



Financial Results for 1st Half of Fiscal 2018

Bridgestone Corporation

August 9, 2018

BRIDGESTONE
Your Journey, Our Passion

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1. Business and Financial Performance
for 1st Half of Fiscal 2018

Business Environment Surrounding Bridgestone Group



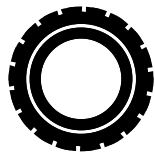
Currency Exchange

- USD: Stronger JPY, EUR: Weaker JPY vs PY
1USD=109yen, 1EUR=131yen
(Ref.) 2017H1 : 1USD=112yen 1EUR=122yen



Raw Material Prices

- Natural Rubber : Lower vs PY
Crude Oil : Higher vs PY



Tire Demand (PSR/TBR)

- Despite weaker demand in Japan due to early buying in 2017, global tire demand continues to grow steadily.

Market trend of natural rubber and crude oil (Average)

	2017		2018
	1 st Half	2 nd Half	1 st Half
Natural Rubber 〈TSR20〉* (¢/kg)	181	148	143
Natural Rubber 〈RSS#3〉* (¢/kg)	229	170	168
Crude Oil 〈WTI〉 (\$/bbl)	50	51	65

*Source: Singapore Commodity Exchange Limited

Tire Demand (Year-on-Year/unit base%)

*1 Note: The numbers of demand are estimated by Bridgestone Corporation

	PSR		TBR	
	OE	REP	OE	REP
Japan	100%	94%	96%	87%
N.America	97%	101% (USTMA97%)	118%	105% (USTMA98%)*2
Europe	102%	99%	103%	100%

*2 Source: U.S. Tire Manufacturers Association

Tire Sales Growth for 1st Half of Fiscal 2018

(Year-on-Year, unit base)



PSR

OE & REP

Global	99%
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OE

Japan	103%
N. America	112%
Europe	102%
China/ Asia Pacific	109%

REP

Japan	94%
N. America	93%
Europe	99%
China/ Asia Pacific	93%



TBR

OE & REP

Global	103%
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OE

Japan	97%
N. America	136%
Europe	116%
China/ Asia Pacific	134%

REP

Japan	86%
N. America	89%
Europe	97%
China/ Asia Pacific	102%



ORR ※

Ultra-Large	115%
Large	105%

-Steady growth in H1



PSR

HRD (≥ 18")

Global	120%
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※ Note: Based on rubber weight for Ultra-Large and Large ORR

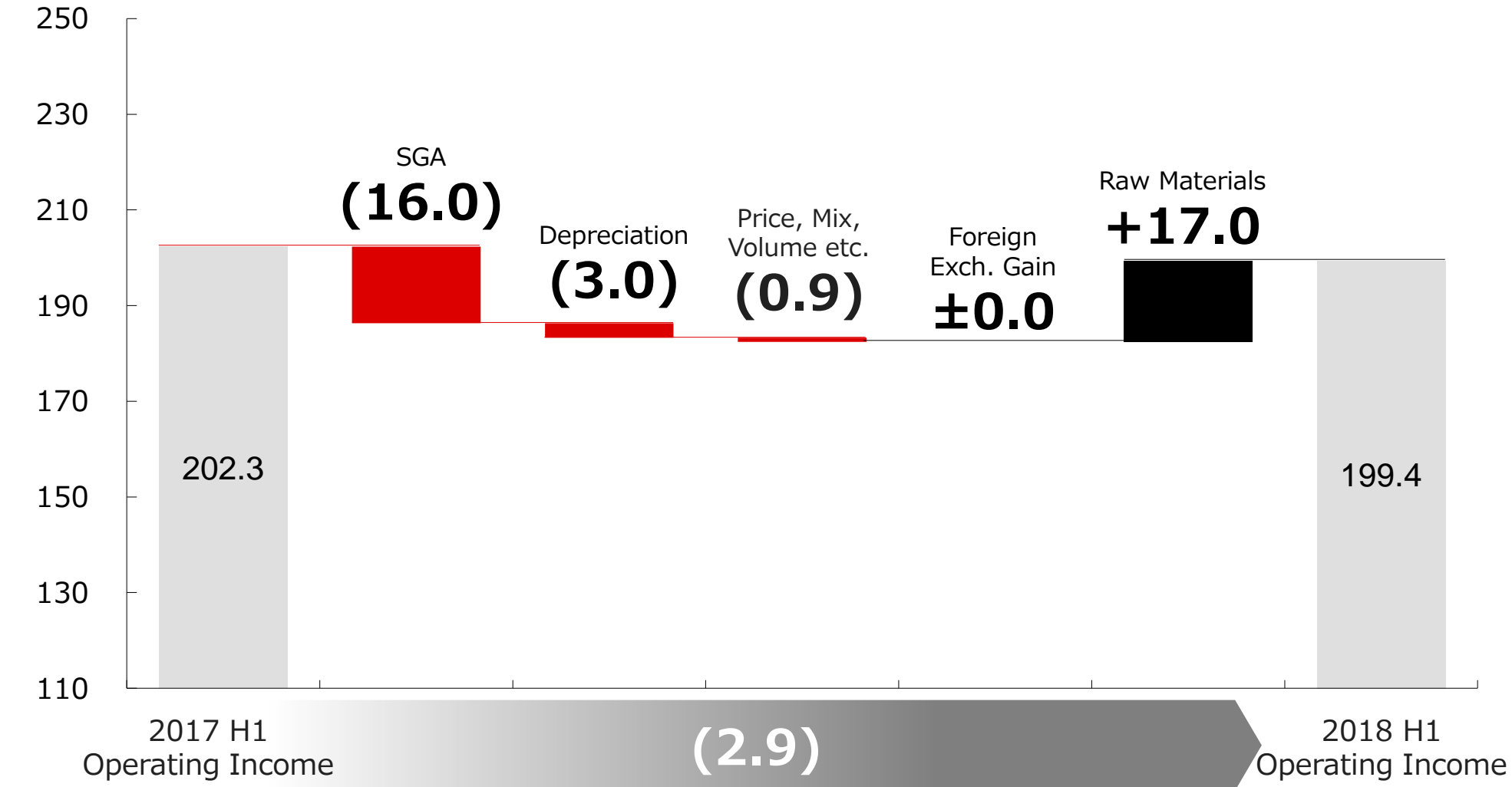
Consolidated Results for 1st Half of Fiscal 2018 (Yen in billions)

Note: Figures within parentheses mean minus

	2017 1 st Half Results	2018 1 st Half Results	vs PY (%)	(Ref. Feb 16, 2018 announcement) 2018 1 st Half Projections
Net Sales	1,742.8	1,775.4	+2	1,810.0
Tires	1,439.7	1,474.0	+2	1,490.0
Diversified Products	310.7	311.6	-	320.0
Operating Income	202.3 (Ratio) 11.6%	199.4 (Ratio) 11.2%	(1) (Ratio) (0.4pt)	196.0 (Ratio) 10.8
Tires	185.1	190.6	+3	180.0
Diversified Products	17.1	8.9	(48)	16.0
Ordinary Income	195.8	190.7	(3)	184.0
Profit Attributable to Owners of Parent	131.8	134.6	+2	129.0
Dividends per Share	70 yen	80 yen	+10 yen	80 yen
US Dollar / Yen rate:	112 yen	109 yen	(3) Yen	108 yen
Euro / Yen rate:	122 yen	131 yen	+9 yen	132 yen

Analysis of Consolidated Operating Income for 1st Half of Fiscal 2018

(Yen in billions)



Note: Figures within parentheses mean minus

Financial Results for 1st Half of Fiscal 2018: Geographic Segments

(Yen in billions)

Note: Figures within parentheses mean minus

	2017 1 st Half Results	2018 1 st Half Results	vs PY (%)	(Ref. Feb 16, 2018 announcement) 2018 1 st Half Projections
Consolidated Net Sales	1,742.8	1,775.4	+2	1,810.0
Japan	534.5	549.4	+3	560.0
The Americas	863.3	861.0	-	870.0
EMEA	270.9	295.1	+9	300.0
China, Asia-Pacific	310.5	320.9	+3	320.0
Consolidated Operating Income	202.3	199.4	(1)	196.0
Japan	65.0	72.1	+11	67.0
The Americas	89.8	89.3	(1)	93.0
EMEA	5.3	5.6	+6	7.5
China, Asia-Pacific	34.8	32.5	(7)	32.0

B/S Highlights for 1st Half of Fiscal 2018

(Yen in billions)

Note: Figures within parentheses mean minus

	FY 2017 (As of Dec.31, 2017)	FY 2018 1 st Half (As of Jun.30, 2018)	vs Dec. 31, 2017
Total Assets	3,959.0	3,789.5	(169.5)
incl. Total Current Assets	1,987.0	1,908.0	(78.9)
incl. Total Fixed Assets	1,972.0	1,881.4	(90.5)
Net Assets	2,402.7	2,382.4	(20.2)
Ratio of total equity to total assets	59.2%	61.4%	+2.2%
Interest-Bearing Debt(Net)	(42.7)	22.4	+65.1
	2017 1 st Half Results	2018 1 st Half Results	vs PY
Capital Expenditure	77.8	109.8	+32.0
Depreciation	96.0	98.0	+1.9

2. Consolidated Projections for Fiscal 2018

Forecast of Business Environment Surrounding Bridgestone Group

("Projection"; released on Feb. 16th, 2018)



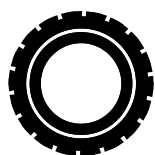
Currency Exchange

- USD: Stronger JPY, EUR: Weaker JPY vs PY
1USD=108yen, 1EUR=128yen
(Ref.) 2017 FY 1USD=112yen 1EUR=127yen
Projection FY 1USD=108yen 1EUR=132yen



Raw Material Prices

- Natural Rubber : Lower vs PY
Crude Oil : Higher vs PY



Tire Demand (PSR/TBR)

- Continues steady growth globally

Currency Exchange Assumption

(Yen)	2018		FY
	1 st Half	2 nd Half	
US Dollar	109	108	108
Euro	131	125	128

Estimated Tire Demand (Year-on-Year/unit base%)

Note: The numbers of demand are estimated by Bridgestone Corporation

	PSR		TBR	
	OE	REP	OE	REP
Japan	100%	99%	97%	99%
N.America	99%	101%	111%	104%
Europe	103%	99%	104%	104%
Asia*1	102%	102%	106%	102%

*1 Total of Thailand, Indonesia, India and China

Tire Sales Growth Projections for Fiscal 2018

(Year-on-Year, unit base)



PSR

OE & REP

Global	~+5%
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OE

Japan	~+5%
N. America	+11%~+15%
Europe	~+5%
China/ Asia Pacific	+6%~+10%

REP

Japan	~+5%
N. America	~-5%
Europe	~+5%
China/ Asia Pacific	~-5%



TBR

OE & REP

Global	+6%~+10%
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OE

Japan	around ±0%
N. America	+21%~+25%
Europe	+16%~+20%
China/ Asia Pacific	+16%~+20%

REP

Japan	~+5%
N. America	around ±0%
Europe	+6%~+10%
China/ Asia Pacific	around ±0%



ORR ※

Ultra-Large	120%
Large	110%

-Sustained growth in
Ultra-Large and Large ORR



PSR

HRD (≥ 18")

Global	115%
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※ Note: Based on rubber weight for
Ultra-Large and Large ORR

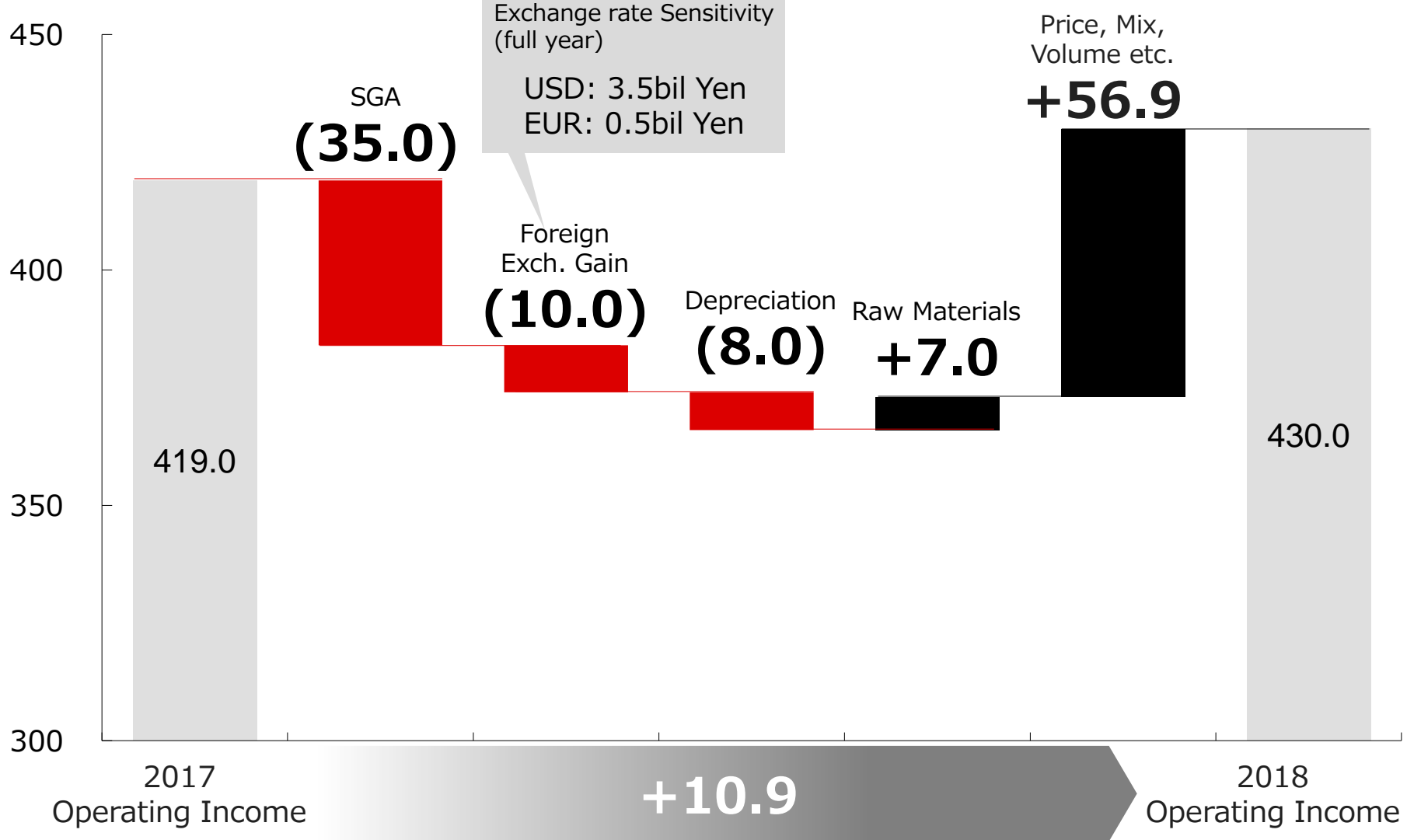
Consolidated Projections for Fiscal 2018

(Yen in billions)

	2017 Results	2018 Projections	VS PY (%)	(Ref. Feb 16, 2018 announcement) 2018 Projections
Net Sales	3,643.4	3,700.0	+2	3,800.0
Tires	3,031.1	3,080.0	+2	3,170.0
Diversified Products	627.8	620.0	(1)	640.0
Operating Income	419.0 (Ratio) 11.5%	430.0 (Ratio) 11.6%	+3 (Ratio) +0.1pt	463.0 (Ratio) 12.2%
Tires	387.1	413.0	+7	429.0
Diversified Products	31.8	16.0	(5.0)	34.0
Ordinary Income	400.5	403.0	+1	439.0
Profit Attributable to Owners of Parent	288.2	305.0	+6	308.0
Dividends per Share	150 yen	160 yen	+10 yen	160 yen
Yen/US dollar rate:	112 yen	108 yen	(4) Yen	108 yen
Yen/Euro rate:	127 yen	128 yen	+1 yen	132 yen

Analysis of Consolidated Operating Income for Fiscal 2018

(Yen in billions)



Projections for Fiscal 2018: Geographic Segments

(Yen in billions)

Note: Figures within parentheses mean minus

	2017 Results	2018 Projections	vs PY (%)	(Ref. Feb 16, 2018 announcement) 2018 Projections
Consolidated Net Sales	3,643.4	3,700.0	+2	3,800.0
Japan	1,147.8	1,180.0	+3	1,200.0
The Americas	1,776.5	1,750.0	△1	1,800.0
EMEA	559.8	590.0	+5	610.0
China, Asia-Pacific	648.8	670.0	+3	690.0
Consolidated Operating Income	419.0	430.0	+3	463.0
Japan	160.2	156.0	△3	164.0
The Americas	187.5	197.0	+5	220.0
EMEA	13.6	21.0	+54	23.0
China, Asia-Pacific	62.9	67.0	+6	72.0

Summary

Consolidated Financial Results

H1 Results	In line with the guidance on operating income with proper SGA control
FY Projection	Increase operating income from PY through; -sales growth incl. Solution business -continuous sales mix improvement

Highlights

- Steady demand growth globally, sales growth with sales promotion
- Ultra-large and Large ORR sales growth throughout the year
- In line with the guidance on positive impact of selling price
- The Americas: To increase operating income from PY
 - Strong sales growth in ≥ 18 tires by expansion of Wilson and Joliette plants
 - Focus on product mix and cost improvement
 - New national distributor, Tirehub launched in July, 2018



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