

## Supplementary Information of 2015 3Q

### 1. Financial Highlights

#### (1) Quarter of the year

(Yen in billions)

	Unit	2014						2015								
		1H		FY		1H		vs.PY	9 Months		vs.PY					
		1Q	2Q	3Q	4Q	1Q	2Q		3Q	9 Months						
<b>Consolidated Results</b>																
Statements of Income	Net Sales	863.6	886.6	1,750.2	914.8	1,008.8	3,673.9	893.6	961.8	1,855.4	106	961.8	2,817.3	106		
	Operating Income	116.3	106.7	223.1	119.3	135.5	478.0	116.2	121.5	237.7	107	140.8	378.6	111		
	OP Margin	13.5	12.0	12.7	13.0	13.4	13.0	13.0	12.6	12.8	+0.1	14.6	13.4	+0.6		
	Ordinary Income	113.8	106.0	219.9	119.0	124.1	463.2	115.7	117.2	232.9	106	132.6	365.6	108		
	Net Income	71.9	70.2	142.2	83.4	74.9	300.5	71.5	73.0	144.6	102	50.4	195.1	86		
Exchange Rate	US \$	Yen/\$	103	102	102	104	114	106	119	121	120	118	122	121	117	
	Euro	Yen/€	141	140	140	138	142	140	134	134	134	96	136	135	96	
<b>Analysis of Net Sales and Operating Income vs. PY</b>																
Net Sales	Forex	+61.0	+20.0	+81.0	+35.0	+80.0	+196.0	+74.0	+95.0	+169.0		+83.0	+252.0			
	Price, Mix, Volume etc.	+8.0	(43.9)	(36.0)	(21.1)	(33.2)	(90.2)	(44.0)	(19.8)	(63.8)		(36.1)	(99.8)			
	Total	+69.0	(23.9)	+45.0	+13.9	+46.8	+105.8	+30.0	+75.2	+105.2		+46.9	+152.2			
Operating Income	Forex	+16.0	+3.0	+19.0	+8.0	+18.0	+45.0	+15.0	+20.0	+35.0		+18.0	+53.0			
	Raw Materials	+16.0	+23.0	+39.0	+18.0	+20.0	+77.0	+31.0	+33.0	+64.0		+22.0	+86.0			
	Depreciation	(1.0)	0.0	(1.0)	(1.0)	(2.0)	(4.0)	0.0	(1.0)	(1.0)		(1.0)	(2.0)			
	SGA	(4.0)	(2.0)	(6.0)	+1.0	+5.0	0.0	(7.0)	(2.0)	(9.0)		(4.0)	(13.0)			
	Strategic Products	+1.0	(2.0)	(1.0)	(2.0)	(2.0)	(5.0)	+1.0	+2.0	+2.0		+3.0	+5.0			
	Price, Mix, Volume etc.	+13.9	(31.1)	(17.3)	(31.2)	(22.7)	(73.1)	(40.1)	(36.3)	(76.4)		(16.5)	(92.9)			
	Total	+41.9	(9.1)	+32.7	(7.2)	+16.3	+39.9	(0.1)	+14.7	+14.6		+21.5	+36.1			
<b>Segment Information (*1)</b>																
Business Segment	Tires	Net Sales	727.0	742.1	1,469.2	765.5	858.6	3,093.3	751.7	803.5	1,555.2	106	803.1	2,358.4	106	
		OP	105.8	96.1	202.0	108.4	125.2	435.8	109.4	107.6	217.0	107	128.8	345.9	111	
		OP Margin	%	14.6	13.0	13.8	14.2	14.6	14.1	13.4	14.0	+0.2	16.0	14.7	+0.8	
	Diversified Products	Net Sales	140.2	148.6	288.8	153.5	159.4	601.8	147.1	164.5	311.6	108	162.7	474.3	107	
		OP	10.4	10.5	21.0	10.8	10.2	42.1	6.8	13.8	20.6	98	12.0	32.7	103	
		OP Margin	%	7.5	7.1	7.3	7.1	6.5	7.0	8.4	6.6	(0.6)	7.4	6.9	(0.3)	
Geographic Segment (*2)	Japan	Net Sales	308.8	294.2	603.0	291.5	370.3	1,264.9	283.9	293.4	577.3	96	279.0	856.3	96	
		OP	51.7	41.7	93.5	45.8	70.8	210.1	44.9	48.4	93.4	100	45.1	138.6	100	
		OP Margin	%	16.8	14.2	15.5	15.7	19.1	16.6	15.8	16.5	+0.7	16.2	16.2	+0.6	
	Americas	Net Sales	395.6	438.2	833.9	459.7	474.4	1,768.1	450.8	507.3	958.2	115	512.7	1,470.9	114	
		OP	35.7	48.1	83.9	47.3	48.9	180.2	43.8	65.0	108.8	130	61.9	170.8	130	
		OP Margin	%	9.0	11.0	10.1	10.3	10.3	9.7	12.8	11.4	+1.3	12.1	11.6	+1.5	
	Europe	Net Sales	112.0	110.7	222.8	109.9	106.4	439.2	104.3	107.0	211.4	95	108.8	320.2	96	
		OP	6.2	2.9	9.2	7.9	3.1	20.3	5.2	3.2	8.5	92	8.1	16.6	97	
		OP Margin	%	5.6	2.7	4.2	7.2	3.0	4.6	3.1	4.0	(0.1)	7.5	5.2	+0.0	
	Other	Net Sales	200.9	207.6	408.5	215.5	217.3	841.5	212.0	214.6	426.7	104	210.7	637.4	102	
		OP	19.9	13.6	33.5	20.2	13.0	66.8	20.7	12.7	33.5	100	20.8	54.3	101	
		OP Margin	%	9.9	6.6	8.2	9.4	6.0	7.9	9.8	6.0	7.9	(0.4)	9.9	8.5	(0.1)
Market	Net Sales	Domestic	174.3	145.5	319.8	149.1	225.0	694.0	150.0	150.1	300.2	94	145.7	446.0	95	
		Overseas	689.2	741.0	1,430.3	765.7	783.8	2,979.9	743.5	811.7	1,555.2	109	816.0	2,371.3	108	
		Americas	388.6	432.4	821.1	453.6	471.6	1,746.3	444.1	502.3	946.4	115	506.7	1,453.2	114	
		Europe	111.9	109.8	221.8	107.6	104.6	434.1	104.4	106.7	211.2	95	108.1	319.3	97	
		Other	188.5	198.7	387.3	204.5	207.5	799.4	194.9	202.5	397.5	103	201.1	598.7	101	
Investment	Capital Expenditure				120.3			296.3			103.9	86				
Costs & Expenses	Depreciation				88.6			188.3			98.5	111				
	R&D Expenses				44.5			94.1			46.5	105				
	Interest Expense				(1.3)			0.3			(2.7)	209				
Liabilities	Interest-Bearing Debt		554.8		526.2		590.7		592.9	531.2		524.0	100	494.4	84	
Tire Production (tonnage of rubber)	Domestic	10,000t	12	13	25	13	13	51	12	12	24		12	36		
	Overseas	Americas	10,000t	15	15	29	14	14	57	15	14		14	43		
		Europe	10,000t	5	6	11	5	5	21	6	6		5	16		
		Other	10,000t	13	13	26	14	13	53	14	13		14	40		
	Overseas Total	10,000t	33	33	66	33	32	131	34	33		33	99			
	Total	10,000t	46	46	92	46	44	182	46	45		45	135			
	Overseas Prod. Ratio	%	73	72	72	72	72	72	74	73		73	73			

(\*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	2011			2012			2013			2014			2015		
		Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Fcst.	%	vs.PY
<b>Consolidated Results</b>																
Statements of Income	Net Sales	3,024.3	100	106	3,039.7	100	101	3,568.0	100	117	3,673.9	100	103	3,900.0	100	106
	Operating Income	191.3	6.3	115	285.9	9.4	149	438.1	12.3	153	478.0	13.0	109	524.0	13.4	110
	Ordinary Income	179.3	5.9	121	285.0	9.4	159	434.7	12.2	153	463.2	12.6	107	506.0	13.0	109
	Extra Loss (Gain)	20.5	0.7		16.9	0.6		94.6	2.7		(14.5)	(0.4)				
	Net Income	102.9	3.4	104	171.6	5.6	167	202.0	5.7	118	300.5	8.2	149	285.0	7.3	95
Exchange Rate	US \$	Yen/\$	80	91	80	100	98	123	106	108	121	114				
	Euro	Yen/€	111	96	103	93	130	126	140	108	134	96				
<b>Analysis of Net Sales and Operating Income vs. PY</b>																
Net Sales	Forex	(187.0)			(41.0)			+529.0			+196.0					
	Price, Mix, Volume etc.	+349.7			+56.3			(0.7)			(90.2)					
	Total	+162.7			+15.3			+528.3			+105.8					
Operating Income	Forex	(37.0)			(12.0)			+114.0			+45.0					
	Raw Materials	(255.0)			+92.0			+100.0			+77.0					
	Depreciation	+4.0			+1.0			(1.0)			(4.0)					
	SGA	(22.0)			(4.0)			(13.0)			0.0					
	Strategic Products(*1)	+21.0			(5.0)			+15.0			(5.0)					
	Price, Mix, Volume etc.	+313.8			+22.6			(62.9)			(73.1)					
	Total	+24.8			+94.6			+152.1			+39.9					
<b>Segment Information(*2)</b>																
Business Segment	Tires (*4)	Net Sales	2,539.7	107	2,557.2	101	3,036.9	119	3,093.3	102						
		OP	185.4	121	260.4	140	399.4	153	435.8	109						
		OP Margin %	7.3	+0.9	10.2	+2.9	13.2	+3.0	14.1	+0.9						
	Diversified Products (*5)	Net Sales	500.5	101	499.0	100	546.2	109	601.8	110						
		OP Margin %	5.8	43	25.5	439	38.5	151	42.1	109						
Geographic Segment (*3)	Japan	Net Sales	1,229.0	106	1,218.7	99	1,270.3	104	1,264.9	100						
		OP	69.5	113	158.4	228	219.5	139	210.1	96						
		OP Margin %	5.7	+0.3	13.0	+7.3	17.3	+4.3	16.6	(0.7)						
	Americas	Net Sales	1,288.6	105	1,330.9	103	1,651.9	124	1,768.1	107						
		OP	61.9	128	92.3	149	156.4	169	180.2	115						
		OP Margin %	4.8	+0.9	6.9	+2.1	9.5	+2.5	10.2	+0.7						
	Europe	Net Sales	413.1	108	348.8	84	423.3	121	439.2	104						
		OP	11.3	160	1.8	16	2.0	111	20.3	995						
		OP Margin %	2.8	+0.9	0.5	(2.2)	0.5	(0.0)	4.6	+4.2						
	Other (*6)	Net Sales	699.6	114	699.9	100	862.7	123	841.5	98						
		OP	48.2	107	55.7	116	80.2	144	66.8	83						
		OP Margin %	6.9	(0.5)	8.0	+1.1	9.3	+1.3	7.9	(1.4)						
Market	Net Sales	Domestic	694.2	23	103	696.1	23	100	674.8	19	97	694.0	19	103		
		Overseas	2,330.1	77	106	2,343.5	77	101	2,893.2	81	123	2,979.9	81	103		
		Americas(*7)	1,273.3	105	1,321.2	104	1,628.6	123	1,746.3	107						
		Europe	418.8	108	348.1	83	425.0	122	434.1	102						
		Other	638.0	108	674.1	106	839.6	125	799.4	95						
Balance Sheet	Total Assets	2,677.3			3,039.7			3,577.0			3,960.9					
	ROA %	3.8			6.0			6.1			8.0					
	Net Assets	1,165.6			1,417.3			1,862.9			2,146.6					
	ROE %	9.1			13.7			12.7			15.5					
	Ratio of total equity to total assets %	42.2			45.2			50.5			52.4					
Interest-Bearing Debt	602.5		91	620.0		103	564.2		91	592.9		105				
Cash Flows	Operating Cashflow	152.1			404.4			471.7			428.6					
	Investing Cashflow	(177.0)			(237.9)			(265.2)			(305.6)					
	Free Cashflow	(24.9)			166.5			206.5			122.9					
Investment	Capital Expenditure	174.7		109	223.6		128	255.9		114	268.3		105			
	Diversified	26.6		117	21.9		82	19.0		87	28.0		147			
	Total	201.3		110	245.6		122	274.9		112	296.3		108			
Costs & Expenses	Depreciation	158.0	5.2	94	155.0	5.1	98	176.1	4.9	114	188.3	5.1	107			
	R&D Expenses	83.9	2.8	99	82.8	2.7	99	89.0	2.5	108	94.1	2.6	106			
	Interest Expense	8.2	0.3	70	7.5	0.2	91	2.3	0.1	31	0.3	0.0	15			
Dividends	Dividend per Share(*8)	Yen	22.0		32.0		57.0		100.0		120.0					
Tire Production (tonnage of rubber)	Domestic	10,000t	57		54		52		51							
	Overseas	Americas	10,000t	58		55		57		57						
		Europe	10,000t	25		20		20		21						
		Other	10,000t	49		46		53		53						
		Overseas Total	10,000t	132		122		130		131						
	Total	10,000t	189		176		182		182							
	Overseas Prod. Ratio %		70		69		71		72							

(\*1)The category/scope of Strategic Products is renewed in 2014.

(\*2)Segment Information (Business, Geographic): including transactions caused by businesses among segments

(\*3)Americas: North America, Latin America

Other: Asia Pacific, Middle East, Africa, Russia

(\*4)Net sales of "Specialty Tires" business accounts for less than 10% of "Tires" business in 2014.

(\*5)Net sales composition of "Diversified Products" segment in 2014 is as follows.

Chemical and Industrial Products : Less than 50% , BSAM Diversified Products : More than 30% , Sporting goods,bicycles : More than 10%

(\*6)Net sales composition of "Other" segment in 2014 is as follows.

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

(\*7) "United States" in 2014 : ¥1,370.8 billion

(\*8)1H Fcst.=Interim Dividend, FY Fcst.= Annual Dividend

## 2. Additional Information

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

		2013	2014	2015	
		FY	FY	1H	3Q
Japan	PSR/LTR	104	102	94	103
	TBR	107	106	91	102
N.America	PSR/LTR	104	105	100	102
	TBR	99	110	108	100
Europe	PSR/LTR	99	102	102	98
	TBR	107	104	102	106

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

			2013	2014	2015		2014FY Component ratio (Approx. )
			FY	FY	1H	3Q	
Japan	PSR/LTR	REP	104	103	95	102	70%
		OE	97	103	91	99	30%
		Total	101	103	93	101	
	TBR	REP	107	107	94	102	70%
		OE	102	115	110	96	30%
		Total	106	109	100	100	
N.America	PSR/LTR	REP	101	104	97	105	70%
		OE	106	110	110	104	30%
		Total	103	105	101	105	
	TBR	REP	106	107	105	104	70%
		OE	112	112	109	103	30%
		Total	108	109	107	104	
Europe	PSR/CVR	REP	98	96	109	107	70%
		OE	92	99	99	105	30%
		Total	96	97	105	107	
	TBR	REP	111	102	107	111	70%
		OE	102	98	101	103	30%
		Total	108	101	105	109	
Asia Pacific	PSR/LTR	REP	110	108	100	102	60%
		OE	96	88	97	97	40%
		Total	103	99	99	100	
	TBR	REP	109	110	110	105	90%
		OE	115	64	144	144	10%
		Total	109	105	113	108	
China	PSR/LTR	REP	132	100	108	112	60%
		OE	110	111	128	124	40%
		Total	122	105	117	118	
	TBR	REP	142	85	87	114	100%
		OE					
		Total	141	85	88	115	

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

The category/scope of Strategic Products is renewed in 2014.

		2013	2014	2015	
		FY	FY	1H	3Q
PSR-REP	RFT	100	125	105	105
	Premium Summer(*1)		100	100	105
	Premium Winter(*2)		100	90	95

(\*1) POTENZA, TURANZA/REGNO, DUELER brand tires (including ECOPIA sub name brand tires)

(\*2) BLIZZAK brand tires

PSR-REP	Eco-friendly Strategic Products(*3)		120	95	105
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(\*3) ECOPIA, ECOPIA sub name brand tires and equivalent products

TBR-REP	Eco-friendly Strategic Products(*4)		130	125	120
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(\*4) ECOPIA brand tires and equivalent products

Specialty Tires	Ultralarge ORR(*5)	115	90	95	100
	Large ORR(*5)	85	90	100	100
	APR	110	110	110	100

(\*5) Based on rubber weight for Ultralarge and Large ORR