

**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, 2012**

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>, 2012, 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>, 2012, the Partnership activities were dominated by continuation with the repurchase of the 8.625% guaranteed bond 2014, the repayment of the 6.5% guaranteed bond 2012, the issuing of US Commercial Paper and the issuing of EUR 400 million 7 year 2.75% guaranteed bond.

During the first half year the Partnership proceeded to additional repurchases for a total of EUR 86'797'000. The outstanding amount as at June 30<sup>th</sup>, 2012 of the 8.625% guaranteed bond 2014 is EUR 593'797'000.

On April 16<sup>th</sup>, 2012 Compagnie Financière du Groupe Michelin, "Senard et Cie" repaid the EUR 495'000'000 loan and same date the Partnership paid the 6.5% guaranteed bond 2012.

On April 25<sup>th</sup>, 2012, the Partnership started with issuing of US Commercial Paper.

On June 20<sup>th</sup>, 2012, the Partnership issued a 2.75% EUR 400'000'000 guaranteed bond 2019.

The EUR 750'000'000 loan to Compagnie Financière du Groupe Michelin, "Senard et Cie" was partially repaid for the amount of EUR 156'203'000. The premium involved herewith amounted to EUR 24'162'177.

During the first six months of 2012, the Partnership has registered a total interest charge of EUR 35'954'251 of the guaranteed bonds and USD 137'376 (EUR 109'924) on the US Commercial Paper.

The loans to Compagnie Financière du Groupe Michelin, "Senard et Cie" generated an interest income of EUR 41'373'289.

The Partnership has also registered a charge of EUR 374'945 linked to the guarantees granted by Compagnie Financière du Groupe Michelin, "Senard et Cie".

Next to continue with the repurchase of the 8.625% guaranteed bond 2014 there have been no other important events after the closing of the 6 month period.



## **Risks**

The risk on the operations of the Partnership is considered low, the main income being generated by the loans to Compagnie Financière du Groupe Michelin, “Senard et Cie”, a group company.

## **Results - Allocation**

The Annual General Meeting held on April, 3<sup>rd</sup>, 2012 approved the allocation of the loss for the year 2011, being EUR 8’800’496 to the Partners on a pro-rata basis of their participation in the Partnership. The corresponding amounts have been paid to the Partnership by the Partners on January 19<sup>th</sup>, 2012.

## **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 2012 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  
Marc HENRY,  
Member of the Supervisory Board

Signed by  
Bernard GERARDIN,  
Member of the Supervisory Board

