

Consolidated Financial Statements for the First Three Quarters of the Fiscal Year Ending December 31, 2024 <under IFRS>

November 11, 2024

These financial statements, prepared in accordance with International Financial Reporting Standards (IFRS), have been translated for reference only from the original Japanese-language document "KESSAN TANSHIN." The entire format is pursuant to the requirements or guidance of Tokyo Stock Exchange. As for the contents, if there are any differences or discrepancies between the original Japanese-language and the English translation, the original Japanese-language supersedes this English translation.

Company name: **Bridgestone Corporation** Stock exchange listings: Tokyo, Fukuoka
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Scheduled date of dividend payment commencement: –
Supplementary information for the financial statements to be prepared: Yes
Meeting to explain the financial statements to be held: Yes

(All amounts are rounded off the nearest million yen)

1. Consolidated Results for the First Three Quarters of FY2024 (January 1, 2024 - September 30, 2024)

(1) Consolidated Operating Results (Percentage figures represent year-on-year changes)

	Figures for continuing operations (Note 2)							
	Revenue		Adjusted operating profit (Note 1)		Operating profit		Profit attributable to owners of parent	
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%
Nine months ended September 30, 2024	3,269,411	2.2	353,196	(2.5)	377,125	0.4	252,452	(5.0)
Nine months ended September 30, 2023	3,198,144	7.4	362,259	5.9	375,795	22.3	265,665	22.3

	Figures including discontinued operations					
	Profit attributable to owners of parent		Comprehensive income		Basic earnings per share	Diluted earnings per share
	Yen in millions	%	Yen in millions	%	Yen	Yen
Nine months ended September 30, 2024	252,726	(5.3)	270,504	(52.4)	369.09	368.70
Nine months ended September 30, 2023	266,732	41.3	568,159	(8.3)	389.68	389.20

- (Notes) 1. The Group utilizes "adjusted operating profit," which is determined by adding or subtracting certain adjustment items to or from pre adjusted metrics (operating profit). For details on reconciliations, please refer to page 9, "Segment information" under "2. Condensed Quarterly Consolidated Financial Statements and Primary Notes (5) Notes to the Condensed Quarterly Consolidated Financial Statements."
2. The Group classified anti-vibration rubber business and chemical products solutions business as discontinued operations, thereby deducting such discontinued operations from monetary amounts of the nine months ended September 30, 2023 and nine months ended September 30, 2024.

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Yen in millions	Yen in millions	Yen in millions	%
As of September 30, 2024	5,380,879	3,527,109	3,477,786	64.6
As of December 31, 2023	5,427,813	3,405,394	3,353,592	61.8

2. Dividends

	Dividend per share				
	1st quarter end	2nd quarter end	3rd quarter end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2023	–	100.00	–	100.00	200.00
FY2024	–	105.00	–		
FY2024 (Projection)				105.00	210.00

(Note) Changes from the latest forecasts released: No

3. Consolidated Financial Results Forecasts for FY2024 (January 1, 2024 - December 31, 2024)

(Percentage figures represent year-on-year changes)

	Figures for continuing operations				Figures including discontinued operations			
	Revenue		Adjusted operating profit		Profit attributable to owners of parent		Basic earnings per share	
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen	
FY2024	4,410,000	2.2	490,000	2.0	336,000	1.4	490.69	

(Note) Changes from the latest forecasts released: No

Amounts for profit attributable to owners of parent, and basic earnings per share for continuing operations only are as follows:

- Profit attributable to owners of parent: ¥336,000 million
- Basic earnings per share: ¥490.69

*Notes

(1) Significant changes in scope of consolidation during the nine months ended September 30, 2024: No

(2) Changes in accounting policies and changes in accounting estimates

- 1) Changes in accounting policies required by IFRS : No
- 2) Changes in accounting policies other than 1) : No
- 3) Changes in accounting estimates : No

(3) Number of issued shares (common stock)

1) Total number of issued shares at period end (including treasury stock):

September 30, 2024	713,698,221 shares
December 31, 2023	713,698,221 shares

2) Number of shares of treasury stock at period end:

September 30, 2024	28,884,140 shares
As of December 31, 2023	29,047,171 shares

3) Average number of shares outstanding during the period (during the first three quarters):

First Three Quarters ended September 30, 2024	684,732,664 shares
First Three Quarters ended September 30, 2023	684,498,061 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: Yes (voluntary)

* Statement regarding appropriate use of forward-looking statements and other notes

Forecasts based on our projections and plans for the future in this document contain unpredictable elements that may cause fluctuations. As such, they do not constitute guarantees by the Company of the achievement of those forecasts. Accordingly, actual business results may differ substantially from the Company's current assessment.

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1. Operating Results

For details on the operating results for the nine months ended September 30, 2024, please refer to “Financial Results for 3rd Quarter of Fiscal 2024” released today (November 11, 2024) on TDnet and presentation materials for the financial statements, etc. released on the Company’s website.

2. Condensed Quarterly Consolidated Financial Statements and Primary Notes**(1) Condensed Quarterly Consolidated Statement of Financial Position**

(Yen in millions)

	As of December 31, 2023	As of September 30, 2024
Assets		
Current assets		
Cash and cash equivalents	724,601	556,356
Trade and other receivables	952,307	986,391
Inventories	868,578	942,738
Other financial assets	10,792	13,661
Other current assets	138,063	152,891
Subtotal	2,694,341	2,652,037
Assets held for sale	3,093	1,887
Total current assets	2,697,434	2,653,924
Non-current assets		
Property, plant and equipment	1,738,506	1,719,971
Right-of-use assets	319,135	315,522
Goodwill	149,990	148,823
Intangible assets	200,858	202,027
Investments accounted for using equity method	41,183	42,267
Other financial assets	131,210	140,848
Deferred tax assets	88,141	93,270
Other non-current assets	61,357	64,225
Total non-current assets	2,730,379	2,726,954
Total assets	5,427,813	5,380,879

(Yen in millions)

	As of December 31, 2023	As of September 30, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	599,240	508,828
Bonds and borrowings	258,074	150,399
Lease liabilities	61,308	62,455
Income taxes payable	91,124	108,033
Other financial liabilities	49,659	29,660
Provisions	35,489	40,488
Other current liabilities	168,858	207,754
Subtotal	1,263,753	1,107,617
Liabilities directly associated with assets held for sale	1,058	1,392
Total current liabilities	1,264,811	1,109,009
Non-current liabilities		
Bonds and borrowings	239,789	239,041
Lease liabilities	270,989	269,405
Other financial liabilities	9,901	10,967
Retirement benefit liabilities	153,511	149,382
Provisions	40,255	35,131
Deferred tax liabilities	30,946	28,551
Other non-current liabilities	12,217	12,283
Total non-current liabilities	757,608	744,760
Total liabilities	2,022,419	1,853,769
Equity		
Common stock	126,354	126,354
Capital surplus	120,300	120,659
Treasury stock	(135,409)	(134,650)
Other components of equity	531,127	540,147
Retained earnings	2,711,220	2,825,276
Total equity attributable to owners of parent	3,353,592	3,477,786
Non-controlling interests	51,803	49,324
Total equity	3,405,394	3,527,109
Total liabilities and equity	5,427,813	5,380,879

(2) Condensed Quarterly Consolidated Statement of Profit or Loss

(Yen in millions)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Continuing operations		
Revenue	3,198,144	3,269,411
Cost of sales	1,971,022	1,980,629
Gross profit	1,227,121	1,288,782
Selling, general and administrative expenses	875,724	941,129
Other income	35,105	74,936
Other expenses	10,707	45,464
Operating profit	375,795	377,125
Finance income	30,508	21,877
Finance costs	49,579	38,778
Share of profit (loss) of investments accounted for using equity method	341	(1,588)
Profit before tax	357,065	358,637
Income tax expense	86,034	101,113
Profit from continuing operations	271,032	257,524
Discontinued operations		
Profit from discontinued operations	1,067	274
Profit	272,098	257,798
Profit attributable to		
Owners of parent	266,732	252,726
Non-controlling interests	5,366	5,072
Profit	272,098	257,798
Earnings per share		
Basic earnings per share (Yen)		
Continuing operations	388.12	368.69
Discontinued operations	1.56	0.40
Total	389.68	369.09
Diluted earnings per share (Yen)		
Continuing operations	387.64	368.30
Discontinued operations	1.56	0.40
Total	389.20	368.70

(3) Condensed Quarterly Consolidated Statement of Comprehensive Income

(Yen in millions)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Profit	272,098	257,798
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of financial assets measured through other comprehensive income	12,998	20
Remeasurements of defined benefit plans	(7,810)	480
Share of other comprehensive income of investments accounted for using equity method	(2)	(7)
Total of items that will not be reclassified to profit or loss	5,186	492
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	297,028	8,291
Effective portion of change in fair value of cash flow hedges	(4,969)	(1,048)
Share of other comprehensive income of investments accounted for using equity method	(1,184)	4,971
Total of items that may be reclassified to profit or loss	290,875	12,214
Other comprehensive income, net of tax	296,061	12,706
Comprehensive income	568,159	270,504
Comprehensive income attributable to		
Owners of parent	558,504	263,665
Non-controlling interests	9,655	6,839
Comprehensive income	568,159	270,504

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(Yen in millions)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Cash flows from operating activities		
Profit before tax	357,065	358,637
Profit before tax from discontinued operations	1,146	403
Depreciation and amortization	227,527	261,238
Impairment losses	404	19,508
Increase (decrease) in accounts payable - bonuses	2,888	13,413
Increase (decrease) in retirement benefit liabilities	(7,579)	(4,924)
Interest and dividend income	(27,088)	(12,559)
Interest expenses	15,032	19,455
Foreign currency exchange loss (gain)	13,982	(4,973)
Share of loss (profit) of investments accounted for using equity method	(341)	1,588
Loss (gain) on sale of fixed assets	(16,493)	(70,599)
Business and plant restructuring income	(7,947)	(197)
Business and plant restructuring expenses	5,505	21,511
Loss on retirement of fixed assets	2,063	1,576
Decrease (increase) in trade and other receivables	5,691	(28,384)
Decrease (increase) in inventories	6,626	(71,327)
Increase (decrease) in trade and other payables	(72,495)	(33,184)
Increase (decrease) in refund liabilities	28,179	25,483
Other	(81,062)	(77,001)
Subtotal	453,102	419,664
Interest and dividends received	30,496	15,454
Interest paid	(14,387)	(18,822)
Income taxes paid	(44,729)	(95,811)
Net cash provided by (used in) operating activities	424,482	320,485
Cash flows from investing activities		
Payments for purchase of property, plant and equipment	(195,509)	(213,793)
Proceeds from sale of property, plant and equipment	21,491	76,026
Payments for purchase of intangible assets	(44,415)	(29,467)
Proceeds from sale of investment securities	25,046	2,113
Payments of long-term loans receivable	(16,794)	(11,127)
Collection of loans receivable	12,396	6,955
Other	(1,859)	(5,305)
Net cash provided by (used in) investing activities	(199,643)	(174,597)

(Yen in millions)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	34,543	28,038
Proceeds from long-term borrowings	22,734	–
Repayments of long-term borrowings	(16,201)	(35,044)
Redemption of bonds	–	(100,000)
Repayments of lease liabilities	(50,210)	(54,080)
Dividends paid to owners of parent	(129,955)	(140,233)
Dividends paid to non-controlling interests	(3,868)	(9,096)
Other	(4,468)	(163)
Net cash provided by (used in) financing activities	(147,425)	(310,578)
Effect of exchange rate changes on cash and cash equivalents	48,100	(3,272)
Net increase (decrease) in cash and cash equivalents	125,514	(167,962)
Cash and cash equivalents at beginning of period	518,905	724,601
Net increase (decrease) in cash and cash equivalents included in assets held for sale	342	(283)
Cash and cash equivalents at end of period	644,761	556,356

(5) Notes to the Condensed Quarterly Consolidated Financial Statements**(Notes regarding going concern assumption)**

Not applicable

(Segment information)**(1) Overview of reporting segments**

The Group's reporting segments are components of the Group for which discrete financial information is available, and that the Board of Directors and the Management Committee regularly review in order to decide the allocation of business resources and assess operating performance.

The Group has four reportable segments consisting of the "Japan," "Asia-Pacific, India and China," "Americas," and "Europe, Middle East and Africa" segments, structured as such to disclose business results more appropriately based on Strategic Business Units (SBU)—classification of the Group's businesses for management control purposes. Within the above segments, the Group runs its premium tire business, solutions business, chemical and industrial products and diversified products business, and other businesses.

The Group has changed the segment classification of the India business from the three months ended March 31, 2024 in line with its efforts to further strengthen its global management structure.

Accompanying this, the "China, Asia-Pacific" segment has been changed to the "Asia-Pacific, India and China" segment, and the "Europe, Russia, Middle East, India and Africa" segment has been changed to the "Europe, Middle East and Africa" segment. The transfer of Russian business has been completed in December 2023.

The Group classified anti-vibration rubber business and chemical products solutions business as discontinued operations, thereby deducting such discontinued operations from monetary amounts of the nine months ended September 30, 2023 and nine months ended September 30, 2024.

(2) Segment revenue and business results

Revenue and business results of the continuing operations by reportable segment of the Group are as follows. The Board of Directors assesses the segment performance and determines resource allocation after reviewing revenues and adjusted operating profit. Internal sales or transfers between segments are determined primarily at selling prices based on arm's length transaction prices or total cost. Also, figures for the nine months ended September 30, 2023 have been reclassified in accordance with the new segment structure described in (1).

Nine months ended September 30, 2023

(Yen in millions)

	Reportable segments					Other (Note)	Corporate or elimination	Consoli- dated total
	Japan	Asia- Pacific, India and China	Americas	Europe, Middle East and Africa	Total			
Revenue								
External revenue	666,869	364,681	1,560,548	593,720	3,185,818	12,303	23	3,198,144
Inter-segment revenue	228,060	48,899	13,128	14,694	304,781	46,156	(350,937)	—
Total revenue	894,928	413,580	1,573,677	608,414	3,490,599	58,460	(350,915)	3,198,144
Segment profit (loss)								
Adjusted operating profit	141,021	38,958	171,032	8,476	359,487	4,419	(1,646)	362,259

(Note) Service businesses and other businesses not included in the reportable segments are included in the "Other."

Nine months ended September 30, 2024

(Yen in millions)

	Reportable segments					Other (Note)	Corporate or elimination	Consoli- dated total
	Japan	Asia- Pacific, India and China	Americas	Europe, Middle East and Africa	Total			
Revenue								
External revenue	672,026	353,892	1,624,958	604,387	3,255,264	14,137	10	3,269,411
Inter-segment revenue	205,800	39,419	16,342	15,656	277,217	49,532	(326,749)	–
Total revenue	877,826	393,311	1,641,300	620,044	3,532,481	63,669	(326,739)	3,269,411
Segment profit (loss)								
Adjusted operating profit	135,621	42,086	130,693	16,164	324,564	4,893	23,740	353,196

(Note) Service businesses and other businesses not included in the reportable segments are included in the "Other."

Reconciliation from adjusted operating profit to profit before tax

(Yen in millions)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Adjusted operating profit (Note 1)	362,259	353,196
Adjustment items (income) (Note 2)	21,153	64,748
Adjustment items (expenses) (Note 5)	7,617	40,819
Operating profit	375,795	377,125
Finance income	30,508	21,877
Finance costs	49,579	38,778
Share of profit (loss) of investments accounted for using equity method	341	(1,588)
Profit before tax	357,065	358,637

(Note 1) For adjusted operating profit, adjustment items (income and expenses) are excluded from operating profit.

(Note 2) The major breakdown of adjustment items (income) is as follows:

(Yen in millions)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Insurance claim income	2,309	–
Business and plant restructuring income	(Note 3) 7,947	197
Gain on reversal of impairment losses	178	1,215
Other income with large amounts related to one time event (Note 4)	10,720	63,336
Adjustment items (income)	21,153	64,748

(Note 3) Mainly reversal of impairment losses, gain on sale of fixed assets and gain on transfer of interests associated with the reorganization of overseas tire plants are recorded.

(Note 4) This was primarily the recording of gains on the sale of land.

(Note 5) The major breakdown of adjustment items (expenses) is as follows:

(Yen in millions)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Impairment losses	404	(Note 6) 19,508
Cost of sales (loss on disaster)	1,377	155
Other expenses (loss on disaster)	237	87
Business and plant restructuring expenses (Note 7)	5,384	21,472
Other expense with large amounts related to one time event	(Note 8) 216	(Note 9) (403)
Adjustment items (expenses)	7,617	40,819

(Note 6) The major breakdown of impairment losses is impairment on assets for the European business of ¥18,667 million.

(Note 7) This was primarily the recording of expenses relating to the reorganization of overseas tire plants.

(Note 8) This was the recording of expenses relating to part replacement, etc. of the affected standard and power assist bicycles following the recall in October 2022, among others, of certain models of standard and power assist bicycles manufactured by Bridgestone Cycle Co., Ltd., a consolidated subsidiary of the Company.

(Note 9) This was the recording of expenses relating to part replacement, etc. of the affected standard and power assist bicycles following the recall in October 2022, among others, of certain models of standard and power assist bicycles manufactured by Bridgestone Cycle Co., Ltd., a consolidated subsidiary of the Company, and other factors, but these expenses were partially reversed.

(Notes when there are significant changes in amounts of equity attributable to owners of parent)

Not applicable