

Supplementary Information of 2012 2Q

1.Financial Highlights

(1) Quarter of the year

(Yen in billions)

		Unit	2011					2012						
			1H		FY			1H		vs.PY	Fcst.	vs.PY		
			1Q	2Q	3Q	4Q	FY	1Q	2Q					
Consolidated Results														
Statements of Income	Net Sales		704.3	754.7	1,459.1	775.3	789.9	3,024.3	726.2	762.7	1,488.9	102	3,130.0	103
	Operating Income		55.8	37.7	93.6	49.7	47.9	191.3	63.0	70.7	133.7	143	287.0	150
	OP Margin	%	7.9	5.0	6.4	6.4	6.1	6.3	8.7	9.3	9.0	+2.6	9.2	+2.8
	Ordinary Income		56.2	35.6	91.8	40.2	49.4	179.3	61.7	67.2	128.9	140	269.0	150
	Net Income		31.3	22.7	54.1	27.8	21.0	102.9	42.2	33.0	75.2	139	172.0	167
Exchange Rate	US \$	Yen/\$	82	82	82	78	77	80	80	80	80	97	79	99
	Euro	Yen/€	113	117	115	110	104	111	105	103	103	90	99	89
Analysis of Net Sales and Operating Income vs. PY														
Net Sales	Forex		(51.0)	(51.0)	(102.0)	(44.0)	(41.0)	(187.0)	(25.0)	(32.0)	(57.0)		(88.0)	
	Price, Mix, Volume etc.		+96.2	+78.9	+175.1	+114.0	+60.6	+349.7	+46.9	+39.9	+86.8		+193.6	
	Total		+45.2	+27.9	+73.1	+70.0	+19.5	+162.7	+21.9	+7.9	+29.8		+105.6	
Operating Income	Forex		(11.0)	(9.0)	(20.0)	(8.0)	(9.0)	(37.0)	(6.0)	(8.0)	(14.0)		(19.0)	
	Raw Materials		(52.0)	(72.0)	(124.0)	(68.0)	(63.0)	(255.0)	(6.0)	+23.0	+17.0		+61.0	
	Depreciation		0	0	0	+1.0	+3.0	+4.0	+1.0	+2.0	+3.0		(1.0)	
	SGA		(2.0)	(12.0)	(14.0)	+1.0	(9.0)	(22.0)	(7.0)	(1.0)	(8.0)		(26.0)	
	Strategic Products		+6.0	+7.0	+13.0	+6.0	+2.0	+21.0	0	(3.0)	(3.0)		+12.0	
	Price, Mix, Volume etc.		+78.8	+81.4	+160.2	+82.7	+70.9	+313.8	+25.1	+20.0	+45.1		+68.6	
	Total		+19.8	(4.6)	+15.2	+14.7	(5.1)	+24.8	+7.1	+33.0	+40.1		+95.6	
Segment Information (*1)														
Business Segment	Tires	Net Sales	590.7	630.5	1,221.2	648.8	669.6	2,539.7	602.5	634.9	1,237.5	101	2,620.0	103
		OP	54.5	35.2	89.7	46.2	49.4	185.4	57.0	62.6	119.6	133	262.0	141
		OP Margin %	9.2	5.6	7.4	7.1	7.4	7.3	9.5	9.9	9.7	+2.3	10.0	+2.7
	Diversified Products	Net Sales	117.2	127.8	245.1	130.5	124.8	500.5	127.9	132.5	260.4	106	520.0	104
		OP	1.3	2.5	3.8	3.5	(1.5)	5.8	6.0	7.9	14.0	36.7	25.0	43.0
		OP Margin %	1.1	2.0	1.6	2.7	(1.2)	1.2	4.8	6.0	5.4	+3.8	4.8	+3.6
Geographic Segment (*2)	Japan	Net Sales	275.2	300.4	575.7	293.9	359.2	1,229.0	300.9	301.0	601.9	105	1,270.0	103
		OP	16.5	11.0	27.5	8.8	33.1	69.5	34.5	39.0	73.6	26.7	161.0	231
		OP Margin %	6.0	3.7	4.8	3.0	9.2	5.7	11.5	13.0	12.2	+7.4	12.7	+7.0
	Americas	Net Sales	300.0	332.5	632.5	335.4	320.7	1,288.6	313.0	348.6	661.7	105	1,350.0	105
		OP	22.7	14.2	37.0	15.1	9.7	61.9	26.7	25.2	51.9	14.0	88.0	142
		OP Margin %	7.6	4.3	5.9	4.5	3.0	4.8	8.5	7.2	7.9	+2.0	6.5	+1.7
	Europe	Net Sales	100.8	105.9	206.7	110.3	96.0	413.1	87.7	87.5	175.2	85	360.0	87
		OP	2.4	2.8	5.3	6.7	(0.7)	11.3	1.2	(0.3)	0.8	1.6	6.0	5.3
		OP Margin %	2.5	2.7	2.6	6.1	(0.7)	2.8	1.4	(0.4)	0.5	(2.1)	1.7	(1.1)
	Other	Net Sales	168.9	178.3	347.3	182.4	169.8	699.6	178.3	170.1	348.4	100	720.0	103
		OP	13.8	12.4	26.2	14.8	7.0	48.2	16.1	10.8	27.0	103	56.0	116
		OP Margin %	8.2	7.0	7.6	8.1	4.2	6.9	9.1	6.4	7.8	+0.2	7.8	+0.9
Market	Net Sales	Domestic	152.2	155.5	307.7	164.9	221.5	694.2	165.0	162.3	327.4	106		
		Overseas	552.1	599.2	1,151.3	610.3	568.3	2,330.1	561.2	600.3	1,161.5	101		
		Americas	296.3	328.2	624.5	331.9	316.8	1,273.3	310.1	345.1	655.2	105		
		Europe	102.3	107.9	210.2	111.0	97.4	418.8	88.4	87.7	176.1	84		
		Other	153.5	163.0	316.5	167.3	154.0	638.0	162.6	167.4	330.1	104		
Investment Costs & Expenses	Capital Expenditure				73.3			201.3			99.2	135	285.0	142
	Depreciation				78.0			158.0			73.1	94	155.0	98
	R&D Expenses				41.3			83.9			41.0	99	85.0	101
	Interest Expense				3.3			8.2			3.0	91		
Liabilities	Interest-Bearing Debt		666.4		684.0	671.6		602.5	675.8		663.4	97	600.0	100
Tire Production (tonnage of rubber)	Overseas	Domestic	10,000t	13	15	28	15	14	57	14	14	28		56
		Americas	10,000t	15	15	29	14	14	58	15	14	29		59
		Europe	10,000t	6	7	13	6	6	25	6	5	11		23
		Other	10,000t	12	12	25	13	12	49	12	11	23		51
		Overseas Total	10,000t	33	34	67	33	32	132	33	30	63		133
	Total	10,000t	47	49	96	47	46	189	47	44	92		189	
	Overseas Prod. Ratio	%	71	69	70	69	69	70	70	68	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

(2) Full Year

(Yen in billions)

	Unit	2008			2009			2010			2011			2012		
		Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Fcst.	%	vs.PY
Consolidated Results																
Statements of Income	Net Sales	3,234.4	100	95	2,597.0	100	80	2,861.6	100	110	3,024.3	100	106	3,130.0	100	103
	Operating Income	131.5	4.1	53	75.7	2.9	58	166.4	5.8	220	191.3	6.3	115	287.0	9.2	150
	Ordinary Income	74.4	2.3	34	54.4	2.1	73	147.9	5.2	272	179.3	5.9	121	269.0	8.6	150
	Extra Loss (Gain)	20.9	0.6		19.0	0.7		6.2	0.2		20.5	0.7				
	Net Income	10.4	0.3	8	1.0	0.0	10	98.9	3.5	+	102.9	3.4	104	172.0	5.5	167
Exchange Rate	US \$	Yen/\$	104	88	94	90	88	94	80	91	79	99	99	99	99	99
	Euro	Yen/€	153	94	130	85	116	89	111	96	99	99	99	99	99	99
Analysis of Net Sales and Operating Income vs. PY																
Net Sales	Forex	(301.0)			(269.0)			(136.0)			(187.0)			(88.0)		
	Price, Mix, Volume etc.	+145.2			(368.4)			+400.6			+349.7			+193.6		
	Total	(155.8)			(637.4)			+264.6			+162.7			+105.6		
Operating Income	Forex	(45.0)			(44.0)			(27.0)			(37.0)			(19.0)		
	Raw Materials	(190.0)			+121.0			(131.0)			(255.0)			+61.0		
	Depreciation	(25.0)			(6.0)			+3.0			+4.0			(1.0)		
	SGA				+68.0			(37.0)			(22.0)			(26.0)		
	Strategic Products	+13.0			+4.0			+30.0			+21.0			+12.0		
	Price, Mix, Volume etc.	+128.6			(198.8)			+252.7			+313.8			+68.6		
	Total	(118.4)			(55.8)			+90.7			+24.8			+95.6		
Segment Information(*1)																
Business Segment	Tires (*3)	Net Sales	2,629.1	95	2,152.9	82	2,379.5	111	2,539.7	107	2,620.0	103				
		OP	92.7	48	75.2	81	153.1	204	185.4	121	262.0	141				
		OP Margin %	3.5	(3.5)	3.5	(0.0)	6.4	+2.9	7.3	+0.9	10.0	+2.7				
	Diversified Products (*4)	Net Sales	625.5	95	454.1	73	494.6	109	500.5	101	520.0	104				
		OP	38.7	71	0.4	1	13.3	+	5.8	43	25.0	430				
		OP Margin %	6.2	(2.1)	0.1	(6.1)	2.7	+2.6	1.2	(1.5)	4.8	+3.6				
Geographic Segment (*2)	Japan	Net Sales	1,321.9	96	1,011.9	77	1,154.6	114	1,229.0	106	1,270.0	103				
		OP	68.9	47	14.3	21	61.6	428	69.5	113	161.0	231				
		OP Margin %	5.2	(5.5)	1.4	(3.8)	5.3	+3.9	5.7	+0.3	12.7	+7.0				
	Americas	Net Sales	1,417.2	94	1,132.8	80	1,223.9	108	1,288.6	105	1,350.0	105				
		OP	21.6	42	34.4	159	48.3	140	61.9	128	88.0	142				
		OP Margin %	1.5	(1.9)	3.0	+1.5	4.0	+0.9	4.8	+0.9	6.5	+1.7				
	Europe	Net Sales	474.8	92	362.5	76	383.8	106	413.1	108	360.0	87				
		OP	(4.8)	-	(11.9)	-	7.1	+	11.3	160	6.0	53				
		OP Margin %	(1.0)	(4.3)	(3.3)	(2.3)	1.9	+5.1	2.8	+0.9	1.7	(1.1)				
	Other (*5)	Net Sales	599.3	109	511.5	85	611.9	120	699.6	114	720.0	103				
		OP	35.4	94	32.9	93	44.9	137	48.2	107	56.0	116				
		OP Margin %	5.9	(0.9)	6.4	+0.5	7.3	+0.9	6.9	(0.5)	7.8	+0.9				
Market	Net Sales	Domestic	786.1	24	614.8	24	671.8	23	694.2	23	103					
		Overseas	2,448.3	76	1,982.1	76	2,189.7	77	2,330.1	77	106					
		Americas (*6)	1,386.3	93	1,125.7	81	1,212.9	108	1,273.3	105						
		Europe	489.7	92	363.0	74	387.9	107	418.8	108						
		Other	572.3	101	493.5	86	588.8	119	638.0	108						
Balance Sheet	Total Assets	2,768.4			2,808.4			2,706.6			2,677.3					
	ROA %	0.3			0.0			3.6			3.8					
	Net Assets	1,019.9			1,120.7			1,176.1			1,165.6					
	ROE %	0.9			0.1			8.9			9.1					
	Ratio of total equity to total assets %	35.8			38.7			42.2			42.2					
	Interest-Bearing Debt	775.9	94	786.3	101	663.1	84	602.5	91	600.0	100					
Cash Flows	Operating Cashflow	109.7			338.6			247.7			152.1					
	Investing Cashflow	(265.3)			(188.2)			(170.5)			(177.0)					
	Free Cashflow	(155.5)			150.4			77.1			(24.9)					
Investment	Capital Expenditure	247.9	103	156.8	63	159.7	102	174.7	109	255.0	146					
	Diversified Total	27.3	87	21.3	78	22.8	107	26.6	117	30.0	112					
		275.3	101	178.2	65	182.6	102	201.3	110	285.0	142					
Costs & Expenses	Depreciation	182.3	5.6	108	175.7	6.8	96	167.6	5.9	95	158.0	5.2	94	155.0	5.0	98
	R&D Expenses	93.2	2.9	107	85.7	3.3	92	85.1	3.0	99	83.9	2.8	99	85.0	2.7	101
	Interest Expense	23.0	0.7	102	19.9	0.8	86	11.8	0.4	59	8.2	0.3	70			
No. of Employee		137,981		103	137,135		99	139,822		102	143,124		102			
Tire Production (tonnage of rubber)	Domestic	10,000t	64		44			55			57		56			
	Overseas	10,000t	58		45			54			58		59			
	Europe	10,000t	21		17			23			25		23			
	Other	10,000t	44		37			46			49		51			
	Overseas Total	10,000t	122		99			123			132		133			
	Total	10,000t	186		143			177			189		189			
	Overseas Prod. Ratio %		66		69			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

(*3)Net sales of "Specialty Tires" business accounts for less than 10% of "Tires" business in 2011.

(*4)Net sales composition of "Diversified Products" segment in 2011 is as follows.

Chemical and Industrial Products : More than 50% , BSAM Diversified Products : Less than 30% , Sporting goods,bicycles : Less than 20%

(*5)Net sales composition of "Other" segment in 2011 is as follows.

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

(*6) "United States" in 2011 : ¥993.8 billion

2. Additional Information

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

		2012	
		FY Fcst.	
JAPAN	PSR/LTR	97	
	TBR	99	
N.America	PSR/LTR	101	
	TBR	93	
Europe	PSR/LTR	90	
	TBR	93	
Emerging countries total (The above 4 countries total)	Thailand	PSR/LTR	113
		TBR	110
	Indonesia	PSR/LTR	111
		TBR	119
	India	PSR/LTR	116
		TBR	151
	China	PSR/LTR	111
		TBR	102
Emerging countries total		PSR/LTR	112
(The above 4 countries total)		TBR	108

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

			2010	2011	2012			2011 FY
			FY	FY	1H	2H Fcst.	FY Fcst.	Component ratio (Approx.)
JAPAN	PSR/LTR	REP	107	106	94	+11%~+15%	~+5%	70%
		OE	130	84	131	~-5%	+6%~+10%	30%
		Total	115	97	106	+6%~+10%	+6%~+10%	
	TBR	REP	111	107	82	+6%~+10%	around ±0%	80%
		OE	159	116	156	+6%~+10%	+26%~+30%	20%
		Total	119	109	100	+6%~+10%	~+5%	
N.America	PSR/LTR	REP	106	94	91	+6%~+10%	around ±0%	80%
		OE	129	105	126	~+5%	+11%~+15%	20%
		Total	110	96	99	+6%~+10%	~+5%	
	TBR	REP	111	105	82	around ±0%	-6%~-10%	70%
		OE	132	154	104	+21%~+25%	+11%~+15%	30%
		Total	115	116	89	+6%~+10%	around ±0%	
Europe	PSR/CVR	REP	117	99	76	~+5%	-11%~-15%	70%
		OE	112	94	94	+11%~+15%	~+5%	30%
		Total	115	98	82	~+5%	-6%~-10%	
	TBR	REP	117	90	60	+6%~+10%	-16%~-20%	70%
		OE	176	114	94	+6%~+10%	around ±0%	30%
		Total	127	95	69	+6%~+10%	-11%~-15%	
Asia Pacific	PSR/LTR	REP	107	103	96	+11%~+15%	~+5%	60%
		OE	134	96	129	+41%~+45%	+36%~+40%	40%
		Total	117	100	109	+21%~+25%	+16%~+20%	
	TBR	REP	106	103	96	+11%~+15%	~+5%	90%
		OE	150	86	159	+71%~+75%	+66%~+70%	10%
		Total	108	102	100	+16%~+20%	+6%~+10%	
China	PSR/LTR	REP	129	112	79	+21%~+25%	around ±0%	50%
		OE	126	115	123	-6%~-10%	+6%~+10%	50%
		Total	127	113	98	+6%~+10%	~+5%	
	TBR	REP	127	102	62	+21%~+25%	-11%~-15%	100%
		OE	126	104	63	+21%~+25%	-6%~-10%	
		Total	126	104	63	+21%~+25%	-6%~-10%	

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

		2010	2011	2012		
		FY	FY	1H	2H Fcst.	FY Fcst.
Passenger Car Radial Tires (Replacement)	RFT	135	110	100	110	105
	UHP	120	105	100	135	115
Specialty Tires	Winter	120	125	75	95	95
	Ultralarge ORR	115	115	110	105	105
	Large ORR	130	130	105	95	100
	APR	115	120	120	105	110
	MCR	115	100	90	105	95

* Based on rubber weight for Ultralarge and Large ORR