor who retired during the current period.

Note 2: Representative Board Members forfeited a portion of their compensation during the current period due to the loss related to the U.S. antitrust law recorded in the previous period.

(2) Amounts of remuneration on a consolidated basis paid to those directors or corporate auditors who are paid more than 100 million yen

Names	Categories	Companies	Remuneration by type, on consolidated basis (Yen in millions)			Total amounts of remuneration (Yen in millions)
			Monthly payments	Bonuses	Stock options	
Masaaki Tsuya	Member of the Board	Bridgestone Corporation	58	50	34	144
Kazuhisa Nishigai	Member of the Board	Bridgestone Corporation	50	38	34	123

Note: Members of the Board forfeited a portion of their compensation during the current period due to the loss related to the U.S. antitrust law recorded in the previous period.

(3) Policy and process for setting directors' and corporate auditors' remuneration

i) Policy for setting directors' and corporate auditors' remuneration

The Company has adopted "Principles for Remuneration Setting," with four elements: to attract and cultivate superior talent, to support a competitive remuneration level, to provide motivation for the execution of business strategies, and to provide motivation for enhancing shareholder value. Based on these principles, the Company sets remuneration for directors and corporate auditors that reflect factors such as our performance results and business size, and also take into consideration the remuneration levels of other major global companies in Japan.

(a) Three components comprise remuneration for directors: monthly payments, bonuses and stock options. While monthly payments are fixed in nature, bonuses vary depending upon the Company's performance. In addition, stock-compensation-type stock options are varying remuneration designed to provide motivation for increased mid- to long-term corporate value and to promote the sharing of value with shareholders.

Outside Director remuneration is composed of fixed monthly payments. This remuneration system takes into consideration that Outside Directors are officers who do not execute day-to-day business operations but instead

contribute to mid- to long-term business results and corporate value by providing experience-based input to management decisions.

Directors can exercise their stock options from the day after their retirement date.

- (b) The sole component of remuneration for corporate auditors is a fixed monthly payment. Because corporate auditors audit the performance of the Members of the Board and operate independently of those Members, remuneration does not vary according to the Company's performance.

The Company discontinued retirement benefit plans for directors and for corporate auditors in March 2009 and March 2010, respectively.

ii) Process for setting directors' and corporate auditors' remuneration

The Company aims to ensure a transparent and fair remuneration program. To that end, it has established the Compensation Committee. Only Outside Directors may be members of the committee; Corporate Auditors are observers. The committee and subcommittee discuss the entire range of issues regarding remuneration, including the basic principles, the program plans, and remuneration amounts, reflecting factors that include the business environment and our performance results, and take into consideration the remuneration levels and trends of other major global companies in Japan. The draft resolution for directors' remuneration, approved by the Compensation Committee, is discussed and determined by the Board of Directors; Corporate Auditors' remuneration by the Board of Corporate Auditors.

Actual amounts of remuneration must undergo the approval process that the Companies Act requires before being determined.

- (a) Monthly remuneration paid to directors is determined by the Board of Directors, within the upper limit of ¥35 million per month, a total for all the directors, resolved at the 83rd Annual General Meeting of Shareholders held on March 28, 2002. Monthly remuneration paid to corporate auditors is determined by the Corporate Auditors, within the upper limit of ¥12 million per month, a total for all the corporate auditors, resolved at the 91st Annual General Meeting of Shareholders held on March 30, 2010.

(b) Variable remuneration, namely bonuses and stock-compensation-type stock options paid or granted to directors, are determined by the Board of Directors within the limit determined by the Annual General Meeting of Shareholders held annually.

The total amount of directors' remuneration is determined by the Compensation Committee and the Board of Directors and for corporate auditors' remuneration by the Board of Corporate Auditors, the Compensation Committee and the Board of Directors determines remuneration for corporate auditors, subject to approval by the General Meeting of Shareholders.

3. Outside Directors and Outside Corporate Auditors

(1) Main activities of Outside Directors and Outside Corporate Auditors

Positions	Names	Attendance at meetings	Primary activities
Member of the Board	Sakie Tachibana Fukushima	13 out of 14 (Board of Directors)	Provided input to guide decisions made by the Board of Directors, principally based on her extensive knowledge and experience in global business management.
Member of the Board	Kimiko Murofushi	14 out of 14 (Board of Directors)	Provided input to guide decisions made by the Board of Directors, principally based on her high insight in the fields of medicine, biology and gender equality.
Member of the Board	Scott Trevor Davis	14 out of 14 (Board of Directors)	Provided input to guide decisions made by the Board of Directors, principally based on his high insight in the fields of social science, international business and domestic and overseas CSR.
Member of the Board	Yuri Okina	10 out of 10 (Board of Directors)	Provided input to guide decisions made by the Board of Directors, principally based on her extensive research experience in financial systems and financial administration.

Corporate Auditor	Kenichi Masuda	14 out of 14 (Board of Directors) 16 out of 16 (Board of Corporate Auditors)	Provided input to guide decisions made by the Board of Directors, based on his professional perspective as a Lawyer.
Corporate Auditor	Tomoko Watanabe	14 out of 14 (Board of Directors) 15 out of 16 (Board of Corporate Auditors)	Provided input to guide decisions made by the Board of Directors, based on her professional perspective as a Patent Attorney.

Note 1: Yuri Okina was newly elected as Member of the Board at the 95th Annual General Meeting of Shareholders held on March 25, 2014, and therefore, her number of attendance at the board meetings is different from those of other Members of the Board.

Note 2: In February 2014, the Company entered into a plea agreement with the U.S. Department of Justice for anti-competitive activities associated with the sales of automotive anti-vibration rubber products. Although the anti-competitive activities ended before all of the above Members of the Board assumed their positions, they are taking ongoing steps to ensure the appropriateness of the operation and fulfilling their responsibilities by providing counsel on compliance, CSR, and internal controls, among other areas of corporate oversight.

(2) Liability limitation agreements with Outside Directors and Outside Corporate Auditors

The Company has entered into agreements with all of its Outside Directors and Outside Corporate Auditors to limit their liability with regard to the damage compensation liability of Paragraph 1 of Article 423 of the Companies Act. Such agreements are based upon Paragraph 2 of Article 27 and Paragraph 2 of Article 35 of its Articles of Incorporation, which was stipulated pursuant to Paragraph 1 of Article 427 of the Companies Act. Under the agreements, the maximum amount of their liability shall be the higher of either 10 million yen or the minimum liability amount prescribed in Paragraph 1 of Article 425 of the Companies Act.

V. INDEPENDENT AUDITORS

1. Name of Independent Auditor

Deloitte Touche Tohmatsu LLC

2. Independent Auditors Compensation for the Current Period

Amount of compensation to be paid by Bridgestone Corporation to the Independent Auditors	¥284 million
Total amount of compensation to be paid by Bridgestone Corporation and its subsidiaries to the Independent Auditors	¥433 million

Note 1: The audit agreement entered into by the Independent Auditors and the Company does not separately stipulate the compensation amounts for the audit under the Companies Act, the audit under the Financial Instruments and Exchange Act, and the audit on consolidated financial statements in the English language. Furthermore, those three amounts cannot be practically distinguished from one another. Hence, the above amounts indicate the total amounts to be paid to the Independent Auditors.

Note 2: The Company has paid consideration to the Independent Auditors for services (nonauditing services) other than those set forth in Article 2, Paragraph 1 of the Certified Public Accountants Act. Such services include advice and guidance on the International Financial Reporting Standards.

Note 3: Major overseas subsidiaries are subject to audit by overseas independent auditors other than the Company's independent auditor. Such overseas independent auditors are qualified as certified public accountants or audit corporations under relevant overseas laws and regulations. As used herein, the term "audit" means those services intended to ensure compliance with overseas laws and regulations equivalent to the provisions in the Companies Act or the Financial Instruments and Exchange Act of Japan.

3. Policy for Determination of Dismissal or Nonreappointment of the Independent Auditor

The Board of Corporate Auditors dismisses the Independent Auditor with a unanimous resolution in the event where it determines the Independent Auditor falls under any item

of Article 340, Paragraph 1 of the Companies Act.

In addition, the Board of Directors submits a proposal, with the consent of, or on the request of, the Board of Corporate Auditors, for dismissal or nonreappointment of the Independent Auditors to a General Meeting of Shareholders, in the event where it is deemed necessary in order to ensure a proper audit is performed or to enhance the appropriateness of the audit.

VI. SYSTEMS TO ENSURE COMPLIANCE OF THE DIRECTORS' EXECUTION OF DUTIES WITH LAWS AND REGULATIONS AND THE ARTICLES OF INCORPORATION, AS WELL AS OTHER SYSTEMS TO ENSURE THE PROPRIETY OF BUSINESS OPERATIONS

In May 2006, in accordance with Article 362, Paragraph 5 of the Companies Act, the Company determined its policy to develop the internal control systems that are necessary to ensure the propriety of business operations. The policy, which has been updated as necessary since then, was revised to constitute the Policy 2015 at the meeting of the Board of Directors held on December 12, 2014, in consideration of the extent of the subsequent implementation of the internal control systems. The policy will continue to be revised every year.

(1) Systems to ensure compliance of the directors' and the employees' execution of duties related to laws and regulations and the articles of incorporation

The Board of Directors articulates management's stance and oversees the execution of duties by the Members of the Board in accordance with the Board of Directors Rules. The Board of Directors ensures compliance of the execution of duties by the Members of the Board with respect to laws, regulations, and the articles of incorporation by reviewing Board reports and discussing them in its meetings.

The Company has formulated an approach and basic policies for implementing and advancing the compliance systems, which call for the Members of the Board and all of our employees to uphold the corporate mission of Serving Society with Superior Quality and the four foundations for fulfilling the mission: "Seijitu-Kyocho," "Shinshu-Dokuso," "Genbutsu-Genba," and "Jukuryo-Danko," in addition to compliance with laws, regulations and the articles of incorporation. A unit dedicated to handling compliance, which reports to the Chief Compliance Officer (CCO), has responsibility for the operation of a compliance counseling office that includes a helpline to provide employees with confidential channels to seek compliance-related advice, as well as for promoting compliance-related education for directors and employees. Recognizing that compliance activities are related to corporate social responsibility ("CSR"), the Company previously established the Compliance Committee, which is chaired by the CCO and is a subcommittee of the Integrated CSR Enhancement Committee, which is chaired by the Chief Executive Officer (CEO) of the Group. Moving forward, the

Company will continue to advance compliance activities as one facet of its CSR. Additionally, in order to enhance the monitoring function for compliance activities, the Company established the Compliance Committee in March 2014 as an advisory body of the meeting of the Board of Directors.

As reiterated by the CEO of the Group, the Group has no connection whatsoever with antisocial forces or groups that threaten public order and safety. The Group takes a resolute stand against any requests from such antisocial forces or groups. The Group has established a department to evaluate information received regarding such matters, has worked to build relationships of trust and cooperation with external institutions, such as the police and other related organizations, and has been working to implement a manual for responding to inappropriate or illegal requests, evaluating and reviewing contracts, and implementing other related measures. The Company will strive to ensure that these measures are widely known and will continue to strengthen internal systems aimed at abating any such antisocial forces.

Regarding the “System for Ensuring Appropriateness of Statements on Finance and Accounting and Other Information,” set forth in Article 24-4-4 of the Financial Instruments and Exchange Act of Japan (the so-called “J-SOX Act”), the Group will work to ensure that its system of internal controls is effective and reliable on a Group-wide basis and to further raise the level of internal control throughout the Group.

(2) Systems to preserve and manage information pertaining to the execution of duties by directors

The Company documents, without delay, information related to the execution of duties by the Members of the Board, including minutes of meetings of the Board of Directors and Executive Operational Committee and approval of business operations. Once confirmed, such documents are preserved and managed in an appropriately searchable manner, also with appropriate measures against information leaks, in compliance with applicable rules and guidelines. Moving forward, the Company will continue to implement such appropriate information management.

(3) Rules and other systems regarding risk management

Risk management activities, led by the Chief Risk Officer (CRO), focus on the identification and mitigation of operational risks and the implementation of measures - as outlined in a basic risk management manual - designed to prevent both small-scale

accidents and large-scale incidents. Contingency planning activities include the formulation and review of business continuation plans aimed at restoring operations as quickly as possible in the event of any disruption. In recognition of the importance of risk management in CSR, the Company previously established the Risk Management Committee, which is chaired by the CRO and is a subcommittee of the Integrated CSR Enhancement Committee, chaired by the CEO of the Group. Moving forward, the Group will continue to find additional ways to strengthen the system to comprehensively manage risks that could have a major influence on the operating activities of the Company and other Group companies.

(4) Systems to ensure the efficient execution of duties by directors

The Company articulates and implements its policies in accordance with the Policy Management Rules, and ensures the efficient execution of duties by the Members of the Board in accordance with the Administrative Authority Rules. The Company will review and revise such systems as necessary.

(5) Systems to ensure the propriety of business operations conducted by the corporate group consisting of the Company and its subsidiaries

The Company clarifies and facilitates understanding of the responsibilities, authorities and methods of business operation by delineating them in the Administrative Authority Rules and other corporate regulations, including rules and guidelines.

Since each company of the Group is an independent entity, the Company respects each company's decisions and business operations developed and executed by the bodies of each company. From the Group optimum perspective, the Company advises or approves certain significant matters of its subsidiaries in accordance with its Administrative Authority Rules.

The Internal Auditing Office, which audits the management of the Company and its Group companies, has strengthened its organization and activities and continues to enhance its operations.

As for the Group companies that have simplified their governing organizations in accordance with the Companies Act, the Group ensures the propriety of their business operations through enhanced internal audit functions.

These rules and systems ensure the propriety of business operations conducted by the Group consisting of the Company and its subsidiaries.

(6) Matters concerning employees requested by a corporate auditor to assist with their duties and the independence of those employees from directors

The Company has established the Corporate Auditor Office which supports the duties of the Corporate Auditors and has assigned a certain number of employees to the office. Personnel changes or any other personnel matters related to the Office are required to have the advance consent of the Corporate Auditors.

(7) Systems for directors and employees to report to the corporate auditors, other reporting systems to the corporate auditors, and other systems to ensure effective audits by the corporate auditors

Members of the Board and employees have and will continue to respond without delay to any queries or other requests for information from the Corporate Auditors. In addition, they must immediately report to the Corporate Auditors any fact that may significantly affect the Company or its Group companies, including any fact likely to cause substantial detriment to the Group, or any misconduct or material facts in violation of laws and regulations or the articles of incorporation by Members of the Board or employees. Further, Members of the Board and employees have reported and will continue to report in advance to the Corporate Auditors the agenda of meetings of the Board of Directors and the Executive Operational Committee, for which the results also are reported to the Corporate Auditors.

The Company responds to requests from the Corporate Auditors and implements other systems needed to ensure that audits are effective.

Consolidated Balance Sheet

	Current Year (As of December 31, 2014)	Previous Year (As of December 31, 2013) (for reference)
	Yen in millions	Yen in millions
(Assets)		
Current Assets:		
Cash and deposits	390,444	286,558
Notes and accounts receivable	541,866	528,465
Short-term investments	149,239	152,161
Merchandise and finished products	388,393	354,370
Work in process	38,308	37,353
Raw materials and supplies	170,834	165,379
Deferred tax assets	91,249	101,370
Other	118,742	103,594
Allowance for doubtful accounts	(11,430)	(11,871)
Total Current Assets	1,877,649	1,717,383
Fixed Assets:		
Tangible fixed assets		
Buildings and structures	527,171	414,442
Machinery, equipment, and vehicles	543,765	454,423
Land	172,522	152,367
Construction in progress	208,780	237,504
Other	91,935	76,321
Total tangible fixed assets	1,544,174	1,335,060
Intangible fixed assets	71,624	46,826
Investments and other assets		
Investments in securities	288,455	320,954
Long-term loans receivable	5,664	9,125
Deferred tax assets	90,475	75,524
Net defined benefit asset	14,031	—
Other	75,348	77,749
Allowance for doubtful accounts	(6,515)	(5,578)
Total investments and other assets	467,459	477,774
Total Fixed Assets	2,083,258	1,859,661
Total	3,960,908	3,577,045

	Current Year (As of December 31, 2014)	Previous Year (As of December 31, 2013) (for reference)
	Yen in millions	Yen in millions
(Liabilities)		
Current Liabilities:		
Notes and accounts payable	198,166	188,693
Short-term borrowings	221,478	216,660
Current portion of bonds	—	63,794
Lease obligations	7,431	1,093
Income taxes payable	46,489	54,571
Deferred tax liabilities	1,820	1,402
Provision for sales returns	3,017	3,036
Provision for loss related to US antitrust laws	—	44,790
Provision for recall	7,894	21,132
Provision for plant restructuring in Japan	860	8,582
Accounts payable – other	191,240	170,235
Accrued expenses	238,329	230,887
Other	59,469	54,405
Total Current Liabilities	976,198	1,059,285
Long-term Liabilities:		
Bonds	120,000	50,000
Long-term borrowings	237,948	221,384
Lease obligations	6,136	11,342
Deferred tax liabilities	68,067	58,047
Warranty reserve	28,038	24,010
Provision for environmental remediation	2,465	3,309
Accrued pension and liability for retirement benefits	—	236,747
Net defined benefit liability	314,567	—
Other	60,827	49,954
Total Long-term Liabilities	838,051	654,795
Total Liabilities	1,814,250	1,714,081
(Net Assets)		
Shareholders' equity:		
Common stock	126,354	126,354
Capital surplus	123,008	122,865
Retained earnings	1,842,914	1,597,140
Treasury stock - at cost	(56,367)	(56,644)
Total Shareholders' equity	2,035,908	1,789,714
Accumulated other comprehensive income:		
Net unrealized gain (loss) on available-for-sale securities	168,172	200,703
Deferred gain (loss) on derivative instruments	(2,189)	(1,092)
Foreign currency translation adjustments	39,108	(86,177)
Remeasurements of defined benefit plans	(165,314)	(97,863)
Total accumulated other comprehensive income	39,776	15,570
Stock acquisition rights	1,945	1,621
Minority Interests	69,026	56,057
Total Net Assets	2,146,657	1,862,963
Total	3,960,908	3,577,045

Consolidated Statement of Income

	Current Year (Year ended December 31, 2014)		Previous Year (Year ended December 31, 2013) (for reference)	
	Yen in millions		Yen in millions	
Net Sales		3,673,964		3,568,091
Cost of Sales		2,289,625		2,267,663
Gross profit		1,384,339		1,300,428
Selling, General and Administrative Expenses		906,300		862,296
Operating income		478,038		438,131
Non-operating Income				
Interest income	6,326		5,334	
Dividend income	7,982		7,175	
Share of profit of entities accounted for using equity method	4,099		3,819	
Other	15,810	34,218	16,189	32,519
Non-operating Expenses				
Interest expense	14,662		14,825	
Foreign currency exchange loss	6,130		4,111	
Other	28,251	49,044	16,921	35,858
Ordinary income		463,212		434,793
Extraordinary Income				
Gain on sales of tangible fixed assets	8,614		5,030	
Gain on sales of investments in securities	5,925	14,540	—	5,030
Extraordinary Loss				
Impairment loss	—		11,300	
Loss on disposals of tangible fixed assets	—		4,062	
Dismantlement expenses	—		3,370	
Loss related to US antitrust laws	—		44,790	
Loss related to recall	—		22,504	
Plant restructuring costs in Japan	—		8,652	
Plant restructuring costs in Europe	—	—	5,044	99,725
Income before income taxes and minority interests		477,753		340,098
Income taxes – current		124,384		123,288
Income taxes – deferred		43,319		3,022
Income before minority interests		310,048		213,786
Minority interests		9,458		11,733
Net income		300,589		202,053

Consolidated Statement of Changes in Equity

Current Year (Year ended December 31, 2014)

(Yen in millions)

	Shareholders' equity					Accumulated other comprehensive income				Stock acquisition rights	Minority Interests
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on derivative instruments	Foreign currency translation adjustments	Remeasurements of defined benefit plans		
Beginning Balance	126,354	122,865	1,597,140	(56,644)	1,789,714	200,703	(1,092)	(86,177)	(97,863)	1,621	56,057
(Changes in the year)											
Cash dividends			(54,815)		(54,815)						
Net income for the year			300,589		300,589						
Purchase of treasury stock				(12)	(12)						
Disposal of treasury stock		142		289	432						
Net change in the year						(32,531)	(1,096)	125,285	(67,451)	324	12,969
Total Changes in the Year	—	142	245,774	276	246,193	(32,531)	(1,096)	125,285	(67,451)	324	12,969
Ending Balance	126,354	123,008	1,842,914	(56,367)	2,035,908	168,172	(2,189)	39,108	(165,314)	1,945	69,026

Notes to Consolidated Financial Statements

(Basic important matters for preparation of consolidated financial statements)

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 310 companies

Names of principal companies:

- BRIDGESTONE TIRE JAPAN CO., LTD
- BRIDGESTONE RETAIL JAPAN CO., LTD
- BRIDGESTONE DIVERSIFIED CHEMICAL PRODUCTS CO., LTD
- BRIDGESTONE DIVERSIFIED PRODUCTS EAST CO., LTD.
- BRIDGESTONE DIVERSIFIED PRODUCTS WEST CO., LTD.
- BRIDGESTONE SPORTS CO., LTD.
- BRIDGESTONE CYCLE CO., LTD.
- BRIDGESTONE FINANCE CORPORATION
- BRIDGESTONE AMERICAS, INC.
- BRIDGESTONE AMERICAS TIRE OPERATIONS, LLC
- BRIDGESTONE RETAIL OPERATIONS, LLC
- BRIDGESTONE BANDAG, LLC
- BRIDGESTONE CANADA INC.
- BRIDGESTONE DE MEXICO, S.A. DE C.V.
- BRIDGESTONE FIRESTONE VENEZOLANA, C.A.
- BRIDGESTONE DO BRASIL INDUSTRIA E COMERCIO LTDA.
- BRIDGESTONE ARGENTINA S.A.I.C.
- BRIDGESTONE EUROPE NV/SA
- BRIDGESTONE DEUTSCHLAND GMBH
- BRIDGESTONE POZNAN SP. Z O.O.
- BRIDGESTONE UK LTD.
- BRIDGESTONE FRANCE S.A.S.
- BRIDGESTONE ITALIA SALES S.R.L.
- BRIDGESTONE HISPANIA S.A.
- BRIDGESTONE (CHINA) INVESTMENT CO., LTD.
- BRIDGESTONE ASIA PACIFIC PTE. LTD.
- THAI BRIDGESTONE CO., LTD.
- BRIDGESTONE TIRE MANUFACTURING (THAILAND) CO., LTD.
- P.T. BRIDGESTONE TIRE INDONESIA
- BRIDGESTONE AUSTRALIA LTD.
- BRIDGESTONE MIDDLE EAST & AFRICA FZE
- BRIDGESTONE SOUTH AFRICA (PTY) LTD.
- BRIDGESTONE C.I.S. LLC
- BRIDGESTONE EARTHMOVER TYRES PTY. LTD.
- FIRESTONE POLYMERS, LLC
- BRIDGESTONE NATURAL RUBBER (THAILAND) CO., LTD.
- FIRESTONE BUILDING PRODUCTS COMPANY, LLC
- BRIDGESTONE TREASURY SINGAPORE PTE. LTD.

Note: Merger of two diversified products companies

As of January 1, 2015, BRIDGESTONE DIVERSIFIED PRODUCTS EAST CO., LTD. merged with BRIDGESTONE DIVERSIFIED PRODUCTS WEST CO., LTD. and changed its corporate name to BRIDGESTONE DIVERSIFIED PRODUCTS JAPAN CO., LTD.

Changes in the scope of consolidation

Additions: 9 companies (mainly, increased by establishment)

Deletions: 10 companies (mainly, decreased by merger)

(2) There are no non-consolidated subsidiaries.

2. Scope of application of equity-method accounting

(1) Number of equity-method affiliates: 143 companies

Name of principal company:

BRISA BRIDGESTONE SABANCI LASTIK SANAYI VE TICARET A.S.

Changes in the scope of equity-method accounting

Addition: 1 company (increased by establishment)

Deletions: 4 companies (mainly, decreased by sales of shares)

(2) There are no non-consolidated subsidiaries or affiliates to which equity-method accounting are not applied.

3. Summary of significant accounting policies

(1) Valuation policies and methods for investments in securities

Available-for-sale securities

With market value — Fair value based on the market price, etc., at the fiscal year end
(Unrealized gain and loss, net of tax are recorded in net assets, and the moving average method is used to calculate the cost of securities sold.)

Without market value — Primarily the moving average cost method.

(2) Valuation policies and methods for derivatives

In principle, fair value.

(3) Valuation policies and methods for inventories

Inventories are principally stated at lower of cost determined by the moving-average method or net realizable value. Meanwhile, inventories held by subsidiaries in the Americas are substantially stated at the lower of cost, which is determined principally by the last-in, first-out method, or market.

(4) Depreciation method for fixed assets

For tangible fixed assets, the declining-balance method is used at BRIDGESTONE CORPORATION (the "Company") and its domestic subsidiaries and the straight-line method is used at its overseas subsidiaries.

For intangible fixed assets, the straight-line method is used.

(5) Accounting policies for reserves and allowances

a) Allowance for doubtful accounts

In order to reserve for loss from the nonpayment of claims, the actual credit loss rate is used to calculate the amount to be recorded for general claims and for designated claims for which there is a concern of nonpayment, an amount based on the evaluation of potential loss in the receivables outstanding is recorded.

b) Provision for sales returns

Principally, in order to provide for future losses on the return of snow tires, historical losses are used to estimate the amount of future losses, and that amount is recorded.

c) Provision for recall

In order to reserve for outlays related to check and replacement of object tires, an estimated amount of future obligations is recorded.

d) Provision for plant restructuring in Japan

In order to reserve for plant restructuring costs in Japan, an estimated amount of future obligations is recorded.

e) Warranty reserve

Warranty reserve is estimated and recorded at the time of sale to provide for future potential costs, such as costs related to after-sales services, in amounts considered to be appropriate based on past experience of the Company and its subsidiaries (collectively, the "Companies").

f) Provision for environmental remediation

In order to reserve for outlays for legally required removal and disposal of polychlorinated biphenyl ("PCB") and other, the estimated amount of future obligations is recorded.

(6) Accounting policies for retirement benefit

a) Method of attributing expected benefit to periods

To attribute the expected benefit to periods of service, the Company and its domestic subsidiaries attribute the benefit to periods of service on a straight-line basis while certain overseas subsidiaries do so under the plan's benefit formula basis. In addition, at certain overseas subsidiaries, an estimated total amount of expenses for postretirement benefits in addition to pensions is allotted based on the number of years of service provided by the employees.

b) Method of recognizing unrecognized actuarial gain/loss and prior-service cost

Prior-service cost is treated as an expense using the straight-line method over a fixed number of years based on the average remaining years of service of the employees in the year in which the prior service costs occur (10 years for the Company and its domestic subsidiaries, 3 to 12 years for its overseas subsidiaries).

Actuarial gain/loss at the Company and its domestic subsidiaries is treated as an expense using the straight-line method over a fixed number of years (10 years) based on the average remaining years of service of the employees in the year in which the gain/loss occurs, recorded from the following year.

For certain of its overseas subsidiaries, unrecognized actuarial gain/loss at the beginning of the fiscal year that exceed 10% of the larger of retirement benefit obligations or pension plan assets is treated as an expense using the straight-line method over a fixed number of years (8 to 12 years) based on the average remaining years of service of the employees.

(7) Accounting policies for the translation of foreign currency-denominated assets and liabilities into yen

Monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rate at the consolidated balance sheet date. The foreign currency exchange gain and loss from translation are recognized in income.

Assets and liabilities of the Company's overseas subsidiaries are translated into Japanese yen at the current exchange rate at the consolidated balance sheet date. Revenue and expense accounts of the Company's overseas subsidiaries are translated into Japanese yen at the average annual exchange rate. Differences arising from such translation are shown as foreign currency translation adjustments and minority interests in a separate component of net assets.

(8) Hedge accounting

a) Hedge accounting method

Deferred hedge accounting is applied. Designation accounting is used for forward foreign exchange and foreign currency swaps that meet the requirements for designation accounting, and exceptional accounting is used for interest rate swaps that meet the requirements for exceptional accounting.

b) Hedging instrument and items covered

<u>Instruments</u>	<u>Items covered</u>
Forward foreign exchange contracts	Foreign currency-denominated monetary claims and obligations and forecasted foreign currency-denominated transactions
Foreign currency swaps	Borrowings and bonds
Interest rate swaps	Borrowings
Commodity swaps	Raw materials

c) Hedging policy

Forward foreign exchange transactions are used only to cover actual foreign exchange needs, and foreign exchange swaps are made to match the principal amount and term of the hedged foreign currency-denominated obligation. Interest rate swaps are entered into for the amount of borrowings only. Commodity swaps are entered into for the trade amount of raw materials. It is the Companies' policy not to use any derivative transactions for speculative purposes.

d) Method for evaluating the effectiveness of hedges

The validity of hedges is evaluated based on a comparison of total fluctuations in the cash flow or fluctuations in the market value of the hedged item with the total fluctuations in the cash flow or fluctuations in the market value of the hedging instrument. However, for items covered by designation or exceptional accounting, the validity of the hedge is not evaluated.

(9) Amortization of goodwill

Goodwill is amortized using the straight-line method over the period for which it is deemed to have effect, but not to exceed 20 years.

(10) Other significant items related to the preparation of consolidated financial statements

Accounting treatment of consumption tax

Consumption tax and local consumption taxes are excluded.

(Changes in accounting policies)

Application of Accounting Standard and Guidance for Retirement Benefits

From the end of fiscal year beginning on January 1, 2014, the Company has adopted "Accounting Standard for Retirement Benefits" (Accounting Standards Board of Japan (the "ASBJ") Statement No. 26 of May 17, 2012) and "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25 of May 17, 2012) (excluding the provisions specified in paragraph 35 of the accounting standard and paragraph 67 of the guidance). Under the accounting standard, the difference between retirement benefit obligations and plan assets was recognized as net defined benefit liability, and actuarial gains and losses and past service costs that are yet to be recognized in profit or loss were recognized including the liability.

Further, the Company recorded the difference as net defined benefit asset in case plan assets exceed retirement benefit obligations.

The Company has applied the accounting standard and the guidance according to the transitional provisions specified in paragraph 37 of the accounting standard. The impact of this change was recognized as an adjustment to remeasurements of defined benefit plans in accumulated other comprehensive income.

As a result, net defined benefit liability of ¥314,567 million, net defined benefit asset of ¥14,031 million as of December 31, 2014, and accumulated other comprehensive income for the year ended December 31, 2014, decreased by ¥2,796 million.

The impact of this change on net assets per share was ¥3.57.

Prior to January 1, 2014, the amounts of "Postretirement liability adjustments for foreign consolidated companies" was disclosed separately in "Accumulated other comprehensive income" of "Net assets" in the consolidated balance sheet and consolidated statement of changes in equity. Since the end of fiscal year beginning on January 1, 2014, the amounts, which were ¥(97,863) million for the year ended December 31, 2013 and ¥162,518 million for the year ended December 31, 2014, were included in "remeasurements of defined benefit plans."

(Notes to the consolidated balance sheet)

1. Accumulated depreciation of tangible fixed assets	2,480,928 million yen
2. Assets provided as collateral and collateralized debt obligations	
Assets pledged as collateral (Tangible fixed assets and others)	8,148 million yen
Obligations corresponding to the preceding	
Short-term borrowings	1,376 million yen
Long-term borrowings	6,340 million yen
3. Guarantees	
Guarantees on employees' bank borrowings	2 million yen
4. Balance of trade notes (without letter of credit) discounted	1,862 million yen

(Notes to the consolidated statement of income)

Gain on sales of tangible fixed assets

Gain on sales of tangible fixed assets mainly consists of gain on sales of land.

(Notes to the consolidated statement of changes in equity)

1. Type and total number of shares issued/Type and number of treasury stock

	As of January 1, 2014	Number of increase	Number of decrease	As of December 31, 2014
Number of shares issued Common stock (Thousands of shares)	813,102	—	—	813,102
Treasury stock Common stock (Thousands of shares) (see Notes 1 and 2)	30,115	3	153	29,965

Note 1: The number of increase consists of the purchase of 3 thousand shares according to the requests from the shareholders who have odd-lot shares and others.

Note 2: The number of decrease consists of 153 thousand shares used for the exercise of stock options and others.

2. Dividends

(1) Dividend payments

Resolution	Type	Total dividends (Yen in millions)	Dividend per share (Yen)	Record date	Effective date
Annual Shareholders' Meeting, March 25, 2014	Common Stock	23,489	30	December 31, 2013	March 26, 2014
Board of Directors, August 8, 2014	Common Stock	31,325	40	June 30, 2014	September 1, 2014

(2) Dividends whose record date is in the current year and effective date is in the following fiscal year

Resolution	Type	Total dividends (Yen in millions)	Source	Dividend per share (Yen)	Record date	Effective date
Annual Shareholders' Meeting, March 24, 2015	Common Stock	46,988	Retained earnings	60	December 31, 2014	March 25, 2015

3. The category and number of shares to be allocated to stock acquisition rights at the fiscal year end (excluding those for which the beginning of their exercise periods has not yet occurred)

Common stock: 959,000 shares

(Notes to financial instruments)

1. Qualitative information on financial instruments

(1) Policies for using financial instruments

The Companies raise the necessary funds mainly by bank borrowings or issuance of bonds based on funding requirements of their business activities. The Companies invest temporary cash surpluses only in highly secure financial instruments. The Companies follow the policy of using derivative financial instruments not for speculative purposes, but for managing financial risks as described later.

(2) Details of financial instruments used and the exposures to risk

Receivables, such as notes and accounts receivable, are exposed to customer credit risk. Receivables in foreign currencies are exposed to foreign currency exchange fluctuation risk. Marketable securities consist primarily of the reservation of receivables liquidation that are exposed to customer credit risk or certificates of deposit regarded as marketable securities in accordance with the accounting principles generally accepted in the United States of America. Investments in securities consist primarily of equity securities of business partners and are exposed to market price fluctuation risk.

Payment terms of payables, such as notes and accounts payable are approximately less than one year. Payables in foreign currencies are exposed to foreign currency exchange fluctuation risk. Borrowings, bonds, and obligations under finance leases are mainly for the purpose of obtaining working capital and preparing for capital expenditures. Some borrowings and bonds with floating interest rates are exposed to interest rate fluctuation risk.

Derivative transactions consist of the use of foreign currency forward contracts and currency option contracts for the purpose of hedging foreign currency exchange fluctuation risk on receivables, payables, and forecasted transactions in foreign currencies; currency swap contracts for the purpose of hedging foreign currency exchange fluctuation risk and interest rate fluctuation risk on loans, borrowings and bonds in foreign currencies; interest rate swap contracts for the purpose of hedging interest rate fluctuation risk on borrowings; and commodity swap contracts for the purpose of hedging commodity price fluctuation risk. Hedging instruments and hedged items, hedge policy, the assessment method for hedge effectiveness, and other items related to hedge accounting are described in "Basic important matters for preparation of consolidated financial statements, 3. Summary of significant accounting policies, (8) Hedge accounting."

(3) Risk management of financial instruments

a. Management of credit risk

The Companies regularly monitor the financial position of significant customers and manage the due dates and the receivables balance of each customer to minimize the risk of defaults resulting from deterioration of a customers' financial position.

The Companies enter into derivative transactions only with highly rated financial institutions in order to minimize counterparty risk.

The maximum credit risk in December 31, 2014 is represented by the book value of the financial instruments exposed to credit risk in the consolidated balance sheet.

b. Management of market risk

The Company and certain of its subsidiaries use principally foreign currency forward contracts to hedge foreign currency exchange fluctuation risk identified by currency on a monthly basis for receivables and payables in foreign currencies, and when receivables and payables in foreign currencies are expected from forecasted transactions, foreign currency forward contracts and currency option contracts may be used. In addition, currency swap contracts are used to hedge foreign currency exchange fluctuation risk and interest rate fluctuation risk on loans, borrowings and bonds in foreign currencies; interest rate swap contracts are used to hedge interest rate fluctuation risk on borrowings; and commodity swap contracts are used to hedge commodity price fluctuation risk.

With respect to marketable and investment securities, the Company regularly monitors fair market values and financial positions of the issuers, with whom it has business relations, and appropriately reviews the status of these securities considering the relationships with the issuers.

Derivative transactions are carried out under internal regulations by the responsible divisions, and details of transactions are reported to the responsible corporate officers.

c. Management of liquidity risk in financing activities

The Companies practice money management effectively by recognizing the fund position beforehand based on cash flow projections. The Companies also strive to diversify sources of financing in order to reduce liquidity risk.

(4) Supplementary explanation on fair value of financial instruments

Fair values of financial instruments include market prices and values calculated reasonably when there is no market price. As variable factors are incorporated in calculating the relevant fair values, such values may change depending on the different assumptions.

2. Fair values of financial instruments

Carrying amounts of consolidated balance sheets, fair value, and unrealized gain/loss of the financial instruments as of December 31, 2014, are as follows. Financial instruments whose fair values are not readily determinable are excluded from the following table (see Note 2):

	Carrying amounts of	Fair value	Difference
	consolidated balance sheet	Yen in millions	Yen in millions
(1) Cash and deposits	390,444	390,444	—
(2) Notes and accounts receivable	541,866		
Allowance for doubtful accounts (*1)	(11,430)		
	530,435	530,435	—
(3) Marketable and investment securities	417,011	417,011	—
Total	1,337,890	1,337,890	—
(1) Notes and accounts payable	198,166	198,166	—
(2) Short-term borrowings	221,478	221,478	—
(3) Income taxes payable	46,489	46,489	—
(4) Accounts payable-other	191,240	191,240	—
(5) Bonds	120,000	120,682	(682)
(6) Long-term borrowings	237,948	241,238	(3,289)
Total	1,015,323	1,019,295	(3,972)
Derivative transactions (*2)	(11,391)	(11,391)	—

(*1) It comprises the allowance for doubtful accounts in respect to notes and accounts receivable, short-term loan receivable, and others.

(*2) Receivables and payables arising from derivative transactions are presented net. If the net amount is a liability, it is written in parentheses ().

Notes

1. Calculation method of fair values of financial instruments

Assets

(1) Cash and deposits and (2) Notes and accounts receivable

The fair values approximate book values because of their short-term maturities.

(3) Marketable and investment securities

The fair values of the reservation of receivables liquidation are based on values calculated reasonably, the fair values of equity securities are based on the market prices at the stock exchanges, and the fair values of bonds are based on the market prices at the stock exchanges or on the prices disclosed by financial institutions. In addition, the fair value of certificates of deposit approximates book value because of their short-term maturity.

Liabilities

(1) Notes and accounts payable, (2) Short-term borrowings, (3) Income taxes payable and (4) Accounts payable-other

The fair values approximate book values because of their short-term maturities.

(5) Bonds

The fair values of bonds with market prices are based on the market prices. The fair values of bonds without market prices are determined by discounting the aggregated values using an assumed interest rate, taking account of the credit exposure and maturities.

(6) Long-term borrowings

The fair values of long-term bank borrowings are determined by discounting the aggregated values of the principal and interest using an assumed interest rate as if the same type of borrowings were newly made.

Derivative transactions

The fair value of derivative transactions is measured at the quoted price principally obtained from financial institutions, etc.

2. Financial instruments whose fair values are extremely difficult to calculate

	Carrying amounts of consolidated balance sheets
	Yen in millions
Investments in affiliates	18,795
Available-for-sale securities	
Unlisted equity securities	1,888

It is extremely difficult to calculate their fair values because there is no market price. Therefore, these items are not included in “(3) Marketable and investment securities.”

(Notes to per-share information)

Total net assets per share	2,650.47 yen
Net income per share	383.84 yen

Consolidated Statement of Cash Flows (For reference)

	Current Year (Year ended December 31, 2014)	Previous Year (Year ended December 31, 2013)
	Yen in millions	Yen in millions
Cash Flows from Operating Activities		
Income before income taxes and minority interests	477,753	340,098
Depreciation and amortization	188,332	176,179
Amortization of goodwill	1,245	980
Increase (decrease) in accrued pension and liability for retirement benefits	—	(12,445)
Increase (decrease) in net defined benefit liability	(26,290)	—
Interest and dividend income	(14,308)	(12,510)
Interest expense	14,662	14,825
Foreign currency exchange loss (gain)	7,516	(2,245)
Share of loss (profit) of entities accounted for using equity method	(1,489)	(2,064)
Gain on sales of tangible fixed assets	(8,614)	(5,030)
Loss (gain) on sales of investments in securities	(5,925)	—
Impairment loss	—	11,300
Loss on disposals of tangible fixed assets	—	4,062
Dismantlement expenses	—	3,370
Loss related to US antitrust laws	—	44,790
Loss related to recall	—	22,504
Plant restructuring costs in Japan	—	8,652
Plant restructuring costs in Europe	—	5,044
Decrease (increase) in notes and accounts receivable	(4,263)	(48,419)
Decrease (increase) in inventories	2,292	43,916
Increase (decrease) in notes and accounts payable	7,734	14,050
Other	(18,472)	(15,274)
Subtotal	620,172	591,784
Interest and dividends received	14,322	12,479
Interest paid	(14,791)	(14,825)
Payment related to US antitrust laws	(43,651)	—
Payment related to recall	(11,668)	—
Payment related to plant restructuring in Japan	(7,700)	—
Income taxes paid	(128,061)	(117,667)
Net Cash Provided by Operating Activities	428,621	471,771
Cash Flows from Investing Activities		
Payments for purchase of tangible fixed assets	(288,382)	(267,033)
Proceeds from sales of tangible fixed assets	10,910	10,086
Payments for purchase of intangible assets	(2,587)	(7,533)
Proceeds from sales of investments in securities	6,926	3,659
Proceeds from collection of long-term loans receivable	3,645	1,246
Other	(36,208)	(5,656)
Net Cash Used in Investing Activities	(305,696)	(265,229)
Cash Flows from Financing Activities		
Net increase (decrease) in short-term borrowings and commercial paper	6,894	(81,076)
Proceeds from long-term borrowings	99,367	12,833
Repayments of long-term borrowings	(121,670)	(67,443)
Proceeds from issuance of bonds	70,000	50,000
Payments for redemption of bonds	(63,807)	(61,976)
Payments of obligations under finance leases	(1,152)	(906)
Cash dividends paid	(54,798)	(33,654)
Cash dividends paid to minority interests	(4,121)	(4,268)
Other	1,353	2,770
Net Cash Used in Financing Activities	(67,935)	(183,722)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	10,594	32,361
Net increase (decrease) in Cash and Cash Equivalents	65,585	55,179
Cash and Cash Equivalents at Beginning of Year	324,596	269,416
Cash and Cash Equivalents at End of Year	390,181	324,596

Notes

1. Definition of cash and cash equivalents for Consolidated Statement of Cash Flows

Cash and cash equivalents included in the consolidated statement of cash flows consist of cash on hand, deposits that can be withdrawn at any time or are easily convertible, and short-term investments maturing within three months from the date of acquisition and for which the risk from price movements is deemed negligible.

2. Reconciliation between cash and cash equivalents at the fiscal year end and the amount shown in the Consolidated Balance Sheet

Cash and deposits — Consolidated Balance Sheet	390,444 million yen
Short-term investments	<u>149,239</u>
Total	539,683
Time deposits, bonds, etc., with terms of more than three months	<u>(149,502)</u>
Cash and cash equivalents — Consolidated Statement of Cash Flows	390,181

Non-consolidated Balance Sheet

	Current Year (As of December 31, 2014)	Previous Year (As of December 31, 2013) (for reference)
	Yen in millions	Yen in millions
(Assets)		
Current Assets:		
Cash and deposits	86,398	31,209
Trade notes receivable	1,859	1,758
Trade accounts receivable	333,691	326,752
Short-term investments	25,155	45,118
Merchandise and finished products	33,176	34,080
Work in process	6,780	7,452
Raw materials and supplies	18,573	21,155
Deferred tax assets	19,615	28,839
Short-term loans for subsidiaries and affiliates	40,843	13,263
Accounts receivable-other	24,077	17,551
Other	14,441	7,776
Allowance for doubtful accounts	(72)	(371)
Total Current Assets	604,540	534,588
Fixed Assets:		
Tangible fixed assets		
Buildings	92,002	93,453
Structures	6,426	6,916
Machinery and equipment	46,768	53,657
Vehicles and carriers	985	988
Tools, furniture, and fixtures	9,866	10,461
Land	63,581	65,671
Construction in progress	18,741	18,178
Total tangible fixed assets	238,371	249,327
Intangible fixed assets	2,446	1,944
Investments and other assets		
Investments in securities	260,083	297,074
Investments in subsidiaries and affiliates	667,228	652,916
Investments in subsidiaries and affiliates, other than stock	123,840	109,927
Long-term loans for subsidiaries and affiliates	77,558	31,783
Other	20,140	25,649
Allowance for doubtful accounts	(3,785)	(7,851)
Total investments and other assets	1,145,066	1,109,500
Total Fixed Assets	1,385,884	1,360,771
Total	1,990,424	1,895,359

	Current Year (As of December 31, 2014)	Previous Year (As of December 31, 2013) (for reference)
	Yen in millions	Yen in millions
(Liabilities)		
Current Liabilities:		
Trade accounts payable	104,940	98,274
Current portion of bonds	—	60,000
Lease obligations	131	197
Accounts payable - other	73,288	65,770
Accrued expenses	30,673	31,572
Income taxes payable	33,059	39,120
Deposits received	6,079	6,050
Provision for loss related to US antitrust laws	—	44,790
Provision for recall	9,310	22,200
Provision for plant restructuring in Japan	860	8,582
Other	11,066	10,273
Total Current Liabilities	269,411	386,832
Long-term Liabilities:		
Bonds	120,000	50,000
Long-term borrowings	92,580	20,998
Lease obligations	190	306
Deferred tax liabilities	50,637	48,042
Accrued pension and liability for retirement benefits	33,161	34,226
Provision for environmental remediation	2,336	3,128
Provision for loss on business of subsidiaries and affiliates	11,324	—
Asset retirement obligation	2,201	2,150
Other	7,533	4,316
Total Long-term Liabilities	319,964	163,169
Total Liabilities	589,375	550,002
(Net Assets)		
Shareholders' equity:		
Common stock	126,354	126,354
Capital surplus		
Capital reserve	122,078	122,078
Other capital surplus	929	786
Total capital surplus	123,008	122,865
Retained earnings		
Legal reserve	31,278	31,278
Other retained earnings		
Reserve for special depreciation	90	141
Reserve for advanced depreciation of fixed assets	22,105	21,218
General reserve	919,310	889,310
Unappropriated retained earnings	121,233	94,342
Total retained earnings	1,094,019	1,036,292
Treasury stock-at cost	(56,366)	(56,643)
Total Shareholders' equity	1,287,014	1,228,867
Net unrealized gain (loss) and translation adjustments:		
Net unrealized gain (loss) on available-for-sale securities	113,161	115,742
Deferred gain (loss) on derivative instruments	(1,072)	(873)
Total net unrealized gain (loss) and translation adjustments	112,089	114,868
Stock acquisition rights	1,945	1,621
Total Net Assets	1,401,049	1,345,357
Total	1,990,424	1,895,359

Non-consolidated Statement of Income

	Current Year (Year ended December 31, 2014)		Previous Year (Year ended December 31, 2013) (for reference)	
	Yen in millions		Yen in millions	
Net Sales		990,746		1,006,602
Cost of Sales		603,077		607,610
Gross profit		387,668		398,991
Selling, General and Administrative Expenses		192,525		193,679
Operating income		195,142		205,311
Non-operating Income				
Interest income	1,986		1,376	
Dividend income	38,658		24,306	
Other	8,282	48,926	7,140	32,824
Non-operating Expenses				
Interest expense	756		1,012	
Foreign currency exchange loss	3,461		4,483	
Other	12,136	16,354	10,791	16,286
Ordinary income		227,714		221,849
Extraordinary Income				
Gain on sales of investments in securities	5,876	5,876	—	—
Extraordinary Loss				
Loss on valuation of investments in securities	29,056		—	
Loss on business of subsidiaries and affiliates	20,958		—	
Loss related to US antitrust laws	—		44,790	
Loss related to recall	—		22,774	
Plant restructuring costs in Japan	—	50,015	8,652	76,217
Income before income taxes		183,575		145,631
Income taxes - current		57,795		68,387
Income taxes - deferred		13,238		(12,954)
Net Income		112,542		90,198

Non-consolidated Statement of Changes in Equity

Current Year (Year ended December 31, 2014)

(Yen in millions)

	Shareholders' equity										Net unrealized gain (loss) and translation adjustments		Stock acquisition rights
	Common stock	Capital surplus		Legal reserve	Retained earnings				Treasury stock	Total	Net unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on derivative instruments	
		Capital reserve	Other capital surplus		Reserve for special depreciation	Reserve for advanced depreciation of fixed assets	General reserve	Unappropriated retained earnings					
Beginning Balance	126,354	122,078	786	31,278	141	21,218	889,310	94,342	(56,643)	1,228,867	115,742	(873)	1,621
(Changes in the year)													
Cash dividends								(54,815)		(54,815)			
Reversal of reserve for special depreciation					(51)			51		—			
Provision of reserve for advanced depreciation of fixed assets						887		(887)		—			
Provision of general reserve							30,000	(30,000)		—			
Net income for the year								112,542		112,542			
Purchase of treasury stock									(12)	(12)			
Disposal of treasury stock			142						289	432			
Net change in the year											(2,580)	(198)	324
Total Changes in the Year	—	—	142	—	(51)	887	30,000	26,891	276	58,146	(2,580)	(198)	324
Ending Balance	126,354	122,078	929	31,278	90	22,105	919,310	121,233	(56,366)	1,287,014	113,161	(1,072)	1,945

Notes to Non-consolidated Financial Statements

(Significant Accounting Policies)

1. Valuation policies and methods for Assets

(1) Valuation policies and methods for investments in securities

Investments in subsidiaries and affiliates — the moving average cost method

Available-for-sale securities

With market value — Fair value based on the market price, etc., at the fiscal year end (Unrealized gain and loss, net of tax are recorded in net assets, and the moving average method is used to calculate the cost of securities sold.)

Without market value — Primarily the moving average cost method.

(2) Valuation policies and methods for derivatives

Fair value

(3) Valuation policies and methods for inventories

Inventories are principally stated at lower of cost determined by the moving-average method or net selling value.

2. Depreciation method for fixed assets

(1) Tangible fixed assets

The declining-balance method

(2) Intangible fixed assets

The straight-line method

3. Accounting policies for reserves and allowances

(1) Allowance for doubtful accounts

In order to reserve for loss from the nonpayment of claims, the actual credit loss rate is used to calculate the amount to be recorded for general claims, and for designated claims for which there is a concern of nonpayment, an amount based on the evaluation of potential loss in the receivables outstanding is recorded.

(2) Provision for recall

In order to reserve for outlays related to check and replacement of object tires, an estimated amount of future obligations is recorded.

(3) Provision for plant restructuring in Japan

In order to reserve for plant restructuring costs in Japan, an estimated amount of future obligations is recorded.

(4) Accrued pension and liability for retirement benefits

In order to reserve for retirement benefits for employees, an amount based on the estimated amount of projected benefit obligations and pension plan assets as of the fiscal year end is recorded.

Prior service cost is treated as an expense using the straight-line method over a fixed number of years (10 years) within the average remaining years of service of the employees in the year in which the prior service costs occur.

Actuarial gain/loss is treated as an expense using the straight-line method over a fixed number of years (10 years) within the average remaining years of service of the employees in the year in which the gain/loss occurs, recorded from the following year.

(5) Provision for environmental remediation

In order to reserve for outlays for legally required removal and disposal of PCB, etc., the estimated amount of future obligations is recorded.

(6) Provision for loss on business of subsidiaries and affiliates

In order to reserve for loss on business of certain subsidiaries and affiliates, taking into consideration of the financial condition of subsidiaries and affiliates, the estimated amount of related losses is recorded.

4. Accounting policies for the translation of foreign currency-denominated assets and liabilities into yen
Monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rate at the balance sheet date. The foreign currency exchange gain and loss from translation are recognized in income.

5. Hedge accounting

(1) Hedge accounting method

Deferred hedge accounting is applied. Designation accounting is used for forward foreign exchange and foreign currency swaps that meet the requirements for designation accounting, and exceptional accounting is used for interest rate swaps that meet the requirements for exceptional accounting.

(2) Hedging instruments and items covered

<u>Instruments</u>	<u>Items covered</u>
Forward foreign exchange contracts	Foreign currency-denominated monetary claims and obligations and forecasted foreign currency-denominated transactions
Foreign currency swaps	Borrowings and bonds
Interest rate swaps	Borrowings
Commodity swaps	Raw materials

(3) Hedging policy

Forward foreign exchange transactions are used only to cover actual foreign exchange needs, and foreign exchange swaps are made to match the principal amount and term of the hedged foreign currency-denominated obligation. Interest rate swaps are entered into for the amount of borrowings only. Commodity swaps are entered into for the trade amount of raw materials. It is the Company's policy not to use any derivative transactions for speculative purposes.

(4) Method for evaluating the effectiveness of hedges

The validity of hedges is evaluated based on a comparison of total fluctuations in the cash flow or fluctuations in the market value of the hedged item with the total fluctuations in the cash flow or fluctuations in the market value of the hedging instrument. However, for items covered by designation or exceptional accounting, the validity of the hedge is not evaluated.

6. Accounting treatment of consumption tax

Consumption tax and local consumption taxes are excluded. Suspense consumption taxes paid and received are offset and net amount is recorded within accounts receivable-other in current assets.

(Changes in Presentations)

Non-consolidated Statements of Income

"Dismantlement expenses" and "Loss on disposals of tangible fixed assets," which were presented separately in the previous fiscal year, are included in "Other" of Non-operating Expenses in the current fiscal year, because these materialities decreased. The amounts of "Dismantlement expenses" and "Loss on disposals of tangible fixed assets" in the current fiscal year are ¥1,510 million and ¥1,475 million, respectively.

(Notes to the non-consolidated balance sheet)

1. Accumulated depreciation of tangible fixed assets 1,001,396 million yen

2. Guarantee

Guarantees on borrowings of BRIDGESTONE HUIZHOU SYNTHETIC RUBBER CO., LTD.	14,598 million yen
Guarantees on bank borrowings of employees in consolidated subsidiary (mortgages), etc.	76 million yen
Total	14,674 million yen

3. Balance of trade notes (without letter of credit) discounted 650 million yen

4. Short-term monetary receivables from subsidiaries and affiliates 328,001 million yen

Long-term monetary receivables from subsidiaries and affiliates 77,558 million yen

Short-term monetary payables to subsidiaries and affiliates 75,935 million yen

(Notes to the non-consolidated statement of income)

1. Transactions with subsidiaries and affiliates

Sales	733,482 million yen
Purchase, etc.	271,015 million yen
Transactions other than operating transactions	62,263 million yen

2. Loss on business of subsidiaries and affiliates

Taking into consideration of the financial condition of certain subsidiaries and affiliates, related losses have been recorded (including ¥11,324 million of provision for loss on business of subsidiaries and affiliates).

(Notes to the non-consolidated statement of changes in equity)

Type and number of treasury stock

	As of January 1, 2014	Number of increase	Number of decrease	As of December 31, 2014
Common stock (Thousands of shares)	30,112	3	153	29,961

Note 1: The number of increase consists of the purchase of 3 thousand shares according to the requests from the shareholders who have odd-lot shares.

2: The number of decrease consists of 153 thousand shares used for the exercise of stock option and others.

(Notes to deferred income tax)

Deferred tax assets	
Accrued pension and liability for retirement benefits	7,439 million yen
Investments in securities	12,612
Investments in subsidiaries and affiliates (related to the restructuring of European operations)	12,602
Depreciable assets	11,596
Accrued expenses	7,139
Provision for loss on business of subsidiaries and affiliates	4,020
Provision for recall	3,305
Other	21,798
<hr/>	
Deferred tax assets subtotal	80,513
Valuation allowance	(39,385)
<hr/>	
Total deferred tax assets	41,128
Deferred tax liabilities	
Reserve for advanced depreciation on fixed assets	(12,166) million yen
Net unrealized gain on available-for-sale securities	(59,596)
Other	(387)
<hr/>	
Total deferred tax liabilities	(72,150)
<hr/>	
Deferred tax liabilities, net	(31,022)

(Notes to transactions with related parties)

Subsidiaries and affiliates, etc.

Attribute	Company name	Percentage of ownership	Relationship with counterparty	Details of transaction	Transaction amount (Yen in millions) (Note 1)	Account item	Ending balance (Yen in millions) (Note 1)
Subsidiary	BRIDGESTONE TIRE JAPAN CO., LTD	Direct ownership 100.00%	Sales of the Company's products Officers serving concurrently	Sales of the Company's products (Note 2)	179,509	Trade accounts receivable	69,767
Subsidiary	BRIDGESTONE AMERICAS TIRE OPERATIONS, LLC	Indirect ownership 100.00%	Sales of the Company's products, etc. Officers serving concurrently	Sales of the Company's products (Note 2)	96,666	Trade accounts receivable	31,045
Subsidiary	BRIDGESTONE EUROPE NV/SA	Direct ownership 100.00%	Sales of the Company's products, etc. Officers serving concurrently	Sales of the Company's products (Note 2)	71,506	Trade accounts receivable	25,198
Subsidiary	BRIDGESTONE (CHINA) INVESTMENT CO LTD	Direct ownership 100.00%	Sales of the Company's products, etc. Officers serving concurrently	Lending (Note 3)	22,846	Short-term loans for subsidiaries and affiliates	22,846

Transaction conditions and policies for determination of transaction conditions, etc.

(Note)

1. Consumption tax is not included in the transaction amounts, but is included in the ending balances.
2. The sales price is determined based on the market price.
3. The interest rates are determined based on the market.

(Notes to per-share information)

Total equity per share

1,786.53 Yen

Net income per share

143.71 Yen

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

February 17, 2015

To the Board of Directors of
Bridgestone Corporation:

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Kohei Kan

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Yasuyoshi Ichikawa

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Masashi Aizawa

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Shinji Dobata

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements, namely, the consolidated balance sheet as of December 31, 2014 of Bridgestone Corporation (the "Company") and its consolidated subsidiaries, and the related consolidated statements of income and changes in equity for the fiscal year from January 1, 2014 to December 31, 2014, and the related notes.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

(TRANSLATION)

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Bridgestone Corporation and its consolidated subsidiaries as of December 31, 2014, and the results of their operations for the year then ended in accordance with accounting principles generally accepted in Japan.

Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

February 17, 2015

To the Board of Directors of
Bridgestone Corporation:

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Kohei Kan

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Yasuyoshi Ichikawa

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Masashi Aizawa

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Shinji Dobata

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the non-consolidated financial statements, namely, the balance sheet as of December 31, 2014 of Bridgestone Corporation (the "Company"), and the related statements of income and changes in equity for the 96th fiscal year from January 1, 2014 to December 31, 2014, and a summary of significant accounting policies and other explanatory information and the related notes and the accompanying supplemental schedules.

Management's Responsibility for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated financial statements and the accompanying supplemental schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements and the accompanying supplemental schedules that are free from material misstatement, whether due to fraud or error.

(TRANSLATION)

Auditor's Responsibility

Our responsibility is to express an opinion on these non-consolidated financial statements and the accompanying supplemental schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the non-consolidated financial statements and the accompanying supplemental schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-consolidated financial statements and the accompanying supplemental schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the non-consolidated financial statements and the accompanying supplemental schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the non-consolidated financial statements and the accompanying supplemental schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the non-consolidated financial statements and the accompanying supplemental schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the non-consolidated financial statements and the accompanying supplemental schedules referred to above present fairly, in all material respects, the financial position of Bridgestone Corporation as of December 31, 2014, and the results of its operations for the year then ended in accordance with accounting principles generally accepted in Japan.

Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language and "the accompanying supplemental schedules" referred to in this report are not included in the attached financial documents.

(TRANSLATION)

Board of Corporate Auditors Meeting Audit Report Audit Report

With respect to the performance of the Members of the Board of their duties during the 96th business year (from January 1, 2014, to December 31, 2014), the Board of Corporate Auditors has prepared this audit report after deliberations based on the audit reports prepared by each Corporate Auditor, and hereby report as follows:

1. Method and Contents of Audit by the Corporate Auditors and the Board of Corporate Auditors

The Board of Corporate Auditors has established the audit policies, assignment of duties and other matters, and received a report from each Corporate Auditor regarding the status of implementation of their audits and results thereof. In addition, the Board of Corporate Auditors has received reports from the Members of the Board, other relevant personnel, and the Independent Auditors regarding the status of performance of their duties, and requested explanations as necessary.

In conformity with the Corporate Auditor auditing standards established by the Board of Corporate Auditors, and in accordance with the audit policies, assignment of duties and other relevant matters, each Corporate Auditor endeavored to facilitate a mutual understanding with the Members of the Board, the internal audit division, employees and other relevant personnel, endeavored to collect information and maintain and improve the audit environment, has attended the Board of Directors and other important meetings, received reports on the status of performance of duties from the Members of the Board and other relevant personnel and requested explanations as necessary, examined important approval/decision documents, and inspected the status of the corporate affairs and assets at the head office and other principal business locations. Also, each Corporate Auditor received reports regularly from the Member of the Board, employees and other relevant personnel and requested explanations from them as necessary, and expressed their opinions regarding the status of the establishment and operation of the contents of the Board of Directors' resolutions regarding the development and maintenance of the system to ensure that the performance of the Members of the Board of their duties as described in the business report complied with all laws, regulations and the Articles of Incorporation of the Company and other systems that are set forth in Article 100, paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act of Japan as being necessary for ensuring the appropriateness of the corporate affairs of a joint stock company (kabushiki kaisha), and the systems (internal control systems) based on such resolutions. With respect to the subsidiaries, each Corporate Auditor endeavored to facilitate a mutual understanding and exchanged information with the Members of the Board and Corporate Auditors and other relevant personnel of each subsidiary and received from subsidiaries reports on their respective business as necessary. Based on the above-described methods, each Corporate Auditor examined the business report and its supplemental schedules for the business

year under consideration.

In addition, each Corporate Auditor monitored and verified whether the Independent Auditors maintained their independence and properly conducted their audits, received a report from the Independent Auditors on the status of performance of duties, and requested explanations as necessary. Each Corporate Auditor was notified by the Independent Auditors that they had established a “system to ensure that the performance of the duties of the Independent Auditors were properly conducted” (the matters listed in the items of Article 131 of the Company Accounting Regulations) in accordance with the “Quality Control Standards for Audits” (Business Accounting Council on October 28, 2005) and requested explanations as necessary. Based on the above-described methods, each Corporate Auditor examined the non-consolidated financial statements (the non-consolidated balance sheet, the non-consolidated statements of income, the non-consolidated statement of changes in net assets and notes to the non-consolidated financial statements) and their supplemental schedules, as well as the consolidated financial statements (the consolidated balance sheet, the consolidated statements of income, the consolidated statement of changes in net assets and notes to the consolidated financial statements) for the business year under consideration.

2. Results of Audit

(1) Results of Audit of Business Report and Other Relevant Documents

(i) We acknowledge that the business report and its supplemental schedules fairly present the status of the Company in conformity with the applicable laws, regulations and the Articles of Incorporation of the Company.

(ii) We acknowledge that no misconduct or material fact constituting a violation of any law, regulation or the Articles of Incorporation of the Company was found with respect to the performance of the Members of the Board of their duties.

(iii) We acknowledge that the Board of Directors’ resolutions with respect to the internal control systems are appropriate. In addition, we did not find any matters to be mentioned with respect to the description concerning the internal control systems in the business report.

We also acknowledge that the design and operation of the internal control systems continue to be under successive review and improvement.

(2) Results of Audit of Non-consolidated Financial Statements and their Supplemental Schedules

We acknowledge that the methods and results of audit performed by the Independent Auditors, Deloitte Touche Tohmatsu LLC, are appropriate.

(3) Results of Audit of Consolidated Financial Statements

We acknowledge that the methods and results of audit performed by the Independent Auditors, Deloitte Touche Tohmatsu LLC, are appropriate.

February 17, 2015

Bridgestone Corporation Board of Corporate Auditors

Corporate Auditor (full-time): Mikio Masunaga

Corporate Auditor (full-time): Masahito Tsuji

Outside Corporate Auditor: Kenichi Masuda

Outside Corporate Auditor: Tomoko Watanabe

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

Reference Information

PROJECTIONS FOR FISCAL 2015

The Group's operating environment will continue to require careful attention due to such factors as fluctuations in exchange rates and the prices of raw materials and feedstocks, an ongoing lack of clarity in the global economic situation and international political conditions that remain unstable.

Amid such a challenging business environment, the Group projects the following results through the implementation of Mid-Term Management Plan initiatives.

(Consolidated)		Fiscal 2015 projections	Fiscal 2014	Increase (Decrease)			
Full-year		Yen in billions	Yen in billions	Yen in billions	%		
	Net sales	3,980.0	3,673.9	306.0	8		
	Operating income	519.0	478.0	40.9	9		
	Ordinary income	501.0	463.2	37.7	8		
Net income	319.0	300.5	18.4	6			
Full-year	Exchange rate	Yen	Yen	—			
		yen/dollar	115			106	8
		yen/euro	136			140	(3)

DIVIDENDS

	Dividend per share				
	1st quarter end	2nd quarter end	3rd quarter end	Year -end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2013	—	27.00	—	30.00	57.00
Fiscal 2014	—	40.00	—	60.00	100.00
Fiscal 2015 (Projection)	—	60.00	—	60.00	120.00

Note: Forward-Looking Statements

The preceding descriptions of projections and plans are “forward-looking statements,” which involve known and unknown risks and uncertainties.

These variables could cause the Bridgestone Group's actual performance and results to differ substantially from management's projections and plans, and the statement are not guarantees of future business performance.

TOPICS

Engagement in Corporate Citizenship Activities

As a global corporate citizen, the Group is committed to corporate citizenship activities that contribute to the betterment of society.

Since April 2011, employees of the Group companies and their families have engaged in company-led volunteer activities in areas devastated by the Great East Japan Earthquake. Since 2013, employees also have supported the activities of “Iwaki OtentoSUN Project” in Iwaki, Fukushima Prefecture, including encompassing the installation of solar power generation panels and agricultural revitalization through the cultivation of organic cotton. A diverse variety of volunteer activities also have supported the Yume No Tsubasa [Wing for Dreams] Project, providing long-term assistance to children who lost their guardians in the earthquake.

In the areas of the Ebola outbreak in West Africa, the Group also donated money to strengthen efforts to stop the spread of Ebola, and provided support for medical activities in the field. The Group also donated money and tires to disaster-afflicted areas in Thailand, China, the Philippines and other countries in the past.



Employees volunteering for the installation of solar power generation panels (Iwaki, Fukushima Prefecture)

Fuel Efficient Tire, ECOPIA EX20 Series, Received Good Design Award 2014

Bridgestone ECOPIA EX20 Series radial tires for passenger vehicles, available since March 2014, received Good Design Award 2014. The series offers three models, each optimized for fuel efficiency in specific vehicle types, along with impressive grip performance in wet conditions and a long wear life. The judges especially appreciated Bridgestone's spirit of innovation in manufacturing, demonstrated in the series' minimization of tradeoffs in its performance attributes, along with the tread design analysis technology, which uses new ULTIMAT EYE¹ tire development technology.

GOOD DESIGN AWARD 2014



ECOPIA EX20



ECOPIA EX20RV



ECOPIA EX20C
ECOPIA EX20C TYPE H

¹ Bridgestone's proprietary technology (patent pending), in which state-of-the-art simulation technology and the measuring/visualization technology for the contact pressure distribution of tread design on road surfaces are combined to optimize tire designs for wet grip performance and high durability against uneven wear.

Bridgestone's Next-Generation Fuel-Efficient "ologic" Tire Technology Received the 2014 Environment Minister's Award for Global Warming Prevention Activity, Sponsored by the Ministry of the Environment

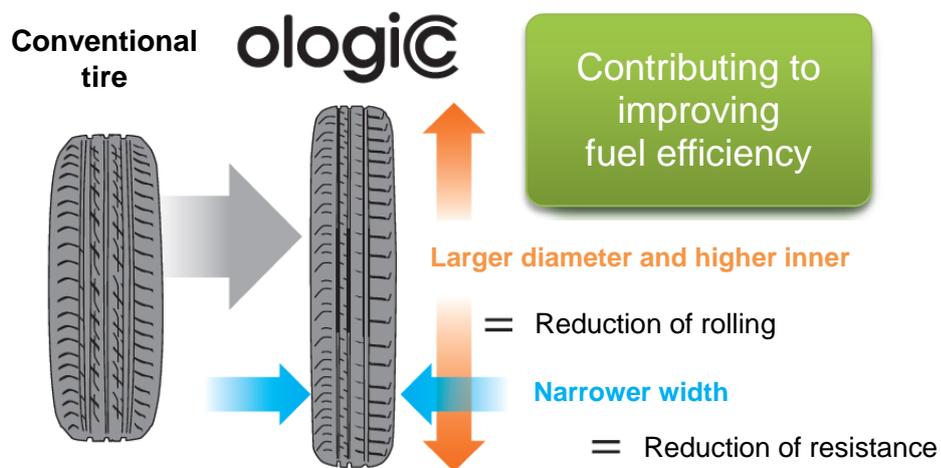
Bridgestone received the 2014 Environment Minister's Award for Global Warming Prevention Activity (Technology Development/Commercialization Division) in December 2014 from the ministry of environment for activities to promote Bridgestone's original ologic technology and its commercialization. Practical use of tires equipped with this technology is underway, as ECOPIA EP500 ologic tires are original equipment on BMW i3, the revolutionary electric vehicle developed by the BMW Group.



Award presentation ceremony: Mamoru Fukuyama (Parliamentary Vice-Minister of the Environment), left and Yoshiyuki Morimoto (Member of the Board and Senior Vice President, right)

What is “ologic”?

The “ologic” technology serves to restrict the deformation of contact patch of tires by narrowing the tire width, increasing the rim diameter and changing the pneumatic pressure into high inflation pressure. As a result, rolling resistance, which is associated with the fuel efficiency of vehicles, is reduced by approximately 30% and air resistance while driving is also reduced.² Moreover, by applying the newly developed dedicated tread design and dedicated compound, the “ologic” tires have improved grip performance in a wet condition.³



^{2 3} Refer to the test results of the comparison of the Ecopia EP500 ologic tire (size 155/55R19) with the Bridgestone Ecopia EP25 (size 175/65R15), which were reported in the Company's news release (see the Web site below) in relation to the “ologic” technology released on March 5, 2013. Details of the test results regarding the coefficient of rolling resistance and the wet grip performance have been filed with the Tire Fair Trade Council.
<http://www.bridgestone.co.jp/corporate/news/2013030503.html> (Japanese)

Launch of New POTENZA and REGNO Tires for Passenger Cars

In February 2015, the Company launched POTENZA RE-71R for sports cars. The RE-71R tire, which demonstrates full-fledged sports driving performance, has decreased the shortest lap time of circuit driving by 1.4% compared with the Bridgestone Potenza RE-11A with its newly developed compound and new tread design.⁴



POTENZA RE-71R

In February 2015, the Company launched REGNO GR-XI, premium tires for passenger cars, and will launch the REGNO GRVII for minivans in April 2015. The GR-XI offers high steering stability without sacrificing quietness. Compared with REGNO GRV tires, the GRVII has reduced rolling resistance by 18% and wet braking stop distance by 14%.⁵



REGNO GR-XI



REGNO GRVII

4. Details of the test results are available on the following web site and have been reported to the Tire Fair Trade Council.

<http://www.bridgestone.co.jp/corporate/news/2014120802.html> (Japanese)

5. Details of the test results are available on the following web site and have been reported to the Tire Fair Trade Council.

<http://www.bridgestone.co.jp/regno/product/gr-v2/index.html> (Japanese)

Launch of new Four BATTLEAX tires for Motorcycles

In February 2015, the Company launched new products from the BATTLEAX tire brand for motorcycles. These tires have adopted the tire development technology cultivated through the “MotoGP” motorcycle championship.



BATTLEAX RACING STREET RS10

Bridgestone pursued maximizing sport driving performance such as grip performance, traction performance and steering stability when cornering.



BATTLEAX RACING STREET RS10 type-R

Based on the RS10 tire model above, Bridgestone further focused on enhanced driving performance, especially grip performance on a circuit.



BATTLAX SPORT TOURING T30 EVO

While maintaining the basic performance of the conventional “T30” tire, Bridgestone pursued higher wet grip performance on rainy road surfaces. This tire is especially suitable for touring drives.

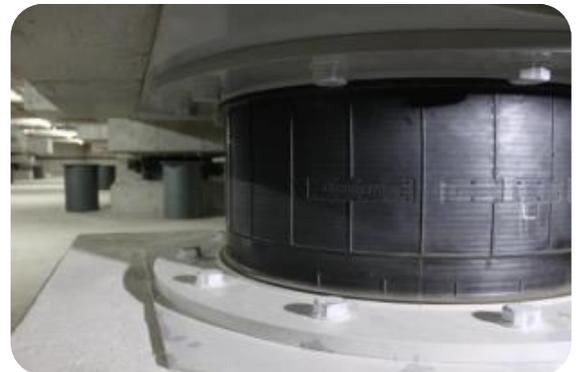


BATTLAX ADVENTURE A40

Bridgestone pursued high driving performance on diverse road surface environments, as well as high stability performance when driving straightforward and turning with loads onboard.

Launch of the Largest Seismic Isolation Rubber in Japan for Architectural Use

The Company developed Japan’s largest⁶ ultra-large seismic isolation rubber of 1,800 mm in diameter and started its sales in January 2015. Compared to conventional rubber products, the comparable load on columns of our rubber products has increased due to the size enlargement, thereby contributing to improving the degree of design freedom for high-rise buildings of the 150 meters high class (corresponding to a height above 40 stories). In addition, the Company plans to implement a 50 meganewtons testing machine, which is compatible with inspecting ultra-large products, into the Yokohama Plant, in line with the launch of this new product.



Bridgestone’s seismic isolation rubber
(Conventional)

⁶ According to the Company’s survey on round-type seismic isolation rubber (as of February 16, 2015)

Launch of the “Albelt e” Bicycle

In late February 2015, Bridgestone Cycle Co., Ltd., a Group company, released the Albelt e electric-assisted bicycle. This bicycle model is equipped with an innovative double-wheel drive mechanism featuring our new proprietary Front motor drive (front wheel), an electric assist unit, combined with the Belt drive (rear wheel) which is Bridgestone Cycle’s strength. This combination ensures excellent running capability and maintainability in addition to safety when running.



Albelt e

Launch of “BRIDGESTONE GOLF TOUR B330 Series” Golf Balls

In September 2014, Bridgestone Sports Co., Ltd., a Group company, released the BRIDGESTONE GOLF TOUR B330 Series golf balls. The series’ products have pursued unprecedented long distance and straightforward trajectory through the newly developed Hydro Core technology and the Dual Dimple technology under the concept of “providing everybody from professionals to amateurs with personally tailored golf balls.”



Bridgestone Golf Tour B330 Series

Shareholders' Notes

Fiscal year: January 1 to December 31

Annual Shareholders' Meeting: March of each year

Shareholder returns (in the event that the payment of year-end dividends is approved at the Annual Shareholders' Meeting)

Date of Right Allotment: December 31 of each year

Payment begins: Next business day after the Annual Shareholders' Meeting

Interim dividends (in the event that the payment of interim dividends is approved by the Board of Directors)

Date of Right Allotment: June 30 of each year

Payment begins: September of each year

Shareholders' Register Manager (Special account management institution)

Sumitomo Mitsui Trust Bank, Limited

1-4-1, Marunouchi, Chiyoda-ku, Tokyo, Japan

Mailing Address

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agent Department

8-4, Izumi 2-chome, Suginami-ku, Tokyo, Japan 168-0063

(Tel): 0120-782-031 (Toll free)

Agent Office: Sumitomo Mitsui Trust Bank, Limited, headquarters and all other Japanese branches

Method of public notice of the Company's website

<http://www.bridgestone.co.jp/>

Unit amount of stocks: 100 shares