

## Supplementary Information of 2009 1H

### 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	Actual	%	vs.PY
<b>Consolidated Results</b>																	
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	1,205.3	100	73
	Operating income		92.0	7.3	100	84.1	5.9	91	102.0	6.3	121	83.6	5.1	82	(19.9)	(1.7)	-
	Ordinary income		88.6	7.1	102	70.8	5.0	80	91.3	5.7	129	68.6	4.2	75	(33.8)	(2.8)	-
	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	(38.3)	(3.2)	-

<b>Segment Information</b>																	
Business Segment (*1)	Tires	Net Sales	2005			2006			2007			2008			2009		
			Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY
Business Segment (*1)	Tires	Net Sales	998.1		109	1,130.7		113	1,304.7		115	1,327.6		102	990.4		75
		OP	68.6		93	57.9		84	75.0		130	60.9		81	(15.2)		-
		OP margin %	6.9			5.1			5.8			4.6			(1.5)		
	Diversified Products	Net Sales	273.0		111	308.2		113	322.1		105	321.8		100	219.7		68
		OP	23.2		129	26.1		112	26.8		103	22.7		85	(4.7)		-
		OP margin %	8.5			8.5			8.3			7.1			(2.1)		
Geographical Segment (*1)	Japan	Net Sales	546.9		107	593.7		109	658.5		111	656.2		100	449.3		68
		OP	58.2		101	53.3		92	68.1		128	39.9		59	(31.0)		-
		OP margin %	10.6			9.0			10.3			6.1			(6.9)		
	Americas	Net Sales	538.6		111	644.3		120	725.2		113	713.6		98	539.6		76
		OP	19.2		124	20.1		104	18.8		94	19.1		102	5.2		28
		OP margin %	3.6			3.1			2.6			2.7			1.0		
	Europe	Net Sales	178.5		114	199.2		112	251.9		126	261.6		104	168.9		65
		OP	8.6		101	6.5		75	7.9		121	2.1		27	(12.5)		-
		OP margin %	4.9			3.3			3.1			0.8			(7.5)		
	Other	Net Sales	223.6 (*2)		115	210.0		94	262.0		125	303.5		116	234.1		77
		OP	10.7		109	9.5		89	17.2		181	20.3		118	8.6		43
		OP margin %	4.8			4.6			6.6			6.7			3.7		
Market	Net Sales	Domestic	344.8	27	102	360.1	25	104	371.3	23	103	379.8	23	102	273.5	23	72
		Overseas	911.4	73	112	1,064.6	75	117	1,244.3	77	117	1,261.2	77	101	931.7	77	74

Exchange rate	US \$	Yen/\$	106		97	116		109	120		103	106		88	96		91	
	Euro	Yen/€	136		102	142		104	160		113	162		101	128		79	
Investment	Capital expenditure		83.8		105	110.8		132	114.5		103	123.1		108	81.8		66	
Costs & Expenses	Depreciation		58.8	4.7	116	68.4	4.8	116	77.6	4.8	113	86.4	5.3	111	83.5	6.9	97	
	R&D expenses		38.5	3.1	111	42.3	3.0	110	41.7	2.6	99	47.0	2.9	113	42.8	3.6	91	
	Interest expense		3.5	0.3	134	6.6	0.5	186	9.3	0.6	142	10.3	0.6	111	10.2	0.9	99	
Liabilities	Interest-bearing debt		544.4		111	655.2		120	870.9		133	835.0		96	839.5		101	
Tire Production (tonnage of rubber)	Domestic	10,000t										32			19			
	Overseas	Americas	10,000t										31			22		
		Europe	10,000t										12			7		
		Other	10,000t										23			16		
		Overseas total	10,000t										65			45		
	Total	10,000t										97			63			
	Overseas prod. ratio	%										67			71			

<b>Non-Consolidated Results</b>																		
Statements of Income	Net sales	Business	Tires	2005			2006			2007			2008			2009		
				Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY
Statements of Income	Net sales			400.2	100	107	445.4	100	111	504.2	100	113	505.5	100	100	324.3	100	64
		Diversified			300.2	75	108	336.7	76	112	392.0	78	116	387.3	77	99	252.4	78
	Operating income			100.0	25	104	108.6	24	109	112.2	22	103	118.1	23	105	71.8	22	61
	Ordinary income			49.3	12.3	96	46.4	10.4	94	63.2	12.5	136	36.1	7.2	57	(25.2)	(7.8)	-
	Extra loss (gain)			60.5	15.1	96	53.3	12.0	88	74.2	14.7	139	48.1	9.5	65	(21.4)	(6.6)	-
Net income			(70.1)	(17.5)		(3.1)	(0.7)		-	-		-	-		-	-		
Investment	Capital expenditure			84.1	21.0	190	39.2	8.8	47	48.7	9.7	124	35.9	7.1	74	(10.1)	(3.1)	-
Costs & Expenses	Depreciation			30.0		111	32.8		109	32.9		100	40.8		124	34.2		84
				23.1	5.8	117	25.5	5.7	110	26.7	5.3	105	30.1	6.0	113	31.7	9.8	105

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

(\*2)Adjusted net sales amount 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	2,610.0	100	81
Income	Operating income	213.8	7.9	108	190.8	6.4	89	249.9	7.4	131	131.5	4.1	53	61.0	2.3	46
	Ordinary income	198.1	7.4	109	159.5	5.3	81	219.0	6.5	137	74.4	2.3	34	32.0	1.2	43
	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	6.0	0.2	58

Segment Information																	
Business Segment (*1)			2005			2006			2007			2008			2009		
			Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Fcst.	%	vs.PY
Tires	Net Sales		2,156.7		112	2,396.9		111	2,755.9		115	2,629.1		95	2,150.0		82
		OP	167.9		105	139.0		83	195.0		140	92.7		48	53.0		57
		OP margin %	7.8			5.8			7.1			3.5			2.5		
	Diversified Products	Net Sales	564.7		110	626.8		111	656.3		105	625.5		95	470.0		75
		OP	45.8		126	51.7		113	54.7		106	38.7		71	8.0		21
		OP margin %	8.1			8.3			8.3			6.2			1.7		
Geographical Segment (*1)	Japan	Net Sales	1,162.3		109	1,255.6		108	1,371.7		109	1,321.9		96	1,010.0		76
		OP	138.3		105	117.5		85	147.5		125	68.9		47	14.0		20
		OP margin %	11.9			9.4			10.8			5.2			1.4		
	Americas	Net Sales	1,157.9		114	1,333.5		115	1,510.7		113	1,417.2		94	1,130.0		80
		OP	38.9		146	42.0		108	51.5		123	21.6		42	22.0		102
		OP margin %	3.4			3.2			3.4			1.5			1.9		
	Europe	Net Sales	366.9		113	418.4		114	516.0		123	474.8		92	370.0		78
		OP	19.6		89	14.8		76	17.2		116	(4.8)		-	(7.0)		-
		OP margin %	5.3			3.6			3.3			(1.0)			(1.9)		
	Other	Net Sales	497.9 (*2)		123	441.2		89	548.6		124	599.3		109	490.0		82
		OP	21.0		119	20.2		96	37.6		186	35.4		94	26.0		73
		OP margin %	4.2			4.6			6.9			5.9			5.3		
Market	Net 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					
	Interest-bearing debt		579.7		121	704.8		122	826.9		117	775.9		94	820.0		106
Exchange rate	US \$	Yen/\$	110		102	116		105	118		102	104		88	95		91
	Euro	Yen/€	137		102	146		107	162		111	153		94	126		82
Investment	Capital expenditure	Tire	178.4		106	230.8		129	240.8		104	247.9		103	170.0		69
		Diversified	25.2		114	30.5		121	31.5		103	27.3		87	25.0		91
		Total	203.6		107	261.3		128	272.3		104	275.3		101	195.0		71
Costs & Expenses	Depreciation		123.7	4.6	117	142.6	4.8	115	169.3	5.0	119	182.3	5.6	108	179.0	6.9	98
	R&D expenses		79.4	3.0	109	86.6	2.9	109	86.7	2.6	100	93.2	2.9	107	88.0	3.4	94
	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				
Tire Production (tonnage of rubber)	Domestic	10,000t	64			64			65			64			44		
		Overseas	64			62			59			58			45		
	Americas	10,000t	19			20			22			21			18		
		Europe	38			39			42			44			36		
		Other	121			122			122			122			99		
	Overseas total	10,000t	121			122			122			122			99		
	Total	10,000t	185			186			187			186			143		
Overseas prod. ratio	%	66			65			65			66			69			

Non-Consolidated Results																	
Statements of	Income		2005			2006			2007			2008			2009		
			Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Fcst.	%	vs.PY
Income	Net sales		855.0	100	108	945.8	100	111	1,052.2	100	111	1,012.0	100	96			
		Business	645.1	75	109	720.8	76	112	815.2	77	113	783.7	77	96			
		Tire 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 net sales amount reflecting the renewal of trade contract among segments, being applied since 2006: 375.5 billion yen

## 2. Analysis of Net Sales and Operating Income (Yen in billions)

Consolidated Results vs. PY		2009 1H	2009 FY Fcst.
Net Sales	Forex	(160.0)	(275.0)
	Price, Mix, Volume etc.	(275.7)	(349.4)
	Total	(435.7)	(624.4)
Operating Income	Forex	(21.0)	(41.0)
	Raw materials	+20.0	+137.0
	Depreciation	(5.0)	(10.0)
	SGA	+38.0	+58.0
	Strategic products	(1.0)	+6.0
	Price, Mix, Volume etc.	(134.6)	(220.5)
Total	(103.6)	(70.5)	

## 3. Japanese Tire Business Overview

### (1) Demand Forecast in Japan (published by JATMA on July 14 2009)

	2009 FY Fcst.	
	(10,000 units)	vs. PY(%)
OE	3,622	66
REP	5,812	89
Other(*)	596	74
Total	10,029	78
EXP	5,481	74

(\*) Tires for construction vehicles, motorcycles etc.

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

	End of 2007	End of 2008	End of June 2009	End of 2009(Plan)
Tire Kan	477	488	489	494
Cockpit	114	103	94	94
Mr. Tireman	665	667	657	670

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

	2008	2009	
	FY	1H	FY Fcst.
Tire Production (10,000 tons)	64	19	44
Capacity Utilization (%)	96	57	67

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

	2008 1H	2009 1H
REP	19	22
OE	18	13
EXP	63	65
Total	100	100

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

	2008 1H	2009 1H	(Growth rate vs. PY)
The Americas	26	31	75
Europe	29	20	43
Asia, China	14	17	78
Middle East	10	12	74
Other	21	20	65
Total	100	100	64

**(6) Stud-less Tire Sales Forecast**

	2009 FY Fcst.	
	(10,000 units)	vs.PY(%)
For Passenger car	495	95
For Light truck	127	96
For Truck/Bus	75	95
Total	697	95

**4. Year-on-Year Sales Growth (unit base, %)**

			2007	2008	2009		
			FY	FY	1H	2H Fcst.	FY Fcst.
N.America	PSR/LTR	REP	101	94	86	Less Than +10%	Slight Decrease
		OE	95	74	55	Less Than -30%	Less Than -40%
		Total	100	89	78	Remain Unchanged	More Than -10%
	TBR	REP	100	93	78	Less Than -10%	Less Than -20%
		OE	66	81	51	Less Than -40%	More Than -40%
		Total	88	90	71	Less Than -20%	More Than -20%
Europe	PSR/CVR	REP	106	98	96	More Than +20%	Less Than +10%
		OE	104	85	64	Slight Increase	More Than -20%
		Total	105	93	83	Less Than +20%	Remain Unchanged
	TBR	REP	111	90	74	Remain Unchanged	More Than -10%
		OE	129	110	32	More Than -40%	Less Than -60%
		Total	115	96	59	More Than -10%	Less Than -30%