

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<i>(In millions, except per share amounts)</i>				
<b>NET SALES</b>	<b>\$4,528</b>	<b>\$3,943</b>	<b>\$8,798</b>	<b>\$7,479</b>
Cost of Goods Sold	3,686	3,353	7,142	6,572
Selling, Administrative and General Expense	670	614	1,275	1,147
Rationalizations	6	136	8	191
Interest Expense	77	79	151	143
Other Expense	<u>7</u>	<u>32</u>	<u>111</u>	<u>62</u>
Income (Loss) before Income Taxes	82	(271)	111	(636)
United States and Foreign Taxes	<u>43</u>	<u>(18)</u>	<u>96</u>	<u>(35)</u>
Net Income (Loss)	39	(253)	15	(601)
Less: Minority Shareholders Net Income (Loss)	<u>11</u>	<u>(32)</u>	<u>34</u>	<u>(47)</u>
<b>Goodyear Net Income (Loss)</b>	<b><u>\$ 28</u></b>	<b><u>\$ (221)</u></b>	<b><u>\$ (19)</u></b>	<b><u>\$ (554)</u></b>
<b>Goodyear Net Income (Loss) - Per Share</b>				
Basic	<b><u>\$ 0.11</u></b>	<b><u>\$ (0.92)</u></b>	<b><u>\$ (0.08)</u></b>	<b><u>\$ (2.30)</u></b>
Weighted Average Shares Outstanding	242	241	242	241
Diluted	<b><u>\$ 0.11</u></b>	<b><u>\$ (0.92)</u></b>	<b><u>\$ (0.08)</u></b>	<b><u>\$ (2.30)</u></b>
Weighted Average Shares Outstanding	244	241	242	241

(more)

## The Goodyear Tire & Rubber Company and Subsidiaries

### Consolidated Balance Sheets (unaudited)

(In millions)

	<u>June 30,</u> <u>2010</u>	<u>December 31,</u> <u>2009</u>
<b>Assets:</b>		
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 1,683	\$ 1,922
Accounts Receivable, less Allowance - \$104 (\$110 in 2009)	2,840	2,540
Inventories:		
Raw Materials	665	483
Work in Process	146	138
Finished Products	<u>2,090</u>	<u>1,822</u>
	2,901	2,443
Prepaid Expenses and Other Current Assets	<u>299</u>	<u>320</u>
<b>Total Current Assets</b>	<b>7,723</b>	<b>7,225</b>
Goodwill	632	706
Intangible Assets	160	164
Deferred Income Taxes	50	43
Other Assets	407	429
Property, Plant and Equipment		
less Accumulated Depreciation - \$8,392 (\$8,626 in 2009)	<u>5,541</u>	<u>5,843</u>
<b>Total Assets</b>	<b><u>\$ 14,513</u></b>	<b><u>\$ 14,410</u></b>
<b>Liabilities:</b>		
<b>Current Liabilities:</b>		
Accounts Payable-Trade	\$ 2,613	\$ 2,278
Compensation and Benefits	659	635
Other Current Liabilities	838	844
Notes Payable and Overdrafts	184	224
Long Term Debt and Capital Leases due Within One Year	<u>132</u>	<u>114</u>
<b>Total Current Liabilities</b>	<b>4,426</b>	<b>4,095</b>
Long Term Debt and Capital Leases	4,288	4,182
Compensation and Benefits	3,405	3,526
Deferred and Other Noncurrent Income Taxes	210	235
Other Long Term Liabilities	<u>761</u>	<u>793</u>
<b>Total Liabilities</b>	<b>13,090</b>	<b>12,831</b>
Commitments and Contingent Liabilities		
Minority Shareholders' Equity	527	593
<b>Shareholders' Equity:</b>		
<b>Goodyear Shareholders' Equity:</b>		
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	2,793	2,783
Retained Earnings	1,063	1,082
Accumulated Other Comprehensive Loss	<u>(3,452)</u>	<u>(3,372)</u>
<b>Goodyear Shareholders' Equity</b>	<b>647</b>	<b>735</b>
Minority Shareholders' Equity – Nonredeemable	<u>249</u>	<u>251</u>
<b>Total Shareholders' Equity</b>	<b>896</b>	<b>986</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b><u>\$ 14,513</u></b>	<b><u>\$ 14,410</u></b>

(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)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
<i>(In millions)</i>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<b>Segment Operating Income (Loss)</b>	<b>\$219</b>	<b>\$24</b>	<b>\$459</b>	<b>\$(152)</b>
Rationalizations	(6)	(136)	(8)	(191)
Interest expense	(77)	(79)	(151)	(143)
Other expense	(7)	(32)	(111)	(62)
Asset write-offs and accelerated depreciation	(6)	(12)	(9)	(22)
Corporate incentive compensation plans	(20)	(20)	(27)	(14)
Intercompany profit elimination	7	(3)	(2)	(29)
Other	<u>(28)</u>	<u>(13)</u>	<u>(40)</u>	<u>(23)</u>
<b>Income (Loss) before Income Taxes</b>	<b><u>\$ 82</u></b>	<b><u>\$(271)</u></b>	<b><u>\$111</u></b>	<b><u>\$(636)</u></b>

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

#### 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)

#### 2009

- Rationalizations, asset write-offs and accelerated depreciation, \$116 million (48 cents per share)
- Loss on asset sales, \$40 million (17 cents per share)
- Gain from income tax settlement, \$19 million (8 cents per share)