



# Financial Results for Fiscal 2024

Bridgestone Corporation

Global CFO and Executive Director, G Finance  
Bridgestone Corporation

**Naoki Hishinuma**

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1. Business and Financial Performance for Fiscal 2024

# Consolidated Financial Results for Fiscal 2024

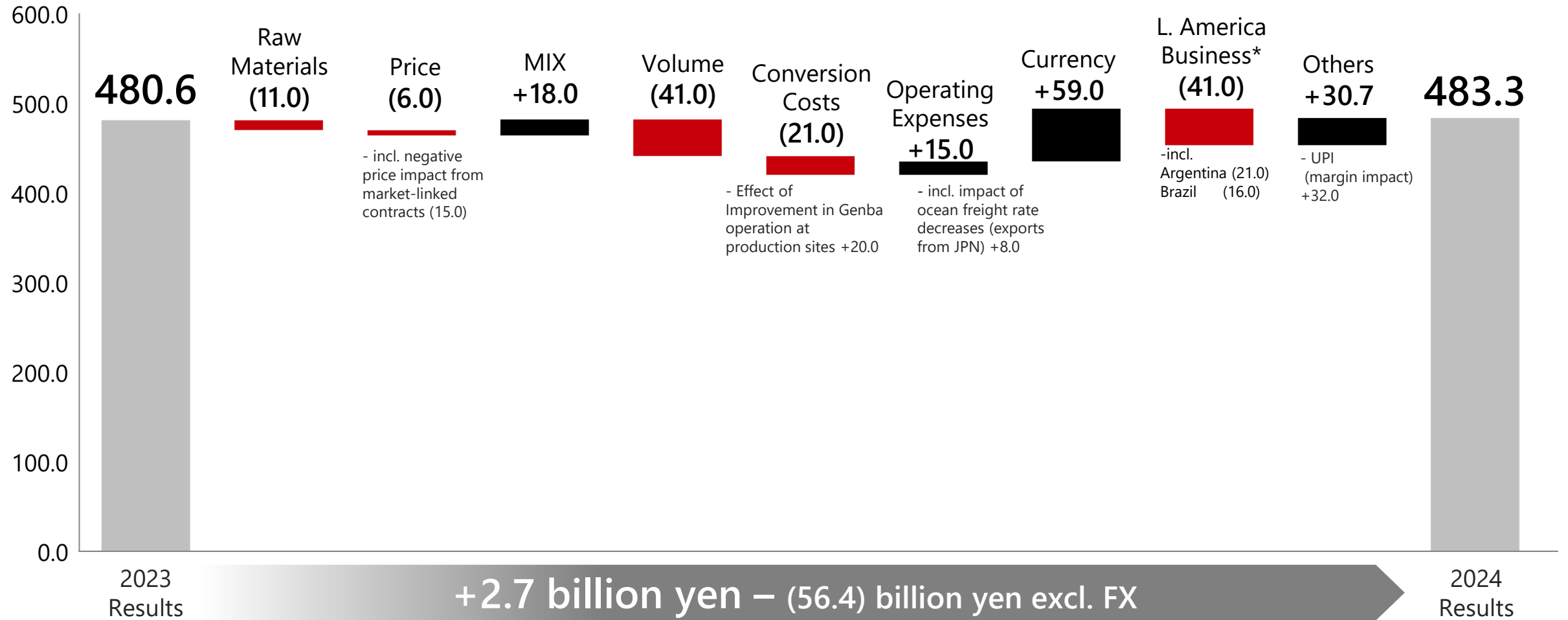
(Yen in billions)

	2023 Results	9months		Q4 (3 months)		2024 Results	vs. PY (%)
			vs. PY (%)		vs. PY (%)		
Revenue	4,313.8	3,269.4	+2	1,160.7	+4	4,430.1	+3
Adjusted Operating Profit	480.6	353.2	(3)	130.1	+10	483.3	+1
Margin	11.1%	10.8%	(0.5) pp	11.2%	+0.6 pp	10.9%	(0.2) pp
Profit Attributable to Owners of Parent	331.3	252.7	(5)	32.3	(50)	285.0	(14)
ROIC	8.7%					8.2%	(0.5) pp
ROE	10.4%					8.1%	(2.3) pp
USD/JPY	¥141	¥151	—	¥152	—	¥152	—
EUR/JPY	¥152	¥164	—	¥163	—	¥164	—

(\*) Revenue and Adjusted Operating Profit, ROIC and ROE show figures for continuing operations and exclude revenue and expenses of the discontinued operations.

# Analysis of Adjusted Operating Profit for Fiscal 2024 (vs. PY)

(Yen in billions)



(\*) "Argentina Subsidiaries" is reclassified as "Latin America Business (Includes all Latin America subsidiaries)" from Q3 of Fiscal 2024.

# Consolidated Financial Results by Segment for Fiscal 2024

(Yen in billions)

		2023 Results	2024 Results	vs. PY (%)
<b>Japan</b>	Revenue	1,242.4	1,226.1	(1)
	Adjusted OP	206.5	187.3	(9)
	Margin	16.6%	15.3%	(1.3) pp
<b>Asia, Pacific, India and China (*)</b>	Revenue	551.5	529.7	(4)
	Adjusted OP	55.2	58.5	+6
	Margin	10.0%	11.0%	+1.0 pp
<b>Americas</b>	Revenue	2,080.0	2,180.0	+5
	Adjusted OP	212.0	180.1	(15)
	Margin	10.2%	8.3%	(1.9) pp
<b>Europe, Middle East and Africa (*)</b>	Revenue	819.2	835.6	+2
	Adjusted OP	11.7	29.8	+155
	Margin	1.4%	3.6%	+2.1 pp





(\*) Segmentation is changed from Fiscal 2024 as follows. Figures of 2023 have been recalculated for y/y comparison purpose.

"China, Asia-Pacific" is changed to "Asia, Pacific, India, and China"

"Europe, Russia, Middle East, India and Africa" is changed to "Europe, Middle East, and Africa"

# Consolidated Financial Results by Product for Fiscal 2024

(Yen in billions)

		2023 Results	2024 <sup>(*)</sup> Results	vs. PY (%)
 <b>PS/LT</b> (incl. retail & credit card business)	Revenue	2,376.5	2,485.9	+5
	Adjusted OP	273.7	282.3	+3
	Margin	11.5%	11.4%	(0.2) pp
 <b>TB</b> (incl. retread business)	Revenue	1,008.3	1,022.8	+1
	Adjusted OP	57.8	57.9	+0
	Margin	5.7%	5.7%	(0.1) pp
 <b>Specialties</b> (OR/AC/AG/MC)	Revenue	630.6	623.6	(1)
	Adjusted OP	135.9	138.9	+2
	Margin	21.5%	22.3%	+0.7 pp
 <b>Diversified Products Business</b>	Revenue	298.4	297.9	(0)
	Adjusted OP	13.2	4.2	(68)
	Margin	4.4%	1.4%	(3.0) pp

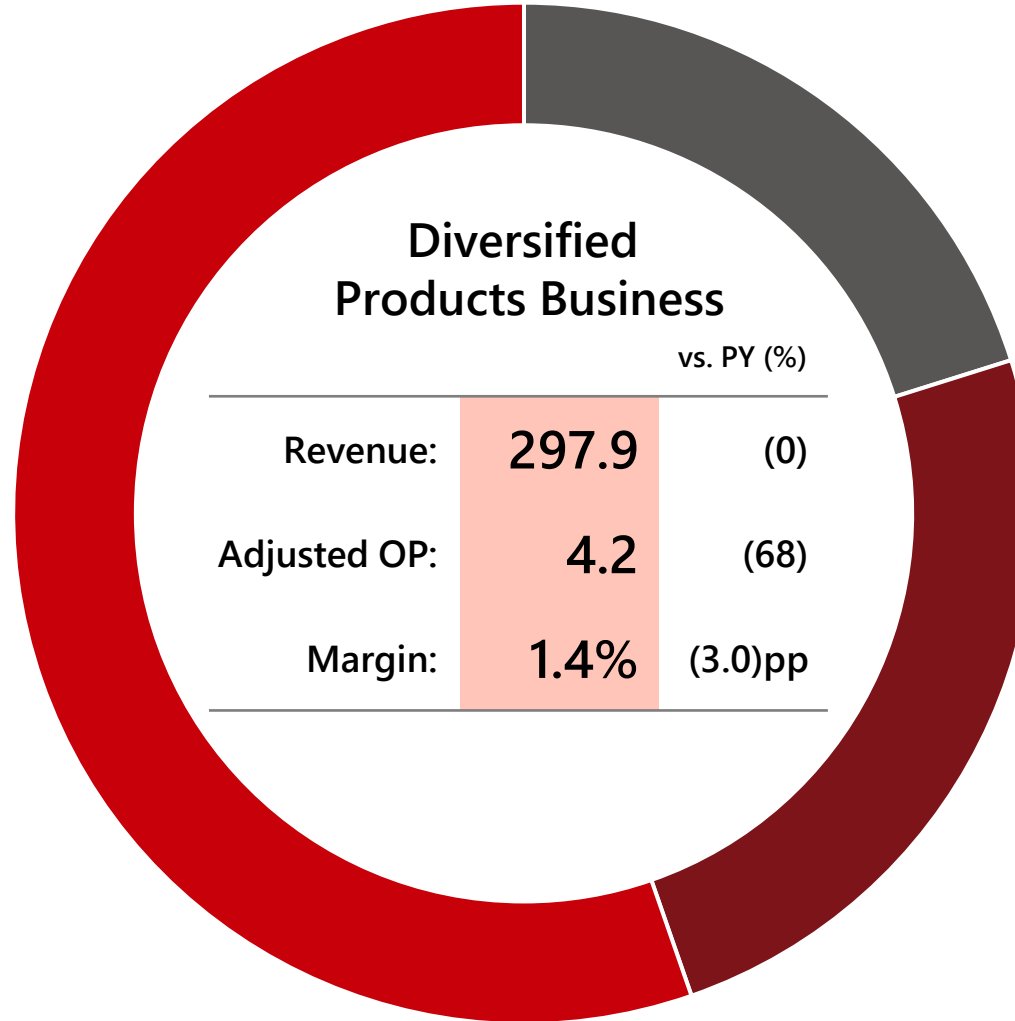
(\*) Calculation method for P&L by product has been partially changed. Figures of 2023 have been recalculated for y/y comparison purpose.

# Diversified Products by Business for Fiscal 2024

(Yen in billions)

## Chemical & Industrial Products Biz

		vs. PY (%)
Revenue:	161.7	(5)
Adjusted OP:	5.8	(39)
Margin:	3.6%	(2.0)pp



## Sports & Cycle Biz

		vs. PY (%)
Revenue:	58.9	(3)
Adjusted OP:	(2.2)	-
Margin:	(3.7)%	(4.9)pp

## Diversified Products Biz in Americas (Air Springs)

		vs. PY (%)
Revenue:	71.7	+15
Adjusted OP:	0.6	(78)
Margin:	0.9%	(3.6)pp



# Adjustment Items for Fiscal 2024

## 2024 Results

(Yen in billions)

Revenue	4,430.1
Adjusted Operating Profit	483.3
Adjustment Items <sup>(*1)</sup>	40.0
Operating Profit	443.3
Profit Before Tax	421.4
Profit from Continuing Operations <sup>(*2)</sup>	285.0
Loss from Discontinued Operations <sup>(*2)</sup>	(0.0)
Profit Attributable to Owners of Parent	285.0

(\*1) Income is in minus and expenses are in plus for Adjustment Items breakdown

(\*2) "Profit / loss Attributable to Owners of Parent"

(Yen in billions)

Adjustment Items <sup>(*1)</sup>	40.0	Major Items
Gain on sales of fixed assets (company housing)	(63.3)	
Impairment losses of EU TBR business assets	+31.7	
Impairment losses of EU retail business assets	+15.9	
Impairment losses of EU AG business assets	+7.7	
Business rebuilding costs of EU retread plant	+8.8	
Withdrawal costs of Chinese Commercial Tire Biz	+11.7	
B2C solution business rebuilding	+6.6	
Argentina manufacturing site workforce optimization	+3.1	
Others	+17.8	Other business rebuilding items, etc.

# B/S and C/F Highlights for Fiscal 2024

(Yen in billions)

	2023 Results (as of Dec 31, 2023)	2024 Results (as of Dec 31, 2024)	vs. Dec 31, 2023	vs. Dec 31, 2023 (excl. FX)
Total Assets	5,427.8	<b>5,723.5</b>	+295.7	(98.9)
Cash and cash equivalents	724.6	<b>706.7</b>	(17.9)	(57.6)
(monthly sales)	2.0 months	1.9 months	(0.1) months	-
Inventories	868.6	<b>945.3</b>	+76.7	+8.9
Finished products	583.3	<b>599.8</b>	+16.5	(27.9)
Total Liabilities	2,022.4	<b>1,937.0</b>	(85.4)	(191.0)
Interest-Bearing Debt <Gross>	830.2	<b>727.7</b>	(102.4)	(139.3)
Total Equity	3,405.4	<b>3,786.5</b>	+381.1	
Equity Ratio (%)	61.8%	<b>65.2%</b>	+3.4pp	
Exchange Rate	USD/JPY	¥142	¥158	+ ¥16
at the end of reporting period	EUR/JPY	¥157	¥165	+ ¥8
	2023 Results	2024 Results	vs. PY	
Cash Flows from Operating Activities	661.4	<b>548.8</b>	(112.6)	
Cash Flows from Investing Activities	(297.7)	<b>(255.1)</b>	+42.7	
Free Cash Flow	363.7	<b>293.8</b>	(69.9)	
Capital Expenditure	420.0	<b>389.8</b>	(30.2)	
Depreciation and Amortization	305.8	<b>348.1</b>	+42.3	

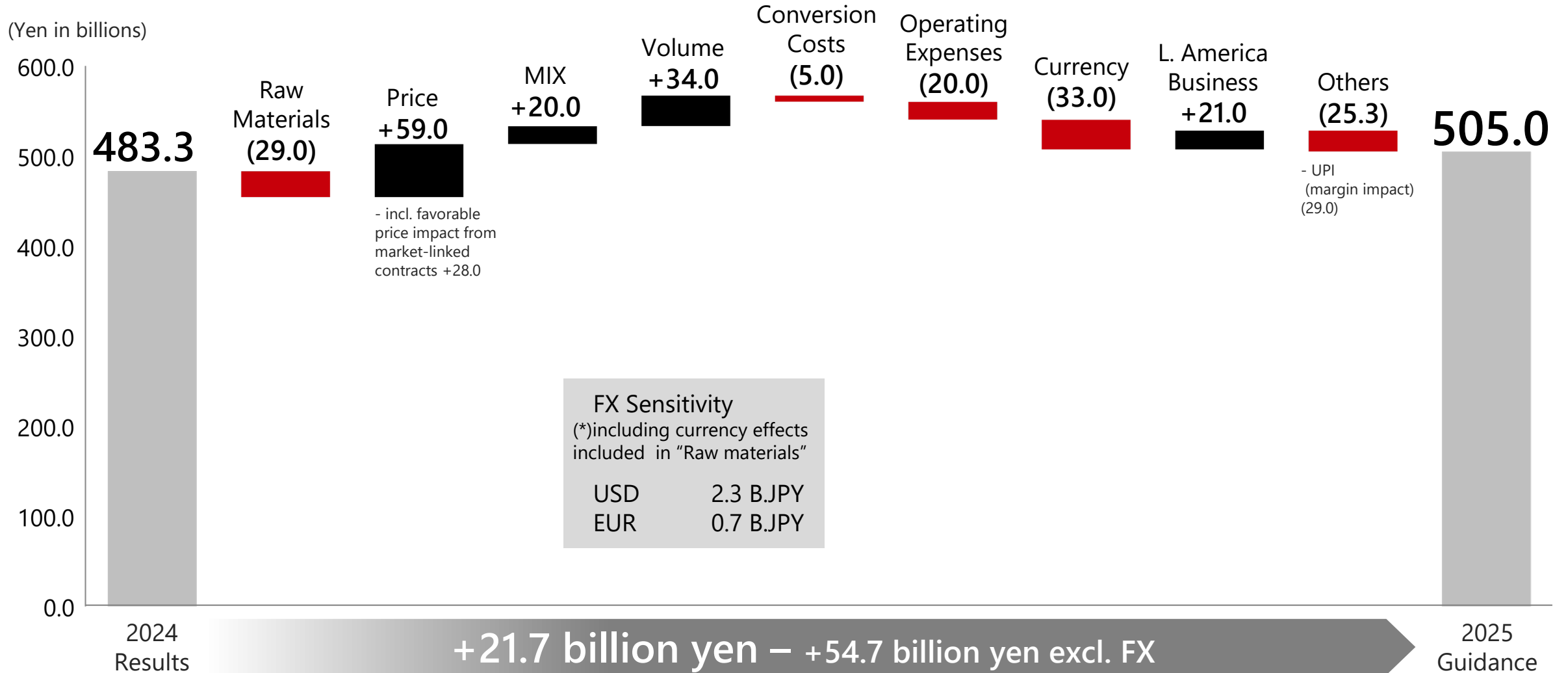
## 2. Consolidated Guidance for Fiscal 2025

# Consolidated Guidance for Fiscal 2025

	2024 Results	2025 Guidance	vs. PY (%)	(Yen in billions) vs. PY (%) excl. FX
Revenue	4,430.1	4,330.0	(2)	+2
Adjusted Operating Profit	483.3	505.0	+4	+11
Margin	10.9%	11.7%	+0.8 pp	+1.0 pp
Profit Attributable to Owners of Parent	285.0	253.0	(11)	
ROIC	8.2%	9.2%	+1.0pp	
ROE	8.1%	7.2%	(0.9) pp	
Dividend per Share	¥210	¥230	+¥20	
USD/JPY	¥152	¥145	—	
EUR/JPY	¥164	¥150	—	

(\*) Revenue and Adjusted Operating Profit, ROIC and ROE show figures for continuing operations and exclude revenue and expenses of the discontinued operations.

# Analysis of Adjusted Operating Profit for Fiscal 2025 (vs. PY)



# Consolidated Guidance by Segment for Fiscal 2025

(Yen in billions)

		2024 Results	2025 Guidance	vs. PY (%)	vs. PY (%) excl. FX
<b>Japan</b>	Revenue	1,226.1	1,260.0	+3	+6
	Adjusted OP	187.3	195.0	+4	+16
	Margin	15.3%	15.5%	+0.2 pp	+1.5 pp
<b>Asia, Pacific, India and China</b>	Revenue	529.7	535.0	+1	+6
	Adjusted OP	58.5	59.0	+1	+6
	Margin	11.0%	11.0%	(0.0) pp	(0.0) pp
<b>Americas</b>	Revenue	2,180.0	2,110.0	(3)	+1
	Adjusted OP	180.1	217.0	+20	+26
	Margin	8.3%	10.3%	+2.0 pp	+2.0 pp
<b>Europe, Middle East and Africa</b>	Revenue	835.6	760.0	(9)	(1)
	Adjusted OP	29.8	39.0	+31	+43
	Margin	3.6%	5.1%	+1.6 pp	+1.6 pp

### 3. Financial Strategy & Shareholder Returns

# Bridgestone's Initiatives for Sustainable Corporate Value Enhancement

- "Profitability Improvement" "Growth Investments" "Financial Strategy" are the keys to commit Corporate Value Enhancement
- Toward the next stage of financial strategy with "Uniqueness of Bridgestone"

## Profitability Improvement

### Earning Power Reinforcement

- Optimize business / location portfolio  
» Business Rebuilding (2nd stage)
- Focus on Premium  
» ENLITEN, HRD, MASTERCORE, etc.
- Continue reinforcing business quality  
» BCMA, business cost reduction, etc.

## Growth Investments

### Selective Investments

Selective investments to premium segment and growth markets such as North America and India  
(Lay foundation for future growth)

## Financial Strategy

Optimal Balance Sheet | ROIC-WACC / ROE-Cost of equity  
Spread expansion

Optimal Capital Structure  
(Equity ratio)

Short-term  
Liquidity

Shareholder Returns

Emphasize the "Uniqueness of Bridgestone" as an important criterion for judgement

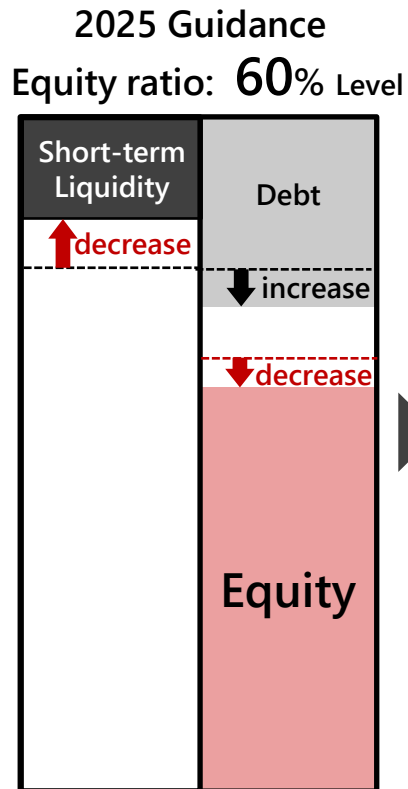
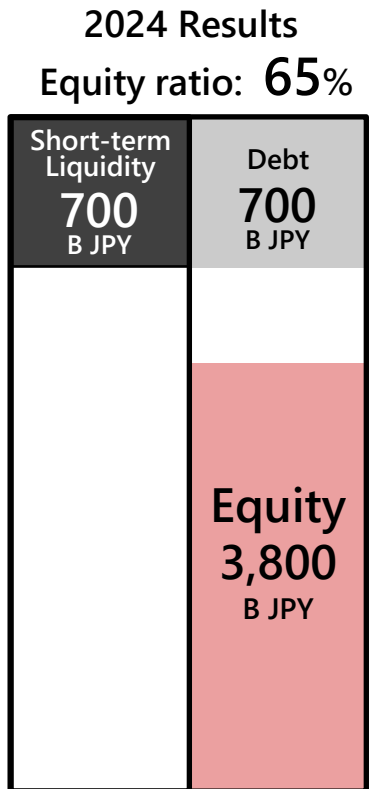
- The recognition that **financial soundness is important** for the company's sustainable growth remains unchanged
- Ensure **financial soundness and balance capital efficiency**
- Keep **steady improvement in business quality, move forward step by step** with a mid-long term perspectives
- Keep abreast of changes in the business environment, change measures in an **agile and flexible manner**
- We will not only **create corporate value through steady improvement of business quality, but also through financial strategies and measures**

Sustainable Corporate Value Enhancement



# Toward Optimal Balance Sheet

- With an increase in retained earnings by steady improvements of the business quality, combined with the market environments such as exchange rates, financial soundness has improved at a faster than expected pace, reaching an equity ratio of 65% (as of the end of 2024)
- **We believe that expanding the ROIC-WACC / ROE-Cost of equity Spread will contribute to enhancing corporate value, and our policy is to improve the capital structure to be both sound and efficient**
- In order to sustainably enhance corporate value, we will implement a "Financial Strategy" in conjunction with "Profitability Improvement" and "Growth Investments" step-by-step moving toward an optimal balance sheet
- The optimal balance sheet changes depending on the business portfolio. We will continue to update as going forward.



**Mid Term Strategic Aspiration**

**Equity ratio: up to 55%**  
Through a disciplined financial strategy

Maximalize ROIC by **"Earning Power Reinforcement"**

Establish stable trend to achieve ROE target after the completion of business rebuilding (2nd stage)

**Balance with financial soundness and capital efficiency**

<Solutions>

**Share Buybacks**

- Investment that contribute to the enhancement of corporate value (WACC decrease)
- Measures for optimal capital structure (capital efficiency)

➔ Continue operations to achieve optimal capital structure in 2026 and beyond, taking into account growth investment opportunities and stock price level, etc.

**Debt Financing**

- Measures to achieve an optimal capital structure and the measures that contribute to enhancing corporate value (ROIC-WACC / ROE-Cost of equity Spread expansion)

➔ Ensure financial soundness (maintain industry-leading credit ratio)  
\*The recognition that financial soundness is essential for company's sustainable growth remains unchanged

**Optimizing Short-term Liquidity : 1.5-monthly sales level**

# 2025 Capital Policy

## Share Buybacks

### Background of share buybacks

- In 24MBP, we aim to achieve sustainable growth through “strategic growth investment” for reinforcing earning power, focus on value creation, and build a sustainable premium brand, by allocating resources from both “defensive” and “offensive” perspectives.
- 1) With the expected cash inflow from “earning power reinforcement”, the necessary resources for both “defense” (rebuilding, etc.) and “offence” (strategic growth investment) during the 24MBP period are almost in sight.  
2) Improvement in financial soundness is progressing faster than expected
- **Accordingly the company has determined to acquire Treasury Stock of JPY 300 billion (max.) as an investment that contributes to enhancing corporate value and as a measure toward optimal capital structure (capital efficiency)**, while comprehensively considering factors such as well as Short-term Liquidity, dividends level, and market situations including the stock price, etc.

Kind of shares to acquire	: Ordinary shares of Bridgestone Corporation
Total number of shares to acquire	: 75 million shares (up to) (% of issued shares (not included Treasury Stock); 11.0%)
<b>Total acquisition cost</b>	<b>: JPY 300 billion (up to)</b>
Procedure	: Market purchases based on the discretionary dealing contract regarding repurchase of shares
Timing	: February 20, 2025 to December 23, 2025
Cancellation of treasury stocks	: <b>All Treasury Stock acquired through this buybacks are schedule to be canceled</b>

## Debt Financing and Short-term Liquidity

- Debt Financing** ■ As part of the initiatives to contribute **building an optimal capital structure and increase corporate value by decreasing WACC (expansion of ROIC-WACC Spread)** while maintaining the industry-leading credit ratings, we plan to raise funds at the level of 200 billion yen through straight corporate bonds, etc.
- Short-term Liquidity** ■ Utilizing 100 billion yen of Short-term Liquidity for share buybacks to improve asset efficiency

# Dividend – Shareholder Returns

## Dividend Policy

Previously, as part of our basic dividend policy, we have set a target of consolidated dividend payout ratio as 40%.

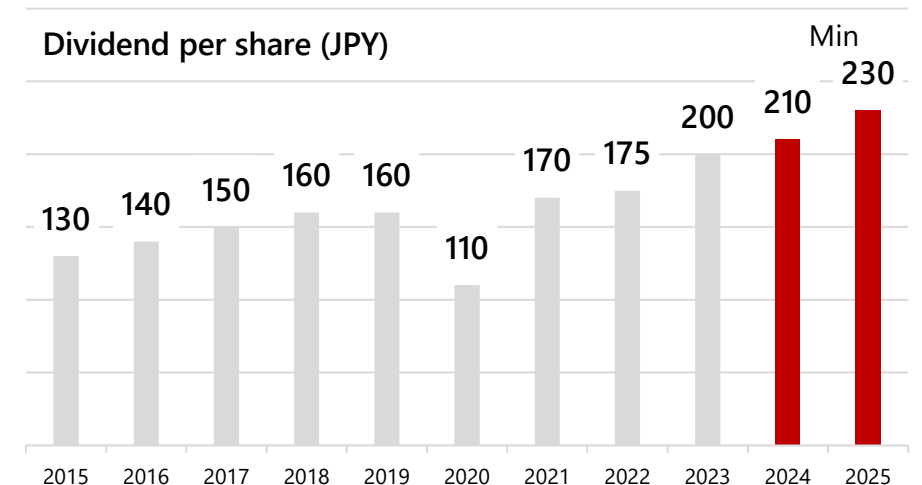
Though, **in order to enhance shareholder returns, we will update the payout ratio into "50%"**.

### 【New Basic Dividend Policy】

The basic policy is to aim for a consolidated dividend payout ratio of 50% by comprehensively taking into account the business performance and financial position of the relevant period, as well as mid term profit prospects, investment plans, cash flow, etc., and **strive to steadily and continuously increase the amount of dividends** through sustainable enhancements in corporate value

## 2024 and 2025 Dividend Forecasts

- **FY24/12 Annual Dividend**  
**¥210 / per share (+¥10 vs. prior year, continuous improvement)**  
This will be submitted to the Company's 106th Annual Shareholder's Meeting scheduled to be held on March 25, 2025
- **Next Fiscal Year (FY25/12) Annual Dividend Forecast**  
**Min ¥230 / per share (+¥20 vs. prior year, continuous improvement)**





Statements made in this presentation with respect to Bridgestone's current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of Bridgestone. Forward-looking statements include, but are not limited to, those statements using words such as "believe," "expect," "plans," "strategy," "prospects," "forecast," "estimate," "project," "anticipate," "may" or "might" and words of similar meaning in connection with a discussion of future operations, financial performance, events or conditions. From time to time, oral or written forward-looking statements may also be included in other materials released to the public. These statements are based on management's assumptions and beliefs in light of the information currently available to it. Bridgestone cautions you that a number of important risks and uncertainties could cause actual results to differ materially from those discussed in the forward-looking statements, and therefore you should not place undue reliance on them. You also should not rely on any obligation of Bridgestone to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Bridgestone disclaims any such obligation.

## Market Trend of Natural Rubber and Crude Oil (average)

	2023					2024				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Natural Rubber <TSR20>(*1) (¢/kg)	137	135	134	145	138	157	168	175	196	174
Natural Rubber <RSS#3>(*1) (¢/kg)	161	155	151	166	158	214	230	238	247	232
Crude Oil <WTI> (\$/bbl)	76	74	82	79	78	77	78	74	69	75

(\*1) Source: Singapore Commodity Exchange Limited

## Tire Demand for Fiscal 2024 (unit base% vs. PY)

Estimated by Bridgestone	PSR/LTR		TBR	
	OE	REP	OE	REP
Japan	91%	99%	100%	98%
Asia (*2)	102%	98%	83%	109%
N. America	96%	97% <sup>(*3)</sup>	90%	104% <sup>(*3)</sup>
Europe	92%	105%	78%	104%

(\*2) PSR/LTR includes Thailand, Indonesia, India, China. TBR includes Thailand, Indonesia, India.

(\*3) Member Demand : Tire Brands (excl. imports) which participates in U.S. / Canadian Tire Manufacturers Association(\*4). Total demand including non-members is as follows. PSR/LTR REP : 102%, TBR REP : 114%

(\*4) USTMA (U.S. Tire Manufacturers Association) + TRAC (Tire Rubber Association of Canada)

## Tire Sales Growth of Fiscal 2024 (vs. PY)



### PSR/LTR



### TBR

	vs. PY		vs. PY	
	OE	REP	OE	REP
Global (OE+REP)	94%		97%	
Global	89%	97%	84%	102%
Japan	82%	100%	100%	98%
Asia, Pacific, India, China	89%	98%	72%	103%
N. America	96%	96%	82%	103%
Europe	84%	98%	77%	102%



### PSR/LTR HRD(18''+)



### ORR

	vs. PY	
	REP	vs. PY
Global (OE+REP)	100%	
REP	105%	
Ultra-Large (REP)		100%
Large		94%
OE		71%
REP		104%
Small & Medium		94%
OE		93%
REP		94%

(\* ) As for TBR, figures of China is excluded from previous year and the current year.

BS brands:108%  
FS brands:97%

Forecast of Raw Materials for 2025



- The feedstock price of raw materials for natural rubber is expected to increase from PY.

Tire Demand for 2025 Guidance (unit base% vs. PY)

Estimated by Bridgestone	PSR/LTR		TBR	
	OE	REP	OE	REP
Japan	106~110%	101~105%	95~99%	101~105%
Asia <sup>(*1)</sup>	100%	106~110%	111~115%	106~110%
N. America	95~99%	95~99% <sup>(*2)</sup>	95~99%	101~105% <sup>(*2)</sup>
Europe	95~99%	100%	111~115%	95~99%

(\*1) PSR/LTR includes Thailand, Indonesia, India, China. TBR includes Thailand, Indonesia, India.  
 (\*2) Member Demand : Tire Brands (excl. imports) which participates in U.S. / Canadian Tire Manufacturers Association(\*3).  
 (\*3)USTMA (U.S. Tire Manufacturers Association) + TRAC (Tire Rubber Association of Canada)

Tire Sales Growth of 2025 Guidance (vs. PY)

	PSR/LTR		TBR	
	vs. PY		vs. PY	
Global (OE+REP)	100%		100%	
	OE	REP	OE	REP
Global	90~94%	101~105%	100%	100%
Japan	95~99%	106~110%	90~94%	100%
Asia, Pacific, India, China <sup>(*4)</sup>	95~99%	106~110%	106~110%	100%
N. America	85~89%	101~105%	101~105%	101~105%
Europe	90~94%	101~105%	95~99%	101~105%

(\*4) As for TBR, figures are for "Asia, Pacific, India"

	PSR/LTR HRD(18"+)		ORR	
	vs. PY		vs. PY	
Global (OE+REP)	101~105%		Ultra-Large (REP)	101~105%
	REP		Large	101~105%
	106~110%		OE	106~110%
			REP	101~105%
			Small & Medium	106~110%
			OE	101~105%
			REP	106~110%