

Financial Results for Fiscal 2007

Bridgestone Corporation
February 19, 2008

Fundamental Management Policy



Goal

Establish the status of being the undisputed world No. 1 both in name and reality

Fundamental Management Policy

1. To always aim for “the higher level” and to be the best in the world in all of our products and services
2. To clarify the long-term strategy and to proceed with the integration and expansion of business domain
3. To aim for the real global corporation, adopting strategic business unit (SBU) organization
4. To aim for the optimum management for the entire group, utilizing Mid-term Management Plan

Business and Financial Performance

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Consolidated Results for Fiscal 2007

(Yen in Billions)

 Reference
 August '07
 Announcement

	2006 Results	2007		2007 Projections
		Results	vs. PY (%)	
Net Sales	2,991.2	3,390.2	+13	3,370.0
Tires	2,396.9	2,755.9	+15	2,745.0
Diversified Products	626.8	656.3	+5	649.0
Operating Income	190.8	249.9	+31	215.0
Ordinary Income	159.5	219.0	+37	181.0
Net Income	85.1*	131.6	+55	109.0

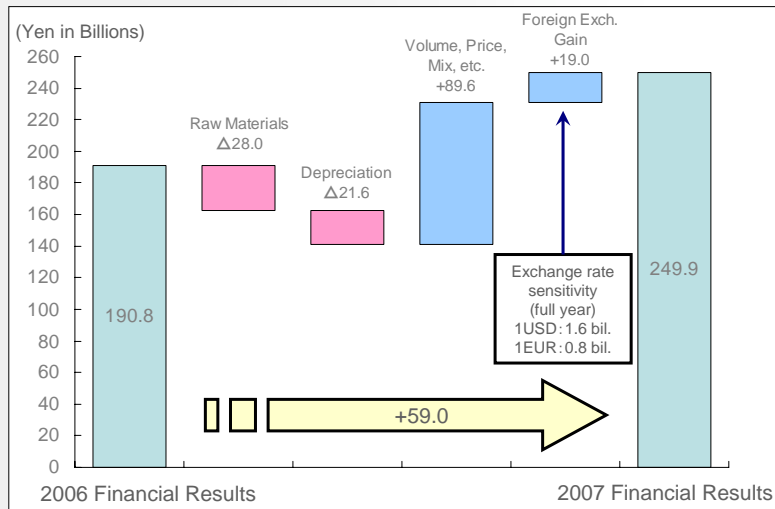
Yen/US dollar rate: 116 118 +2 118

Yen/Euro rate: 146 162 +16 155

* Including extraordinary items due mainly to plant restructuring costs in the Americas during Fiscal 2006

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Analysis of Consolidated Operating Income



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Sales Progress of Tire Strategic Products in 2007

Growth Rate of Tire Unit Sales vs. PY (%)			2007
Passenger Car Tires* (Replacement)	Runflat tires		175%
	UHP (Ultra-high performance) tires		125%
	Winter tires		100%
Specialty Tires	Off-the-road Radial Tires	Ultra-large	105%
		Large	110%

*From Data for Major Markets (Japan, the United States and Europe)

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Consolidated Results for Fiscal 2008

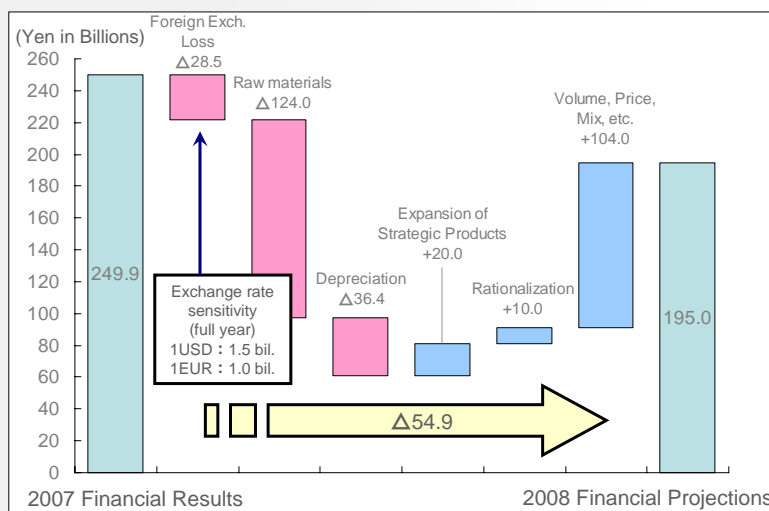
(Yen in Billions)

	2007 Results	2008		
		Projections	vs. PY (%)	vs. MTP (+/-)
Net Sales	3,390.2	3,560.0	+5	+
Tires	2,755.9	2,900.0	+5	+
Diversified Products	656.3	660.0	+1	+
Operating Income	249.9	195.0	Δ22	+
Ordinary Income	219.0	149.0	Δ32	+
Net Income	131.6	90.0	Δ32	+
Yen/US dollar rate:	118	110	Δ8	
Yen/Euro rate:	162	155	Δ7	

⇒ 2008 projections is expected to exceed 2008 plan of MTP2007

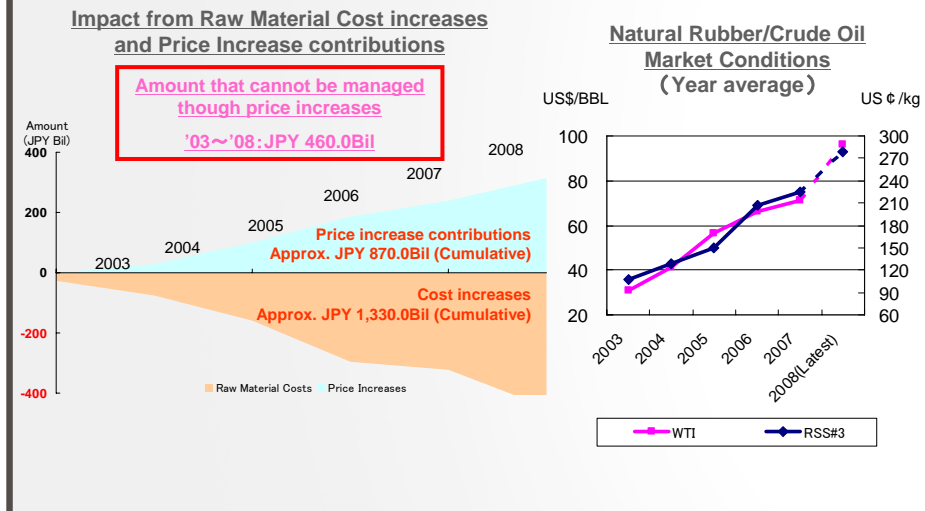
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Analysis of Consolidated Operating Income



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Raw Material Costs and Price Increases



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Financial Results : Japan Segment

(Yen in Billions)

	2006 Results	2007		2008	
		Results	vs. PY(%)	Projections	vs. PY(%)
Net Sales	1,255.6	1,371.7	+9	1,420.0	+4
Operating Income	117.5	147.5	+25	83.0	Δ44
Operating Ratio(%)	9.4	10.8		5.8	

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Financial Results : The Americas Segment

(Yen in Billions)

	2006 Results	2007 Results		2008 Projections	
			vs. PY(%)		vs. PY(%)
Net Sales	1,333.5	1,510.7	+13	1,570.0	+4
Operating Income	42.0	51.5	+23	47.0	△9
Operating Ratio(%)	3.2	3.4		3.0	

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Financial Results : Europe Segment

(Yen in Billions)

	2006 Results	2007 Results		2008 Projections	
			vs. PY(%)		vs. PY(%)
Net Sales	418.4	516.0	+23	530.0	+3
Operating Income	14.8	17.2	+16	20.0	+16
Operating Ratio(%)	3.6	3.3		3.8	

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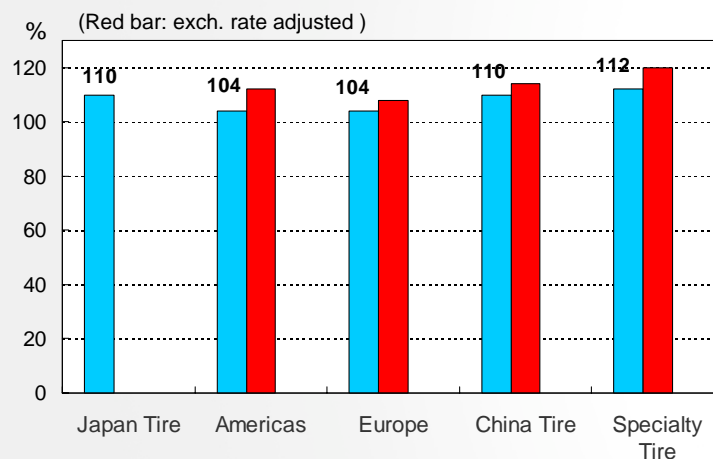
Financial Results : Other Regions Segment

(Yen in Billions)

	2006 Results	2007 Results		2008 Projections	
			vs. PY(%)		vs. PY(%)
Net Sales	441.2	548.6	+24	630.0	+15
Operating Income	20.2	37.6	+86	31.0	△18
Operating Ratio(%)	4.6	6.9		4.9	

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2008 Net Sales Growth of Key SBUs (vs.PY)



⇒ 2008 projections is expected to exceed 2008 plan of MTP2007 at all SBUs

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Dividends

(yen per share)

	2007 Results	2008 Projections
Interim dividend	13	13
Year-end dividend	(*) 13	13
Total	26	26

(*) Proposed at the 89th Ordinary General Meeting of Shareholders held on March 27, 2008

Fundamental Management Policy and Related Initiatives in Fiscal 2008

The Progress of MTP2007 (1)

Factors for Operating income increases

(Yen in Billions)

Factors for Operating income Increases	MTP2007 target increases (2007 to 2012)
Expansion of tire strategic products	+100.0
Rationalization	+50.0
Diversified Products Business	+25.0
Others	+10.0
Total	+185.0

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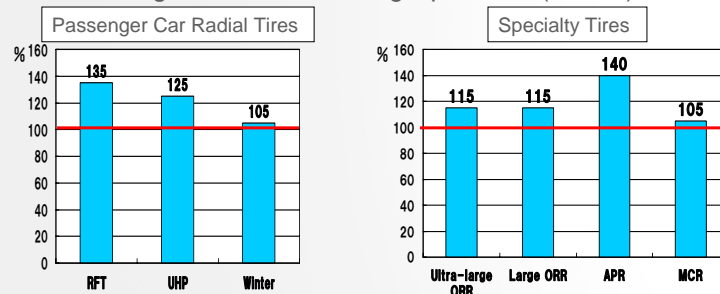
The Progress of MTP2007 (2)

1-(1) "The higher level" : Expansion of tire strategic products

(Yen in Billions)

Factors for Operating income Increases	MTP2007 target increases (2007 to 2012)	Progress in 2008
Expansion of tire strategic products	+100.0	+20.0

<2008 Unit sales growth of Tire strategic products (vs. PY)>



⇒ Expansion of tire strategic products in 2008 is expected to contribute to operating income increases, as planned in MTP2007

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The Progress of MTP2007 (3)

1-(2) “The higher level” : Rationalization

(Yen in Billions)

Factors for Operating income Increases	MTP2007 target increase (2007 -> 2012)	Progress in 2008
Rationalization	+50.0	+10.0

⇒ Rationalization in 2008 is expected to contribute to operating income increases, as planned in MTP2007

The Progress of MTP2007 (4)

1-(3) “The higher level” : CSR Activities

Tire Safety Project

Cogeneration System (Hofu Plant)



The Progress of MTP2007 (5)

2. Business Integration / Expansion with Long-term Strategy:

Expansion of strategically focused Retail stores

3. True Global Development through SBUs: Supply expansion



<Shell Autoserv>
Agreed to acquire
at the beginning of February



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