

## **ANNUAL REPORT 2016**

Operational Review





## THE BRIDGESTONE GROUP

# THE WORLD'S LARGEST MANUFACTURER OF TIRE AND RUBBER PRODUCTS

Since its founding in 1931, the Bridgestone Group has steadily expanded its operations, centered on tire production; and today the Group has over 180 manufacturing plants and R&D facilities around the world.

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The Bridgestone Corporation is referred to as the "Company," and the Company and its subsidiaries are referred to as the "Group" in this publication.

### Forward-Looking Statements

The descriptions of projections and plans that appear in this annual report are "forward-looking statements." They involve known and unknown risks and uncertainties in regard to such factors as product liability, currency exchange rates, raw material costs, labor-management relations, and political stability. These and other variables could cause the Group's actual performance and results to differ from management's projections and plans.

## OUR BUSINESS

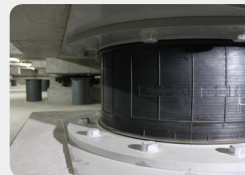
### Tire Business

The Group provides tires for passenger cars, trucks, buses, motorcycles, construction and mining vehicles, aircraft, etc. Its tire operations extend across a wide range of fields, from raw material production to sales and maintenance.



### Diversified Products Business

The Group makes and sells a range of rubber products and other products. Many of these products and technologies are used in a variety of everyday applications, and help to enrich a broad range of industries as well as consumer lifestyles.



### Solutions Business

Leveraging the potential for more tightly integrated elements of the Group's portfolio, the Group is working on new "solutions" service packages by combining maintenance services, IT/sensing technology, tires, and diversified products to meet the needs of customers such as in mining, fleets, and agriculture.

### Business Models

- Fleet solutions: optimal packages of tire products, retread tires, and maintenance services
- Mining solutions: targeted packages of products related to mining and support services
- NVH\* solutions: customized packages of tires, anti-vibration rubbers, and seat pads to create new value beyond what is possible with a single product



\* NVH is an acronym for Noise, Vibration, and Harshness

# FINANCIAL HIGHLIGHTS

Bridgestone Corporation and Subsidiaries  
Years ended December 31, 2016, 2015, and 2014

	2016	2015	2014	2016 / 2015	2016
	Millions of yen			Percent change	Thousands of U.S. dollars <sup>1</sup>
Net sales	<b>¥3,337,017</b>	¥3,790,251	¥3,673,965	-12.0%	<b>\$28,646,382</b>
Overseas sales	<b>2,683,488</b>	3,128,343	2,979,922	-14.2	<b>23,036,209</b>
Operating income	<b>449,549</b>	517,248	478,038	-13.1	<b>3,859,121</b>
Profit attributable to owners of parent	<b>265,551</b>	284,294	300,589	-6.6	<b>2,279,603</b>
Total equity <sup>2</sup>	<b>2,345,457</b>	2,282,012	2,146,658	2.8	<b>20,134,406</b>
Total assets <sup>2</sup>	<b>3,720,237</b>	3,795,847	3,960,908	-2.0	<b>31,936,106</b>
Capital expenditure	<b>194,111</b>	253,581	296,396	-23.5	<b>1,666,332</b>
Depreciation and amortization	<b>188,062</b>	202,334	188,333	-7.1	<b>1,614,405</b>
Research and development costs	<b>95,403</b>	94,978	94,147	0.4	<b>818,980</b>
Net return on shareholders' equity (ROE) (%)	<b>11.8</b>	13.3	15.5	—	—
Net return on total assets (ROA) (%)	<b>7.1</b>	7.3	8.0	—	—

## Per Share Data

	Yen			Percent change	U.S. dollars <sup>1</sup>
Net income					
Basic	<b>¥ 339.04</b>	¥ 362.99	¥ 383.84	-6.6%	<b>\$ 2.91</b>
Diluted	<b>338.52</b>	362.52	383.39	-6.6	<b>2.91</b>
Shareholders' equity <sup>3</sup>	<b>2,915.28</b>	2,820.48	2,650.47	3.4	<b>25.03</b>
Cash dividends	<b>140.00</b>	130.00	100.00	7.7	<b>1.20</b>

<sup>1</sup> Solely for the convenience of readers, the Japanese yen amounts in this annual report are translated into U.S. dollars at the rate of ¥116.49 to \$1, the approximate year-end rate.

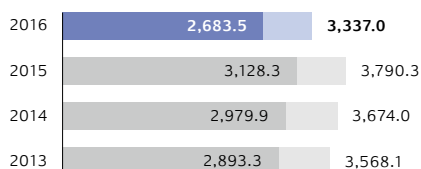
<sup>2</sup> Certain overseas subsidiaries applied IAS 19 "Employee Benefits" (amended on June 16, 2011) from fiscal 2013.

As this change in accounting policy is applied retrospectively, the amount of total equity and total assets for 2012 reflects the retrospective application.

<sup>3</sup> Shareholders' equity is equity excluding stock acquisition rights and non-controlling interests.

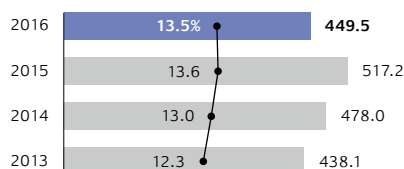
## Net Sales / Overseas Sales

¥ billion



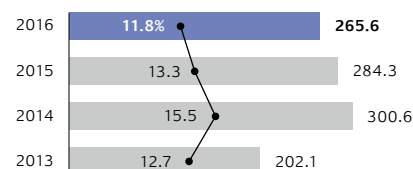
## Operating Income / Operating Income Margin

¥ billion / %



## Profit Attributable to Owners of Parent / ROE

¥ billion / %



Note: Net sales exclude inter-segment transactions.

# SEGMENT HIGHLIGHTS

Bridgestone Corporation and Subsidiaries  
 Years ended December 31, 2016, 2015, 2014, and 2013

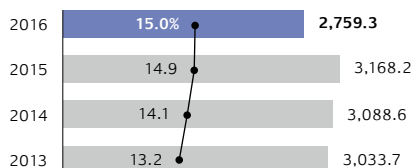
## BUSINESS SEGMENTS

### Tire Business

**Tires:** Tires and tire tubes for passenger cars, trucks, buses, construction and mining vehicles, industrial machinery, agricultural machinery, aircraft, and motorcycles; retreading materials and services; automotive maintenance and repair services; tire raw materials; and other tire-related products

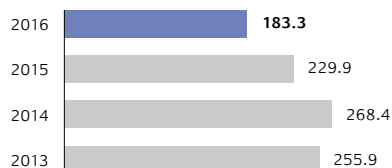
#### Net Sales / Operating Income Margin

¥ billion / %

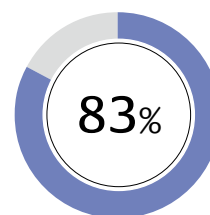


#### Capital Expenditure

¥ billion



#### Net Sales by Business Segment



### Diversified Products Business

**Chemical and industrial products:** Vehicle parts, polyurethane foam and related products, electronic precision parts, industrial materials-related products, civil engineering and construction materials and equipment, and others

**BSAM-diversified products:** A Bridgestone Americas, Inc. business that supplies commercial roofing materials and other materials

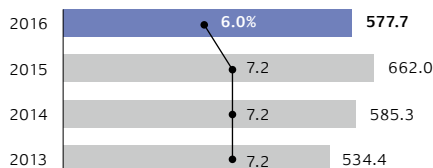
**Sporting goods:** Golf balls, golf clubs, and other sporting goods

**Bicycles:** Bicycles, bicycle-related goods, and others

**Other:** Finance and others

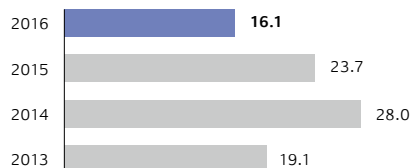
#### Net Sales / Operating Income Margin

¥ billion / %

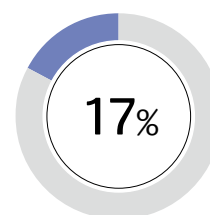


#### Capital Expenditure

¥ billion



#### Net Sales by Business Segment



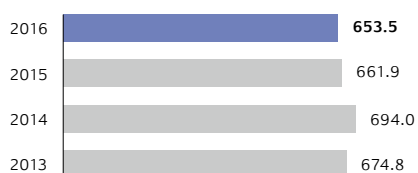
Note: Net sales exclude inter-segment transactions.

## NET SALES BY MARKET

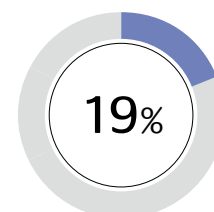
### Japan

#### Net Sales

¥ billion



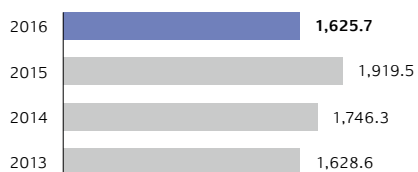
#### Net Sales by Market



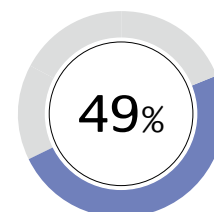
### The Americas

#### Net Sales

¥ billion



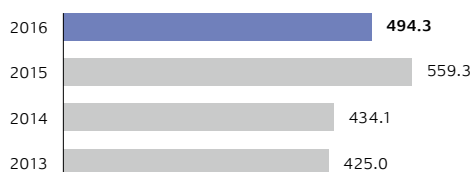
#### Net Sales by Market



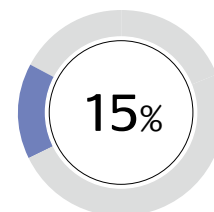
### Europe, the Middle East and Africa

#### Net Sales

¥ billion



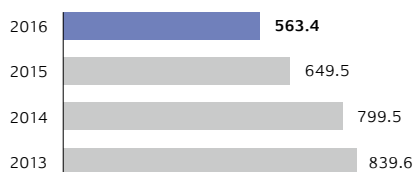
#### Net Sales by Market



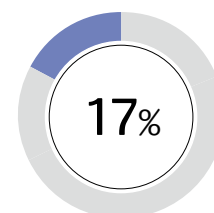
### Other

#### Net Sales

¥ billion



#### Net Sales by Market



Note: Net sales exclude inter-segment transactions.

Net sales are categorized by the countries or territories of external customers. For net sales, operating income, and operating income margin by geographic segment, please refer to Supplementary Information of FY2016, whose URL is [http://www.bridgestone.com/ir/library/result/pdf/e\\_h28\\_supplementary.pdf](http://www.bridgestone.com/ir/library/result/pdf/e_h28_supplementary.pdf).

Scope of geographic segment has been renewed and details are as follows:

Europe, the Middle East and Africa—Until 2014, "Europe"; Since 2015, "Europe, the Middle East and Africa"

Other—Until 2014, "China, Asia Pacific, the Middle East and Africa, Russia"; Since 2015, "China, Asia Pacific, Russia"

## MANAGEMENT TASKS

The Group’s operating environment is undergoing substantial change in a wide range of areas, including international relations, politics, economics, environmental issues, and technological innovation. Social structures and consumer attitudes are also changing significantly.

In this setting, the Group follows a corporate philosophy that consists of the mission “Serving Society with Superior Quality.” The four foundations for fulfilling this mission are: “Seijitsu-Kyocho [Integrity and Teamwork]”; “Shinshu-Dokuso [Creative Pioneering]”; “Genbutsu-Genba [Decision-Making Based on Verified, On-Site Observations]”; and “Jukuryo-Danko [Decisive Action after Thorough Planning],” as well as the Safety Mission Statement, the Quality Mission Statement, and the Environmental Mission Statement. Based on this corporate philosophy, the Group will pursue its ultimate goal of becoming “a truly global company” and achieving “Dan-Totsu in all aspects of our business.”

To achieve the goals outlined above, the Group remains firmly committed to the principles of “Lean & Strategic” and “Group Global Optimization.” In other words, the Group maintains an optimum balance between short-term and mid- to long-term management measures, with a focus on “Lean” in the short-term and “Strategic” in the mid- to long-term. At the same time, the Group continues to implement management reforms, giving the highest priority to optimization on a group and global basis.

In accordance with this fundamental approach, the Group makes full use of “the Strategic Business Unit (SBU) organization” and “the Mid-Term Management Plan (MTP)” as tools to continue to focus on three priority items: “cultivating global corporate culture”; “developing human resources capable of global management”; and “upgrading the global management structure,” helping to improve the quality and speed of management reforms.



### MTP Framework & Priority Issues

#### Ultimate Goal

To become **a truly global company**  
To achieve “**Dan-Totsu**”

#### Mission and Foundation Framework

- The Bridgestone Essence
- Safety, Quality, & Environmental Mission Statements

#### Basic Stance

- Lean & Strategic (L&S)
- Group Global Optimization (GG Optimization)

#### Reform Tools

- SBU Organization
- MTP

#### Priority Issues

- Cultivating global **corporate culture**
- Developing **human resources** capable of global management
- Upgrading the global management **structure**

**Communication, Teamwork, & Bottom-Up**

In regard to the first priority item, “cultivating a global corporate culture,” the Group ensures group and global consistency, promoting the brand strategy as a part of a fully-integrated marketing strategy. In addition, as a Worldwide Olympic Partner and Tokyo 2020 Paralympic Gold Partner, the Group will continue to strengthen its global brand based on the experience gained at the Rio 2016 Olympic Games.

Furthermore, the Group tries to foresee market trends to accelerate innovation through the use of information and communication technology (ICT) and company-wide value chains in an operating environment undergoing significant changes. The Group is striving to optimize global R&D structures and promote innovations in technology, business models, and design to globally expand the Group’s highly competitive products and services and strengthen and develop business solutions. The Group will also make ongoing efforts to improve all aspects of its management. By taking these measures, the Group creates value for the customer and ensures its competitive advantage.

## 2016 MTP Priority Issues

### Culture

#### Cultivating global corporate culture

1. Advance brand strategy
2. Innovation (technology, business model, and design)
3. Continuous Kaizen

### HR

#### Developing human resources capable of global management

### Structure

#### Upgrading the global management structure

1. Governance: enhancement of governance systems
2. DP business: expansion of the Diversified Products businesses

To achieve the second item, “developing human resources capable of global management,” the Group will implement measures such as programs to nurture global leaders. Further, the Group is enhancing the development of a work environment and human resources structure that allows a variety of personnel to demonstrate their full potential. To attain this objective, the Group has designated English as the official company language in international meetings, including for the Global Executive Committee (Global EXCO), the highest body of global business execution.

In regard to the third item, “upgrading the global management structure,” the Group is focused on enhancing governance systems and expanding the diversified products business. To enhance governance systems, the Company shifted to the “Company with Nominating Committee, etc.” model of corporate governance in March 2016, to further improve its internal control systems and speed of decision-making. Aiming to evolve both the efficiency and effectiveness of management and business execution, the Group will continue to develop the global management system, such as clarifying authority and responsibility, optimizing allocation of decision-making authority, and reviewing the SBU organization structure. To expand the diversified products business, the Group works to ensure further growth and improvements by promoting major lines of businesses, such as seat pads, anti-vibration rubber products, and roofing material business on a global basis. The Group will further strengthen its business solutions, including services, beyond the mere combination of various products, including tires.

In addition, the Group will increase efforts to enhance systems that support the fulfillment of its responsibilities to stakeholders. As for internal control, the Group will conduct reviews of its policy, when necessary, for the development of internal control systems to ensure the appropriateness of operations. In regard to corporate social responsibility (CSR), the Group addresses issues from a variety of perspectives, recognizing Mobility, People, and Environment as priority areas. In these priority areas, the Group will contribute to resolving social issues through innovation and cutting-edge technology, create common values for customers and society, and build trust

## Management Targets

### Innovation & Continuous Kaizen (focus on quality and balance)

Consistently deliver

Growth: Exceed the industry average

Overall: ROA 6%, OP 10%, ROE 12%

Each SBU: OP 10% (Respectively)

and respect by contributing to community development. Following the plea agreement the Company entered into with the U.S. Department of Justice for antitrust activities associated with the sales of automotive anti-vibration rubber products in February 2014, the Company continues to pursue higher levels of corporate governance and compliance.

**Refined Global Corporate Social Responsibility (CSR) Commitment “Our Way to Serve”**

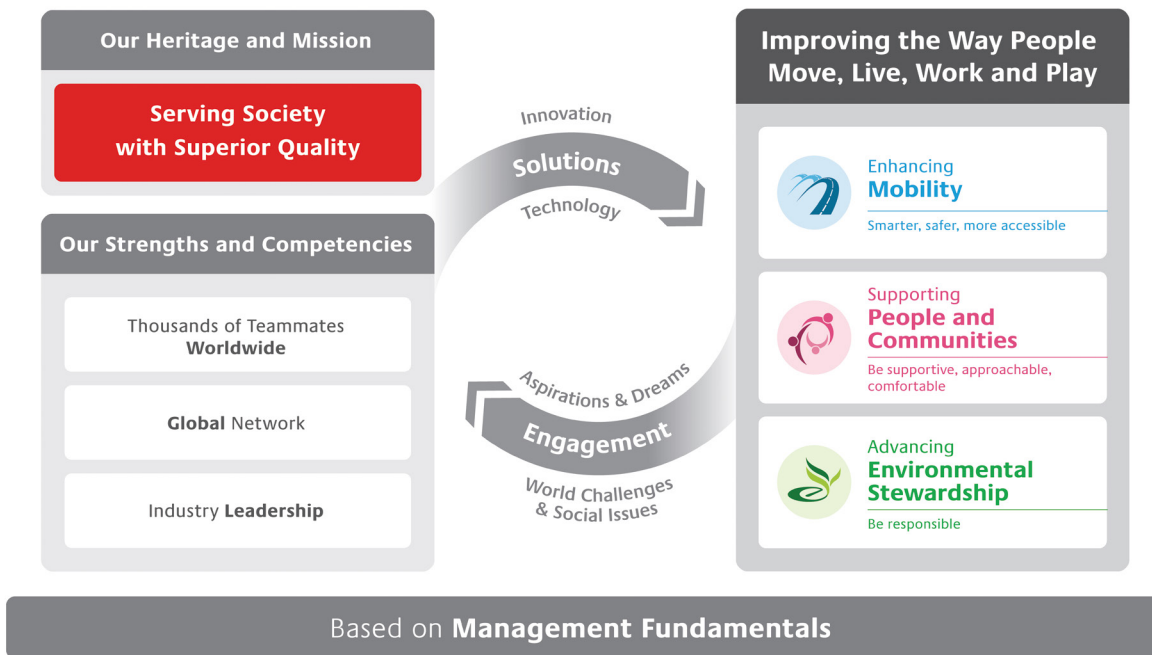
In March 2017, the Company unveiled a refined global CSR commitment, “Our Way to Serve,” centered around three priority areas: Mobility, People and Environment. The new commitment builds upon a decade of progress and learning via Bridgestone’s initial CSR program, the 22 CSR Focus Points. “Our Way to Serve” reflects the company’s longstanding philosophy of Serving Society with Superior Quality and a recognition that the best companies not only perform for their stakeholders, but also contribute to a better world.

The Bridgestone team has always embraced its responsibility to help advance sustainable development and solve world problems, but is now focusing on Priority Areas that can best be impacted by Bridgestone’s leading scale and unique knowledge.

Through innovative technology, Bridgestone is committed to providing easier, safer, smoother, and more seamless mobility for its customers. Building on the enthusiasm of its employees to connect with people worldwide, the Company is also focused on building safer and healthier communities, and improving access to education. With regard to the environment, Bridgestone continues to work toward a sustainable society by operating in harmony with nature, valuing natural resources, and reducing carbon dioxide emissions.

Along with the new Priority Areas, the Company is also strengthening basic governance, compliance and behavioral characteristics expected of any responsible company, as Management Fundamentals at Bridgestone.

**Our Way to Serve**





## RESEARCH AND DEVELOPMENT

The Group aims to achieve the corporate mission of “Serving Society with Superior Quality.” It conducts R&D activities in accordance with the Mid-Term Management Plan (MTP) to establish a fiercely competitive business on a global basis through innovation in technology and business models, and by strengthening design capabilities that creatively link corporate activities with customers and society. Moreover, the Group promotes the optimization of its R&D structure on a global basis and proactively cooperates with external parties to further enhance the effectiveness of R&D activities.

### Tire

The tires segment is based on the development philosophy of “peace-of-mind” for stakeholders and seeks to create newly added value through commitment to the environment, safety, and comfort.

The Group provides customers with high value-added, high-quality products by furthering the utilization of “ULTIMAT EYE,” a tire analysis technology which enables the evaluation, prediction, and visualization of contact conditions between the tire and the ground. Additionally, the Group has developed and deployed the tire assembling system “EXAMATION” which implements artificial intelligence (AI) in combination with its proprietary ICT. In addition, the Group has successfully synthesized polyisoprene rubber with a highly-controlled molecular structure that surpasses the abilities of natural rubber, and is currently pursuing the development of new technology that makes the “expansion and diversification of renewable resources” possible.

As a part of its efforts to collaborate with external parties, the Group participates in the “Impulsing Paradigm Change through Disruptive Technologies Program (ImpACT),” and through these collaboration efforts among industries, government, and academia, tries to develop robust materials that exceed the boundaries of existing technologies.

### Diversified Products

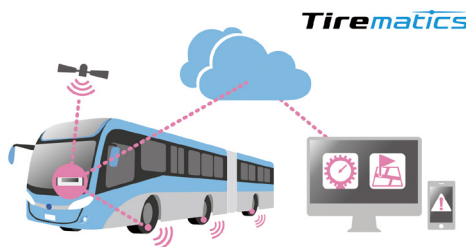
In the diversified products segment, the Group started to commercialize the “Smart Siphon” drainage system, which helps improve the flexibility in the layout of water supply equipment in buildings. The Group conducts R&D activities to deliver products that improve customer satisfaction by accurately meeting constantly changing needs and developing a business that supports social infrastructures.

Additionally, the Company has reinforced its R&D activities to strengthen the competitiveness of its solutions business to deliver value to customers beyond the boundary of existing services. The Company combines technology from both the tire and diversified products domains, along with ICT, and packages them as a new service to our customers. The Company has commenced verification tests of a remote monitoring system for air pressure and temperature of commercial truck and bus tires called “Tirematics” to expand its fleet solutions business. In addition to offering individual products such as tires, anti-vibration rubber, and seat pads, the Company has also been engaged in R&D aimed at proposing “NVH\* solutions,” which combines multiple aspects of the individual products and technologies.

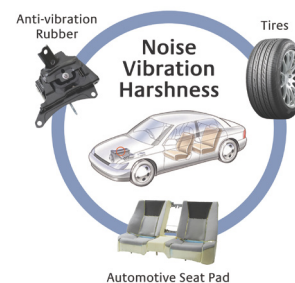
\* NVH stands for Noise, Vibration, and Harshness.



Exterior of EXAMATION system unit



Tirematics fleet solutions



NVH solutions

## CORPORATE GOVERNANCE, COMPLIANCE, AND RISK MANAGEMENT

The Group considers the enhancement of corporate governance to be one of its most important management focus points. The Group believes that working to increase management quality and enhance the transparency of decision-making is indispensable, and accordingly, continually strives to strengthen corporate governance. This ensures that the Group continues to fulfill its founding mission as stated in its corporate philosophy: “Serving Society with Superior Quality.”

Based on this approach, in accordance with the responsibility and authority delineated in the Administrative Authority Rules, and in line with the Policy Management Rules, the Company is committed to developing, communicating, and abiding by fair, transparent decision-making and management policies.

As one facet of initiatives to strengthen its corporate governance system, to achieve both further strengthening of its internal control system and heightened speed in execution, the Company transitioned to the “Company with Nominating Committee, etc.” model of corporate governance in March 2016. The Group will continue striving to further strengthen both the efficiency and the effectiveness of management and execution.

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### Overview of Corporate Governance System

The Company has transitioned to the “Company with Nominating Committee, etc.” model and has a system that enhances the separation of management and operational responsibilities and allows the directors and the Board of Directors to focus more effectively on overseeing the execution of business operations. At the Annual Shareholders’ Meeting held on March 24, 2017, 11 directors were elected, including seven outside directors. The Chairman of the Board, who is selected from among the directors in accordance with the Articles of Incorporation and the Board of Directors’ Rules, serves as the chairperson of both Board of Directors’ meetings and General Meeting of Shareholders.

In addition, items related to decisions on basic management policies, important business execution matters, and other matters that must be determined by the Board of Directors are stipulated in the Articles of Incorporation, the Board of Directors’ Rules, and Administrative

Authority Rules. These matters are determined after careful deliberations by the Board of Directors.

The Company has established and maintains a corporate governance system that functions through appropriate, active performance of duties by the Nominating Committee, the Audit Committee, and the Compensation Committee, in conjunction with oversight of the executive officers and directors by the Board of Directors. The Nominating Committee has four members, all of whom are outside directors. This committee deliberates on such matters as standards and policies for the fair, transparent appointment and dismissal of directors. The Audit Committee has five members, consisting of three outside directors and two internal directors. This committee conducts audits regarding the business execution of executive officers and directors. The two internal directors on the Audit Committee are full-time members of the Audit Committee. The Compensation Committee has four members, all of whom are outside directors. This committee deliberates on such matters as the details of compensation for directors and executive officers.

In addition, to further increase the transparency of corporate governance, the Governance Committee and the Compliance Committee have been established as advisory committees to the Board of Directors. These committees deliberate on the corporate governance system and related matters and on compliance activities as a whole and submit reports to the Board of Directors. Both of the committees are composed of seven outside directors, and one or more internal directors who are members of the Audit Committee participate as observers.

Regarding the management system, the CEO and Representative Executive Officer (CEO) and the COO and Representative Executive Officer (COO) are the leaders of the operating divisions. The CEO is principally in charge of overall management and strategy, and the COO is principally in charge of operations. At the same time, these two officers implement a system of mutual checks. The Company is further strengthening its corporate governance system by separating and clarifying the respective roles and authority of the CEO and the COO, advancing the sharing of information, and increasing the transparency of decision-making processes. Further, under the CEO and COO, respective executive officers are responsible

for decision-making and business execution in relation to matters delegated to them by the Board of Directors. In addition, following deliberations by the Officer Nomination and Compensation Meeting, which is an advisory body to the CEO and COO, full-time corporate officers, who are elected by the CEO, are responsible for business execution under the direction of the executive officers.

In business execution, specific matters pursuant to Company policy as well as other important matters are deliberated and reported at the Global EXCO, which was established in 2013 as a body responsible for groupwide global business execution; the Executive Operational Committee; and other policy management meetings. In addition to key executive officers, such as the CEO and COO, full-time corporate officers also participate in the Global EXCO, the Executive Operational Committee, and other policy management meetings.

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### **Status of Internal Control Systems**

Regarding internal control systems that are necessary to ensure the propriety of business operations, the Company is advancing the development of such systems as the compliance promotion system and the risk management system based on a policy adopted at a meeting of the Board of Directors.

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### **Status of Audit Committee Audits, Internal Audits, and Accounting Audits**

The Company implements audits through cooperation among the Audit Committee, the Internal Auditing Office, and the independent auditors.

In accordance with audit policies determined by the Audit Committee, the Committee works in cooperation with the Internal Auditing Office and other bodies to audit the execution of business duties by executive officers and directors. These auditing activities include attendance at important meetings, such as the Global EXCO and the Executive Operational Committee; interviews to ascertain the status of operations; reviews of important business documents; and on-site audits of

business offices. Moreover, information and opinions are exchanged with the representative executive officers, and meetings are held with such persons as the corporate auditors of major subsidiaries in Japan. In addition, the Company has assigned a corporate officer with full-time responsibility for auditing to assist the operations of the Audit Committee. Under the supervision of this corporate officer, dedicated staff have been assigned to assist with audits by the Committee. The selection and replacement of this corporate officer are decided through the agreement of the Audit Committee.

The Internal Auditing Office and internal auditing departments within the Company's operating divisions and major subsidiaries conduct internal accounting and operational audits of the Company and Group companies. The Internal Auditing Office makes annual audit plans and conducts on-site audits of each function, operating division, and subsidiary. As of March 24, 2017, the Internal Auditing Office employs 29 people (excluding those working concurrently in other positions).

In cooperation with the Audit Committee, Deloitte Touche Tohmatsu LLC performs the accounting audit of the Company's financial statements. The accounting audit team in fiscal 2016 comprised three certified public accountants who performed accounting audits; nine certified public accountants who assisted in the performance of accounting audits; four associate members of the Japan Institute of Certified Public Accountants; and nine other staff members.

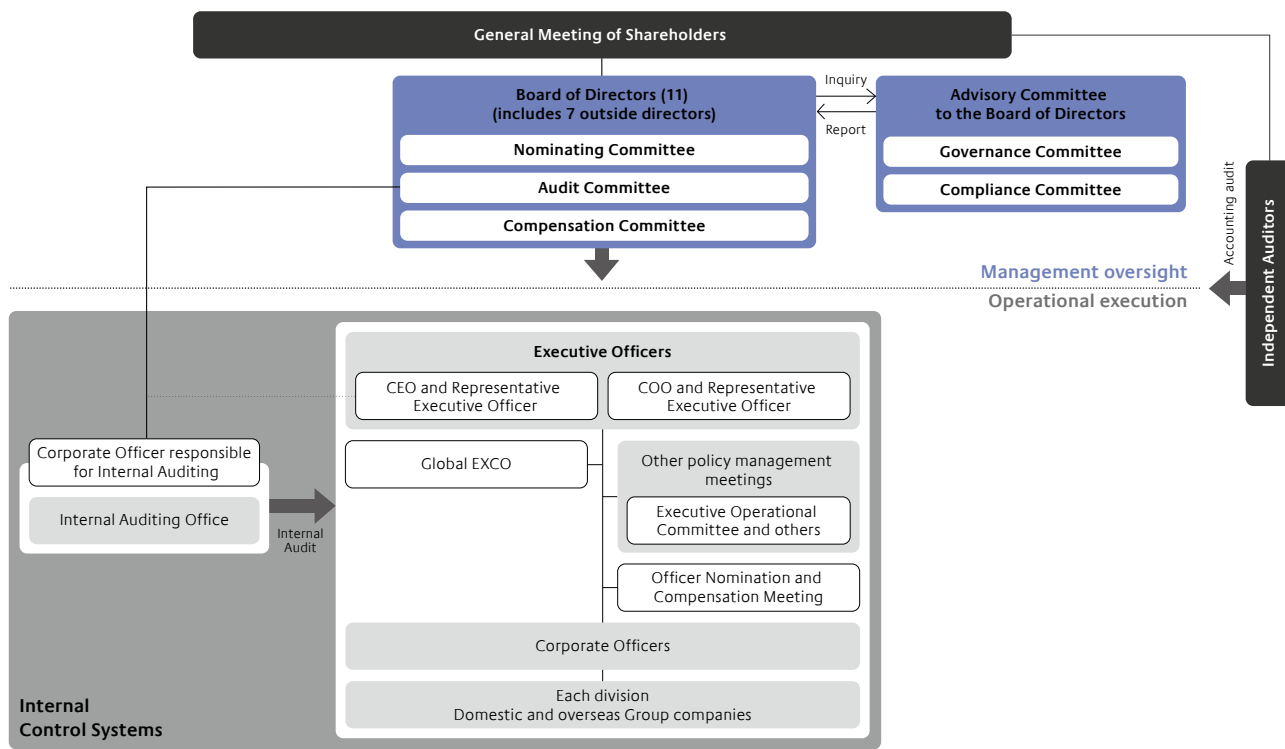
The Audit Committee, the Internal Auditing Office, and the independent auditors exchange information and opinions as necessary and generally maintain close contact, thereby working to further increase audit efficiency and effectiveness.

## Outside Directors

As of March 24, 2017, the Company has seven outside directors.

In regard to measures and deliberations at meetings of the Board of Directors, the Company believes that the outside directors contribute to the strengthening of corporate governance, including appropriate decision-making at meetings of the Board of Directors. To that end, the outside directors provide independent opinions that reflect their sound judgment and extensive experience, which are based on their varying backgrounds and fields of specialization.

Through measures and deliberations at meetings of the Board of Directors, such as the reporting of financial results and the reevaluation of the policy governing internal control systems, the outside directors directly and indirectly receive reports from internal control departments and implement effective oversight of the executive officers and directors.



As of March 24, 2017



# BOARD OF DIRECTORS AND EXECUTIVE OFFICERS AS OF MARCH 24, 2017

## BOARD OF DIRECTORS

### Masaaki TSUYA

Member of the Board  
CEO and Representative Executive Officer  
Concurrently Chairman of the Board

### Kazuhisa NISHIGAI

Member of the Board  
COO and Representative Executive Officer

### Narumi ZAITSU

Member of the Board  
Member of the Audit Committee

### Kenichi TOGAMI

Member of the Board  
Member of the Audit Committee

### Sakie TACHIBANA FUKUSHIMA

Member of the Board\*  
Member of the Nominating Committee  
Member of the Compensation Committee

### Scott Trevor DAVIS

Member of the Board\*  
Member of the Nominating Committee  
Member of the Compensation Committee

### Yuri OKINA

Member of the Board\*  
Member of the Nominating Committee  
Member of the Compensation Committee

### Kenichi MASUDA

Member of the Board\*  
Member of the Audit Committee

### Kenzo YAMAMOTO

Member of the Board\*  
Member of the Audit Committee

### Keikou TERUI

Member of the Board\*  
Member of the Nominating Committee  
Member of the Compensation Committee

### Seiichi SASA

Member of the Board\*  
Member of the Audit Committee

\* Outside Director as set forth in Article 2 (XV) of the Companies Act.

## EXECUTIVE OFFICERS

### Representative Executive Officers

#### Masaaki TSUYA

Member of the Board  
CEO and Representative Executive Officer  
Concurrently Chairman of the Board  
Concurrently Chairman, BIOC

#### Kazuhisa NISHIGAI

Member of the Board  
COO and Representative Executive Officer  
Concurrently Chief Technology Officer  
Responsible for Technology;  
Concurrently Vice Chairman, BIOC

### Executive Vice Presidents and Executive Officers

#### Shuichi ISHIBASHI

Chief Quality Management Officer  
Responsible for Quality Management and CSR;  
Concurrently responsible for Global Original Equipment and Global Business Strategy;  
Concurrently responsible for Global Solution Business and Diversified Products;  
Concurrently Executive Chairman, Global Mining and Agricultural Solution in-house Company;  
Concurrently Executive Chairman, Diversified Products Solution in-house Company;  
Concurrently responsible for Global Solution Business;  
Concurrently CEO, Global Mining and Agricultural Solution in-house Company;  
Concurrently responsible for Diversified Products Business;  
Concurrently CEO, Diversified Products Solution in-house Company

#### Akihiro ETO

Responsible for Corporate Planning;  
Concurrently responsible for Corporate Administration;  
Chief Financial Officer  
Finance

#### Asahiko NISHIYAMA

Vice Chairman, BIOC  
Responsible for Diversified Products, Sports and Cycle Business;  
Concurrently Chairman of Bridgestone Sports Co., Ltd.;  
Concurrently Chairman of Bridgestone Cycle Co., Ltd.

#### Eduardo MINARDI

Executive Chairman of Bridgestone Europe NV/SA  
Chairman of Bridgestone Americas, Inc.

### Senior Vice Presidents and Executive Officers

#### Minoru SHIMIZU

Responsible for Japan Tire Business;  
Concurrently responsible for Replacement Tire Sales;  
Concurrently Chairman of Bridgestone Tire Japan Co., Ltd.

#### Franco ANNUNZIATO

Executive Chairman and CEO of Bridgestone Asia Pacific Pte. Ltd.

For information regarding corporate officers and major subsidiaries, please refer to the following URLs.

**Corporate officers** <http://www.bridgestone.com/corporate/profile/executives/>

**Major subsidiaries** [http://www.bridgestone.com/ir/library/business\\_reports/pdf/business\\_report\\_for\\_the\\_98th\\_fp.pdf](http://www.bridgestone.com/ir/library/business_reports/pdf/business_report_for_the_98th_fp.pdf)

# SHAREHOLDER INFORMATION As of January 1, 2017

## Head office

1-1, Kyobashi 3-chome, Chuo-ku,  
Tokyo 104-8340, Japan  
Phone: +81-3-6836-3333 Fax: +81-3-6836-3184  
www.bridgestone.com

## Established

1931

## Employees

143,616 (Consolidated)

## Independent auditors

Deloitte Touche Tohmatsu LLC

## Technical centers

Japan: Tokyo and Yokohama  
United States: Akron, Ohio  
Italy: Rome  
China: Wuxi  
Thailand: Pathum Thani

## Consolidated subsidiaries

294 companies

## Paid-in capital

¥126,354 million

## Shares

Authorized: 1,450,000,000  
Issued: 813,102,321

## Transfer agent

Sumitomo Mitsui Trust Bank, Limited  
4-1, Marunouchi 1-chome, Chiyoda-ku,  
Tokyo 100-8233, Japan

## Common stock traded

Tokyo, Nagoya, Fukuoka

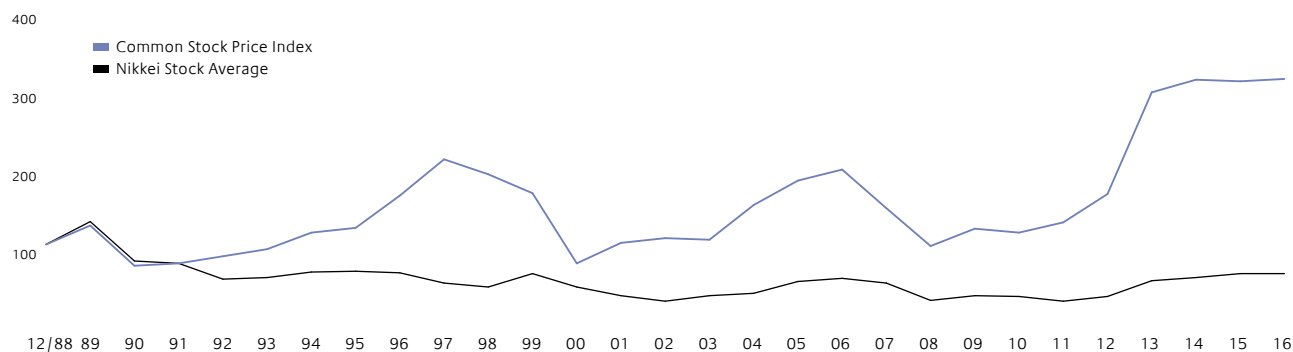
## Common Stock Price Range

(Tokyo Stock Exchange)

	2010	2011	2012	2013	2014	2015	2016
							Yen
High	1,700	2,002	2,245	4,025	4,459	5,182	<b>4,463</b>
Low	1,396	1,506	1,602	2,248	3,328	3,754	<b>3,089</b>

## Common Stock Price Index

(Relative to Nikkei Stock Average)



Note: Relative value is based on 100 at the end of December 1988.

## REPORTING FRAMEWORK

### ■ EDITORIAL POLICY

To communicate initiatives intended to increase corporate value over the medium to long term, the Group reports financial and non-financial information in accordance with the following reporting framework. In preparing these reports, the Group referred to the International Integrated Reporting Framework proposed by the International Integrated Reporting Council (IIRC).

In the following report, the Group describes for a wide range of stakeholders its fundamental management policies for achieving sustainable growth, clarifies the social and environmental issues that it needs to address, and proactively discloses the initiatives that it is taking to address those issues.

### Annual Report

Operational Review



Financial Review



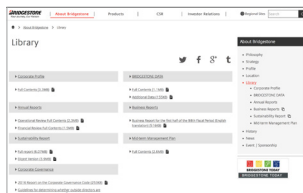
### Sustainability Report (To be released in June, 2017)

Digest Version



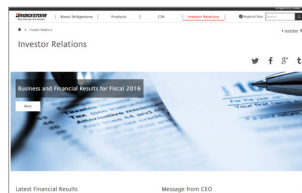
### ■ OVERVIEW OF CORPORATE COMMUNICATION TOOLS

#### Library



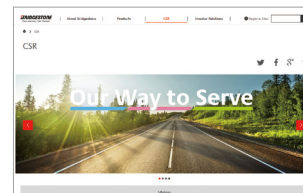
<http://www.bridgestone.com/corporate/library/index.html>

#### Investor Relations



<http://www.bridgestone.com/ir/index.html>

#### CSR



<http://www.bridgestone.com/responsibilities/index.html>

**Bridgestone Corporation**

1-1, Kyobashi 3-chome, Chuo-ku, Tokyo 104-8340, Japan

[www.bridgestone.com](http://www.bridgestone.com)