

Supplementary Information of FY2008

1. Financial Highlights

(1) 1st Half

(Yen in billions)

	Unit	2005			2006			2007			2008			2009		
		Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Fcst.	%	vs.PY
Consolidated Results																
Statements of Income	Net sales	1,256.2	100	109	1,424.8	100	113	1,615.6	100	113	1,641.1	100	102	1,190.0	100	73
	Operating income	92.0	7.3	100	84.1	5.9	91	102.0	6.3	121	83.6	5.1	82	(12.0)	(1.0)	-
	Ordinary income	88.6	7.1	102	70.8	5.0	80	91.3	5.7	129	68.6	4.2	75	(21.0)	(1.8)	-
	Extra loss (gain)	(77.8)	(6.2)		10.6	0.8		-			-			-		
	Net income	101.7	8.1	195	32.8	2.3	32	52.9	3.3	161	37.2	2.3	70	(21.0)	(1.8)	-

Segment Information																	
Business Segment (*1)	Tire	Sales	998.1		109	1,130.7		113	1,304.7		115	1,327.6		102	950.0		72
		OP	68.6		93	57.9		84	75.0		130	60.9		81	(12.0)		-
		OP margin %	6.9			5.1			5.8			4.6			(1.3)		
	Diversified	Sales	273.0		111	308.2		113	322.1		105	321.8		100	240.0		75
		OP	23.2		129	26.1		112	26.8		103	22.7		85	0.0		-
		OP margin %	8.5			8.5			8.3			7.1			-		
Geographical Segment (*1)	Japan	Sales	546.9		107	593.7		109	658.5		111	656.2		100	490.0		75
		OP	58.2		101	53.3		92	68.1		128	39.9		59	(14.0)		-
		OP margin %	10.6			9.0			10.3			6.1			(2.9)		
	Americas	Sales	538.6		111	644.3		120	725.2		113	713.6		98	510.0		71
		OP	19.2		124	20.1		104	18.8		94	19.1		102	4.0		21
		OP margin %	3.6			3.1			2.6			2.7			0.8		
	Europe	Sales	178.5		114	199.2		112	251.9		126	261.6		104	170.0		65
		OP	8.6		101	6.5		75	7.9		121	2.1		27	(9.0)		-
		OP margin %	4.9			3.3			3.1			0.8			(5.3)		
	Other	Sales	223.6	(*2)	115	210.0		94	262.0		125	303.5		116	210.0		69
		OP	10.7		109	9.5		89	17.2		181	20.3		118	2.0		10
		OP margin %	4.8			4.6			6.6			6.7			1.0		
Market	Sales	Domestic	344.8	27	102	360.1	25	104	371.3	23	103	379.8	23	102			
		Overseas	911.4	73	112	1,064.6	75	117	1,244.3	77	117	1,261.2	77	101			

Exchange rate	US \$	Yen/\$	106		97	116		109	120		103	106		88	85		80	
	Euro	Yen/€	136		102	142		104	160		113	162		101	115		71	
Investment	Capital expenditure		83.8		105	110.8		132	114.5		103	123.1		108				
Costs & Expenses	Depreciation		58.8	4.7	116	68.4	4.8	116	77.6	4.8	113	86.4	5.3	111				
	R&D expenses		38.5	3.1	111	42.3	3.0	110	41.7	2.6	99	47.0	2.9	113				
	Interest expense		3.5	0.3	134	6.6	0.5	186	9.3	0.6	142	10.3	0.6	111				
Debts	Borrowings		544.4		111	655.2		120	870.9		133	835.0		96				
Production (tonnage of rubber)	Domestic	10,000t										32						
	Overseas	Americas	10,000t										31					
		Europe	10,000t										12					
		Other	10,000t										23					
		Overseas total	10,000t										65					
	Total	10,000t										97						
	Overseas prod. ratio	%										67						

Non-Consolidated Results																		
Statements of Income	Net sales		400.2	100	107	445.4	100	111	504.2	100	113	505.5	100	100				
		Market	Domestic	209.8	52	99	226.3	51	108	235.0	47	104	249.6	49	106			
			Export	190.4	48	117	219.1	49	115	269.2	53	123	255.9	51	95			
		Business	Tire	300.2	75	108	336.7	76	112	392.0	78	116	387.3	77	99			
			Diversified	100.0	25	104	108.6	24	109	112.2	22	103	118.1	23	105			
		Operating income		49.3	12.3	96	46.4	10.4	94	63.2	12.5	136	36.1	7.2	57			
		Ordinary income		60.5	15.1	96	53.3	12.0	88	74.2	14.7	139	48.1	9.5	65			
		Extra loss (gain)		(70.1)	(17.5)		(3.1)	(0.7)		-			-					
		Net income		84.1	21.0	190	39.2	8.8	47	48.7	9.7	124	35.9	7.1	74			
		Investment	Capital expenditure		30.0		111	32.8		109	32.9		100	40.8		124		
Costs & Expenses	Depreciation		23.1	5.8	117	25.5	5.7	110	26.7	5.3	105	30.1	6.0	113				

(*1)Segment Information (Business, Geographical): including transactions caused by businesses among segments

(*2)Adjusted sales among reflecting the renewal of trade contract among segments, being applied since 2006: 173.2 billion yen

(2) Full Year

(Yen in billions)

	Unit	2005			2006			2007			2008			2009		
		Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Fcst.	%	vs.PY
Consolidated Results																
Statements of	Net sales	2,691.3	100	111	2,991.2	100	111	3,390.2	100	113	3,234.4	100	95	2,530.0	100	78
Income	Operating income	213.8	7.9	108	190.8	6.4	89	249.9	7.4	131	131.5	4.1	53	45.0	1.8	34
	Ordinary income	198.1	7.4	109	159.5	5.3	81	219.0	6.5	137	74.4	2.3	34	20.0	0.8	27
	Extra loss (gain)	(46.4)	(1.7)		19.4	0.6		3.3	0.1		20.9	0.6		-		
	Net income	180.7	6.7	158	85.1	2.8	47	131.6	3.9	155	10.4	0.3	8	3.0	0.1	29

Segment Information																	
Business Segment (*1)	Tire	Sales	2,156.7		112	2,396.9		111	2,755.9		115	2,629.1		95	2,030.0		77
		OP	167.9		105	139.0		83	195.0		140	92.7		48	30.0		32
		OP margin %	7.8			5.8			7.1			3.5			1.5		
	Diversified	Sales	564.7		110	626.8		111	656.3		105	625.5		95	500.0		80
		OP	45.8		126	51.7		113	54.7		106	38.7		71	15.0		39
		OP margin %	8.1			8.3			8.3			6.2			3.0		
Geographical Segment (*1)	Japan	Sales	1,162.3		109	1,255.6		108	1,371.7		109	1,321.9		96	1,060.0		80
		OP	138.3		105	117.5		85	147.5		125	68.9		47	17.0		25
		OP margin %	11.9			9.4			10.8			5.2			1.6		
	Americas	Sales	1,157.9		114	1,333.5		115	1,510.7		113	1,417.2		94	1,080.0		76
		OP	38.9		146	42.0		108	51.5		123	21.6		42	19.0		88
		OP margin %	3.4			3.2			3.4			1.5			1.8		
	Europe	Sales	366.9		113	418.4		114	516.0		123	474.8		92	360.0		76
		OP	19.6		89	14.8		76	17.2		116	(4.8)		-	(8.0)		-
		OP margin %	5.3			3.6			3.3			(1.0)			(2.2)		
	Other	Sales	497.9 (*2)		123	441.2		89	548.6		124	599.3		109	440.0		73
		OP	21.0		119	20.2		96	37.6		186	35.4		94	15.0		42
		OP margin %	4.2			4.6			6.9			5.9			3.4		
Market	Sales	Domestic	746.0	28	104	777.3	26	104	801.2	24	103	786.1	24	98			
		Overseas	1,945.2	72	114	2,213.8	74	114	2,589.0	76	117	2,448.3	76	95			

Balance Sheet	Total Assets		2,709.9			3,053.4			3,359.2			2,768.4						
	ROA	%	7.2			3.0			4.1			0.3						
	Net Assets		1,128.5			1,221.8			1,410.2			1,019.9						
	ROE	%	17.5			7.4			10.3			0.9						
	Borrowings		579.7		121	704.8		122	826.9		117	775.9		94	860.0		111	
Exchange rate	US \$	Yen/\$	110		102	116		105	118		102	104		88	85		82	
		Euro	Yen/€	137		102	146		107	162		111	153		94	115		75
Investment	Capital expenditure	Tire	178.4		106	230.8		129	240.8		104	247.9		103	177.0		71	
		Diversified	25.2		114	30.5		121	31.5		103	27.3		87	33.0		121	
		Total	203.6		107	261.3		128	272.3		104	275.3		101	210.0		76	
Costs & Expenses	Depreciation		123.7	4.6	117	142.6	4.8	115	169.3	5.0	119	182.3	5.6	108	175.0	6.9	96	
	R&D expenses		79.4	3.0	109	86.6	2.9	109	86.7	2.6	100	93.2	2.9	107	90.0	3.6	97	
	Interest expense		9.1	0.3	144	15.3	0.5	167	22.5	0.7	147	23.0	0.7	102				
No. of Employee			123,727		109	126,326		102	133,752		106	137,981		103				
Production (tonnage of rubber)	Domestic		10,000t	64		64			65			64			44			
	Overseas	Americas		10,000t	64		62			59			58			49		
		Europe		10,000t	19		20			22			21			17		
		Other		10,000t	38		39			42			44			35		
		Overseas total		10,000t	121		122			122			122			102		
	Total		10,000t	185		186			187			186			146			
	Overseas prod. ratio		%	66		65			65			66			70			

Non-Consolidated Results																		
Statements of																		
Income	Net sales		855.0	100	108	945.8	100	111	1,052.2	100	111	1,012.0	100	96				
	Market	Domestic	465.6	54	102	501.1	53	108	522.1	50	104	514.8	51	99				
		Export		389.3	46	117	444.7	47	114	530.0	50	119	497.2	49	94			
		Business	Tire	645.1	75	109	720.8	76	112	815.2	77	113	783.7	77	96			
	Diversified		209.8	25	106	225.0	24	107	236.9	23	105	228.2	23	96				
	Operating income		115.7	13.5	105	95.2	10.1	82	126.1	12.0	132	53.8	5.3	43				
	Ordinary income		124.4	14.6	100	99.5	10.5	80	135.9	12.9	137	57.8	5.7	43				
Extra loss (gain)		(64.4)	(7.5)		5.1	0.5		3.3	0.3		6.5	0.6						
Net income		116.3	13.6	138	61.5	6.5	53	87.3	8.3	142	36.7	3.6	42					
Investment	Capital expenditure		67.9		107	73.5		108	83.6		114	92.5		111				
Costs & Expenses	Depreciation		47.1	5.5	115	52.3	5.5	111	60.8	5.8	116	67.9	6.7	112				

(*1)Segment Information (Business, Geographical): Including transactions caused by businesses among segments

(*2)Adjusted sales amount reflecting the renewal of trade contract among segments, being applied since 2006: 375.5 billion yen

2. Change Factors vs. PY

(1) Consolidated Results

		FY 2008 Actual	FY 2009 Forecast
Sales (Yen in billions)	Forex impact	(301.0)	(500.0)
	Price, Mix, Volume etc.	+145.2	(204.4)
	Total	(155.8)	(704.4)
Operating income (Yen in billions)	Forex impact	(45.0)	(62.0)
	Raw materials	(190.0)	+99.0
	Depreciation	(25.0)	(15.0)
	Expansion of strategic products	+13.0	+11.0
	Price, Mix, Volume etc.	+128.6	(119.5)
Total		(118.4)	(86.5)

(2) Non-Consolidated Results

		FY 2008 Actual
Sales (Yen in billions)	Forex impact	(53.0)
	Price, Mix, Volume etc.	+12.9
	Total	(40.1)
Operating income (Yen in billions)	Forex impact	(34.0)
	Raw materials	(49.0)
	Depreciation	(7.5)
	Price, Mix, Volume etc.	+18.3
	Total	(72.2)

3. Japanese Tire Business Overview

(1) Demand Forecast in Japan (published by JATMA on December 17 2008)

	2008 Forecast		2009 Forecast	
	(1,000 units)	vs. PY(%)	(1,000 units)	vs. PY(%)
OE	55,534	100	50,563	91
REP	65,927	95	63,960	97
Other(*)	8,093	90	7,397	91
Total	129,554	97	121,920	94
EXP	75,180	100	69,113	92

(*) Tires for construction vehicles, motorcycles etc.

(2) Sales Channels in Japan (no. of shops)

	End of 2006	End of 2007	End of 2008	End of 2009(F)
Tire Kan	469	477	488	508
Cockpit	120	114	103	100
Mr. Tireman	660	665	667	679

(3) Tire Production (tonnage of rubber) and Capacity Utilization in Japan

	Tire Production (10,000 tons)		Capacity Utilization (%)	
	2008	2009(F)	2008	2009(F)
1st Half	32		98	
2nd Half	32		96	
Full Year	64	44	97	

(4) Sales Composition (rubber weight base, %)

	2007	2008
REP	22	21
OE	17	17
EXP	61	62
Total	100	100

(5) Export Sales Composition by Region (value base, %)

	2007	2008	(Growth rate vs. PY)
The Americas	28	27	90
Europe	29	28	90
Asia, China	15	14	89
Middle East	9	11	108
Other	19	20	100
Total	100	100	96

4. Additional Information

Year-on-Year Sales Growth (unit base, %)

			2007	2008
			FY	FY
N.America	PSR/LTR	REP	101	94
		OE	95	74
		Total	100	89
	TBR	REP	100	93
		OE	66	81
		Total	88	90
Europe	PSR/CVR	REP	106	98
		OE	104	85
		Total	105	93
	TBR	REP	111	90
		OE	129	110
		Total	115	96