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Notice Concerning Introduction of Performance Share Unit Plan

Tokyo (March 23, 2018) - Bridgestone Corporation (the "Company") has announced that the Compensation Committee resolved to introduce Performance Share Unit (the "Plan") as the performance-based stock compensation method for the Bridgestone Executive Compensation system during the meeting on March 23, 2018. With this introduction, the existing Stock Compensation-type Stock Option introduced in 2009 will be discontinued.

1. Purpose of Introduction of the Plan

The introduction of the Plan is intended to further increase the motivation and drive of the Company's Executive Officers including those who concurrently serve as Members of the Board (the "Recipients") for achieving the mid-term business performance goal and enhancing the Company's long-term value. This plan also will further promote the sharing of benefits and risks of share price fluctuations with shareholders by vesting the Company's shares (the "Shares") during the tenure as Executive Officers.

2. Outline of the Plan

The Company will provide the stock compensation and cash compensation to the Recipients, in accordance with the rate of the achievement of the Company's performance targets (the "Targets") set beforehand by the Compensation Committee. The rate will be measured after three (3) years of a performance evaluation period. In consideration of the amount of the income tax, etc. imposed on the Recipients, the Shares and the money provided will each be 50 percent of the entirety of the assets to be granted to the Recipients under the Plan. The Company will provide the monetary

compensation receivables on the delivery date to the Recipients as the compensation to be allotted for the payment of the Shares to be delivered to the Recipients under the Plan. The Company's consolidated ROE and Operating Profit will be used as the target indices.

3. Individual Number of Deliverable Shares and Individual Amount of Cash Payment

(1) Standard number of shares per job title

CEO and Representative Executive Officer	COO and Representative Executive Officer	Executive Vice President and Executive Officer	Senior Vice President and Executive Officer
27,700 shares	24,800 shares	11,600 shares	7,800 shares

(2) Formulas of Individual Number of Deliverable Shares and Individual Amount of Cash Payment

- ① Individual Number of Deliverable Shares (any number of shares less than 100 shares will be rounded up to 100 shares)

$$\text{Standard number of shares per job title} \times 50\% \times \text{Achievement Rate}^{*1}$$

- ② Individual Amount of Cash Payment (any amount less than 10,000 yen will be rounded up to a unit of 10,000 yen)

$$\text{Standard number of shares per job title} \times 50\% \times \text{Achievement Rate}^{*1} \times \text{Company's share price}^{*2}$$

*1 Calculation of Achievement Rate

$$\text{Achievement Rate A based on consolidated ROE index} \times 0.8 + \text{Achievement Rate B based on consolidated Operating Profit index} \times 0.2$$

- ✓ Achievement Rate will vary from 0 % to 200% in accordance with Consolidated ROE and Operating Profit during performance evaluation period.

*2 Company's share price

- ✓ Closing price of the Shares at the Tokyo Stock Exchange on the date one (1) business day prior to the passing of the resolution at the Board of Directors of the Company at which the issuance of the new Shares or the disposal of the Company's treasury shares for delivery of the Shares under the Plan is resolved after three (3) years of performance evaluation period (if there is no trading on the said date, the closing price of the trading day immediately preceding such date).

(3) Treatment of new appointments or position changes

In the case of new appointments or position changes of Recipients, the individual number of deliverable shares and individual amount of cash payment will be provided on a pro-rata basis for each position's tenure.

4. Other items of the Plan

(1) Performance Evaluation Period

From January 1, 2018, to December 31, 2020

- ✓ It is three (3) years from the commencement date of each business year and set for each year in which each Plan starts.

(2) Time of delivery

The Shares will be delivered and the cash will be paid, pursuant to resolution of the Compensation Committee concerning monetary compensation receivables and the Board of Directors of the Company concerning issuance of the new Shares or the disposal of Company's treasury shares for delivery of the Shares under the Plan, within the period of two (2) months from the closing of the Company's Annual Shareholders' Meeting concerning final business year of performance evaluation period.

(3) Method of delivery

Stock compensation will be provided in the way of issuing new shares or disposing the Company's treasury shares.

[Reference] The Company is planning to introduce Performance Share Unit, the same scheme as above, to the Company's Corporate Officers as well.

About Bridgestone Corporation:

Bridgestone Corporation, headquartered in Tokyo, is the world's largest tire and rubber company. In addition to tires for use in a wide variety of applications, it also manufactures a broad range of diversified products, which include industrial rubber and chemical products and sporting goods. Its products are sold in over 150 nations and territories around the world.

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