

Supplementary Information of 2004

1. Consolidated

(1) Financial Highlights (1st half)

(Yen in billions)

		Unit	2001			2002			2003			2004			2005		
			Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Plan	%	vs.PY
Consolidated Results																	
Income Statement	Net sales		1,027.5	100	104	1,093.5	100	106	1,112.1	100	102	1,153.2	100	104	1,200.0	100	104
	Operating income		52.3	5.1	56	73.1	6.7	140	71.3	6.4	98	91.9	8.0	129	64.0	5.3	70
	Ordinary income		31.3	3.1	40	55.6	5.1	178	65.8	5.9	118	86.8	7.5	132	55.0	4.6	63
	Net income		(30.5)	(3.0)	-	24.4	2.2	-	31.9	2.9	131	52.2	4.5	164	80.0	6.7	153
Segment Information(*1)																	
Business	Sales	Tire	798.5	78	104	864.9	79	108	883.7	79	102	916.3	79	104			
		Diversified	228.9	22	103	228.6	21	100	228.3	21	100	236.9	21	104			
	Operating income	Tire	36.2		49	56.6		156	54.8		97	73.6		134			
		Diversified	15.7		78	16.2		103	16.3		101	18.0		110			
OP margin	Tire	%	4.5			6.5			6.2			8.0					
	Diversified	%	6.7			6.9			6.8			7.3					
Area	Sales	Japan	392.1	38	100	383.0	35	98	381.6	34	100	386.7	34	101			
		Americas	443.6	44	105	497.7	45	112	474.7	43	95	483.1	42	102			
		Europe	107.3	10	110	115.8	11	108	140.0	13	121	154.5	13	110			
		Others	84.3	8	108	96.9	9	115	115.8	10	119	128.8	11	111			
	Operating income	Japan		57.9		88	56.4		97	56.9		101	57.6		101		
		Americas		(8.9)		-	4.7		+	2.2		47	15.5		693		
		Europe		1.7		71	2.9		171	6.4		221	8.5		133		
		Others		8.0		110	10.9		136	13.0		119	9.8		76		
	OP margin	Japan	%	12.1			11.6			11.2			11.3				
		Americas	%	(2.0)			1.0			0.5			3.2				
		Europe	%	1.6			2.5			4.5			5.5				
		Others	%	7.1			8.1			7.6			5.1				
Market	Sales	Domestic	361.9	35	102	339.7	31	94	335.6	30	99	338.1	29	101			
		Overseas	665.5	65	105	753.7	69	113	776.5	70	103	815.1	71	105			
Capital	Depreciation		61.3	6.0	112	59.3	5.4	97	49.7	4.5	84	50.7	4.4	102			
	Capital expenditure		45.2		73	43.9		97	58.6		134	79.5		136			
	R&D(*2)		30.7	3.0	-	33.9	3.1	111	34.8	3.1	103	34.6	3.0	99			
	Interest expenses		11.6	1.1	190	6.2	0.6	53	3.4	0.3	55	2.6	0.2	78			
	Borrowings		660.7		157	536.6		81	536.3		100	488.8		91			

(*1)Sales: Sales to external customers

Operating income: Including income caused by businesses among segments

(*2)R&D: Disclosed since 2000 full year

BSA Results (1H of the year)

		2003	%	vs.PY	2004	%	vs.PY	2005(F)	%	vs.PY
Net sales	US\$M	3,881	100	105	4,349	100	112	4,600	100	106
Operating income	US\$M	31	0.8	58	159	3.7	507	120	2.6	75
Net income	US\$M	11	0.3	-	102	2.4	887	60	1.3	58

BSEU Results (1H of the year)

		2003	%	vs.PY	2004	%	vs.PY	2005(F)	%	vs.PY
Net sales	€M	1,037	100	107	1,133	100	109	1,240	100	109
Operating income	€M	49	4.7	207	88	7.8	180	60	4.8	68
Net income	€M	27	2.6	386	53	4.7	195	30	2.4	56

(2) Financial Highlights (full year)

(Yen in billions)

Supplementary Information of 2004		Unit	2001			2002			2003			2004			2005			
			Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Plan	%	vs.PY	
Consolidated Results																		
Income Statement	Net sales		2,133.8	100	106	2,247.7	100	105	2,303.9	100	102	2,416.6	100	105	2,500.0	100	103	
	Operating income		118.0	5.5	73	183.8	8.2	156	183.2	8.0	100	197.6	8.2	108	170.0	6.8	86	
	Ordinary income		74.4	3.5	60	147.8	6.6	199	167.2	7.3	113	181.5	7.5	109	150.0	6.0	83	
	Net income		17.3	0.8	98	45.3	2.0	261	88.7	3.9	196	114.4	4.7	129	140.0	5.6	122	
Segment Information(*1)																		
Business	Sales	Tire	1,687.2	79	108	1,797.5	80	107	1,836.3	80	102	1,927.9	80	105				
		Diversified	446.5	21	100	450.1	20	101	467.5	20	104	488.6	20	105				
	Operating income	Tire	91.8		75	155.0		169	148.3		96	160.2		108				
		Diversified	25.4		67	28.3		111	34.6		122	36.4		105				
OP margin	Tire	%	5.4			8.6			8.1			8.3						
	Diversified	%	5.5			6.1			7.1			7.1						
Area	Sales	Japan	826.9	39	100	827.6	37	100	803.0	35	97	814.6	34	101				
		Americas	918.3	43	111	980.9	44	107	972.2	42	99	1,013.5	42	104				
		Europe	216.0	10	112	239.2	11	111	287.4	12	120	321.6	13	112				
		Others	172.5	8	110	199.9	8	116	241.1	10	121	266.8	11	111				
	Operating income	Japan	136.3		102	136.6		100	129.1		95	131.1		102				
		Americas	(33.5)		-	18.5		+	19.5		105	26.6		137				
		Europe	4.5		79	8.2		182	15.4		187	22.0		143				
		Others	15.0		117	21.7		145	21.5		99	17.6		82				
	OP margin	Japan	%	13.6			13.2			12.2			12.3					
		Americas	%	(3.6)			1.9			2.0			2.6					
		Europe	%	2.0			3.4			5.3			6.8					
		Others	%	6.6			7.4			6.1			4.4					
Market	Sales	Domestic	756.3	35	100	739.6	33	98	710.0	31	96	716.0	30	101				
		Overseas	1,377.4	65	110	1,508.1	67	109	1,593.8	69	106	1,700.5	70	107				
Balance Sheet																		
Balance Sheet	Total asset		2,443.7			2,143.9			2,220.6			2,333.7						
	ROA	%	0.8			2.0			4.1			5.0						
	Shareholder's equity		835.1			796.0			887.9			934.9						
	ROE	%	2.2			5.6			10.5			12.6						
Capital																		
Capital	Depreciation		125.3	5.9	106	112.6	5.0	90	98.8	4.3	88	106.0	4.4	107	120.0	4.8	113	
	Capital expenditure		104.3		76	116.7		112	155.7		133	190.9		123	200.0		105	
	R&D		62.7	2.9	103	68.1	3.0	109	70.9	3.1	104	72.8	3.0	103	77.0	3.1	106	
	Interest payment		22.2	1.0	141	11.3	0.5	51	6.6	0.3	58	6.3	0.3	97				
	Borrowings		765.8		148	470.1		61	487.2		104	479.5		98	540.0		113	
No. of Employee																		
No. of Employee			104,700		102	106,481		102	108,741		102	113,699		105				
Production	Domestic	10,000t	56			60			61			62			64			
	Overseas	Americas	10,000t	52			58			60			63			66		
		Europe	10,000t	16			16			17			18			20		
		Others	10,000t	22			27			30			34			39		
		Overseas total	10,000t	90			101			107			114			124		
	Total production	10,000t	146			161			169			176			189			
	Overseas prod. ratio	%	62			63			64			65			66			

(*1)Sales: Sales to external customers Operating income: Including income caused by businesses among segments

Consolidated Results in US\$

	Unit	2001			2002			2003			2004			2005		
		Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Plan	%	vs.PY
Net sales	US\$M	16,171	100		18,747	100		21,506	100		23,191	100		23,810	100	
Ordinary income	US\$M	564	3.5		1,233	6.6		1,562	7.3		1,743	7.5		1,429	6.0	
Net income	US\$M	132	0.8		378	2.0		828	3.9		1,098	4.7		1,333	5.6	
Exchange rate	US\$M	131.95			119.90			107.13			104.21			105.00		

(*Exchange rate: as of the end of the year)

BSA Results (full year)

		2003	%	vs.PY	2004	%	vs.PY	2005(F)	%	vs.PY
Net sales	US\$M	8,173	100	107	9,150	100	112	9,500	100	104
Operating income	US\$M	190	2.3	97	264	2.9	139	270	2.8	102
Net income	US\$M	78	1.0	94	183	2.0	235	160	1.7	87

BSEU Results (full year)

		2003	%	vs.PY	2004	%	vs.PY	2005(F)	%	vs.PY
Net sales	€M	2,127	100	108	2,325	100	109	2,560	100	110
Operating income	€M	116	5.5	187	162	7.0	139	140	5.5	86
Net income	€M	62	2.9	-	94	4.1	151	70	2.7	74

2. Non-Consolidated

(1) Financial Highlights (1st half)

(Yen in billions)

		Unit	2001			2002			2003			2004			2005			
			Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Plan	%	vs.PY	
Income Statement	Net sales		332.3	100	95	343.3	100	103	373.4	100	109	375.4	100	101	385.0	100	103	
	Operating income		49.7	15.0	88	52.0	15.2	105	52.0	13.9	100	51.1	13.6	98	33.0	8.6	64	
	Ordinary income		48.5	14.6	97	51.2	14.9	106	56.3	15.1	110	63.2	16.8	112	40.0	10.4	63	
	Extra loss / (gain)		333.0	100.2		-			-			-			(69.0)	(17.9)		
	Net income		(164.3)	(49.5)	-	29.4	8.6	+	32.0	8.6	109	44.3	11.8	138	70.0	18.2	158	
Segment Sales	Market	Domestic	212.0	64	99	205.8	60	97	204.9	55	100	212.2	57	104	207.0	54	98	
		Export	120.3	36	88	137.4	40	114	168.4	45	123	163.1	43	97	178.0	46	109	
	Business	Tire	243.7	73	94	256.6	75	105	280.1	75	109	278.9	74	100	288.0	75	103	
		Diversified	88.5	27	98	86.7	25	98	93.3	25	108	96.5	26	104	97.0	25	100	
			(Export/total sales)	(Export/total sales)	(Export/total sales)	(Export/total sales)	(Export/total sales)	(Export/total sales)	(Export/total sales)	(Export/total sales)	(Export/total sales)	(Export/total sales)	(Export/total sales)	(Export/total sales)	(Export/total sales)	(Export/total sales)	(Export/total sales)	(Export/total sales)
	Export	Tire	113.2	(46)	87	129.2	(50)	114	159.0	(57)	123	153.7	(55)	97	168.0	(58)	109	
	Diversified	7.0	(8)	119	8.2	(10)	117	9.4	(10)	114	9.4	(10)	101	10.0	(10)	106		
Exchange rate	US\$	Yen/\$	121		113	130		107	119		92	109		92	105		96	
	Euro	Yen/€	108		105	116		107	132		114	133		101	130		98	
Investment	Capital expenditure		15.5		81	16.6		107	18.8		113	27.0		144	35.0		130	
	(Tire production)		5.7		62	5.8		102	8.8		153	16.4		186	20.0		122	
	(Diversified production)		3.6		96	3.4		94	1.8		53	2.9		161	3.0		103	
	(R&D)		4.5		106	5.2		115	7.0		135	6.0		86	9.0		150	
	(Others)		1.7		86	2.2		132	1.1		52	1.8		164	3.0		167	
	Loan and investment		2.9		14	142.8		+	17.2		12	8.9		52	8.0		90	
	Total investment		18.4		46	159.5		+	36.0		23	36.0		100	43.0		119	
Costs & Expenses	Labor cost		55.5	16.7	94	61.1	17.8	110	63.5	17.0	104	56.6	15.1	89	56.5	14.7	100	
	R&D		21.7	6.5	109	25.2	7.4	116	28.9	7.7	114	28.3	7.6	98	32.0	8.3	113	
	Depreciation		20.7	6.2	105	19.1	5.6	92	19.1	5.1	100	19.7	5.3	103	24.0	6.2	121	
	Interest		(2.0)	(0.6)	160	(3.5)	(1.0)	173	(7.9)	(2.1)	224	(12.7)	(3.4)	160	(9.0)	(2.3)	71	
No. of Employee		12,438		93	12,603		101	12,599		100	12,535		99					

(2) Financial Highlights (full year)

(Yen in billions)

		Unit	2001			2002			2003			2004			2005		
			Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Actual	%	vs.PY	Plan	%	vs.PY
Income Statement	Net sales		704.2	100	98	741.0	100	105	765.6	100	103	789.0	100	103	820.0	100	104
	Operating income		117.7	16.7	103	124.8	16.9	106	105.5	13.8	85	109.9	13.9	104	90.0	11.0	82
	Ordinary income		108.9	15.5	105	118.7	16.0	109	107.5	14.0	91	124.7	15.8	116	96.0	11.7	77
	Extra loss / (gain)		382.4	54.3		35.5	4.8		(0.5)	(0.1)		-			(69.0)	(8.4)	
	Net income		(158.0)	(22.4)	-	34.0	4.6	+	63.0	8.2	185	84.3	10.7	134	107.0	13.0	127
Segment Sales	Market	Domestic	463.0	66	98	462.1	62	100	437.0	57	95	457.4	58	105	460.0	56	101
		Export	241.1	34	97	278.9	38	116	328.5	43	118	331.5	42	101	360.0	44	109
	Business	Tire	526.8	75	98	556.1	75	106	573.2	75	103	591.4	75	103	620.0	76	105
		Diversified	177.3	25	96	184.9	25	104	192.3	25	104	197.5	25	103	200.0	24	101
			(Export/total sales)			(Export/total sales)			(Export/total sales)			(Export/total sales)			(Export/total sales)		
	Export	Tire	226.4	(43)	96	261.9	(47)	116	310.1	(54)	118	312.8	(53)	101	340.0	(55)	109
	Diversified	14.6	(8)	112	16.9	(9)	116	18.4	(10)	109	18.7	(9)	102	20.0	(10)	107	
Exchange rate	US\$	Yen/\$	122		113	125		102	116		93	108		93	105		97
	Euro	Yen/€	109		109	118		108	131		111	134		102	130		97
Investment	Capital expenditure		35.8		87	38.8		108	45.0		116	63.4		141	70.0		110
	(Tire production)		12.7		65	17.8		139	22.3		126	35.4		159	40.0		113
	(Other production)		9.1		125	6.9		76	4.7		68	6.3		134	7.0		111
	(R&D)		11.1		105	10.5		95	15.4		147	16.6		108	18.0		108
	(Others)		2.9		73	3.7		127	2.6		70	5.2		200	5.0		96
	Loan and investment		14.5	(*1)	58	164.1		+	14.2		9	22.1		156	8.0		36
	Total investment		50.4		76	203.0		+	59.3		29	85.5		144	78.0		91
Costs & Expenses	Labor cost		116.4	16.5	99	121.7	16.4	105	127.5	16.7	105	116.9	14.8	92	113.0	13.8	97
	R&D		45.4	6.4	100	50.9	6.9	112	58.2	7.6	114	59.7	7.6	103	64.0	7.8	107
	Depreciation		41.3	5.9	91	38.7	5.2	94	38.7	5.1	100	41.1	5.2	106	49.0	6.0	119
	Interest		(2.2)	(0.3)	159	(3.8)	(0.5)	171	(8.9)	(1.2)	235	(18.2)	(2.3)	204	(11.0)	(1.3)	60
Fund	Borrowing		197.1			194.6			230.0			230.0			230.0		
No. of Employee			12,441		100	12,564		101	12,480		99	12,529		100			

(*1) Loan and investment in 2001

Decrease of loan and investment relating to US restructuring is excluded

3. Change Factors vs. PY

(1) Consolidated

		2004 Actual	2005 Forecast
Sales (Yen in 100millions)	Forex impact	(730)	(540)
	Volume, etc.	+1,857	+1,373
	Total	+1,127	+833
Operating income (Yen in 100millions)	Forex impact	(60)	(80)
	Natural rubber	(300)	(60)
	Other raw materials	(190)	(540)
	Pension cost	+80	+20
	Depreciation	(71)	(140)
	Volume, etc.	+685	+523
	計	+144	(277)

(2) Parent company

		2004 Actual	2005 Forecast
Sales (Yen in 100millions)	Forex impact	(80)	(100)
	Sales Price	+60	+100
	Volume, etc.	+253	+310
	Total	+233	+310
Operating income (Yen in 100millions)	Forex impact	(60)	(55)
	Sales Price	+60	+100
	Volume	+120	+170
	Natural rubber	(110)	(30)
	Other raw materials	(80)	(240)
	Depreciation	(20)	(80)
	Labor cost	+105	+40
	Other SGA expenses	+10	(80)
	Others	+19	(24)
	Total	+44	(199)

4. Japanese tire business overview

(1) Demand Forecast in Japan (published by JATMA on Dec 21, 2004)

	2004 Result		2005 Forecast	
	(unit:1000 ton)	vs. PY	(unit:1000 ton)	vs. PY
OE	233	102	235	101
REP	400	104	396	99
EXP	669	106	705	105
Total Demand	1,303	104	1,337	103

(2) Sales Channels in Japan (no. of shops)

	End of 2002	End of 2003	End of 2004	End of 2005(F)
Tire Kan	436	444	453	460
Cockpit	177	162	143	140
Mr. Tireman	597	630	638	650

(3) Tire Production and Capacity Utilization in Japan

	Tire Production (10,000 ton)		Capacity Utilization (%)	
	2004	2005(F)	2004	2005(F)
1H	30	31	93	97
2H	32	33	97	99
Full Year	62	64	95	98

(4) Sales Composition (rubber weight base)

	2003	2004
REP	25	25
OE	20	20
EXP	55	55
Total	100	100

(5) Export Sales Composition by Region (value base)

	2003	2004	(Growth rate vs. PY)
Americas	29	27	95 %
Europe	28	27	100
Asia	16	17	110
Middle East	10	10	103
Others	17	19	106
Total	100	100	101

5. Additional Information

(1) Year-on-Year Sales Growth of Replacement Tire (unit base)

	2003	2004	2005(F)
	%	%	%
N.America : PSR/LTR	102	101	103
: TBR	103	107	96
Europe : PSR/CVR	103 (*1)	101	107
: TBR	106	99	106

(*1)4x4, CVR were not included in 2002.

(2) Market Share of Replacement Tire (estimation)

	2003	2004	2005(F)
	%	%	%
N.America : PSR/LTR	14	14	14
: TBR	24	25	24
Europe(*1) : PSR/CVR	11	11	12
: TBR	18	18	19

(*1) Western and Eastern Europe