



Your Journey, Our Passion

Annual Report 2012

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 180 manufacturing plants and R&D facilities around the world.

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.



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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

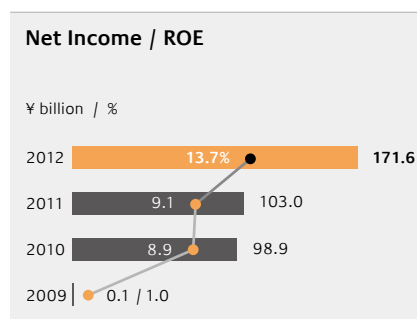
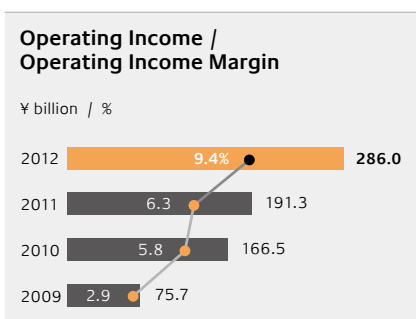
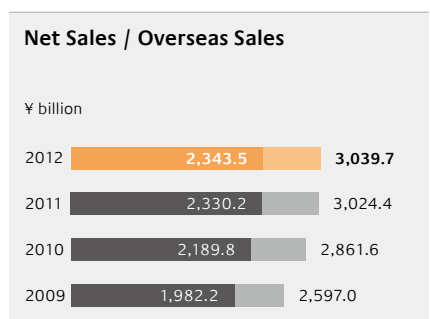
Bridgestone Corporation and Subsidiaries
Years ended December 31, 2012, 2011, and 2010

	2012	2011	2010	2012/2011	2012
	Millions of yen			Percent change	Thousands of U.S. dollars ¹
Net Sales	¥3,039,738	¥3,024,356	¥2,861,615	0.5%	\$35,109,009
Overseas Sales	2,343,546	2,330,154	2,189,765	0.6	27,067,983
Operating Income	285,995	191,322	166,450	49.5	3,303,246
Net Income	171,606	102,970	98,914	66.7	1,982,051
Total Equity	1,419,094	1,165,673	1,176,147	21.7	16,390,552
Total Assets	3,039,251	2,677,344	2,706,640	13.5	35,103,384
Capital Expenditures	245,644	201,390	182,648	22.0	2,837,191
Depreciation and Amortization ²	156,511	159,666	170,663	-2.0	1,807,704
Research and Development	82,801	83,982	85,154	-1.4	956,353
Net Return on Shareholders' Equity (ROE) (%)	13.7	9.1	8.9	—	—
Net Return on Total Assets (ROA) (%)	6.0	3.8	3.6	—	—
Per Share Data					
	Yen			Percent change	U.S. dollars ¹
Net Income					
Basic	¥ 219.26	¥ 131.56	¥ 126.19	66.7%	\$ 2.53
Diluted	219.10	131.50	126.16	66.6	2.53
Shareholders' Equity ³	1,755.60	1,444.53	1,458.01	21.5	20.28
Cash Dividends	32.00	22.00	20.00	45.5	0.37

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 ¥86.58 to \$1, the approximate year-end rate.

² Amortization of Goodwill is included in Depreciation and Amortization.

³ Shareholders' equity is equity excluding stock acquisition rights and minority interests.



Note: Net sales exclude inter-segment transactions.

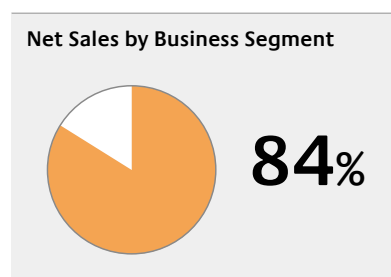
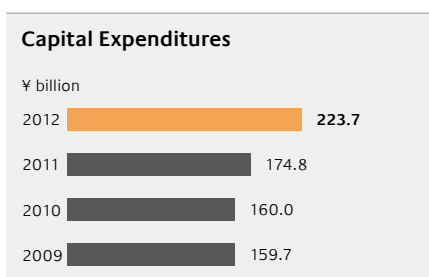
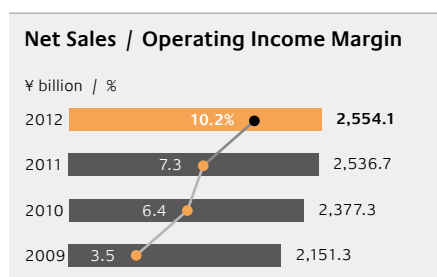
SEGMENT HIGHLIGHTS

Bridgestone Corporation and Subsidiaries
 Years ended December 31, 2012, 2011, 2010, and 2009

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



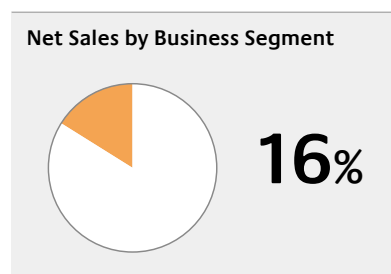
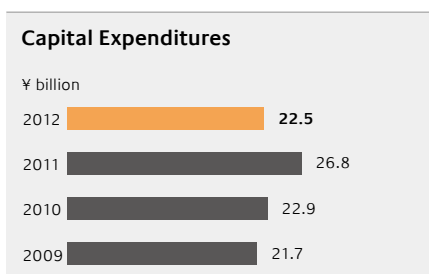
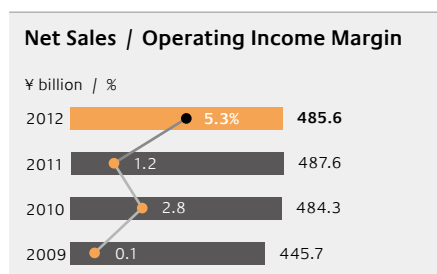
Diversified Products Business

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

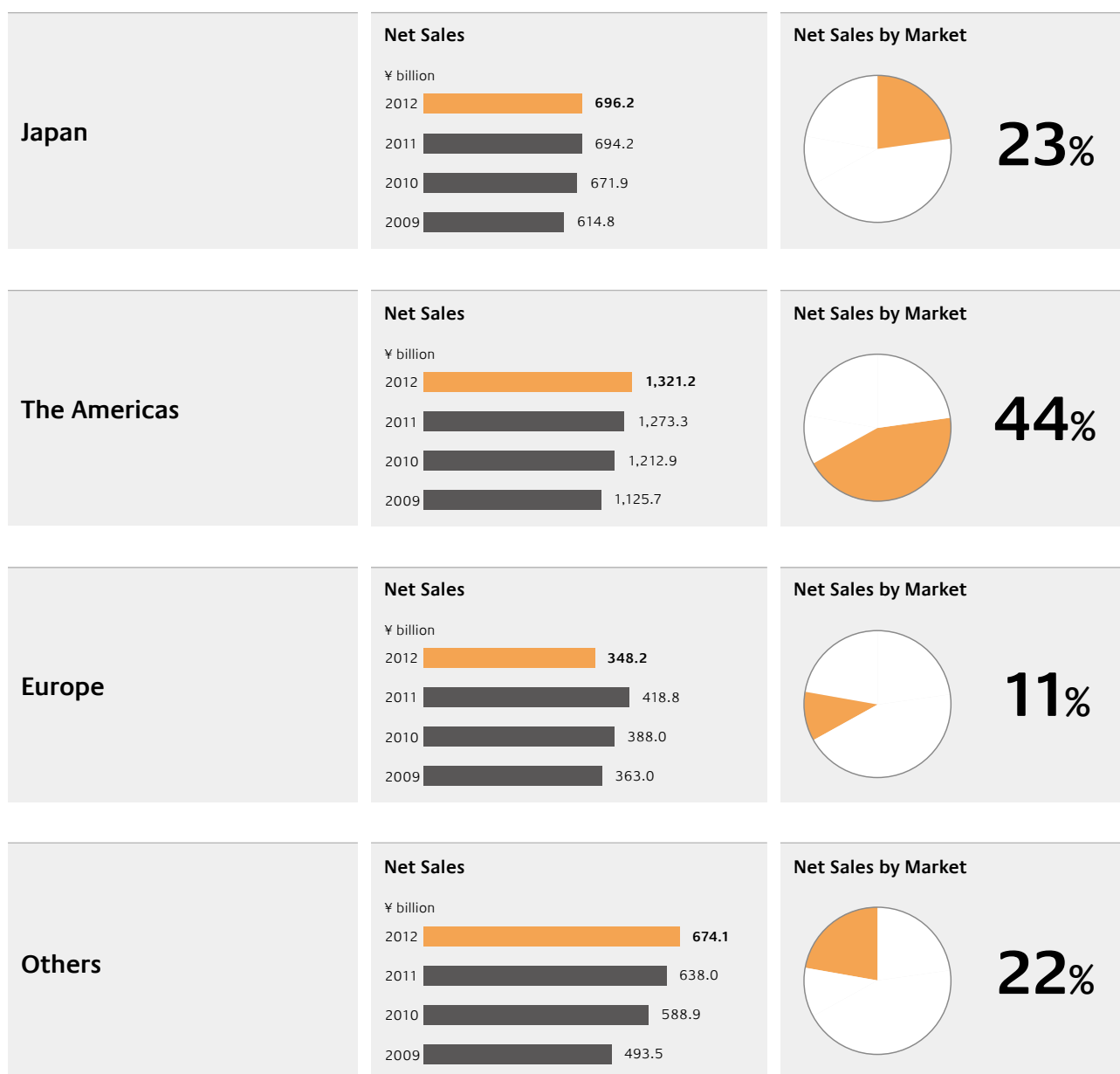
Bicycles: Bicycles, bicycle-related goods, and other

Other: Finance, and other



Note: Net sales exclude inter-segment transactions.

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 profits, and operating margins by geographic segment, please refer to Supplementary Information of FY 2012, whose URL is http://www.bridgestone.com/ir/library/result/pdf/e_h24_supplementary.pdf

MANAGEMENT TASKS

Seeking to be the “World’s undisputed 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 will strive to realize the mission spelled out in its corporate philosophy—“Serving Society with Superior Quality.” In addition, the Group will solidify its business footing in Japan and will rigorously proceed with Group and global business development on the strong foundation of its Japanese business.

In accordance with this fundamental approach, we position the strategic business unit (SBU) organization and the Mid-Term Management Plan (MTP) as the foundation of management, and, striving to be a true global corporation with management optimized on a Group-wide basis, we step-up the pace of management reforms and advance operational development.

The Companies face rapid, major structural changes that can significantly affect earnings, including changes in the composition of demand, new competition, and

fluctuations in currency exchange rates and the prices of raw materials and feedstocks. 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, although there are signs of recovery in U.S. business conditions, there are also concerns about a serious economic recession in Europe and about decelerating economic growth in emerging countries. The degree of uncertainty and risk in the global economy has increased beyond previous levels.

To respond quickly to this uncertainty and risk, we will strengthen bottom-up proposal functions from the front lines, communication intended to optimize Group and global operations, and teamwork for the full utilization of Group resources. In accordance with the Lean & Strategic approach, we will create new customer value through both technology innovation and business model innovation. In this way, we will strive to be “Dan-Totsu” of the industry in all aspects of businesses.

MTP2012 Target Performance

Management Target

- To achieve status as a true global corporation
- To achieve “Dan-Totsu” in all our industries

Target Performance

- **ROA**
More than 6%, “improve further” as target
- **Net sales**
Yearly average over 5% increase
- **Operating income ratio**
Achieve 10% as early as possible, “improve further” as target
- **Capital expenditure**
Yearly average 250 billion Yen, approximately 50% for tire strategic projects

Five Approaches

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

In our MTP 2012, which was announced in October 2012, we have formulated five items as initiatives to be “Dan-Totsu.”

The first is expansion of strategic tire products and businesses. In passenger tires, including runflat tires, UHP tires, and winter tires, we will incorporate the Group’s leading-edge technologies and take steps to aggressively expand sales on a Group-wide basis. In the truck and bus tire segment, in order 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 off-the-road radial tire market for construction and mining vehicles, we will promote new plant project in North America and will build a new plant in Thailand as second overseas production site of off-the-road radial tire. In this way, we will strengthen our system in order to respond rapidly and with flexibility to changes in the operating environment.

The second initiative is focused on reinforcing fundamental competencies, specifically by leveraging optimized specifications and reviewing cost for processing while enhancing safety and quality in order to bolster overall supply chain competitiveness. In optimizing specifications, the fundamental task is to meet the quality requirements demanded by the market. On that basis, we will focus on technical developments that also contribute to the environment, with a focus on achieving enhanced safety and reducing raw material consumption (half weight). We will strive to maximize those effects through integrated activities that combine product development, production technologies, and procurement/internal manufacturing. In reviewing cost 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

Creation of New Customer Value through Technology and Business Model Innovation

The Bridgestone Group will work to reinforce the strengths of its “vertical and horizontal expansion.”

In this way, we will strive to achieve “technology innovation” in raw materials, products, and services, and to realize “business model innovation” in the conduct of solution-based businesses from the customer’s perspective.

Technology innovation

Raw materials	<ul style="list-style-type: none"> • Guayule • Russian dandelion • Biomass synthetic rubber
Products	<ul style="list-style-type: none"> • Strategic products • 100% sustainable material concept • Air Free Concept
Services	<ul style="list-style-type: none"> • Contact Area Information Sensing technology (CAIS) • Tire Printing Technology

Business model innovation

Fleet solution	• Solutions package proposals combining new tires, retread tires, and maintenance services
Mining solution	• New customer value created by combining Bridgestone products and services

MANAGEMENT TASKS

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 advance initiatives that fully leverage our ability to rapidly respond to market needs. 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 business planning based on the principles of selection and concentration in diversified products business. Through further strengthening our global business, working to develop new business models and leveraging technological strengths in such areas as rubber, adhesives, and reinforcement materials, we will work to expand profits, mainly from Anti-Vibration Rubber, belts, hoses, rubber crawlers, and seismic isolation rubber businesses in chemical and industrial products operations. In addition, in BSAM’s diversified products business, we

will reinforce the building products operations, centered on roofing products.

The fifth initiative involves environmental activities and eco-friendly products and businesses. In accordance with the recently reissued and reinforced global Environmental Mission Statement, we have determined the long-term direction of the Companies’ environmental activities. Moving forward, we will target the realization of three societies—an ecological conservation society, a resource conservation society, and a reduced CO₂ emissions society. We have already established certain numerical objectives to support these three societies, such as targets for CO₂ emission reductions, taking into consideration 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.

The Group believes that in order to realize a basic system for implementing those strategies and measures, it must optimize organizational systems on a Group and global basis and undertake a Mid-Term Management Plan that is



Bridgestone’s resources for vertical integration: upstream rubber operations in Indonesia (left) and downstream Cockpit, a retail outlet in Thailand

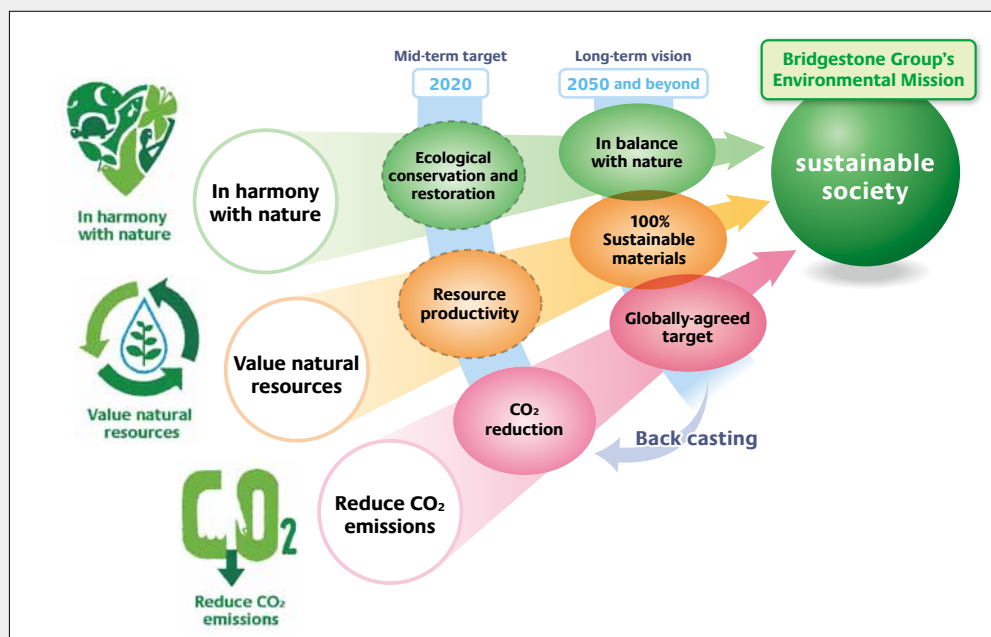
consistent for the Group as a whole. Therefore, the Group will continue to strengthen those aspects of its operations.

As an organizational systems initiative, the Group 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 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 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.

Bridgestone's Long-term Environmental Vision

In April 2012, the Bridgestone Group set a long-term environmental vision for the year 2050 and beyond with respect to the three objectives of our Environmental Mission Statement - namely, ecological conservation, resource conservation and reduction of CO₂ emissions - in order to help establish a more sustainable society.



RESEARCH AND DEVELOPMENT

The Group's mission of "Serving Society with Superior Quality" mandates an unending quest to create higher value-added products worldwide to fulfill increasingly diverse societal requirements and market needs. To respond appropriately to rapidly changing market trends, such as changes in demand and competitive structure, the 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 of the Group is to be "Dan-Totsu" of technology in each business domain in accordance with the Mid-Term Management Plan.

The Group conducts technical development in a wide range of fields, from the development of raw materials, products, and services to future-focused fundamental and production technologies. Technologies that optimize quality and minimize cost of the product from the raw materials level can facilitate reductions in raw material consumption and contribute to environmental conservation and can help offset higher prices for raw materials. Activities also focus on contributing to the development of business solutions that provide products and services with added value.

Tires

R&D programs in the tire segment are based on the development philosophy of "peace-of-mind" for everything. The Group seeks to create tires with higher added value through the pursuit of three core elements of technology and product development of tires: environment, safety, and comfort. Based on the above-

mentioned philosophy, the Group strives to further reinforce this area as core eco-friendly product group and businesses and strategic product group and business.

With regard to minimizing environmental impact, the Group will endeavor to develop eco-friendly tires that fulfill three environmental goals of the Group's Environmental Mission Statement: in harmony with nature, value natural resources, and reducing CO₂ emissions. In 2012, the Group established a long-term environmental vision targeting 2050 and beyond in these three activity areas. These initiatives are designed to promote safety and comfortable mobility in the future and to help realize a sustainable society.

Regarding the activity of "In harmony with nature," the Group is developing a new method of inhibiting disease in rubber trees in order to advance the productivity of natural rubber. The introduction of a scientific diagnostic methodology enables easier and speedier visual diagnosis of disease.

Regarding the activity of "Value natural resources," the Group has set the goal of continuously using "100% sustainable materials" in our products as the long-term vision for 2050 and beyond as tire technology for the future. We will take the following actions as we work towards this goal; (1) reduce raw material consumption, (2) recycle resources and use them efficiently, and (3) expand and diversify renewable resources. Specifically, regarding (3) expand and diversify renewable resources, the Group is accelerating R&D activity for renewable natural rubber by developing Guayule and Russian dandelion. At the 2012 Paris Motor Show the Group exhibited a concept tire of "100% sustainable materials."



Guayule



Russian dandelion

Further, the Group is targeting the year 2020 for commercial sale of certain sustainable materials used in the manufacturing process.

Regarding the activity of “Reducing CO₂ emissions,” the Group believes that the development of tires with reduced rolling resistance designs, which enhance fuel efficiency, can make a major contribution to the reduction of CO₂ emissions.

The Group’s ECOPIA line of eco-friendly tires features reduced rolling resistance without impairing safety, which is achieved in part through the use of NanoPro-Tech (Nanostructure-Oriented Properties Control Technology), a Group-patented technology.

The Group has begun to supply ECOPIA tires as original equipment passenger tires for the TOYOTA PRIUS PHV, Mitsubishi Mirage, Nissan Serena S hybrid, and other cars.

In the replacement market in Japan, the Group has launched The ECOPIA EP001S, which has obtained the highest rank—AAA—for rolling resistance performance and the highest rank “a” for wet grip performance under the Japan Automobile Tire Manufacturers Association, Inc.’s “Labeling System.” Moreover, the Group has launched “ECOPIA EV – 01” for electric cars, which is developed based on the noise sensory assessment in collaboration with an outside research institute and noise restraining technology cultivating by “REGNO.” In the future, the Group will continue to take aggressive steps to further enhance the ECOPIA lineup, including global development and expanding original equipment offerings on new cars.

The Group has positioned runflat tires as an important strategic product line. The Group is actively working to

promote the use of runflat tires, which continue to function at a specified speed for a specified distance after the loss of air pressure. In addition, since the runflat 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’s strategic products also include off-the-road radial tires for construction and mining vehicles. The use of advanced technologies in these products has earned an excellent reputation of the Group in the marketplace. The Group’s new off-the-road plant in Aiken County, South Carolina, USA will begin production in 2014, followed in 2015 by the new construction and mining radial tire plant in Rayong, Thailand. The Group is expanding its production and supply capacities by developing the production technologies overseas. Moreover, the Group launched a new system of monitoring tire pressure and thermal management “B-TAG” which is sending information measured by a uniquely developed sensor to drivers in real. The Group will deploy this new solution business globally in the future.

The solutions business using retread tires contributes to improve total life and fuel efficiency by integrating new tires, retread tires and maintenance. The Group is developing Bandag Retread Factory outlets that offer integrated manufacturing, service, and sales of retread tires at more locations globally. In addition, the Group is also developing the Eco Value Pack, which contributes to environmental conservation, cost optimization and safe operation domestically. As for new technologies for the future, the Group successfully developed the TRISAVER, a new truck and bus tire manufacturing technology,



Concept tire of
“100% sustainable materials”



TRISAVER

RESEARCH AND DEVELOPMENT

which results in both significant resource conservation and enhanced fuel efficiency by using the retread technology. While new tires are manufactured by vulcanizing all the materials at once, the TRISAVER technology employs separate vulcanizing of the casing (the original body of the tire) and the tread (the rubber component of the tire that makes contact with the road). This new technology greatly reduces rolling resistance compared to conventional tires, and at the same time enhances durability, thereby potentially increasing the number of times the tire can be retreaded.

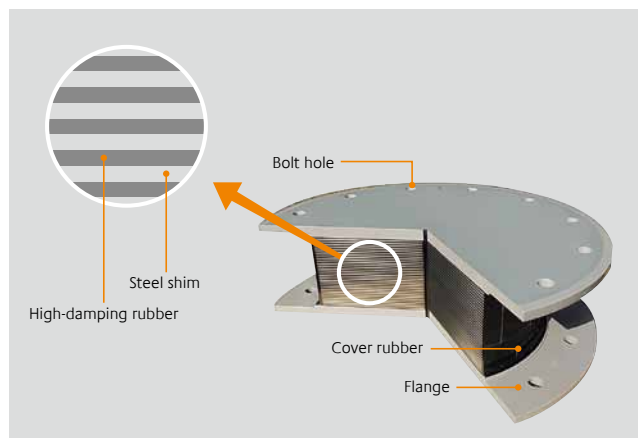
Diversified products business

In the diversified products business, the Group continues working to strengthen its product lineups in key operational fields. At the same time, the Group is tackling 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 highly regarded in the marketplace. That quality was made possible by the Group's original material composition technologies and superior precision processing technologies. Solar modules provide an environmentally friendly system for generating green power and demand for them is expected to grow in the medium and long term. By working to achieve further increases in the performance of the Group's products and taking aggressive steps to boost our production capacity, the Group is making a contribution to the spread of green energy.

Regarding rubber for the seismic isolation of buildings, which prevents building collapse and damage by earthquakes, the Group continues to develop high-performance products while considering the environment. The Group has begun to sell new products designed to reduce impact on the environment both during production and after use, through the use of materials developed to replace lead, which provided an attenuation characteristic.

The Group successfully developed Anti-Vibration Rubber with significantly reduced weight in comparison with conventional products by mixing with plastic torque rod and resinifying clasp. This product was appreciated due to the contribution to improvement of fuel consumption efficiency by resources-saved product and car weight saving. Consequently, the product was awarded the Chairman's Prize from the Chairman of Japan Management Environmental Association for industry, 2012 Resource Recycle Technology System Honor.



Rubber for the seismic isolation of buildings (High-damping rubber bearing)



Anti-Vibration Rubber

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 nine directors, including four outside directors, as of December 31, 2012. At the General Meeting of Shareholders held on March 26, 2013, all of the directors reached the end of their tenure, and eight directors, including four outside directors, were elected.

Bridgestone has adopted 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. As of December 31, 2012, the Board of Corporate Auditors has four members, including three outside corporate auditors, one of whom is a full-time outside corporate auditor.

In addition, to further raise the transparency and impartiality of corporate governance, on January 31, 2013, the Nominating Committee, Compensation Committee, and Governance Committee were established as advisory bodies to the Board of Directors. Following deliberations, these committees provide advice to the Board of Directors in regard to such matters as personnel issues that involve directors, the compensation of directors (when the total amount of auditor compensation is revised, then that amount), and the governance system and related issues. These committees are composed of four outside directors, and one or more corporate auditors participate as observers.

In regard to personnel and compensation matters that involve corporate officers who are not concurrently

serving as directors, the Officer Nomination and Compensation Committee serves as an advisory body to the CEO and Representative Board Member (CEO) and the COO and Representative Board Member (COO), who are the leaders of the operating divisions. Following deliberations, this committee provides advice to CEO and COO, and then further deliberations are held at meetings of the Board of Directors, which makes decisions. The Officer Nomination and Compensation Committee is composed of five or more members who are selected from among directors, corporate officers, or divisional heads who have been nominated in advance by the Board of Directors. In addition, one or more corporate auditors participate as observers.

Bridgestone has a management system in which CEO and COO are the leaders of the operating divisions. CEO is principally in charge of overall management and strategy, and COO is principally in charge of operations. At the same time, these two officers implement a system of mutual checks. In addition, the Chairman of the Board leads meetings of the Board of Directors and the General Meeting of Shareholders. The Company has taken steps to further strengthen its corporate governance system by separating and clarifying the respective roles and authority of CEO, COO, and Chairman of the Board; by advancing the sharing of information; and by increasing the transparency of decision-making processes.

In the operating divisions, the Company has established the Executive Operational Committee, which deliberates and reports on specific matters set forth in Company policy as well as other important matters. In addition to key corporate officers, such as CEO and COO, the full-time corporate auditors are also standing members of the Executive Operational Committee. In this way, the committee ensures that information about the status of management execution is shared and that the supervisory function is fulfilled. As described above, the Officer Nomination and Compensation Committee has been established as an advisory body to CEO and COO. The committee provides advice on personnel and compensation matters that involve corporate officers who are not concurrently serving as board members.

In addition to compliance with laws, regulations, and the articles of incorporation, the Company has formulated a structure to promote compliance and basic policies,

CORPORATE GOVERNANCE, COMPLIANCE, AND RISK MANAGEMENT

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 maintain 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 helpline which provides 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. Moving forward, Bridgestone will continue to advance compliance activities as one facet of its CSR.

Risk management activities, led by the Chief Risk 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. CRO is also responsible for contingency planning activities which 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 Group-wide 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 organizations or groups that are illegal or threaten public order or safety, and are 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.

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

The corporate auditors conduct their 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 important 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 meetings with the corporate auditors of major Bridgestone subsidiaries in Japan. Bridgestone has established Corporate Auditor Office with dedicated staff as the organization to support the Board of Corporate Auditor.

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 31 people (excluding those working concurrently in other positions) as of December 31, 2012. 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 2012 included four certified public accountants, eight assistants who were certified public accountants, four associate members of the Japan Institute of Certified Public Accountants, and eight 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.

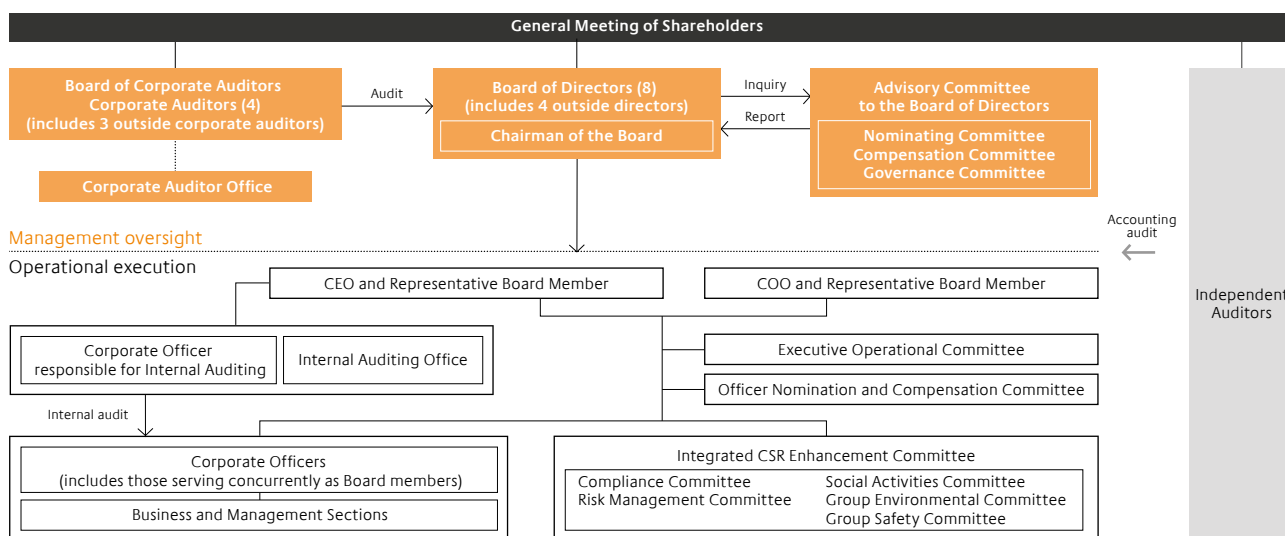
Outside directors and outside corporate auditors

As of March 26, 2013, the Company has four outside directors and three outside corporate auditors.

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. 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 26, 2013

BOARD OF DIRECTORS AND CORPORATE AUDITORS As of March 26, 2013

BOARD OF DIRECTORS



Masaaki Tsuya
CEO and Representative Board Member
Concurrently Chairman of the Board



Kazuhisa Nishigai
COO and Representative Board Member



Yoshiyuki Morimoto



Narumi Zaitso



Sakie Tachibana Fukushima¹



Takao Enkawa¹



Kimiko Murofushi¹



Scott Trevor Davis¹

¹ Outside Director as set forth in Article 2-15 of the Companies Act of Japan

BOARD OF CORPORATE AUDITORS

Mikio Masunaga (Full-Time)

Katsuji Hayashi² (Full-Time)

Kenichi Masuda²

Tomoko Watanabe²

² Outside Corporate Auditor as set forth in Article 2-16 of the Companies Act of Japan

For information regarding corporate officers, please refer to the Bridgestone Data 2013.

http://www.bridgestone.co.jp/corporate/library/data_book/pdf/BSDATA2013.pdf

For information regarding major subsidiaries, please refer to the Business Report for the 94th Fiscal Period.

http://www.bridgestone.com/ir/library/business_reports/pdf/business_report_for_the_94th_fp.pdf

SHAREHOLDER INFORMATION As of January 1, 2013

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

143,448

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

316 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

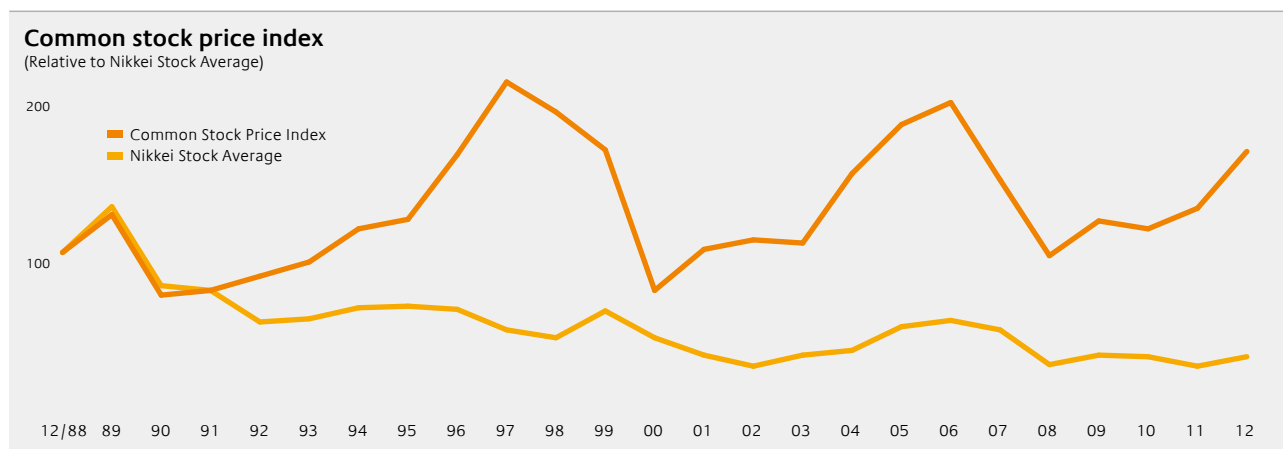
Common stock traded

Tokyo, Nagoya, Osaka, Fukuoka

Common stock price range

(Tokyo Stock Exchange)

	2006	2007	2008	2009	2010	2011	2012
							Yen
High	2,945	2,715	2,170	1,813	1,700	2,002	2,245
Low	1,903	1,941	1,215	1,094	1,396	1,506	1,602



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