



Financial Results for 1st Half of Fiscal 2024

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1. Business and Financial Performance
for 1st Half of Fiscal 2024

Consolidated Financial Results for 1st Half of Fiscal 2024

(Yen in billions)

	2023 1H Results	2024 1H Results				vs PY (%)	
		1Q	vs PY (%)	2Q	vs PY (%)		
Revenue ^(*1)	2,101.7	1,064.1	+2	1,112.7	+5	2,176.8	+4
Adjusted Operating Profit ^(*1)	238.3	120.2	+3	109.0	(10)	229.2	(4)
Margin	11.3%	11.3%	+ 0.1pp	9.8%	(1.7) pp	10.5%	(0.8) pp
Profit Attributable to Owners of Parent ^(*2)	182.6	86.6	(4)	112.5	+22	199.1	+9
- Continuing Operations	183.3	86.6	(4)	112.5	+21	199.1	+9
- Discontinued Operations	(0.7)	(0)	-	(0)	-	(0)	-

(*1) Revenue and Adjusted Operating Profit show figures for continuing operations and exclude revenue and expenses of the discontinued operations.

(*2) Note that 63 billion yen of gain on sales of fixed asset is included in "Profit Attributable to Owners of Parent" as of Fiscal 2024 Q2 closing.

Overview of the Performance for 1st Half of Fiscal 2024

Executive Summary for 1st Half of Fiscal 2024

- **Revenue achieved a year-on-year growth.** Favorable impact of sales mix improvement through expand sales of PSR REP premium tires (18"+ tires, profitable premium tire brands in each regions, etc.) as well as maintaining flat sales YoY for Ultra-Large Mining tires and FX tailwind wiped out the negative impact of sales volume decline due to global demand decrease of OE and demand decrease in Japan caused by pre-buy of price increase in PY, as well as the deterioration of L. America business situation.
- **Adjusted Operating Profit (AOP) decreased YoY** due to deterioration of L. America business and impact of volume decline, despite spread improvement between Raw materials impact and Price/Mix impact including the FX tailwind of JPY depreciation.
- Continuous sales mix improvement through strengthening focus to premium segment with utilizing Dan-totsu products and accelerating reduction/discontinuation of loss-making and unprofitable business. While sales volume decline is driving negative conversion costs/ other fixed costs, the following **Business cost down** items contributed positively to the financial performance; Decrease of ocean freight rate, Global procurement promoted in 24MBP, Global SCM logistics transformation, BCMA, Shift to Green & Smart and Improvements of Genba operation at production sites
- The worsening trend from 2H 2023 in Americas business has bottomed out in 1H 2024 and overcame the worst phase.
 - In **N. America**, while 1H fell short from February Guidance (Feb 16, 2024 Announcement), sales of HRD for PSR REP and BS brand of TBR REP has continued to increase YoY based on the strong business foundation, despite the increased low-end imports. TB business including TBR OE and Retread, which performance continued to deteriorate from **2H 2023 overcame the worst phase in 1H 2024.**
 - In **L. America**, **deteriorating business in Argentina and Brazil** had a huge negative impact on the company's overall performance. Although damage control was reinforced and **overcame the worst period in 1H 2024.**
- **Profit attributable to Owners of Parent increased YoY** due to the gains from sales of fixed assets (appx. 63.0 billion yen) in Q2.
- **We will promote business quality reinforcement in global and accelerate "reinforce earning power".**

Business Environment Surrounding Bridgestone Group for 1st Half of Fiscal 2024



Currency Exchange

- Both USD and EUR appreciated against JPY compared with PY / 1USD=¥152,1EUR=¥165 (c.f.) 1H'23: 1USD=¥135,1EUR=¥146



Raw Material

- The 1H feedstock price of natural rubber increased YoY, while crude oil remained flat. Due to time lag of 3~6 months between the price being reflected in COGS, natural rubber increased slightly, while price of other Raw materials including crude oil declined YoY.
- For Japan, the depreciation of JPY against USD etc. had a negative impact on raw materials.



Tire Demand (PSR/TBR)

- OE: PS – N. America remained flat YoY, while due to decline in OEM vehicle production, tire demand in Japan and Europe softened from PY. HRD (18"+) demand growth in N. America and Asia continued to grow YoY due to the trend towards larger vehicle. Demand decreased in Europe YoY, due to slowdown of adoption of EVs and some OEMs' production plan.
TB – In N. America and Europe, demand decreased YoY while demand in Japan increased due to previous year's decline in OEM vehicle production which was effected from parts supply shortage.
- REP: PS – Demand in Japan declined YoY due to pre-buy of price increase in PY, while demand in N. America remained at the same level as PY* and demand in Europe increased YoY.
*Total demand including non-members increased YoY, partly due to increase in low-end imports resulting from tariff reductions.
Demand for PSR-HRD (18"+) continued to grow YoY, mainly in N. America and Europe.
TB – In N. America, demand recovered steadily from Q2, bottomed out in 1H and increased YoY. Total demand including Non-member demand increased significantly YoY, partly due to increase in low-end imports in preparation for the tariff hike. In Europe, demand remained flat YoY. In Japan, demand fell sharply YoY, partly due to pre-buy of price increase in PY.

Market trend of natural rubber and crude oil (Average)

	2022		2023				2024	
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Natural Rubber 〈TSR20〉(*1) (¢/kg)	146	130	137	135	134	145	157	168
Natural Rubber 〈RSS#3〉(*1) (¢/kg)	163	150	161	155	151	166	214	230
Crude Oil 〈WTI〉 (\$/bbl)	91	83	76	74	82	79	77	78

(*1) Source: Singapore Commodity Exchange Limited

Tire Demand (unit base% vs. PY)

	Estimated by Bridgestone		PSR/LTR		TBR	
			OE	REP	OE	REP
Japan			90%	90%	105%	80%
N. America			101%	98% (*2)	93%	103% (*2)
Europe			94%	102%	79%	99%

(*2) Member demand: Tire Brands (excl. imports) which participates in U.S. / Canadian Tire Manufacturers Association(*3). Total demand including non-members is as follows. PSR/LTR REP: 105%, TBR REP: 128%

(*3) USTMA (U.S. Tire Manufacturers Association)+TRAC (Tire Rubber Association of Canada)

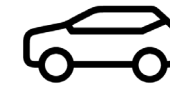
Tire Sales Growth for 1st Half of Fiscal 2024 (vs. PY) – PSR/LTR



PSR/LTR

vs. PY

Global (OE+REP)	vs. PY	
	OE	REP
Global	91%	
Global	90%	92%
Japan	83%	84%
Asia, Pacific, India, China	84%	100%
N. America	100%	97%
Europe	90%	93%



PSR/LTR
HRD (18\"/>

vs. PY

Global (OE+REP)	vs. PY
REP	
Global (OE+REP)	99%
REP	104%

Overview of the Performance by Product

PSR/LTR
(for passenger car & light truck)

- Premium tires (HRD: 18"+) has solidly grown mainly in the replacement market of N. America and Europe. OE sales in N. America expanded sales and gained share by thorough focus on premium and improvement of vehicle model mix, while sales in Europe decreased reflecting premium focus, deterioration in vehicle model mix(incl. EVs), reduced production and demand planned by OEMs.
- OE: Enforce premium focus strategy-Seeking value, not volume. While N. America sales volume grew YoY based on the solid demand growth, lowered vehicle production drove demand and sales decrease YoY in Japan, Asia and Europe.
- REP: **In N. America, HRD sales increased as a result of promoting development of new products and channels.** Optimizing the balance between the volume and value by reinforcing the utilization of FS brand in response to the increase of low-end imports, market share slightly decreased YoY, while Member (*) share was flat. Sales in Japan declined significantly due to the pre-buy of price hike in PY. In Asia, sales stayed flat YoY and in Europe, the company selectively reduced loss-making and unprofitable business which resulted significant decrease in sales volume.

Tire Sales Growth for 1st Half of Fiscal 2024 (vs. PY) – TBR and ORR



TBR

	vs. PY	
	OE	REP
Global (OE+REP)	93%	
Global	89%	94%
Japan	105%	75%
Asia, Pacific, India	82%	100%
N. America	87%	100%
Europe	80%	95%

(* As for TBR, figures of China is excluded from previous year and the current year.



ORR

	vs. PY	
Ultra-Large (REP)	99%	
Large	96%	
	OE	65%
	REP	112%
Small & Medium	99%	
	OE	104%
	REP	95%

BS brands: 108%
FS brands: 88%
(Q1:72%, Q2:107%)

Overview of the Performance by Product

TBR
(for truck & bus)

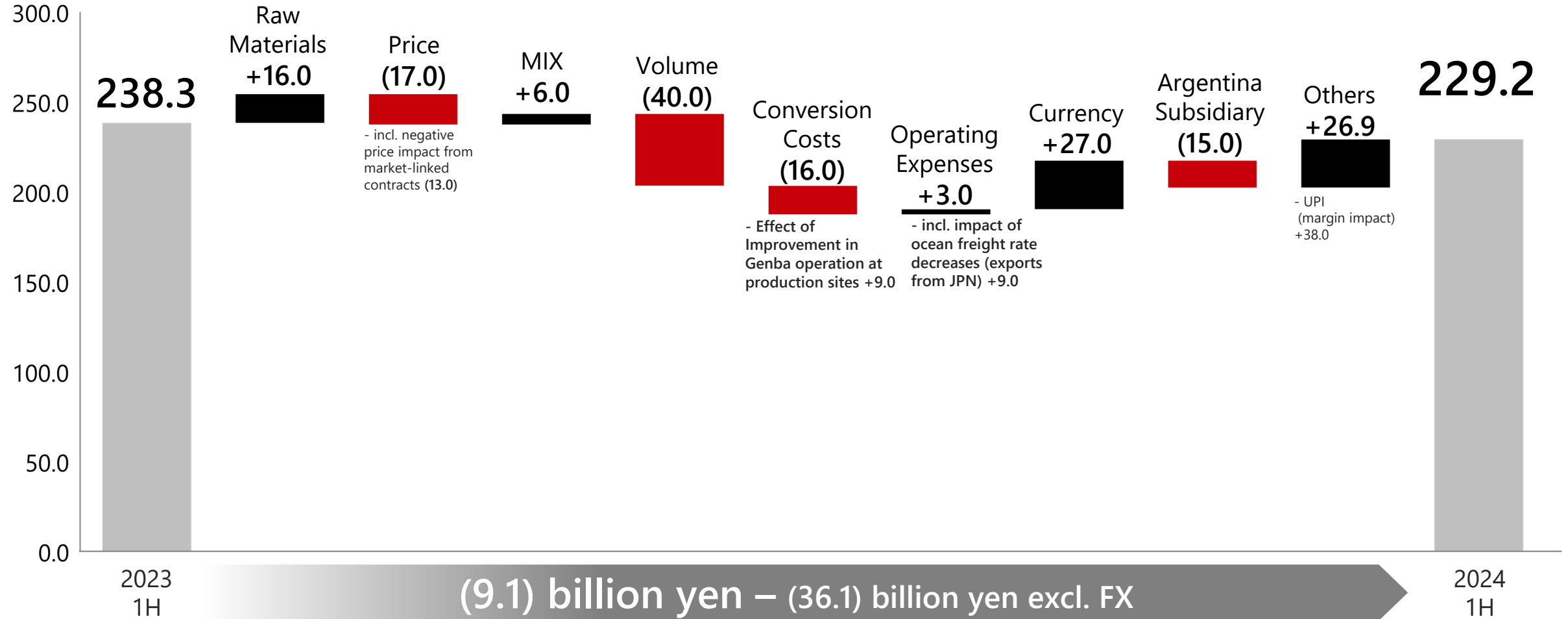
- OE: Thorough focus on premium strategy- Focus on the balance between the volume and value. While sales in Japan increased YoY due to the vehicle production decrease in PY effected by the parts supply shortage, sales in Asia, N. America, and Europe decreased YoY.
- REP: In N. America, distribution inventories normalized in Q1. Demand steadily recovered from Q2 and flat sales YoY in 1H. BS brand for fleets steadily expanded sales YoY based on the solid business foundation. Sales of FS brand products for dealers improved in Q2 as a result of optimizing the balance between volume and value. In Japan, sales declined significantly YoY due to the impact of demand decrease caused by pre-buy of price increase in PY, as well as the impact of selective reduction of loss-making and unprofitable products.

ORR
(for mining & construction)

- Ultra-Large: While minerals demand stays stable, Ultra-Large Mining tire sales maintained flat YoY linked with expanding solutions with MASTERCORE as Dan-Totsu product at the core.
- Large: Despite huge impact of OEM production reduction mainly in Asia, sales in REP expanded YoY, resulting in a slight decrease from PY in total.
- Small & Medium: REP sales slightly declined due to demand drop of port/construction in Europe. OE sales expanded due to increase of US construction tire demand and total sales resulted flat YoY.

Analysis of Adjusted Operating Profit for 1st Half of Fiscal 2024 (vs. PY)

(Yen in billions)



Consolidated Financial Results by Segment for 1st Half of Fiscal 2024

(Yen in billions)

		2023 1H Results	2024 1H Results	vs. PY (%)
Japan	Revenue	607.6	586.7	(3)
	Adjusted OP	89.1	94.1	+6
	Margin	14.7%	16.0%	+1.4 pp
Asia, Pacific, India and China (*)	Revenue	273.7	260.5	(5)
	Adjusted OP	23.1	27.8	+20
	Margin	8.5%	10.7%	+2.2 pp
Americas	Revenue	1,013.1	1,093.0	+8
	Adjusted OP	118.7	88.3	(26)
	Margin	11.7%	8.1%	(3.6) pp
Europe, Middle East and Africa (*)	Revenue	407.4	411.1	+1
	Adjusted OP	9.2	7.4	(20)
	Margin	2.3%	1.8%	(0.5) pp





(*) Segmentation is changed from Fiscal 2024 as follows. Figures of 2023 have been recalculated for y/y comparison purpose.

"China, Asia-Pacific" is changed to "Asia, Pacific, India, and China"

"Europe, Russia, Middle East, India and Africa" is changed to "Europe, Middle East, and Africa"

Consolidated Financial Results by Product for 1st Half of Fiscal 2024

(Yen in billions)

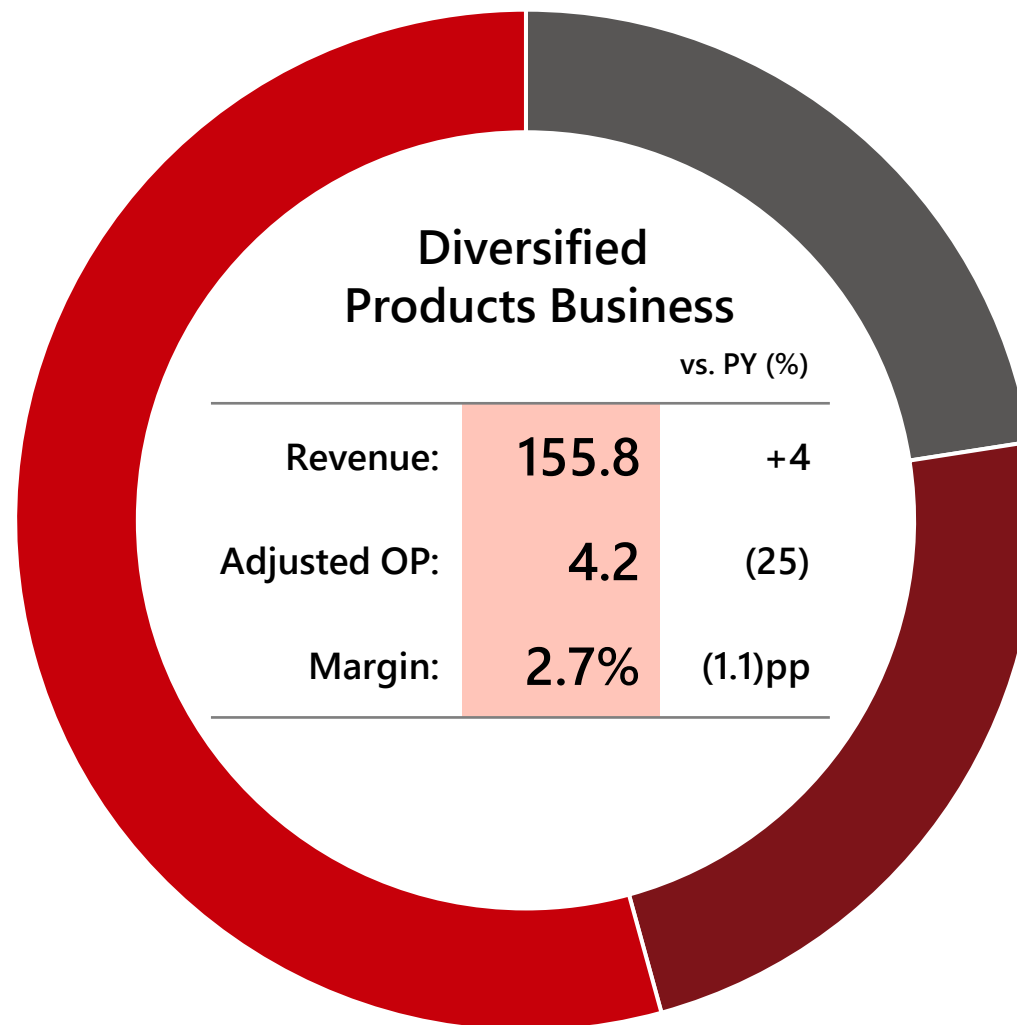
		2023 1H Results	2024 1H Results ^(*)	vs. PY (%)
 PS/LT (incl. retail & credit card business)	Revenue	1,136.4	1,211.5	+7
	Adjusted OP	117.9	128.3	+9
	Margin	10.4%	10.6%	+ 0.2pp
 TB (incl. retread business)	Revenue	497.9	489.8	(2)
	Adjusted OP	47.3	24.6	(48)
	Margin	9.5%	5.0%	(4.5)pp
 Specialties (OR/AC/AG/MC)	Revenue	318.3	319.7	+0
	Adjusted OP	67.5	72.1	+7
	Margin	21.2%	22.6%	+1.3pp
 Diversified Products Business	Revenue	149.2	155.8	+4
	Adjusted OP	5.6	4.2	(25)
	Margin	3.8%	2.7%	(1.1)pp

(*) Calculation method for P&L by product has been partially changed. Figures of 2023 have been recalculated for y/y comparison purpose.

Consolidated Financial Results by Business for 1st Half of Fiscal 2024 (Diversified Products Business)

(Yen in billions)

Chemical & Industrial Products Biz	vs. PY (%)	
Revenue:	83.5	(1)
Adjusted OP:	4.1	+42
Margin:	4.9%	+1.5pp



	vs. PY (%)	
Revenue:	155.8	+4
Adjusted OP:	4.2	(25)
Margin:	2.7%	(1.1)pp

Sports & Cycle Biz	vs. PY (%)	
Revenue:	32.5	+1
Adjusted OP:	(0)	-
Margin:	(0.1)%	(4.3)pp

Diversified Products Biz in Americas (Air Springs)	vs. PY (%)	
Revenue:	36.9	+23
Adjusted OP:	0.1	(92)
Margin:	0.3%	(4.6)pp

B/S and C/F Highlights for 1st Half of Fiscal 2024

	2023 Results (as of Dec 31, 2023)	2024 1H Results (as of Jun 30, 2024)	(Yen in billions) vs. Dec 31, 2023
Total Assets	5,427.8	5,865.7	+437.9
Total Equity	3,405.4	3,852.5	+447.1
Equity Ratio (%)	61.8%	64.8%	+3.0pp
Interest-Bearing Debt (Net)	105.6	102.5	(3.0)
Exchange rate	USD/JPY	¥142	+ ¥19
at the end of reporting period	EUR/JPY	¥157	+ ¥15
	2023 1H Results	2024 1H Results	vs. PY
Cash Flows from Operating Activities	236.4	211.5	(24.9)
Cash Flows from Investing Activities	(128.5)	(102.7)	+25.9
Free Cash Flow	107.9	108.9	+1.0
Capital Expenditure	138.4	151.1	+12.8
Depreciation and Amortization	146.7	172.7	+26.0

2. Consolidated Guidance for 2024

Consolidated Guidance for Fiscal 2024 (Revised)

(Yen in billions)

	2023 Results	2024 Guidance (Feb 16, 2024 Announcement)	2024 Guidance (Revised)	vs. February Guidance (%)	vs. PY (%)
Revenue	4,313.8	4,430.0	4,410.0	(0)	+2
Adjusted Operating Profit	480.6	530.0	490.0	(8)	+2
Margin	11.1%	12.0%	11.1%	(0.9)pp	(0.0)pp
Profit Attributable to Owners of Parent	331.3	359.0	336.0	(6)	+1
- Continuing Operations	326.9	359.0	336.0	(6)	+3
- Discontinued Operations	4.4	-	-	-	-
ROIC	8.7%	9.4%	8.9%	(0.5)pp	+0.2pp
ROE	10.4%	10.6%	9.8%	(0.8)pp	(0.5)pp
Dividend per share	¥200	¥210	¥210		

(*) Revenue, Adjusted Operating Profit, ROIC and ROE show figures for continuing operations.

Revise downwards from the February guidance

- Deteriorate L. America business beyond assumptions (lower than worst scenario assumed in February)
⇒ Strengthen damage control as there are huge negative impacts for the year despite the improvement in the 2H
- Growth of N. America business fallen short of the February guidance
 - Strong foundation of premium tires (TB – BS brands, PS-HRD, etc.), retail and retread business remain resilient
⇒ Increased risks such as expanding low-end imports in markets despite the plan to recovery planned in the 2H
 - Deteriorate business environment for diversified products business beyond assumptions

Not covering the deterioration of L. America business particularly in the 1H, regardless of offsetting the deterioration of Latin and North America vs. the February guidance with global diverse improvement activities and improvements in other business areas.

Fiscal 2024 guidance

Secured increased revenue & AOP vs. PY
No change for dividend per share

- Get through the worst phase in L. America business and N. America TB business with the 1H 2024 being the lowest point
⇒ Improve from 2H 2024 to 2025
- Be sure to reinforce initiatives for global business cost reduction continuously to accelerate contribution to financial performance
- **Stay attentive and lean globally:**
Identify demand & sales trend and risks by market to reflect the sales & production plan.
Ensure to optimize the balance of sales & production, and reduce inventory and fixed cost (for sales & production)
Reduce resources by reviewing the production investment after 2H 2024, mainly in N. America and Europe to build lean structure
⇒ will be the base of 2025 plan
- **Begin the 2nd stage of business rebuilding** in 2H 2024 and 2025
⇒ **Further reinforcement is required in 2025**
- **Implement the multi-brand strategy** such as reinforcing the utilization of FS brand mainly in N. America to **optimize the balance of volume and value**, while ensuring a focus on BS premium and **reinforcing Dan-Totsu product power**

Business Environment Assumptions for Fiscal 2024 (Revised)

Forecast of Business Environment



Currency Exchange

- 2H: 1USD=¥140 (Full-year basis: 1USD=¥146)
- 2H: 1EUR=¥151 (Full-year basis: 1EUR=¥157)

(c.f.) FY2023: 1USD=¥141, 1EUR=¥152
Feb guidance: 1USD=¥135, 1EUR=¥149



Raw Material

- Feedstock price is expected to increase YoY.
- For Japan, the depreciation of JPY against USD etc. is expected to have negative impact on raw materials.



Tire Demand (PSR/TBR)

- OE: Excluding some regions, demand growth is expected to soften due to vehicle production decline.
- REP: In N. America TBR, demand which bottomed out in 1H is expected to recover continuously in 2H. PSR-HRD(18" +inch) tire demand is expected to keep its increase mainly in N. America and Europe.

Currency Exchange Rate Assumptions

	2023	2024		
		1H	2H	FY
	FY			
USD/JPY	141	152	140	146
EUR/JPY	152	165	151	157

Tire Demand Assumptions (unit base% vs. PY)

Estimated by Bridgestone	PSR/LTR		TBR	
	OE	REP	OE	REP
Japan	90~94%	101~105%	100%	101~105%
Asia ^(*1)	100%	101~105%	90~94%	101~105%
N. America	100%	95~99% ^(*2)	90~94%	106~110% ^(*2)
Europe	90~94%	101~105%	85~89%	100%

(*1) PSR/LTR: Total of Thailand, Indonesia, India and China
TBR: Total of Thailand, Indonesia, India

(*2) USTMA+TRAC demand

Tire Sales Growth Guidance for Fiscal 2024 (vs. PY)



PSR/LTR

	vs. PY
Global	95~99%
OE	
Global	85~89%
Japan	80~84%
Asia, Pacific, India, China	85~89%
N. America	95~99%
Europe	90~94%

REP

Global	100%
Japan	106~110%
Asia, Pacific, India, China	101~105%
N. America	100%
Europe	100%



TBR

	vs. PY
Global	100%
OE	
Global	90~94%
Japan	95~99%
Asia, Pacific, India ^(*)	75~79%
N. America	95~99%
Europe	80~84%

REP

Global	101~105%
Japan	100%
Asia, Pacific, India ^(*)	106~110%
N. America	106~110%
Europe	101~105%



ORR

	vs. PY
Ultra-Large (REP)	100%
Large	
OE	75~79%
REP	106~110%
Small & Medium	
OE	100%
REP	100%



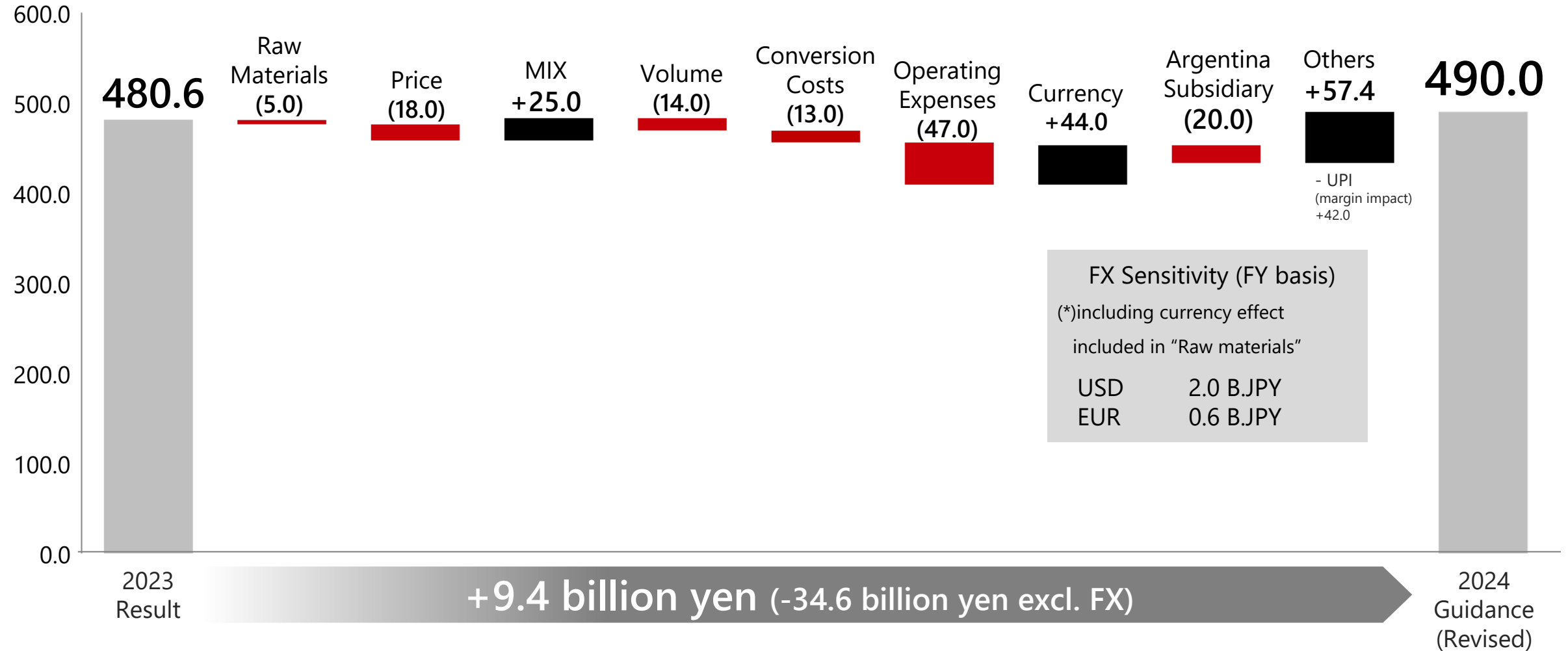
PSR HRD (18''+)

Global	101~105%
REP	106~110%

(*) As for TBR, figures of China is excluded from previous year and the current year.

Analysis of Adjusted Operating Profit for Fiscal 2024 (vs. PY)

(Yen in billions)



Consolidated Guidance by Segment for Fiscal 2024 : vs PY (Revised)

(Yen in billions)

		2023 Results	2024 Guidance (Feb 16, 2024 Announcement)	2024 Guidance (Revised)	vs. February Guidance (%)	vs. PY (%)
Japan	Revenue	1,242.4	1,265.0	1,255.0	(1)	+1
	Adjusted OP	206.5	182.0	190.0	+4	(8)
	Margin	16.6%	14.4%	15.1%	+0.8pp	(1.5)pp
Asia, Pacific, India and China (*)	Revenue	551.5	570.0	540.0	(5)	(2)
	Adjusted OP	55.2	63.0	61.0	(3)	+11
	Margin	10.0%	11.1%	11.3%	+ 0.2pp	+ 1.3pp
Americas	Revenue	2,080.0	2,165.0	2,165.0	-	+4
	Adjusted OP	212.0	250.0	196.0	(22)	(8)
	Margin	10.2%	11.5%	9.1%	(2.5)pp	(1.1)pp
Europe, Middle East and Africa (*)	Revenue	819.2	820.0	810.0	(1)	(1)
	Adjusted OP	11.7	27.0	25.0	(7)	+ 114
	Margin	1.4%	3.3%	3.1%	(0.2)pp	+ 1.7pp

(*) Segmentation is changed from Fiscal 2024 as follows.

"China, Asia-Pacific" is changed to "Asia, Pacific, India, and China", "Europe, Russia, Middle East, India and Africa" is changed to "Europe, Middle East, and Africa"

Note that the 2023 figures are approximate values and may change as a result of the accounting audits.



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