

Supplementary Information of 2008

1. Consolidated

(1) Financial Highlights (1st half)

(Yen in billion)

		Unit	2004			2005			2006			2007			2008		
			Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY
Consolidated Results																	
Income Statement	Net sales		1,153.2	100	104	1,256.2	100	109	1,424.8	100	113	1,615.6	100	113	1,641.1	100	102
	Operating income		91.9	8.0	129	92.0	7.3	100	84.1	5.9	91	102.0	6.3	121	83.6	5.1	82
	Ordinary income		86.8	7.5	132	88.6	7.1	102	70.8	5.0	80	91.3	5.7	129	68.6	4.2	75
	Net income		52.2	4.5	164	101.7	8.1	195	32.8	2.3	32	52.9	3.3	161	37.2	2.3	70
									excl. extraordinary items(*1)								
											70						
Segment Information																	
Business (*2)	Tire	Sales	918.3		104	998.1		109	1,130.7		113	1,304.7		115	1,327.6		102
		OP	73.6		134	68.6		93	57.9		84	75.0		130	60.9		81
		OP margin %	8.0			6.9			5.1			5.8			4.6		
Diversified	Sales	246.9		103	273.0		111	308.2		113	322.1		105	321.8		100	
	OP	18.0		110	23.2		129	26.1		112	26.8		103	22.7		85	
	OP margin %	7.3			8.5			8.5			8.3			7.1			
Area(*2)	Japan	Sales	510.6		101	546.9		107	593.7		109	658.5		111	656.2		100
		OP	57.6		101	58.2		101	53.3		92	68.1		128	39.9		59
		OP margin %	11.3			10.6			9.0			10.3			6.1		
	Americas	Sales	485.6		102	538.6		111	644.3		120	725.2		113	713.6		98
		OP	15.5		693	19.2		124	20.1		104	18.8		94	19.1		102
		OP margin %	3.2			3.6			3.1			2.6			2.7		
	Europe	Sales	156.4		110	178.5		114	199.2		112	251.9		126	261.6		104
		OP	8.5		133	8.6		101	6.5		75	7.9		121	2.1		27
		OP margin %	5.5			4.9			3.3			3.1			0.8		
	Others	Sales	194.2		114	223.6 (*3)		115	210.0		94	262.0		125	303.5		116
		OP	9.8		76	10.7		109	9.5		89	17.2		181	20.3		118
		OP margin %	5.1			4.8			4.6			6.6			6.7		
Market	Sales	Domestic	338.1	29	101	344.8	27	102	360.1	25	104	371.3	23	103	379.8	23	102
		Overseas	815.1	71	105	911.4	73	112	1,064.6	75	117	1,244.3	77	117	1,261.2	77	101
Capital	Depreciation		50.7	4.4	102	58.8	4.7	116	68.4	4.8	116	77.6	4.8	113	86.4	5.3	111
	Capital expenditure		79.5		136	83.8		105	110.8		132	114.5		103	123.1		108
	R&D		34.6	3.0	99	38.5	3.1	111	42.3	3.0	110	41.7	2.6	99	47.0	2.9	113
	Interest expenses		2.6	0.2	78	3.5	0.3	134	6.6	0.5	186	9.3	0.6	142	10.3	0.6	111
	Borrowings		488.8		91	544.4		111	655.2		120	870.9		133	835.0		96
Production	Domestic	10,000t														32	
	Overseas	Americas	10,000t														31
		Europe	10,000t														12
		Others	10,000t														23
		Overseas total	10,000t														65
	Total production	10,000t														97	
	Overseas prod. ratio	%														67	

(*1)% vs PY excluding (i) extraordinary items (net gain 77.8 billion yen) mainly from return to the Japanese government of the substitutional portion of an employee pension plan for FY 2005

(ii) extraordinary items (net loss 10.6 billion yen) due mainly to Plant restructuring costs in the Americas for FY 2006

(*2)Segment Information (Business, Area): Including transactions caused by businesses among segments

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

(2) Financial Highlights (full year)

(Yen in billion)

		Unit	2004			2005			2006			2007			2008			
			Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Plan	%	vs.PY	
Consolidated Results																		
Income Statement	Net sales		2,416.6	100	105	2,691.3	100	111	2,991.2	100	111	3,390.2	100	113	3,420.0	100	101	
	Operating income		197.6	8.2	108	213.8	7.9	108	190.8	6.4	89	249.9	7.4	131	155.0	4.5	62	
	Ordinary income		181.5	7.5	109	198.1	7.4	109	159.5	5.3	81	219.0	6.5	137	117.0	3.4	53	
	Net income		114.4	4.7	129	180.7	6.7	158	85.1	2.8	47	131.6	3.9	155	66.0	1.9	50	
									excl. extraordinary items(*1)									
Segment Information																		
Business (*2)	Tire	Sales	1,931.8		105	2,156.7		112	2,396.9		111	2,755.9		115	2,800.0		102	
		OP	160.2		108	167.9		105	139.0		83	195.0		140	116.0		59	
		OP margin %	8.3			7.8			5.8			7.1			4.1			
	Diversified	Sales	512.7		106	564.7		110	626.8		111	656.3		105	620.0		94	
		OP	36.4		105	45.8		126	51.7		113	54.7		106	39.0		71	
		OP margin %	7.1			8.1			8.3			8.3			6.3			
Area(*2)	Japan	Sales	1,068.8		101	1,162.3		109	1,255.6		108	1,371.7		109	1,380.0		101	
		OP	131.1		102	138.3		105	117.5		85	147.5		125	73.0		49	
		OP margin %	12.3			11.9			9.4			10.8			5.3			
	Americas	Sales	1,018.9		104	1,157.9		114	1,333.5		115	1,510.7		113	1,460.0		97	
		OP	26.6		137	38.9		146	42.0		108	51.5		123	28.0		54	
		OP margin %	2.6			3.4			3.2			3.4			1.9			
	Europe	Sales	325.5		112	366.9		113	418.4		114	516.0		123	530.0		103	
		OP	22.0		143	19.6		89	14.8		76	17.2		116	14.0		81	
		OP margin %	6.8			5.3			3.6			3.3			2.6			
	Others	Sales	405.3		115	497.9 (*4)		123	441.2		89	548.6		124	620.0		113	
		OP	17.6		82	21.0		119	20.2		96	37.6		186	31.0		82	
		OP margin %	4.4			4.2			4.6			6.9			5.0			
Market	Sales	Domestic	716.0	30	101	746.0	28	104	777.3	26	104	801.2	24	103				
		Overseas	1,700.5	70	107	1,945.2	72	114	2,213.8	74	114	2,589.0	76	117				
Balance Sheet																		
Balance Sheet	Total Assets		2,333.7			2,709.9			3,053.4			3,359.2						
	ROA %		5.0			7.2			3.0			4.1						
	Net Assets		934.9			1,128.5			1,221.8			1,410.2						
	ROE %		12.6			17.5			7.4			10.3						
Capital																		
Capital	Depreciation		106.0	4.4	107	123.7	4.6	117	142.6	4.8	115	169.3	5.0	119	190.0	5.6	112	
	Capital expenditure	Tire	168.8		121	178.4		106	230.8		129	240.8		104	257.0		107	
		Diversified	22.1		135	25.2		114	30.5		121	31.5		103	33.0		105	
		Total	190.9		123	203.6		107	261.3		128	272.3		104	290.0		106	
	R&D(*3)	Tire	59.6	3.1	104	65.1	3.0	109	71.4	3.0	110	68.9	2.5	96	76.0	2.7	110	
		Diversified	13.2	2.6	96	14.2	2.5	108	15.2	2.4	107	17.8	2.7	117	19.0	3.1	107	
		Total	72.8	3.0	103	79.4	3.0	109	86.6	2.9	109	86.7	2.6	100	95.0	2.8	110	
	Interest payment		6.3	0.3	97	9.1	0.3	144	15.3	0.5	167	22.5	0.7	147				
	Borrowings		479.5		98	579.7		121	704.8		122	826.9		117	830.0		100	
	No. of Employee		113,699		105	123,727		109	126,326		102	133,752		106				
Production	Domestic	10,000t	62			64			64			65			65			
	Overseas	Americas	10,000t	63			64			62			59			62		
		Europe	10,000t	18			19			20			22			23		
		Others	10,000t	34			38			39			42			47		
		Overseas total	10,000t	114			121			122			122			131		
	Total production	10,000t	176			185			186			187			196			
	Overseas prod. ratio %		65			66			65			65			67			

(*1)% vs PY excluding (i) extraordinary gains 82.8 billion yen arising mostly from the return to the Japanese government of the substitutional portion of an employee pension plan; extraordinary losses 36.3 billion yen due mainly to payment in line with the settlement agreement concluded with Ford Motor Company; and tax gains 40.9 billion yen in line with the recognition of deferred tax assets through reversal of valuation allowance for FY 2005

(ii) extraordinary items (net loss 19.4 billion yen) due mainly to Plant restructuring costs in the Americas for FY 2006

(*2)Segment Information (Business, Area): Including transactions caused by businesses among segments

(*3) % to sales: Percentage to sales including intersegment sales

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

2. Non-Consolidated

(1) Financial Highlights (1st half)

(Yen in billion)

		Unit	2004			2005			2006			2007			2008			
			Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	
Income Statement	Net sales		375.4	100	101	400.2	100	107	445.4	100	111	504.2	100	113	505.5	100	100	
	Operating income		51.1	13.6	98	49.3	12.3	96	46.4	10.4	94	63.2	12.5	136	36.1	7.2	57	
	Ordinary income		63.2	16.8	112	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		44.3	11.8	138	84.1	21.0	190	39.2	8.8	47	48.7	9.7	124	35.9	7.1	74	
Segment Sales	Market	Domestic	212.2	57	104	209.8	52	99	226.3	51	108	235.0	47	104	249.6	49	106	
		Export	163.1	43	97	190.4	48	117	219.1	49	115	269.2	53	123	255.9	51	95	
	Business	Tire	278.9	74	100	300.2	75	108	336.7	76	112	392.0	78	116	387.3	77	99	
		Diversified	96.5	26	104	100.0	25	104	108.6	24	109	112.2	22	103	118.1	23	105	
				(Export/total sales)			(Export/total sales)			(Export/total sales)			(Export/total sales)			(Export/total sales)		
	Export	Tire	153.7	(55)	97	180.3	(60)	117	206.9	(61)	115	256.0	(65)	124	244.5	(63)	95	
	Diversified	9.4	(10)	101	10.0	(10)	107	12.1	(11)	120	13.1	(12)	109	11.4	(10)	87		
Exchange rate	US\$	Yen/\$	109		92	106		97	116		109	120		103	106		88	
	Euro	Yen/€	133		101	136		102	142		104	160		113	162		101	
Investment	Capital expenditure		27.0		144	30.0		111	32.8		109	32.9		100	40.8		124	
	(Tire production)		16.4		186	18.6		113	18.1		97	19.9		110	27.0		135	
	(Diversified production)		2.9		161	2.6		90	4.1		158	3.6		87	4.7		133	
	(R&D)		6.0		86	7.4		123	7.6		103	6.4		85	6.4		100	
	(Others)		1.8		164	1.5		83	3.1		207	3.0		96	2.7		89	
	Loan and investment		8.9		52	(2.7)		-	28.2		+	1.0		4	3.6		341	
	Total investment		36.0		100	27.3		76	61.0		223	34.0		56	44.4		131	
Costs & Expenses	Labor cost		56.6	15.1	89	56.1	14.0	99	57.4	12.9	102	59.5	11.8	104	63.3	12.5	106	
	R&D		28.3	7.6	98	32.1	8.0	113	34.3	7.7	107	33.1	6.6	97	38.5	7.6	116	
	Depreciation		19.7	5.3	103	23.1	5.8	117	25.5	5.7	110	26.7	5.3	105	30.1	6.0	113	
	Interest		(12.7)	(3.4)	160	(11.1)	(2.8)	87	(10.4)	(2.3)	94	(13.3)	(2.6)	127	(17.7)	(3.5)	133	
No. of Employee		12,535		99	12,893		103	13,628		106	14,382		106	15,150		105		

(2) Financial Highlights (full year)

(Yen in billion)

	Unit	2004			2005			2006			2007			2008							
		Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Plan	%	vs.PY					
Income Statement	Net sales	789.0	100	103	855.0	100	108	945.8	100	111	1,052.2	100	111	1,060.0	100	101					
	Operating income	109.9	13.9	104	115.7	13.5	105	95.2	10.1	82	126.1	12.0	132	52.0	4.9	41					
	Ordinary income	124.7	15.8	116	124.4	14.6	100	99.5	10.5	80	135.9	12.9	137	64.0	6.0	47					
	Extra loss / (gain)	-			(64.4)	(7.5)		5.1	0.5		3.3	0.3		-							
	Net income	84.3	10.7	134	116.3	13.6	138	61.5	6.5	53	87.3	8.3	142	48.0	4.5	55					
Segment Sales	Market	Domestic	457.4	58	105	465.6	54	102	501.1	53	108	522.1	50	104	554.0	52	106				
		Export	331.5	42	101	389.3	46	117	444.7	47	114	530.0	50	119	506.0	48	95				
	Business	Tire	591.4	75	103	645.1	75	109	720.8	76	112	815.2	77	113	820.0	77	101				
		Diversified	197.5	25	103	209.8	25	106	225.0	24	107	236.9	23	105	240.0	23	101				
			(Export/total sales)			(Export/total sales)			(Export/total sales)			(Export/total sales)			(Export/total sales)						
	Export	Tire	312.8	(53)	101	366.9	(57)	117	419.3	(58)	114	502.8	(62)	120	483.0	(59)	96				
	Diversified	18.7	(9)	102	22.3	(11)	120	25.3	(11)	113	27.1	(11)	107	23.0	(10)	85					
Exchange rate	US\$	Yen/\$	108		93	110		102	116		105	118		102	103		87				
	Euro	Yen/€	134		102	137		102	146		107	162		111	157		97				
Investment	Capital expenditure		63.4		141		67.9		107		73.5		108		83.6		114		95.0		114
	(Tire production)		35.4		159		39.4		111		41.9		106		51.7		123		62.0		120
	(Diversified production)		6.3		134		7.1		113		8.1		113		10.2		126		10.0		98
	(R&D)		16.6		108		17.6		106		18.2		103		16.2		89		17.0		105
	(Others)		5.2		200		3.8		74		5.3		139		5.5		104		6.0		109
	Loan and investment		22.1		156		14.6		66		26.9		184		6.1		23		13.0		211
	Total investment		85.5		144		82.6		97		100.5		122		89.8		89		108.0		120
Costs & Expenses	Labor cost		116.9	14.8	92		113.0	13.2	97		116.9	12.4	103		121.0	11.5	104		130.0	12.3	107
	R&D		59.7	7.6	103		65.6	7.7	110		70.5	7.5	108		69.3	6.6	98		78.0	7.4	113
	Depreciation		41.1	5.2	106		47.1	5.5	115		52.3	5.5	111		60.8	5.8	116		73.0	6.9	120
	Interest		(18.2)	(2.3)	204		(12.6)	(1.5)	69		(13.3)	(1.4)	105		(17.2)	(1.6)	129		(24.0)	(2.3)	139
Fund	Borrowing		230.0				230.0				230.0				210.0				200.0		
No. of Employee			12,529		100		13,027		104		13,778		106		14,562		106				

3. Change Factors vs. PY

(1) Consolidated

		2008 1H Actual	2008 FY Forecast
Sales (Yen in billion)	Forex impact	(119.0)	(299.0)
	Volume, Price, Mix etc.	+144.4	+328.7
	Total	+25.4	+29.7
Operating income (Yen in billion)	Forex impact	(16.0)	(47.0)
	Raw materials	(62.0)	(190.0)
	Expansion of strategic products	+10.0	+27.0
	Volume, Price, Mix etc.	+62.7	+147.1
	Depreciation	(13.0)	(32.0)
Total		(18.3)	(94.9)

(2) Parent Company

		2008 1H Actual	2008 FY Forecast
Sales (Yen in billion)	Forex impact	(20.0)	(52.0)
	Volume, Price, Mix etc.	+21.2	+59.7
	Total	+1.2	+7.7
Operating income (Yen in billion)	Forex impact	(11.0)	(33.0)
	Raw materials	(19.0)	(53.0)
	Labor cost	(4.0)	(9.0)
	Depreciation	(3.0)	(12.0)
	Volume, Price, Mix etc.	+10.0	+32.9
	Total	(27.0)	(74.1)

4. Japanese Tire Business Overview

(1) Demand Forecast in Japan (published by JATMA on July 15, 2008)

	2008 Forecast	
	(10,000 units)	vs. PY(%)
OE	5,747	104
REP	6,711	97
Others(*)	820	91
Total	13,278	99
EXP	7,464	100

(*) Tires for construction vehicles, motorcycles etc.

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

	End of 2006	End of 2007	June 2008	End of 2008(F)
Tire Kan	469	476	481	498
Cockpit	120	113	107	104
Mr. Tireman	660	665	670	693

(3) Tire Production and Capacity Utilization in Japan

	Tire Production (10,000 tons)		Capacity Utilization (%)	
	2007	2008(F)	2007	2008(F)
1H	32	32	98	98
2H	32	33	99	99
Full Year	65	65	98	98

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

	2007 1H	2008 1H
REP	19	19
OE	17	18
EXP	64	63
Total	100	100

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

	2007 1H	2008 1H	(Growth rate vs. PY)
The Americas	29	26	88
Europe	29	29	96
Asia	14	14	93
Middle East	10	10	97
Others	18	20	108
Total	100	100	95

(6) Stud-less Tire Sales Forecast

	2008 Forecast	
	(10,000 units)	vs.PY(%)
For Passenger car	604	104
For Light truck	156	105
For Truck/Bus	96	103
Total	856	104

5. Additional Information

Year-on-Year Sales Growth of Replacement Tire (unit base, %)

			2006	2007	2008		
			FY	FY	1H	2H(F)	FY(F)
N.America	PSR/LTR	REP	94	101	101	98	99
		OE	98	95	70	105	86
		Total	95	100	91	100	96
	TBR	REP	99	100	94	109	102
		OE	117	66	77	120	95
		Total	105	88	89	112	100
Europe	PSR/CVR	REP	100	106	100	113	107
		OE	100	104	99	96	97
		Total	100	105	99	106	103
	TBR	REP	103	111	95	108	102
		OE	125	129	130	128	129
		Total	108	115	105	113	109