First-Half 2009 Financial Report

PRESS RELEASE

Clermont-Ferrand - 31 July 2009

COMPAGNIE GENERALE DES ETABLISSEMENTS MICHELIN

Financial Information for the Six Months Ended June 30, 2009

First-half net sales down 13.4% to €7.1 billion

Operating margin of 4.0% before non-recurring items and major business metrics maintained thanks to efficient management of operations

Net loss of €122 million, after high restructuring costs

- Unit sales down 23%, primarily due to the fall-off in tire demand in all of the country markets except China. The decline was especially apparent in the original equipment business and, more broadly, in Truck tires.

- Highly positive 9.6% impact from the price mix, reflecting the resistance of the MICHELIN brand and the Group's firm pricing policy.

- Operating income before non-recurring items down 60.2% to €282 million, hit by the decline in unit sales and the increase in capacity under-utilization costs.

- Generation of €575 million in free cash flow, driven by efficient management of working capital (particularly inventory) and the sharp reduction in capital expenditure, to €319 million from €500 million in first-half 2008.

"Faced with the persistent, steep decline in global tire markets, Michelin has responded swiftly and effectively by tightening its management and deploying production adjustment programs," said **Michel Rollier, Managing General Partner**. "As part of this response, the Group nevertheless had to introduce short-time working hours in a number of countries and to implement the production reorganization programs needed to make Michelin more competitive. Concerning the business environment, inventories have now returned to more normal levels, but not to the extent that we can talk about a real upturn. We will therefore maintain our efforts in the months ahead, although the decline in raw materials prices should support second-half margins. The Group is committed to generating positive free cash flow in the second half, in order to continue preserving its major business metrics. The dedicated involvement of our teams and the measures taken to enhance our responsiveness will enable Michelin to emerge from the current period stronger and more efficient than ever."

(IN € MILLIONS)	June 30, 2009	June 30, 2008	Change
NET SALES	**7,134**	**8,239**	- 13.4%
OPERATING INCOME BEFORE NON-RECURRING INCOME AND EXPENSES	**282**	**708**	- 60.2%
OPERATING MARGIN BEFORE NON-RECURRING INCOME AND EXPENSES	**4.0%**	**8.6%**	- 4.6 pts
PASSENGER CAR AND LIGHT TRUCK TIRES AND RELATED DISTRIBUTION	**6.3%**	**7.6%**	- 1.3 pts
TRUCK TIRES AND RELATED DISTRIBUTION	**- 7.9%**	**5.2%**	- 13.1 pts
SPECIALTY BUSINESSES	**17.8%**	**20.0%**	- 2.2 pts
OPERATING INCOME/(LOSS)	**(10)**	**708**	N/M
NET INCOME/(LOSS)	**(122)**	**430**	N/M
NET DEBT	**3,818**	**4,334**	- 10.7%[1]
GEARING	**75%**	**80%**	A 9-pt improvement[1]
FREE CASH FLOW[2]	**575**	**(445)**	€1,020m
EMPLOYEES ON PAYROLL[3]	**112,500**	**121,000**	- 7.0%

[1] Compared with December 31, 2008
[2] Cash flow from operating activities less cash flow from investing activities
[3] At period-end

Market Review

FIRST HALF 2009 % change YoY	**EUROPE incl. CIS**	**NORTH AMERICA**	**ASIA**	**SOUTH AMERICA**	**AFRICA/ MIDDLE EAST**	**TOTAL**
PASSENGER CAR AND LIGHT TRUCK TIRES						
Original Equipment	**- 33.1%**	**- 51.0%**	**- 17.3%**	**- 20.7%**	**- 25.0%**	**- 29.1%**
Replacement	**-12.1%****	**- 10.7%**	**- 4.6%**	**- 7.4%**	**- 5.2%**	**- 9.4%**
TRUCK TIRES*						
Original Equipment	**- 67.4%**	**- 47.8%**	**- 21.9%**	**- 30.7%**	**- 25.1%**	**- 44.5%**
Replacement	**- 31.4%**	**- 18.2%**	**- 12.0%**	**- 22.3%**	**- 7.1%**	**- 17.2%**

*Radial market only
**Down 6.5% excluding the CIS

Passenger Car and Light Truck Tires

Original Equipment

- Except in China, original equipment markets around the world fell sharply in the first half, as carmakers drastically drew down inventories over the period and slashed production in response to plunging demand.
- Markets showed signs of stabilizing in the second quarter, however, particularly in the countries that had introduced automobile stimulus packages.

Replacement

- Markets in Europe and North America bottomed out in the first quarter, which saw a decline in vehicle miles traveled, a reduction in average highway speeds and sustained retailer destocking. Demand in Europe fell 12.1% over the first half, dragged down by the steep drop in the Russian market. Excluding the CIS, demand was down 6.5% for the period.
- Retail inventory is at a record low, indicating that most of the drawdown is behind us.
- In Asia, the Chinese market continued to expand, rising 13.8% over the period.

Truck Tires

Original Equipment

- The collapse in demand that began in the autumn in Europe and North America spread to all of the Group's markets in the first-half and shows no sign of abating.
- In the mature markets, weakness has hit every segment, from power units to trailers, with semi-truck manufacturers and broadline trailer-makers feeling an even steeper decline.
- In general, demand has fallen fastest in markets driven by exports and international transportation.

Replacement

- In Western Europe and North America, intense retailer destocking in the first quarter exacerbated the impact of the fall-off in road traffic, driving the market down even faster. As drawdowns tapered off in the second quarter, however, demand moved back in line with freight trends.

Specialty Tires

Earthmover Tires: The Mining and Quarries segment is withstanding the economic slowdown, as mining companies rebuild their high-performance tire inventory. On the other hand, global original equipment demand is still falling and the Infrastructure markets have slowed considerably in Europe and North America.

Agricultural Tires: At a time of low economic visibility, original equipment demand fell sharply in the first half. The replacement market was down considerably in Europe but fared better in North America, particularly for tires for high-powered farm machinery.

Two-Wheel Tires: The "motorized" segments contracted sharply in the mature country markets during the period, but continued to expand in the major emerging markets, albeit at a slower pace.

Aircraft Tires: Airlines saw a decline in business in the first half, with a sharp reduction in the number of flights, but demand for radial tires is still less affected.

First-Half Net Sales and Results

Net Sales

Net sales stood at €7,134 million for the period, down 13.4% at current exchange rates compared with first-half 2008.
The decline reflected the 23.3% negative impact from the fall-off in volumes as demand plummeted, which was attenuated by the positive 9.6% price-mix effect. Pricing policies were held firm over the period, while the product mix continued to move up-market, thanks to the MICHELIN brand's solid resilience and a favorable replacement/OE market mix.
The currency effect was a positive 2.9%, as gains in the US dollar and, to a lesser extent, the Chinese yuan against the euro offset the declines in the British pound and the Brazilian real.

Results

Operating margin before non-recurring items stood at 4.0%, 4.6 points lower than in first-half 2008.

At €282 million, operating income before non-recurring items was down 60.2% for the period, reflecting the extremely adverse impact of the decline in unit sales (€875 million) and the under-utilization of Group production capacity. The raw materials price impact, which was highly unfavorable in 2008, has started to decline, but still reduced first-half 2009 operating income by a total of €117 million.

On the upside, the positive price-mix effect added €608 million to operating income for the period.

The net loss for the period totaled €122 million, after €292 million in restructuring costs related to the plant specialization plan in France and implementation of the manufacturing and sales reorganization plan in North America.

Net financial position

The Group generated **€575 million in free cash flow** in the first half of 2009, compared with a negative €445 million a year earlier.

The improvement was led by the €580 million reduction in inventory over the period, thanks to the responsive deployment of the production flexibility programs in the second quarter and, to a lesser extent, the decline in raw materials prices.

Free cash flow was also generated by the intrinsic gains driven by the transformation program and the reduction in days of sales outstanding. In addition, as announced, capital expenditure was sharply scaled back, to €319 million from €500 million in first-half 2008, without compromising the Group's sustained expansion in new growth markets.

As a result, **gearing stood at 75%** at June 30, 2009, a 9-point improvement over December 31, 2008, and consolidated net debt amounted to €3,818 million, down €455 million over the period.

The dividend reinvestment plan, offered for the first time this year, attracted more than half of all shareholders, enabling the Group to save €80 million in cash.

Segment Information

(In € millions)	Net sales		Operating income before non-recurring items		Operating margin before non-recurring items	
	First-Half 2009	First-Half 2008	First-Half 2009	First-Half 2008	First-Half 2009	First-Half 2008
Passenger Car and Light Truck Tires and Related Distribution	**3,949**	**4,357**	**247**	**332**	**6.3%**	**7.6%**
Truck Tires and Related Distribution	**2,071**	**2,696**	**(163)**	**139**	**- 7.9%**	**5.2%**
Specialty Businesses	**1,114**	**1,186**	**198**	**237**	**17.8%**	**20.0%**
Consolidated total	**7,134**	**8,239**	**282**	**708**	**4.0%**	**8.6%**

Passenger Car and Light Truck Tires and Related Distribution
Net sales declined by 9.4% in the first half, to €3,949 million, while operating income stood at €247 million, versus €332 million in first-half 2008.

The impact of falling markets was considerably attenuated by the highly positive price-mix effect and the firm resistance of the MICHELIN brand's market share, particularly in the Replacement business. Cost discipline was tightened while production programs were scaled back over the period.

Truck Tires and Related Distribution
Net sales declined 23.2% year-on-year to €2,071 million in the first half, primarily due to the collapse in demand in most truck tire markets around the world, which was particularly apparent in the original equipment segment.

The business ended the period with an operating loss of €163 million, reflecting the decline in unit sales, the resulting sharp reduction in output and the cost of idled capacity.

Specialty Businesses
Net sales from the Specialty Businesses amounted to €1,114 million for the first six months of the year, a 6.1% decline from first-half 2008. Sales in the Earthmover segment demonstrated firm resistance, supported by increased demand for high-performance tires in the mining industry.

Operating margin remained high.

First-Half 2009 Highlights

- Plan announced to reorganize manufacturing and sales operations in North America

- Michelin France strengthens R&D operations and further specializes production facilities

- Michelin confirms its lead in fuel-efficient tire technologies

  - MICHELIN Energy™ Saver and Primacy HP Tires highly rated by ADAC
  - One millionth MICHELIN Energy™ Saver Tire delivered to PSA Peugeot Citroën
  - A new MICHELIN Energy™ Saver All-Season tire for North America

- Three additional J.D. Power Awards for Michelin in the United States and one in Japan

- The first Michelin Truck Service Center opened in India

- Michelin begins delivering original equipment tires to Harley Davidson

- Another success for the Michelin Retread Technologies network in North America with the arrival of Snider Tire Inc.

- New European tire performance regulations adopted by the European Parliament on March 10

- Michelin strengthens its financial structure by placing a €750 million bond issue

A full description of first-half 2009 highlights
may be found on the Michelin website:
www.michelin.com/corporate

Conference call

First-half 2009 results will be reviewed in a conference call in English today, Friday July 31, at 10:30 am CEST (9:30 am UT). If you wish to participate, please dial one of the following numbers from 10:20 am CET:

• From France	01 72 00 09 91
• From the UK	0808 238 1769
• From the United States	1 (866) 907 5923
• From anywhere else	+44 808 238 1769

Please refer to the www.michelin.com/corporate website for practical information concerning the conference call.

Investor Calendar

Quarterly information for the nine months ending September 30, 2009:
Monday, 26 October 2009 after close of trading

2009 net sales and results:
Friday, February 12, 2010 before start of trading

2009 INTERIM FINANCIAL REPORT

The interim financial report for the period ending June 30, 2009 may be downloaded from the www.michelin.com/corporate website,
in the Finance/Regulated Information section.
It has also been filed with Autorité des Marchés Financiers (AMF).
The report contains:

- The business review for the six months ended June 30, 2009.
- The consolidated financial statements and notes for the period.
- The statutory auditors' review report on the interim financial information for 2009.

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Disclaimer

This press release is not an offer to purchase or a solicitation to recommend the purchase of Michelin shares. To obtain more detailed information on Michelin, please consult the documents filed in France with Autorité des Marchés Financiers, which are also available from the www.michelin.com website.
This press release could contain a number of provisional statements. Although the Company believes that these statements are based on reasonable assumptions as at the time of publishing this document, they are by nature subject to risks and contingencies liable to translate into a difference between actual data and the forecasts made or induced by these statements.


FIRST-HALF 2009 RESULTS
MICHELIN
A better way forward

First-Half 2009 Financial Highlights

		% Change YoY
Net sales	€7,134m	-13.4%
Operating income before non-recurring items	€282m	-60.2%
Operating margin before non-recurring items	4.0%	-4.6 pts
Net Loss	€(122)m	N/M*
Net debt-to-equity ratio	75%	9 pts improvement (vs. Dec. 31, 2008)
Free cash flow**	€+575m	€+1,020m

*Non meaningful
**Cash-flow from operating activities less cash flow from investing activities

MICHELIN
A better way forward

3 - First-Half 2009 Results – July 31, 2009

FIRST-HALF **2009** RESULTS

1. Withstanding the steep decline in demand
2. Maintaining Group profitability
3. Focusing on key business and financial metrics
4. Increasing sales in growth regions
5. Improving competitiveness
6. Differentiating products and services

MICHELIN
A better way forward

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Sharp Drop in World Markets

Markets at June 30, 2009
% change YoY

Passenger Car/Light Truck

	Europe with CIS	North America	Asia	South America	Africa Middle East	Total
Original Equipment	-33.1	-51.0	-17.3	-20.7	-25.0	-29.1
Replacement	-12.1*	-10.7	-4.6	-7.4	-5.2	-9.4

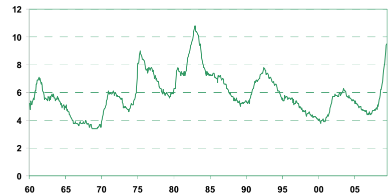
*Europe excluding CIS: -6.5%

Truck (radial market)

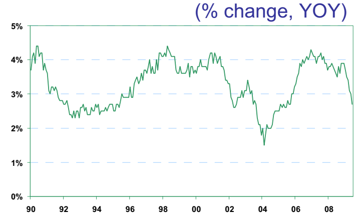
	Europe with CIS	North America	Asia	South America	Africa Middle East	Total
Original Equipment	-67.4	-47.8	-21.9	-30.7	-25.1	-44.5
Replacement	-31.4	-18.2	-12.0	-22.3	-7.1	-17.2

US Economic Indicators Continued to Weaken in H1 2009

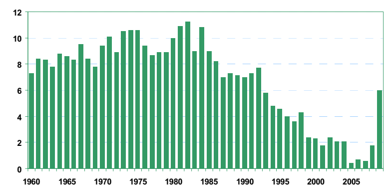
Unemployment rate
(adjusted for seasonal fluctuations)



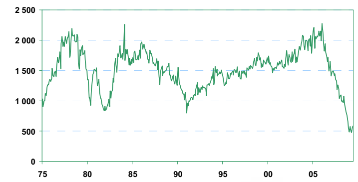
Average hourly wage
(% change, YOY)

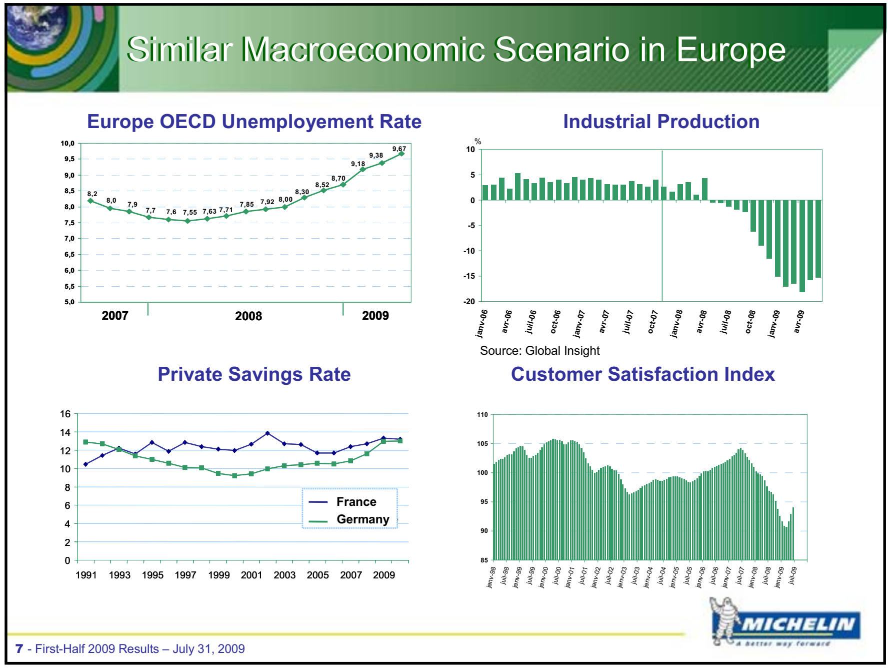


Private savings rate
(as a % of disposable income)



Construction starts
(thousands, rolling 12 months)




Similar Macroeconomic Scenario in Europe
Europe OECD Unemployement Rate
2007
2008
2009
Industrial Production
Source: Global Insight
Private Savings Rate
France
Germany
Customer Satisfaction Index
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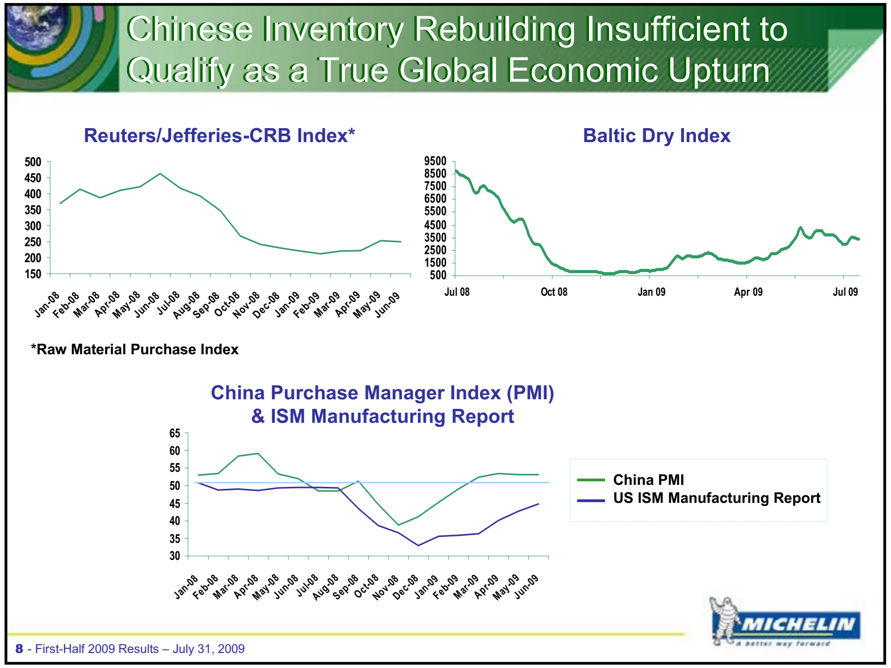
Chinese Inventory Rebuilding Insufficient to Qualify as a True Global Economic Upturn
Reuters/Jefferies-CRB Index*
Baltic Dry Index
*Raw Material Purchase Index
China Purchase Manager Index (PMI) & ISM Manufacturing Report
China PMI
US ISM Manufacturing Report
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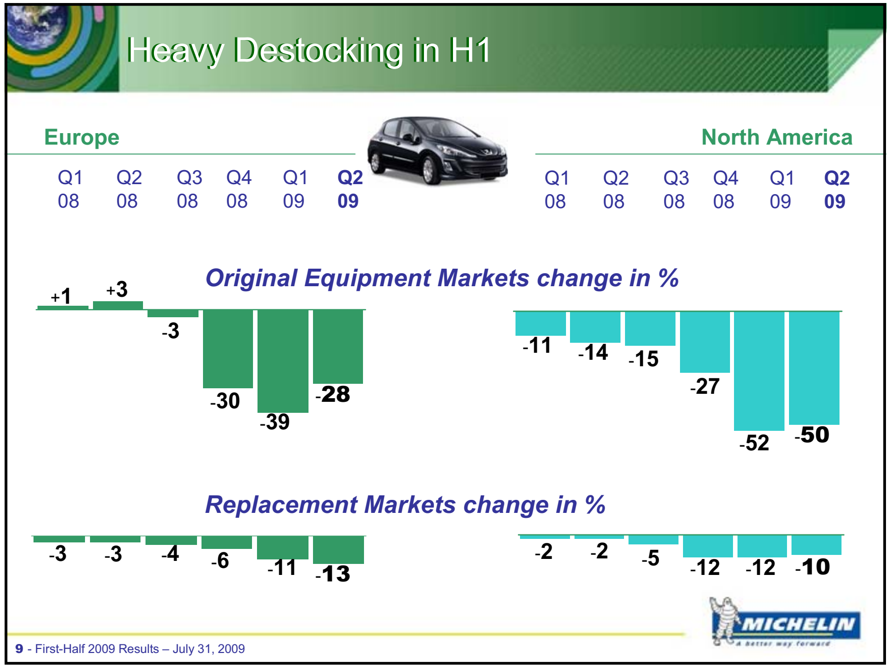
Heavy Destocking in H1
Europe
North America
Q1 08
Q2 08
Q3 08
Q4 08
Q1 09
Q2 09
Original Equipment Markets change in %
+1
+3
-3
-30
-39
-28
-11
-14
-15
-27
-52
-50
Replacement Markets change in %
-3
-3
-4
-6
-11
-13
-2
-2
-5
-12
-12
-10
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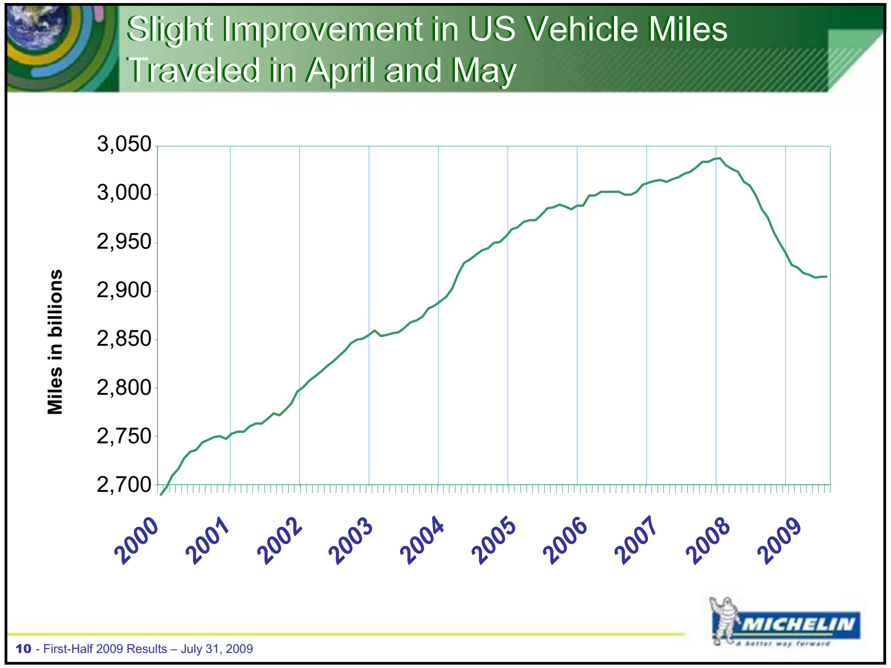
Slight Improvement in US Vehicle Miles Traveled in April and May
Miles in billions
3,050
3,000
2,950
2,900
2,850
2,800
2,750
2,700
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
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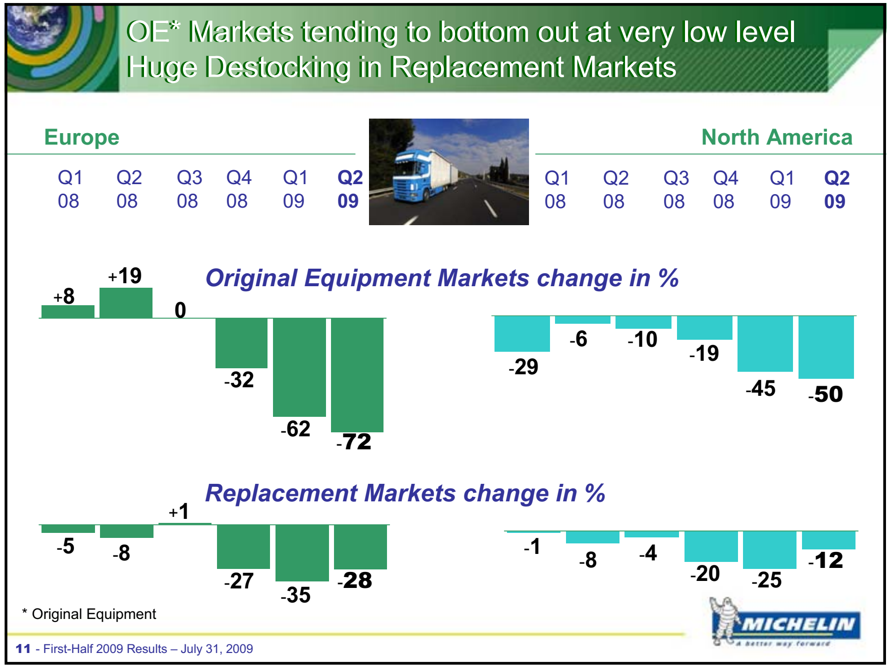
OE* Markets tending to bottom out at very low level
Huge Destocking in Replacement Markets
Europe
North America
Q1 08
Q2 08
Q3 08
Q4 08
Q1 09
Q2 09
Original Equipment Markets change in %
+8
+19
0
-32
-62
-72
-29
-6
-10
-19
-45
-50
Replacement Markets change in %
-5
-8
+1
-27
-35
-28
-1
-8
-4
-20
-25
-12
* Original Equipment
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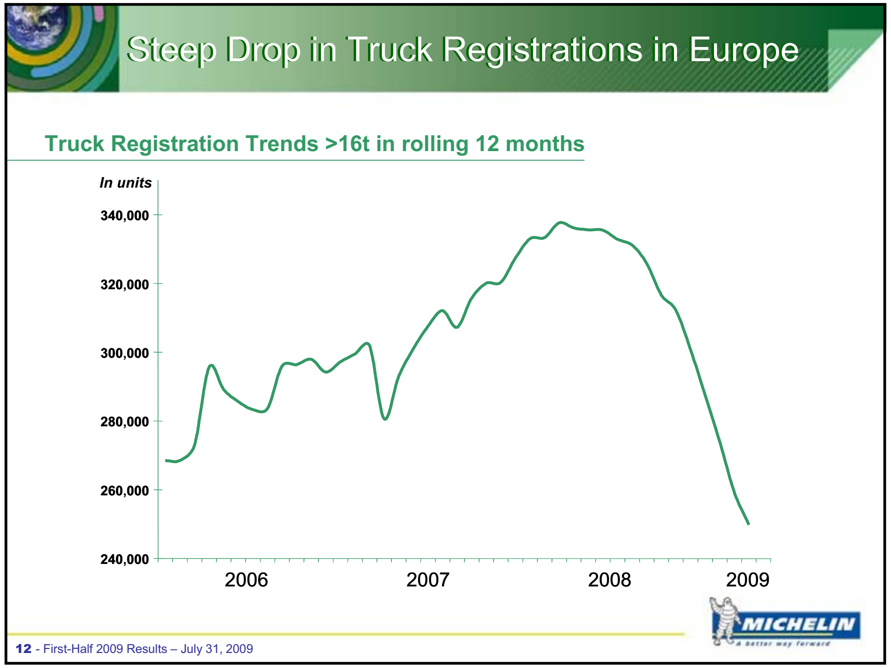
Steep Drop in Truck Registrations in Europe
Truck Registration Trends >16t in rolling 12 months
In units
340,000
320,000
300,000
280,000
260,000
240,000
2006
2007
2008
2009
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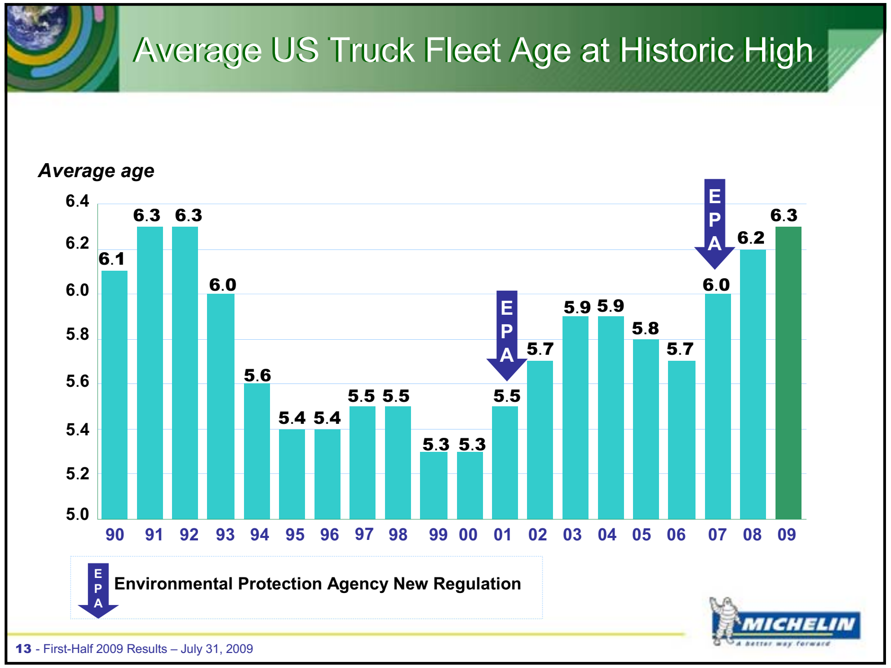
Average US Truck Fleet Age at Historic High
Average age
6.4
6.2
6.0
5.8
5.6
5.4
5.2
5.0
6.1
6.3
6.3
6.0
5.6
5.4
5.4
5.5
5.5
5.3
5.3
5.5
5.7
5.9
5.9
5.8
5.7
6.0
6.2
6.3
EPA
EPA
90 91 92 93 94 95 96 97 98 99 00 01 02 03 04 05 06 07 08 09
EPA Environmental Protection Agency New Regulation
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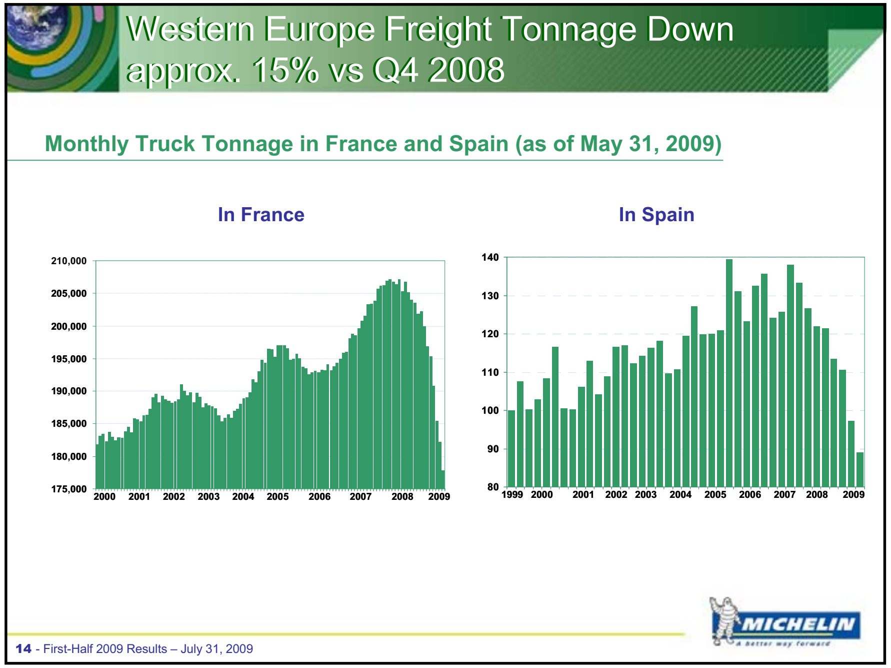
Western Europe Freight Tonnage Down approx. 15% vs Q4 2008
Monthly Truck Tonnage in France and Spain (as of May 31, 2009)
In France
In Spain
210,000
205,000
200,000
195,000
190,000
185,000
180,000
175,000
2000 2001 2002 2003 2004 2005 2006 2007 2008 2009
140
130
120
110
100
90
80
1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009
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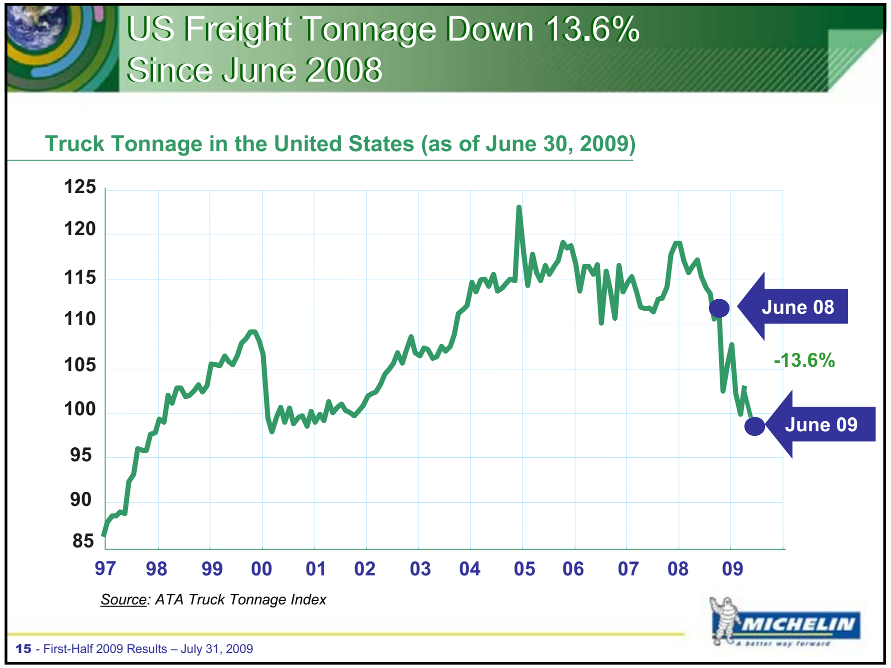
US Freight Tonnage Down 13.6%
Since June 2008
Truck Tonnage in the United States (as of June 30, 2009)
125
120
115
110
105
100
95
90
85
97
98
99
00
01
02
03
04
05
06
07
08
09
June 08
-13.6%
June 09
Source: ATA Truck Tonnage Index
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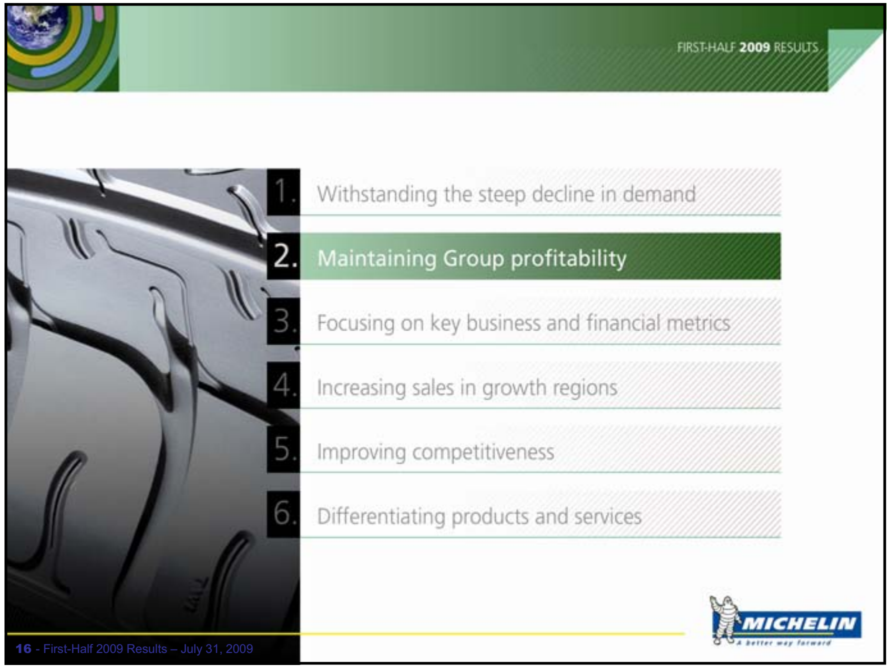
FIRST-HALF 2009 RESULTS
1. Withstanding the steep decline in demand
2. Maintaining Group profitability
3. Focusing on key business and financial metrics
4. Increasing sales in growth regions
5. Improving competitiveness
6. Differentiating products and services
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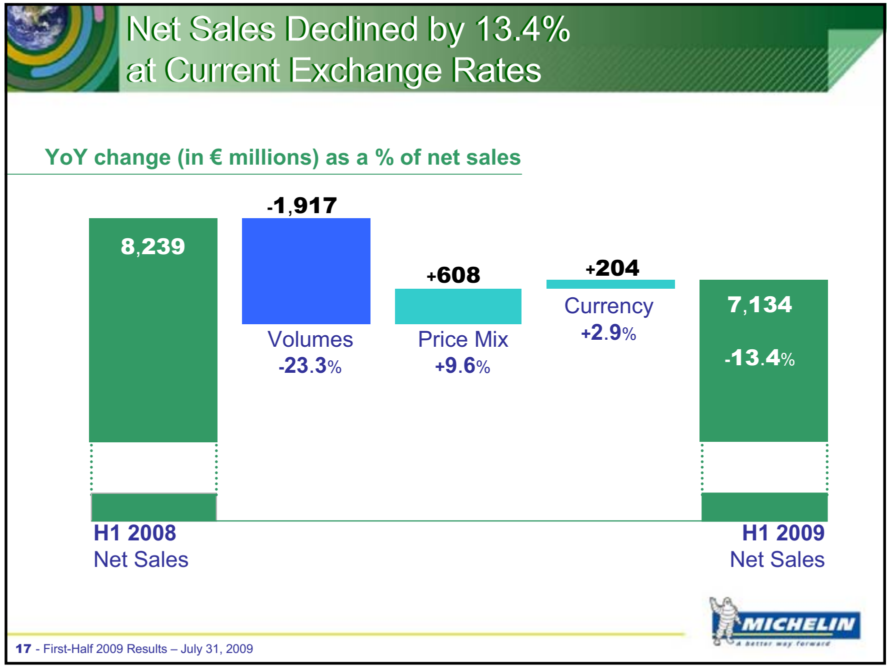
Net Sales Declined by 13.4%
at Current Exchange Rates
YoY change (in € millions) as a % of net sales
8,239
-1,917
Volumes
-23.3%
+608
Price Mix
+9.6%
+204
Currency
+2.9%
7,134
-13.4%
H1 2008
Net Sales
H1 2009
Net Sales
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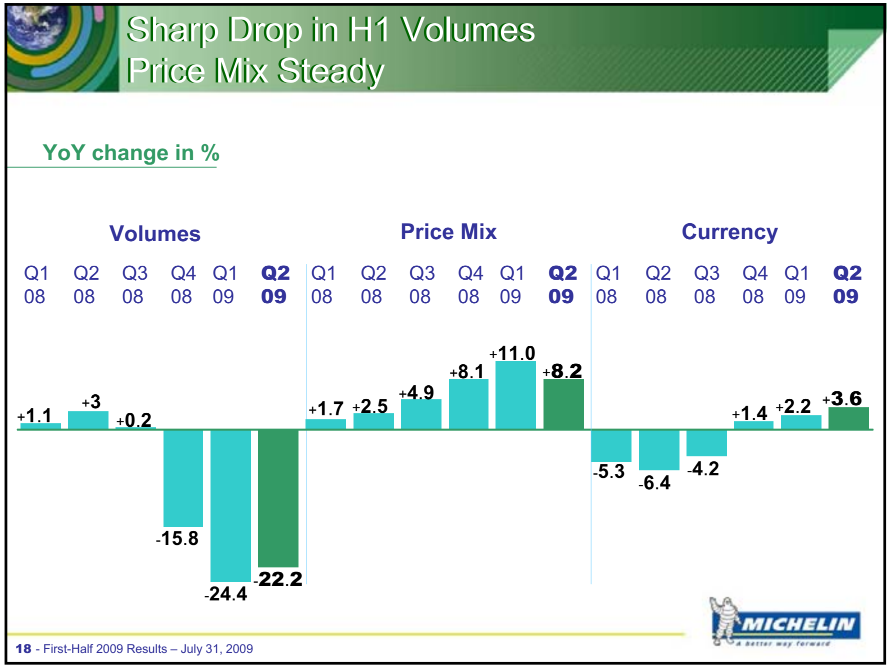
Sharp Drop in H1 Volumes
Price Mix Steady
YoY change in %
Volumes
Price Mix
Currency
Q1 08
Q2 08
Q3 08
Q4 08
Q1 09
Q2 09
+1.1
+3
+0.2
-15.8
-24.4
-22.2
+1.7
+2.5
+4.9
+8.1
+11.0
+8.2
-5.3
-6.4
-4.2
+1.4
+2.2
+3.6
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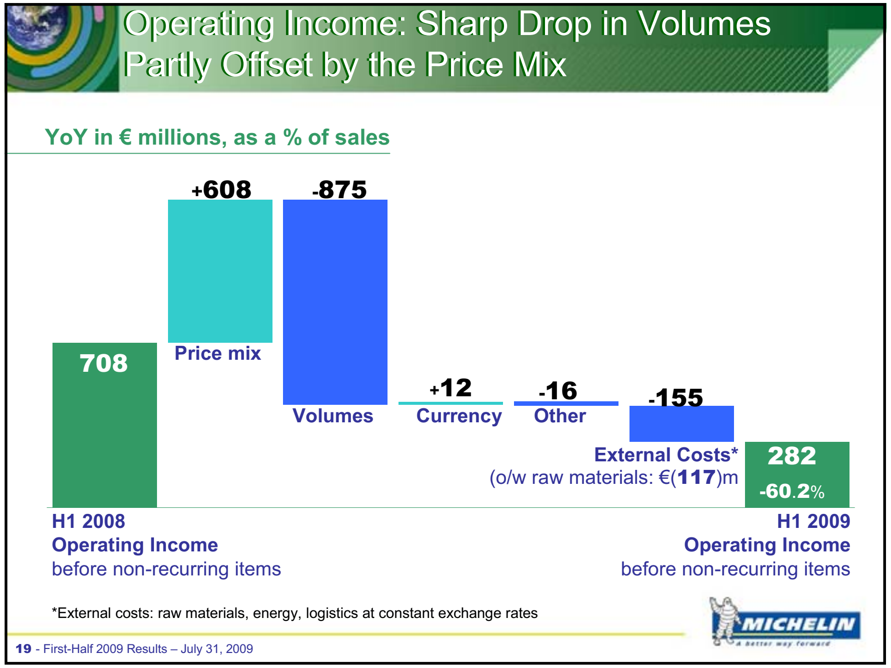
Operating Income: Sharp Drop in Volumes Partly Offset by the Price Mix
YoY in € millions, as a % of sales
708
+608
Price mix
-875
Volumes
+12
Currency
-16
Other
-155
External Costs*
(o/w raw materials: €(117)m
282
-60.2%
H1 2008
Operating Income
before non-recurring items
H1 2009
Operating Income
before non-recurring items
*External costs: raw materials, energy, logistics at constant exchange rates
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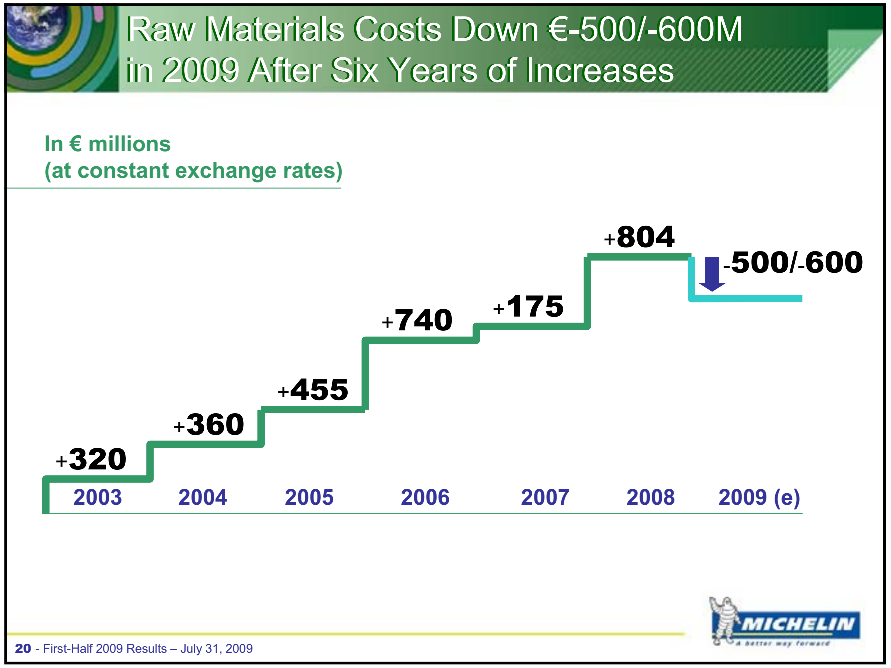
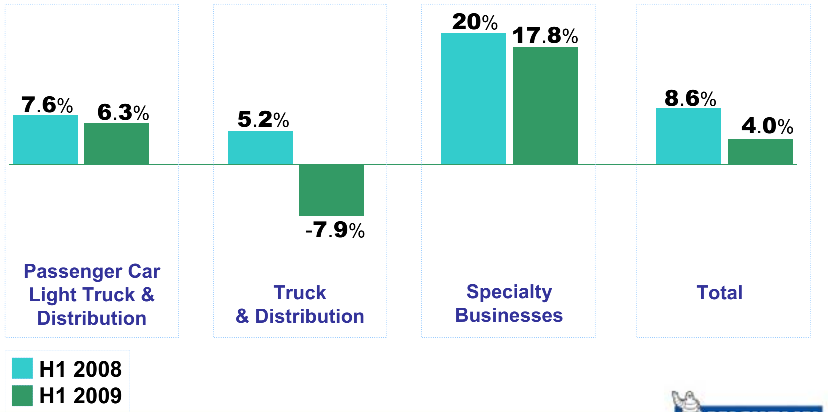

Raw Materials Costs Down €-500/-600M in 2009 After Six Years of Increases
In € millions
(at constant exchange rates)
+320
2003
+360
2004
+455
2005
+740
2006
+175
2007
+804
2008
-500/-600
2009 (e)
20 - First-Half 2009 Results – July 31, 2009

Firm Resistance in Passenger Car and Specialty Businesses – Steep Drop in Truck Tires

Operating margin before non-recurring items, as a % of net sales



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21 - First-Half 2009 Results – July 31, 2009

Good Resilience of the Michelin Brand

Passenger Car Light Truck & Related Distribution

	H1 2009 *(in € millions)*	YoY *(% change)*
Net Sales	3,949	-9.4%
Operating Income *(before non-recurring items)*	247	-25.6%
Operating Margin *(before non-recurring items)*	6.3%	-1.3 points

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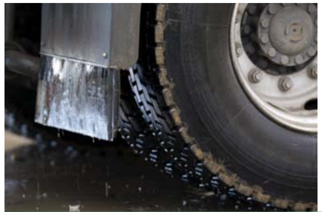
22 - First-Half 2009 Results – July 31, 2009

Significant Drop in Volumes

Truck & Related Distribution



	H1 2009 *(in € millions)*	YoY *(% change)*
Net Sales	**2,071**	**-23.2%**
Operating Income *(before non-recurring items)*	**(163)**	N/M
Operating Margin *(before non-recurring items)*	**-7.9%**	**-13.1** point

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23 - First-Half 2009 Results – July 31, 2009

Sustained High Margins

Specialty Businesses

	H1 2009 *(in € millions)*	YoY *(% change)*
Net Sales	**1,114**	**-6.1%**
Operating Income *(before non-recurring items)*	**198**	**-16.5%**
Operating Margin *(before non-recurring items)*	**17.8%**	**-2.2** points

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24 - First-Half 2009 Results – July 31, 2009

Strong Impact From Non-Recurring Expenses

in € millions

	H1 2009	H1 2008	YoY
Net Sales	7,134	8,239	-13.4%
Operating Income (before non-recurring items)	282	708	-60.2%
% of net sales	4.0%	8.6%	-4.6 points
Non-Recurring Expenses	(292)	-	-
Operating Income	(10)	708	-
Cost of Net Debt Other Financial Income and Expenses	(138)	(106)	-
Income Tax	+23	(181)	-
Share of Profit from Associates	+3	+9	-
Net Loss	(122)	430	-

25 - First-Half 2009 Results – July 31, 2009

FIRST-HALF 2009 RESULTS

1. Withstanding the steep decline in demand
2. Maintaining Group profitability
3. **Focusing on key business and financial metrics**
4. Increasing sales in growth regions
5. Improving competitiveness
6. Differentiating products and services

Strong Free Cash Flow Generation

in € millions	H1 2009	H1 2008	YoY
EBITDA* (before non-recurring items)	751	1,172	- 421
Change in inventory	+580	-453	+1,033
Change in trade receivables	-17	-110	+93
Change in payables	-490	-131	-359
Tax and finance costs paid	-100	-259	+159
Change in provisions	-24	-131	+107
Other WCR	+263	+86	+177
OPERATING CASH FLOW	963	174	+789
Gross capex	-319	-500	+181
Other	-69	-119	+50
FREE CASH FLOW**	+575	-445	+1,020

*EBITDA before non-recurring items: operating income excluding depreciation, amortization and impairment of PP&E and intangibles
**Free cash flow: operating cash flow less gross capex and other

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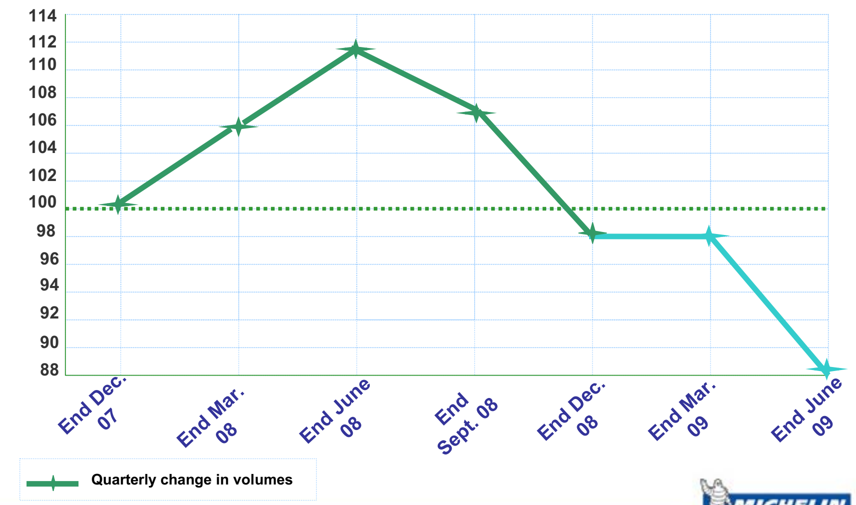
27 - First-Half 2009 Results – July 31, 2009

Responsive Production Actions Have Brought Inventories Under Control



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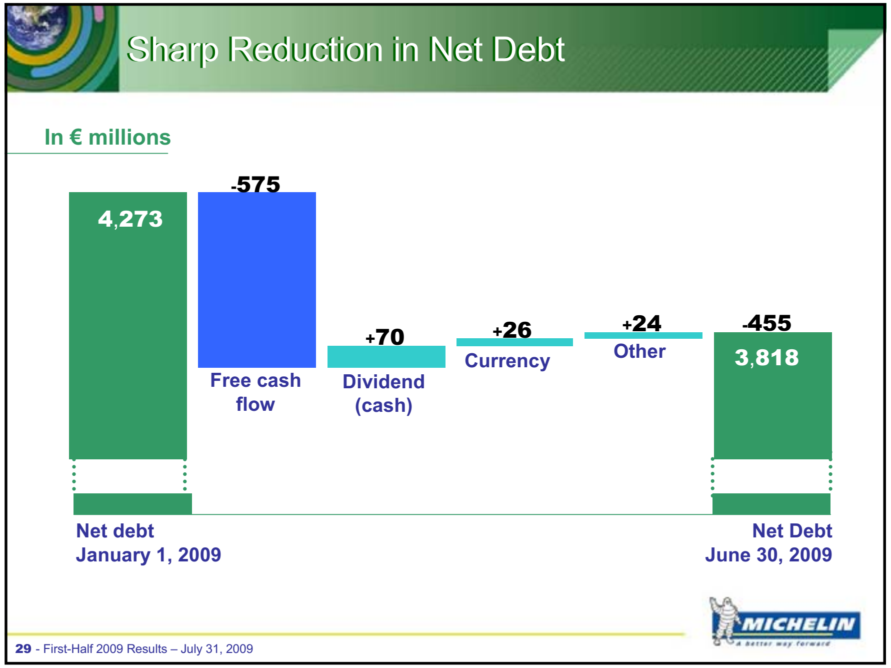
28 - First-Half 2009 Results – July 31, 2009


Sharp Reduction in Net Debt
In € millions
4,273
-575
Free cash flow
+70
Dividend (cash)
+26
Currency
+24
Other
-455
3,818
Net debt January 1, 2009
Net Debt June 30, 2009
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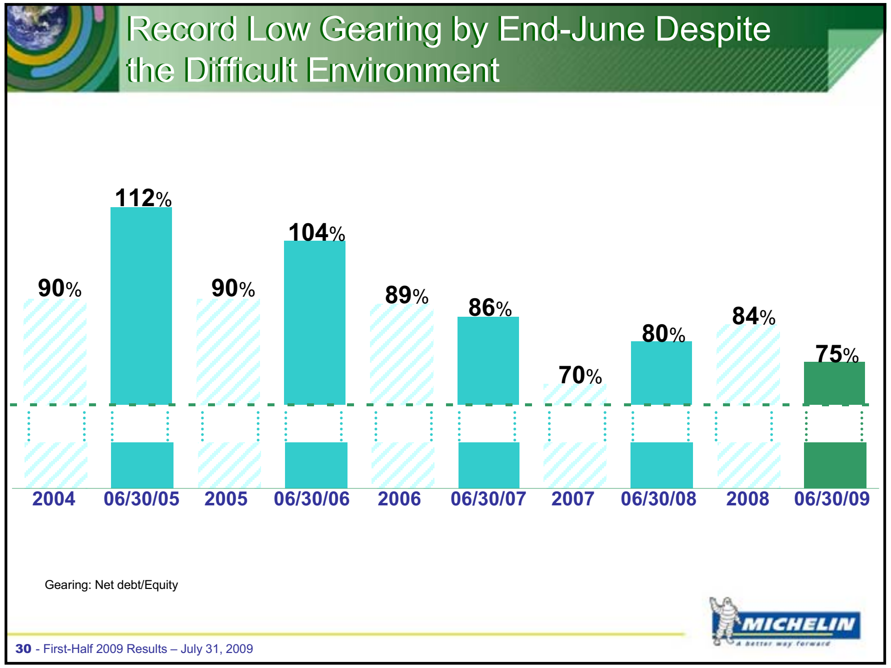
29 - First-Half 2009 Results – July 31, 2009


Record Low Gearing by End-June Despite the Difficult Environment
90%
112%
90%
104%
89%
86%
70%
80%
84%
75%
2004
06/30/05
2005
06/30/06
2006
06/30/07
2007
06/30/08
2008
06/30/09
Gearing: Net debt/Equity
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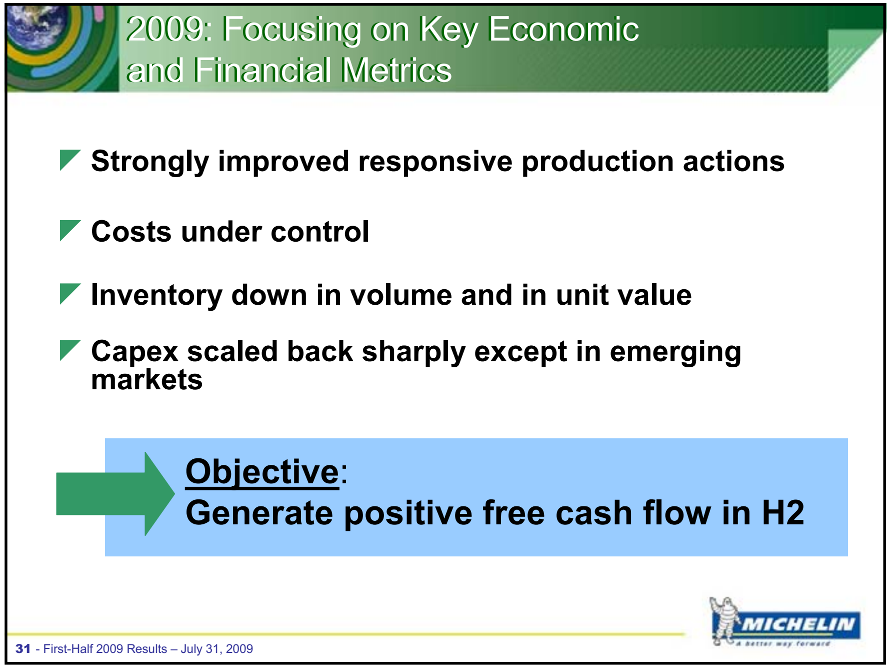
30 - First-Half 2009 Results – July 31, 2009


2009: Focusing on Key Economic and Financial Metrics
Strongly improved responsive production actions
Costs under control
Inventory down in volume and in unit value
Capex scaled back sharply except in emerging markets
Objective:
Generate positive free cash flow in H2
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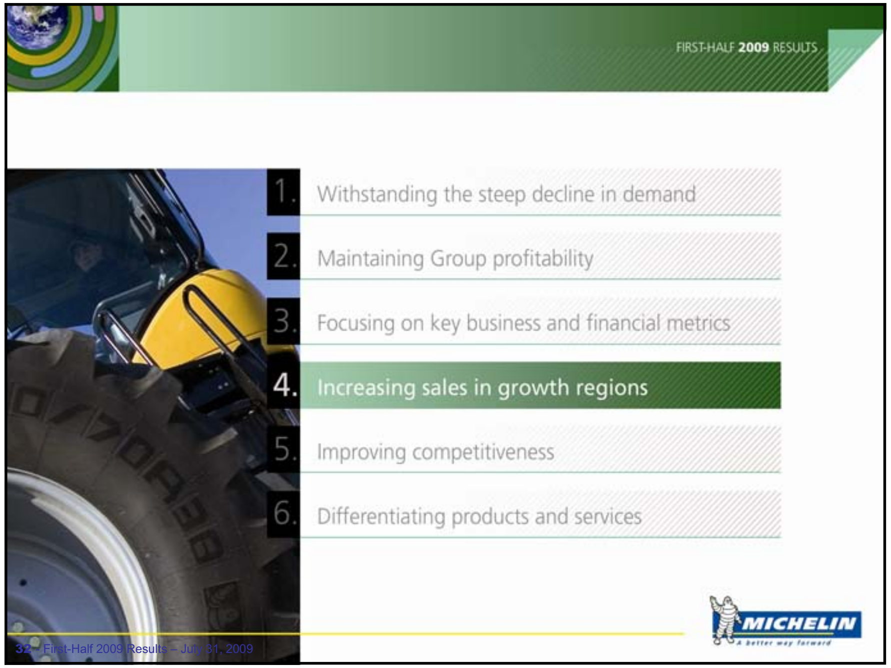
31 - First-Half 2009 Results – July 31, 2009


FIRST-HALF 2009 RESULTS
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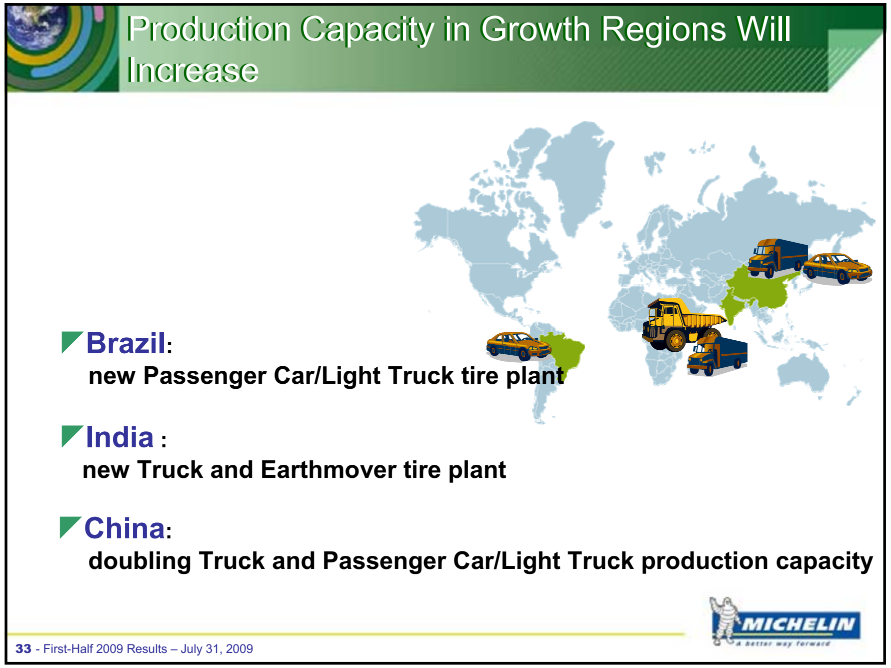
4. Increasing sales in growth regions
5. Improving competitiveness
6. Differentiating products and services
MICHELIN
32 - First-Half 2009 Results – July 31, 2009


Production Capacity in Growth Regions Will Increase
Brazil:
new Passenger Car/Light Truck tire plant
India :
new Truck and Earthmover tire plant
China:
doubling Truck and Passenger Car/Light Truck production capacity
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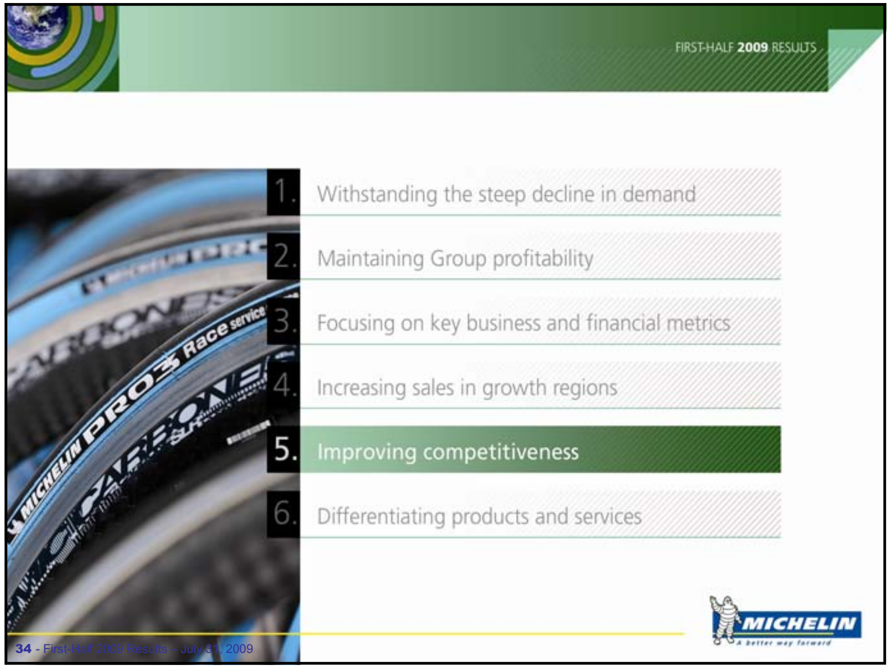
33 - First-Half 2009 Results – July 31, 2009


FIRST-HALF 2009 RESULTS
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6. Differentiating products and services
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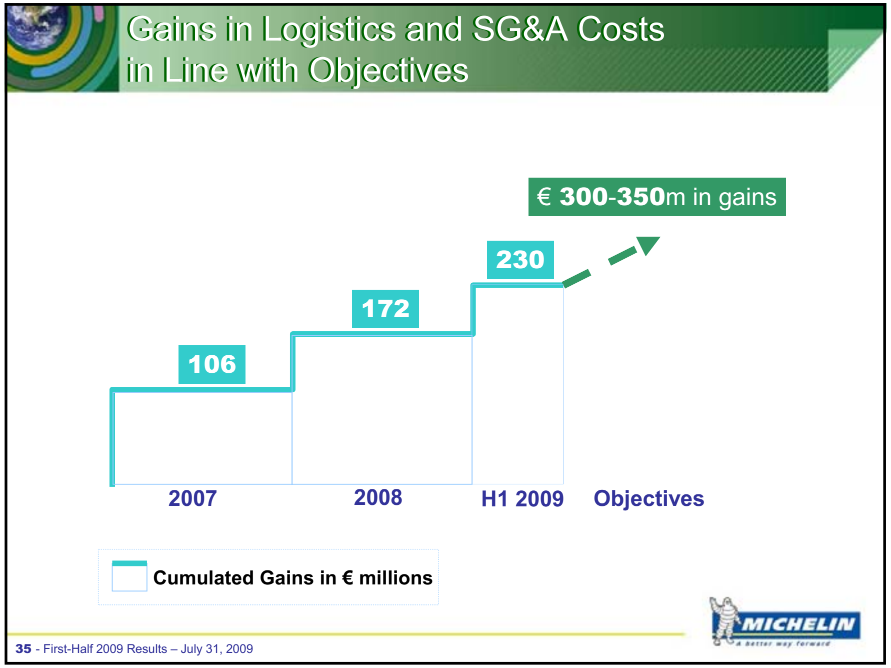
34 - First-Half 2009 Results – July 31, 2009


Gains in Logistics and SG&A Costs in Line with Objectives
€ 300-350m in gains
230
172
106
2007
2008
H1 2009
Objectives
Cumulated Gains in € millions
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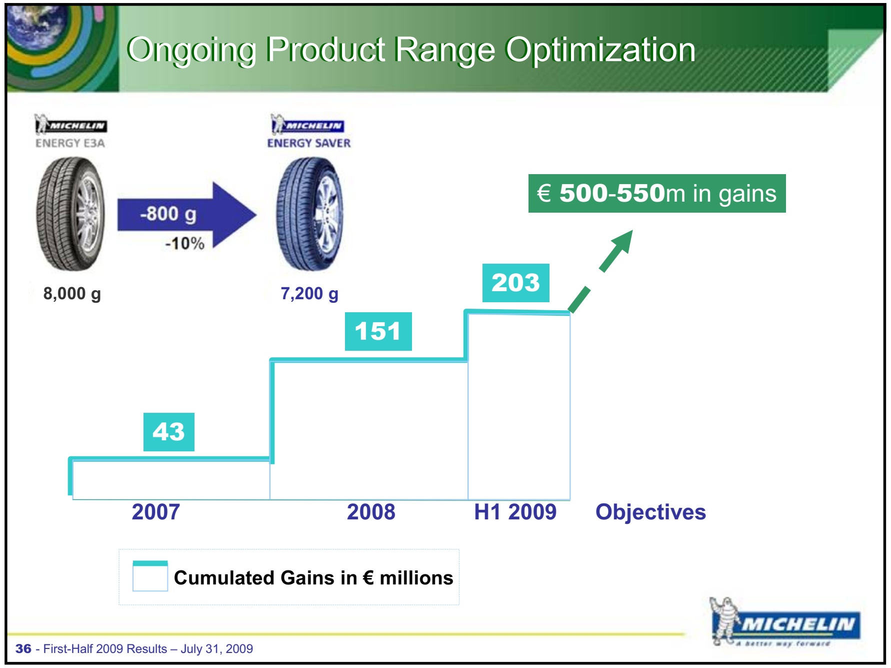
35 - First-Half 2009 Results – July 31, 2009


Ongoing Product Range Optimization
MICHELIN ENERGY E3A
MICHELIN ENERGY SAVER
-800 g
-10%
8,000 g
7,200 g
€ 500-550m in gains
203
151
43
2007
2008
H1 2009
Objectives
Cumulated Gains in € millions
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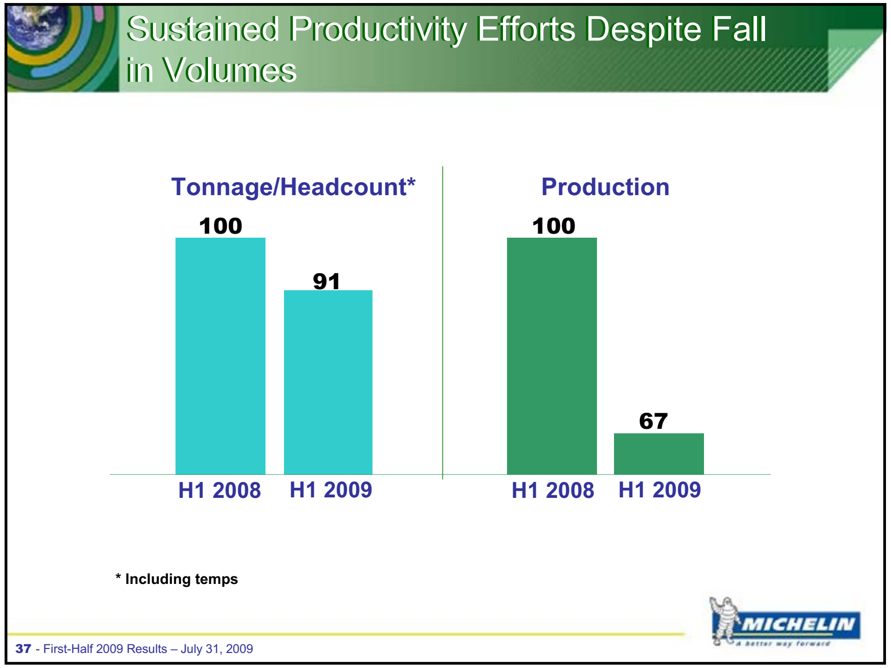
36 - First-Half 2009 Results – July 31, 2009


Sustained Productivity Efforts Despite Fall in Volumes
Tonnage/Headcount*
100
91
H1 2008
H1 2009
Production
100
67
H1 2008
H1 2009
* Including temps
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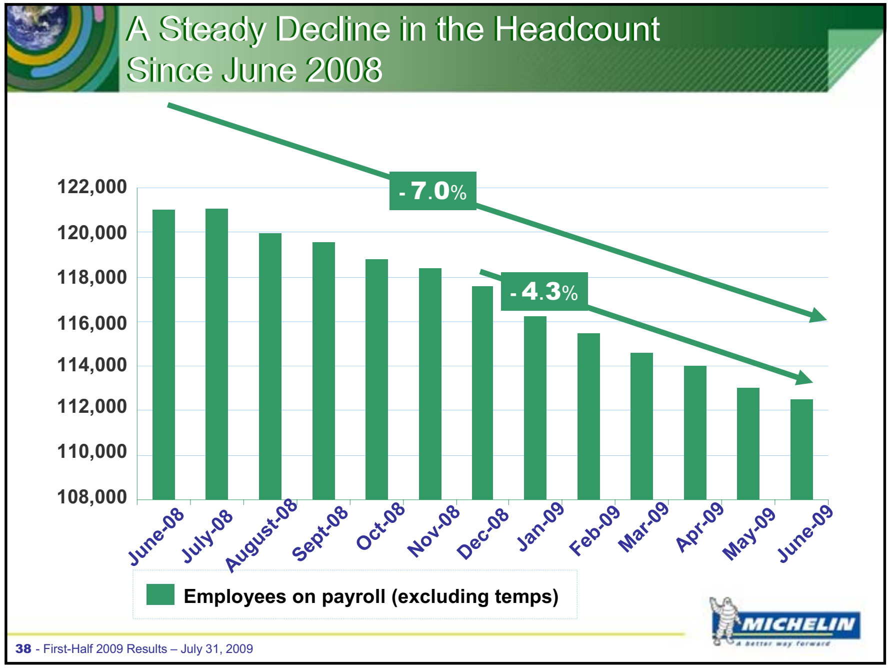
37 - First-Half 2009 Results – July 31, 2009


A Steady Decline in the Headcount Since June 2008
- 7.0%
- 4.3%
122,000
120,000
118,000
116,000
114,000
112,000
110,000
108,000
June-08
July-08
August-08
Sept-08
Oct-08
Nov-08
Dec-08
Jan-09
Feb-09
Mar-09
Apr-09
May-09
June-09
Employees on payroll (excluding temps)
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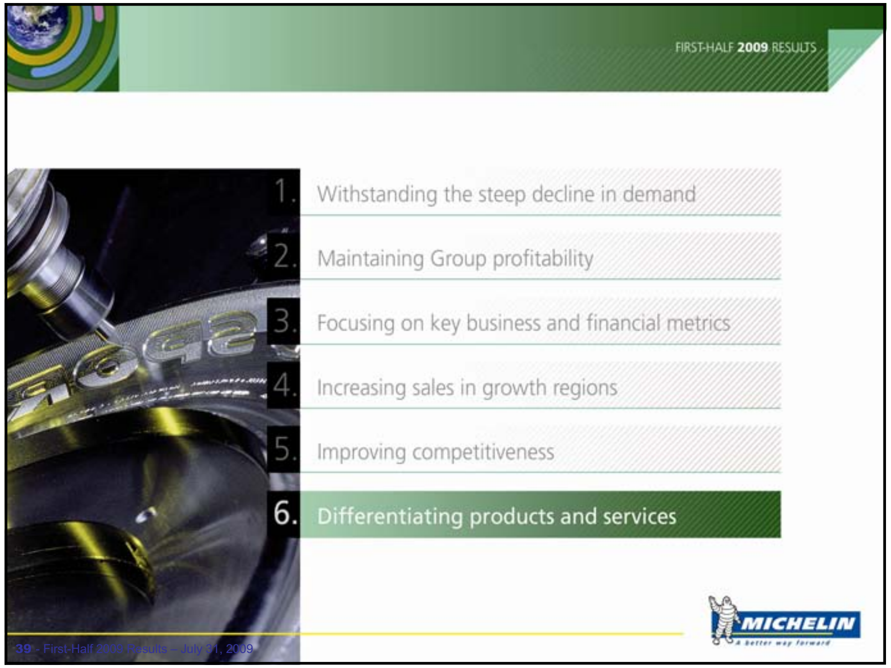
38 - First-Half 2009 Results – July 31, 2009


FIRST-HALF 2009 RESULTS
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4. Increasing sales in growth regions
5. Improving competitiveness
6. Differentiating products and services
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39 - First-Half 2009 Results – July 31, 2009


Regulations Geared to Safety and Environment
Improve safety
Reduce air pollution
Limit noise pollution
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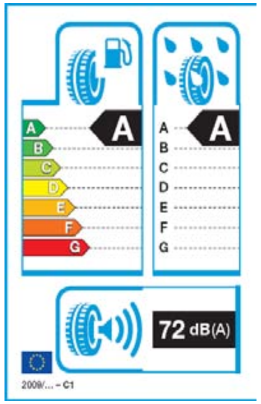
A better way forward
40 - First-Half 2009 Results – July 31, 2009

New Tire Regulation Strengthens Michelin's Brand Equity



- All tire types
- Labeling:
  - **Fuel consumption categories**
  - **Wet grip categories**
  - **External rolling noise categories**
- Minimum performances threshold
- Applicable in 2012

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41 - First-Half 2009 Results – July 31, 2009

More Flexible and Responsive for a Greater Rebound

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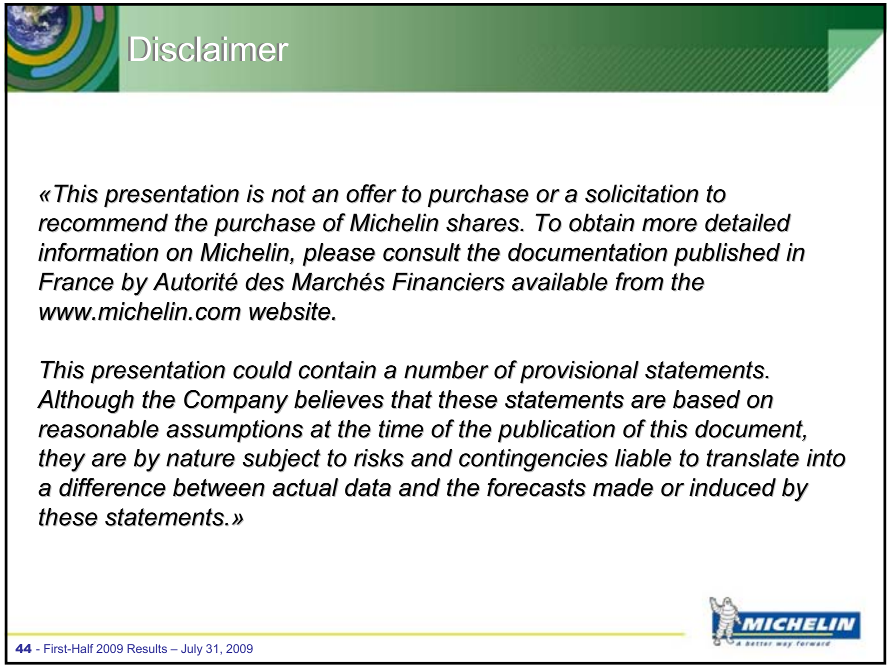
42 - First-Half 2009 Results – July 31, 2009


Disclaimer
«This presentation is not an offer to purchase or a solicitation to recommend the purchase of Michelin shares. To obtain more detailed information on Michelin, please consult the documentation published in France by Autorité des Marchés Financiers available from the www.michelin.com website.
This presentation could contain a number of provisional statements. Although the Company believes that these statements are based on reasonable assumptions at the time of the publication of this document, they are by nature subject to risks and contingencies liable to translate into a difference between actual data and the forecasts made or induced by these statements.»
44 - First-Half 2009 Results – July 31, 2009

First-Half 2009 Activity Report

Tire Markets

Tires: A World Market Worth Some USD 130 bn

The world tire market is worth USD 127 billion[1]: 60% for passenger cars and light trucks and close to 30% for trucks and buses[2].
The market amounted to 1.1 billion passenger car and light truck tires and 150 million truck and bus tires[3]. Three quarters of all tires are sold in the Replacement market that has historically been less cyclical than the Original Equipment market. And the replacement market accounts for 75% of Michelin's sales.

Strong Competition

The world's three largest tire makers together account for 49% of the market[1]. Michelin recovered its world No 1 rank ahead of Bridgestone, but Asian manufacturers continue to gain ground. They are growing strongly in their regional markets, are gaining a strong foothold in North America and beginning to penetrate Europe.

Sustainable Prospects

In the United States, the number of cars is close to 800 per 1,000 inhabitants. China has fewer than 20, the rest of Asia excluding Japan fewer than 30 and Mexico, for example, has reached more than 200: the growth potential therefore remains huge. Despite the current crisis, the world's car fleet should grow by around 500 million vehicles by 2030, mainly in China, India, Brazil and Russia, to reach 1.3 billion light vehicles[2].

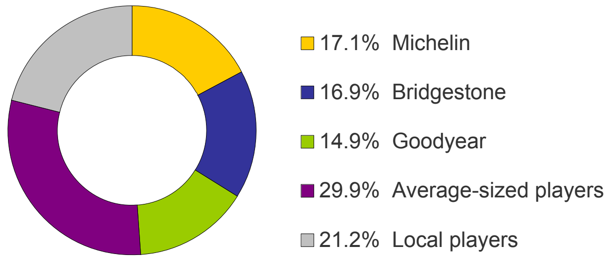
A Market Undergoing Far-Reaching Change

For the first time ever, in 2008, fuel efficiency has become equally important as reliability and safety in the eyes of consumers[4].
This results both from towering fuel price increases and from greater awareness of environmental issues.
All tire makers are initiating profound changes dictated by the need to save energy and raw materials, reduce greenhouse gas emissions and better meet growing expectations in terms of road safety and health.
To rise to these challenges and win market share, innovative capability is a major strategic asset.

[1] Tire Business - September 2008
[2] Michelin estimates
[3] New tires
[4] Capgemini Cars Online 2008/2009 - 10th edition. Survey among more than 3,000 consumers in Brazil, China, France, Germany, India, Russia, the UK and the USA.

Please refer to the detailed presentation of Group markets and positions in Michelin's Factbook 2009, downloadable fromwww.michelin.com/corporate.

Breakdown of world market by manufacturer

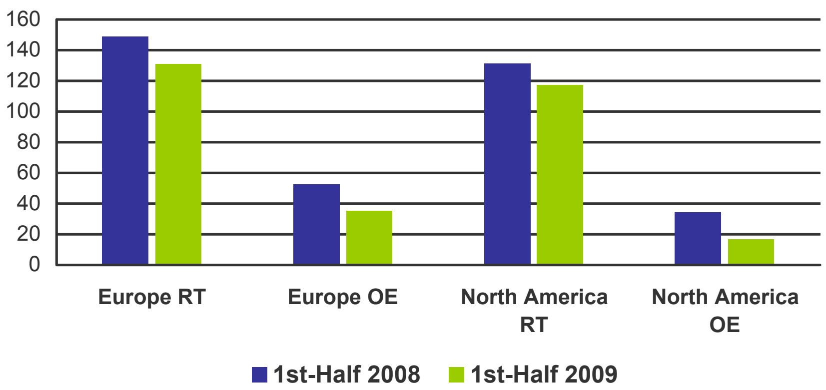


Source: 2007 sales (US dollars) by manufacturer, Tire Business, September 5, 2008

As the economic slowdown gradually spread to emerging markets in the first half of 2009, global tire demand plummeted in all of the Group's country markets except China.

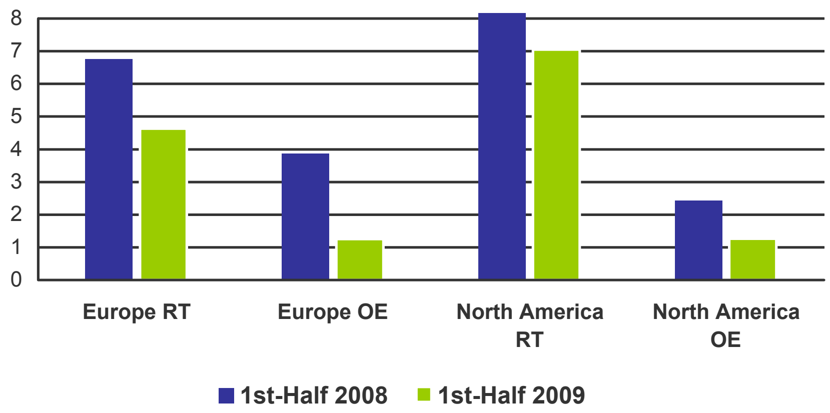
- Except in China, **Passenger car and Light truck** original equipment markets fell sharply as carmakers slashed production and drastically drew down inventories over the period. The severe contraction in the traditionally less cyclical replacement market reflected the decline in vehicle miles traveled, the reduction in average highway speeds and retailer destocking programs.
- In the **Truck** tire markets, the collapse in demand that began in the autumn in Europe and North America spread to all of the Group's markets in the first half and shows no sign of abating.

Passenger car and light truck tire market
(in millions of units)



Source: Michelin estimates

Truck tire market
(in millions of units)



Source: Michelin estimates
Radial tires

Replacement Markets

The **Passenger car and Light truck** tire markets were down sharply on first-half 2008 levels. In mature markets, demand is being dampened by the decline in vehicle miles traveled, the reduction in average highway speeds and retailer destocking programs. In developing countries, markets were gradually affected by the economic slowdown, and tire demand is now falling in every country except China.

Truck tire markets around the world were hurt by the decline in freight tonnage caused by the global economic slowdown and ensuing contraction in international trade. Other negative factors included inventory drawdowns as retailers sought to optimize working capital and a drop in fleet orders as carriers used existing stocks or recycled tires from idled trucks.

Passenger Car and Light Truck

Passenger car and Light truck markets Replacement	1st-Half 2009	1st-Quarter 2009	2nd-Quarter 2009
Europe	-12.1%	-10.6%	-13.7%
North America[1]	-10.7%	-11.8%	-9.7%
Asia	-4.6%	-9.2%	+0.1%
South America	-7.4%	-10.6%	-4.0%
Africa Middle-East	-5.2%	-7.3%	-3.1%
Total	**-9.4%**		

[1] *United States, Canada and Mexico*

Demand dropped a steep 12.1% in **Europe**, with the decline more pronounced in the East than in the West. Western European markets were down 5% to 7%, including declines of 6.4% in France, 2.9% in Germany, 7.1% in Spain and 8.0% in the United Kingdom. The contraction was more significant in Poland (down 7.7%) and the Nordic countries (down 13.6%), while markets in Eastern Europe saw demand suddenly collapse in Russia and the Baltic countries (down 63.7%). Excluding the CIS, demand was down 6.5% for the period.
Despite the unfavorable market environment, the market mix continued to track the structural move up the value chain of vehicle fleets across Europe. For example, the high-performance segment, which covers tires with W, Y and Z speed ratings, saw a 1.4% increase in sales over the period. Demand continued to trend towards either the top or the bottom of the market, with buying decisions driven either by quality or by price. Faced with the crisis and weak demand, European retailers sharply adjusted their inventories, which hit record lows at June 30.

The **North American market,** which shrank by 10.7% over the half, bottomed out in the first quarter and has remained very weak despite a slight uptick in the number of miles traveled by US motorists. Tire demand fell by 11.6% in the United States, as consumers bore the brunt of rising unemployment and falling average hourly wages, and by 15.6% in Mexico aggravated by the H1N1 influenza crisis. The Canadian market rose by 6.8%, lifted by sustained, albeit slowing, demand for winter tires. The decline in the North American market has primarily affected the high-performance and SUV segments.

Markets across **South America** plunged into the crisis that had spared them until end-2008. Tire demand dropped 7.4% overall, dragged down by the lifting of the IPI tax break (tax on manufactured products levied on new cars) which had a severe impact on sales in Brazil, and by the contraction in the Argentine market. Argentina, Ecuador and Venezuela have introduced new import procedures that set quotas on foreign-made tires.

Markets in **Asia** retreated 4.6% over the first half, but showed signs of bottoming out in the second quarter after falling sharply in the first three months of the year. Demand varied by country, rising 13.8% in China and declining in Japan (by 12.2%), South Korea, Taiwan, Australia and India (by 11.6%). Growth in China also varied between the North, which is the prime locus for government infrastructure plans, and the Southeast, which is feeling the effect of slowing exports.

TRUCK

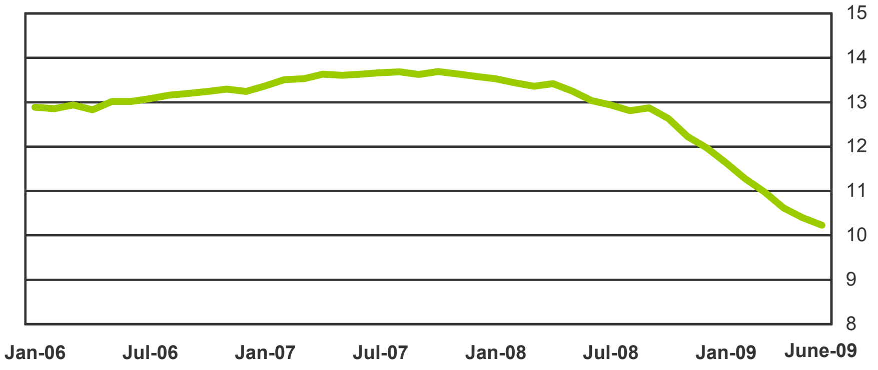
Truck markets* Replacement	1st-Half 2009	1st-Quarter 2009	2nd-Quarter 2009
Europe	-31.4%	-34.7%	-28.3%
North America[1]	-18.2%	-25.3%	-11.5%
Asia	-12.0%	-12.6%	-11.5%
South America	-22.3%	-23.4%	-21.4%
Africa Middle-East	-7.1%	-7.7%	-6.5%
Total	**-17.2%**		

**Radial only*

[1] United States, Canada and Mexico

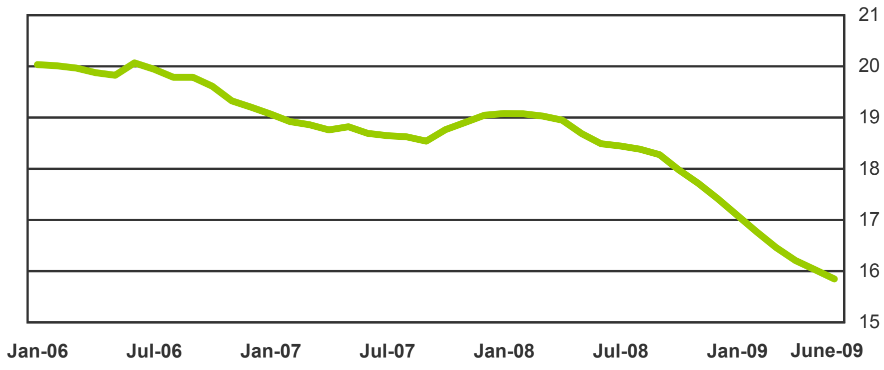
In Europe, the market declined by 31.4% in the first six months of the year. The Western European market, down 28.6%, is increasingly tracking demand for transportation in general, which fell by around 20% during the period. In Central Europe and Russia, where markets have been persistently depressed since second-half 2007, the first half of 2009 saw record declines of 32% and 48% respectively. International trucking companies, which account for around 50% of the market, have been hardest hit. Large fleets, which have a more flexible cost structure, have withstood the drop-off in demand better than smaller companies, which are facing a cash crunch. The decline in transportation demand is being amplified by retail inventory drawdowns and the recycling of tires from idled trucks.

Change in Europe's Truck replacement market
In millions of radial tires
Europe excluding Russia - 12-month rolling



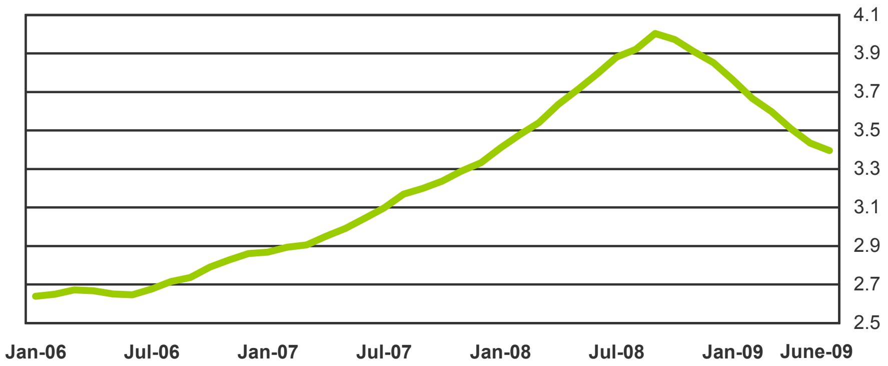
In North America, rising unemployment and falling household incomes have spurred consumers to save more and spend less, directly impacting freight tonnage, which declined by 13.6% between June 2008 and June 2009. The tire market is gradually moving back in line with freight demand, after falling faster than truck traffic in the first quarter due to inventory drawdowns by retailers. The replacement market contracted by 18.2% in the first half, reflecting declines of 25% in the first quarter and 12% in the second.
The retread market eased back slightly over the period.

Change in North American Truck replacement market
In millions of radial tires
12-month rolling



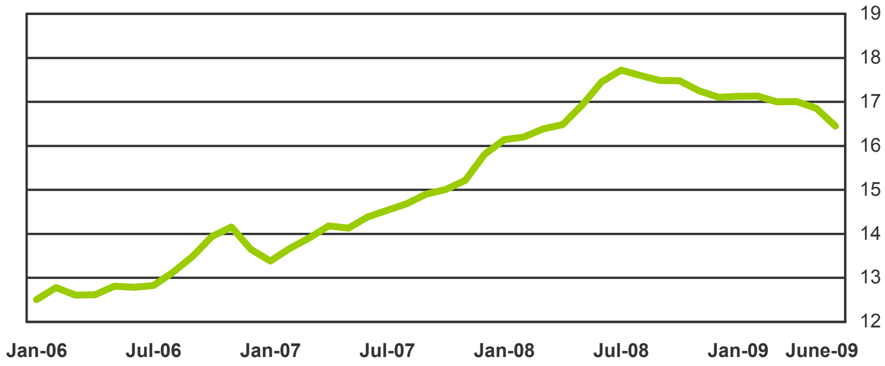
In South America, the steep drop in the prices of raw materials and farm commodities continued to weigh on transportation demand. In Brazil, the replacement market fell by 22.3% in the first half, dragged down by a 15% decline in freight tonnage. Certain countries, like Chile, Bolivia and Argentina, have introduced new import procedures. Retailer inventories were low at period-end, so the replacement tire market should gradually move back in line with tonnage trends.

Change in Brazilian Truck replacement market
In millions of radial tires
12-month rolling



In Asia, the radial market was down 12% in the first half. In China, which accounts for 62% of all tires sold in Asia, the decline in the radial market is slowing, ending the period at just 7.8%. With cross-ply sales falling faster, radials increased their share of the market to 67% from 65% in first-half 2008. Chinese tire manufacturers are reducing cross-ply capacity in favor of radial capacity.

Change in China's Truck replacement market
In millions of radial tires
12-month rolling



After faring better than other parts of the world, markets in the **Africa Middle East** region joined the downward trend in first-half 2009. In all, demand for replacement tires retreated 7.1% over the period, with steeper declines in Turkey, Iran and Dubai. Demand remained firmer in Saudi Arabia and Algeria, whose economies are less open to international trade and therefore less affected by the crisis.

Original Equipment Markets

Except in China, original equipment markets around the world fell sharply in the first half as carmakers slashed production and drastically drew down inventories over the period.

Passenger Car and Light Truck

Passenger car and Light truck markets Original Equipment	1st-Half 2009	1st-Quarter 2009	2nd-Quarter 2009
Europe	-33.1%	-38.6%	-27.8%
North America[1]	-51.0%	-52.0%	-49.9%
Asia	-17.3%	-26.4%	-7.7%
South America	-20.7%	-26.2%	-15.7%
Africa Middle-East	-25.0%	-25.0%	-25.0%
Total	**-29.1%**		

[1] *United States, Canada and Mexico*

The steepest declines were in **Europe**, down 33.1%, and **North America**, down 51.0%. Markets showed signs of stabilizing in the second quarter, however, particularly in the European countries that had introduced automobile stimulus packages, with a more favorable impact on small-car tires.

In **Asia**, growth varied by country, with steep declines in South Korea (down 27%), which is planning to introduce a scrappage scheme, Japan (down 44%) and Thailand (down 41%), and sustained momentum in China (up 26%).

Truck

Truck markets* Original Equipment	1st-Half 2009	1st-Quarter 2009	2nd-Quarter 2009
Europe	-67.4%	-62.4%	-72.4%
North America[1]	-47.8%	-45.1%	-50.4%
Asia	-21.9%	-22.2%	-21.6%
South America	-30.7%	-33.5%	-28.1%
Africa Middle-East	-25.1%	-25.1%	-25.1%
Total	**-44.5%**		

**Radial only*

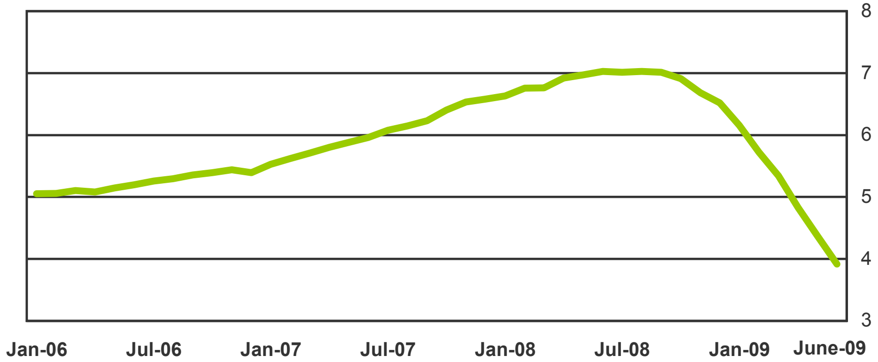
[1] *United States, Canada and Mexico*

In Europe, the original-equipment market continued its free fall in the first half, dropping 67.4% overall, 65.2% in the power unit tire segment and 74.3% in trailer tires. Truckmakers drastically drew down inventory as production slowed during the period, causing the collapse to gain momentum in the second quarter (down 72% versus a 62% decline in the first quarter). The more cyclical semi-truck segment considerably underperformed the straight-truck segment, while in the trailer-maker market, broadline manufacturers have been harder hit by the crisis than specialized manufacturers.

Change in Europe's Truck Original Equipment market

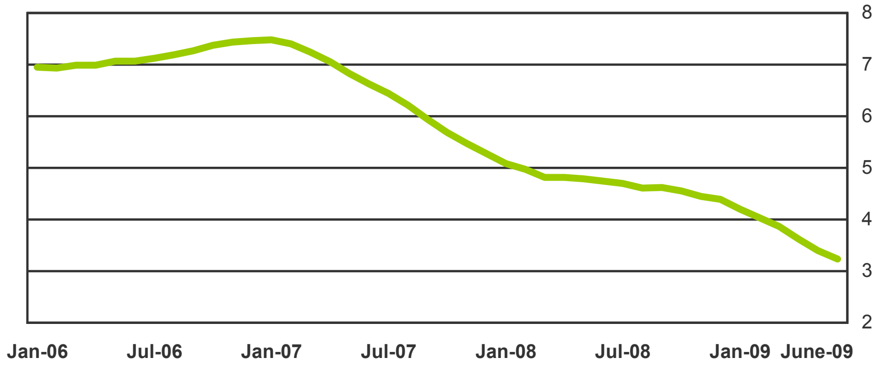
In millions of radial tires

Europe excluding Russia - 12-month rolling



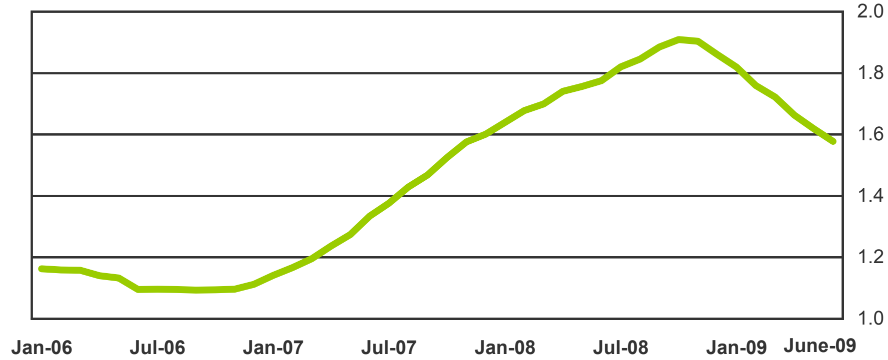
In North America, the average age of the truck fleet has risen to a record 6.3 years, a level not seen since the early 1990s. However, it is unlikely that the market will rebound in 2009. The tire market was down 50% in the second quarter after falling 45% in the first, for an overall decline of 47.8% over the first half.

Change in North American Truck Original Equipment market
In millions of radial tires
12-month rolling



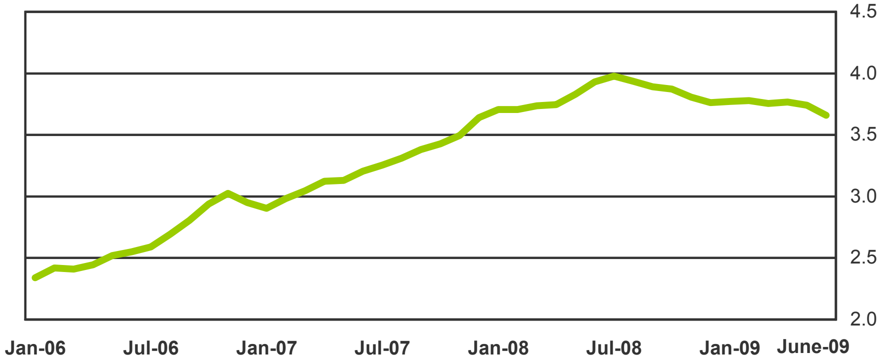
In South America, demand continued to soften in the second quarter, with a decline of 28% extending the first-quarter's 33.5% drop, for a 30.7% contraction over the full six-month period. Both the power unit and trailer tire segments are suffering from the economic slowdown and the credit crunch.

Change in Brazilian Truck Original Equipment market
In millions of radial tires
12-month rolling



In Asia, demand fell 21.9% overall in the first-half, with performance varying widely across the region. Mature markets were the hardest hit, with Japan down 64% and Australia down 23%, while emerging markets like China and Thailand saw smaller declines of 6.6% and 12.2% respectively.
Radials continued to increase their share of the original-equipment market, accounting for 56% of the total in first-half 2009, a one-point increase over the prior-year period.

Change in China's Truck Original Equipment market
In millions of radial tires
12-month rolling

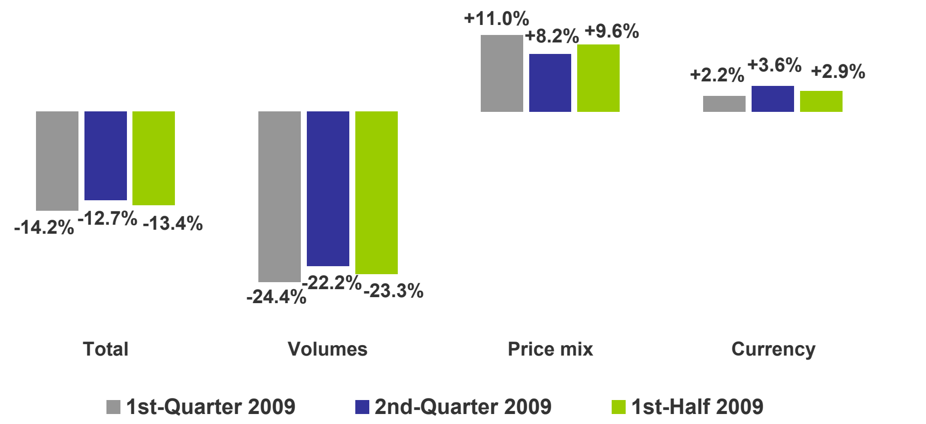


In the Africa Middle East region, the original-equipment market dropped by 25.1% overall, with Iran, Turkey and Dubai suffering the biggest declines.

Michelin Sales

EUR million	1st-Half 2009	1st-Half 2008	% change
Sales	7,134	8,239	-13.4%
Excluding Currency			*-15.6%*

Analysis of Impact on Sales



Net sales stood at €7,134 million for the period, down 13.4% at current exchange rates compared with first-half 2008.
The decline reflected the 23.3% negative impact from the fall-off in volumes as demand plummeted, which was attenuated by the positive 9.6% price-mix effect. Pricing policies were held firm over the period, while the product mix continued to move up-market, thanks to the MICHELIN brand's solid resilience and a favorable replacement/OE market mix. The price mix improved by 11.0% in the first quarter and 8.2% in the second.
The currency effect was a positive 2.9%, as gains in the US dollar and, to a lesser extent, the Chinese yuan against the euro offset the declines in the British pound and the Brazilian real.

Quarter on Quarter Changes

Michelin quarter on quarter net sales change:

EUR million	1st-Half 2009 / 1st-Half 2008		1st-Quarter 2009 / 1st-Quarter 2008		2nd-Quarter 2009 / 2nd-Quarter 2008	
Total change	**-1,105**	**-13.4%**	**-579**	**-14.2%**	**-526**	**-12.7%**
Volumes	-1,917	-23.3%	-998	-24.4%	-919	-22.2%
Price mix	+608	+9.6%	+342	+11.0%	+266	+8.2%
Currency	+204	+2.9%	+77	+2.2%	+127	+3.6%
Scope	-	-	-	-	-	-

Change in Sales by Business Segment

Michelin net sales change by reporting segment is in line with the reporting adopted on January 1, 2005:

- Passenger car and Light truck tires and related distribution
- Truck tires and related distribution
- Specialty Businesses: Specialty tires (Agricultural, Aircraft, Two-wheel, Earthmover), Maps and Guides, ViaMichelin and Michelin Lifestyle

EUR million	1st-Half 2009	1st-Half 2009 / 1st-Half 2008	1st-Quarter 2009	1st-Quarter 2009 / 1st-Quarter 2008	2nd-Quarter 2009	2nd-Quarter 2009 / 2nd-Quarter 2008
Group	**7,134**	**-13.4%**	**3,512**	**-9.8%**	**3,622**	**-12.7%**
Passenger car / Light truck and related distribution	3,949	-9.4%	1,946	-24.2%	2,003	-9.0%
Truck and related distribution	2,071	-23.2%	1,006	-7.6%	1,065	-22.2%
Specialty Businesses	1,114	-6.1%	561	-14.2%	553	-4.5%

Passenger Car and Light Truck Tires and Related Distribution - Sales Analysis

The MICHELIN brand strengthened its positions in the **European replacement market** at a time of sharply weaker demand. The sales mix continued to improve, led by the steady recent-year increase in sales of more premium vehicles equipped with larger tires.
In the **original equipment market**, scrappage schemes supported the sale of smaller models, with a more favorable impact on small MICHELIN tires.

The MICHELIN brand also fared well in the highly unfavorable **North American replacement market**, thanks to sustained demand for high-value tier-1 brands. Selling prices held firm over the period.
Original equipment sales contracted across the customer base.

Sales demonstrated firm resistance in the highly competitive **Asian market**, climbing sharply in China and India and outperforming the market in South Korea and Japan. Sales were also lifted by the recent improvement in the environment in the Asia-Pacific region. The Group continued to expand in China, in particular by opening new TyrePlus outlets.

Sales in **South America** were dampened by the introduction of new import procedures in Argentina, but boosted by the positive impact of the 2008 price increases and the up-market shift in the mix.

Sales in **Africa Middle East** were hurt by weaker demand.

Truck Tires and Related Distribution - Sales Analysis

In the European replacement market, Group sales were in line with the market, with a larger presence in Western Europe than in Central Europe and Russia.
In the original equipment segment, power-unit and trailer tires outperformed the market.

In **North America**, Group sales held firm in a **radial replacement market** down 18%. The conversion of new dealers like Snider Tire Inc. to MICHELIN Retread Technologies helped to enhance the Group's product service offering.
In the sharply lower **original equipment** market, Group sales were supported by a positive mix and outperformed the market.

In South America, sales were in line with the market in Brazil. The introduction of new import procedures in certain Spanish speaking countries, such as Venezuela, weighed on sales performance for the period.

In **Asia, replacement** sales were led by operations in China, Australia and Thailand.
In the **original equipment** segment, Michelin is more exposed to the decline in Asian carmaker exports.

In **Africa Middle East**, the Group strengthened its positions in Algeria and Saudi Arabia.

Specialty Businesses - Sales Analysis

• **Earthmover Tires:** The Mining and Quarries segment is withstanding the economic slowdown, as mining companies rebuild their high-performance tire inventory. Global original equipment demand fell steadily throughout the period, especially in Europe and North America. Lastly, Infrastructure markets have slowed considerably in Europe and North America, but are holding up better in Asia.
Sales also showed firm resistance during the first half, reflecting Michelin's superior offfering and greater ability to satisfy demand particularly in the Mining and Quarries segment.

• **Agricultural Tires:** At a time of low economic visibility, original equipment demand fell sharply across every segment in the first half, with tires for high-powered farm machinery particularly hard hit. The replacement market was down considerably in Europe but demand for high-horsepower tractor tires was stable in North America.
In all, Group sales declined in the period, especially in the original equipment segment. The decline in tonnage sold was only partly offset by the performance of the premium brands (MICHELIN, KLEBER) and the increase in unit selling prices.

• **Two-Wheel Tires:** Except for scooter tires, the "motorized" segment declined sharply in the mature country markets during the period, but continued to expand in the major emerging markets, albeit at a slower pace.
Sales fell off significantly as demand eased following the Group's strong sales performance in Europe and the United States in late 2008. However, they are expected to gradually benefit from the success of the MICHELIN Power One motorcycle tire line launched in the high-performance segment in early 2009 and from original equipment tires now delivered to Harley Davidson.

• **Aircraft Tires:** Airlines saw a decline in business in the first half, with a sharp reduction in the number of flights. Demand for radial tires was less affected, however, due to their superior durability and fuel efficiency. While the General Aviation business was hard hit, the Military market was stable.
Overall sales rose during the period, lifted both by contractual price increases and the market's continued shift to radials.

• The **Maps and Guides** business continued to pursue development programs in its three segments. In response to the sustained decline in the **Maps** market, Michelin is actively developing partnership agreements. The **Tourist Guides** business continued to broaden its international footprint. The "Never Without My Michelin Map" campaign was launched in France in partnership with Yahoo!, in order to promote the many advantages of Michelin maps and demonstrate the close fit between paper maps and GPS or digital mapping systems. Lastly, the **Red Guide's** 100th Anniversary Edition was an outstanding success, with strong bookstore sales and Apple iPhone application downloads.

• In first-half 2009 as the economic crisis deepened, **ViaMichelin** redeployed its business operations after focusing on services in 2008. The consumer website was completely revamped to improve ergonomics and add new functions, such as route finding and traffic and travel information. In the **mobile-phone services** segment, two offerings were developed for the Apple **iPhone**: a paid application with Michelin Guide restaurants in Europe and the United States and a free traffic information application that has proven highly popular in France. The Business Services segment suffered from corporate wait-and-see attitude in the current market environment.

Currency Rates and the Currency Effect

At current exchange rates, consolidated net sales declined by 13.4% in the first half. Changes in exchange rates had a net positive impact of €204 million or 2.9%, as increases in the US dollar and the Chinese yuan against the euro offset the negative impact from declines in the Brazilian real and the British pound.

Average exchange rate	1st-Half 2009	1st-Half 2008	Change
Euro / USD	1.334	1.531	-12.9%
Euro / CAD	1.607	1.541	+4.3%
Euro / MXN	18.470	16.252	+13.6%
Euro / BRL	2.927	2.598	+12.7%
Euro / GBP	0.895	0.775	+15.5%
Euro / PLN	4.469	3.492	+28.0%
Euro / JPY	127.306	160.608	-20.7%
Euro / CNY	9.115	10.806	-15.6%
Euro / THB	46.722	49.436	-5.5%

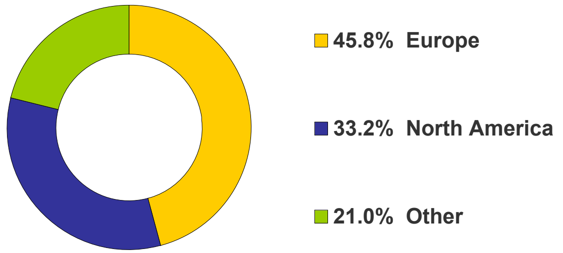
Net Sales by Region

EUR million	1st-Half 2009	1st-Half 2009 / 1st-Half 2008	1st-Quarter 2009	2nd-Quarter 2009
Group	**7,134**	**-13.4%**	**3,512**	**3,622**
Europe	3,265	-22.9%	1,636	1,629
North America (incl. Mexico)	2,369	-5.2%	1,156	1,213
Other	1,500	-0.3%	720	780

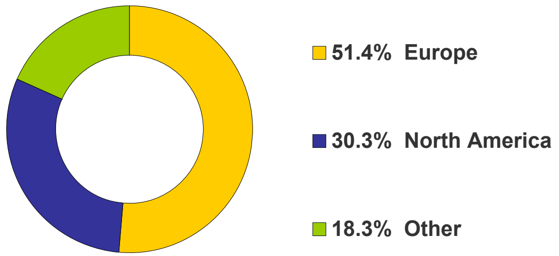
EUR million	1st-Half 2009	% of total	1st-Half 2008	% of total
Group	**7,134**		**8,239**	
Europe	3,265	45.8%	4,237	51.4%
North America (incl. Mexico)	2,369	33.2%	2,498	30.3%
Other	1,500	21.0%	1,504	18.3%

The smaller 5.2% decline in sales in **North America**, compared with the 22.9% drop in **Europe** (including Russia), reflected the US dollar's sharp climb against the euro. Sales in **other regions** increased as a percentage of the total, to 21%, and were unchanged in absolute value.
In tonnage, emerging markets represented 32% of volumes sold, compared with 29% in first-half 2008.

Breakdown of Net Sales at June 30, 2009



Breakdown of Net Sales at June 30, 2008

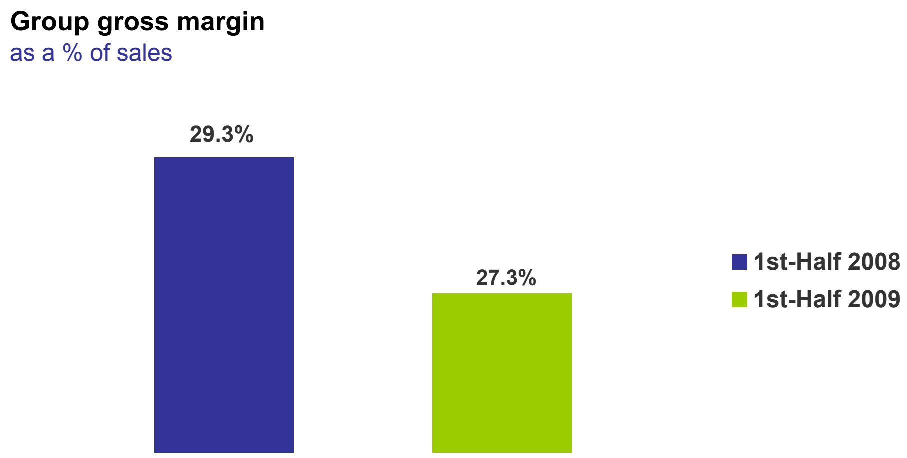


Comments on the Consolidated Income Statement

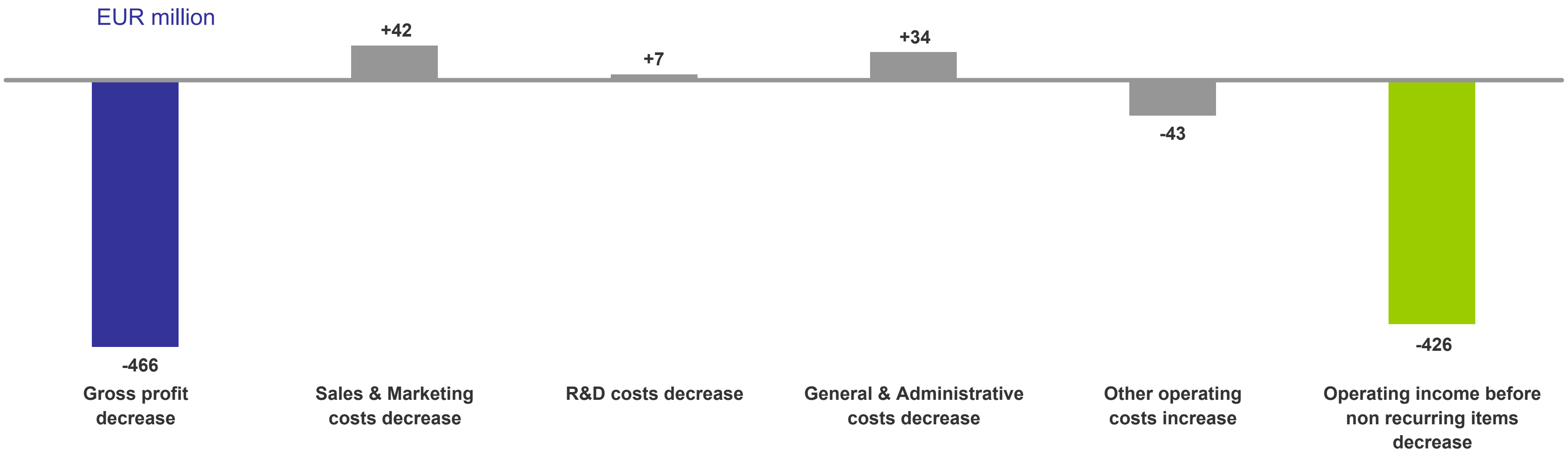
EUR million, except per share data	1st-Half 2009	1st-Half 2008	1st-Half 2009 / 1st-Half 2008	1st-Half 2009 (% of sales)	1st-Half 2008 (% of sales)
Sales	**7,134**	**8,239**	**-13.4%**		
Cost of sales	(5,185)	(5,824)	-11.0%	(72.7%)	(70.7%)
Gross income	**1,949**	**2,415**	**-19.3%**	**27.3%**	**29.3%**
Sales and marketing expenses	(785)	(827)	-5.1%	(11.0%)	(10.0%)
Research and development expenses	(250)	(257)	-2.7%	(3.5%)	(3.1%)
General and administrative expenses	(547)	(581)	-5.9%	(7.7%)	(7.1%)
Other operating income and expenses	(85)	(42)	+102.4%	(1.2%)	(0.5%)
Operating income before non-recurring income and expenses	**282**	**708**	**-60.2%**	**4.0%**	**8.6%**
Non-recurring expenses	(292)	-	-	(4.1%)	-
Operating (loss) / income	**(10)**	**708**	**-101.4%**	**(0.1%)**	**8.6%**
Cost of net debt	(162)	(116)	+39.7%	(2.3%)	(1.4%)
Other financial income and expenses	24	10	+140.0%	0.3%	0.1%
Share of profit / (loss) from associates	3	9	-66.7%	0.0%	0.1%
(Loss) / Income before taxes	**(145)**	**611**	**-123.7%**	**(2.0%)**	**7.4%**
Income tax	23	(181)	-112.7%	0.3%	(2.2%)
Net (loss) / income	**(122)**	**430**	**-128.4%**	**(1.7%)**	**5.2%**
• Attributable to Shareholders	(119)	430	-127.7%	(1.7%)	5.2%
• Attributable to non-controlling interests	(3)	-	n.m.	n.m.	n.m.
Earnings per share (in euros)					
• Basic	(0.82)	2.95	-127.8%		
• Diluted	(0.82)	2.89	-128.4%		

Income Statement by Function

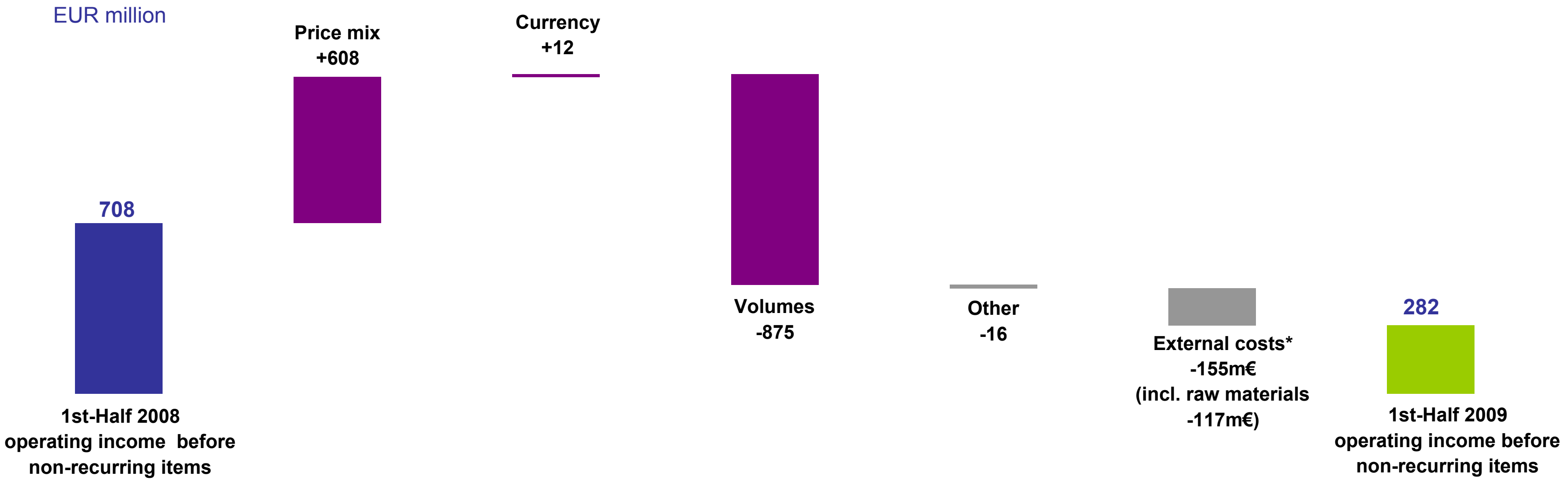
Gross Income



From Gross Income to Operating Income Before Non-Recurring Items



Factors Contributing to Changes in Operating Income Before Non-Recurring Items



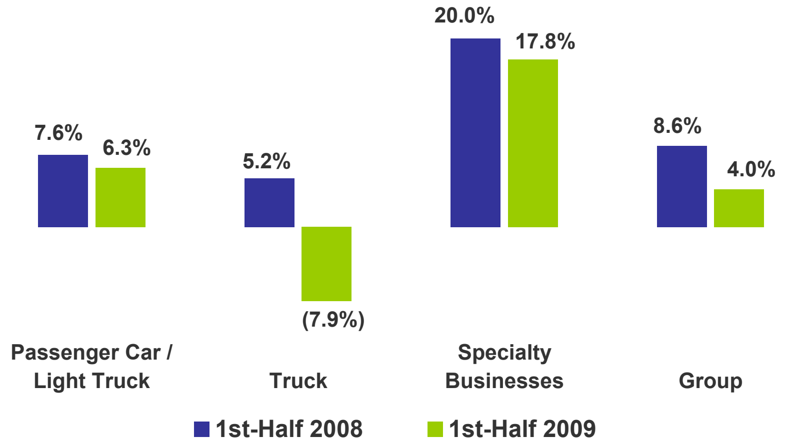
The 4.6-point decline in operating margin before non-recurring items was primarily due to the deterioration of the economic environment and the sharp drop-off in volumes.
The €426-million decline in operating income before non-recurring items reflected the net impact of:
A €608-million increase from the highly positive price-mix, which was supported by i) the price increases undertaken in 2008, ii) the replacement market's outperformance compared with the original equipment market, and iii) the firm resilience of the MICHELIN brand.

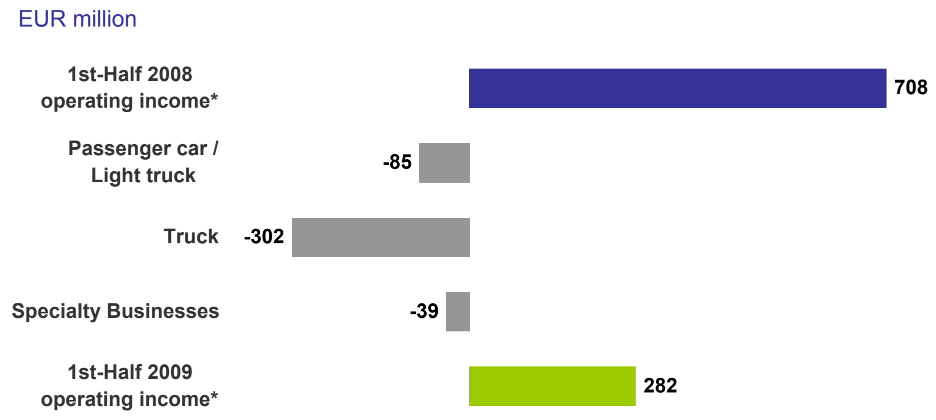
- A €875-million decrease caused by the steep fall in volumes sold.
- A €155-million decrease from higher raw materials costs (€117 million) and higher energy and logistics costs (€38 million).
- A €12-million currency gain, led by the US dollar's increase against the euro.
- A €16 million decrease from other factors, particularly a €13-million increase in depreciation and amortization charges at constant exchange rates.

** raw materials, logistics and energy*

Operating Income* by Business Segment

Operating Margin* by Business Segment





- Passenger car and Light truck tires and related distribution
- Truck tires and related distribution
- Specialty Businesses: Specialty tires (Agricultural, Aircraft, Two-wheel, Earthmover), Maps and Guides, ViaMichelin and Michelin Lifestyle

** before non-recurring items*

Passenger Car and Light Truck Tires and Related Distribution - Analysis of Operating Income Before Non-Recurring Items

Passenger car / Light truck and related distribution EUR million	1st-Half 2009	1st-Half 2008	1st-Half 2009 / 1st-Half 2008	1st-Half 2009 (% of Group total)	1st-Half 2008 (% of Group total)
Sales	3,949	4,357	-9.4%	55%	53%
Operating income before non-recurring items	247	332	-25.6%	88%	47%
Operating margin before non-recurring items	6.3%	7.6%	-1.3pt		

Operating income amounted to €247 million versus €332 million in first-half 2008. The firm resilience of the MICHELIN brand, the highly positive price mix, improvements in production flexibility and cost reductions all helped to maintain operating margin at 6.3%, compared with 7.6% in first-half 2008.

Truck Tires and Related Distribution - Analysis of Operating Income Before Non-Recurring Items

Truck and related distribution EUR million	1st-Half 2009	1st-Half 2008	1st-Half 2009 / 1st-Half 2008	1st-Half 2009 (% of Group total)	1st-Half 2008 (% of Group total)
Sales	2,071	2,696	-23.2%	29%	33%
Operating (loss) / income before non-recurring items	(163)	139	-217.3%	(58%)	20%
Operating margin before non-recurring items	(7.9%)	5.2%	-13.1pt		

The first-half operating loss of €163 million reflects the sharp contraction in volumes following the collapse of the original equipment and replacement markets. Production scalebacks and efficient management of inventories (which had reached target levels by June 30) also increased cost of capacity underutilization.

Specialty Businesses - Analysis of Operating Income Before Non-Recurring Items

Specialty Businesses EUR million	1st-Half 2009	1st-Half 2008	1st-Half 2009 / 1st-Half 2008	1st-Half 2009 (% of Group total)	1st-Half 2008 (% of Group total)
Sales	1,114	1,186	-6.1%	16%	14%
Operating (loss) / income before non-recurring items	198	237	-16.5%	70%	33%
Operating margin before non-recurring items	17.8%	20.0%	-2.2pt		

Operating margin narrowed from the 20% reported in first-half 2008, but remained at a high 17.8%. With the exception of Mines and Quarries, markets remained very challenging throughout the first half. Earthmover remains the segment's key contributor to operating performance. The Agricultural business lifted its performance thanks to improved manufacturing footprint and enhanced product mix.

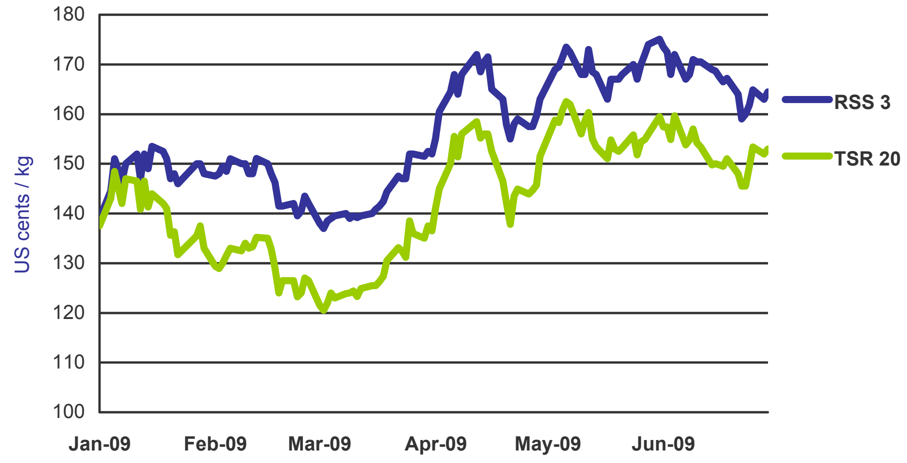
Other Income Statement Items

Raw Materials

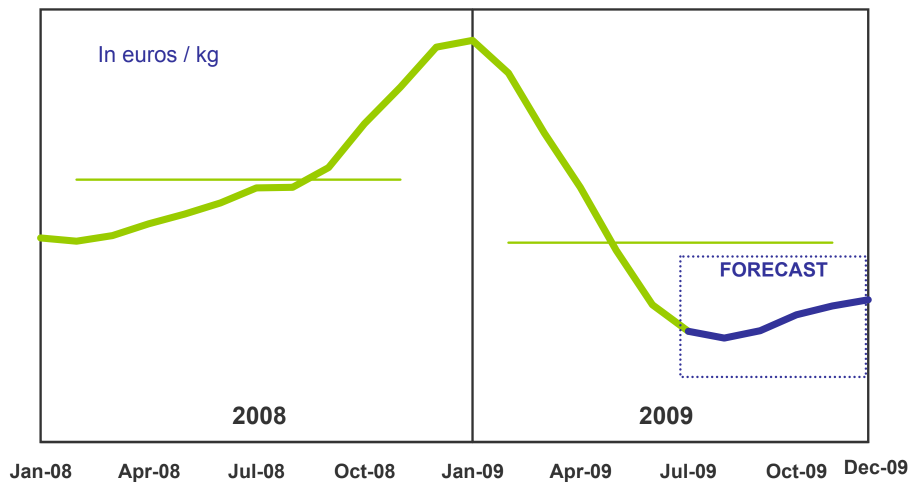
Although **raw materials** prices fell sharply across the board in the first half of 2009, they continued to have a negative impact on income due to the lag between the time of purchase and the time the materials were taken out of inventory. This lag, which is usually four months for synthetic rubber and six months for natural rubber, widened in the first half due to the sharp decline in volumes sold. In addition, valuing inventory at weighted average cost tends to smooth out fluctuations in raw material prices.

External costs as a whole (raw materials, logistics and energy) also continued to have a negative impact over the period, rising by €155 million, of which €117 million at constant exchange rate from raw materials alone.
Over the full year, lower raw material prices should add around €500-600 million at constant exchange rate to operating income compared with 2008.

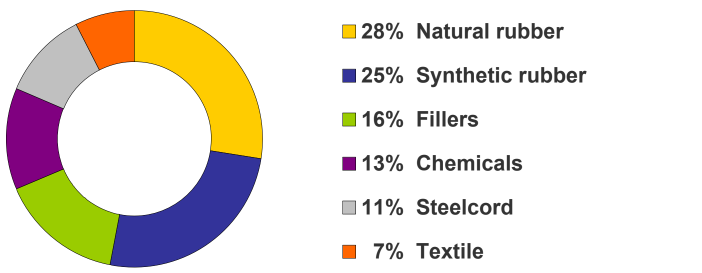
Change in Natural Rubber Prices (SICOM) in first-half 2009



Cost of Group raw material consumption (at constant exchange rate):



Breakdown of raw material needs for first-half 2009 in value (euros)

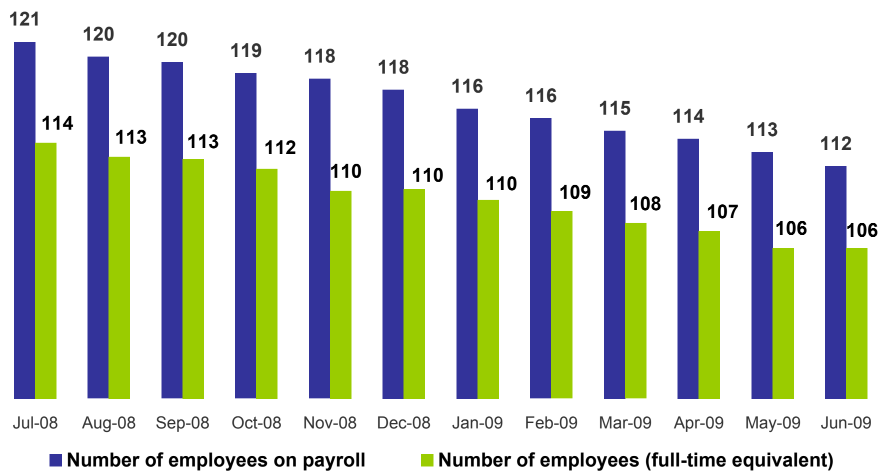


Employee Benefit Costs and Number of Employees

EUR million	1st-Half 2009	1st-Half 2008	% change
Total employee benefit costs	2,280	2,412	-5.5%
As a % of net sales	32.0%	29.3%	+2.7pt
Total number of employees on payroll at June 30	112,498	121,023	-7.0%
Average number of employees	114,305	120,903	-5.5%
Number of employees at June 30, full time equivalent	106,010	113,530	-6.6%

Employee benefit costs represented 32.0% of net sales in first-half 2009, compared with 29.3% in the year-earlier period. This change mainly reflects the drop in net sales. In value terms, payroll declined by €178 million or 7.3% at constant exchange rates in line with headcount reductions. The programs undertaken to enhance production flexibility and the use of short-time working hours helped to significantly reduce employee benefit costs over the period.

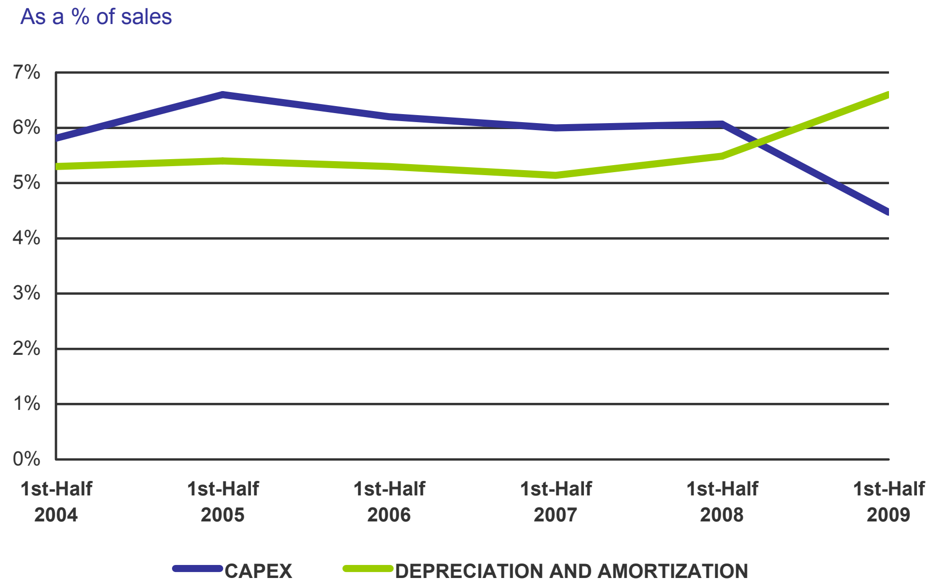
Change in number of employees



Depreciation and Amortization

EUR million	1st-Half 2009	1st-Half 2008	% change
Depreciation and amortization	471	452	+4.2%
As a % of capital expenditure	*147.6%*	*90.4%*	

Depreciation and amortization rose 4.2% to €471 million, representing 148% of capital expenditure at end-June 2009. Over the full year, depreciation and amortization will exceed capital expenditure, which will be capped at around €700 million.



Transportation Costs

EUR million	1st-Half 2009	1st-Half 2008	% change
Transportation of goods	373	488	-23.6%
As a % of sales	*5.2%*	*5.9%*	

Transportation costs fell by 23.6% as reported and by 25.1% at constant exchange rates, as a result of the steep 23% decline in volumes and lower unit transportation costs.
As a result, transportation costs represented 5.2% of sales compared with 5.9% in the prior-year period.

Non-recurring expenses

Non-recurring expenses amounted to €292 million, of which €151 million related to the plant specialization plan in France and €141 million to the manufacturing and sales reorganization plan in North America.

An additional expense will be recognized in the second half of the year, once the number of employees wishing to participate in the France voluntary separation plan can be reliably estimated.

Cost of Net Debt

EUR million	1st-Half 2009	1st-Half 2008	Change (in value)
Cost of net debt	(162)	(116)	+46

The cost of net debt rose by €46 million over the first half, reflecting the following factors:

- The increase in net interest expense: €17 million, of which:
  - €8 million from the increase in average debt, to €4.3 billion from €4 billion in first-half 2008.
  - €(1) million from the decline in the average interest rate on borrowings, to 5.51% from 5.54% in first-half 2008.
  - €10 million from the negative carry (as the average borrowing cost exceeded the return on invested cash).

- The increase in the net currency loss: €31 million
  - Resulting from EUR 21 million translation loss in the first-half 2009, resulting primarily from the decline against the euro of three currencies which cannot be hedged (Venezuela, Serbia, Algeria). This translation loss is to be compared with EUR 10 million gain in the first-half 2008.

- Other factors: €(2) million

Other Financial Income and Expenses

EUR million	1st-Half 2009	1st-Half 2008	Change (in value)
Other financial income and expenses	24	10	+14

Other financial income and expenses mainly include dividends, interest income and proceeds from the sale of financial assets. Their increase in first-half 2009 was primarily due to the net €17 million in proceeds from the partial repurchase of the Company's lowest ranking subordinated notes.

Income Tax

EUR million	1st-Half 2009	1st-Half 2008	% change
Income tax	**(23)**	**181**	**-112.7%**
Current tax	68	130	-47.7%
Withholding tax	14	12	+16.7%
Deferred tax	(105)	39	-369.2%

As a result of the recognition of deferred tax assets, the Group reported a **tax benefit** of €23 million in first-half 2009 compared with a €181 million tax charge a year earlier.

Consolidated Net Income and Earnings Per Share

EUR million	1st-Half 2009	1st-Half 2008	% change
Net (loss) / income	(122)	430	-128.4%
As a % of net sales	*(1.7%)*	*5.2%*	*-6.9pt*
• Attributable to Shareholders	(119)	430	-127.7%
• Attributable to non-controlling interests	(3)	-	n.m.
Earnings per share (in euros)			
• Basic	(0.82)	2.95	-127.8%
• Diluted	(0.82)	2.89	-128.4%

The Group ended the first-half with a net loss of €122 million, compared with net income of €430 million in the prior-year period.
The €552-million decline reflected the following factors:

- The €426-million decline in operating income.
- The recognition of €292 million in non-recurring expenses.
- The €32-million increase in other financial expense, net.
- The €204-million swing in the income tax charge to a benefit.
- The €6-million share of the loss from associates.

Outlook for the Year 2009

Concerning the business environment, inventories have now returned to more normal levels, but not to the extent that Michelin can talk about a real upturn. The Group will therefore maintain its efforts in the months ahead, although the decline in raw materials prices should support second-half margins.
The Group is committed to generating positive free cash flow in the second half, in order to continue preserving its major business metrics.

Comments on the Consolidated Balance Sheet

Assets

EUR million	June 30, 2009	December 31, 2008	Total change	Currency effect	Movement
Goodwill	399	401	-2	-3	+1
Other intangible assets	314	310	+4	-1	+5
Property, plant and equipment (PP&E)	6,905	7,046	-141	+115	-256
Non-current financial assets and other assets	398	382	+16	+4	+12
Investments in associates and joint ventures	65	65	+0	+0	+0
Deferred tax assets	1,006	896	+110	+10	+100
Non-current assets	**9,087**	**9,100**	**-13**	**+125**	**-138**
Inventories	3,164	3,677	-513	+57	-570
Trade receivables	2,398	2,456	-58	+32	-90
Current financial assets	70	173	-103	-0	-103
Other current assets	443	732	-289	+17	-306
Cash and cash equivalents	740	456	+284	-3	+287
Current assets	**6,815**	**7,494**	**-679**	**+103**	**-782**
TOTAL ASSETS	**15,902**	**16,594**	**-692**	**+228**	**-920**

Liabilities and Equity

EUR million	June 30, 2009	December 31, 2008	Total change	Currency effect	Movement
Share capital	295	290	+5	+0	+5
Share premiums	2,025	1,944	+81	+0	+81
Reserves	2,753	2,874	-121	+128	-249
Non-controlling interests	2	5	-3	+0	-3
Total equity	**5,075**	**5,113**	**-38**	**+128**	**-166**
Non-current financial liabilities	3,641	3,446	+195	-12	+207
Employee benefits	2,518	2,448	+70	+28	+42
Provisions and other non-current liabilities	916	760	+156	+2	+154
Deferred tax liabilities	37	39	-2	+0	-2
Non-current liabilities	**7,112**	**6,693**	**+419**	**+18**	**+401**
Current financial liabilities	981	1,440	-459	+36	-495
Trade payables	903	1,504	-601	+27	-628
Other current liabilities	1,831	1,844	-13	+19	-32
Current liabilities	**3,715**	**4,788**	**-1,073**	**+82**	**-1,155**
TOTAL LIABILITIES AND EQUITY	**15,902**	**16,594**	**-692**	**+228**	**-920**

Intangible Assets and Property, Plant and Equipment

Net intangible assets, excluding goodwill, and property, plant and equipment totaled €7,219 million at June 30, 2009, down €137 million or 1.9% from December 31, 2008. Excluding the currency effect, primarily resulting from the increase in the dollar against the euro, the decline would have been €252 million or 3.4%. Depreciation and amortization exceeded capital expenditure during the period.

Goodwill

Goodwill accounts for the excess of acquisition cost over the fair value of assets and liabilities at the date when the commitment of acquisition is taken as well as the excess of the cost of purchased minority stakes over their book value.
Goodwill cannot be amortized. Goodwill is kept at cost after deduction of any cumulative loss.
Estimated acquisition cost adjustments depending on future events are allocated to goodwill.
Other than the impact of translation adjustments, there was no material change in goodwill at June 30, 2009 compared with December 31, 2008.

Operating Working Capital Requirement

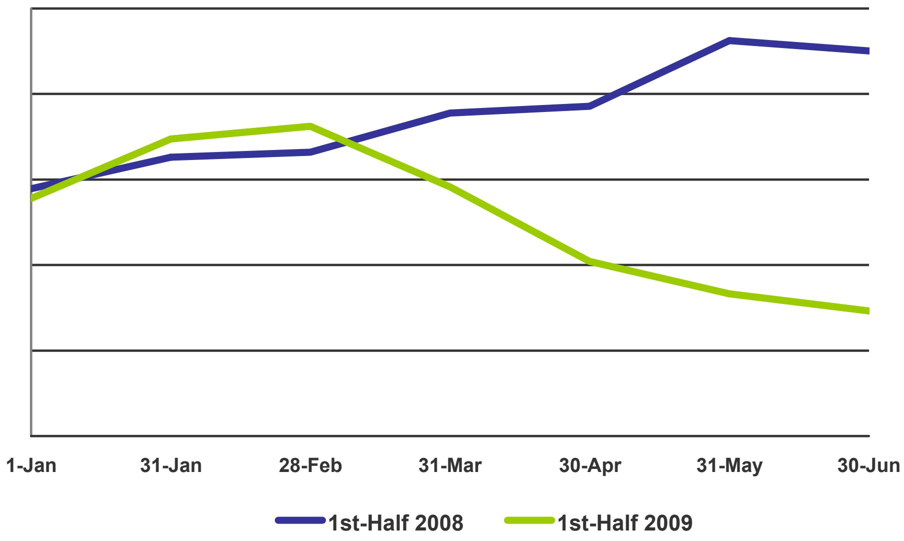
EUR million	June 30, 2009	June 30, 2008	Total change	June 30, 2009 as a % of sales (12-month rolling)	June 30, 2008 as a % of sales (12-month rolling)
Inventories	3,164	3,723	-559	20.7%	22.3%
Trade receivables	2,398	2,975	-577	15.7%	17.8%
Trade payables	(903)	(1,416)	+513	5.9%	8.5%
Operating working capital requirement	**4,659**	**5,282**	**-623**	**30.4%**	**31.6%**

Operating working capital requirement declined by €623 million, or 12%, year-on-year, and represented 30.4% of net sales, compared with 31.6% at June 30, 2008.

INVENTORIES

Average trailing 12-month **inventories** represented 24.4% of net sales, versus 22.7% at December 31, 2008.
Excluding the currency effect, inventories were down 15% for the period.
The value of inventory declined primarily due to the fall-off in volumes, but also as a result of lower raw materials prices. Inventory volumes ended the period down by 11% compared with December 31, 2008, reflecting the impact of the production flexibility programs implemented in the second quarter.

Total finished product inventory
in tons



TRADE RECEIVABLES

Trade receivables declined by €58 million to €2,398 million in the first half, with average trailing 12-month receivables representing 18.4% of sales at period-end, versus 19.4% at December 31, 2008. The decline also reflects the shorter customer payment periods. The Group is committed to reducing trade receivables to 16% of net sales.
No material guarantees have been granted to limit credit risk.

Equity

Compared with December 31, 2008, **equity** declined by €38 million during the period, primarily as a result of:

- Comprehensive income of: €33 million
  - The €122 million net loss was offset by a €128 million net translation gain and €27 million in other positive items.
- The payment of dividends and other allocations: €(150) million
  - The dividend reinvestment plan, offered for the first time this year, attracted more than half of all shareholders, enabling the Group to save €80 million in cash.
- The issue of new shares: €81 million
  - This amount included €80 million from the issue of new shares under the dividend reinvestment plan and €1 million from the exercise of stock options.
- Other items: €(2) million

Debt

Debt stood at €3,818 million at June 30, 2009, down €455 million from December 31, 2008.
The sharp decline reflected the combined impact of the following factors:

- High free cash flow for the period: €575 million
- The payment of dividends: €(70) million
  - Following a cash savings of €80 million after more than half of all shareholders elected to reinvest their dividend.
- A negative currency effect, primarily due to the appreciation of the dollar against the euro: €(26) million
- Other non-cash factors: €(24) million

Change in net debt from December 31 to June 30

EUR million	1st-Half 2009	1st-Half 2008
Debt to December 31	**4,273**	**3,714**
Currency	+26	-61
Free cash flow*	-575	+445
Dividend cash out	+70	+240
Other change in equity	+11	+13
Addition to investment commitments	-11	-42
New obligations under finance leases	-	+7
Scope and miscellaneous	+24	+18
Debt to June 30	**3,818**	**4,334**
Change	**(455)**	**+620**

** Free cash flow = Cash flow from operating activities - Cash flow from investing activities*

Gearing

EUR million	June 30, 2009	June 30, 2008
Net debt	3,818	4,334
Total equity	5,075	5,444
Net debt / Equity	**75%**	**80%**
Net debt / EBITDA	**2.54**	**1.85**

Gearing stood at 75% at June 30, 2009, compared with 80% at June 30, 2008 and 84% at December 31, 2008. The decline was primarily attributable to the decrease in net debt.

Ratings

		CGEM	CFM
Short term	Standard & Poor's	A-3	A-3
	Moody's	P-2	P-2
Long term	Standard & Poor's	BBB	BBB
	Moody's	Baa2	Baa2
Outlook	Standard & Poor's	Negative	Negative
	Moody's	Stable	Stable

- On October 31, 2008 Standard & Poor's downgraded from "stable" to "negative" the outlook associated with Michelin's rating. The long-term rating remained 'BBB' while the short-term rating was downgraded from 'A-2' to 'A-3'.
- On July 24, 2008 Moody's eliminated the one notch between Compagnie Générale des Etablissements Michelin (CGEM), the ultimate parent company, and Compagnie Financière Michelin (CFM). Consequently, CGEM's rating was upgraded to Baa2/Prime-2/Stable from Baa3/Prime-3/Stable.

Employee Benefits

Change in net amount recognized for defined benefit plans

EUR million	Defined benefit pension plans	Other defined benefit plans (including healthcare)	1st-Half 2009	1st-Half 2008
Net amount at January, 1	**802**	**1,641**	**2,443**	**2,563**
Exchange differences	17	11	28	(88)
Expenses recognized in the operating income before non-recurring items	76	55	131	92
Contribution paid to the funds	(19)	0	(19)	(59)
Benefits directly paid to beneficiaries	(10)	(58)	(68)	(70)
Changes in the scope of consolidation	-	-	-	-
Plan changes in the Income Statement (non recurring items)	25	(24)	1	0
Net amount at June, 30	**891**	**1,625**	**2,516**	**2,438**

Expenses recognized in first-half 2009 operating income in connection with employee defined benefit plans rose to €132 million from €92 million in first-half 2008, mainly due to the impact on plan costs of the collapse in global financial markets in the second half of 2008.

Total Group contributions to these plans during the period declined by €42 million to €87 million, as follows:

- Contributions paid to fund management institutions €19 million
- Benefits paid directly to employees €68 million

Contributions scheduled for the second half are expected to maintain total full-year contributions on a par with 2008.

Comments on the Consolidated Cash Flow Statement

Net Cash Flows from Operating Activities

EUR million Average exchange rates	1st-Half 2009	1st-Half 2008	Value change
EBITDA adjusted (before non-recurring income and expenses)	**751**	**1,172**	**-421**
Non-cash other income and expenses	(17)	8	-25
Change in provisions, including employee benefits	(6)	(139)	+133
Net finance costs paid	(141)	(105)	-36
Income tax paid	42	(154)	+196
Change in value of working capital, net of impairments	334	(608)	+942
Change in inventory	*580*	*(453)*	*+1033*
Change in net trade receivables	*96*	*(51)*	*+147*
Change in other receivables and payables	*(342)*	*(104)*	*-238*
Cash flows from operating activities	**963**	**174**	**+789**

EBITDA before non-recurring income and expenses fell by €421 million to €751 million from €1,172 million in first-half 2008, in line with the decline in operating income before non-recurring items. The increase in depreciation and amortization was entirely offset by change in impairment losses.

Capital Expenditure

EUR million	1st-Half 2009	1st-Half 2008	1st-Half 2009 / 1st-Half 2008 in value	1st-Half 2009 as a % of sales	1st-Half 2008 as a % of sales
Gross purchases of intangible assets and PP&E	**319**	**500**	**-181**	**4.5%**	**6.1%**
Investment grants received and change in capital expenditure payables	101	84	+17	1.4%	1.0%
Proceeds from sale of intangible assets and PP&E	(15)	(15)	+0	(0.2%)	(0.2%)
Net tangible and intangible investment cash flow utilization	**405**	**569**	**-164**	**5.7%**	**6.9%**

Gross purchases of intangible assets and property, plant and equipment amounted to €319 million at June 30, 2009, or 4.5% of net sales, versus €500 million a year earlier, or 6.1% of sales. The Group is continuing to invest in capital projects in the growth countries of China, India and Brazil, but plans to cap full-year capital expenditure at €700 million.

The main capital projects were as follows:

Passenger car and light truck tires

- Projects to improve productivity and refresh product lines
- Projects to increase production capacity
  - In Shanghai, China
  - In Brazil: start of engineering and earthworks for a new plant
  - In Spain, by expanding the operations at the Vitoria plant that produce the MICHELIN Energy Saver line of fuel-efficient tires.

Truck tires

- Projects to increase capacity at the Shenyang, China plant and to acquire land in India for the construction of a new truck tire facility.
- Projects to improve productivity and refresh lines in mold operations.

Earthmover tires

- Project to increase mining tire capacity at the Lexington, SC plant in the United States.

Free Cash flow

Free cash flow is reported before dividends and after acquisition of financial investments.

EUR million Average exchange rates	1st-Half 2009	1st-Half 2008	Value change
Cash flows from operating activities	**963**	**174**	**+789**
Net tangible and intangible investment cash flow utilization	(405)	(569)	+164
Investments in shareholdings and other financial assets	17	(50)	+67
Cash flows from investing activities	**(388)**	**(619)**	**+231**
Free cash flow	**575**	**(445)**	**1,020**

The Group generated €575 million in free cash flow in the first half of 2009, compared with a negative €445 million a year earlier.
The improvement was led by the €580 million reduction in inventory over the period, the intrinsic gains driven by the transformation program and the reduction in account receivables' days of sales outstanding.
In addition, capital expenditure was sharply scaled back, to €319 million from €500 million in first-half 2008, without compromising the Group's sustained expansion in new growth markets.

Related parties

There were no new significant related party transactions during the first half of 2009, as well as no significant changes in the related party transactions described in the 2008 Annual Report.

Concerning the potential compensation due to the two Non-General Managing Partners of Compagnie Générale des Etablissements Michelin, in 2009, in the event of a forced resignation, the General Partners decided on 27 April 2009 to increase the percentage based on operating and financial performance criteria from 50% to 100%.

Risk Management

The Michelin Group's principal risks have been identified. They are described in the Annual Report 2008.

Consolidated Key Figures and Ratios - IFRS

EUR million	1st-Half 2009	1st-Half 2008	2008	2007	2006	2005	2004
Sales	**7,134**	8,239	16,408	16,867	16,384	15,590	15,048
% change	**-13.4%**	-1.9%	-2.7%	+3.0%	+5.1%	+3.6%	N. App.
Total employee benefits costs	**2,280**	2,412	4,606	4,732	4,718	4,780	4,837
as a % of sales	**32.0%**	29.3%	28.1%	28.1%	28.8%	30.7%	32.1%
Number of employees (full time equivalent)	**106,010**	113,530	110,252	113,529	115,755	119,030	120,456
Research and development expenses (1)	**250**	257	499	571	591	565	576
as a % of sales	**3.5%**	3.1%	3.0%	3.4%	3.6%	3.6%	3.8%
EBITDA (2)	**751**	1,172	1,848	2,468	2,209	2,171	2,030
Operating income before non-recurring income and expenses	**282**	708	920	1,645	1,338	1,368	1,303
Operating margin before non-recurring income and expenses	**4.0%**	8.6%	5.6%	9.8%	8.2%	8.8%	8.7%
Operating income (loss)	**(10)**	708	843	1,319	1,118	1,574	1,239
Operating margin	**(0.1%)**	8.6%	5.1%	7.8%	6.8%	10.1%	8.2%
Cost of net debt	**(162)**	(116)	(330)	(294)	(315)	(310)	N. App.
Other financial income and expenses	**24**	10	(3)	29	135	(280)	(235)
Income (loss) before taxes	**(145)**	611	520	1,071	942	1,300	985
Income tax	**23**	(181)	(163)	(299)	(369)	(411)	(331)
Effective tax rate	**(15.9%)**	29.6%	31.3%	27.9%	39.2%	31.6%	33.6%
Net income (loss)	**(122)**	430	357	772	573	889	654
as a % of sales	**(1.7%)**	5.2%	2.2%	4.6%	3.5%	5.7%	4.3%
Dividends paid to Shareholders	**65**	230	230	208	193	179	133
Cash flows from operating activities	**963**	174	915	1,862	1,191	1,031	1,322
as a % of sales	**13.5%**	2.1%	5.6%	11.0%	7.3%	6.6%	8.8%
Gross purchases of intangible assets and PP&E	**319**	500	1,271	1,340	1,414	1,336	1,107
as a % of sales	**4.5%**	6.1%	7.7%	7.9%	8.6%	8.6%	7.4%
Capital expenditure, net of disposals	**405**	569	1,237	1,378	1,277	1,208	951
Cash flows from investing activities	**(388)**	(619)	(1,274)	(1,429)	(1,230)	(1,155)	(1,056)
as a % of sales	**5.4%**	7.5%	7.8%	8.5%	7.5%	7.4%	7.0%
Net debt (3)	**3,818**	4,334	4,273	3,714	4,178	4,083	3,292
Total equity (4)	**5,075**	5,444	5,113	5,290	4,688	4,527	3,647
Gearing	**75%**	80%	84%	70%	89%	90%	90%
Net debt / EBITDA	**2.54**	1.85	2.31	1.50	1.89	1.88	1.62
Cash flows from operating activities / Net debt	**N. App**	N. App	21.4%	50.1%	28.5%	25.3%	40.2%
Net interest charge average rate (5)	**6.1%**	5.9%	6.0%	6.6%	6.3%	6.9%	N. App.
Operating income before non-recurring items / Net interest charge (6)	**2.0**	5.9	3.5	6.1	4.2	4.4	N. App.
Free cash flow (6)	**575**	(445)	(359)	433	(39)	(124)	266
ROE (7)	**N. App**	N. App	7.0%	14.7%	12.2%	19.7%	18.5%
ROCE – Return on capital employed (8)	**N. App**	N. App	5.6%	9.7%	8.0%	N. App	N. App
Per share data (in euros)							
Net assets per share (9)	**34.4**	37.5	35.2	36.7	32.6	31.5	24.2
Basic earnings per share	**(0.82)**	2.95	2.46	5.32	3.95	6.13	4.46
Diluted earnings per share	**(0.82)**	2.89	2.46	5.22	3.94	6.12	4.46
P/E (10)	**N. App**	N. App	15.3	14.8	18.4	7.7	10.6
Dividend per share	**N. App**	N. App	1,00	1.60	1.45	1.35	1.25
Distribution rate (11)	**N. App**	N. App	40.7%	30.1%	36.7%	22.0%	28.0%
Dividend yield (12)	**N. App**	N. App	2.7%	2.0%	2.0%	2.8%	2.6%
Share turnover rate (13)	**N. App**	N. App	308%	216%	212%	151%	134%

(1) Pursuant to switch to IFRS, part of the Group's research and development expenses are integrated into the cost of goods sold in the income statement by function
(2) EBITDA: earnings before finance costs, income tax, depreciation and amortization
(3) Net debt after implementation of IAS 32 and IAS 39, effective January 1, 2005: financial liabilities - cash and cash equivalents +/- derivative assets
(4) Total equity after implementation of IAS 32 and IAS 39, effective January 1, 2005
(5) Net interest charge: interest financing expenses - interest income from cash and equivalents + discount/premium amortization on forward foreign exchange contracts
(6) Free cash flow: Cash flows from operating activities - Cash flows from investing activities
(7) ROE: net income attributable to Shareholders / Shareholders' equity excluding non-controlling interests
(8) ROCE: Net Operating Profit After Tax (NOPAT) / capital employed (intangible assets and PP&E + long-term financial assets + working capital requirement)
(9) Net assets per share: net assets / number of shares outstanding at the end of the period
(10) P/E: Share price at the end of the period / earnings per share
(11) Distribution rate: dividend per share / basic earnings per share
(12) Dividend yield: dividend per share / share price at December 31
(13) Share turnover rate: number of shares traded during the year / average number of shares outstanding during the year

N. App.: Non applicable

French GAAP

EUR million	2004	2003	2002	2001	2000	1999 proforma
Sales	15,689	15,370	15,645	15,775	15,396	13,763
% change	+2.1%	-1.8%	-0.8%	+2.5%	+11.9%	+10.2%
Payroll costs	4,872	4,997	5,152	5,242	5,137	4,756
as a % of sales	31.1%	32.5%	32.9%	33.2%	33.4%	34.6%
Average number of employees	126,474	127,210	126,285	127,467	128,122	130,434
Research and development costs	674	710	704	702	645	589
as a % of sales	4.3%	4.6%	4.5%	4.4%	4.2%	4.3%
EBITDA (1)	2,043	1,992	1,978	2,091	2,170	2,127
Operating income	1,299	1,143	1,225	1,040	1,162	1,207
Operating margin	8.3%	7.4%	7.8%	6.6%	7.6%	8.8%
Net interest expense	(213)	(225)	(260)	(321)	(314)	(238)
Net non-recurring income and expense	(206)	19	75	(29)	(76)	(353)
of which restructuring costs	*(55)*	*(192)*	*(17)*	*(340)*	*(67)*	*(388)*
Income before tax	843	590	997	644	729	538
Income taxes	(316)	(261)	(382)	(330)	(290)	(213)
Effective tax rate	37.5%	44.3%	38.4%	51.2%	39.9%	39.7%
Net income before minority interests	527	329	614	314	438	325
as a % of sales	3.4%	2.1%	3.9%	2.0%	2.8%	2.4%
Dividends paid to Shareholders	133	131	113	105	93	87
Net cash provided by operating activities (2)	1,337	1,542	1,534	1,263	1,017	1,014
Cash flow (3)	1,353	1,407	1,225	1,323	1,416	1,547
as a % of sales	8.6%	9.2%	7.8%	8.4%	9.2%	11.2%
Capital expenditure (4)	1,117	1,118	967	1,150	1,201	1,252
as a % of sales	7.1%	7.3%	6.2%	7.3%	7.8%	9.1%
Capital expenditure, net of disposals (4)	1,025	1,017	809	1,089	1,091	1,003
Acquisition of investments, net of disposals	106	229	62	(184)	166	255
Net debt (5)	3,223	3,440	3,818	4,881	4,926	4,329
Shareholders' equity including minority interests (6)	4,677	4,409	4,502	4,326	4,155	3,838
Debt-to-equity ratio	69%	78%	85%	113%	119%	113%
Average borrowing costs	5.9%	5.8%	6.2%	6.1%	6.5%	9.4%
EBITDA / Net debt	63.4%	57.9%	51.8%	42.8%	44.1%	49.1%
Net cash provided by operating activities / Net debt	41.5%	44.8%	40.2%	25.9%	20.7%	23.4%
Interest expense (7)	209	219	273	311	324	419
Interest cover (operating income / interest expense)	6.2	5.2	4.5	3.3	3.6	2.9
Free cash flow (8)	226	299	637	309	(241)	(300)
ROE (9)	11.2%	7.3%	13.4%	7.4%	10.4%	8.0%
Per share data (in euros)						
Net assets per share (10)	32.1	30.2	30.5	29.7	28.5	26.2
Basic earnings per share	3.59	2.23	4.28	2.20	2.96	2.10
Diluted earnings per share	3.59	2.23	4.28	2.20	2.96	2.10
P/E (11)	13.1	16.3	7.7	16.8	13.0	18.6
Net dividend per share	1.25	0.93	0.93	0.85	0.80	0.71
Pay-out rate (12)	34.8%	41.7%	21.7%	38.6%	27.0%	33.8%
Net dividend yield (13)	2.6%	2.6%	2.8%	2.3%	2.1%	1.8%
Capital turnover rate (14)	134%	144%	145%	108%	97%	105%

(1) EBITDA = Earnings Before Interest, Tax, Depreciation and Amortization
(2) Net cash provided by operating activities: cash flow + change in working capital
(3) Cash flow: net income before minority interests + depreciation, amortization and charges to allowances for impairment in value of fixed assets - changes in provisions -/+ net gains/losses on disposal of assets
(4) In 2001, excluding external growth transactions (SMW, EUR 167m)
(5) Net debt: long and short-term debt (including securitization) – cash and cash equivalents
(6) Shareholders' equity including minority interests: common stock + paid-in capital in excess of par + retained earnings + net income + minority interests
(7) Interest expense: borrowing costs for the year
(8) Free cash flow: cash flow - change in working capital - net investments
(9) ROE: net income attributable to the Group / Shareholders' equity excluding minority interest
(10) Net assets per share: net assets / number of shares outstanding at December 31
(11) P/E: Share price at December 31 / earnings per share
(12) Pay-out rate: net dividend / earnings per share
(13) Net dividend yield: net dividend / share price at December 31
(14) Capital turnover: number of shares traded during the year / average number of shares outstanding during the year

Stock market data

The Michelin Share

LISTED ON THE EURONEXT PARIS INDEX

- Compartment A
- Deferred Settlement Market (SRD)
- ISIN Code: FR 0000121261
- Par value: EUR 2
- Transaction unit: 1

MARKET CAPITALIZATION

EUR 5.983 billion, as at June 30, 2009

AVERAGE TRADING VOLUME

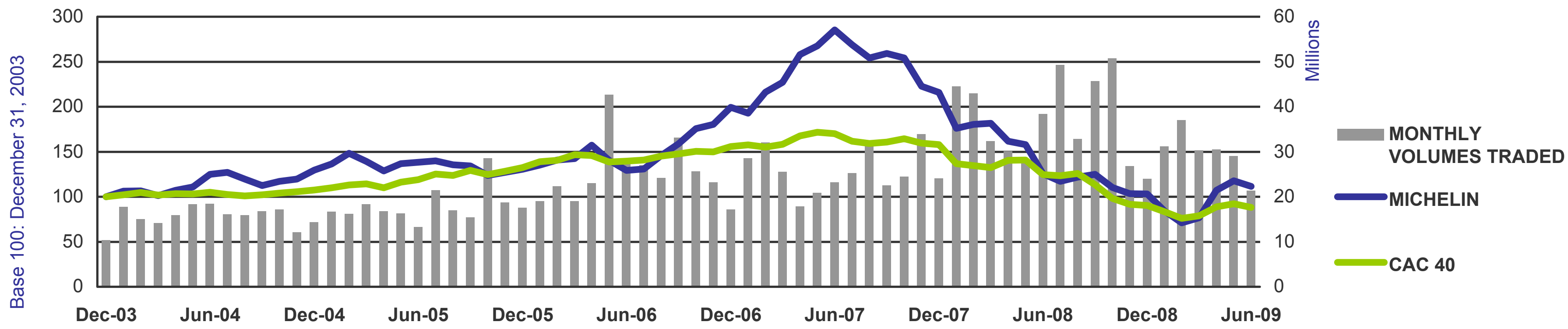
1,436,873 in the 1st half of 2009

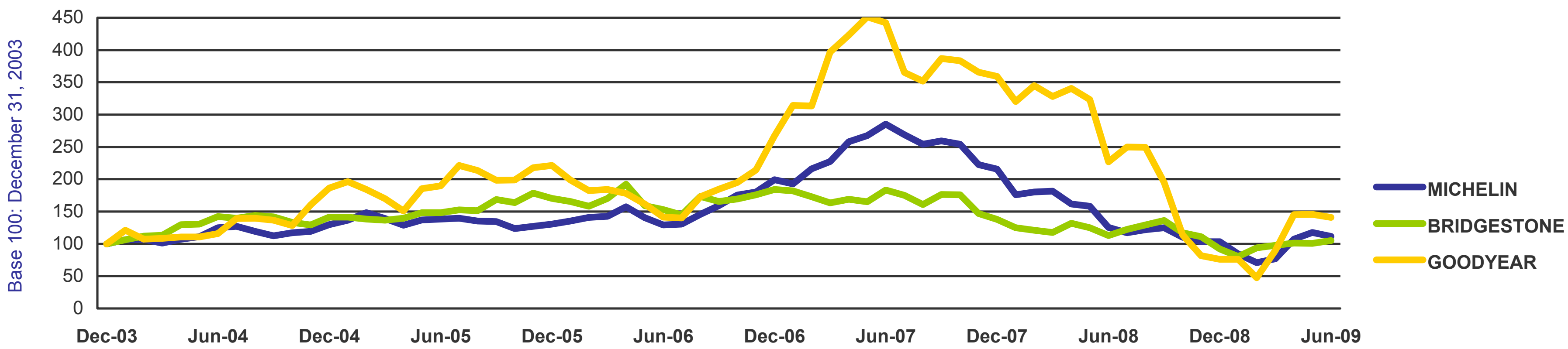
Indices

Michelin features in two important Stock Exchange performance indices
- CAC 40: 0.84% of the index as at June 30, 2009
- Euronext 100: 0.46% of the index as at June 30, 2009

Michelin also features in the main sustainability indices
- DJSI (Dow Jones Sustainability Index) Stoxx for Europe and DJSI World
- ESI (Ethibel Sustainability Index)
- ASPI (Advanced Sustainability Index)

Michelin Share Performance
(At June 30, 2009)





Stock Market Data

Share price (in euros)	1st-Half 2009	2008	2007	2006	2005	2004
High for the period	46.20	79.90	106.70	73.30	56.20	47.80
Low for the period	22.69	30.65	67.75	43.21	43.75	34.82
High / low ratio	2.04	2.61	1.57	1.70	1.28	1.37
Last	40.61	37.57	78.50	72.50	47.48	47.19
Change over the period	+8.1%	-52.1%	+8.3%	+52.7%	+0.6%	+29.7%
CAC index variation	*-2%*	*-43%*	*+1%*	*+18%*	*+23%*	*+7%*
Market capitalization (end of period, EUR billion)	**5.98**	**5.45**	**11.30**	**10.41**	**6.81**	**6.77**
Average daily trading volume for the period	1,436,873	1,740,267	1,217,949	1,191,679	842,053	742,311
Average number of shares making up the capital	144,997,422	144,495,251	143,770,101	143,390,450	143,387,025	143,250,487
Number of shares traded over the period	179,609,133	445,508,266	310,577,078	303,878,126	216,407,691	192,258,470
Share turnover rate	**N. App**	**308%**	**216%**	**212%**	**151%**	**134%**

Data per Share

in euros except for ratios	1st-Half 2009	1st-Half 2008	2008	2007	2006	2005	2004
Net assets	34.4	37.5	35.2	36.7	32.6	31.5	24.2
Basic earnings	(0.82)	2.95	2.46	5.32	3.95	6.13	4.46
Diluted earnings (1)	(0.82)	2.89	2.46	5.22	3.94	6.12	4.46
P/E	***N. App***	***N. App***	**15.3**	**14.8**	**18.4**	**7.7**	**10.6**
Dividend	*N. App*	*N. App*	1,00	1.60	1.45	1.35	1.25
Distribution rate	*N. App*	*N. App*	40.7%	30.1%	36.7%	22.0%	28.0%
Yield (2)	*N. App*	*N. App*	2.7%	2.0%	2.0%	2.8%	2.6%

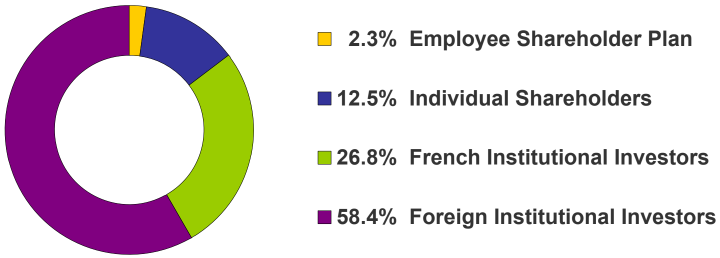
(1) Earnings per share adjusted for the effect on net income and on the average number of shares of the exercise of outstanding dilutive instruments
(2) Dividend / Share price at December 31

Group Capital and Shareholding

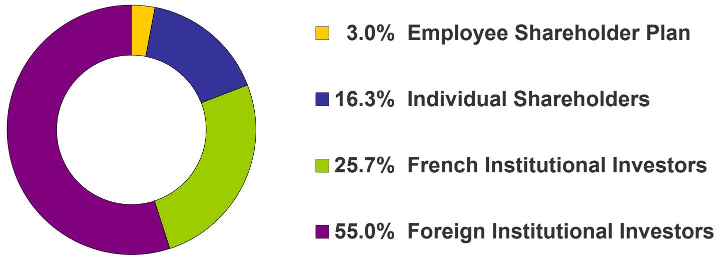
At June 30, 2009

- Group equity: 294,741,476 €
- Number of shares: 147,370,738
- Total number of voting rights: 192,209,478

Breakdown of capital
At June 30, 2009



Breakdown of voting rights
At June 30, 2009



Double voting rights are attached to shares held for more than 4 years.

First-Half 2009 Highlights

Strategy - Partnership - M&A

Production Slowed in Response to Weaker Demand

Faced with persistently lackluster demand in early 2009, Michelin decided to temporarily adjust its production output. The decision, which reflects current market conditions, led to production cutbacks and stoppages around the world in the first half, with the impact varying depending on the workshop or plant. This has enabled the Group to reduce inventories, while continuing to pursue its medium and long-term strategy. The entire process is in line with the Group's commitment to constantly aligning its manufacturing operations with the prevailing economic environment.

Plan Announced to Reorganize Manufacturing and Sales Operations in North America

Michelin North America has implemented a reorganization plan in response to the unprecedented drop in market demand. The manufacturing facility in Opelika, Alabama, which produces BFGoodrich and UNIROYAL brand passenger car tires, will close by October 31, 2009, and production will be consolidated at the BFGoodrich Tire manufacturing facilities in Tuscaloosa, Alabama and Fort Wayne, Indiana. The decision ensures the company will be better able to utilize the capacity of its remaining facilities in North America, stepping up the programs already underway to reduce costs and improve competitiveness. At the same time, Michelin is establishing a Michelin Development Program to assist in the creation of new jobs in the community and to help make the transition as smooth as possible for all affected employees.

Michelin is also closing its commercial truck tread pressing plant in Querétaro, Mexico due to excess capacity in its North American retread operations. Production from the Michelin Retread Technologies (MRT) plant, which employs 80 people, will be transferred to the company's retread plants in the United States.

Michelin France Strengthens R&D Operations and Further Specializes Production Facilities

In June, Michelin France announced a program to:

- Upgrade its global research and development center in Clermont-Ferrand by investing more than €100 million to shorten time-to-market cycles for tires and services and enable the development of more innovative manufacturing processes
- Enhance the specialization of its production sites. The Montceau plant will be developed into a high-performance facility for earthmover tires and one of the largest rubber compound and metallic fabric centers in Europe. The Tours plant will set the benchmark for truck tires in Europe, particularly in the use of Michelin Durable Technologies. Production of Super Sport car tires using the C3M process will be consolidated in Clermont-Ferrand by transferring production from the Sodemeca plant in Noyelles-lès-Seclin, which will be closed. Lastly, light-truck and SUV tire manufacturing operations at the Cholet plant will be strengthened by integrating light-truck tire production from the Bad Kreuznach site in Germany.

Although it will eliminate 1,093 jobs, the reorganization program is designed to be implemented without any layoffs, thanks to a voluntary separation plan mainly involving pre-retirement arrangements, which will be open to all employees. In this way, employees impacted by the reorganization will be eligible for special early-retirement measures and facilitated inplacement opportunities.

The project reflects the Group's commitment to strengthening France's role as Michelin's strategic innovation center and to enhancing the productivity of its manufacturing operations in an increasingly competitive global marketplace.

Passenger Car/Light Truck Tire Businesses and Related Distribution

Michelin Confirms Its Lead In Fuel-Efficient Tire Technologies:

- **MICHELIN Energy™ Saver and Primacy HP Tires Highly Rated by ADAC**
MICHELIN Energy™ Saver and Primacy HP tires have been awarded the highest rating in tests conducted by the German Automobile Association (ADAC), Europe's largest auto club. Both tires received a "highly recommendable" rating. The comparative test involved eighteen different 185/60 R 14 H tires and nineteen 205/55 R 16 W tires. Performance was measured according to five major criteria: dry grip, wet grip, fuel consumption, longevity and comfort (including noise).

- **A New MICHELIN Energy™ Saver All-Season Tire for North America**
Unveiled at the North American International Auto Show in Detroit, the MICHELIN Energy™ Saver All-Season, the latest Green X* tire for the North American market, is designed for environmentally sensitive motorists who drive less than 16,000 km a year. The tire's technology improves fuel efficiency without sacrificing any critical safety features, such as wet braking. US market launch is scheduled for this summer.

**Since 1992, the Michelin Green X label attests to a tire's ability to reduce fuel consumption, while delivering Michelin's traditionally superior safety and tread-life performance.*

- **MICHELIN Primacy LC Imprinted Green X Tire Successfully Launched in Asia** The MICHELIN Primacy LC Imprinted Green X tire is significantly quieter thanks to its new silent rib technology, which attenuates tread-block vibration. Like all MICHELIN Green X tires, the MICHELIN Primacy LC improves fuel efficiency while delivering greater safety and durability. The tire was introduced in China, Japan and all of the Asia-Pacific countries between February and April 2009.

Three Additional J.D. Power Awards for Michelin in the United States and one in Japan
In 2009, Michelin once again topped the rankings in three segments of the J.D. Power and Associates Original Equipment Tire Customer Satisfaction℠ study. Michelin came in first with its luxury, passenger car and truck/utility tires. In each segment, four factors were examined to measure tire owner satisfaction: wearability, appearance, traction/handling and ride.
And for a six consecutive year, Michelin ranks highest in satisfying vehicle owners in Japan with their winter tires, according to the J.D. Power Asia Pacific 2009 Japan Winter Tire customer satisfaction Index Study.

Truck Tire Businesses and Related Distribution

Meeting Trucking Company Needs with MICHELIN Durable Technologies

- **The MICHELIN X ENERGY™ SaverGreen Reduces Costs While Improving Safety.**
The new MICHELIN X ENERGY™ SaverGreen tire represents a tour de force of innovation, saving 500 liters of fuel per truck per year while continuing to deliver superior tread life and improving safety performance with better grip. In particular, its ENERGY™ Flex heat-stable casing reduces fuel consumption over the life of the tire. In this way, the MICHELIN ENERGY™ SaverGreen tire offers a compelling solution to the challenges facing today's trucking industry - to transport bigger loads faster and at lower cost, all while reducing its environmental footprint.

- **The new multi-purpose MICHELIN X Multiway XD drive axle tire** will enable large-capacity trucks in Europe to travel safely on all types of roads and in any driving conditions. Introduced in August 2009, the tire is the market's first in the 295/60R22.5-size that fits large-capacity and car-carrier trucks. The size enables truck manufacturers to design vehicles whose greater height increases load-carrying capacity, corresponding to a fast-growing segment of the road transport industry.

Distribution and Retreading Operations Expanded in the United States
Michelin North America has signed an agreement with Snider Tire, Inc., the fifth largest independent truck tire distributor in the United States. Under the agreement, effective on May 1, Snider Tire, Inc. joined the Michelin Retread Technologies (MRT) network and acquired ten Tire Centers LLC tire and service outlets in Georgia and the Carolinas.

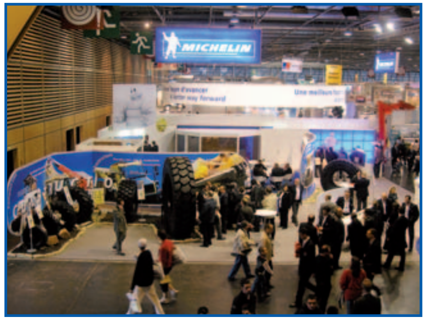
MICHELIN Retread Technologies

The first Michelin Truck Service Center in India
Anticipating the radialization of the Indian truck tire market, the Group has opened its first Michelin Truck Service Center in the country. The concept, already introduced in many other countries (particularly in the Asia-Pacific region), is designed to serve growing demand for radial truck tires.

Specialty Businesses

Earthmover Tires

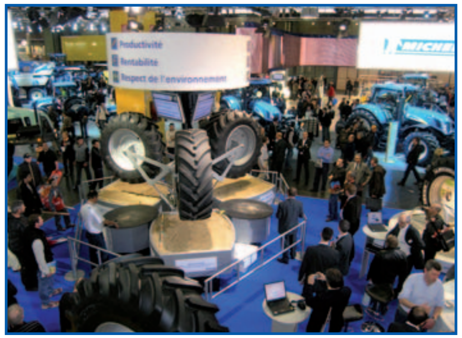
The New MICHELIN XHA2 Tire for Loaders



In April, the new MICHELIN XHA2 tire was unveiled in a world premiere at the 2009 Intermat Show in Paris. Developed for small and mid-sized quarry and worksite loaders, the MICHELIN XHA2 is the newest generation of the MICHELIN XHA, the market benchmark since its launch in the late 1980s. The tire was designed to be particularly robust, with additional rubber incorporated in the tread, reinforced shoulders and sidewalls, and new crack rotation rubber compounds in the sidewalls. Thanks to these features, the MICHELIN XHA2 tire lasts 10% longer than its predecessor, for greater productivity; delivers optimized traction; reduces fuel consumption and enhances safety. Lastly, the tire's patented tread design drastically reduces vibration and noise, for greater operator comfort.

Agricultural Tires

MICHELIN Ultraflex Technology for a Better Return on Investment
At the Paris International Agri-Business Show (SIMA 2009), Michelin's booth was equipped with a return-on-investment simulator to demonstrate to farmers how their choice of tires could have a direct impact on operating costs, and therefore their profitability.
The result of four years of research, Michelin's exclusive Ultraflex technology offers a number of benefits, including improved traction through a 40% reduction in slippage, which reduces fuel consumption by up to 10% and cuts work time in the fields. In addition, tires featuring Ultraflex technology do not compact the soil as much, which means less crop damage and significantly enhanced yields. Lastly, the tires offer optimized lifespan and on-road comfort thanks to their new rubber compounds and flat profile.



Two-Wheel Tires

The new MICHELIN Power One Motorcycle Tire

The latest offering from the hypersport range, the MICHELIN Power One, was unveiled in March on the Portimão racetrack in Portugal. With its new profile developed from racing tires, the MICHELIN Power One offers outstanding handling, both in racing and road use. The MICHELIN Power One range is available in a sculpted range and a slick/rain range (for racetrack use only), for a total of 27 tires and 16 different rubbers. A new site, www.michelinpowerone.com, helps users find the best choice for their particular motorcycle model and type of use.

Michelin Teams With Harley-Davidson for Original Equipment Motorcycle Tire

Michelin and Harley-Davidson have joined forces to develop the all-new MICHELIN Scorcher "31" tire, which carries both companies' trademarks on its sidewalls and the signature Harley-Davidson logo carved into the shoulder. The all-new tire is available exclusively as original equipment on four 2010 Harley-Davidson Dyna models.

Maps and Guides

MICHELIN Guides Now Available on the iPhone

For the release of its 100th Edition, the MICHELIN Guide France made its entire selection available via iPhone. With just a few clicks, users can read the restaurant description (address, ranking, opening hours, awards and MICHELIN comments), access a map and itinerary, reserve a table and provide feedback on their choice.
In late April, four new apps were launched in Europe (Germany, Spain & Portugal, Italy, United Kingdom) and two were introduced in the United States (New York and San Francisco). The applications are sold for the iPhone and iPod Touch via the App Store, where they may be found by searching for "Michelin".

ViaMichelin

A Total Customer Focus for ViaMichelin

For the second year in a row, ViaMichelin has won France's QualiWeb Award for Best Online Customer Relations in the Tourism and Transport category. The 2009 Award demonstrates ViaMichelin's commitment to offering effective support to everyone who uses the site's mobility assistance services.

An Enhanced Mobile Phone Presence

The MICHELIN Guide restaurant selections for France, Italy, Spain/Portugal, Germany/Austria, Great-Britain/Ireland, Europe, New York City and San Francisco are now available as iPhone applications. Another iPhone app offering real-time traffic information in France has already been downloaded 200,000 times just two weeks after launch.

ViaMichelin has also signed a worldwide strategic agreement with Nokia concerning the supply of MICHELIN Guide selections (Hotels and Restaurants and the Green Guide) in Europe, the United States and Canada. The new service is now available on Nokia handsets equipped with the latest version of Ovi Maps.

Michelin Lifestyle

Developing MICHELIN Brand Awareness Through the Licensing Program

Over the next four or five years, Michelin is committed to developing its Lifestyle business, which manages trademark licensing for products that help to promote the Group's image and the MICHELIN brand among customers.

In particular, Michelin Lifestyle intends to strengthen its footwear business, where it operates in partnership with Babolat and Li Ning, and its licensed automotive products in countries like Brazil, China, Russia and India.

Michelin Lifestyle currently has 85 partners worldwide manufacturing or selling 1,500 MICHELIN brand products through 30,000 sales outlets.

Michelin Performance and Responsibility

New European Tire Performance Regulations

On March 10, the European Parliament adopted new regulations concerning "type approval requirements for the general safety of motor vehicles," which set maximum performance thresholds for rolling resistance (car/light-truck and truck & bus tires), wet grip (car tires) and external tire noise. Tires sold in the European Union will have to gradually comply with the new criteria starting in 2012. In addition, all private motor vehicles will have to be equipped with Tire Pressure Monitoring Systems (TPMS).

The new regulations represent an opportunity for the Group and confirm the validity of its strategy based on innovation and balanced performance. Michelin is already well advanced in this direction, helping to develop mobility by reducing the environmental impact of its tires and improving their mileage performance, without sacrificing safety.

Publication of the Fourth Sustainable Development Report

The fourth edition of the Michelin Performance and Responsibility (PRM) Report, for 2007-2008, was published in the first half.

The 80-page report details the Group's perspective on the issues of road mobility and the tire industry. For each stage of a tire's life, it explains the actions deployed and objectives achieved.

The new report also provides 2007-2008 results concerning the ongoing deployment of the Group's sustainable development process in several areas of continuous improvement:

- Quality of life at Michelin sites (safety, ergonomics, working environment)
- Diversity within teams.
- Community relations.
- Requirements for suppliers.
- Functional savings from Michelin Fleet Solutions.
- Improvements in end-of-life tire recycling.

Lastly, the report includes a chapter on technological innovation and how it is delivering all-new benefits in areas other than tires. To support clean, sustainable road mobility, Michelin is not only bringing new tire ranges to market, it is also working on drivetrains and new energy sources.
The report may be downloaded in French or in English from www.michelin.com.

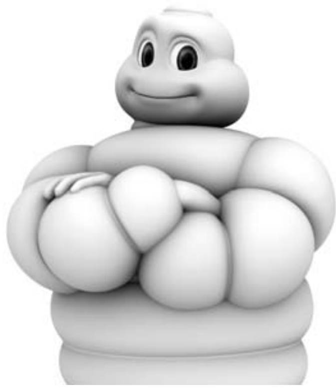
Michelin Receives Two Awards for its Sustainable Development Process
Michelin has joined the very exclusive circle of the "Global 100 Most Sustainable Corporations", a list of companies from around the world whose strategy most effectively addresses sustainable development issues. Michelin is the only tire manufacturer on the list. Member of the DJSI World and STOXX indices, Michelin was ranked as a "Mover" (the company that improved the most in its industry) in the "Automobile & Parts" sector by the SAM* Sustainability Yearbook 2009, which each year lists the companies with the highest sustainable development performance.
**Sustainable Asset Management (SAM) is a market-leading rating agency focused on corporate sustainability performance.*

Finance

Michelin Strengthens its Financial Structure
The Michelin Group successfully placed a €750 million issue of five-year, 8.625% notes on April 15. The very favorable investor response to the issue, which was heavily oversubscribed, attests to the market's confidence in the Group's creditworthiness. The issue helped to diversify Michelin's sources of financing and enhance its financial flexibility by lengthening the average maturity of its debt.

In addition, on June 15, 2009 Michelin launched a repurchase procedure aimed at all outstanding lowest ranking subordinated notes redeemable in cash due 2033 ("TSR"), corresponding to an aggregate principal amount of €350 million. During the repurchase procedure opened from June 15 to June 23, 2009 (inclusive), Michelin repurchased 53.5% of the aggregate principal amount initially issued. The transaction is part of the Group's active debt management process.

** In December 2003, Michelin issued €500 million worth of 6.375% subordinated notes redeemable in cash due 2033.*



Michelin Shareholders: 2009 Annual Shareholders Meeting

The Annual Shareholders Meeting took place on May 15, 2009 in Clermont-Ferrand. Michel Rollier, Managing General Partner, explained that in response to an unprecedented global economic crisis, the Group is focusing on its major business and financial metrics by carefully managing inventory and reducing capital investments and expenses. 2009 should benefit from lower raw material prices and a slight upturn in business. Mr. Rollier concluded his presentation by noting that: "We are confident in Michelin's ability not only to weather this crisis but to emerge from it stronger and ready to maintain our global market leadership."

Shareholders adopted all of the resolutions submitted for their approval, including:

- The payment of a dividend of €1.00 a share, with a dividend reinvestment option. The dividend will be paid or the shares settled on June 22, 2009.
- The re-election of Eric Bourdais de Charbonnière and François Grappotte as members of the Supervisory Board.

2008 Dividend Reinvestment Plan

At their Joint Annual Meeting on May 15, Michelin shareholders approved the payment of a 2008 dividend of €1.00 a share, with a reinvestment option. The price of the new shares to be issued to shareholders electing to reinvest their dividend was set at €33.731.

At the close of the reinvestment period, which ran from May 22 to June 9, more than half of all shareholders elected to reinvest their dividend in new shares, representing a cash savings of €80 million for the Group.

MICHELIN GROUP

Consolidated Interim Financial Statements for the Six Months Ended 30 June 2009

Table of Content

Consolidated Income Statement

(in EUR million, except per share data)	Note	Six months ended 30 June 2009	Six months ended 30 June 2008
Sales	3	**7,134**	**8,239**
Cost of sales		(5,185)	(5,824)
Gross income		**1,949**	**2,415**
Sales and marketing expenses		(785)	(827)
Research and development expenses		(250)	(257)
General and administrative expenses		(547)	(581)
Other operating income and expenses		(85)	(42)
Operating income before non-recurring income and expenses	3	**282**	**708**
Non-recurring expenses	4	(292)	-
Operating (loss)/income		**(10)**	**708**
Cost of net debt	5	(162)	(116)
Other financial income and expenses	5	24	10
Share of profit/(loss) from associates		3	9
(Loss)/income before taxes		**(145)**	**611**
Income tax		23	(181)
Net (loss)/ income		**(122)**	**430**
▪ Attributable to Shareholders		(119)	430
▪ Attributable to non-controlling interests		(3)	-
Earnings per share (in euros)	6		
▪ Basic		(0.82)	2.95
▪ Diluted		(0.82)	2.89

The notes 1 to 14 are an integral part of these consolidated interim financial statements

Consolidated Statement of Comprehensive Income

(in EUR million)	Six months ended 30 June 2009	Six months ended 30 June 2008
Net (loss)/income	**(122)**	**430**
Changes in fair value of available-for-sale financial assets	18	(67)
Changes in fair value of cash flow hedges	4	-
Cost of services rendered linked to the share options schemes	5	5
Cost of services rendered linked to the share purchase plan	-	15
Currency translation differences	128	(26)
Income tax relating to other components of comprehensive income	-	-
Other comprehensive income	155	(73)
Comprehensive income	**33**	**357**
• Attributable to Shareholders	36	357
• Attributable to non-controlling interests	(3)	-

The notes 1 to 14 are an integral part of these consolidated interim financial statements

Consolidated Balance Sheet

(in EUR million)	Note	30 June 2009	31 December 2008
Goodwill		399	401
Other intangible assets		314	310
Property, plant and equipment (PP&E)		6,905	7,046
Non-current financial assets and other assets		398	382
Investments in associates and joint ventures		65	65
Deferred tax assets		1,006	896
Non-current assets		**9,087**	**9,100**
Inventories		3,164	3,677
Trade receivables		2,398	2,456
Current financial assets		70	173
Other current assets		443	732
Cash and cash equivalents		740	456
Current assets		**6,815**	**7,494**
TOTAL ASSETS		**15,902**	**16,594**
Share capital	7	295	290
Share premiums	7	2,025	1,944
Reserves		2,753	2,874
Non-controlling interests		2	5
Total equity		**5,075**	**5,113**
Non-current financial liabilities	8	3,641	3,446
Employee benefits		2,518	2,448
Provisions and other non-current liabilities	10	916	760
Deferred tax liabilities		37	39
Non-current liabilities		**7,112**	**6,693**
Current financial liabilities	8	981	1,440
Trade payables		903	1,504
Other current liabilities		1,831	1,844
Current liabilities		**3,715**	**4,788**
TOTAL LIABILITIES AND EQUITY		**15,902**	**16,594**

The notes 1 to 14 are an integral part of these consolidated interim financial statements

Consolidated Statement of Changes in Equity

(in EUR million)	Share capital	Share premiums	Treasury shares	Reserves: Translation differences	Reserves: Other reserves	Reserves: Retained earnings	Non-controlling interests	Total Equity
Total as at 31 December 2007	**288**	**1,885**	**-**	**(58)**	**191**	**2,976**	**8**	**5,290**
Issuance of shares	2	35						37
Dividends and other allocations						(240)		(240)
Comprehensive income		20		(26)	(67)	430		357
Other						1	(1)	-
Total as at 30 June 2008	**290**	**1,940**	**-**	**(84)**	**124**	**3,167**	**7**	**5,444**
Equity component of convertible bonds					(1)			(1)
Issuance of shares		(1)						(1)
Comprehensive income		5		(216)	(45)	(70)	(3)	(329)
Other						(1)	1	-
Total as at 31 December 2008	**290**	**1,944**	**-**	**(300)**	**78**	**3,096**	**5**	**5,113**
Issuance of shares	5	76						81
Dividends and other allocations						(150)		(150)
Comprehensive income		5		128	22	(119)	(3)	33
Other					(1)	(1)		(2)
Total as at 30 June 2009	**295**	**2,025**	**-**	**(172)**	**99**	**2,826**	**2**	**5,075**

The notes 1 to 14 are an integral part of these consolidated interim financial statements

Consolidated Cash Flow Statement

(in EUR million)	Note	Six months ended 30 June 2009	Six months ended 30 June 2008
Net income		(122)	430
EBITDA adjustments			
– Cost of net debt		162	116
– Other financial income and expenses		(24)	(10)
– Income tax		(23)	181
– Amortization, depreciation and impairment of intangible assets and PP&E		469	464
– Non-recurring income and expenses		292	-
– Share of loss/(profit) from associates		(3)	(9)
EBITDA adjusted (before non-recurring income and expenses)		751	1,172
Other non-cash income and expenses	11	(17)	8
Change in provisions, including employee benefits		(6)	(139)
Net finance costs paid	11	(141)	(105)
Income tax paid		42	(154)
Change in value of working capital, net of impairments	11	334	(608)
Cash flows from operating activities		**963**	**174**
Net purchases of intangible assets and PP&E	11	(420)	(584)
Proceeds from sale of intangible assets and PP&E		15	15
Acquisitions of consolidated shareholdings, net of cash acquired		-	-
Proceeds from sale of consolidated shareholdings, net of cash disposed		10	-
Purchases of available-for-sale investments		(5)	(57)
Proceeds from sale of available-for-sale investments		10	2
Cash flows from other financial assets	11	2	5
Cash flows from investing activities		**(388)**	**(619)**
Proceeds from issuance of shares		-	37
Dividends paid to Shareholders		(65)	(230)
Cash flows from financial liabilities	11	(207)	636
Other finance cash flows		(16)	(60)
Cash flows from financing activities		**(288)**	**383**
Effect of the change of currency rates		**(3)**	**(11)**
Increase / (decrease) of cash and cash equivalents		**284**	**(73)**
Cash and cash equivalents as at 1 January		**456**	**330**
Cash and cash equivalents as at 30 June		**740**	**257**

The notes 1 to 14 are an integral part of these consolidated financial statements.

Notes to the Consolidated Interim Financial Statements

1 • General Information

Compagnie Générale des Etablissements Michelin (CGEM or the « Company ») and its subsidiaries (together "the Group") manufacture, distribute and sell tires all around the world.

The Company is a Partnership Limited by Shares incorporated in Clermont-Ferrand (France).

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

After review by the Supervisory Board, these condensed consolidated interim financial statements have been authorized for issue by the Managing Partners on 27 July 2009.

Except as otherwise stated, all amounts are presented in EUR million.

2 • Basis of Preparation

Statement of compliance

These condensed consolidated interim financial statements of the CGEM 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 consolidated financial statements for the year ended 31 December 2008.

Accounting policies

Except as described below, the accounting policies applied in these condensed consolidated interim financial statements are consistent with those applied by the Company in its consolidated financial statements for the year ended 31 December 2008.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2009:

- IAS 1 (amended) – Presentation of financial statements.
  The Group has elected to present two performance statements (the income statement and the statement of comprehensive income). Non-owner changes in equity, which are now required to be presented separately from owner changes in equity, are included in this new statement of comprehensive income.
- IAS 23 (amended) – Borrowing costs
  The amended standard prohibits the recognition as expense of borrowing costs that are directly attributable to the acquisition, construction or production of an asset. These costs are prospectively capitalized as part of that asset.
- IFRS 8 – Operating segments
  This new standard, which replaces IAS 14, requires a management approach under which segment information is presented on the same basis as that used for internal reporting purposes. Neither the basis of segmentation nor the basis of measurement of segment profit or loss is different from the last annual financial statements.

The following new standards, amendments to standards and interpretations are mandatory for the first time for the financial year beginning 1 January 2009, but are not currently relevant for the Group:

- IFRS 2 (amended) – Share-based payment
- IAS 32 (amended) – Financial instruments: Presentation
- IFRIC 13 – Customer loyalty programmes
- IFRIC 15 – Agreements for the construction of real estate
- IFRIC 16 – Hedges of a net investment in a foreign operation
- IAS 39 (amended) – Financial instruments: Recognition and measurement

The Company has not anticipated the implementation of any standards and interpretations which are not mandatory as at 30 June 2009.

Critical accounting estimates and assumptions

The preparation of the consolidated interim financial statements in conformity with IAS 34 requires management to make judgments, assumptions and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities at the balance sheet date and the amount of income and expenses for the reporting period. Actual results may differ from these estimates.

Change in the scope of consolidation

The acquisitions or divestments of the period did not have any significant effect on the condensed consolidated interim financial statements.

Seasonality

Usually cash flows during the first half of the year are mainly impacted by higher working capital needs and dividend payments.

However, during the first half of 2009, working capital needs have strongly decreased essentially because of the lower level of sales and management decision to reduce the level of inventory. In addition, the dividend has only partially been paid in cash as explained in note 7.

3 • Condensed Segment Reporting

OPERATING SEGMENTS

(in EUR million)	Six months ended 30 June 2009			Six months ended 30 June 2008		
	Sales	Operating income before non-recurring income and expenses	In percentage of sales	Sales	Operating income before non-recurring income and expenses	In percentage of sales
Passenger Car and Light Truck *	3,949	247	6.3%	4,357	332	7.6%
Truck *	2,071	(163)	(7.9%)	2,696	139	5.2%
Specialty Businesses **	1,114	198	17.8%	1,186	237	20.0%
Total	**7,134**	**282**	**4.0%**	**8,239**	**708**	**8.6%**

* and related distribution activities.

** specialty Businesses (Specialty tires (earthmover, agricultural, aircraft and 2 wheels), maps and guides, ViaMichelin, Michelin LifeStyle).

GEOGRAPHICAL INFORMATION

(in EUR million)	Six months ended 30 June 2009	Six months ended 30 June 2008
Sales:		
Europe	3,265	4,237
North America	2,369	2,498
Other zones	1,500	1,504
Total	**7,134**	**8,239**

Revenues are allocated to the zones on the basis of the customer's location.

4 • Non-Recurring Expenses

2009

France

The Group announced a project aiming at a new specialization of some of its industrial operations in France. The objectives are the following ones:

- develop the Montceau plant into a high-performance facility for Earthmover tires and one of the two largest European rubber compounds centers. Its current passenger car tire operations will be consolidated with those of other Group plants in western Europe.
- make the Tours plant a benchmark for Europe's high-tech truck tires. This specialization will lead to the closure of its rubber compound workshop whose production will be transferred to the Montceau and Cholet plants.
- continue to produce premium tires in France by transferring production from the Seclin facility to Les Gravanches plant near Clermont-Ferrand.

A provision estimated to EUR 151 million was recognized covering the social costs, the equipment impairments and the costs necessary to deploy the revitalization plan implemented to help the affected regions.

United States

Faced with the sustained consequences of the current economic recession on its markets, Michelin North America implemented in the first half an industrial and commercial restructuring plan. A non-recurring provision of EUR 141 million was recognized to cover the overall estimated costs of this plan, including severance expenses and equipment impairments.

This amount includes but is not limited to:

- the costs associated with the future closing of the Opelika passenger car tire manufacturing operation (USA) for a USD 168 million (EUR 126 million) estimated cost, including expenses associated with the severance of approximately 1,000 people;
- the costs associated with closing the Querétaro truck retreading tread pressing operation (Mexico) for a MXP 277 million (EUR 15 million), including costs associated with the severance of approximately 80 people.

2008

During the first half of 2008, no non recurring expenses were incurred by the Group.

5 • Cost of Net Debt and Other Financial Income and Expenses

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

(in EUR million)	Six months ended 30 June 2009	Six months ended 30 June 2008
Cost of net debt		
Gross financing expenses		
Interest financing expenses	(125)	(118)
Currency remeasurement	(40)	5
Interest rate risk management	11	2
Other financing expenses	(9)	(6)
	(163)	**(117)**
Interest income from cash and cash equivalents	1	1
Total cost of net debt	**(162)**	**(116)**
Other financial income and expenses		
Net income from financial assets (other than cash and cash equivalents)		
Interest income	2	2
Gains on disposal of available-for-sale financial investments	-	1
Other	2	8
	4	**11**
Expense from unwinding the discount of provisions	(3)	(5)
Other	23	4
Total other financial income and expenses	**24**	**10**

6 • Earnings Per Share

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

	Six months ended 30 June 2009	Six months ended 30 June 2008
Net (loss)/income (EUR million), excluding the non-controlling interests	(119)	430
- less propositions of attributions to General Partners	-	(5)
Net (loss)/income attributable to Shareholders used in the calculation of the basic earnings per share	(119)	425
- plus interest expenses on convertible bonds	-	12
Net (loss)/income attributable to Shareholders used in the calculation of the diluted earnings per share	**(119)**	**437**
Weighted average number of shares outstanding (thousands of shares) used in the calculation of basic earnings per share	144,997	143,888
- plus adjustment for share options plans and convertible bonds	-	7,160
Weighted average number of shares used in the calculation of diluted earnings per share	**144,997**	**151,048**
Earnings per share (in euros)		
- basic	(0.82)	2.95
- diluted	(0.82)	2.89

Diluted earnings per share are calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares. The Company has two types of potential dilutive shares: share options and convertible bonds.

Since the share options and the convertible bonds are antidilutive in 2009, they have not been considered in the calculation of the diluted earnings per share.

7 • Share Capital and Premiums

As at 30 June 2009 the total authorized number of ordinary shares is 147,370,738 shares (31 December 2008: 144,997,422 shares) with a par value of EUR 2 per share (2008: EUR 2 per share).

The ordinary shares increase is due to :

- the exercise of options granted to Group employees (1,693 shares)
- the payment of the dividend as explained below (2,371,623 shares)

Dividend granted to the shareholders during the period is EUR 1 per share. The shareholders had the possibility to receive their dividend cash or the equivalent value in shares. It was settled as follows:

- cash payment of EUR 65 million
- issuance of new shares for a net amount of EUR 80 million.

8 • Financial Liabilities

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

(in EUR million)	30 June 2009	31 December 2008
Long-term		
Bonds	2,129	1,501
Loans from financial institutions and other	1,384	1,771
Obligations under finance leases	88	140
Derivative instruments	40	34
	3,641	3,446
Short-term		
Bonds and commercial papers	293	763
Loans from financial institutions and other	595	635
Obligations under finance leases	66	38
Derivative instruments	27	4
	981	1,440
Total financial liabilities	**4,622**	**4,886**

The Group net debt is presented in the table below :

(in EUR million)	30 June 2009	31 December 2008
Financial liabilities	4,622	4,886
Derivative assets	(64)	(157)
Cash and cash equivalents	(740)	(456)
Net debt	**3,818**	**4,273**

In April 2009 the Group fully repaid EUR 470 million bonds at maturity and issued EUR 750 million bonds maturing in April 2014. The new bonds bear interest at 8.625% (subject to a step-up to 9.875% if the Company is downgraded below investment grade by at least one of its rating agency).

During the period, the Company repurchased EUR 121 million (nominal) of its subordinated bonds generating a profit of EUR 18 million included in "Other financial income and expenses" (note 5).

In July 2009, the Group initiated a new program to sell part of its Italian trade receivables. Like the existing European and North American programs, the ownership interests in the trade receivables will not be derecognized and the financing from the financial institutions will be accounted for as a collaterized loan. The maximum size of the loan is EUR 130 million.

9 • Share Option Plans

No share options were granted in the first half of 2009.

10 • Provisions

Movements of provisions included in “Provisions and other non-current liabilities” are as follows:

(in EUR million)	Restructuring	Litigation	Other provisions
At 1 January 2009	**319**	**110**	**103**
Additional provisions	216	27	27
Utilized during the year	(54)	(20)	(26)
Unused amounts reversed	(1)	(6)	-
Currency translation effects	(3)	2	(1)
Other effects	(1)	1	-
At 30 June 2009	**476**	**114**	**103**

11 • Details of the Cash Flow Statement

Details of the cash flow statement are presented in the table below:

(in EUR million)	Six months ended 30 June 2009	Six months ended 30 June 2008
Non-cash other income and expenses		
Result on disposal of non-financial assets	(13)	(5)
Other	(4)	13
	(17)	**8**
Net finance costs paid		
Interests paid and other financial expenses	(176)	(129)
Interests received and other financial income	30	13
Dividends received	5	11
	(141)	**(105)**
Change in value of working capital, net of impairments		
Change in inventory	580	(453)
Change in trade receivables	96	(51)
Change in other receivables and payables	(342)	(104)
	334	**(608)**
Net purchases of intangible assets and PP&E		
Purchase of intangible assets	(36)	(32)
Purchase of PP&E	(283)	(468)
Investment grants received	7	7
Change in capital expenditures payables	(108)	(91)
	(420)	**(584)**
Change in value of other current and non-current financial assets		
Increase of other non-current financial assets	(11)	(17)
Decrease of other non-current financial assets	12	19
Net change of the other current financial assets	1	3
	2	**5**
Change in value of current and non-current financial liabilities		
Increase of non-current financial liabilities	913	269
Decrease of non-current financial liabilities	(644)	(153)
Finance lease debt repayments	(27)	(20)
Net increase / (decrease) of current financial liabilities	(577)	574
Derivatives	128	(34)
	(207)	**636**
Detail of the non cash transactions:		
• Financial leases	-	7
• Non-controlling interest purchase commitments	(11)	(40)
• New emission rights	7	19
• Dividends paid in shares	80	-

12 • Voluntary Separation Program

As part of its ongoing management of jobs and competencies, the Michelin Group presented at the end of June 2009 a plan for voluntary separation in France. This plan which is still under discussion is to be implemented over the period 1 January 2010 to 31 December 2012. Employees will be able to enroll starting 1 September 2009 through 30 November 2009. The plan includes two sets of measures:

- Assistance to help prepare for a planned separation, with the exception of retirement. Following acceptance of their application by the Company, employees will benefit from financial assistance to help them pursue other professional opportunities.
- Measures regarding either part-time work in preparation for a voluntary early retirement or a voluntary retirement prior to 1 May 2010 without preliminary part-time. Approximately 1,800 people are eligible to benefit from these measures. Part-time solutions are however closed to Group managers.

Since this plan is currently being reviewed by the Employee Representatives and given that Group is unable at this time to estimate in a reliable manner the number of employees who may be interested by these potential options, the conditions necessary to recognize a provision were not met as at 30 June 2009.

13 • Related Party Transactions

There were no new significant related party transactions during the first half of 2009, as well as no significant changes in the related party transactions described in the 2008 Annual Report.

14 • Events After Balance Sheet Date

In July 2009, Double Coin Holdings Ltd. (Double Coin) announced that it will sell the 28.5% shares it owns in Shanghai Michelin Warrior Tire Co. Ltd (SMWT). Shanghai Minhang United Development Co., Ltd, another shareholder of the Company, will also sell its 1.5% share at the same time. The Group, which owns 70% of SMWT, has expressed its intention to purchase the shares for sale.

Compagnie Générale des Etablissements Michelin

STATUTORY AUDITORS' REVIEW REPORT ON INTERIM FINANCIAL INFORMATION FOR 2009

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Compagnie Générale des Etablissements Michelin

Société en commandite par actions
au capital de 294 741 476 euros

Siège social : 12, cours Sablon
63040 CLERMONT-FERRAND

STATUTORY AUDITORS' REVIEW REPORT ON
INTERIM FINANCIAL INFORMATION FOR 2009

This is a free translation into English of the Statutory Auditors' review report issued in French and is provided solely for the convenience of English speaking readers. 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 the shareholders and in accordance with the requirements of article 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 interim consolidated financial statements of Compagnie Générale des Etablissements Michelin, for the six months ended June 30, 2009;
- the verification of the information contained in the interim management report.

These condensed interim consolidated financial statements are the responsibility of the Managing Partners and have been prepared in a context of high volatility of financial markets and of economical and financial crisis making it difficult to assess business prospects, this context also existing when the December 31, 2008 consolidated financial statements were prepared. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than 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.

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STATUTORY AUDITORS' REVIEW REPORT ON
INTERIM FINANCIAL INFORMATION FOR 2009

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

Without qualifying our conclusion, we draw your attention to note 2 to the condensed interim consolidated financial statements, which describes the first implementation of IAS1 Amended.

2. Specific verification

We have also verified the information given in the interim management report on the condensed interim consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed interim consolidated financial statements.

Neuilly-sur-Seine and Paris, July 27, 2009

PricewaterhouseCoopers Audit	Corevise Member of Nexia International
Christian MARCELLIN	Stéphane MARIE

Commissaires aux Comptes
Members of Compagnies Régionales of Versailles and of Paris

Statement of the Person Accountable for the Interim Financial Report

To the best of my knowledge, I certify that the condensed financial statements for the first year-half have been prepared in accordance with the applicable accounting standards and give a true and fair view of the Company's financial position and assets and liabilities and that of its subsidiaries included in the scope of consolidation, and that the interim activity report (pages 32 - 74 of this report) presents a fair account of the important events that occurred during the first semester of the year and of their impact on the financial statements as well as a description of the principal risks and contingencies for the remaining semester of the year.

Michel Rollier