

GOODYEAR TIRE & RUBBER CO /OH/
Form 10-Q
October 28, 2011

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended September 30, 2011
Commission File Number: 1-1927

THE GOODYEAR TIRE & RUBBER COMPANY
(Exact Name of Registrant as Specified in Its Charter)

Ohio 34-0253240
(State or Other Jurisdiction of (I.R.S. Employer
Incorporation or Organization) Identification No.)

1144 East Market Street, Akron, Ohio 44316-0001
(Address of Principal Executive Offices) (Zip Code)
(330) 796-2121

(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

Number of Shares of Common Stock,
Without Par Value, Outstanding at September 30, 2011: 244,356,197

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

THE GOODYEAR TIRE & RUBBER COMPANY AND SUBSIDIARIES
 CONSOLIDATED STATEMENTS OF OPERATIONS
 (Unaudited)

(In millions, except per share amounts)	Three Months Ended		Nine Months Ended		
	September 30,		September 30,		
	2011	2010	2011	2010	
NET SALES	\$6,062	\$4,962	\$17,084	\$13,760	
Cost of Goods Sold	4,973	4,120	14,006	11,262	
Selling, Administrative and General Expense	677	640	2,098	1,915	
Rationalizations (Note 2)	25	8	80	16	
Interest Expense	86	90	241	241	
Other (Income) and Expense (Note 3)	(4	) 62	48	173
Income before Income Taxes	305	42	611	153	
United States and Foreign Taxes (Note 5)	94	55	220	151	
Net Income (Loss)	211	(13	) 391	2
Less: Minority Shareholders' Net Income	43	7	73	41	
Goodyear Net Income (Loss)	168	(20) 318	(39)
Less: Preferred Stock Dividends	7	—	15	—	
Goodyear Net Income (Loss) available to Common Shareholders	\$161	\$(20) \$303	\$(39)
Goodyear Net Income (Loss) available to Common Shareholders — Per Share of Common Stock					
Basic	\$0.66	\$(0.08) \$1.25	\$(0.16)
Weighted Average Shares Outstanding (Note 6)	244	242	244	242	
Diluted	\$0.60	\$(0.08) \$1.19	\$(0.16)
Weighted Average Shares Outstanding (Note 6)	281	242	268	242	

The accompanying notes are an integral part of these consolidated financial statements.

THE GOODYEAR TIRE & RUBBER COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Unaudited)

(In millions, except share data)

	September 30, 2011	December 31, 2010
Assets:		
Current Assets:		
Cash and Cash Equivalents	\$2,126	\$2,005
Accounts Receivable, less Allowance — \$105 (\$106 in 2010)	4,008	2,736
Inventories:		
Raw Materials	1,054	706
Work in Process	200	168
Finished Products	2,783	2,103
	4,037	2,977
Prepaid Expenses and Other Current Assets	341	327
Total Current Assets	10,512	8,045
Goodwill	670	683
Intangible Assets	157	161
Deferred Income Taxes	55	58
Other Assets	472	518
Property, Plant and Equipment, less Accumulated Depreciation — \$8,727 (\$8,807 in 2010)	6,263	6,165
Total Assets	\$18,129	\$15,630
Liabilities:		
Current Liabilities:		
Accounts Payable-Trade	\$3,371	\$3,107
Compensation and Benefits (Note 10)	821	756
Other Current Liabilities	1,103	1,018
Notes Payable and Overdrafts (Note 8)	312	238
Long Term Debt and Capital Leases due Within One Year (Note 8)	212	188
Total Current Liabilities	5,819	5,307
Long Term Debt and Capital Leases (Note 8)	5,559	4,319
Compensation and Benefits (Note 10)	3,226	3,415
Deferred and Other Noncurrent Income Taxes	242	242
Other Long Term Liabilities	882	842
Total Liabilities	15,728	14,125
Commitments and Contingent Liabilities (Note 12)		
Minority Shareholders' Equity (Note 1)	626	584
Shareholders' Equity:		
Goodyear Shareholders' Equity:		
Preferred Stock, no par value:		
Authorized, 50 million shares, Outstanding shares — 10 million (0 in 2010), liquidation preference \$50 per share	500	—
Common Stock, no par value:	244	243

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Authorized, 450 million shares, Outstanding shares — 244 million (243 million in 2010)
after deducting 7 million treasury shares (8 million in 2010)

Capital Surplus	2,805	2,805
Retained Earnings	1,169	866
Accumulated Other Comprehensive Loss	(3,219	) (3,270)
Goodyear Shareholders' Equity	1,499	644
Minority Shareholders' Equity — Nonredeemable	276	277
Total Shareholders' Equity	1,775	921
Total Liabilities and Shareholders' Equity	\$18,129	\$15,630

The accompanying notes are an integral part of these consolidated financial statements.

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THE GOODYEAR TIRE & RUBBER COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited)

(In millions)	Three Months Ended		Nine Months Ended		
	September 30,		September 30,		
	2011	2010	2011	2010	
Net Income (Loss)	\$211	\$(13	) \$391	\$2
Other Comprehensive Income (Loss):					
Foreign currency translation, net of tax of \$0 and \$0 in 2011 (\$0 and \$1 in 2010)	(268	) 279	(121	) 28
Defined benefit plans:					
Amortization of prior service cost and unrecognized gains and losses included in total benefit cost, net of tax of \$0 and \$2 in 2011 (\$14 and \$19 in 2010)	42	28	125	110	
(Increase) decrease in net actuarial losses, net of tax of \$0 and \$1 in 2011 (\$1 and \$1 in 2010)	(4) 2	—	(11)
Immediate recognition of prior service cost and unrecognized gains and losses due to curtailments, settlements, and divestitures, net of tax of \$0 and \$1 in 2011 (\$0 and \$0 in 2010)	4	—	17	1	
Deferred derivative gains, net of tax of \$0 and \$0 in 2011 (\$0 and \$0 in 2010)	14	—	—	—	
Reclassification adjustment for amounts recognized in income, net of tax of \$0 and \$0 in 2011 (\$0 and \$0 in 2010)	7	—	9	—	
Unrealized investment gains, net of tax of \$0 and \$0 in 2011 (\$0 and \$0 in 2010)	3	2	8	3	
Comprehensive Income	9	298	429	133	
Less: Comprehensive Income (Loss) Attributable to Minority Shareholders	(19	) 92	60	26
Goodyear Comprehensive Income	\$28	\$206	\$369	\$107	

The accompanying notes are an integral part of these consolidated financial statements.

THE GOODYEAR TIRE & RUBBER COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Nine Months Ended September 30,	
	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	\$391	\$2
Adjustments to reconcile net income to cash flows from operating activities:		
Depreciation and amortization	547	487
Amortization and write-off of debt issuance costs	29	22
Net rationalization charges (Note 2)	80	16
Net (gains) losses on asset sales (Note 3)	(24	) (26
Pension contributions and direct payments	(221	) (248
Rationalization payments	(80	) (49
Venezuela currency devaluation (Note 3)	—	110
Changes in operating assets and liabilities, net of asset acquisitions and dispositions:		
Accounts receivable	(1,419	) (858
Inventories	(1,154	) (547
Accounts payable — trade	435	599
Compensation and benefits	299	333
Other current liabilities	90	202
Other assets and liabilities	55	40
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	(972	) 83
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(806	) (618
Asset dispositions (Note 4)	68	20
Government grants received	55	—
Increase in restricted cash (Note 8)	(32	) (2
Return of investment in The Reserve Primary Fund	—	26
TOTAL CASH FLOWS FROM INVESTING ACTIVITIES	(715	) (574
CASH FLOWS FROM FINANCING ACTIVITIES:		
Short term debt and overdrafts incurred	190	94
Short term debt and overdrafts paid	(93	) (64
Long term debt incurred	3,003	1,625
Long term debt paid	(1,674	) (1,229
Proceeds from issuance of preferred stock	484	—
Preferred stock dividends paid	(7) —
Common stock issued	7	1
Dividends paid to minority shareholders	(15	) (10
Debt related costs and other transactions	(20	) (21
TOTAL CASH FLOWS FROM FINANCING ACTIVITIES	1,875	396
Effect of exchange rate changes on cash and cash equivalents (Note 3)	(67	) (162
Net Change in Cash and Cash Equivalents	121	(257
Cash and Cash Equivalents at Beginning of the Period	2,005	1,922
Cash and Cash Equivalents at End of the Period	\$2,126	\$1,665

The accompanying notes are an integral part of these consolidated financial statements.

THE GOODYEAR TIRE & RUBBER COMPANY AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1. ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared by The Goodyear Tire & Rubber Company (the “Company,” “Goodyear,” “we,” “us” or “our”) in accordance with Securities and Exchange Commission rules and regulations and in the opinion of management contain all adjustments (including normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows for the periods presented. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. These interim consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2010 (the “2010 Form 10-K”).

We are a party to shareholder agreements concerning certain of our less-than-wholly-owned consolidated subsidiaries. Under the terms of certain of these agreements, the minority shareholders have the right to require us to purchase their ownership interests in the respective subsidiaries if there is a change in control of Goodyear or a bankruptcy of Goodyear. Accordingly, we have reported the minority equity in those subsidiaries outside of Shareholders’ Equity. Operating results for the three and nine months ended September 30, 2011 are not necessarily indicative of the results expected in subsequent quarters or for the year ending December 31, 2011.

Recently Issued Accounting Standards

In May 2011 the Financial Accounting Standards Board (“FASB”) issued an accounting standards update with new guidance on fair value measurement and disclosure requirements. The standards update does not extend the use of fair value accounting beyond that currently required under U.S. GAAP, but instead provides guidance on the application of fair value accounting where it is already required or permitted by other standards. The standards update also requires additional disclosures related to transfers of financial instruments within the fair value hierarchy and quantitative and qualitative disclosures related to significant unobservable inputs. The standards update is effective for fiscal years beginning after December 15, 2011. We are currently assessing the impact of adopting this standard on our consolidated financial statements.

In June 2011 the FASB issued an accounting standards update with new guidance on the presentation of other comprehensive income. The standards update eliminates the option of presenting other comprehensive income and its components in the statement of shareholders’ equity. The standards update now requires an entity to either present components of net income and other comprehensive income in one continuous statement or in two separate but consecutive statements. The standard will require us to change the presentation of other comprehensive income in our financial statements effective for fiscal years beginning after December 15, 2011.

Recently Adopted Accounting Standards

In September 2011 the FASB issued an accounting standards update with new guidance on annual goodwill impairment testing. The standards update allows an entity to first assess qualitative factors to determine if it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If based on its qualitative assessment an entity concludes it is more likely than not that the fair value of a reporting unit is less than its carrying amount, quantitative impairment testing is required. However, if an entity concludes otherwise, quantitative impairment testing is not required. The standards update is effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011, with early adoption permitted. We have elected to early adopt the standards update effective July 1, 2011. We completed a qualitative assessment of goodwill at July 31, 2011 and concluded it is more likely than not that the fair value of each reporting unit is not less than its carrying value and, therefore, did not perform a quantitative assessment.

Reclassifications

Certain items previously reported in specific financial statement captions have been reclassified to conform to the current presentation.

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THE GOODYEAR TIRE & RUBBER COMPANY AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 (Unaudited)

NOTE 2. COSTS ASSOCIATED WITH RATIONALIZATION PROGRAMS

In order to maintain our global competitiveness, we have implemented rationalization actions over the past several years to reduce high-cost manufacturing capacity and to reduce associate headcount. The net rationalization charges included in Income before Income Taxes are as follows:

(In millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
New charges	\$25	\$8	\$82	\$35
Reversals	—	—	(2	) (19
	\$25	\$8	\$80	\$16

The following table shows the roll-forward of our liability between periods:

(In millions)	Associate- Related Costs	Other Costs	Total
Balance at December 31, 2010	\$212	\$18	\$230
2011 Charges	49	33	82
Incurred	(50	) (31	) (81
Reversed to the statement of operations	(1	) (1	) (2
Foreign currency translation	—	(2	) (2
Balance at September 30, 2011	\$210	\$17	\$227

During the third quarter of 2011, net rationalization charges of \$25 million were recorded. New charges of \$25 million were comprised of \$6 million for plans initiated in 2011, consisting of \$4 million of associate severance costs and \$2 million for other exit and non-cancelable lease costs, and \$19 million for plans initiated primarily in 2010, consisting of \$4 million of associate severance costs and \$15 million of other exit and non-cancelable lease costs, mainly due to the July 2011 closure of our Union City, Tennessee manufacturing facility. Substantially all of the new charges relate to future cash outflows.

During the first nine months of 2011, net rationalization charges of \$80 million were recorded. New charges of \$82 million were comprised of \$18 million for plans initiated in 2011, consisting of \$15 million of associate severance costs and \$3 million for other exit and non-cancelable lease costs, and \$64 million for plans initiated primarily in 2010, consisting of \$34 million of associate severance costs and \$30 million of other exit and non-cancelable lease costs, mainly due to the July 2011 closure of our Union City, Tennessee manufacturing facility. Substantially all of the new charges relate to future cash outflows. The net charges in the first nine months of 2011 also included the reversal of \$2 million of charges for actions no longer needed for their originally intended purposes. Approximately 500 associates will be released under 2011 plans.

In the first nine months of 2011, \$50 million was incurred for associate severance payments and \$31 million was incurred for other exit and non-cancelable lease costs.

The accrual balance of \$227 million at September 30, 2011 consists of \$210 million for associate severance costs that are expected to be substantially utilized within the next 12 months and \$17 million primarily for other exit and non-cancelable lease costs. At September 30, 2011, \$86 million and \$106 million, respectively, of the accrual balance relates to plans associated with the closure of our Union City, Tennessee manufacturing facility and the announced discontinuation of consumer tire production at one of our facilities in Amiens, France.

Asset write-offs and accelerated depreciation charges of \$12 million and \$46 million were recorded in cost of goods sold ("CGS") in the three and nine months ended September 30, 2011, respectively, and were related primarily to property and equipment in our Union City, Tennessee manufacturing facility.

In the third quarter of 2010, net rationalization charges of \$8 million were recorded. New charges of \$8 million were comprised of \$4 million for plans initiated in 2010 and \$4 million for plans initiated primarily in 2009. These charges consist of \$4 million for associate severance costs and \$4 million for other exit and non-cancelable lease costs. Substantially all of these charges related to future cash outflows.

THE GOODYEAR TIRE & RUBBER COMPANY AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 (Unaudited)

For the first nine months of 2010, net rationalization charges of \$16 million were recorded. New charges of \$35 million were comprised of \$14 million for plans initiated in 2010, consisting of \$11 million for associate severance and pension costs and \$3 million for other exit and non-cancelable lease costs, and \$21 million for plans initiated primarily in 2009, consisting of \$4 million for associate severance costs and \$17 million for other exit and non-cancelable lease costs. Substantially all of these charges related to future cash outflows. The net charges in the first nine months of 2010 also included the reversal of \$19 million of charges for actions no longer needed for their originally intended purposes.

Asset write-offs and accelerated depreciation charges of \$4 million and \$13 million were recorded in CGS in the three and nine months ended September 30, 2010, respectively, and were related primarily to the closure of our Taiwan facility.

Approximately 100 associates were released under programs initiated in 2011 and approximately 2,200 associates, mainly due to the July 2011 closure of our Union City, Tennessee manufacturing facility, were released under programs initiated in 2010 as of September 30, 2011.

NOTE 3. OTHER (INCOME) AND EXPENSE

(In millions) (Income) Expense	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
Net foreign currency exchange losses	\$4	\$5	\$13	\$126
Financing fees and financial instruments	9	63	81	83
General and product liability — discontinued products (Note 12)	5	3	13	14
Net (gains) losses on asset sales	(11	) (2	) (24	) (26
Royalty income	(8	) (7	) (28	) (22
Interest income	(6	) (3	) (12	) (8
Miscellaneous	3	3	5	6
	\$(4	) \$62	\$48	\$173

Net foreign currency exchange losses in the third quarter of 2011 were \$4 million, compared to \$5 million in the third quarter of 2010. Foreign currency exchange losses in the first nine months of 2011 were \$13 million, compared to \$126 million in the first nine months of 2010. Losses in 2010 included a loss of \$110 million resulting from the January 8, 2010 devaluation of the Venezuelan bolivar fuerte against the U.S. dollar and the establishment of a two-tier exchange rate structure. Foreign currency exchange in all periods also reflected net gains and losses resulting from the effect of exchange rate changes on various foreign currency transactions worldwide.

Effective January 1, 2010, Venezuela's economy was considered to be highly inflationary under U.S. generally accepted accounting principles since it experienced a rate of general inflation in excess of 100% over the latest three year period, based upon the blended Consumer Price Index and National Consumer Price Index. Accordingly, the U.S. dollar was determined to be the functional currency of our Venezuelan subsidiary. All gains and losses resulting from the remeasurement of its financial statements since January 1, 2010 were determined using official exchange rates. On January 8, 2010, Venezuela established a two-tier exchange rate structure for essential and non-essential goods. For essential goods the official exchange rate was 2.6 bolivares fuertes to the U.S. dollar and for non-essential goods the official exchange rate was 4.3 bolivares fuertes to the U.S. dollar. On January 1, 2011, the two-tier exchange rate structure was eliminated. For our unsettled amounts at December 31, 2010 and going forward, the official exchange rate of 4.3 bolivares fuertes to the U.S. dollar is expected to be used for substantially all goods.

The \$110 million foreign currency exchange loss in the first quarter of 2010 primarily consisted of a \$157 million remeasurement loss on bolivar-denominated net monetary assets and liabilities, including deferred taxes, at the time of the January 2010 devaluation. The loss was primarily related to cash deposits in Venezuela that were remeasured at the official exchange rate of 4.3 bolivares fuertes applicable to non-essential goods, and was partially offset by a \$47 million subsidy receivable related to U.S. dollar-denominated payables that were expected to be settled at the official subsidy exchange rate of 2.6 bolivares fuertes applicable to essential goods. Since we expected these payables to be settled at the subsidy essential goods rate, we established a subsidy receivable to reflect the expected benefit to be received in the form of the difference between the essential and non-essential goods exchange rates. Throughout 2010, we periodically assessed our ability to realize the benefit of

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THE GOODYEAR TIRE & RUBBER COMPANY AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

the subsidy receivable and a substantial portion of purchases by our Venezuelan subsidiary had qualified and settled at the official exchange rate for essential goods. As a result of the elimination of the official subsidy exchange rate for essential goods, we recorded a foreign exchange loss of \$24 million in the fourth quarter of 2010 related to the reversal of the subsidy receivable at December 31, 2010.

Financing fees were \$9 million in the third quarter of 2011, compared to \$63 million in the third quarter of 2010. Financing fees in 2010 included \$56 million of fees on the redemption of \$973 million of long term debt in 2010. Financing fees were \$81 million in the first nine months of 2011, compared to \$83 million in the first nine months of 2010. Financing fees in 2011 included \$53 million of charges in the second quarter related to the redemption of \$350 million in aggregate principal amount of our outstanding 10.5% senior notes due 2016, of which \$37 million related to cash premiums paid on the redemption and \$16 million related to the write-off of deferred financing fees and unamortized discount. Financing fees and financial instruments consists of the amortization of deferred financing fees, commitment fees and other charges incurred in connection with financing transactions.

General and product liability — discontinued products includes charges for claims against us related primarily to asbestos personal injury claims, net of probable insurance recoveries. We recorded \$6 million of expense related to asbestos claims in the third quarter of 2011 and 2010. In addition, we recorded \$2 million and \$3 million of income related to probable insurance recoveries in the third quarter of 2011 and 2010, respectively. We recorded \$17 million and \$18 million of expense related to asbestos claims in the first nine months of 2011 and 2010, respectively. In addition, we recorded \$6 million and \$4 million of income related to probable insurance recoveries in the first nine months of 2011 and 2010, respectively.

Net gains on asset sales were \$11 million in the third quarter of 2011, compared to net gains on asset sales of \$2 million in the third quarter of 2010. Net gains on asset sales were \$24 million in the first nine months of 2011, compared to net gains on asset sales of \$26 million in the first nine months of 2010. Net gains on asset sales in 2011 included a third quarter gain on the sale of land in Asia Pacific Tire, and second quarter gains on the sale of the farm tire business in Latin American Tire and the sale of property in North American Tire. Net gains on asset sales in 2010 included a first quarter gain on the sale of land in Asia Pacific Tire and a second quarter gain on the sale of property in Latin American Tire.

Royalty income is derived primarily from licensing arrangements related to divested businesses. Interest income consisted primarily of amounts earned on cash deposits.

NOTE 4. SALE OF FARM TIRE AND WIRE BUSINESSES

On December 13, 2010, we entered into agreements with Titan Tire Corporation, a subsidiary of Titan International Inc., to sell our European and Latin American farm tire businesses, including licensing agreements that will allow Titan to manufacture and sell Goodyear-brand farm tires in Europe, Latin America and North America. The Latin American portion of the transaction was completed on April 1, 2011. Proceeds from the sale were \$99 million, before withholding taxes of \$5 million and subject to post-closing adjustments. We recorded a pre-tax gain of \$6 million on the sale in the second quarter of 2011. The European portion of the transaction, which has not yet been completed, is subject to the exercise of a put option by us following completion of a social plan related to the previously announced discontinuation of consumer tire production at one of our facilities in Amiens, France and required consultation with various works councils. The put option expires on November 30, 2011. The purchase price for the European portion of the transaction, if completed, is now expected to be €12.3 million (approximately \$17 million) in cash, subject to post-closing adjustments.

The assets and liabilities of the Latin American farm tire business were classified as held-for-sale at December 31, 2010. The carrying amount of the net assets at that date totaled \$33 million, and included \$44 million of property, plant and equipment, \$16 million of inventories, \$14 million of deferred income, \$10 million of compensation and benefit liabilities, and \$5 million of deferred income taxes. Due to uncertainty surrounding the timing of the

completion of the Amiens social plan, the European business was classified as held-and-used at September 30, 2011 and at December 31, 2010. The long-lived assets of the European business were tested for impairment at the reporting unit level. No impairment was indicated as a result of that testing. Additionally, the remaining useful life and estimated residual value of the long-lived assets were reviewed and no modifications were indicated as a result of that review.

On July 1, 2011, we sold our steel tire cord (wire) manufacturing business to Hyosung Corporation. The transaction consisted primarily of inventories and manufacturing equipment at our facilities in Asheboro, North Carolina and Colmar-Berg, Luxembourg, and a licensing agreement allowing Hyosung to use certain of our patents and know-how associated with the acquired business. In addition, we entered into an agreement under which Hyosung will supply us with finished wire products. Proceeds from the transaction were \$50 million, subject to post-closing adjustments. We recorded a pre-tax gain of approximately \$1 million on the transaction in the third quarter of 2011.

THE GOODYEAR TIRE & RUBBER COMPANY AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 5. INCOME TAXES

In the third quarter of 2011, we recorded tax expense of \$94 million on income before income taxes of \$305 million. For the first nine months of 2011, we recorded tax expense of \$220 million on income before income taxes of \$611 million. Income tax expense for the third quarter and first nine months of 2011 was unfavorably impacted by \$5 million and \$23 million, respectively, due primarily to the settlement of prior tax years and to increased tax reserves as a result of negative tax court rulings in a foreign jurisdiction. We record taxes based on overall estimated annual effective tax rates. Due to our projected marginal profitability in the United States, the estimated annual U.S. effective tax rate is subject to wide variability. Therefore, we recorded taxes on U.S. operations on a discrete item basis for the third quarter of 2011.

In the third quarter of 2010, we recorded tax expense of \$55 million on income before income taxes of \$42 million. For the first nine months of 2010, we recorded tax expense of \$151 million on income before income taxes of \$153 million. Our income tax expense or benefit is allocated among operations and items charged or credited directly to shareholders' equity. Pursuant to this allocation requirement, a non-cash tax benefit has been allocated to the loss from our U.S. operations, with offsetting tax expense allocated to items, primarily attributable to employee benefits, charged directly to shareholders' equity. For the three and nine months ended September 30, 2010, the allocated amount is \$13 million and \$17 million, respectively.

We continue to maintain a full valuation allowance against our net Federal and state deferred tax assets, however this did not have a significant impact on the consolidated effective tax rate for the first nine months of 2011 due to the near break-even income before income taxes in the U.S. For the first nine months of 2010, the difference between our effective tax rate and the U.S. statutory rate was primarily attributable to maintaining a full valuation allowance against our net Federal and state deferred tax assets.

At January 1, 2011, we had unrecognized tax benefits of \$87 million that, if recognized, would have a favorable impact on our tax expense of \$81 million. We had accrued interest of \$13 million as of January 1, 2011. If not favorably settled, \$23 million of the unrecognized tax benefits and \$13 million of the accrued interest would require the use of our cash. It is reasonably possible that our unrecognized tax benefits may change during the next 12 months. However, we do not expect changes during the next 12 months to have a significant impact on our financial position or results of operations.

Generally, years beginning after 2004 are still open to examination by foreign taxing authorities, and in Germany, we are open to examination from 2006 onward. In the United States, we are open to examination for 2011.

THE GOODYEAR TIRE & RUBBER COMPANY AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 (Unaudited)

NOTE 6. EARNINGS (LOSS) PER SHARE

Basic earnings per share are computed based on the weighted average number of common shares outstanding. Diluted earnings per share are calculated to reflect the potential dilution that could occur if securities or other contracts were exercised or converted into common stock.

Basic and diluted earnings per common share are calculated as follows:

(In millions, except per share amounts)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
Earnings per share — basic:				
Goodyear net income (loss)	\$ 168	\$(20)	\$ 318	\$(39)
Less: Preferred stock dividends	7	—	15	—
Goodyear net income (loss) available to common shareholders	\$ 161	\$(20)	\$ 303	\$(39)
Weighted average shares outstanding	244	242	244	242
Earnings per common share — basic	\$0.66	\$(0.08)	\$ 1.25	\$(0.16)
Earnings per share — diluted:				
Goodyear net income (loss)	\$ 168	\$(20)	\$ 318	\$(39)
Weighted average shares outstanding	244	242	244	242
Dilutive effect of mandatory convertible preferred stock	34	—	21	—
Dilutive effect of stock options and other dilutive securities	3	—	3	—
Weighted average shares outstanding — diluted	281	242	268	242
Earnings per common share — diluted	\$0.60	\$(0.08)	\$ 1.19	\$(0.16)

Weighted average shares outstanding — diluted excludes approximately 9 million and 7 million equivalent shares for the three and nine months ended September 30, 2011, respectively, and excludes approximately 12 million equivalent shares for the three and nine months ended September 30, 2010 related to options with exercise prices greater than the average market price of our common shares (i.e., “underwater” options).

Weighted average shares outstanding — diluted excludes approximately 4 million equivalent shares for the three and nine months ended September 30, 2010 related to options with exercise prices less than the average market price of our common shares (i.e., “in-the-money” options), as their inclusion would have been anti-dilutive due to the Goodyear net loss.

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NOTE 7. BUSINESS SEGMENTS

(In millions)	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2011	2010	2011	2010
Sales:				
North American Tire	\$2,557	\$2,176	\$7,275	\$6,004
Europe, Middle East and Africa Tire	2,226	1,696	6,128	4,680
Latin American Tire	651	569	1,876	1,576
Asia Pacific Tire	628	521	1,805	1,500
Net Sales	\$6,062	\$4,962	\$17,084	\$13,760
Segment Operating Income:				
North American Tire	\$78	\$5	\$255	\$7
Europe, Middle East and Africa Tire	260	77	539	259
Latin American Tire	62	95	183	237
Asia Pacific Tire	63	57	195	190
Total Segment Operating Income	463	234	1,172	693
Rationalizations	(25	) (8	) (80	) (16
Interest expense	(86	) (90	) (241	) (241
Other income and (expense)	4	(62	) (48	) (173
Asset write-offs and accelerated depreciation	(12	) (4	) (46	) (13
Corporate incentive compensation plans	(8	) (18	) (43	) (45
Pension curtailments/settlements	(4	) —	(15) —
Insurance recovery	—	8	—	8
Intercompany profit elimination	(7	) (3	) (18	) (5
Other	(20	) (15	) (70	) (55
Income before Income Taxes	\$305	\$42	\$611	\$153

Rationalizations, as described in Note 2, Costs Associated with Rationalization Programs, net gains on asset sales, as described in Note 3, Other (Income) Expense, and asset write-offs and accelerated depreciation are not charged (credited) to the strategic business units (“SBUs”) for performance evaluation purposes, but were attributable to the SBUs as follows:

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(In millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
Rationalizations:				
North American Tire	\$20	\$1	\$60	\$6
Europe, Middle East and Africa Tire	2	5	9	(2)
Latin American Tire	—	1	—	4
Asia Pacific Tire	3	1	11	9
Total Segment Rationalizations	25	8	80	17
Corporate	—	—	—	(1)
	\$25	\$8	\$80	\$16
Net (Gains) Losses on Asset Sales:				
North American Tire	\$(2)	\$(1)	\$(7)	\$(2)
Europe, Middle East and Africa Tire	1	—	(1)	(1)
Latin American Tire	—	—	(4)	(7)
Asia Pacific Tire	(9)	(1)	(9)	(16)
Total Segment Asset Sales	(10)	(2)	(21)	(26)
Corporate	(1)	—	(3)	—
	\$(11)	\$(2)	\$(24)	\$(26)
(In millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
Asset Write-offs and Accelerated Depreciation:				
North American Tire	\$11	\$—	\$43	\$1
Europe, Middle East and Africa Tire	—	—	—	1
Asia Pacific Tire	1	4	3	11
Total Segment Asset Write-offs and Accelerated Depreciation	\$12	\$4	\$46	\$13

NOTE 8. FINANCING ARRANGEMENTS AND DERIVATIVE FINANCIAL INSTRUMENTS

At September 30, 2011, we had total credit arrangements of \$8,169 million, of which \$1,692 million were unused. At that date, 50% of our debt was at variable interest rates averaging 3.94%.

Notes Payable and Overdrafts, Long Term Debt and Capital Leases due Within One Year and Short Term Financing Arrangements

At September 30, 2011, we had short term committed and uncommitted credit arrangements totaling \$594 million, of which \$282 million were unused. These arrangements are available primarily to certain of our international subsidiaries through various banks at quoted market interest rates. There are no commitment fees associated with these arrangements.

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The following table presents amounts due within one year:

(In millions)	September 30, 2011	December 31, 2010		
Notes payable and overdrafts	\$312	\$238		
Weighted average interest rate	5.02	% 4.56		%
Long term debt and capital leases due within one year:				
Other domestic and international debt (including capital leases)	\$212	\$188		
Weighted average interest rate	9.95	% 8.77		%
Total obligations due within one year	\$524	\$426		

Long Term Debt and Capital Leases and Financing Arrangements

At September 30, 2011, we had long term credit arrangements totaling \$7,575 million, of which \$1,410 million were unused.

The following table presents long term debt and capital leases, net of unamortized discounts, and interest rates:

(In millions)	September 30, 2011		December 31, 2010		
	Amount	Interest Rate	Amount	Interest Rate	
Notes:					
10.5% due 2016	\$630		\$966		
6.75% Euro Notes due 2019	336		—		
8.25% due 2020	994		993		
8.75% due 2020	264		263		
7% due 2028	149		149		
Credit Facilities:					
\$1.5 billion first lien revolving credit facility due 2013	200	1.48	% —	—	
\$1.2 billion second lien term loan facility due 2014	1,200	1.94	% 1,200	1.96	%
€400 million revolving credit facility due 2016	524	3.84	% —	—	
Pan-European accounts receivable facility due 2015	537	3.84	% 319	3.73	%
Chinese credit facilities	370	5.75	% 153	5.45	%
Other domestic and international debt ⁽¹⁾	538	9.71	% 446	9.04	%
	5,742		4,489		
Capital lease obligations	29		18		
	5,771		4,507		
Less portion due within one year	(212)		(188)		
	\$5,559		\$4,319		

(1) Interest rates are weighted average interest rates.

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NOTES

€250 million 6.75% Senior Notes due 2019 of Goodyear Dunlop Tires Europe B.V. (“GDTE”)

On April 20, 2011, GDTE issued €250 million aggregate principal amount of 6.75% senior notes due 2019. These notes were sold at 100% of the principal amount and will mature on April 15, 2019. These notes are unsecured senior obligations of GDTE and are guaranteed, on an unsecured senior basis, by the Company and our U.S. and Canadian subsidiaries that also guarantee our obligations under our senior secured credit facilities described below.

We have the option to redeem these notes, in whole or in part, at any time on or after April 15, 2015 at a redemption price of 103.375%, 101.688% and 100% during the 12-month periods commencing on April 15, 2015, 2016 and 2017 and thereafter, respectively, plus accrued and unpaid interest to the redemption date. Prior to April 15, 2015, we may redeem these notes, in whole or in part, at a redemption price equal to 100% of the principal amount plus a make-whole premium and accrued and unpaid interest to the redemption date. In addition, prior to April 15, 2014, we may redeem up to 35% of the original aggregate principal amount of these notes from the net cash proceeds of certain equity offerings at a redemption price equal to 106.75% of the principal amount plus accrued and unpaid interest to the redemption date.

The terms of the indenture for these notes, among other things, limit the ability of the Company and certain of its subsidiaries, including GDTE, to incur additional debt or issue redeemable preferred stock, pay dividends or make certain other restricted payments or investments, incur liens, sell assets, incur restrictions on the ability of the Company’s subsidiaries to pay dividends to the Company, enter into affiliate transactions, engage in sale and leaseback transactions, and consolidate, merge, sell or otherwise dispose of all or substantially all of their assets. These covenants are subject to significant exceptions and qualifications. For example, if these notes are assigned an investment grade rating by Moody’s and Standard & Poor’s and no default has occurred or is continuing, certain covenants will be suspended. The indenture has customary defaults, including a cross-default to material indebtedness of Goodyear and our subsidiaries.

Partial Redemption of 10.5% Senior Notes due 2016

On May 27, 2011, we redeemed \$350 million in aggregate principal amount of our outstanding 10.5% senior notes due 2016 at an aggregate redemption price of \$387 million, including a \$37 million prepayment premium, plus accrued and unpaid interest to the redemption date. We also recorded \$16 million of expense for the write-off of unamortized discounts and deferred financing fees as a result of the redemption.

CREDIT FACILITIES

\$1.5 billion Amended and Restated First Lien Revolving Credit Facility due 2013

This facility is available in the form of loans or letters of credit, with letter of credit availability limited to \$800 million. Subject to the consent of the lenders whose commitments are to be increased, we may request that the facility be increased by up to \$250 million. Our obligations under the facility are guaranteed by most of our wholly-owned U.S. and Canadian subsidiaries. Our obligations under the facility and our subsidiaries’ obligations under the related guarantees are secured by first priority security interests in a variety of collateral.

This facility has customary representations and warranties including, as a condition to borrowing, that all such representations and warranties are true and correct, in all material respects, on the date of the borrowing, including representations as to no material adverse change in our financial condition since December 31, 2006. This facility also has customary defaults, including a cross-default to material indebtedness of Goodyear and our subsidiaries.

At September 30, 2011, we had \$200 million of borrowings and \$415 million of letters of credit issued under the revolving credit facility. At December 31, 2010, we had no borrowings and \$474 million of letters of credit issued under the revolving credit facility.

\$1.2 billion Amended and Restated Second Lien Term Loan Facility due 2014

Our obligations under this facility are guaranteed by most of our wholly-owned U.S. and Canadian subsidiaries and are secured by second priority security interests in the same collateral securing the \$1.5 billion first lien revolving

credit facility. At September 30, 2011 and December 31, 2010, this facility was fully drawn. This facility has customary defaults, including a cross-default to material indebtedness of Goodyear and our subsidiaries.

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€400 million Amended and Restated Senior Secured European Revolving Credit Facility due 2016

On April 20, 2011, we amended and restated our existing €505 million European revolving credit facility. Significant changes to that facility include the extension of the maturity to 2016, the reduction of the available commitments thereunder from €505 million to €400 million and a decrease of the commitment fee by 12.5 basis points to 50 basis points. Loans will bear interest at LIBOR plus 250 basis points for loans denominated in U.S. dollars or pounds sterling and EURIBOR plus 250 basis points for loans denominated in euros.

The facility consists of (i) a €100 million German tranche that is available only to Goodyear Dunlop Tires Germany GmbH (the “German borrower”) and (ii) a €300 million all-borrower tranche that is available to GDTE, the German borrower and certain of GDTE’s other subsidiaries. Up to €50 million in letters of credit are available for issuance under the all-borrower tranche.

GDTE and certain of its subsidiaries in the United Kingdom, Luxembourg, France and Germany provide guarantees to support the facility. GDTE’s obligations under the facility and the obligations of its subsidiaries under the related guarantees are secured by security interests in collateral that includes, subject to certain exceptions:

- the capital stock of the principal subsidiaries of GDTE; and
- a substantial portion of the tangible and intangible assets of GDTE and GDTE’s subsidiaries in the United Kingdom, Luxembourg, France and Germany, including certain accounts receivable, inventory, real property, equipment, contract rights and cash accounts, but excluding certain accounts receivable and cash accounts in subsidiaries that are or may become parties to securitization programs.

The German guarantors secure the German tranche on a first-lien basis and the all-borrower tranche on a second-lien basis. GDTE and its other subsidiaries that provide guarantees secure the all-borrower tranche on a first-lien basis and do not provide collateral support for the German tranche. The Company and its U.S. and Canadian subsidiaries that guarantee our U.S. senior secured credit facilities also provide unsecured guarantees in support of the facility.

The facility, which matures on April 20, 2016, contains covenants similar to those in our first lien revolving credit facility, with additional limitations applicable to GDTE and its subsidiaries. In addition, under the facility, GDTE’s ratio of Consolidated Net J.V. Indebtedness to Consolidated European J.V. EBITDA for a period of four consecutive fiscal quarters is not permitted to be greater than 3.0 to 1.0 at the end of any fiscal quarter. Consolidated Net J.V. Indebtedness is determined net of the sum of (1) cash and cash equivalents in excess of \$100 million held by GDTE and its subsidiaries, (2) cash and cash equivalents in excess of \$150 million held by the Company and its U.S. subsidiaries and (3) availability under our first lien revolving credit facility if available borrowings under our first lien revolving credit facility plus Available Cash (as defined thereunder) is equal to or greater than \$150 million and the conditions to borrowing thereunder are met. Consolidated Net J.V. Indebtedness also excludes loans from other consolidated Goodyear entities. “Consolidated Net J.V. Indebtedness” and “Consolidated European J.V. EBITDA” have the meanings given them in the facility.

The facility has customary representations and warranties including, as a condition to borrowing, that all such representations and warranties are true and correct, in all material respects, on the date of the borrowing, including representations as to no material adverse change in our financial condition since December 31, 2010. The facility also has customary defaults, including a cross-default to material indebtedness of Goodyear and our subsidiaries.

At September 30, 2011, there were \$134 million (€100 million) borrowings outstanding under the German tranche and \$390 million (€290 million) was outstanding under the all-borrower tranche. At December 31, 2010, there were no borrowings under the revolving credit facility. Letters of credit issued under the all-borrower tranche totaled \$8 million (€6 million) at September 30, 2011 and \$12 million (€9 million) at December 31, 2010.

International Accounts Receivable Securitization Facilities (On-Balance Sheet)

GDTE and certain of its subsidiaries are parties to a pan-European accounts receivable securitization facility that provides up to €450 million of funding and expires in 2015. Utilization under this facility is based on current available receivable balances. The facility is subject to customary annual renewal of back-up liquidity commitments.

The facility involves an ongoing daily sale of substantially all of the trade accounts receivable of certain GDTE subsidiaries to a bankruptcy-remote French company controlled by one of the liquidity banks in the facility. These subsidiaries retain servicing responsibilities. At September 30, 2011 and December 31, 2010, the amount available, and fully utilized under this program, totaled \$537 million (€400 million) and \$319 million (€238 million), respectively. The program did not qualify for sale accounting, and accordingly, these amounts are included in Long term debt and capital leases.

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In addition to the pan-European accounts receivable securitization facility discussed above, subsidiaries in Australia have an accounts receivable securitization program totaling \$70 million and \$72 million at September 30, 2011 and December 31, 2010, respectively. The receivables sold under this program also serve as collateral for the related facility. We retain the risk of loss related to these receivables in the event of non-payment. These amounts are included in Notes payable and overdrafts.

For a description of the collateral securing the facilities described above as well as the covenants applicable to them, refer to the Note to the Consolidated Financial Statements No. 12, Financing Arrangements and Derivative Financial Instruments, in our 2010 Form 10-K.

Other Foreign Credit Facilities

Our Chinese subsidiary has two financing agreements in China. At September 30, 2011, these non-revolving credit facilities had total unused availability of 1.3 billion renminbi (\$200 million) and can only be used to finance the relocation and expansion of our manufacturing facilities in China. The facilities contain covenants relating to our Chinese subsidiary and have customary representations and warranties and defaults relating to our Chinese subsidiary's ability to perform its obligations under the facilities. One of the facilities (with 1.1 billion renminbi of unused availability at September 30, 2011) matures in 2016 and principal amortization begins in 2013. There were \$198 million and \$99 million of borrowings outstanding under this facility at September 30, 2011 and December 31, 2010, respectively. The other facility (with 0.2 billion renminbi of unused availability at September 30, 2011) matures in 2018 and principal amortization begins in 2015. There were \$172 million and \$54 million of borrowings outstanding under this facility at September 30, 2011 and December 31, 2010, respectively. Restricted cash of \$16 million and \$8 million was related to funds obtained under these credit facilities at September 30, 2011 and December 31, 2010, respectively.

OTHER DOMESTIC DEBT

Global and North American Tire Headquarters

On April 13, 2011, we entered into agreements for the construction of a new Global and North American Tire Headquarters facility in Akron, Ohio. We concurrently entered into an agreement to occupy the facility under a 27-year lease, including the two-year construction period. Due to our continuing involvement with the financing during construction, we will record a non-cash increase to fixed assets and financing liabilities on our Consolidated Balance Sheet as costs are incurred during the construction period. The total cost of the project is expected to be \$160 million, of which approximately \$60 million will be funded by government financing and incentives. The total financing liability is expected to approximate \$100 million, of which \$19 million has been recorded in Long term debt and capital leases at September 30, 2011.

DERIVATIVE FINANCIAL INSTRUMENTS

We utilize derivative financial instrument contracts and nonderivative instruments to manage interest rate, foreign exchange and commodity price risks. We have established a control environment that includes policies and procedures for risk assessment and the approval, reporting and monitoring of derivative financial instrument activities. We do not hold or issue derivative financial instruments for trading purposes.

Foreign Currency Contracts

We will enter into foreign currency contracts in order to manage the impact of changes in foreign exchange rates on our consolidated results of operations and future foreign currency-denominated cash flows. These contracts reduce exposure to currency movements affecting existing foreign currency-denominated assets, liabilities, firm commitments and forecasted transactions resulting primarily from trade receivables and payables, equipment acquisitions, intercompany loans, royalty agreements and forecasted purchases and sales. Contracts hedging short term trade receivables and payables normally have no hedging designation.

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The following table presents fair values for foreign currency contracts not designated as hedging instruments:

(In millions)	September 30, 2011	December 31, 2010
Fair Values — asset (liability):		
Accounts receivable	\$47	\$25
Other assets	—	1
Other current liabilities	(8	) (15
Other long term liabilities	(1) —

At September 30, 2011 and December 31, 2010, these outstanding foreign currency derivatives had notional amounts of \$1,202 million and \$1,324 million, respectively, and were primarily related to intercompany loans. Other Expense included net transaction gains of \$54 million and \$15 million for the three and nine months ended September 30, 2011, respectively, compared to net transaction losses of \$63 million and gains of \$34 million for the three and nine months ended September 30, 2010, respectively, on foreign currency derivatives. These amounts were substantially offset in Other Expense by the effect of changing exchange rates on the underlying currency exposures.

The following table presents fair values for foreign currency contracts designated as cash flow hedging instruments:

(In millions)	September 30, 2011	December 31, 2010
Fair Values — asset (liability):		
Accounts receivable	\$7	\$—
Other current liabilities	—	(2

At September 30, 2011 and December 31, 2010, these outstanding foreign currency derivatives had notional amounts of \$185 million and \$75 million, respectively, and primarily related to intercompany transactions.

(In millions) (Income) Expense	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
Amounts deferred to Accumulated Other Comprehensive Loss ("AOCL")	\$(14) \$—	\$—	\$—
Amount of deferred loss reclassified from AOCL into CGS	7	—	9	—
Amounts excluded from effectiveness testing	2	—	2	—

The estimated net amount of the deferred gains on September 30, 2011 that is expected to be reclassified to earnings within the next twelve months is \$7 million.

The counterparties to our foreign currency contracts were considered by us to be substantial and creditworthy financial institutions that are recognized market makers at the time we entered into those contracts. We seek to control our credit exposure to these counterparties by diversifying across multiple counterparties, by setting counterparty credit limits based on long term credit ratings and other indicators of counterparty credit risk such as credit default swap spreads, and by monitoring the financial strength of these counterparties on a regular basis. We also enter into master netting agreements with counterparties when possible. By controlling and monitoring exposure to counterparties in this manner, we believe that we effectively manage the risk of loss due to nonperformance by a counterparty.

However, the inability of a counterparty to fulfill its contractual obligations to us could have a material adverse effect on our liquidity, financial position or results of operations in the period in which it occurs.

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NOTE 9. FAIR VALUE MEASUREMENTS

The following table presents information about assets and liabilities recorded at fair value on the Consolidated Balance Sheet at September 30, 2011 and December 31, 2010:

(In millions)	Total Carrying Value in the Consolidated Balance Sheet		Quoted Prices in Active Markets for Identical Assets/Liabilities				Significant Other Observable Inputs		Significant Unobservable Inputs	
			(Level 1)		(Level 2)		(Level 3)			
	2011	2010	2011	2010	2011	2010	2011	2010		
Assets:										
Investments	\$47	\$38	\$47	\$38	\$—	\$—	\$—	\$—		
Foreign Exchange Contracts	54	26	—	—	54	25	—	1		
Total Assets at Fair Value	\$101	\$64	\$47	\$38	\$54	\$25	\$—	\$1		
Liabilities:										
Foreign Exchange Contracts	\$9	\$17	\$—	\$—	\$8	\$17	\$1	\$—		
Total Liabilities at Fair Value	\$9	\$17	\$—	\$—	\$8	\$17	\$1	\$—		

Derivative financial instrument valuations classified as Level 3 included embedded currency derivatives in long-dated operating leases. The valuation of the embedded currency derivatives is based on an extrapolation of forward rates to the assumed expiration of the leases. Realized and unrealized gains and losses related to the embedded currency derivatives are included in Other Expense.

The following table presents supplemental fair value information about long term fixed rate and variable rate debt, excluding capital leases, at September 30, 2011 and December 31, 2010. The fair value was estimated using quoted market prices or discounted future cash flows.

(In millions)	September 30, 2011	December 31, 2010
Fixed Rate Debt:		
Carrying amount — liability	\$2,871	\$2,691
Fair value — liability	2,891	2,791
Variable Rate Debt:		
Carrying amount — liability	\$2,871	\$1,798
Fair value — liability	2,719	1,770

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NOTE 10. PENSION, SAVINGS AND OTHER POSTRETIREMENT BENEFIT PLANS

We provide employees with defined benefit pension or defined contribution savings plans.

Defined benefit pension cost follows:

	U.S. Three Months Ended September 30,		U.S. Nine Months Ended September 30,	
(In millions)	2011	2010	2011	2010
Service cost — benefits earned during the period	\$10	\$10	\$31	\$30
Interest cost on projected benefit obligation	71	74	212	222
Expected return on plan assets	(76	) (70	) (229	) (210
Amortization of: — prior service cost	5	8	17	23
— net losses	33	34	100	100
Net periodic pension cost	43	56	131	165
Curtailments/settlements/termination benefits	4	—	15	—
Total defined benefit pension cost	\$47	\$56	\$146	\$165
	Non-U.S.		Non-U.S.	
	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2011	2010	2011	2010
Service cost — benefits earned during the period	\$8	\$6	\$24	\$19
Interest cost on projected benefit obligation	37	36	113	108
Expected return on plan assets	(33	) (32	) (99	) (94
Amortization of: — prior service cost	1	—	2	1
— net losses	10	9	29	26
Net periodic pension cost	23	19	69	60
Curtailments/settlements/termination benefits	—	(2	) —	(1
Total defined benefit pension cost	\$23	\$17	\$69	\$59

During the three and nine months ended September 30, 2011, we recognized settlement charges of \$4 million and \$15 million, respectively, related to one of our U.S. pension plans. These settlement charges resulted from total lump sum payments through September 30, 2011 exceeding estimated annual service and interest cost for the plan.

We expect to contribute approximately \$225 million to \$250 million to our funded U.S. and non-U.S. pension plans in 2011. For the three and nine months ended September 30, 2011, we contributed \$8 million and \$26 million, respectively, to our non-U.S. plans and for the three and nine months ended September 30, 2011, we contributed \$92 million and \$143 million, respectively, to our U.S. plans.

The expense recognized for our contributions to defined contribution savings plans was \$24 million and \$23 million for the three months ended September 30, 2011 and 2010, respectively, and \$75 million and \$69 million for the nine months ended September 30, 2011 and 2010, respectively.

We provide certain U.S. employees and employees at certain non-U.S. subsidiaries with health care benefits or life insurance benefits upon retirement. Postretirement benefit cost for the three months ended September 30, 2011 and 2010 was \$2 million and \$2 million, respectively, and \$7 million and \$13 million, which includes a \$7 million adjustment in 2010 for participant data related to prior periods, for the nine months ended September 30, 2011 and 2010, respectively.

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NOTE 11. STOCK COMPENSATION PLANS

Our Board of Directors granted 1.6 million stock options and 0.1 million performance share units during the nine months ended September 30, 2011 under our 2008 Performance Plan. The 2008 Performance Plan will expire on April 8, 2018. The weighted average exercise price per share and weighted average fair value per share of the stock option grants during the nine months ended September 30, 2011 were \$13.99 and \$6.97, respectively. We estimated the fair value of the stock options using the following assumptions in our Black-Scholes model:

Expected term: 6.25 years

Interest rate: 2.43%

Volatility: 48.58%

Dividend yield: Nil

We measure the fair value of grants of performance share units based primarily on the closing market price of a share of our common stock on the date of the grant, modified as appropriate to take into account the features of such grants. The weighted average fair value per share was \$15.58 for grants made during the nine months ended September 30, 2011.

We recognized stock-based compensation (benefit) expense of \$(2) million and \$10 million during the three and nine months ended September 30, 2011, respectively. At September 30, 2011, unearned compensation cost related to the unvested portion of all stock-based awards was approximately \$24 million and is expected to be recognized over the remaining vesting period of the respective grants, through August 31, 2015. We recognized stock-based compensation expense of \$7 million and \$14 million during the three and nine months ended September 30, 2010, respectively.

NOTE 12. COMMITMENTS AND CONTINGENT LIABILITIES

Environmental Matters

We have recorded liabilities totaling \$47 million and \$44 million at September 30, 2011 and December 31, 2010, respectively, for anticipated costs related to various environmental matters, primarily the remediation of numerous waste disposal sites and certain properties sold by us. Of these amounts, \$11 million and \$12 million were included in Other Current Liabilities at September 30, 2011 and December 31, 2010, respectively. The costs include legal and consulting fees, site studies, the design and implementation of remediation plans, post-remediation monitoring and related activities, and will be paid over several years. The amount of our ultimate liability in respect of these matters may be affected by several uncertainties, primarily the ultimate cost of required remediation and the extent to which other responsible parties contribute. We have limited potential insurance coverage for future environmental claims.

Workers' Compensation

We have recorded liabilities, on a discounted basis, totaling \$310 million and \$291 million for anticipated costs related to workers' compensation at September 30, 2011 and December 31, 2010, respectively. Of these amounts, \$69 million and \$71 million were included in Current Liabilities as part of Compensation and Benefits at September 30, 2011 and December 31, 2010, respectively. The costs include an estimate of expected settlements on pending claims, defense costs and a provision for claims incurred but not reported. These estimates are based on our assessment of potential liability using an analysis of available information with respect to pending claims, historical experience, and current cost trends. The amount of our ultimate liability in respect of these matters may differ from these estimates. We periodically, and at least annually, update our loss development factors based on actuarial analyses. At September 30, 2011 and December 31, 2010, the liability was discounted using a risk-free rate of return.

General and Product Liability and Other Litigation

We have recorded liabilities totaling \$295 million and \$328 million, including related legal fees expected to be incurred, for potential product liability and other tort claims presently asserted against us at September 30, 2011 and December 31, 2010, respectively. Of these amounts, \$45 million and \$91 million were included in Other Current Liabilities at September 30, 2011 and December 31, 2010, respectively. The amounts recorded were estimated based

on an assessment of potential liability using an analysis of available information with respect to pending claims, historical experience and, where available, recent and current trends. The amount of our ultimate liability in respect of these matters may differ from these estimates. The decrease in the liability from December 31, 2010 was due primarily to payment in 2011 of an unfavorable judgment from 2010 and to favorable claim experience.

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Asbestos. We are a defendant in numerous lawsuits alleging various asbestos-related personal injuries purported to result from alleged exposure to certain asbestos products manufactured by us or present in certain of our facilities. Typically, these lawsuits have been brought against multiple defendants in state and Federal courts. To date, we have disposed of approximately 93,300 claims by defending and obtaining the dismissal thereof or by entering into a settlement. The sum of our accrued asbestos-related liability and gross payments to date, including legal costs, totaled approximately \$378 million through September 30, 2011 and \$365 million through December 31, 2010.

A summary of recent approximate asbestos claims activity follows. Because claims are often filed and disposed of by dismissal or settlement in large numbers, the amount and timing of settlements and the number of open claims during a particular period can fluctuate significantly. The passage of tort reform laws and creation of deferred dockets for non-malignancy claims in several states has contributed to a decline in the number of claims filed in recent years.

(Dollars in millions)	Nine Months Ended September 30, 2011	Year Ended December 31, 2010
Pending claims, beginning of period	83,700	90,200
New claims filed	1,700	1,700
Claims settled/dismissed	(2,600	) (8,200
Pending claims, end of period	82,800	83,700
Payments (1)	\$13	\$26

(1) Represents amount spent by us and our insurers on asbestos litigation defense and claim resolution.

We periodically, and at least annually, review our existing reserves for pending claims, including a reasonable estimate of the liability associated with unasserted asbestos claims, and estimate our receivables from probable insurance recoveries. We had recorded gross liabilities for both asserted and unasserted claims, inclusive of defense costs, totaling \$130 million and \$126 million at September 30, 2011 and December 31, 2010, respectively. At September 30, 2011, we estimate that it is reasonably possible that our gross liabilities, net of our estimate for probable insurance recoveries, could exceed our recorded amounts by approximately \$10 million.

We recorded a receivable related to asbestos claims of \$69 million and \$67 million as of September 30, 2011 and December 31, 2010, respectively. We expect that approximately 50% of asbestos claim related losses would be recoverable through insurance through the period covered by the estimated liability. Of these amounts, \$9 million and \$8 million were included in Current Assets as part of Accounts Receivable at September 30, 2011 and December 31, 2010, respectively. The recorded receivable consists of an amount we expect to collect under coverage-in-place agreements with certain primary carriers as well as an amount we believe is probable of recovery from certain of our excess coverage insurance carriers.

We believe that, at September 30, 2011, we had approximately \$170 million in aggregate limits of excess level policies potentially applicable to indemnity payments for asbestos products claims, in addition to limits of available primary insurance policies. Some of these excess policies provide for payment of defense costs in addition to indemnity limits. A portion of the availability of the excess level policies is included in the \$69 million insurance receivable recorded at September 30, 2011. We also had approximately \$14 million in aggregate limits for products claims, as well as coverage for premise claims on a per occurrence basis, and defense costs available with our primary insurance carriers through coverage-in-place agreements at September 30, 2011.

With respect to both asserted and unasserted claims, it is reasonably possible that we may incur a material amount of cost in excess of the current reserve, however, such amounts cannot be reasonably estimated. Coverage under

insurance policies is subject to varying characteristics of asbestos claims including, but not limited to, the type of claim (premise vs. product exposure), alleged date of first exposure to our products or premises and disease alleged. Depending upon the nature of these characteristics, as well as the resolution of certain legal issues, some portion of the insurance may not be accessible by us.

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Other Actions. We are currently a party to various claims and legal proceedings in addition to those noted above. If management believes that a loss arising from these matters is probable and can reasonably be estimated, we record the amount of the loss, or the minimum estimated liability when the loss is estimated using a range, and no point within the range is more probable than another. As additional information becomes available, any potential liability related to these matters is assessed and the estimates are revised, if necessary. Based on currently available information, management believes that the ultimate outcome of these matters, individually and in the aggregate, will not have a material adverse effect on our financial position or overall trends in results of operations. However, litigation is subject to inherent uncertainties, and unfavorable rulings could occur. An unfavorable ruling could include monetary damages or an injunction prohibiting us from selling one or more products. If an unfavorable ruling were to occur, there exists the possibility of a material adverse impact on the financial position and results of operations of the period in which the ruling occurs, or in future periods.

Income Tax and Other Tax Matters

The calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax regulations. We recognize liabilities for anticipated tax audit issues based on our estimate of whether, and the extent to which, additional taxes will be due. If we ultimately determine that payment of these amounts is unnecessary, we reverse the liability and recognize a tax benefit during the period in which we determine that the liability is no longer necessary. We also recognize tax benefits to the extent that it is more likely than not that our positions will be sustained when challenged by the taxing authorities. We derecognize tax benefits when based on new information we determine that it is no longer more likely than not that our position will be sustained. To the extent we prevail in matters for which liabilities have been established, or determine we need to derecognize tax benefits recorded in prior periods, or we are required to pay amounts in excess of our liabilities, our effective tax rate in a given period could be materially affected. An unfavorable tax settlement would require use of our cash, and result in an increase in our effective tax rate in the period of resolution. A favorable tax settlement would be recognized as a reduction in our effective tax rate in the period of resolution.

In September 2011, the State of Sao Paulo, Brazil issued an assessment to us for allegedly improperly taking tax credits for value-added taxes paid to a supplier of natural rubber during the period from January 2006 to August 2008. The assessment, including interest and penalties, totals 92 million Brazilian real (approximately \$50 million). We received similar assessments from the State of Sao Paulo, Brazil in December 2010 for allegedly improperly taking tax credits for value-added taxes paid to other suppliers of natural rubber during the period from January 2006 to October 2009. These assessments, including interest and penalties, totaled 88 million Brazilian real (approximately \$47 million). We have filed responses contesting all of the assessments and are defending these matters. In the event we are unsuccessful in defending one or more of these assessments, our results of operations could be materially affected.

Guarantees

We have off-balance sheet financial guarantees written and other commitments totaling approximately \$117 million at September 30, 2011, compared to \$26 million at December 31, 2010. The increase primarily relates to our obligations in connection with the financing of the construction of our new Global and North American Tire Headquarters facility. In addition, we will from time to time issue guarantees to financial institutions or other entities on behalf of certain of our affiliates, lessors or customers. Normally there is no separate premium received by us as consideration for the issuance of guarantees. We also generally do not require collateral in connection with the issuance of these guarantees. If our performance under these guarantees is triggered by non-payment or another specified event, we would be obligated to make payment to the financial institution or the other entity, and would typically have recourse to the affiliate, lessor or customer. The guarantees expire at various times through 2023. We are unable to estimate the extent to which our affiliates', lessors' or customers' assets would be adequate to recover any payments made by us under the related guarantees.

NOTE 13. MANDATORY CONVERTIBLE PREFERRED STOCK

On March 31, 2011, we issued 10,000,000 shares of our 5.875% mandatory convertible preferred stock, without par value and with an initial liquidation preference of \$50.00 per share, at a price of \$50.00 per share. Quarterly dividends on each share of the mandatory convertible preferred stock will accrue at a rate of 5.875% per year on the initial liquidation preference of \$50.00 per share. Dividends will accrue and accumulate from the date of issuance and, to the extent that we are legally permitted to pay a dividend and the Board of Directors declares a dividend payable, we will pay dividends in cash on January 1, April 1, July 1 and October 1 of each year, commencing on July 1, 2011 and ending on April 1, 2014. The mandatory convertible preferred stock ranks senior to our common stock with respect to distribution rights in the event of any liquidation, winding-up or dissolution of the Company.

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Unless converted earlier, each share of the mandatory convertible preferred stock will automatically convert on April 1, 2014 into between 2.7454 and 3.4317 shares of common stock, depending on the market value of our common stock for the 20 consecutive trading day period ending on the third trading day prior to April 1, 2014, subject to customary anti-dilution adjustments. At any time prior to April 1, 2014, holders may elect to convert shares of the mandatory convertible preferred stock at the minimum conversion rate of 2.7454 shares of common stock, subject to customary anti-dilution adjustments. If certain fundamental changes involving the Company occur, holders of the mandatory convertible preferred stock may convert their shares into a number of shares of common stock at the fundamental change conversion rate described in our Amended Articles of Incorporation. If the Company at any time has not paid the equivalent of six full quarterly dividends on the mandatory convertible preferred stock, the Company may, at its option, cause all, but not less than all, outstanding shares of the mandatory convertible preferred stock to be automatically converted into a number of shares of our common stock based on the fundamental change conversion rate.

Upon conversion, we will pay converting holders all accrued and unpaid dividends, whether or not previously declared, on the converted shares and, in the case of a conversion upon a fundamental change or a conversion following nonpayment of dividends, the present value of the remaining dividend payments on the converted shares. Except as required by law or as specifically set forth in our Amended Articles of Incorporation, the holders of the mandatory convertible preferred stock have no voting rights.

So long as any of the mandatory convertible preferred stock is outstanding, no dividend, except a dividend payable in shares of our common stock, or other shares ranking junior to the mandatory convertible preferred stock, may be paid or declared or any distribution be made on shares of the common stock unless all accrued and unpaid dividends on the then outstanding mandatory convertible preferred stock payable on all dividend payment dates occurring on or prior to the date of such action have been declared and paid or funds sufficient therefor set apart.

In the second quarter of 2011, the Company's Board of Directors declared cash dividends of \$7 million that were paid in the third quarter of 2011.

On August 2, 2011, the Company's Board of Directors declared cash dividends of \$0.7344 per share of mandatory convertible preferred stock or \$7 million in the aggregate. The dividend was paid on October 3, 2011 to stockholders of record as of the close of business of September 15, 2011.

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NOTE 14. CHANGES IN SHAREHOLDERS' EQUITY

The following tables present the changes in shareholders' equity for the nine months ended September 30, 2011 and 2010:

(In millions)	September 30, 2011			September 30, 2010		
	Goodyear Shareholders' Equity	Minority Shareholders' Equity – Nonredeemable	Total Shareholders' Equity	Goodyear Shareholders' Equity	Minority Shareholders' Equity – Nonredeemable	Total Shareholders' Equity
Balance at beginning of period	\$644	\$ 277	\$921	\$735	\$ 251	\$986
Comprehensive income (loss):						
Net income (loss)	318	38	356	(39	) 19	(20)
Foreign currency translation (net of tax of \$0 in 2011 and \$1 in 2010)	(103	) (20	) (123	) 48	8	56
Amortization of prior service cost and unrecognized gains and losses included in total benefit cost (net of tax of \$2 in 2011 and \$19 in 2010)	122	—	122	106	—	106
Increase in net actuarial losses (net of tax of \$1 in 2011 and \$1 in 2010)	(1	) —	(1	) (12	) —	(12)
Immediate recognition of prior service cost and unrecognized gains and losses due to curtailments, settlements, and divestitures (net of tax of \$1 in 2011 and \$0 in 2010)	17	—	17	1	—	1
Deferred derivative loss (net of tax of \$0 in 2011 and \$0 in 2010)	—	—	—	—	—	—
Reclassification adjustment for amounts recognized in income (net of tax of \$0 in 2011 and \$0 in 2010)	8	—	8	—	—	—
Unrealized investment gains (net of tax of \$0 in 2011 and \$0 in 2010)	8	—	8	3	—	3
Other comprehensive income (loss)	51	(20	) 31	146	8	154
	369	18	387	107	27	134

Total comprehensive income (loss)						
Dividends declared to minority shareholders	—	(20	) (20	) —	(10	) (10
Stock-based compensation plans (Note 11)	10	—	10	8	—	8
Preferred stock issued, net of expenses	484	—	484	—	—	—
Preferred stock dividends declared	(15	) —	(15) —	—	—
Common stock issued from treasury	7	—	7	—	—	—
Other	—	1	1	9	—	9
Balance at end of period	\$ 1,499	\$ 276	\$ 1,775	\$ 859	\$ 268	\$ 1,127

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The following table presents changes in Minority Equity presented outside of Shareholders' Equity:

(In millions)	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2011	2010	2011	2010
Balance at beginning of period	\$638	\$527	\$584	\$593
Comprehensive income (loss):				
Net income	24	1	35	22
Foreign currency translation, net of tax of \$0 and \$0 in 2011 (\$0 and \$0 in 2010)	(41	) 61	2	(28
Amortization of prior service cost and unrecognized gains and losses included in total benefit cost, net of tax of \$0 and \$0 in 2011 (\$0 and \$0 in 2010)		2	3	4
Decrease in net actuarial losses, net of tax of \$0 and \$0 in 2011 (\$0 and \$0 in 2010)	—	1	1	1
Deferred derivative gain, net of tax of \$0 and \$0 in 2011 (\$0 and \$0 in 2010)	3	—	—	—
Reclassification adjustment for amounts recognized in income, net of tax of \$0 and \$0 in 2011 (\$0 and \$0 in 2010)	1	—	1	—
Total comprehensive income (loss)	(12	) 65	42	(1
Balance at end of period	\$626	\$592	\$626	\$592

NOTE 15. CONSOLIDATING FINANCIAL INFORMATION

Certain of our subsidiaries have guaranteed our obligations under the \$650 million outstanding principal amount of 10.5% senior notes due 2016, the \$1.0 billion outstanding principal amount of 8.25% senior notes due 2020, and the \$282 million outstanding principal amount of 8.75% notes due 2020 (collectively, the "notes"). The following presents the condensed consolidating financial information separately for:

- (i) The Goodyear Tire & Rubber Company (the "Parent Company"), the issuer of the guaranteed obligations;
- (ii) Guarantor subsidiaries, on a combined basis, as specified in the indentures related to Goodyear's obligations under the notes;
- (iii) Non-guarantor subsidiaries, on a combined basis;
- (iv) Consolidating entries and eliminations representing adjustments to (a) eliminate intercompany transactions between or among the Parent Company, the guarantor subsidiaries and the non-guarantor subsidiaries, (b) eliminate the investments in our subsidiaries, and (c) record consolidating entries; and
- (v) The Goodyear Tire & Rubber Company and Subsidiaries on a consolidated basis.

Each guarantor subsidiary is 100% owned by the Parent Company at the date of each balance sheet presented. The notes are fully and unconditionally guaranteed on a joint and several basis by each guarantor subsidiary. The guarantees of the guarantor subsidiaries are subject to release in limited circumstances only upon the occurrence of certain customary conditions. Each entity in the consolidating financial information follows the same accounting policies as described in the consolidated financial statements, except for the use by the Parent Company and guarantor subsidiaries of the equity method of accounting to reflect ownership interests in subsidiaries which are eliminated upon consolidation. Intercompany cash advances and loans made primarily for the purpose of short-term operating

needs are included in cash flows from operating activities. Intercompany transactions reported as investing or financing activities include the sale of the capital stock of various subsidiaries and other capital transactions between members of the consolidated group.

Certain non-guarantor subsidiaries of the Parent Company are restricted from remitting funds to it by means of dividends, advances or loans due to required foreign government and/or currency exchange board approvals or restrictions in credit agreements or other debt instruments of those subsidiaries.

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(In millions)	Consolidating Balance Sheet September 30, 2011				
	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Entries and Eliminations	Consolidated
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$576	\$60	\$ 1,490	\$—	\$2,126
Accounts Receivable	1,078	271	2,659	—	4,008
Accounts Receivable From Affiliates	—	505	118	(623)	—
Inventories	1,798	216	2,135	(112)	4,037
Prepaid Expenses and Other Current Assets	60	4	266	11	341
Total Current Assets	3,512	1,056	6,668	(724)	10,512
Goodwill	—	24	471	175	670
Intangible Assets	109	1	47	—	157
Deferred Income Taxes	—	1	55	(1)	55
Other Assets	233	46	193	—	472
Investments in Subsidiaries	4,091	342	4,335	(8,768)	—
Property, Plant and Equipment	2,096	161	3,971	35	6,263
Total Assets	\$10,041	\$1,631	\$ 15,740	\$(9,283)	\$18,129
Liabilities:					
Current Liabilities:					
Accounts Payable-Trade	\$860	\$200	\$ 2,311	\$—	\$3,371
Accounts Payable to Affiliates	623	—	—	(623)	—
Compensation and Benefits	426	32	363	—	821
Other Current Liabilities	341	32	734	(4)	1,103
Notes Payable and Overdrafts	—	—	312	—	312
Long Term Debt and Capital Leases Due Within One Year	8	—	204	—	212
Total Current Liabilities	2,258	264	3,924	(627)	5,819
Long Term Debt and Capital Leases	3,463	—	2,096	—	5,559
Compensation and Benefits	2,153	184	889	—	3,226
Deferred and Other Noncurrent Income Taxes	32	3	200	7	242
Other Long Term Liabilities	636	31	215	—	882
Total Liabilities	8,542	482	7,324	(620)	15,728
Commitments and Contingent Liabilities					
Minority Shareholders' Equity	—	—	415	211	626
Shareholders' Equity:					
Goodyear Shareholders' Equity:					
Preferred Stock	500	—	—	—	500
Common Stock	244	333	5,029	(5,362)	244
Capital Surplus	2,805	37	1,025	(1,062)	2,805
Retained Earnings	1,169	1,229	2,878	(4,107)	1,169
Accumulated Other Comprehensive Loss	(3,219)	(450)	(1,207)	1,657	