2025

FIRST-HALF FINANCIAL REPORT

MICHELIN

CONTENTS


01

CHAPTER 01

2025 FIRST-HALF BUSINESS REVIEW

1.1 MARKET REVIEW

In the first half of 2025, the Group's markets held firm overall, but performances varied considerably between regions and business segments.

The Passenger car and Light truck tire and the Truck tire markets (excluding China) expanded slightly, rising by 2% and 1% respectively compared to the first half of 2024. The persistent decline in Original Equipment demand was offset by a more resilient performance in the Replacement segment, with demand driven in some regions by strong inflows of imported tires.

The Specialty tire market continued to be affected by significant declines in Original Equipment sales in the Agricultural, Materials Handling and Infrastructure segments. However, these downtrends contrasted with robust growth in the Mining and Aerospace segments.

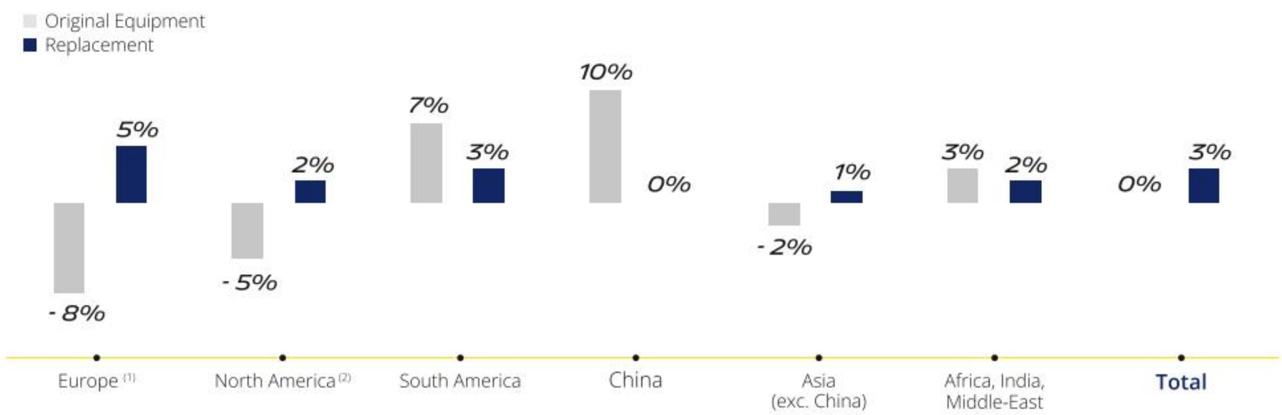
Despite the many economic uncertainties, the Polymer Composite Solutions market was generally resilient in the first six months of 2025, after experiencing a slowdown in 2024.

Methodological note: Tire market estimates reflect sell-in data published by local tiremaker associations (sales of manufacturers to dealers and vehicle manufacturers), plus Michelin's own estimates of sales by tire manufacturers that do not belong to any association. These estimates are based primarily on import-export statistics and are expressed in the number of tires sold. They are regularly adjusted and may be updated following their initial publication.

1.1.1 PASSENGER CAR, LIGHT TRUCK AND TWO-WHEEL TIRE MARKETS

The global Original Equipment and Replacement **Passenger car and Light truck** tire market grew by 2% overall in the first half of 2025, with a 3% gain in Replacement sales and a 0% stability in the OE segment.

THE GLOBAL PASSENGER CAR AND LIGHT TRUCK TIRE MARKET, 2025 VS. 2024



(1) Including Turkey.
(2) Including Central America.
Michelin estimates.

1.1.1 a) Passenger car and Light truck tires – Original Equipment

In the **Original Equipment** segment, global demand varied by region but ended the period flat overall year-on-year (0% growth). Demand fell sharply in Europe and North America, where the many economic and regulatory uncertainties dampened consumer purchasing power and spending. By contrast, demand was very strong in China, supported by a program of government incentives for the purchase of new vehicles and by growing exports of cars.

Passenger car and Light truck tire markets Original Equipment *(in millions of tires)*	**First-half 2025**	**First-half 2024**	**First-half 2025/2024**	**Second-quarter 2025/2024**	**First-quarter 2025/2024**
Europe[1]	37.8	41.3	-8%	-5%	-11%
North America[2]	36.5	38.6	-5%	-5%	-6%
South America	7.0	6.6	+7%	+9%	+4%
China	66.1	60.3	+10%	+7%	+13%
Asia (excl. China)	34.5	35.3	-2%	-4%	-1%
Africa/India/Middle East	19.3	18.7	+3%	+4%	+2%
TOTAL	**201.3**	**200.8**	**0%**	**0%**	**0%**

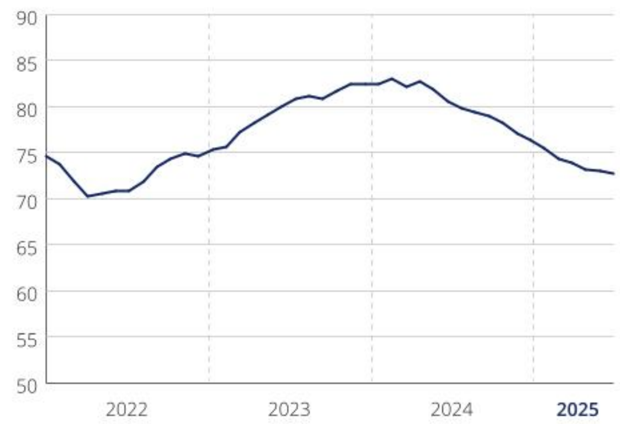
(1) Including Turkey.
(2) Including Central America.
Michelin estimates.

Although the **European market** contracted by 8% over the first half, the rate of decline eased from 11% in the first quarter to 5% in the second. New vehicle sales were affected by the erosion of purchasing power and regulatory uncertainties, which led consumers to postpone their purchasing decisions.

In **North America** too, the market contracted sharply, with 5% declines recorded in both the first and the second quarters. The turbulence generated by the threat of high tariffs weighed heavily on manufacturers' activity in first-half 2025. In addition, the transition to electric or hybrid vehicles slowed during the period.

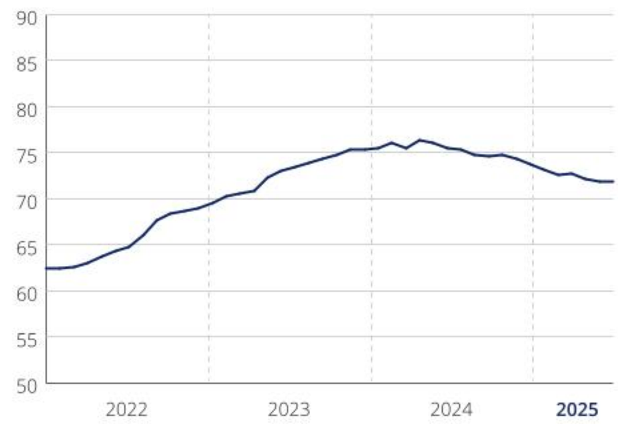
In **China**, demand grew by 10% as consumers took advantage of the government incentives for the purchase of new vehicles introduced in 2024, although the take-up rate slowed in the second quarter. Exports of new vehicles also remained buoyant. Half of all sales in first-half 2025 were of electric or hybrid vehicles, confirming China's clear lead in the transition to new-energy cars.

THE OE PASSENGER CAR AND LIGHT TRUCK MARKET
IN EUROPE
(in millions of tires – moving 12 months)



Michelin estimates.

THE OE PASSENGER CAR AND LIGHT TRUCK MARKET
IN NORTH AMERICA
(in millions of tires – moving 12 months)



Michelin estimates.

1.1.1 b) Passenger car and Light truck tires – Replacement

Global demand for **Replacement** tires climbed by 3% year-on-year. While domestic demand in China was relatively sluggish in the first half, other markets were resilient with some of them affected by high imports of low-cost tires.

Passenger car and Light truck tire markets Replacement *(in millions of tires)*	First-half 2025	First-half 2024	First-half 2025/2024	Second-quarter 2025/2024	First-quarter 2025/2024
Europe[1]	205.6	195.5	+5%	0%	+10%
North America[2]	156.5	154.1	+2%	+2%	+1%
South America	42.3	41.2	+3%	+3%	+3%
China	82.3	82.5	0%	+1%	-1%
Asia (excl. China)	67.2	66.7	+1%	+1%	0%
Africa/India/Middle East	57.3	56.0	+2%	+2%	+2%
TOTAL	**611.2**	**596.0**	**+3%**	**+1%**	**+4%**

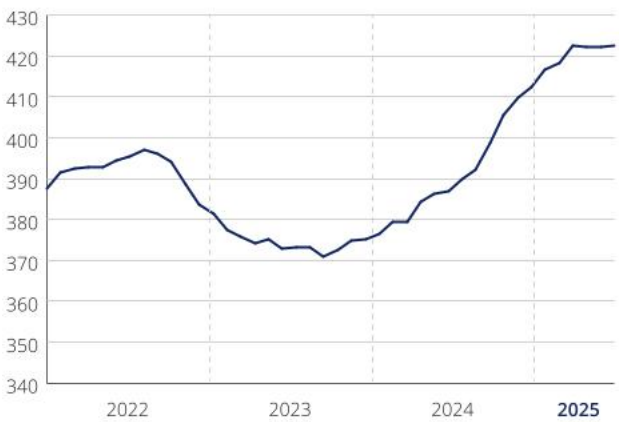
(1) Including Turkey.
(2) Including Central America.
Michelin estimates.

Sell-in demand in **Europe** rose by 5% over the first half of the year, This momentum was largely attributable to the ripple effect of the Original Equipment market's relative weakness and to increased tire imports from Asia, in an uncertain regulatory environment. In addition, the first quarter benefited from solid demand for Winter tires.

The **North American** sell-in market gained 2% year-on-year. Demand was driven primarily by the non-pool import market, against a backdrop of extreme uncertainty since the end of 2024 about future US customs tariffs.

In **China**, the market was stable in first-half 2025 (0% growth) in a gloomy economic environment, reflecting weak domestic demand.

THE REPLACEMENT PASSENGER CAR AND LIGHT TRUCK TIRE MARKET IN EUROPE
(in millions of tires – moving 12 months)



Michelin estimates.

THE REPLACEMENT PASSENGER CAR AND LIGHT TRUCK TIRE MARKET IN NORTH AMERICA
(in millions of tires – moving 12 months)

Michelin estimates.

1.1.1 c) Two-wheel tires

Demand in the Motorcycle tire segment grew in the first six months of 2025, led by strong momentum in China and Europe. Overall, the pace of growth was in line with the rebound that began last year, following the major crisis in the sector in 2023.

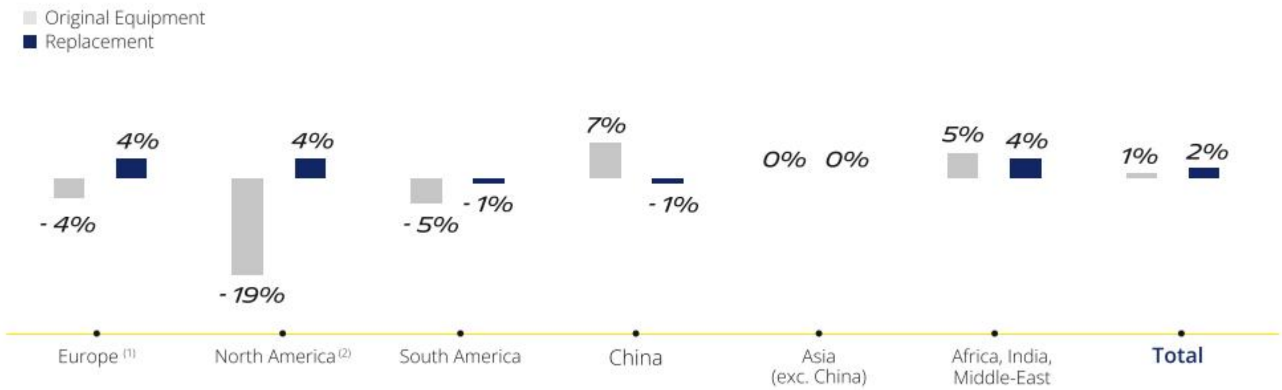
The Bicycle tire market remained fragile, due in part to the financial difficulties experienced by many manufacturers who entered the market after the Covid health crisis and are now faced with the problem of industry overcapacity.

1.1.2 TRUCK TIRE MARKETS

The worldwide **Truck** tire sell-in market (excluding China) grew by 1% compared with first-half 2024.

In China, where the Group's presence is negligible, demand increased by 2% over the period overall, including a 7% rise in the OE segment (led by exports) and a 1% decline in the Replacement segment.

THE GLOBAL TRUCK TIRE MARKET, 2025 VS. 2024



(1) Including Turkey.
(2) Including Central America.
Michelin estimates – new tire market only.

1.1.2 a) Original Equipment

In Original Equipment, the **global market excluding China** contracted by 5% over first-half 2025. The European and North American markets both declined, but with contrasting trends.

Truck tire markets Original Equipment *(in millions of tires)*	**First-half 2025**	**First-half 2024**	**First-half 2025/2024**	**Second-quarter 2025/2024**	**First-quarter 2025/2024**
Europe[1]	3.1	3.3	-4%	+4%	-12%
North America[2]	2.6	3.1	-19%	-23%	-14%
South America	1.1	1.1	-5%	-8%	-1%
Asia (excl. China)	2.1	2.1	0%	0%	0%
Africa/India/Middle East	3.2	3.0	+5%	+9%	+2%
TOTAL (EXCL. CHINA)	**12.1**	**12.7**	**-5%**	**-3%**	**-6%**
China	11.7	10.9	+7%	+7%	+7%
TOTAL	**23.8**	**23.6**	**+1%**	**+1%**	**0%**

(1) Including Turkey.
(2) Including Central America.
Michelin estimates.

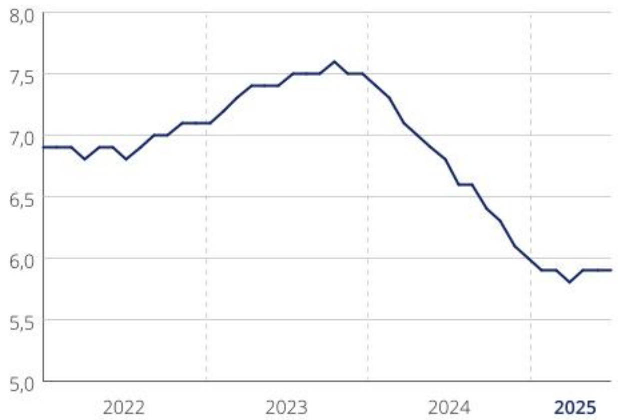
Sell-in demand in **Europe** fell by 4% compared with first-half 2024. The trend observed in the latter part of 2024 continued in the first quarter of 2025, bringing demand back to normal levels. Second-quarter demand was up on the year-earlier period, which represented a low basis of comparison.

In **North and Central America**, the market contracted sharply (down 19%) and unlike Europe, the downtrend deepened sequentially between the first and second quarters. Numerous political uncertainties (including the possible easing of environmental regulations) and economic uncertainties (customs duties, risks of inflation and/or recession) made fleet managers reluctant to invest in new vehicles for the time being.

Demand in **South America** fell by 5% year-on-year. In Brazil, local manufacturers were affected by the combined impact of an economic situation damaged by high interest rates and the sharp devaluation of the real, and weaker demand for trailers.

THE OE TRUCK TIRE MARKET IN EUROPE

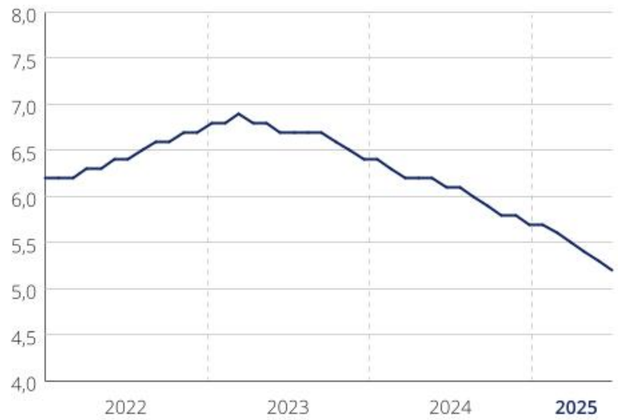
(in millions of new tires – moving 12 months)



Michelin estimates.

THE OE TRUCK TIRE MARKET IN NORTH AMERICA

(in millions of new tires – moving 12 months)



Michelin estimates.

1.1.2 b) Replacement

The **global Replacement** sell-in market (excluding China) grew by 2% over the first half of the year.

Truck tire markets Replacement *(in millions of tires)*	First-half 2025	First-half 2024	First-half 2025/2024	Second-quarter 2025/2024	First-quarter 2025/2024
Europe(1)	12.6	12.1	+4%	+4%	+4%
North America(2)	16.8	16.2	+4%	+9%	-2%
South America	8.4	8.4	-1%	-5%	+4%
Asia (excl. China)	9.9	9.9	0%	0%	0%
Africa/India/Middle East	15.5	14.9	+4%	+5%	+2%
TOTAL (EXCL. CHINA)	**63.1**	**61.6**	**+2%**	**+4%**	**+1%**
China	18.8	19.1	-1%	-3%	+1%
TOTAL	**82.0**	**80.7**	**+2%**	**+2%**	**+1%**

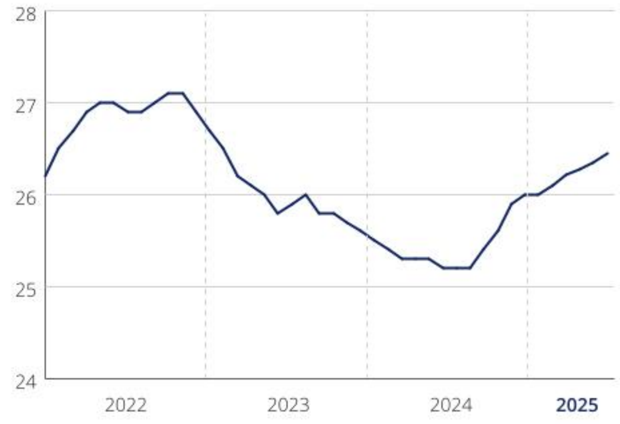
(1) Including Turkey.
(2) Including Central America.
Michelin estimates.

Sell-in demand in **Europe** climbed by 4% compared with first-half 2024. While transport activity was stable overall compared with the year-earlier period, rises in demand mainly reflected increases in Asian tire imports boosted by the strong euro, competitive shipping costs and the anticipation of forthcoming anti-dumping measures against some Chinese manufacturers.

In **North America**, the market was also up by 4%. Here too, the flow of imports in the first half of the year was boosted by the uncertainty regarding tariffs, albeit with a better balance between pool and non-pool volumes (with non-pool imports set against a fairly high prior-period basis of comparison).

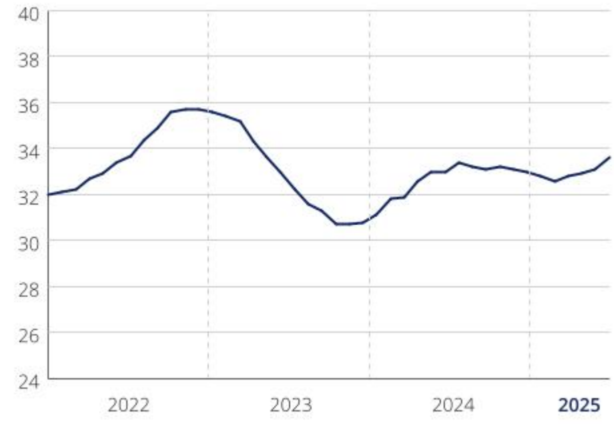
In **South America**, demand was down by just 1% overall, but with a marked slowdown in the second quarter. While the Argentine market staged a strong recovery, thanks in particular to the door being left wide open to imports, the economic situation in Brazil eroded the region's overall rate of growth.

THE REPLACEMENT TRUCK TIRE MARKET IN EUROPE
(in millions of new tires – moving 12 months)



Michelin estimates.

THE REPLACEMENT TRUCK TIRE MARKET IN NORTH AMERICA
(in millions of new tires – moving 12 months)



Michelin estimates.

1.1.3 SPECIALTY TIRE AND POLYMER COMPOSITE SOLUTIONS MARKETS

***Specialty tires*:**

Demand for **Mining tires** is expected to remain robust over the long term, thanks to ever-increasing ore mining needs to support the energy transition and technological advances. Against this backdrop, the market grew slightly in first-half 2025, with mine operators maintaining tire inventories at near-normal levels.

Demand for **Beyond-Road tires** was evenly balanced between the Original Equipment and Replacement channels, which delivered contrasting performances in the first half of 2025.

All Original Equipment markets declined during the period, although the trend slowed in the second quarter. Concerning Agricultural tires, many farmers had renewed their equipment in recent years and were able to postpone their investment decisions in what is still an uncertain period, especially in North America. The Construction market was also affected by persistently low consumer confidence levels, although here too second-quarter demand held out the promise of an improvement over the rest of the year.

Replacement demand in all three segments was stable overall compared with first-half 2024. European demand was resilient in all markets, while in North America, demand for Infrastructure and Materials Handling tires contracted slightly but Agricultural tire sales were boosted by government incentives.

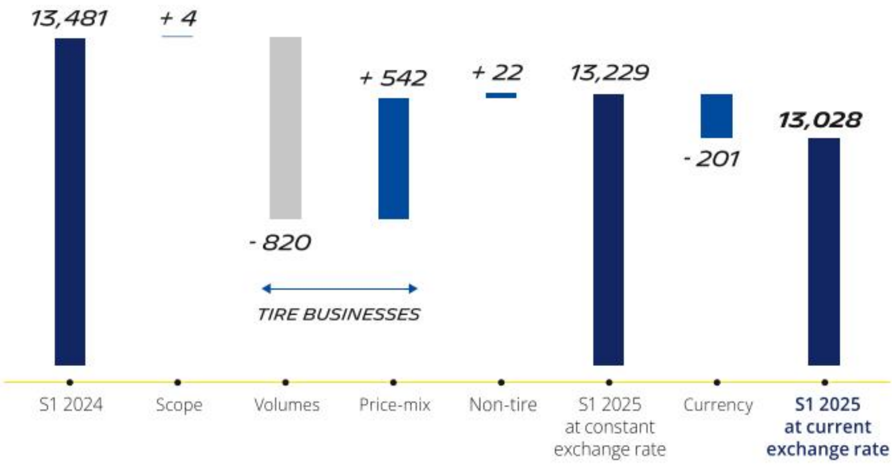
In the **Aircraft tires segment,** despite the delivery difficulties experienced by aircraft manufacturers, the commercial aviation market continued to grow. This favorable trend was driven by increases in passenger traffic, which prompted airlines to expand their fleets, in some cases such as in India to a significant extent.

***Polymer Composite Solutions*:**

Fundamentals in the **conveyor belt** market closely track mining industry demand over the long term and are structurally sound. In the short term, while business indicators are still resilient, particularly in the United States, the many economic and geopolitical uncertainties are weighing on mine operators' investment decisions. Demand for service activities, which play a critical role in maintaining and optimizing mining facilities, is continuing to trend upwards.

In the other **Polymer Composite Solutions** markets – seals, belts, fabrics and technical films for a variety of market verticals – global demand was stable overall, but varied from one segment to another. The General industry segment was fairly resilient in first-half 2025, while the Aerospace and Marine segments experienced occasional difficulties which should gradually ease in the second half.

1.2 SALES



Sales totaled €13,028 million in the first six months of 2025, a decrease of 3.4% from the €13,481 million reported for the same period in 2024.

The decline was attributable to the net impact of the following factors:

- a 6.1% fall in tire volumes, mainly as a result of the significant slowdown in Original Equipment sales across all three segments;
- a 4.0% increase from the favorable price-mix effect, reflecting the €285 million positive price impact of applying contractual indexation clauses and local price adjustments in 2024 and early 2025, the €257 million positive mix effect of the shift towards high value-added products such as 18-inch and larger Passenger car tires, and the positive change in market mix in favor of the Replacement segment, which was more resilient than the Original Equipment segment;
- growth in non-tire sales, led mainly by the Lifestyle and Connected Solutions businesses, which maintained their momentum;
- a significant 1.5% negative currency effect, primarily reflecting the depreciation of most currencies against the euro, especially from the US dollar in the second quarter and the Brazilian real;
- the minor impact of changes in scope of consolidation, with no material transactions taking place during the period.

(in € millions and %)	First-half 2025	Second-quarter 2025	First-quarter 2025
SALES	**13,028**	**6,513**	**6,515**
Change, year-on-year	**-453**	**-326**	**-127**
Volumes	-820	-334	-486
Price-mix	+542	+222	+320
Currency effect	-201	-244	+43
Changes in scope of consolidation	+4	+3	+1
Non-tire sales	+22	+27	-5
Change, year-on-year	**-3.4%**	**-4.8%**	**-1.9%**
Volumes	-6.1%	-4.9%	-7.3%
Price-mix	+4.0%	+3.3%	+4.8%
Currency effect	-1.5%	-3.6%	+0.7%
Changes in scope of consolidation	0.0%	0.0%	0.0%
Non-tire sales	+0.2%	+0.4%	-0.1%

1.2.1 SALES BY REPORTING SEGMENT

Segment information is presented according to the following three operating segments:

- Automotive, Two-wheel and related distribution;
- Road transportation and related distribution;
- Specialty businesses and related distribution.

The Specialty businesses include the Mining, Beyond-road and Aircraft tire activities, as well as the Polymer Composite Solutions business. The Connected Solutions businesses are included for the most part in the "Road transportation and related distribution" segment.

Operating segment performance is measured primarily on the basis of sales and segment operating income, according to the same measurement principles used in the consolidated income statement.

(in € millions)	First-half 2025	Second-quarter 2025	First-quarter 2025
GROUP	**13,028**	**6,513**	**6,515**
Change, year-on-year	**-453**	**-326**	**-127**
Automotive, Two-wheel and related distribution	7,112	3,553	3,559
Road transportation and related distribution	3,007	1,478	1,529
Specialty businesses and related distribution	2,909	1,482	1,427
Change, year-on-year	**-3.4%**	**-4.8%**	**-1.9%**
Automotive and related distribution	-0.5%	-2.2%	+1.2%
Road transportation and related distribution	-7.0%	-10.3%	-3.5%
Specialty businesses and related distribution	-6.1%	-4.9%	-7.3%

1.2.1 a) Automotive, Two-wheel and related distribution – Analysis of sales

Sales in the Automotive, Two-wheel and related distribution segment dipped 0.5% to €7,112 million in the first half of 2025, from €7,151 million in the prior-year period.

Volumes sold over the period were down 2.5%; however, the steeper decline in the Original Equipment segment versus Replacement sales had a favorable impact on the market mix.

The mix was also improved by sales growth in value-accretive segments, such as 18-inch and larger tires.

Prices had a strongly positive impact, reflecting uplifts from the application of contractual indexation clauses in the Original Equipment segment, and favorable price adjustments in the Replacement segment.

Exchange rate movements had a negative impact on segment sales.

Original Equipment sales volumes fell sharply over the first half in all regions except China.

In a still very hesitant market unsettled by regulatory changes and uncertainties surrounding customs tariffs, sales were further dampened by an unfavorable shift in the customer mix, due to automakers in the Group's biggest customer category being hit by the greatest falls in demand.

Sales increased in China, helped by the program of incentives to boost new vehicle sales introduced by the government in the fall of 2024.

The Group is however pursuing its targeted strategy, with a priority focus on manufacturers who value the overall performance of its products.

Sales in the **Replacement** segment were also down on first-half 2024, explained as follows:

- MICHELIN brand sales volumes were stable, attesting to the strength of the business model and the relevance of the products' premium positioning;
- the drop in overall sales volumes was due to the Tier 2 and Tier 3 regional brands, which were more severely affected by increased imports from Asia and, more circumstantially, by an adjustment in the market access in the United States.

The resulting build-up of some distributors' imported tire inventories may depress premium brand sell-in volumes during the winter.

The Group is continuing to roll out its strategy prioritizing the MICHELIN brand and 18-inch and larger tire sizes. This strategy led to a four-point increase in their contribution to total sales in first-half 2025 versus the year-earlier period, now reaching 68%. In the 19-inch and larger segment, sales growth was in the double digits in first-half 2025.

In **Europe,** volumes were down overall, with the Original Equipment segment registering the steepest fall.

The segment continued to be affected by the difficulties experienced by some European automakers, as well as by regulatory uncertainties which discouraged consumers from changing their vehicles for the time being.

In the Replacement segment, volumes declined against a backdrop of sharply higher Asian imports, although sales of 18-inch and larger MICHELIN-brand tires increased over the period.

In **North America,** Original Equipment volumes were down significantly, reflecting the adverse effect on automakers' sales of consumers' more limited purchasing power, exacerbated by uncertainties surrounding customs tariffs.

In the Replacement segment, sales volumes increased and the Group boosted its share of the premium tire market. The first half also benefited from the strong sales momentum enjoyed by BF GOODRICH-brand tires in the Off-Road segment, led by the new KO3 tire launched in 2024.

In **China,** sales increased in a market driven by the program of incentives to boost new vehicle sales introduced by the government in the fall of 2024. In addition, the Group won additional market share in the electric vehicle segment fervently targeted by Chinese automakers.

In the Replacement segment, the modest net decline in sales volumes over the first-half of 2025 masked a negative first quarter, followed by a rebound in the second. The Group continued to support the market's move up the value chain, by significantly increasing volumes sold in the 18-inch and larger segment.

In **South America,** in a Replacement market shaped by a relative slowdown in low-cost tire imports, the Group recorded strong volume growth accompanied by market share gains in the premium segment.

In **Southeast Asia**, the Group increased its sales of MICHELIN-brand tires in a stable Replacement market compared with first-half 2024, helped by strong growth in the 18-inch and larger segment. However, this increase failed to offset the sharp drop in volumes for regional brands, following the Group's decision to stop selling the Tier 3 Corsa brand in the region.

The resulting favorable change in product mix was accompanied by an equally favorable market mix effect, due to Original Equipment sales declining faster than Replacement sales.

MICHELIN-brand tire sales also increased in the **Africa/India/ Middle East** region compared with first-half 2024, as the Group maintained its strategic focus on the most value-accretive products and sales regions.

Two-wheel tires: in the Motorcycle tire market, Group sales were stable over the first half of 2025. Business was particularly brisk in Europe, buoyed by favorable weather conditions, and in China, where the Group strengthened its positions in a commuting segment that is rapidly moving upmarket. In South America, however, sales declined in the face of large-scale budget tire imports, with temporary difficulties at the Group's Brazilian plant in meeting demand representing an aggravating factor.

In a Bicycle tire market still disrupted by the financial difficulties of many players in the value chain, the Group increased its share of the mature markets of Europe and North America.

Michelin Lifestyle continued to enjoy strong growth momentum, primarily in the fine dining, hospitality and travel markets. Michelin Lifestyle remains a powerful vehicle for promoting the MICHELIN brand and its premium positioning.

1.2.1 b) Road transportation and related distribution – Analysis of sales

Sales in the Road transportation and related distribution segment declined by 7.0% in the first half of 2025, to €3,007 million from €3,232 million in the year-earlier period.

The overall market environment was unfavorable in first-half 2025, with sharply lower Original Equipment demand in Europe and North America, and Replacement sales volumes eroded by Asian tire imports, particularly in the Americas due to uncertainties surrounding customs tariffs.

Against this backdrop, sales volumes fell by 9.3% over the half-year; however, the impact was offset by:

- a favorable mix effect due to the weakness of Original Equipment sales versus Replacement sales;
- a similarly favorable price effect, reflecting the impact of the contractual indexation clauses applied on January 1, 2025 and the price increases negotiated for OEM contracts in 2024.

The currency effect was negative, reflecting the segment's greater exposure to the US dollar and the Brazilian real.

Original Equipment sales volumes fell sharply in a rapidly declining market. The Group responded to these market conditions by working closely with automakers to leverage its technological leadership.

In a slightly expanded **Replacement** market erratically impacted by Asian tire imports, the Group defended its market share in the most profitable segments. Overall volumes were stable over the first-half, with increased new tire sales offsetting lower retread sales. Connected Solutions services continued to be rolled out under the Michelin Connected Mobility brand, supported by improved operating performance.

In **Europe**, volumes sold declined as expected in the Original Equipment segment Trends in the Replacement segment were mixed: the Group increased the market share of its premium MICHELIN-brand tires in Southern Europe (France, Spain, Italy) and Central Europe, while the economic slowdown had a greater impact on Northern European countries.

In **North America,** Original Equipment sales fell sharply in a very unpredictable market environment. In the Replacement segment, growth in new tire volumes was offset by a sharp decline in retread sales in the face of strong competition from Asian imports.

In **South America,** volumes sold grew steadily against a backdrop of falling imports from Asia, with weak Original Equipment sales to trailer manufacturers more than offset by buoyant Replacement sales.

In **Asia (excluding China) and in the Africa/India/Middle East region**, the Group pursued its strategy of targeting market segments that appreciate MICHELIN solutions for their technological content.

1.2.1 c) Specialty businesses and related distribution – Analysis of sales

Sales in the Specialty businesses fell by 6.1% over the period, to €2,909 million from €3,098 million in first-half 2024.

Given the segment's high exposure to the US dollar, exchange rate fluctuations had a negative impact on sales, particularly in the second quarter.

Mining tires: in a structurally buoyant ore market supported by growing demand for metals, first-half 2025 sales volumes were up sharply versus the year-earlier period's high basis of comparison, after a second half of 2024 adversely affected by non-recurring factors. Momentum increased during the half-year, with a stable first quarter followed by a strong second quarter.

Beyond-road tires:

Within the **Agricultural tire** segment, sales volumes in the highly cyclical Original Equipment market were broadly aligned with bottom-of-the-cycle market trends, with volumes around 30% lower than in the first half of 2024. In Replacement tires, the Group held onto its market share in a stable European market, while sales volumes were down in the slightly narrower North American market.

In the **Infrastructure tires** segment – a core focus of the Group's strategic ambitions – market share gains were recorded in the Original Equipment markets which were stable in the first half. In Replacement tires, sales volumes declined overall in the North American market, in the face of severe competition from Asian imports, while sales in Europe increased on the back of market share gains.

In the **Materials Handling tires** segment, Original Equipment sales volumes contracted sharply but the Group held onto its market shares. Group sales of Replacement tires also declined, although sales of MICHELIN-brand tires increased.

Aircraft tires: in an air transport sector that maintained its growth momentum, Group sales volumes increased in all three market segments – commercial aviation, business aviation and military aviation – over the first half.

Polymer Composite Solutions sales were stable overall in the first half, with growth in the second quarter offsetting a decline in the first quarter. The market's long-term fundamentals remained favorable, but the business continued to be exposed to a number of cyclical macro-economic factors.

The seals and belts business enjoyed sustained growth, while the conveyors business stabilized after a year of significant inventory drawdowns in 2024.

Sales of composite fabrics and films grew slightly over the first half, helped by demand in the industrial and energy markets, and by the positive impact of prior-period price increases in the marine market.

1.2.2 CHANGES IN EXCHANGE RATES FOR THE MAIN OPERATING CURRENCIES

At current exchange rates, consolidated sales ended the period down 3.4%.

This reported decline includes the 1.5% (€201 million) negative impact of the decrease against the euro in a large number of currencies over the period.

Average exchange rate	First-half 2025	First-half 2024	Change
Euro/USD	1,092	1,082	+0,9%
Euro/CNY	7,924	7,805	+1,5%
Euro/BRL	6,292	5,487	+14,7%
Euro/GBP	0,842	0,855	-1,5%
Euro/CAD	1,540	1,469	+4,8%
Euro/AUD	1,723	1,642	+4,9%
Euro/JPY	162,063	164,226	-1,3%
Euro/THB	36,623	39,108	-6,4%
Euro/MXN	21,806	18,483	+18,0%
Euro/CLP	1042,960	1015,890	+2,7%

First-half 2025 sales by currency were as follows:

Currency	%	Currency	%
USD	38.8%	AUD	2.9%
EUR	31.7%	JPY	1.3%
CNY	6.0%	CLP	1.2%
BRL	3.7%	THB	1.1%
GBP	3.0%	MXN	0.8%
CAD	3.0%	Other	6.5%
TOTAL			**100%**

1.2.3 SALES BY REGION

(in € millions)	First-half 2025	First-half 2024	First-half 2025/2024
GROUP	**13,028**	**13,481**	**-3.4%**
Europe	4,675	4,786	**-2.3%**
of which France	*1,232*	*1,227*	*+0.4%*
North America (incl. Mexico)	4,927	5,239	*-5.9%*
Other regions	3,426	3,456	*-0.9%*

(in € millions)	First-half 2025	% of total	First-half 2024	% of total
GROUP	**13,028**		**13,481**	
Europe	4,675	35.9%	4,786	35.5%
of which France	*1,232*	*9.5%*	*1,227*	*9.1%*
North America (incl. Mexico)	4,927	37.8%	5,239	38.9%
Other regions	3,426	26.3%	3,456	25.6%

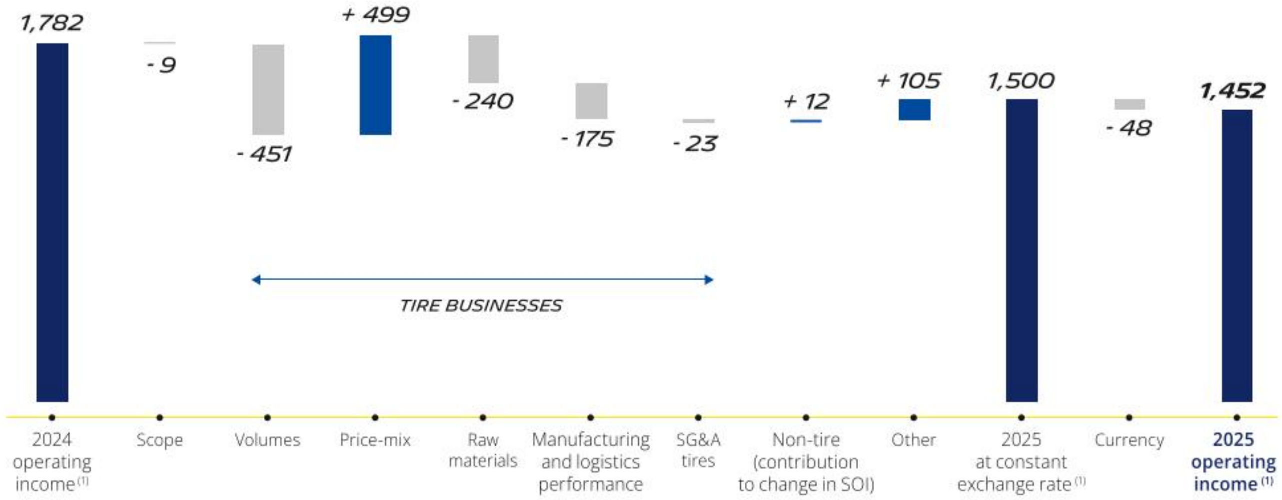
Around 65% of consolidated sales were generated outside Europe and more than 90% outside France.

1.3 CONSOLIDATED INCOME STATEMENT REVIEW

(in € millions, except per share data)	First-half 2025	First-half 2024	First-half 2025/2024	First-half 2025 (as a % of sales)	First-half 2024 (as a % of sales)
Sales	**13,028**	**13,481**	**-3.4%**		
Cost of sales	(9,358)	(9,444)	-0.9%	71.8%	70.1%
Gross income	**3,670**	**4,037**	**-9.1%**	**28.2%**	**29.9%**
Sales and marketing expenses	(577)	(594)	-2.9%	4.4%	4.4%
Research and development expenses	(396)	(385)	+3.0%	3.0%	2.9%
General and administrative expenses	(1,215)	(1,244)	-2.3%	9.3%	9.2%
Segment other income and expenses	(30)	(32)	-7.5%	0.2%	0.2%
Segment operating income	**1,452**	**1,782**	**-18.5%**	**11.1%**	**13.2%**
Other operating income and expenses	(251)	(211)	**+19.2%**	1.9%	1.6%
Operating income	**1,200**	**1,571**	**-23.6%**	**9.2%**	**11.7%**
Cost of net debt	(74)	(10)	+636.4%	0.6%	0.1%
Other financial income and expenses	23	4	+465.9%	0.2%	0.0%
Net interest on employee benefit obligations	(50)	(44)	+13.5%	0.4%	0.3%
Share of profit/(loss) from equity-accounted companies	50	(33)	-252.4%	0.4%	0.2%
Income before taxes	**1,150**	**1,488**	**-22.7%**	**8.8%**	**11.0%**
Income tax	(310)	(325)	-4.7%	2.4%	2.4%
NET INCOME	**840**	**1,163**	**-27.8%**	**6.4%**	**8.6%**
■ Attributable to the shareholders of the Company	834	1,157	-27.9%	6.4%	8.6%
■ Attributable to the non-controlling interests	6	6	+1.2%		
EARNINGS PER SHARE (IN €)					
■ Basic	1.18	1.62	-27.1%		
■ Diluted	1.17	1.60	-27.3%		

1.3.1 ANALYSIS OF SEGMENT OPERATING INCOME

(in € millions)



(1) Segment operating income.

Segment operating income amounted to €1,452 million or 11.1% of sales in the first half of 2025, compared with €1,782 million and 13.2% in first-half 2024.

The €330 million decrease reflected the net impact of the following factors:

- a €9 million decrease from changes in the scope of consolidation, resulting from individually non-material transactions;
- a €451 million decrease reflecting:
  - the decline in volumes sold,
  - the fixed cost shortfall resulting from the decline in output and the general under-utilization of production capacity;
- a €499 million increase from the positive price-mix effect, comprising:
  - a favorable price effect, resulting from upwards adjustments made on applying contractual indexation clauses and the price increases introduced in 2024 and early 2025,
  - a favorable mix effect, reflecting higher sales of 18-inch and larger Passenger car tires, the relative weakness of Original Equipment sales and growth in Mining tire sales;
- a €240 million decrease stemming from the late-2024 increase in the cost of raw materials, which drove up the cost of sales in the first half of 2025, including an additional cost of several tens of millions of euros related to the implementation of the European Union Deforestation Regulation;
- a €175 million rise in manufacturing and logistics costs, notably due to higher customs tariffs on finished products;
- a modest €23 million increase from the year-on-year growth in SG&A expenses (including general and administrative, commercial, and research and development expenses) in the Tire operations, attesting to the Group's ability to manage costs and offset most of the impact of inflation, particularly on payroll costs;
- a €12 million increase in the contribution from non-tire businesses, in line with the growth in sales and reflecting a good level of profitability;
- a €48 million decrease from exchange rate movements, due to the depreciation of many of the Group's currencies against the euro;
- an aggregate €105 million increase from other favorable cost factors, including an adjustment to provisions for variable compensation in respect of 2025.

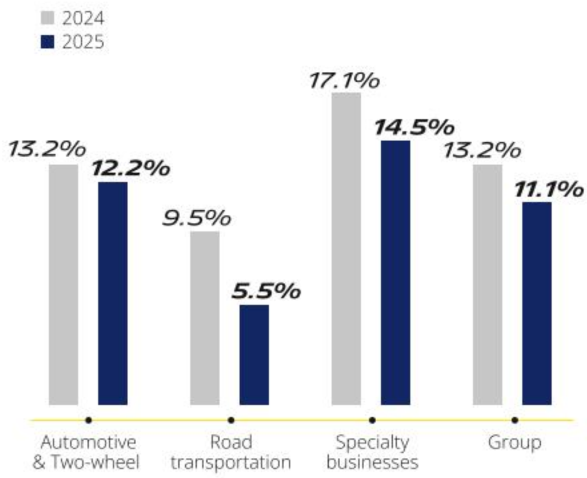
1.3.2 SEGMENT OPERATING INCOME BY REPORTING SEGMENT

Segment information is presented according to the following three operating segments:

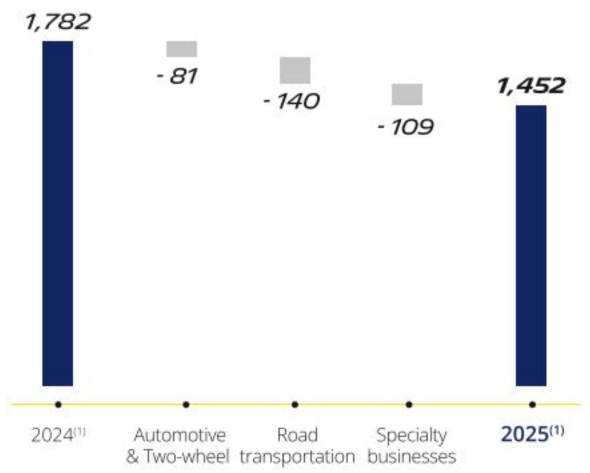
- Automotive, Two-wheel and related distribution;
- Road transportation and related distribution;
- Specialty businesses and related distribution.

The Specialty businesses include the Mining, Beyond-road and Aircraft tire activities as well as the Polymer Composite Solutions activities. The Services & Solutions businesses are included for the most part in the "Road transportation and related distribution" segment.

Operating segment performance is measured primarily on the basis of sales and segment operating income, according to the same measurement principles used in the consolidated income statement.



(in € millions)



(1) Segment operating income.

1.3.2 a) Automotive, Two-wheel and related distribution – Analysis of segment operating income

Automotive, Two-wheel and related distribution *(in € millions)*	**First-half 2025**	**First-half 2024**	**First-half 2025/2024**	**First-half 2025 (% of consolidated total)**	**First-half 2024 (% of consolidated total)**
Sales	7,112	7,151	-0.5%	55%	53%
Change in volumes	*-2.5%*				
Segment operating income	865	946	-8.6%	60%	53%
Segment operating margin	12.2%	13.2%	-1.0 pt		

Automotive and Two-wheel segment operating income amounted to €865 million or 12.2% of sales, versus €946 million and 13.2% in first-half 2024.

This 8.6% fall in operating income included the 2.5% impact of lower sales volumes leading to reduced absorption of fixed manufacturing costs, and the unfavorable impact of higher raw material costs in the first half of 2025. Prices had a strongly positive impact, reflecting uplifts from upwards adjustments in contractual indexation clauses in the Original Equipment segment, and the product/market mix improved, with increased sales of 18-inch and larger tires and a shift in favor of the Replacement market, which was more resilient than the Original Equipment market.

Distribution's contribution to both the segment's sales and operating margin slightly improved over the period.

Exchange rate movements had a negative impact on segment operating income.

1.3.2 b) Road transportation and related distribution – Analysis of segment operating income

Road transportation and related distribution *(in € millions)*	**First-half 2025**	**First-half 2024**	**First-half 2025/2024**	**First-half 2025 *(% of consolidated total)***	**First-half 2024 *(% of consolidated total)***
Sales	3,007	3,232	-7.0%	23%	24%
Change in volumes	*-9.3%*				
Segment operating income	166	306	-45.8%	11%	17%
Segment operating margin	5.5%	9.5%	-4.0 pts		

Road transportation segment operating income totaled €166 million or 5.5% of sales, versus €306 million and 9.5% in first-half 2024.

Volumes sold declined by 9.3%, reflecting the slowdown in Truck tire markets, particularly the Original Equipment segment. The sharp fall in sales volumes weighed heavily on the business's ability to absorb its fixed costs, while the benefits of the industrial restructuring measures announced since the end of 2023 were not yet fully visible in first-half 2025.

In addition, changes in raw material prices had an unfavorable impact on the segment's first-half operating income.

By contrast, the price-mix effect was positive. In addition to the uplifts resulting from the application of contractual indexation clauses, the Original Equipment segment benefited from the price increases introduced in 2024 to effectively recognize the Group’s technological expertise and the performance of its products. The mix also improved, especially the market mix, due to a shift in favor of the Replacement segment, which was more resilient than the Original Equipment segment.

The connected solutions activities (Michelin Connected Fleets) held firm to their value-driven strategy, with action to streamline the business and customer portfolios and improve operating efficiency feeding through to increased operating income.

Exchange rate movements had a negative impact on segment operating income.

1.3.2 c) Specialty businesses and related distribution – Analysis of segment operating income

Specialty businesses and related distribution *(in € millions)*	**First-half 2025**	**First-half 2024**	**First-half 2025/2024**	**First-half 2025 *(% of consolidated total)***	**First-half 2024 *(% of consolidated total)***
Sales	2,909	3,098	-6.1%	22%	23%
Change in volumes	*-6.8%*				
Segment operating income	421	530	-20.6%	29%	30%
Segment operating margin	14.5%	17.1%	-2.6 pts		

Segment operating income from the Specialty businesses amounted to €421 million or 14.5% of sales, versus €530 million and 17.1% in first-half 2024.

Volumes for the tire businesses were down 6.8% year-on-year; however, the net decline masked mixed performances among the various businesses, with strong growth in Mining and Aircraft tire volumes contrasting with a steep fall in Beyond Road tire sales, particularly in the Agricultural Original Equipment segment.

Against this backdrop, the Specialty business's operating income reflected the same effects as the other reporting segments, with the negative impact of lower volumes on industrial performance and plant capacity utilization rates only partly offset by the favorable price effect (application of contractual indexation clauses covering increases in raw materials costs) and positive market/product mix effects (shift from Original Equipment towards Replacement, increased Mining and Aircraft tire volumes versus lower Beyond Road volumes).

Polymer Composite Solutions operating income increased year-on-year, lifted by sharply higher contributions from the conveyors and engineered films and fabrics businesses in the second quarter.

Exchange rate movements had a negative impact on segment operating income.

1.3.3 OTHER INCOME STATEMENT ITEMS

1.3.3 a) Raw materials

The cost of **raw materials** used in production, which is recognized in the income statement under cost of sales, has been estimated at €2.8 billion in first-half 2025, which is stable compared with the year-earlier period.

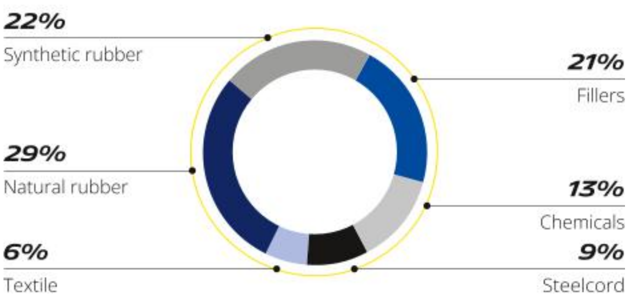
It is calculated on the basis of:

- the price and mix of raw materials purchases;
- changes in sales and production volumes;
- the valuation of raw materials, semi-finished and finished product inventories using the weighted average cost method. This method tends to spread fluctuations in purchase costs over time and delay their recognition in cost of sales, due to timing differences between the purchase of the raw materials and the sale of the finished product;
- exchange rate movements, which correspond to (i) the impact of converting local currency purchasing costs into the consolidation currency; and (ii) a residual currency effect resulting from the difference between the purchasing companies' local currency and the currency used to purchase their raw materials.

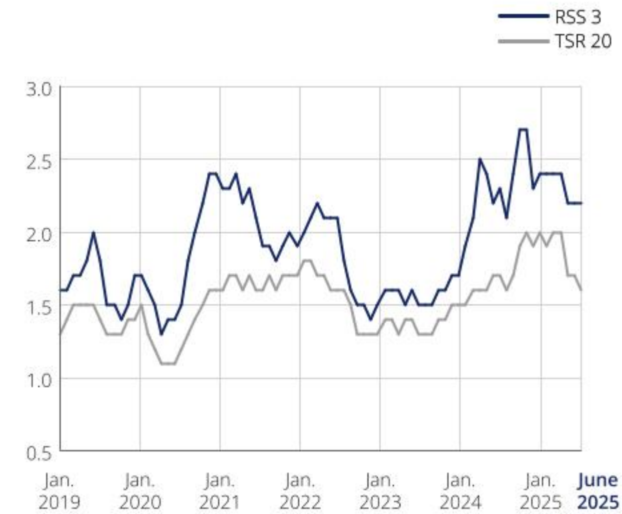
Overall raw material costs remained stable year-on-year, as lower production volumes offset higher materials prices, part of which is linked to the implementation of the EUDR standard (European Union Deforestation Regulation).

Changes in natural rubber and butadiene prices feed through to the income statement around three to six months later.

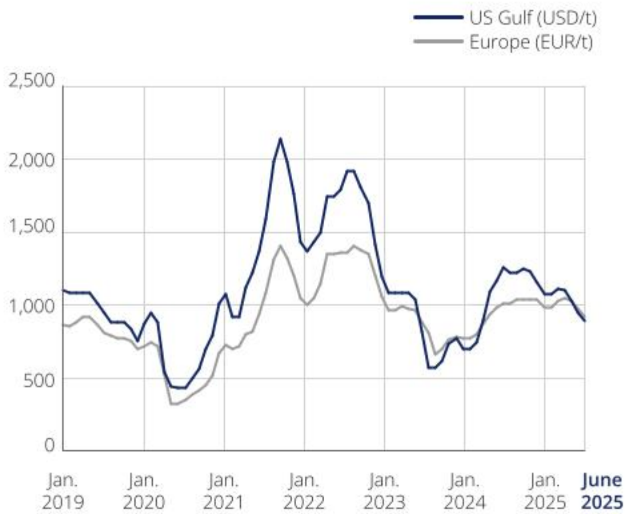
RAW MATERIALS RECOGNIZED IN FIRST-HALF 2025 COST OF SALES (€2.8 BILLION)



NATURAL RUBBER PRICES (SICOM)
(USD/kg)



BUTADIENE PRICES



1.3.3 b) Employee benefit costs and number of employees

At €3,803 million, **employee benefit costs** represented 29.2% of sales in first-half 2025, down €87 million from the year-earlier period.

The decline was mainly due to the reduction in the Group's workforce as part of the ongoing restructuring of manufacturing operations.

In first-half 2025, €3,793 million was recognized in segment operating income, and €10 million in other operating income and expenses.

(in € millions and number of people, employee data rounded to the nearest hundred)	First-half 2025	First-half 2024	Change
Total employee benefit costs	3,803	3,890	-2.2%
As a % of sales	29.2%	28.9%	+0.2 pts
Employees on payroll at June 30	127,500	132,300	-3.6%
Number of full-time equivalent employees at June 30	121,000	125,600	-3.7%
Average number of full-time equivalent employees	121,900	125,400	-2.8%

1.3.3 c) Depreciation and amortization

(in € millions)	First-half 2025	First-half 2024	Change
Total depreciation and amortization	1,023	1,016	+0.7%
As a % of sales	*7.9%*	*7.5%*	*+0.4 pts*

Depreciation and amortization charges rose slightly versus first-half 2024, to €1,023 million.

Of the total charges for the period, €976 million was recognized in segment operating income and €47 million in other operating income and expenses.

1.3.3 d) Transportation costs

(in € millions)	First-half 2025	First-half 2024	Change
Transportation costs	639	688	-7.2%
As a % of sales	*4.9%*	*5.1%*	*-0.2 pts*

Transportation costs came to €639 million or 4.9% of interim sales, representing a year-on-year decrease of €49 million or 0.2 points as a percentage of sales. The decline was due to lower sales volumes, improved operating performance and a more cost-efficient purchasing policy.

1.3.3 e) Sales and marketing expenses

Sales and marketing expenses amounted to €577 million, or 4.4% of sales, compared with €594 million and 4.4% of sales in first-half 2024.

1.3.3 f) Research and development expenses

(in € millions)	First-half 2025	First-half 2024	Change
Research and development expenses	396	385	+3.0%
As a % of sales	*3.0%*	*2.9%*	

Research and development expenses rose by €11 million year-on-year to €396 million, attesting to the Group's commitment to consolidating its technological lead in tire manufacturing and achieving a dominant position in Polymer Composite Solutions, building in particular on the fundamental research that feeds into all of its businesses. Programs dedicated to sustainable materials are also helping to strengthen the Group's differentiation.

1.3.3 g) General and administrative expenses

General and administrative expenses amounted to €1,215 million in first-half 2025, representing a €29 million decrease year-on-year. They remained stable as a percentage of sales at 9.3%, reflecting the Group's rigorous cost management.

1.3.3 h) Segment other income and expenses

Segment other income and expenses represented a net expense of €30 million for the period, versus a net expense of €32 million a year earlier.

1.3.3 i) Other operating income and expenses

Other operating income and expenses correspond to items that are not taken into account by Management when measuring the performance of the operating segments due to their nature or their significant, unusual or abnormal characteristics.

In first-half 2025, they represented a net expense of €251 million, up €40 million year-on-year.

Other operating income and expenses consist mainly of provisions and asset write-downs related to business restructuring plans. In first-half 2025, they included provisions booked during the period for restructuring operations announced in Mexico and Brazil, and new provisions and asset write-downs related to brands and customer relationships acquired.

Other operating income and expenses are described in more detail in note 6 to the consolidated financial statements.

1.3.3 j) Cost of net debt

(in € millions)	First-half 2025	First-half 2024	Change
Cost of net debt	74	10	+64

At €74 million, the **cost of net debt** was up €64 million year-on-year, primarily reflecting:

- a €12 million increase in interest expense on bond debt;
- a €17 million decline in interest income due to the sharp drop in interest rates and despite the increase in cash investments;
- the €17 million negative effect of converting currency swaps.

1.3.3 k) Other financial income and expenses

(in € millions)	First-half 2025	First-half 2024	Change
Other financial income and expenses	23	4	+19

Other financial income and expenses represented a €19 million year-on-year gain, resulting from greater foreign exchange losses compared with first-half 2024. This increase is the result of a smaller exchange loss than last year, mainly on unhedged currencies.

1.3.3 l) Income tax

(in € millions)	First-half 2025	First-half 2024	Change
Income before taxes	1,150	1,488	-338
Income tax	**(310)**	**(325)**	**+15**
Current tax	(325)	(314)	-11
Withholding tax	(15)	(34)	+19
Deferred tax	31	23	+8

Income tax fell by €15 million year-on-year to €310 million in the first half of 2025, corresponding to an effective tax rate of 26.9%, compared with 21.8% a year earlier. This increase was due to deferred tax adjustments in Mexico and the exceptional levy in France, imposed on a lower amount of net income than in the first half of 2024.

Details may be found in note 10 to the consolidated financial statements.

1.3.3 m) Consolidated net income and earnings per share

(in € millions)	First-half 2025	First-half 2024	Change
Net income	840	1,163	-323
As a % of sales	*6.4%*	*8.6%*	*-2.2 pts*
■ Attributable to the shareholders of the Company	834	1,157	-323
■ Attributable to the non-controlling interests	6	6	0
Earnings per share (in €)			
■ Basic	1.18	1.62	-0.44
■ Diluted	1.17	1.60	-0.43

Net income came to €840 million, or 6.4% of sales, compared with €1,163 million and 8.6% of sales in first-half 2024. The €323 million decline primarily reflected the following factors:

- the €330 million decrease in segment operating income;
- the €64 million increase in the cost of net debt;
- the €40 million increase in other operating expenses.

It was partly offset by income of €50 million from companies accounted for by the equity method which, on the one hand, reflected the positive impact of TBC's disposal of its Midas franchise network and, on the other, the negative impact of the €140 million provision booked to cover the outstanding loans granted to the Symbio joint venture and future contingencies. The provision was recorded following the announcement by Stellantis, Symbio's joint-owner and main customer, that it was terminating its fuel cell technology development program.

1.4 CONSOLIDATED BALANCE SHEET REVIEW

Methodological note: translation adjustments in the balance sheet primarily stem from the translation into euros of prior-year assets and liabilities at the closing exchange rate.

Assets

(in € millions)	June 30, 2025	December 31, 2024	Total change	Translation adjustments	Movement
Goodwill	2,676	2,829	-154	-167	+13
Intangible assets	2,001	2,120	-118	-49	-69
Property, plant and equipment	11,912	12,750	-838	-650	-188
Right-of-use assets	1,136	1,232	-97	-71	-25
Non-current financial assets and other non-current assets	1,107	1,151	-45	-50	+5
Investments in equity-accounted companies	895	849	+46	-65	+111
Deferred tax assets	1,052	1,081	-29	-48	+19
Non-current assets	**20,779**	**22,013**	**-1,234**	**-1,101**	**-133**
Inventories	5,613	5,699	-86	-350	+264
Trade receivables	4,025	3,595	+430	-207	+637
Current financial assets	402	544	-142	-4	-137
Other current assets	1,616	1,564	+52	+42	+10
Cash and cash equivalents	3,119	3,936	-817	-31	-787
Current assets	**14,775**	**15,339**	**-563**	**-550**	**-13**
TOTAL ASSETS	**35,554**	**37,352**	**-1,797**	**-1,651**	**-147**

Equity and liabilities

(in € millions)	June 30, 2025	December 31, 2024	Total change	Translation adjustments	Movement
Share capital	353	353	0		0
Share premiums	2,322	2,326	-3		-3
Reserves	15,048	15,946	-898	-819	-79
Non-controlling interests	13	9	+4	-1	+5
Total equity	**17,736**	**18,634**	**-897**	**-820**	**-77**
Non-current financial liabilities	4,894	4,934	-40	-1	-39
Non-current lease liabilities	786	872	-85	-47	-38
Provisions for employee benefit obligations	2,605	2,730	-126	-89	-37
Provisions and other non-current liabilities	820	928	-108	-21	-87
Deferred tax liabilities	521	544	-23	-24	+1
Non-current liabilities	**9,626**	**10,008**	**-382**	**-182**	**-200**
Current financial liabilities	1,596	1,375	+220	-326	+546
Current lease liabilities	247	258	-10	-13	+3
Trade payables	2,565	3,086	-522	-139	-383
Trade payables under reverse factoring agreements	560	689	-129	-51	-78
Provisions and other current liabilities[1]	3,225	3,302	-77	-127	+50
Current liabilities	**8,192**	**8,710**	**-518**	**-656**	**+138**
TOTAL EQUITY AND LIABILITIES	**35,554**	**37,352**	**-1,797**	**-1,658**	**-139**

1.4.1 GOODWILL

Goodwill amounted to €2,676 million at June 30, 2025, representing an increase of €13 million from December 31, 2024 before translation adjustments. The variation was due to minor acquisitions in the *Polymer Composites segment* in the first half of 2025.

1.4.2 INTANGIBLE ASSETS

Intangible assets stood at €2,001 million, a €69 million decrease from December 31, 2024 before translation adjustments that reflected amortization and impairment of software, and amortization of Group brands.

1.4.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment stood at €11,912 million at June 30, 2025, down €188 million before translation adjustments. Capital expenditure remained stable overall, while depreciation and net impairment charges increased, primarily due to the business reorganization and adaptation projects in progress since the beginning of 2024.

1.4.4 RIGHT-OF-USE ASSETS

Right-of-use assets, which are recognized separately from property, plant and equipment, came to €1,136 million at June 30, 2025, down €25 million from December 31, 2024 before translation adjustments.

1.4.5 NON-CURRENT FINANCIAL ASSETS AND OTHER NON-CURRENT ASSETS

Non-current financial assets and other non-current assets stood at €1,107 million, an increase of €5 million over the first six months before translation adjustments.

1.4.6 INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES

Investments in equity-accounted companies totaled €895 million, an increase of €111 million from December 31, 2024 before translation adjustments that was mainly due to TBC's disposal of its Midas franchise network.

1.4.7 DEFERRED TAX

At June 30, 2025, the Group held **a net deferred tax** asset of €1,052 million, an increase of €19 million compared with December 31, 2024, before translation adjustments. The slight increase mainly resulted from the recognition of timing differences.

1.4.8 TRADE WORKING CAPITAL

(in € millions)	June 30, 2025	June 30, 2024	Change	2025 *(as a % of sales, moving 12 months)*	2024 *(as a % of sales, moving 12 months)*
Inventories	5,613	5,851	-238	20.6%	21.1%
Trade receivables	4,025	4,001	+24	14.7%	14.4%
Trade payables	(2,565)	(2,812)	+247	(9.4)%	(10.1)%
Trade payables under reverse factoring agreements	(560)	(681)	+121	(2.1)%	(2.5)%
TRADE WORKING CAPITAL	**6,514**	**6,359**	**+155**	**23.9%**	**22.9%**

Trade working capital was €155 million higher, reflecting an increase in payables accounts and a modest rise in trade receivables.

Inventories ended the period at €5,613 million or 20.6% of sales, down €238 million compared with June 30, 2024. The decrease was mainly attributable to efficient inventory management, with volumes below June 2024 levels, particularly for raw materials and semi-finished products.

Trade receivables rose by €24 million year-on-year to €4,025 million or 14.7% of sales.

Trade payables, including those covered by **reverse factoring contracts**, decreased by €368 million year-on-year to €3,124 million, representing 11.4% of sales, mainly due to the decrease in volumes.

1.4.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents stood at €3,119 million, a €787 million decrease from December 31, 2024 before translation adjustments that was due to the net impact of the following factors:

- decreases from:
  - negative free cash flow of €114 million;
  - the payment of €978 million in dividends and other distributions;
- increases from:
  - the €266 million increase in debt during the period.

1.4.10 TOTAL EQUITY

At €17,736 million, **total equity** was stable overall compared with December 31, 2024, declining by €78 million before translation adjustments.

The total includes:

- €83 million in comprehensive income before translation adjustments for the period, which may be analyzed as follows:
  - €840 million in net income,
  - the €70 million favorable impact from post-employment benefit obligations,
  - a €13 million unfavorable tax impact relating to those obligations,
  - €819 million in unfavorable translation adjustments;
- the €978 million impact from dividends and other payments;
- the €17 million favorable impact from service costs on compensation plans (performance share).

At June 30, 2025, the **share capital** of Compagnie Générale des Établissements Michelin stood at €352,874,393, comprising 705,748,786 shares outstanding corresponding to 1,033,731,768 voting rights.

1.4.11 NET DEBT

Net debt stood at €3,942 million at June 30, 2025, down €318 million from June 30, 2024, mainly as a result of the following factors:

- negative free cash flow after M&A of €114 million;
- the payment of €978 million in dividends and other distributions;
- a €114 million increase from the recognition of new leases;
- negative translation adjustments of €356 million;
- other unfavorable items for a total of €20 million.

CHANGES IN NET DEBT

(in € millions)	First-half 2025	First-half 2024
At January 1	**3,112**	**3,281**
Free cash flow[1] before M&A and financing of joint ventures and associates	+220	-623
Investments in new ventures	+12	+10
Net financing of joint ventures and associates	-118	-46
Free cash flow[1]	**+114**	**-659**
Dividends and other distributions	+978	+965
Share buyback commitments	0	+502
New leases	+114	+103
Changes in scope of consolidation	0	+2
Translation adjustments	-356	+90
Other	-20	-24
AT JUNE 30	**+3,942**	**+4,260**
CHANGE	**+830**	**+979**

(1) See definition in section 1.5.3.

1.4.11 a) Gearing

Gearing stood at 22.2% at June 30, 2025, versus 23.9% a year earlier. The improvement was due to the reduction in net debt over the period from June 30, 2024.

1.4.11 b) Credit ratings

The solicited corporate credit ratings of Compagnie Générale des Établissements Michelin (CGEM), Compagnie Financière Michelin and Compagnie Financière Michelin (CFM) Suisse SA are as follows:

		CGEM	Compagnie Financière Michelin	CFM Suisse SA
Short term	Standard & Poor's	A-1	A-1	A-1
	Fitch	F1	F1	F1
	Scope	S-1	S-1	S-1
Long term	Standard & Poor's	A	A	A
	Fitch	A	A	A
	Scope	A	A	A
Outlook	Standard & Poor's	Stable	Stable	Stable
	Fitch	Stable	Stable	Stable
	Scope	Stable	Stable	Stable

In the first half of 2025, Fitch and Standard & Poor's both upgraded the Group's long-term issuer credit rating from "A-" to "A" with a Stable outlook, on February 21 and March 31 respectively.

On July 11, 2025, Scope Ratings reaffirmed the Group's "A" long-term issuer credit rating, with a Stable outlook.

Moody's, whose rating has not been solicited since July 1, 2020, nevertheless reaffirmed CGEM's "A2" long-term issuer credit rating with a Stable outlook on July 9, 2025.

1.4.12 PROVISIONS

Provisions and other short term and long term non-current liabilities amounted to €4 045 million at June 30, 2025, compared to €4 230 million as of December 31, 2024, a decline of €38 million excluding currency fluctuations. This change is mainly due to payments on restructuring provisions set aside in previous years, particularly in Germany.

1.4.13 EMPLOYEE BENEFIT OBLIGATIONS

CHANGE IN THE FAIR VALUE OF THE NET DEFINED BENEFIT OBLIGATION

(in € millions)	Pension plans	Other plans	2025	2024
At January 1	**1,219**	**1,402**	**2,621**	**2,421**
Contributions paid to the funds	(3)	-	(3)	(5)
Benefits paid directly to the beneficiaries	(25)	(43)	(68)	(50)
Other movements	7		7	-
ITEMS RECOGNIZED IN OPERATING INCOME				
Current service cost	10	28	38	39
Actuarial (gains) or losses recognized on other long-term benefit plans	-	-	-	-
Plan modifications, curtailments or settlements	-	-	-	-
Other items	9	-	9	9
ITEMS RECOGNIZED OUTSIDE OPERATING INCOME				
Net interest on employee benefit obligations	22	28	50	43
Other	-	-	-	-
ITEMS RECOGNIZED IN OTHER COMPREHENSIVE INCOME				
Translation adjustments	(31)	(55)	(86)	15
Actuarial (gains) or losses	(31)	(22)	(53)	(124)
Unrecognized assets due to the effect of the asset ceiling	(17)	-	(17)	2
AT JUNE 30	**1,160**	**1,338**	**2,498**	**2,350**

The net defined benefit obligation recognized at June 30, 2025 stood at €2,498 million, up €148 million compared with June 30, 2024.

The increase reflected the following main factors:

- the total €71 million in contributions and benefits paid in first-half 2025 (first-half 2024: €55 million), of which:
  - €3 million in contributions paid to fund management institutions (first-half 2024: €5 million),
  - €68 million in benefits paid directly to beneficiaries (first-half 2024: €50 million);
- €70 million in actuarial gains recognized in equity at June 30, 2025, versus gains of €122 million a year earlier;
- a €97 million expense recognized in respect of defined benefit plan costs.

In addition, contributions paid by the Group into defined contribution plans totaled €129 million in first-half 2025 (first-half 2024: €145 million).

1.5 CONSOLIDATED CASH FLOW STATEMENT REVIEW

1.5.1 CASH FLOWS FROM OPERATING ACTIVITIES

(in € millions)	First-half 2025	First-half 2024	Change
Segment EBITDA	**2,428**	**2,756**	**-328**
Change in net inventories	-258	-360	+102
Change in net trade receivables	-670	-177	-493
Change in net trade payables	-144	+168	-312
Change in other receivables and payables	-181	-256	+75
Restructuring cash costs	-165	-64	-101
Tax and interest paid	-221	-337	+116
Other	1	+13	-12
NET CASH FROM OPERATING ACTIVITIES	**789**	**1,743**	**-954**

At €2,428 million, or 18.6% of sales, segment **EBITDA** was down €328 million compared with first-half 2024 (20.4% of sales), reflecting the €330 million year-on-year decrease in segment operating income.

Net cash from operating activities fell by €954 million to €789 million. This was impacted by the decline in segment EBITDA and the change in working capital requirements (-€629 million). This was due to an increase in trade receivables, linked to exceptional terms granted to TBC in North America.

1.5.2 CAPITAL EXPENDITURE

(in € millions)	First-half 2025	First-half 2024	First-half 2025/2024	First-half 2025 *(as a % of sales)*	First-half 2024 *(as a % of sales)*
Additions to intangible assets and PP&E	**766**	**805**	**-39**	**5.9%**	**6.0%**
Investment grants received and change in capital expenditure payables	265	327	-62	2.0%	2.4%
Proceeds from sales of intangible assets and PP&E	(22)	(12)	-10	(0.2)%	(0.1)%
NET ADDITIONS TO INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT	**1,009**	**1,120**	**-111**	**7.7%**	**8.3%**

Additions to intangible assets and property, plant and equipment amounted to €766 million in first-half 2025, down €39 million year-on-year.

Capital expenditure committed to date has been in line with the Group's 2025 objectives.

"Investment grants received and change in capital expenditure payables" corresponds mainly to changes in capital expenditure payables.

1.5.3 FREE CASH FLOW

Free cash flow, which is stated before dividend payments and financing transactions, corresponds to net cash from operating activities less net cash used in investing activities, adjusted for net cash flows relating to cash management financial assets and borrowing collaterals.

(in € millions)	First-half 2025	First-half 2024	Change
Net cash from operating activities	**789**	**1,743**	**-954**
Routine capital expenditure (maintenance, IT, dealerships, etc.)	(289)	(288)	-1
Competitiveness and growth investments	(398)	(441)	+43
Investments in new ventures	(79)	(76)	-3
Other	(125)	(269)	+144
FREE CASH FLOW BEFORE ACQUISITIONS	**(102)**	**669**	**-771**
Acquisitions	**(12)**	**(10)**	-2
FREE CASH FLOW AFTER ACQUISITIONS	**(114)**	**659**	**-773**

Free cash flow before acquisitions ended first-half 2025 at a negative €102 million, compared with a positive €669 million a year earlier.

It included €766 million in capital expenditure, around two-thirds of which was dedicated to competitiveness and growth investments, including in new ventures.

Given that the Group did not make any material acquisitions during the first half of the year, free cash flow after acquisitions was quite similar at €114 million.

1.6 OUTLOOK FOR 2025

Outlook

For 2025 as a whole, sell-in tire markets are expected to be stable compared with 2024, in a highly uncertain environment in terms of economic activity, customs tariffs and exchange rates:

- the Passenger car and Light truck tire and Truck tire markets are expected to remain stable overall for the year, within a range expected between -2% and +1%, compared with -2% to +2% previously;
- the Specialties market growth is now expected between -1% and +2% for the year, compared with -1% to +3% previously.

In the absence of any further deterioration in the economic environment in the second half of the year, Michelin is maintaining its financial ambitions for 2025.

This outlook has been established and prepared on a basis comparable to historical financial information and in accordance with the accounting methods described following this chapter.

Recent events

No material events occurred between the reporting date and the date when the condensed interim consolidated financial statements were authorized for issue by the Managers.

1.7 RELATED PARTIES

There were no new material related-party transactions during the first half of 2025, nor any material changes in the related-party transactions described in the 2024 Universal Registration Document.

1.8 RISK MANAGEMENT

The Michelin Group's main risks have been identified and are described in the 2024 Universal Registration Document, Chapter 3.

01

1.9 CONSOLIDATED KEY FIGURES AND RATIOS

(in € millions)	First-half 2025	First-half 2024	2024	2023	2022	2021
Sales	**13,028**	**13,481**	27,193	28,343	28,590	23,795
% change	-3.4%	-4.2%	-4.1%	-0.9%	+20.2%	+16.3%
Total employee benefit costs	3,803	3,890	7,622	7,401	6,950	6,445
As a % of sales	29.2%	28.9%	28.0%	26.1%	24.3%	27.1%
Number of full-time equivalent employees at period-end	121,900	125,400	123,500	125,000	124,900	118,400
Research and development expenses	396	385	786	756	698	682
As a % of sales	3.0%	2.9%	2.9%	2.7%	2.4%	2.9%
SEGMENT EBITDA(1)	**2,428**	**2,756**	**5,361**	**5,489**	**5,262**	**4,700**
Segment operating income	1,452	1,782	3,378	3,572	3,396	2,966
Segment operating margin	11.1%	13.2%	12.4%	12.6%	11.9%	12.5%
Operating income	1,200	1,571	2,631	2,652	3,021	2,777
Operating margin	9.2%	11.7%	9.7%	9.4%	10.6%	11.7%
Cost of net debt	74	10	77	198	239	192
Other financial income and expenses	23	4	19	2	-22	-4
Income before taxes	1,150	1,488	2,445	2,490	2,656	2,471
Income tax	310	325	555	507	647	626
Effective tax rate	26.9%	21.8%	22.7%	20.4%	24.4%	25.3%
Net income	840	1,163	1,890	1,983	2,009	1,845
As a % of sales	6.4%	8.6%	7.0%	7.0%	7.0%	7.8%
Dividends	978	965	961	893	803	410
Net cash from operating activities	**789**	**1,743**	**4,336**	**5,287**	**1,931**	**2,906**
As a % of sales	6.1%	12.9%	15.9%	18.7%	6.8%	12.2%
Gross purchases of intangible assets and PP&E	766	805	2,182	2,236	2,141	1,705
As a % of sales	5.9%	6.0%	8.0%	7.9%	7.5%	7.2%
Net debt(2)	3,942	4,260	3,112	3,281	4,320	2,789
Total equity	17,736	17,856	18,634	17,958	17,116	14,971
Gearing(2)	22.2%	23.9%	16.7%	18.3%	25.2%	18.6%
Net debt(2) divided by segment EBITDA(1)	1.62	1.55	0.58	0.60	0.82	0.59
Segment operating income/net interest expense(3)	20.4	71.3	43.8	20.8	11.5	13.7
Free cash flow(4)	(114)	659	2,225	2,343	(180)	1,357
ROE(5)			10.3%	11.3%	12.5%	13.4%
Operating ROCE(6)			10.5%	11.4%	10.8%	10.3%
PER-SHARE DATA* ***(IN €)***						
Net assets per share(7)	25.1	25.0	26.4	25.1	24.0	20.9
Basic earnings per share	1.18	1.62	2.65	2.77	2.81	2.58
Diluted earnings per share	1.17	1.60	2.62	2.75	2.79	2.56
Price-earnings ratio(8)			12.0	11.7	9.3	14.0
Dividend per share			1.38	1.35	1.25	1.13
Payout ratio(9)			52%	49%	44%	44%
Yield(10)			4.3%	4.2%	4.8%	3.1%

(1) As defined in note 2.6 to the 2024 consolidated financial statements.
(2) As calculated in section 1.4.11.
(3) Net interest expense: interest financing expenses less interest income from cash and equivalents.
(4) Free cash flow: net cash from operating activities less net cash used in investing activities (adjusted for net cash flows relating to cash management financial assets and borrowing collaterals), as defined in section 1.5.3.
(5) ROE: as from 2022, return on equity is defined as net income divided by average equity for the year (calculated as the average of year-end equity and prior year-end equity) instead of net income divided by equity at December 31. The 2021 figures have been restated for comparison purposes.
(6) Operating ROCE: based on the method in use since 2021, as explained in section 5.1.6 of the 2024 Universal Registration Document. Full-year 2021 ROCE has been remeasured using this method.
(7) Net assets per share: total equity divided by the number of shares outstanding at the period-end.
(8) Price-earnings ratio: share price at the period-end divided by basic earnings per share.
(9) Payout ratio: dividend divided by net income.
(10) Yield: dividend per share divided by the December 31 share price.
* *The 2021 per-share data have been restated to reflect the four-for-one stock split on June 16, 2022.*

1.10 SHARE INFORMATION

1.10.1 THE MICHELIN SHARE

1.10.1 a) Traded on the Euronext Paris stock exchange

- Compartment A;
- Eligible for the SRD deferred settlement system;
- ISIN: FR001400AJ45;
- Par value: €0.50;
- Traded in units of: 1.

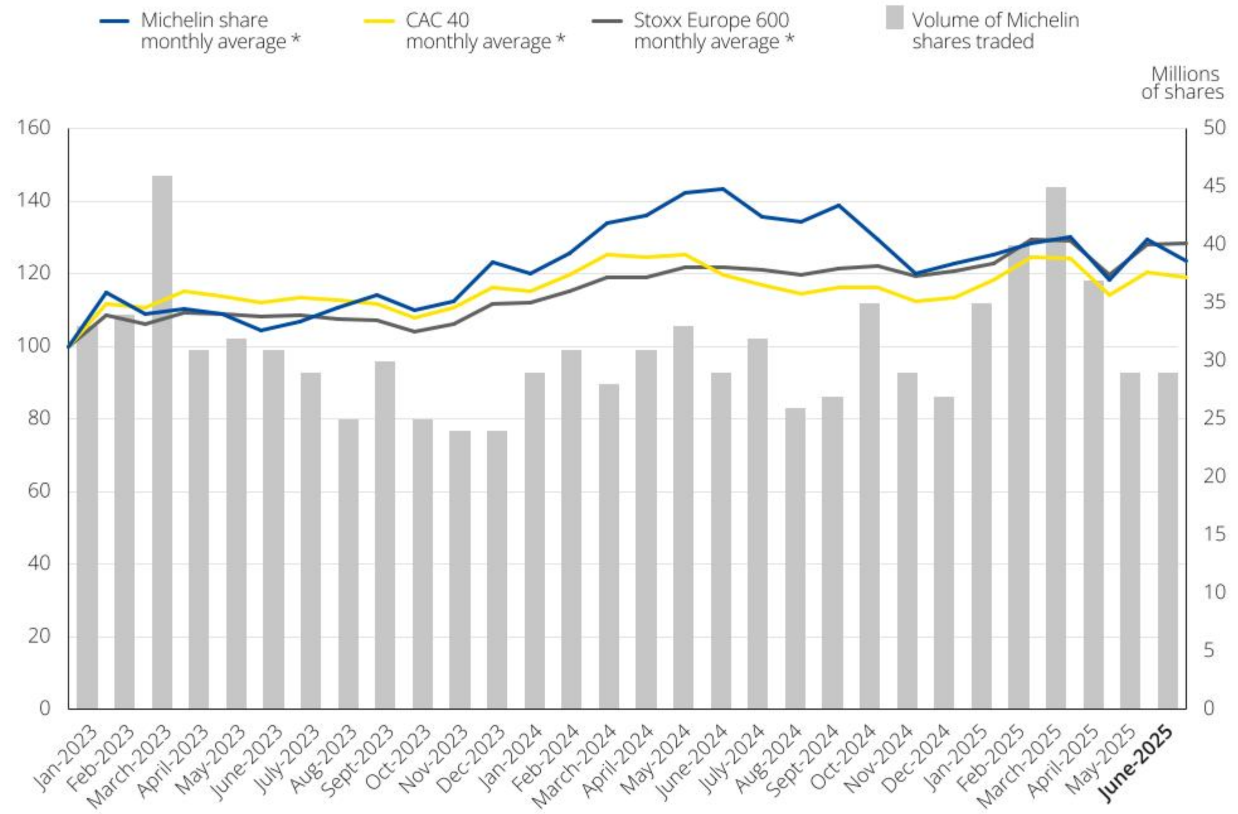
1.10.1 b) Indices

The Michelin share is included in two leading stock market indices:

- CAC 40: 1.30% of the index at June 30, 2025;
- Stoxx Europe 600.

MICHELIN SHARE PERFORMANCE AND TRADING VOLUMES

According to statistical data collected by Euronext Paris.



* *Standardized monthly averages (base 100 = January 1, 2023).*

1.10.2 DETAILED SHARE DATA

According to statistical data collected by Euronext Paris.

Share price (in €)	First-half 2025	2024	2023	2022	2021[1] (restated)	2021 (reported)
Session high	35.70	38.52	32.65	38.93	36.50	146.00
Session low	28.47	30.06	25.60	21.99	25.83	103.30
High/low ratio	1.25	1.28	1.28	1.77	1.41	1.41
Closing price, end of period	31.54	31.80	32.46	25.99	36.04	144.15
Average closing price over the period	32.73	34.26	28.87	28.53	32.44	129.75
Change in the Michelin share price over the period	-0.82%	-2.03%	+24.92%	-27.89%	+37.35%	+37.35%
Change in the CAC 40 index over the period	+3.86%	-2.15%	+16.52%	-9.50%	+28.85%	+28.85%
Change in the Stoxx Europe 600 index over the period	+6.65%	+5.98%	+12.73%	-12.90%	+22.25%	+22.25%
Average daily Stoxx Europe 600 index	536.33	507.51	457.04	434.40	449.58	449.58
Market capitalization (at period-end, in € billions)	**22.26**	**22.44**	**23.21**	**18.56**	**25.74**	**25.74**
Average daily trading volume over the period[2]	1,731,633	1,408,288	1,419,300	1,844,574	1,743,820	435,955
Average number of shares outstanding	705,748,235	712,283,891	714,258,055	713,400,033	713,512,772	178,378,193
Volume of shares traded over the period	216,454,085	360,521,846	366,179,447	475,900,118	449,905,428	112,476,357

(1) Only the 2021 share data have been restated ("2021 restated") to reflect the four-for-one stock split on June 16, 2022.
(2) Volumes traded on the Euronext platform.

1.10.3 PER-SHARE DATA

(in € per share, except ratios)	First-half 2025	2024	2023	2022	2021 (restated)	2021 (reported)
Net asset value per share	25.2	26.4	25.1	24.0	20.9	83.9
Basic earnings per share	1.18	2.65	2.77	2.81	2.58	10.31
Diluted earnings per share[1]	1.17	2.62	2.75	2.79	2.56	10.24
PRICE EARNINGS RATIO		**12**	**11.7**	**9.3**	**14.0**	**14.0**
Dividend per share		1.38	1.35	1.25	1.125	4.50
Payout ratio		52%	49%	44%	44%	44%
Yield		4.3%	4.2%	4.8%	3.1%	3.1%

(1) Earnings per share adjusted for the impact on net income and on average shares outstanding of the exercise of outstanding dilutive instruments.

1.10.4 CAPITAL AND OWNERSHIP STRUCTURE

At June 30, 2025, Michelin's share capital amounted to €352,874,393.00.

	At June 30, 2025			At December 31, 2024			At December 31, 2023		
	Number of share-holders	Shares outstanding	Voting rights outstanding	Number of share-holders	Shares outstanding	Voting rights outstanding	Number of share-holders	Shares outstanding	Voting rights outstanding
French institutional investors	5,083	19.3%	21.6%	4,311	20.6%	23.6%	4,497	20.4%	24.0%
Non-resident institutional investors		67.8%	64.6%		65.8%	61.5%		67.0%	61.8%
Individual shareholders	170,826	10.4%(1)	11.2%	173,611	11.0%	12.2%	170,391	10.5%	11.9%
Employee share ownership plan	77,085	2.5%	2.6%	80,261	2.6%	2.7%	71,621	2.1%	2.3%
Treasury shares(3)		0.0%	0.0%						
TOTAL	**252,994**	**705,748,786 SHARES(2)**	**1,033,731,768 VOTING RIGHTS**	**258,183**	**705,747,272 SHARES(2)**	**998,581,514 VOTING RIGHTS**	**246,509**	**714,958,226 SHARES(2)**	**990,275,053 VOTING RIGHTS**

(1) The **1.2% of outstanding shares owned by former employees** at June 30, 2025 has been included in the percentage of shares held by individual shareholders.
(2) All fully paid up.
(3) At June 30, 2025, Compagnie Générale des Etablissements Michelin held 827 shares.

Shares held in the same name for at least four years carry voting rights.

1.11 *HIGHLIGHTS*

Corporate

- Scope Ratings and Moody's **confirm their long-term credit ratings for Michelin at "A" and "A2", respectively**, with a stable outlook. These ratings reflect the financial solidity and confidence in the Group's future performance, following upgrades by Fitch and Standard & Poor's in the first quarter to "A / Stable" also.
- Michelin is **named as one of the world's 100 most innovative companies** by Clarivate, a company specialized in intellectual property and the production of scientific knowledge, recognizing the impact of the Group's 6,000-strong R&D team. For over 130 years, innovation has been part of Michelin's DNA, contributing to human progress and a sustainable world.
- In North America, the **TBC Corporation joint venture sold its Midas franchise network** to Mavis Tire Express Service Corp. This allows TBC to focus on its core activities and strengthen their growth. The transaction will have a favorable impact of approximately USD 200 million on the Michelin Group's net result in 2025.
- Michelin **remains the world's most valued and powerful tire brand**: according to Brand Finance 2025, brand value increased to USD 8.8 billion, and Michelin ranks in the global top 10 of the most powerful B2B brands, at the 15th rank across all sectors.
- During the 2025 General Meeting held by the Group in Clermont Ferrand with nearly 1000 shareholders, all resolutions were approved, including a dividend raised to €1.38 per share. Florent Menegaux **reaffirmed the relevance and continuation of the "Michelin in Motion 2030" strategy**.
- Michelin announces the progressive closure of its Querétaro (Mexico) and Guarulhos (Brazil) sites by the end of 2025. These decisions respond to changes in the tire market and overcapacity due to an influx of low-priced products. The Group will individually support the 830 affected employees, in consultation with social partners. Michelin **reaffirms its sustainable commitment in both countries, where its other activities continue**.
- Michelin **publishes its very first sustainability report**, marking a key step in its "All Sustainable" strategy. In line with the EU's CSRD directive, this report details the Group's commitments regarding the environment, social responsibility, and governance. It demonstrates Michelin's intention to actively contribute to a more sustainable and transparent future.
- The publication of the second tax transparency report **illustrates a strengthened commitment to fiscal responsibility**. The document details the applied tax policy and worldwide contributions while integrating recent regulatory developments, particularly concerning transfer pricing, minimum tax rates of 15%, customs, and export control.

People

- Following an assessment by the international NGO Fair Wage Network, Michelin **renewed its certification as a "Global Living Wage Employer" for 2025 & 2026**. This distinction confirms the Group's commitment to fair wage policies, ensuring a "decent wage" for all its employees in over 60 countries.
- After the announcement at the end of 2024 of the closure of Michelin's Cholet and Vannes sites, **a social support measures agreement was signed by representative employee unions, including internal or external mobility**, and career closures. Meanwhile, buyer search led by Michelin Development has attracted numerous companies interested in establishing themselves on these sites, thus offering opportunities for employees. Finally, Michelin and the State have concluded two revitalization agreements for employment areas in Cholet and Vannes, aiming to recreate a number of jobs equivalent to those lost following the closures.
- 13 international French companies, including Michelin, join forces and **create the "Engage & Care Corporate Coalition"** to promote fair and decent living and working conditions for their employees, thus fostering social justice worldwide.

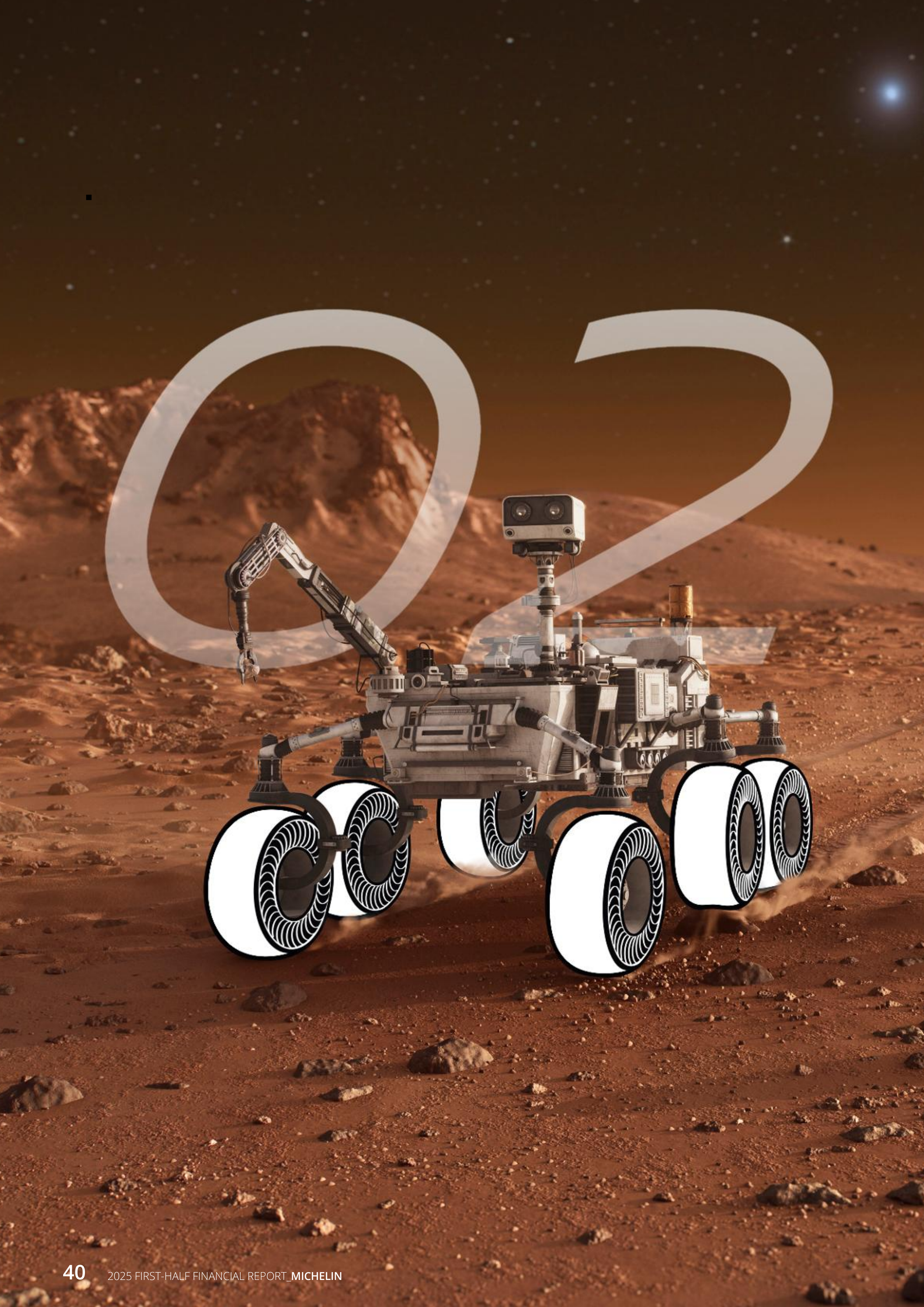
Planet

- Michelin starts its mining tire recycling activities at its plant in Chile, located in the Antofagasta region. Collected used tires are shredded, ground, and transformed into raw material usable again in the manufacturing of new tires and other products. This is further **proof of the Group's approach in recycling end-of-life tires and promoting circularity**.
- Michelin inaugurates a **new collaborative project** with French research institute CNRS and three French universities to develop **low-carbon hydrogen production technology** using water electrolysis. This is the third laboratory run jointly by Michelin and CNRS dedicated to deploying green hydrogen production technologies.
- For the fourth consecutive year, **Michelin is ranked first** among tire manufacturers in SPOTT's **natural rubber sector evaluation**, an online platform that assesses ESG practices of raw material producers, processors, and traders, with a score exceeding 80%. The Group also stands out as the only tire manufacturer to prove its supply chain is free of deforestation.
- Michelin announces the **construction of the world's first industrial demonstrator of bio-based 5-HMF** (5-Hydroxymethylfurfural), a key molecule to replace fossil components in many industrial sectors. The unit, located in France, will have a capacity of 3,000 tons per year starting in 2026. This project marks a major step in the industrialization of solutions developed by Michelin ResiCare and illustrates the Group's breakthrough innovation capabilities and its ambition to develop the use of renewable or recycled materials.
- Michelin demonstrates its commitment to sustainable development by **decarbonizing its factory in Olsztyn** (Poland), transitioning from coal to natural gas. This change has reduced CO_2 emissions from the site by over 90% thanks to modern equipment. It is part of the Group's strategy for net zero emissions by 2050, with an intermediate goal of -47.2% by 2030.
- Michelin came out on top in a large independent study conducted by ADAC, Germany's primary auto club with 22 million members. The analysis of 160 models of summer, winter, and all-season tires, evaluated based on wear and environmental impact, **highlights the low abrasion of MICHELIN tires**, outperforming the premium competitors' average by 26%. This result underscores the "MICHELIN Total Performance" commitment: safety, durability, fuel savings, and reduced environmental impact, without compromise.
- Michelin inaugurated a **Hydraloop system** at its Montceau-les-Mines factory, **enabling the recycling of industrial water and reducing withdrawals by 80%.** This project aligns with the Group's objective to decrease water withdrawals by 30% by 2030 relative to 2019. Similar projects are ongoing in other drought-affected countries like Mexico and Spain.

Business operations

- A decade after the launch of the MICHELIN CrossClimate, which led to the emergence of a European all-season tire market, the Group launches the **third generation** of this range. It also innovates by launching **MICHELIN CrossClimate 3 Sport**, the first all-season tire dedicated to sports cars, already approved on the new Alpine 390.
- Michelin launches the **MICHELIN Primacy 5** range and widens its technological lead. The new tire delivers an 18% increase in tread life, while maintaining superior wet grip safety performance, reducing noise and improving fuel efficiency by 5% compared with its predecessor. With a 6% smaller environmental footprint, it is also perfectly aligned with Michelin's all-sustainable strategy.
- The new MICHELIN X-CRANE 2 and X-Works Z2 & D2 address challenges in the lifting, construction, and waste sectors. They offer more load, longer life, and lower fuel consumption. With these two launches, Michelin **reinforces its commitment to sustainable mobility**.
- Michelin confirms its commitment to truck tire retreading with the extension of the **REMIX® 2** offering, providing a second premium hot retread for the MICHELIN X MULTI range. Michelin REMIX® 2 tires **offer a lifespan close to that of new tires**, with the same levels of grip, traction and safety.

- Michelin launches the **MICHELIN City Touring tire**, ideal for city bikes and weekend bike rides. Designed for both on- and off-road use, it offers enhanced safety on wet surfaces and better protection against punctures, while also being 31% lighter than conventional tires.
- Michelin **signed its first commercial contract for the WISAMO sail**, addressing decarbonization challenges in transportation, to equip a new patrol vessel for the French Directorate of Maritime Affairs of Fisheries and Aquaculture (DGAMPA), uniquely combining hybrid propulsion and sail assistance.
- Michelin becomes the **exclusive supplier of the FIM Superbike World Championship** from 2027 to 2031. This strategic partnership strengthens its presence in motorcycle competitions after years of experience in MotoGP and MotoE, deploying its innovative power to machines closer to series motorcycles.
- In Metz, the MICHELIN Guide celebrates the excellence of French gastronomy and the **125th anniversary of its famous red book**, a global reference offering unforgettable experiences in exceptional restaurants and hotels.
- After unveiling the MICHELIN Keys selections in numerous countries like France, Greece, the USA, Canada, and Japan, the **MICHELIN Guide honors Portugal**. Similarly to MICHELIN Stars for gastronomy, the Keys now distinguish hotels offering the most remarkable stay experiences.
- The MICHELIN Guide continues its **international expansion with new selections**, notably in China with the new Jiangsu Guide and in Greece with a first Keys selection, pending the upcoming publication of the MICHELIN Czech Republic Guide.
- For the first time, MICHELIN Guide distinctions are integrated into Apple Maps in the United States, facilitating access to exceptional establishments. This world first marks the beginning of a global expansion, asserting the MICHELIN Guide's ambition to become the **independent reference in gastronomic and hotel reservations**.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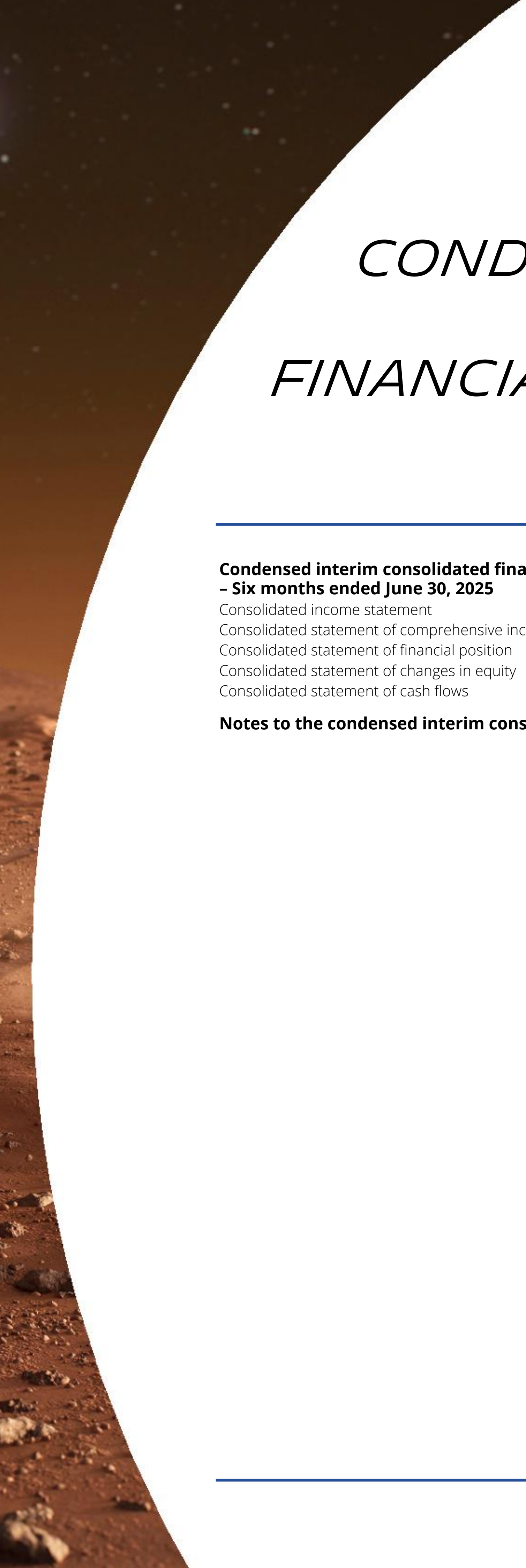

CHAPTER 02

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS – SIX MONTHS ENDED JUNE 30, 2025

CONSOLIDATED INCOME STATEMENT

(in € millions, except per-share data)	Note	First-half 2025	First-half 2024
Sales	5	13,028	13,481
Cost of sales		(9,358)	(9,444)
Gross income		**3,670**	**4,037**
Sales and marketing expenses		(577)	(594)
Research and development expenses		(396)	(385)
General and administrative expenses		(1,215)	(1,244)
Segment other income and expenses		(30)	(32)
Segment operating income	**5**	**1,452**	**1,782**
Other operating income and expenses	6	(251)	(211)
Operating income		**1,200**	**1,571**
Cost of net debt	8	(74)	(10)
Other financial income and expenses	8	23	4
Net interest on employee benefit obligations	7	(50)	(44)
Share of profit/(loss) from equity-accounted companies	12	50	(33)
Income before taxes		**1,150**	**1,488**
Income tax	10	(310)	(325)
NET INCOME		**840**	**1,163**
■ Attributable to the shareholders of the Company		834	1,157
■ Attributable to the non-controlling interests		6	6
EARNINGS PER SHARE *(IN €)*	**13**		
■ Basic		1.18	1.62
■ Diluted		1.17	1.60

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € millions)	Note	First-half 2025	First-half 2024
NET INCOME		**840**	**1,163**
Post-employment benefits	7	70	122
Tax effect – post-employment benefits		(13)	(29)
Equity instruments at fair value through OCI – changes in fair value		(2)	(6)
Tax effect – equity instruments at fair value through OCI		-	2
Other comprehensive income that will not be reclassified to the income statement		***55***	**89**
Cash flow hedges – changes in fair value		5	(7)
Currency translation differences	13	(819)	114
Other		2	(14)
Other comprehensive income/(loss) that may be reclassified to the income statement		**(812)**	**93**
OTHER COMPREHENSIVE INCOME/(LOSS)		**(757)**	**182**
TOTAL COMPREHENSIVE INCOME		**83**	**1,345**
■ Attributable to the shareholders of the Company		77	1,339
■ Attributable to the non-controlling interests		6	6

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in € millions)	Note	June 30, 2025	December 31, 2024
Goodwill	11	2,676	2,829
Intangible assets		2,001	2,120
Property, plant and equipment (PP&E)		11,912	12,750
Right-of-use assets		1,136	1,232
Non-current financial assets and other non-current assets		1,107	1,151
Investments in equity-accounted companies	12	895	849
Deferred tax assets		1,052	1,081
Non-current assets		**20,779**	**22,013**
Inventories	6	5,613	5,699
Trade receivables	6	4,025	3,595
Current financial assets		402	544
Other current assets		1,616	1,564
Cash and cash equivalents	8	3,119	3,936
Current assets		**14,775**	**15,339**
TOTAL ASSETS		**35,554**	**37,352**
Share capital	13	353	353
Share premiums	13	2,322	2,326
Reserves	13	15,048	15,946
Non-controlling interests	13	13	9
Total equity	**13**	**17,736**	**18,634**
Non-current financial liabilities	8	4,894	4,934
Non-current lease liabilities	8	786	872
Provisions for employee benefit obligations	7	2,605	2,730
Provisions and other non-current liabilities	6	820	928
Deferred tax liabilities		521	544
Non-current liabilities		**9,626**	**10,008**
Current financial liabilities	8	1,596	1,375
Current lease liabilities	8	247	258
Trade payables		2,565	3,086
Trade payables under reverse factoring agreements		560	689
Provisions and other current liabilities		3,225	3,302
Current liabilities		**8,192**	**8,710**
TOTAL EQUITY AND LIABILITIES		**35,554**	**37,352**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in € millions)	Share capital (note 13)	Share premiums (note 13)	Reserves (note 13)	Non-controlling interests	Total equity
At January 1, 2024	**357**	**2,702**	**14,896**	**3**	**17,958**
Net income	-	-	1,157	6	1,163
Other comprehensive income	-	-	182	-	182
Total comprehensive income	**-**	**-**	**1,339**	**6**	**1,345**
Issuance of shares	-	-	-	-	-
Share buybacks	-	-	(502)	-	(502)
Cancellation of shares	-	-	-	-	-
Dividends and other appropriations	-	-	(964)	(1)	(965)
Share-based payments – current service cost	-	-	18	-	18
Other	-	-	-	2	2
At June 30, 2024	**357**	**2,702**	**14,787**	**10**	**17,856**
Net income	-	-	727		727
Other comprehensive income/(loss)	-	-	(110)	-	(110)
Total comprehensive income	**-**	**-**	**615**		**615**
Issuance of shares	3	119	-	-	122
Share buybacks	(7)	(495)	502	-	-
Cancellation of shares	-	-	-	-	-
Dividends and other appropriations	-	-	-	(1)	(1)
Share-based payments – current service cost	-	-	43	-	43
Other	-	-	(2)	-	(2)
At December 31, 2024	**353**	**2,326**	**15,946**	**9**	**18,634**
Net income	-	-	834	6	840
Other comprehensive income/(loss)	-	-	(757)	-	(757)
Total comprehensive income	**-**	**-**	**77**	**6**	**83**
Issuance of shares	-	-	-	-	-
Share buybacks	-	-	-	-	-
Cancellation of shares	-	-	-	-	-
Dividends and other appropriations	-	-	(977)	-	(977)
Share-based payments – current service cost	-	-	17	-	17
Other	-	(3)	(15)	(2)	(20)
AT JUNE 30, 2025	**353**	**2,322**	**15,048**	**13**	**17,736**

CONSOLIDATED STATEMENT OF CASH FLOWS

(in € millions)	Note	First-half 2025	First-half 2024
Net income		840	1,163
Adjustments			
■ Cost of net debt	8	74	10
■ Other financial income and expenses	8	(23)	(4)
■ Net interest on employee benefit obligations	7	50	44
■ Income tax	10	310	325
■ Amortization and depreciation of intangible assets and PP&E		976	974
■ Other operating income and expenses	6	251	211
■ Share of loss/(profit) from equity-accounted companies	12	(50)	33
Segment EBITDA		**2,428**	**2,756**
Other operating income and expenses (cash) and changes in provisions	9	(164)	(51)
Interest and other financial income and expenses received and paid, net	9	36	(2)
Income tax paid		(257)	(335)
Change in working capital, net of impairment	9	(1,254)	(625)
Net cash from operating activities		**789**	**1,743**
Purchases of intangible assets and PP&E	9	(1,031)	(1,132)
Proceeds from sales of intangible assets and PP&E		22	12
Equity investments in consolidated companies, net of cash acquired		(15)	(6)
Disposals of equity investments in consolidated companies, net of cash sold		6	(5)
Purchases of equity instruments at fair value		(2)	(3)
Disposals of equity instruments at fair value		-	4
Cash flows relating to other financial assets	9	159	81
Net cash used in investing activities		**(863)**	**(1,049)**
Proceeds from issuance of shares	13	23	-
Dividends paid to the shareholders of the Company	13	(974)	(961)
Cash flows relating to financial liabilities	9	266	1,022
Share buybacks		-	(186)
Other		(27)	3
Net cash used in financing activities		**(713)**	**(122)**
Effect of changes in exchange rates		**(31)**	**(5)**
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**(817)**	**567**
Cash and cash equivalents at January 1		3,936	**2,515**
Cash and cash equivalents at June 30		3,119	**3,082**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

DETAILED SUMMARY OF THE NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 GENERAL INFORMATION

Compagnie Générale des Établissements Michelin (CGEM or the "Company") and its subsidiaries (together "the Group") design, manufacture and market tires throughout the world. The Group also provides its customers with tire- and vehicle-related services and solutions, mobility experiences and expertise in Polymer Composite Solutions.

The Company is a partnership limited by shares (*société en commandite par actions*) incorporated in Clermont-Ferrand (France).

The Company is listed on Euronext Paris (Eurolist Compartment A).

After a review by the Supervisory Board, these condensed interim consolidated financial statements were approved by the Managers on July 24, 2025.

Except as otherwise stated, all amounts in the consolidated financial statements are presented in millions of euros, which is the functional currency of the Group's parent company. Amounts in the consolidated financial statements are rounded to the nearest million and include individually rounded amounts. Arithmetic calculations based on rounded amounts may differ from the reported totals and subtotals.

NOTE 2 BASIS OF PREPARATION

2.1 Statement of compliance

The condensed interim consolidated financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting. They do not include all the information required for full annual financial statements and should be read in conjunction with the Group's consolidated financial statements for the year ended December 31, 2024, which were prepared in accordance with the International Financial Reporting Standards (IFRSs) adopted by the European Union as of the reporting date and applicable to the period then ended.

2.2 Accounting policies

The accounting policies applied in the preparation of these condensed interim consolidated financial statements are consistent with those applied by the Group in its consolidated financial statements for the year ended December 31, 2024.

The net post-retirement benefit obligation and the related net provision are measured based on the latest actuarial valuations available at the end of the previous period. For the main benefit plans (United States, Canada, United Kingdom, Germany and France), the actuarial assumptions are reviewed and the main assumptions are adjusted in the event of a material change during the six-month period. For these benefit plans, the fair value of the plan assets is measured at the interim reporting date.

2.3 New standards, amendments to existing standards and interpretations effective from January 1, 2025 in the European Union

The following updates to the IFRS are effective from January 1, 2025; they have no material impact for the Group:

Amendments to IAS 21 – Lack of Exchangeability

These amendments, published on August 15, 2023, specify how to assess whether a currency is exchangeable, how to determine the exchange rate for a currency that is not exchangeable, and the related disclosure requirements.

2.4 New standards, amendments to existing standards and interpretations that are not yet effective

The following new IFRS standards, updates and interpretations have been published by the IASB and adopted by the European Union, but were not effective as of January 1, 2025:

Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

These amendments, published on May 30, 2024, clarify the classification of financial assets with environmental, social and corporate governance (ESG) linked features. They also provide clarifications concerning the derecognition of liabilities settled through electronic payment systems.

Annual improvements - Volume 11

These amendments are applicable prospectively. They consist of targeted amendments designed to clarify certain provisions of IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.

IFRS 18 – Presentation and Disclosure in Financial Statements

This standard, published on April 9, 2024, will replace the current IAS 1 – "Presentation of Financial Statements" and will amend IAS 7 – "Statement of Cash Flows". It introduces a defined structure for the income statement, based on three categories of income and expenses (Operating, Investment, Financing) and requires the presentation of two subtotals (Operating income and Income before financing and income taxes). Alternative performance measures are clearly defined and the standard requires their disclosure in a single note to the financial statements. The standard also includes enhanced guidance on the principles of aggregation and disaggregation.

2.5 Critical accounting assumptions and estimates

The preparation of condensed interim consolidated financial statements in accordance with IFRS requires that management uses assumptions and estimates to calculate the value of assets and liabilities at the date of the consolidated statement of financial position and the amount of income and expenses for the reporting period.

In a still uncertain economic and geopolitical climate, the main sources of uncertainty relating to key assumptions and judgments concern impairment of non-financial assets, employee benefit obligations, income taxes, goodwill, intangible assets acquired in business combinations and the assets' estimated useful lives, the definition of the enforceable period of a lease and the effect on revenue recognition of deferred customer discounts.

NOTE 3 HIGHLIGHTS

Closure of the Querétaro plant in Mexico

On June 9, 2025, the Group informed its employees and customers, the local authorities and all other stakeholders that it was scaling down production at the Querétaro plant, with a view to closing the plant at the end of 2025.

The decision to close the plant was made following a detailed review of its activities and was based on two observations:

- demand for passenger car and light truck tires has evolved towards larger tires, which the Querétaro plant is unable to produce;
- the plant has become economically and technologically obsolete and cannot be transformed into a competitive manufacturing facility meeting today's market requirements.

The Group has committed to providing individual support for each of the plant's 480 employees.

The plant closure costs and write-downs of plant and equipment have been recognized in the first half of 2025 under “Other operating income and expenses” in the amount of €43 million.

TBC – Disposal of the Midas franchise business

On June 16, 2025, the TBC joint venture sold its Midas service business to Mavis. The transaction was carried out in the form of a share deal involving the sale of 100% of the shares in Midas International, which owns subsidiaries in the United States and Canada. TBC will continue to focus on growth and innovation in its wholesale and distribution businesses, as well as on expanding its Big O Tires franchise.

The disposal gain recognized in TBC's financial statements amounted to €372 million, of which the 50% share attributable to the Group amounted to €186 million, reported under “Share of profit/(loss) from equity-accounted companies”.

Symbio

Stellantis, joint-owner and main customer of the Symbio joint venture, announced on July 16, 2025 that it was terminating its hydrogen fuel cell technology development program.

In light of this announcement, the Group has booked a provision of €140 million covering its outstanding loans to Symbio and the best estimate of additional risks. The provision expense has been recorded as a deduction from “Share of profit/loss from equity-accounted companies”.

NOTE 4 CHANGES IN THE SCOPE OF CONSOLIDATION

4.1 Transactions in the first half of 2025

No material transactions impacting the scope were carried out during the period.

4.2 Transactions in 2024

No material transactions impacting the scope were carried out in 2024.

NOTE 5 SEGMENT REPORTING

Segment information is presented according to the following three operating segments:

- Automotive, Two-wheel and related distribution;
- Road transportation and related distribution;
- Specialty businesses and related distribution.

The specialty businesses and related distribution segment combines the specialty tires (Mining, Beyond-road and Aircraft tires) and Polymer Composite Solutions segments.

Operating segment performance is measured primarily on the basis of sales and segment operating income, according to the same measurement principles used in the consolidated income statement.

Segment information is as follows:

	First-half 2025				First-half 2024 restated[(1)]			
(in € millions)	Automotive, Two-wheel and related distribution	Road transportation and related distribution	Specialty businesses and related distribution	Total	Automotive, Two-wheel and related distribution	Road transportation and related distribution	Specialty businesses and related distribution	Total
Sales	7,111	3,007	2,910	**13,028**	7,151	3,232	3,098	**13,481**
Depreciation and amortization	539	233	205	**976**	529	238	207	**974**
Segment operating income	865	166	421	**1,452**	946	306	530	**1,782**
As a percentage of sales	*12.2%*	*5.5%*	*14.5%*	***11.1%***	*13.2%*	*9.5%*	*17.1%*	***13.2%***

(1) First-half 2024 data have been restated to reflect changes in the scope of the reporting segments in second-half 2024. These changes mainly concerned the Two-wheel tire business, which is now consolidated in the Automotive, Two-wheel and related distribution segment, in alignment with the internal reporting process.

Segment assets are as follows:

	June 30, 2025				December 31, 2024			
(in € millions)	Automotive, Two-wheel and related distribution	Road transportation and related distribution	Specialty businesses and related distribution	Total	Automotive, Two-wheel and related distribution	Road transportation and related distribution	Specialty businesses and related distribution	Total
Segment assets	12,310	5,663	7,271	**25,244**	12,649	5,673	7,702	**26,024**

Segment assets consist of goodwill and intangible assets, property, plant and equipment, finished product inventories, and trade receivables. The amounts reported to the Group's management in respect of operating segment assets are measured in a manner consistent with the consolidated financial statements.

No liabilities are allocated to the operating segments in the internal reports provided to the Group's management.

Corporate intangible assets and property, plant and equipment are allocated to each segment in proportion to the amount of their directly attributed assets.

Information breaks down as follows by region:

	First-half 2025				First-half 2024			
(in € millions)	Europe	North America	Other	Total	Europe	North America	Other	Total
Sales	4,675	4,927	3,425	**13,028**	4,786	5,239	3,457	**13,481**

Sales by geographic area are based on the location of the customer.

Sales for the six months ended June 30, 2025 amounted to €1,232 million in France (first-half 2024: €1,227 million) and €4,143 million in the United States (first-half 2024: €4,434 million).

In the first half, 97.1% of consolidated sales were recognized when control of the goods or services was transferred to the customer (first-half 2024: 97.2%), representing a total of €12,654 million (first-half 2024: €13,104 million). They mainly consisted of tire sales and sales of polymer-based components for critical applications.

In 2025, the amount recognized in sales for performance obligations satisfied over time stood at €373 million, representing 2.9% of total sales for the first half of the year (2024: €377 million, representing to 2.8% of total sales).

This amount corresponds for the most part to revenue derived from commercial fleet tire management contracts and contracts for the supply of telematics services, as described in note 5.2 to the consolidated financial statements for the year ended December 31, 2024.

	June 30, 2025				December 31, 2024			
(in € millions)	Europe	North America	Other	Total	Europe	North America	Other	Total
Goodwill, other intangible assets, PP&E and right-of-use assets	7,951	5,434	4,340	**17,725**	8,062	6,096	4,774	**18,932**

At June 30, 2025, goodwill, other intangible assets, property, plant and equipment, and right-of-use assets totaled €2,871 million (December 31, 2024: €2,850 million) in France and €3,481 million in the United States (December 31, 2024: €3,897 million).

NOTE 6 OPERATING ITEMS

6.1 Other operating income and expenses

(in € millions)	First-half 2025	First-half 2024
Amortization of trademarks and customer relationships acquired	(47)	(41)
Reorganizations and adaptation of activities	(101)	(90)
Impairment of non-current assets	(75)	(54)
Changes in scope of consolidation	-	-
Other	(28)	(26)
OTHER OPERATING INCOME AND EXPENSES	**(251)**	**(211)**

In the first half of 2025, business reorganization and adaptation costs and impairment losses on fixed assets mainly comprise:

- €43 million in closure costs announced for the Querétaro plant in Mexico (note 3);
- €20 million in closure costs announced for the Guarulhos plant in Brazil;
- additional impairment losses of €31 million due to the accelerated closure of plants in Germany, France and the United States;
- new provisions and impairment losses of €41 million in connection with various business reorganization and adaptation projects.

In the first half of 2024, the Group recognized €63 million in new provisions and impairment losses relating to reorganization and adaptation projects for operations in China and Poland, as well as €33 million in additional provisions related to plant closures in the United States and Germany.

6.2 Inventories

Inventories include the following:

(in € millions)	June 30, 2025	December 31, 2024
Raw materials and work in progress	1,639	1,700
Supplies	553	584
Finished products	3,592	3,602
Total gross inventory	**5,784**	**5,886**
Impairment of raw materials and work in progress	(23)	(24)
Impairment of supplies	(48)	(58)
Impairment of finished products	(100)	(105)
Total impairment	**(171)**	**(187)**
NET INVENTORIES	**5,613**	**5,699**

6.3 Trade receivables

The carrying amount of trade receivables is analyzed in the table below:

(in € millions)	June 30, 2025	December 31, 2024
Gross trade receivables	4,127	3,689
Impairment	(102)	(94)
TRADE RECEIVABLES	**4,025**	**3,595**

All trade receivables are due within 12 months.

Concerning credit risk, if a customer becomes insolvent or files for bankruptcy, it may default on the receivables held by the Group and this may have a negative impact on the Group's income statement.

The Credit Department, which is part of the Group Financial Department, sets the maximum payment terms and customer credit limits to be applied by the operating companies. It manages and controls credit activity, risk and results, and ensures the management and collection of trade receivables.

6.4 Provisions

6.4.1 Change in provisions

Changes in provisions during the period are presented below:

(in € millions)	Reorganizations and adaptation of activities	Litigation, warranties and other provisions	Total
At January 1, 2025	**805**	**382**	**1,188**
Additional provisions	123	142	265
Provisions utilized during the period	(165)	(63)	(228)
Unused provisions reversed during the period	(22)	(3)	(25)
Translation adjustments	(13)	(15)	(28)
Other effects	(2)	2	0
AT JUNE 30, 2025	**727**	**444**	**1,171**
Of which short-term portion	*388*	*143*	*531*

Additional provisions for reorganizations and adaptation of activities include the cost of the restructuring plans for Querétaro in Mexico and Guarulhos in Brazil announced during the first half of 2025.

Provisions used during the period mainly concerned payments made under the restructuring plans in Germany, France and the United States announced in 2023 and 2024.

Other additional provisions include the new provision set aside following Stellantis' announcement to terminate its hydrogen activities (note 3).

6.4.2 Provisions for claims and litigation, warranties and other provisions

Provisions concern the following risks:

(in € millions)	June 30, 2025	December 31, 2024
Provisions for claims and litigation	66	54
Provisions for product warranties	75	75
Provisions for product liability claims	78	75
Other provisions for contingencies	225	178
TOTAL	**444**	**382**

NOTE 7 PROVISIONS FOR EMPLOYEE BENEFIT OBLIGATIONS

Movements in net defined benefit obligations recognized in the consolidated statement of financial position are shown below:

(in € millions)	Pension plans	Other plans	2025	2024
AT JANUARY 1	**1,219**	**1,402**	**2,621**	**2,421**
Contributions paid to the funds	(3)	-	(3)	(5)
Benefits paid directly to the beneficiaries	(25)	(43)	(68)	(50)
Other movements	7	-	7	-
ITEMS RECOGNIZED IN OPERATING INCOME				
Current service cost	10	28	38	39
Actuarial (gains) or losses recognized on other long-term benefit plans	-	-	-	-
Plan modifications, curtailments or settlements	-	-	-	-
Other items	9	-	9	9
ITEMS RECOGNIZED OUTSIDE OPERATING INCOME				
Net interest on employee benefit obligations	22	28	50	43
Other	-	-	-	-
ITEMS RECOGNIZED IN OTHER COMPREHENSIVE INCOME				
Translation adjustments	(31)	(55)	(86)	15
Actuarial (gains) or losses	(31)	(22)	(53)	(124)
Unrecognized assets due to the effect of the asset ceiling	(17)	-	(17)	2
AT JUNE 30	**1,160**	**1,338**	**2,498**	**2,350**
Amounts recognized in the statement of financial position:				
As assets under non-current financial assets and other non-current assets			*107*	*299*
As liabilities under provisions for employee benefit obligations			*2,605*	*2,648*

Actuarial gains and losses recorded in equity are primarily explained by changes in discount rates and by the experience adjustments to plan assets located in the following countries:

(in € millions)	United Kingdom (UK)	Europe excluding UK	North America	Total equity
Discount rate at June 30, 2025	5.60%	3.63%	5.11%	n/a
Discount rate at December 31, 2024	5.50%	3.39%	5.22%	n/a
Inflation rate at June 30, 2025	3.00%	2.00%	2.18%	n/a
Inflation rate at December 31, 2024	3.25%	1.99%	2.18%	n/a
Actuarial (gains)/losses arising from changes in assumptions	(41)	(49)	32	(58)
Experience (gains)/losses on plan assets	36	-	(31)	5
ACTUARIAL (GAINS) OR LOSSES	**(5)**	**(49)**	**1**	**(53)**

Rates and amounts shown in the above table relate to benefit plans for which an actuarial valuation has been carried out for the interim period (note 2.2). The inflation rates used reflect the long-term weighted average duration of the Group's plans.

NOTE 8 FINANCIAL ASSETS, LIABILITIES, INCOME AND EXPENSES

8.1 Cost of net debt and other financial income and expenses

Cost of net debt and other financial income and expenses are broken down in the table below:

(in € millions)	First-half 2025	First-half 2024
Interest expense	(102)	(78)
Interest expense on lease liabilities	(27)	(23)
Interest income on cash, cash equivalents and cash management financial assets	59	76
Interest rate derivatives	(2)	12
Fees on credit lines	(3)	(3)
Capitalized borrowing costs	1	6
COST OF NET DEBT	**(74)**	**(10)**
Net income from financial assets (other than cash and cash equivalents and cash management financial assets)	26	37
Currency remeasurement (including currency derivatives)	-	(27)
Other	(4)	(6)
OTHER FINANCIAL INCOME AND EXPENSES	**23**	**4**

The cost of net debt amounted to €74 million in first-half 2025. The €64 million increase compared to the year-earlier period was mainly due to interest rate and currency mix effects.

8.2 Net debt

Group net debt is analyzed in the table below:

(in € millions)	June 30, 2025	December 31, 2024
Financial liabilities	7,523	7,438
Derivatives recognized as assets	(172)	(60)
Borrowing collaterals	-	(40)
Cash management financial assets	(290)	(290)
Cash and cash equivalents	(3,119)	(3,936)
NET DEBT	**3,942**	**3,112**

8.3 Financial liabilities

The carrying amount of financial liabilities is presented in the table below:

(in € millions)	June 30, 2025	December 31, 2024
Bonds	4,840	4,838
Loans from financial institutions and other	49	59
Derivative instruments	5	37
Non-current financial liabilities (excluding leases)	**4,894**	**4,934**
Non-current lease liabilities	**786**	**872**
Bonds	750	749
Commercial paper	292	297
Loans from financial institutions and other	533	296
Derivative instruments	21	33
Current financial liabilities (excluding leases)	**1,596**	**1,375**
Current lease liabilities	**247**	**258**
FINANCIAL LIABILITIES	**7,523**	**7,438**

Financial liabilities were stable at June 30, 2025 compared to December 31, 2024.

8.4 Liquidity risk

To meet its future cash needs, the Group had the following sources of financing in place as of June 30, 2025:

- cash and cash equivalents for €3,119 million;
- cash management financial assets for €290 million;
- a €2,500 million commercial paper program, of which €250 million had been utilized at June 30, 2025;
- a €599 million ($700 million) commercial paper program, of which €43 million ($50 million) had been utilized at June 30, 2025;
- a €171 million ($200 million) receivables securitization program utilized based on the availability of sufficient receivables of the required quality; this program had not been drawn down at June 30, 2025. At June 30, 2025, the Group had securitization debt of €15 million under a second €300 million program available at December 31, 2024 for which the repayment period began on July 1, 2025 and is due to end in 2026;
- €2,500 million in undrawn syndicated lines of credit.

8.5 Cash and cash equivalents

(in € millions)	June 30, 2025	December 31, 2024
Money-market funds	1,799	2,675
Bank deposits subject to up to a three-month notice period	1,031	1,047
Cash at bank and in hand	289	214
CASH AND CASH EQUIVALENTS	**3,119**	**3,936**

The Group is very careful in its choice of banks to manage its cash investments. Cash investments consist of (i) financial instruments that are subject to no risk or an insignificant risk of changes in value purchased from a sufficiently diversified group of leading banks, and (ii) unrestricted units in diversified money market funds or short-term bond funds.

Cash and cash equivalents include restricted cash of €213 million whose use is governed by prudential insurance regulations in Ireland (December 31, 2024: €199 million).

8.6 Financial instruments

Classification of financial assets

Group financial assets break down as follows between the categories "at fair value through profit or loss (FVTPL)", "at fair value through other comprehensive income (FVOCI)" and "at amortized cost" at June 30, 2025:

(in € millions)	FVTPL	FVOCI	Amortized cost	Total
Trade receivables	-	-	4,025	4,025
Current financial assets	87	12	303	402
Cash and cash equivalents	2,088	-	1,031	3,119
Non-current financial assets	351	357	399	1,107
TOTAL FINANCIAL ASSETS	**2,525**	**369**	**5,758**	**8,653**

Fair value of financial instruments

Fair value measurements are disclosed by level in the following fair value measurement hierarchy:

- **Level 1:** quoted prices in active markets. The fair value of financial instruments traded in active markets is based on quoted market prices at the date of the consolidated statement of financial position. These instruments (essentially cash and cash equivalents as well as quoted unconsolidated equity investments) are included in level 1;
- **Level 2:** inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). If all significant inputs required to fair value these instruments are observable, these instruments, essentially derivative instruments, are included in level 2;
- **Level 3:** inputs for assets or liabilities that are not based on observable market data (i.e., unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument, essentially non-quoted unconsolidated equity investments, is included in level 3.

The following tables present the Group's financial assets and liabilities measured at fair value at June 30, 2025 and December 31, 2024 by level in the fair value measurement hierarchy:

(in € millions)	Level 1	Level 2	Level 3	June 30, 2025	December 31, 2024
Cash and cash equivalents	2,088	-	-	2,088	2,889
Current financial assets (including derivatives)	-	99	-	99	82
Non-current financial assets (including derivatives)	35	331	341	707	688
TOTAL ASSETS	**2,123**	**430**	**341**	**2,894**	**3,659**
Derivative instruments	-	26	-	26	70
TOTAL LIABILITIES	**-**	**26**	**-**	**26**	**70**

There has been no significant transfer during the first half of the year between level 1 and level 2.

02

NOTE 9 NOTES TO THE STATEMENT OF CASH FLOWS

Cash flows are presented in detail in the table below:

(in € millions)	First-half 2025	First-half 2024
Investment grants recognized in profit or loss	(7)	(5)
Change in employee benefit obligations	(33)	(15)
Change in litigation and other provisions	22	17
Restructuring costs	(165)	(64)
Other	19	16
Other operating income and expenses (cash) and changes in provisions	**(164)**	**(51)**
Interest and other financial expenses paid	(140)	(105)
Interest and other financial income received	73	95
Dividends received	104	8
Interest and other financial income and expenses received and paid, net	**36**	**(2)**
Change in inventories	(258)	(360)
Change in trade receivables and advances	(670)	(177)
Change in trade payables and advances	(91)	8
Change in trade payables under reverse factoring agreements	(54)	160
Change in other receivables and payables	(181)	(256)
Change in working capital, net of impairment	**(1,254)**	**(625)**
Purchases of intangible assets	(112)	(121)
Purchases of PP&E	(654)	(684)
Government grants received	15	9
Change in capital expenditure payables	(256)	(315)
Change in capital expenditure payables under reverse factoring agreements	(24)	(21)
Purchases of intangible assets and PP&E	**(1,031)**	**(1,132)**
Increases in other non-current financial assets	(16)	(3)
Decreases in other non-current financial assets	69	3
Net cash flows from cash management financial assets	-	(5)
Net cash flows from borrowing collaterals	40	40
Net cash flows from other current financial assets	65	46
Cash flows relating to other financial assets	**159**	**81**
Increases in non-current financial liabilities	3	999
Decreases in non-current financial liabilities	(6)	(14)
Repayment of lease liabilities	(140)	(132)
Net cash flows from current financial liabilities	558	160
Derivatives	(150)	9
Cash flows relating to financial liabilities	**266**	**1,022**
Details of non-cash transactions:		
■ New leases	114	103
■ New emission allowances granted	1	3
■ Change in payment commitments for non-consolidated equity investments	(4)	3

NOTE 10 INCOME TAX

(in € millions)	First-half 2025	First-half 2024
Current tax expense	(341)	(348)
Deferred tax benefit	31	23
INCOME TAX	**(310)**	**(325)**

Current tax includes €15 million of withholding tax on royalties, interest and retained earnings distributed between Group companies (first-half 2024: €34 million).

The Group's effective tax rate for first-half 2025 was 26.9% (first-half 2024: 21.8%). The effective tax rate for first-half 2025 was adversely affected by the non-recognition of certain deferred tax assets, the change in deferred tax in Mexico and the exceptional levy provided for in the 2025 Finance Act in France.

In the first half of 2024, unrecognized deferred tax assets had an unfavorable impact on the effective tax rate that was partly offset by the favorable impact on deferred tax liabilities of a lower tax rate in Sri Lanka.

The Group has operations in various countries that have different tax laws and rates. The weighted average domestic tax rate of Group companies may therefore vary from year to year depending on the relative size of taxable incomes. Effective tax rates may differ from theoretical rates, particularly due to unrecognized deferred tax assets, withholding taxes, tax credits and other taxes not based on income.

The utilization of deferred tax assets is periodically reviewed at the tax entity level and may lead to the recognition of previously unrecognized deferred tax assets. There were no material adjustments to recognized deferred tax assets during first-half 2025.

NOTE 11 GOODWILL

At June 30, 2025, goodwill allocated to the cash generating units (CGUs) or groups of CGUs is as follows:

(in € millions)	June 30, 2025	December 31, 2024
Passenger car tires – global brands CGU group	429	454
Passenger car tires – regional brands CGU	158	175
Light truck and Truck tires CGU group	621	647
Mining tires CGU	220	248
Two-wheel tires CGU	18	18
Beyond-road tires CGU	672	753
Polymer Composite Solutions CGU group	558	534
GOODWILL	**2,676**	**2,829**

Excluding the currency effect, there were no material changes in goodwill in first-half 2025.

At June 30, 2025, no indications of impairment had been identified based on available information that could affect the long-term value of the Group's cash-generating units (CGUs) or groups of CGUs as determined at December 31, 2024.

NOTE 12 EQUITY-ACCOUNTED COMPANIES

12.1 Investments in equity-accounted companies

Changes in investments in equity-accounted companies are as follows:

(in € millions)	Investments in associates	Investments in joint ventures	Total investments in equity-accounted companies
At January 1, 2024	**63**	**808**	**871**
Share of profit/(loss) from equity-accounted companies	(1)	(26)	(27)
Impairment losses	-	-	-
Dividends	-	(3)	(3)
Change in scope of consolidation/capital increases	2	-	2
Currency translation differences	-	20	20
Other/reclassifications	-	40	40
At June 30, 2024	**64**	**839**	**903**
Share of profit/(loss) from equity-accounted companies	8	(20)	(12)
Impairment losses	-	-	-
Dividends	(2)	(13)	(15)
Change in scope of consolidation/capital increases	-	(25)	(25)
Currency translation differences	1	12	13
Other/reclassifications	-	(15)	(15)
At December 31, 2024	**71**	**778**	**849**
Share of profit/(loss) from equity-accounted companies	1	194	195
Impairment losses and provisions[1]	-	(145)	(145)
Dividends	(3)	(95)	(98)
Change in scope of consolidation/capital increases	2	-	2
Currency translation differences	(2)	(63)	(65)
Other/reclassifications[2]	-	157	157
AT JUNE 30, 2025	**69**	**826**	**895**

(1) Impairment losses and provisions relating to investments in equity-accounted companies are included in the income statement under "Share of profit/loss from equity-accounted companies".
(2) Mainly comprising the reclassification of impairment losses on loans and provisions booked on investments in equity-accounted companies with a nil value.

The main equity-accounted companies are TBC, Solesis and SIPH. All of the other companies represent less significant investments.

Changes in the first half of 2025 mainly concerned:

- TBC in the amount of €188 million, including the Group's share of the profit on disposal of the Midas business (note 3).
- Symbio, a company specializing in hydrogen fuel cell systems, for a negative €156 million, including the €140 million covering its outstanding loans to Symbio and the best estimate of additional risks related to Stellantis' announcement to terminate its hydrogen activities (note 3).

12.2 Information on the main equity-accounted companies

The table below shows the condensed financial statements of the main equity-accounted companies, prepared on a 100% basis:

	June 30, 2025			June 30, 2024		
(in € millions)	**TBC**	**Solesis**	**SIPH**	**TBC**	**Solesis**	**SIPH**
Country	United States	United States	France	United States	United States	France
% interest	50%	49%	39.26%	50%	49%	41.97%
Sales	1,797	54	351	1,855	55	256
Segment EBITDA	91	12	68	98	15	39
Depreciation, amortization and impairment	(54)	(3)	(12)	(56)	(2)	(13)
Other operating income and expenses	481	(6)	1	(9)	(6)	(4)
Net financial income/(expense)	(17)	(5)	(1)	(27)	(5)	1
Taxes	(121)	-	(22)	(4)	-	(8)
NET INCOME/(LOSS)	**380**	**(2)**	**35**	**2**	**2**	**16**

	June 30, 2025			December 31, 2024		
(in € millions)	**TBC**	**Solesis**	**SIPH**	**TBC**	**Solesis**	**SIPH**
Current assets	1,798	42	287	1,650	49	264
■ *of which cash and cash equivalents*	*313*	*6*	*28*	*14*	*7*	*9*
Non-current assets	715	657	450	1,050	735	455
■ *of which goodwill*	*91*	*189*	*159*	*149*	*212*	*159*
TOTAL ASSETS	**2,513**	**699**	**737**	**2,700**	**784**	**719**
Current liabilities	1,156	119	121	1,249	133	142
■ *of which other current financial liabilities*	*115*	*108*	*39*	*328*	*118*	*65*
Non-current liabilities	486	269	75	681	296	82
■ *of which non-current financial liabilities*	*239*	*9*	*50*	*531*	*11*	*61*
Total equity	871	311	541	770	355	495
TOTAL LIABILITIES AND EQUITY	**2,513**	**699**	**737**	**2,700**	**784**	**719**
Share of net assets	436	153	167	385	174	154
Elimination of profit from downstream transactions	(37)	-	-	(39)	-	-
INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES	**399**	**153**	**167**	**346**	**174**	**154**

- TBC, a joint venture with Sumitomo Corporation, distributes tires in the United States. On June 16, 2025, TBC sold its Midas service business to Mavis, realizing a disposal gain of €372 million (note 3). TBC also approved the distribution of a $200 million dividend, paid in June 2025. The equity-accounted share of TBC included in the Group's consolidated income statement for the first half of 2025 (including elimination of downstream transactions, net of taxes) is a profit of €188 million in first-half 2025 (first-half 2024: profit of €11 million).
- Solesis, a joint venture with Altaris, is a leading specialist in biomaterials and components for the medical sector. The equity-accounted share of Solesis' results included in the Group's first-half 2025 income statement represented a loss of €1 million (first-half 2024: profit of €1 million). Cash corresponding to preference shares is recorded under non-current assets for an amount of €260 million.
- The SIPH Group, a joint venture with SIFCA, owns and operates rubber plantations in West Africa. The equity-accounted share of SIPH's results included in the Group's consolidated net income for first-half 2025 was a profit of €14 million after deducting income attributable to minority shareholders of subsidiaries (first-half 2024: profit of €7 million).

NOTE 13 TOTAL EQUITY

13.1 Share capital and share premiums

(in € millions)	Share capital	Share premiums	Total
At January 1, 2024	**357**	**2,702**	**3,059**
Issuance of shares upon exercise of stock options and performance share rights	-	-	-
Cancellation of shares	-	-	-
Other	-	-	-
At June 30, 2024	**357**	**2,702**	**3,059**
Issuance of shares upon exercise of stock options and performance share rights	3	119	122
Cancellation of shares	(7)	(495)	(502)
Other	-	-	-
At December 31, 2024	**353**	**2,326**	**2,679**
Issuance of shares upon exercise of stock options and performance share rights	-	-	-
Cancellation of shares	-	-	-
Other	-	(3)	(3)
AT JUNE 30, 2025	**353**	**2,322**	**2,675**

(number of shares)	Shares issued	Treasury shares	Shares outstanding
At January 1, 2024	**714,958,065**	**161**	**714,958,226**
Issuance of shares upon exercise of stock options and performance share rights	-	-	-
Share buybacks	-	(5,330,632)	(5,330,632)
Sales of treasury shares	-	-	-
Cancellation of shares	-	-	-
Other	-	-	-
At June 30, 2024	**714,958,065**	**(5,330,471)**	**709,627,594**
Issuance of shares upon exercise of stock options and performance share rights	5,266,149	-	5,266,149
Share buybacks	-	(9,146,310)	(9,146,310)
Sales of treasury shares	-	-	-
Cancellation of shares	(14,477,103)	14,476,942	(161)
Other	161	(161)	-
At December 31, 2024	**705,747,272**	**-**	**705,747,272**
Issuance of shares upon exercise of stock options and performance share rights	1,514	-	1,514
Share buybacks	-	(35,673)	(35,673)
Sales of treasury shares	-	35,673	35,673
Cancellation of shares	-	-	-
Other	-	-	-
AT JUNE 30, 2025	**705,748,786**	**-**	**705,748,786**

The dividend approved at the Annual Shareholders Meeting of May 16, 2025 was €1.38 per share (2024: €1.35 per share). The cash-only dividend was paid on May 23, 2025 for a net amount of €974 million (2024: €961 million).

13.2 Reserves

(in € millions)	Translation reserve	Treasury shares	Other reserves	Retained earnings	Total
At January 1, 2024	**(521)**	**-**	**173**	**15,244**	**14,896**
Dividends and other appropriations	-	-	-	(964)	(964)
Share-based payments – current service cost	-	-	-	18	18
Share buybacks	-	(502)	-	-	(502)
Sale/cancellation of shares	-	-	-	-	-
Other	-	-	-	-	-
Transactions with the shareholders of the Company	**-**	**(502)**	**-**	**(946)**	**(1,448)**
Net income/(loss) attributable to the shareholders of the Company	**-**	**-**	**-**	**1,157**	**1,157**
Post-employment benefits	-	-	-	*122*	*122*
Tax effect – post-employment benefits	-	-	-	*(29)*	*(29)*
Equity instruments at fair value through OCI – changes in fair value	-	-	*(6)*	-	*(6)*
Tax effect – equity instruments at fair value through OCI	-	-	*2*	-	*2*
Other	-	-	-	-	-
Other comprehensive income/(loss) that will not be reclassified to the income statement	**-**	**-**	**(4)**	**93**	**89**
Cash flow hedges – changes in fair value	-	-	*(7)*	-	*(7)*
Currency translation differences	*114*	-	-	-	*114*
Other	-	-	-	*(14)*	*(14)*
Other comprehensive income/(loss) that may be reclassified to the income statement	**114**	**-**	**(7)**	**(14)**	**93**
Total comprehensive income/(loss)	**114**	**-**	**(11)**	**1,236**	**1,339**
AT JUNE 30, 2024	**(407)**	**(502)**	**162**	**15,534**	**14,787**
Dividends and other appropriations	-	-	-	-	-
Share-based payments – current service cost	-	-	-	43	43
Share buybacks	-	-	-	-	-
Sale/cancellation of shares	-	502	-	-	502
Other	-	-	-	(2)	(2)
Transactions with the shareholders of the Company	**-**	**502**	**-**	**41**	**543**
Net income/(loss) attributable to the shareholders of the Company	**-**	**-**	**-**	**727**	**727**
Post-employment benefits	-	-	-	*(260)*	*(260)*
Tax effect – post-employment benefits	-	-	-	*33*	*33*
Equity instruments at fair value through OCI – changes in fair value	-	-	*(38)*	-	*(38)*
Tax effect – equity instruments at fair value through OCI	-	-	*6*	-	*6*
Other	-	-	-	-	-
Other comprehensive income/(loss) that will not be reclassified to the income statement	**-**	**-**	**(32)**	**(227)**	**(259)**
Cash flow hedges – changes in fair value	-	-	-	-	-
Currency translation differences	*159*	-	-	-	*159*
Other	*(39)*	-	*(2)*	*29*	*(12)*
Other comprehensive income/(loss) that may be reclassified to the income statement	**120**	**-**	**(2)**	**29**	**147**
Total comprehensive income/(loss)	**120**	**-**	**(34)**	**529**	**615**
AT DECEMBER 31, 2024 (CARRIED FORWARD TO NEXT PAGE)	**(287)**	**-**	**128**	**16,105**	**15,946**

(in € millions)	Translation reserve	Treasury shares	Other reserves	Retained earnings	Total
AT DECEMBER 31, 2024 (BROUGHT FORWARD FROM PREVIOUS PAGE)	**(287)**	**-**	**128**	**16,105**	**15,946**
Dividends and other appropriations	-	-	-	(977)	(977)
Share-based payments – current service cost	-	-	-	17	17
Share buybacks	-	-	-	-	-
Sale/cancellation of shares	-	-	-	-	-
Other	-	-	-	(15)	(15)
Transactions with the shareholders of the Company	**-**	**-**	**-**	**(975)**	**(975)**
Net income/(loss) attributable to the shareholders of the Company	**-**	**-**	**-**	***834***	***834***
Post-employment benefits	-	-	-	70	70
Tax effect – post-employment benefits	-	-	-	(13)	(13)
Equity instruments at fair value through OCI – changes in fair value	-	-	(2)	-	(2)
Tax effect – equity instruments at fair value through OCI	-	-	-	-	-
Other	-	-	-	-	-
Other comprehensive income/(loss) that will not be reclassified to the income statement	**-**	**-**	***(2)***	***57***	***55***
Cash flow hedges – changes in fair value	-	-	5	-	5
Currency translation differences	(819)	-	-	-	(819)
Other	-	-	2	-	2
Other comprehensive income/(loss) that may be reclassified to the income statement	***(819)***	**-**	***7***	**-**	***(812)***
Total comprehensive income/(loss)	**(819)**	**-**	**5**	**891**	**77**
AT JUNE 30, 2025	**(1,106)**	**-**	**133**	**16,021**	**15,048**

No share buybacks were carried out in first-half 2025.

13.3 Earnings per share

Components of the basic and diluted earnings per share calculations are presented in the table below:

	First-half 2025	First-half 2024
Net income *(in € millions)*, excluding non-controlling interests	834	1,157
■ Less, estimated General Partners' profit shares	(1)	(1)
Net income attributable to the shareholders of the Company used to calculate basic earnings per share	**832**	**1,156**
Weighted average number of shares outstanding (thousands of shares) used to calculate basic earnings per share	**705,748**	**713,719**
■ Plus, adjustment for share grants and performance share plans	8,595	7,124
Weighted average number of shares used to calculate diluted earnings per share	**714,344**	**720,844**
EARNINGS PER SHARE *(IN €)*		
■ Basic	**1.18**	1.62
■ Diluted	**1.17**	1.60

Diluted earnings per share are calculated by adjusting net income attributable to shareholders and the weighted average number of shares outstanding to assume conversion of all dilutive potential shares. As of June 30, 2025, the only potentially dilutive financial instruments consisted of share grants and performance share plans.

NOTE 14 LITIGATION AND CONTINGENT LIABILITIES

The Group is involved in litigation arising in the normal course of business.

In January 2024, the European Commission launched a competition inquiry into the tire industry in Europe. Michelin is one of the manufacturers concerned by the inquiry. In 2024, class actions were filed in the United States and Canada as a direct consequence of this inquiry. However, in April 2024, the Group lodged an appeal with the European Court of First Instance to have the decision authorizing the inspection annulled. On July 9, 2025, the Court partly annulled the European Commission's decision to conduct an inspection by reducing the inspection period.

As a reminder, the Group applies a strict policy of compliance with competition law across all of its businesses and in all of its host countries.

In its public communication, the Commission has clearly stated that the opening of this inquiry does not prejudge the inquiry's outcome. At the same time, Michelin has reiterated its right to be presumed innocent. No provision was booked for this inspection in 2024 or the first half of 2025.

There were no material developments in other litigation during the period between December 31, 2024 and June 30, 2025.

Taken as a whole, the resulting liabilities are not expected to be material in relation to the Group’s business or consolidated financial position.

NOTE 15 EVENTS AFTER THE REPORTING DATE

No material events occurred between the reporting date and the date when the condensed interim consolidated financial statements were authorized for issue by the Managers.

03

CHAPITRE 03

STATUTORY AUDITORS' REVIEW REPORT

STATUTORY AUDITORS' REVIEW REPORT ON THE HALF-YEAR FINANCIAL INFORMATION

(For the period from January 1st to June 30, 2025)

This is a free translation into English of the statutory auditors' review report on the Half-year financial information issued in French and is provided solely for the convenience of English-speaking readers. This report includes information relating to the specific verification of information given in the Group's Half-year management report. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Shareholders' Meeting and in accordance with the requirements of article L. 451-1-2-III of the French Monetary and Financial Code ("*Code monétaire et financier*"), we hereby report to you on:

- the review of the accompanying condensed half-year consolidated financial statements of Compagnie Générale des Etablissements Michelin, for the six-months ended June 30,2025;
- the verification of the information contained in the half-year management report.

These condensed half-year consolidated financial statements are the responsibility of the Managing Chairman. Our role is to express our conclusion on these financial statements based on our review.

I. CONCLUSION ON THE FINANCIAL STATEMENTS

We conducted our review in accordance with professional standards applicable in France.

A review of half-year financial information consists of making inquiries primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. This work is substantially less extensive than that required for an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-year consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

II. SPECIFIC VERIFICATION

We have also verified the information presented in the half-year management report on the condensed half-year consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-year consolidated financial statements.

Neuilly-sur-Seine and Paris La Défense, July 24, 2025

The Statutory Auditors

PricewaterhouseCoopers Audit	Deloitte & Associés
Itto El Hariri	Frédéric Gourd


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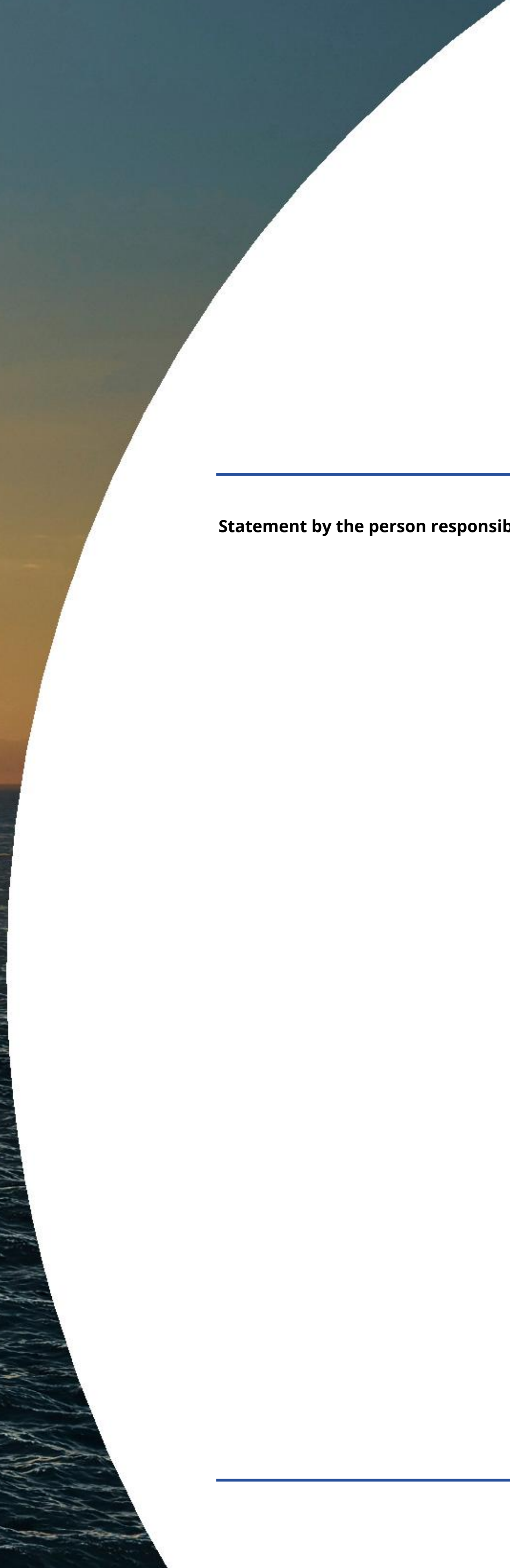

CHAPTER 04

STATEMENT BY THE PERSON RESPONSIBLE

STATEMENT BY THE PERSON RESPONSIBLE FOR THE FIRST-HALF 2025 FINANCIAL REPORT

I hereby declare that, to the best of my knowledge, (i) the condensed financial statements for the past six-month period have been prepared in accordance with generally accepted accounting principles and give a true and fair view of the assets, liabilities, financial position and results of the Company and the undertakings included in the consolidation, and (ii) the first-half business review on pages 5 to 39 presents a fair review of the material events that occurred in the first six months of the financial year, of their impact on the interim accounts, and of the main related-party transactions, and also describes the principal risks and uncertainties for the remaining six months of the year.

Florent Menegaux

Design and production:
Contact: fr-Design_KPMGAdv@kpmg.fr
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