

Supplementary Information of 2011 2Q

1.Financial Highlights

(1) Quarter of the year

(Yen in billions)

	Unit	2010						2011					
		1H		FY		1H		vs.PY	FY Fcst.	vs.PY			
		1Q	2Q	3Q	4Q	1Q	2Q						
Consolidated Results													
Statements of	Net Sales	659.1	726.8	1,385.9	705.2	770.3	2,861.6	704.3	754.7	1,459.1	105	3,130.0	109
Income	Operating Income	36.0	42.4	78.4	34.9	53.0	166.4	55.8	37.7	93.6	119	194.0	117
	OP Margin	5.5	5.8	5.7	4.9	6.9	5.8	7.9	5.0	6.4		6.2	
	Ordinary Income	31.1	36.7	67.9	32.9	47.0	147.9	56.2	35.6	91.8	135	180.0	122
	Net Income	17.6	26.8	44.5	22.2	32.1	98.9	31.3	22.7	54.1	122	115.0	116
Exchange Rate	US \$	Yen/\$	91	92	91	86	83	88	82	82	90	81	92
	Euro	Yen/€	125	117	121	111	112	116	113	117	115	95	115

Analysis of Net Sales and Operating Income vs. PY													
Net Sales	Forex	+1.0	(31.0)	(30.0)	(56.0)	(50.0)	(136.0)	(51.0)	(51.0)	(102.0)		(144.0)	
	Price, Mix, Volume etc.	+90.4	+120.2	+210.6	+92.6	+97.3	+400.6	+96.2	+78.9	+175.1		+412.3	
	Total	+91.4	+89.2	+180.6	+36.6	+47.3	+264.6	+45.2	+27.9	+73.1		+268.3	
Operating Income	Forex	0	(6.0)	(6.0)	(11.0)	(10.0)	(27.0)	(11.0)	(9.0)	(20.0)		(25.0)	
	Raw Materials	(1.0)	(41.0)	(42.0)	(46.0)	(43.0)	(131.0)	(52.0)	(72.0)	(124.0)		(277.0)	
	Depreciation	+1.0	0	+1.0	+1.0	+1.0	+3.0	0	0	0		(1.0)	
	SGA	(7.0)	(5.0)	(12.0)	(11.0)	(14.0)	(37.0)	(2.0)	(12.0)	(14.0)		(34.0)	
	Strategic Products	+5.0	+9.0	+14.0	+8.0	+8.0	+30.0	+6.0	+7.0	+13.0		+24.0	
	Price, Mix, Volume etc.	+50.3	+93.0	+143.3	+61.9	+47.5	+252.7	+78.8	+81.4	+160.2		+340.5	
	Total	+48.3	+50.0	+98.3	+2.9	(10.5)	+90.7	+19.8	(4.6)	+15.2		+27.5	

Segment Information (*1)														
Business Segment	Tires	Net Sales	547.4	599.5	1,147.0	583.5	648.9	2,379.5	590.7	630.5	1,221.2	106	2,640.0	111
		OP	33.1	37.4	70.6	33.4	49.1	153.1	54.5	35.2	89.7	127	184.0	120
		OP Margin %	6.0	6.3	6.2	5.7	7.6	6.4	9.2	5.6	7.4		7.0	
	Diversified Products	Net Sales	114.0	130.2	244.2	125.0	125.4	494.6	117.2	127.8	245.1	100	500.0	101
		OP	2.9	4.8	7.8	1.6	3.9	13.3	1.3	2.5	3.8	49	10.0	75
		OP Margin %	2.6	3.7	3.2	1.3	3.1	2.7	1.1	2.0	1.6		2.0	
Geographic Segment (*2)	Japan	Net Sales	263.5	282.7	546.3	268.9	339.3	1,154.6	275.2	300.4	575.7	105	1,250.0	108
		OP	14.4	15.0	29.5	3.4	28.6	61.6	16.5	11.0	27.5	93	73.0	118
		OP Margin %	5.5	5.3	5.4	1.3	8.4	5.3	6.0	3.7	4.8		5.8	
	Americas	Net Sales	279.1	328.6	607.8	314.1	302.0	1,223.9	300.0	332.5	632.5	104	1,330.0	109
		OP	11.7	13.0	24.7	13.6	9.9	48.3	22.7	14.2	37.0	150	62.0	128
		OP Margin %	4.2	4.0	4.1	4.4	3.3	4.0	7.6	4.3	5.9		4.7	
	Europe	Net Sales	94.5	93.6	188.2	94.1	101.4	383.8	100.8	105.9	206.7	110	430.0	112
		OP	1.6	0.8	2.4	2.3	2.3	7.1	2.4	2.8	5.3	214	10.0	140
		OP Margin %	1.7	0.9	1.3	2.5	2.3	1.9	2.5	2.7	2.6		2.3	
	Other	Net Sales	141.4	155.1	296.6	153.1	162.1	611.9	168.9	178.3	347.3	117	720.0	118
		OP	12.5	11.3	23.9	11.2	9.7	44.9	13.8	12.4	26.2	110	54.0	120
		OP Margin %	8.9	7.3	8.1	7.3	6.0	7.3	8.2	7.0	7.6		7.5	
Market	Net Sales	Domestic	151.5	153.7	305.2	151.6	214.9	671.8	152.2	155.5	307.7	101		
		Overseas	507.5	573.1	1,080.7	553.5	555.4	2,189.7	552.1	599.2	1,151.3	107		
		Americas	276.0	325.9	602.0	310.9	299.9	1,212.9	296.3	328.2	624.5	104		
		Europe	96.1	94.5	190.6	95.5	101.7	387.9	102.3	107.9	210.2	110		
		Other	135.3	152.6	288.0	147.0	153.7	588.8	153.5	163.0	316.5	110		

Investment	Capital Expenditure			77.2			182.6			73.3	95	230.0	126	
Costs & Expenses	Depreciation			81.6			167.6			78.0	96	160.0	95	
	R&D Expenses			41.5			85.1			41.3	100	86.0	101	
	Interest Expense			6.1			11.8			3.3	55			
Liabilities	Interest-Bearing Debt			702.6			663.1			684.0	97	680.0	103	
Tire Production (tonnage of rubber)	Domestic	10,000t	12	14	26	14	15	55	13	15	28		57	
	Overseas	Americas	10,000t	13	13	26	13	14	54	15	15	29		60
		Europe	10,000t	6	6	12	5	6	23	6	7	13		26
		Other	10,000t	11	11	22	11	12	46	12	12	25		51
		Overseas Total	10,000t	30	31	60	30	33	123	33	34	67		136
	Total	10,000t	42	44	86	44	47	177	47	49	96		194	
	Overseas Prod. Ratio	%	71	69	70	68	69	69	71	69	70		70	

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

(*2)Americas: North America, Latin America

Other: Asia Pacific, Middle East, Africa, Russia

(2) Full Year

(Yen in billions)

	Unit	2007			2008			2009			2010			2011		
		Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Fcst.	%	vs.PY
Consolidated Results																
Statements of Income	Net Sales	3,390.2	100	113	3,234.4	100	95	2,597.0	100	80	2,861.6	100	110	3,130.0	100	109
	Operating Income	249.9	7.4	131	131.5	4.1	53	75.7	2.9	58	166.4	5.8	220	194.0	6.2	117
	Ordinary Income	219.0	6.5	137	74.4	2.3	34	54.4	2.1	73	147.9	5.2	272	180.0	5.8	122
	Extra Loss (Gain)	3.3	0.1		20.9	0.6		19.0	0.7		6.2	0.2				
	Net Income	131.6	3.9	155	10.4	0.3	8	1.0	0.0	10	98.9	3.5	+	115.0	3.7	116
Exchange Rate	US \$	Yen/\$	118	102	104	88	94	90	88	94	81	92				
	Euro	Yen/€	162	111	153	94	130	85	116	89	115	99				

Analysis of Net Sales and Operating Income vs. PY		2007			2008			2009			2010			2011		
Net Sales	Forex	+101.0			(301.0)			(269.0)			(136.0)			(144.0)		
	Price, Mix, Volume etc.	+297.9			+145.2			(368.4)			+400.6			+412.3		
	Total	+398.9			(155.8)			(637.4)			+264.6			+268.3		
Operating Income	Forex	+19.0			(45.0)			(44.0)			(27.0)			(25.0)		
	Raw Materials	(28.0)			(190.0)			+121.0			(131.0)			(277.0)		
	Depreciation	(21.6)			(25.0)			(6.0)			+3.0			(1.0)		
	SGA							+68.0			(37.0)			(34.0)		
	Strategic Products				+13.0			+4.0			+30.0			+24.0		
	Price, Mix, Volume etc.	+89.6			+128.6			(198.8)			+252.7			+340.5		
	Total	+59.0			(118.4)			(55.8)			+90.7			+27.5		

Segment Information(*1)		2007			2008			2009			2010			2011		
Business Segment	Tires	Net Sales	2,755.9	115	2,629.1	95	2,152.9	82	2,379.5	111	2,640.0	111				
		OP	195.0	140	92.7	48	75.2	81	153.1	204	184.0	120				
		OP Margin %	7.1		3.5		3.5		6.4		7.0					
	Diversified Products (*3)	Net Sales	656.3	105	625.5	95	454.1	73	494.6	109	500.0	101				
		OP Margin %	54.7	106	38.7	71	0.4	1	13.3	+	10.0	75				
Geographic Segment (*2)	Japan	Net Sales	1,371.7	109	1,321.9	96	1,011.9	77	1,154.6	114	1,250.0	108				
		OP	147.5	125	68.9	47	14.3	21	61.6	428	73.0	118				
		OP Margin %	10.8		5.2		1.4		5.3		5.8					
	Americas	Net Sales	1,510.7	113	1,417.2	94	1,132.8	80	1,223.9	108	1,330.0	109				
		OP	51.5	123	21.6	42	34.4	159	48.3	140	62.0	128				
		OP Margin %	3.4		1.5		3.0		4.0		4.7					
	Europe	Net Sales	516.0	123	474.8	92	362.5	76	383.8	106	430.0	112				
		OP	17.2	116	(4.8)	-	(11.9)	-	7.1	+	10.0	140				
		OP Margin %	3.3		(1.0)		(3.3)		1.9		2.3					
	Other (*4)	Net Sales	548.6	124	599.3	109	511.5	85	611.9	120	720.0	118				
		OP	37.6	186	35.4	94	32.9	93	44.9	137	54.0	120				
		OP Margin %	6.9		5.9		6.4		7.3		7.5					
Market	Net Sales	Domestic	801.2	24	786.1	24	614.8	24	671.8	23	680.0	103				
		Overseas	2,589.0	76	2,448.3	76	1,982.1	76	2,189.7	77	110					
	Americas	1,489.1	113	1,386.3	93	1,125.7	81	1,212.9	108							
	Europe	531.6	125	489.7	92	363.0	74	387.9	107							
	Other	568.4	121	572.3	101	493.5	86	588.8	119							

Balance Sheet	Total Assets	3,359.2			2,768.4			2,808.4			2,706.6						
	ROA %	4.1			0.3			0.0			3.6						
	Net Assets	1,410.2			1,019.9			1,120.7			1,176.1						
	ROE %	10.3			0.9			0.1			8.9						
	Ratio of total equity to total assets %	40.8			35.8			38.7			42.2						
Interest-Bearing Debt	826.9	117		775.9	94	786.3	101	663.1	84	680.0	103						
Cash Flows	Operating Cashflow	333.5			109.7			338.6			247.7						
	Investing Cashflow	(377.5)			(265.3)			(188.2)			(170.5)						
	Free Cashflow	(43.9)			(155.5)			150.4			77.1						
Investment	Capital	240.8	104		247.9	103	156.8	63	159.7	102	205.0	128					
	Expenditure	31.5	103		27.3	87	21.3	78	22.8	107	25.0	109					
	Total	272.3	104		275.3	101	178.2	65	182.6	102	230.0	126					
Costs & Expenses	Depreciation	169.3	5.0	119	182.3	5.6	108	175.7	6.8	96	167.6	5.9	95	160.0	5.1	95.4	
	R&D Expenses	86.7	2.6	100	93.2	2.9	107	85.7	3.3	92	85.1	3.0	99	86.0	2.7	101	
	Interest Expense	22.5	0.7	147	23.0	0.7	102	19.9	0.8	86	11.8	0.4	59				
No. of Employee		133,752	106	137,981	103	137,135	99	139,822	102								
Tire Production (tonnage of rubber)	Domestic	10,000t	65		64			44			55			57			
	Overseas	Americas	10,000t	59		58			45			54			60		
		Europe	10,000t	22		21			17			23			26		
		Other	10,000t	42		44			37			46			51		
		Overseas Total	10,000t	122		122			99			123			136		
	Total	10,000t	187		186			143			177			194			
	Overseas Prod. Ratio	%	65		66			69			69			70			

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

(*2)Americas: North America, Latin America

Other: Asia Pacific, Middle East, Africa, Russia

(*3)Net sales composition of "Diversified Products" segment in 2010 is as follows.

Chemical and Industrial Products : Less than 60% , BSAM Diversified Products : More than 20% , Sporting goods,bicycles : Less than 20%

(*4)Net sales composition of "Other" segment in 2010 is as follows.

Asia & Oceania : Less than 60% , China : Less than 20% , Middle East & Africa, Russia : More than 20%

2. Additional Information

(1) Year-on-Year Replacement Tire Demand Growth (unit base, %)

		2011
		FY Fcst.
JAPAN	PSR/LTR	101
	TBR	106
N.America	PSR/LTR	99
	TBR	105
Europe	PSR/LTR	98
	TBR	104
Thailand	PSR/LTR	102
	TBR	112
Indonesia	PSR/LTR	106
	TBR	121
India	PSR/LTR	115
	TBR	125
China	PSR/LTR	120
	TBR	116

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

			2009	2010	2011			2010 FY
			FY	FY	1H	2H Fcst.	FY Fcst.	Component ratio
JAPAN	PSR/LTR	REP	93	107	114	Remain Unchanged	Slight Increase	More than 60%
		OE	63	130	72	Remain Unchanged	Less Than -20%	Less than 40%
		Total	80	115	96	Remain Unchanged	Remain Unchanged	
	TBR	REP	79	111	117	Less Than +10%	Less Than +10%	Less than 80%
		OE	48	159	99	Less Than +30%	More Than +10%	More than 20%
		Total	72	119	112	Less Than +10%	More Than +10%	
N.America	PSR/LTR	REP	97	106	94	Slight Increase	Remain Unchanged	Less than 80%
		OE	70	129	101	More Than +10%	Less Than +10%	More than 20%
		Total	91	110	96	Slight Increase	Remain Unchanged	
	TBR	REP	85	111	105	More Than +20%	More Than +10%	Less than 80%
		OE	62	132	171	Slight Increase	Less Than +40%	More than 20%
		Total	80	115	119	Less Than +20%	Less Than +20%	
Europe	PSR/CVR	REP	101	117	100	Slight Increase	Slight Increase	Less than 70%
		OE	79	112	95	Remain Unchanged	Slight Decrease	More than 30%
		Total	93	115	98	Slight Increase	Remain Unchanged	
	TBR	REP	90	117	106	Slight Decrease	Remain Unchanged	Less than 80%
		OE	35	176	143	Slight Decrease	Less Than +20%	More than 20%
		Total	72	127	114	Slight Decrease	Slight Increase	
Asia Pacific	PSR/LTR	REP	99	107	107	Less Than +10%	Less Than +10%	Less than 60%
		OE	84	134	104	More Than +10%	Less Than +10%	More than 40%
		Total	93	117	106	Less Than +10%	Less Than +10%	
	TBR	REP	88	106	104	Less Than +20%	More Than +10%	More than 90%
		OE	68	150	82	Less Than +40%	Less Than +10%	Less than 10%
		Total	86	108	102	Less Than +20%	More Than +10%	
China	PSR/LTR	REP	100	129	124	Less Than +20%	More Than +20%	More than 50%
		OE	105	126	100	More Than +10%	Less Than +10%	Less than 50%
		Total	103	127	112	More Than +10%	More Than +10%	
	TBR	REP	90	127	110	More Than +20%	Less Than +20%	Less than 100%
		OE	91	126	111	More Than +20%	Less Than +20%	
		Total	91	126	111	More Than +20%	Less Than +20%	

(3) Year-on-Year Sales Growth of Strategic Products (unit base, %)

		2009	2010	2011		
		FY	FY	1H	2H Fcst.	FY Fcst.
Passenger Car Radial Tires (Replacement)	RFT	130	135	115	105	110
	UHP	105	120	110	130	120
	Winter	105	120	175	105	115
Specialty Tires	Ultralarge ORR	110	115	115	110	115
	Large ORR	85	130	135	115	125
	APR	90	115	110	140	125
	MCR	70	115	95	120	105

*Based on rubber weight for Ultralarge and Large ORR