



**Bridgestone Annual Report 2010**  
Operational Review

# The Bridgestone Group

The world's largest manufacturer of tires 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 located in 25 countries around the world.

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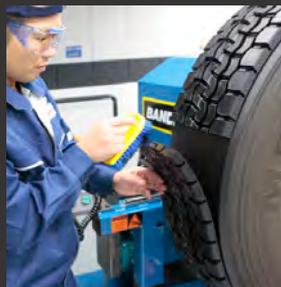
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### Forward-looking statements

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.

### 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 and electronic paper.



# Message to our stakeholders



Before starting my message, on behalf of the Bridgestone Group, I would like to express our deepest condolences to the families who have lost loved ones, and to express our sympathy for those who have lost their homes and their business, or who have been impacted in other ways, as a result of The 2011 off the Pacific coast of Tohoku Earthquake and Tsunami on March 11, 2011. We will assist the relief efforts for those devastated by the disaster. We truly hope for a swift recovery of the people and those areas.

## Overview of fiscal 2010

In the fiscal year ended December 2010, the Bridgestone Group's consolidated net sales increased 10%, to ¥2,861.6 billion. Operating income rose 120%, to ¥166.5 billion, and net income increased by ¥97.9 billion, to ¥98.9 billion.

First of all, I would like to summarize the past two years since the Lehman collapse and the period that encompasses the once-in-a-century global economic crisis instead of only summarizing the previous year. Before the global economic crisis, the Bridgestone Group had been operating our businesses quite smoothly, which was made easier by the ever-growing world economy. After September 2008, structural changes in

the world economy emerged and we experienced a drastic decrease in demand on a global basis. This greatly affected the businesses of our Group. In the midst of such sweeping changes, we implemented various measures to enhance our business operating capabilities based on the "Lean and Strategic" concept. In 2009, we steadily carried out "what can we do immediately to be much leaner and more strategic because the time is right," while we might have hesitated to do so under normal circumstances. The initiatives include the restructuring of operations in Australia and New Zealand, and the realignment of steel cord business. These steps were to prepare us for the new business environment after the Lehman collapse. We positioned the year 2010 as "a new start from a basis of considerably decreased demand" and implemented such measures as streamlining current assets and investing management resources efficiently and strategically. Summing up the post global economic crisis period, I believe that our efforts to cultivate a "Lean and Strategic" corporate culture and to manage business operations through the Mid-term Management Plan (MTP) as the core tool have worked well.

### **Bridgestone's operating environment**

Before introducing our initiatives in 2011 and subsequent years, I would like to explain about the changes in the operating environment surrounding Bridgestone. Bridgestone anticipates three major changes in its operating environment. The first is an underlying trend of yen appreciation and continued high prices for natural rubber and other raw materials. In 2010, the yen appreciated by about ¥6 against the dollar and by about ¥14 against the Euro, compared with the previous year. In addition, the price of natural rubber has continued to increase at an unprecedented rate. We recognize that economic conditions have reached the point where it is difficult for Bridgestone to secure profits under its previous business model.

The second is the growing presence of emerging countries, such as China and India. The portion of global GDP accounted for by emerging countries has been increasing year after year, and a series of free-trade agreements accelerates the trend. Moreover, with regard to the number of vehicle sales, we forecast that it has been growing remarkably in emerging countries, while we forecast that it will take some time to recover to the level before the Lehman collapse in developed countries, such as U.S., Europe and Japan. We will see the same growth in tire demand in emerging countries, and under such circumstances, and it is essential to be perceptive to changes in emerging countries and we have to take appropriate actions to those changes with speed.

The third is a major shift in the values of customers, primarily in developed countries. Due to uncertainty about the future course of economic conditions, there is a growing emphasis in developed countries on purchasing only those goods and services that are truly necessary, eliminating unnecessary purchases. Therefore, we must evaluate what our customers truly value and how these values drive buying decisions. Meanwhile, current cost competitiveness and the speed of development are the key factors for success in emerging countries, but it is necessary to take action based on the expectation that these markets will rapidly progress to the same level as developed countries.

### **Formulation of Mid-term Management Plan (MTP)**

An environment marked by significant change in the structure of markets calls for the formulation and implementation of solid management policies. The Company's management resources extend throughout the world, and accordingly it is essential that we have the Mid-term Management Plan (MTP), which is optimum for the Group management. I would like to reemphasize that they are fundamental in the realization of our ultimate management goal, to be the "World's undisputed No. 1 tire and rubber company in both name and reality."

The MTP outlines the Bridgestone Group's future vision and the course that we have charted toward the achievement of that vision. A distinctive feature of the Group's approach to its MTP is the implementation of annual rolling updates with a five-year horizon. By flexibly reinforcing, adding, or updating the plan's initiatives in accordance with changes in the operating environment each year, we can respond effectively to those changes while maintaining consistency in our operational activities.

### **Continued implementation of "Lean and Strategic" management stance**

Based on the changes in operating environment and the MTP which consistently remains as our core management tool, I would like to explain about my initiatives in 2011 and subsequent years. In accordance with the approach of "agile and careful," we will implement initiatives based on the concept of "Lean and Strategic," which means to bolster our competitiveness in global markets, make optimal use of our assets and advance the efficiency of the Group's organization. The concept has been the basis of our operations in the past two years, and will continue to be the same in the coming years.

### **Competing on a different ground**

The distinctive feature of the Group's initiatives, based on the "Lean and Strategic" management stance, is to draw on Bridgestone's diverse resources to create a major competitive

advantage that cannot be easily followed by our competitors. We define this approach as “competing on a different ground,” and there are five areas formulating the approach. The Group strongly emphasizes the importance of increasing the speed and the efficiency in achieving the targets, taking into consideration of the changes in business environment.

The first is “expanding strategic tire products and businesses.” In passenger car radial tires, we will provide customers with products that leverage advanced technologies superior to those of other companies. Particularly for runflat tires, we will rapidly create markets and expand original equipment fitment by new-technology Third-Generation Runflat tires, which reflect the Group’s technological prowess. For truck and bus tires, we intend to cater to demand from customers and society for safety, fuel efficiency, and reduction of expenses by globally developing a solutions business that utilizes retread tires. For specialty tires, in response to the continued heavy demand for minerals, we plan to expand the production at the Kitakyushu Plant, by moving forward with a phase 3 increase in production capacity.

The second is “reinforcing fundamental competencies,” which in other words are measures to strengthen competitiveness throughout our supply chain. The measures include “specification optimization,” which is the development contributing to the environment through the reduction of raw materials consumption, while enhancing safety.

The third is “securing our position in emerging countries.” Primarily in those emerging countries such as China, India and Brazil, we plan to implement initiatives such as promotion of “ECOPIA” brand into the market, formulation of retread and solutions business, and expansion of retail network. At the same time, we will increase production capacity to meet growing demand in those markets.

The fourth is implementing “‘selection and concentration’ in diversified products business,” whose aim is to penetrate globally for “concentrated” businesses, including adhesive film for solar modules, whose demand is rapidly increasing and will contribute to the spread of green energy, and electronic paper,

which the Group has the leading-edge technology with color and flexibility.

The fifth is “enhancing environmental activities, eco-friendly products and businesses.” We have set targets working toward the realization of sustainable society and we endeavor to achieve those targets by breaking them down into individual initiatives, such as to launch eco-friendly products and to implement eco-friendly businesses and achieving them one by one.

#### Shareholder returns

The interests of shareholders are an important management priority for Bridgestone Corporation. Accordingly, our basic policy calls for our businesses to generate sustained dividends as a return to shareholders. Based on a comprehensive analysis of such factors as the recovery in our results and our future financial position, for the fiscal year ended December 2010 we set year-end dividends at ¥10 per share. Together with interim dividends of ¥10 per share, this resulted in dividends for the year of ¥20 per share, an increase of ¥4 per share year on year. On behalf of the Bridgestone Group, I would like to express my sincere gratitude for your kind support in 2010, and kindly request for the same support in 2011.

Looking ahead, though the operating environment, including the impact of raw material costs, will be challenging, the Bridgestone Group remains steadfastly committed to its goal of being the “World’s undisputed No. 1 tire and rubber company in both name and reality.” As we move forward, we will continue working to meet the expectations of shareholders, investors, and all other stakeholders.

April 2011



**Shoshi Arakawa**  
Chairman of the Board, CEO and President

# Financial highlights

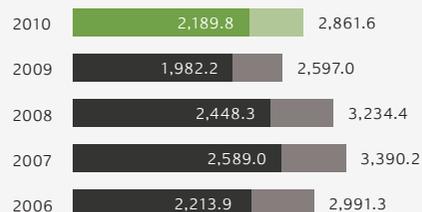
Bridgestone Corporation and Subsidiaries  
Years ended December 31, 2010, 2009, and 2008

	2010	2009	2008	2010/2009	2010
			Millions of yen	Percent change	Thousands of U.S. dollars <sup>1</sup>
Net Sales	<b>¥2,861,615</b>	¥2,597,002	¥3,234,406	10.2%	<b>\$35,116,149</b>
Overseas Sales	<b>2,189,765</b>	1,982,192	2,448,300	10.5	<b>26,871,579</b>
Operating Income	<b>166,450</b>	75,712	131,551	119.8	<b>2,042,582</b>
Net Income	<b>98,914</b>	1,044	10,412	9,374.5	<b>1,213,818</b>
Total Equity	<b>1,176,147</b>	1,120,797	1,019,996	4.9	<b>14,433,022</b>
Total Assets	<b>2,706,640</b>	2,808,439	2,768,470	-3.6	<b>33,214,382</b>
Capital Expenditures	<b>182,648</b>	178,204	275,301	2.5	<b>2,241,355</b>
Depreciation and Amortization	<b>170,663</b>	180,547	187,420	-5.5	<b>2,094,281</b>
Research and Development	<b>85,154</b>	85,766	93,252	-0.7	<b>1,044,963</b>
Net Return on Shareholders' Equity (ROE) (%)	<b>8.9</b>	0.1	0.9	—	—
Net Return on Total Assets (ROA) (%)	<b>3.6</b>	0.04	0.3	—	—
<b>Per Share Data</b>					
			Yen	Percent change	U.S. dollars <sup>1</sup>
Net Income					
Basic	<b>¥ 126.19</b>	¥ 1.33	¥ 13.33	9,388.0%	<b>\$ 1.55</b>
Diluted	<b>126.16</b>	1.33	13.33	9,385.7	<b>1.55</b>
Shareholders' Equity <sup>2</sup>	<b>1,458.01</b>	1,385.43	1,263.30	5.2	<b>17.89</b>
Cash Dividends	<b>20.00</b>	16.00	24.00	25.0	<b>0.25</b>

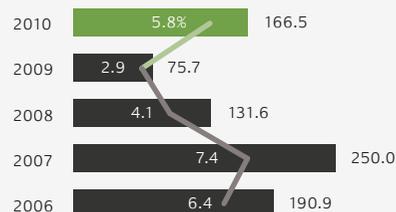
<sup>1</sup> Solely for the convenience of readers, the Japanese yen amounts in this annual report are translated into U.S. dollars at the rate of ¥81.49 to \$1, the approximate year-end rate.

<sup>2</sup> Shareholders' equity is equity excluding stock acquisition rights and minority interests.

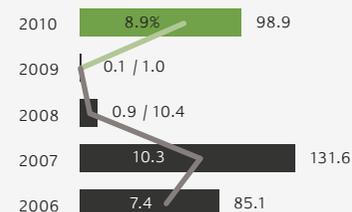
**Net Sales / Overseas Sales**  
¥ billion



**Operating Income / Operating Income Margin**  
¥ billion / %



**Net Income / ROE**  
¥ billion / %



Note: Net sales exclude inter-segment transactions.

# Segment highlights

## Business segments

Bridgestone Corporation and Subsidiaries  
Years ended December 31, 2010, 2009, 2008, 2007, and 2006

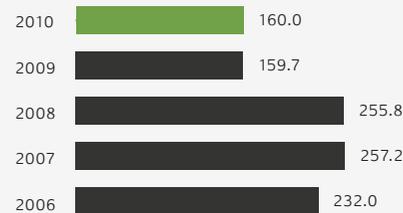
### Tire Business

**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

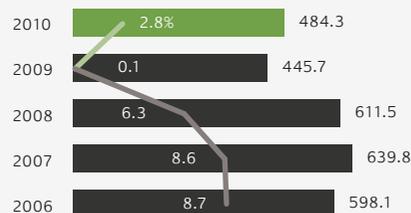
**Chemical and industrial products:** Vehicle parts, polyurethane foam and related products, electronic precision parts, industrial materials-related products, civil engineering and construction materials and equipment, and other

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

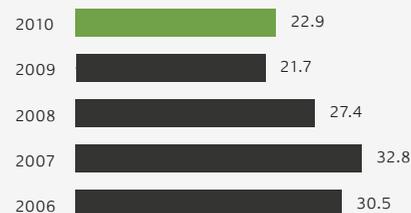
**Bicycles:** Bicycles, bicycle-related goods, and other

**Other:** Finance, and other

Net Sales / Operating Income Margin  
¥ billion / %



Capital Expenditures  
¥ billion



Net Sales by Business Segment



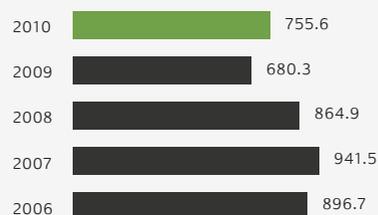
Note: Net sales exclude inter-segment transactions.

# Geographic segments

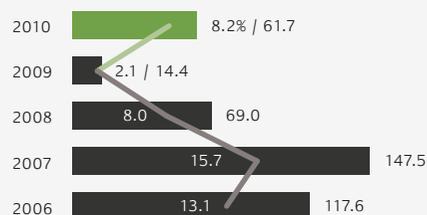
Bridgestone Corporation and Subsidiaries  
Years ended December 31, 2010, 2009, 2008, 2007, and 2006

## Japan

Net Sales  
¥ billion



Operating Income / Operating Income Margin  
¥ billion / %

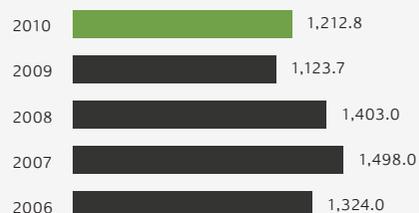


Net Sales by Geographic Segment



## The Americas

Net Sales  
¥ billion

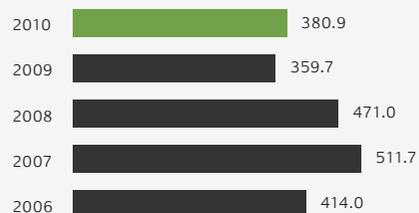


Operating Income / Operating Income Margin  
¥ billion / %

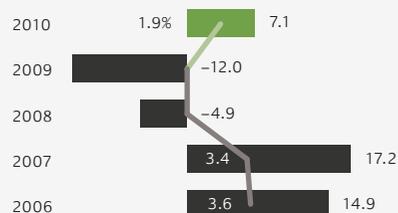


## Europe

Net Sales  
¥ billion

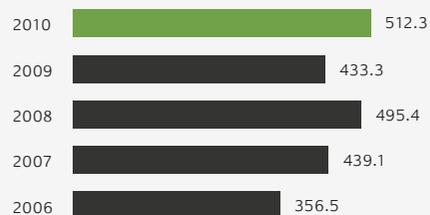


Operating Income / Operating Income Margin  
¥ billion / %



## Others

Net Sales  
¥ billion



Operating Income / Operating Income Margin  
¥ billion / %



Note: Net sales exclude inter-segment transactions.  
Due to rounding, the sum of the figures in the pie charts does not equal 100%.

# 2010 major news flow

## 1st Quarter

- JAN.**
  - Bridgestone starts to supply aircraft radial tires for the Mitsubishi Regional Jet
  - Bridgestone starts sales of ECOPIA EX10
  - Bridgestone manufactures truck and bus radial tires at Indore Plant in India
- FEB.**
  - Bridgestone realigns its steel cord business
  - Bridgestone establishes Bridgestone Bandag Retread Center in Thailand
- MAR.**
  - Bridgestone establishes a new plant in Maharashtra State, India

## 2nd Quarter

- APR.**
  - Bridgestone establishes a tire sales company in Vietnam
  - Bridgestone increases passenger tire production capacity at Poznan Plant in Poland
  - Bridgestone announces targets and initiatives in the area of CO<sub>2</sub> emission reductions
- MAY**
  - Bridgestone increases passenger tire production capacity at Karawang Tire Plant in Indonesia
  - Bridgestone reorganizes tire production by product group in Japan
  - Bridgestone establishes a diversified products oversight company in China
- JUNE**
  - Bridgestone launches ECOPIA EP100S, tires with the highest rank—AAA—for rolling resistance under the Labeling System\*
  - Bridgestone achieves zero emissions at four tire plants in China

\* The Labeling System consists of voluntary industrial standards. These standards were created by the Japan Automobile Tyre Manufacturers Association, Inc., which oversees their implementation.



The opening ceremony for Bridgestone Bandag Retread Center in Thailand



A signing ceremony for the construction of a new plant in India



Poznan Plant in Poland



ECOPIA EP100S

## 3rd Quarter

- JULY**
  - Bridgestone increases production capacity for adhesive film for solar modules
  - Bridgestone partners with the World Agroforestry Centre in Indonesia to assist rubber tree farmers in Indonesia
- AUG.**
  - Bridgestone's runflat tires to be fitted for light vehicles, offered as an option on Suzuki Wagon R
- SEPT.**
  - Bridgestone announces its installation of a new production line at Iwata Plant to expand electronic paper business
  - Bridgestone expands tire production capacity at Nong Kae Plant in Thailand
  - Bridgestone defines its approach to promoting biological diversity



A signing ceremony for a joint project with World Agroforestry Centre in Indonesia



Suzuki Wagon R

## 4th Quarter

- OCT.**
  - Bridgestone announces MTP2010
  - Bridgestone expands production capacity for large and ultralarge off-the-road radial tires for construction and mining vehicles at Kitakyushu Plant
- NOV.**
  - Bridgestone and Delta Electronics announce an agreement on joint development for next-generation electronic paper products
- DEC.**
  - Bridgestone announces its ECOPIA tires to be installed as original equipment on Nissan Leaf, the world's first mass produced electric vehicle
  - Bridgestone announces its increase in production capacity for truck and bus radial tires at Chonburi Plant in Thailand



Ultralarge off-the-road radial tires for construction and mining vehicles



Nissan Leaf electric vehicle

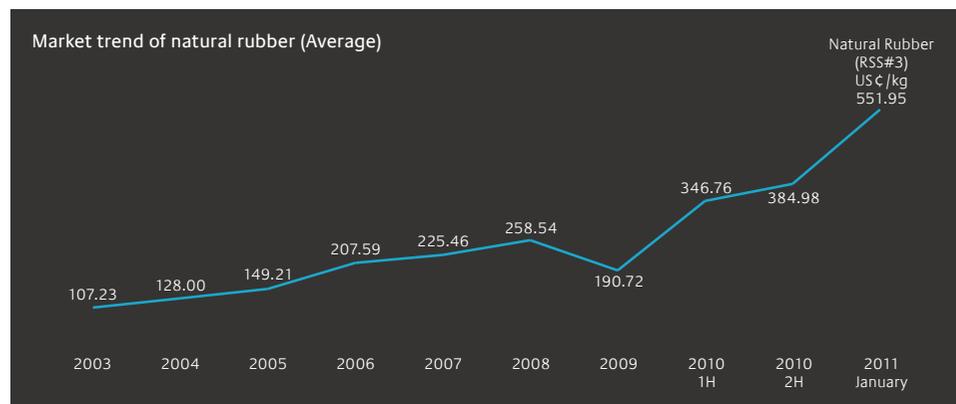
# Management tasks

The ultimate management goal of the Bridgestone Group is to be the “World’s undisputed No. 1 tire and rubber company in both name and reality.” Moving forward, we will implement all of our business activities based on an awareness of our corporate social responsibility.

To that end, the Group has adopted a management stance with four components. First, we will always bear in mind business “Basics” and “Principles.” Second, we will keep the philosophy which has existed since the time of the establishment of the Corporation and follow “The Bridgestone Essence,” whose mission is “Serving Society with Superior Quality.” Third, we will solidify our business footing in Japan. Fourth, we will rigorously proceed with the Group and global business development on the strong foundation provided by our domestic business.

Based on these four components of its management stance, the Group will develop its 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 our business domains; 3. To aim for the real global corporation adopting the Strategic Business Unit (SBU) organization; and 4. To aim for optimum management for the entire Group, utilizing the Mid-Term Management Plan.

The Bridgestone Group faces major structural changes that are occurring at a rapid pace, including changes in demand structure, competitive structure, and profit structure based on the underlying trend of yen appreciation and raw material prices which are increasing at an unprecedented rate. Based on these factors, the Group believes that it will be difficult to achieve quality sustained growth solely by pursuing external growth such as the scale of net sales amount and the number of its overseas business subsidiaries. The global economy appears to be rebounding from the severe worldwide recession that began in the fourth quarter of 2008. Important issues remain, however, including sovereign risk in Europe and concerns about the possibility of decelerating growth in emerging countries. Overall, the future course of the global economy remains difficult to predict.



SOURCE: Singapore Commodity Exchange

## Target performance

### ROA

2012: Forecast 6%  
(No change from MTP2008)  
2013 and afterwards:  
Improve further

### Net sales

2012: ¥3.5 trillion

### Operating income

2012: ¥280 billion

In light of such volatility in business conditions, the Group sought to turn change into opportunity with the implementation of the “Lean and Strategic” management stance. On that basis, we rigorously streamlined the company’s assets.

Further, in our MTP 2010, which was announced in October, we have formulated five items as initiatives for “competing on a different ground.”

The first is “expanding strategic tire products and businesses.” In passenger tires, including runflat tires, UHP (ultra-high performance) tires, and winter tires, we will incorporate the Group’s leading-edge technologies, and take steps to aggressively expand sales on a groupwide basis. In truck and bus tires, in order to meet the needs of customers and society for operation with safety, long mileage, low fuel consumption, and reduced operating costs, we will implement global development of our solutions business. This initiative will utilize retreading and expand sales, particularly in emerging markets through the installation of solutions business infrastructure. In large and ultralarge radial tires for construction and mining vehicles, we will aggressively invest management assets so that we can respond to the increasing global demand for mining resources.

The second initiative is “reinforcing fundamental competencies,” specifically by leveraging vertical integration and optimization of specifications in order to bolster overall supply chain competitiveness. Through vertical integration, in the upstream we will control tire quality and cost from the raw material level. In downstream we will expand our network of retail outlets to provide customers with the optimal products and services on a timely basis. In addition, we will advance initiatives that fully leverage the Group’s strengths in order to rapidly respond to market

## Five approaches

1. Expanding strategic tire products and businesses
2. Reinforcing fundamental competencies
3. Securing our position in the tire business in emerging countries
4. “Selection and concentration” in diversified products business
5. Enhancing environmental activities and eco-friendly products and businesses

needs. In optimization of specifications, the fundamental task is meeting the quality demanded by the market. On that basis, we will aim to implement 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.

The third initiative is “securing our position in the tire business in emerging countries.” Centered on China, India, and Brazil, we will work to establish and expand the sales of the ECOPIA brand tires, put the solutions business on a sound footing, and implement sales initiatives that include bolstering our network of retail outlets. In addition, we will increase production in emerging countries.

The fourth initiative is implementing “‘selection and concentration’ in diversified products business,” or non-tire operations. We will work to bolster the global development of our chemical and industrial products operations, and we will take steps to expand profits through the construction materials and hose/belt operations. In eco-friendly adhesive film for solar modules, we will endeavor to respond rapidly to the increasing demand for solar cells by investing in increased production capacity. We expect these operations to make substantial contributions to our earnings.

The fifth initiative is “enhancing environmental activities and eco-friendly products and businesses.” Working toward the realization of a sustainable society that has low-



Bridgestone's resources for vertical integration: upstream rubber operations in Indonesia (left) and downstream GREEN PIT retail outlets in Japan (right)



Bridgestone Select, retail outlet in India



Adhesive film for solar modules

carbon output, is recycling-oriented, and is environmentally friendly, we will take the initiative in setting challenging goals and working for further progress in environmental countermeasures. Specifically, we have already established numerical objectives, such as targets for CO<sub>2</sub> emission reductions, with consideration for such factors as the social and operating environments. By incorporating these objectives into our plans for individual eco-friendly products and businesses, we will 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 these strategies and measures, it must optimize organizational systems on a Group and global basis and undertake the 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 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 take advantage of 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 and steadily increase its earnings levels.

Finally, the Group’s corporate social responsibility activities will establish systems and heighten the effectiveness of activities in all areas, centered on the Integrated CSR Enhancement Committee, including rigorous risk management for environmental protection, product safety, compliance, disaster prevention including safety initiatives, internal control improvement, employee education, and corporate citizenship activities.

# The Bridgestone Essence

(corporate philosophy)

The Bridgestone Group's mission is based on the words of its founder: "Serving Society with Superior Quality." To fulfill this mission, the Bridgestone Group has used the concept of "foundation" to demonstrate the sustained commitment of employees to provide its customers with world-class products and services and to serve the communities where Bridgestone does business. "The Bridgestone Essence" is composed of the words, integrated corporate culture, and our diversity that today's company has inherited and a shared sense of values that can be embraced by Bridgestone employees around the world.

## Mission

### Serving Society with Superior Quality

We aspire to offer the best for our customers and to society, not only in terms of our products, services and technology, but in all of our corporate activities. Our commitment to quality stems not from want of profit, but out of a passion for improving the safety and lives of people everywhere. Through our Mission, we strive to be a company trusted by the world—a company in which all of us can take great pride.

## Foundation

### Seijitsu-Kyocho

[Integrity and teamwork]

Seijitsu-Kyocho is about adhering to principles of good faith as you carry out your work, in the way you treat others, and as you participate in and engage with society. It is about producing positive outcomes by respecting a diversity of skills, values, experiences, gender and races and fostering teamwork.

### Shinshu-Dokuso

[Creative pioneering]

Shinshu-Dokuso is about envisioning the future and proactively challenging ourselves to identify and develop innovations that will further benefit society and respond to customer needs—from the customer's point of view. It is about unleashing creativity and innovation to develop new business domains and creating demand for new and beneficial products through our own unique methods.

### Genbutsu-Genba

[Decision-making based on verified, on-site observations]

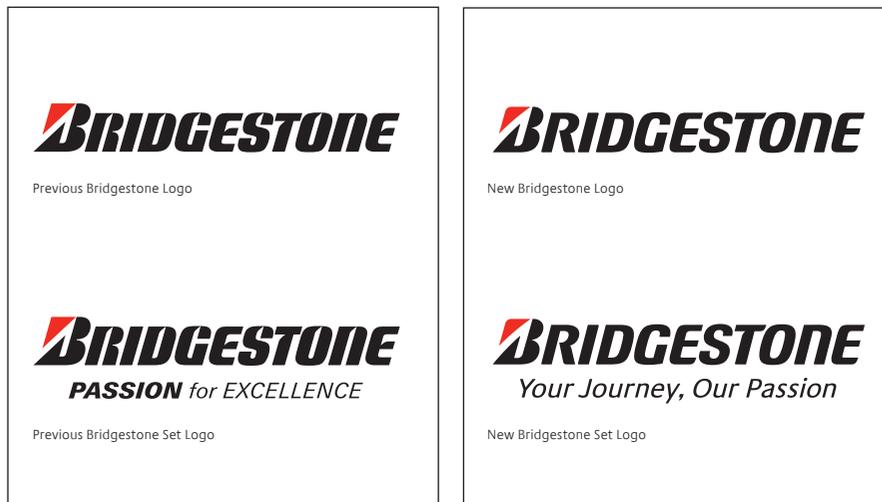
Genbutsu-Genba is about taking the time to go on-site and personally verify the facts, then using those observations to make informed decisions. It is about not being satisfied with the current situation, and making informed decisions that will lead us ever closer to ideal products and solutions.

### Jukuryo-Danko

[Decisive action after thorough planning]

Jukuryo-Danko is about investigating all options and the full range of possibilities, giving careful thought as to how to execute the decided course of action. It is about identifying what is necessary and deciding on a vision. And once a decision and course of action is determined, it is about moving forward with a sense of urgency.





### Refinement of the Bridgestone symbol

The Company refined the Bridgestone symbol that consists of the Bridgestone Logo, Bridgestone Mark, and B Mark in order to respond to diverse customer needs and to reflect changes in the current social environment. This refinement is intended to reflect a sense of “coexistence with people around the world,” “flexible strength,” and “a sense of speed in adjusting to change.” This is an evolution from the previous logo which expresses “strength” and “a sense of physical speed.”

### Revision of tagline

The Bridgestone Group is committed to being a company that supports individuals. In customer-facing locations around the world, the Group’s products and services contribute to its customers. To communicate that concept, the tagline was revised to “Your Journey, Our Passion.”

Moving forward, the Bridgestone Group will take steps to align its employees across the globe with one unifying corporate philosophy and work to establish a new corporate culture that is consistent with “The Bridgestone Essence,” while leveraging the diversity of each individual employee.

# 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 the increasing diverse social requirements and market needs. To respond appropriately to rapidly changing market trends, such as changes in the demand and competitive structure, the Bridgestone Group conducts R&D activities with the objective of establishing a competitive business model on a global basis, taking into consideration of the environmental impact of its product development and production processes. A key challenge as the Group is to stay at the forefront of technology in each business domain in accordance with the MTP.

The Bridgestone 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. The technologies that optimize the quality and the cost of the product from the raw materials level can facilitate reductions in raw material consumption and contribute to environmental conservation, and to help offset higher prices for raw materials. Activities also focus on contributing to development in the solutions business that provides not only products but also services with added value.

With regard to R&D programs in the tire segment, based on the development philosophy of “peace-of-mind” for everything, Bridgestone seeks to create tires with higher added value through the pursuit of three core elements of technology and product development of tires, which are environment, safety, and comfort. Based on the above mentioned philosophy, Bridgestone strives to further reinforce this domain as a core strategic product group and business.

## Tires

With regard to minimizing the environmental impact, the Bridgestone Group will endeavor to develop eco-friendly tires that fulfill voluntary standards in the areas of global warming, resource conservation, the use of environment-friendly resources, recycling, noise reduction, and enhancing product performance. In particular, the Group believes that it can make a major contribution to the reduction of CO<sub>2</sub> emissions, which will support the reduction of global warming through the development of tires with reduced rolling resistance designs.

The Group’s ECOPIA line of eco-friendly tires features reduced rolling resistance which is achieved in part through the use of NanoPro-Tech (Nanostructure-Oriented Properties Control Technology), a Bridgestone patented technology.

The Bridgestone Group has begun to supply ECOPIA tires as original equipment passenger tires for the Nissan Leaf, the world's first mass produced electric vehicle. In the replacement market in Japan, the Group has begun sales of the ECOPIA EX10, which offers excellent performance in both fuel efficiency and wet and dry traction. The ECOPIA EX10 employs NanoPro-Tech technology; Eco Form technology, which controls tire deformation; and technology that optimizes the weight balance for each part of the tire.

In addition, the Group has launched sales of the ECOPIA EP100S. The ECOPIA EP100S has received the highest rank—AAA—for rolling resistance under the “Guideline for Tyre Labeling to Promote the Use of Fuel Efficient Tyres (Labeling System).” These voluntary industry standards were created by the Japan Automobile Tyre Manufacturers Association, Inc., which oversees their implementation. Also, in truck tires, the Group launched sales of the ECOPIA W901, a fuel-efficient studless tire that utilizes fuel-efficient foamed rubber for snow and ice conditions. 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 Bridgestone Group is also developing Eco Value Pack, which contributes to environmental conservation through reductions in resource consumption, energy usage, and CO<sub>2</sub> emissions, as a solutions business utilizing retread tires. 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.



Tire retreading process

**Eco Value Pack contributes to environmental conservation through reductions in resource consumption, energy usage, and CO<sub>2</sub> emissions.**



ECOPIA EX10

**ECOPIA EX10 offers excellent performance in both fuel efficiency and wet and dry traction.**

The Bridgestone 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, because 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 Bridgestone Group has used new technologies to develop third-generation runflat tires, which offer improved ride comfort. These technologies include Bridgestone's patented COOLING FIN design, which cools the tire by creating disturbances in the airflow over the tire sidewalls, and a new sidewall-reinforced rubber, which reduces heat generation. In the future, the Group will leverage the strengths of these third-generation runflat tires as it strives to expand the range of vehicles on which they are installed as well as available sizes.

The Bridgestone Group's strategic products also include large and ultralarge off-the-road radial tires for construction and mining vehicles. 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 increase production capacity at the Kitakyushu Plant. From the



Kitakyushu Plant in Japan

The Group further increases the production capacity of large and ultralarge off-the-road tires at Kitakyushu Plant.

initial stages, the Kitakyushu Plant has been positioned as the environmental model for future Bridgestone plants. The Group is implementing a range of environmentally friendly initiatives at the plant, such as the aggressive introduction of new technologies. In the future, the Kitakyushu Plant will continue to make a contribution to environmental conservation while meeting the needs of the Company's customers.

### Diversified products

In the diversified products business, the Bridgestone Group continues working to strengthen its product lineups in key operational fields. At the same time, the Group is implementing R&D activities with the objective of providing products that accurately meet the 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 technologies and superior precision processing technologies. Solar modules provide an environmentally friendly system for generating green power, and demand is growing rapidly for this technology around the world. 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.

The use of electronic paper is expected to grow rapidly on a global basis. Accordingly, the Group will take steps to increase production capacity, aggressively advance the development of next-generation devices, and open up new markets. Electronic paper requires electrical power only when writing, and it can contribute to resource conservation when used in place of paper, which is currently consumed in vast quantities. Consequently, electronic paper has been highly evaluated as an environmentally friendly technology. In 2010, the Bridgestone Group's electronic paper was recognized by the Minister of the Environment for activities contributing to the prevention of global warming in the category of technology development and commercialization.



Electronic paper display for viewing electronic information

Electronic paper requires electrical power only when writing, and it can contribute to resource conservation when used in place of paper.

The quality of the Group's adhesive film for solar modules is well regarded in the marketplace.



Adhesive film for solar modules

# Board of Directors, Corporate Auditors, and Corporate Officers

As of April 1, 2011

## Board of Directors

**Shoshi Arakawa**  
Chairman of the Board

**Kazuhisa Nishigai**  
**Masaaki Tsuya**  
**Mikio Masunaga**  
**Kazuo Kakehi**  
**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

**Yukimitsu Ushio** (Full-Time)  
**Katsuji Hayashi**\*2 (Full-Time)  
**Hiroshi Ishibashi**  
**Kenichi Masuda**\*2  
**Yo Takeuchi**\*2

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

## Corporate Officers

### Members of the Board serving concurrently as Corporate Officers

**Shoshi Arakawa**  
CEO and President

**Kazuhisa Nishigai**  
Senior Vice President  
Responsible for Japan Tire Business;  
Concurrently responsible for Replacement Tire Sales

**Masaaki Tsuya**  
Vice President and Senior Officer  
Chief Risk-Management Officer,  
Chief Human Rights Officer  
Responsible for Corporate Administration;  
Concurrently responsible for Diversified Products, Sports and Cycle Business Administration  
Chief Compliance Officer,  
Office of Group CEO, Internal Auditing

**Mikio Masunaga**  
Vice President and Senior Officer  
Responsible for Quality Management

**Kazuo Kakehi**  
Vice President and Senior Officer  
Responsible for Diversified Products  
Chemical and Industrial Products  
Production and Technology  
Advanced Chemical and Industrial  
Products Production Technology  
Development

## Vice President and Senior Officers

**Takashi Urano**  
Responsible for Original Equipment  
Tire Sales  
Japan Tire Business Planning

**Yoshiyuki Morimoto**  
Responsible for Products Development  
Tire Research and Material  
Development; Concurrently Assistant  
to Vice President and Officer, Office of  
Group CEO, Technology Relations

**Yasuo Ryuto**  
Responsible for Diversified Products  
Business

**Asahiko Nishiyama**  
Responsible for International Tire  
Business Operations; Concurrently  
Director, International Tire  
Administration Division, International  
Retail Business Support Division

**Yasumi Kawasaki**  
Responsible for Production Technology

**Narumi Zaitsu**  
Responsible for Global Logistics Center

**Kiyoshi Nomura**  
Seconded to Bridgestone Tire Sales  
Kitanion Co., Ltd.  
Chairman and CEO of Bridgestone Tire  
Sales Kitanion Co., Ltd.

**Gary Garfield**  
Member of the Board, CEO and  
President of Bridgestone Americas, Inc.

**Eduardo Minardi**  
Member of the Board and Chief  
Operating Officer of Bridgestone  
Americas, Inc.

## Vice President and Officers

**Akihiro Eto**  
Chief Financial Officer, Finance, Chief  
Information Officer, IT & Network;  
Concurrently Director, Corporate  
Planning Division

**Naomi Eto**  
General Affairs, Corporate  
Communications and Motorsport;  
Concurrently Director, Corporate  
Communications Division

**Shuichi Ishibashi**  
Safety and Disaster Prevention  
Environment; Concurrently Assistant  
to Vice President and Officer,  
Office of Group CEO  
New Business Development;  
Concurrently Assistant to Vice  
President and Senior Officer,  
Responsible for Diversified Products,  
Sports and Cycle Business  
Administration, Diversified Products  
New Business Models Development

**Yoichi Sato**  
Chief Quality Officer, Quality

**Yuichiro Takenami**  
Central Research; Concurrently  
Assistant to Vice President and Officer,  
Office of Group CEO External  
Relations; Concurrently Assistant to  
Vice President and Senior Officer,  
Responsible for Diversified Products,  
Sports and Cycle Business  
Administration, External Relations

**Masato Hiruma**  
Tire Products Strategy

**Masakazu Sekiguchi**  
Global Production Administration and  
Logistics, Mold Technology and  
Manufacturing; Concurrently Director,  
Mold Technology and Manufacturing  
Division; Concurrently General  
Manager, SCM Renovation Project  
Group, Production Distribution  
Administration Division  
Concurrently Assistant to Vice President  
and Officer, Japan Tire Production

**Fumihiro Yanaga**  
Tire Production Technology  
Development

**Seiichiro Kawai**  
Advanced Production Technology  
Development; Concurrently Director,  
Advanced Production Technology  
Development Division

**Yutaka Yamaguchi**  
Tire Products Development

**Natsuki Fujii**  
Diversified Products Business;  
Concurrently Director, Industrial  
Chemical Products and Infrastructure  
Business

**Shinichi Sato**  
Replacement Tire Sales Planning and  
Administration  
Retail Business Operation

**Minoru Shimizu**  
Consumer Tires Business;  
Concurrently Director, Consumer Tires  
Business Division

**Koji Kajiwara**  
Commercial Tires Solutions Business;  
Concurrently Director, Commercial  
Tires Solutions Business Division;  
Concurrently Chairman, CEO and  
President of Bridgestone BMS Co., Ltd.

**Takashi Yasukochi**  
Japan Tire Production

**Tatsuro Hamada**  
Internal Manufacturing Management  
Concurrently Assistant to Vice President  
and Senior Officer, Responsible for  
Products Development

**Masahito Tsuji**  
Procurement;  
Concurrently Assistant to Vice  
President and Officer, Office of Group  
CEO, GLC Relations;  
Concurrently Director, GLC  
Administration Division

**Yoshiharu Inoue**  
Global Manufacturing Education;  
Concurrently Director, Global  
Manufacturing Education Center

**Koki Takahashi**  
Seconded to Bridgestone  
Americas, Inc.  
Chairman of Bridgestone  
Americas, Inc.

**Christine Karbowski**  
Member of the Board, Chief  
Administrative Officer and Executive  
Vice President of Bridgestone  
Americas, Inc.

**Isaku Motohashi**  
Seconded to Bridgestone  
Americas, Inc.

**Hideo Hara**  
Seconded to Bridgestone Americas,  
Inc. (AKRON)

**Makio Ohashi**  
Seconded to Bridgestone Europe  
NV/SA  
Member of the Board, CEO and  
President of Bridgestone Europe NV/SA

**Franco Annunziato**  
Member of the Board, Chief Quality  
Officer and Senior Vice President  
—Technology of Bridgestone Europe  
NV/SA

**Kunitoshi Takeda**  
Seconded to Bridgestone (China)  
Investment Co., Ltd.  
Chairman and CEO of Bridgestone  
(China) Investment Co., Ltd.

**Yasushi Ota**  
Seconded to Bridgestone (China)  
Investment Co., Ltd.

**Toru Tsuda**  
Seconded to Bridgestone Cycle  
Co., Ltd.  
Member of the Board and Executive  
Vice President of Bridgestone Cycle  
Co., Ltd.

# 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 8 directors, including 2 outside directors, as of December 31, 2010.

To take steps to strengthen corporate governance, such as further engaging the Board of Directors, at the General Meeting of Shareholders held on March 29, 2011, 9 directors were elected, including 4 new outside directors.

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. As of December 31, 2010, the Board of Corporate Auditors had 6 members, including 3 outside auditors. At the General Meeting of Shareholders held on March 29, 2011, 2 corporate auditors reached the end of their tenure and 1 outside corporate auditor was elected. As a result, the Company's Board of Corporate Auditors consisted of 5 corporate auditors, including 1 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 the CEO and President and is composed of directors, corporate officers, and divisional heads\*. 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 the 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 the 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. These subcommittees include at least 1 corporate auditor and, from January 1, 2011, at least 1 outside director.

In addition to compliance with laws, regulations, and the articles of incorporation, the Company has formulated an approach to compliance system advancement and basic policies, which call for member of the board, corporate officers, and all of Bridgestone employees to conduct 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 that includes a helpline to provide employees confidential channels in seeking compliance-related advice, as well as for promoting compliance-related education for directors and employees. Recognizing the CSR-related importance of compliance activities, Bridgestone has previously established

the Compliance Committee, which is chaired by the CCO and is a subcommittee of the Integrated CSR Enhancement Committee, which is chaired by the 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 the 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.

\*Also titled directors (non-board members) within Bridgestone, "Honbuchou" in Japanese

### **Status of audits by the corporate auditors, the internal auditors, and the accounting 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 29 people (excluding those working concurrently in other positions) as of December 31, 2010. 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 2010 included 3 certified public accountants, 10 assistants who were certified public accountants, 8 associate members of the Japan Institute of Certified Public Accountants, and 7 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.

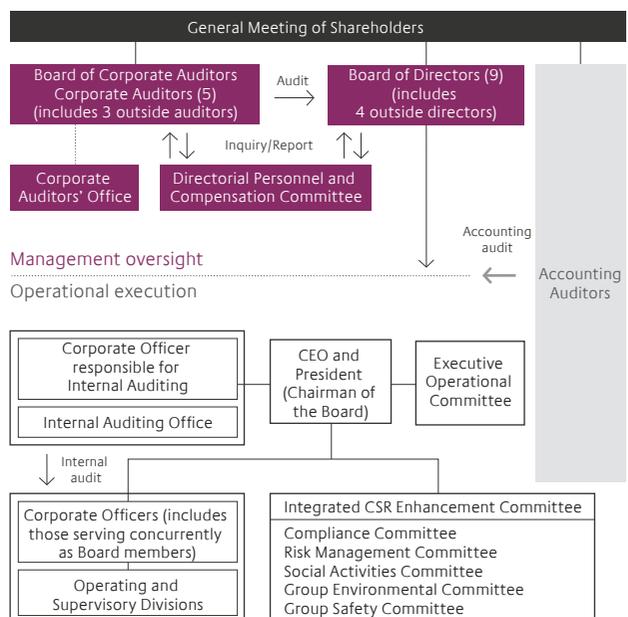
### Outside directors and outside corporate auditors

As of March 29, 2011, the Company had 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 accounting auditors and strive to enhance the efficiency and effectiveness of audits.



As of March 29, 2011

# Shareholder information

As of January 1, 2011

## 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

139,822

## Accounting 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

340 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)

	2004	2005	2006	2007	2008	2009	2010
							Yen
High	2,190	2,625	2,945	2,715	2,170	1,813	<b>1,700</b>
Low	1,449	1,935	1,903	1,941	1,215	1,094	<b>1,396</b>

## Common stock price index

(Relative to Nikkei Stock Average)



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

# Major subsidiaries and affiliates

As of January 1, 2011

Country	Company	Ownership (including indirect ownership)	Capital (in thousands)	Operations
Argentina	Bridgestone Argentina S.A.I.C.	100.0%	ARS 201,241	Manufacture and sale of tires
Australia	Bridgestone Australia Ltd.	100.0%	AUD 205,819	Sale of tires
	Bridgestone Earthmover Tyres Pty. Ltd.	100.0%	AUD 7,000	Sale of off-the-road tires for mining and construction vehicles
Belgium	Bridgestone Europe NV/SA	100.0%	EUR 724,668	Management of European operations and sale of tires
	Bridgestone Aircraft Tire (Europe) S.A.	100.0%	EUR 1,388	Retread and sale of aircraft tires
Brazil	Bridgestone do Brasil Industria e Comercio Ltda.	100.0%	BRL 299,511	Manufacture and sale of tires
Canada	Bridgestone Canada Inc.	100.0%	CAD 127,552	Manufacture and sale of tires and sale of automotive components
Chile	Bridgestone Off-the-Road Tire Latin America S.A.	75.0%	USD 3,000	Sale of off-the-road tires for mining and construction vehicles
China	Bridgestone (China) Investment Co., Ltd.	100.0%	USD 167,073	Management of Chinese tire operations and sale of tires
	Bridgestone Aircraft Tire Company (China) Ltd.	100.0%	USD 8,000	Retread and sale of aircraft tires
	Bridgestone Aircraft Tire Company (Asia) Ltd.	100.0%	HKD 21,000	Retread and sale of aircraft tires
Costa Rica	Bridgestone de Costa Rica, S.A.	98.6%	CRC 1,452,750	Manufacture and sale of tires
France	Bridgestone France S.A.S.	100.0%	EUR 74,090	Manufacture and sale of tires and sale of automotive components
Germany	Bridgestone Deutschland GmbH	100.0%	EUR 14,000	Sale of tires and automotive components
Hungary	Bridgestone Tatabanya Termelo Kft.	100.0%	HUF 30,938,000	Manufacture and sale of tires
India	Bridgestone India Private Ltd.	100.0%	INR 4,003,000	Manufacture and sale of tires
Indonesia	P.T. Bridgestone Tire Indonesia	54.3%	USD 24,960	Manufacture and sale of tires
Italy	Bridgestone Italia S.p.A.	100.0%	EUR 38,775	Manufacture and sale of tires and sale of automotive components
Japan	Bridgestone Chemitech Co., Ltd.	100.0%	JPY 495,000	Manufacture and sale of synthetic resin
	Bridgestone Cycle Co., Ltd.	100.0%	JPY 1,870,000	Manufacture and sale of bicycles
	Bridgestone Flowtech Corporation	100.0%	JPY 484,000	Manufacture of industrial hydraulic hoses
	Bridgestone Elastech Co., Ltd.	100.0%	JPY 450,000	Manufacture and sale of antivibration components
	Bridgestone Sports Co., Ltd.	100.0%	JPY 3,000,000	Manufacture and sale of sporting goods
	Asahi Carbon Co., Ltd.	99.4%	JPY 1,720,000	Production and sale of carbon black
	Bridgestone Finance Corporation	100.0%	JPY 50,000	Lending, purchasing of sales receivables, and outsourced processing of accounting and salary payments
Mexico	Bridgestone de Mexico, S.A. de C.V.	100.0%	MXN 455,997	Manufacture and sale of tires
The Netherlands	Bridgestone Finance Europe B.V.	100.0%	EUR 225	Lending and purchasing of sales receivables and auditing of group companies

Country	Company	Ownership (including indirect ownership)	Capital (in thousands)	Operations
New Zealand	Bridgestone New Zealand Ltd.	100.0%	NZD 63,348	Sale of tires
Poland	Bridgestone Poznan Sp. zo.o.	100.0%	PLN 558,058	Manufacture and sale of tires
	Bridgestone Stargard Sp. zo.o.	100.0%	PLN 572,650	Manufacture and sale of tires
Russia	Limited Liability Company "Bridgestone C.I.S."	100.0%	RUB 480,474	Sale of tires
Singapore	Bridgestone Singapore Pte Ltd	100.0%	USD 674	Natural rubber trading
	Bridgestone Asia Pacific Pte. Ltd.	100.0%	SGD 43,810	Management of Asia and Oceania tire operations and sale of tires
South Africa	Bridgestone South Africa Holdings (Pty) Ltd.	100.0%	ZAR 23	Holding company for tire manufacturing and marketing company
Spain	Bridgestone Hispania S.A.	99.7%	EUR 56,726	Manufacture and sale of tires and sale of automotive components
Taiwan	Bridgestone Taiwan Co., Ltd.	80.0%	TWD 810,500	Manufacture and sale of tires
Thailand	Thai Bridgestone Co., Ltd.	69.2%	THB 400,000	Manufacture and sale of tires
	Bridgestone Tire Manufacturing (Thailand) Co., Ltd.	100.0%	THB 6,921,000	Manufacture and sale of tires
	Bridgestone Natural Rubber (Thailand) Co., Ltd.	100.0%	THB 447,000	Processing of natural rubber
Turkey	Brisa Bridgestone Sabanci Lastik Sanayi ve Ticaret A.S.	43.6%	TRY 7,441	Manufacture and sale of tires
United Kingdom	Bridgestone U.K. Ltd.	100.0%	GBP 18,335	Sale of tires and automotive components
	Bridgestone Industrial Ltd.	100.0%	GBP 250	Sale of engineered products
UAE	Bridgestone Middle East & Africa FZE.	100.0%	AED 17,000	Management of Middle East and Africa tire operations and sale of tires
United States	Bridgestone Americas, Inc.	100.0%	USD 127,000	Management of Americas operations
	Bridgestone Bandag, LLC	100.0%	USD 1	Manufacture and sale of retreading materials and provision of related services
	Bridgestone Americas Tire Operations, LLC	100.0%	USD 1	Manufacture and sale of tires
	Bridgestone Retail Operations, LLC	100.0%	USD 1	Sale of tires and automotive components and automotive maintenance and repair services
	Firestone Diversified Products, LLC	100.0%	USD 1	Manufacture and sale of roofing materials and other products
	Morgan Tire & Auto, LLC	100.0%	USD 1	Sale of tires and automotive components and automotive maintenance and repair services
	Bridgestone APM Company	100.0%	USD 15,000	Manufacture and sale of antivibration components for automobiles and of synthetic resin products
	Bridgestone Aircraft Tire (USA), Inc.	100.0%	USD 1	Retread and sale of aircraft tires
Venezuela	Bridgestone Firestone Venezolana, C.A.	100.0%	VEF 10,386	Manufacture and sale of tires

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