

**MICHELIN LUXEMBOURG S.C.S.**  
**69, boulevard de la Pétrusse**  
**L 2320 Luxembourg**  
**R.C.S. Luxembourg B 96.546**  
**(hereinafter the «Partnership »)**

**HALF-YEARLY REPORT OF THE SUPERVISORY BOARD**  
**for the financial period ended June 30, 2010**

As prescribed by law the Supervisory Board wishes hereby to highlight the activities of the Partnership during the accounting period ended June 30<sup>th</sup>, 2010, and to comment the non audited half-yearly accounts.

**Operations and activity of the Partnership**

During the accounting period ended June 30<sup>th</sup>, 2010, the Partnership's operations and activities were dominated by the take-over of the EUR 495'000'000,00 and the EUR 750'000'000,00 loans on lent to Michelin Invest Luxembourg SCS by Compagnie Financière Michelin on respectively April 16<sup>th</sup>, 2010 and April 24<sup>th</sup>, 2010.

Secondly, due to favorable market conditions, the Partnership repurchased nominal EUR 10'000'000,00 6.5% guaranteed bonds 2012 with value date May 25<sup>th</sup>, 2010 for the transfer price of 108,27 and nominal EUR 3'661'000,00 6.5% guaranteed bonds 2012 with value date June 10<sup>th</sup>, 2010 for the transfer price of 108,05.

Although at first this operation is having a negative impact on the profit and loss account of EUR 1'121'710,50, the Partnership will save approximately EUR 1'670'000,00 on future interest charge.

During the first six months of 2010, the Partnership has registered a total interest charge of EUR 48'846'299,71 on the guaranteed bonds and an interest income of EUR 49'754'420,55 on the loans to Michelin Invest Luxembourg S.C.S. and Compagnie Financière Michelin.

The Partnership has also registered a charge of EUR 494'359,98 linked to the guarantee granted by Compagnie Financière Michelin on the bond issues.

During the first half year accounting period, the Partnership has not had other specific activities.

Neither have there been important events after the closing of the 6 months period.

**Risks**

The risk on the operations of the Partnership is considered low, the main income being generated by the loans to Compagnie Financière Michelin, a group company.



### **Results - Allocation**

The Annual General Meeting held on April, 9<sup>th</sup>, 2010 decided to distribute the profit of the year 2009, being EUR 116'188,82, to the shareholders.

### **Others**

We would like to state that the accounts in question have been drawn up according to the provisions and methods stipulated in the Grand Duchy of Luxembourg.

For the second half of the financial year 2010 we do not foresee any new operations or activities.

For the Supervisory Board of  
MICHELIN LUXEMBOURG SCS

Signed by  
Jean-Noël QUILLET,  
Chairman of the Supervisory Board

Signed by  
Gérard CHAPIROT,  
Member of the Supervisory Board

Signed by  
Rudolf JURCIK,  
Member of the Supervisory Board