Consolidated Financial Statements for the Fiscal Year Ended December 31, 2012

February 18, 2013

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.

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Scheduled date of annual shareholders' meeting: March 26, 2013
Scheduled date of securities report submission: March 26, 2013
Scheduled date of dividend payment commencement: March 27, 2013
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 2012(January 1, 2012 - December 31, 2012)

(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 2012	3,039,738	0.5	285,995	49.5	285,043	59.0	171,605	66.7
Fiscal 2011	3,024,355	5.7	191,321	14.9	179,317	21.2	102,970	4.1

(Reference) Comprehensive Income: Fiscal 2012 ¥ 277,113 million (－%)
Fiscal 2011 ¥ 7,395 million (decrease of 90.3%)

	Net income per share	Diluted net income per share	Net return on Total equity	Ordinary income / Total assets	Operating income margin
	Yen	Yen	%	%	%
Fiscal 2012	219.26	219.10	13.7	10.0	9.4
Fiscal 2011	131.56	131.50	9.1	6.7	6.3

(Reference) Equity in earnings of affiliates: Fiscal 2012 ¥2,145 million
Fiscal 2011 ¥1,611 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 2012	3,039,251	1,419,094	45.2	1,755.60
Fiscal 2011	2,677,344	1,165,673	42.2	1,444.53

(Reference) Total equity Fiscal 2012 ¥1,374,039 million
Fiscal 2011 ¥1,130,577 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 2012	404,467	(237,928)	(55,351)	269,416
Fiscal 2011	152,157	(177,079)	(50,074)	128,840

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 2011	－	10.00	－	12.00	22.00	17,218	16.7	1.5
Fiscal 2012	－	16.00	－	16.00	32.00	25,045	14.6	2.0
Fiscal 2013 (Projection)	－	27.00	－	27.00	54.00		18.0	

3. Consolidated Projected Results for Fiscal 2012 (January 1, 2013 - December 31, 2013)

(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	1,690,000	13.5	182,000	36.0	170,000	31.8	105,000	39.5	134.16
Fiscal 2013	3,550,000	16.8	382,000	33.6	365,000	28.1	235,000	36.9	300.26

*** Notes**

(1) Changes in principal subsidiaries during fiscal 2012 : No
(Changes in specified subsidiaries involving change in consolidation scope)

(2) Changes in accounting policy, changes in accounting estimates, and restatements
1) Changes due to revisions of accounting policy, etc. : No
2) Changes in policy other than 1) : No
3) Changes in accounting estimates : No
4) Restatements : No

(3) Outstanding number of shares (common stock)
1) Outstanding number of shares at term end (including treasury stock):
December 31, 2012 813,102,321 shares
December 31, 2011 813,102,321 shares

2) Number of shares of treasury stock at term end
December 31, 2012 30,440,507 shares
December 31, 2011 30,441,046 shares

3) Average outstanding number of shares (during the fiscal year)
December 31, 2012 782,661,458 shares
December 31, 2011 782,662,118 shares

(Reference) Summary of Non-consolidated Results
(January 1, 2012 - December 31, 2012)

(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 2012	939,399	(3.3)	139,264	146.8	155,753	135.0	91,960	171.4
Fiscal 2011	971,255	8.4	56,435	(3.5)	66,287	(1.7)	33,879	(32.7)

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal 2012	117.50	117.41
Fiscal 2011	43.29	43.27

(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 2012	1,700,914	1,242,016	73.0	1,585.50
Fiscal 2011	1,603,172	1,155,491	72.0	1,475.37

(Reference) Total equity Fiscal 2012 ¥1,240,917 million
Fiscal 2011 ¥1,154,720 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

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, and the statements are not guarantees of future business performance. For further details, please see page 4, “Projections for fiscal 2013.”

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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 2012]
1) Sales and earnings

	Fiscal 2012	Fiscal 2011	Increase (Decrease)	
	Yen in billions	Yen in billions	Yen in billions	%
Net sales	3,039.7	3,024.3	15.3	1
Operating income	285.9	191.3	94.6	49
Ordinary income	285.0	179.3	105.7	59
Net income	171.6	102.9	68.6	67

In fiscal 2012(January 1 to December 31, 2012), the Companies' operating environment was plagued by raw materials and feedstocks prices remaining at high levels and the continuing strength of the Japanese yen. While increased demand was brought on by re-building and rebounding sales of new vehicles following recovery from Great East Japan Earthquake, recovery of the domestic economy was stalling due to a slowdown in global economic growth. The United States economy was still on the seesaw of recovery and recession, and the financial crisis had a negative impact on the European economy. Asian economic expansion showed signs of a slowdown, particularly in China and India.

Under these operating conditions, the companies will pursue the ultimate goal of being the "World's undisputed No.1 tire and rubber company both in name and reality". In this way, we will be "Dan-Totsu", or the absolute and clear leader in all our industries and a company that is far outperforming its competitors. Stepping up our efforts on a global scale, the Companies focused on increasing the sales of highly competitive products, strengthening supply capacity of these products, improving manufacturing productivity, enhancing technology and effectively utilizing our management resources. Moreover, with business conditions evolving at unprecedented speed, the Companies were 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 business models that will extend beyond the mere sale of products, and develop eco-friendly products and businesses.

As a result, net sales in fiscal 2012 was ¥3,039.7 billion, an increase of 1% from fiscal 2011, operating income was ¥285.9 billon, an increase of 49%, ordinary income was ¥285.0 billion, an increase of 59% and net income was ¥171.6 billion, an increase of 67%.

2) Segment Information

		Fiscal 2012	Fiscal 2011	Increase (Decrease)	
		Yen in billions	Yen in billions	Yen in billions	%
Tires	Net Sales	2,557.2	2,539.7	17.4	1
	Operating income	260.4	185.4	75.0	40
Diversified Products	Net Sales	499.0	500.5	(1.5)	-
	Operating income	25.5	5.8	19.7	339
Consolidated Results	Net Sales	3,039.7	3,024.3	15.3	1
	Operating income	285.9	191.3	94.6	49

In the tire segment, the Companies worked to maximize sales momentum by introducing appealing new products globally, enhancing strategic products and reinforcing fundamental competencies such as specification optimization, and responding promptly to demand fluctuation in each region.

In Japan, unit sales of tires for passenger cars and light trucks grew firmly compared to fiscal 2011. Total unit sales of tires for trucks and buses decreased due to a decline in sales of replacement tires. In the Americas, unit sales of passenger and light truck tires in North America remained unchanged compared to fiscal 2011. Total unit sales of tires for trucks and buses decreased due to a decline in the sales of replacement tires. In Europe, unit sales of tires for passenger cars and light trucks decreased substantially compared to fiscal 2011 due to a decline in the sales of replacement tires, as well as tires for trucks and buses. In Asia Pacific, unit sales of passenger cars and light trucks increased substantially compared to fiscal 2011. Total unit sales of tires for trucks and buses firmly increased from fiscal 2011. In China, unit sales of passenger and light truck tires decreased, and unit sales of tires for trucks and buses decreased substantially compared to fiscal 2011. In the specialty tire business, unit sales of large and ultralarge off-the-road radial tires for construction and mining vehicles increased steadily compared to those of fiscal 2011 due to expansion of production capacity.

As a result, net sales and operating income in the tire segment during fiscal 2012 totaled ¥2,557.2 billion and ¥260.4 billon, an increase of 1% and 40% from fiscal 2011, respectively.

In the diversified products segment, net sales totaled ¥499.0 billion, remaining unchanged from fiscal 2011. Due to the increasing profit of domestic business and BSAM's Diversified Products business, operating income was ¥25.5 billion, an increase of 339% from fiscal 2011.

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

[Projections for fiscal 2013]

The Companies' operating environment will continue to require careful attention due to such factors as fluctuations in exchange rates and the prices of raw materials and feedstocks, an ongoing lack of clarity in the global economic situation and international political conditions that remain unstable.

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

			Fiscal 2013 projections	Fiscal 2012	Increase (Decrease)	
			Yen in billions	Yen in billions	Yen in billions	%
First half	Net sales		1,690.0	1,488.9	201.0	14
	Operating income		182.0	133.7	48.2	36
	Ordinary income		170.0	128.9	41.0	32
	Net income		105.0	75.2	29.7	40
Full-year	Net sales		3,550.0	3,039.7	510.2	17
	Operating income		382.0	285.9	96.0	34
	Ordinary income		365.0	285.0	79.9	28
	Net income		235.0	171.6	63.3	37
			Yen	Yen		
Exchange rate	First half	yen/dollar	89	80	–	11
		yen/euro	119	103		16
	Full-year	yen/dollar	89	80		11
		yen/euro	119	103		16

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 Bridgestone Group’s actual performance and results to differ substantially from management’s projections and plans, and the statement are not guarantees of future business performance.

(2) Analysis of Financial Position

1) Cash flow

		Fiscal 2012	Fiscal 2011	Increase (Decrease)
		Yen in billions	Yen in billions	Yen in billions
Net cash provided by operating activities		404.4	152.1	252.3
Net cash used in investing activities		(237.9)	(177.0)	(60.8)
Net cash used in financing activities		(55.3)	(50.0)	(5.2)
Effect of exchange rate changes on cash and cash equivalents		29.3	(13.0)	42.4
Net increase (decrease) in cash and cash equivalents		140.5	(88.0)	228.6
Cash and cash equivalents	At beginning of year	128.8	216.9	(88.0)
	At end of year	269.4	128.8	140.5

The Companies' cash and cash equivalents increased ¥140.5 billion during 2012, to ¥269.4 billion, compared with a decrease of ¥88.0 billion during the prior year.

(Cash flow by operating activities)

Net cash provided by operating activities increased ¥252.3 billion during 2012, compared with the prior year, to ¥404.4 billion. The principal contributors in that cash provided included income before income taxes and minority interests of ¥268.0 billion, compared with ¥158.7 billion during the prior year, depreciation and amortization of ¥155.0 billion, compared with ¥158.0 billion during the prior year. These contributors offset a decrease in notes and accounts payable of ¥42.9 billion, compared with a net increase of ¥20.9 billion in the prior year, income taxes paid of ¥55.9 billion, compared with ¥31.5 billion in the prior year.

(Cash flow by investing activities)

Net cash used in investing activities increased ¥60.8 billion compared with the prior year, to ¥237.9 billion. Expenditures included payments of ¥240.1 billion for purchase of tangible assets, compared with payments of ¥187.8 billion during the prior year.

(Cash flow by financing activities)

Net cash used in financing activities decreased ¥5.2 billion compared with the prior year, to ¥55.3 billion. The principal contributors in that cash used included net decrease in short-term borrowings of ¥35.9 billion, compared with a net increase of ¥63.4 billion during the prior year, repayments for long-term borrowings of ¥52.0 billion, compared with ¥166.0 billion during the prior year, payments for redemption of bonds of ¥39.4 billion, compared with ¥40.6 billion during the prior year, payments for cash dividends paid of ¥21.9 billion, compared with ¥15.6 billion during the prior year. These contributors offset proceeds from long-term borrowings of ¥68.7 billion, compared with ¥77.2 billion in the prior year, proceeds from issuance of bonds of ¥28.1 billion, compared with ¥35.4 billion in the prior year.

2) Trends in cash flow indicators

	Fiscal 2010	Fiscal 2011	Fiscal 2012
Ratio of total equity to total assets (%)	42.2	42.2	45.2
Total equity ratio on market value basis (%)	45.4	51.0	57.3
Interest-bearing debt / cash flow ratio (years)	2.7	4.0	1.5
Interest coverage ratio(times)	12.7	8.8	24.2

(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 2012 and 2013

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.

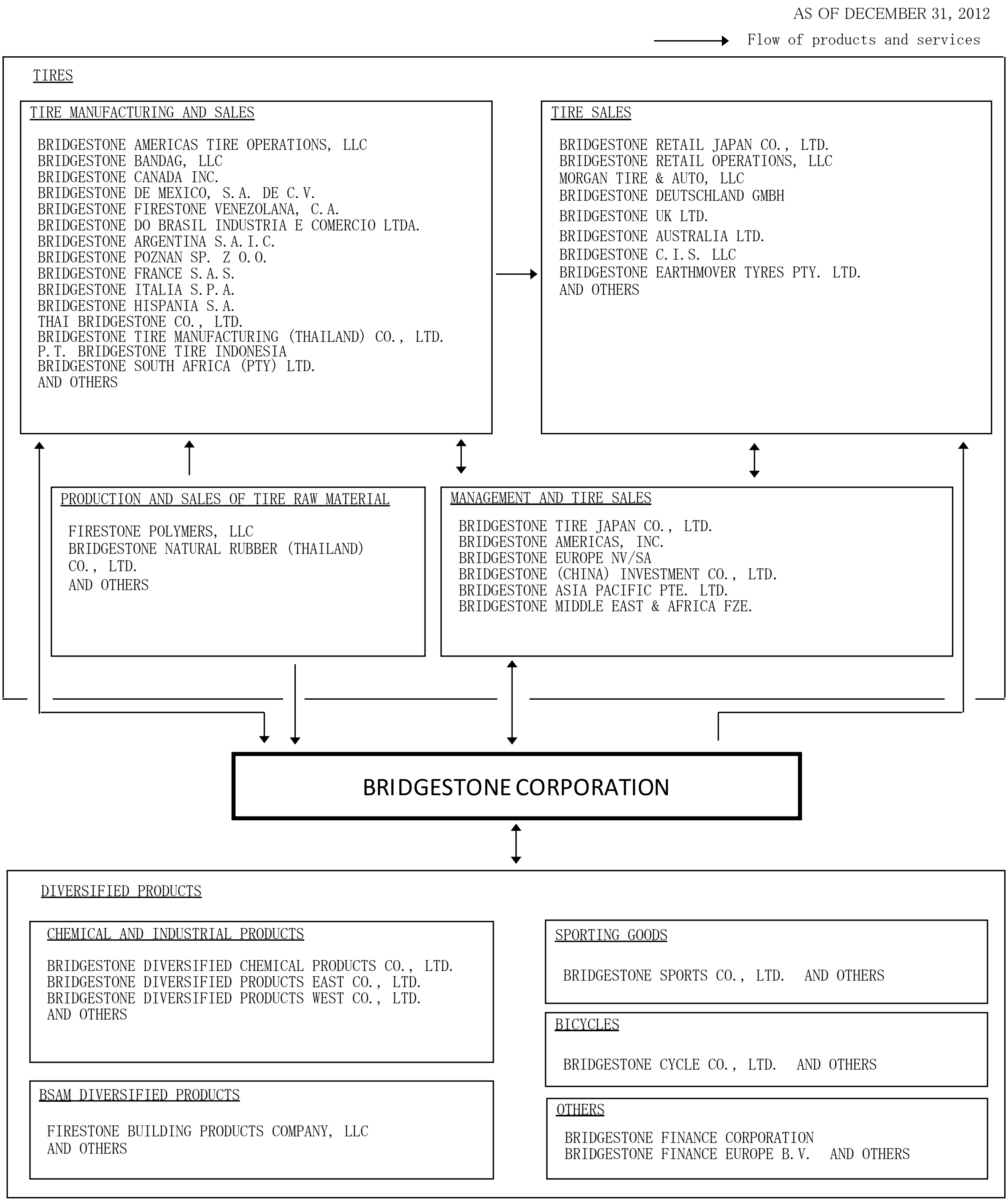
The Company pays dividends twice a year, comprising year-end and interim cash dividends. Year-end cash dividends are subject to approval by a resolution of the annual shareholders' meeting, while interim cash dividends are subject to approval by a resolution of the Board of Directors.

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 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.

For the fiscal 2013, the Company plans to pay a cash dividend of ¥54 per share, comprising a year-end cash dividend of ¥27 per share and an interim cash dividend of ¥27 per share.

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



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

* Transfer of overseas financial subsidiary

On January 1, 2013, BRIDGESTONE FINANCE EUROPE B.V. was transferred to BRIDGESTONE TREASURY SINGAPORE PTE. LTD., which was established on July 2 2012, as an overseas financial subsidiary.

3. Management Policies

(1) Basic Management Policies

The Bridgestone Group adheres to a corporate philosophy, which consists of the mission of “serving society with superior quality” and the foundations “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 being the “World’s undisputed No.1 tire and rubber company both in name and reality”. In this way, we will aim to be “Dan-Totsu”, or the absolute and clear leader in all our industries and a company that is far outperforming its competitors. 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 be the “World’s undisputed 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 will strive to realize the mission spelled out in its corporate philosophy—“serving society with superior quality.” In addition, the Group will solidify its business footing in Japan and will rigorously proceed with Group and global business development on the strong foundation of its Japanese business.

In accordance with this fundamental approach, we position the strategic business unit(SBU) organization and the Mid-Term Management Plan as the foundation of management, and, striving to be a true global corporation with management optimized on a Group-wide basis, we step-up the pace of management reforms and advance operational development.

The Companies face rapid, major structural changes that can 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 feedstocks. 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, although there are signs of recovery in U.S. business conditions, there are also concerns about a serious economic recession in Europe and about decelerating economic growth in emerging countries. The degree of uncertainty and risk in the global economy has increased beyond previous levels.

To respond quickly to this uncertainty and risk, we will strengthen bottom-up proposal functions from the front lines, communication intended to optimize Group and global operations, and teamwork for the full utilization of Group resources. In accordance with the Lean & Strategic approach, we will create new customer value through both technology innovation and business model innovation. In this way, we will strive to be “Dan-Totsu” of the industry in all aspects of businesses.

In our MTP 2012, which was announced in October 2012, we have formulated five items as initiatives to be “Dan-Totsu”.

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 Group-wide basis. In the truck and bus tire segment, in order 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 off-the-road radial tire market for construction and mining vehicles, we will promote new plant project in North America and will build a new plant in Thailand as second overseas production site of off-the-road radial tire. In this way, we will strengthen our system in order to respond rapidly and with flexibility to changes in the operating environment.

The second initiative is focused on reinforcing fundamental competencies, specifically by leveraging optimized specifications and reviewing cost for processing while enhancing safety and quality in order to bolster overall supply chain competitiveness. In optimizing specifications, the fundamental task is to meet the quality requirements demanded by the market. On that basis, we will focus on technical developments that also contribute 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 cost 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. 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 business planning based on the principles of selection and concentration in diversified products business. Through further strengthening our global business, working to develop new business models and leveraging technological strengths in such areas as rubber, adhesives, and reinforcement materials, we will work to expand profits, mainly from anti-vibration rubber, belts, hoses, rubber crawlers, and seismic isolation rubber businesses in chemical and industrial products operations. In addition, in BSAM's diversified products business, we will reinforce the building products operations, centered on roofing products.

The fifth initiative involves environmental activities and eco-friendly products and businesses. In accordance with the recently reissued and reinforced global Environmental Mission Statement, we have determined the long-term direction of the Companies' environmental activities. Moving forward, we will target the realization of three societies—an ecological conservation society, a resource conservation society, and a reduced CO_2 emissions society. We have already established certain numerical objectives to support these three societies, such as targets for CO_2 emission reductions, taking into consideration 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.

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.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Yen in millions)

		Previous Year (As of December 31, 2011)		Current Year (As of December 31, 2012)
Assets				
Current Assets				
Cash and deposits		130,343		226,162
Notes and accounts receivable		438,764		444,669
Short-term investments		90,133		124,010
Merchandise and finished products		314,454		321,012
Work in process		34,614		34,524
Raw materials and supplies		171,411		165,188
Deferred tax assets		75,157		79,333
Other		76,945		89,187
Allowance for doubtful accounts		(8,109)		(8,074)
Total Current Assets	*(Note2)*	1,323,716	*(Note2)*	1,476,013
Fixed Assets				
Tangible assets				
Buildings and structures, net		322,704		352,194
Machinery, equipment and vehicles, net		347,195		376,232
Land		140,167		142,407
Construction in progress		120,506		185,128
Other, net		50,757		62,973
Total tangible assets	*(Note1)*	981,331	*(Note1)*	1,118,936
Intangible assets		27,943		34,118
Investments and other assets				
Investments in securities	*(Note3)*	182,536	*(Note3)*	228,214
Long-term loans receivable		6,402		6,604
Deferred tax assets		94,640		110,274
Other		64,073		70,157
Allowance for doubtful accounts		(3,299)		(5,067)
Total investments and other assets		344,353		410,183
Total Fixed Assets	*(Note2)*	1,353,628	*(Note2)*	1,563,237
Total		2,677,344		3,039,251

(Yen in millions)

	Previous Year (As of December 31, 2011)	Current Year (As of December 31, 2012)
Liabilities		
Current Liabilities		
Notes and accounts payable	196,742	168,568
Short-term borrowings	198,115	182,821
Commercial paper	18,933	40,435
Current portion of bonds	13,174	60,972
Lease obligations	754	864
Income taxes payable	22,854	55,827
Deferred tax liabilities	1,612	1,580
Provision for sales returns	3,740	3,222
Accounts payable-other	148,756	149,543
Accrued expenses	152,088	174,138
Other	40,957	52,130
Total Current Liabilities	797,730	890,105
Long-term Liabilities		
Bonds	123,079	63,121
Long-term borrowings	238,474	262,330
Lease obligations	10,061	9,546
Deferred tax liabilities	23,882	30,769
Accrued pension and liability for retirement benefits	257,630	300,500
Warranty reserve	16,985	18,473
Provision for environmental remediation	4,516	3,969
Other	39,310	41,341
Total Long-term Liabilities	713,940	730,052
Total Liabilities	1,511,671	1,620,157
Net Assets		
Shareholders' equity		
Common stock	126,354	126,354
Capital surplus	122,629	122,630
Retained earnings	1,279,978	1,429,669
Treasury stock-at cost	(57,248)	(57,247)
Total Shareholders’ equity	1,471,713	1,621,406
Accumulated other comprehensive income		
Net unrealized gain(loss) on available-for-sale securities	97,750	133,439
Deferred gain(loss) on derivative instruments	(890)	(948)
Foreign currency translation adjustments	(331,784)	(246,139)
Post retirement liability adjustments for foreign companies	(106,211)	(133,718)
Total accumulated other comprehensive income	(341,135)	(247,366)
Stock acquisition rights	770	1,099
Minority Interests	34,324	43,955
Total Net Assets	1,165,673	1,419,094
Total	2,677,344	3,039,251

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

Consolidated Statements of Income

(Yen in millions)

		Previous Year (Year ended December 31, 2011)		Current Year (Year ended December 31, 2012)
Net Sales		3,024,355		3,039,738
Cost of Sales		2,091,718		2,017,237
Gross profit		932,637		1,022,500
Selling, General and Administrative Expenses				
Goods freightage expenses		132,840		125,005
Advertising and promotion expenses		90,833		90,597
Salaries, allowances and bonuses		186,142		191,652
Retirement benefit expenses		14,476		16,478
Depreciation		22,847		24,052
Research and development expenses	(Note1)	83,981	(Note1)	82,801
Other		210,194		205,916
Total selling, general and administrative expenses		741,315		736,505
Operating income		191,321		285,995
Non-operating Income				
Interest income		4,125		3,502
Dividend income		4,299		5,389
Foreign currency exchange gains		―		722
Other		14,909		15,688
Total non-operating income		23,334		25,301
Non-operating Expenses				
Interest expense		16,710		16,462
Foreign currency exchange loss		2,145		―
Other		16,483		9,790
Total non-operating expenses		35,338		26,253
Ordinary income		179,317		285,043
Extraordinary Income				
Gain on sales of tangible assets	(Note2)	7,295	(Note2)	3,010
Gain on sales of investment securities		―		4,054
Total extraordinary income		7,295		7,065
Extraordinary Loss				
Impairment loss	(Note3)	13,086	(Note3)	14,024
Loss on disaster	(Note4)	2,426		―
Dismantlement expenses		―		4,117
Loss on disposals of tangible assets		4,212		3,011
Loss on valuation of investments in securities		3,486		―
Loss on business withdrawal		―	(Note5)	2,903
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	(Note6)	2,149		―
Total extraordinary loss		27,833		24,057
Income before income taxes and minority interests		158,779		268,051
Income taxes - current		45,937		86,481
Income taxes - deferred		5,125		2,253
Total income taxes		51,063		88,735
Income before minority interests		107,716		179,316
Minority Interests		4,746		7,710
Net Income		102,970		171,605

Consolidated Statements of Comprehensive Income

(Yen in millions)

	Previous Year (Year ended December 31, 2011)	Current Year (Year ended December 31, 2012)
Income before minority interests	107,716	179,316
Other comprehensive income		
Unrealized gain (loss) on available-for-sale securities	(14,318)	35,687
Deferred gain (loss) on derivative instruments	(695)	—
Foreign currency translation adjustments	(57,780)	88,097
Post retirement liability adjustment for foreign companies	(25,138)	(27,506)
Share of other comprehensive income in affiliates	(2,387)	1,519
Total other comprehensive income	(100,320)	97,796
Comprehensive income	7,395	277,113
Comprehensive income attribute to:		
Shareholders of Bridgestone Corporation	5,099	265,374
Minority Interests	2,296	11,738

(3) Consolidated Statements of Changes in Net Assets

(Yen in millions)

	Previous Year (Year ended December 31, 2011)	Current Year (Year ended December 31, 2012)
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	122,629	122,629
Changes in the year		
Disposition of treasury stock	0	0
Total changes in the year	0	0
Ending Balance	122,629	122,630
Retained earnings		
Ending Balance of the previous year	1,111,588	1,279,978
Reclassification of post retirement liability adjustments for foreign companies	81,073	—
Changes in the year		
Cash dividends	(15,653)	(21,914)
Net income	102,970	171,605
Total changes in the year	87,316	149,691
Ending Balance	1,279,978	1,429,669
Treasury stock-at cost		
Ending Balance of the previous year	(57,245)	(57,248)
Changes in the year		
Purchase of treasury stock	(3)	(10)
Disposition of treasury stock	0	12
Total changes in the year	(3)	1
Ending Balance	(57,248)	(57,247)
Total shareholders' equity		
Ending Balance of the previous year	1,303,326	1,471,713
Reclassification of post retirement liability adjustments for foreign companies	81,073	—
Changes in the year		
Cash dividends	(15,653)	(21,914)
Net income	102,970	171,605
Purchase of treasury stock	(3)	(10)
Disposition of treasury stock	0	12
Total changes in the year	87,313	149,692
Ending Balance	1,471,713	1,621,406

(Yen in millions)

	Previous Year (Year ended December 31, 2011)	Current Year (Year ended December 31, 2012)
Accumulated other comprehensive income		
Net unrealized gain(loss) on available- for-sale securities		
Ending Balance of the previous year	112,064	97,750
Changes in the year		
Net Change in the year	(14,313)	35,688
Total changes in the year	(14,313)	35,688
Ending Balance	97,750	133,439
Deferred gain(loss) on derivative instruments		
Ending Balance of the previous year	(235)	(890)
Changes in the year		
Net Change in the year	(654)	(57)
Total changes in the year	(654)	(57)
Ending Balance	(890)	(948)
Foreign currency translation adjustments		
Ending Balance of the previous year	(274,026)	(331,784)
Changes in the year		
Net Change in the year	(57,758)	85,644
Total changes in the year	(57,758)	85,644
Ending Balance	(331,784)	(246,139)
Post retirement liability adjustments for foreign companies		
Ending Balance of the previous year	―	(106,211)
Reclassification of post retirement liability for foreign companies	(81,073)	―
Changes in the year		
Net Change in the year	(25,138)	(27,506)
Total changes in the year	(25,138)	(27,506)
Ending Balance	(106,211)	(133,718)
Stock acquisition rights		
Ending Balance of the previous year	514	770
Changes in the year		
Net Change in the year	255	328
Total changes in the year	255	328
Ending Balance	770	1,099
Minority Interests		
Ending Balance of the previous year	34,503	34,324
Changes in the year		
Net Change in the year	(178)	9,630
Total changes in the year	(178)	9,630
Ending Balance	34,324	43,955

(4) Consolidated Statements of Cash Flows

(Yen in millions)

	Previous Year (Year ended December 31, 2011)	Current Year (Year ended December 31, 2012)
Cash Flows from Operating Activities		
Income before income taxes and minority interests	158,779	268,051
Depreciation and amortization	158,044	155,065
Amortization of goodwill	1,621	1,445
Increase(decrease) in accrued pension and liability for retirement benefits	(17,949)	(3,796)
Interest and dividend income	(8,424)	(8,891)
Interest expense	16,710	16,462
Gain on sales of tangible assets	(7,295)	(3,010)
Gain on sales of investment securities	—	(4,054)
Impairment loss	13,086	14,024
Dismantlement expenses	—	4,117
Loss on disposals of tangible assets	4,212	3,011
Loss on business withdrawal	—	2,903
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	—
Decrease(increase) in notes and accounts receivable	(35,281)	43,792
Decrease(increase) in inventories	(122,890)	47,596
Increase(decrease) in notes and accounts payable	20,912	(42,986)
Other	2,638	(25,551)
Subtotal	194,698	468,180
Interest and dividends received	8,540	8,943
Interest paid	(17,358)	(16,701)
Payment related to US antitrust law and US Foreign Corrupt Practices Act	(2,149)	—
Income taxes paid	(31,573)	(55,955)
Net Cash Provided by Operating Activities	152,157	404,467
Cash Flows from Investing Activities		
Payments for purchase of tangible assets	(187,853)	(240,144)
Proceeds from sales of tangible assets	12,239	11,178
Purchase of intangible assets	(857)	(4,845)
Proceeds from investments in securities	3,023	4,822
Payments of loans receivable	(519)	(1,271)
Proceeds from collection of loans receivable	1,514	1,070
Other	(4,625)	(8,738)
Net Cash Used in Investing Activities	(177,079)	(237,928)

(Yen in millions)

	Previous Year (Year ended December 31, 2011)	Current Year (Year ended December 31, 2012)
Cash Flows from Financing Activities		
Net increase(decrease) in short-term borrowings	63,400	(35,918)
Proceeds from long-term borrowings	77,265	68,785
Repayments of long-term borrowings	(166,003)	(52,068)
Proceeds from issuance of bonds	35,463	28,183
Payments for redemption of bonds	(40,618)	(39,465)
Cash dividends paid	(15,656)	(21,912)
Cash dividends paid to minority	(2,382)	(2,116)
Other	(1,543)	(839)
Net Cash Provided by(used in) Financing Activities	(50,074)	(55,351)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(13,086)	29,388
Net Increase(Decrease) in Cash and Cash Equivalents	(88,084)	140,576
Cash and Cash Equivalents at Beginning of Year	216,924	128,840
Cash and Cash Equivalents at End of Year	*(Note1)* 128,840	*(Note1)* 269,416

(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: 316 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: 22 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: 148 companies
      Main equity-method affiliate
         BRISA BRIDGESTONE SABANCI LASTIK SANAYI VE TICARET A.S.
      Changes in the scope of equity-method accounting
         Deletions: 4 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 INDIA AUTOMOTIVE PRODUCTS PRIVATE LIMITED 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. Summary of significant accounting policies
   1) Valuation policies and methods for investments in securities
      Available-for-sale-securities
         With market value ー 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 ー Primarily the moving average cost method.

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

   3) Valuation policies and methods for inventories
      Inventories are substantially stated at lower of cost determined by the moving-average method or net selling value. Meanwhile, 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 BRIDGESTNE CORPORATION (the "Company") and its domestic subsidiaries, and the straight-line method is used at overseas subsidiaries. For intangible assets, the straight-line method is used.

   5) Accounting policies 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

Principally, 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) 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 of the employees in the year in which the prior service costs occur (10 years for domestic companies, 3 to 12 years for overseas companies).

Actuarial gain/loss at the Company and its 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 of the employees in the year in which the gain/loss occurs, recorded from the following year. For certain of its 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 of the employees.

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 employees.

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” under accumulated other comprehensive income on the balance sheet.

d) 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 of the Company and its subsidiaries (collectively, the “Companies”).

e) 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) Accounting policies 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 instrument and items covered

Instruments	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

Consumption tax and local consumption taxes are excluded.

(7) Changes in presentation

1. Consolidated Statements of Cash Flows

1) "Amortization of goodwill"

"Amortization of goodwill" which was included in "depreciation and amortization" in the previous fiscal year, is disclosed separately from the current fiscal year. To reflect this change in method of presentation, the consolidated financial statements for the previous fiscal year have been restated.

As a result, the ¥159,666 million in "depreciation and amortization" that had been included in the consolidated statement of cash flows for the previous fiscal year has now been restated as "amortization of goodwill" of ¥1,621 million and "depreciation and amortization" of ¥158,044 million.

2) “Foreign currency exchange losses (gains)”

In the Cash Flows from Operating Activities section, "Foreign currency exchange losses (gains)" were presented separately in the previous fiscal year. Due to a decline in financial materiality, "Foreign currency exchange losses (gains)" are now presented in "Other." To reflect this change in method of presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, in the Cash Flows from Operating Activities section, the ¥4,818 million that had previously been presented as "Foreign currency exchange loss (gain)" in the Consolidated Statement of Cash Flows for the previous fiscal year is now included in "Other".

3) "Payments for purchases of intangible assets" and "Payments of loans receivable"

In the Cash Flows from Investing Activities section, "Payments for purchases of intangible assets" and "Payments of loans receivable" were included in "Other" in the previous fiscal year. Due to an increase in financial materiality, "Payments for purchases of intangible assets" and "Payments of loans receivable" are now presented separately. To reflect this change in method of presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, in the Cash Flows from Investing Activities section, the ¥(857) million in "Payments for purchases of intangible assets" and the ¥(519) million in "Payments of loans receivable" that had previously been included in "Other" are now presented separately.

4) "Repayments of obligations under finance leases"

In the Cash Flows from Financing Activities section, "Repayments of obligations under finance leases" were presented separately in the previous fiscal year. Due to a decline in financial materiality, "Repayments of obligations under finance leases" are now included "Other." To reflect this change in method of presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, in the Cash Flows from Financing Activities section, the ¥(1,540) that had previously been presented as "Repayments of obligations under finance leases" in the Consolidated Statement of Cash Flows for the previous fiscal year is now included in "Other".

(8) Additional Information

Application of the “Accounting Standard for Accounting Changes and Error Corrections” and others

For the accounting changes and error corrections made after the beginning of the current fiscal year, the companies have adopted the “Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Statement No.24 of December 4, 2009) and the “Guidance on Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Guidance No.24 of December 4, 2009).

(9) Notes to the consolidated financial statements

(Consolidated Balance Sheet)

Note 1 Accumulated depreciation of tangible asset

	Previous Year (As of December 31, 2011)	Current Year (As of December 31, 2012)
	¥1,867,601 million	¥2,030,296 million

Note 2 Assets pledged as collateral

	Previous Year (As of December 31, 2011)	Current Year (As of December 31, 2012)
	¥9,086 million	¥18,144 million

Obligations corresponding to the preceding

	Previous Year (As of December 31, 2011)	Current Year (As of December 31, 2012)
Short-term bank borrowings	¥1,306 million	¥1,064 million
Long-term bank borrowings	¥189	¥4,484

Note 3 Assets or liabilities related to non-consolidated subsidiaries and affiliates

	Previous Year (As of December 31, 2011)	Current Year (As of December 31, 2012)
Investments in securities	¥12,284 million	¥14,816 million

Note 4 Guarantees

	Previous Year (As of December 31, 2011)	Current Year (As of December 31, 2012)
Guarantees on employees' bank borrowings	¥147 million	¥10 million

Note 5 Balance of trade notes discounted

	Previous Year (As of December 31, 2011)	Current Year (As of December 31, 2012)
	¥1,859 million	¥1,379 million

(Consolidated Statements of Income)

Note 1 Research and development expenses

	Previous Year (Year ended December 31, 2011)	Current Year (Year ended December 31, 2012)
General and administrative expenses	¥83,981 million	¥82,801 million

Note 2 Gain on sales of tangible assets

Previous Year (Year ended December 31, 2011)
Gain on sales of tangible assets mainly consists of gain on sales of land.

Current Year (Year ended December 31, 2012)
Gain on sales of tangible assets mainly consists of gain on sales of land.

Note 3 Impairment loss

Previous Year (Year ended December 31, 2011)
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 and vehicles etc.	Japan	1,381
Disposal assets	buildings and structures, land etc.	Japan, North America etc.	10,979
Idle assets	buildings and structures, machinery, equipment and vehicles 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.

Current Year (Year ended December 31, 2012)

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 ¥14,024 million. That total included ¥4,260 million for machinery, equipment and vehicles, ¥3,430 million for buildings and structures and ¥6,333 million for others.

USE	Classification	Location	Amount (Yen in millions)
Operating assets	machinery, equipment and vehicles, buildings and structures etc.	Japan, North America etc.	4,653
Disposal assets	machinery, equipment and vehicles, buildings and structures etc.	Japan	6,066
Idle assets	machinery, equipment and vehicles etc.	Japan etc.	3,305

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 4.3 to 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

Previous Year (Year ended December 31, 2011)

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 on business withdrawal

Current Year (Year ended December 31, 2012)

As a result of the decision to withdraw from the electronic paper business, related expenses have been recorded.

Note 6 Loss related to US antitrust law and US Foreign Corrupt Practices Act

Previous Year (Year ended December 31, 2011)

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.

(Consolidated Statements of Changes in Net Assets)

Previous 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 note 1)	30,439	2	0	30,441

Note 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

(1) 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

(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 27, 2012	Common Stock	9,391	Retained earnings	¥12	December 31, 2011	March 28, 2012

Current Year（Year ended 31 December 2012)

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

	As of December 31, 2011	Increase	Decrease	As of December 31, 2012
Number of shares issued Common stock (Thousands of shares)	813,102	—	—	813,102
Treasury stock Common stock (Thousands of shares) (see notes 1 & 2)	30,441	5	6	30,440

Notes 1: The increase of treasury stock consists of the purchase of 5 thousand shares according to the requests from the shareholders who have odd-lot shares.

2: The decrease of treasury stock consists of 6 thousand shares used for the exercise of stock options and other.

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, 2011	Increase	Decrease	As of December 31, 2012	
Filing company	Stock acquisition rights as stock options	—	—	—	—	—	1,099
Total		—	—	—	—	—	1,099

3. Dividends

(1) Dividend payments

Resolution	Type	Total dividends (yen in millions)	Dividend per share	Record date	Effective date
Annual Shareholders' Meeting, March 27, 2012	Common Stock	9,391	¥12	December 31, 2011	March 28, 2012
Board of Directors, August 7, 2012	Common Stock	12,522	¥16	June 30, 2012	September 3, 2012

(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 26, 2013	Common Stock	12,522	Retained earnings	¥16	December 31, 2012	March 27, 2013

(Consolidated Statements of Cash Flows)

Note 1 Relationship between cash and cash equivalents at fiscal year end and amount shown in Consolidated Balance Sheet

(Yen in millions)

	Previous Year (Year ended December 31, 2011)	Current Year (Year ended December 31, 2012)
	(As of December 31, 2011)	(As of December 31, 2012)
Cash and deposits	130,343	226,162
Short-term investments	90,133	124,010
Total	220,476	350,172
Time deposits, bonds, etc. with terms of more than three months	(91,636)	(80,756)
Cash and cash equivalents	128,840	269,416

(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 2011(January 1, 2011 - December 31, 2011) (Yen in millions)

	Tires	Diversified Products	Total	Adjustments (notes)	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

Notes: 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 2012(January 1, 2012 - December 31, 2012) (Yen in millions)

	Tires	Diversified Products	Total	Adjustments (notes)	Consolidated
Net sales:					
External customers	2,554,126	485,611	3,039,738	—	3,039,738
Inter-segment	3,089	13,455	16,545	(16,545)	—
Total	2,557,216	499,067	3,056,283	(16,545)	3,039,738
Segment income (Operating income)	260,488	25,514	286,003	(7)	285,995
Segment assets	2,672,318	368,872	3,041,191	(1,939)	3,039,251
Other					
Depreciation and amortization	136,513	18,552	155,065	—	155,065
Amortization of goodwill	960	484	1,445	—	1,445
Investment for equity-method affiliates	14,613	207	14,820	(4)	14,816
Increase in tangible and intangible fixed assets	223,672	22,459	246,131	—	246,131

Notes: 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.

(Per share information)

(Yen)

Items	Previous Year (Year ended December 31, 2011)	Current Year (Year ended December 31, 2012)
Total equity per share	1,444.53	1,755.60
Net income per share	131.56	219.26
Diluted net income per share	131.50	219.10

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

	Previous Year (Year ended December 31, 2011)	Current Year (Year ended December 31, 2012)
Net income per share	(Yen in millions)	(Yen in millions)
Net Income	102,970	171,605
Amount not belonging to common shareholders	—	—
Net income corresponding to common shareholders	102,970	171,605
Average number of shares held by common shareholders during term	(Thousands of shares) 782,662	(Thousands of shares) 782,661
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)	382 (382)	583 (583)
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, 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, March 27, 2008 Common Stock 230

(Significant subsequent events)

Not applicable

5. Other

(1) Senior Management Changes

Tokyo (February 18, 2013) - 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) Retiring Member of the Board of Directors (Effective March 26, 2013) — Plan after retirement in parentheses

Chairman of the Board	Shoshi Arakawa	〔Advisor〕

2) Reappointed Members of the Board of Directors (Subject to approval at the Company's annual Shareholders' Meeting and subsequent Board of Directors meeting on March 26, 2013) — Occupation in parentheses

CEO and Representative Board Member Concurrently Chairman of the Board	Masaaki Tsuya	〔CEO and Representative Board Member〕
COO and Representative Board Member Concurrently responsible for Diversified Products, Sports and Cycle Business	Kazuhisa Nishigai	〔COO and Representative Board Member Concurrently responsible for Diversified Products, Sports and Cycle Business〕
Senior Vice President Member of the Board Chief Technology Officer Responsible for Technology; Concurrently responsible for CSR and Quality Management	Yoshiyuki Morimoto	〔Senior Vice President Member of the Board Chief Technology Officer Responsible for Technology; Concurrently responsible for CSR and Quality Management〕
Senior Vice President Member of the Board Responsible for International Tire Business Operations	Narumi Zaitsu	〔Senior Vice President Member of the Board Responsible for International Tire Business Operations〕
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.

3) New Members of Corporate Officers

Current positions and responsibilities in parentheses

(Effective March 26, 2013)

Vice President and Officer Seconded to Bridgestone Americas, Inc.	Michihiro Suzuki	〔Director International Tire Administration Division; Concurrently General Manager, International Tire Administration Department; Concurrently Assistant to Vice President and Officer, Innovation〕
Vice President and Officer Tire Products Development	Yoshihiko Ichikawa	〔Director Seconded to Bridgestone Technical Center Europe S.p.A.〕

4) Retiring Corporate Officers

Plan after retirement in parenthesis

(Effective March 26, 2013)

Vice President and Officer Assistant to Vice President and Officer, Group Global Marketing Strategy New Business and Product Models Development	Kiyoshi Nomura	〔Advisor〕
Vice President and Officer Seconded to Bridgestone Logistics Co., Ltd. Chairman and CEO of Bridgestone Logistics Co., Ltd.	Yoshiharu Inoue	〔Chairman and CEO of Bridgestone Logistics Co., Ltd.〕