

## Supplementary Information of FY2017

### 1. Financial Highlights

#### (1) Quarter of the year

(Yen in billions)

|                                                          |                                         | Unit                     | 2016    |         |         |        |         | 2017   |        |        |        |         | vs.PY |       |
|----------------------------------------------------------|-----------------------------------------|--------------------------|---------|---------|---------|--------|---------|--------|--------|--------|--------|---------|-------|-------|
|                                                          |                                         |                          |         |         |         |        | FY      |        |        |        |        | FY      |       |       |
|                                                          |                                         |                          | 1Q      | 2Q      | 3Q      | 4Q     |         | 1Q     | 2Q     | 3Q     | 4Q     |         |       |       |
| <b>Consolidated Results</b>                              |                                         |                          |         |         |         |        |         |        |        |        |        |         |       |       |
| Statements of Income                                     | Net Sales                               |                          | 825.7   | 820.7   | 798.2   | 892.2  | 3,337.0 | 851.8  | 890.9  | 920.2  | 980.3  | 3,643.4 | 109   |       |
|                                                          | Operating Income                        |                          | 108.4   | 109.7   | 111.1   | 120.1  | 449.5   | 103.0  | 99.2   | 97.3   | 119.3  | 419.0   | 93    |       |
|                                                          | OP Margin                               | %                        | 13.1    | 13.4    | 13.9    | 13.5   | 13.5    | 12.1   | 11.1   | 10.6   | 12.2   | 11.5    | (2.0) |       |
|                                                          | Ordinary Income                         |                          | 103.4   | 110.4   | 106.4   | 112.1  | 432.5   | 96.8   | 98.9   | 92.8   | 111.9  | 400.5   | 93    |       |
|                                                          | Profit Attributable to Owners of Parent |                          | 56.7    | 66.6    | 59.7    | 82.4   | 265.5   | 59.2   | 72.6   | 65.9   | 90.5   | 288.2   | 109   |       |
| Exchange Rate                                            | US \$                                   | Yen/\$                   | 115     | 108     | 102     | 109    | 109     | 114    | 111    | 111    | 113    | 112     | 103   |       |
|                                                          | Euro                                    | Yen/€                    | 127     | 122     | 114     | 117    | 120     | 121    | 122    | 131    | 133    | 127     | 106   |       |
| <b>Analysis of Net Sales and Operating Income vs. PY</b> |                                         |                          |         |         |         |        |         |        |        |        |        |         |       |       |
| Net Sales                                                | Forex                                   |                          | (38.0)  | (101.0) | (126.0) | (77.0) | (342.0) | (11.0) | +27.0  | +60.0  | +37.0  | +113.0  |       |       |
|                                                          | Price, Mix, Volume etc.                 |                          | (29.8)  | (40.0)  | (37.6)  | (3.7)  | (111.2) | +37.0  | +43.1  | +61.9  | +51.1  | +193.4  |       |       |
|                                                          | Total                                   |                          | (67.8)  | (141.0) | (163.6) | (80.7) | (453.2) | +26.0  | +70.1  | +121.9 | +88.1  | +306.4  |       |       |
| Operating Income                                         | Forex                                   |                          | (6.0)   | (17.0)  | (25.0)  | (20.0) | (68.0)  | (6.0)  | +2.0   | +9.0   | +10.0  | +15.0   |       |       |
|                                                          | Raw Materials                           |                          | +32.0   | +25.0   | +22.0   | +12.0  | +91.0   | (19.0) | (49.0) | (31.0) | (21.0) | (120.0) |       |       |
|                                                          | Depreciation                            |                          | (1.0)   | (1.0)   | (1.0)   | +1.0   | (2.0)   | (1.0)  | (1.0)  | (1.0)  | (4.0)  | (7.0)   |       |       |
|                                                          | SGA                                     |                          | (3.0)   | (2.0)   | (3.0)   | (6.0)  | (14.0)  | (1.0)  | (6.0)  | (7.0)  | (5.0)  | (19.0)  |       |       |
|                                                          | Price, Mix, Volume etc.                 |                          | (29.7)  | (16.7)  | (22.6)  | (5.4)  | (74.6)  | +21.7  | +43.5  | +16.3  | +19.2  | +100.5  |       |       |
|                                                          | Total                                   |                          | (7.7)   | (11.7)  | (29.6)  | (18.4) | (67.6)  | (5.3)  | (10.5) | (13.7) | (0.8)  | (30.5)  |       |       |
| <b>Segment Information (*1)</b>                          |                                         |                          |         |         |         |        |         |        |        |        |        |         |       |       |
| Business Segment                                         | Tires                                   | Net Sales                | 679.7   | 673.0   | 660.2   | 752.7  | 2,765.7 | 707.9  | 731.8  | 767.6  | 823.7  | 3,031.1 | 110   |       |
|                                                          |                                         | OP                       | 100.4   | 98.2    | 101.7   | 114.3  | 414.7   | 95.6   | 89.5   | 89.2   | 112.7  | 387.1   | 93    |       |
|                                                          |                                         | OP Margin                | %       | 14.8    | 14.6    | 15.4   | 15.2    | 15.0   | 13.5   | 12.2   | 11.6   | 13.7    | 12.8  | (2.2) |
|                                                          | Diversified Products                    | Net Sales                | 149.6   | 151.4   | 141.4   | 143.1  | 585.7   | 147.4  | 163.3  | 156.4  | 160.6  | 627.8   | 107   |       |
|                                                          |                                         | OP                       | 8.0     | 11.5    | 9.4     | 5.8    | 34.8    | 7.6    | 9.5    | 8.1    | 6.5    | 31.8    | 92    |       |
|                                                          |                                         | OP Margin                | %       | 5.4     | 7.6     | 6.7    | 4.1     | 5.9    | 5.2    | 5.8    | 5.2    | 4.1     | 5.1   | (0.9) |
| Geographic Segment                                       | Japan                                   | Net Sales                | 260.4   | 259.4   | 242.3   | 318.4  | 1,080.6 | 256.2  | 278.3  | 270.8  | 342.5  | 1,147.8 | 106   |       |
|                                                          |                                         | OP                       | 34.8    | 32.9    | 26.7    | 56.1   | 150.6   | 33.0   | 32.0   | 31.1   | 64.0   | 160.2   | 106   |       |
|                                                          |                                         | OP Margin                | %       | 13.4    | 12.7    | 11.0   | 17.6    | 13.9   | 12.9   | 11.5   | 11.5   | 18.7    | 14.0  | +0.0  |
|                                                          | Americas                                | Net Sales                | 409.5   | 412.6   | 406.2   | 416.8  | 1,645.3 | 416.5  | 446.8  | 456.3  | 456.9  | 1,776.5 | 108   |       |
|                                                          |                                         | OP                       | 45.8    | 55.5    | 48.4    | 53.2   | 203.1   | 46.0   | 43.7   | 46.9   | 50.7   | 187.5   | 92    |       |
|                                                          |                                         | OP Margin                | %       | 11.2    | 13.5    | 11.9   | 12.8    | 12.3   | 11.1   | 9.8    | 10.3   | 11.1    | 10.6  | (1.8) |
|                                                          | EMEA (*2)                               | Net Sales                | 121.6   | 122.3   | 116.7   | 116.5  | 477.1   | 134.5  | 136.4  | 143.8  | 145.0  | 559.8   |       |       |
|                                                          |                                         | OP                       | 8.4     | 5.4     | 10.4    | 3.3    | 27.7    | 4.9    | 0.3    | 3.4    | 4.8    | 13.6    |       |       |
|                                                          |                                         | OP Margin                | %       | 7.0     | 4.5     | 8.9    | 2.9     | 5.8    | 3.7    | 0.3    | 2.4    | 3.3     | 2.4   |       |
|                                                          | China, Asia-Pacific (*3)                | Net Sales                | 154.9   | 156.9   | 149.5   | 160.3  | 621.7   | 158.0  | 152.4  | 170.6  | 167.7  | 648.8   |       |       |
|                                                          |                                         | OP                       | 15.4    | 16.4    | 17.5    | 13.0   | 62.5    | 20.3   | 14.5   | 19.3   | 8.7    | 62.9    |       |       |
|                                                          |                                         | OP Margin                | %       | 10.0    | 10.5    | 11.7   | 8.1     | 10.1   | 12.9   | 9.6    | 11.3   | 5.2     | 9.7   |       |
| Market                                                   | Net Sales                               | Domestic                 | 153.6   | 143.8   | 142.9   | 213.0  | 653.5   | 153.2  | 159.6  | 158.2  | 213.2  | 684.3   | 105   |       |
|                                                          |                                         | Overseas                 | 672.1   | 676.8   | 655.2   | 679.1  | 2,683.4 | 698.5  | 731.5  | 761.9  | 767.0  | 2,959.0 | 110   |       |
|                                                          |                                         | Americas                 | 403.5   | 407.8   | 400.9   | 413.3  | 1,625.7 | 410.5  | 440.3  | 450.5  | 453.6  | 1,755.0 | 108   |       |
|                                                          |                                         | EMEA (*2)                | 127.3   | 126.4   | 121.3   | 119.2  | 494.3   | 144.2  | 148.5  | 154.8  | 156.2  | 603.8   |       |       |
|                                                          |                                         | China, Asia-Pacific (*3) | 141.2   | 142.6   | 132.9   | 146.5  | 563.4   | 143.8  | 142.5  | 156.5  | 157.1  | 600.1   |       |       |
| Investment                                               | Capital Expenditure                     |                          |         |         |         | 194.1  |         |        |        |        | 234.8  | 121     |       |       |
| Costs & Expenses                                         | Depreciation                            |                          |         |         |         | 188.0  |         |        |        |        | 200.3  | 107     |       |       |
|                                                          | R&D Expenses                            |                          |         |         |         | 95.4   |         |        |        |        | 99.7   | 105     |       |       |
|                                                          | Interest Expense                        |                          |         |         |         | (2.9)  |         |        |        |        | (2.0)  | 68      |       |       |
| Liabilities                                              | Interest-Bearing Debt                   |                          | 425.2   | 355.1   | 338.3   | 342.7  | 282.4   | 469.9  | 455.1  |        | 459.0  | 134     |       |       |
| Tire Production (tonnage of rubber)                      | Domestic                                | 10,000t                  | 11      | 12      | 12      | 12     | 47      | 11     | 12     | 12     | 12     | 47      |       |       |
|                                                          |                                         | Americas                 | 10,000t | 14      | 14      | 14     | 14      | 57     | 14     | 15     | 15     | 15      | 59    |       |
|                                                          |                                         | EMEA (*2)                | 10,000t | 6       | 7       | 6      | 6       | 25     | 7      | 7      | 6      | 7       | 27    |       |
|                                                          |                                         | China, Asia-Pacific (*3) | 10,000t | 13      | 13      | 12     | 13      | 51     | 11     | 11     | 12     | 12      | 47    |       |
|                                                          |                                         | Overseas Total           | 10,000t | 33      | 33      | 33     | 34      | 133    | 34     | 35     | 35     | 36      | 141   |       |
|                                                          | Total                                   | 10,000t                  | 45      | 45      | 44      | 46     | 180     | 46     | 47     | 47     | 49     | 188     |       |       |
|                                                          | Overseas Prod. Ratio                    | %                        | 74      | 74      | 74      | 74     | 74      | 75     | 74     | 75     | 75     | 75      |       |       |

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

(\*2)Scope of Geographic segment is renewed in 2016 as a result of the restructuring of the Tire business SBUs

Until 2015 Europe ; 2016 Europe, Middle East &amp; Africa ; 2017 Europe, Russia, Middle East &amp; Africa

(\*3)Scope of Geographic segment is renewed in 2016 as a result of the restructuring of the Tire business SBUs

Until 2015 China, Asia &amp; Pacific, Middle East &amp; Africa, Russia ; 2016 China, Asia &amp; Pacific, Russia ; 2017 China, Asia &amp; Pacific

## (2) Full Year

(Yen in billions)

|                                                          | Unit                                    | 2014                    |         | 2015    |         | 2016    |         | 2017    |         | 2018    |         |         |         |       |
|----------------------------------------------------------|-----------------------------------------|-------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-------|
|                                                          |                                         | Actual                  | vs.PY   | Actual  | vs.PY   | Actual  | vs.PY   | Actual  | vs.PY   | 1H      |         | FY      |         |       |
|                                                          |                                         |                         |         |         |         |         |         |         |         | Fcst.   | vs.PY   | Fcst.   | vs.PY   |       |
| <b>Consolidated Results</b>                              |                                         |                         |         |         |         |         |         |         |         |         |         |         |         |       |
| Statements of Income                                     | Net Sales                               | 3,673.9                 | 103     | 3,790.2 | 103     | 3,337.0 | 88      | 3,643.4 | 109     | 1,810.0 | 104     | 3,800.0 | 104     |       |
|                                                          | Operating Income                        | 478.0                   | 109     | 517.2   | 108     | 449.5   | 87      | 419.0   | 93      | 196.0   | 97      | 463.0   | 110     |       |
|                                                          | OP Margin                               | 13.0                    | +0.7    | 13.6    | +0.6    | 13.5    | (0.2)   | 11.5    | (2.0)   | 10.8    | (0.8)   | 12.2    | +0.7    |       |
|                                                          | Ordinary Income                         | 463.2                   | 107     | 507.3   | 110     | 432.5   | 85      | 400.5   | 93      | 184.0   | 94      | 439.0   | 110     |       |
|                                                          | Extra Loss (Gain)                       | (14.5)                  |         | 29.1    |         | 10.9    |         | (19.8)  |         |         |         |         |         |       |
|                                                          | Profit Attributable to Owners of Parent | 300.5                   | 149     | 284.2   | 95      | 265.5   | 93      | 288.2   | 109     | 129.0   | 98      | 308.0   | 107     |       |
| Exchange Rate                                            | US \$                                   | Yen/\$                  | 106     | 108     | 121     | 114     | 109     | 90      | 112     | 103     | 108     | 96      | 108     | 96    |
|                                                          | Euro                                    | Yen/€                   | 140     | 108     | 134     | 96      | 120     | 90      | 127     | 107     | 132     | 108     | 132     | 104   |
| <b>Analysis of Net Sales and Operating Income vs. PY</b> |                                         |                         |         |         |         |         |         |         |         |         |         |         |         |       |
| Net Sales                                                | Forex                                   |                         | +196.0  |         | +264.0  |         | (342.0) |         | +113.0  |         | (29.0)  |         | (77.0)  |       |
|                                                          | Price, Mix, Volume etc.                 |                         | (90.2)  |         | (147.8) |         | (111.2) |         | +193.4  |         | +96.1   |         | +233.5  |       |
|                                                          | Total                                   |                         | +105.8  |         | +116.2  |         | (453.2) |         | +306.4  |         | +67.1   |         | +156.5  |       |
| Operating Income                                         | Forex                                   |                         | +45.0   |         | +55.0   |         | (68.0)  |         | +15.0   |         | (2.0)   |         | (11.0)  |       |
|                                                          | Raw Materials                           |                         | +77.0   |         | +121.0  |         | +91.0   |         | (120.0) |         | +8.0    |         | +2.0    |       |
|                                                          | Depreciation                            |                         | (4.0)   |         | (1.0)   |         | (2.0)   |         | (7.0)   |         | (6.0)   |         | (16.0)  |       |
|                                                          | SGA                                     |                         | +0.0    |         | (12.0)  |         | (14.0)  |         | (19.0)  |         | (31.0)  |         | (44.0)  |       |
|                                                          | Price, Mix, Volume etc.                 |                         | (78.1)  |         | (123.8) |         | (74.6)  |         | +100.5  |         | +24.7   |         | +112.9  |       |
| Total                                                    |                                         | +39.9                   |         | +39.2   |         | (67.6)  |         | (30.5)  |         | (6.3)   |         | +43.9   |         |       |
| <b>Segment Information(*1)</b>                           |                                         |                         |         |         |         |         |         |         |         |         |         |         |         |       |
| Business Segment                                         | Tires (*2)                              | Net Sales               | 3,093.3 | 102     | 3,174.4 | 103     | 2,765.7 | 87      | 3,031.1 | 110     | 1,490.0 | 103     | 3,170.0 | 105   |
|                                                          |                                         | OP                      | 435.8   | 109     | 472.7   | 108     | 414.7   | 88      | 387.1   | 93      | 180.0   | 97      | 429.0   | 111   |
|                                                          |                                         | OP Margin               | 14.1    | +0.9    | 14.9    | +0.8    | 15.0    | +0.1    | 12.8    | (2.2)   | 12.1    | (0.8)   | 13.5    | +0.8  |
|                                                          | Diversified Products (*3)               | Net Sales               | 601.8   | 110     | 635.0   | 106     | 585.7   | 92      | 627.8   | 107     | 320.0   | 103     | 640.0   | 102   |
|                                                          |                                         | OP                      | 42.1    | 109     | 44.5    | 106     | 34.8    | 78      | 31.8    | 92      | 16.0    | 93      | 34.0    | 107   |
|                                                          |                                         | OP Margin               | 7.0     | (0.1)   | 7.0     | +0.0    | 5.9     | (1.1)   | 5.1     | (0.9)   | 5.0     | (0.5)   | 5.3     | +0.2  |
| Geographic Segment                                       | Japan                                   | Net Sales               | 1,264.9 | 100     | 1,187.8 | 94      | 1,080.6 | 91      | 1,147.8 | 106     | 560.0   | 105     | 1,200.0 | 105   |
|                                                          |                                         | OP                      | 210.1   | 96      | 197.4   | 94      | 150.6   | 76      | 160.2   | 106     | 67.0    | 103     | 164.0   | 102   |
|                                                          |                                         | OP Margin               | 16.6    | (0.7)   | 16.6    | +0.0    | 13.9    | (2.7)   | 14.0    | +0.0    | 12.0    | (0.2)   | 13.7    | (0.3) |
|                                                          | Americas                                | Net Sales               | 1,768.1 | 107     | 1,941.6 | 110     | 1,645.3 | 85      | 1,776.5 | 108     | 870.0   | 101     | 1,800.0 | 101   |
|                                                          |                                         | OP                      | 180.2   | 115     | 222.5   | 123     | 203.1   | 91      | 187.5   | 92      | 93.0    | 104     | 220.0   | 117   |
|                                                          |                                         | OP Margin               | 10.2    | +0.7    | 11.5    | +1.3    | 12.3    | +0.9    | 10.6    | (1.8)   | 10.7    | +0.3    | 12.2    | +1.7  |
|                                                          | EMEA (*4)                               | Net Sales               | 439.2   | 104     | 421.7   | 96      | 477.1   |         | 559.8   |         | 300.0   | 111     | 610.0   | 109   |
|                                                          |                                         | OP                      | 20.3    | 995     | 21.4    | 105     | 27.7    |         | 13.6    |         | 7.5     | 141     | 23.0    | 169   |
|                                                          |                                         | OP Margin               | 4.6     | +4.2    | 5.1     | +0.4    | 5.8     |         | 2.4     |         | 2.5     | +0.5    | 3.8     | +1.3  |
|                                                          | China, Asia Pacific (*5,6)              | Net Sales               | 841.5   | 98      | 838.0   | 100     | 621.7   |         | 648.8   |         | 320.0   | 103     | 690.0   | 106   |
|                                                          |                                         | OP                      | 66.8    | 83      | 68.2    | 102     | 62.5    |         | 62.9    |         | 32.0    | 92      | 72.0    | 114   |
|                                                          |                                         | OP Margin               | 7.9     | (1.4)   | 8.1     | +0.2    | 10.1    |         | 9.7     |         | 10.0    | (1.2)   | 10.4    | +0.7  |
| Market                                                   | Net Sales                               | Domestic                | 694.0   | 103     | 661.9   | 95      | 653.5   | 99      | 684.3   | 105     |         |         |         |       |
|                                                          |                                         | Overseas                | 2,979.9 | 103     | 3,128.3 | 105     | 2,683.4 | 86      | 2,959.0 | 110     |         |         |         |       |
|                                                          |                                         | Americas(*7)            | 1,746.3 | 107     | 1,919.5 | 110     | 1,625.7 | 85      | 1,755.0 | 108     |         |         |         |       |
|                                                          |                                         | EMEA(*4)                | 434.1   | 102     | 419.8   | 97      | 494.3   |         | 603.8   |         |         |         |         |       |
|                                                          |                                         | China, Asia Pacific(*5) | 799.4   | 95      | 788.9   | 99      | 563.4   |         | 600.1   |         |         |         |         |       |
| Balance Sheet (*8)                                       | Total Assets                            |                         | 3,960.9 |         | 3,795.8 |         | 3,716.0 |         | 3,959.0 |         |         |         |         |       |
|                                                          | ROA                                     |                         | 8.0     |         | 7.3     |         | 7.1     |         | 7.5     |         |         |         |         |       |
|                                                          | Net Assets                              |                         | 2,146.6 |         | 2,282.0 |         | 2,345.8 |         | 2,402.7 |         |         |         |         |       |
|                                                          | ROE                                     |                         | 15.5    |         | 13.3    |         | 11.8    |         | 12.5    |         |         |         |         |       |
|                                                          | Ratio of total equity to total assets   |                         | 52.4    |         | 58.2    |         | 61.5    |         | 59.2    |         |         |         |         |       |
| Cash Flows                                               | Interest-Bearing Debt                   |                         | 592.9   | 105     | 441.5   | 74      | 342.7   | 78      | 459.0   | 134     |         |         | 420.0   | 92    |
|                                                          | Operating Cashflow                      |                         | 428.6   |         | 553.9   |         | 444.5   |         | 418.1   |         |         |         |         |       |
|                                                          | Investing Cashflow                      |                         | (305.6) |         | (233.3) |         | (178.2) |         | (200.7) |         |         |         |         |       |
|                                                          | Free Cashflow                           |                         | 122.9   |         | 320.5   |         | 266.2   |         | 217.3   |         |         |         |         |       |
| Investment                                               | Capital Expenditure                     | Tires                   | 268.3   | 105     | 229.8   | 86      | 178.0   | 77      | 214.9   | 121     |         |         | 310.0   | 144   |
|                                                          |                                         | Diversified             | 28.0    | 147     | 23.6    | 84      | 16.0    | 68      | 19.9    | 124     |         |         | 28.0    | 141   |
|                                                          |                                         | Total                   | 296.3   | 108     | 253.5   | 86      | 194.1   | 77      | 234.8   | 121     |         |         | 338.0   | 144   |
| Costs & Expenses                                         | Depreciation                            |                         | 188.3   | 107     | 202.3   | 107     | 188.0   | 93      | 200.3   | 107     |         |         | 211.0   | 105   |
|                                                          | R&D Expenses                            |                         | 94.1    | 106     | 94.9    | 101     | 95.4    | 100     | 99.7    | 105     |         |         | 105.0   | 105   |
|                                                          | Interest Expense                        |                         | 0.3     | 15      | (2.1)   | —       | (2.9)   | 141     | (2.0)   | 68      |         |         |         |       |
| Dividends                                                | Dividend per Share                      |                         | Yen     | 100     | 130     | 140     | 150     | 80      | 160     |         |         |         |         |       |
| Tire Production (tonnage of rubber) (*9)                 | Domestic                                |                         | 10,000t | 51      | 48      | 47      | 47      | 25      | 51      |         |         |         |         |       |
|                                                          | Overseas                                | Americas                | 10,000t | 57      | 56      | 57      | 59      | 31      | 62      |         |         |         |         |       |
|                                                          |                                         | EMEA(*4)                | 10,000t | 21      | 22      | 25      | 27      | 16      | 31      |         |         |         |         |       |
|                                                          |                                         | China, Asia Pacific(*5) | 10,000t | 53      | 54      | 51      | 47      | 24      | 51      |         |         |         |         |       |
|                                                          |                                         | Overseas Total          | 10,000t | 131     | 132     | 133     | 141     | 71      | 144     |         |         |         |         |       |
|                                                          | Total                                   |                         | 10,000t | 182     | 179     | 180     | 188     | 96      | 195     |         |         |         |         |       |
|                                                          | Overseas Prod. Ratio                    |                         | %       | 72      | 73      | 74      | 75      | 74      | 74      |         |         |         |         |       |

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

(\*2)Net sales of "Specialty Tires" business accounts for less than 10% of "Tires" business in 2017

(\*3)Net sales composition of "Diversified Products" segment in 2017 is as follows

Chemical and Industrial Products : Less than 50% , BSAM Diversified Products : Less than 40% , Sporting goods,bicycles : More than 10%

(\*4)Scope of Geographic segment has been renewed since 2016 as a result of the restructuring of the Tire business SBUs

Until 2015 Europe ; In 2016 Europe, Middle East & Africa ; Since 2017 Europe, Russian, Middle East & Africa

(\*5)Scope of Geographic segment has been renewed since 2016 as a result of the restructuring of the Tire business SBUs

Until 2015 China, Asia Pacific, Middle East & Africa, Russia ; In 2016 China, Asia Pacific, Russia ; Since 2017 China, Asia Pacific

(\*6)Net sales composition in 2017 is as follows

Asia & Pacific: More than 70%, China: Less than 30%

(\*7) "United States" in 2017 : ¥1,431.2 billion

(\*8)The actual closing balance of Balance Sheet in 2016 has been revised, due to the change in accounting standard of a group company

(\*9)Scope of aggregated segment has been changed since 2018 forecast

## 2. Additional Information

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

|                                                     |         |     | 2016 | 2017 | 2018     |          |
|-----------------------------------------------------|---------|-----|------|------|----------|----------|
|                                                     |         |     | FY   | FY   | 1H Fcst. | FY Fcst. |
| Japan                                               | PSR/LTR | REP | 100  | 102  | 94       | 97       |
|                                                     |         | OE  | 100  | 105  | 98       | 99       |
|                                                     | TBR     | REP | 102  | 104  | 89       | 100      |
|                                                     |         | OE  | 101  | 102  | 94       | 99       |
| N.America                                           | PSR/LTR | REP | 101  | 100  | 102      | 102      |
|                                                     |         | OE  | 102  | 91   | 100      | 101      |
|                                                     | TBR     | REP | 101  | 105  | 105      | 100      |
|                                                     |         | OE  | 76   | 110  | 98       | 98       |
| Europe                                              | PSR/LTR | REP | 102  | 99   | 101      | 100      |
|                                                     |         | OE  | 105  | 101  | 103      | 103      |
|                                                     | TBR     | REP | 103  | 100  | 94       | 101      |
|                                                     |         | OE  | 106  | 107  | 99       | 98       |
| Asia<br>(Thailand, India, China<br>Indonesia Total) | PSR/LTR | REP | 111  | 103  |          | 104      |
|                                                     |         | OE  | 111  | 101  |          | 100      |
|                                                     | TBR     | REP | 96   | 100  |          | 102      |
|                                                     |         | OE  | 114  | 129  |          | 77       |

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

|                    |         |       | 2016 | 2017 | 2018       |            | 2017FY<br>Component<br>ratio |
|--------------------|---------|-------|------|------|------------|------------|------------------------------|
|                    |         |       | FY   | FY   | 1H Fcst.   | FY Fcst.   |                              |
| Japan              | PSR/LTR | REP   | 101  | 100  | around ±0% | ~+5%       | 60%                          |
|                    |         | OE    | 99   | 112  | ~-5%       | around ±0% | 40%                          |
|                    |         | Total | 101  | 104  | around ±0% | ~+5%       |                              |
|                    | TBR     | REP   | 102  | 104  | -6%~-10%   | ~+5%       | 70%                          |
|                    |         | OE    | 102  | 103  | around ±0% | ~+5%       | 30%                          |
|                    |         | Total | 102  | 104  | -6%~-10%   | ~+5%       |                              |
| N.America          | PSR/LTR | REP   | 100  | 96   | ~+5%       | ~+5%       | 70%                          |
|                    |         | OE    | 103  | 98   | +6%~+10%   | +6%~+10%   | 30%                          |
|                    |         | Total | 101  | 97   | ~+5%       | +6%~+10%   |                              |
|                    | TBR     | REP   | 102  | 101  | ~+5%       | +11%~+15%  | 70%                          |
|                    |         | OE    | 81   | 119  | +6%~+10%   | ~+5%       | 30%                          |
|                    |         | Total | 95   | 106  | ~+5%       | +6%~+10%   |                              |
| Europe             | PSR/CVR | REP   | 105  | 100  | ~+5%       | +6%~+10%   | 70%                          |
|                    |         | OE    | 110  | 110  | ~+5%       | around ±0% | 30%                          |
|                    |         | Total | 107  | 103  | ~+5%       | +6%~+10%   |                              |
|                    | TBR     | REP   | 105  | 103  | ~-5%       | ~+5%       | 70%                          |
|                    |         | OE    | 103  | 107  | ~+5%       | ~+5%       | 30%                          |
|                    |         | Total | 104  | 104  | around ±0% | ~+5%       |                              |
| Asia<br>Pacific    | PSR/LTR | REP   | 107  | 100  | ~+5%       | +6%~+10%   | 60%                          |
|                    |         | OE    | 104  | 113  | +6%~+10%   | ~+5%       | 40%                          |
|                    |         | Total | 106  | 105  | ~+5%       | +6%~+10%   |                              |
|                    | TBR     | REP   | 102  | 108  | +6%~+10%   | +11%~+15%  | 80%                          |
|                    |         | OE    | 133  | 167  | +21%~+25%  | +6%~+10%   | 20%                          |
|                    |         | Total | 105  | 115  | +11%~+15%  | +11%~+15%  |                              |
| China              | PSR/LTR | REP   | 102  | 102  | +6%~+10%   | +11%~+15%  | 50%                          |
|                    |         | OE    | 120  | 96   | +6%~+10%   | +6%~+10%   | 50%                          |
|                    |         | Total | 111  | 99   | +6%~+10%   | +6%~+10%   |                              |
|                    | TBR     | REP   | 97   | 107  | +16%~+20%  | +16%~+20%  | 90%                          |
|                    |         | OE    | 159  | 125  | ~-5%       | -11%~-15%  | 10%                          |
|                    |         | Total | 100  | 108  | +16%~+20%  | +16%~+20%  |                              |
| Global<br>(REP&OE) | PSR/LTR | 102   | 101  | ~+5% | +6%~+10%   |            |                              |
|                    | TBR     | 100   | 107  | ~+5% | +6%~+10%   |            |                              |

#### Key Products:

|         |                     | 2016 | 2017 | 2018     |          |
|---------|---------------------|------|------|----------|----------|
|         |                     | FY   | FY   | 1H Fcst. | FY Fcst. |
| PSR-REP | RFT                 | 120  | 100  | 115      | 120      |
|         | Premium Winter (*1) | 100  | 105  | 100      | 105      |
|         | HRD (≥18") (*2)     | 115  | 120  | 115      | 110      |
| ORR(*3) | Ultra-Large         | 100  | 115  | 115      | 120      |
|         | Large               | 100  | 135  | 100      | 105      |

(\*1)BLIZZAK brand tires

(\*2)HRD including OE

(\*3)Based on rubber weight for Ultra-Large and Large ORR