



Your Journey, Our Passion

Annual Report 2011

Operational Review

THE BRIDGESTONE GROUP

The World's Largest Manufacturer of Tire and Rubber Products

Since its founding in 1931, the Group has steadily expanded its operations, centered on tire production, and today, the Group has over 170 manufacturing plants located in 25 countries around the world.

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OUR BUSINESS

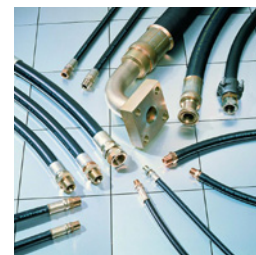
TIRE BUSINESS

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, as well as retread solutions businesses.



DIVERSIFIED PRODUCTS BUSINESS

The Group makes and sells a range of rubber products and other products. In recent years, Bridgestone has drawn on its original technologies to launch a number of environment-friendly products, such as adhesive film for solar modules.



FORWARD-LOOKING STATEMENTS

The descriptions of projections and plans that appear in this publication 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.



FINANCIAL HIGHLIGHTS

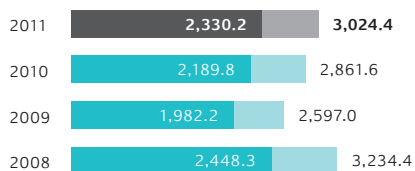
Bridgestone Corporation and Subsidiaries
Years ended December 31, 2011, 2010, 2010, and 2009

	2011	2010	2009	2011/2010	2011
	Millions of yen			Percent change	Thousands of U.S. dollars ¹
Net Sales	¥3,024,356	¥2,861,615	¥2,597,002	5.7%	\$38,903,473
Overseas Sales	2,330,154	2,189,765	1,982,192	6.4	29,973,682
Operating Income	191,322	166,450	75,712	14.9	2,461,050
Net Income	102,970	98,914	1,044	4.1	1,324,543
Total Equity	1,165,673	1,176,147	1,120,797	-0.9	14,994,507
Total Assets	2,677,344	2,706,640	2,808,439	-1.1	34,439,722
Capital Expenditures	201,390	182,648	178,204	10.3	2,590,558
Depreciation and Amortization	159,666	170,663	180,547	-6.4	2,053,846
Research and Development	83,982	85,154	85,766	-1.4	1,080,293
Net Return on Shareholders' Equity (ROE) (%)	9.1	8.9	0.1	—	—
Net Return on Total Assets (ROA) (%)	3.8	3.6	0.04	—	—
Per Share Data					
			Yen	Percent change	U.S. dollars ¹
Net Income					
Basic	¥ 131.56	¥ 126.19	¥ 1.33	4.3%	\$ 1.69
Diluted	131.50	126.16	1.33	4.2	1.69
Shareholders' Equity ²	1,444.53	1,458.01	1,385.43	-0.9	18.58
Cash Dividends	22.00	20.00	16.00	10.0	0.28

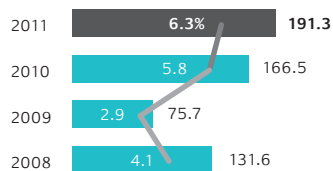
¹ Solely for the convenience of readers, the Japanese yen amounts in this annual report are translated into U.S. dollars at the rate of ¥77.74 to \$1, the approximate year-end rate.

² Shareholders' equity is equity excluding stock acquisition rights and minority interests.

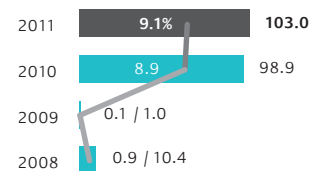
Net Sales / Overseas Sales
¥ billion



Operating Income / Operating Income Margin
¥ billion / %



Net Income / ROE
¥ billion / %



Note: Net sales exclude inter-segment transactions.

SEGMENT HIGHLIGHTS

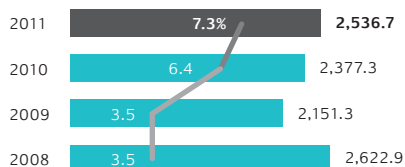
Bridgestone Corporation and Subsidiaries
Years ended December 31, 2011, 2010, 2009, and 2008



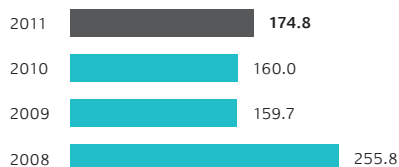
Tire Business

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

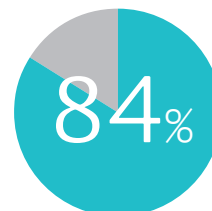
Net Sales / Operating Income Margin
¥ billion



Capital Expenditures
¥ billion



Net Sales by Business Segment



Diversified Products Business

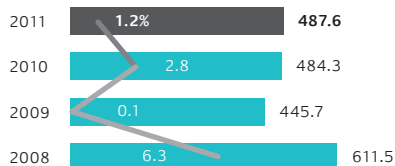
Chemical and industrial products: Vehicle parts, polyurethane foam and related products, electronic precision parts, industrial materials-related products, civil engineering and construction materials and equipment, and other

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

Bicycles: Bicycles, bicycle-related goods, and other

Other: Finance, and other

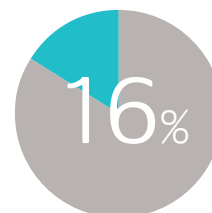
Net Sales / Operating Income Margin
¥ billion



Capital Expenditures
¥ billion



Net Sales by Business Segment



Note: Net sales exclude inter-segment transactions.

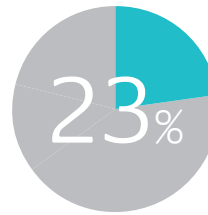
**NET SALES
BY MARKET**

Japan

Net Sales
¥ billion

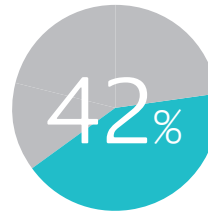


Net Sales by Market



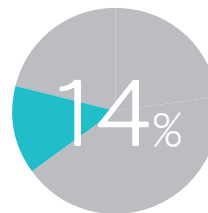
The Americas

Net Sales
¥ billion



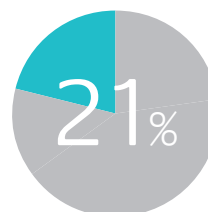
Europe

Net Sales
¥ billion



Others

Net Sales
¥ billion



Note: Net sales exclude inter-segment transactions.

Net sales are categorized by the countries or territories of external customers. For net sales, operating profits, and operating margins by geographic segment, please refer to Supplementary Information of FY 2011, whose URL is http://www.bridgestone.com/ir/library/result/pdf/e_h23_supplementary.pdf

MANAGEMENT TASKS

Seeking “to become the undisputed world No. 1 tire and rubber company both in name and reality” as the ultimate goal of the group management, the Group will advance all business activities based on an awareness of its corporate social responsibility. To that end, the Group has adopted a management stance with four components. First, the Group will always bear in mind business basics and principles. Second, the Group will adhere to the philosophy and spirit it has maintained since its establishment and uphold “The Bridgestone Essence” corporate philosophy that calls on the Group to realize the mission of “Serving Society with Superior Quality.” Third, the Group will solidify its business footing in Japan. Last, the Group will rigorously proceed with Group and global business development on top of the strong foundation of its Japanese business.

TARGET PERFORMANCE

ROA

2012: Forecast to achieve 6%
(No change from MTP 2008)

2013 and afterwards:

“Improve further” as target

NET SALES

2012: ¥3.6 trillion

2013 and afterwards:

Yearly average over 5% increase

OPERATING INCOME RATIO

2012: 7.5% (¥ 270 billion)

2013 and afterwards:

Yearly average over 0.5 point increase
Target 10% in 2016

Based on those four components of its management stance, the Group will develop businesses in accordance with four fundamental management policies: 1. To always aim for “the higher level” and to be the best in the world in all of our products and services; 2. To clarify the long-term strategy and to proceed with the integration and expansion of business domains; 3. To aim for the real global corporation, adopting a strategic business unit (SBU) organization; and 4. To aim for optimum management of the entire Group, utilizing the Mid-Term Management Plan (MTP).

The Companies face rapid, major structural changes that significantly affect earnings, including changes in the composition of demand, new competition, and fluctuations in currency exchange rates and the prices of raw materials. Against that backdrop, the Companies believe that it will be difficult to achieve sustained, quality growth solely by pursuing external growth in the scale of net sales and its overseas business. In addition to the continuing extreme strength of the yen and the effects of the Great East Japan Earthquake on the domestic economy in Japan, the global economy faces higher levels of instability and risk. Major concerns include the recovery of the U.S. economy, sovereign risk in Europe, and decelerating growth in emerging countries.

In the face of this growing instability and risk, the Companies sought to turn change into opportunity with the implementation of the “Lean and Strategic” concept. On that basis, we rigorously streamlined our balance sheet. To that end, the Companies will strive to make the most effective use of extensive vertical and horizontal expansion in their operations. Vertically, the Companies’ operations extend throughout the supply chain, from upstream, where raw materials are produced in-house, to downstream retail networks. Horizontally, the Companies have developed operations globally, centered on the tire business.

Further, in our MTP 2011, which was announced in October 2011, we have formulated five items as initiatives for “competing on a different ground.”

The first is expansion of strategic tire products and businesses. In passenger tires, including Run-flat Technology tires, UHP (ultra-high performance) tires, and winter tires, we will incorporate the Group’s leading-edge technologies



Ultralarge off-the-road tires for construction and mining vehicles are one of Bridgestone's most competitive strategic products.

and take steps to aggressively expand sales on a Groupwide basis. In the truck and bus tire segment, to meet the needs of customers and society for environment-responsive, cost optimization, and safe operation, we will implement global development of our solutions business utilizing retread technologies, targeting especially strong growth in emerging markets. In large and ultralarge off-the-road radial tires for construction and mining vehicles, the demand for mining resources continues to be robust, and in response we will strengthen this area of our business in order to respond rapidly and with flexibility to changes in the operating environment. Accordingly, in addition to the phase 3 expansion of the Kitakyushu Plant, which was announced in 2010, we are building a new plant in North America, which will be the first such plant overseas.

The second initiative is reinforcing fundamental competencies, specifically by leveraging optimizing specifications and reviewing expenses for processing while enhancing safety and quality in order to bolster overall supply chain competitiveness. In optimizing specifications,

the fundamental task is meeting the quality demanded by the market. On that basis, we will focus on technical development that also contributes to the environment, with a focus on achieving enhanced safety and reducing raw material consumption. We will strive to maximize those effects through integrated activities that combine product development, production technologies, and procurement/internal manufacturing. In reviewing expenses for processing while enhancing safety and quality, we will develop high-productivity technologies while maximizing the use of existing production capacity. This will allow us to establish an organizational system that contributes to improved global profitability.

The third initiative is to make full use of vertical and horizontal expansion efficiencies. Through vertical expansion in the upstream sectors of the supply chain, we will control tire quality and cost beginning at the raw material level. In the downstream, we will expand the network of retail outlets to provide customers with optimal products and services on a timely basis. In addition, we will

MANAGEMENT TASKS

advance initiatives that fully leverage our ability to rapidly respond to market needs. Regarding in-house production of raw materials, we will further advance the positioning of existing strategic raw material supply bases. As a result, we will enhance these bases into profit centers that contribute to improved financial results for the Companies. Moreover, through “horizontal expansion,” we will evaluate the roles of industrially developed countries and emerging countries in sales and production, and invest management resources to maximize their contribution to the Companies as a whole.

The fourth initiative is planning based on the principles of selection and concentration in the diversified products business, or non-tire operations. We will work to bolster global development in chemical and industrial products operations, and we will take steps to expand profits, centered on construction materials and hose/belt operations and so on. Moreover, we will invest management resources for eco-friendly products and the development of new business models.

The fifth initiative is to enhance environmental activities and eco-friendly products and businesses, and so we refined the global Environmental Mission Statement in May 2011. This step was taken in order to clarify the long-term direction of the Companies’ environmental activities. The refined mission statement will help to raise environmental awareness of the Companies’ employees



Bridgestone's resources for vertical integration: upstream rubber operations in Indonesia (top) and downstream Bridgestone Select, a retail outlet in India.

FIVE APPROACHES

- 1 Expanding strategic tire products and businesses
- 2 Reinforcing fundamental competencies
- 3 Making full use of vertical and horizontal expansion efficiencies
- 4 Selection and concentration in the diversified products business
- 5 Enhancing environmental activities and eco-friendly products and businesses

and bolster initiatives targeting the realization of a society based on “ecological conservation,” “resource conservation,” and “reducing CO₂ emissions.” Specifically, we have already established numerical objectives, such as targets for CO₂ emission reductions, with consideration for such factors as the social and operating environments. By incorporating these into plans for individual eco-friendly products and operations, we have a framework for the achievement of these goals.

These five items comprise our initiatives for “competing on a different ground.” They were formulated in accordance with our four fundamental management policies. The Group believes that in order to realize a basic system for implementing those strategies and measures, it must optimize organizational systems on a Groupwide and global basis and undertake a mid-term management plan that is consistent for the Group as a whole. Therefore, the Group will continue to strengthen those aspects of its operations.

As an organizational systems initiative, the Groupwide will gain an accurate understanding of market and customer needs in regions worldwide. Based on that understanding, the Group will evolve and further increase the effectiveness of the Strategic Business Unit (SBU) system, which was introduced to reflect such needs optimally and rapidly on a Group and global basis. Further, in order to prevail and survive amid tough business conditions, it is critical for the Group to exploit its wide-ranging and diverse management resources to the utmost and in accordance with consistent targets and plans. To realize those objectives, the Group will revise the mid-term management plan on an annual rolling basis, extending it by one year at a time. Those revisions will enable the Group to respond accurately and rapidly to dramatically fluctuating business conditions as it seeks to maintain earnings levels. In other words, the Group will move forward vigorously to build a corporate organization that steadily increases profitability.

In addition, the Group will step up efforts to build systems that will enable the realization of its responsibilities as a company toward all of its stakeholders. The Group will conduct regular yearly reviews of its policy for the development of internal control systems that ensure appropriate operations. Moreover, the Group will undertake

reviews of that policy as needed and steadily develop systems in accordance with the policy. For corporate governance systems, the Group will take further steps to ensure that the Company’s decision-making consistently follows fair and transparent rules. Centering on the Integrated CSR Enhancement Committee, the Group’s corporate social responsibility (CSR) activities will establish systems and heighten the effectiveness of activities in all areas, including rigorous risk management for environmental protection, product safety, compliance and disaster prevention and safety initiatives; internal control improvement; employee education; and corporate citizenship activities.

Environmental Mission Statement

To help ensure a healthy environment for current and future generations...

We, the Bridgestone group, are committed to continually working toward a sustainable society with integrity and in unity with our customers, partners, communities and the world around us.

Therefore, we are focused on three objectives.

- In harmony with nature**
To contribute to biodiversity through habitat enhancement, and through environmental education and research.
- Value natural resources**
To continually improve natural resource conservation through operational improvements and product design.
- Reduce CO₂ emissions**
To continually reduce emissions of Greenhouse Gases, including CO₂ from our products' complete life cycle.

The Bridgestone group's environmental mission covers all aspects of our business.

Products and Services
Operations
Environmental Communication
Community Activities
TEAMS

TEAMS: Total Environmental Advanced Management System
TEAMS is the group-wide, a progressive management system to help ensure a healthy environment.

One Team, One Planet.

BRIDGESTONE

Environmental Mission Statement clarifies the directions of Bridgestone's long-term aspirations.

RESEARCH AND DEVELOPMENT

The Bridgestone Group mission of “Serving Society with Superior Quality” mandates an unending quest to create higher-value-added products worldwide to fulfill changing social requirements and market needs. To respond appropriately to rapidly evolving market trends, such as changes in the structure of demand and competition, the Bridgestone Group conducts R&D activities with the objective of establishing a competitive business model on a global basis, taking into consideration the environmental impact of its product development and production processes. A key challenge is to stay at the forefront of technological advances in each business domain in accordance with the Mid-Term Management Plan (MTP). To that end, the Bridgestone Group conducts technical development in a wide range of fields, including raw materials, products, and services as well as advanced production technologies. Control technologies, which can enhance safety and quality while optimizing product performance and costs from the raw materials level, will contribute to environmental conservation through reductions in raw material consumption. These technologies will also help to offset higher prices for raw materials. In addition to the supply of products, the Group’s R&D initiatives also contribute to the development of new opportunities in the solutions business.

Tires

In the tire business, R&D programs are based on the development philosophy of “peace-of-mind” in all areas. Bridgestone seeks to create unique value propositions through the pursuit of three core elements in tire development—consideration for the environment, safety, and comfort. Bridgestone also strives to further reinforce strategic products and business.

One of the ways in which the Group demonstrates consideration for the environment is the development of eco-friendly products. These products contribute to three key areas in the Group’s Environmental Mission Statement, which states that Bridgestone will exist “in harmony with nature,” “value natural resources,” and “reduce CO₂ emissions.” In particular, the Group believes that it can make a major contribution to the reduction of CO₂ emissions by helping to improve vehicle fuel efficiency

through the development of tires with reduced rolling resistance. The Group’s ECOPIA line of eco-friendly tires offers reduced rolling resistance while maintaining other performance features, due in part to the use of NanoPro-Tech (Nanostructure-Oriented Properties Control Technology), a Bridgestone proprietary technology of raw materials. The Bridgestone Group has begun to supply ECOPIA tires as original equipment passenger tires for such models as the Toyota Prius δ and the Daihatsu Mira e:S. In the replacement market in Japan, the Group has begun sales of the SNEAKER SNK2 ECOPIA, which offers reduced rolling resistance while improving fundamental performance characteristics, such as wet performance and wear life. Moreover, the Group has developed technology that has achieved the highest rank—AAA—for rolling resistance and a rank of ‘a’ for wet performance under the “Guideline for Tyre Labeling to Promote the Use of Fuel Efficient Tyres (Labeling System),” implemented by the Japan Automobile Tyre Manufacturers Association, Inc. This technology realizes high levels of rolling resistance and wet performance, generally viewed as mutually contradictory characteristics, by combining NanoPro-Tech with technologies cultivated through the development of tires for motor sports. The Group plans to launch the ECOPIA EP001S, which uses this technology, in July 2012. In truck and bus tires, the Group launched the ECOPIA M801, which utilizes a newly developed tread rubber, “Hyper Eco Compound,” and a new tread pattern, “Low Energy Pattern,” enabling the Group to offer superior rolling resistance as well as wet performance and low-noise operation. The Group also launched the ECOPIA W911II, which also uses “Hyper Eco Compound,” offering superior rolling resistance in comparison with the Group’s previous truck and bus tires. In the future, the Group will take aggressive steps to further enhance the ECOPIA lineup, implement global development, and expand original equipment offerings on new cars.

The Bridgestone Group is also developing Eco Value Pack as a solutions business utilizing retread tires. This business will contribute to environmental conservation through reductions in resource consumption, energy usage, and CO₂ emissions. The Group will aggressively promote Eco Value Pack as a new business model, leading

the way in environmental friendliness. To that end, the Group will aggressively develop Bandag Retread Factory outlets that will offer integrated manufacturing, service, and sales of retread tires at more locations.

The Bridgestone Group has positioned Run-flat Technology tires, which continue to function at a specified speed for a specified distance after the loss of air pressure, as important strategic products, and is actively working to promote them. In addition, because Run-flat Technology tires eliminate the need for a spare tire (emergency-use tire), they help to conserve resources and support improved fuel efficiency through reduced vehicle weight. The Group launched the POTENZA S001 RFT, its first Run-flat Technology tire in the Japan replacement tire market. This tire uses COOLING FIN technology, which cools the tire by creating disturbances in the airflow over the tire sidewalls, and a new sidewall-reinforced rubber, which reduces heat generation. As a result, the POTENZA S001 RFT offers comfort that is comparable with POTENZA S001 (conventional tires).

The Bridgestone Group's strategic products also include large and ultralarge off-the-road radial tires for construction and mining vehicles (large and ultralarge ORR). The use of advanced technologies in these products has earned Bridgestone an excellent reputation in the marketplace. With the production of mined resources increasing around the world, demand for these tires is increasing. Accordingly, the Group has decided to further expand the production capacity of the Kitakyushu Plant from January 2013, and to build a new plant of large and

ultralarge ORR in North America, starting production from 2014. Through the transmission of production technology of these products developed in Japan, the Group will further expand its production and supply system.

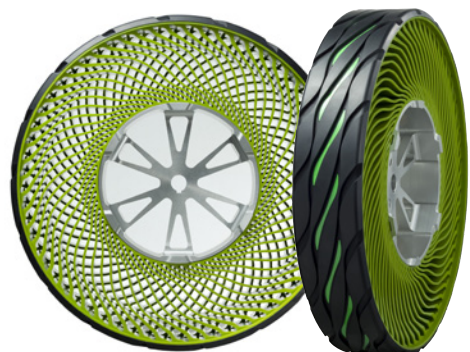
In pursuing a position of industry leadership in innovation, the Group has successfully developed technology for non-pneumatic (i.e., airless) tires. With these tires there is no need to periodically refill the tires with air, meaning that the tires require less maintenance. At the same time, the worry of punctures is eliminated. This is achieved by a distinctive structure of spokes made from a reusable material. These spokes, which stretch along the inner sides of the tire, support the weight of the vehicle. Also, in conventional technology for white ribbon tires and other color tires, there is a tendency for the weight of the tire to increase on account of measures taken to prevent discoloration and maintain durability. However, the Group has developed tire printing technology that makes it possible to dress up the tire sidewalls in an eco-friendly manner, including fuel efficiency, without increasing tire weight. This is accomplished when combined with newly developed inks and a top protection layer that are printed on a discoloration prevention layer. In addition, in accordance with the CAIS concept, which incorporates technology for the collection and analysis of information about the tire contact surface, the Group developed technology that can determine, in real time, road surface conditions during normal operation of passenger vehicles. In the future, the Group will work to commercialize these new technologies as rapidly as possible.



ECOPIA M801



POTENZA S001 RFT



Non-pneumatic tire (airless concept)

RESEARCH AND DEVELOPMENT

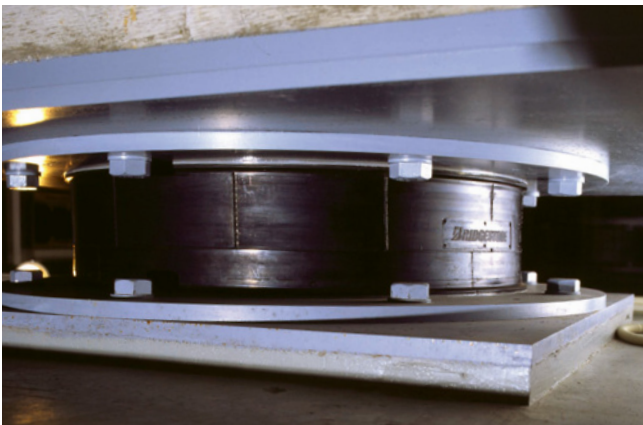
Diversified products business

In the diversified products business, the Bridgestone Group continues working to strengthen its product lineups in “concentration businesses.” At the same time, the Group is implementing R&D activities with the objective of providing products that accurately meet constantly changing needs and foster customer satisfaction.

The quality of the Group’s adhesive film for solar modules, which is one of its key products in the high-performance film field, is well regarded in the marketplace. That quality was made possible by the Group’s original material composition and superior precision processing technologies. Solar modules provide an environmentally friendly system for generating green power and growth in demand is expected over the medium to long term. By working to achieve further improvements in the performance of its products, the Group will work to make a contribution to the wider implementation of green energy.

In seismic isolators, which are used to protect structures from collapse or damage caused by earthquakes, Bridgestone is working to develop high-performance products that are earth-friendly and support the creation of a sustainable society. Using a newly developed material and eliminating the use of lead in conventional products, the Group has launched a new product that features a lower environmental burden during manufacturing and disposal.

The use of electronic paper is expected to grow rapidly on a global basis. Accordingly, the Group will develop next-generation devices and aggressively open up markets. The Bridgestone Group’s electronic paper received the Minister of Economy, Trade and Industry Award at the 20th annual Earth Environment Awards. This award reflects the high evaluation of the Group’s electronic paper. It is highly energy efficient because it requires electrical power only when the display is updated, and it can contribute to resource conservation when used in place of paper, which is currently consumed in vast quantities.



Seismic isolator



Adhesive film for solar modules

CORPORATE GOVERNANCE, COMPLIANCE, AND RISK MANAGEMENT

Continually enhancing corporate governance is one of management's most important focus points. This will ensure that the Bridgestone 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, as well as in the Policy Management Rules, Bridgestone Corporation is committed to developing, communicating, and abiding by fair, transparent decision-making and management policies.

Overview of corporate governance system

Bridgestone has adopted a corporate officer system to more clearly distinguish between management and operational responsibilities. This system allows the Board of Directors to focus more effectively on overseeing the execution of business operations. There were 9 directors, including 4 outside directors, as of December 31, 2011.

Bridgestone employs a corporate auditor governance model as specified in the Companies Act. The corporate auditors audit the execution of duties by the directors, while the Board of Directors oversees the execution of duties by the directors. At the General Meeting of Shareholders held on March 27, 2012, 3 corporate auditors reached the end of their tenure and retired, and 2 corporate auditors were elected. As a result, as of March 27, 2012, the Board of Corporate Auditors has 4 members, including 3 outside corporate auditors, one of whom is a full-time outside corporate auditor.

The Executive Operational Committee is a senior management body that operates in a consultative and deliberative capacity to the Board of Directors. It is chaired by CEO and President and is composed of directors and corporate officers. It is a forum for discussing and reporting on specific matters set forth in Company policy as well as other important matters. Nominees for executive appointments and executive compensation packages for all directors and corporate officers are determined by the Directorial Personnel and Compensation Committee.

Selected directors (excluding CEO and President), corporate officers, divisional heads, and corporate auditors serve on this committee. Nominations, executive

compensation, and other officer-related matters are all within the purview of this committee. Matters considered and reported by this committee are reviewed before a decision is made by CEO and President, the Board of Directors, the Board of Corporate Auditors, or the General Meeting of Shareholders. To further enhance transparency and objectivity, the Company has established the Personnel Subcommittee and the Compensation Subcommittee, which make decisions on proposals to the Directorial Personnel and Compensation Committee. As of March 27, 2012, these subcommittees include at least one outside director as a subcommittee member and at least one corporate auditor as an observer.

In addition to compliance with laws, regulations, and the articles of incorporation, the Company has formulated a structure to promote compliance and basic policies, which call for members of the Board, corporate officers, and all Bridgestone employees to conduct themselves in line with the corporate philosophy, so that the Bridgestone Group can gain the trust of its stakeholders. A unit dedicated to handling compliance, which is overseen by the Chief Compliance Officer (CCO), has responsibility for the operation of a compliance counseling office which is a helpline providing compliance-related advice to employees, as well as for promoting compliance-related education for directors and employees. Recognizing the importance of compliance activities as an element of corporate social responsibility (CSR), Bridgestone has established the Compliance Committee, which is chaired by CCO and is a subcommittee of the Integrated CSR Enhancement Committee, which is chaired by CEO and President. Moving forward, Bridgestone will continue to advance compliance activities as one facet of its CSR.

Risk management activities, led by the Chief Risk-Management Officer (CRO), focus on the identification and mitigation of operational risks and the implementation of measures—as outlined in a basic risk management manual—designed to prevent both small-scale accidents and large-scale incidents. Contingency planning activities include the formulation and review of business resumption plans aimed at restoring operations as quickly as possible in the event of any disruption. In line with the recognition of the importance of risk management in CSR, Bridgestone has

previously established the Risk Management Committee, which is chaired by CRO and is a subcommittee of the Integrated CSR Enhancement Committee. Moving forward, Bridgestone will continue to find additional ways to strengthen the system to comprehensively manage risks that could have a major influence on the operating activities of Bridgestone and other Group companies.

Bridgestone has formulated internal policy guidelines regarding the protection of personal data. In addition to developing and implementing a management system based on this policy, all employees of the parent company, Bridgestone Corporation, undergo privacy training and are provided access to related awareness programs to address this important issue.

On May 1, 2006, the Board of Directors instituted an official company policy governing internal control systems; the Company reevaluates its activities in this area each year, working to ensure appropriate internal control. In regard to the Japanese Financial Instruments and Exchange Act, and in particular to the section regarding the evaluation of internal control systems to assure the reliability of financial reporting and related information, Bridgestone will work to ensure an effective and reliable system of internal controls on a Groupwide basis and to further raise the level of internal control throughout the Group.

Bridgestone has no connection whatsoever with antisocial forces or groups that threaten public order and safety, and takes a resolute stand against such activities. A department has been established to evaluate information received regarding such matters and take necessary action to ensure compliance with this policy, and the Company has worked to build relationships of trust and cooperation with external institutions, such as the police and other related organizations. Bridgestone is working to create a manual for dealing with inappropriate or illegal requests, evaluating contracts and the parties thereto to ensure their appropriateness and that they have no relationship with any organization or group that are illegal or threaten public order or safety, and implementing other related measures. Bridgestone will strive to see that these measures are widely known and will continue to strengthen internal systems aimed at identifying any such groups, programs, or initiatives with which the Company may come in contact.

Following the General Meeting of Shareholders and the Meeting of the Board of Directors held on March 27, 2012, the Company has a new management structure comprising Chairman of the Board, CEO, and COO. The operational functions previously handled by the President have been split into two positions. Now, CEO and Representative Board Member has overall responsibility for management and strategy, and COO and Representative Board Member has overall responsibility for operations. Chairman of the Board leads meetings of the Board of Directors and the General Meeting of Shareholders. As a Board member without direct responsibility for operational and execution duties, Chairman of the Board has the role of a facilitator between the Board of Directors and operating divisions and is responsible for effective management and supervision through meetings of the Board of Directors. Under this new structure, the Company will work to advance separation and clarification of the respective roles and authority of Chairman of the Board, CEO, and COO. This would advance information sharing; and increase transparency in decision-making processes. In this way, the Company will work to further strengthen its corporate governance system. Accompanying these changes the committees and meetings that were chaired by President under the previous system are now the responsibility of CEO and COO.

Status of audits by the corporate auditors, the internal auditors, and the independent auditors

The corporate auditors conduct internal audits based on policies determined by the Board of Corporate Auditors. Directorial conduct oversight involves a number of auditing activities, including attending meetings of the Board of Directors and other executive meetings, interviews with directors to ascertain the status of operations, reviews of important business documents, and on-site audits of business offices. Moreover, the corporate auditors meet with the representative directors to exchange information and opinions and hold liaison meetings with the corporate auditors of major Bridgestone subsidiaries in Japan. A dedicated support staff unit assists the corporate auditors.

The Internal Auditing Office and internal auditing departments within the Company's divisions and major

subsidiaries conduct internal accounting and operational audits. The Internal Auditing Office makes annual audit plans and conducts on-site audits of each function, division, and subsidiary. It employed 25 people (excluding those working concurrently in other positions) as of December 31, 2011. The Internal Auditing Office and the Company's internal auditing departments have conducted audits at Group companies that have instituted organizational changes in line with the provisions of the Act, with the aim of ensuring a more robust internal control system.

Deloitte Touche Tohmatsu LLC performs the accounting audit of the Company's financial statements. The accounting audit team in fiscal 2011 included 3 certified public accountants, 9 assistants who were certified public accountants, 7 associate members of the Japan Institute of Certified Public Accountants, and 9 other staff members.

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

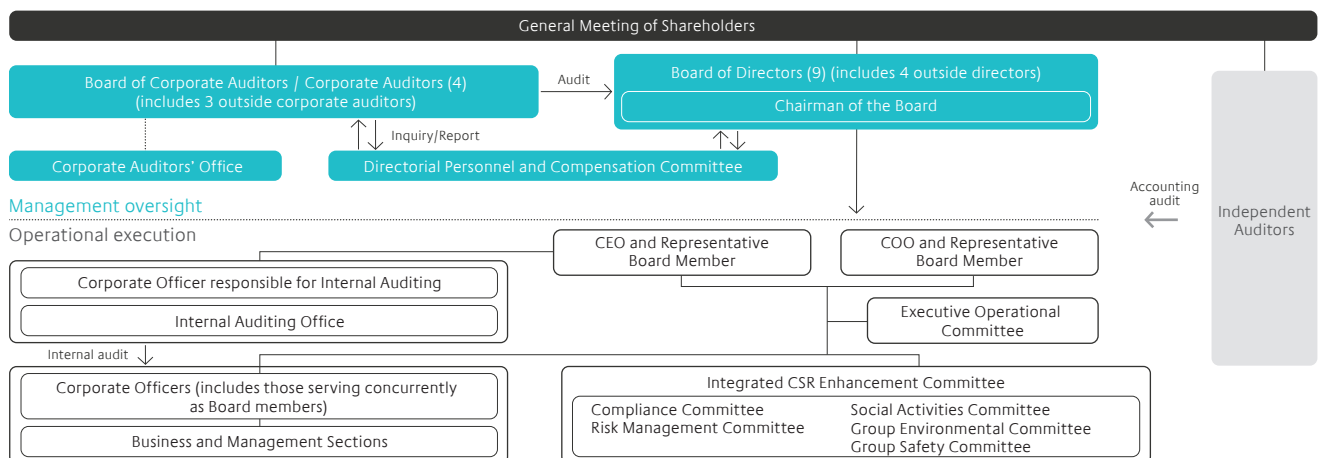
Outside directors and outside corporate auditors

As of March 27, 2012, the Company has 4 outside directors and 3 outside corporate auditors.

The Company believes that the outside directors can 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. In addition, the Company believes that the outside corporate auditors can enhance the effectiveness of the corporate auditors in audits of directors' business execution. To that end, the outside corporate auditors attend important meetings, such as meetings of the Board of Directors and meetings of the Board of Corporate Auditors, and provide opinions from an objective, neutral viewpoint, based on their varying perspectives as specialists and on their extensive experience.

Through measures and deliberations at meetings of the Board of Directors, such as those regarding the reevaluation of policies related to financial reporting and the establishment of internal control systems, the outside directors directly and indirectly receive reports from internal control departments and implement effective oversight of the directors. Through measures and deliberations at meetings of the Board of Directors, such as the reporting of financial results or the reevaluation of policies to enhance internal control systems, and through exchanges of information and opinions at meetings of the Board of Corporate Auditors, the outside corporate auditors work closely with the corporate auditors, the Internal Auditing Office, and the independent auditors and strive to enhance the efficiency and effectiveness of audits.



As of March 27, 2012

BOARD OF DIRECTORS AND CORPORATE AUDITORS

As of March 27, 2012

BOARD OF DIRECTORS



Shoshi Arakawa
Chairman of the Board



Masaaki Tsuya
CEO and
Representative Board Member



Kazuhisa Nishigai
COO and
Representative Board Member



Yoshiyuki Morimoto



Narumi Zaitzu



Sakie Tachibana Fukushima^{*1}



Takao Enkawa^{*1}



Kimiko Murofushi^{*1}



Scott Trevor Davis^{*1}

^{*1} Outside Director as set forth in Article 2-15 of the Corporate Law of Japan

BOARD OF CORPORATE AUDITORS

Mikio Masunaga (Full-Time)

Katsuji Hayashi^{*2} (Full-Time)

Kenichi Masuda^{*2}

Tomoko Watanabe^{*2}

^{*2} Outside Corporate Auditor as set forth in Article 2-16 of the Corporate Law of Japan

For information regarding corporate officers, please refer to the Bridgestone Data 2012.
http://www.bridgestone.co.jp/corporate/library/data_book/pdf/BSDATA2012.pdf

For information regarding major subsidiaries, please refer to the Business Report for the 93rd Fiscal Period.
http://www.bridgestone.com/ir/library/business_reports/pdf/business_report_for_the_93rd_fp.pdf

SHAREHOLDER INFORMATION

As of January 1, 2012

Head office

10-1, Kyobashi 1-chome, Chuo-ku, Tokyo 104-8340, Japan
Phone: +81-3-3563-6811 Fax: +81-3-3567-4615
www.bridgestone.co.jp

Established

1931

Employees

143,124

Independent auditors

Deloitte Touche Tohmatsu LLC

Technical centers

Bridgestone Corporation: Tokyo and Yokohama, Japan
Bridgestone Americas: Akron, Ohio, United States
Bridgestone Europe: Rome, Italy

Consolidated subsidiaries

332 companies

Paid-in capital

¥126,354 million

Shares

Authorized: 1,450,000,000

Issued: 813,102,321

Transfer agent

The Chuo Mitsui Trust and Banking Company, Limited
33-1, Shiba 3-chome, Minato-ku, Tokyo 105-8574, Japan

Common stock traded

Tokyo, Nagoya, Osaka, Fukuoka

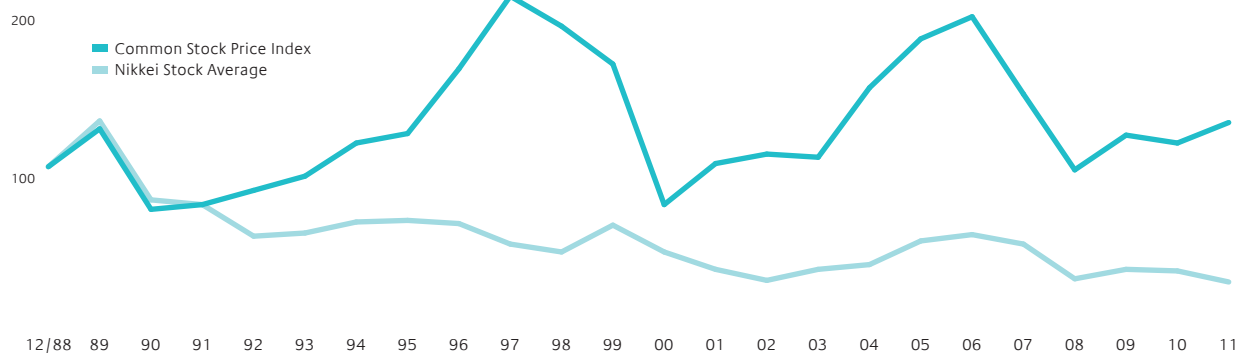
Common stock price range

(Tokyo Stock Exchange)

	2005	2006	2007	2008	2009	2010	2011
							Yen
High	2,625	2,945	2,715	2,170	1,813	1,700	2,002
Low	1,935	1,903	1,941	1,215	1,094	1,396	1,506

Common stock price index

(Relative to Nikkei Stock Average)



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

Bridgestone Corporation

10-1, Kyobashi 1-chome, Chuo-ku, Tokyo 104-8340, Japan

www.bridgestone.co.jp