

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

(In millions, except per share amounts)

	Three Months Ended	
	March 31,	
	<u>2009</u>	<u>2008</u>
NET SALES	\$3,536	\$4,942
Cost of Goods Sold	3,219	3,961
Selling, Administrative and General Expense	533	635
Rationalizations	55	13
Interest Expense	64	89
Other (Income) and Expense	<u>30</u>	<u>(6)</u>
(Loss) Income before Income Taxes	(365)	250
United States and Foreign Taxes	<u>(17)</u>	<u>77</u>
Net (Loss) Income	(348)	173
Less: Minority Shareholders Net (Loss) Income	<u>(15)</u>	<u>26</u>
Goodyear Net (Loss) Income	<u>\$ (333)</u>	<u>\$ 147</u>
Goodyear Net (Loss) Income - Per Share		
Basic	<u>\$ (1.38)</u>	<u>\$ 0.61</u>
Weighted Average Shares Outstanding	241	240
Diluted	<u>\$ (1.38)</u>	<u>\$ 0.60</u>
Weighted Average Shares Outstanding	241	244

(more)

The Goodyear Tire & Rubber Company and Subsidiaries

Consolidated Balance Sheets (unaudited)

(In millions)

	<u>March 31,</u> <u>2009</u>	<u>December 31,</u> <u>2008</u>
Assets:		
Current Assets:		
Cash and Cash Equivalents	\$ 1,896	\$ 1,894
Accounts Receivable, less Allowance - \$92 (\$93 in 2008)	2,489	2,547
Inventories:		
Raw Materials	519	714
Work in Process	144	119
Finished Products	<u>2,599</u>	<u>2,759</u>
	3,262	3,592
Prepaid Expenses and Other Current Assets	<u>321</u>	<u>307</u>
Total Current Assets	7,968	8,340
Goodwill	650	683
Intangible Assets	158	160
Deferred Income Tax	52	54
Other Assets	341	355
Property, Plant and Equipment		
less Accumulated Depreciation - \$8,222 (\$8,310 in 2008)	<u>5,476</u>	<u>5,634</u>
Total Assets	<u>\$ 14,645</u>	<u>\$ 15,226</u>
Liabilities:		
Current Liabilities:		
Accounts Payable-Trade	\$ 1,989	\$ 2,509
Compensation and Benefits	633	624
Other Current Liabilities	561	643
United States and Foreign Taxes	192	156
Notes Payable and Overdrafts	317	265
Long Term Debt and Capital Leases due within one year	<u>564</u>	<u>582</u>
Total Current Liabilities	4,256	4,779
Long Term Debt and Capital Leases	4,645	4,132
Compensation and Benefits	3,392	3,487
Deferred and Other Noncurrent Income Taxes	194	193
Other Long Term Liabilities	<u>766</u>	<u>763</u>
Total Liabilities	13,253	13,354
Commitments and Contingent Liabilities		
Minority Shareholders' Equity	576	619
Shareholders' Equity:		
Goodyear Shareholders' Equity:		
Preferred Stock, no par value:		
Authorized, 50 shares, unissued	-	-
Common Stock, no par value:		
Authorized, 450 shares, Outstanding shares – 242 (241 in 2008) after deducting 9 treasury shares (10 in 2008)	242	241
Capital Surplus	2,767	2,764
Retained Earnings	1,130	1,463
Accumulated Other Comprehensive Loss	<u>(3,538)</u>	<u>(3,446)</u>
Goodyear Shareholders' Equity	601	1,022
Minority Shareholders' Equity - Nonredeemable	<u>215</u>	<u>231</u>
Total Shareholders' Equity	816	1,253
Total Liabilities and Shareholders' Equity	<u>\$ 14,645</u>	<u>\$ 15,226</u>

(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 GAAP.

Total segment operating income is the sum of the individual strategic business units' segment operating income as determined in accordance with Statement of Financial Accounting Standards No. 131, "Disclosures about Segments of an Enterprise and Related Information." 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)

(in millions)	Three Months	
	Ended March 31,	
	<u>2009</u>	<u>2008</u>
Segment Operating (Loss) Income	\$ (176)	\$ 367
Rationalizations	(55)	(13)
Interest expense	(64)	(89)
Other income and (expense)	(30)	6
Asset write-offs and accelerated depreciation	(10)	--
Corporate incentive compensation plans	6	(4)
Intercompany profit elimination	(26)	(9)
Other	(10)	(8)
(Loss) Income before Income Taxes	\$ (365)	\$ 250

First Quarter Significant Items (after tax and minority interest)

2009

- Rationalizations, asset write-offs and accelerated depreciation, \$57 million (23 cents per share)
- Gain primarily due to tax law changes, \$9 million (4 cents per share)

2008

- Financing fees related to debt repayment, \$43 million (18 cents per share)
- Rationalization charges, \$13 million (5 cents per share)
- Gain on asset sales, \$33 million (13 cents per share)
- Gain on excise tax settlement in Latin America, \$8 million (3 cents per share)