

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

	<b>Three Months Ended Sept. 30,</b>		<b>Nine Months Ended Sept. 30,</b>	
	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>
<i>(In millions, except per share amounts)</i>				
<b>NET SALES</b>	<b>\$4,184</b>	<b>\$4,657</b>	<b>\$12,380</b>	<b>\$13,782</b>
Cost of Goods Sold	3,000	3,516	9,093	10,566
Selling, Administrative and General Expense	633	653	1,889	2,018
Rationalizations	20	15	82	80
Interest Expense	102	108	311	315
Other (Income) Expense	<u>(2)</u>	<u>66</u>	<u>(113)</u>	<u>242</u>
Income before Income Taxes	431	299	1,118	561
United States and Foreign Taxes	<u>126</u>	<u>100</u>	<u>369</u>	<u>168</u>
<b>Net Income</b>	<b>305</b>	<b>199</b>	<b>749</b>	<b>393</b>
Less: Minority Shareholders' Net Income	<u>34</u>	<u>38</u>	<u>62</u>	<u>70</u>
<b>Goodyear Net Income</b>	<b>271</b>	<b>161</b>	<b>687</b>	<b>323</b>
Less: Preferred Stock Dividends	<u>--</u>	<u>--</u>	<u>--</u>	<u>7</u>
<b>Goodyear Net Income Available to Common Shareholders</b>	<b><u>\$ 271</u></b>	<b><u>\$ 161</u></b>	<b><u>\$ 687</u></b>	<b><u>\$ 316</u></b>
<b>Goodyear Net Income Available to Common Shareholders - Per Share of Common Stock</b>				
Basic	<b><u>\$ 1.01</u></b>	<b><u>\$ 0.58</u></b>	<b><u>\$ 2.55</u></b>	<b><u>\$ 1.18</u></b>
Weighted Average Shares Outstanding	269	275	270	266
Diluted	<b><u>\$ 0.99</u></b>	<b><u>\$ 0.58</u></b>	<b><u>\$ 2.51</u></b>	<b><u>\$ 1.15</u></b>
Weighted Average Shares Outstanding	274	279	274	280
Cash Dividends Declared Per Common Share	<b><u>\$ 0.06</u></b>	<b><u>\$ 0.06</u></b>	<b><u>\$ 0.18</u></b>	<b><u>\$ 0.16</u></b>

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## The Goodyear Tire & Rubber Company and Subsidiaries

### Consolidated Balance Sheets (unaudited)

(In millions, except share data)

	September 30, <u>2015</u>	December 31, <u>2014</u>
<b>Assets:</b>		
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 1,690	\$ 2,161
Accounts Receivable, less Allowance - \$98 (\$89 in 2014)	2,616	2,126
Inventories:		
Raw Materials	508	535
Work in Process	142	149
Finished Products	<u>1,894</u>	<u>1,987</u>
	2,544	2,671
Deferred Income Taxes	575	570
Assets Held For Sale	242	--
Prepaid Expenses and Other Current Assets	<u>255</u>	<u>196</u>
<b>Total Current Assets</b>	<b>7,922</b>	<b>7,724</b>
Goodwill	556	601
Intangible Assets	131	138
Deferred Income Taxes	1,485	1,762
Other Assets	748	731
Property, Plant and Equipment	<u>6,673</u>	<u>7,153</u>
less Accumulated Depreciation - \$8,700 (\$9,029 in 2014)		
<b>Total Assets</b>	<b><u>\$ 17,515</u></b>	<b><u>\$ 18,109</u></b>
<b>Liabilities:</b>		
<b>Current Liabilities:</b>		
Accounts Payable-Trade	\$ 2,576	\$ 2,878
Compensation and Benefits	723	724
Liabilities Held For Sale	204	--
Other Current Liabilities	871	956
Notes Payable and Overdrafts	41	30
Long Term Debt and Capital Leases due Within One Year	<u>368</u>	<u>148</u>
<b>Total Current Liabilities</b>	<b>4,783</b>	<b>4,736</b>
Long Term Debt and Capital Leases	5,591	6,216
Compensation and Benefits	1,426	1,676
Deferred and Other Noncurrent Income Taxes	176	181
Other Long Term Liabilities	<u>587</u>	<u>873</u>
<b>Total Liabilities</b>	<b>12,563</b>	<b>13,682</b>
Commitments and Contingent Liabilities		
Minority Shareholders' Equity	590	582
<b>Shareholders' Equity:</b>		
<b>Goodyear Shareholders' Equity:</b>		
Common Stock, no par value:		
Authorized, 450 million shares, Outstanding shares – 269 million (269 million in 2014)	269	269
after deducting 9 million treasury shares (9 million in 2014)		
Capital Surplus	3,103	3,141
Retained Earnings	4,981	4,343
Accumulated Other Comprehensive Loss	<u>(4,210)</u>	<u>(4,143)</u>
<b>Goodyear Shareholders' Equity</b>	<b>4,143</b>	<b>3,610</b>
Minority Shareholders' Equity – Nonredeemable	<u>219</u>	<u>235</u>
<b>Total Shareholders' Equity</b>	<b>4,362</b>	<b>3,845</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b><u>\$ 17,515</u></b>	<b><u>\$ 18,109</u></b>

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## The Goodyear Tire & Rubber Company and Subsidiaries

### Consolidated Statements of Cash Flows (unaudited)

(In millions)

	Nine Months Ended	
	September 30,	
	2015	2014
<b>Cash Flows from Operating Activities:</b>		
<b>Net Income</b>	<b>\$ 749</b>	<b>\$ 393</b>
Adjustments to Reconcile Net Income to Cash Flows from Operating Activities:		
Depreciation and Amortization	522	553
Amortization and Write-Off of Debt Issuance Costs	6	12
Provision for Deferred Income Taxes	265	61
Net Pension Curtailments and Settlements	2	39
Net Rationalization Charges	82	80
Rationalization Payments	(105)	(169)
Net Losses on Asset Sales	9	4
Pension Contributions and Direct Payments	(77)	(1,292)
Net Venezuela Currency Loss	--	155
Gain on Recognition of Deferred Royalty Income	(155)	--
Changes in Operating Assets and Liabilities, Net of Asset Acquisitions and Dispositions:		
Accounts Receivable	(644)	(675)
Inventories	(97)	(226)
Accounts Payable - Trade	33	(69)
Compensation and Benefits	29	103
Other Current Liabilities	(29)	(5)
Other Assets and Liabilities	45	97
<b>Total Cash Flows from Operating Activities</b>	<b>635</b>	<b>(939)</b>
<b>Cash Flows from Investing Activities:</b>		
Capital Expenditures	(656)	(634)
Asset Dispositions	13	6
Decrease (Increase) in Restricted Cash	(11)	6
Short Term Securities Acquired	(50)	(72)
Short Term Securities Redeemed	25	82
Other Transactions	5	7
<b>Total Cash Flows from Investing Activities</b>	<b>(674)</b>	<b>(605)</b>
<b>Cash Flows from Financing Activities:</b>		
Short Term Debt and Overdrafts Incurred	72	52
Short Term Debt and Overdrafts Paid	(59)	(24)
Long Term Debt Incurred	1,265	1,739
Long Term Debt Paid	(1,469)	(1,054)
Common Stock Issued	33	41
Common Stock Repurchased	(82)	(97)
Common Stock Dividends Paid	(49)	(43)
Preferred Stock Dividends Paid	--	(15)
Transactions with Minority Interests in Subsidiaries	(5)	(36)
Debt Related Costs and Other Transactions	(12)	--
<b>Total Cash Flows from Financing Activities</b>	<b>(306)</b>	<b>563</b>
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(102)	(271)
<b>Net Change in Cash and Cash Equivalents</b>	<b>(447)</b>	<b>(1,252)</b>
Cash and Cash Equivalents at Beginning of the Period	2,161	2,996
Less: Cash Held For Sale	(24)	--
<b>Cash and Cash Equivalents at End of the Period</b>	<b>\$ 1,690</b>	<b>\$ 1,744</b>

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## Non-GAAP Financial Measures (unaudited)

This earnings release presents Total Segment Operating Income, Free Cash Flow from Operations, Adjusted Net Income and Adjusted Diluted Earnings Per Share (EPS) on a historical basis and our targeted Total Segment Operating Income growth rate for 2015-2016 and our targeted ratio of Adjusted Debt to EBITDAP for 2016, which are important financial measures for the company but are not financial measures defined by U.S. GAAP, and should not be construed as an alternative 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. 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.

Free Cash Flow from Operations is the company's Cash Flows from Operating Activities as determined in accordance with U.S. GAAP before pension contributions and direct payments and rationalization payments, less capital expenditures. Management believes that Free Cash Flow from Operations 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.

Adjusted Net Income is Goodyear's 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.

Adjusted Debt is the sum of our total debt and our global pension liability, each as determined in accordance with U.S. GAAP, and EBITDAP, as adjusted, represents Net Income (the most directly comparable U.S. GAAP financial measure) before interest expense, income tax expense, depreciation and amortization expense, net periodic pension cost, rationalization charges and other (income) and expense. We refer to the ratio of Adjusted Debt to EBITDAP because we believe it is widely used by investors as a means of evaluating a company's leverage.

We are unable to present a quantitative reconciliation of our forward-looking non-GAAP financial measures 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. These components could be significant to the calculation of those U.S. GAAP financial measures in the future.

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.

See the tables below for reconciliations of historical Total Segment Operating Income, Free Cash Flow from Operations, Adjusted Net Income and Adjusted Diluted EPS to the most directly comparable U.S. GAAP measures.

## Total Segment Operating Income and Margin Reconciliation Table

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
<i>(In millions)</i>				
<b>Segment Operating Income</b>	<b>\$599</b>	<b>\$520</b>	<b>\$1,546</b>	<b>\$1,353</b>
Less:				
Rationalizations	20	15	82	80
Interest Expense	102	108	311	315
Other (Income) Expense	(2)	66	(113)	242
Asset Write-offs and Accelerated Depreciation	3	--	5	3
Corporate Incentive Compensation Plans	26	23	61	69
Pension Curtailments/Settlements	--	--	--	33
Intercompany Profit Elimination	(11)	(5)	10	4
Retained Expenses of Divested Operations	2	4	6	11
Other	28	10	66	35
<b>Income before Income Taxes</b>	<b>\$431</b>	<b>\$299</b>	<b>\$1,118</b>	<b>\$561</b>
United States and Foreign Taxes	126	100	369	168
Less: Minority Shareholders Net Income	34	38	62	70
<b>Goodyear Net Income</b>	<b>\$271</b>	<b>\$161</b>	<b>\$687</b>	<b>\$323</b>
Sales	\$4,184	\$4,657	\$12,380	\$13,782
Return on Sales	6.5%	3.5%	5.5%	2.3%
Total Segment Operating Margin	14.3%	11.2%	12.5%	9.8%

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**Free Cash Flow from Operations Reconciliation Table**

(in millions)	<b>Three Months Ended Sept. 30,</b>	
	<b>2015</b>	<b>2014</b>
<b>Net Income</b>	<b>\$305</b>	<b>\$199</b>
Depreciation and Amortization	173	182
Working Capital (1)	(231)	(362)
Pension Expense (2)	36	36
Provision for Deferred Income Taxes	94	62
Other (3)	29	163
Capital Expenditures	(208)	(193)
<b>Free Cash Flow from Operations (non-GAAP)</b>	<b>\$198</b>	<b>\$87</b>
Capital Expenditures	208	193
Pension Contributions and Direct Payments	(26)	(35)
Rationalization Payments	(19)	(50)
<b>Cash Flow from Operating Activities (GAAP)</b>	<b>\$361</b>	<b>\$195</b>

Amounts are calculated from the consolidated Statements of Cash Flows except for pension expense, which is as reported in the Notes to Consolidated Financial Statements.

(1) Working Capital represents total changes in accounts receivable, inventories and accounts payable – trade.

(2) Pension expense is the net periodic pension cost (before curtailments, settlements and termination benefits) as reported in the pension-related note in the Notes to Consolidated Financial Statements.

(3) Other includes amortization and write-off of debt issuance costs, net pension curtailments and settlements, net rationalization charges, net (gains) losses on asset sales, net Venezuela currency loss, compensation and benefits less pension expense, other current liabilities, and other assets and liabilities.

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

<b>Third Quarter 2015</b>	<b>Net Income After-tax and Minority Interest</b>	<b>Weighted Average Shares Outstanding- Diluted</b>	<b>Diluted EPS</b>
<i>(In millions, except EPS)</i>			
<b>Goodyear Net Income</b>	<b>\$ 271</b>	<b>274</b>	<b>\$ 0.99</b>
<b>Significant Items:</b>			
Rationalizations, Asset Write-offs, and Accelerated Depreciation Charges	16		
Transaction Costs and Net Losses on Asset Sales	13		
Insurance Recovery – Discontinued Products	(16)		
Discrete Income Tax Benefits	(8)		
Indirect Tax Claims	(5)		
	--		--
<b>As Adjusted</b>	<b>\$271</b>	<b>274</b>	<b>\$ 0.99</b>
<b>Third Quarter 2014</b>	<b>Net Income After-tax and Minority Interest</b>	<b>Weighted Average Shares Outstanding- Diluted</b>	<b>Diluted EPS</b>
<i>(In millions, except EPS)</i>			
<b>Goodyear Net Income</b>	<b>\$ 161</b>	<b>279</b>	<b>\$ 0.58</b>
<b>Significant Items:</b>			
Discrete Tax Items	47		
Charge Relating to Government Investigation in Africa	16		
Rationalizations, Asset Write-offs, and Accelerated Depreciation Charges	9		
Net Losses on Asset Sales	6		
Charges Relating to Labor Claims with Respect to a Previously Closed Facility in Greece	3		
	81		\$ 0.29
<b>As Adjusted</b>	<b>\$242</b>	<b>279</b>	<b>\$ 0.87</b>

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

<b>First Nine Months 2015</b>	<b>Net Income After-tax and Minority Interest</b>	<b>Weighted Average Shares Outstanding- Diluted</b>	<b>Diluted EPS</b>
<i>(In millions, except EPS)</i>			
<b>Goodyear Net Income</b>	<b>\$ 687</b>	<b>274</b>	<b>\$ 2.51</b>
<b>Significant Items:</b>			
Rationalizations, Asset Write-offs, and Accelerated Depreciation Charges	62		
Transaction Costs and Net Losses on Asset Sales	16		
Charges Relating to Labor Claims with Respect to a Previously Closed Facility in Greece	4		
Gain on Recognition of Deferred Royalty Income	(99)		
Insurance Recovery – Discontinued Products	(16)		
Indirect Tax Claims	(5)		
	(38)		\$ (0.12)
<b>As Adjusted</b>	<b>\$649</b>	<b>274</b>	<b>\$ 2.39</b>
<b>First Nine Months 2014</b>	<b>Net Income After-tax and Minority Interest</b>	<b>Weighted Average Shares Outstanding- Diluted</b>	<b>Diluted EPS</b>
<i>(In millions, except EPS)</i>			
<b>Goodyear Net Income</b>	<b>\$ 323</b>	<b>280</b>	<b>\$ 1.15</b>
<b>Significant Items:</b>			
Charge Relating to Net Remeasurement Loss in Venezuela	130		
Rationalizations, Asset Write-offs, and Accelerated Depreciation Charges	58		
Discrete Tax Items	47		
Pension Curtailments and Settlements	36		
Charges Relating to Labor Claims with Respect to a Previously Closed Facility in Greece	20		
Charge Relating to Government Investigation in Africa	16		
Net Losses on Asset Sales	4		
Settlement of Indirect Tax Claims	(13)		
	298		\$ 1.07
<b>As Adjusted</b>	<b>\$621</b>	<b>280</b>	<b>\$ 2.22</b>