

Supplementary Information of 2015 2Q**1.Financial Highlights****(1) Quarter of the year**

(Yen in billions)

		Unit	2014					2015						
			1H		FY			1H		vs.PY	FY	vs.PY		
			1Q	2Q	3Q	4Q	FY	1Q	2Q		Fcst.			
Consolidated Results														
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	3,900.0	106
	Operating Income		116.3	106.7	223.1	119.3	135.5	478.0	116.2	121.5	237.7	107	524.0	110
	OP Margin		13.5	12.0	12.7	13.0	13.4	13.0	13.0	12.6	12.8	+0.1	13.4	+0.4
	Ordinary Income		113.8	106.0	219.9	119.0	124.1	463.2	115.7	117.2	232.9	106	506.0	109
	Net Income		71.9	70.2	142.2	83.4	74.9	300.5	71.5	73.0	144.6	102	320.0	106
Exchange Rate	US \$	Yen/\$	103	102	102	104	114	106	119	121	120	118	120	113
	Euro	Yen/€	141	140	140	138	142	140	134	134	134	96	132	94
Analysis of Net Sales and Operating Income vs. PY														
Net Sales	Forex		+61.0	+20.0	+81.0	+35.0	+80.0	+196.0	+74.0	+95.0	+169.0		+260.0	
	Price, Mix, Volume etc.		+8.0	(43.9)	(36.0)	(21.1)	(33.2)	(90.2)	(44.0)	(19.8)	(63.8)		(34.0)	
	Total		+69.0	(23.9)	+45.0	+13.9	+46.8	+105.8	+30.0	+75.2	+105.2		+226.0	
Operating Income	Forex		+16.0	+3.0	+19.0	+8.0	+18.0	+45.0	+15.0	+20.0	+35.0		+55.0	
	Raw Materials		+16.0	+23.0	+39.0	+18.0	+20.0	+77.0	+31.0	+33.0	+64.0		+106.0	
	Depreciation		(1.0)	0.0	(1.0)	(1.0)	(2.0)	(4.0)	0.0	(1.0)	(1.0)		(7.0)	
	SGA		(4.0)	(2.0)	(6.0)	+1.0	+5.0	0.0	(7.0)	(2.0)	(9.0)		(24.0)	
	Strategic Products		+1.0	(2.0)	(1.0)	(2.0)	(2.0)	(5.0)	+1.0	+1.0	+2.0		+9.0	
	Price, Mix, Volume etc.		+13.9	(31.1)	(17.3)	(31.2)	(22.7)	(73.1)	(40.1)	(36.3)	(76.4)		(93.1)	
	Total		+41.9	(9.1)	+32.7	(7.2)	+16.3	+39.9	(0.1)	+14.7	+14.6		+45.9	
Segment Information (*1)														
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	3,260.0	106
		OP	105.8	96.1	202.0	108.4	125.2	435.8	109.4	107.6	217.0	107	470.0	108
		OP Margin %	14.6	13.0	13.8	14.2	14.6	14.1	14.6	13.4	14.0	+0.2	14.4	+0.3
	Diversified Products	Net Sales	140.2	148.6	288.8	153.5	159.4	601.8	147.1	164.5	311.6	108	660.0	109
		OP	10.4	10.5	21.0	10.8	10.2	42.1	6.8	13.8	20.6	98	53.0	125
		OP Margin %	7.5	7.1	7.3	7.1	6.5	7.0	4.6	8.4	6.6	(0.6)	8.0	+1.0
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	1,220.0	96
		OP	51.7	41.7	93.5	45.8	70.8	210.1	44.9	48.4	93.4	100	209.0	99
		OP Margin %	16.8	14.2	15.5	15.7	19.1	16.6	15.8	16.5	16.2	+0.7	17.1	+0.5
	Americas	Net Sales	395.6	438.2	833.9	459.7	474.4	1,768.1	450.8	507.3	958.2	115	1,980.0	112
		OP	35.7	48.1	83.9	47.3	48.9	180.2	43.8	65.0	108.8	130	224.0	124
		OP Margin %	9.0	11.0	10.1	10.3	10.3	10.2	9.7	12.8	11.4	+1.3	11.3	+1.1
	Europe	Net Sales	112.0	110.7	222.8	109.9	106.4	439.2	104.3	107.0	211.4	95	420.0	96
		OP	6.2	2.9	9.2	7.9	3.1	20.3	5.2	3.2	8.5	92	21.0	103
		OP Margin %	5.6	2.7	4.2	7.2	3.0	4.6	5.0	3.1	4.0	(0.1)	5.0	+0.4
	Other	Net Sales	200.9	207.6	408.5	215.5	217.3	841.5	212.0	214.6	426.7	104	880.0	105
		OP	19.9	13.6	33.5	20.2	13.0	66.8	20.7	12.7	33.5	100	76.0	114
		OP Margin %	9.9	6.6	8.2	9.4	6.0	7.9	9.8	6.0	7.9	(0.4)	8.6	+0.7
Market	Net Sales	Domestic	174.3	145.5	319.8	149.1	225.0	694.0	150.0	150.1	300.2	94		
		Overseas	689.2	741.0	1,430.3	765.7	783.8	2,979.9	743.5	811.7	1,555.2	109		
		Americas	388.6	432.4	821.1	453.6	471.6	1,746.3	444.1	502.3	946.4	115		
		Europe	111.9	109.8	221.8	107.6	104.6	434.1	104.4	106.7	211.2	95		
		Other	188.5	198.7	387.3	204.5	207.5	799.4	194.9	202.5	397.5	103		
Investment	Capital Expenditure			120.3			296.3			103.9	86	321.0	108	
Costs & Expenses	Depreciation			88.6			188.3			98.5	111	210.0	112	
	R&D Expenses			44.5			94.1			46.5	105	97.0	103	
	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	445.0	75	
Tire Production (tonnage of rubber)	Domestic	10,000t	12	13	25	13	13	51	12	12	24		48	
	Overseas	Americas	10,000t	15	15	29	14	14	57	15	14	29		58
		Europe	10,000t	5	6	11	5	5	21	6	6	11		23
		Other	10,000t	13	13	26	14	13	53	14	13	27		56
		Overseas Total	10,000t	33	33	66	33	32	131	34	33	67		137
	Total	10,000t	46	46	92	46	44	182	46	45	91		186	
	Overseas Prod. Ratio	%	73	72	72	72	72	72	74	73	73		74	

(*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	
Consolidated Results																		
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	320.0	8.2	106	
Exchange Rate	US \$	Yen/\$	80		91	80		100	98		123	106		108	120		113	
	Euro	Yen/€	111		96	103		93	130		126	140		108	132		94	
Analysis of Net Sales and Operating Income vs. PY																		
Net Sales	Forex		(187.0)			(41.0)			+529.0			+196.0			+260.0			
	Price, Mix, Volume etc.		+349.7			+56.3			(0.7)			(90.2)			(34.0)			
	Total		+162.7			+15.3			+528.3			+105.8			+226.0			
Operating Income	Forex		(37.0)			(12.0)			+114.0			+45.0			+55.0			
	Raw Materials		(255.0)			+92.0			+100.0			+77.0			+106.0			
	Depreciation		+4.0			+1.0			(1.0)			(4.0)			(7.0)			
	SGA		(22.0)			(4.0)			(13.0)			0.0			(24.0)			
	Strategic Products(*1)		+21.0			(5.0)			+15.0			(5.0)			+9.0			
	Price, Mix, Volume etc.		+313.8			+22.6			(62.9)			(73.1)			(93.1)			
	Total		+24.8			+94.6			+152.1			+39.9			+45.9			
Segment Information(*2)																		
Business Segment	Tires (*4)	Net Sales	2,539.7		107	2,557.2		101	3,036.9		119	3,093.3		102	3,260.0		106	
		OP	185.4		121	260.4		140	399.4		153	435.8		109	470.0		108	
		OP Margin %	7.3		+0.9	10.2		+2.9	13.2		+3.0	14.1		+0.9	14.4		+0.3	
	Diversified Products (*5)	Net Sales	500.5		101	499.0		100	546.2		109	601.8		110	660.0		109	
OP		5.8		43	25.5		439	38.5		151	42.1		109	53.0		125		
OP Margin %		1.2		(1.5)	5.1		+4.0	7.1		+1.9	7.0		(0.1)	8.0		+1.0		
Geographic Segment (*3)	Japan	Net Sales	1,229.0		106	1,218.7		99	1,270.3		104	1,264.9		100	1,220.0		96	
		OP	69.5		113	158.4		228	219.5		139	210.1		96	209.0		99	
		OP Margin %	5.7		+0.3	13.0		+7.3	17.3		+4.3	16.6		(0.7)	17.1		+0.5	
	Americas	Net Sales	1,288.6		105	1,330.9		103	1,651.9		124	1,768.1		107	1,980.0		112	
		OP	61.9		128	92.3		149	156.4		169	180.2		115	224.0		124	
		OP Margin %	4.8		+0.9	6.9		+2.1	9.5		+2.5	10.2		+0.7	11.3		+1.1	
	Europe	Net Sales	413.1		108	348.8		84	423.3		121	439.2		104	420.0		96	
		OP	11.3		160	1.8		16	2.0		111	20.3		995	21.0		103	
		OP Margin %	2.8		+0.9	0.5		(2.2)	0.5		(0.0)	4.6		+4.2	5.0		+0.4	
	Other (*6)	Net Sales	699.6		114	699.9		100	862.7		123	841.5		98	880.0		105	
		OP	48.2		107	55.7		116	80.2		144	66.8		83	76.0		114	
		OP Margin %	6.9		(0.5)	8.0		+1.1	9.3		+1.3	7.9		(1.4)	8.6		+0.7	
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																		
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						
Cash Flows	Interest-Bearing Debt		602.5		91	620.0		103	564.2		91	592.9		105	445.0		75	
	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	Tires	174.7		109	223.6		128	255.9		114	268.3		105	290.0		108	
	Diversified	26.6		117	21.9		82	19.0		87	28.0		147	31.0		111		
	Total	201.3		110	245.6		122	274.9		112	296.3		108	321.0		108		
Costs & Expenses	Depreciation		158.0	5.2	94	155.0	5.1	98	176.1	4.9	114	188.3	5.1	107	210.0	5.4	112	
	R&D Expenses		83.9	2.8	99	82.8	2.7	99	89.0	2.5	108	94.1	2.6	106	97.0	2.5	103	
	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			48			
	Overseas	Americas	10,000t	58			55			57			57			58		
		Europe	10,000t	25			20			20			21			23		
		Other	10,000t	49			46			53			53			56		
		Overseas Total	10,000t	132			122			130			131			137		
	Total	10,000t	189			176			182			182			186			
	Overseas Prod. Ratio %		70			69			71			72			74			

(*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	FY Fcst.
Japan	PSR/LTR	104	102	96
	TBR	107	106	99
N.America	PSR/LTR	104	105	99
	TBR	99	110	101
Europe	PSR/LTR	99	102	98
	TBR	107	104	101
Asia (The above 4 countries total)	Thailand	98	112	108
		94	106	111
	Indonesia	109	113	97
		112	124	109
	India	105	110	108
		85	148	106
	China	118	113	109
		112	96	100
Asia	PSR/LTR	113	112	108
(The above 4 countries total)	TBR	108	102	101

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

			2013	2014	2015			2014FY
			FY	FY	1H	2H Fcst.	FY Fcst.	Component ratio (Approx.)
Japan	PSR/LTR	REP	104	103	95	~+5%	around ±0%	70%
		OE	97	103	91	~+5%	~-5%	30%
		Total	101	103	93	~+5%	around ±0%	
	TBR	REP	107	107	94	+6%~+10%	~+5%	70%
		OE	102	115	110	-11%~-15%	~-5%	30%
		Total	106	109	100	~+5%	around ±0%	
N.America	PSR/LTR	REP	101	104	97	~+5%	around ±0%	70%
		OE	106	110	110	around ±0%	~+5%	30%
		Total	103	105	101	~+5%	~+5%	
	TBR	REP	106	107	105	+6%~+10%	+6%~+10%	70%
		OE	112	112	113	+11%~+15%	+11%~+15%	30%
		Total	108	109	108	+6%~+10%	+6%~+10%	
Europe	PSR/CVR	REP	98	96	109	+16%~+20%	+11%~+15%	70%
		OE	92	99	99	+6%~+10%	~+5%	30%
		Total	96	97	105	+11%~+15%	+6%~+10%	
	TBR	REP	111	102	107	+6%~+10%	+6%~+10%	70%
		OE	102	98	101	around ±0%	around ±0%	30%
		Total	108	101	105	~+5%	~+5%	
Asia Pacific	PSR/LTR	REP	110	108	100	+6%~+10%	~+5%	60%
		OE	96	88	97	~-5%	~-5%	40%
		Total	103	99	99	~+5%	around ±0%	
	TBR	REP	109	110	110	+16%~+20%	+11%~+15%	90%
		OE	115	64	144	+66%~+70%	+56%~+60%	10%
		Total	109	105	113	+16%~+20%	+16%~+20%	
China	PSR/LTR	REP	132	100	108	+41%~+45%	+21%~+25%	60%
		OE	110	111	128	+26%~+30%	+26%~+30%	40%
		Total	122	105	117	+31%~+35%	+26%~+30%	
	TBR	REP	142	85	87	+41%~+45%	+11%~+15%	100%
		OE	110	111	128	+26%~+30%	+26%~+30%	
		Total	141	85	88	+36%~+40%	+11%~+15%	

(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	2H Fcst.	FY Fcst.
PSR-REP	RFT	100	125	105	120	110
	Premium Summer(*1)		100	100	105	105
	Premium Winter(*2)		100	90	100	100

(*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	115	105
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(*3) ECOPIA, ECOPIA sub name brand tires and equivalent products

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

Specialty Tires	Ultralarge ORR(*5)	115	90	95	95	95
	Large ORR(*5)	85	90	100	100	100
	APR	110	110	110	95	105

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