Consolidated Financial Statements for the Fiscal Year Ended December 31, 2011

February 16, 2012

These financial statements, prepared in accordance with accounting principles generally accepted in Japan, have been translated for reference only from the original Japanese-language document "KESSAN TANSHIN". The entire format is pursuant to the requirements or guidance of Tokyo Stock Exchange. As for the contents, if there are any differences or discrepancies between the original Japanese-language and the English translation, the original Japanese-language supersedes this English translation.

Bridgestone Corporation Stock exchange listings:Tokyo, Osaka, Nagoya, Fukuoka
Code number:5108 URL:http://www.bridgestone.co.jp
Representative: Shoshi Arakawa, Chairman of the Board, CEO and President
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Scheduled date of annual shareholders' meeting: March 27, 2012
Scheduled date of securities report submission: March 27, 2012
Scheduled date of dividend payment commencement: March 28, 2012
Supplementary information for the financial statements to be prepared: Yes
Meeting to explain for the quarterly financial statements to be held: Yes

(All amounts are rounded down to the nearest million yen)

1. Consolidated Results for Fiscal 2011
(January 1, 2011 - December 31, 2011)

(1) Consolidated Operating Results (Percentage figures represent changes from the same period of previous year)

	Net sales		Operating income		Ordinary income		Net income	
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%
Fiscal 2011	3,024,355	5.7	191,321	14.9	179,317	21.2	102,970	4.1
Fiscal 2010	2,861,615	10.2	166,450	119.8	147,905	171.6	98,913	—

(Reference) Comprehensive Income: Fiscal 2011 ¥ 7,395 million (decrease of 90.3%)
Fiscal 2010 ¥76,093 million

	Net income per share	Diluted net income per share	Net return on Total equity	Ordinary income / Total assets	Operating income margin
	Yen	Yen	%	%	%
Fiscal 2011	131.56	131.50	9.1	6.7	6.3
Fiscal 2010	126.19	126.16	8.9	5.4	5.8

(Reference) Equity in earnings of affiliates: Fiscal 2011 ¥1,611 million
Fiscal 2010 ¥1,476 million

(2) Consolidated Financial Position

	Total assets	Net assets	Ratio of total equity to total assets	Total equity per share
	Yen in millions	Yen in millions	%	Yen
Fiscal 2011	2,677,344	1,165,673	42.2	1,444.53
Fiscal 2010	2,706,639	1,176,147	42.2	1,458.01

(Reference) Total equity Fiscal 2011 ¥1,130,577 million
Fiscal 2010 ¥1,141,128 million

(3) Consolidated Cash Flows

	Net cash provided by operating activities	Net cash used in investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of year
	Yen in millions	Yen in millions	Yen in millions	Yen in millions
Fiscal 2011	152,157	(177,079)	(50,074)	128,840
Fiscal 2010	247,736	(170,556)	(82,528)	216,924

2. Dividends

	Dividend per share					Total dividends	Dividends Pay-out ratio (Consolidated)	Ratio of dividends to total equity (Consolidated)
	1st quarter end	2nd quarter end	3rd quarter end	Year -end	Total			
	Yen	Yen	Yen	Yen	Yen	Yen in millions	%	%
Fiscal 2010	—	10.00	—	10.00	20.00	15,670	15.8	1.4
Fiscal 2011	—	10.00	—	12.00	22.00	17,218	16.7	1.5
Fiscal 2012 (Projection)	—	16.00	—	16.00	32.00		14.9	

3. Consolidated Projected Results for Fiscal 2012 (January 1, 2012 - December 31, 2012)

(Percentage figures represent changes from the same period of previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen
First half year	1,520,000	4.2	118,000	26.0	110,000	19.7	70,000	29.4	89.44
Fiscal 2012	3,240,000	7.1	269,000	40.6	250,000	39.4	168,000	63.2	214.65

4. Others

(1) Significant changes in subsidiaries during period
(changes in specified subsidiaries involving change in consolidation scope): No

(2) Changes in accounting principles, procedures, method of presentation associated with preparation of the consolidated financial statements
1) Changes due to revisions of accounting standards etc. : Yes
2) Changes other than 1) : No
(Note) For details, refer to "Changes in accounting principles" on page 22.

(3) Outstanding number of shares (common stock)
1) Outstanding number of shares at term end (including treasury stock):

December 31, 2011	813,102,321 shares
December 31, 2010	813,102,321 shares

2) Number of shares of treasury stock at term end

December 31, 2011	30,441,046 shares
December 31, 2010	30,439,281 shares

3) Average outstanding number of shares (during the fiscal year)

December 31, 2011	782,662,118 shares
December 31, 2010	783,818,142 shares

(Note)Refer to "Per share information", on page 32, for number of shares that is basis for calculating net income per share.

(Reference) Summary of Non-consolidated Results
(January 1, 2011 - December 31, 2011)

(1) Non-consolidated Operating Results (Percentage figures represent changes from the same period of previous year)

	Net sales		Operating income		Ordinary income		Net income	
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%
Fiscal 2011	971,255	8.4	56,435	(3.5)	66,287	(1.7)	33,879	(32.7)
Fiscal 2010	895,623	19.5	58,490	385.2	67,441	194.9	50,331	226.6

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal 2011	43.29	43.27
Fiscal 2010	64.21	64.19

(2) Non-consolidated Financial Position

	Total assets	Net assets	Ratio of total equity to total assets	Total equity per share
	Yen in millions	Yen in millions	%	Yen
Fiscal 2011	1,603,172	1,155,491	72.0	1,475.37
Fiscal 2010	1,664,467	1,143,880	68.7	1,460.86

(Reference) Total equity Fiscal 2011 ¥1,154,720 million
Fiscal 2010 ¥1,143,365 million

* Status of implementation of audit procedures

This kessan tanshin document is outside the scope of audit procedures based on the Financial Instruments and Exchange Act. As of the time of its disclosure, audit procedures with respect to the financial statements were in the process of being implemented.

* Statement regarding appropriate use of forward-looking statements and other notes

1. The preceding descriptions of projections and plans are "forward-looking statements", which involve known and unknown risks and uncertainties. These variables could cause the Bridgestone Group's actual performance and results to differ substantially from management's projections and plans. For further details, please see page 4, "Projections for fiscal 2012."

2. Information about Bridgestone Corporation (the "Company") and certain of its subsidiaries' alleged cartel activities regarding the sale of marine hoses and improper monetary payments is included on page 8, "3.Management Policies, (2) Management Strategies and Tasks" and page 23, "4.Consolidated Financial Statements, Additional information"

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1. Operating Results

The Bridgestone Corporation is referred to as the "Company", and the Company and its subsidiaries are referred to as the "Companies".

(1) Analysis of Operating Results
[Operating results for fiscal 2011]
1) Sales and earnings

	Fiscal 2011	Fiscal 2010	Increase (Decrease)	
	Yen in billions	Yen in billions	Yen in billions	%
Net sales	3,024.3	2,861.6	162.7	6
Operating income	191.3	166.4	24.8	15
Ordinary income	179.3	147.9	31.4	21
Net income	102.9	98.9	4.0	4

In fiscal 2011(January 1 to December 31, 2011), the Companies' operating environment was plagued by raw material prices remaining at relatively high levels and the appreciating Japanese yen. Despite these challenges, the domestic economy showed signs of recovery, in spite of the impact of the Great East Japan Earthquake on March 11, 2011. While the United States economy was gradually recovering, and the business climate in Europe was showing signs of slight recovery, the recovery trend for both the United States and Europe was weakening. In Asia, the recovery or expansion continued to accelerate, particularly in China and India.

Under these operating conditions, the Companies continued working to achieve the goal of becoming the World's undisputed No. 1 tire and rubber company in both name and reality. Stepping up our efforts on a global basis, the Companies focused on increasing the sales of highly competitive products, strengthening supply capacity, improving manufacturing productivity, enhancing technology and effectively utilizing our management resources. Moreover, within an operating environment that is evolving at an unprecedented speed, including the changing structures for demand and competition, the Companies have been striving to rapidly implement a range of initiatives to enhance our ability to respond quickly to market trends, increase the sales of strategic products, construct and enhance a business model that will extend beyond the mere sale of products, and develop eco-friendly products and businesses. Additionally, the Companies have implemented price increases to respond to the rising prices of raw materials. The Companies also suffered as a result of the Great East Japan Earthquake, however, the Companies strived to implement all the initiatives to minimize the impact of the disaster to the Companies' business results while also providing necessary products and services required for disaster recovery.

As a result, net sales in fiscal 2011 was ¥3,024.3 billion, an increase of 6% over fiscal 2010, operating income was ¥191.3 billon, an increase of 15%, ordinary income was ¥179.3 billion, an increase of 21% and net income was ¥102.9 billion, an increase of 4%.

2) Segment Information

(Note) The amounts for segment results include inter-segment transactions that are eliminated in calculating the consolidated results.

a) By business segment

		Fiscal 2011	Fiscal 2010	Increase (Decrease)	
		Yen in billions	Yen in billions	Yen in billions	%
Tires	Net Sales	2,539.7	2,379.5	160.2	7
	Operating income	185.4	153.1	32.3	21
Diversified Products	Net Sales	500.5	494.6	5.8	1
	Operating income	5.8	13.3	(7.5)	(57)
Consolidated Results	Net Sales	3,024.3	2,861.6	162.7	6
	Operating income	191.3	166.4	24.8	15

In the tire segment, the Companies worked to maximize sales momentum by introducing appealing new products worldwide, particularly those that have been identified as strategic and important to the Companies' future growth. The Companies also revised product prices in response to the rising cost of raw materials.

In Japan, unit sales of replacement tires for passenger cars and light trucks increased over fiscal 2010. However, from the decline in vehicle production volume due to the Great East Japan Earthquake, unit sales of tires for new vehicles were substantially down from fiscal 2010. The unit sales of tires for trucks and buses increased. In the Americas, the unit sales of passenger and light truck tires in North America decreased compared to fiscal 2010 due to a decline in the sales of replacement tires. However, there was steadily an increase from 2010 in unit sales of strategic products such as runflat tires, UHP (ultra-high-performance) tires and winter tires in the replacement market. Additionally, unit sales of tires for trucks and buses grew significantly. In Europe, unit sales of tires for passenger cars and light trucks remain unchanged from fiscal 2010. However, there was an increase from 2010 in unit sales of strategic products such as runflat tires and winter tires in the replacement market. Unit sales of tires for trucks and buses decreased compared to fiscal 2010 due to a decline in the sales of replacement tires. In the specialty tire business, unit sales of large and ultralarge off-the-road radial tires for construction and mining vehicles significantly exceeded those of fiscal 2010.

As a result, net sales and operating income in the tire segment during fiscal 2011 totaled ¥2,539.7 billion and ¥185.4 billon, an increase of 7% and 21% from fiscal 2010, respectively.

In the diversified products segment, net sales totaled ¥500.5 billion, an increase of 1% from fiscal 2010. Operating income was ¥5.8 billion, a decrease of 57% from fiscal 2010, due to decline of profit in domestic business.

(Note 1) The amounts for segment results include inter-segment transactions that are eliminated in calculating the consolidated results.

(Note2) The Companies have two reportable segments: Tires and Diversified products, applied the "Accounting Standard for Disclosures about Segments of an Enterprise and Related information" (ASBJ Statement No. 17 of March 27, 2009) and the "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information." (ASBJ Guidance No. 20 of March 21, 2008)

[Projections for fiscal 2012]

The Companies anticipate challenging conditions in fiscal 2012 due to concerns over sovereign fiscal problems in Europe, decelerating growth in emerging countries, the continuing strength of the yen and the rising prices of raw materials. In addition, the Group is expected to face changes in the domestic operating environment following the Great East Japan Earthquake, as well as rapid changes in demand and competition worldwide.

Amid such a challenging business environment, the Companies project the following results through the implementation of Mid-Term Management Plan initiatves.

			Fiscal 2012 projections	Fiscal 2011	Increase (Decrease)	
			Yen in billions	Yen in billions	Yen in billions	%
First half	Net sales		1,520.0	1,459.1	60.8	4
	Operating income		118.0	93.6	24.3	26
	Ordinary income		110.0	91.8	18.1	20
	Net income		70.0	54.1	15.8	29
Full-year	Net sales		3,240.0	3,024.3	215.6	7
	Operating income		269.0	191.3	77.6	41
	Ordinary income		250.0	179.3	70.6	39
	Net income		168.0	102.9	65.0	63
			Yen	Yen		
Exchange rate	First half	yen/dollar	77	82	–	(6)
		yen/euro	100	115		(13)
	Full-year	yen/dollar	77	80		(4)
		yen/euro	100	111		(10)

Forward-Looking Statements

The preceding descriptions of projections and plans are “forward-looking statements,” which involve known and unknown risks and uncertainties. These variables could cause the Companies’ actual performance and results to differ substantially from management’s projections and plans.

(2) Analysis of Financial Position

1) Cash flow

		Fiscal 2011	Fiscal 2010	Increase (Decrease)
		Yen in billions	Yen in billions	Yen in billions
Net cash provided by operating activities		152.1	247.7	(95.5)
Net cash used in investing activities		(177.0)	(170.5)	(6.5)
Net cash used in financing activities		(50.0)	(82.5)	32.4
Effect of exchange rate changes on cash and cash equivalents		(13.0)	(13.9)	0.9
Net increase (decrease) in cash and cash equivalents		(88.0)	(19.3)	(68.7)
Cash and cash equivalents	At beginning of year	216.9	236.2	(19.3)
	At end of year	128.8	216.9	(88.0)

The Companies' cash and cash equivalents decreased ¥88.0 billion during 2011, to ¥128.8 billion, compared with a decrease of ¥19.3 billion during the prior year.

(Cash flow by operating activities)

Net cash provided by operating activities decreased ¥95.5 billion during 2011, compared with the prior year, to ¥152.1 billion. The principal contributors in that cash provided included income before income taxes and minority interests of ¥158.7 billion, compared with ¥141.6 billion during the prior year, depreciation and amortization of ¥159.6 billion, compared with ¥170.6 billion during the prior year. These contributors offset an increase in inventories of ¥122.8 billion, compared with ¥32.6 billion in the prior year, income taxes paid of ¥31.5 billion, compared with ¥22.4 billion in the prior year.

(Cash flow by investing activities)

Net cash used in investing activities increased ¥6.5 billion compared with the prior year, to ¥177.0 billion. Expenditures included payments of ¥187.8 billion for purchase of tangible assets, compared with payments of ¥177.9 billion during the prior year.

(Cash flow by financing activities)

Net cash used in financing activities increased ¥32.4 billion compared with the prior year, to ¥50.0 billion. The principal contributors in that cash used included repayments of long-term borrowings of ¥166.0 billion, compared with ¥37.4 billion during the prior year, payments for redemption of bonds of ¥40.6 billion, compared with ¥74.6 billion during the prior year. These contributors offset a net increase in short-term borrowings of ¥63.4 billion, compared with ¥21.0 billion in the prior year, proceeds from long-term borrowings of ¥77.2 billion, compared with ¥14.4 billion in the prior year.

2) Trends in cash flow indicators

	Fiscal 2009	Fiscal 2010	Fiscal 2011
Ratio of total equity to total assets (%)	38.7	42.2	42.2
Total equity ratio on market value basis (%)	45.4	45.4	51.0
Interest-bearing debt / cash flow ratio (years)	2.3	2.7	4.0
Interest coverage ratio(times)	13.4	12.7	8.8

(Note) *Ratio of total equity to total assets : Total equity / total assets*
Total equity ratio on market value basis : Market capitalization / total assets
Interest-bearing debt / cash flow ratio : Interest-bearing debt / cash flow
Interest coverage ratio : cash flow */ interest payments*

* All indices are calculated using consolidated financial figures.
* Market capitalization is calculated as closing share price at the end of period × number of shares outstanding at the end of period (excluding treasury stock).
* For cash flow, the figure for net cash provided by operating activities in the consolidated statements of cash flows is used. For interest-bearing debt, the sum for all liabilities in the consolidated balance sheets for which interest is paid is used. For interest payments, the figure for interest paid in the consolidated statements of cash flows is used.

(3) Basic policy for the appropriation of profits and dividends for the fiscal 2011 and 2012

Regarding the interests of shareholders as an important management priority, the Company follows a basic policy of strengthening its management base in preparation for future business developments while working to improve business results. The Company's basic aim is to continue paying stable dividends and meet the expectations of shareholders, in light of overall considerations of business results and financial position in the fiscal period under review and in the future.

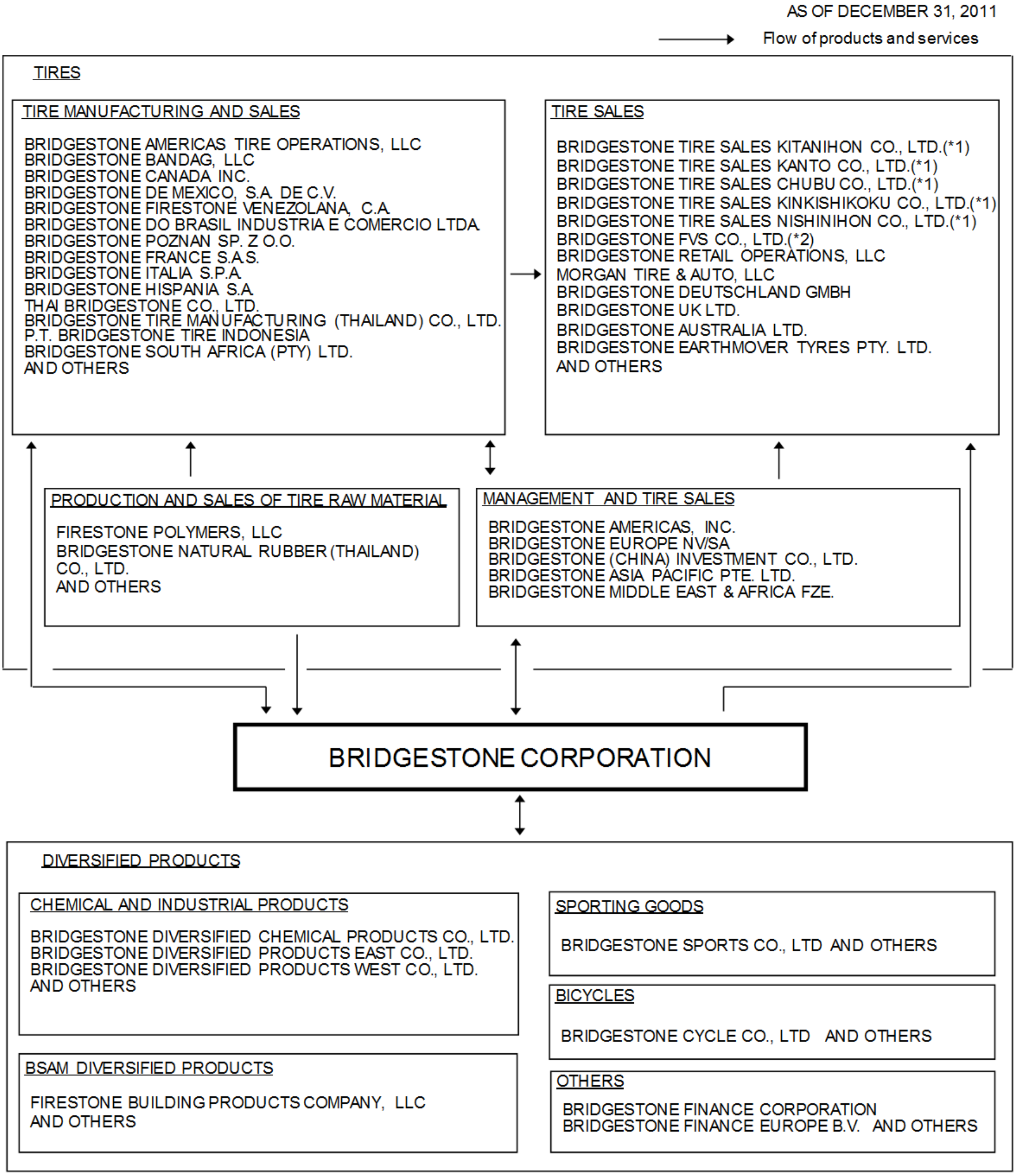
The Company pays dividends twice a year, comprising year-end and interim cash dividends. Year-end cash dividends are subject to approval by a resolution of the annual shareholders' meeting, while interim cash dividends are subject to approval by a resolution of the Board of Directors.

Further, the Company strives to strengthen the long-term stability of its management base by using retained earnings to improve and expand production and sales systems and advance R&D activities in Japan and overseas.

For the fiscal 2011, the Company plans to pay a cash dividend of ¥22 per share, comprising a year-end cash dividend of ¥12 per share and an interim cash dividend of ¥10 per share.

For the fiscal 2012, the Company plans to pay a cash dividend of ¥32 per share, comprising a year-end cash dividend of ¥16 per share and an interim cash dividend of ¥16 per share.

2. BRIDGESTONE Group's Major Subsidiaries and Business Relation Flowchart



All of the above-mentioned companies are our consolidated subsidiaries.

＊1.Merger of 5 broad area sales companies

BRIDGESTONE TIRE SALES KANTO CO., LTD. has merged with BRIDGESTONE TIRE SALES KITANIHON CO., LTD., BRIDGESTONE TIRE SALES CHUBU CO., LTD., BRIDGESTONE TIRE SALES KINKISHIKOKU CO., LTD., and BRIDGESTONE TIRE SALES NISHINIHON CO., LTD., and was renamed BRIDGESTONE TIRE JAPAN CO., LTD. on January 1, 2012.

＊2.Merger of Bridgestone FVS CO., LTD and 5 retail companies in which equity was held by the 5 broad area sales companies

Bridgestone FVS CO., LTD. has merged with 5 retail companies in which equity was held by the 5 broad area sales companies and was renamed BRIDGESTONE RETAIL JAPAN CO., LTD. on January 1, 2012.

3. Management Policies

(1) Basic Management Policies

The Bridgestone Group adheres to a corporate philosophy, which consist of the mission of “serving society with superior quality” and the foundation “Seijitsu-Kyocho[Integrity and Teamwork]”, “Shinshu-Dokuso [Creative Pioneering]”, “Genbutsu-Genba [Decision-Making Based on Verified, On-Site Observations]”, and “Jukuryo-Danko [Decisive Action after Thorough Planning]” in order to fulfill this mission. Based on that corporate philosophy, the Group will pursue the ultimate goal of the group management, which is “to become the status of being the undisputed world No.1 tire and rubber company both in name and reality.” Further, as a responsible global company, Bridgestone will respect the social culture and values of the various countries in which it conducts business activities, comply with laws and statutory regulations, protect the global environment, and contribute to society.

(2) Management Strategies and Tasks

Seeking “to become the undisputed world No.1 tire and rubber company both in name and reality” as the ultimate goal of the group management, the Group will advance all business activities based on an awareness of its corporate social responsibility. To that end, the Group has adopted a management stance with four components. First, the Group will always bear in mind business basics and principles. Second, the Group will adhere to the philosophy and spirit it has maintained since its establishment and uphold the “Bridgestone Way” corporate philosophy that calls on the Group to realize the mission of “serving society with superior quality.” Third, the Group will solidify its business footing in Japan. Last, the Group will rigorously proceed with Group and global business development on top of the strong foundation of its Japanese business.

Based on those four components of its management stance, the Group will develop businesses in accordance with four fundamental management policies: 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 domains; 3. To aim for the real global corporation, adopting a strategic business unit (SBU) organization; and 4. To aim for the optimum management of the entire Group, utilizing the Mid-Term Management Plan.

The Companies face rapid, major structural changes that significantly affect earnings, including changes in the composition of demand, new competition, and fluctuations in currency exchange rates and the prices of raw materials and materials. Against that backdrop, the Companies believe that it will be difficult to achieve sustained, quality growth solely by pursing external growth in the scale of net sales and its overseas business. In addition to the continuing extreme strength of the yen and the effects of the Great East Japan Earthquake on the domestic economy in Japan, the global economy faces higher levels of instability and risk. Major concerns include the recovery of the U.S. economy, sovereign risk in Europe, and decelerating growth in emerging countries.

In the face of this growing instability and risk, the Companies sought to turn change into opportunity with the implementation of the Lean & Strategic concept. On that basis, we rigorously streamlined our balance sheet.

To that end, the Companies will strive to make the most effective use of extensive vertical and horizontal expansion in their operations. Vertically, the Companies’ operations extend throughout the supply chain, from upstream, where raw materials are produced in-house, to downstream retail networks. Horizontally, the Companies have developed operations globally, centered on the tire business.

Further, in our MTP 2011, which was announced in October 2011, we have formulated five items as initiatives for “competing on a different ground.”

The first is expansion of strategic tire products and businesses. In passenger tires, including runflat tires, UHP tires, and winter tires, we will incorporate the Group’s leading-edge technologies and take steps to aggressively expand sales on a groupwide basis. In truck and bus tire segment, to meet the needs of customers and society for environment-responsive, cost optimization, and safe operation, we will implement global development of our solutions business utilizing retread technologies, targeting especially strong growth in emerging markets. In large and ultralarge off-the-road radial tires for construction and mining vehicles, the demand for mining resources continues to be robust, and in response we will strengthen this area of our business in order to respond rapidly and with flexibility to changes in the operating environment. Accordingly, in addition to the phase 3 expansion of the Kitakyushu Plant, which was announced in 2010, we are building a new plant in North America, which will be the first such plant overseas.

The second initiative is reinforcing fundamental competencies, specifically by leveraging optimizing specifications and reviewing expenses for processing while enhancing safety and quality in order to bolster overall supply chain competitiveness. In optimizing specifications, the fundamental task is meeting the quality demanded by the market. On that basis, we will focus on technical development that also contributes to the environment, with a focus on achieving enhanced safety and reducing raw material consumption (half weight). We will strive to maximize those effects through integrated activities that combine product development, production technologies, and procurement/internal manufacturing. In reviewing expenses for processing while enhancing safety and quality, we will develop high-productivity technologies while maximizing the use of existing production capacity. This will allow us to establish an organizational system that contributes to improved global profitability.

The third initiative is to make full use of vertical and horizontal expansion efficiencies. Through vertical expansion in the upstream sectors of the supply chain, we will control tire quality and cost beginning at the raw material level. In the downstream, we will expand the network of retail outlets to provide customers with optimal products and services on a timely basis. In addition, we will advance initiatives that fully leverage our ability to rapidly respond to market needs. Regading in-house production of raw materials, we will further advance the positioning of existing strategic raw material supply bases. As a result, we will enhance these bases into profit centers that contribute to improved financial results for the Companies. Moreover, through “horizontal expansion,” we will evaluate the roles of industrially developed countries and emerging countries in sales and production, and invest management resources to maximize their contribution to the Companies as a whole.

The fourth initiative is planning based on the principles of selection and concentration in diversified products business, or non-tire operations. We will work to bolster global development in chemical and industrial products operations, and we will take steps to expand profits, centered on construction materials and hose/belt operations and so on. Moreover, we will invest management resources for eco-friendly products and the development of new business models.

The fifth initiative is to enhance environmental activities and eco-friendly products and businesses, we refined the global Environmental Mission Statement in May 2011. This step was taken in order to clarify the long-term direction of the Companies’ environmental activities. The refined mission statement will help to raise the environmental awareness by the Companies’ employees and bolster initiatives targeting the realization of a society based on “ecological conservation,” “resource conservation” and “reducing CO2 emissions.” Specifically, we have already established numerical objectives, such as targets for CO2 emission reductions, with consideration for such factors as the social and operating environments. By incorporating these into plans for individual eco-friendly products and operations, we have a framework for the achievement of these goals.

These five items comprise our initiatives for “competing on a different ground.” They were formulated in accordance with our four fundamental management policies. The Group believes that in order to realize a basic system for implementing those strategies and measures, it must optimize organizational systems on a Group and global basis and undertake a mid-term management plan that is consistent for the Group as a whole. Therefore, the Group will continue to strengthen those aspects of its operations.

As an organizational systems initiative, the Group will gain an accurate understanding of market and customer needs in regions worldwide. Based on that understanding, the Group will evolve and further increase the effectiveness of the SBU system, which was introduced to reflect such needs optimally and rapidly on a Group and global basis. Further, in order to prevail and survive amid tough business conditions, it is critical for the Group to exploit its wide-ranging and diverse management resources to the utmost and in accordance with consistent targets and plans. To realize those objectives, the Group will revise the mid-term management plan on an annual rolling basis, extending it by one year at a time. Those revisions will enable the Group to respond accurately and rapidly to dramatically fluctuating business conditions as it seeks to maintain earnings levels. In other words, the Group will move forward vigorously to build a corporate organization that steadily increases profitability.

In addition, the Group will step up efforts to build systems that will enable the realization of its responsibilities as a company toward all of its stakeholders. The Group will conduct regular yearly reviews of its policy for the development of internal control systems that ensure appropriate operations. Moreover, the Group will undertake reviews of that policy as needed and steadily develop systems in accordance with the policy. For corporate governance systems, the Group will take further steps to ensure that the Company’s decision making consistently follows fair and transparent rules. Centering on the Integrated CSR Enhancement Committee, the Group’s corporate social responsibility activities will establish systems and heighten the effectiveness of activities in all areas, including rigorous risk management for environmental protection, product safety, compliance and disaster prevention and safety initiatives; internal control improvement; employee education; and corporate citizenship activities.

Since May 2007, the U.S. Department of Justice, the European Commission, the Fair Trade Commission of Japan, and other authorities have investigated the Company and certain of its subsidiaries in connection with alleged international cartel activities regarding the sale of marine hoses. During the course of investigations, the Company uncovered the fact that there have been incidents of improper monetary payments to foreign agents, a part of which may have been provided to foreign governmental officials and other possible forms of improper payments in connection with the sale of marine hoses and other industrial products. The Company has reported the findings of its internal inquiries to the Japanese Public Prosecutors Office and the U.S. Department of Justice.

With respect to the marine hose cartel, the Company received orders from the Fair Trade Commission of Japan in February 2008 which directed the Company to cease and desist from violating the Antimonopoly Act and to pay surcharges for violating the Act. The Company has responded to the order accordingly. Moreover, in January 2009, the Companies were notified by the European Commission of its decision to impose a fine for involvement in an international cartel related to the sale of marine hoses, and have paid the imposed fine.

In September 2011, the Company entered into a plea agreement with the U.S. Department of Justice. Under the plea agreement, the Company agreed to plead guilty to an antitrust conspiracy and a conspiracy to violate the Foreign Corrupt Practices Act, and to pay a fine. The plea agreement was approved by the U.S. District Court in October 2011, finalizing the penalty against the Company, and the Company has paid the fine accordingly.

Proceedings initiated in other countries with respect to the marine hose cartel have already been finalized. In regard to the class action lawsuit brought in the United States in connection with the marine hose cartel, a final approval of proposed settlements was granted by the Court. Further, the Company has handled other individual civil claims in an appropriate manner.

We are committed to the efforts to further enhance and expand our remediation measures, and to conduct business in compliance with the competition and anticorruption laws around the world.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Yen in millions)

		Previous Year (As of December 31, 2010)		Current Year (As of December 31, 2011)
Assets				
Current Assets				
Cash and deposits		185,334		130,343
Notes and accounts receivable		426,935		438,764
Short-term investments		113,228		90,133
Merchandise and finished products		253,908		314,454
Work in process		31,362		34,614
Raw materials and supplies		142,314		171,411
Deferred tax assets		61,487		75,157
Other		72,281		76,945
Allowance for doubtful accounts		(9,884)		(8,109)
Total Current Assets	*(Note2)*	1,276,968	*(Note2)*	1,323,716
Fixed Assets				
Tangible assets				
Buildings and structures, net		341,190		322,704
Machinery, equipment and vehicles, net		378,430		347,195
Land		147,094		140,167
Construction in progress		89,555		120,506
Other, net		50,353		50,757
Total tangible assets	*(Note1)*	1,006,624	*(Note1)*	981,331
Intangible assets		31,061		27,943
Investments and other assets				
Investments in securities	*(Note3)*	217,340	*(Note3)*	182,536
Long-term loans receivable		6,753		6,402
Deferred tax assets		103,201		94,640
Other		66,277		64,073
Allowance for doubtful accounts		(1,588)		(3,299)
Total investments and other assets		391,984		344,353
Total Fixed Assets	*(Note2)*	1,429,671	*(Note2)*	1,353,628
Total		2,706,639		2,677,344

(Yen in millions)

	Previous Year (As of December 31, 2010)	Current Year (As of December 31, 2011)
Liabilities		
Current Liabilities		
Notes and accounts payable	188,150	196,742
Short-term borrowings	297,176	198,115
Commercial paper	20,608	18,933
Current portion of bonds	21,108	13,174
Lease obligations	1,035	754
Income taxes payable	15,113	22,854
Deferred tax liabilities	902	1,612
Provision for sales returns	3,693	3,740
Provision for recall of merchandise	-	378
Accounts payable-other	139,333	148,756
Accrued expenses	150,372	152,088
Other	39,558	40,579
Total Current Liabilities	877,052	797,730
Long-term Liabilities		
Bonds	125,975	123,079
Long-term borrowings	191,373	238,474
Lease obligations	5,888	10,061
Deferred tax liabilities	38,999	23,882
Accrued pension and liability for retirement benefits	237,194	257,630
Warranty reserve	17,039	16,985
Provision for environmental remediation	4,780	4,516
Provision for recall of merchandise	1,367	-
Other	30,823	39,310
Total Long-term Liabilities	653,440	713,940
Total Liabilities	1,530,492	1,511,671
Net Assets		
Shareholders' equity		
Common stock	126,354	126,354
Capital surplus	122,629	122,629
Retained earnings	1,111,588	1,279,978
Treasury stock-at cost	(57,245)	(57,248)
Total Shareholders' equity	1,303,326	1,471,713
Accumulated other comprehensive income		
Net unrealized gain(loss) on available-for-sale securities	112,064	97,750
Deferred gain(loss) on derivative instruments	(235)	(890)
Foreign currency translation adjustments	(274,026)	(331,784)
Post retirement liability adjustments for foreign companies	-	(106,211)
Total accumulated other comprehensive income	(162,197)	(341,135)
Stock acquisition rights	514	770
Minority Interests	34,503	34,324
Total Net Assets	1,176,147	1,165,673
Total	2,706,639	2,677,344

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Yen in millions)

		Previous Year (Year ended December 31, 2010)		Current Year (Year ended December 31, 2011)
Net Sales		2,861,615		3,024,355
Cost of Sales		1,936,309		2,091,718
Gross profit		925,306		932,637
Selling, General and Administrative Expenses				
Goods freightage expenses		128,331		132,840
Advertising and promotion expenses		96,886		90,833
Salaries, allowances and bonuses		190,031		186,142
Retirement benefit expenses		18,391		14,476
Depreciation		23,850		22,847
Research and development expenses	(Note1)	85,153	(Note1)	83,981
Other		216,210		210,194
Total selling, general and administrative expenses		758,856		741,315
Operating income		166,450		191,321
Non-operating Income				
Interest income		3,504		4,125
Dividend income		3,417		4,299
Gain on sales of tangible assets		2,954		―
Other		11,717		14,909
Total non-operating income		21,594		23,334
Non-operating Expenses				
Interest expense		18,764		16,710
Foreign currency exchange loss		4,595		2,145
Other		16,778		16,483
Total non-operating expenses		40,138		35,338
Ordinary income		147,905		179,317
Extraordinary Income				
Gain on sales of tangible assets		―	(Note2)	7,295
Total extraordinary income		―		7,295
Extraordinary Loss				
Impairment loss		―	(Note3)	13,086
Loss on disposals of tangible assets		4,011		4,212
Loss on disaster		―	(Note4)	2,426
Loss on valuation of investments in securities		―		3,486
Loss on adjustment for changes of accounting standard for asset retirement obligations		―		2,471
Loss related to US antitrust law and US Foreign Corrupt Practices Act		―	(Note5)	2,149
Loss on recall of merchandise	(Note6)	2,217		―
Total extraordinary loss		6,228		27,833
Income before income taxes and minority interests		141,677		158,779
Income taxes - current		32,633		45,937
Income taxes - deferred		3,920		5,125
Total income taxes		36,554		51,063
Income before minority interests		―		107,716
Minority Interests		6,209		4,746
Net Income		98,913		102,970

Consolidated Statements of Comprehensive Income

(Yen in millions)

	Previous Year (Year ended December 31, 2010)		Current Year (Year ended December 31, 2011)
Income before minority interests	－		107,716
Other comprehensive income			
Unrealized gain (loss) on availavle-for-sale securities	－		(14,318)
Deffered gain (loss) on derivative instruments	－		(695)
Foreign currency translation adjustments	－		(57,780)
Post retirement liability adjustment for foreign companies	－		(25,138)
Share of other comprehensive income in affiliates	－		(2,387)
Total other comprehensive income	－	*(Note2)*	(100,320)
Comprehensive income	－	*(Note1)*	7,395
Comprehensive income attribute to:			
Shareholders of Bridgestone Coporation	－		5,099
Minority Interests	－		2,296

(3) Consolidated Statements of Changes in Net Assets

(Yen in millions)

	Previous Year (Year ended December 31, 2010)	Current Year (Year ended December 31, 2011)
Shareholders' equity		
Common stock		
Ending Balance of the previous year	126,354	126,354
Changes in the year		
Total changes in the year	—	—
Ending Balance	126,354	126,354
Capital surplus		
Ending Balance of the previous year	122,647	122,629
Changes in the year		
Disposition of treasury stock	(17)	0
Total changes in the year	(17)	0
Ending Balance	122,629	122,629
Retained earnings		
Ending Balance of the previous year	1,006,859	1,111,588
Reclassification of post retirement liability adjustments for foreign companies	—	81,073
Changes in the year		
Cash dividends	(14,117)	(15,653)
Net income	98,913	102,970
Decreased by retirement benefit obligations	19,933	—
Total changes in the year	104,728	87,316
Ending Balance	1,111,588	1,279,978
Treasury stock-at cost		
Ending Balance of the previous year	(54,847)	(57,245)
Changes in the year		
Purchase of treasury stock	(2,475)	(3)
Disposition of treasury stock	77	0
Total changes in the year	(2,398)	(3)
Ending Balance	(57,245)	(57,248)
Total shareholders' equity		
Ending Balance of the previous year	1,201,013	1,303,326
Reclassification of post retirement liability adjustments for foreign companies	—	81,073
Changes in the year		
Cash dividends	(14,117)	(15,653)
Net income	98,913	102,970
Decreased by retirement benefits obligations	19,933	—
Purchase of treasury stock	(2,475)	(3)
Disposition of treasury stock	60	0
Total changes in the year	102,313	87,313
Ending Balance	1,303,326	1,471,713

(Yen in millions)

	Previous Year (Year ended December 31, 2010)	Current Year (Year ended December 31, 2011)
Accumulated other comprehensive income		
Net unrealized gain(loss) on available- for-sale securities		
Ending Balance of the previous year	100,696	112,064
Changes in the year		
Net Change in the year	11,367	(14,313)
Total changes in the year	11,367	(14,313)
Ending Balance	112,064	97,750
Deferred gain(loss) on derivative instruments		
Ending Balance of the previous year	(844)	(235)
Changes in the year		
Net Change in the year	608	(654)
Total changes in the year	608	(654)
Ending Balance	(235)	(890)
Foreign currency translation adjustments		
Ending Balance of the previous year	(214,263)	(274,026)
Changes in the year		
Net Change in the year	(59,762)	(57,758)
Total changes in the year	(59,762)	(57,758)
Ending Balance	(274,026)	(331,784)
Post retirement liability adjustments for foreign companies		
Ending Balance of the previous year	—	—
Reclassification of post retirement liability for foreign companies	—	(81,073)
Changes in the year		
Net Change in the year	—	(25,138)
Total changes in the year	—	(25,138)
Ending Balance	—	(106,211)
Stock acquisition rights		
Ending Balance of the previous year	336	514
Changes in the year		
Net Change in the year	178	255
Total changes in the year	178	255
Ending Balance	514	770
Minority Interests		
Ending Balance of the previous year	33,859	34,503
Changes in the year		
Net Change in the year	644	(178)
Total changes in the year	644	(178)
Ending Balance	34,503	34,324

(4) Consolidated Statements of Cash Flows

(Yen in millions)

	Previous Year (Year ended December 31, 2010)	Current Year (Year ended December 31, 2011)
Cash Flows from Operating Activities		
Income before income taxes and minority interests	141,677	158,779
Depreciation and amortization	170,662	159,666
Increase(decrease) in allowance for doubtful accounts	(4,951)	—
Increase(decrease) in accrued pension and liability for retirement benefits	(3,291)	(17,949)
Increase(decrease) in provision for sales returns	3,693	—
Interest and dividend income	(6,921)	(8,424)
Interest expense	18,764	16,710
Foreign exchange losses (gains)	—	4,818
Gain on sales of tangible assets	—	(7,295)
Impairment loss	—	13,086
Loss on disposals of tangible assets	4,011	4,212
Loss on disaster	—	2,426
Loss(gain) on valuation of investments in securities	—	3,486
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	2,471
Loss related to US antitrust law and US Foreign Corrupt Practices Act	—	2,149
Loss on recall of merchandise	2,217	—
Decrease(increase) in notes and accounts receivable	(62,457)	(35,281)
Decrease(increase) in inventories	(32,664)	(122,890)
Increase(decrease) in notes and accounts payable	42,561	20,912
Other	9,462	(2,179)
Subtotal	282,763	194,698
Interest and dividends received	6,844	8,540
Interest paid	(19,461)	(17,358)
Payment related to US antitrust law and US Foreign Corrupt Practices Act	—	(2,149)
Income taxes paid	(22,410)	(31,573)
Net Cash Provided by Operating Activities	247,736	152,157
Cash Flows from Investing Activities		
Payments for purchase of tangible assets	(177,971)	(187,853)
Proceeds from sales of tangible assets	4,491	12,239
Payments for investments in securities	(2,002)	—
Proceeds from investments in securities	5,921	3,023
Proceeds from collection of loans receivable	2,386	1,514
Other	(3,382)	(6,002)
Net Cash Used in Investing Activities	(170,556)	(177,079)

(Yen in millions)

	Previous Year (Year ended December 31, 2010)	Current Year (Year ended December 31, 2011)
Cash Flows from Financing Activities		
Net increase(decrease) in short-term borrowings	21,059	63,400
Proceeds from long-term borrowings	14,470	77,265
Repayments of long-term borrowings	(37,432)	(166,003)
Proceeds from issuance of bonds	13,827	35,463
Payments for redemption of bonds	(74,615)	(40,618)
Payments for purchase of treasury stock	(2,475)	—
Repayments of obligations under finance leases	—	(1,540)
Cash dividends paid	(14,119)	(15,656)
Cash dividends paid to minority	(2,317)	(2,382)
Other	(925)	(3)
Net Cash Provided by(used in) Financing Activities	(82,528)	(50,074)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(13,996)	(13,086)
Net Increase(Decrease) in Cash and Cash Equivalents	(19,345)	(88,084)
Cash and Cash Equivalents at Beginning of Year	236,270	216,924
Cash and Cash Equivalents at End of Year	*(Note1)* 216,924	*(Note1)* 128,840

(5) Notes regarding going concern assumption

Not applicable

(6) Basic important matters for preparation of consolidated financial statements

1. Scope of consolidation
   1) Number of consolidated subsidiaries: 332 companies
      Names of principal companies:
         Refer to “2. BRIDGESTONE Group’s Major Subsidiaries and Business Relation Flowchart”
      Changes in scope of consolidation:
         Additions: 6 companies (Mainly, Increased by establishment)
         Deletions: 14 companies (Mainly, decreased by liquidation)
   2) There are no non-consolidated subsidiaries

2. Scope of application of equity-method accounting
   1) Number of equity-method affiliates: 152 companies
      Main equity-method affiliate
         BRISA BRIDGESTONE SABANCI LASTIK SANAYI VE TICARET A.S.
      Changes in the scope of equity-method accounting
         Deletions: 5 companies (Mainly, decreased by liquidation)
   2) There are no non-consolidated subsidiaries or affiliates to which equity-method accounting is not applied.

3. Fiscal year of consolidated subsidiaries

   Consolidated subsidiary BRIDGESTONE RIHGA,LTD. ends its fiscal year on October 31. Further, BRIDGESTONE TVS INDIA PRIVATE LTD. ends its fiscal year on March 31. Consolidated results are adjusted as necessary to reflect important transactions taking place between the respective fiscal year-ends of subsidiaries and the fiscal year-end of the Bridgestone Group.

4. Accounting standards
   1) Valuation standards and methods for investments in securities
      Available-for-sale-securities
         With market value — Fair value based on the market price, etc., at the fiscal year end.
         (Unrealized gain and loss are recorded in their entirety under net assets, and the moving average method is used to calculate the cost of securities sold.)
         Without market value — Primarily the moving average cost method.

   2) Valuation standards and methods for derivatives
      In principle, fair value.

   3) Valuation standards and methods for inventories

      Inventories are substantially stated at cost basis determined by the moving-average method and adjustment method of the cost basis to net recoverable value is applied, if lower, while inventories held by subsidiaries in the Americas are substantially stated at the lower of cost, which is determined principally by the last-in, first-out method.

   4) Depreciation method for fixed assets

      For tangible assets, the declining-balance method is used at domestic subsidiaries, and the straight-line method is used at overseas subsidiaries.

      For intangible assets, the straight-line method is used.

   5) Accounting standards for reserves and allowances
      a) Allowance for doubtful accounts

         In order to reserve for loss from the nonrepayment of claims, the actual credit loss rate is used to calculate the amount to be recorded for general claims, and for designated claims for which there is a concern of nonrepayment, an amount based on the evaluation of potential loss in the receivables outstanding is recorded.

b) Provision for sales returns

In order to provide for future losses on the return of snow tires, historical losses are used to estimate the amount of future, and that amount is recorded.

c) Provision for recall of merchandise

In order to reserve for outlays for recall of merchandise, an estimated amount is recorded in the bicycle business.

d) Accrued pension and liability for retirement benefits

In order to reserve for retirement benefits for employees, an amount based on the estimated amount of projected benefit obligations and pension plan assets as of the fiscal year end is recorded.

Prior service cost is treated as an expense using the straight-line method over a fixed number of years based on the average remaining years of service in the year in which they occur (10 years for domestic companies, 3 to 12 years for overseas companies).

Actuarial gain/loss at domestic companies is treated as an expense using the straight-line method over a fixed number of years (10 years) based on the average remaining years of service in the year in which they occur, recorded from the following year. For certain overseas companies, unrecognized actuarial gain/loss at the beginning of the fiscal year that exceed 10% of the larger of retirement benefit obligations or pension plan assets is treated as an expense using the straight-line method over a fixed number of years (8 to 12 years) based on the average remaining years of service.

In addition, at certain consolidated subsidiaries in the Americas, an estimated total amount of expenses for post-retirement benefits in addition to pensions is allotted based on the number of years of service provided by the employee.

At certain overseas companies, unrecognized amounts of actuarial gain/loss not yet treated as expenses are recorded as “Post retirement liability adjustments for foreign companies” included in accumulated other comprehensive income on the balance sheet.

e) Warranty reserve

Warranty reserve, included in other liabilities, is estimated and recorded at the time of sale to provide for future potential costs, such as costs related to after-sales services, in amounts considered to be appropriate based on the Companies’ past experience.

f) Provision for environmental remediation

In order to reserve for outlays for legally required removal and disposal of asbestos, etc., an estimated amount of future obligations is recorded.

6) Standards for the conversion of foreign currency-denominated assets and liabilities into yen

Short-term and long-term monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rate at the balance sheet date. The foreign currency exchange gain and loss from translation are recognized in income.

The balance sheet accounts of the Company’s overseas subsidiaries are translated into Japanese yen at the current exchange rate at the balance sheet date except for equity, which is translated at the historical rate. Differences arising from such translation are shown as foreign currency translation adjustments and minority interests in a separate component of equity. Revenue and expense accounts of the Company’s overseas subsidiaries are translated into Japanese yen at the average annual exchange rate.

7) Hedge accounting

a) Hedge accounting method

Deferred hedge accounting is applied. Designation accounting is used for forward foreign exchange and foreign exchange swaps that meet the requirements for designation accounting, and exceptional accounting is used for interest rate swaps that meet the requirements for exceptional accounting.

b) Hedging methods and items covered

Method	Items covered
Forward foreign exchange contracts	Foreign currency-denominated monetary claims and obligations, and scheduled foreign currency-denominated transactions
Foreign exchange swaps	Borrowings and corporate bonds
Interest rate swaps	Borrowings
Commodity swaps	Raw materials

c) Hedging policy

Forward foreign exchange transactions are used only to cover actual foreign exchange needs, and foreign exchange swaps are made to match the principal amount and tenor of the hedged foreign currency-denominated obligation. Interest rate swaps are entered into for the amount of borrowings only. Commodity swaps are entered into for the trade amount of raw materials. It is the Company’s policy not to use any derivative transactions for speculative purposes.

d) Method for evaluating the validity of hedges

The validity of hedges is evaluated based on a comparison of total fluctuations in the cash flow or fluctuations in the market value of the hedged item with the total fluctuations in the cash flow or fluctuations in the market value of the hedging instrument. However, for items covered by designation or exceptional accounting, the validity of the hedge is not evaluated.

8) Amortization of goodwill

Goodwill is amortized using the straight-line method over the period for which it is deemed to have effect, but not to exceed 20 years.

9)Definition of cash and cash equivalents for Consolidated Statements of Cash Flow

Cash and cash equivalents included in the consolidated statement of cash flows consists of cash on hand, deposits that can be withdrawn at any time or are easily convertible, and short-term investments maturing within three months from the date of acquisition and for which the risk from price movements is deemed negligible.

10) Other significant items related to the preparation of consolidated financial statements

Accounting treatment of consumption tax, etc.

Consumption tax and local consumption taxes are excluded.

(7) Changes in accounting principles

1. Adoption of the “Accounting Standard for Asset Retirement Obligations”

Starting from the current fiscal year, the Companies have adopted the “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No. 18 of March 31, 2008) and the “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No.21 of March 31, 2008). Although the impact of this adoption on operating income and ordinary income is not material, ¥2,471 million of loss on adjustment for changes of accounting standard for asset retirement obligations is recorded to extraordinary loss.

2. Adoption of the “Accounting Standard for Equity Method of Accounting for Investments”

Starting from the current fiscal year, the Companies have adopted the “Accounting Standard for Equity Method of Accounting for Investments” (ASBJ Statement No.16 of March 10, 2008), and the “Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method” (ASBJ Practical Issues Task Force No.24, March 10, 2008). There is no impact on gain or loss during the period as a result of this adoption.

(8) Changes in presentation

(Consolidated Balance Sheet)

Starting from the current fiscal year, the Companies have adopted the “Accounting Standard for Presentation of Comprehensive Income” (ASBJ Statement. No. 25 of June 30, 2010). “Post retirement liability adjustments for foreign companies” included in Net Assets of “Retained earnings” for the previous fiscal year is presented as “Post retirement liability adjustments for foreign companies” included in accumulated other comprehensive income.

The Company recorded minus ¥81,073 million as “Post retirement liability adjustments for foreign companies” included in Net Assets of “Retained earnings” for the previous fiscal year.

(Consolidated Statements of Income)

Starting from the current fiscal year, the Companies have adopted the “Cabinet Office Ordinance Partially Revising Regulation on Terminology, Forms and Preparation of Financial Statements” (Cabinet Office Ordinance No. 5 of March 24, 2009), based on the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22 of December 26, 2008), and the account item “Income before minority interests” is presented as a result.

(9) Additional Information

1) Information about Bridgestone Corporation and certain of its subsidiaries' cartel activities regarding the sale of marine hoses and improper monetary payments.

In May 2007, the U.S. Department of Justice, the European Commission, the Fair Trade Commission of Japan, and other authorities initiated investigations against the Company and certain of its subsidiaries in connection with international cartel activities regarding the sale of marine hoses. During the course of investigations, the Company uncovered the fact that there have been incidents of improper monetary payments to foreign agents, a part of which may have been provided to foreign governmental officials and other possible forms of improper payments in connection with the sale of marine hoses and other industrial products. The Company has reported the findings of its internal inquiries to the Japanese Public Prosecutors Office and the U.S. Department of Justice.

With respect to the marine hose cartel, the Company received orders from the Fair Trade Commission of Japan in February 2008 which directed the Company to cease and desist from violating the Antimonopoly Act and to pay surcharges for violating the Act. The Company has responded to the order accordingly. Moreover, in January 2009, the Companies were notified by the European Commission of its decision to impose a fine of €58.5 million for involvement in an international cartel related to the sale of marine hoses, and have paid the imposed fine.

In September 2011, the Company entered into a plea agreement with the U.S. Department of Justice. Under the plea agreement, the Company agreed to plead guilty to an antitrust conspiracy and a conspiracy to violate the Foreign Corrupt Practices Act, and to pay a fine of $28 million. The plea agreement was approved by the U.S. District Court in October 2011, finalizing the penalty against the Company, and the Company has paid the fine accordingly. The Company has recorded ¥2,149 million as an expense in connection with this fine in the fiscal year 2011.

Proceedings initiated in other countries with respect to the marine hose cartel have already been finalized. In regard to the class action lawsuit brought in the United States in connection with the marine hose cartel, a final approval of proposed settlements was granted by the Court. Further, the Company has handled other individual civil claims in an appropriate manner.

2) Accounting standard for presentation of comprehensive income

Starting from the current fiscal year, the Companies have adopted the "Accounting Standard for Presentation of Comprehensive Income" (ASBJ Statement. No. 25 of June 30, 2010). However, the amounts of "Accumulated other comprehensive income" for the previous fiscal year are presented as the amounts for "Valuation and translation adjustments and others".

(10) Notes to the consolidated financial statements

(Consolidated Balance Sheet)

Previous Year (As of December 31, 2010)		Current Year (As of December 31, 2011)	
Note 1	Accumulated depreciation of tangible assets ¥1,855,649 million	Note 1	Accumulated depreciation of tangible assets ¥1,867,601 million
Note 2	Assets pledged as collateral ¥8,871 million (Obligations corresponding to the preceding Short-term bank borrowings ¥1,654 million Long-term bank borrowings ¥295 million)	Note 2	Assets pledged as collateral ¥9,086 million (Obligations corresponding to the preceding Short-term bank borrowings ¥1,306 million Long-term bank borrowings ¥189 million)
Note 3	Assets or liabilities related to non-consolidated subsidiaries and affiliates Investments in securities ¥14,362 million	Note 3	Assets or liabilities related to non-consolidated subsidiaries and affiliates Investments in securities ¥12,284 million
4	Guarantees Guarantees on employees' bank borrowings, etc. ¥196 million	4	Guarantees Guarantees on employees' bank borrowings, etc. ¥147 million
5	Balance of trade notes discounted ¥1,387 million	5	Balance of trade notes discounted ¥1,859 million

(Consolidated Statements of Income)

Previous Year (Year ended December 31, 2010)	Current Year (Year ended December 31, 2011)
Note 1 Research and development expenses General and administrative expenses ¥85,153 million	Note 1 Research and development expenses General and administrative expenses ¥83,981 million
—	Note 2 Gain on sales of tangible assets Gain on sales of tangible assets mainly consists of gain on sales of land.
—	Note 3 Impairment loss The Companies group their operating assets in accordance with the classifications used for internal management. Disposal assets (assets that the Companies plan to dispose of through scrapping or sale) and idle assets are grouped on an individual basis. In the period under review, for operating assets for which profitability has declined, disposal assets through planned scrapping or sale, and idle assets that are not expected to be used in the future, the carrying amounts were reduced to the recoverable amounts, and the amounts of these reductions were recorded under extraordinary loss as impairment loss of ¥13,086 million. That total included ¥5,618 million for buildings and structures, ¥3,056 million for machinery, equipment, and vehicles, ¥2,669 million for land, and ¥1,741million for others.

USE	Classification	Location	Amount (Yen in millions)
Operating assets	buildings and structures machinery, equipment,etc	Japan	1,381
Disposal assets	buildings and structures land etc	Japan North America etc	10,979
Idle assets	buildings and structures machinery, equipment, etc	Japan	725

	The recoverable amount of operating assets is measured by value in use, which is calculated by discounting future cash flows at a discount rate of 7.5%. The recoverable amounts of disposal assets and idle assets are measured at the net selling price. Assets to be scrapped are evaluated at memorandum value, and assets to be sold and idle assets are evaluated at the estimated selling price.
—	Note 4 Loss on disaster Loss on disaster consists of restoration expenses for tangible assets, and scrapping expenses for inventories as a result of the Great East Japan Earthquake, which occurred on March 11, 2011.
—	Note 5 Loss related to US antitrust law and US Foreign Corrupt Practices Act The Company has recorded the expense in connection with guilty to an antitrust conspiracy and a conspiracy to violate the Foreign Corrupt Practices Act regarding the sale of marine hoses, as a result of the finalized penalty by the U.S. Department of Justice.
Note 6 Loss on recall of merchandise In the bicycle business, an estimated amount of outlays for recall of merchandise is recorded.	

(Consolidated Statement of Comprehensive Income)
Consolidated Results for Fiscal 2011(January 1, 2011 - December 31, 2011)
Note 1 Comprehensive income in Consolidated Results for Fiscal 2011

	(Yen in millions)
Shareholders of Bridgestone Coporation	71,224
Minority Interests	4,869
Total	76,093

Note 2 Other comprehensive income in Consolidated Results for Fiscal 2011

	(Yen in millions)
Unrealized gain (loss) on availavle-for-sale securities	11,367
Deffered gain (loss) on derivative instruments	606
Foreign currency translation adjustment	(59,176)
Post retirement liability adjustments for foreign companies	19,933
Share of other comprehensive income in affiliates	(1,759)
Total	(29,028)

(Consolidated Statements of Changes in Net Assets)

Previous Year（Year ended 31 December 2010)

1. Type and total number of shares issued / Type and number of treasury stock

	As of December 31, 2009	Increase	Decrease	As of December 31, 2010
Number of shares issued Common stock (Thousands of shares)	813,102	—	—	813,102
Treasury stock Common stock (Thousands of shares) (see notes 1 & 2)	28,797	1,682	40	30,439

Notes 1: The increase of treasury stock consists of the purchase of 1,674 thousand shares according to the requests from the shareholders due to the Company's merger with its subsidiary and the purchase of 7 thousand shares according to the requests from the shareholders who have odd-lot shares.

2: The decrease of treasury stock consists of 40 thousand shares used for the exercise of stock options.

2. Stock acquisition rights

	Details	Type of shares to be used as stock acquisition rights	Number of shares to be used for Stock acquisition rights				Outstanding amount as of fiscal year end (yen in millions)
			As of December 31, 2009	Increase	Decrease	As of December 31, 2010	
Filing company	Stock acquisition rights as stock options	—	—	—	—	—	514
Total		—	—	—	—	—	514

3. Dividends

(1) Dividend payments

Resolution	Type	Total dividends (yen in millions)	Dividend per share	Record date	Effective date
Annual Shareholders' Meeting, March 30, 2010	Common Stock	6,274	¥8	December 31, 2009	March 31, 2010
Board of Directors, August 6, 2010	Common Stock	7,843	¥10	June 30, 2010	September 1, 2010

(2) Dividends whose record date is in the current year and effective date is in the following fiscal year

Resolution	Type	Total dividends (yen in millions)	Source	Dividend per share	Record date	Effective date
Annual Shareholders' Meeting , March 29, 2011	Common Stock	7,826	Retained earnings	¥10	December 31, 2010	March 30, 2011

Current Year（Year ended 31 December 2011)

1. Type and total number of shares issued / Type and number of treasury stock

	As of December 31, 2010	Increase	Decrease	As of December 31, 2011
Number of shares issued Common stock (Thousands of shares)	813,102	―	―	813,102
Treasury stock Common stock (Thousands of shares) (see notes 1)	30,439	2	0	30,441

Notes 1: The increase of treasury stock consists of the purchase of 2 thousand shares according to the requests from the shareholders who have odd-lot shares.

2. Stock acquisition rights

	Details	Type of shares to be used as stock acquisition rights	Number of shares to be used for Stock acquisition rights				Outstanding amount as of fiscal year end (yen in millions)
			As of December 31, 2010	Increase	Decrease	As of December 31, 2011	
Filing company	Stock acquisition rights as stock options	―	―	―	―	―	770
Total		―	―	―	―	―	770

3. Dividends

(3) Dividend payments

Resolution	Type	Total dividends (yen in millions)	Dividend per share	Record date	Effective date
Annual Shareholders' Meeting, March 29, 2011	Common Stock	7,826	¥10	December 31, 2010	March 30, 2011
Board of Directors, August 8, 2011	Common Stock	7,826	¥10	June 30, 2011	September 1, 2011

(4) Dividends whose record date is in the current year and effective date is in the following fiscal year

Resolution	Type	Total dividends (yen in millions)	Source	Dividend per share	Record date	Effective date
Annual Shareholders' Meeting , March 27, 2012	Common Stock	9,391	Retained earnings	¥12	December 31, 2011	March 28, 2012

(Consolidated Statements of Cash Flows)

Previous Year (Year ended December 31, 2010)	Current Year (Year ended December 31, 2011)
Note 1 Relationship between cash and cash equivalents at fiscal year end and amount shown in Consolidated Balance Sheet	Note 1 Relationship between cash and cash equivalents at fiscal year end and amount shown in Consolidated Balance Sheet

(As of December 31, 2010)

	Yen in millions
Cash and deposits	185,334
Short-term investments	113,228
Current Assets – other (money held in trust)	5,500
Total	304,062
Time deposits, bonds, etc. with terms of more than three months	(87,138)
Cash and cash equivalents	216,924

(As of December 31, 2011)

	Yen in millions
Cash and deposits	130,343
Short-term investments	90,133
Total	220,476
Time deposits, bonds, etc. with terms of more than three months	(91,636)
Cash and cash equivalents	128,840

(Segment Information)

1. Overview of reporting segments

The Companies' reporting segments are components of the Companies whose separate financial information is obtainable, and the Board of Directors and the Management Committee regularly consider these segments in order to decide the allocation of business resources and evaluate business performance.

The Companies' reporting segments consist mainly of Tire business including the production and sale of tires and tubes, sale of wheels and accessories, the production and sale of retread material and services, auto maintenance, and Diversified products business including Chemical and Industrial Products, BSAM Diversified Products (Note), sporting goods, bicycles, etc.Thus, the Companies have two reporting segments: Tires and Diversified products.

(Note)BSAM Diversified Products: A business under BRIDGESTONE AMERICAS, INC. supplying commercial roofing materials etc.

2. Methods of calculating amounts for Sales and Income (Loss), assets and other items by reporting segment

The accounting treatment methods for each reported business segment are broadly similar to those outlined in "Basic important matters for preparation of consolidated financial statements". Reporting segment income figures are on an operating income basis. Internal sales and transfers between segments are mainly based on prices for third-party transactions.

3. Information regarding Sales and Income (Loss), assets and other items by reporting segment

Consolidated Results for Fiscal 2010(January 1, 2010 - December 31, 2010) (Yen in millions)

	Tires	Diversified Products	Total	Adjustments (note)	Consolidated
Net sales:					
External customers	2,377,305	484,310	2,861,615	―	2,861,615
Inter-segment	2,267	10,376	12,644	(12,644)	―
Total	2,379,572	494,687	2,874,259	(12,644)	2,861,615
Segment income (Operating income)	153,129	13,364	166,494	(44)	166,450
Segment assets	2,321,573	388,061	2,709,634	(2,994)	2,706,639
Other					
Depreciation and amortization	145,692	21,968	167,660	―	167,660
Amortization of goodwill	3,001	―	3,001	―	3,001
Investment for equity-method affiliates	13,946	418	14,365	(2)	14,362
Increase in tangible and intangible fixed assets	159,972	22,860	182,833	―	182,833

Note: The adjustments are as follows.

(Note1) Adjustments of segment income refer to elimination of inter-segment transactions.

(Note2) Adjustments of segment assets refer to elimination of inter-segment receivables and payables.

Consolidated Results for Fiscal 2011(January 1, 2011 - December 31, 2011) (Yen in millions)

	Tires	Diversified Products	Total	Adjustments (note)	Consolidated
Net sales:					
External customers	2,536,730	487,625	3,024,355	－	3,024,355
Inter-segment	3,054	12,945	15,999	(15,999)	－
Total	2,539,785	500,570	3,040,355	(15,999)	3,024,355
Segment income (Operating income)	185,475	5,812	191,287	33	191,321
Segment assets	2,295,946	384,216	2,680,163	(2,819)	2,677,344
Other					
Depreciation and amortization	136,336	21,708	158,044	－	158,044
Amortization of goodwill	1,501	120	1,621	－	1,621
Investment for equity-method affiliates	11,988	299	12,287	(2)	12,284
Increase in tangible and intangible fixed assets	174,778	26,789	201,568	－	201,568

Note: The adjustments are as follows.
(Note1) Adjustments of segment income refer to elimination of inter-segment transactions.
(Note2) Adjustments of segment assets refer to elimination of inter-segment receivables and payables.

Additional Information

Starting from the current fiscal year, the Companies have adopted the “Accounting Standard for Disclosures about Segments of an Enterprise and Related information” (ASBJ Statement No. 17 of March 27, 2009) and the “Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information.” (ASBJ Guidance No.20 of March 21, 2008)

(Per share information)

(Yen)

Items	Previous Year (Year ended December 31, 2010)	Current Year (Year ended December 31, 2011)
Total equity per share	1,458.01	1,444.53
Net income per share	126.19	131.56
Diluted net income per share	126.16	131.50

Notes: Total equity per share and diluted net income per share are calculated based on the following:

	Previous Year (Year ended December 31, 2010)	Current Year (Year ended December 31, 2011)
Net income per share	(Yen in millions)	(Yen in millions)
Net Income	98,913	102,970
Amount not belonging to common shareholders	—	—
Net income corresponding to common shareholders	98,913	102,970
Average number of shares held by common shareholders during term	(Thousands of shares) 783,818	(Thousands of shares) 782,662
Diluted net income per share	(Thousands of shares)	(Thousands of shares)
Net income adjustments	—	—
Increase of common stock (stock option portion include in the above)	228 (228)	382 (382)
Summary of residual shares with no dilution effect and therefore not included in calculation of diluted net income per share	Stock options (via stock acquisition rights) as a resolution of the annual shareholders' meeting, March 30, 2004 Common Stock 225 Stock options (via stock acquisition rights) as a resolution of the annual shareholders' meeting, March 30, 2005 Common Stock 252 Stock options (via stock acquisition rights) as a resolution of the annual shareholders' meeting, March 30, 2006 Common Stock 280 Stock options (via stock acquisition rights) as a resolution of the annual shareholders' meeting, March 29, 2007 Common Stock 260 Stock options (via stock acquisition rights) as a resolution of the annual shareholders' meeting and the board of directors, March 27, 2008 Common Stock 234	Stock options (via stock acquisition rights) as a resolution of the annual shareholders' meeting, March 30, 2004 Common Stock 225 Stock options (via stock acquisition rights) as a resolution of the annual shareholders' meeting, March 30, 2005 Common Stock 252 Stock options (via stock acquisition rights) as a resolution of the annual shareholders' meeting, March 30, 2006 Common Stock 280 Stock options (via stock acquisition rights) as a resolution of the annual shareholders' meeting, March 29, 2007 Common Stock 260 Stock options (via stock acquisition rights) as a resolution of the annual shareholders' meeting and the board of directors, March 27, 2008 Common Stock 234

(Significant subsequent events)

Transactions under common control

On January 1, 2012, a merger was implemented among 5 broad area sales companies that were consolidated subsidiaries of the Company. On the same date, another merger was implemented among Bridgestone FVS Co., Ltd., and 5 retail companies. The details are as follows:

(1) Outline of the transactions

1. Merger of 5 broad area sales companies

a. Name and business activities of combined entity

Name: BRIDGESTONE TIRE SALES KANTO CO., LTD.
Business activities: Sales of automobile tires

Companies that were merged: BRIDGESTONE TIRE SALES KITANIHON CO., LTD.
BRIDGESTONE TIRE SALES CHUBU CO., LTD.
BRIDGESTONE TIRE SALES KINKISHIKOKU CO., LTD.
BRIDGESTONE TIRE SALES NISHINIHON CO., LTD.
Business activities: Sales of automobile tires

b. Date of combination: January 1, 2012

c. Form of business combination:
Absorption-type merger with Bridgestone Tire Sales Kanto Co., Ltd., as the surviving company

d. Name of the entity after the combination: BRIDGESTONE TIRE JAPAN CO., LTD.

2. Merger of Bridgestone FVS Co., Ltd., and 5 retail companies in which equity was owned by 5 broad area sales companies.

a. Name and business activities of combined entity

Name: Bridgestone FVS CO., LTD.
Business activities: Sales of automobile parts components

Companies that were merged: BRIDGESTONE RETAIL KITANIHON CO., LTD.
BRIDGESTONE RETAIL KANTO CO., LTD.
BRIDGESTONE RETAIL CHUBU CO., LTD.
BRIDGESTONE RETAIL KINKISHIKOKU CO., LTD.
BRIDGESTONE RETAIL NISHINIHON CO., LTD.
Business activities: Sales of automobile tires

b. Date of combination: January 1, 2012

c. Form of business combination:
Absorption-type merger with Bridgestone FVS CO., LTD., as the surviving company

d. Name of the entity after the combination: BRIDGESTONE RETAIL JAPAN CO., LTD.

(2) Other items related to the outline of the transactions

The Companies are aiming to establish a true “vertically integrated sales business model” through the transfer to two companies of the majority of the functions of domestic replacement tire sales divisions and the integration of the domestic replacement tire sales divisions, wholly owned sales companies, and directly operated stores.

(3) Outline of accounting treatment implemented

The combination was implemented as a business combination under common control, based on the “Accounting Standard for Business Combinations” (ASBJ Statement No.21, December 26, 2008) and “Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10, December 26, 2008).

5. Other

(1) Senior Management Changes

Tokyo (February 16, 2012) - Bridgestone Corporation announced that its board of directors has approved the following proposals of the changes in members of the board of directors and corporate officers today.

1. New Members of the Board of Directors — Occupation in parentheses

(Subject to approval at the Company's annual Shareholders' Meeting on March 27, 2012)

Vice President and Senior Officer Member of the Board Responsible for Products Development; Concurrently responsible for Production Technology	Yoshiyuki Morimoto	〔Vice President and Senior Officer Responsible for Products Development; Concurrently responsible for Research and Development〕
Vice President and Senior Officer Member of the Board Responsible for Quality Management; Concurrently responsible for Global Logistics Center	Narumi Zaitsu	〔Vice President and Senior Officer Responsible for Global Logistics Center〕

2. New Members of Corporate Auditors — Occupation in parentheses

(Subject to approval at the Company's annual Shareholders' Meeting on March 27, 2012)

Corporate Auditor	Mikio Masunaga	〔Vice President and Senior Officer Member of the Board Responsible for Quality Management〕
Corporate Auditor	Tomoko Watanabe	〔Patent attorney Representative, WATANABE TOMOKO INTERNATIONAL PATENT OFFICE〕

* Ms. Tomoko Watanabe is a candidate for outside corporate auditor as set forth in Article 2-16 of the Corporate Law of Japan.

3. Retiring Member of the Board of Directors — Plan after retirement in parentheses

(Effective March 27, 2012)

Member of the Board and Executive Vice President of Bridgestone Sports Co., Ltd.	Kazuo Kakeh	〔Vice President and Senior Officer Member of the Board Seconded to Bridgestone Sports Co., Ltd. Member of the Board and Executive Vice President of Bridgestone Sports Co., Ltd.; Concurrently Advisor to Senior Vice President, Responsible for Diversified Products, Sports and Cycle Business〕

4. Retiring Members of Corporate Auditors — Plan after retirement in parentheses

(Effective March 27, 2012)

Corporate Auditor (Full-Time)	Yukimitsu Ushio	
Corporate Auditor (Non-Full-Time)	Hiroshi Ishibashi	
Corporate Auditor (Non-Full-Time)	Yo Takeuchi	

* Mr. Yo Takeuchi is an outside corporate auditor as set forth in Article 2-16 of the Corporate Law of Japan.

5. Changing Position and Responsibilities of Members of the Board of Directors

Current position and responsibilities in parentheses

(Subject to approval at the Company’s annual Shareholders' Meeting and subsequent Board of Directors meeting on March 27, 2012)

Chairman of the Board	Shoshi Arakawa	〔Chairman of the Board, CEO and President Representative Board Member〕
CEO and Representative Board Member	Masaaki Tsuya	〔Senior Vice President Representative Board Member Responsible for Diversified Products, Sports and Cycle Business; Concurrently Chief Risk-Management Officer, Chief Human Rights Officer Responsible for Corporate Administration Chief Compliance Officer, Office of Group CEO, Internal Auditing〕
COO and Representative Board Member Concurrently responsible for Japan Tire Business, Diversified Products, Sports and Cycle Business	Kazuhisa Nishigai	〔Senior Vice President Representative Board Member Responsible for Japan Tire Business; Concurrently responsible for Replacement Tire Sales〕

* Bridgestone Corporation announced above changes on January 11, 2012

6. Reappointed Members of the Board of Directors

Current position and responsibilities in parentheses

(Subject to approval at the Company's annual Shareholders' Meeting on March 27, 2012)

Member of the Board	Sakie Tachibana Fukushima	〔Member of the Board〕
Member of the Board	Takao Enkawa	〔Member of the Board〕
Member of the Board	Kimiko Murofushi	〔Member of the Board〕
Member of the Board	Scott Trevor Davis	〔Member of the Board〕

* Ms. Sakie Tachibana Fukushima, Mr. Takao Enkawa, Ms. Kimiko Murofushi and Mr. Scott Trevor Davis are candidates for outside directors as set forth in Article 2-15 of the Corporate Law of Japan.

7. New Members of Corporate Officers

Current position and responsibilities in parentheses

(Effective March 27, 2012)

Vice President and Officer Chief Risk-Management Officer, Chief Human Rights Officer Human Resources and General Affairs; Concurrently Director, Human Resources and Labor Relations Division	Shinichi Yochi	〔Director Human Resources and Labor Relations Division〕
Vice President and General Counsel Legal Affairs; Concurrently Director, Office of Legal Affairs	Shingo Kubota	〔Director Office of Legal Affairs〕
Vice President and Officer Seconded to Bridgestone Europe NV/SA Member of the Board, COO of Bridgestone Europe NV/SA	Mitsuhira Shimazaki	〔Director Seconded to Bridgestone Europe NV/SA Member of the Board, COO of Bridgestone Europe NV/SA〕
Vice President and Officer Seconded to Bridgestone Europe NV/SA	Ryutaro Ishii	〔Director Seconded to Bridgestone Europe NV/SA〕

8. Promotion of Corporate Officers

(Effective March 27, 2012)

		Current position and responsibilities in parenthesis
Vice President and Senior Officer Responsible for Global Innovation Central Research Chief Information Officer IT & Network; Concurrently Assistant to Vice President and Officer, Office of Corporate Management External Relations	Yuichiro Takenami	〔Vice President and Officer Central Research Chief Information Officer IT & Network; Concurrently Assistant to Vice President and Officer, Office of Group CEO External Relations; Concurrently Assistant to Senior Vice President, Responsible for Diversified Products, Sports and Cycle Business External Relations〕
Vice President and Senior Officer Responsible for Replacement Tire Sales; Concurrently Chairman and CEO of Bridgestone Tire Japan Co., Ltd.; Concurrently Consumer Tires Business	Minoru Shimizu	〔Vice President and Officer Seconded to Bridgestone Tire Japan Co., Ltd. Chairman and CEO of Bridgestone Tire Japan Co., Ltd.; Concurrently Consumer Tires Business〕
Vice President and Senior Officer Responsible for Original Equipment Tire Sales	Masato Hiruma	〔Vice President and Officer Original Equipment Tire Sales〕
Vice President and Senior Officer of Bridgestone Corporation Member of the Board, CEO and President and Chief Quality Officer of Bridgestone Europe NV/SA Managing Director of Bridgestone Technical Center Europe S.p.A.	Franco Annunziato	〔Vice President and Officer of Bridgestone Corporation Member of the Board, CEO and President and Chief Quality Officer of Bridgestone Europe NV/SA Managing Director of Bridgestone Technical Center Europe S.p.A.〕

9. Retiring Corporate Officers

Plan after retirement in parenthesis

(Effective March 27, 2012)

Vice President and Senior Officer Responsible for Production Technology	Yasumi Kawasaki	〔Advisor〕
Vice President and Senior Officer Responsible for Original Equipment Tire Sales Japan Tire Business Planning	Takashi Urano	〔Advisor〕
Vice President and Officer Seconded to Bridgestone Cycle Co., Ltd. Member of the Board and Executive Vice President of Bridgestone Cycle Co., Ltd.	Toru Tsuda	〔Member of the Board and Executive Vice President of Bridgestone Cycle Co., Ltd.〕
Vice President and Officer Seconded to Bridgestone Diversified Products East Co., Ltd. Chairman and CEO of Bridgestone Diversified Products East Co., Ltd.	Natsuki Fujii	〔Chairman and CEO of Bridgestone Diversified Products East Co., Ltd.〕