

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

	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b><u>2011</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
<i>(In millions, except per share amounts)</i>				
<b>NET SALES</b>	<b>\$5,620</b>	<b>\$4,528</b>	<b>\$11,022</b>	<b>\$8,798</b>
Cost of Goods Sold	4,572	3,686	9,033	7,142
Selling, Administrative and General Expense	753	670	1,421	1,275
Rationalizations	46	6	55	8
Interest Expense	81	77	155	151
Other Expense	<u>48</u>	<u>7</u>	<u>52</u>	<u>111</u>
Income before Income Taxes	120	82	306	111
United States and Foreign Taxes	<u>64</u>	<u>43</u>	<u>126</u>	<u>96</u>
Net Income	56	39	180	15
Less: Minority Shareholders' Net Income	<u>9</u>	<u>11</u>	<u>30</u>	<u>34</u>
<b>Goodyear Net Income (Loss)</b>	<b>47</b>	<b>28</b>	<b>150</b>	<b>(19)</b>
Less: Preferred Stock Dividends	<u>7</u>	<u>--</u>	<u>7</u>	<u>--</u>
<b>Goodyear Net Income (Loss) available to Common Shareholders</b>	<b><u>\$ 40</u></b>	<b><u>\$ 28</u></b>	<b><u>\$ 143</u></b>	<b><u>\$ (19)</u></b>
<b>Goodyear Net Income (Loss) available to Common Shareholders- Per Share of Common Stock</b>				
Basic	<b><u>\$ 0.16</u></b>	<b><u>\$ 0.11</u></b>	<b><u>\$ 0.58</u></b>	<b><u>\$ (0.08)</u></b>
Weighted Average Shares Outstanding	244	242	244	242
Diluted	<b><u>\$ 0.16</u></b>	<b><u>\$ 0.11</u></b>	<b><u>\$ 0.57</u></b>	<b><u>\$ (0.08)</u></b>
Weighted Average Shares Outstanding	247	244	262	242

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## The Goodyear Tire & Rubber Company and Subsidiaries Consolidated Balance Sheets (unaudited)

(In millions, except share data)

	June 30, <u>2011</u>	December 31, <u>2010</u>
<b>Assets:</b>		
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 1,804	\$ 2,005
Accounts Receivable, less Allowance - \$112 (\$106 in 2010)	3,539	2,736
Inventories:		
Raw Materials	969	706
Work in Process	207	168
Finished Products	<u>2,856</u>	<u>2,103</u>
	4,032	2,977
Prepaid Expenses and Other Current Assets	<u>401</u>	<u>327</u>
<b>Total Current Assets</b>	<b>9,776</b>	<b>8,045</b>
Goodwill	720	683
Intangible Assets	161	161
Deferred Income Taxes	48	58
Other Assets	489	518
Property, Plant and Equipment		
Less Accumulated Depreciation - \$8,974 (\$8,807 in 2010)	<u>6,448</u>	<u>6,165</u>
<b>Total Assets</b>	<b><u>\$ 17,642</u></b>	<b><u>\$ 15,630</u></b>
<b>Liabilities:</b>		
<b>Current Liabilities:</b>		
Accounts Payable-Trade	\$ 3,515	\$ 3,107
Compensation and Benefits	789	756
Other Current Liabilities	1,097	1,018
Notes Payable and Overdrafts	261	238
Long Term Debt and Capital Leases due Within One Year	<u>257</u>	<u>188</u>
<b>Total Current Liabilities</b>	<b>5,919</b>	<b>5,307</b>
Long Term Debt and Capital Leases	4,786	4,319
Compensation and Benefits	3,384	3,415
Deferred and Other Noncurrent Income Taxes	269	242
Other Long Term Liabilities	<u>887</u>	<u>842</u>
<b>Total Liabilities</b>	<b>15,245</b>	<b>14,125</b>
Commitments and Contingent Liabilities		
Minority Shareholders' Equity	638	584
<b>Shareholders' Equity:</b>		
<b>Goodyear Shareholders' Equity:</b>		
Preferred Stock, no par value:		
Authorized, 50 million shares, Outstanding shares – 10 million (0 in 2010), liquidation preference \$50 per share	500	-
Common Stock, no par value:		
Authorized, 450 million shares, Outstanding shares – 244 million (243 million in 2010) after deducting 7 million treasury shares (8 million in 2010)	244	243
Capital Surplus	2,801	2,805
Retained Earnings	1,009	866
Accumulated Other Comprehensive Loss	<u>(3,079)</u>	<u>(3,270)</u>
<b>Goodyear Shareholders' Equity</b>	<b>1,475</b>	<b>644</b>
Minority Shareholders' Equity – Nonredeemable	<u>284</u>	<u>277</u>
<b>Total Shareholders' Equity</b>	<b>1,759</b>	<b>921</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b><u>\$ 17,642</u></b>	<b><u>\$ 15,630</u></b>

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## 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

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
<i>(In millions)</i>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
<b>Segment Operating Income</b>	<b>\$382</b>	<b>\$219</b>	<b>\$709</b>	<b>\$459</b>
Rationalizations	(46)	(6)	(55)	(8)
Interest expense	(81)	(77)	(155)	(151)
Other expense	(48)	(7)	(52)	(111)
Asset write-offs and accelerated depreciation	(25)	(6)	(34)	(9)
Corporate incentive compensation plans	(21)	(20)	(35)	(27)
Intercompany profit elimination	(2)	7	(11)	(2)
Pension curtailments/settlements	(11)	--	(11)	--
Other	<u>(28)</u>	<u>(28)</u>	<u>(50)</u>	<u>(40)</u>
<b>Income before Income Taxes</b>	<b><u>\$120</u></b>	<b><u>\$ 82</u></b>	<b><u>\$306</u></b>	<b><u>\$111</u></b>

## Second Quarter Significant Items (after tax and minority interest)

### 2011

- Rationalizations, asset write-offs and accelerated depreciation, \$66 million (27 cents per share)
- Financing fees related to the early partial redemption of 10.5% senior notes, \$53 million (22 cents per share)
- Discrete tax charges, \$7 million (3 cents per share)
- Costs related to tornado damage at a manufacturing facility, \$3 million (1 cent per share)
- Gain from asset sales, \$10 million (4 cents per share)

### 2010

- Rationalizations, asset write-offs and accelerated depreciation, \$8 million (3 cents per share)
- One-time importation cost adjustment, \$3 million (1 cent per share)
- Gain from asset sales, \$8 million (3 cents per share)