

Financial Results for Fiscal 2005

Bridgestone Corporation

February 17, 2006

Financial Results for Fiscal 2005

Consolidated Results for Fiscal 2005

 (Yen in billions) August '05
Announcement

	2004 Results	2005 Results	vs. PY (%)	2005 Projections
Net sales	2,416.6	2,691.3	+11	2,600.0
Tires	1,927.9	2,152.9	+12	
Diversified Products	488.6	538.4	+10	
Operating income	197.6	213.8	+8	198.0
Ordinary income	181.5	198.1	+9	183.0
Extraordinary loss (gain)	0.7	(46.4)	-	
Net income	114.4	180.7	+58	*180.0
Yen/US dollar rate:	108	110	+2	106
Yen/Euro rate:	134	137	+3	133

*Revised projection as of November '05

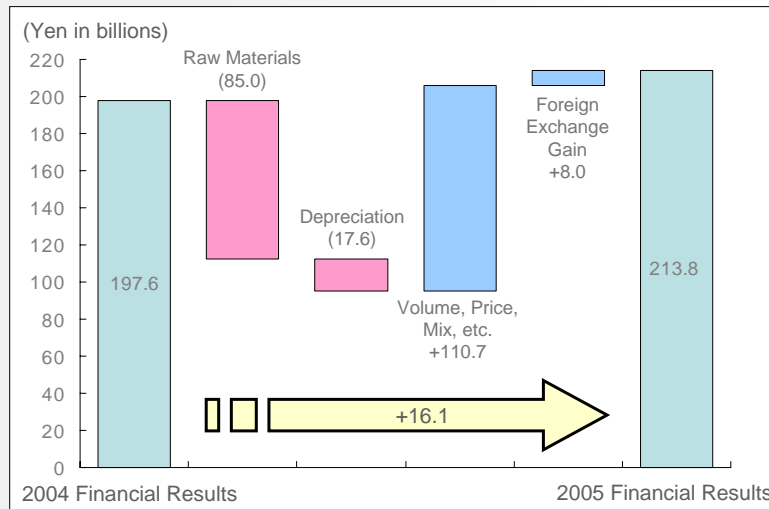
Extraordinary Items for Fiscal 2005

(Yen in billions)

Ordinary Income	198.1
Extraordinary loss (gain) *	(46.4)
Extraordinary gain (mostly from the return to the Japanese government of the substitutional portion of an employee pension plan)	(82.8)
Extraordinary loss (due mainly to settlement with Ford)	36.3
Income tax (gain) and minority interests	63.7
Tax gain in line with the recognition of deferred tax assets through reversal of valuation allowance*	(40.9)
Net income	180.7

*: Extraordinary items

Analysis of Consolidated Operating Income



Non-Consolidated Results for Fiscal 2005

	(Yen in billions)			August '05 Announcement
	2004 Results	2005 Results	vs. PY (%)	2005 Projections
Net sales	789.0	855.0	+8	835.0
Operating income	109.9	115.7	+5	100.0
Ordinary income	124.7	124.4	(0)	110.0
Extraordinary loss (gain)	-	(64.4)	-	
Net income	84.3	116.3	+38	117.0
Yen / US dollar rate:	108	110	+2	106
Yen / Euro rate:	134	137	+3	133

BSA Financial Results for Fiscal 2005

(Dollars in millions)

August '05
Announcement

	2004 Results	2005 Results	vs. PY (%)	2005 Projections
Net sales	9,150	10,152	+11	10,150
Operating income	264	389	+47	390
Net income	183	428	+133	280

BSEU Financial Results for Fiscal 2005

(Euro in millions)

August '05
Announcement

	2004 Results	2005 Results	vs. PY (%)	2005 Projections
Net sales	2,325	2,558	+10	2,570
Operating income	162	152	(6)	140
Net income	94	83	(12)	80

Financial Projections for Fiscal 2006

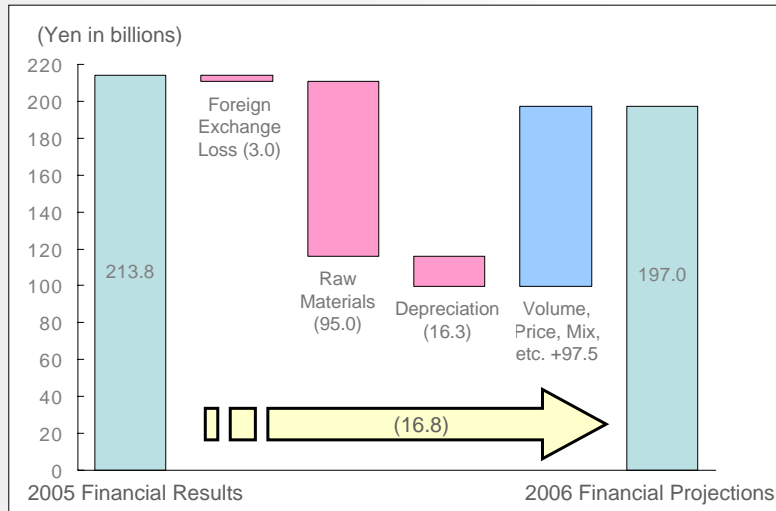
Consolidated Projections for Fiscal 2006

(Yen in billions)	2005 Results	2006 Projections	vs. PY (%)
Net sales	2,691.3	2,900.0	+8
Operating income	213.8	197.0	(8)
Ordinary income	198.1	163.0	(18)
Extraordinary loss (gain)	(46.4)	-	-
Net income	180.7	100.0	(45)
Yen / US dollar rate:	110	110	-
Yen / Euro rate:	137	135	(2)

Excl. extraordinary items for Fiscal 2005 (%)
(13) *

*% vs PY excluding extraordinary items for Fiscal 2005: an extraordinary gain arising mostly from the return to the Japanese government of the substitutional portion of an employee pension plan; an extraordinary loss due mainly to payment in line with the settlement agreement concluded with Ford Motor Company; and tax gains in line with the recognition of deferred tax assets through reversal of valuation allowance.

Analysis of Consolidated Operating Income



Non-Consolidated Projections for Fiscal 2006

(Yen in billions)

	2005 Results	2006 Projections	vs. PY (%)
Net sales	855.0	895.0	+5
Operating income	115.7	92.0	(21)
Ordinary income	124.4	93.0	(25)
Extraordinary loss (gain)	(64.4)	-	-
Net income	116.3	62.0	(47)
Yen / US dollar rate:	110	110	-
Yen / Euro rate:	137	135	(2)

BSA Financial Projections for Fiscal 2006

(Dollars in millions)

	2005 Results	2006 Projections	vs. PY (%)
Net sales	10,152	11,000	+8
Operating income	389	370	(5)
Net income	428	150	(65)

BSEU Financial Projections for Fiscal 2006

(Euro in millions)

	2005 Results	2006 Projections	vs. PY (%)
Net sales	2,558	2,790	+9
Operating income	152	100	(35)
Net income	83	50	(40)

Dividends

	2005 Results	2006 Projections
Interim dividend	10	12
Year-end dividend	(*)14	12
Total	24	24

(*) Proposed at the 87th Ordinary General Meeting of Shareholders held on March 30, 2006

Repurchase and Retirement of Shares

Repurchase of Shares
 (Approved at the 86th Ordinary General Meeting of Shareholders)
 From April, 2005 to January, 2006
 : 22,763 thousand shares, 50 billion yen

Retirement of Shares
 February, 2005: 30 million shares retired
 February, 2006: 20 million shares to be retired
 (Scheduled date of retirement : February 22)

Change in Number of Shares Constituting Minimum Trading Lot

Reason for change

The change will be made to expand the number of individual shareholders and improve the liquidity of the Company's stock.

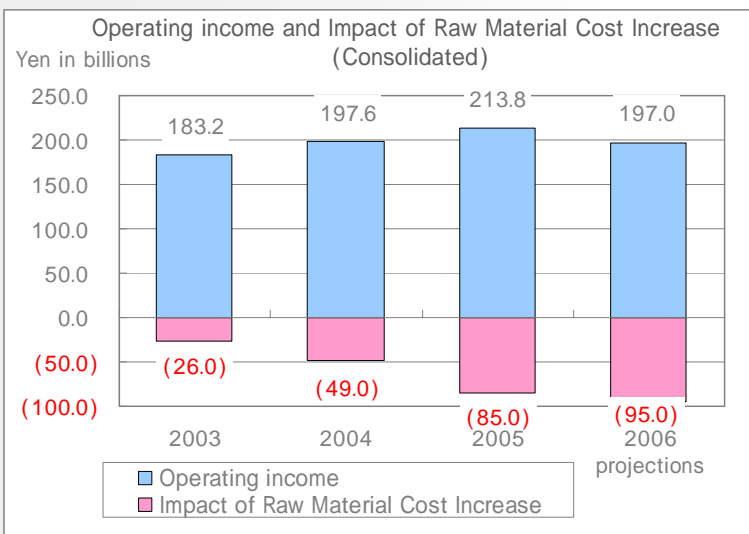
Details

The number of shares constituting the minimum trading lot will be reduced from 1,000 to 100.

Date on which change will occur (Tentative)

Monday, May 1, 2006

Impact of Raw Material Cost Increase (2003 - 2006)



Management Goal

**Management
Goal
2010**

Consolidated ROA: 6.0%

(Supplementary figures)

Consolidated net sales: 3.2 trillion yen

Consolidated net income margin: Over 5.0%

To achieve management goal,
formulated Midterm Management Plan (2006 - 2008)

Major initiatives in 2006 (Japan)

Replacement

- Maintain an enhanced selling price and improve product mix
Maintain a stable market share by pursuing sales growth from both a "Quality" and a "Volume" perspective

- Reinforce family channel network



**Original
Equipment**

- Expand sales of high-value-added products such as runflat tires
Increase sales by swiftly responding to market changes
- Promote OE sales in accordance with marketing strategy in replacement market
- Enhance global sales network



Major initiatives in 2006 (Americas)

North America

- Maintain profitable structure of BFNT, a subsidiary which manufactures and sells tires in North America
- Enhance profitability of retail operations and establish strong retail brand

Latin America

- Improve sales mix and enhance retail channel
- Work towards the smooth launch of new BSA plants in Mexico and Brazil



Ground Breaking
at a new BSA plant in Mexico

Major initiatives in 2006 (Europe)

Passenger and Light Truck Tires

- Expand family channel
- Improve Bridgestone brand awareness

Truck and Bus Tires

- Introduce new products
- Strengthen Pan-European fleet business

Production and Supply

- Increase capacity at BSEU plant in Poland
- Work towards the smooth launch of a new BSEU plant in Hungary



"FIRST STOP"
Pan-European Tire Retail Chain



BSEU plant in Poland

Major initiatives in 2006 (China)

Sales

- Expand sales channel (model shop network for passenger car tires and “Truck Tire Station”)
- Introduce new products that exploit competitive edge in technology
- Expand the original equipment business in passenger car tires



Establish solid brand presence in market

Production

- Work towards the smooth launch of a BSCN (Tire Headquarters in China) new plant in Huizou



Inside of a model shop

Major initiatives in 2006 (Diversified Products)

- Expand high priority lines of business areas swiftly
- Accelerate global business operation
- Continue to develop new products by leveraging technologies



Excavator with rubber tracks



Film-type filters for plasma display panels (PDPs)



Conveyor belt

