

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

	Three Months Ended June 30,		Six Months Ended June 30,	
<i>(In millions, except per share amounts)</i>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
NET SALES	\$3,943	\$5,239	\$7,479	\$10,181
Cost of Goods Sold	3,353	4,196	6,572	8,157
Selling, Administrative and General Expense	614	735	1,147	1,370
Rationalizations	136	87	191	100
Interest Expense	79	76	143	165
Other (Income) and Expense	<u>32</u>	<u>(22)</u>	<u>62</u>	<u>(28)</u>
(Loss) Income before Income Taxes	(271)	167	(636)	417
United States and Foreign Taxes (Benefit) Expense	<u>(18)</u>	<u>74</u>	<u>(35)</u>	<u>151</u>
Net (Loss) Income	(253)	93	(601)	266
Less: Minority Shareholders Net (Loss) Income	<u>(32)</u>	<u>18</u>	<u>(47)</u>	<u>44</u>
Goodyear Net (Loss) Income	<u>\$ (221)</u>	<u>\$ 75</u>	<u>\$ (554)</u>	<u>\$ 222</u>
Goodyear Net (Loss) Income – Per Share				
Basic	<u>\$ (0.92)</u>	<u>\$ 0.31</u>	<u>\$ (2.30)</u>	<u>\$ 0.92</u>
Weighted Average Shares Outstanding	241	241	241	240
Diluted	<u>\$ (0.92)</u>	<u>\$ 0.31</u>	<u>\$ (2.30)</u>	<u>\$ 0.91</u>
Weighted Average Shares Outstanding	241	243	241	244

(more)

The Goodyear Tire & Rubber Company and Subsidiaries

Consolidated Balance Sheets (unaudited)

(In millions)

	June 30, 2009	December 31, 2008
Assets:		
Current Assets:		
Cash and Cash Equivalents	\$ 2,366	\$ 1,894
Accounts Receivable, less Allowance - \$99 (\$93 in 2008)	2,549	2,517
Inventories:		
Raw Materials	434	714
Work in Process	134	119
Finished Products	<u>2,341</u>	<u>2,759</u>
	2,909	3,592
Prepaid Expenses and Other Current Assets	<u>329</u>	<u>307</u>
Total Current Assets	8,153	8,310
Goodwill	688	683
Intangible Assets	161	160
Deferred Income Tax	51	54
Other Assets	425	385
Property, Plant and Equipment		
less Accumulated Depreciation - \$8,334 (\$8,310 in 2008)	<u>5,601</u>	<u>5,634</u>
Total Assets	<u>\$ 15,079</u>	<u>\$ 15,226</u>
Liabilities:		
Current Liabilities:		
Accounts Payable-Trade	\$ 1,928	\$ 2,529
Compensation and Benefits	651	625
Other Current Liabilities	800	778
Notes Payable and Overdrafts	275	265
Long Term Debt and Capital Leases due within one year	<u>634</u>	<u>582</u>
Total Current Liabilities	4,288	4,779
Long Term Debt and Capital Leases	4,940	4,132
Compensation and Benefits	3,480	3,487
Deferred and Other Noncurrent Income Taxes	210	193
Other Long Term Liabilities	<u>797</u>	<u>763</u>
Total Liabilities	13,715	13,354
Commitments and Contingent Liabilities		
Minority Shareholders' Equity	572	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	2,772	2,764
Retained Earnings	903	1,463
Accumulated Other Comprehensive Loss	<u>(3,353)</u>	<u>(3,446)</u>
Goodyear Shareholders' Equity	564	1,022
Minority Shareholders' Equity - Nonredeemable	<u>228</u>	<u>231</u>
Total Shareholders' Equity	792	1,253
Total Liabilities and Shareholders' Equity	<u>\$ 15,079</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)

<i>(In millions)</i>	Three Months Ended		Three Months Ended		Six Months Ended	
	June 30,		March 31,		June 30,	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Segment Operating (Loss) Income	\$24	\$330	(\$176)	\$367	(\$152)	\$697
Rationalizations	(136)	(87)	(55)	(13)	(191)	(100)
Interest expense	(79)	(76)	(64)	(89)	(143)	(165)
Other income and (expense)	(32)	22	(30)	6	(62)	28
Asset write-offs and accelerated depreciation	(12)	(4)	(10)	--	(22)	(4)
Corporate incentive compensation plans	(20)	(11)	6	(4)	(14)	(15)
Intercompany profit elimination	(3)	(4)	(26)	(9)	(29)	(13)
Other	<u>(13)</u>	<u>(3)</u>	<u>(10)</u>	<u>(8)</u>	<u>(23)</u>	<u>(11)</u>
(Loss) Income before Income Taxes	<u>(\$271)</u>	<u>\$167</u>	<u>(\$365)</u>	<u>\$250</u>	<u>(\$636)</u>	<u>\$417</u>

Second Quarter Significant Items (after taxes and minority interest)

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)

2008

- Rationalizations and accelerated depreciation, \$87 million (36 cents per share)
- Gain on asset sales, \$2 million (1 cent per share)