

The Goodyear Tire & Rubber Company and Subsidiaries
Consolidated Statement of Operations (unaudited)

(In millions, except per share amounts)

	Three Months Ended	
	March 31,	
	<u>2010</u>	<u>2009</u>
NET SALES	\$4,270	\$3,536
Cost of Goods Sold	3,456	3,219
Selling, Administrative and General Expense	605	533
Rationalizations	2	55
Interest Expense	74	64
Other Expense	<u>104</u>	<u>30</u>
Income (Loss) before Income Taxes	29	(365)
United States and Foreign Taxes	<u>53</u>	<u>(17)</u>
Net Loss	(24)	(348)
Less: Minority Shareholders Net Income (Loss)	<u>23</u>	<u>(15)</u>
Goodyear Net Loss	<u>\$ (47)</u>	<u>\$ (333)</u>
Goodyear Net Loss - Per Share		
Basic	<u>\$ (0.19)</u>	<u>\$ (1.38)</u>
Weighted Average Shares Outstanding	242	241
Diluted	<u>\$ (0.19)</u>	<u>\$ (1.38)</u>
Weighted Average Shares Outstanding	242	241

(more)

The Goodyear Tire & Rubber Company and Subsidiaries

Consolidated Balance Sheets (unaudited)

(In millions)

	<u>March 31,</u> <u>2010</u>	<u>December 31,</u> <u>2009</u>
Assets:		
Current Assets:		
Cash and Cash Equivalents	\$ 1,774	\$ 1,922
Accounts Receivable, less Allowance - \$108 (\$110 in 2009)	2,861	2,540
Inventories:		
Raw Materials	582	483
Work in Process	139	138
Finished Products	<u>1,987</u>	<u>1,822</u>
	2,708	2,443
Prepaid Expenses and Other Current Assets	<u>328</u>	<u>320</u>
Total Current Assets	7,671	7,225
Goodwill	682	706
Intangible Assets	163	164
Deferred Income Taxes	46	43
Other Assets	416	429
Property, Plant and Equipment		
less Accumulated Depreciation - \$8,629 (\$8,626 in 2009)	<u>5,724</u>	<u>5,843</u>
Total Assets	<u>\$ 14,702</u>	<u>\$ 14,410</u>
Liabilities:		
Current Liabilities:		
Accounts Payable-Trade	\$ 2,549	\$ 2,278
Compensation and Benefits	639	635
Other Current Liabilities	871	844
Notes Payable and Overdrafts	199	224
Long Term Debt and Capital Leases due Within One Year	<u>153</u>	<u>114</u>
Total Current Liabilities	4,411	4,095
Long Term Debt and Capital Leases	4,242	4,182
Compensation and Benefits	3,490	3,526
Deferred and Other Noncurrent Income Taxes	222	235
Other Long Term Liabilities	<u>790</u>	<u>793</u>
Total Liabilities	13,155	12,831
Commitments and Contingent Liabilities		
Minority Shareholders' Equity	573	593
Shareholders' Equity:		
Goodyear Shareholders' Equity:		
Preferred Stock, no par value:		
Authorized, 50 shares, unissued	-	-
Common Stock, no par value:		
Authorized, 450 shares, Outstanding shares – 243 (242 in 2009)		
after deducting 8 treasury shares (9 in 2009)	243	242
Capital Surplus	2,787	2,783
Retained Earnings	1,035	1,082
Accumulated Other Comprehensive Loss	<u>(3,351)</u>	<u>(3,372)</u>
Goodyear Shareholders' Equity	714	735
Minority Shareholders' Equity - Nonredeemable	<u>260</u>	<u>251</u>
Total Shareholders' Equity	974	986
Total Liabilities and Shareholders' Equity	<u>\$ 14,702</u>	<u>\$ 14,410</u>

(more)

Non-GAAP Financial Measures

This earnings release presents total segment operating income, which is an important financial measure for the company but is not a financial measure defined by U.S. GAAP.

Total segment operating income is the sum of the individual strategic business units' segment operating income as determined in accordance with U.S. GAAP. Management believes that total segment operating income is useful because it represents the aggregate value of income created by the company's SBUs and excludes items not directly related to the SBUs for performance evaluation purposes. See the table below for the reconciliation of total segment operating income.

Total Segment Operating Income Reconciliation Table (unaudited)

(in millions)	Three Months	
	Ended March 31,	
	<u>2010</u>	<u>2009</u>
Segment Operating Income (Loss)	\$ 240	\$ (176)
Rationalizations	(2)	(55)
Interest expense	(74)	(64)
Other expense	(104)	(30)
Asset write-offs and accelerated depreciation	(3)	(10)
Corporate incentive compensation plans	(7)	6
Intercompany profit elimination	(9)	(26)
Other	(12)	(10)
Income (Loss) before Income Taxes	<u>\$ 29</u>	<u>\$ (365)</u>

First Quarter Significant Items (after tax and minority interest)

2010

- Charges resulting from Venezuelan currency devaluation, \$99 million (41 cents per share)
- Costs related to debt exchange offer, \$5 million (2 cents per share)
- Rationalizations, asset write-offs and accelerated depreciation charges, \$5 million (2 cents per share)
- Gain from asset sales, \$8 million (3 cents per share)
- Gain related to settlements with certain suppliers, \$8 million (3 cents per share)
- Gain resulting from various discrete tax benefits, \$5 million (2 cents per share)

2009

- Rationalizations, asset write-offs and accelerated depreciation, \$57 million (23 cents per share)
- Gain primarily due to tax law changes, \$9 million (4 cents per share)