



**POWER IS NOTHING WITHOUT CONTROL**

# 1Q 2026 Results

Milan, May 7<sup>th</sup>, 2026



POWER IS NOTHING WITHOUT CONTROL

# Agenda

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**1Q 2026 KEY MESSAGES**

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**PIRELLI & C. – 1Q 2026 RESULTS**

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**FY 2026 OUTLOOK AND TARGETS**

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# Key messages

## » 1Q'26: Consistent execution in a challenging environment

- High Value positioning enhanced through market share gain across businesses
- Solid profitability confirmed with internal levers offsetting external headwinds (FX, inflation and US tariffs)
- Cash flow trend in line with business seasonality

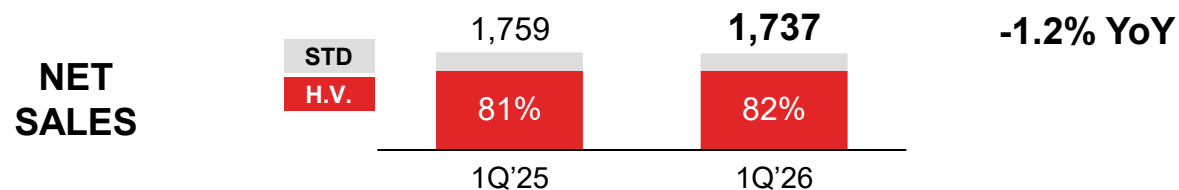
## » FY 2026 outlook and targets

- Middle East crisis is weighing on global growth and inflation
- High Value demand resilience confirmed
- Mitigation plan launched to protect Company results, with a priority on cash flow

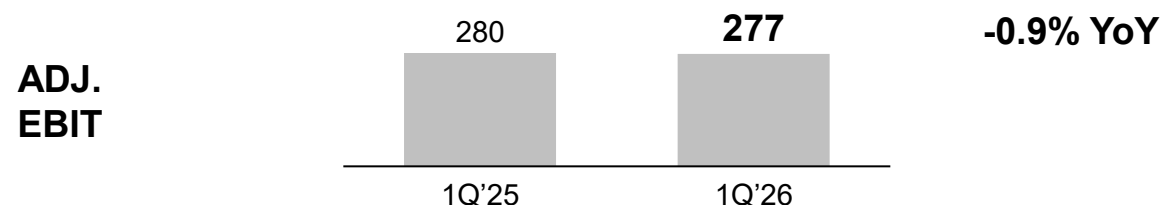
## » Golden Power measures strengthen Pirelli's independence and ensure U.S. regulations compliance

- Clear indication on Pirelli governance: Sinochem can appoint up to three directors, of whom two independent
- Measures to ensure compliance with U.S. regulations concerning connected vehicles

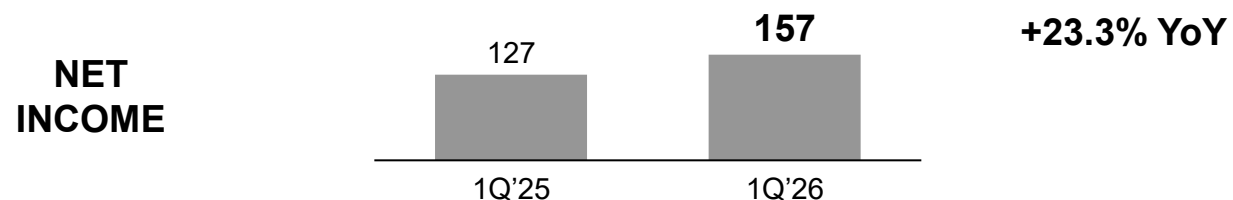
# 1Q 2026 Results: resilient business model in action



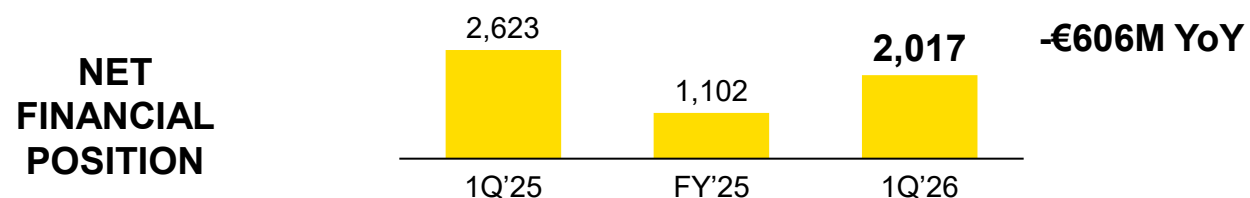
**+3.5% organic growth**  
driven by solid commercial performance



**16% adj. EBIT margin (+0.1pp yoy)**  
with internal levers offsetting €81M of external headwinds (FX, inflation & tariffs)



**Earnings growth**  
benefiting from lower financial expenses and higher income from equity participations



**Cash flow trend in line with business seasonality**  
NFP includes Xushen Tyre (Shenzhou) JV debt consolidation for ~210M€



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# 1Q 2026 Results: strengthening leadership in a challenging external environment

## HIGH VALUE GROWTH

### Market share gain across businesses & regions

- Car: expanding OE opportunities & focus on specialties
- Moto: outperformance driven by new products



## INNOVATION

### Technological leadership confirmed:

- Homologation portfolio enriched and new products launch
- Cyber-Tyre ecosystem: partnerships on vehicle dynamics & autonomous driving



## EFFICIENCY & MITIGATION PLAN

### Boosting competitiveness amid external challenges:

- €43M efficiency gain (~29% of FY target)
- Contingency measures activated, in addition to the efficiency plan, to offset Middle East crisis impact from 2Q



# High Value growth on both Car and Moto

Exploit technological & market opportunities



## PRODUCT MIX IMPROVEMENT

- » Car: Leveraging leadership on **EV and Specialties**
- » Moto: increasing weight on high-tech segment (e.g. Hypersport & Custom-touring)



## EXPANDING OE OPPORTUNITIES

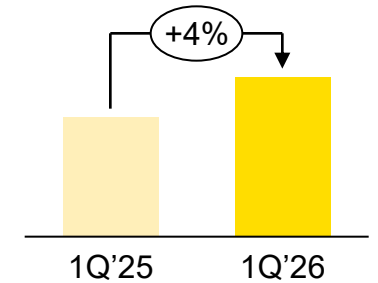
- » **Strengthening the Partnerships with US OEMs** on High-End models
- » Consolidating leadership with **Chinese Premium NEV**



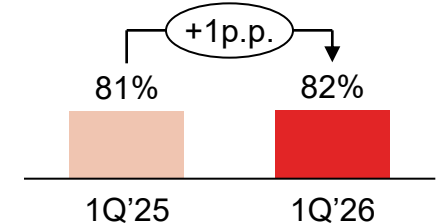
## MARKET OPPORTUNITIES

- » **Car: Seizing opportunities in US & growing HV mkts** (*Southeast Asia, S. Korea, Japan, Pacific*)
- » **Moto: consolidating our leadership in Europe, expanding presence in US and APac**

### HV Volumes Car+Moto YoY growth



### HV Sales



# Advancing product innovation in 1Q to reinforce High Value leadership

## Leveraging OE to secure future growth

~ 120 new homologations

~90% on ≥19" *with Premium & Prestige OEMs*

~80% Specialties **RUNFORWARD™ RUN FLAT PNC5™**

~65% EV<sup>1</sup> *mainly*

## Bringing motorsport experience to the road

Tailor-made PZero R fitting Audi RS and leveraging joint development with AI-based virtual simulation



## Innovation-led product pipeline for Replacement

» Launched 3<sup>rd</sup> gen. of **SCORPION™**  
Leader in homologations for high-end SUVs



» Started commercialization of **METZELER SPORTEC 01**  
Featuring adaptive tread design technology



» Launched **PZero Race SL-R**  
Better rim interaction, airflow & sailing effect



Technological leadership recognised by 6 Car Tyre Tests Victories



# Cyber-Tyre ecosystem development: partnerships on vehicle dynamics & autonomous driving

RELEVANCE FOR



Swedish tech  
company

- » Specialized in **computer vision & AI-based road monitoring agents**
- » Real-time road data gathered by onboard cameras & Cyber Tyres. Project already launched in Puglia.
- » **30% stake with a call option to increase ownership**

Accelerating partnerships with infrastructure operators & exploit video sensing for Cyber Tyre performance



Università degli Studi  
di Napoli Federico II  
spinoff

- » **Developing virtual sensors for aquaplaning & vehicle monitoring**
- » Over a decade of expertise in real-time simulations for tyres & motorsport
- » **24,99% stake with a call option to increase ownership**

Enhancing Cyber Tyre performance with virtual sensors technology



Politecnico di Milano  
spinoff

- » **European-born autonomous driving technology**
- » **Proprietary autonomous driving stack**
- » **Participating in funding round with major Italian Groups**

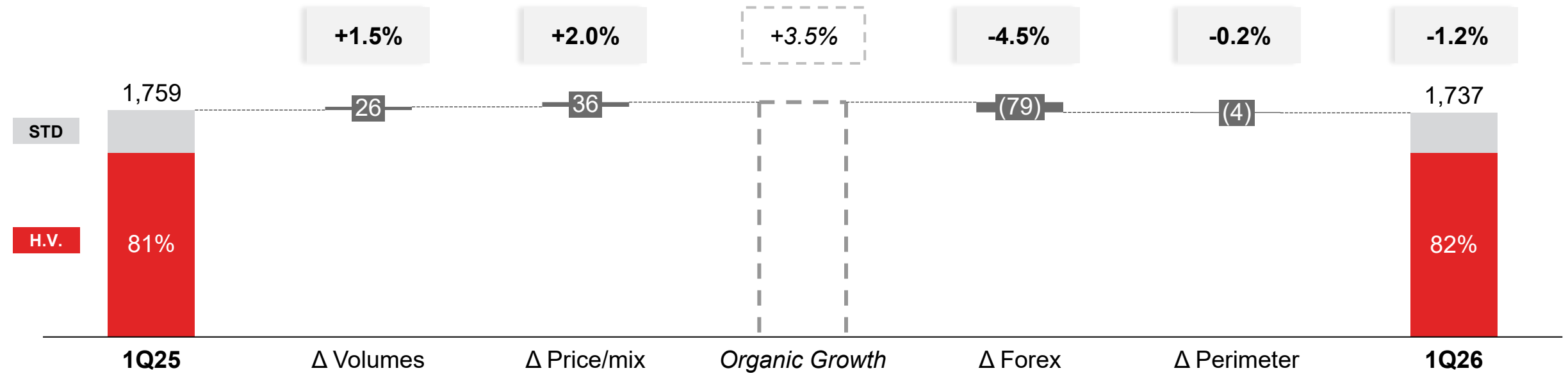
Strengthening position in the autonomous-driving ecosystem



# 1Q 2026 Sales bridge

Solid organic growth, driven by both volumes & price/mix improvement. Forex headwinds discount unfavorable comparison YoY

€ million

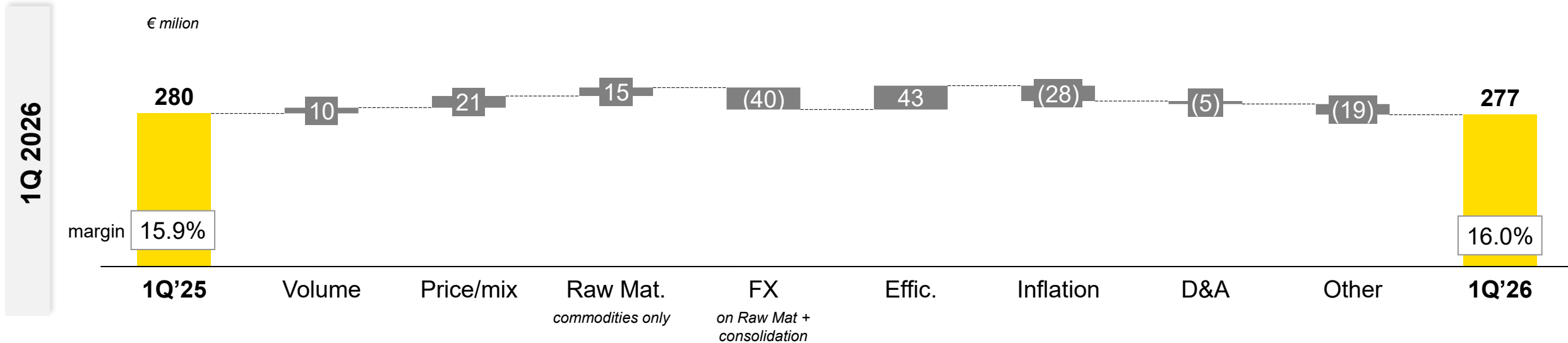


## 1Q DYNAMICS

- » **Volumes:** mid-single-digit HV growth in both Car and Motorbike, with continued reduction in Standard exposure
- » **Price/Mix:** in line with FY guidance, positive product and regional mix, while negative channel mix due to OE relative outperformance
- » **Forex:** US\$ weakness & LatAm currencies volatility
- » **Δ perimeter** due to Däckia AB de-consolidation

# 1Q 2026 Adjusted EBIT

Solid commercial performance and efficiencies almost offsetting €81M of external headwinds (FX, inflation and tariffs)



» **Efficiencies: ~29% of the FY target achieved**, mainly driven by efficiencies in both product design & manufacturing programs

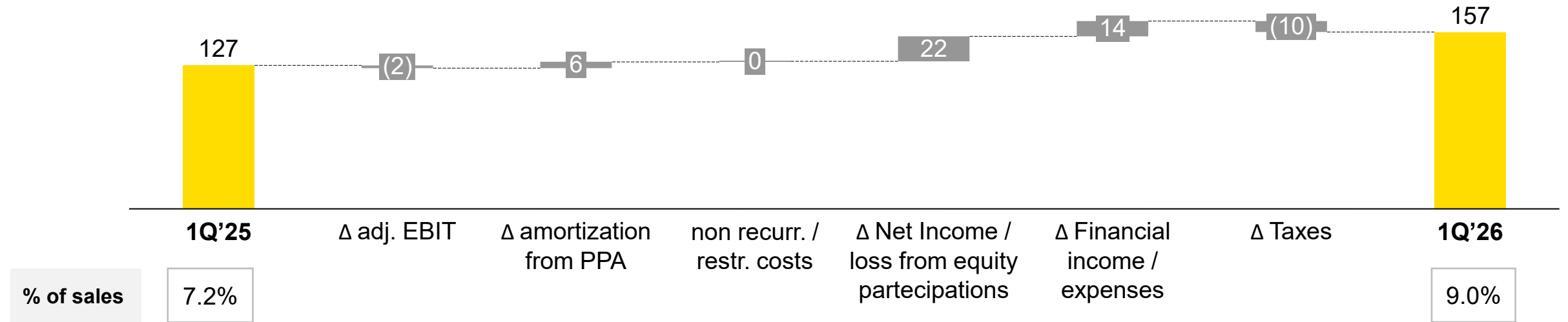
» **FX headwinds** (linked mainly to USD depreciation & MXN peso revaluation) expected to soften in the coming quarters

» **Tariff impact in line with expectations** ~50% of 1H/FY headwinds

# 1Q 2026 Net Income

Earnings improvement supported by lower financial expenses and higher income from equity participations

€ million

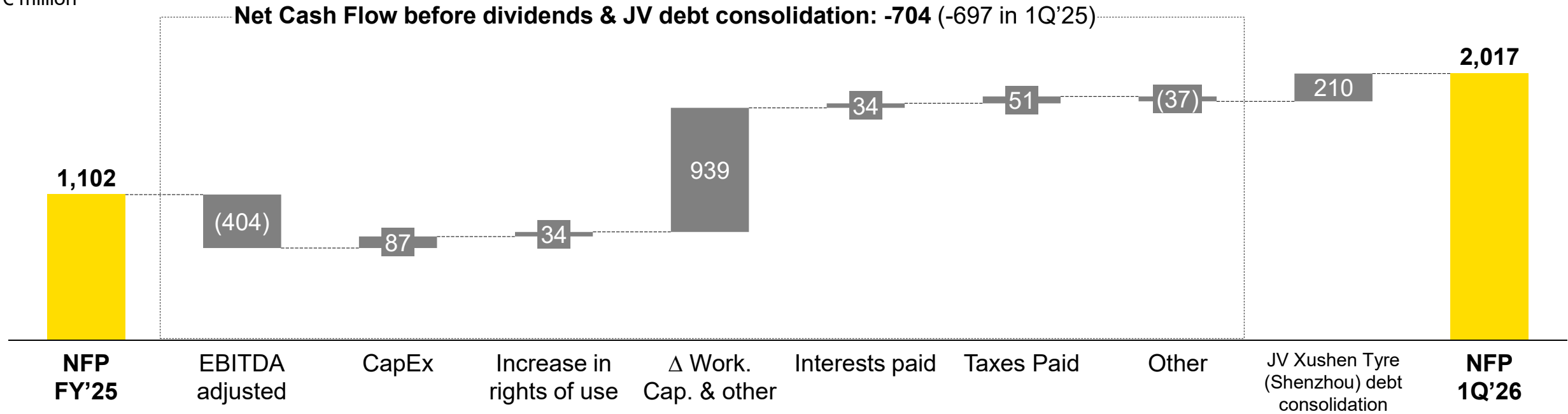


- » **Net Income from equity participations** mainly related to the revaluation at fair value of the 49% stake in Xushen Tyre (Shenzhou)
- » **Net Financial Charges** decreased YoY to -€46M (from -€60M in 1Q'25), driven by a lower cost of debt
- » **Tax rate** at 30.5% (vs 31.7% in 1Q'25) benefitting from non taxable incomes

# 1Q 2026 Net Financial Position

Operating cash flow absorption in line with business seasonality, NFP records JV debt consolidation for ~210M€

€ million



» **Inventory** level stable at ~22% weight on sales

» **Receivables** substantially in line YoY (~14% vs 14.6% in 1Q'25)

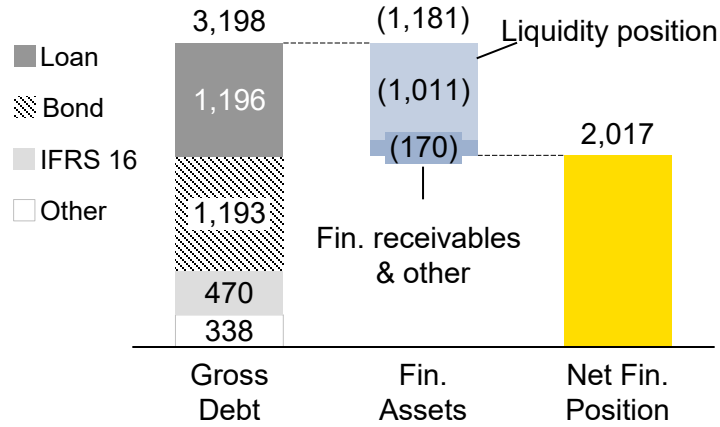
» **Payables** reducing weight on sales YoY (~22% vs 23.5% in 1Q'25), due to higher capex concentration in Q4'25 vs Q4'24

# Gross Debt structure as of March 31<sup>st</sup> 2026

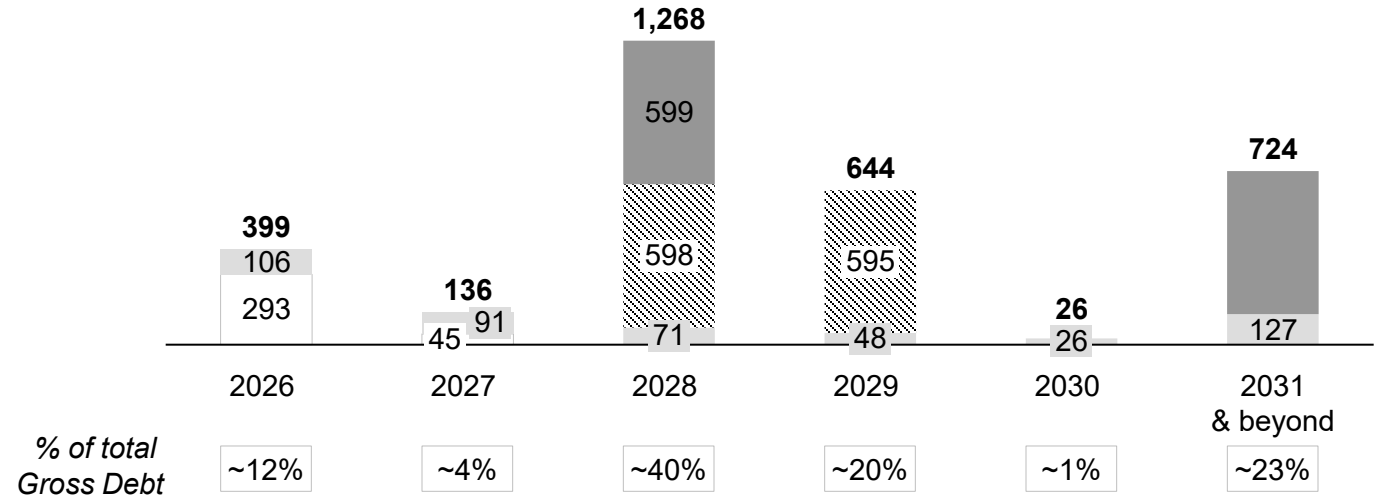
Liquidity margin covering > 3 years of debt maturity, protecting the company in current volatile markets

€ million

## Net Financial Position



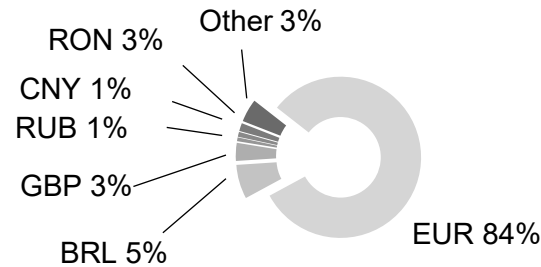
## Gross Debt maturity



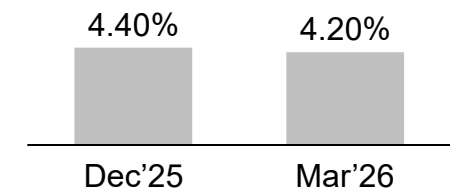
## Liquidity profile

Liquidity position <sup>1</sup>	1,011
Committed lines not drawn	1,500
<b>Liquidity margin</b>	<b>2,511</b>

## Break-down by currency<sup>2</sup>



## Cost of debt (last 12 months)





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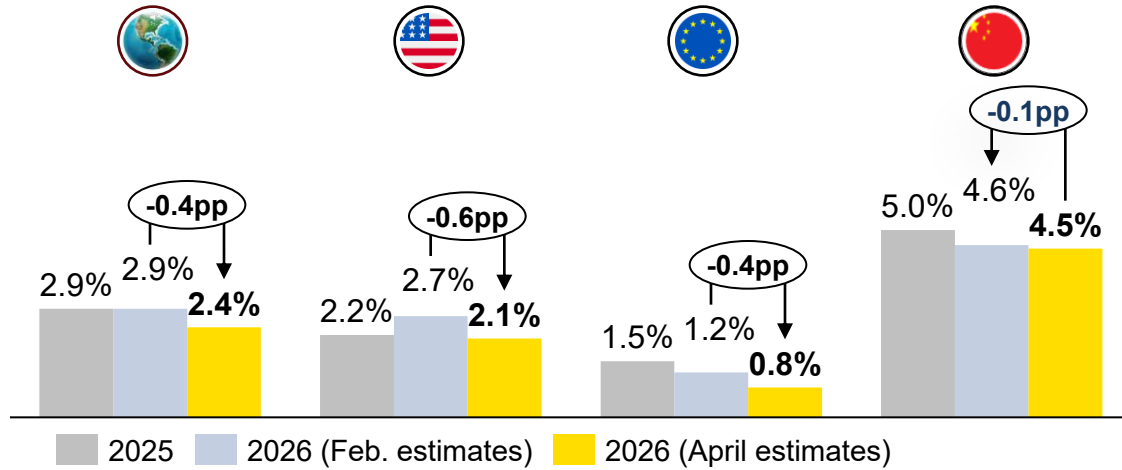
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# Macroeconomic Outlook update

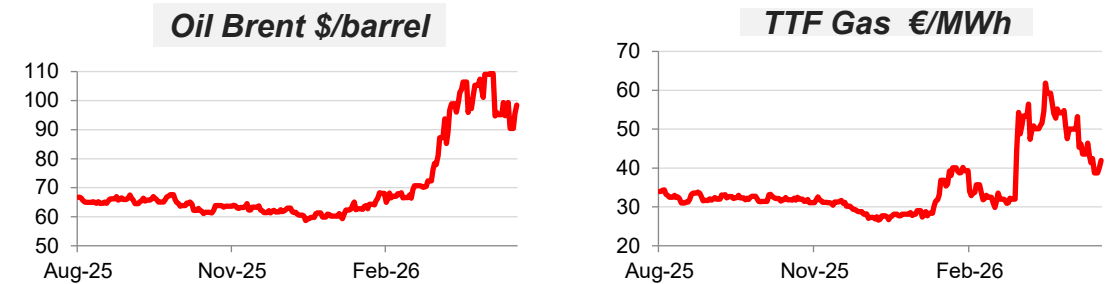
Middle East crisis is weighing on global growth, inflation and raw mat prices

## Real GDP growth

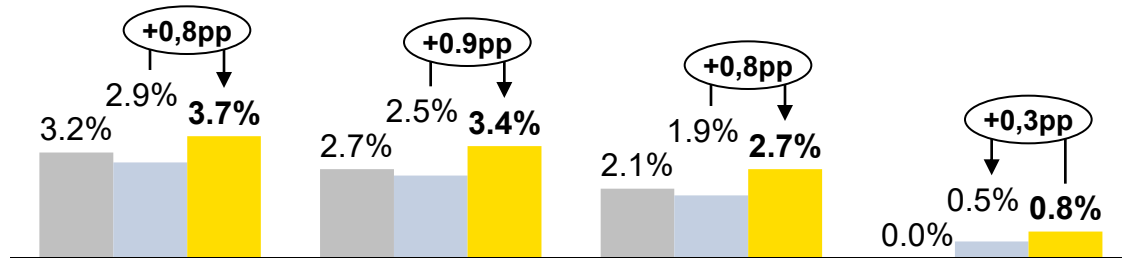


## Raw materials

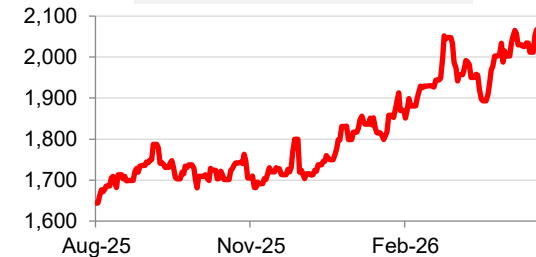
Spot prices expected to peak in 2Q and then normalize in 2H although at higher levels compared to pre-war in Middle East



## Inflation (CPI)



## Natural Rubber \$/ton

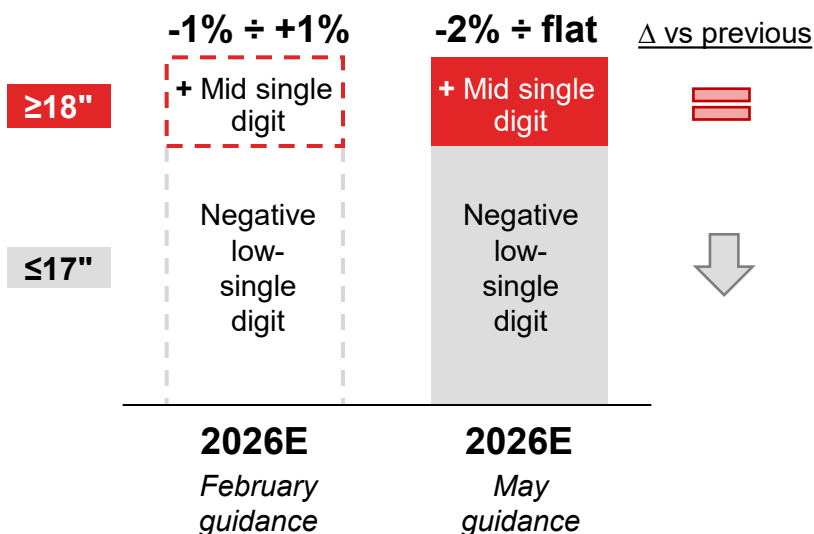


# Car Tyre Market update

High value demand confirms its resilience despite a challenging macroeconomic environment

## Global car tyre market

YoY % growth



» **Car ≥18"**: mid-single digit growth in Repl., low single digit in OE with car production expected to recover in 2H



EU

OE slightly positive, with better trend in 2H versus 1H  
Replacement expected to grow high-single digit



NA

Flattish OE market  
Replacement confirms its resilience



China

Low single-digit growth in OE, recovering from weak 1Q  
Replacement demand remains positive

**Pirelli** expects to outgrow the market, gaining share in High Value, while it keeps on reducing exposure to Standard

# Addressing the Middle East Crisis: Our Actions on the Ground

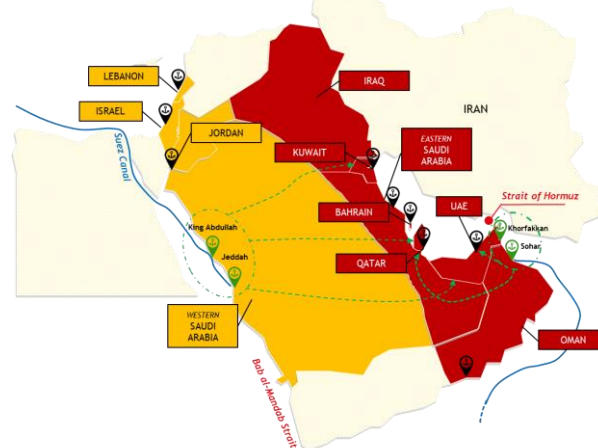
## PIRELLI IN MIDDLE EAST



- » ~€90M Revenues, mainly HV, ~1% of Group Turnover
- » So far, no impact or delays on the JV factory construction

## ACTIONS

- » Ensured the safety of personnel operating in the region
- » Close and ongoing collaboration with local partners
- » Re-routing inbound logistics through Western Saudi Arabia and Oman



## STATUS

### RED ZONE

Direct-service bookings  
**suspended**





### ORANGE ZONE

Direct-service delivery  
**still active**

# Addressing the Middle East Crisis: Mitigation Plan already in place

Assuming commodities price spike in 2Q, progressively normalizing in 2H. Impact on P&L with a lag of 3 to 4 months.

## IMPACT

-  Raw materials cost increase
-  Energy cost hikes<sup>1</sup>
-  Shipping costs increase<sup>1</sup>
-  Disruption in Oil derivatives in APac<sup>1,2</sup>

**Gross impact on 2026 adj. EBIT ~ -€100M**

## MITIGATION PLAN

- » Price increases already announced to the market
- » ~70% of yearly EU energy spending already hedged before the war
- » Additional cost reduction
- » Supply alternatives & temporary stock increase

**Mitigation plan ~ +€80M**

**Net impact on 2026 adj. EBIT ~ -€20M**

# Targets update

February guidance did not factor in the Middle East conflict impact

€ billion	2025 A	2026 E <i>Feb Guidance</i>		2026 E <i>May Guidance</i>	
<b>Net Sales</b>	<b>6.78</b>	<b>~ 6.7 ÷ 6.9</b>	<b>Volumes:</b> ~ +1% ÷ +2%  <b>Price/Mix:</b> ~ +2% ----- <b>Organic growth:</b> +3% ÷ +4%  <b>Forex &amp; Δ perimeter:</b> -4.5% ÷ -2.5%	<b>~ 6.75 ÷ 6.95</b>	<b>Volumes:</b> ~ +1% ÷ +2%  <b>Price/Mix:</b> ~ +2.5 ÷ +3% ----- <b>Organic growth:</b> +3.5% ÷ +5%  <b>Forex &amp; Δ perimeter:</b> -4% ÷ -2%
<b>Adj. EBIT Margin</b>	<b>16%</b>	<b>~ 16%</b> <i>slightly improving YoY</i>		<b>~ 16%</b>	
<b>CapEx</b> <i>% of sales</i>	<b>0.42</b> 6.2%	<b>~ 0.45</b> ~ 6.5%		<b>~ 0.45</b> ~ 6.5%	
<b>Net Cash Flow</b> <i>bef. Dividends, conv. Bond and Xushen Tyre (Shenzhou) impact</i>	<b>0.58</b>	<b>~ 0.5</b>		<b>~ 0.5</b>	
<b>Net Financial Position</b>	<b>1.1</b>	<b>~ 1.2</b>		<b>~ 1.2</b>	
<b>Leverage</b> <i>Net debt / adj. EBITDA</i>	<b>~0.7x</b>	<b>~ 0.75x</b>		<b>~ 0.75x</b>	

*The evolution of the Middle East crisis remains uncertain, in terms of both duration and potential impact on inflation and demand. Current guidance is assuming a gradual normalization of commodities prices in the second half of the year.*



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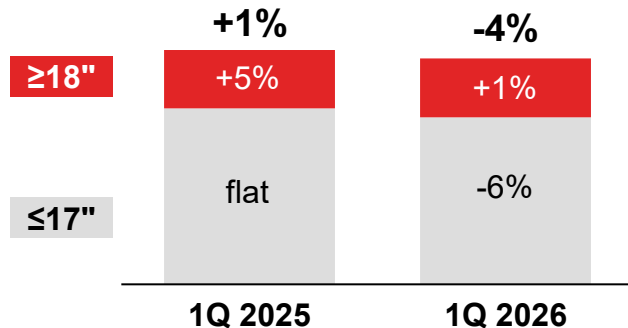
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# Car Tyre Market 1Q 2026

## Global car tyre market

YoY % growth



## CAR ≥18" HIGHLIGHTS

High value segment continuing to outperform Standard

» **OE:** weak start of the year

» **RT:** slightly positive, discounting a mixed trend by region



EU

OE flattish market

Replacement double-digit growth supported by higher EV penetration & All-Season volumes



NA

OE growth low-single digit

Replacement suffering adverse weather conditions



China

OE declines mid-single digit affected by reduction in government subsidies

Replacement resilient, positive low single digit growth

# Economic results summary

€ million	1Q 2026	1Q 2025	Δ YoY
<b>Net Sales</b>	<b>1,737.2</b>	<b>1,758.6</b>	<b>-1.2%</b>
<i>Organic variation</i>			+3.5%
<b>adjusted EBITDA<sup>1</sup></b>	<b>404.4</b>	<b>399.0</b>	<b>+1.4%</b>
<i>% of net sales</i>	23.3%	22.7%	+0.6 p.p
<b>reported EBITDA</b>	<b>393.4</b>	<b>387.5</b>	<b>+1.5%</b>
<i>% of net sales</i>	22.6%	22.0%	+0.6 p.p
<b>adjusted EBIT<sup>1</sup></b>	<b>277.4</b>	<b>279.8</b>	<b>-0.9%</b>
<i>% of net sales</i>	16.0%	15.9%	+0.1 p.p
<b>reported EBIT</b>	<b>243.6</b>	<b>239.9</b>	<b>+1.5%</b>
<i>% of net sales</i>	14.0%	13.6%	+0.4 p.p
Net income / (loss) from equity investments	28.0	5.8	<i>n.m.</i>
Financial income / (expenses)	(46.0)	(59.5)	-22.7%
<b>EBT</b>	<b>225.6</b>	<b>186.2</b>	<b>+21.2%</b>
Taxes	(68.8)	(59.0)	+16.6%
Tax rate %	-30.5%	-31.7%	
<b>Net Income / (loss)</b>	<b>156.8</b>	<b>127.2</b>	<b>+23.3%</b>
Earnings / (loss) per share (€ per share)	0.13	0.12	
Net income / (loss) adjusted	154.0	155.6	

# Consolidated Balance Sheet

€ million	31/03/2026	31/12/2025	31/03/2025
<b>Fixed assets</b>	<b>9,021.6</b>	<b>8,593.1</b>	<b>8,723.1</b>
<b>Net working capital</b>	<b>809.8</b>	<b>(69.9)</b>	<b>889.7</b>
<i>% of net sales*</i>	<i>12.0%</i>	<i>-1.0%</i>	<i>13.0%</i>
<b>Total net invested capital</b>	<b>9,831.4</b>	<b>8,523.2</b>	<b>9,612.8</b>
<b>Equity</b>	<b>6,859.3</b>	<b>6,456.7</b>	<b>6,013.1</b>
<b>Provisions</b>	<b>955.4</b>	<b>964.5</b>	<b>977.2</b>
<b>Net financial position</b>	<b>2,016.7</b>	<b>1,102.0</b>	<b>2,622.5</b>
<b>Total financing and shareholders' equity</b>	<b>9,831.4</b>	<b>8,523.2</b>	<b>9,612.8</b>
<b>Attributable net equity</b>	<b>6,579.4</b>	<b>6,277.8</b>	<b>5,842.4</b>
<b>Total net financial debt<sup>1</sup></b>	<b>2.130,6</b>	<b>1,221.7</b>	<b>2,730.4</b>

# Net Cash Flow

€ million

	1Q 2026	1Q 2025
Adjusted Operating income (EBIT)	277.4	279.8
Amortiz. & depreciations (excl. PPA amortiz.)	127.0	119.2
Investments in tangible and intangible assets (Capex)	(86.9)	(60.0)
Increase in right of use	(34.3)	(28.3)
Change in working capital/other	(938.9)	(865.7)
<b>Operating Cash Flow</b>	<b>(655.7)</b>	<b>(555.0)</b>
Financial income/(expenses) paid	(34.3)	(49.1)
Taxes paid	(51.2)	(31.6)
Cash-out for non recurring items and restructuring costs / other	(14.0)	(12.6)
Dividend paid to minorities	0.0	0.0
Exchange rates difference/other	56.5	(29.8)
<b>Net Cash Flow before extr. oper. / equity transactions / divid.</b>	<b>(698.7)</b>	<b>(678.1)</b>
Extraordinary operations	(5.8)	(18.6)
<b>Net Cash Flow before dividends, bond conversion &amp; JV Xushen Tyre (Shenzhou) debt consolidation</b>	<b>(704.5)</b>	<b>(696.7)</b>
Bond Conversion		
JV Xushen Tyre (Shenzhou) debt consolidation	(210.2)	
<b>Net Cash Flow before dividends</b>	<b>(914.7)</b>	<b>(696.7)</b>
Dividends paid by Parent	0.0	0.0
<b>Net Cash Flow</b>	<b>(914.7)</b>	<b>(696.7)</b>





# Sustainability: delivering on Plan targets

				2023 Actual	2024 Actual	2025 Actual	2030 Targets	
	<b>Safety first</b>	» Towards zero accident at work	<b>Accident Frequency Index<sup>1</sup></b>	1.69	1.41	1.21	<1	
	<b>Engagement &amp; Retention</b>	» leveraging on employees listening and experience	<b>Global Sustainable engagement Index</b>	83%	83%	83%	≥80% constantly	
	<b>NET ZERO @2040 (Scope 1+2+3, SBTi validated)</b>	» 100% of electricity purchased from the grid is renewable	<b>CO<sub>2</sub> absolute emissions Scope 1+2<sup>2</sup></b>	-45.0% vs 2018	-57.1% vs 2018	-63.3%	-80% vs 2018 CARBON NEUTRALITY	<b>NET ZERO 2040 SBTi validated</b>
		» Primary data available covering >90% of RM suppliers' total emissions	<b>CO<sub>2</sub> absolute emissions Scope 3<sup>2</sup></b>	-25.0% vs 2018	-26.2% vs 2018	-27.5%	-30% vs 2018	
	<b>Efficiency &amp; Safety</b>	» reducing rolling resistance, never compromising on safety	<b>Volumes A+B (Rolling Resistance and Wet Grip)</b>	29.8%	34.5%	39.5%	>50%	
	<b>Bio-based &amp; Recycled</b>	» material innovation to increase non-fossil origin: PZERO E <sup>6</sup> , our lighthouse on the market:	<b>Best product available on the market<sup>6</sup></b>	55.5% <sup>6</sup>	58.5% <sup>6</sup>	>70 <sup>7</sup>	>80%	
	<b>Freshwater</b>	» reducing dependency and preserving water quality	<b>Specific water withdrawal</b>	<b>High water stress areas</b>	-30.8% vs 2015	-34.6% vs 2015	-43.1%	-45% vs 2015
	<b>Biodiversity</b>	» Biodiversity action Plan covering the five IPBES <sup>4</sup> drivers <sup>5</sup>	<b>% on all Pirelli Industrial sites &amp; track test areas</b>	<b>All group sites</b>	-45.3% vs 2015	-51.4% vs 2015	-54.3%	-60% vs 2015
						<b>100%</b>	<b>100%</b>	

Full Pirelli sustainability plan and targets available on [pirelli.com](http://pirelli.com); Full 2025 sustainability related performances will be available in 2025 Pirelli Annual Report, Sustainability Statement section.

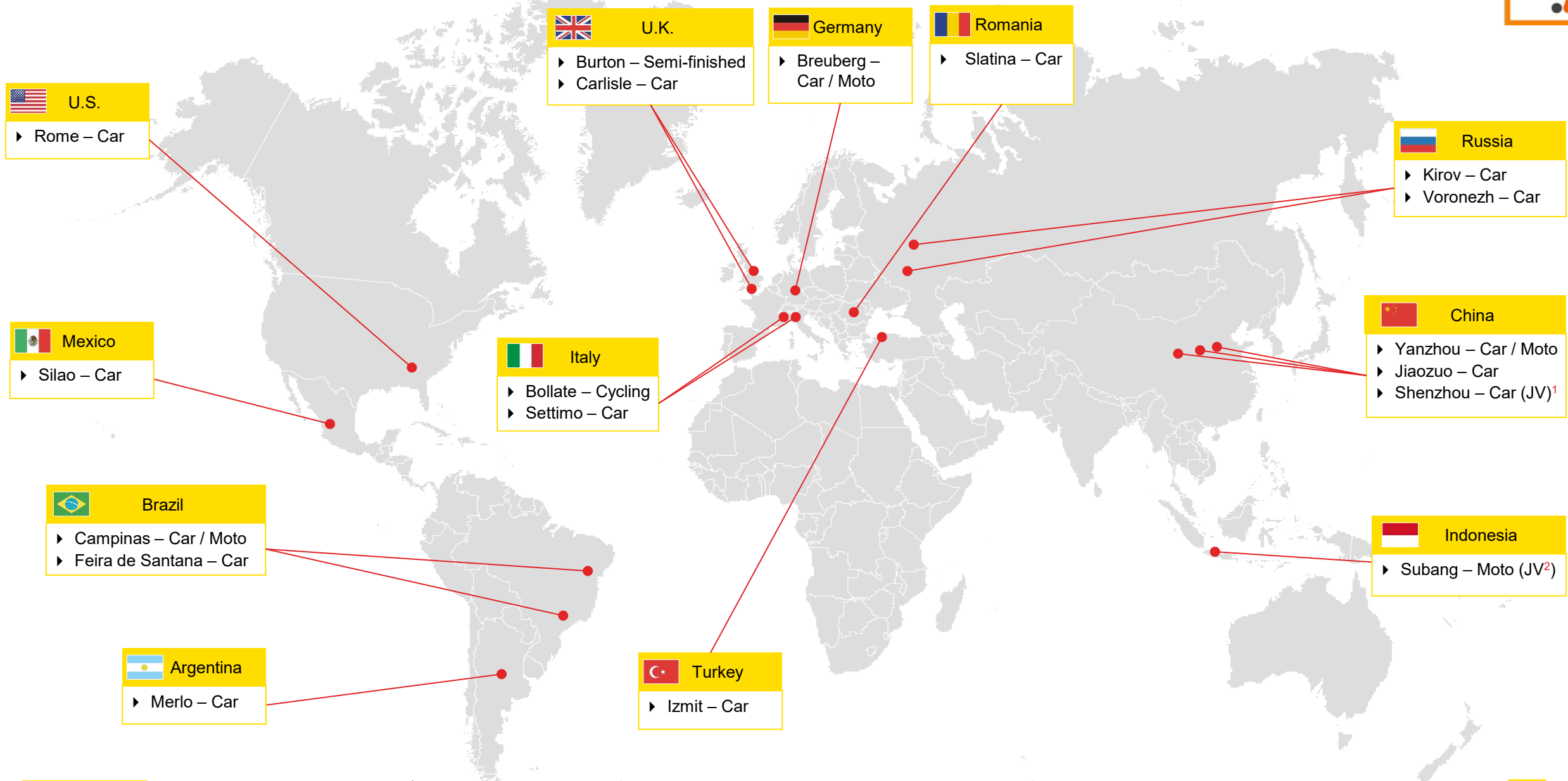


# ESG Indices: a globally acknowledged sustainability leadership

Major rankings		Positioning in the reference sector	Score
Member of <b>Dow Jones Best-in-Class Indices World</b> <small>(a division of S&amp;P Global)</small> <b>Dow Jones Best-in-Class Indices Europe</b> <small>(a division of S&amp;P Global)</small>	<b>Dow Jones Best-in-Class Indices</b>	<b>Top Score Auto Components and Automotive sector</b>	86
	<b>S&amp;P Sustainability Yearbook</b>	<b>Top 1% - The only tyre maker</b>	TOP 1%
	<b>CDP – Climate List</b>	<b>A LIST– Max score</b>	A
	<b>CDP – Supplier Engagement</b>	<b>A LIST– Max score</b>	A
	<b>ISS – ESG Corporate Rating</b>	<b>Prime status - Top score Auto Components</b>	B+
<b>MSCI</b>	<b>MSCI – ESG Ratings</b>	Among sector leaders	A
<b>SUSTAINALYTICS</b>	<b>Sustainalytics – ESG Risk Rating</b>	<b>Top score Tyre industry - Negligible risk; 2026 ESG Global, Regional, Industry Leader</b>	8



# Pirelli manufacturing footprint



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