



GOODYEAR  **YEAR**®

First Quarter 2019 Conference Call

April 26, 2019

Forward-Looking Statements



Certain information contained in this presentation constitutes forward-looking statements for purposes of the safe harbor provisions of The Private Securities Litigation Reform Act of 1995. There are a variety of factors, many of which are beyond our control, that affect our operations, performance, business strategy and results and could cause our actual results and experience to differ materially from the assumptions, expectations and objectives expressed in any forward-looking statements. These factors include, but are not limited to: our ability to implement successfully our strategic initiatives; actions and initiatives taken by both current and potential competitors; increases in the prices paid for raw materials and energy; a labor strike, work stoppage or other similar event; foreign currency translation and transaction risks; deteriorating economic conditions or an inability to access capital markets; work stoppages, financial difficulties or supply disruptions at our suppliers or customers; the adequacy of our capital expenditures; our failure to comply with a material covenant in our debt obligations; potential adverse consequences of litigation involving the company; as well as the effects of more general factors such as changes in general market, economic or political conditions or in legislation, regulation or public policy. Additional factors are discussed in our filings with the Securities and Exchange Commission, including our annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. In addition, any forward-looking statements represent our estimates only as of today and should not be relied upon as representing our estimates as of any subsequent date. While we may elect to update forward-looking statements at some point in the future, we specifically disclaim any obligation to do so, even if our estimates change.

OUR GOAL

DELIVER SUSTAINABLE REVENUE AND PROFIT GROWTH WHILE INCREASING THE VALUE OF OUR BRAND

HOW WE'LL WIN

INNOVATION EXCELLENCE

Develop great products and services that anticipate and respond to the needs of consumers



OPERATIONAL EXCELLENCE

Relentlessly improve our quality and efficiency to deliver the right tire, to the right place, at the right time for the right cost

SALES & MARKETING EXCELLENCE

Build the value of our brand, help our customers win in their markets, and become consumers' preferred choice

Winning at the intersection is the key to success

HOW WE'LL WORK

ACT WITH INTEGRITY

Build trust and earn the confidence of others through honesty and respect – Protect Our Good Name

ENERGIZE THE TEAM

Create an environment where associates are inspired by work, wellness and serving their communities

PROMOTE COLLABORATION

Connect associates globally and encourage open discussion to meet objectives

BE AGILE

Embrace change and act with speed and purpose

DELIVER RESULTS

Anticipate challenges, seize opportunities and make courageous decisions

Engage and enable associates to realize their full potential

WHERE WE'LL FOCUS

CONSUMER EXPERIENCE

Make Goodyear easy to buy, own, and recommend

CUSTOMER SERVICE

Collaborate with customers to be a great supplier

QUALITY

Deliver industry best products, processes, and programs

HIGH-VALUE SEGMENTS

Compete where we capture the full value of our brand

MASTERING COMPLEXITY

Manage the necessary; eliminate the unneeded

Positives

- Global revenue per tire increased 4%
- U.S. consumer replacement volume growth of 6%, led by outperformance in ≥ 17 "
- Improving U.S. supply
- U.S. and EMEA commercial truck businesses
- Announced plans to restructure/modernize two manufacturing facilities in Germany
- Expanding portfolio of mobility and technology partners

Negatives

- Higher raw material costs (including costs driven by stricter enforcement of environmental regulations in China)
- Volatility in emerging markets, including China and Brazil
- Currency weakness in key markets
- Soft consumer demand in Europe

Making progress in a challenging environment

Consumer Replacement Industry Fundamentals: $\geq 17''$



U.S. Replacement Industry 2019 vs. 2018 Growth Rate^(a)

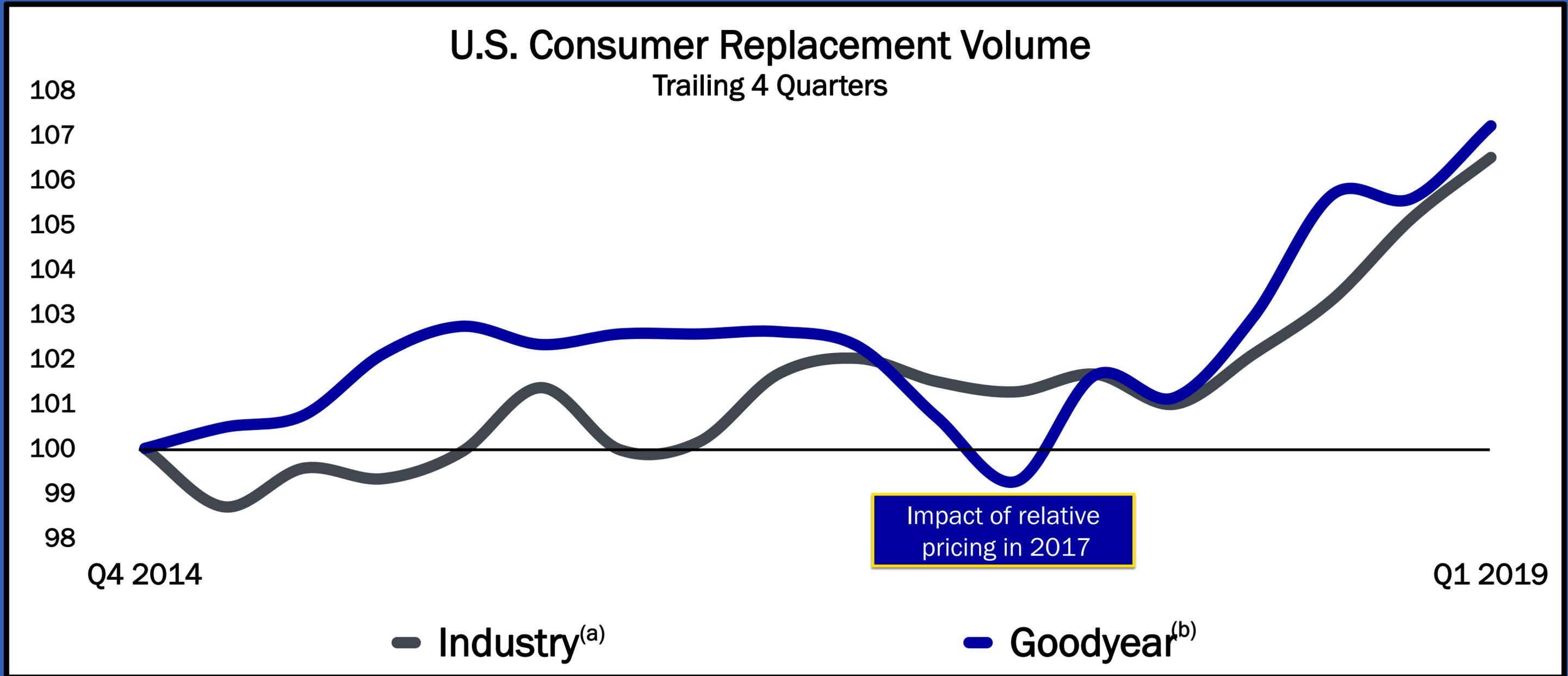
	<u>Q1 19</u>
USTMA Members ($\geq 17''$)	8%
USTMA Members ($< 17''$)	-6%
Total	2%
Non-Members	17%
Total U.S.	6%
Goodyear ($\geq 17''$)	12%

Europool & Turkey Replacement Industry 2019 vs. 2018 Growth Rate^(b)

	<u>Q1 19</u>
ETRMA Members ($\geq 17''$)	6%
ETRMA Members ($< 17''$)	-8%
Total	-4%
Non-Members	3%
Total EU + Turkey	-2%
Goodyear ($\geq 17''$)	7%

(a) Source: U.S. Tire Manufacturers Association

(b) Source: European Tyre & Rubber Manufacturer's Association



Strong execution continues to drive market share gains

(a) Source: U.S. Tire Manufacturers Association

(b) Goodyear U.S. consumer replacement volume excludes ATD sales volume and volume associated with ATD acquisitions. ATD delivery volume is included. Q3 18 – Q1 19 adjusted for transition to TireHub

EMEA Consumer Product Launches



Goodyear Eagle F1 SuperSport



Superior wet braking and dry handling vs competition

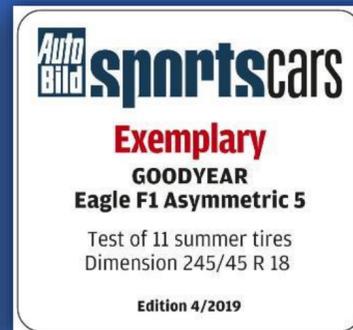
Goodyear Eagle F1 Asymmetric 5



Significant advances in wet braking and dry handling. Award winning performance in 4 out of 4 magazine tests



1st



2nd

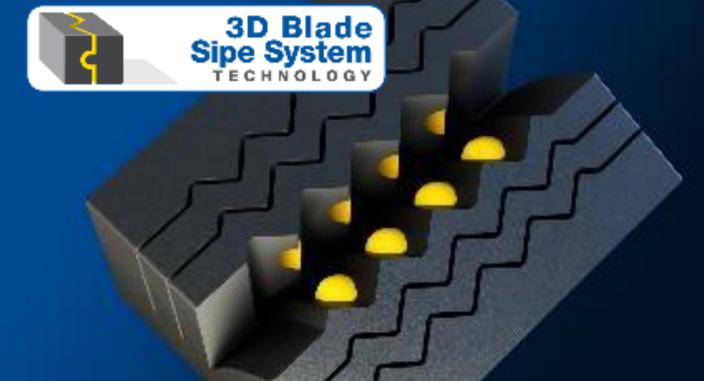


2nd



2nd

Goodyear Vector 4Seasons Cargo



1st category refresh in a number of years

Driven by continued market back innovation

KMAX GEN-2



Regional Haul service tire with focus on mileage

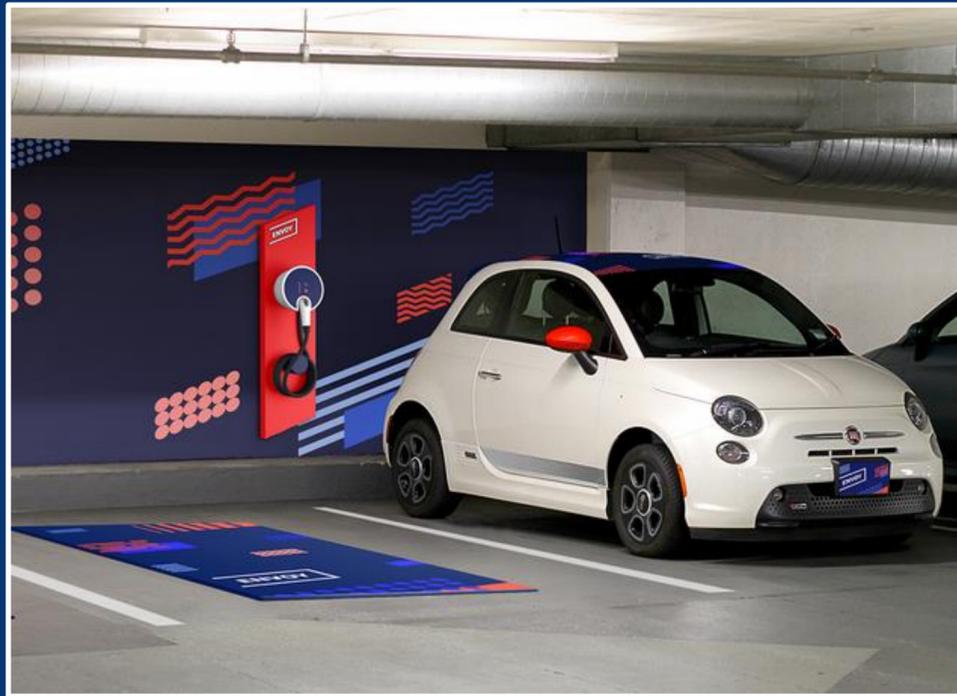
FUELMAX GEN-2



Long Haul service tire with focus on fuel economy

Innovative products strengthen value proposition

Envoy Technologies



- Pilot program launched in early 2019
- Envoy Technologies will leverage Goodyear's predictive tire servicing solution to minimize operational downtime

Local Motors



- Partnership revolves around autonomous shuttle
- Olli creates new learning opportunities
- Goodyear selected as exclusive fitment

YourMechanic



- Goodyear.com added to YourMechanic's platform of mobility service and repair solutions
- YourMechanic enhances global innovation network

Collaborative partnerships driving innovation

- **Advancing distribution and retail**
 - Leverage TireHub to fully capture the value of the Goodyear brand
 - Enhance distributor alignment in key markets outside of the U.S.
 - Challenge traditional retail tire business with innovative new concepts
- **Advancing technology for the emerging mobility landscape**
- **Scaling commercial fleet solutions**
- **Building strong OE pipeline for 2020+**
- **Announced German modernization & restructuring program**
 - Increases ≥ 17 " capabilities
 - Significant conversion cost savings

Continuing to build fundamental earnings power of our business

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Financial Review

First Quarter 2019 Income Statement



Terms: US\$ millions
(except EPS)

	Three Months Ended		Change
	March 31, 2019	March 31, 2018	
Units	38.0	39.0	(3)%
Net Sales	\$ 3,598	\$ 3,830	(6)%
<i>Gross Margin</i>	20.0%	22.3%	(2.3) pts
SAG	\$ 547	\$ 591	(7)%
Segment Operating Income ^(a)	\$ 190	\$ 281	(32)%
<i>Segment Operating Margin^(a)</i>	5.3%	7.3%	(2.0) pts
Goodyear Net Income (Loss)	\$ (61)	\$ 75	
Goodyear Net Income (Loss) Per Share			
<i>Weighted Average Shares Outstanding</i>	232	240	
Basic	\$ (0.26)	\$ 0.31	
<i>Weighted Average Shares Outstanding - Diluted</i>	232	244	
Diluted	\$ (0.26)	\$ 0.31	
Cash Dividends Declared Per Common Share	\$ 0.16	\$ 0.14	
Adjusted Diluted Earnings Per Share ^(b)	\$ 0.19	\$ 0.50	

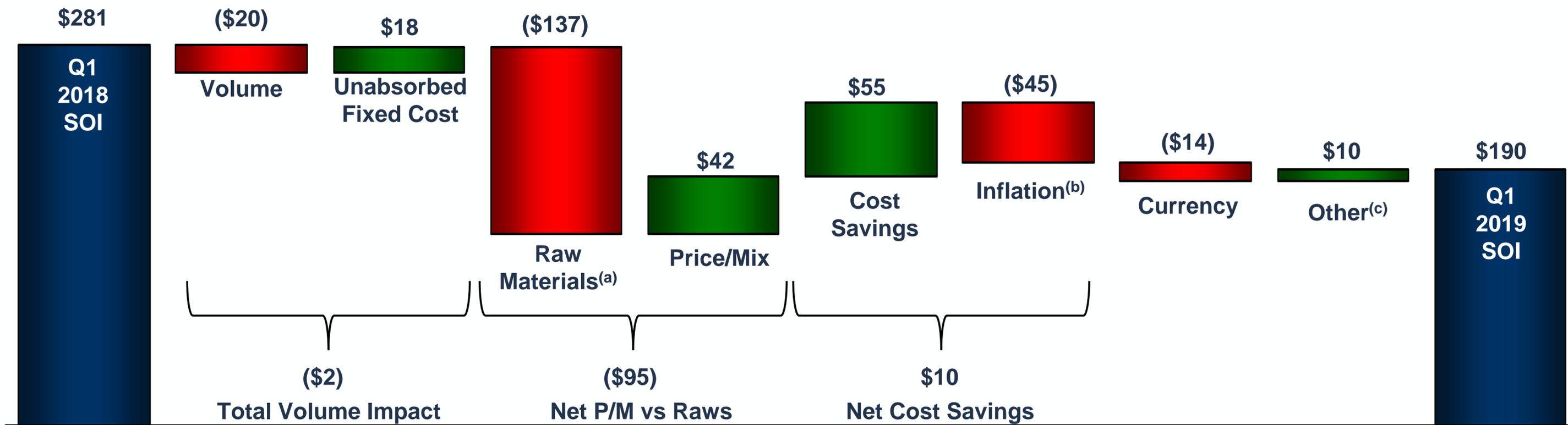
(a) See Segment Operating Income and Margin reconciliation in Appendix on page 31

(b) See Adjusted Diluted Earnings Per Share reconciliation in Appendix on pages 32 and 33

First Quarter 2019 Segment Operating Results



Terms: US\$ millions



(a) Raw material variance of (\$137) million excludes raw material cost saving measures of \$26 million, which are included in Cost Savings
 (b) Estimated impact of inflation (wages, utilities, energy, transportation and other)
 (c) Includes the impacts of other tire-related businesses, advertising and R&D

First Quarter 2019 Balance Sheet



Terms: US\$ millions

	March 31, 2019	December 31, 2018	March 31, 2018
Cash and cash equivalents	\$ 860	\$ 801	\$ 837
Accounts receivable	2,446	2,030	2,509
Inventories	2,940	2,856	2,895
Accounts payable - trade	(2,737)	(2,920)	(2,850)
Working capital ^(a)	<u>\$ 2,649</u>	<u>\$ 1,966</u>	<u>\$ 2,554</u>
Total debt ^(b)	\$ 6,506	\$ 5,763	\$ 6,259
Net debt ^(b)	\$ 5,646	\$ 4,962	\$ 5,422

(a) Working capital represents accounts receivable and inventories, less accounts payable - trade

(b) See Total Debt and Net Debt reconciliation in Appendix on page 35

First Quarter 2019 Free Cash Flow



Terms: US\$ millions

	Three Months Ended March 31,		Trailing Twelve Months Ended
	2019	2018	March 31, 2019
Net Income (Loss)	\$ (44)	\$ 80	\$ 584
Depreciation and Amortization	193	199	772
Change in Working Capital	(589)	(449)	(260)
Pension Expense	34	28	116
Pension Contributions and Direct Payments	(18)	(21)	(71)
Provision for Deferred Income Taxes	(23)	(17)	125
Rationalization Payments	(18)	(106)	(86)
Other ^(a)	101	(103)	(239)
Cash Flow from Operating Activities (GAAP)	\$ (364)	\$ (389)	\$ 941
Capital Expenditures	(221)	(248)	(784)
Free Cash Flow (non-GAAP)	\$ (585)	\$ (637)	\$ 157
Cash Flow from Investing Activities (GAAP)	\$ (244)	\$ (248)	\$ (863)
Cash Flow from Financing Activities (GAAP)	\$ 645	\$ 399	\$ 3

Includes impact of non-cash gain on TireHub transaction

(a) Other includes amortization and write-off of debt issuance costs, net pension curtailments and settlements, net rationalization charges, net (gains) losses on asset sales, compensation and benefits less pension expense, other current liabilities, other assets and liabilities, operating lease expense and payments under the new accounting standard, and gain on TireHub transaction, net of transaction costs

First Quarter 2019 - Segment Results Americas



Terms: US\$ millions
Units in millions

First Quarter

	<u>2019</u>	<u>2018</u>	<u>Change</u>
Units	16.7	16.7	-
Net Sales	\$1,876	\$1,929	(2.7%)
Operating Income	\$89	\$127	(29.9%)
Margin	4.7%	6.6%	

- Volume flat, with strong replacement shipments in U.S., offset by weakness in Brazil and U.S. consumer OE
 - U.S. consumer replacement up 6%
 - Strong commercial growth
- SOI decline driven by higher raw material costs, lower earnings on third-party chemical sales, and currency

First Quarter 2019 - Segment Results Europe, Middle East & Africa



Terms: US\$ millions
Units in millions

First Quarter

	<u>2019</u>	<u>2018</u>	<u>Change</u>
Units	14.4	14.7	(2.5%)
Net Sales	\$1,221	\$1,330	(8.2%)
Operating Income	\$54	\$78	(30.8%)
Margin	4.4%	5.9%	

- Volume decline driven by weaker consumer replacement demand, partially offset by strong commercial truck performance
- Favorable momentum in fleet services and freight trends contributing to commercial truck growth
- SOI decline driven by higher raw material and transportation costs, and lower volume

First Quarter 2019 - Segment Results Asia Pacific



Terms: US\$ millions
Units in millions

First Quarter

	<u>2019</u>	<u>2018</u>	<u>Change</u>
Units	6.9	7.6	(8.7%)
Net Sales	\$501	\$571	(12.3%)
Operating Income	\$47	\$76	(38.2%)
Margin	9.4%	13.3%	

- Volume declines driven by continued weakness in China and weak OE in India
- SOI decline driven by higher raw material costs, lower volume and lower factory utilization

Positives

- + **New Americas Plant** – At full capacity by year end (High-value/low-cost capacity)
- + **TireHub** – Reversal of 2018 volume loss
- + **Price** – Full-year benefit of 2H18 pricing increases
- + **Mix** – Continued growth in ≥ 17 "
- + **Net cost savings** – Savings continue, but at a lower rate than recent years

Negatives

- **Raw Materials** – Cost increases will continue at least into Q3
- **FX** – Continued negative impact at current spot rates
- **OE** – 2-3M unit volume reduction from fitments we chose to exit (low value)
- **China** – Continued year-over-year decline at least through 1st half (tough comparison period)
- **Latin America** – Continued volatility

Macro challenges continue, volume environment remains a risk

Second Quarter Puts and Takes



Americas

EMEA

Asia Pacific

(-) Price/Mix < Raw Materials

(-) Foreign Exchange

(-) Price/Mix < Raw Materials

(-) Other Tire-Related Businesses

(-) Volume

(-) Volume

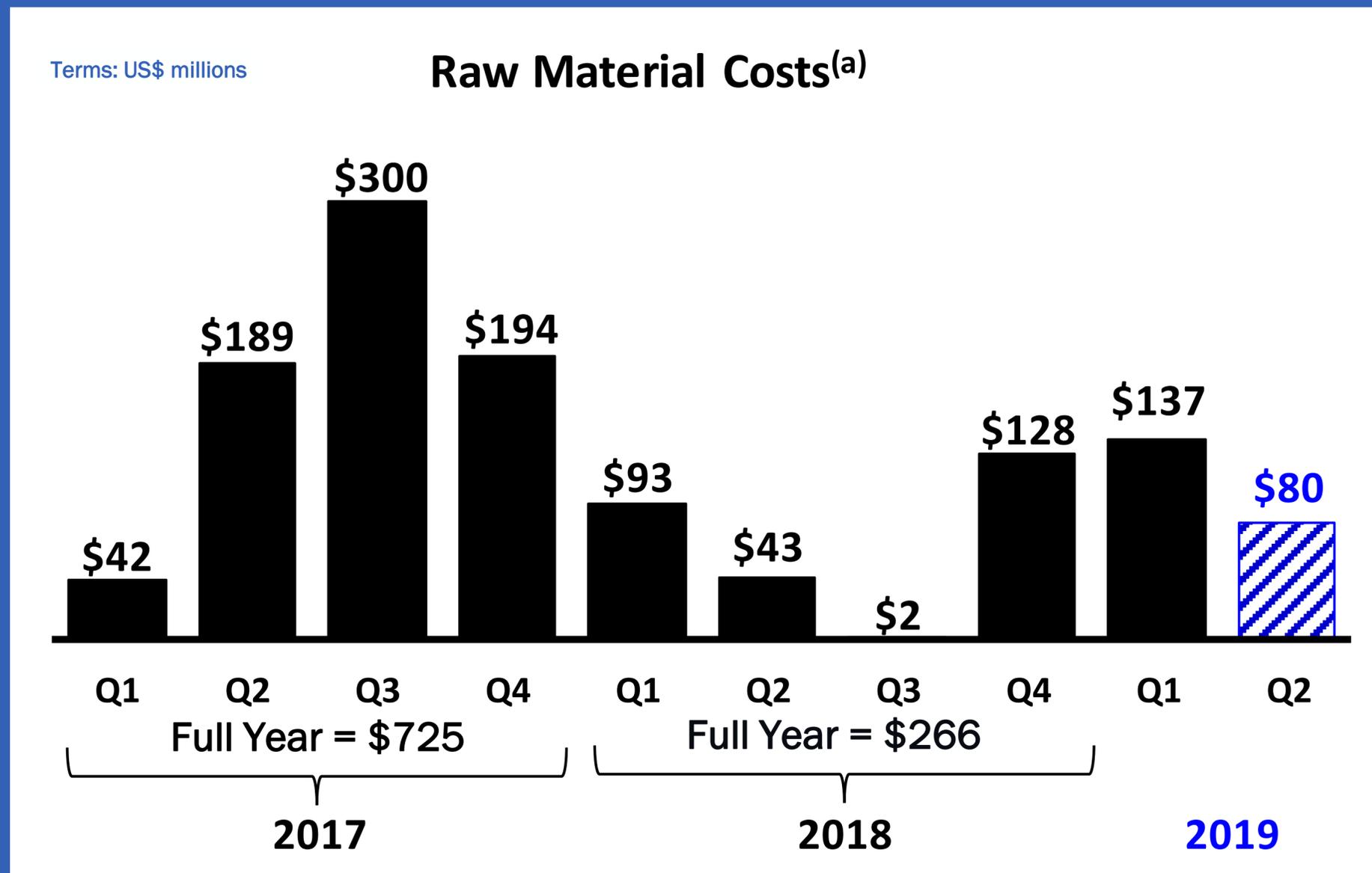
(+) Overhead Absorption

(-) Cost / Inflation (wages, energy, transportation)

(-) Overhead Absorption

Challenges continue in Q2

Raw Material Overview



- Expecting raw material cost increases of ~\$300M in 2019 based on forecasted rates

- Feedstock ~\$60M
- Transactional FX ~\$120M
- Non-feedstock ~\$120M

Raw material costs will remain a significant headwind in Q2

(a) Impact to cost of goods sold versus prior period, excluding the impact of raw material cost saving measures

2019 Full-Year Industry Outlook



	Full-Year 2019 Guidance	
	United States	Western Europe ^(a)
Consumer Replacement	~Flat - 2%	~Flat - 2%
Consumer OE	~(4)% - Flat	~(3) - 1%
Commercial Replacement	~(2) - Flat	~1 - 3%
Commercial OE	~(2) - 3%	~1 - 4%

(a) For replacement, Western Europe is Europol and Turkey; for OE, Western Europe is total EMEA

2019 Outlook – Other Financial Assumptions



	Current 2019 FY Assumption
Interest Expense	~\$350 million
Other (Income) Expense	Financing fees: ~\$40 million Global pension related (excluded from SOI) ^(a) : \$95 - \$120 million
Income Tax	Expense: ~25% of global pre-tax operating income; Cash: ~20% - 25% of global pre-tax operating income ^(b)
Depreciation & Amortization	~\$775 million
Global Pension Cash Contributions	\$25 - \$50 million
Working Capital	Use of less than \$100 million
Capital Expenditures	~\$900 million; Driving ≥ 17 " growth in volume & mix
Restructuring Payments	~\$50 million
Corporate Other	~\$100 million

(a) Excludes one-time charges and benefits from pension settlements and curtailments

(b) Excludes one-time items

Looking Beyond the Cyclicity^(a)

\$ in Billions



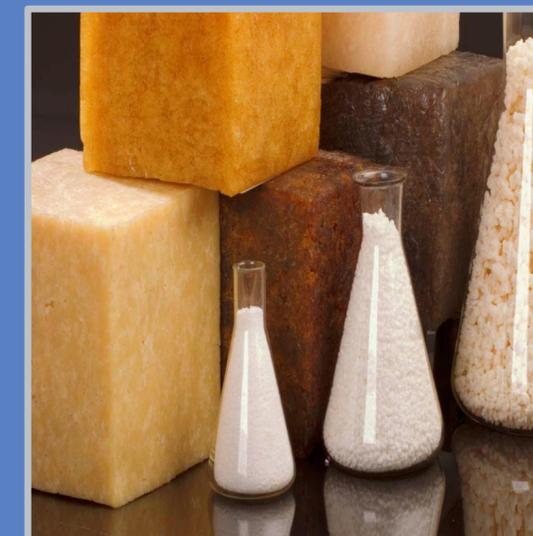
Great Recession 2008 – 2009

- Average SOI \$0.6
- Average SOI margin 3%
- Average Adj EBITDA \$1.1



Earnings Power 2014 – 2016

- Average SOI \$1.9
- Average SOI margin 12%
- Average Adj EBITDA \$2.3



Current Raw Mat Cycle 2017 – 2018

- Average SOI \$1.4
- Average SOI margin 9%
- Average Adj EBITDA \$2.1

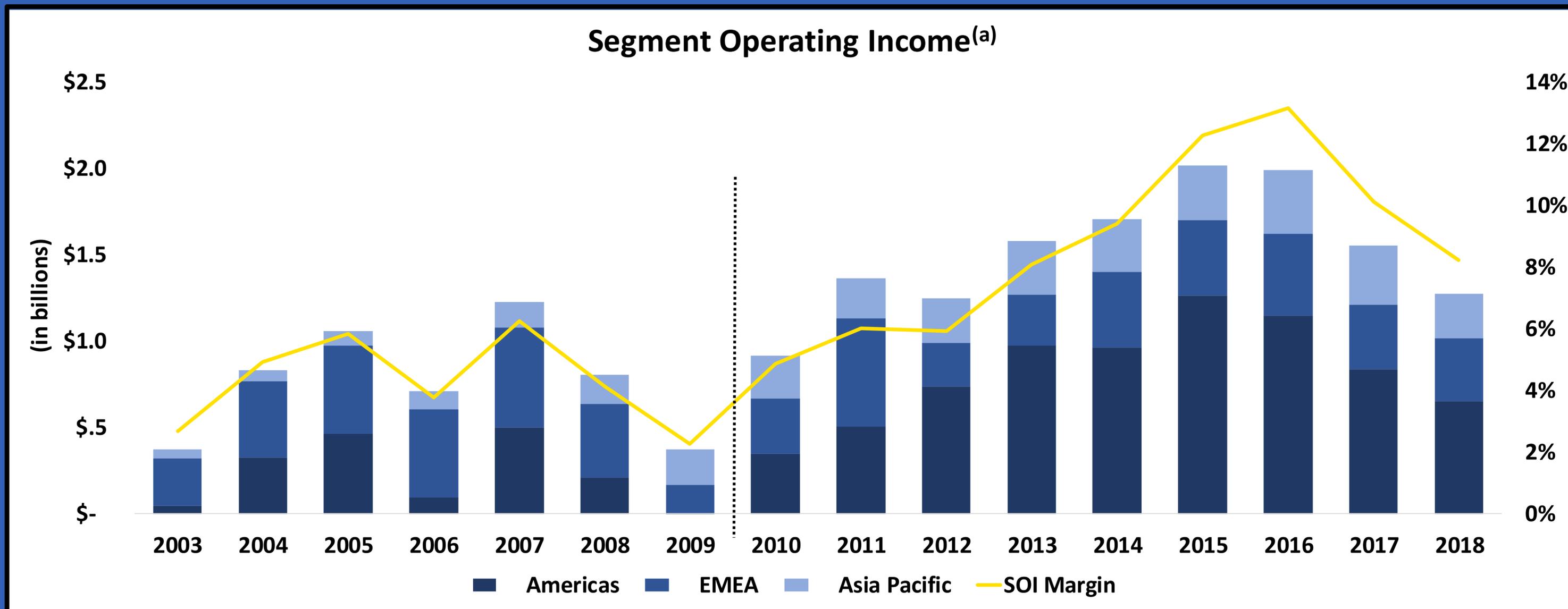
Profitability will benefit as we work through the raw material cycle

(a) For 2008-2009 and 2014-2018 see Segment Operating Income and Margin reconciliation in Appendix on page 31 and Adjusted EBITDA reconciliation on page 34

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Appendix

Strategy Delivering Strong Results



Generating stronger earnings throughout the earnings cycle

(a) See Segment Operating Income and Margin reconciliation in Appendix on page 31

Volume Sensitivities

(Impact on Goodyear's Annual Units in 000's)

• 1% Δ in U.S. Consumer OE Industry	~120
• 1% Δ in U.S. Consumer Replacement Industry	~355
• 1% Δ in U.S. Commercial OE Industry	~10
• 1% Δ in U.S. Commercial Replacement Industry	~30
• 1% Δ in European Consumer OE Industry	~130
• 1% Δ in European Consumer Replacement Industry	~370
• 1% Δ in European Commercial OE Industry	~10
• 1% Δ in European Commercial Replacement Industry	~30

Pricing

(Annual Impact of Effective Pricing Yield)

• 1% Δ in U.S. Consumer Replacement	~\$36M
• 1% Δ in U.S. Commercial Replacement	~\$12M
• 1% Δ in European Consumer Replacement	~\$31M
• 1% Δ in European Commercial Replacement	~\$10M

Translational Foreign Currency

(Annual Impact on FX portion of SOI Walk)

• +/- 0.01 Δ USD/BRL	(e.g. R\$3.79 to R\$3.78 is favorable by 0.01)	+/- \$0.3M
• +/- 0.01 Δ USD/CNY	(e.g. ¥6.75 to ¥6.74 is favorable by 0.01)	+/- \$0.2M
• +/- 0.01 Δ USD/EUR	(e.g. €0.87 from €0.86 is favorable by 0.01)	+/- \$3.1M
• +/- 0.01 Δ USD/TRY	(e.g. ₺5.42 from ₺5.41 is favorable by 0.01)	+/- \$0.1M

Approximate Profit Margin Per Tire

(Industry Estimate)

• Consumer OE ≥17"	} ~\$25 Average	~\$19
• Consumer Replacement ≥17"		~\$28
• Consumer OE <17"	} ~\$9 Average	\$7 - \$9
• Consumer Replacement <17"		\$7 - \$9
• Commercial - U.S. and Europe		\$50 - \$60

Tire Raw Material Spend

(Annual Impact)

• 1% Δ in Synthetic Rubber Prices (3 to 4 month lag)	~\$9M
• 1% Δ in Natural Rubber Prices (4 to 6 month lag)	~\$6M
• 1% Δ in Pigment, Chemical, & Oil Prices (3 to 4 month lag)	~\$6M
• 1% Δ in Wire/Other Prices (3 to 4 month lag)	~\$4M
• 1% Δ in Carbon Black (3 to 4 month lag)	~\$4M
• 1% Δ in Fabric Prices (3 to 4 month lag)	~\$3M

Transactional Foreign Currency

(Annual Impact on Raw Material portion of SOI Walk)

• +/- 0.01 Δ USD/BRL	(e.g. R\$3.79 to R\$3.78 is favorable by a 0.01)	+/- \$0.9M
• +/- 0.01 Δ USD/CNY	(e.g. ¥6.75 to ¥6.74 is favorable by a 0.01)	+/- \$0.2M
• +/- 0.01 Δ USD/EUR	(e.g. €0.87 from €0.86 is favorable by a 0.01)	+/- \$3.5M
• +/- 0.01 Δ USD/TRY	(e.g. ₺5.42 from ₺5.41 is favorable by a 0.01)	+/- \$0.2M
• +/- 0.01 Δ EUR/TRY	(e.g. ₺6.25 from ₺6.24 is favorable by a 0.01)	+/- \$0.2M

Approximate OH Absorption Per Tire

(1 Quarter Lag)

• Americas Consumer	\$10 - \$15
• Americas Commercial	\$50 - \$60
• EMEA Consumer	\$8 - \$12
• EMEA Commercial	\$30 - \$35

Cost Inflation

(Annual Impact)

• 1% Δ in Global Inflation	~\$55M
• 1% Δ in Americas Inflation	~\$25M
• 1% Δ in EMEA Inflation	~\$25M

First Quarter 2019 – Liquidity Profile



Terms: US\$ billions

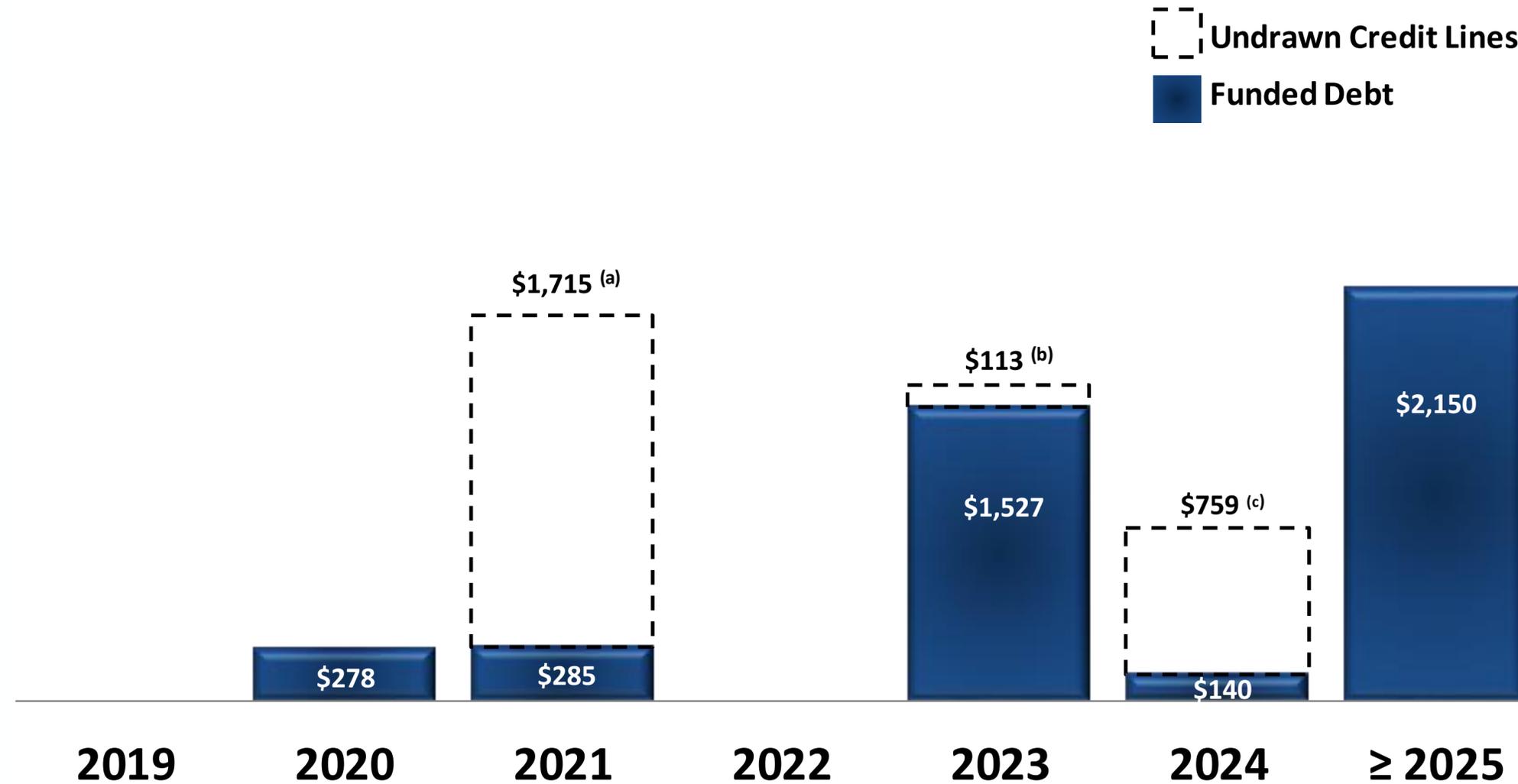


(a) Total liquidity comprised of \$860 million of cash and cash equivalents, as well as \$2,683 million of unused availability under various credit agreements

First Quarter 2019 – Maturity Schedule



Terms: US\$ millions



Note: Based on March 31, 2019 balance sheet values and excludes notes payable, finance and operating leases and other domestic and foreign debt

(a) At March 31, 2019 our borrowing base, and therefore our availability, under the U.S. revolving credit facility was \$382 million below the facility's stated amount of \$2.0 billion

At March 31, 2019 there were \$285 million of borrowings and \$37 million of letters of credit issued

(b) At March 31, 2019 the amounts available and utilized under the Pan-European securitization program totaled \$246 million (€219 million)

(c) At March 31, 2019 there were \$140 million (€125 million) of borrowings and no letters of credit issued under the €800 million European revolving credit facility

Use of Historical and Forward-Looking Non-GAAP Financial Measures



This presentation contains historical and forward-looking non-GAAP financial measures, including Total Segment Operating Income and Margin, Adjusted EBITDA, Free Cash Flow, Adjusted Net Income and Adjusted Diluted Earnings Per Share (EPS), which are important financial measures for the company but are not financial measures defined by U.S. GAAP, and should not be construed as alternatives to corresponding financial measures presented in accordance with U.S. GAAP.

Total Segment Operating Income is the sum of the individual strategic business units' (SBUs') Segment Operating Income as determined in accordance with U.S. GAAP. Total Segment Operating Margin is Total Segment Operating Income divided by Net Sales as determined in accordance with U.S. GAAP. Management believes that Total Segment Operating Income and Margin are useful because they represent the aggregate value of income created by the company's SBUs and exclude items not directly related to the SBUs for performance evaluation purposes. The most directly comparable U.S. GAAP financial measures to Total Segment Operating Income and Margin are Goodyear Net Income and Return on Net Sales (which is calculated by dividing Goodyear Net Income by Net Sales).

EBITDA, as adjusted, represents Goodyear Net Income, as determined in accordance with U.S. GAAP (the most directly comparable U.S. GAAP financial measure to EBITDA), before interest expense, income tax expense, depreciation and amortization expense, rationalization charges, and other (income) and expense. Management believes that Adjusted EBITDA is widely used by investors as a means of evaluating the company's operating profitability.

Free Cash Flow is the company's Cash Flows from Operating Activities as determined in accordance with U.S. GAAP, less capital expenditures. Management believes that Free Cash Flow is useful because it represents the cash generating capability of the company's ongoing operations, after taking into consideration capital expenditures necessary to maintain its business and pursue growth opportunities. The most directly comparable U.S. GAAP financial measure is Cash Flows from Operating Activities.

Adjusted Net Income is Goodyear Net Income as determined in accordance with U.S. GAAP adjusted for certain significant items. Adjusted Diluted EPS is the company's Adjusted Net Income divided by Weighted Average Shares Outstanding-Diluted as determined in accordance with U.S. GAAP. Management believes that Adjusted Net Income and Adjusted Diluted EPS are useful because they represent how management reviews the operating results of the company excluding the impacts of rationalizations, asset write-offs, accelerated depreciation, asset sales and certain other significant items.

It should be noted that other companies may calculate similarly-titled non-GAAP financial measures differently and, as a result, the measures presented herein may not be comparable to such similarly-titled measures reported by other companies.

We are unable to present a quantitative reconciliation of our forward-looking non-GAAP financial measures, other than Free Cash Flow, to the most directly comparable U.S. GAAP financial measures because management cannot reliably predict all of the necessary components of those U.S. GAAP financial measures without unreasonable effort. Those forward-looking non-GAAP financial measures, or components thereof, would be reconciled to Goodyear Net Income, which includes several significant items that are not included in the comparable non-GAAP financial measures, such as rationalization charges, other (income) expense, pension curtailments and settlements, and income taxes. The decisions and events that typically lead to the recognition of these and other similar non-GAAP adjustments, such as a decision to exit part of our business, acquisitions and dispositions, foreign currency exchange gains and losses, financing fees, actions taken to manage our pension liabilities, and the recording or release of tax valuation allowances, are inherently unpredictable as to if or when they may occur. The inability to provide a reconciliation is due to that unpredictability and the related difficulty in assessing the potential financial impact of the non-GAAP adjustments. For the same reasons, we are unable to address the probable significance of the unavailable information, which could be material to our future financial results.

Reconciliation for Segment Operating Income/Margin^(a)



Terms: US\$ millions

	Three Months Ended		Twelve Months Ended															
	March 31,		December 31,															
	2019	2018	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Total Segment Operating Income	\$ 190	\$ 281	\$ 1,274	\$ 1,556	\$ 1,996	\$ 2,020	\$ 1,706	\$ 1,577	\$ 1,248	\$ 1,368	\$ 917	\$ 372	\$ 804	\$ 1,230	\$ 710	\$ 1,060	\$ 946	\$ 419
Rationalizations	(103)	(37)	(44)	(135)	(210)	(114)	(95)	(58)	(175)	(103)	(240)	(227)	(184)	(49)	(311)	(7)	(56)	(291)
Interest expense	(85)	(76)	(321)	(335)	(372)	(438)	(444)	(407)	(385)	(350)	(335)	(311)	(320)	(468)	(447)	(408)	(369)	(296)
Other Income (expense)	(22)	(37)	174	(70)	(25)	141	(286)	(82)	(111)	(53)	(167)	(40)	(59)	(9)	77	(62)	(23)	(317)
Asset write-offs and accelerated depreciation	-	(1)	(4)	(40)	(20)	(8)	(7)	(23)	(20)	(50)	(15)	(43)	(28)	(37)	(88)	(4)	(10)	(133)
Corporate incentive compensation plans	(1)	(4)	(13)	(33)	(76)	(103)	(97)	(108)	(69)	(70)	(71)	(41)	4	(77)	(66)	(28)	(3)	-
Pension curtailments/settlements	-	-	-	-	-	(137)	(33)	-	1	(15)	-	-	(9)	(64)	-	-	-	-
Intercompany profit elimination	4	3	(4)	(2)	(2)	(3)	9	7	(1)	(5)	(14)	(13)	23	(11)	(9)	13	(6)	14
Loss on deconsolidation of Venezuelan subsidiary	-	-	-	-	-	(646)	-	-	-	-	-	-	-	-	-	-	-	-
Retained expenses of divested operations	(3)	(3)	(9)	(13)	(18)	(14)	(16)	(24)	(14)	(29)	(20)	(17)	-	(17)	(48)	(52)	(12)	-
Other	(18)	(13)	(42)	(50)	(66)	(90)	(50)	(69)	(34)	(75)	(47)	(37)	(45)	(53)	(20)	(60)	(86)	(53)
Income (Loss) from Continuing Operations before Income Taxes	\$ (38)	\$ 113	\$ 1,011	\$ 878	\$ 1,207	\$ 608	\$ 687	\$ 813	\$ 440	\$ 618	\$ 8	\$ (357)	\$ 186	\$ 445	\$ (202)	\$ 452	\$ 381	\$ (657)
United States and Foreign Tax Expense (Benefit)	6	33	303	513	(77)	232	(1,834)	138	203	201	172	7	209	255	60	233	208	117
Less: Minority Shareholders Net Income	17	5	15	19	20	69	69	46	25	74	52	11	54	70	111	95	58	33
Income (Loss) from Continuing Operations	\$ (61)	\$ 75	\$ 693	\$ 346	\$ 1,264	\$ 307	\$ 2,452	\$ 629	\$ 212	\$ 343	\$ (216)	\$ (375)	\$ (77)	\$ 120	\$ (373)	\$ 124	\$ 115	\$ (807)
Discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-	-	463	43	115	-	-
Cumulative effect of account change	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(11)	-	-
Goodyear Net Income (Loss)	\$ (61)	\$ 75	\$ 693	\$ 346	\$ 1,264	\$ 307	\$ 2,452	\$ 629	\$ 212	\$ 343	\$ (216)	\$ (375)	\$ (77)	\$ 583	\$ (330)	\$ 228	\$ 115	\$ (807)
Net Sales (as reported)	\$3,598	\$3,830	\$15,475	\$15,377	\$15,158	\$16,443	\$18,138	\$19,540	\$20,992	\$22,767	\$18,832	\$16,301	\$19,488	\$19,644	\$18,751	\$18,098	\$18,353	\$15,102
Return on Net Sales (as reported)	(1.7)%	2.0%	4.5%	2.3%	8.3%	1.9%	13.5%	3.2%	1.0%	1.5%	(1.1)%	(2.3)%	(0.4)%	3.0%	(1.8)%	1.3%	0.6%	(5.3)%
Total Segment Operating Margin	5.3%	7.3%	8.2%	10.1%	13.2%	12.3%	9.4%	8.1%	5.9%	6.0%	4.9%	2.3%	4.1%	6.3%	3.8%	5.9%	5.2%	2.8%

(a) 2010 - 2015 have been restated for the new guidance on the presentation of debt issuance and amortization costs effective in 2016, 2003 - 2009 have not been restated. 2016 - 2017 have been restated in alignment with the new pension accounting standard adopted in 2018, 2003 - 2015 have not been restated. 2003 - 2012 have not been restated for the Americas consolidation. In July 2007, the Engineered Products business was sold; in 2005 - 2007 results from Engineered Products have been included in discontinued operations, 2003 - 2004 includes income from Engineered Products in income from continuing operations. 2014 and prior includes results from Venezuela. Venezuela was deconsolidated in 2015

First Quarter 2019 Significant Items



(After Tax and Minority Interest)

Terms: US\$ millions,
(except EPS)

	As Reported	Rationalizations, Asset Write-offs, and Accelerated Depreciation	Indirect Tax Settlements and Discrete Tax Items	Legal Claims Related to Discontinued Operations	Asset Sales	Net Insurance Recovery from Hurricanes	As Adjusted
Net Sales	\$ 3,598	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,598
Cost of Goods Sold	2,879	-	-	-	-	-	2,879
Gross Margin	719	-	-	-	-	-	719
SAG	547	-	-	-	-	-	547
Rationalizations	103	(103)	-	-	-	-	-
Interest Expense	85	-	-	-	-	-	85
Other (Income) Expense	22	-	-	(5)	5	3	25
Pre-tax Income (Loss)	(38)	103	-	5	(5)	(3)	62
Taxes	6	18	(7)	1	(1)	(1)	16
Minority Interest	17	-	(16)	-	-	-	1
Goodyear Net Income (Loss)	\$ (61)	\$ 85	\$ 23	\$ 4	\$ (4)	\$ (2)	\$ 45
EPS	\$ (0.26)	\$ 0.36	\$ 0.10	\$ 0.02	\$ (0.02)	\$ (0.01)	\$ 0.19

First Quarter 2018 Significant Items



(After Tax and Minority Interest)

Terms: US\$ millions,
(except EPS)

	As Reported	Rationalizations, Asset Write-offs, and Accelerated Depreciation	Discrete Tax Items	Pension Standard Change	TireHub Transaction Costs	Hurricane Effect	As Adjusted
Net Sales	\$ 3,830	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,830
Cost of Goods Sold	2,976	(1)	-	-	-	-	2,975
Gross Margin	854	1	-	-	-	-	855
SAG	591	-	-	-	-	-	591
Rationalizations	37	(37)	-	-	-	-	-
Interest Expense	76	-	-	-	-	-	76
Other (Income) Expense	37	-	-	(9)	(4)	(3)	21
Pre-tax Income	113	38	-	9	4	3	167
Taxes	33	11	(7)	2	1	-	40
Minority Interest	5	-	-	-	-	-	5
Goodyear Net Income	\$ 75	\$ 27	\$ 7	\$ 7	\$ 3	\$ 3	\$ 122
EPS	\$ 0.31	\$ 0.11	\$ 0.03	\$ 0.03	\$ 0.01	\$ 0.01	\$ 0.50

Reconciliation for Adjusted EBITDA



(\$ in millions)

	Year Ended December 31,						
	2018	2017	2016	2015 ^(b)	2014 ^(b)	2009 ^(b)	2008 ^(b)
Goodyear Net Income (Loss)	\$693	\$346	\$1,264	\$307	\$2,452	(\$375)	(\$77)
Interest Expense	321	335	372	438	444	311	320
Income Tax Expense (Benefit)	303	513	(77)	232	(1,834)	7	209
Depreciation and Amortization	778	781	727	698	732	636	660
Other ^(a)	(130)	205	235	619	381	267	243
EBITDA, as adjusted	\$1,965	\$2,180	\$2,521	\$2,294	\$2,175	\$846	\$1,355

(a) Other includes rationalization charges, other income and expense and the loss on the deconsolidation of our Venezuela subsidiary effective December 31, 2015

(b) 2009-2008 have not been restated for the guidance on the presentation of debt issuance and amortization costs effective in 2016. 2015-2014 and 2009-2008 have not been restated for the pension accounting standard adopted in 2018

Reconciliation for Total Debt and Net Debt



Terms: US\$ millions

	<u>March 31, 2019</u>	<u>December 31, 2018</u>	<u>March 31, 2018</u>
Long-Term Debt and Finance Leases	\$ 5,545	\$ 5,110	\$ 5,600
Notes Payable and Overdrafts	495	410	332
Long-Term Debt and Finance Leases Due Within One Year	466	243	327
Total Debt	<u>\$ 6,506</u>	<u>\$ 5,763</u>	<u>\$ 6,259</u>
Less: Cash and Cash Equivalents	<u>860</u>	<u>801</u>	<u>837</u>
Net Debt	<u>\$ 5,646</u>	<u>\$ 4,962</u>	<u>\$ 5,422</u>

GOODYEAR  **YEAR**®