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

	Three Months Ended March 31, 2018 2017		
(In millions, except per share amounts)			
NET SALES	\$ 3,830	\$ 3,699	
Cost of Goods Sold Selling, Administrative and General Expense	2,976 591	2,760 576	
Rationalizations	37	29	
Interest Expense	76	87	
Other (Income) Expense	37	8	
Income before Income Taxes	113	239	
United States and Foreign Tax Expense	33	70	
Net Income	80	169	
Less: Minority Shareholders' Net Income	5	3	
Goodyear Net Income	<u>\$ 75</u>	<u>\$ 166</u>	
Goodyear Net Income - Per Share of Common Stock			
Basic	<u>\$ 0.31</u>	<u>\$ 0.66</u>	
Weighted Average Shares Outstanding	240	252	
Diluted	\$ 0.31	<u>\$ 0.65</u>	
Weighted Average Shares Outstanding	244	256	
Cash Dividends Declared Per Common Share	<u>\$ 0.14</u>	<u>\$ 0.10</u>	

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

densitions         March 30         Decrease 30           Asses:         Current Assets         S 837         \$ 1,003           Cash and Sah Equivalents         \$ 2,009         2,020           Accounts Receivable, less Allowance - \$119 (\$16 in 2017)         2,509         2,025           Inventories:         158         146           Work in Process         158         146           Finished Products         2,236         2,179           Finished Products         4,236         2,179           Frepaid Expenses and Other Current Assets         6,488         6,079           Foodwill         60         505           Body will         60         4,508           Intangible Assets         140         13           Other Assets         2,039         7,202           Property Property Plant and Equipment         7,502         7,502           Property Liabilities         7,502         7,504           Complex Secundated Perceiation - \$1,030 (\$1,078 in 2017)         2,850         9,280           Accounts Payable-Trade         2,850         9,280           Complex Liabilities         3,280         1,204           Complex Liabilities         3,280         2,29           Other	Consolitation States (dilutation)		
Current Asserts         Cash and Cash Equivalents         \$ 8.37         \$ 1.043           Accounts Receivable, less Allowance - \$119 (\$116 in 2017)         2,509         2,025           Inventories:         501         466           Raw Materials         501         466           Work in Process         158         142           Finished Products         2,895         2,195           Prepaid Expenses and Other Current Assets         247         223           Goodwill         606         507           Goodwill         606         607           Goodwill         606         607           Intangible Assets         140         139           Deferred Income Taxes         2,039         2,029           Other Assets         805         792           Propenty, Plant and Equipment         15         1,752         7,511           less Accumulated Depreciation - \$10,350 (\$10,078 in 2017)         7,522         7,511         1,762         7,512           Total Assets         2,2850         \$2,807         \$2,807         \$2,807         \$2,807         \$2,807         \$2,807         \$2,807         \$2,807         \$2,807         \$2,802         \$2,002         \$2,002         \$2,002         \$2,002	(In millions)		
Cash and Cash Equivalents         \$ 837         \$ 1,043           Accounts Receivable, less Allowance - \$119 (\$116 in 2017)         2,092         2,025           Inventories:         3501         466           Work in Process         158         142           Finished Products         2,236         2,179           Frepaid Expenses and Other Current Assets         247         224           Total Current Assets         447         224           Goodwill         606         6,878           Intangible Assets         140         139           Other Assets         2,039         2,008           Other Assets         805         792           Property, Plant and Equipment         805         752           less Accumulated Depreciation - \$10,350 (\$10,078 in 2017)         7,502         7,451           Total Assets         317,502         7,451           Current Liabilities         1,750         7,502           Current Liabilities         312         607           Current Liabilities         332         807           Compensation and Benefits         534         539           Other Current Liabilities         332         62           Long Term Debt and Capital Leases due Within On	Assets:		
Accounts Receivable, less Allowance - \$119 (\$116 in 2017)         2,095         187           Inventories:         501         466           Work in Process         158         142           Finished Products         2,895         2,787           Prepaid Expenses and Other Current Assets         247         224           Total Current Assets         6,488         6,079           Goodwill         606         595           Intangible Assets         140         139           Deferred Income Taxes         2,039         2,008           Other Assets         805         792           Property, Plant and Equipment         183         1,706           less Accountal Equipment         183         1,706           less Accounts Payable and Equipment         183         1,706           less Account Easter         1,758         1,736           less Accountal Equipment         1,80         1,706	Current Assets:		
Raw Materials         501         46a           Work in Process         158         412           Finished Products         2.336         2.179           Finished Products         2.895         2.787           Prepaid Expenses and Other Current Assets         247         223           Good Will         606         595           Intangible Assets         140         133           Other Assets         2.039         2.088           Other Assets         7.502         7.451           Property, Plant and Equipment         8.750         7.451           It also Accumulated Depreciation - \$10,350 (\$10,078 in 2017)         7.502         7.451           Total Assets         1.758         \$17,064           Labilities           Compensation and Benefits         \$2.850         \$2.807           Other Current Liabilities         \$3         1.02           Other Current Liabilities         \$49         1.02           Other Current Liabilities         \$49         1.02           It also Accumulated Depreciation - \$10,350 (\$10,078 in 2017)         \$2.850         \$2.807           Other Current Liabilities         \$1         \$3         1.02           It also Accumulated Depreci	Cash and Cash Equivalents	\$ 837	\$ 1,043
Work in Process         158         142           Finished Products         2,236         2,178           Prepaid Expenses and Other Current Assets         247         2285           Total Current Assets         6,488         6,079           Goodwill         606         595           Intangible Assets         140         130           Other Assets         203         2,008           Other Assets         7502         74,51           Property Plant and Equipment         7,502         7,451           It abilities:         17,502         7,451           Total Assets         2,850         2,800           Total Prace         2,850         2,800           Total Current Liabilities         2,850         2,807           Other Current Liabilities         898         1,026           Other Current Liabilities         332         262           Long Term Debt and Capital Leases due Within One Year         332         36           Long Term Debt and Capital Leases         5,000         5,076           Compensation and Benefits         4,941         5,025           Deferred Income Taxes         12,15         5,002           Compensation		2,509	2,025
Finished Products         2,236         2,179           Prepaid Expenses and Other Current Assets         247         224           Total Current Assets         6,488         6,079           Goodwill         606         595           Intangible Assets         140         139           Deferred Income Taxes         2,039         2,008           Other Assets         805         792           Property, Plant and Equipment         805         17,002           less Accumulated Depreciation - \$10,350 (\$10,078 in 2017)         7,502         7,451           Total Assets         3,750         \$17,004           Current Liabilities           Current Liabilities           Accounts Payable-Trade         \$2,850         \$2,807           Compensation and Benefits         534         539           Other Current Liabilities         898         1,026           Notes Payable and Overdrafts         898         1,026           Long Term Debt and Capital Leases due Within One Year         327         391           Total Current Liabilities         4,941         5,025           Long Term Debt and Capital Leases         1,060         5,076           Compensation and Benefits         1	Raw Materials	501	466
Prepaid Expenses and Other Current Assets         2,895         2,787           Total Current Assets         247         2224           Goodwill         606         595           Intangible Assets         140         139           Deferred Income Taxes         2,039         2,008           Other Assets         805         792           Propenty, Plant and Equipment         8         7,502         7,451           Itabilities:         17,508         \$17,064           Current Liabilities:         2,850         \$2,807           Compensation and Benefits         534         539           Other Current Liabilities         332         262           Long Term Debt and Capital Leases due Within One Year         332         262           Long Term Debt and Capital Leases         5,600         5,076           Compensation and Benefits         5,600         5,076           Compensation and Benefits         1,478         1,515           Long Term Debt and Capital Leases         101         100           Compensation and Benefits         4,941         5,025           Long Term Debt and Capital Leases         1,00         5,076           Compensation and Benefits         1,478         1,515	Work in Process	158	142
Prepaid Expenses and Other Current Assets	Finished Products	2 236	2.179
Prepaid Expenses and Other Current Assets         4,24         2,24           Total Current Assets         6,488         6,079           Goodwill         606         505           Intangible Assets         140         139           Defered Income Taxes         2,039         2,008           Other Assets         75         72           Property, Plant and Equipment         75,02         7,451           Itabilities         8,75         17,060           Liabilities         5         17,060           Current Liabilities         52,850         \$2,807           Accounts Payable-Trade         52,850         \$2,807           Compensation and Benefits         534         539           Other Current Liabilities         332         262           Notes Payable and Overdrafts         332         326           Notes Payable and Acpital Leases due Within One Year         327         391           Total Current Liabilities         1,478         1,515           Long Term Debt and Capital Leases         1,600         5,076           Compensation and Benefits         1,478         1,515           Defered Income Taxes         1,478         1,515           Other Long Term Liabilities			
Total Current Assets         6,048         6,079           Goodwill         606         595           Intangible Assets         140         139           Deferred Income Taxes         2,039         2,008           Other Assets         805         792           Property, Plant and Equipment         805         7,2502         7,451           less Accumulated Depreciation - \$10,350 (\$10,078 in 2017)         7,502         7,451           Total Assets         \$17,580         \$17,064           Liabilities:           Current Liabilities           Accounts Payable-Trade         \$2,850         \$2,807           Compensation and Benefits         534         539           Other Current Liabilities         898         1,026           Notes Payable and Overdrafts         332         262           Long Term Debt and Capital Leases due Within One Year         327         391           Total Current Liabilities         4,941         5,025           Compensation and Benefits         5,600         5,076           Compensation and Benefits         1,478         1,515           Deferred Income Taxes         101         100           Other Long Term Liabilities         249	Prepaid Expenses and Other Current Assets		224
Goodwill         606         595           Intangibe Assets         140         139           Deferred Income Taxes         2,039         2,008           Other Assets         805         792           Property, Plant and Equipment         7,502         7,451           less Accumulated Depreciation - \$10,350 (\$10,078 in 2017)         7,502         7,251           Total Assets         17,502         \$17,602           Lisbilities:           Urrent Liabilities           Accounts Payable-Trade         \$2,850         \$2,807           Compensation and Benefits         534         539           Other Current Liabilities         898         1,026           Notes Payable and Overdrafis         332         262           Long Term Debt and Capital Leases due Within One Year         322         331           Total Current Liabilities         4,941         5,025           Long Term Debt and Capital Leases         5,600         5,076           Compensation and Benefits         1,478         1,515           Deferred Income Taxes         10         10           Other Long Term Liabilities         498         498           Total Liabilities         12,618         12,21			
Intangible Assets         140         139           Deferred Income Taxes         2,039         2,008           Other Assets         805         792           Property, Plant and Equipment         Ites Accumulated Depreciation - \$10,350 (\$10,078 in 2017)         7,502         7,451           Total Assets         **Total Assets         **Total Section - \$10,350 (\$10,078 in 2017)         7,502         7,451           **Total Assets         **Total Section - \$10,350 (\$10,078 in 2017)         **Total Section - \$1,502         **Total Section - \$1,502         **Total Section - \$1,502         **Total Section - \$1,502         **Span="2">**Span="2"*Span="2"*Span="2"*Span="2">**Span="2"*Span="2"*Span="2"*Span="2"*Span="2">**Span="2"*	Goodwill		*
Deferred Income Taxes         2,039         2,008           Other Assets         805         792           Property, Plant and Equipment         7,502         7,451           less Accumulated Depreciation - \$10,350 (\$10,078 in 2017)         7,502         7,451           Total Assets         \$17,580         \$17,064           Liabilities:           Current Liabilities:           Accounts Payable-Trade         \$2,850         \$2,807           Compensation and Benefits         534         539           Other Current Liabilities         898         1,026           Notes Payable and Overdrafts         332         262           Long Term Debt and Capital Leases due Within One Year         327         391           Total Current Liabilities         4,93         1,515           Long Term Debt and Capital Leases         5,600         5,076           Compensation and Benefits         1,478         1,515           Deferred Income Taxes         101         100           Other Long Term Liabilities         12,618         12,214           Common Eaxes         12,618         12,214           Common Eaxes         12,618         12,214           Common Eaxes	Intangible Assets	140	139
Other Assets         805         792           Property, Plant and Equipment less Accumulated Depreciation - \$10,350 (\$10,078 in 2017)         7,502         7,451           I Total Assets         17,580         \$17,062           Liabilities:           Current Liabilities:           Accounts Payable-Trade         \$2,850         \$2,807           Compensation and Benefits         334         539           Other Current Liabilities         898         1,026           Notes Payable and Overdrafts         332         262           Long Term Debt and Capital Leases due Within One Year         327         391           Total Current Liabilities         4,941         5,025           Long Term Debt and Capital Leases         5,600         5,076           Compensation and Benefits         1,478         1,515           Deferred Income Taxes         101         100           Other Long Term Liabilities         498         498           Total Liabilities           Shareholders' Equity:           Common Stock, no par value:           Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)         240         240           Capital Surplus         2,28		2.039	
Property, Plant and Equipment   1888 Accumulated Depreciation - \$10,350 (\$10,078 in 2017)   18.00	Other Assets		*
Page   Page			
Total Assets         \$ 17.580         \$ 17.064           Liabilities:           Current Liabilities:           Accounts Payable-Trade         \$ 2.850         \$ 2.807           Compensation and Benefits         534         539           Other Current Liabilities         898         1,026           Notes Payable and Overdrafts         332         262           Long Term Debt and Capital Leases due Within One Year         327         391           Total Current Liabilities         4,941         5,025           Long Term Debt and Capital Leases         5,600         5,076           Compensation and Benefits         1,478         1,515           Deferred Income Taxes         101         100           Other Long Term Liabilities         498         498           Total Liabilities         498         498           Commitments and Contingent Liabilities         12,618         12,214           Commitments and Contingent Liabilities         5         12,214           Common Stock, no par value:         2         2           Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)         240         2,20           Capital Surplus         2,280         2,295		7,502	7,451
Current Liabilities:           Accounts Payable-Trade         \$ 2,850         \$ 2,807           Compensation and Benefits         534         539           Other Current Liabilities         898         1,026           Notes Payable and Overdrafts         332         262           Long Term Debt and Capital Leases due Within One Year         327         391           Total Current Liabilities         4,941         5,025           Long Term Debt and Capital Leases         5,600         5,076           Compensation and Benefits         1,478         1,515           Deferred Income Taxes         101         100           Other Long Term Liabilities         498         498           Total Liabilities         498         498           Total Liabilities         12,618         12,214           Commitments and Contingent Liabilities           Shareholders' Equity:           Common Stock, no par value:           Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)         240         240           Capital Surplus         2,280         2,295           Retained Earnings         6,084         6,044           Accumulated Other Comprehensive Loss         (3,867) <td></td> <td>\$ 17,580</td> <td><b>\$ 17,064</b></td>		\$ 17,580	<b>\$ 17,064</b>
Accounts Payable-Trade         \$ 2,850         \$ 2,807           Compensation and Benefits         534         539           Other Current Liabilities         898         1,026           Notes Payable and Overdrafts         332         262           Long Term Debt and Capital Leases due Within One Year         327         391           Total Current Liabilities         4,941         5,025           Long Term Debt and Capital Leases         5,600         5,076           Compensation and Benefits         1,478         1,515           Deferred Income Taxes         101         100           Other Long Term Liabilities         498         498           Total Liabilities         12,618         12,214           Commitments and Contingent Liabilities         12,618         12,214           Commitments and Contingent Liabilities         12,618         12,214           Common Stock, no par value:         Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)         240         240           Capital Surplus         2,280         2,295           Retained Earnings         6,084         6,044           Accumulated Other Comprehensive Loss         (3,867)         (3,976)           Goodyear Shareholders' Equity	Liabilities:		
Compensation and Benefits         534         539           Other Current Liabilities         898         1,026           Notes Payable and Overdrafts         332         262           Long Term Debt and Capital Leases due Within One Year         327         391           Total Current Liabilities         4,941         5,025           Long Term Debt and Capital Leases         5,600         5,076           Compensation and Benefits         1,478         1,515           Deferred Income Taxes         101         100           Other Long Term Liabilities         498         498           Total Liabilities         12,618         12,214           Commitments and Contingent Liabilities         12,618         12,214           Commitments and Contingent Liabilities         3         2           Shareholders' Equity:           Common Stock, no par value:           Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)         240         240           Capital Surplus         2,280         2,295           Retained Earnings         6,084         6,044           Accumulated Other Comprehensive Loss         (3,867)         (3,976)           Goodyear Shareholders' Equity         4,603 </td <td>Current Liabilities:</td> <td></td> <td></td>	Current Liabilities:		
Compensation and Benefits         534         539           Other Current Liabilities         898         1,026           Notes Payable and Overdrafts         332         262           Long Term Debt and Capital Leases due Within One Year         327         391           Total Current Liabilities         4,941         5,025           Long Term Debt and Capital Leases         5,600         5,076           Compensation and Benefits         1,478         1,515           Deferred Income Taxes         101         100           Other Long Term Liabilities         498         498           Total Liabilities         12,618         12,214           Commitments and Contingent Liabilities         12,618         12,214           Commitments and Contingent Liabilities         3         2           Shareholders' Equity:           Common Stock, no par value:           Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)         240         240           Capital Surplus         2,280         2,295           Retained Earnings         6,084         6,044           Accumulated Other Comprehensive Loss         (3,867)         (3,976)           Goodyear Shareholders' Equity         4,603 </td <td>Accounts Payable-Trade</td> <td>\$ 2,850</td> <td>\$ 2,807</td>	Accounts Payable-Trade	\$ 2,850	\$ 2,807
Other Current Liabilities         898         1,026           Notes Payable and Overdrafts         332         262           Long Term Debt and Capital Leases due Within One Year         327         391           Total Current Liabilities         4,941         5,025           Long Term Debt and Capital Leases         5,600         5,076           Compensation and Benefits         1,478         1,515           Deferred Income Taxes         101         100           Other Long Term Liabilities         498         498           Total Liabilities         12,618         12,214           Commitments and Contingent Liabilities         ***         ***           Shareholders' Equity:           Common Stock, no par value:           Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)         240         240           Capital Surplus         2,280         2,295           Retained Earnings         6,084         6,044           Accumulated Other Comprehensive Loss         (3,867)         (3,976)           Goodyear Shareholders' Equity         4,737         4,603           Minority Shareholders' Equity – Nonredeemable         225         247           Total Shareholders' Equity         4,850 <td>•</td> <td></td> <td>539</td>	•		539
Notes Payable and Overdrafts         332         262           Long Term Debt and Capital Leases due Within One Year         327         391           Total Current Liabilities         4,941         5,025           Long Term Debt and Capital Leases         5,600         5,076           Compensation and Benefits         1,478         1,515           Deferred Income Taxes         101         100           Other Long Term Liabilities         498         498           Total Liabilities         12,618         12,214           Commitments and Contingent Liabilities         ***  Shareholders' Equity:         ***  Common Stock, no par value:           Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)         240         240           Capital Surplus         2,280         2,295           Retained Earnings         6,084         6,044           Accumulated Other Comprehensive Loss         (3,867)         (3,976)           Goodyear Shareholders' Equity         4,737         4,603           Minority Shareholders' Equity – Nonredeemable         225         247           Total Shareholders' Equity         4,850         4,850	-	898	1.026
Long Term Debt and Capital Leases due Within One Year         327         391           Total Current Liabilities         4,941         5,025           Long Term Debt and Capital Leases         5,600         5,076           Compensation and Benefits         1,478         1,515           Deferred Income Taxes         101         100           Other Long Term Liabilities         498         498           Total Liabilities         12,618         12,214           Commitments and Contingent Liabilities         ****  Shareholders' Equity:         **** Common Stock, no par value:         **** Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)* after deducting 38 million treasury shares (38 million in 2017)         240         240           Capital Surplus         2,280         2,295           Retained Earnings         6,084         6,044           Accumulated Other Comprehensive Loss         (3,867)         (3,976)           Goodyear Shareholders' Equity         4,737         4,603           Minority Shareholders' Equity – Nonredeemable         225         247           Total Shareholders' Equity         4,850         4,850	Notes Payable and Overdrafts		
Total Current Liabilities         4,941         5,025           Long Term Debt and Capital Leases         5,600         5,076           Compensation and Benefits         1,478         1,515           Deferred Income Taxes         101         100           Other Long Term Liabilities         498         498           Total Liabilities         12,618         12,214           Commitments and Contingent Liabilities           Shareholders' Equity:           Common Stock, no par value:           Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)         240         240           Capital Surplus         2,280         2,295           Retained Earnings         6,084         6,044           Accumulated Other Comprehensive Loss         (3,867)         (3,976)           Goodyear Shareholders' Equity – Nonredeemable         225         247           Total Shareholders' Equity – Nonredeemable         225         247           Total Shareholders' Equity         4,962         4,850	-	327	
Long Term Debt and Capital Leases         5,600         5,076           Compensation and Benefits         1,478         1,515           Deferred Income Taxes         101         100           Other Long Term Liabilities         498         498           Total Liabilities         12,618         12,214           Commitments and Contingent Liabilities           Shareholders' Equity:           Common Stock, no par value:           Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)         240         240           Capital Surplus         2,280         2,295           Retained Earnings         6,084         6,044           Accumulated Other Comprehensive Loss         (3,367)         (3,976)           Goodyear Shareholders' Equity         4,737         4,603           Minority Shareholders' Equity – Nonredeemable         225         247           Total Shareholders' Equity         4,962         4,850	-		
Compensation and Benefits         1,478         1,515           Deferred Income Taxes         101         100           Other Long Term Liabilities         498         498           Total Liabilities         12,618         12,214           Commitments and Contingent Liabilities           Shareholders' Equity:           Common Stock, no par value:           Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)         240         240           Capital Surplus         2,280         2,295           Retained Earnings         6,084         6,044           Accumulated Other Comprehensive Loss         (3,867)         (3,976)           Goodyear Shareholders' Equity         4,737         4,603           Minority Shareholders' Equity – Nonredeemable         225         247           Total Shareholders' Equity         4,962         4,850			•
Deferred Income Taxes         101         100           Other Long Term Liabilities         498         498           Total Liabilities         12,618         12,214           Commitments and Contingent Liabilities           Shareholders' Equity:           Goodyear Shareholders' Equity:           Common Stock, no par value:           Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)         240         240           Capital Surplus         2,280         2,295           Retained Earnings         6,084         6,044           Accumulated Other Comprehensive Loss         (3,867)         (3,976)           Goodyear Shareholders' Equity         4,737         4,603           Minority Shareholders' Equity – Nonredeemable         225         247           Total Shareholders' Equity         4,850		*	
Other Long Term Liabilities         498         498           Total Liabilities         12,618         12,214           Commitments and Contingent Liabilities           Shareholders' Equity:           Goodyear Shareholders' Equity:           Common Stock, no par value:           Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)           after deducting 38 million treasury shares (38 million in 2017)         240         240           Capital Surplus         2,280         2,295           Retained Earnings         6,084         6,044           Accumulated Other Comprehensive Loss         (3,867)         (3,976)           Goodyear Shareholders' Equity         4,737         4,603           Minority Shareholders' Equity – Nonredeemable         225         247           Total Shareholders' Equity         4,962         4,850	-	*	*
Total Liabilities  Commitments and Contingent Liabilities  Shareholders' Equity:  Goodyear Shareholders' Equity:  Common Stock, no par value:  Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)  after deducting 38 million treasury shares (38 million in 2017)  Capital Surplus  Retained Earnings  6,084  Accumulated Other Comprehensive Loss  Goodyear Shareholders' Equity  Minority Shareholders' Equity – Nonredeemable  Total Shareholders' Equity  4,737  4,603  Minority Shareholders' Equity – Nonredeemable  Total Shareholders' Equity  4,962  4,850			
Commitments and Contingent Liabilities  Shareholders' Equity:  Goodyear Shareholders' Equity:  Common Stock, no par value:  Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)  after deducting 38 million treasury shares (38 million in 2017)  Capital Surplus  Retained Earnings  6,084  Accumulated Other Comprehensive Loss  Goodyear Shareholders' Equity  Minority Shareholders' Equity – Nonredeemable  225  247  Total Shareholders' Equity  4,962  4,850	-		
Goodyear Shareholders' Equity:         Common Stock, no par value:       Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)         after deducting 38 million treasury shares (38 million in 2017)       240       240         Capital Surplus       2,280       2,295         Retained Earnings       6,084       6,044         Accumulated Other Comprehensive Loss       (3,867)       (3,976)         Goodyear Shareholders' Equity       4,737       4,603         Minority Shareholders' Equity – Nonredeemable       225       247         Total Shareholders' Equity       4,962       4,850		12,010	12,21
Goodyear Shareholders' Equity:         Common Stock, no par value:       Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)         after deducting 38 million treasury shares (38 million in 2017)       240       240         Capital Surplus       2,280       2,295         Retained Earnings       6,084       6,044         Accumulated Other Comprehensive Loss       (3,867)       (3,976)         Goodyear Shareholders' Equity       4,737       4,603         Minority Shareholders' Equity – Nonredeemable       225       247         Total Shareholders' Equity       4,962       4,850	Shareholders' Fauity		
Common Stock, no par value:         Authorized, 450 million shares, Outstanding shares – 240 million (240 million in 2017)         after deducting 38 million treasury shares (38 million in 2017)         Capital Surplus       2,280       2,295         Retained Earnings       6,084       6,044         Accumulated Other Comprehensive Loss       (3,867)       (3,976)         Goodyear Shareholders' Equity       4,737       4,603         Minority Shareholders' Equity – Nonredeemable       225       247         Total Shareholders' Equity       4,962       4,850	• •		
after deducting 38 million treasury shares (38 million in 2017)       240       240         Capital Surplus       2,280       2,295         Retained Earnings       6,084       6,044         Accumulated Other Comprehensive Loss       (3,867)       (3,976)         Goodyear Shareholders' Equity       4,737       4,603         Minority Shareholders' Equity – Nonredeemable       225       247         Total Shareholders' Equity       4,962       4,850	Common Stock, no par value:		
Retained Earnings       6,084       6,044         Accumulated Other Comprehensive Loss       (3,867)       (3,976)         Goodyear Shareholders' Equity       4,737       4,603         Minority Shareholders' Equity – Nonredeemable       225       247         Total Shareholders' Equity       4,962       4,850		240	240
Accumulated Other Comprehensive Loss         (3,976)           Goodyear Shareholders' Equity         4,737         4,603           Minority Shareholders' Equity – Nonredeemable         225         247           Total Shareholders' Equity         4,962         4,850	Capital Surplus	2,280	2,295
Goodyear Shareholders' Equity4,7374,603Minority Shareholders' Equity – Nonredeemable225247Total Shareholders' Equity4,9624,850	Retained Earnings	6,084	6,044
Goodyear Shareholders' Equity4,603Minority Shareholders' Equity – Nonredeemable225247Total Shareholders' Equity4,9624,850	Accumulated Other Comprehensive Loss	(3,867)	(3,976)
Minority Shareholders' Equity – Nonredeemable225247Total Shareholders' Equity4,9624,850	Goodyear Shareholders' Equity		
	Minority Shareholders' Equity – Nonredeemable	,	
Total Liabilities and Shareholders' Equity \$\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\			
	Total Liabilities and Shareholders' Equity	<u>\$ 17,580</u>	<u>\$ 17,064</u>

### The Goodyear Tire & Rubber Company and Subsidiaries Consolidated Statements of Cash Flows (unaudited)

(In millions)		Three Months End March 31, 2018 201		
Cash Flows from Operating Activities:	-			-01.
Net Income	\$	80	\$	169
Adjustments to Reconcile Net Income (Loss) to Cash Flows from Operating Activities:				
Depreciation and Amortization		199		185
Amortization and Write-Off of Debt Issuance Costs		3		3
Provision for Deferred Income Taxes	(	(17)		40
Net Rationalization Charges		37		29
Rationalization Payments	(1	06)		(18)
Net (Gains) Losses on Asset Sales		2		(1)
Pension Contributions and Direct Payments	(	(21)		(25)
Changes in Operating Assets and Liabilities, Net of Asset Acquisitions and Dispositions:				
Accounts Receivable		67)		(478)
Inventories	(	(81)		(191)
Accounts Payable - Trade		99		73
Compensation and Benefits		(16)		(61)
Other Current Liabilities	(	(64)		18
Other Assets and Liabilities		(37)		(29)
<b>Total Cash Flows from Operating Activities</b>	(3	89)		(286)
Cash Flows from Investing Activities:				
Capital Expenditures	(2	248)		(271)
Asset Dispositions				1
Short Term Securities Acquired		(8)		(11)
Short Term Securities Redeemed	·	8		11
<b>Total Cash Flows from Investing Activities</b>	(2	<b>48</b> )		<b>(270)</b>
Cash Flows from Financing Activities:				
Short Term Debt and Overdrafts Incurred	4	584		51
Short Term Debt and Overdrafts Paid	(5	18)		(82)
Long Term Debt Incurred	1,0	552		1,838
Long Term Debt Paid	(1,2	26)	(	1,369)
Common Stock Issued		1		9
Common Stock Repurchased	(	(25)		(25)
Common Stock Dividends Paid	(	(34)		(25)
Transactions with Minority Interests in Subsidiaries	(	(22)		
Debt Related Costs and Other Transactions	(	(13)		1
Total Cash Flows from Financing Activities	3	399		398
Effect of Exchange Rate Changes on Cash, Cash Equivalents and Restricted Cash		16		20
Net Change in Cash, Cash Equivalents and Restricted Cash		222)		(138)
Cash, Cash Equivalents and Restricted Cash at Beginning of the Period		110	\$	1,189
Cash, Cash Equivalents and Restricted Cash at End of the Period	\$ 8	888	Þ	1,051

#### 24488fi.418 4 Non-GAAP Financial Measures (unaudited)

This earnings release presents Total Segment Operating Income and Margin, 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 measure to Total Segment Operating Income is Goodyear Net Income and to Total Segment Operating Margin is Return on Net Sales (which is calculated by dividing Goodyear Net Income by Net Sales).

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.

The company is unable to present a quantitative reconciliation of its forward-looking non-GAAP financial measure, Total Segment Operating Income, to the most directly comparable U.S. GAAP financial measure, Goodyear Net Income, because management cannot reliably predict all of the necessary components of Goodyear Net Income without unreasonable effort. Goodyear Net Income includes several significant items that are not included in Total Segment Operating Income, 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 the company's business, acquisitions and dispositions, foreign currency exchange gains and losses, financing fees, actions taken to manage the company's 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, the company is unable to address the probable significance of the unavailable information, which could be material to the company's future financial results.

See the tables below for reconciliations of historical Total Segment Operating Income and Margin, Adjusted Net Income and Adjusted Diluted EPS to the most directly comparable U.S. GAAP financial measures.

#### **Segment Operating Income and Margin Reconciliation Table**

Three Months Ended March 31,

(In millions)	2018	2017
<b>Total Segment Operating Income</b>	\$ 281	\$ 390
Rationalizations	37	29
Interest Expense	76	87
Other (Income) Expense	37	8
Asset Write-offs and Accelerated Depreciation	1	8
Corporate Incentive Compensation Plans	4	15
Intercompany Profit Elimination	(3)	(3)
Retained Expenses of Divested Operations	3	3
Other	13	4
Income before Income Taxes	\$ 113	\$ 239
United States and Foreign Tax Expense	33	70
Less: Minority Shareholders Net Income	5	3
Goodyear Net Income	\$ 75	\$ 166
Net Sales	\$3,830	\$3,699
Return on Net Sales	2.0%	4.5%
Total Segment Operating Margin	7.3%	10.5%

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### **Adjusted Net Income and Adjusted Diluted Earnings per Share Reconciliation Table**

First Quarter 2018	Income Before Income Taxes	Taxes	Minority Interest	Goodyear Net Income	Weighted Average Shares Outstanding- Diluted	Diluted EPS
(In millions, except EPS)						
As Reported	\$ 113	\$33	\$ 5	\$ 75	244	\$ 0.31
Significant Items:						
Rationalizations, Asset Write-offs, and Accelerated Depreciation Charges	38	11		27		0.11
Discrete Tax Items		(7)		7		0.03
Pension Standard Change	9	2		7		0.03
Transaction Costs Related to TireHub	4	1		3		0.01
Hurricane Effect	3			3		0.01
-	54	7		47		\$ 0.19
As Adjusted	\$ 167	\$40	\$ 5	\$ 122	244	\$ 0.50

First Quarter 2017	Income Before Income Taxes	Taxes	Minority Interest	Goodyear Net Income	Weighted Average Shares Outstanding- Diluted	Diluted EPS
(In millions, except EPS)						
As Reported	\$239	<b>\$70</b>	\$ 3	\$166	256	\$0.65
Significant Items:						
Rationalizations, Asset Write-offs, and Accelerated Depreciation Charges	37	12		25		0.10
Discrete Tax Items		2		(2)		(0.01)
	37	14		23		\$ 0.09
As Adjusted	\$276	\$84	\$ 3	\$189	256	\$ 0.74