

# Future Initiatives of the Business Alliance between Bridgestone Corporation and Toyo Tire & Rubber Co., Ltd.

## ■ Content of Press Conference

1. Greeting from the presidents of both companies
2. Future initiatives of the business alliance
3. Q&A

October 27, 2008

# Future Initiatives of the Business Alliance

October 27, 2008

Bridgestone Corporation

Toyo Tire & Rubber Co., Ltd.

## Today's Presentation

1. Tire Production Technology Development
2. Procurement of Raw Materials, Other Materials and Equipment
3. Cross-Production of Tires between Bridgestone and Toyo
4. Logistics
5. Businesses Other than Tires

# 1. Tire Production Technology Development

- Mutually license technology for innovative production systems
  - Seek to further enhance the innovative production systems of both companies through advancing ribbon technology and enhancing small-lot production technology
  
- Mutually license technology for existing production systems
  - Conduct joint development activities in order to overcome common challenges, such as those encountered in developing equipment, increasing design efficiency, and optimizing other aspects of production
  - Mutually licensing unique technologies such as high-precision component preparation technology, small-lot production technology, and overseas plant construction and operating know-how

# 1. Tire Production Technology Development

---

## ■ Medium- to Long-term Initiatives

- Jointly develop new production methods based on the technology incorporated in the innovative tire production systems of each company

## 2. Procurement of Raw Materials, Other Materials and Equipment

---

### ■ Utilize internal production

- Mutually supply raw materials produced in-house and equipment for general use.
- Make the best use of engineering subsidiaries of the companies

### ■ Conduct external procurement

- Joint procurement of components for manufacturing equipment

### ■ Rationalize logistics for procurement

## 2. Procurement of Raw Materials, Other Materials and Equipment

---

### ■ Mid- to Long-term Initiatives

- Joint procurement of raw materials
- Integration of raw material specifications

### 3. Cross-Production between Bridgestone and Toyo

---

- Utilize production capacities of both companies
  - Cross-production of radial tires for passenger cars at Bridgestone's Latin American plants and Toyo's U.S. plants
- Cross-production at plants closer to relevant markets around the world
  - Reduce logistics costs
- Increase flexibility
  - Establish complementary production systems



### 3. Cross-Production between Bridgestone and Toyo

---

#### ■ Mid- and Long-term Initiatives

- Cross-production of radial tires for trucks and buses by improving and expanding complementary systems
- Integration of manufacturing of certain products such as bias tires and supplementary products
- Cross-production at plants built in future

### 《Swiftly exploit advantages in domestic logistics》

- Increase efficiency of domestic distribution
  - Use round-trip transportation and work to reduce carbon dioxide emissions by increasing transport efficiency in addition to reaping economic benefits
- Mutually utilize distribution bases (warehouses)
- Make full use of logistics subsidiaries
- Mutually utilize best practices related to resources and work know-how

### ■ Medium- to Long-term Initiatives

- Employ a joint transport strategy in both Japan and overseas, and a policy of integration of warehousing sites
- Investigate construction of new large-scale joint warehouses

## 5. Businesses Other than Tires

---

### ■ Urethane Business

- Investigate collaboration in development, production, etc.

### ■ Antivibration Rubber Business

- Joint research into eco-friendly technology
- Joint procurement of components
- Joint research into production technology

## 5. Businesses Other than Tires

---

### ■ Medium- to Long-term Initiatives

- Investigate collaboration in other businesses