GOODYEAR TIRE & RUBBER CO /OH/
Form 10-Q
April 26, 2013

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 March 31, 2013
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 Incorporation or Organization)	(I.R.S. Employer Identification No.)
200 Innovation Way, Akron, Ohio	44316-0001
(Address of Principal Executive Offices)	(Zip Code)

(330) 796-2121
(Registrant’s Telephone Number, Including Area Code)
1144 East Market Street, Akron, Ohio 44316-0001
(Registrant's former address)
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 þ No o
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 þ No o
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 filerþ	Accelerated filero	Non-accelerated filero (Do not check if a smaller reporting company)	Smaller reporting companyo

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes o No þ
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 March 31, 2013:	245,690,730

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

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

	Three Months Ended March 31,	
(In millions, except per share amounts)	2013	2012
Net Sales	$4,853	$5,533
Cost of Goods Sold	3,940	4,607
Selling, Administrative and General Expense	645	662
Rationalizations (Note 2)	7	15
Interest Expense	85	101
Other Expense (Note 3)	126	92
Income before Income Taxes	50	56
United States and Foreign Taxes (Note 4)	19	48
Net Income	31	8
Less: Minority Shareholders' Net Income (Loss)	(2)	12
Goodyear Net Income (Loss)	33	(4)
Less: Preferred Stock Dividends	7	7
Goodyear Net Income (Loss) available to Common Shareholders	$26	$(11)
Goodyear Net Income (Loss) available to Common Shareholders — Per Share of Common Stock		
Basic	$0.10	$(0.05)
Weighted Average Shares Outstanding (Note 5)	245	244
Diluted	$0.10	$(0.05)
Weighted Average Shares Outstanding (Note 5)	248	244

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

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

	Three Months Ended March 31,	
(In millions)	2013	2012
Net Income	$31	$8
Other Comprehensive Income:		
Foreign currency translation, net of tax of $0 in 2013 ($0 in 2012)	(57)	103
Reclassification adjustment for amounts recognized in income, net of tax of $0 in 2013 ($0 in 2012)	1	—
Defined benefit plans:		
Amortization of prior service cost and unrecognized gains and losses included in total benefit cost, net of tax of $4 in 2013 ($2 in 2012)	61	55
Decrease (increase) in net actuarial losses, net of tax of $0 in 2013 ($0 in 2012)	97	(2)
Deferred derivative gains (losses), net of tax of $0 in 2013 ($0 in 2012)	4	(8)
Reclassification adjustment for amounts recognized in income, net of tax of $0 in 2013 ($0 in 2012)	—	(1)
Unrealized investment gains, net of tax of $0 in 2013 ($0 in 2012)	17	5
Other Comprehensive Income	123	152
Comprehensive Income	154	160
Less: Comprehensive Income (Loss) Attributable to Minority Shareholders	(15)	40
Goodyear Comprehensive Income	$169	$120

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)	March 31, 2013	December 31, 2012
Assets:		
Current Assets:		
Cash and Cash Equivalents	$2,386	$2,281
Accounts Receivable, less Allowance — $96 ($99 in 2012)	3,021	2,563
Inventories:		
Raw Materials	668	743
Work in Process	179	169
Finished Products	2,321	2,338
	3,168	3,250
Prepaid Expenses and Other Current Assets	467	404
Total Current Assets	9,042	8,498
Goodwill	647	664
Intangible Assets	139	140
Deferred Income Taxes	195	186
Other Assets	534	529
Property, Plant and Equipment, less Accumulated Depreciation — $9,004 ($8,991 in 2012)	6,901	6,956
Total Assets	$17,458	$16,973
Liabilities:		
Current Liabilities:		
Accounts Payable-Trade	$3,218	$3,223
Compensation and Benefits (Notes 9 and 10)	687	719
Other Current Liabilities	1,156	1,182
Notes Payable and Overdrafts (Note 7)	107	102
Long Term Debt and Capital Leases due Within One Year (Note 7)	167	96
Total Current Liabilities	5,335	5,322
Long Term Debt and Capital Leases (Note 7)	6,307	4,888
Compensation and Benefits (Notes 9 and 10)	3,239	4,340
Deferred and Other Noncurrent Income Taxes	261	264
Other Long Term Liabilities	1,014	1,000
Total Liabilities	16,156	15,814
Commitments and Contingent Liabilities (Note 11)		
Minority Shareholders' Equity (Note 1)	515	534
Shareholders' Equity:		
Goodyear Shareholders' Equity:		
Preferred Stock, no par value: (Note 12)		
Authorized, 50 million shares, Outstanding shares — 10 million (10 million in 2012), liquidation preference $50 per share	500	500
Common Stock, no par value:		
	246	245

Authorized, 450 million shares, Outstanding shares — 246 million (245 million in 2012) after deducting 5 million treasury shares (6 million in 2012)		
Capital Surplus	2,818	2,815
Retained Earnings	1,396	1,370
Accumulated Other Comprehensive Loss	(4,424)	(4,560)
Goodyear Shareholders' Equity	536	370
Minority Shareholders' Equity — Nonredeemable	251	255
Total Shareholders' Equity	787	625
Total Liabilities and Shareholders' Equity	$17,458	$16,973

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)	Three Months Ended March 31, 2013	2012
Cash Flows from Operating Activities:		
Net Income	$31	$8
Adjustments to reconcile net income to cash flows from operating activities:		
Depreciation and amortization	177	170
Amortization and write-off of debt issuance costs	5	33
Net rationalization charges (Note 2)	7	15
Rationalization payments	(24)	(31)
Net (gains) losses on asset sales (Note 3)	2	(4)
Pension contributions and direct payments	(908)	(114)
Venezuela currency devaluation (Note 3)	115	—
Customer prepayments and government grants	29	38
Insurance proceeds	17	25
Changes in operating assets and liabilities, net of asset acquisitions and dispositions:		
Accounts receivable	(500)	(635)
Inventories	31	(48)
Accounts payable — trade	134	(84)
Compensation and benefits	(23)	(19)
Other current liabilities	(4)	(20)
Other assets and liabilities	(26)	(88)
Total Cash Flows from Operating Activities	(937)	(754)
Cash Flows from Investing Activities:		
Capital expenditures	(271)	(276)
Asset dispositions (Note 3)	5	—
Government grants received	4	—
Increase in restricted cash	(23)	(21)
Other transactions	2	2
Total Cash Flows from Investing Activities	(283)	(295)
Cash Flows from Financing Activities:		
Short term debt and overdrafts incurred	30	57
Short term debt and overdrafts paid	(24)	(31)
Long term debt incurred	1,558	1,107
Long term debt paid	(78)	(783)
Common stock issued	2	—
Preferred stock dividends paid (Note 12)	(7)	(7)
Transactions with minority interests in subsidiaries	(4)	(3)
Debt related costs and other transactions	(15)	(14)
Total Cash Flows from Financing Activities	1,462	326
Effect of exchange rate changes on cash and cash equivalents	(137)	34
Net Change in Cash and Cash Equivalents	105	(689)
Cash and Cash Equivalents at Beginning of the Period	2,281	2,772
Cash and Cash Equivalents at End of the Period	$2,386	$2,083

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

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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 a regulations and generally accepted accounting principles in the United States of America ("US GAAP") 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 US GAAP 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, 2012 (the “2012 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, a bankruptcy of Goodyear, or other circumstances. Accordingly, we have reported the minority equity in those subsidiaries outside of shareholders’ equity.

Operating results for the three months ended March 31, 2013 are not necessarily indicative of the results expected in subsequent quarters or for the year ending December 31, 2013.

Recently Issued Accounting Standards

In March 2013, the Financial Accounting Standards Board ("FASB") issued an accounting standards update providing guidance with respect to the release of cumulative translation adjustments into net income when a parent sells either a part or all of its investment in a foreign entity. The update also requires the release of cumulative translation adjustments when a company no longer holds a controlling financial interest in a subsidiary or group of assets that is a business within a foreign entity, and provides guidance for the acquisition in stages of a controlling interest in a foreign entity. The standards update is effective for fiscal years beginning after December 15, 2013, with early adoption permitted. The adoption of this standards update will not have a material impact on our consolidated financial statements.

In February 2013, the FASB issued an accounting standards update requiring an entity to record obligations resulting from joint and several liability arrangements for which the total amount of the obligation is fixed at the reporting date. The standards update is effective for fiscal years beginning after December 15, 2013, with early adoption permitted. The adoption of this standards update will not have a material impact on our consolidated financial statements.

In July 2012, the FASB issued an accounting standards update with new guidance on annual impairment testing of indefinite-lived intangible assets. 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 an indefinite-lived intangible asset 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 an indefinite-lived intangible asset 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 impairment tests performed for fiscal years beginning after September 15, 2012, with early adoption permitted. We assess goodwill and intangible assets with indefinite useful lives for impairment annually as of July 31. The adoption of this standards update will not have an impact on our consolidated financial statements.

Recently Adopted Accounting Standards

Effective January 1, 2013, we adopted an accounting standards update with new guidance on the presentation of reclassifications from accumulated other comprehensive loss to net income. This standard requires an entity to present reclassifications from accumulated other comprehensive loss to net income either on the face of the statements or in the notes to the consolidated financial statements. Accordingly, we have presented such reclassifications in Note 14,

Reclassifications Out Of Accumulated Other Comprehensive Loss, to the consolidated financial statements.
Effective January 1, 2013, we adopted accounting standards updates with new guidance on disclosures related to financial instruments and derivative instruments that are either offset by or subject to an enforceable master netting arrangement or similar agreement and have expanded our disclosure to discuss amounts eligible for offsetting under our master netting agreements.

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

Reclassifications and Adjustments
Certain items previously reported in specific financial statement captions have been reclassified to conform to the current presentation. In the first quarter of 2012, we recorded an out of period adjustment of $13 million of additional interest expense to correct capitalized interest recorded in prior periods.

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 associate headcount. The net rationalization charges included in Income before Income Taxes are as follows:

	Three Months Ended March 31,	
(In millions)	2013	2012
New charges	$10	$16
Reversals	(3)	(1)
	$7	$15

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

(In millions)	Associate-Related Costs	Other Costs	Total
Balance at December 31, 2012	$229	$23	$252
2013 Charges	3	7	10
Incurred	(24)	(7)	(31)
Reversed to the statements of operations	(3)	—	(3)
Balance at March 31, 2013	$205	$23	$228

During the first quarter of 2013, net rationalization charges of $7 million were recorded. New charges of $10 million related to plans initiated in prior years and consisted of $3 million of associate severance and other related costs and $7 million of other exit and non-cancelable lease costs. Substantially all of the new charges relate to future cash outflows. The net charges in 2013 also included the reversal of $3 million of charges for actions no longer needed for their originally intended purposes. Approximately 100 associates have been released during the quarter ended March 31, 2013. In total, approximately 1,700 associates remain to be released under prior year rationalization plans, including approximately 1,200 associates related to the announced plan to exit the farm tire business and close one of our facilities in Amiens, France.
In the first quarter of 2013, $24 million was incurred for associate severance and other related payments and $7 million was incurred for other exit and non-cancelable lease costs. Foreign currency translation of $6 million, also reducing the reserve balance, was included in incurred associate-related costs.
The accrual balance of $228 million at March 31, 2013 consists of $205 million for associate severance costs that are expected to be substantially utilized within the next 12 months and $23 million primarily for other exit and non-cancelable lease costs. At March 31, 2013, $166 million of the accrual balance relates to plans associated with the announced closure of one of our facilities in Amiens, France.
Accelerated depreciation charges of $5 million were recorded in cost of goods sold ("CGS") in the first quarter of 2013 related primarily to property and equipment in one of our facilities in Amiens, France.

During the first quarter of 2012, net rationalization charges of $15 million were recorded. New charges of $16 million were comprised of $7 million for plans initiated in 2012, consisting of associate severance costs, and $9 million for plans initiated in prior years, consisting of $1 million of associate severance costs and $8 million of other exit and non-cancelable lease costs, primarily related to the July 2011 closure of our Union City, Tennessee manufacturing facility. Substantially all of these charges related to future cash outflows. The net charges in 2012 also included the reversal of $1 million of charges for actions no longer needed for their originally intended purposes.

THE GOODYEAR TIRE & RUBBER COMPANY AND SUBSIDIARIES
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(Unaudited)

Accelerated depreciation charges of $2 million were recorded in CGS in the first quarter of 2012, and were primarily related to property and equipment in our Dalian, China manufacturing facility.

NOTE 3. OTHER EXPENSE

	Three Months Ended March 31,	
(In millions) (Income) Expense	2013	2012
Net foreign currency exchange losses	$123	$11
Financing fees and financial instruments	13	95
Royalty income	(10)	(9)
Interest income	(5)	(4)
General and product liability — discontinued products	3	2
Net losses (gains) on asset sales	2	(4)
Miscellaneous	—	1
	$126	$92

Net foreign currency exchange losses were $123 million in the first quarter of 2013, compared to $11 million in the first quarter of 2012. Losses in 2013 included a net loss of $115 million resulting from the devaluation of the Venezuelan bolivar fuerte against the U.S. dollar. Effective February 13, 2013, Venezuela's official exchange rate changed from 4.3 to 6.3 bolivares fuertes to the U.S. dollar for substantially all goods. Foreign currency exchange also reflects net gains and losses resulting from the effect of exchange rate changes on various foreign currency transactions worldwide.

The $115 million remeasurement loss on bolivar-denominated net monetary assets and liabilities, including deferred taxes, was primarily related to cash deposits in Venezuela that were remeasured at the official exchange rate of 6.3 bolivares fuertes per U.S. dollar. We also recorded a one-time subsidy receivable of $13 million related to certain U.S. dollar-denominated payables that are expected to be settled at the official subsidy exchange rate of 4.3 bolivares fuertes per U.S. dollar applicable to certain import purchases prior to the devaluation date. A portion of this subsidy will reduce cost of goods sold in future periods when the related inventory is sold.

Financing fees were $13 million in the first three months of 2013, compared to $95 million in the first three months of 2012. Financing fees in the first three months of 2012 included $86 million related to the redemption of $650 million in aggregate principal amount of our outstanding 10.5% senior notes due 2016, of which $59 million related to cash premiums paid on the redemption and $27 million related to the write-off of deferred financing fees and unamortized discount. Financing fees and financial instruments also include the amortization of deferred financing fees, commitment fees and other charges incurred in connection with financing transactions.

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

General and product liability — discontinued products includes charges for claims against us related primarily to asbestos personal injury claims, net of probable insurance recoveries.

NOTE 4. INCOME TAXES

In the first quarter of 2013, we recorded tax expense of $19 million on income before income taxes of $50 million. Income tax expense was favorably impacted by $12 million due primarily to recently enacted tax law changes.

In the first quarter of 2012, we recorded tax expense of $48 million on income before income taxes of $56 million. Income tax expense was unfavorably impacted by $3 million due primarily to the settlement of prior tax years.

We record taxes based on overall estimated annual effective tax rates. In addition to the discrete items noted above, the difference between our effective tax rate and the U.S. statutory rate was primarily attributable to continuing to maintain a full valuation allowance against our net Federal, State and certain foreign jurisdictions' deferred tax assets.

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

At January 1, 2013, we had unrecognized tax benefits of $82 million that if recognized, would have a favorable impact on our tax expense of $70 million. We had accrued interest of $20 million as of January 1, 2013. If not favorably settled, $24 million of the unrecognized tax benefits and all of the accrued interest would require the use of our cash. It is reasonably possible that our total amount of unrecognized tax benefits may change during the next 12 months. However, we do not expect these changes to have a significant impact on our financial position or results of operations.
Generally, years from 2006 onward are still open to examination by foreign taxing authorities, including in Germany. In the United States, we are open to examination for 2012.

NOTE 5. EARNINGS (LOSS) PER SHARE
Basic earnings (loss) 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 (loss) per common share are calculated as follows:

	Three Months Ended March 31,	
(In millions, except per share amounts)	2013	2012
Earnings (loss) per share — basic:		
Goodyear net income (loss)	$33	$(4)
Less: Preferred stock dividends	7	7
Goodyear net income (loss) available to common shareholders	$26	$(11)
Weighted average shares outstanding	245	244
Earnings (loss) per common share — basic	$0.10	$(0.05)
Earnings (loss) per share — diluted:		
Goodyear net income (loss)	$33	$(4)
Less: Preferred stock dividends	7	7
Goodyear net income (loss) available to common shareholders	$26	$(11)
Weighted average shares outstanding	245	244
Dilutive effect of stock options and other dilutive securities	3	—
Weighted average shares outstanding — diluted	248	244
Earnings (loss) per common share — diluted	$0.10	$(0.05)

Weighted average shares outstanding - diluted for the three months ended March 31, 2013 and 2012 excludes the effect of approximately 34 million equivalent shares related to the mandatory convertible preferred stock as their inclusion would have been anti-dilutive. In addition, Goodyear net income used to compute earnings per common share - diluted for the three months ended March 31, 2013 and 2012 is reduced by $7 million of preferred stock dividends since the inclusion of the related shares of preferred stock would have been anti-dilutive.

Additionally, weighted average shares outstanding - diluted for the three months ended March 31, 2013 and 2012 excludes approximately 7 million and 11 million equivalent shares, respectively, 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 for the three months ended March 31, 2012 excludes approximately 3 million equivalent shares 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.

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

NOTE 6. BUSINESS SEGMENTS

	Three Months Ended March 31,	
(In millions)	2013	2012
Sales:		
North American Tire	$2,166	$2,497
Europe, Middle East and Africa Tire	1,607	1,938
Latin American Tire	513	521
Asia Pacific Tire	567	577
Net Sales	$4,853	$5,533
Segment Operating Income:		
North American Tire	$127	$80
Europe, Middle East and Africa Tire	31	90
Latin American Tire	60	55
Asia Pacific Tire	84	67
Total Segment Operating Income	302	292
Less:		
Rationalizations	7	15
Interest expense	85	101
Other expense	126	92
Asset write-offs and accelerated depreciation	5	2
Corporate incentive compensation plans	10	7
Intercompany profit elimination	3	10
Retained expenses of divested operations	4	4
Other	12	5
Income before Income Taxes	$50	$56

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

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

	Three Months Ended March 31,	
(In millions)	2013	2012
Rationalizations:		
North American Tire	$2	$6
Europe, Middle East and Africa Tire	3	5
Latin American Tire	—	2
Asia Pacific Tire	2	2
Total Segment Rationalizations	7	15
Net (Gains) Losses on Asset Sales:		
North American Tire	$1	$(2)
Europe, Middle East and Africa Tire	2	(1)
Latin American Tire	(1)	—
Total Segment Asset Sales	2	(3)
Corporate	—	(1)
	$2	$(4)
Asset Write-offs and Accelerated Depreciation:		
Europe, Middle East and Africa Tire	$5	$—
Asia Pacific Tire	—	2
Total Segment Asset Write-offs and Accelerated Depreciation	$5	$2

NOTE 7. FINANCING ARRANGEMENTS AND DERIVATIVE FINANCIAL INSTRUMENTS

At March 31, 2013, we had total credit arrangements of $9,204 million, of which $2,289 million were unused. At that date, 38% of our debt was at variable interest rates averaging 5.46%.

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

At March 31, 2013, we had short term committed and uncommitted credit arrangements totaling $527 million, of which $420 million were unused. These arrangements are available primarily to certain of our international subsidiaries through various banks at quoted market interest rates.

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

The following table presents amounts due within one year:

(In millions)	March 31, 2013		December 31, 2012	
Notes payable and overdrafts	$107		$102	
Weighted average interest rate	4.24	%	4.29	%
Long term debt and capital leases due within one year				
Other domestic and international debt (including capital leases)				