



## Bridgestone Realigns Steel Cord Business

Announces sale of Tyre cord manufacturing subsidiaries in Sardinia, Italy and Huizhou, China to Bekaert

Bridgestone Corporation (Bridgestone) announced that on January 31, 2010 it entered into a definitive agreement to sell 100% of the shares of its Italian and Chinese steel cord manufacturing subsidiaries to Belgian-based NV Bekaert SA (Bekaert). The manufacturing subsidiaries to be sold are Bridgestone Metalpha Italia S.p.A. (BMI) and Bridgestone (Huizhou) Steel Cord Co., LTD. (BSSH).

As part of this transaction, Bridgestone has entered into a long-term Tyre cord supply agreement with Bekaert, which will ensure a stable supply of quality cord and will enhance the on-going relationship of two companies which are leaders in their respective industries. The parties will complete the transactions once all applicable governmental and regulatory approvals are received.

The Bridgestone group is one of the most vertically integrated companies in the Tyre industry, internally producing many of the raw and intermediate materials used in the development and manufacturing of its strategic Tyre products. Prior to the announced sale, it operated seven steel cord plants around the world, supplying that intermediate material to the Group's Tyre manufacturing facilities.

This agreement will allow Bridgestone to further increase its focus on developing innovative materials for use in the company's strategic Tyre products within a more streamlined operation, all while securing a stable supply of standard steel cord specifications from an external supplier with whom it has a strong relationship. Bekaert has been a key supplier of steel cord to Bridgestone for many years. In addition to an existing steel cord supply arrangement between the two companies, Bridgestone and Bekaert in the past participated in a joint venture which developed and manufactured steel cord.

The new agreement will lead to an enhanced relationship between the companies and is expected to contribute to an even more prosperous future for both. The Bridgestone Group is continuously evaluating ways to optimize its resources and integrate and expand its business domains through the implementation of its clear, long-term strategy.

**End**

Please see below for more details of BMI, BSSH and Bekaert:

### 1. BMI

|                     |                                    |
|---------------------|------------------------------------|
| Company name        | Bridgestone Metalpha Italia S.p.A. |
| Location            | Cagliari, Sardinia, Italy          |
| Representative      | Masami Kikuchi                     |
| Start of Operations | 1996                               |

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|---|--|
| Capital   | 30.4 M EUR (wholly owned by Bridgestone Corporation) |
| Number of Employees   | 270 (As of the end of December, 2009)                |
| Production capacity   | Approximately 27,000 tons/year                       |
| *BMI has been the primary supplier of steel cord to Bridgestone plants in Europe since 1996. As a plant that produces steel cord manufactured to standard specifications, its sale to Bekaert fits within Bridgestone's long-range strategy to concentrate on those materials which can further enhance the development and manufacture of strategic Tyre products. |  |

## 2. BSSH

|   |  |
|---|--|
| Company name  | Bridgestone (Huizhou) Steel Cord Co., LTD.         |
| Location  | Huizhou, Guangdong, People's republic of China     |
| Representative  | Koji Matsuoka                                      |
| Start of Operations   | 2007   |
| Capital   | 479M CNY (wholly owned by Bridgestone Corporation) |
| Number of Employees   | 161(As of the end of December, 2009)               |
| Production capacity   | Approximately 13,000 tons/year                     |
| *BSSH is one of two Bridgestone-owned steel cord plants in China. Concentrating its production at one plant in Shenyang will allow Bridgestone to streamline its steel cord business, making it more competitive and enabling it to better by focus on the innovative steel cord used in its strategic Tyre products. |  |

## 3. Bekaert

Bekaert ([www.bekaert.com](http://www.bekaert.com)) is a global technological leader in its two core competencies: advanced metal transformation and advanced materials and coatings, and a market leader in drawn wire products and applications. Bekaert (Euronext Brussels: BEKB) is a global company with headquarters in Belgium, employing 23 000 people worldwide. Serving customers in 120 countries, Bekaert pursues sustainable profitable growth in all its activities and generates annual combined sales of € 4 billion.

### **About Bridgestone Corporation:**

Bridgestone Corporation, headquartered in Tokyo, is the world's largest tyre and rubber company. In addition to tyres 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.

**Bridgestone Middle East and Africa FZE**

Bridgestone Middle East & Africa FZE (BSMEA) is the headquarters for the Middle East and Africa region. It was set up with the objectives of speeding up decision-making and action, and for optimizing regional strategy by identifying market trends.

Earning the trust and confidence of customers is more than just about supplying the best products. Bridgestone Middle East & Africa FZE aims to be the best corporate citizen that it can be. Community service is one way of giving back to society. BSMEA's plans include working together with police agencies, schools and the public sectors in the region by providing seminars to promote and encourage road safety and environmental awareness.

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