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Bridgestone Corporation Announces Business and Financial Results for Fiscal 2005

Tokyo (February 17, 2006) - Bridgestone Corporation (the "Company") today announced its consolidated business and financial results for the fiscal year ended December 31, 2005. These results are for the Company and its consolidated subsidiaries, collectively referred to below as the "Companies." The Company had 440 consolidated subsidiaries and 198 equity method affiliates at December 31, 2005, and it had 435 consolidated subsidiaries and 202 equity method affiliates at December 31, 2004.

Here is a summary of the Companies' results in 2005 and management's projections for the Companies' sales and earnings performance in 2006. Solely for the convenience of readers, the dollar figures have been calculated at US\$1 = ¥118.07, the exchange rate on December 31, the end of the 2005 fiscal year.

I. Summary of Business and Financial Performance

A. Overall Results

1. Sales and earnings

	FY2005	FY2004	Increase (decrease)	
	¥ billion	¥ billion	¥ billion	%
Net sales	2,691.3	2,416.6	274.6	11
Operating income	213.8	197.6	16.1	8
Ordinary income	198.1	181.5	16.5	9
Net income	180.7	114.4	66.3	58

A prominent trend of the business environment in fiscal 2005 was continued global upward movement in the cost of crude oil and other raw materials. The Japanese economy continued to recover moderately on the back of improving corporate earnings and

increases in personal consumption and capital spending. In the United States, despite the impact of hurricanes Katrina and Rita, the economy expanded on the whole as personal consumption and capital spending continued to increase. Economic recovery proceeded gradually in Europe. Strong economic growth continued in China, while other Asian economies also expanded steadily.

Amid such a business environment, the Companies continued to release appealing new products, execute initiatives to expand sales worldwide, and boost global production capacity. Additionally, the Companies sought to enhance productivity, improve logistics efficiencies, and make the most of their strengths in research and technology.

As a result, net sales in fiscal 2005 increased 11% over the previous year, to ¥2,691.3 billion [\$22.8 billion], while operating income increased 8%, to ¥213.8 billion [\$1,811 million] and ordinary income increased 9%, to ¥198.1 billion [\$1,678 million]. Net income grew 58%, to ¥180.7 billion [\$1,530 million]. This increase was due mainly to an extraordinary gain of ¥78.5 billion [\$665 million] arising from the return to the Japanese government of the substitutional portion of an employee pension plan covering Bridgestone Corporation and several consolidated Japanese subsidiaries.

A total of \$240 million (¥26.5 billion) was recorded as extraordinary loss during the period as Bridgestone Firestone North American Tire, LLC ("Firestone"), a subsidiary which manufactures and sells tires in North America, agreed to pay the Ford Motor Company the amount to settle all outstanding financial issues associated with Firestone's August 2000 voluntary safety recall and Ford's May 2001 tire replacement program.

Performance in the Americas is on a recovery track, and accordingly, the Companies recognized deferred tax assets through reversal of previously established valuation allowance. Tax gains of ¥40.9 billion [\$346 million] in line with this recognition have been included in income taxes.

2. Segment Information

Note:

The amounts for segment results include inter-segment transactions that are eliminated in calculating the consolidated results.

a. By business segment

		FY 2005	FY 2004	Increase (decrease)	
		¥ billion	¥ billion	¥ billion	%
Tires	Sales	2,156.7	1,931.8	224.9	12
	Operating income	167.9	160.2	7.6	5
Diversified Products	Sales	564.7	512.7	51.9	10
	Operating income	45.8	36.4	9.3	26
Consolidated Results	Sales	2,691.3	2,416.6	274.6	11
	Operating income	213.8	197.6	16.1	8

In the tire segment, the Companies' operating income in fiscal 2005 increased 5% over the previous year, to ¥167.9 billion [\$1,422 million], while sales were up 12%, to ¥2,156.7 billion [\$18.3 billion]. The earnings contribution from this sales growth offset in part the adverse effect on earnings of rising raw material costs. The Companies worked to maximize their sales momentum by introducing appealing new products worldwide, increasing marketing efforts and improving product mix. Strong demand in overseas markets also contributed to the sales growth.

In the diversified products segment, the Companies' operating income in fiscal 2005 increased 26%, to ¥45.8 billion [\$388 million] over the previous year, while sales rose 10%, to ¥564.7 billion [\$4.8 billion]. Business was especially strong in the building materials operations in the United States and in precision components for office equipment in Japan.

b. By geographical segment

		FY 2005	FY 2004	Increase (decrease)	
		¥ billion	¥ billion	¥ billion	%
Japan	Sales	1,162.3	1,068.8	93.4	9
	Operating income	138.3	131.1	7.1	5
The Americas	Sales	1,157.9	1,018.9	139.0	14
	Operating income	38.9	26.6	12.3	46
Europe	Sales	366.9	325.5	41.3	13
	Operating income	19.6	22.0	(2.3)	(11)
Other	Sales	497.9	405.3	92.5	23
	Operating income	21.0	17.6	3.4	19
Consolidated Results	Sales	2,691.3	2,416.6	274.6	11
	Operating income	213.8	197.6	16.1	8

Sales in Japan increased 9%, to ¥1,162.3 billion [\$9.8 billion], and operating income increased 5%, to ¥138.3 billion [\$1,171 million], despite increasing raw material costs. In the Japanese market, unit sales of tires exceeded levels recorded in 2004, especially sales of winter tires. Unit exports of tires also increased. Precision components for office equipment rose significantly, contributing to sales growth in diversified products.

In the Americas, sales increased 14%, to ¥1,157.9 billion [\$9.8 billion], and due to efforts to address increasing raw material costs, operating income increased 46%, to ¥38.9 billion [\$329 million]. In North America, unit sales of passenger car and light truck tires declined in the original equipment sector but increased in the replacement sector. In addition, unit sales of truck and bus tires increased, led by growth in the original equipment sector. Business improved over fiscal 2004 in diversified and Latin American operations.

Sales in Europe increased 13%, to ¥366.9 billion [\$3.1 billion], while operating income decreased 11%, to ¥19.6 billion [\$166 million] due to the significant negative impact of rising raw material costs. Unit sales of passenger car and light truck tires increased in the original equipment and replacement sectors. Unit sales of truck and bus tires also increased, led by growth in the original equipment sector.

In other regions, sales grew 23%, to ¥497.9 billion [\$4.2 billion], stimulated by vigorous marketing. An increase of 19% in operating income to ¥21.0 billion [\$178 million] was posted despite the rising cost of raw materials.

B. Dividends

Management has proposed a year-end dividend of ¥14 [\$0.12] per share. Including an interim dividend of ¥10 [\$0.08], the annual dividend is expected to be ¥24 [\$0.20] per share.

C. Financial Position

1. Cash Flow

		FY 2005	FY 2004	Increase (decrease)
		¥ billion	¥ billion	¥ billion
Net cash provided by operating activities		148.9	238.7	(89.7)
Net cash used in investing activities		(216.9)	(179.9)	(36.9)
Net cash provided by (used in) financing activities		10.2	(94.1)	104.3
Effect of exchange rate changes on cash and cash equivalents		7.5	0.7	6.7
Net decrease in cash and cash equivalents		(50.1)	(34.5)	(15.6)
Cash and cash equivalents	At beginning of year	263.7	298.2	(34.5)
	At end of year	213.5	263.7	(50.1)

The Companies' cash and cash equivalents declined ¥50.1 billion [\$424 million], to ¥213.5 billion [\$1,808 million] at year-end, compared with a decrease of ¥34.5 billion [\$292 million] in the previous year.

(Cash flow by operating activities)

Net cash provided by operating activities decreased ¥89.7 billion [\$760 million] from the previous year, to ¥148.9 billion [\$1,261 million]. The principal contributors in that cash provided included income before income taxes and minority interests of ¥244.5 billion [\$2,071 million], compared with ¥180.8 billion in the previous year; depreciation and amortization of ¥127.6 billion [\$1,081 million], compared with ¥111.4 billion in the previous year; and an increase in notes and accounts payable of ¥47.9 billion [\$406 million], compared with an increase of ¥17.4 billion in the previous year. These contributors offset a decrease of ¥100.8 billion [\$854 million] in accrued pension and liability for retirement benefits, compared with an increase of ¥12.4 billion in the previous year; an increase of inventories of ¥57.4 [\$486 million] billion, compared with an increase of ¥21.9 billion in the previous year; and ¥68.5 billion [\$580 million] in income taxes paid, compared with ¥27.8 billion in the previous year.

(Cash flow by investing activities)

Net cash used in investing activities increased ¥36.9 billion [\$313 million] compared with the previous year, to ¥216.9 billion [\$1,837 million]. Expenditures included payments of ¥196.4 billion [\$1,663 million] for purchase of property, plant and equipment, compared with payments of ¥179.5 billion in the previous year.

(Cash flow by financing activities)

Net cash provided by financing activities amounted to ¥10.2 billion [\$86 million], compared with a decrease of ¥94.1 billion in the previous year. The major contributors included a net increase of ¥123.1 billion [\$1,043 million] in short-term borrowings and commercial paper, compared with a decrease of ¥6.3 billion in the previous year; and proceeds from issuance of bonds of ¥28.9 billion [\$245 million], compared with ¥24.5 billion in the previous year. These gains offset repayments of long-term borrowings of ¥90.8 billion [\$769 million], compared with ¥77.8 billion in the previous year, and payments for purchase of treasury stock of ¥46.9 billion [\$397 million], compared with ¥67.9 billion in the previous year.

2. Trends in Cash Flow Indicators

	FY2003	FY2004	FY2005
Shareholders' equity/total assets (%)	40.0	40.1	41.6
Market capitalization*/total assets (%)	54.5	70.2	70.8
Interest-bearing debt/net cash provided by operating activities (years)	1.9	2.0	3.9
Net cash provided by operating activities/interest payments** (times)	20.0	21.0	10.1

* Share price on last trading day of December multiplied by number of shares outstanding (after deducting treasury stock)

** Interest payments as listed on Statements of Cash Flows

II. Projections

The operating environment is expected to remain challenging in 2006. Adverse factors include the persistently high cost of raw materials caused by rising prices of natural rubber, crude oil and other materials. Those factors may offset the positive contributions from the gradual recovery underway in the world economy and the burgeoning demand for tires especially in markets outside Japan.

In Japan, management expects unit sales of tires for the domestic market to remain on par with the previous year. They also project continued growth in unit exports of tires.

In the Americas, management projects unit sales gains in passenger car, light truck, truck and bus tires amid strong demand.

In Europe, management projects unit sales gains in passenger car, light truck, truck and bus tires as demand remains buoyant.

The following table presents a summary of management's business projections for 2006.

		FY2006 Projections	FY2005 Results	Increase (decrease)	
		¥ billion	¥ billion	¥ billion	%
First half	Net sales	1,390.0	1,256.2	133.7	11
	Operating income	70.0	92.0	(22.0)	(24)
	Ordinary income	54.0	88.6	(34.6)	(39)
	Net income	33.0	101.7	(68.7)	(68)
Full year	Net sales	2,900.0	2,691.3	208.6	8
	Operating income	197.0	213.8	(16.8)	(8)
	Ordinary income	163.0	198.1	(35.1)	(18)
	Net income	100.0	180.7	(80.7)	(45)
Exchange rate-Actual (FY2005) or assumed (FY2006)	First-half average	Yen/dollar	110	106	4
		Yen/euro	135	136	(1)
	Full-year average	Yen/dollar	110	110	-
		Yen/euro	135	137	(1)

Notes: 1. Fiscal 2005 results include: an extraordinary gain of ¥82.8 billion [\$701 million] arising mostly from the return to the Japanese government of the substitutional portion of an employee pension plan; an extraordinary loss of ¥36.3 billion [\$307 million] due mainly to payment in line with the settlement agreement concluded with Ford Motor Company; and tax gains of ¥40.9 billion [\$346 million] in line with the recognition of deferred tax assets through reversal of valuation allowance. Excluding these factors, management forecasts net income for the first half of fiscal 2006 to decrease 42%, not 68%, compared with the same period of the previous year, and full-year net income to decrease 13%, not 45%, compared with the previous year.

Management plans to provide an annual dividend of ¥24 per share in 2006, comprising an interim dividend of ¥12 per share and a year-end dividend of ¥12.

Forward-Looking Statements

The preceding descriptions of projections and plans are “forward-looking statements,” which involve known and unknown risks and uncertainties. Those variables could cause the Companies’ actual performance and results to differ substantially from management’s projections and plans.

Bridgestone Corporation, headquartered in Tokyo, is the world's largest manufacturer of tires and other rubber products. Tires account for 80 percent of Bridgestone Group sales worldwide. The company also manufactures industrial rubber and chemical products, sporting goods, and other diversified products. It sells its tires and other products in more than 150 nations.

- end -

Consolidated Financial Statements

Consolidated Balance Sheet

	FY2004 (As of 31 December 2004)		FY2005 (As of 31 December 2005)		Increase (decrease)
	Yen in million	%	Yen in million	%	Yen in million
Assets					
Current Assets:					
Cash and deposits	252,796		199,008		(53,788)
Notes and accounts receivable	460,534		531,174		70,640
Short-term investments	5,305		5,000		(305)
Inventories	373,419		464,972		91,553
Deferred tax assets	58,140		49,698		(8,442)
Other	59,138		82,012		22,874
Allowance for doubtful accounts	(15,736)		(16,232)		(496)
Total Current Assets	1,193,598	51.1	1,315,633	48.5	122,035
Fixed Assets:					
Tangible assets					
Building and structures	229,164		255,278		26,114
Machinery and equipment	273,380		331,828		58,448
Land	124,042		133,250		9,208
Construction in progress	67,047		89,785		22,738
Other	49,974		58,233		8,259
Tangible assets	743,609	31.9	868,376	32.1	124,767
Intangible assets					
Rights and other	9,441		17,139		7,698
Intangible assets	9,441	0.4	17,139	0.6	7,698
Investments and other assets					
Investments in securities	230,210		304,739		74,529
Long-term loans receivable	17,793		16,815		(978)
Deferred tax assets	85,116		138,084		52,968
Other	54,737		49,835		(4,902)
Allowance for doubtful accounts	(798)		(663)		135
Total Investments and other assets	387,058	16.6	508,812	18.8	121,754
Total Fixed Assets	1,140,109	48.9	1,394,328	51.5	254,219
Total	2,333,708	100.0	2,709,962	100.0	376,254

(Financial information is prepared in accordance with accounting principles generally accepted in Japan)

	FY2004 (As of 31 December 2004)		FY2005 (As of 31 December 2005)		Increase (decrease)
	Yen in million	%	Yen in million	%	Yen in million
Liabilities					
Current Liabilities:					
Notes and accounts payable	170,732		206,977		36,245
Short-term borrowings	161,945		210,628		48,683
Commercial paper	1,409		11,770		10,361
Current portion of bonds	8,351		6,000		(2,351)
Income taxes payable	43,690		35,082		(8,608)
Deferred tax liabilities	1,262		2,000		738
Provision for voluntary tire recall	8,097		6,276		(1,821)
Accounts payable - other	125,266		156,377		31,111
Accrued expenses	156,804		177,965		21,161
Other	37,433		42,694		5,261
Total Current Liabilities	714,992	30.6	855,773	31.6	140,781
Long-term Liabilities:					
Bonds	133,146		147,001		13,855
Long-term borrowings	174,721		204,340		29,619
Deferred tax liabilities	18,525		72,566		54,041
Accrued pension and liability for retirement benefits	279,734		194,619		(85,115)
Warranty reserve	16,072		18,284		2,212
Provision for environmental spending	-		5,886		5,886
Other	29,131		47,960		18,829
Total Long-term Liabilities	651,332	27.9	690,659	25.5	39,327
Total Liabilities	1,366,324	58.5	1,546,433	57.1	180,109
Minority Interests					
Minority Interests	32,402	1.4	34,932	1.3	2,530
Shareholders' Equity					
Common stock	126,354	5.4	126,354	4.7	-
Capital surplus	122,078	5.2	122,078	4.5	-
Retained earnings	837,764	35.9	935,823	34.5	98,059
Net unrealized gain on available-for-sale securities	102,612	4.4	144,186	5.3	41,574
Foreign currency translation adjustments	(152,300)	(6.4)	(102,038)	(3.8)	50,262
Treasury stock-at cost	(101,528)	(4.4)	(97,808)	(3.6)	3,720
Total Shareholders' Equity	934,980	40.1	1,128,596	41.6	193,616
Total	2,333,708	100.0	2,709,962	100.0	376,254

(Financial information is prepared in accordance with accounting principles generally accepted in Japan)

Consolidated Statements of Income

	FY2004 (Year ended 31 December 2004)		FY2005 (Year ended 31 December 2005)		Increase (decrease)			
	Yen in million	%	Yen in million	%	Yen in million	%		
Net Sales		2,416,685	100.0		2,691,375	100.0	274,690	-
Cost of Sales		1,533,251	63.4		1,751,940	65.1	218,689	1.7
Gross profit		883,434	36.6		939,435	34.9	56,001	(1.7)
Selling, General and Administrative Expenses		685,737	28.4		725,584	27.0	39,847	(1.4)
Operating income		197,697	8.2		213,850	7.9	16,153	(0.3)
Non-operating Income								
Interest income	3,147			3,610				
Dividend income	1,788			2,419				
Other	14,806	19,742	0.8	16,671	22,700	0.9	2,958	0.1
Non-operating Expenses								
Interest expense	11,330			15,226				
Foreign currency exchange loss	1,656			2,588				
Other	22,857	35,845	1.5	20,632	38,447	1.4	2,602	(0.1)
Ordinary income		181,593	7.5		198,103	7.4	16,510	(0.1)
Extraordinary Income								
Gain on sales of tangible assets	2,522			4,318				
Gain on return of substitutional portion of the governmental pension program	-	2,522	0.1	78,572	82,890	3.1	80,368	3.0
Extraordinary Loss								
Impairment losses on fixed assets	-			4,009				
Loss related to voluntary tire replacement (Note)	3,240			26,503				
Loss on provision for environmental spending	-	3,240	0.1	5,886	36,399	1.4	33,159	1.3
Income before income taxes and minority interests		180,876	7.5		244,594	9.1	63,718	1.6
Income taxes - current	60,359			58,465				
Income taxes - deferred	2,459	62,818	2.6	1,793	60,259	2.3	(2,559)	(0.3)
Minority Interests		3,605	0.2		3,539	0.1	(66)	(0.1)
Net Income		114,453	4.7		180,796	6.7	66,343	2.0

(Financial information is prepared in accordance with accounting principles generally accepted in Japan)

(Note)- Loss related to voluntary tire replacement

A U.S.subsidiary and the Ford Motor Company have reached a joint settlement of all outstanding financial issues associated with August 2000 voluntary safety recall and Ford's May 2001 tire replacement program. Under this agreement, the subsidiary paid Ford \$240 million (Yen 26.5 billion) for the settlement.

Consolidated Statements of Cash Flows

	FY2004 (Year ended 31 December 2004)	FY2005 (Year ended 31 December 2005)	Increase (decrease)
	Yen in million	Yen in million	Yen in million
Cash Flows from Operating Activities			
Income before income taxes and minority interests	180,876	244,594	63,718
Depreciation and amortization	111,490	127,608	16,118
Increase (decrease) in accrued pension and liability for retirement benefits	12,452	(100,838)	(113,290)
Interest and dividend income	(4,936)	(6,029)	(1,093)
Interest expense	11,330	15,226	3,896
Foreign currency exchange loss	226	-	(226)
Gain on sales of tangible assets	(2,522)	(4,318)	(1,796)
Gain on sales of investments in securities	(102)	-	102
Impairment losses on fixed assets	-	4,009	4,009
Loss related to voluntary tire replacement	3,240	26,503	23,263
Loss on provision for environmental spending	-	5,886	5,886
Increase in notes and accounts receivable	(39,872)	(47,234)	(7,362)
Increase in inventories	(21,991)	(57,481)	(35,490)
Increase in notes and accounts payable	17,460	47,942	30,482
Bonuses paid to directors	(645)	(699)	(54)
Other	13,231	285	(12,946)
Subtotal	280,239	255,455	(24,784)
Interest and dividends received	5,624	6,057	433
Interest paid	(11,356)	(14,739)	(3,383)
Payment related to voluntary tire replacement	(6,370)	(29,213)	(22,843)
Payment for fire incident	(1,567)	-	1,567
Income taxes paid	(27,838)	(68,577)	(40,739)
Net Cash Provided by Operating Activities	238,729	148,982	(89,747)
Cash Flows from Investing Activities			
Payments for purchase of tangible assets	(179,565)	(196,494)	(16,929)
Proceeds from sales of tangible assets	6,482	7,699	1,217
Payments for purchase of intangible assets	(676)	(1,294)	(618)
Payments for investments in securities	(15,737)	(20,471)	(4,734)
Proceeds from sales of investments in securities	5,773	-	(5,773)
Payments for acquisition of loans receivable	(2,259)	(3,061)	(802)
Proceeds from collection of loans receivable	5,303	3,030	(2,273)
Other	762	(6,324)	(7,086)
Net Cash Used in Investing Activities	(179,916)	(216,915)	(36,999)
Cash Flows from Financing Activities			
Net increase (decrease) in short-term borrowings	(6,329)	123,122	129,451
Proceeds from long-term borrowings	69,127	35,230	(33,897)
Repayments of long-term borrowings	(77,899)	(90,805)	(12,906)
Proceeds from issuance of bonds	24,505	28,977	4,472
Payments for redemption of bonds	(23,940)	(17,920)	6,020
Payments for purchase of treasury stock	(67,934)	(46,966)	20,968
Proceeds from sale of assets on sale-leaseback transactions	15,815	6,681	(9,134)
Payment for repurchase of assets on sale-leaseback transactions	(5,911)	(2,904)	3,007
Repayments of financial lease obligations	(6,076)	(7,643)	(1,567)
Cash dividends paid	(13,258)	(16,772)	(3,514)
Cash dividends paid to minority	(2,783)	-	2,783
Other	541	(743)	(1,284)
Net Cash Provided by (Used in) Financing Activities	(94,142)	10,255	104,397
Effect of Exchange Rate Changes on Cash and Cash Equivalents	791	7,531	6,740
Net Decrease in Cash and Cash Equivalents	(34,538)	(50,145)	(15,607)
Cash and Cash Equivalents at Beginning of Year	298,264	263,726	(34,538)
Cash and Cash Equivalents at End of Year	263,726	213,581	(50,145)

(Financial information is prepared in accordance with accounting principles generally accepted in Japan)

Segment Information

1. Business Segment Information

FY2004 (Year ended 31 December 2004)

(Yen in million)

	Tires	Diversified Products	Total	Elimination or Corporate	Consolidated
Sales					
(1)Sales to external customers	1,927,989	488,696	2,416,685	-	2,416,685
(2)Intersegment sales and transfers	3,838	24,083	27,921	(27,921)	-
Total	1,931,827	512,779	2,444,607	(27,921)	2,416,685
Operating expenses	1,771,535	476,286	2,247,822	(28,833)	2,218,988
Operating income	160,291	36,493	196,785	911	197,697
Assets	1,945,245	397,075	2,342,321	(8,613)	2,333,708
Depreciation expenses	94,581	16,909	111,490	-	111,490
Capital expenditure	170,222	22,186	192,409	-	192,409

FY2005 (Year ended 31 December 2005)

(Yen in million)

	Tires	Diversified Products	Total	Elimination or Corporate	Consolidated
Sales					
(1)Sales to external customers	2,152,949	538,426	2,691,375	-	2,691,375
(2)Intersegment sales and transfers	3,838	26,341	30,179	(30,179)	-
Total	2,156,787	564,767	2,721,555	(30,179)	2,691,375
Operating expenses	1,988,875	518,890	2,507,766	(30,241)	2,477,525
Operating income	167,911	45,876	213,788	61	213,850
Assets	2,285,669	434,182	2,719,851	(9,889)	2,709,962
Depreciation expenses	109,483	18,125	127,608	-	127,608
Impairment losses	2,966	1,043	4,009	-	4,009
Capital expenditure	183,120	25,229	208,350	-	208,350

2. Geographical Segment Information

FY2004 (Year ended 31 December 2004)

(Yen in million)

	Japan	The Americas	Europe	Other	Total	Elimination or Corporate	Consolidated
Sales							
(1)Sales to external customers	814,625	1,013,519	321,695	266,844	2,416,685	-	2,416,685
(2)Intersegment sales and transfers	254,237	5,418	3,900	138,538	402,095	(402,095)	-
Total	1,068,862	1,018,938	325,596	405,382	2,818,780	(402,095)	2,416,685
Operating expenses	937,743	992,280	303,579	387,718	2,621,320	(402,332)	2,218,988
Operating income	131,119	26,658	22,017	17,664	197,459	237	197,697
Assets	1,249,822	633,153	323,717	285,543	2,492,235	(158,527)	2,333,708

FY2005 (Year ended 31 December 2005)

(Yen in million)

	Japan	The Americas	Europe	Other	Total	Elimination or Corporate	Consolidated
Sales							
(1)Sales to external customers	858,478	1,151,512	363,131	318,253	2,691,375	-	2,691,375
(2)Intersegment sales and transfers	303,856	6,446	3,819	179,689	493,811	(493,811)	-
Total	1,162,334	1,157,958	366,950	497,942	3,185,187	(493,811)	2,691,375
Operating expenses	1,024,027	1,118,993	347,327	476,852	2,967,200	(489,675)	2,477,525
Operating income	138,307	38,964	19,623	21,090	217,986	(4,136)	213,850
Assets	1,338,435	820,285	366,252	370,933	2,895,906	(185,944)	2,709,962

Nonconsolidated Financial Highlights (Parent Company)

	FY2004 (Year ended 31 December 2004)		FY2005 (Year ended 31 December 2005)		Increase (decrease)	
	Yen in million	%	Yen in million	%	Yen in million	%
Statements of income						
Net sales	789,035	100.0	855,023	100.0	65,988	-
Operating income	109,982	13.9	115,758	13.5	5,776	(0.4)
Ordinary income	124,724	15.8	124,450	14.6	(274)	(1.2)
Net income	84,337	10.7	116,308	13.6	31,971	2.9
Per Share Data	Yen		Yen		Yen	%
Net income						
Basic	102.85		146.41		43.56	42.4
Diluted	102.84		146.37		43.53	42.3
Cash dividends	19.00		24.00		5.00	26.3

	FY2004 (As of 31 December 2004)		FY2005 (As of 31 December 2005)		Increase (decrease)	
	Yen in million		Yen in million		Yen in million	%
Total assets	1,535,104		1,639,674		104,570	6.8
Shareholders' equity	946,343		1,041,650		95,307	10.1
	Shares in thousand		Shares in thousand		Shares in thousand	%
Common stock issued and outstanding	802,779		781,358		(21,421)	(2.7)
	%		%		%	
Net income to shareholders' equity	8.9		11.7		2.8	

(Financial information is prepared in accordance with accounting principles generally accepted in Japan)