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PRESS RELEASE

Clermont-Ferrand – April 24, 2025

COMPAGNIE GÉNÉRALE DES ÉTABLISSEMENTS MICHELIN

Financial information for the three months ended March 31, 2025

*Group sales were down 1.9% due to lower Original Equipment volumes,
partly offset by a significantly improved mix.*

*In a highly volatile environment shaped by geopolitical and macro-economic uncertainties,
the Group tightens up its steering and keeps its 2025 guidance unchanged.*

Consolidated sales for the quarter down 1.9% at €6.5 billion

- Volumes were down 7.3% due to lower OE sales in all segments, prolonging the trend observed in second-half 2024.
- The 2.5% positive mix effect reflected the favorable OE/Replacement mix, offer enrichment and the Group's performance in targeted markets.
- The price effect was also positive, demonstrating the Group's ability to enhance the value of its offerings and the strength of the MICHELIN brand, as well as reflecting the deferred impact of the indexation clauses included in the main OE contracts.
- The currency effect was favorable, including for the US dollar.

Automobile and Two-wheel tires (RS1): sales up 1.2%, lifted by a positive mix effect

- Revenue growth pulled by Replacement, with MICHELIN-brand tires up 4% and a strong performance in high value-added tire sizes.
- Segment volumes (down 3%) were eroded by the continuing downtrend in the OE markets in Europe (down 13%) and North America (down 8%), and by the unfavorable mix of vehicle brands and models.
- The structural enrichment of the mix continued, with sales of 18-inch and larger tires growing in line with market and accounting for 67% of MICHELIN-brand sales (up 4 points). The pace of innovation increased, with the successful launch of the Primacy 5 range, which widens the Group's technological lead.
- The Two-wheel tire business continued to grow, led by the Leisure motorcycle and premium scooter segments in Europe and Asia.

Road transportation (RS2): volumes adversely affected by lower OE, partly offset by Replacement and fleet services sales

- OE volumes were hit by sharply declining markets in Europe (down 12%) and North America (down 14%), and by the consequences of the price increases negotiated with OEMs.
- In the Replacement market, new tire volumes increased and the Group recorded market share gains in targeted segments, supported by a very dynamic product plan.
- Revenue of Tire-as-a-Service and Connected Solutions fleet service offering continued to grow, strengthening their competitive position in Europe and South America.



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Specialty Tires and Polymer Composite Solutions (RS3): Beyond Road lower, Mining and Aircraft supportive

- With OE markets still at the bottom of the cycle as expected (-25%), Beyond Road volumes were heavily penalized, mainly in Agriculture and Construction.
- Mining tire sales recovered to the high levels of the first quarter of 2024, as the Group strengthened its position in a supportive market.
- Aircraft tire sales also grew over the quarter, helped by buoyant markets.
- Polymer Composite Solutions sales were down slightly in an uncertain economic environment, with a positive trend in belts and high-tech seals for critical industrial applications.

A business model adapted to overcome the turbulence of 2025

- Resilient business model through a diverse spread of markets, offerings and geographies.
- Widely deployed local-to-local strategy with production facilities located close to the markets.
- Excellent financial strength recognized by recent upgrades (to A/A/A2) by the three major credit rating agencies.
- The power of the MICHELIN brand and the Group's ability to manage profitability.
- Technological innovation-led differentiation, demonstrated in 2025 across all sectors.
- Stable governance, engaged and empowered teams, proven agility in the recent times of crisis.

In this year's highly uncertain environment, the Group keeps its full-year guidance unchanged and expects to outperform its 2024 Segment operating income at constant exchange rates (€3.4 billion) and to deliver Free cash flow before acquisitions of more than €1.7 billion.



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Sales for the three months ended March 31, 2025

First-quarter sales (in € millions)	2025	2024	% change (at current exchange rates)
RS1 - Automotive and Two-wheel*	3,559	3,518	+1.2%
RS2 - Road Transportation*	1,529	1,584	-3.5%
RS3 - Specialty businesses*	1,427	1,539	-7.3%
Group Total	6,515	6,642	-1.9%

* And related distribution.

Tire Market Review

Passenger car, Light truck & Two-wheel tires

PASSENGER CAR AND LIGHT TRUCK TIRES

FIRST-QUARTER 2025/2024 (in number of tires)	EUROPE*	NORTH & CENTRAL AMERICA	CHINA	GLOBAL MARKET
Original Equipment	-13%	-8%	+10%	-1%
Replacement	+6%	+1%	-1%	+4%

* Including Türkiye and Central Asia

The **worldwide Original Equipment and Replacement Passenger car and Light truck tire sell-in market** grew by 2% year-on-year in the first quarter of 2025.

PASSENGER CAR AND LIGHT TRUCK TIRES - ORIGINAL EQUIPMENT

Global demand in the **Original Equipment** segment dipped 1% in the first quarter of 2025. Steep declines in Europe (down 13%) and North America (down 8%) contrasted with growth in China (up 10%).

In the Group's other host regions, the market expanded slightly in South America (up 5%) and remained stable elsewhere.



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In **Europe**, the hefty 13% decline prolonged the trend observed in the fourth quarter of 2024. Demand for new vehicles continued to be held back by persistent uncertainty about regulations governing the market's transition towards hybrid and electric technologies, as well as by consumers' reduced purchasing power.

The **North and Central American** market declined by a significant 8% over the quarter. The uncertain geopolitical and macroeconomic environment eroded consumer confidence and was not conducive to a structural recovery in demand. What's more, with household purchasing power under pressure, the executive segments of the North American automotive market were the hardest hit.

In **China**, the market grew 10%, supported by the government's ongoing program of financial subsidies launched in the second half of 2024. The resulting recovery in domestic demand was accompanied by continued high export volumes.

PASSENGER CAR AND LIGHT TRUCK TIRES – REPLACEMENT

Global demand for **Replacement** tires climbed by 4% year-on-year in the first quarter of 2025. In all regions, the trend was driven primarily by the non-pool segment of the market.

In **Europe**, the market rose 6% in the first quarter of 2025. In addition to persistent imports of low-cost tires from Asia, market growth was underpinned by strong sell-in sales of winter and all-season tires. It was also supported by the sustained move upmarket in the product mix, with faster growth in sales of 18-inch and larger tires. Dealer inventories were generally at normal levels.

In **North America**, although the market was stable overall (up 1%), it was affected by the automotive market's shift to lower-trim models with fewer features and less equipment, and by an influx of low-cost tire imports ahead of a potential rise in customs tariffs. These imports led to only a limited increase in dealer inventories.

Demand in **China** was down a very slight 1% over the period, due to the impact on consumers of the unfavorable economic environment and the gradual decline in average annual vehicle mileage following the recent development of rail infrastructure.

TWO-WHEEL TIRES

The two-wheel motor vehicle market rose slightly in first-quarter 2025, helped by the buoyant leisure motorcycle and premium scooter segments. In addition, period-on-period growth reflected the low basis of comparison in first-quarter 2024 when demand was affected by poor weather conditions.



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Truck tires (radial and bias)

First-quarter 2025/2024 (in nb. of tires)	EUROPE*	NORTH & CENTRAL AMERICA	SOUTH AMERICA	GLOBAL MARKET (excluding China)
Original Equipment	-12%	-14%	-1%	-6%
Replacement	+1%	-3%	0%	0%

* Including Türkiye and Central Asia

The **worldwide** Original Equipment and Replacement **Truck tire sell-in market (excluding China)** shrank by 1% compared with first-quarter 2024.

In **China**, where the Group's presence is negligible, demand rose by 1% over the three-month period.

ORIGINAL EQUIPMENT

In the **Original Equipment** segment, the worldwide market excluding China contracted by 6% in the first quarter of the year, continuing the downtrend observed in the second half of 2024.

In **Europe**, the market began to return to more normal levels in 2024 after several years of strong post-Covid growth, and this trend continued in first-quarter 2025, with demand down 12%. However, despite the uncertain economic environment, it looks as if the cycle may have bottomed out in the period.

In **North and Central America**, the 14% decline in the market in first-quarter 2025 was also part of a downward cycle. Numerous political uncertainties (including the possible easing of future environmental regulations) and economic uncertainties (risks of inflation and/or recession) made fleet managers reluctant to invest in new vehicles for the time being.

In **South America**, the market was in line with the first quarter of 2024 (down 1%), reflecting last year's return to traditional levels of demand and the absence of any regulatory impact or baseline effect. This overall stability resulted from fairly strong demand for truck tires, which offset weaker demand for trailer tires.



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REPLACEMENT

The worldwide **Replacement** sell-in market (excluding China) was flat over the first quarter versus the year-earlier period.

In **Europe**, demand was stable (up 1%), with tonnes carried at the same level as in first-quarter 2024. Markets in Western Europe grew during the quarter, but the Central and Eastern Europe market contracted, due to the steep 23% fall in Türkiye.

The **North and Central American** market declined by 3% over the quarter. This was expected, due to the high basis of comparison in the first quarter of 2024, when imports from Thailand grew rapidly. The return to more normal levels of demand had a negative impact on demand for retreads, which faced competition from low-cost tires.

Demand in **South America** was flat year-on-year compared with first-quarter 2024, reflecting two opposing trends. In Brazil, the market contracted by 12% as it struggled to absorb the large volume of imports seen in recent months, while in Argentina, the apparently clearer economic situation helped to drive a significant 23% rebound in demand.

Specialty businesses

Beyond-road (Agricultural, Construction and Materials Handling) tires: in these segments, where demand is on the whole divided equally between Original Equipment and Replacement sales, growth was mixed in the first quarter, with OE demand remaining depressed across the board and Replacement demand demonstrating greater resilience.

In Agricultural tires, the more cyclical OE markets contracted significantly in both the Americas and Europe. Sources of downward pressure included the uncertain political and economic environment, which weighed on investment decisions, and inventory drawdowns by agricultural vehicle manufacturers, which nevertheless showed signs of tapering off at the end of the quarter.

Replacement market trends were mixed, with a sharp decline in North America and timid growth in Europe.

In Construction tires, OE demand was down sharply on first-quarter 2024. This was expected and the rate of decline nevertheless eased compared with fourth-quarter 2024. Replacement markets were stable in Europe and down in North America. As was the case for Agricultural tires, demand was adversely affected by the macro-economic environment and limited inventory drawdowns by dealers.

Demand for Materials Handling tires was down slightly on first-quarter 2024, with lower sales in North America not fully offset by increased demand in Europe.



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Mining tires: this market is expected to remain robust over the long term, supported by ever-increasing ore mining needs. In first-quarter 2025, the market grew at a moderate rate, in line with mining operators' overall activity levels.

Aircraft tires: the commercial aviation market remained buoyant, with growth driven primarily by rising demand in China and Europe. The general aviation market also grew, especially in North America, thanks to brisk demand and a certain amount of inventory rebuilding.

Polymer Composite Solutions:

Fundamentals in the **conveyor belt** market closely track mining industry demand over the long term and are structurally sound. Overall demand was stable in first-quarter 2025, after a year of market and inventory rationalization in 2024.

In the **other segments** (belts, high-tech seals and fabrics and engineered polymers), which serve a variety of market verticals, worldwide demand was relatively weak in first-quarter 2025, due to the many uncertainties clouding the global economic outlook. While the segments that closely track the pace of industrial output held up fairly well, those dependent on the energy or construction sectors in particular had a harder time.

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Sales

In € millions	First-quarter 2025	
Sales	6,515	
Total change	-127	-1.9%
Tire volumes	-486	-7.3%
Tire price-mix	+320	+4.8%
Non-tire businesses	-5	-0.1%
Currency effect	+43	+0.7%
Changes in scope of consolidation	+1	+0.0%

The Group's sales for the first quarter of 2025 totaled €6,515 million, a decrease of 1.9% from the year-earlier period that was attributable to the net impact of the following factors:

- a 7.3% decline in **tire volumes** that was mainly due to the steep fall in all OE markets, both B2C (Automotive) and B2B (Truck, Agricultural, Construction). By contrast, Replacement sales volumes were up for MICHELIN-brand Passenger car & Light truck tires and new Truck tires, and were aligned with overall first-quarter 2024 sales in the Mining segment;
- a 4.8% positive tire **price-mix** effect, with the positive price effect of €153 million stemming mainly from the application of contractual indexation clauses on January 1, 2025 and the €167 million positive mix effect reflecting:
 - a favorable OE/Replacement mix across all segments,
 - increased Replacement sales of MICHELIN-brand Passenger car and Light truck tires, particularly in the 18-inch and larger segment,
 - favorable sales of Mining tires;
- stable **non-tire sales** (down 0.1%), with the downturn in the conveyors business offset by strong momentum in Connected Solutions sales, particularly in Europe and South America;
- the 0.7% positive **currency effect**, which was mainly due to the dollar's appreciation against the euro, partly offset by falls in the Brazilian real, Mexican peso and Turkish lira;
- the absence of any **changes in scope of consolidation** during the quarter.



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Segment information

Automotive and Two-wheel

Sales in the Automotive and Two-wheel (and related distribution) segment grew by 1.2% to €3,559 million in the first three months of 2025, from €3,518 million in the prior-year period.

The 3.3% decline in volumes masked major disparities between activities.

Automotive

OE sales were down in a persistently depressed market, particularly in Europe and North America where the trend observed in late 2024 continued into the new year. Group sales were also eroded by an unfavorable customer mix in the new vehicle market, with the greatest fall in demand affecting the executive segments to which the Group is more exposed.

Replacement sales of MICHELIN-brand tires were up in all regions except China, where domestic demand remained sluggish.

Concerning the Group's other brands, sales of the European KLEBER brand continued to grow strongly, and the new BF GOODRICH All-Terrain KO3 tire launched in Europe and North America in 2024 also enjoyed rapid growth.

The Group held onto its market share in the fast-growing 18-inch and larger segment.

The price effect was favorable in first-quarter 2025, mainly due to the application on January 1, 2025 of the indexation clauses included in OE contracts.

The mix effect was also favorable, with a relative decline in OE volumes and a steady increase in the proportion of 18-inch and larger tires in the sales mix (representing 67% of MICHELIN-branded volumes sold in first-quarter 2025, 4 points more than in the year-earlier period).

Two-wheel tires

Two-wheel tire sales increased, particularly in the more profitable leisure motorcycle and premium commuting segments. Growth was led by China, reflecting buoyant demand in the premium electric scooter tire segment, where the Group has a significant presence.

Exchange rate movements had a positive impact on segment sales.



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Road transportation

Sales in the Road transportation (and related distribution) segment declined by 3.5% in the first three months of 2025, to €1,529 million from €1,584 million in the year-earlier period.

Volumes contracted by 8.9%, reflecting to a large extent the impact of the very steep fall in the OE markets in Europe and North America.

New tire sales in the Replacement market increased over the period, especially in the strategic and most profitable markets of Europe, North America and South America.

Connected Solutions sales continued to grow, particularly in Europe and South America, helped by the high level of synergy between tire offerings and connected services for fleet operators.

The price effect was positive, reflecting the impact of the contractual indexation clauses applied on January 1, 2025 and the price increases negotiated for OEM contracts in 2024.

The mix effect was also positive, due to a favorable Replacement - OE market mix.

Exchange rates had a slightly unfavorable impact on the segment's sales, notably due to its greater exposure to the Brazilian real which fell sharply against the euro over the quarter.

Specialty businesses

Sales in the Specialty businesses (and related distribution) segment fell by 7.3% over the period, to €1,427 million from €1,539 million in the first quarter of 2024.

Tires: volumes were down 9.6%, reflecting the steep fall in Beyond Road OE sales, particularly of Agricultural and Construction tires. Continuing the trend observed in the second half of 2024, first-quarter 2025 OE sales in this segment were around 30% lower than in the same period of 2024.

Mining tire volumes were on a par with first-quarter 2024 despite the high basis of comparison, with a particularly strong rebound in March, confirming that the one-offs that negatively impacted 2024 are actually behind. The Group increased its market share in strategic segments, particularly in South America.

Aircraft tire volumes were boosted by growth in air traffic and the Group's strong market positions.

The price effect was favorable, reflecting the application of contractual indexation clauses.

The mix effect was also positive, due to the relative weakness of OE sales and the good performance of the Mining tire and Aircraft tire businesses within the segment.



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Polymer Composite Solutions:

Conveyor sales were slightly down over the quarter due to the relative caution of operators who are tending to postpone their orders, but overall business remains well oriented.

The seals and belts business posted satisfactory growth in a rather sluggish environment and accelerated its penetration of targeted environments such as aeronautics.

Sales of coated fabrics and films were down slightly, particularly in the marine and supercar segments, where overall demand remained sluggish after a lackluster 2024.

Exchange rate movements had a favorable impact on segment sales.



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Non-financial performance

Michelin is widely recognized for its engagement and outcomes with respect to the environment, its social responsibility and its corporate governance.

Rating agency	Sustainalytics	MSCI	CDP		Moody's ESG	ISS OEKOM	EcoVadis
Score*	Low risk 10.1	AAA	B Climate change	A- Water security	73/100	B- Prime	79/100 Gold

* Full details concerning the position and distribution of these scores are available at www.michelin.com

There have been no changes in the Group's non-financial ratings since the publication of its 2024 annual results.



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Highlights

January 9, 2025 [Business Activities] - 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.

February 6, 2025 [Business Activities] - 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.

February 6, 2025 [Business Activities] - Michelin signs its first WISAMO commercial contract, with the French Department of Maritime Affairs, Fisheries and Aquaculture (DGAMPA), to equip a new offshore patrol vessel with a WISAMO wingsail. This "Made in France" collaboration between WISAMO, the Socarenam shipyard and the Mauric naval architecture firm will provide an unprecedented combination of hybrid and wind-assisted propulsion that addresses the challenges of decarbonizing maritime transport.

February/March 2025 [Corporate] - Fitch and Standard & Poor's upgrade Michelin's long-term Issuer Default Rating (IDR) by a notch from "A-" to "A", Outlook Stable. These rating actions recognize the Group's strong financial structure and the agencies' confidence in its future performance; they follow Moody's upgrade (from "A3" to "A2") in 2024.

March 2025 [Corporate] - Following the announcement at the end of 2024 of the planned closure of Michelin's Cholet and Vannes sites, an agreement is signed with the representative trade unions on support measures for the affected employees, including external and internal mobility and early retirement measures. At the same time, Michelin Development, which is leading the search for buyers, has been approached by numerous companies interested in setting up operations on these sites, with or without creating new jobs, thus offering opportunities to the affected employees.

March 2025 [Corporate] - 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.

March 12, 2025 [Business Activities] - 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.

March 14, 2025 [Planet] - Michelin starts Mining tire recycling operations at its plant in the Antofagasta region of Chile. Once collected, used tires are shredded, ground up and transformed into a raw material that can be used again in the manufacture of new tires and other products. This is a further demonstration of the Group's approach to end-of-life tire recycling and circularity.

March 17, 2025 [Planet] - 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.

March 26, 2025 [Planet] - For the fourth year running, Michelin is ranked no.1 tire maker in the natural rubber industry by SPOTT, an online platform that assesses the ESG practices of raw material



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producers, processors and traders, with a score of over 80%. The Group also stands out as the only tire maker capable of proving that its supply chain does not cause deforestation.

March/April 2025 [Corporate] - The MICHELIN Guide continues to expand across the globe, with new curated selections, notably for China with the new Jiangsu Province Guide, and Greece, with the first MICHELIN Keys selections, and the MICHELIN Guide to the Czech Republic due to be published shortly.

March 31, 2025 [Corporate] - In North America, the TBC Corporation joint venture signs an agreement to sell its Midas franchise network to Mavis Tire Express Service Corp. The sale will enable TBC to concentrate on its core businesses and grow them more rapidly. The transaction is expected to add US\$200 million to the Michelin Group's 2025 net income. It also represents an opportunity for Michelin and Mavis to strengthen their commercial partnership.

March 31, 2025 [Corporate] - 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.

A full description of the highlights may be found on the Michelin website, michelin.com
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Results presentation

First-quarter 2025 sales will be reviewed with analysts and investors during a presentation in English planned on **Thursday, April 24, 2025 at 6:30 pm CEST**. The conference call and the full array of financial information may be found on the [michelin.com](https://www.michelin.com) website.

Investor calendar

- May 16, 2025 **Annual Shareholders Meeting**
- May 21, 2025 **Ex-dividend date**
- May 23, 2025 **Dividend payment date**
- July 24, 2025 **First-half 2025 results**
- October 22, 2025 **Quarterly information for the nine months ending September 30, 2025**

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