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.
Third Quarter Overview

- Segment operating income (SOI) of $357 million \(^{(a)}\)
- Adjusted earnings per share of $0.70 \(^{(b)}\)
- Americas earnings of $189 million, 9.3% operating margin
- Europe, Middle East and Africa earnings of $87 million, 6.6% operating margin
- Asia Pacific earnings of $81 million, 14.2% operating margin
- Global revenue per tire up 5% \(^{(c)}\)
- Completed $175 million in share repurchases
- Announced 40% increase in common stock dividend

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\(^{(a)}\) See Segment Operating Income and Margin reconciliation in Appendix on page 29.
\(^{(b)}\) See Adjusted Diluted Earnings Per Share reconciliation in Appendix on page 27.
\(^{(c)}\) Revenue per tire change excludes the impact of currency.
U.S. Industry Fundamentals: ≥17"

U.S. Consumer Replacement Industry 2017 vs 2016 Growth Rate

- U.S. sell-out flat to slightly down, hurricane headwind of ~1%
- Volume impacted by relative price positioning in the market
  - Goodyear U.S. retail channel up mid-single digits; ≥17” up nearly 10%
- Wholesale channels continued to work through inventory
- Confident in underlying drivers of demand

<table>
<thead>
<tr>
<th>USTMA Members (≥17”)</th>
<th>Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5%</td>
</tr>
<tr>
<td>USTMA Members (&lt;17”)</td>
<td>-9%</td>
</tr>
<tr>
<td>Total</td>
<td>-2%</td>
</tr>
<tr>
<td>Non-Members</td>
<td>0%</td>
</tr>
<tr>
<td>Total U.S.</td>
<td>-1%</td>
</tr>
</tbody>
</table>

(a) Source: U.S. Tire Manufacturers Association
New Product Highlights
Assurance WeatherReady

- 40 sizes with options for the most popular trim levels
- 80% coverage in targeted segments
- Focus on ≥17” rim sizes
  - Includes 5 of the fastest growing tire sizes in the segment
- Designed to outperform top competitors

Driving growth in ≥17” rim sizes
## Europool & Turkey Replacement Industry
### 2017 vs 2016 Growth Rate\(^{(a)}\)

<table>
<thead>
<tr>
<th></th>
<th>Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>ETRMA Members (≥17&quot;)</td>
<td>7%</td>
</tr>
<tr>
<td>ETRMA Members (&lt;17&quot;)</td>
<td>-4%</td>
</tr>
<tr>
<td>Total</td>
<td>-1%</td>
</tr>
<tr>
<td>Non-Members</td>
<td>3%</td>
</tr>
<tr>
<td>Total EU + Turkey</td>
<td>0%</td>
</tr>
</tbody>
</table>

- Goodyear above market growth in ≥17" in both summer and winter segments
- Footprint action completed in July; positive cost impact
- Winner in multiple European magazine tests
  - Goodyear Vector 4-Seasons
  - Goodyear UltraGrip Performance
  - Dunlop Winter Sport 5

\(^{(a)}\) Source: European Tyre & Rubber Manufacturer’s Association
Addressing higher raw material costs with price / mix improvements

**Raw Material Cost**

<table>
<thead>
<tr>
<th>Year</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4E</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$42</td>
<td>$189</td>
<td>$300</td>
<td>$205</td>
<td>$736</td>
</tr>
<tr>
<td>2016</td>
<td>$32%</td>
<td>21%</td>
<td>32%</td>
<td>~22%</td>
<td>19%</td>
</tr>
</tbody>
</table>

Note: $736M is ~5.5% of 2016 tire revenue

**Price/Mix per Tire Change**

<table>
<thead>
<tr>
<th>Year</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4E</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>~2%</td>
<td>~4%</td>
<td>~4%</td>
<td>~4%</td>
<td>~3.5%</td>
</tr>
<tr>
<td>2016</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
<td></td>
</tr>
</tbody>
</table>

Note: $205M is ~6% of 2016 tire revenue

(a) Impact to cost of goods sold before raw material cost saving measures
(b) Full year 2016 tire revenue was ~87% of total revenue. Revenue was adjusted to 2017 volumes and to exclude the impact of currency.
2018 Segment Operating Income Drivers (a)

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Volume</td>
<td>+$80M</td>
<td>+$155M</td>
</tr>
<tr>
<td>Net Price / Mix vs Raw Materials</td>
<td>+$75M</td>
<td>+$100M</td>
</tr>
<tr>
<td>Overhead Absorption</td>
<td>+$40M</td>
<td>+$80M</td>
</tr>
<tr>
<td>Cost Savings vs Inflation</td>
<td>+$160M</td>
<td>+$180M</td>
</tr>
<tr>
<td>Other(b)</td>
<td>-$105M</td>
<td>-$115M</td>
</tr>
<tr>
<td>Total SOI Change</td>
<td>+$250M</td>
<td>+$400M</td>
</tr>
<tr>
<td>% SOI Growth</td>
<td>17%</td>
<td>27%</td>
</tr>
</tbody>
</table>

Positive SOI drivers in 2018 leading to strong recovery

(a) For additional drivers and risk factors see Appendix on page 22. For information on our use of non-GAAP financial measures, including forward-looking non-GAAP financial measures, see Appendix on page 26.
(b) Other includes tailwinds from foreign exchange and headwinds from advertising, R&D, depreciation, and incentive compensation.
### Third Quarter 2017
#### Income Statement

**Terms:** US$ millions
(except EPS)

|                          | September 30, 2017 | September 30, 2016 | Change  
|--------------------------|--------------------|--------------------|--------
| Units                    | 39.8               | 42.0               | (5)%  
| Net Sales                | $3,921             | $3,847             | 2%     
| **Gross Margin**         | 21.7%              | 28.9%              | (7.2) pts  
| SAG                      | $556               | $599               | (7)%  
| Segment Operating Income**(a)** | $357 | $599 | (36)%  
| **Segment Operating Margin**(a)** | 9.1% | 14.5% | (5.4) pts  
| Goodyear Net Income      | $129               | $317               |        
| Goodyear Net Income Per Share |                    |                    |        
| Weighted Average Shares Outstanding | 250 | 262 |        
| Basic                    | $0.52              | $1.21              |        
| Weighted Average Shares Outstanding - Diluted | 254 | 266 |        
| Diluted                  | $0.50              | $1.19              |        
| Cash Dividends Declared Per Common Share | $0.10 | $0.17 |        
| Adjusted Diluted Earnings Per Share**(b)** | $0.70 | $1.17 |        

**(a)** See Segment Operating Income and Margin reconciliation in Appendix on page 29.
**(b)** See Adjusted Diluted Earnings Per Share reconciliation in Appendix on pages 27 and 28.
### Third Quarter 2017 Segment Operating Results

#### Terms: US$ millions

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3</td>
<td>$556</td>
<td></td>
</tr>
<tr>
<td>Volume</td>
<td>($53)</td>
<td>($33)</td>
</tr>
<tr>
<td>Unabsorbed Fixed Cost</td>
<td>($300)</td>
<td></td>
</tr>
<tr>
<td>Raw Materials(^{(a)})</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Price/Mix</td>
<td>$131</td>
<td></td>
</tr>
<tr>
<td>Cost Savings</td>
<td>$72</td>
<td>($36)</td>
</tr>
<tr>
<td>Inflation(^{(b)})</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Currency</td>
<td>$4</td>
<td></td>
</tr>
<tr>
<td>Other(^{(c)})</td>
<td>$16</td>
<td></td>
</tr>
<tr>
<td>Total Volume Impact</td>
<td>($86)</td>
<td></td>
</tr>
<tr>
<td>Net P/M vs Raws</td>
<td>($169)</td>
<td></td>
</tr>
<tr>
<td>Net Cost Savings</td>
<td>$36</td>
<td></td>
</tr>
</tbody>
</table>

#### Notes:

- \(^{(a)}\) Raw material variance of ($300) million excludes raw material cost saving measures of $32 million, which are included in Cost Savings.
- \(^{(b)}\) Estimated impact of inflation (wages, utilities, energy, transportation and other).
- \(^{(c)}\) Includes the favorable impact of incentive compensation and advertising.
## Third Quarter 2017 Balance Sheet

Terms: US$ millions

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash equivalents</td>
<td>$822</td>
<td>$903</td>
<td>$1,132</td>
<td>$975</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>2,672</td>
<td>2,309</td>
<td>1,769</td>
<td>2,649</td>
</tr>
<tr>
<td>Inventories</td>
<td>2,991</td>
<td>3,184</td>
<td>2,627</td>
<td>2,754</td>
</tr>
<tr>
<td>Accounts payable - trade</td>
<td>(2,624)</td>
<td>(2,774)</td>
<td>(2,589)</td>
<td>(2,600)</td>
</tr>
<tr>
<td>Working capital(^{(a)})</td>
<td>$3,039</td>
<td>$2,719</td>
<td>$1,807</td>
<td>$2,803</td>
</tr>
<tr>
<td>Total debt(^{(b)})</td>
<td>$6,391</td>
<td>$6,076</td>
<td>$5,479</td>
<td>$6,028</td>
</tr>
<tr>
<td>Net debt(^{(b)})</td>
<td>$5,569</td>
<td>$5,173</td>
<td>$4,347</td>
<td>$5,053</td>
</tr>
</tbody>
</table>

\(^{(a)}\) Working capital represents accounts receivable and inventories, less accounts payable – trade.

\(^{(b)}\) See Total Debt and Net Debt reconciliation in Appendix on page 30.
### Third Quarter 2017

#### Free Cash Flow

**Terms: US$ millions**

<table>
<thead>
<tr>
<th>Terms</th>
<th>Three Months Ended September 30,</th>
<th>Trailing Twelve Months Ended September 30, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017</td>
<td>2016 (b)</td>
</tr>
<tr>
<td>Net Income</td>
<td>$132</td>
<td>$320</td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>$199</td>
<td>$181</td>
</tr>
<tr>
<td>Change in Working Capital</td>
<td>$(294)</td>
<td>$(264)</td>
</tr>
<tr>
<td>Pension Expense</td>
<td>$21</td>
<td>$19</td>
</tr>
<tr>
<td>Pension Contributions and Direct Payments</td>
<td>$(22)</td>
<td>$(23)</td>
</tr>
<tr>
<td>Provision for Deferred Income Taxes</td>
<td>$(12)</td>
<td>$(56)</td>
</tr>
<tr>
<td>Rationalization Payments</td>
<td>$(42)</td>
<td>$(16)</td>
</tr>
<tr>
<td>Other (a)</td>
<td>$49</td>
<td></td>
</tr>
<tr>
<td><strong>Cash Flow from Operating Activities (GAAP)</strong></td>
<td>$31</td>
<td>$357</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>$(186)</td>
<td>$(245)</td>
</tr>
<tr>
<td><strong>Free Cash Flow (non-GAAP)</strong></td>
<td>$(155)</td>
<td>$112</td>
</tr>
<tr>
<td><strong>Cash Flow from Investing Activities (GAAP)</strong></td>
<td>$(177)</td>
<td>$(232)</td>
</tr>
<tr>
<td><strong>Cash Flow from Financing Activities (GAAP)</strong></td>
<td>$31</td>
<td>$(281)</td>
</tr>
</tbody>
</table>

(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, and other assets and liabilities.

(b) Recasted for the new guidance on the classification of debt premiums and restricted cash.
Third Quarter 2017 - Segment Results
Americas

Terms: US$ millions
Units in millions

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Units</td>
<td>17.1</td>
<td>18.6</td>
<td>(7.7%)</td>
</tr>
<tr>
<td>Net Sales</td>
<td>$2,041</td>
<td>$2,070</td>
<td>(1.4%)</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$189</td>
<td>$305</td>
<td>(38.0%)</td>
</tr>
<tr>
<td>Margin</td>
<td>9.3%</td>
<td>14.7%</td>
<td></td>
</tr>
</tbody>
</table>

- Volume decline driven by U.S. consumer replacement, OE
- Double digit growth in Brazil for both consumer and commercial
  - 25% growth in consumer OE volume
- SOI reflects impact of peak raw materials and adjustments to production
Third Quarter 2017 - Segment Results
Europe, Middle East & Africa

Terms: US$ millions
Units in millions

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Units</td>
<td>14.9</td>
<td>15.4</td>
<td>(4.0%)</td>
</tr>
<tr>
<td>Net Sales</td>
<td>$1,311</td>
<td>$1,236</td>
<td>6.1%</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$87</td>
<td>$152</td>
<td>(42.8%)</td>
</tr>
<tr>
<td>Margin</td>
<td>6.6%</td>
<td>12.3%</td>
<td></td>
</tr>
</tbody>
</table>

- Volume decline driven by lower consumer OE sales
- Commercial OE and replacement volume both positive
- SOI reflects impact of peak raw materials
- Above-market growth in ≥ 17”
### Third Quarter 2017 - Segment Results
#### Asia Pacific

Terms: US$ millions
Units in millions

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Units</td>
<td>7.8</td>
<td>8.0</td>
<td>(1.5%)</td>
</tr>
<tr>
<td>Net Sales</td>
<td>$569</td>
<td>$541</td>
<td>5.2%</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$81</td>
<td>$99</td>
<td>(18.2%)</td>
</tr>
<tr>
<td>Margin</td>
<td>14.2%</td>
<td>18.3%</td>
<td></td>
</tr>
</tbody>
</table>

- Continuing to deliver strong operating margins
- China consumer replacement above market at +12%, partially offset by declines in OE
- China growth offset by declines in ASEAN countries
- China auto sales up and auto inventories lower heading into Q4
## 2017 Key Segment Operating Income Drivers (a)

<table>
<thead>
<tr>
<th>Driver</th>
<th>July Outlook 2017 vs 2016</th>
<th>Current Outlook 2017 vs 2016</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Volume</td>
<td>~(-3.5%)</td>
<td>~(-5%)</td>
<td>Continued disciplined volume execution; ~flat in Q4</td>
</tr>
<tr>
<td>Net Price/Mix vs Raw Materials</td>
<td>~($175) million</td>
<td>~($300) million</td>
<td>Reflects current industry environment</td>
</tr>
<tr>
<td>Overhead Absorption</td>
<td>~($155) million</td>
<td>~($145) million</td>
<td>Impact of lower volume</td>
</tr>
<tr>
<td>Cost Savings vs Inflation</td>
<td>~$140 million</td>
<td>~$140 million</td>
<td>No change</td>
</tr>
<tr>
<td>Foreign Exchange</td>
<td>~Flat</td>
<td>~$10 million</td>
<td>Based on current spot rates</td>
</tr>
<tr>
<td>Other</td>
<td>~($30) million</td>
<td>~($5) million</td>
<td>Lower incentive compensation and advertising</td>
</tr>
</tbody>
</table>

### Expecting 2017 SOI of ~$1.5 billion

(a) For information on our use of non-GAAP financial measures, including forward-looking non-GAAP financial measures, see Appendix on page 26.
### 2017 Outlook – Other Financial Assumptions

<table>
<thead>
<tr>
<th>Current 2017 FY Assumption</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest Expense</strong></td>
</tr>
<tr>
<td><strong>Financing Fees</strong></td>
</tr>
<tr>
<td><strong>Income Tax</strong></td>
</tr>
<tr>
<td><strong>Depreciation &amp; Amortization</strong></td>
</tr>
<tr>
<td><strong>Global Pension Expense</strong></td>
</tr>
<tr>
<td><strong>Global Pension Cash Contributions</strong></td>
</tr>
<tr>
<td><strong>Working Capital</strong></td>
</tr>
<tr>
<td><strong>Capital Expenditures</strong></td>
</tr>
<tr>
<td><strong>Restructuring Payments</strong></td>
</tr>
<tr>
<td><strong>Corporate Other</strong></td>
</tr>
</tbody>
</table>
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.

**Sales & Marketing Excellence**
Build the value of our brand, help our customers win in their markets, and become consumers’ preferred choice.

**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.

**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**

**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.

**Goodyear.** One Team Driving Performance – on the road, in the marketplace, and throughout the company.
Appendix
Integrated business model drives long-term value and competitive advantage
Recent increases in commodity prices will be an ~20% headwind to 2017 raw material costs

- Raw materials are ~40% of tire COGS
- ~65% of raw materials are influenced by oil prices
  - P&L impact lags spot rates by 1-2 quarters depending on commodity
- ~60% of raw materials are purchased in USD
- Customer agreements indexed to raw materials
  - OE customers
  - Certain large Commercial fleets
  - OTR customers

Global Raw Material Spend

- Synthetic Rubber, 28%
- Natural Rubber, 19%
- Wire / Other, 13%
- Fabrics, 11%
- Pigments / Oils / Chemicals, 19%
- Carbon Black, 10%
- Synthetic Rubber, 28%
- Natural Rubber, 19%
- Wire / Other, 13%
- Fabrics, 11%
- Pigments / Oils / Chemicals, 19%
- Carbon Black, 10%
- *Petrochemical based
## Segment Operating Income Target\(^{(a)}\)

<table>
<thead>
<tr>
<th>Key drivers</th>
<th>Risk Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Moderate global industry growth, including:</td>
<td>✓ Economic environment</td>
</tr>
<tr>
<td>• Above market growth in (&gt; 17)”</td>
<td>• Significant weakness in key markets</td>
</tr>
<tr>
<td>• Emerging markets growth</td>
<td>✓ Raw materials</td>
</tr>
<tr>
<td>✓ Goodyear volume growth of 20 million units, primarily in (&gt; 17)”</td>
<td>• Timing of cost increases</td>
</tr>
<tr>
<td>✓ Price/mix supported by innovation</td>
<td>• Availability of select materials</td>
</tr>
<tr>
<td>✓ Achieve cost savings and unabsorbed fixed cost recovery</td>
<td>✓ Higher wages and general inflation</td>
</tr>
<tr>
<td>✓ Deliver on high-return investments</td>
<td>• Further cost savings may be required</td>
</tr>
</tbody>
</table>

---

Execution required, risks need to be managed

---

\(^{(a)}\) For information on our use of non-GAAP financial measures, including forward-looking non-GAAP financial measures, see Appendix on page 26.
Third Quarter 2017 – Liquidity Profile

(a) Total liquidity comprised of $822 million of cash and cash equivalents, as well as $2,420 million of unused availability under various credit agreements.
Note: Based on September 30, 2017 balance sheet values and excludes notes payable, capital leases and other domestic and foreign debt.

(a) At September 30, 2017 the amounts available and utilized under the Pan-European securitization program totaled $241 million (€204 million).

(b) At September 30, 2017 there were $390 million (€330 million) of borrowings outstanding under the €550 million European revolving credit facility and no letters of credit were issued.

(c) At September 30, 2017 our borrowing base, and therefore our availability, under the U.S. revolving credit facility was $266 million below the facility’s stated amount of $2.0 billion. At September 30, 2017 we had $375 million of borrowings and $37 million of letters of credit were issued.
### 2017 Full-Year Industry Outlook

<table>
<thead>
<tr>
<th></th>
<th>United States</th>
<th>Western Europe <em>(a)</em></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consumer Replacement</strong></td>
<td>~Flat – (1)%</td>
<td>~Flat – 1%</td>
</tr>
<tr>
<td><strong>Consumer OE</strong></td>
<td>~(6) – (7)%</td>
<td>~1%</td>
</tr>
<tr>
<td><strong>Commercial Replacement</strong></td>
<td>~2 – 3%</td>
<td>~2%</td>
</tr>
<tr>
<td><strong>Commercial OE</strong></td>
<td>~10 – 11%</td>
<td>~4%</td>
</tr>
</tbody>
</table>

*(a)* For replacement, Western Europe is Europool and Turkey. For OE, Western Europe is total EMEA.
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, 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 Sales (which is calculated by dividing Goodyear Net Income by Net Sales).

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.
### Third Quarter 2017 Significant Items
(After Tax and Minority Interest)

<table>
<thead>
<tr>
<th>Terms: US$ millions, (except EPS)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th></th>
<th>As Reported</th>
<th>Rationalizations, Asset Write-offs, and Accelerated Depreciation</th>
<th>Hurricane Impact</th>
<th>Pension Settlement</th>
<th>Discrete Tax Items</th>
<th>Insurance Recovery</th>
<th>As Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>$3,921</td>
<td>$ -</td>
<td>$23</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$3,944</td>
</tr>
<tr>
<td>Cost of Goods Sold</td>
<td>3,069</td>
<td>$(10)</td>
<td>18</td>
<td>$(6)</td>
<td>$(2)</td>
<td>$ -</td>
<td>3,069</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>852</td>
<td>10</td>
<td>5</td>
<td>6</td>
<td>2</td>
<td>$ -</td>
<td>875</td>
</tr>
<tr>
<td>SAG</td>
<td>556</td>
<td>-</td>
<td>-</td>
<td>(7)</td>
<td>-</td>
<td>-</td>
<td>549</td>
</tr>
<tr>
<td>Rationalizations</td>
<td>46</td>
<td>(46)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>84</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>84</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>84</td>
</tr>
<tr>
<td>Other (Income) Expense</td>
<td>4</td>
<td>-</td>
<td>(12)</td>
<td>-</td>
<td>-</td>
<td>5</td>
<td>(3)</td>
</tr>
<tr>
<td>Pre-tax Income</td>
<td>162</td>
<td>56</td>
<td>17</td>
<td>13</td>
<td>2</td>
<td>(5)</td>
<td>245</td>
</tr>
<tr>
<td>Taxes</td>
<td>30</td>
<td>18</td>
<td>2</td>
<td>5</td>
<td>12</td>
<td>(2)</td>
<td>65</td>
</tr>
<tr>
<td>Minority Interest</td>
<td>3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>Goodyear Net Income</td>
<td>$129</td>
<td>$38</td>
<td>$15</td>
<td>$8</td>
<td>$(10)</td>
<td>$(3)</td>
<td>$177</td>
</tr>
<tr>
<td>EPS</td>
<td>$0.50</td>
<td>$0.15</td>
<td>$0.06</td>
<td>$0.03</td>
<td>$(0.03)</td>
<td>$(0.01)</td>
<td>$0.70</td>
</tr>
</tbody>
</table>
## Third Quarter 2016 Significant Items
(After Tax and Minority Interest)

### Terms: US$ millions, (except EPS)

<table>
<thead>
<tr>
<th></th>
<th>As Reported</th>
<th>Discrete Tax Items</th>
<th>Transaction Costs and Net Gains on Asset Sales</th>
<th>Rationalizations, Asset Write-offs, and Accelerated Depreciation</th>
<th>As Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>$ 3,847</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 3,847</td>
</tr>
<tr>
<td>Cost of Goods Sold</td>
<td>2,736</td>
<td>-</td>
<td>-</td>
<td>(3)</td>
<td>2,733</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>1,111</td>
<td>-</td>
<td>-</td>
<td>3</td>
<td>1,114</td>
</tr>
<tr>
<td>SAG</td>
<td>599</td>
<td>(2)</td>
<td>-</td>
<td>-</td>
<td>597</td>
</tr>
<tr>
<td>Rationalizations</td>
<td>135</td>
<td>-</td>
<td>-</td>
<td>(135)</td>
<td>-</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>90</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>90</td>
</tr>
<tr>
<td>Other (Income) Expense</td>
<td>(23)</td>
<td>-</td>
<td>27</td>
<td>-</td>
<td>4</td>
</tr>
<tr>
<td>Pre-tax Income</td>
<td>310</td>
<td>2</td>
<td>(27)</td>
<td>138</td>
<td>423</td>
</tr>
<tr>
<td>Taxes</td>
<td>(10)</td>
<td>118</td>
<td>(3)</td>
<td>3</td>
<td>108</td>
</tr>
<tr>
<td>Minority Interest</td>
<td>3</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>5</td>
</tr>
<tr>
<td>Goodyear Net Income</td>
<td>$317</td>
<td>$ (118)</td>
<td>$ (24)</td>
<td>$ 135</td>
<td>$310</td>
</tr>
<tr>
<td>EPS</td>
<td>$ 1.19</td>
<td>$ (0.44)</td>
<td>$ (0.09)</td>
<td>$ 0.51</td>
<td>$ 1.17</td>
</tr>
</tbody>
</table>
Reconciliation for Segment Operating Income/Margin

Terms: US$ millions

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended September 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017</td>
</tr>
<tr>
<td>Total Segment Operating Income</td>
<td>$357</td>
</tr>
<tr>
<td>Rationalizations</td>
<td>(46)</td>
</tr>
<tr>
<td>Interest expense</td>
<td>(84)</td>
</tr>
<tr>
<td>Other income (expense)</td>
<td>(4)</td>
</tr>
<tr>
<td>Asset write-offs and accelerated depreciation</td>
<td>(10)</td>
</tr>
<tr>
<td>Corporate incentive compensation plans</td>
<td>-</td>
</tr>
<tr>
<td>Pension curtailments/settlements</td>
<td>(13)</td>
</tr>
<tr>
<td>Intercompany profit elimination</td>
<td>(21)</td>
</tr>
<tr>
<td>Retained expenses of divested operations</td>
<td>(3)</td>
</tr>
<tr>
<td>Other</td>
<td>(14)</td>
</tr>
<tr>
<td>Income before Income Taxes</td>
<td>$162</td>
</tr>
<tr>
<td>United States and Foreign Tax Expense / (Benefit)</td>
<td>30</td>
</tr>
<tr>
<td>Less: Minority Shareholders Net Income</td>
<td>3</td>
</tr>
<tr>
<td>Goodyear Net Income</td>
<td>$129</td>
</tr>
</tbody>
</table>

Net Sales (as reported) $3,921 $3,847
Return on Sales (as reported) 3.3% 8.2%
Total Segment Operating Margin 9.1% 14.5%
## Reconciliation for Total Debt and Net Debt

**Terms: US$ millions**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-Term Debt and Capital Leases</td>
<td>$5,737</td>
<td>$5,403</td>
<td>$4,798</td>
<td>$5,446</td>
</tr>
<tr>
<td>Notes Payable and Overdrafts</td>
<td>276</td>
<td>238</td>
<td>245</td>
<td>179</td>
</tr>
<tr>
<td>Long-Term Debt and Capital Leases Due Within One Year</td>
<td>378</td>
<td>435</td>
<td>436</td>
<td>403</td>
</tr>
<tr>
<td>Total Debt</td>
<td>$6,391</td>
<td>$6,076</td>
<td>$5,479</td>
<td>$6,028</td>
</tr>
<tr>
<td>Less: Cash and Cash Equivalents</td>
<td>822</td>
<td>903</td>
<td>1,132</td>
<td>975</td>
</tr>
<tr>
<td>Net Debt</td>
<td>$5,569</td>
<td>$5,173</td>
<td>$4,347</td>
<td>$5,053</td>
</tr>
</tbody>
</table>