



**June 11,
2021**

***SPAIN ROAD SHOW
KEPLER CHEUVREUX***

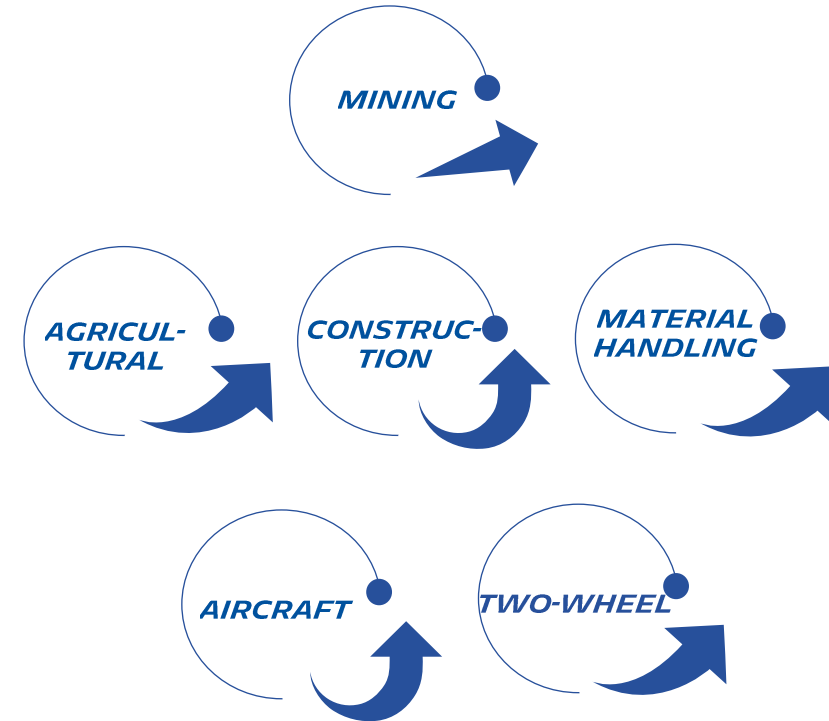
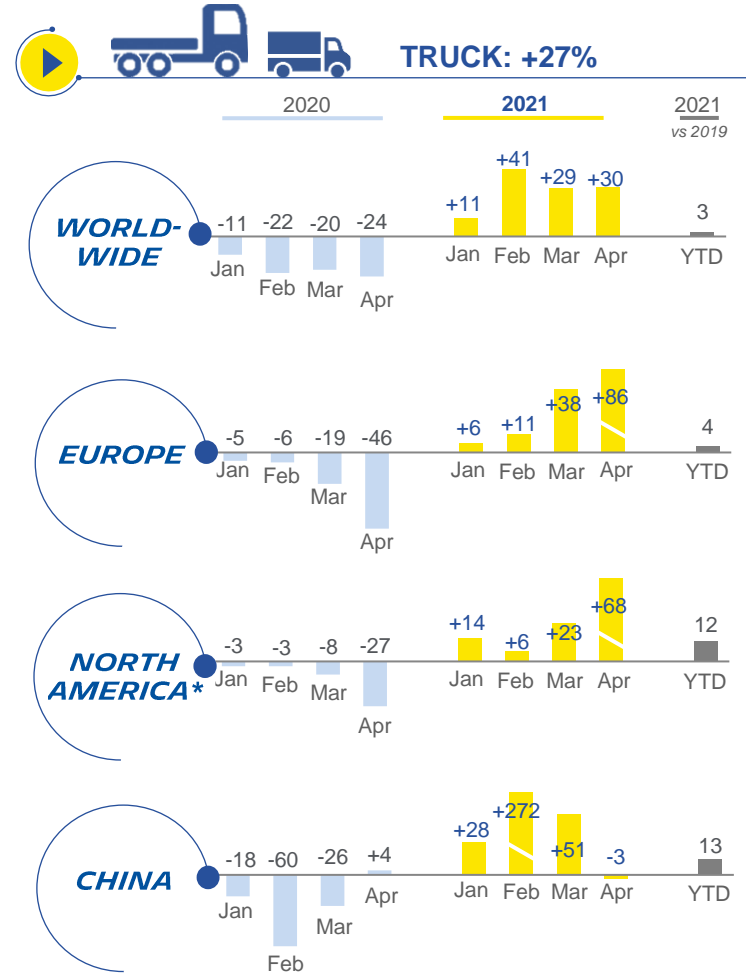
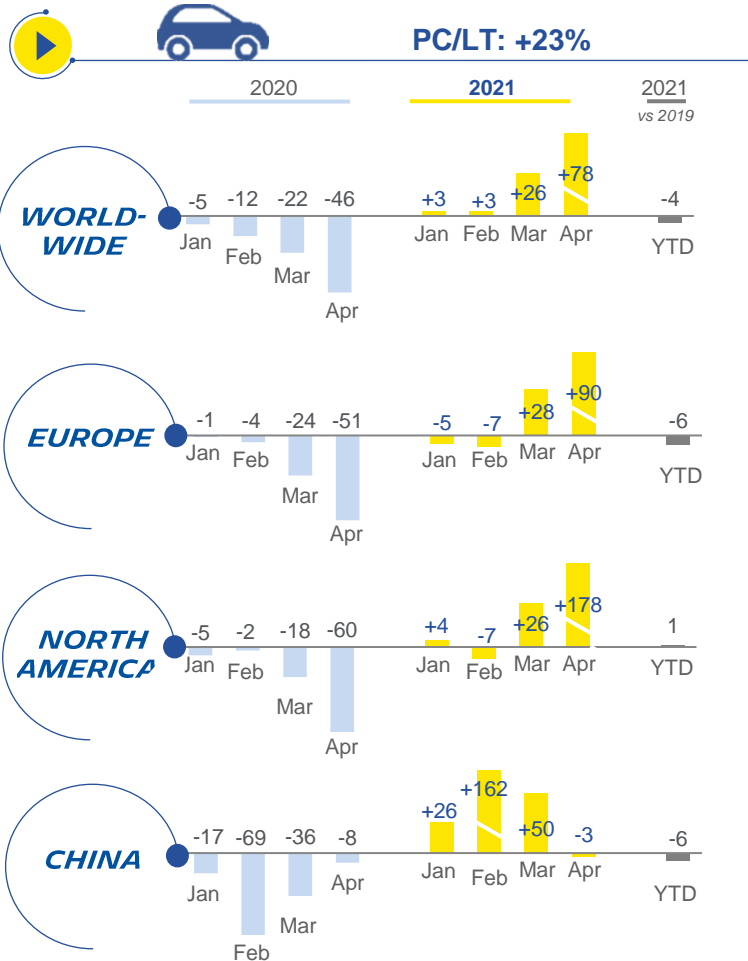




Q1 2021 SALES & 2021 FY GUIDANCE



Q1 2021 MARKETS: PC/LT DOWN ON 2019, TRUCK CLOSE TO 2019. EXPECTED REBOUND IN THE SPECIALTIES OVER THE YEAR.



Source: Michelin. Tire market data are regularly adjusted and may be updated following their initial publication
* Including Central America for OE

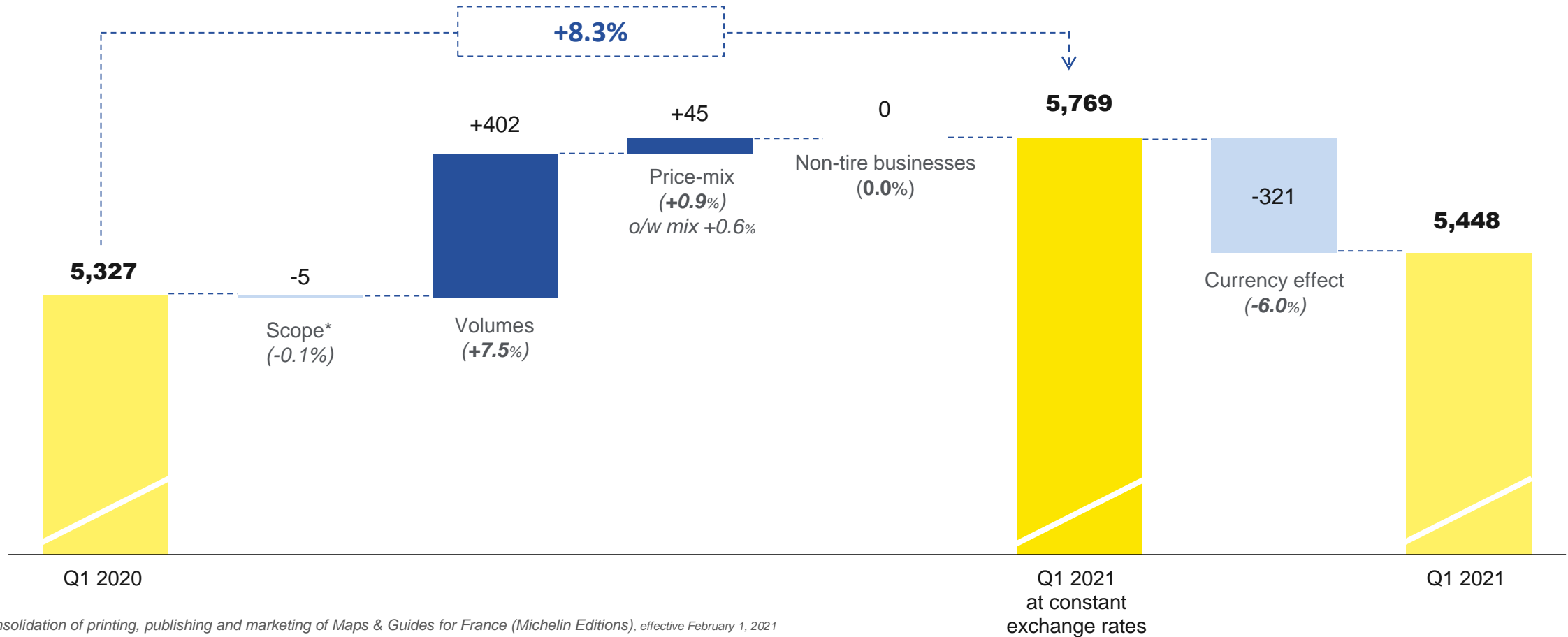


8.3% GROWTH IN SALES AT CONSTANT EXCHANGE RATES, LED BY THE REBOUND IN DEMAND AND A ROBUST PRICE-MIX



Q1 2021 vs. Q1 2020 sales

(in € millions and %)



* Deconsolidation of printing, publishing and marketing of Maps & Guides for France (Michelin Editions), effective February 1, 2021



Spain Roadshow - June 11, 2021





VOLUME GAINS ACROSS EVERY SEGMENT IN Q1 2021 WERE DAMPENED BY HIGHLY UNFAVORABLE EXCHANGE RATE MOVEMENTS

(in € millions)		Q1 2021	Q1 2020	Change
	RS1 sales Volumes	2,694	2,597	+3.7% +7.8%
	RS2 sales Volumes	1,388	1,360	+2.1% +8.1%
	RS3 sales Volumes	1,366	1,370	-0.3% +6.2%
	TOTAL Volumes	5,448	5,327	+2.3% +7.5%

- RS1: despite the adverse price impact of indexation clauses, sales rose over the period, lifted by the sharp increase in volumes and the steady upmarket enhancement in the product mix.
- RS2: sales gains reflected robust volume growth in every Group market, disciplined price management and the Michelin brand-driven upmarket shift in the product mix.
- RS3: a favorable price effect and strong volume growth offset a negative business mix.

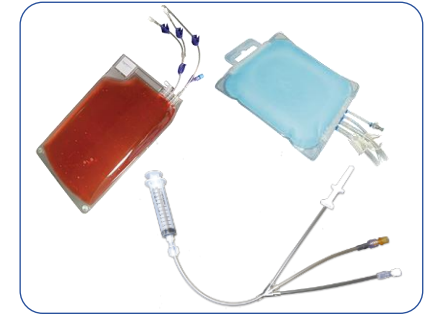
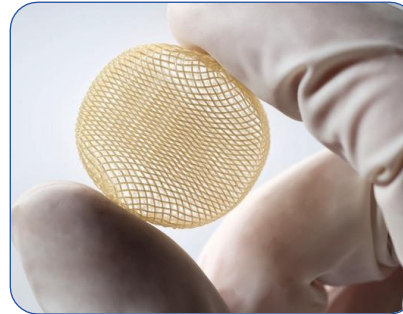


MICHELIN AND ALTARIS* ANNOUNCE THEIR INTENTION TO JOIN FORCES TO SPEED THE GROWTH OF SOLESIS

- Michelin has opened up the capital of its **subsidiary Solesis**, valued at \$475m
- **A governance system capable of supporting Solesis' rapid expansion** in very fast-growing markets
- **An R&D agreement between Solesis and Michelin** to develop biocompatible, bioresorbable polymers

IMPACTS FOR MICHELIN

- No cash impact for the Group
- The cash contributed by Altaris will remain with Solesis to finance its growth
- Impact on 2021 net income estimated at around €130m (below SOI)



* Altaris Capital Partners, LLC is an investment firm focused exclusively on the healthcare industry. It has significant experience in the life sciences and medical technology sectors, and a track record of working successfully to grow companies alongside corporate partners. Altaris has \$5.2 billion in equity capital under active management and is headquartered in New York, NY.



2021 MARKET SCENARIO: IN A HIGHLY DISRUPTED ENVIRONMENT, MARKETS ARE RECOVERING BUT NOT YET BACK TO 2019 LEVEL



PC/LT: : +6% / +10%*

- OE: strong recovery expected driven by inventory build up and incentives, but threatened by chips shortage
- RT: despite remaining uncertainty around pandemic impacts, rebounding demand worldwide, not yet coming back to pre crisis level



TRUCK: +4% / +8%*

- OE: strong rebound in H1 demand in every region which should attenuate in H2 due to tougher comps
- RT: strong rebound in demand driven by freight activity in every region



SPECIALITIES: +8% / +12%*

- Mining: demand recovery penalized by a slowdown in coal extraction
- Beyond road: acceleration in demand recovery boosted by upcycle trend
- Two-wheel: sustained growth
- Aircraft: growing demand on very low basis

* vs. 2020



2021 SCENARIO

	2021
Volumes	In line with markets
Net price-mix/raw materials effect	Slightly Positive
Cost impact of raw materials prices and customs duties	Strongly Negative
Currency effect*	Strongly Negative

* See slide 42



2021 GUIDANCE EXCLUDING ANY NEW SYSTEMIC EFFECT FROM COVID-19*

	2021
Segment Operating Income at constant exchange rates	> €2,500m
Structural Free Cash Flow**	~ €1,000m

* Restrictions on freedom of movement that would result in a significant drop in the tire markets, or any significant supply chain disruption.

** Structural Free Cash Flow definition on slide 73



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2023 TARGETS & 2030 AMBITIONS



THE 2019 STRATEGY STATEMENT AND NEW DYNAMICS FROM THE POST COVID WORLD HAVE SERVED AS A FRAMEWORK TO SHAPE OUR 2030 STRATEGY



SUSTAINABLE GROWTH

By 2030, Michelin generates sustainable growth, creating balanced value between People, Profit and Planet



UNIQUE CAPABILITIES

Through our unique capabilities...

**Strong
Value**

Brand

**Technical
expertise**

Innovations

**Customer
expertise**



DIFFERENTIATED PRODUCTS & SERVICES

...we develop differentiated mobility and high-tech material-based products & services along with travel recommendations, that improve life in motion for individuals, businesses and external stakeholders



2030 FINANCIAL AMBITIONS – COMBINING GROWTH AND VALUE CREATION



STRATEGY

SUBSTANTIAL GROWTH



- Strong sales growth by 2030 notably driven by new growth avenues, +5% CAGR from 2023 to 2030
- New growth avenues to account between ~20-30% of sales by 2030

FOCUS ON VALUE-ACCRETIVE MARKETS



- Consistent growth in tires in line with historical performance and market forecasts
- Reinforced development into high-growth markets in which our expertise can deliver significant synergies

INCREASING OUR RESILIENCE



- Build a richer products and solutions portfolio
- Improved mix between cyclical and stable markets
- More balanced geographic exposures

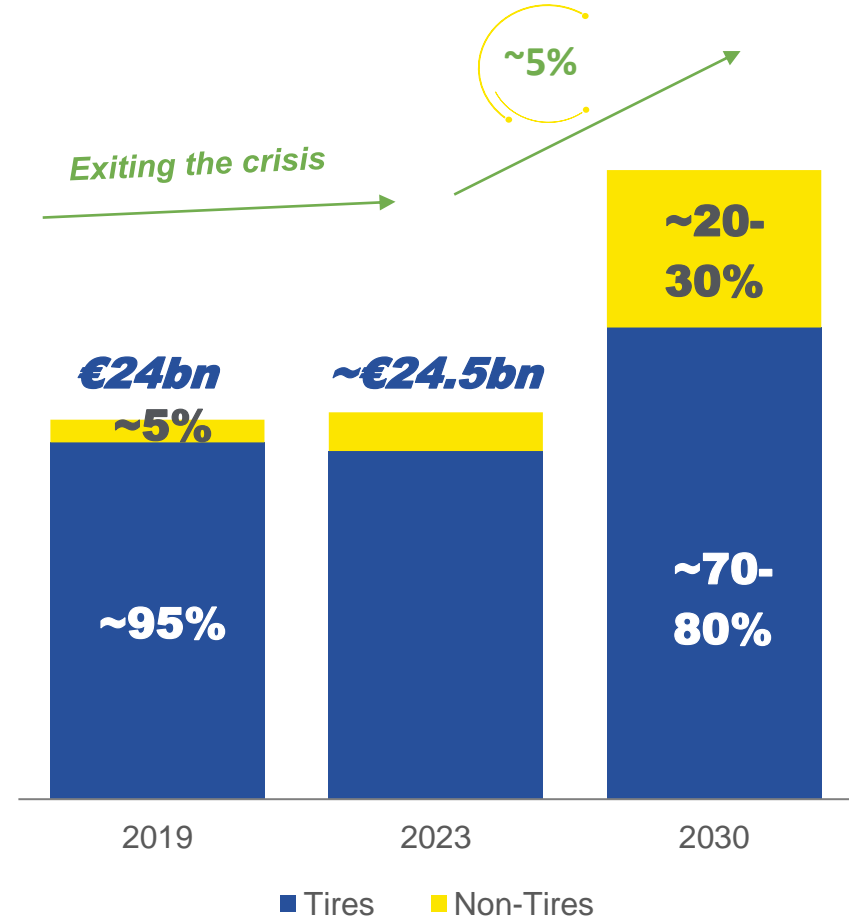
FINANCIAL VALUE CREATION



- Value creation with ROCE at >+10.5% at Group level
- Significant improvement in tire margins



SALES TARGETS*



* Sales excluding joint-ventures





2020-2023 PLAN – EXITING THE CRISIS IN A POSITION OF STRENGTH

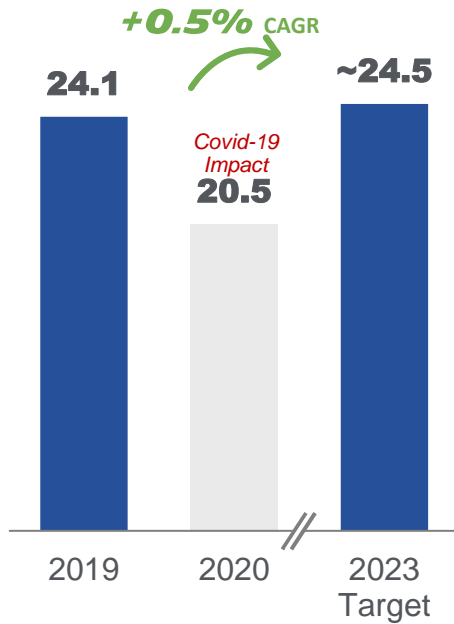
In € billion, unless otherwise stated



GROWTH

Sales

o/w **+5%**
CAGR 2020-2023
on non tires segments



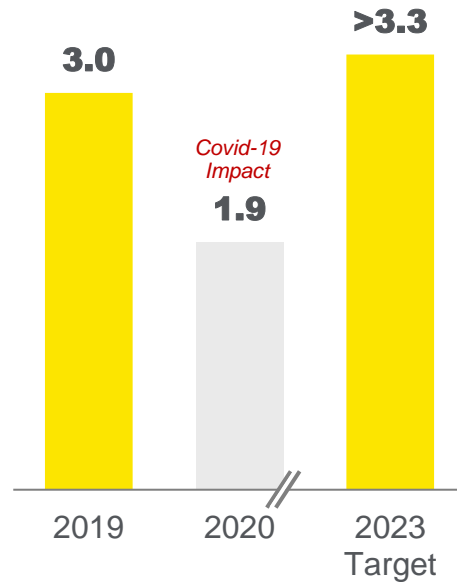
Exiting the crisis



PROFITABILITY

Segment Operating Income*

% margin
12.5% ~13.5%

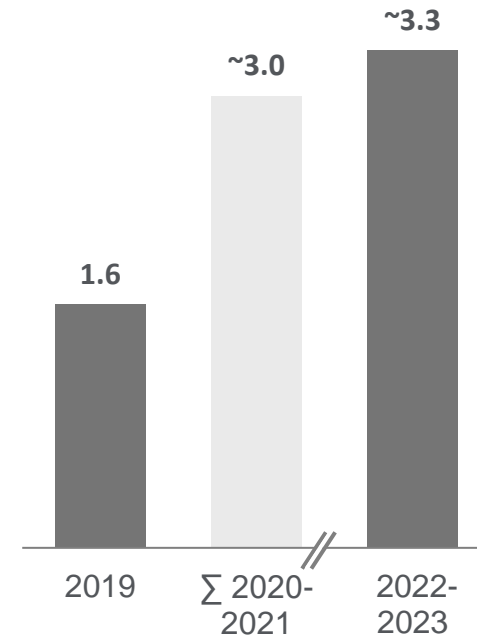


Cost competitiveness and price mix



CASH GENERATION

Structural FCF

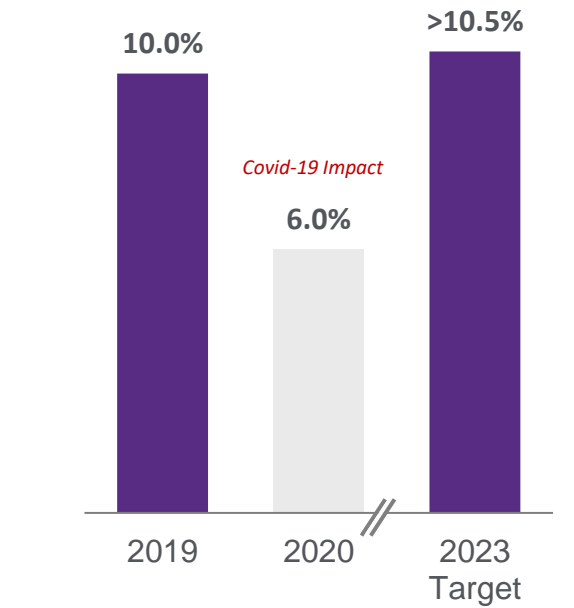


~€6.3bn cumul. structural FCF over 4 years
€100m inventory reduction / year



RETURN ON INVESTMENTS

Group Target ROCE including M&A (%)



Net working capital improvement and EBIT growth



2020-2023 PLAN – CAPEX STRATEGY



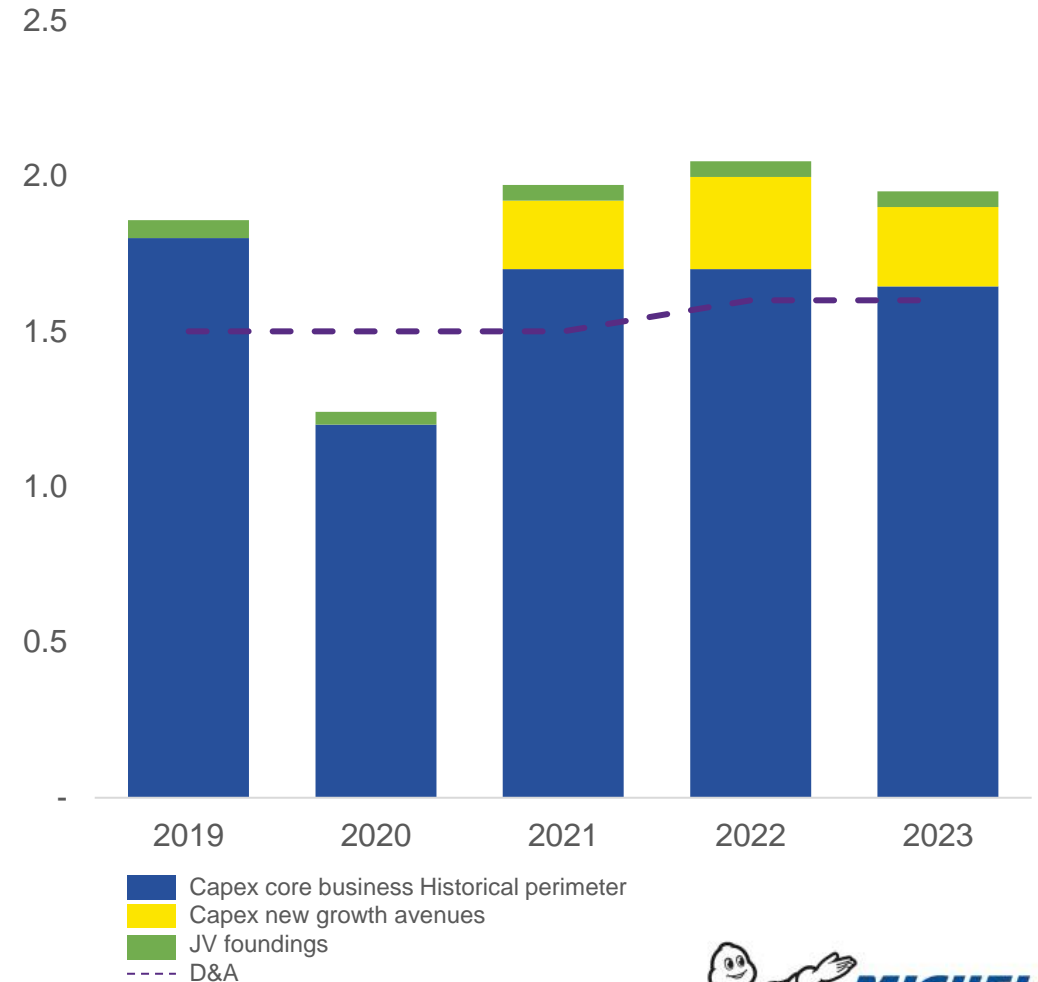
KEY HIGHLIGHTS

- **Reducing CAPEX on core-business towards depreciation level**
 - Marginal low-cost investments first
 - MICHELIN brand focused
 - Optimized maintenance CAPEX & molds
- **Reinforcing Michelin footprint where the growth is**
 - with a CAPEX/unit back to best market practices
- **Allowing CAPEX growth in Specialties businesses**
- **Developing new growth avenues: fleet management solutions & High-Tech Materials**
- **Speeding up a comprehensive digitization plan**
- **Investing in sustainable materials rate and low-carbon operations**



CAPEX* AND JVs FINANCING VS. DEPRECIATION

(in € billion)



* Excluding M&A and IFRS 16

M&A AND PARTNERSHIPS FRAMEWORK – CLEAR INVESTMENT CRITERIA



- Constantly exploring M&A opportunities in both core and new growth avenues



- Value-accretive acquisitions



- Open to partnerships to boost our venture potentials



- Delivering growth and significant synergies



- Very strong execution track record



Financial discipline:
2023-2030 ROCE >+10.5%

Strong financial position and ratings
(A- at both Fitch and S&P)



RESETTING OUR SHAREHOLDER RETURN POLICY: INCREASING PAYOUT TO 50%



HISTORICAL PAYOUT RATIO

Dividend (€ p.s.)

€2.50

€2.85

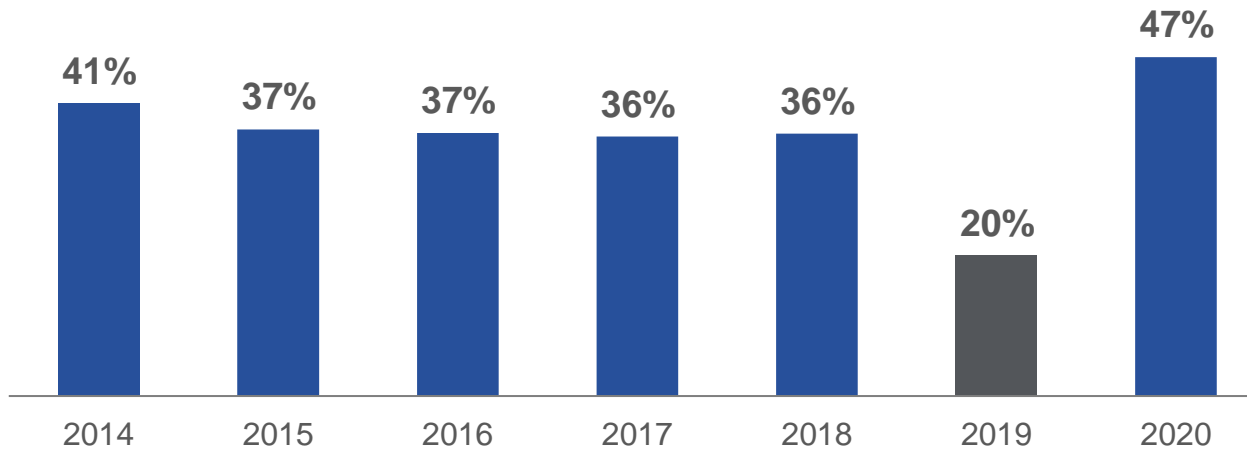
€3.25

€3.55

€3.70

€2.00

€2.30



**CONSISTENTLY DELIVERED ABOVE 35%
DIVIDEND PAYOUT**

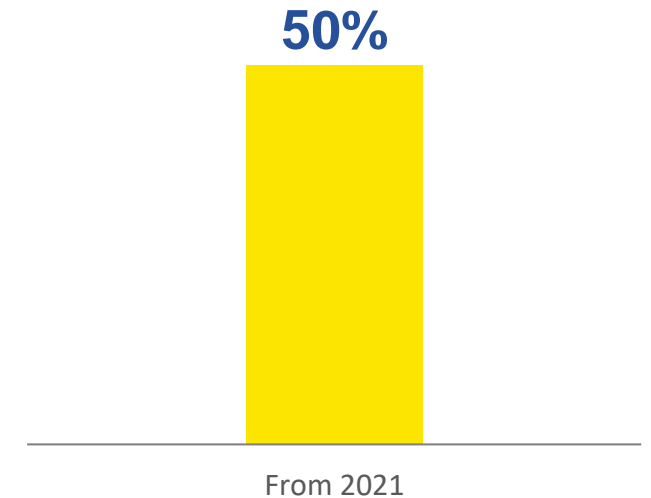
(except in 2020 due to the pandemic)

Anti-dilutive / opportunistic share buyback program



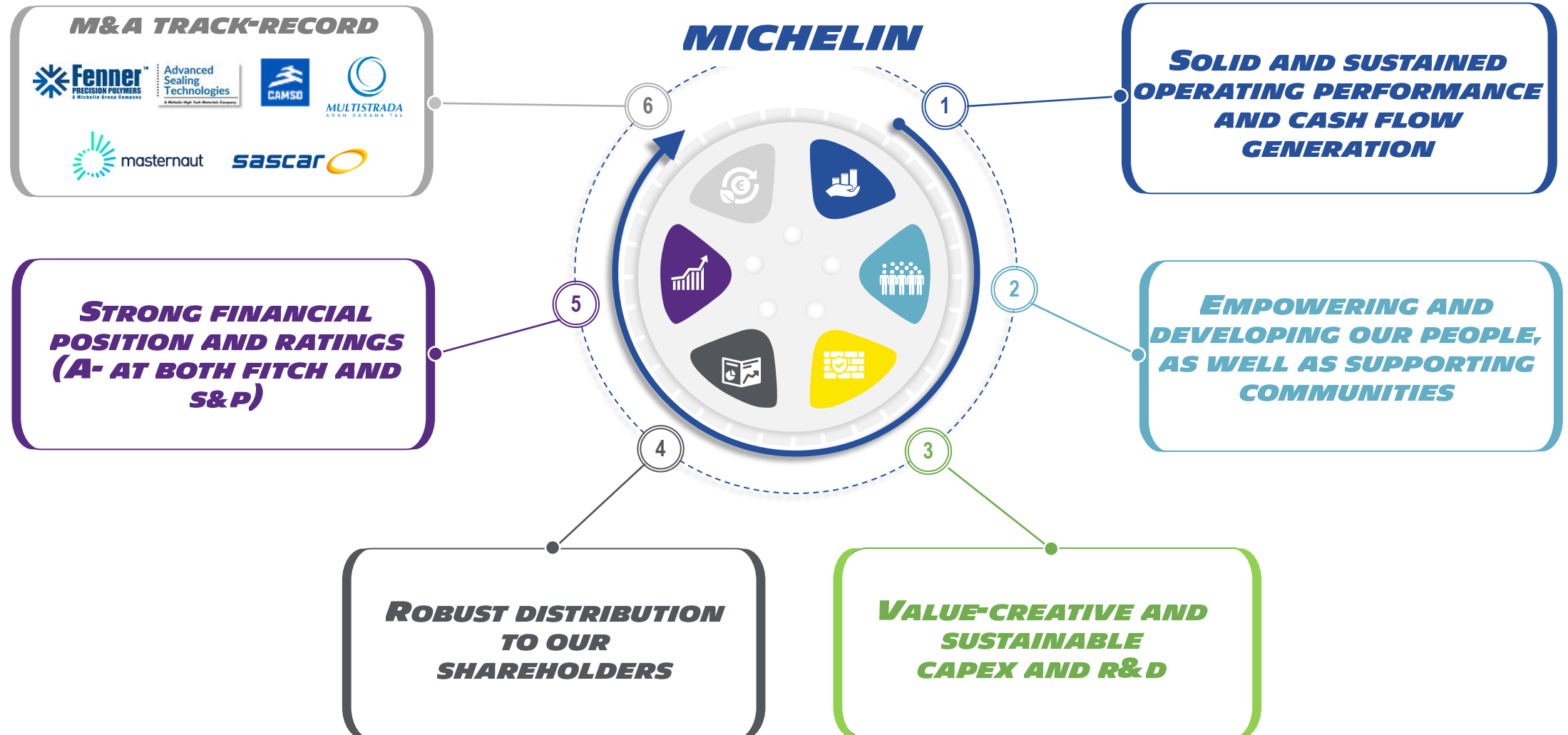
FUTURE PAYOUT RATIO

Before non-recurring items






























**INCREASED DIVIDEND
PAYOUT RATIO AT
50% P.A. FROM 2021**

A VIRTUOUS BUSINESS AND FINANCIAL MODEL





2030E VISION – DETAILED STRATEGIC SCORECARD

	AMBITION	METRICS	2030 SUCCESS
 People	 Be world-class in employee engagement	 Engagement rate	>85%
	 Be world-class in employee safety	 TCIR	<0.5
	 Be a reference in diversities and inclusion of teams	 IMDI	80 points over 100
	 Be best-in-class in value created for customers	 NPS partners and NPS final customers	+10 and +5 pts respectively
 Profit	 Deliver substantial growth	 Total sales	5% CAGR 23-30
	 Deliver continuous financial value creation	 ROCE	>10.5%
	 Maintain Michelin brand power	 Brand vitality quotient	+5 pts vs 2021
	 Maintain best-in-class innovation pace in products and services	 Offers vitality index	>30%
 Planet	 Reach carbon neutrality by 2050 (manuf. and energy)	 CO2 emissions scopes 1&2	(50%) vs. 2010
	 Contribute to reaching carbon neutrality (usage)	 Products energy efficiency (scope 3)	+10% vs. 2020
	 Be best-in-class in environmental footprint of industrial sites	 i-MEP	-1/3 vs. 2020
	 Reach full circularity of products by 2050	 Sustainable Material Rate	40%

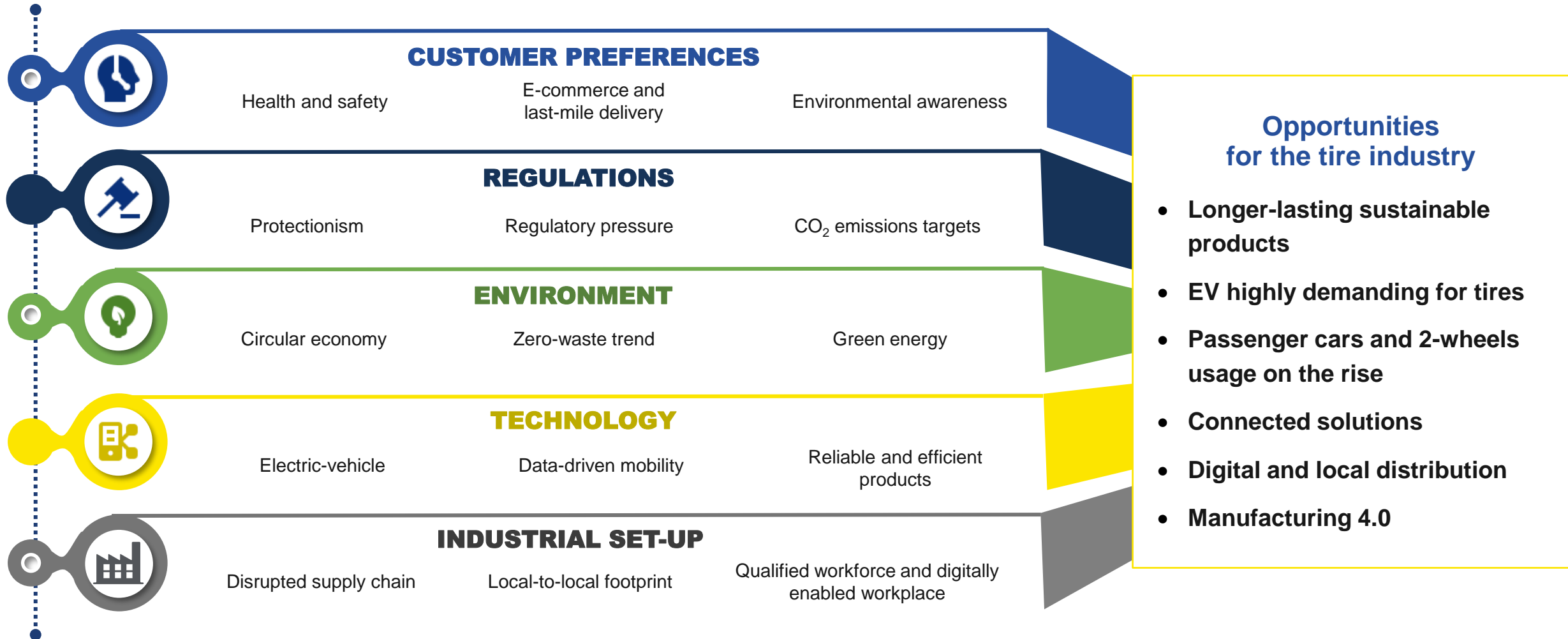
TCIR = Total Case Incident Rate ; IMDI = Inclusion and Diversities Management Index ; NPS = Net Promoter Score ; ROCE = Return on Capital Employed ; i-MEP = industrial Michelin Environmental Performance



TIRES
*STRONG GROWTH OPPORTUNITIES IN
A POST COVID WORLD*



LONG-LASTING COVID-19 REPERCUSSIONS WILL GENERATE OPPORTUNITIES



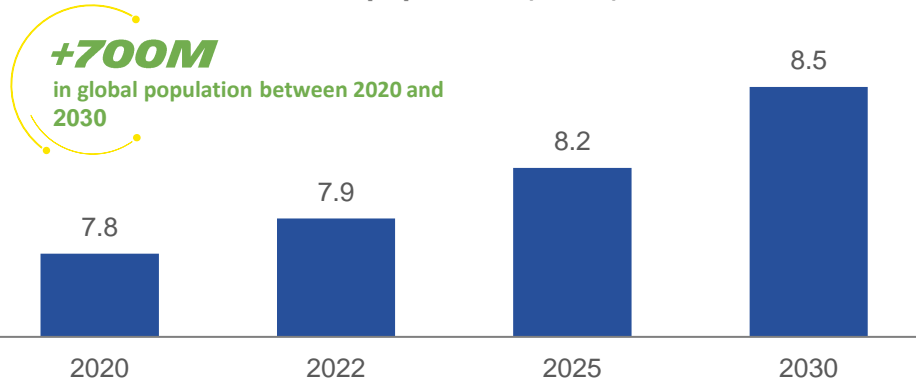


MACRO TRENDS FUELING DEMAND FOR MOBILITY



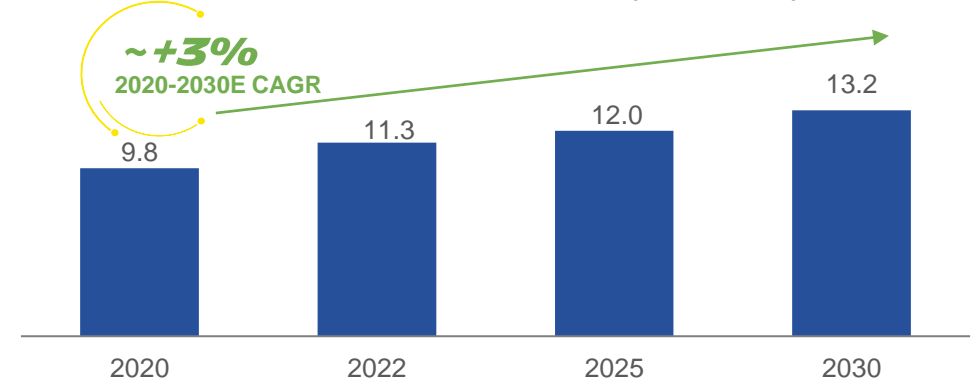
GROWING GLOBAL POPULATION

World population (billion)

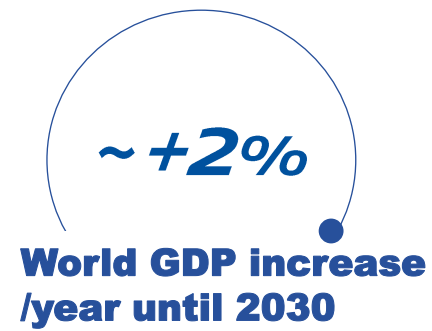
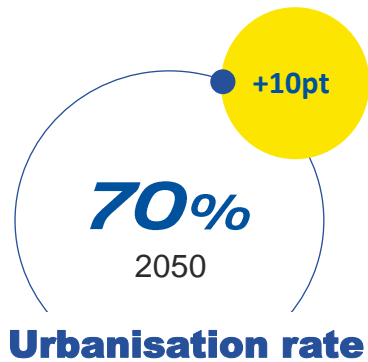


MILES DRIVEN ON THE RISE

Miles driven – Car Global Driven (billion miles)



INCREASING URBANIZATION AND GLOBAL WEALTH



TIRE MARKET MID-TERM GROWTH POTENTIAL

Tire market estimated long-term growth potential:

➔ **+0% to +2% per year in mature markets**

➔ **+2% to +4% per year in emerging markets**

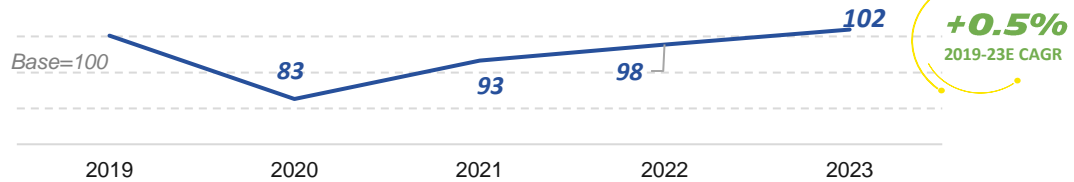


PASSENGER CARS – STEADY GROWTH WITH STRONG MIX ENRICHMENT

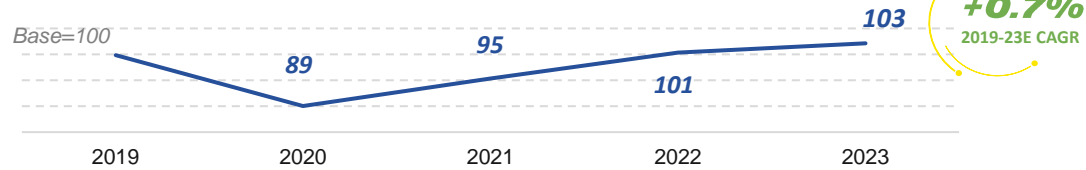


PASSENGER CAR MARKETS TREND

Original Equipment World Market (unit)

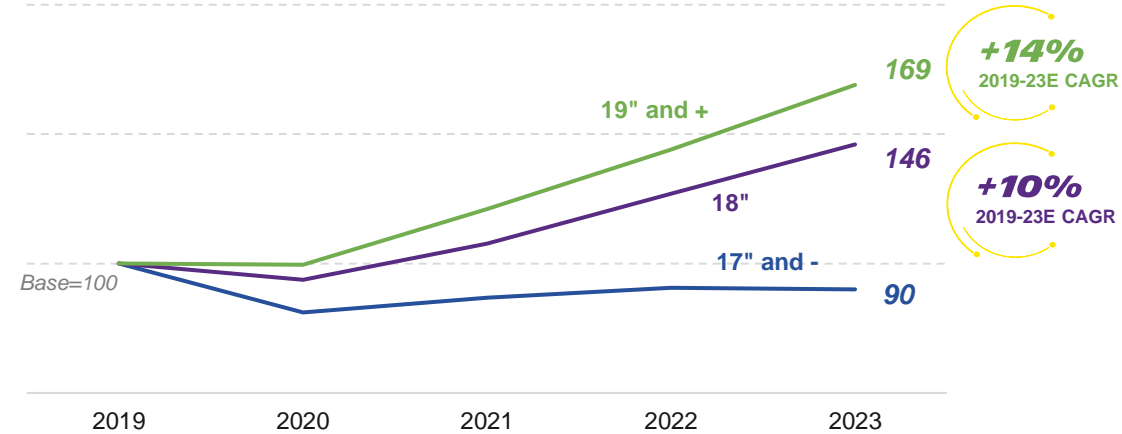


Replacement World Market (Unit)



PASSENGER CAR MARKET BY RIM DIAMETER

Original Equipment + Replacement Market by Diameter (unit)



GROWTH



Significant increase in 19"+
tires demand
3x more SKUs 19" by 2025



SIMPLEXITY



Cost optimization and
simplification of Michelin's catalog
Late differentiation in the
production process



MARGIN



Strong and sustained mix enrichment



**SEGMENT OPERATING
MARGIN: >12% BY 2023**

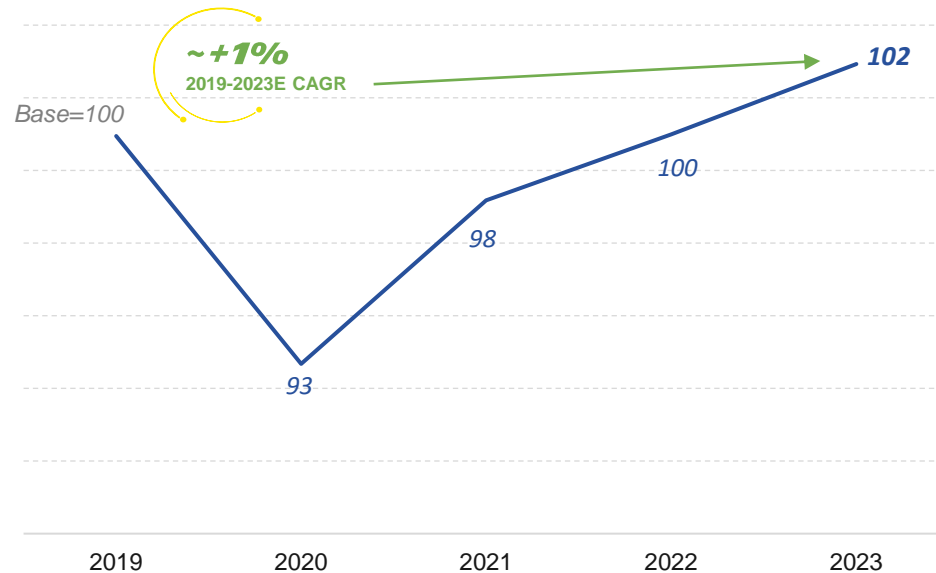


TRUCKS – RECOVERY PERSPECTIVES DRIVING VALUE CREATION FOR MICHELIN



TRUCK TIRE MARKET TREND

Worldwide market (units)



New Challenges Ahead Fueling Growth Opportunities on Value Creative Markets

Fleets in search
of increased
efficiency



Connected solutions
focused on efficiency

Sascar
Masternaut
Michelin Connected Mobility

Sustainable
transportation
acceleration



Solutions to improve
environmental footprint

Rolling resistance
Long-lasting tires
Retreading
Michelin Green Mobility

“Last mile
delivery”
acceleration



Targeted offers for “last-
mile” fleets

Offer renewal
Bespoke solutions



**SEGMENT OPERATING MARGIN:
>10% BY 2023**



SPECIALTIES – POSITIONED TO CAPTURE CYCLE UPSIDE THROUGH DIFFERENTIATION

Product Differentiation

- Performance and braking
 - Wet grip, new and used
-
- Tire resistance
 - Connected tire (e.g., MEMS or TPMS)
-
- Increase in charges carried and driving speeds
 - Reduction of compaction of agricultural soils
-
- Lower energy and CO₂ consumption
 - Mass efficiency
 - Recyclable products

**MICHELIN
XDR – 63"**



**MICHELIN
CEREXBIB 2**



SAFETY

***OPERATIONS
CONTINUITY***

***OPERATIONS
PRODUCTIVITY***

SUSTAINABILITY

Service Differentiation

- On-site auditing
-
- On-site inspections and connected preventive maintenance
-
- Real time monitoring of mining and agricultural tires
 - Engineering (e.g., conveyors)
-
- End-of-life products management

**ON-SITE INSPECTION
AND MAINTENANCE**



RECYCLING



***SEGMENT OPERATING MARGIN:
>17% BY 2023***



2023 TIRE SAVINGS PLAN: ~€300M OF CUMULATED NET GAINS VS. 2019, PARTLY REINVESTED IN NON-TIRE BUSINESSES EXPANSION

MANUFACTURING

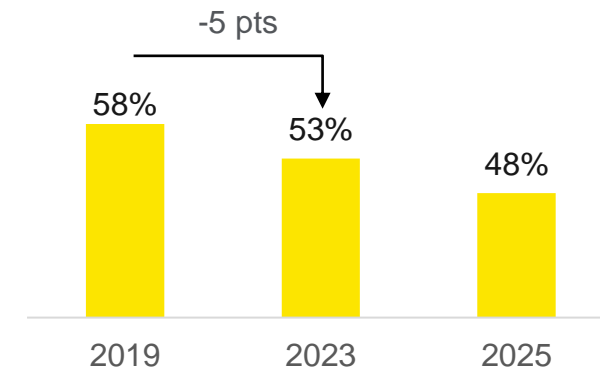
~€80 million / year

Financing mix enrichment
Improving operating leverage

SG&A

~€20 million / year
in SG&A Tires

Financing non tire businesses ramp up



Group SG&A as a % of Gross Margin








AROUND & BEYOND TIRES

*LEVERAGING OUR INNOVATION
CAPABILITIES TO DELIVER NEW
GROWTH AVENUES*



FIVE ADJACENT ECOSYSTEMS IDENTIFIED AS GROWTH AVENUES

ECOSYSTEMS		PROMISING BUSINESSES	RATIONALE	CONTRIBUTION TO PROFITABLE GROWTH
SERVICES & TECH SOLUTIONS		 <i>Innovate to capture every new opportunity in IoT and emerging technologies</i>	<ul style="list-style-type: none">• Mobility services and digitization: key focus for all Michelin customers	LEADERSHIP POSITION
HIGH-TECH MATERIALS	HIGH-TECH FLEXIBLE COMPOSITES	<i>Leverage our core business... ...to develop other areas in which we can play an important role</i> 	<ul style="list-style-type: none">• A solid basis to target attractive and synergetic markets	SIGNIFICANT GROWTH
	Medical	 <i>Early-maker in Medical, Hydrogen, and 3D Metal Printing...</i>		FINANCIAL VALUE CREATION
	Hydrogen	 <i>...with ESG focus and transition towards carbon-free operations</i>	<ul style="list-style-type: none">• Three promising ecosystems	
	3D Metal Printing			



SERVICES & SOLUTIONS: DEVELOPING AND ENRICHING OUR VALUE PROPOSITION TO EXPAND OUR CUSTOMER BASE



Tire as a Service (Tire activity) €0.4bn in 2019 → €0.4bn in 2023
New growth avenues (Non tire activities) €0.2bn in 2019 → €0.3bn in 2023



HIGH-TECH FLEXIBLE COMPOSITES: CAPITALIZING ON OUR UNIQUE KNOW-HOW ACROSS THE VALUE CHAIN TO DEVELOP OUR PRODUCT OFFERING

**HOLISTIC DESIGN
APPROACH**
USAGE / PRODUCT
PERFORMANCE/
MATERIALS PROPERTY

**TECHNICAL
MASTERING OF
MATERIALS**
POLYMERS/
REINFORCEMENT

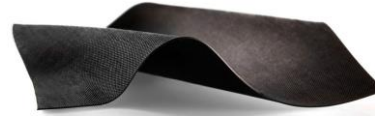
**MASTERING COMPONENTS
& FLEXIBLE COMPOSITES
MANUFACTURING PROCESS**

**DIFFERENTIATED
SUSTAINABLE
APPROACH**





HIGH-TECH FLEXIBLE COMPOSITES PRODUCTS : A GROWING AND PROFITABLE DOMAIN



Coated Fabrics & Reinforcements



Conveyors



Belting Products & Solutions



Hoses



High-End Polymers



Dynamic Market with Numerous Attractive Segments
>~5% CAGR by 2030



Sales 2019
€0.9bn



Sales 2023
€1.1bn



Higher cash conversion



ACCELERATING THE DEVELOPMENT OF 3 MAIN ECOSYSTEMS THROUGH PARTNERSHIPS FOR A SUSTAINABLE GROWTH

REGENERATIVE MEDICINE & CELLULAR THERAPY



MARKET POTENTIAL

Cell & gene therapy	Cardio medical devices
+20%	>10%
CAGR 2020-2030	CAGR 2020-2030

AMBITIONS ¹

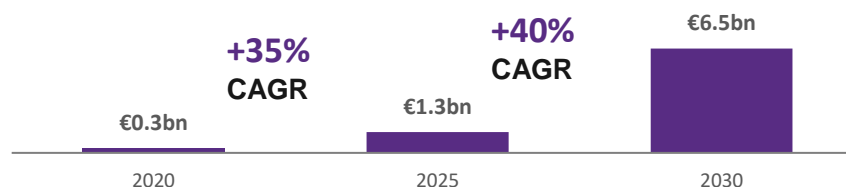
Becoming a leading innovation and manufacturing partner	Being the trusted contact manufacturing operator
Cell Therapy	
Bioresorbables	
Regenerative medicine	

Note 1: Michelin holds a 49% stake in Solesis (consolidation based on equity method)

HYDROGEN MOBILITY



MARKET POTENTIAL



AMBITIONS ²

Becoming a leader in fuel cell stack systems	
€0.2BN	€1.5BN
sales in 2025	sales in 2030

Note 2: 100% of Symbio - Michelin holds a 50% stake in Symbio (consolidation based on equity method)

3D METAL PRINTING



MARKET POTENTIAL

Medical & aerospace are the most industrial-scale end markets	
+23%	~\$13bn
CAGR 2020-2030	in 2030

AMBITIONS ³

€100M	>€500M
sales and breakeven by 2023	sales by 2030

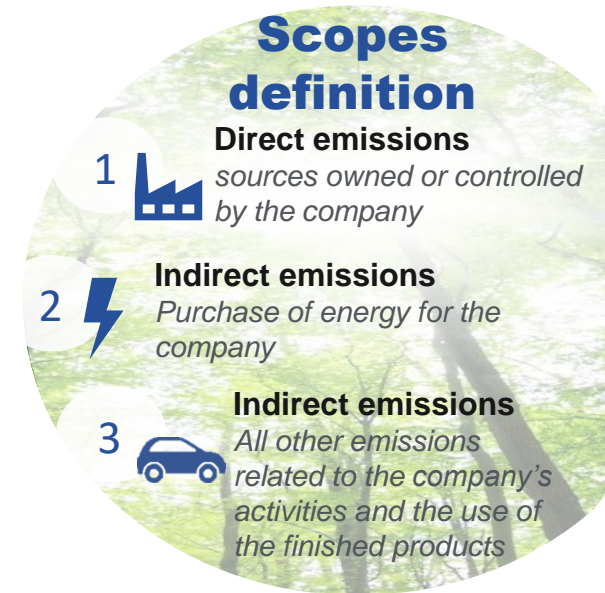
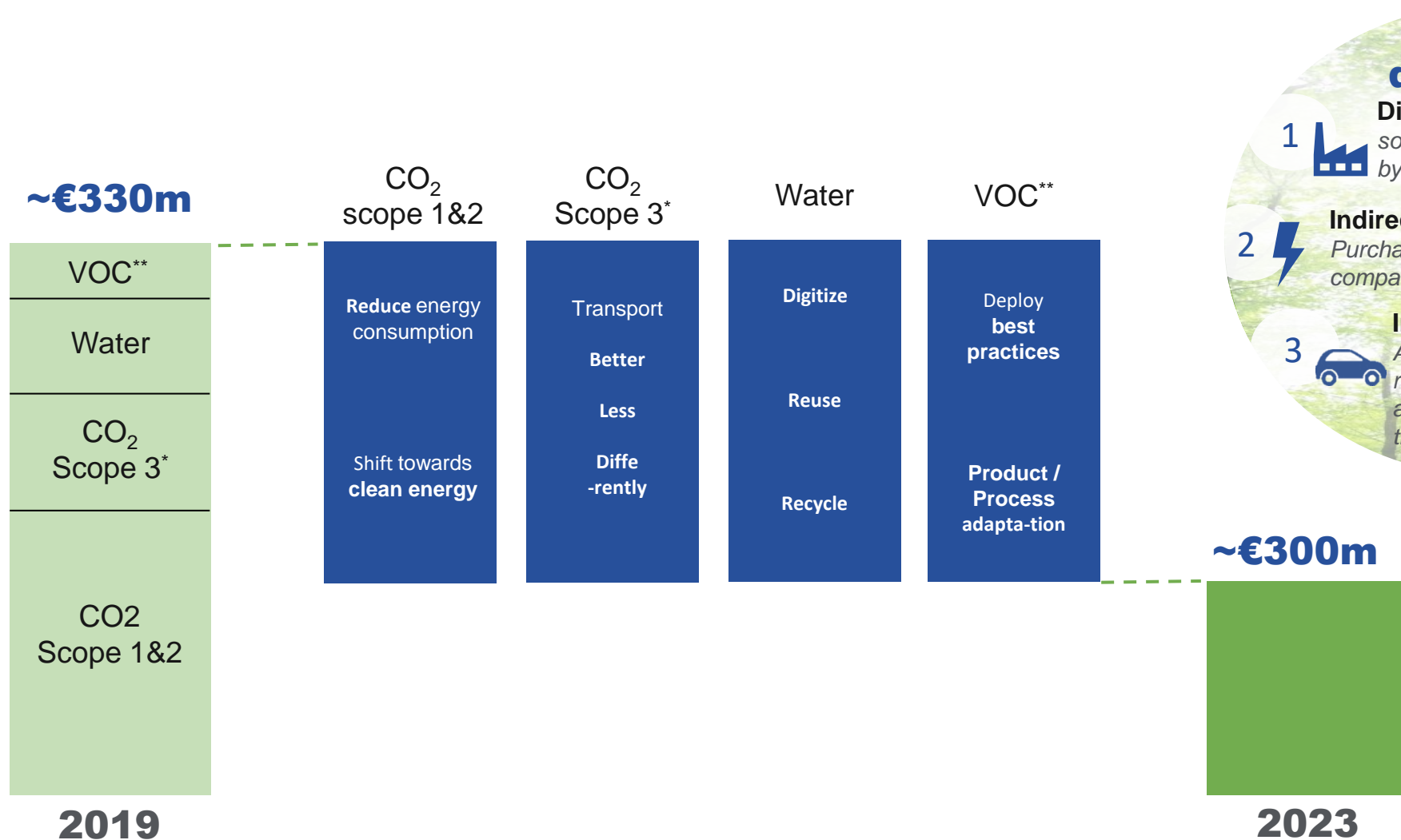
Note 3: 100% of AddUp
Michelin holds a 50% stake in AddUp
(consolidation based on equity method)

5

MICHELIN'S SUSTAINABLE LEADERSHIP



ON THE ROAD TO CARBON NEUTRALITY BY 2050, MICHELIN STARTS TO VALORIZE ITS NEGATIVE EXTERNALITIES IN 2020 AND COMMIT TO A 10% REDUCTION AS EARLY AS 2023



* Only transport and distribution upstream and downstream of Natural Rubber, semi-finished and finished goods

** Volatile organic components



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ENVIRONMENTAL AWARENESS ALL ALONG MICHELIN'S PRODUCT LIFECYCLE



RAW MATERIALS

Sustainable natural rubber supply



MATERIALS RECYCLING

Recycling systems / Circular economy



ENERGY RECOVERY

END OF LIFE

MANUFACTURING

Reducing impact

LOGISTICS

Reduction of carbon footprint

USE OF PRODUCTS AND SERVICES

63% to 96% of the life cycle impact

Low rolling resistance –
reduce CO₂ emissions
Safe when new, safe when worn

RETRADING

Substantial savings in raw materials



ON THE PATH TO REACH FULL CIRCULARITY OF PRODUCTS WITH 40% OF SUSTAINABLE RAW MATERIALS IN 2030, 100% IN 2050

RENEWABLE REUSE REDUCE RECYCLE



NATURAL RUBBER



PLASTIFIERS/RESINS



TEXTILES

SYNTHETIC RUBBER



CHARGES



METALS



OTHER



**In 2021, we will race with a Moto E tyre
made of 40% sustainable materials**



PLANET

* European project funded by Horizon 2020, project number: 82068

** With the support of ADEME (ADEME: French Environment & Energy Management Agency)



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APPENDICES



CAPITAL MARKETS DAY: RELIVE THE EVENT

A dedicated page has been created for the event on the www.michelin.com website. It features a number of [replayable](#) videos that review the day's presentations and offer insight into the following themes, which are going to drive the Group's sustainable growth:

- [Michelin's Environmental Leadership](#): Focus on the Automotive segment
- [Industry 4.0](#): a key lever to improve our industrial efficiency
- [Services and Solutions](#): understanding customer needs and how our products are used enables us to develop and offer high value-added solutions
- [High-Tech Materials](#): leveraging our R&D expertise in materials, to develop new growth avenues
- [Metal 3D Printing](#): a unique offering in a very high-potential market
- [Hydrogen](#): becoming a global player in hydrogen mobility



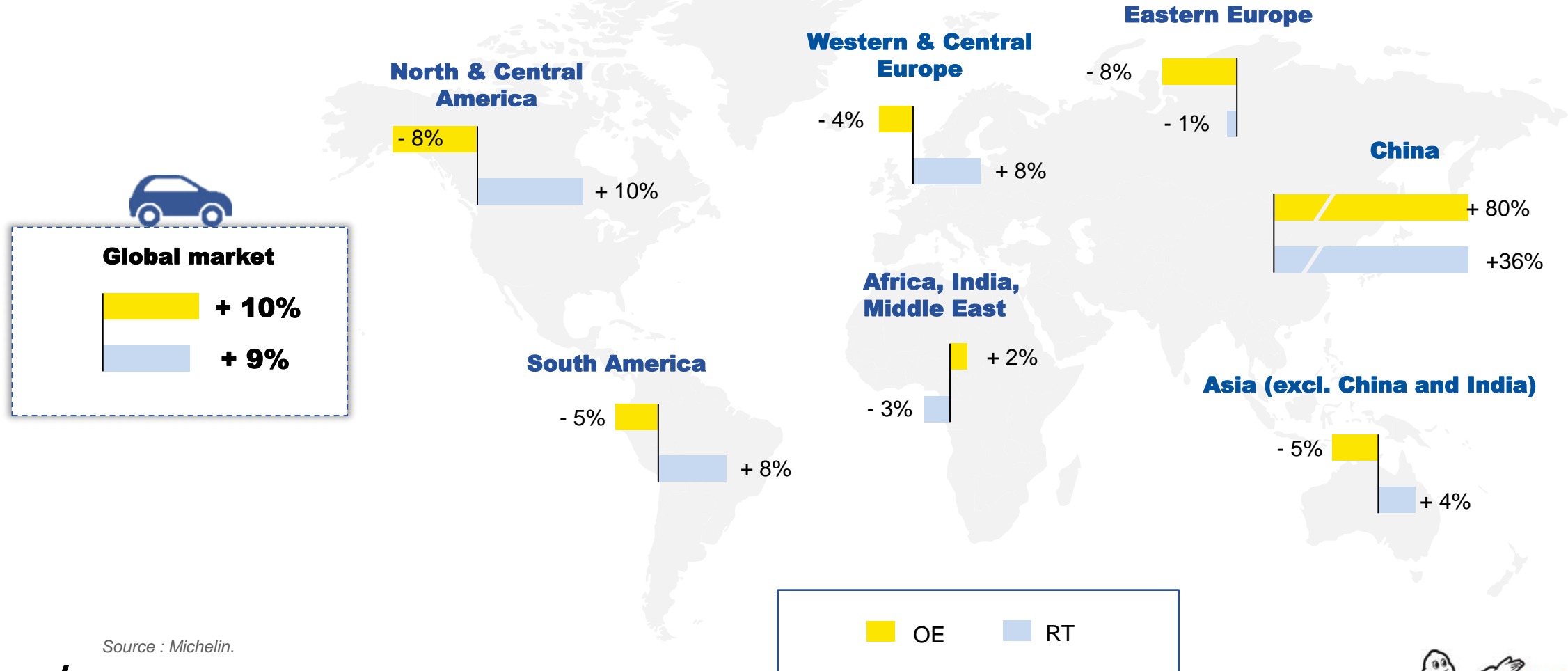


PC/LT Q1 2021: BASED ON FAVORABLE PRIOR-YEAR COMPARATIVES, OE WAS HURT BY COMPONENT SHORTAGES AND RT CONTINUED TO REBOUND

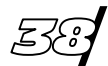


PASSENGER CAR TIRE MARKETS, Q1 2021

(% change YoY, in number of tires)



Source : Michelin.



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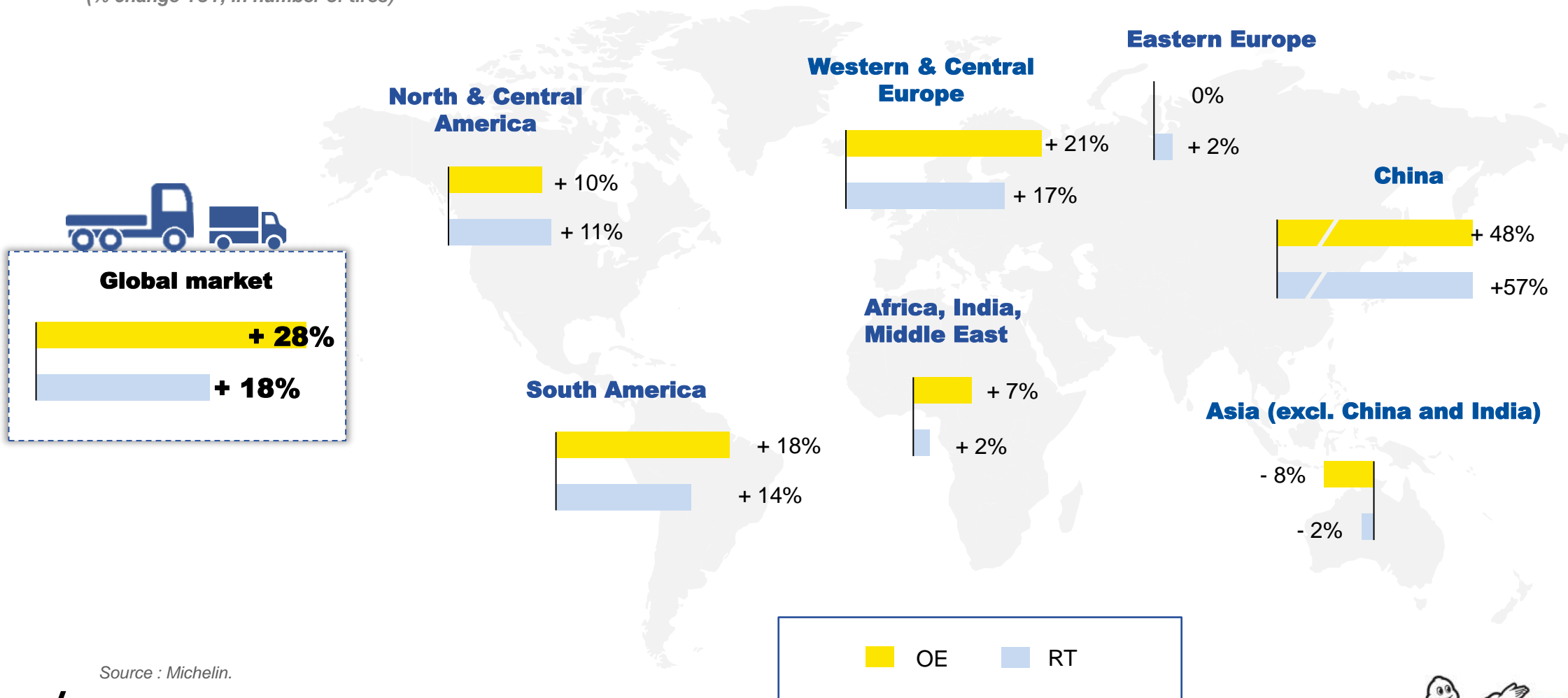


TRUCK Q1 2021: SUSTAINED FLEET UPGRADES AND GROWTH IN FREIGHT DEMAND FROM A FAVORABLE BASE OF COMPARISON



TRUCK TIRE MARKETS, Q1 2021

(% change YoY, in number of tires)



Source : Michelin.



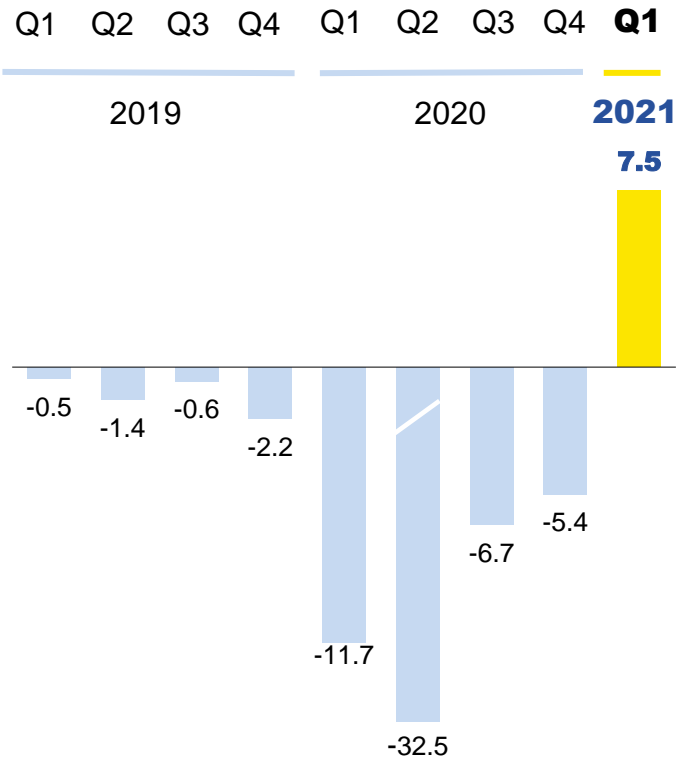
Q1 2021: SHARP UPTURN IN BUSINESS, WITH SUSTAINED PRICE DISCIPLINE AND MIX ENHANCEMENT



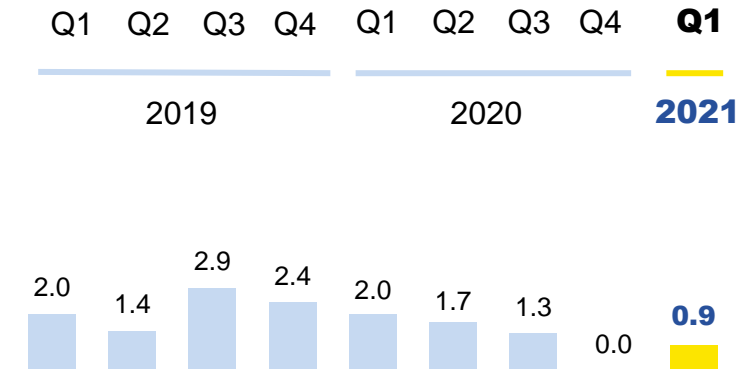
YoY CHANGE, BY QUARTER

(in %)

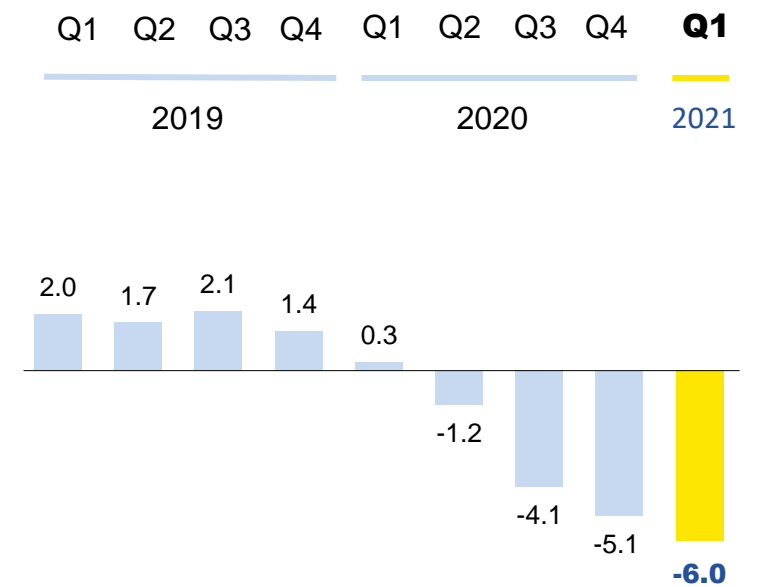
Volumes



Price-Mix



Currency effect

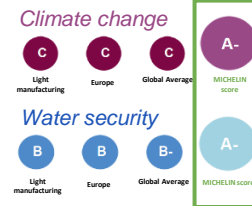
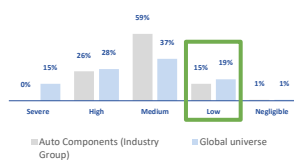


MICHELIN'S NON-FINANCIAL RATINGS: A LEADING, AND RECOGNIZED PLAYER IN SUSTAINABLE MOBILITY

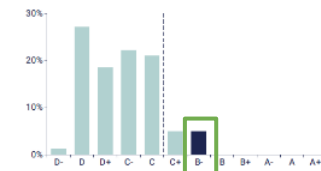
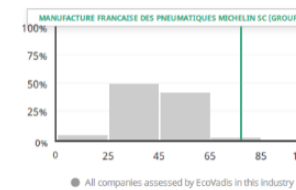
MAJOR SUSTAINABILITY RATINGS (as of April 26, 2021)

	SUSTAINALYTICS (risk rating) 2020	MSCI 2020	CDP 2020	ECOVADIS 2019	ISS-OEKOM 2020	VIGEO EIRIS Moody's 2020
Status	LOW RISK 	AA 	LEADERSHIP 	GOLD 	PRIME 	A1+* 
Rating	15.2	8.4/10	A-	78/100	B-	68/100

Ranking / Distribution of ratings



Top 1% (natural rubber)



2nd of 40 in the sector

* corporate rating 2018



SALES BY CURRENCY AND SEGMENT OPERATING INCOME (SOI) IMPACT

	% of sales (2020)		Q1 2021 € change vs. currency	Droptthrough sales / SOI*
	USD	36%	+9%	35% / 45%
	EUR	32%	-	-
	CNY	6%	+2%	25%/30%
	AUD	3%	-7%	80%/85%
	GBP	3%	+2%	25%/30%
	BRL	3%	+35%	-30%/-20%
	CAD	3%	+3%	25%/30%
	RUB	1%	+23%	25%/30%
	JPY	1%	+6%	80%/85%

	% of sales (2020)		Q1 2021 € change vs. currency	Droptthrough sales / SOI*
	CLP	1%	-1%	80%/85%
	MXN	1%	+12%	25%/30%
	THB	1%	+6%	-130%/-100%
	TRY	1%	+32%	80%/85%
	SEK	0.8%	-5%	80%/85%
	TWD	0.6%	+2%	80%/85%
	ZAR	0.4%	+7%	80%/85%
	ARS	0.3%	+57%	80%/85%
	COP	0.2%	+11%	80%/85%
	Autres	5.7%	-	-

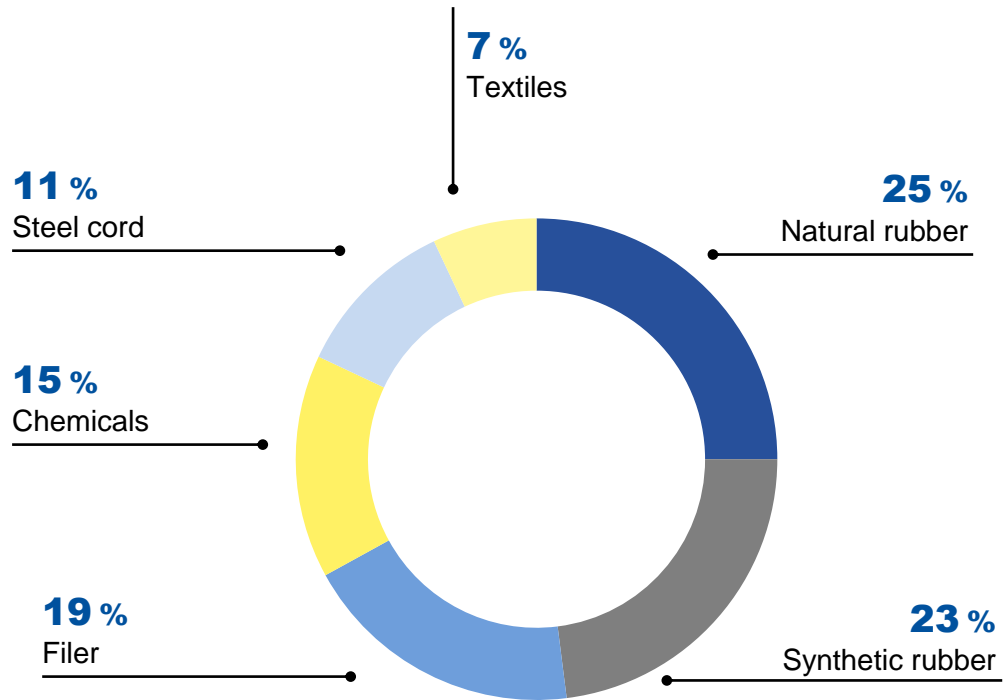
* Droptthrough depends on export base/production/sales



RAW MATERIALS



RAW MATERIAL PURCHASES IN 2020 (€3.8bn)



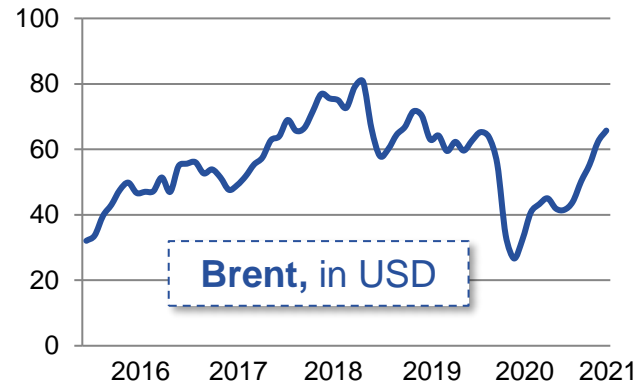
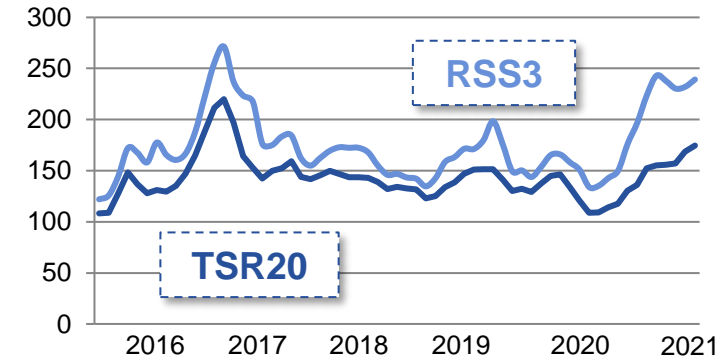
€/€ exchange rate:

Q1 2020 average: 1.104

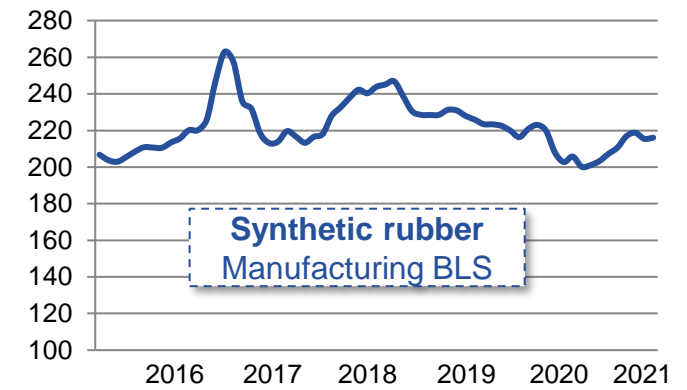
+9%

Q1 2021 average: 1.207

in USD/kg



in index



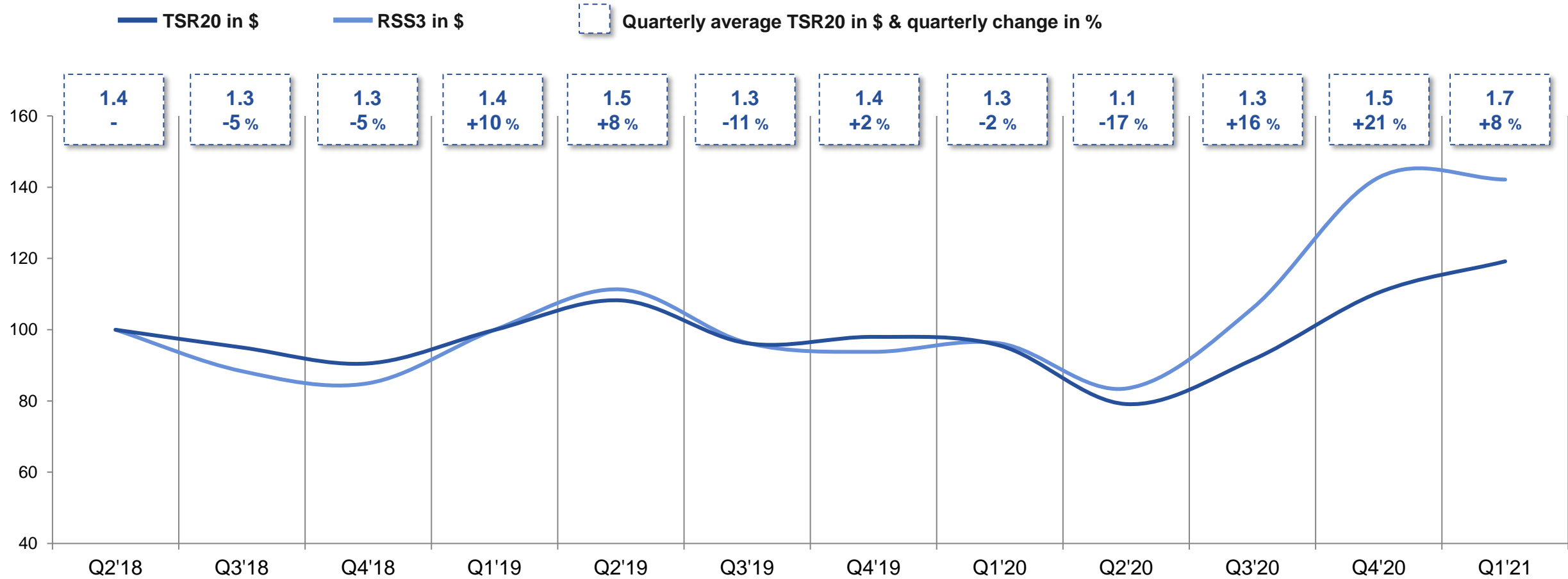


NATURAL RUBBER PRICE TREND



AT END OF MARCH 2021

(per kg, base 100 in Q2 2018)



Source: SICOM



BRENT PRICE TREND

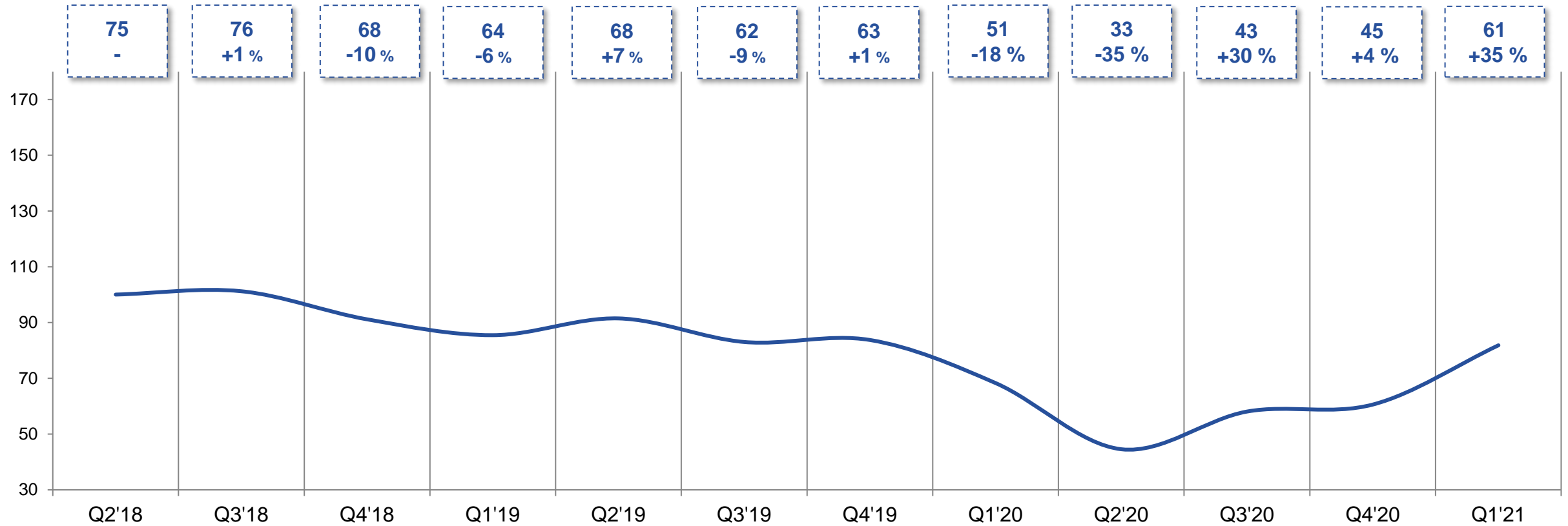


AT END OF MARCH 2021

(per kg, base 100 in Q2 2018)

— Brent in \$

Quarterly average Brent in \$ & quarterly change in %



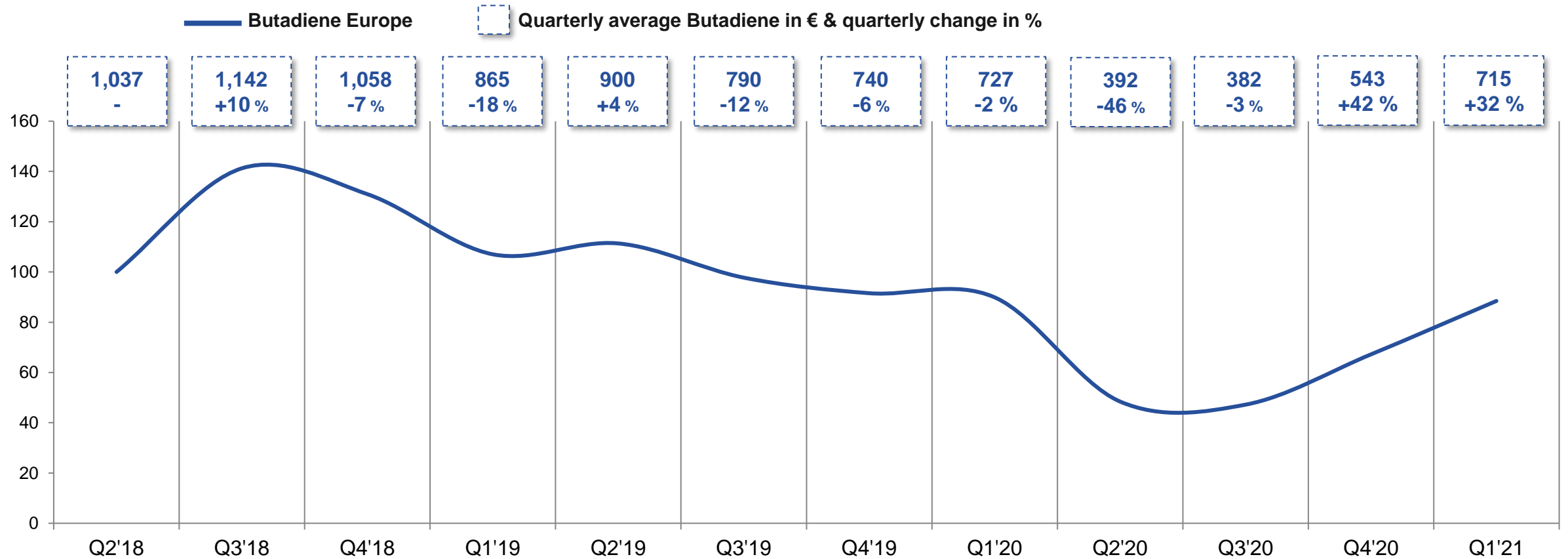


BUTADIENE RUBBER PRICE TREND



AT END OF MARCH 2021

(per kg, base 100 in Q2 2018)





OUTSTANDING BOND ISSUES (AS OF MARCH 31, 2021)

Issuer	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN
Issue Type	Senior Note Convertible	Senior Note Bond	Senior Note Convertible	Senior Note Bond	Senior Note Bond	Senior Note Bond	Senior Note Bond	Senior Note Bond	Senior Note Bond	Senior Note Bond	Senior Note Bond
Principal amount	\$500 mn + TAP \$100 mn	€300 mn	\$600 mn	€750 mn	€300 mn	€500 mn	€ 1'000 mn	€500 mn	€750 mn	€500 mn	€302 mn
Offering price	100% & 103.85%	99.97%	95.500%	99.10%	99.081%	99.89%	99.262%	99.54%	99.363%	99.46%	98.926%
Corporate rating at issuance date	A- (S&P) A3 (Moody's)	BBB+ (S&P) A3 (Moody's)	A- (S&P) A3 (Moody's)	A- (S&P) A3 (Moody's)	BBB+ (S&P) A3 (Moody's)	A- (S&P) A- (Fitch)	A- (S&P) A3 (Moody's)	A- (S&P) A- (Fitch)	A- (S&P) A3 (Moody's)	A- (S&P) A- (Fitch)	A- (S&P) A3 (Moody's)
Current corporate rating	A- (S& P); A3 (Moody's); A- (Fitch)										
Coupon	ZERO Conv premium 128%	1.125% p.a	ZERO Conv premium 130%	0.875% p.a	1.750% p.a	0.000% p.a	1.750% p.a	0.250% p.a	2.500% p.a	0.625% p.a	3.250% p.a
Issue date	Jan.10, 2017 & May 5, 2017	May 28, 2015	Jan. 10, 2018	Sept. 3, 2018	May 28, 2015	Nov.2, 2020	Sept. 3, 2018	Nov.2, 2020	Sept.3, 2018	Nov. 2, 2020	Sept. 30, 2015 & Sept. 30,2016
Maturity	Jan. 10, 2022	May 28, 2022	Nov. 10, 2023	Sept. 3, 2025	May 28, 2027	Nov.2, 2028	Sept.3, 2030	Nov. 2, 2032	Sept.3, 2038	Nov. 2, 2040	Sept.30, 2045
Interest payment	N/A	Annual May 28	N/A	Annual Sept. 3	Annual May 28	Annual Nov. 2	Annual Sept. 3	Annual Nov. 2	Annual Sept. 3	Annual Nov. 2	Annual Sept. 30
ISIN	FR0013230745	XS1233732194	FR0013309184	FR0013357845	XS1233734562	FR0014000D31	FR0013357852	FR0014000D49	FR0013357860	FR0014000D56	XS1298728707
Denomination	\$ 200,000 with min. tradable amount \$ 200,000	€ 1,000 with min. tradable amount € 1,000	\$ 200,000 with min. tradable amount \$ 200,000	€ 100,000 with min. tradable amount € 100,000	€ 1,000 with min. tradable amount € 1,000	€ 100,000 with min. tradable amount € 100,000	€ 100,000 with min. tradable amount € 100,000	€ 100,000 with min. tradable amount € 100,000	€ 100,000 with min. tradable amount € 100,000	€ 100,000 with min. tradable amount € 100,000	€ 1,000 with min. tradable amount € 1,000

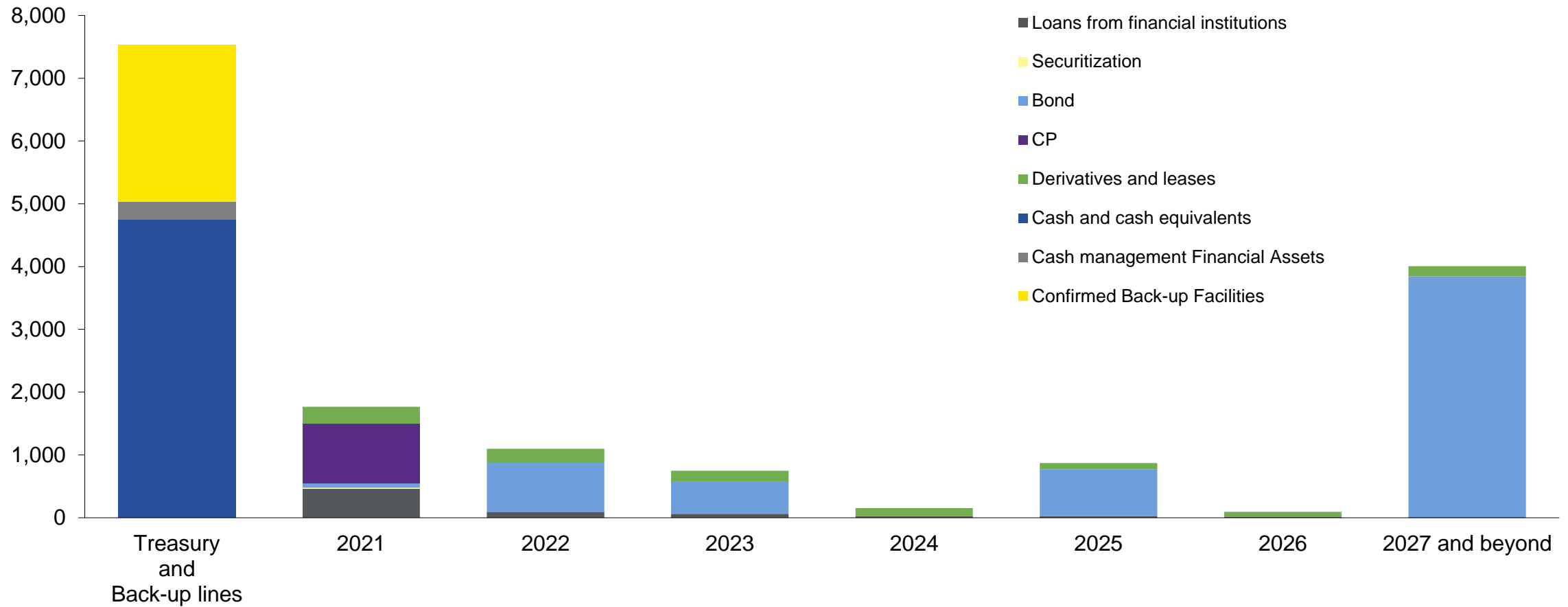


A COMFORTABLE CASH POSITION



DEBT MATURITIES AT DECEMBER 31, 2020

(carrying amount, in € millions)



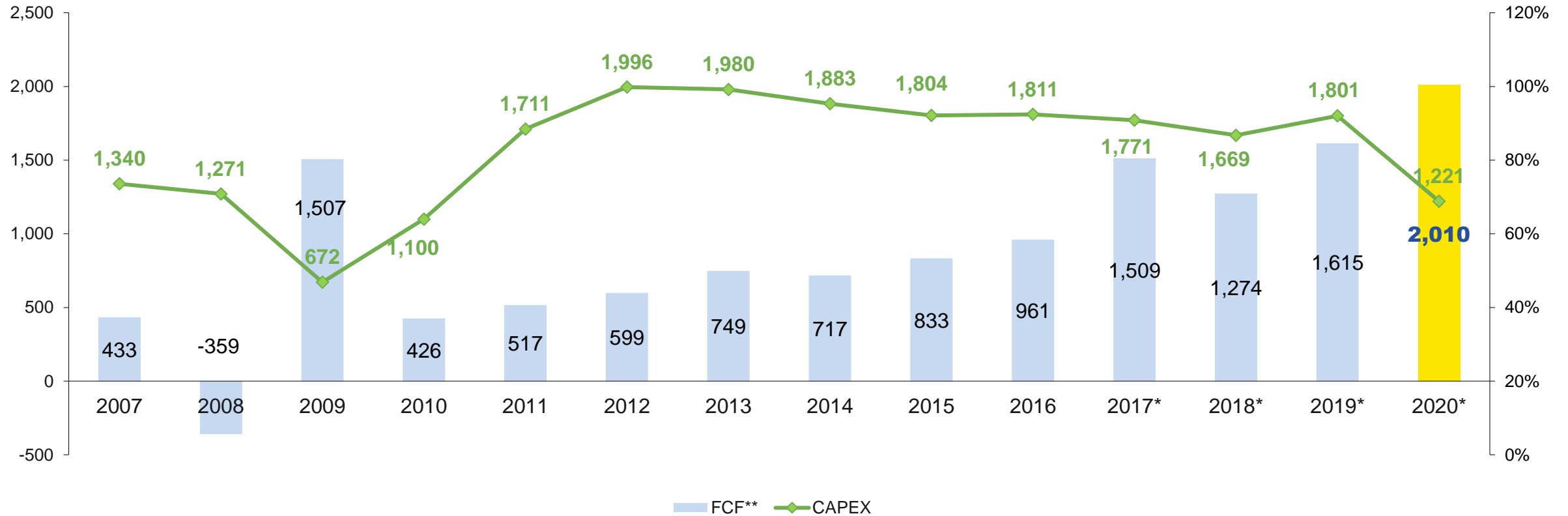


2007 – 2020 : GROUP CAPACITY TO PROTECT AND IMPROVE ITS FREE CASH FLOW GENERATION



Free cash flow* and CAPEX 2007 - 2020

(in € millions)



* Reported FCF from 2007 to 2010, Structural FCF from 2011 onwards



MICHELIN, A GROUP BUILT ON A STRONG IDENTITY



THE MICHELIN BRAND, a legacy of trust

The first removable tire



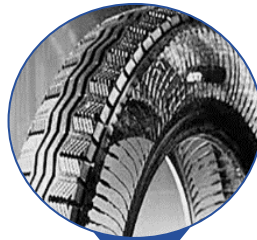
1891

Éclair, the first car with pneumatic tires



1895

The radial tire



1946

The "green tire"

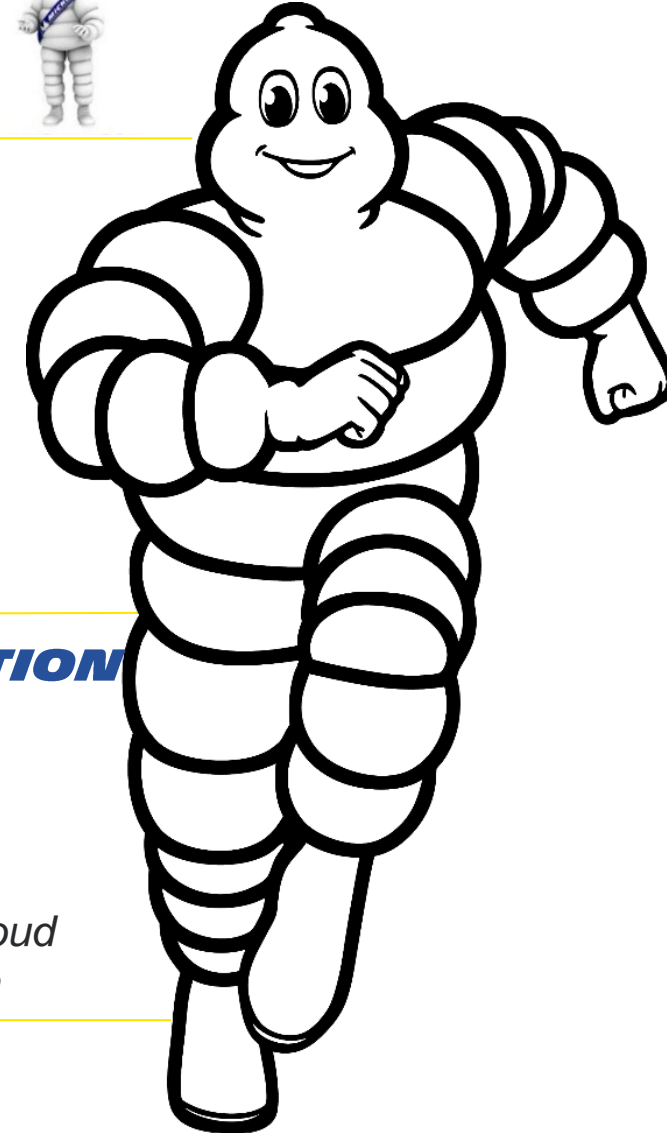


1992

Uptis



2019



Serving customers and respecting the environment **WITH THE POWER OF INNOVATION**

* In 2020, up 2 points compared with 2019



83%*

of employees say they are proud and happy to work at Michelin

EMPLOYEE ENGAGEMENT



A STRONG IDENTITY EMBRACED BY ALL OUR STAKEHOLDERS

THE POWER OF INNOVATION

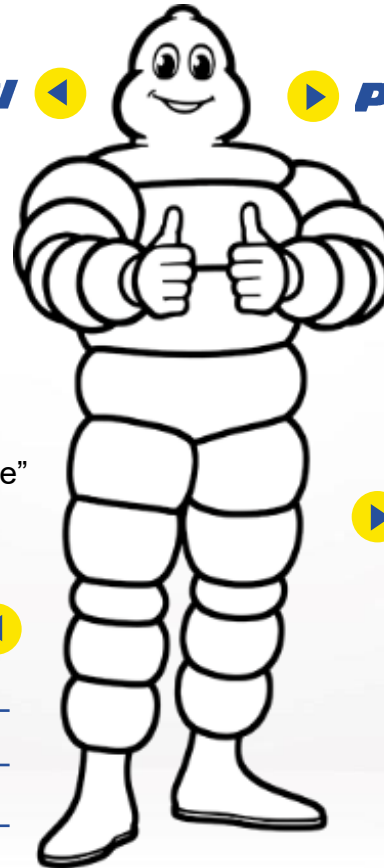
- **Digital:** Winner in the Transformation of Customer Relations category at the 2020 Digital Acceleration Awards (*BFM Business*)
- **Connected tires:** Winner of the Tire Manufacture Producers award at the J2A2020* Awards (*European Rubber Journal**)
- **MICHELIN e.Primacy:** Green innovation awards "Best tire of the year" and 'Jury's favorite' of the 2020 automobile Awards (Motul)



* Journey to Automation 2020 Award

FINANCIAL STRENGTH AND OPPORTUNITY

17 sell-side analysts			S&P	Fitch
Buy	11	Long term	A-	A-
Hold	6	Outlook	Stable	Stable



PRODUCT PERFORMANCE

Since 1989, Michelin has been awarded **97* awards out of the 119** given for OE customer satisfaction

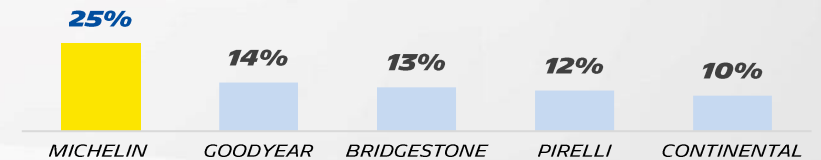
4 TIMES MORE THAN ALL COMPETITORS COMBINED!



* Source: 2021 J.D. Power U.S. OE Tire Customer Satisfaction Study

BRAND REPUTATION

→ Global Brand Power Score*



* Top 5, as a % of the total number of consumers in 2020. BCM study conducted by market research institute Millward Brown, based on the reduced brand list of 8 brands

ESG PERFORMANCE

SUSTAINALYTICS 2020 (risk rating)	Low risk	ECOVADIS 2019	GOLD
MSCI 2020	AA	ISS-OEKOM 2020	PRIME
CDP 2020	LEADERSHIP	VIGEO EIRIS 2018	A1+



MICHELIN, THE GLOBAL LEADER IN THE TIRE INDUSTRY AND A MOBILITY AND MATERIAL-FOCUSED TECHNOLOGY EXPERTISE



Sales contribution of each segment*



Automotive :
38% Replacement
11% Original equipment
Road Transportation : 27%
Specialties : 24%



* 2019 sales

MICHELIN is present in **171 COUNTRIES**

52

Spain Roadshow - June 11, 2021





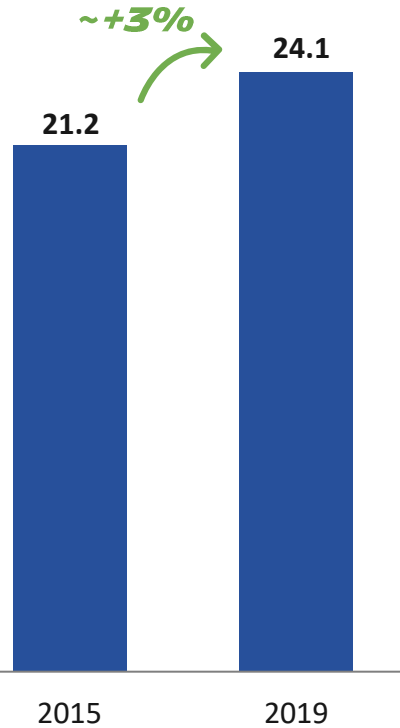
IN 2019, MICHELIN WAS FULLY ON-TRACK TO DELIVER ON ITS "2016-2020 AMBITIONS" PLAN

In € billion, unless otherwise stated



GROWTH

Sales

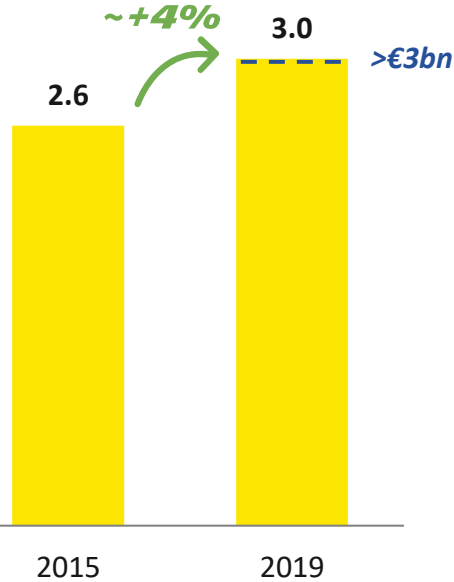


PROFITABILITY

Segment Operating Income



% margin
12.2% 12.5%

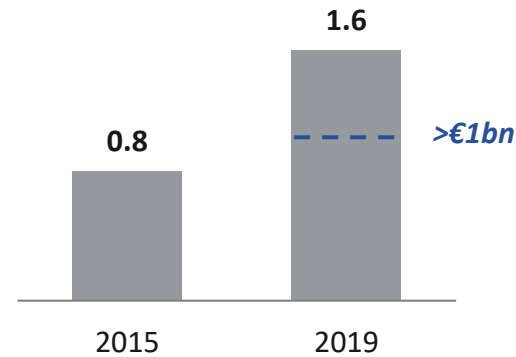


CASH GENERATION

Structural FCF

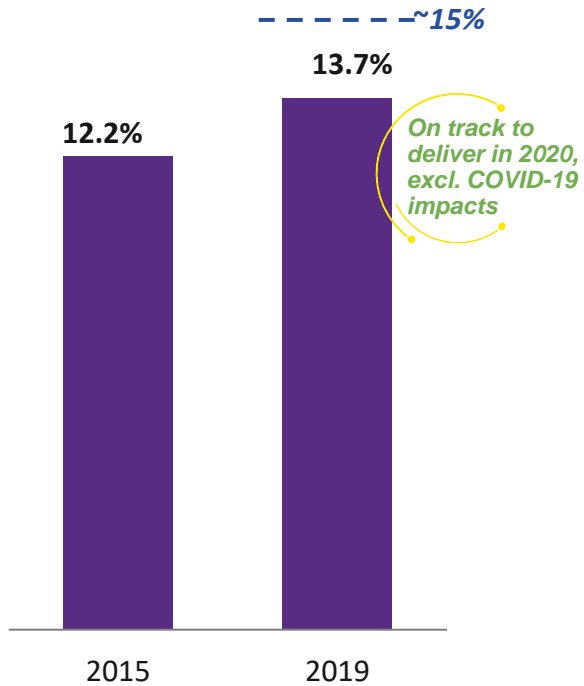


% of EBITDA
21% 34%



RETURN ON INVESTMENTS

After-tax ROCE* (%)



* For a definition of the 2016-2020 plan ROCE see chap. 5 of the Universal Registration Document

CAGR (%) / Delta (bps) 2015-2019

--- 2020 target as announced in "2016-2020 Ambitions" Plan



ACTIVE DEVELOPMENT OF OUR FOUR DOMAINS OF GROWTH

TIRES



Organic volume growth:
outperformed the market

+1.1% VS +0.9%*
market growth

External growth
and successful
integration



SERVICES



Successful M&A strategy
to build a strong asset
basis to address B2B
customers

MORE THAN 1.2M of
vehicles under
contract



MATERIALS



Acceleration in our
High-Tech Materials
development

Acquisition
of

inspiring solutions

Develop-
ment
of

SYMBIO

AddUp

Numerous incubators
around
Renewable/Recycling

EXPERIENCES



Repositioning and
enrichment of our
customers experience
businesses

PREMIUMIZATION
DIGITIZATION
INTERNATIONALIZATION



Partnership



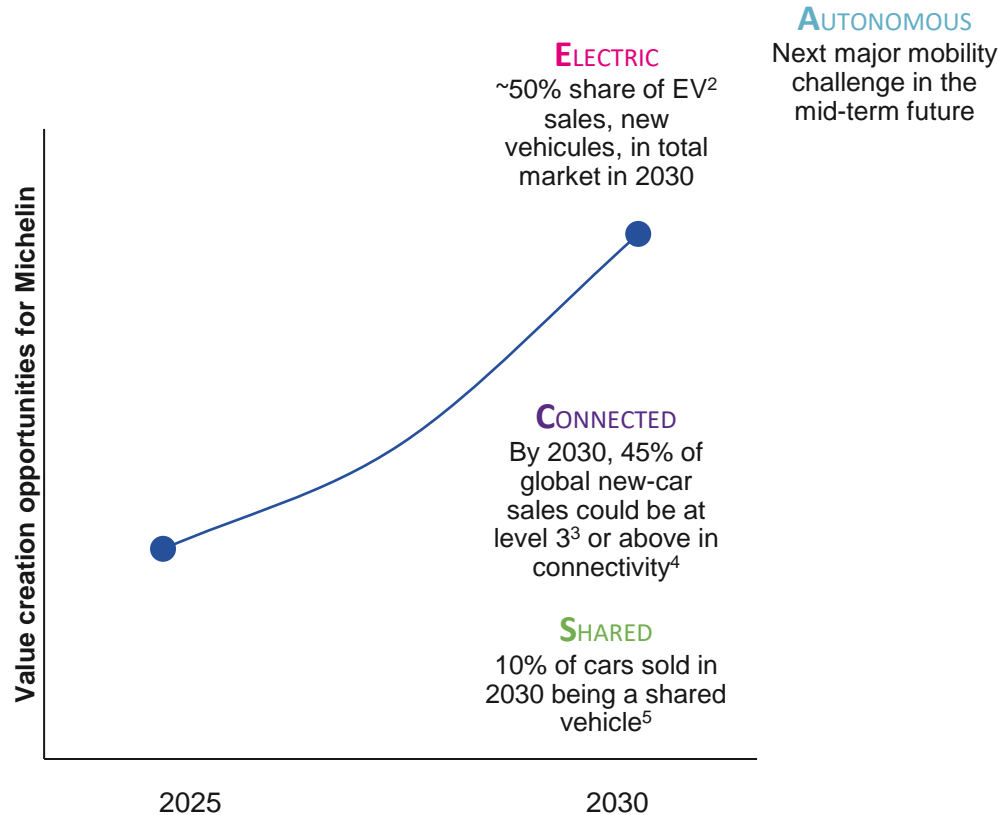
* CAGR 2015 - 2019



THE FUTURE OF MOBILITY ENABLES US TO FURTHER STRENGTHEN OUR TECHNOLOGICAL LEADERSHIP



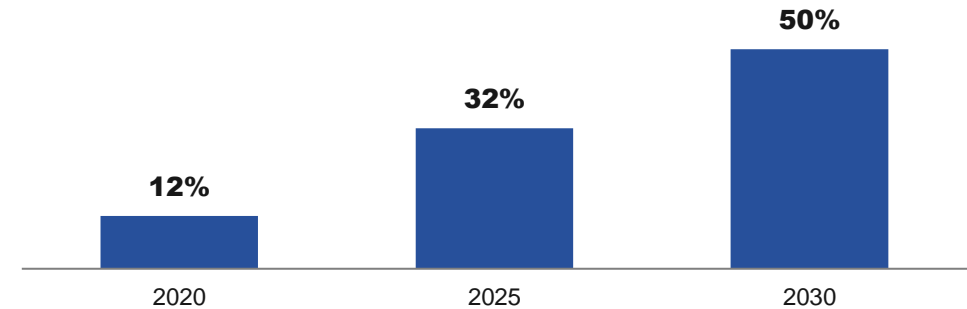
C.A.S.E¹ MOBILITY TRENDS



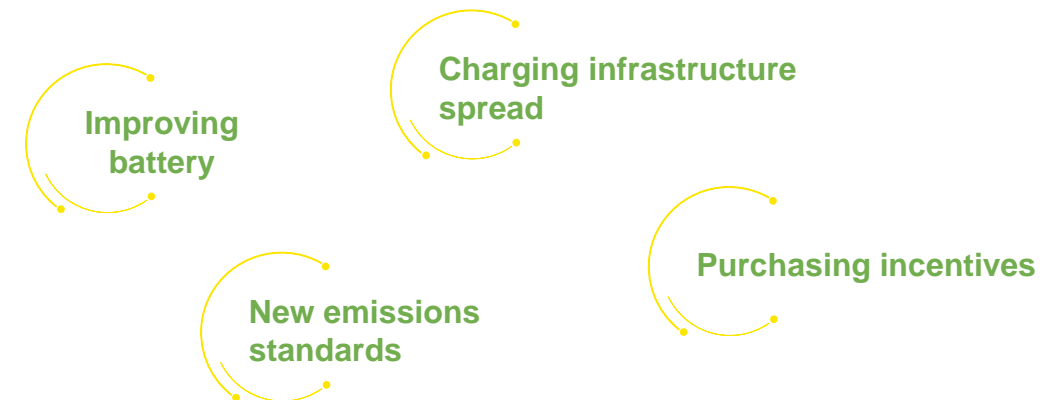
Notes: 1 C.A.S.E: Connected, Autonomous, Shared, Electric
2 EV: Electric Vehicle (hybrid, battery-powered and fuel cell-powered)
3 All occupants enjoy personalized controls, their own infotainment content and targeted contextual advertising
4 Source: McKinsey, The future of mobility is at our doorstep
5 Source: McKinsey, Automotive revolution - perspective towards 2030



STRONG GROWTH IN ELECTRIC-VEHICLES MARKET SHARE IN THE GLOBAL NEW VEHICLE MARKET



ELECTRIC MOBILITY IS THE MAJOR TREND DRIVING PASSENGER CARS MARKET GROWTH

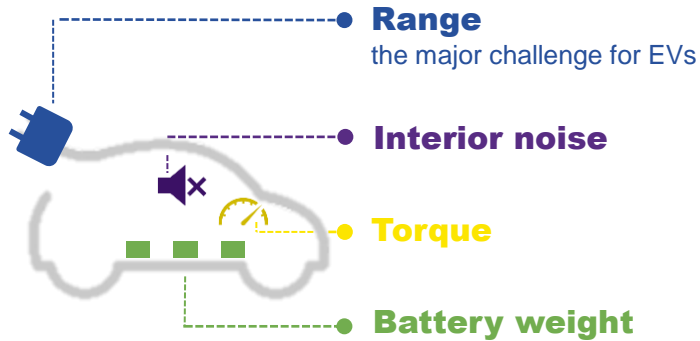




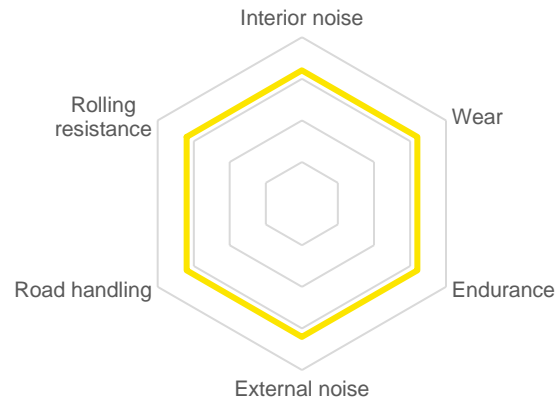
EV¹ MARKET: A STRONG OPPORTUNITY FOR MICHELIN TO DEMONSTRATE ITS TECHNOLOGICAL LEADERSHIP



VEHICLE ELECTRIFICATION CHALLENGES



TIRES FOR EV: INCREASE DEMAND FOR PERFORMANCE



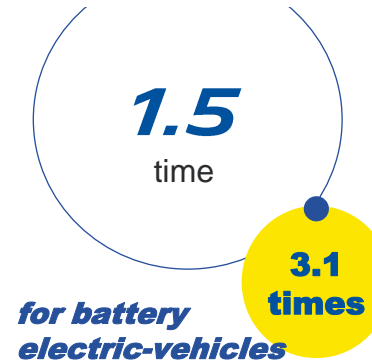
High-performance solutions

aligned with EV needs



OFFER FULLY ALIGNED WITH OPPORTUNITY

Michelin EV Original Equipment share / Total ORIGINAL EQUIPMENT share

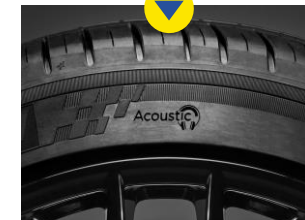


EV Original Equipment/Replacement loyalty rate

HL TIRES (High Load)

1st tires in the coming weeks

ACOUSTIC TECHNOLOGY



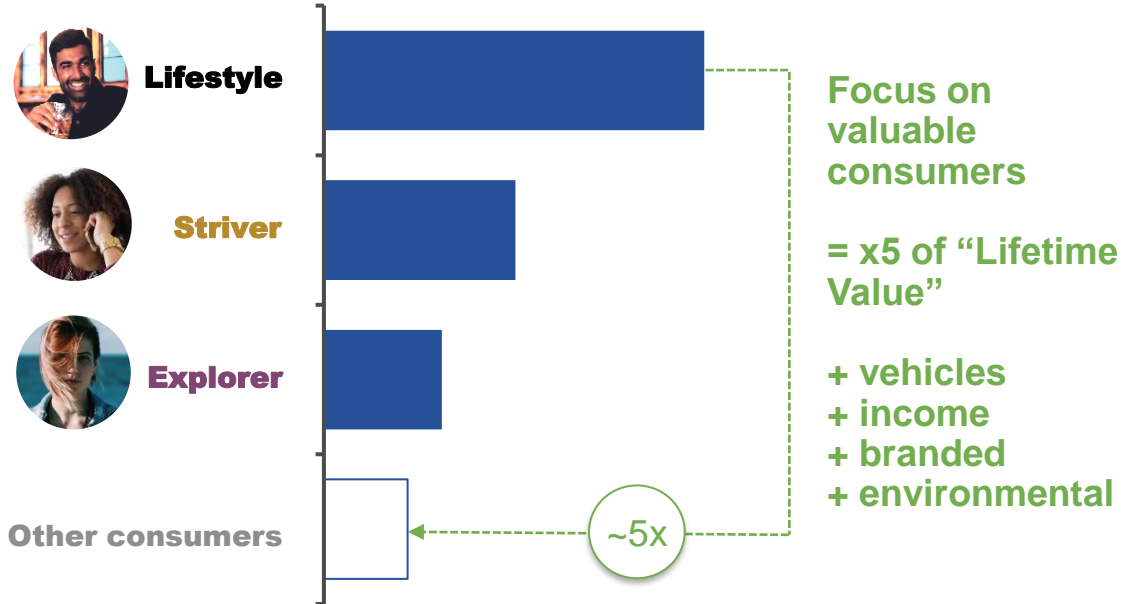
Notes: 1 EV: Electric Vehicle (hybrid, battery-powered and fuel cell-powered)
2 ICE: Internal Combustion Engine



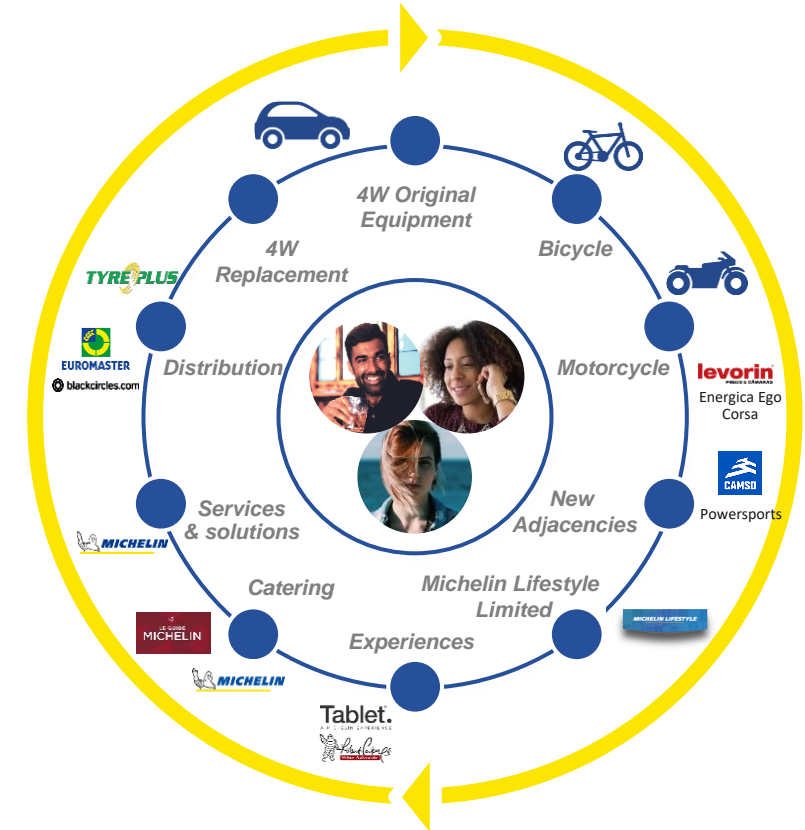
PASSENGER CARS – TARGETING MOST VALUABLE AND LOYAL CONSUMERS



A VALUE ORIENTED CUSTOMER SEGMENTATION



LEVERAGE ALL THE GROUP'S B2C ASSETS



Activate all group assets to increase customers retention and lifetime value

Develop the potential of “Data-Driven Marketing”: Leverage segmentation attributes and statistical analysis to “profile” and better target consumers



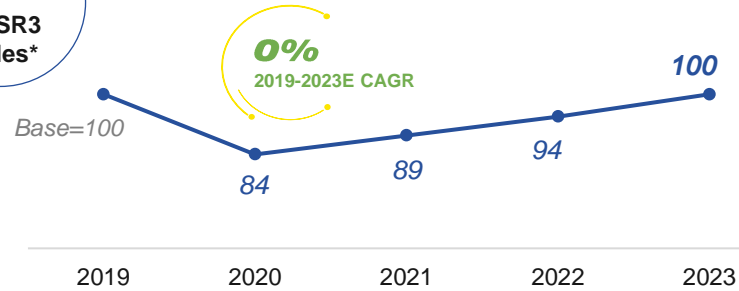
MINING AND 2-WHEELS – STRUCTURALLY GROWING MARKETS UNDER INCREASING ENVIRONMENTAL INFLUENCE



MINING MARKETS

Worldwide market/underground mining (tonnes)

~35%
of SR3
sales*



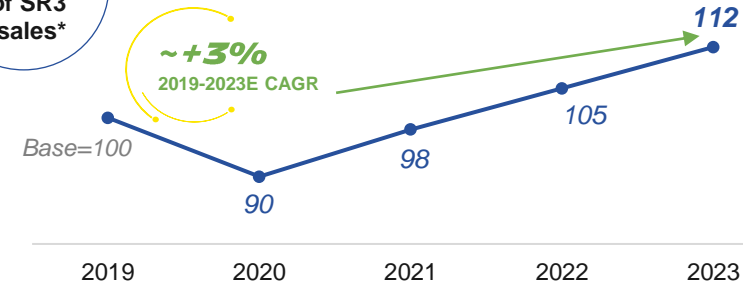
2019-2030
CAGR:
c. +3%



MOTO LEISURE & COMMUTING MARKETS

Worldwide market (units)

~7%
of SR3
sales*



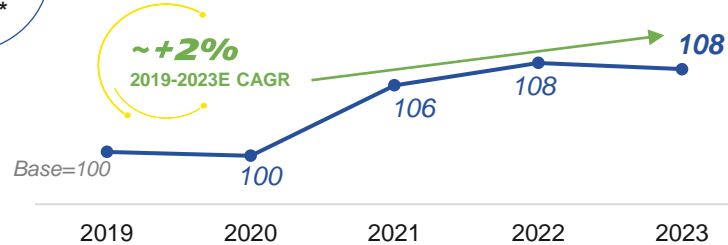
Volume and value
growth: use of
bicycles and
scooters to increase
up to 10% by 2030



AGRICULTURE MARKETS

Worldwide* market (units tires & tracks)

~12%
of SR3
sales**



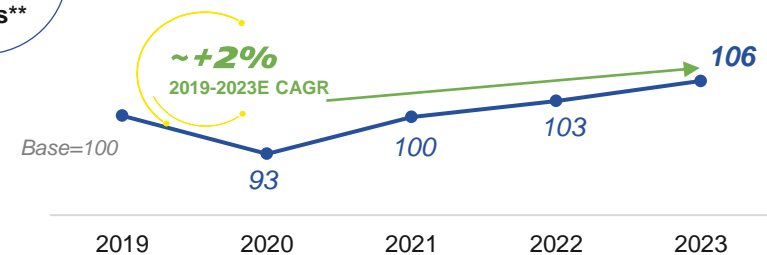
Long-term
CAGR:
c. +3%



CONSTRUCTION MARKETS

Worldwide market(units)

~12%
of SR3
sales**



Recovery
following
adverse cycle in
construction

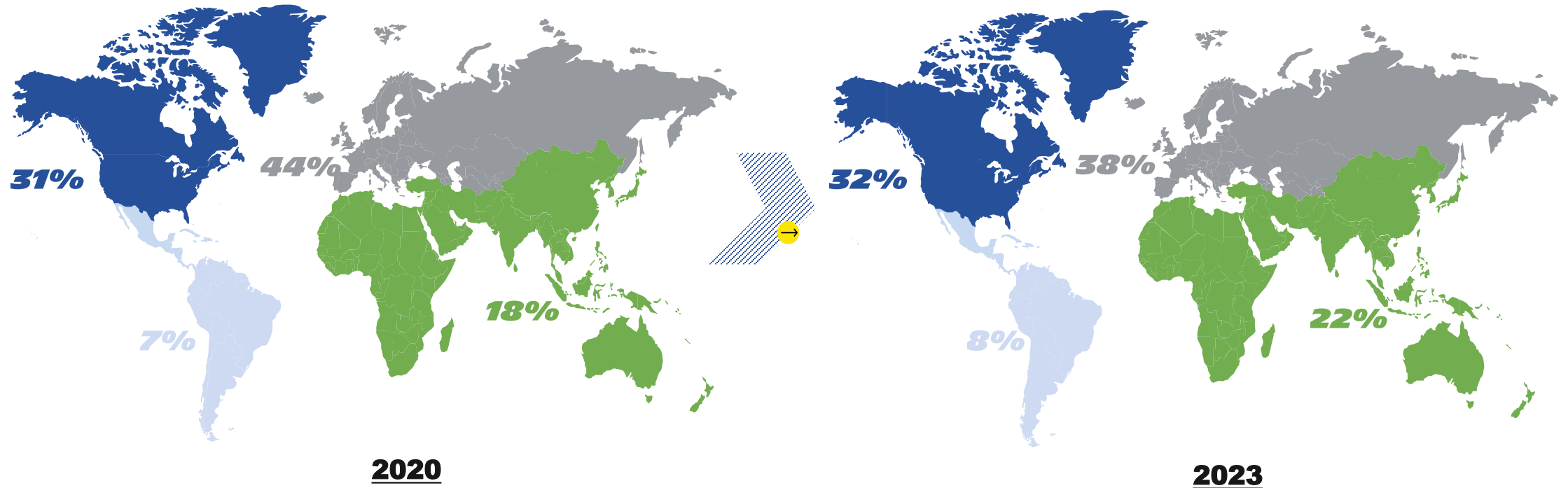


COMPETITIVENESS PLAN – REBALANCING OUR INDUSTRIAL FOOTPRINT TO BECOME MORE LOCAL-TO-LOCAL



SEIZING EMERGING MARKETS POSITIVE MOMENTUM

(% of Industrial Capacities)



Increase local-to-local ratio
Reducing stock and CO₂ emissions
Best-in-class supply chain



MANUFACTURING COMPETITIVENESS PLAN: 4.0 PLANTS TO MAKE OUR INDUSTRY MORE PRODUCTIVE AND FLEXIBLE

Automation
Artificial
Intelligence

DIGITAL
MANUFACTURING

MASSIFYING
FLAGSHIP
PLANTS

€80M
productivity
gains /year
net of
inflation
2020-2023

OPERATIONAL
EXCELLENCE

MATERIAL COST
REDUCTION

Flexibility
Simplicity
Process
Standardization

Reactivity
Cost optimum
*In 2025, 16 sites will
have a production
capacity above 100Kt
with average capacity of
140Kt*

Design to cost
Scrap reduction
Upstream gains



SG&A TIRE COMPETITIVENESS PLAN: €125M GAINS NET OF INFLATION OVER 2020-2025, €65M BY 2023

INCREASING PRODUCTIVITY

Leveraging new
technologies (AI)

Digitalizing
activities

Optimizing
footprint

**€65M
SG&A tire
gains by
2023
net of
inflation**

SIMPLIFYING PROCESSES

Standardizing best
practices

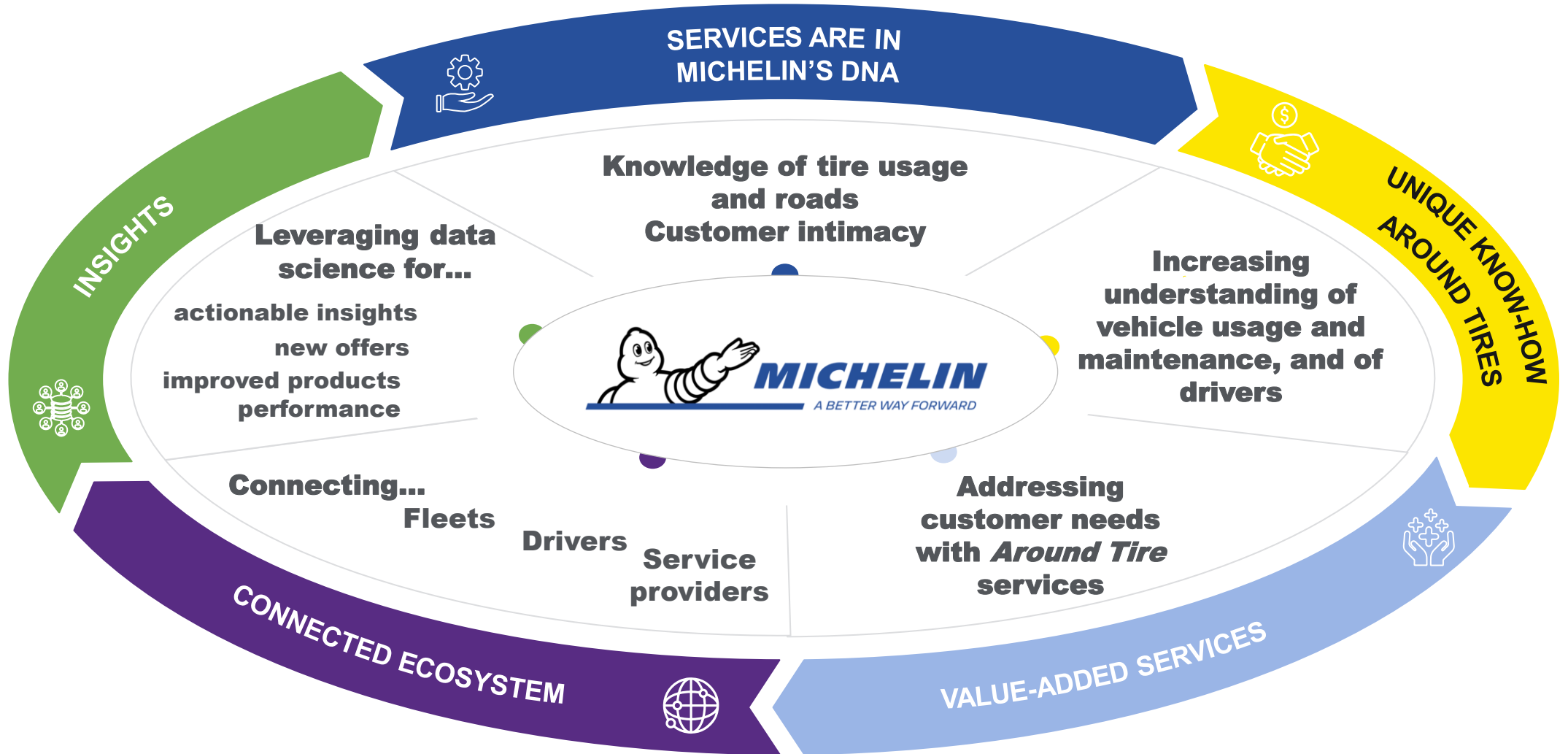
Decision making
closer to customer

Developing shared
service centers

Reengineering end
to end processes



OUR UNDERSTANDING OF CLIENTS' USAGE PATTERNS AND NEEDS ENABLES US TO OFFER HIGH VALUE-ADDED SOLUTIONS





MAKING OUR CLIENTS LIFE EASIER WHILE CREATING NEW BUSINESS OPPORTUNITIES

MICHELIN

FLEET SERVICE ORCHESTRATOR 'ONE-STOP-SHOP'

Unique and differentiated experience for all type of fleets



SPECIALIST IN MOBILITY AND USAGE DATA

Mobility operators, infrastructure managers, OEMs, insurers...
Customized solutions to transform data into insights

CUSTOMERS

OFFERS
&
SERVICES

CONTRIBUTORS
ILLUSTRATIVE

Digital Service Platform

Fleet Services

Fleet
Mgt

TaaS

Other service

Tires
&
Parts

Mainte-nance
(incl.
predictive)

New
service
providers

IOT & Data Businesses

Road Diagnosis

Drivers and
mobility advice

Lead
generation

...



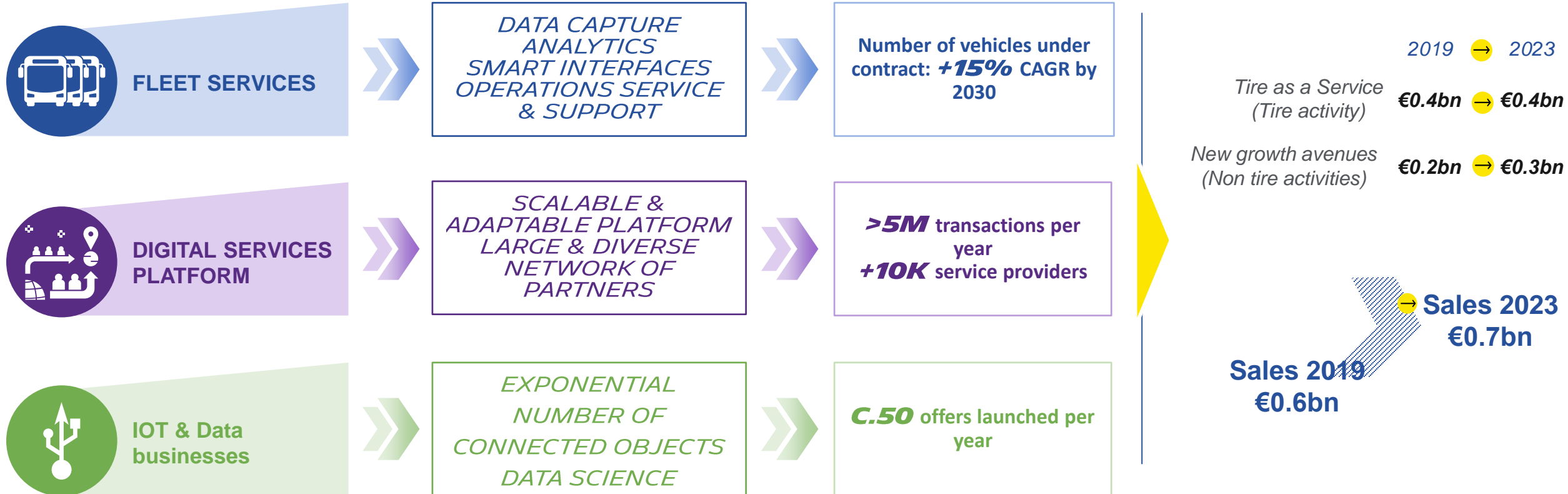
Insights for
offer design



IOT = Internet Of Things

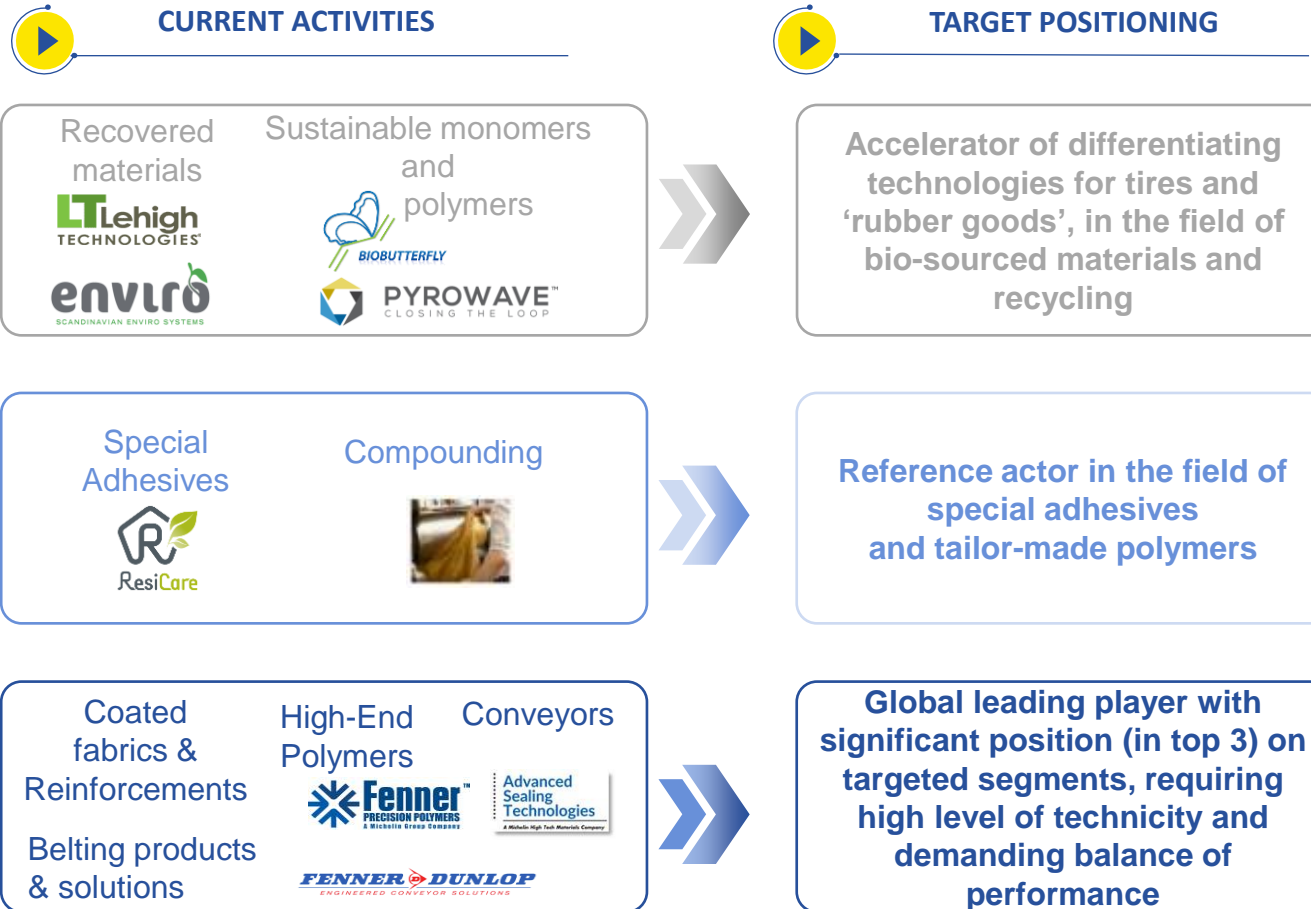


KEY LEVERS TO REACH OUR AMBITIONS





REINFORCING OUR POSITIONS ALONG THE VALUE CHAIN





REGENERATIVE MEDICINE & CELL THERAPY



CURRENT EXPERTISE

SOLESIS

CharterMedical

25 years+ of expertise as a manufacturer and distributor catering to the blood, biotech, and regenerative medicine industries



Designs, develops and manufactures next-generation, high-performance material solutions for clients in the life sciences and various industrial industries



Provides contract manufacturing and medical device processing services
Capabilities include finishing and assembly, packaging and labeling, and sterilization management



MARKET POTENTIAL

**CELL & GENE
THERAPY**

+20%
CAGR 2020-2030

**CARDIO MEDICAL
DEVICES**

>10%
CAGR 2020-2030



AMBITIONS

**BECOMING A LEADING INNOVATION AND
MANUFACTURING PARTNER**

Cell Therapy



Bioresorbables



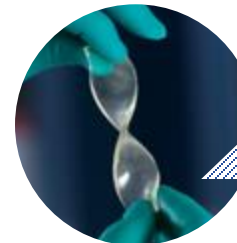
**Regenerative
medicine**



**BEING THE TRUSTED CONTRACT
MANUFACTURING OPERATOR**



DEVELOPING NEW BUSINESSES



- Bio-materials innovation with Michelin R&D
- Partnerships with customers to co-develop
- Manufacturing quality



HYDROGEN STRATEGY – BEING A MAJOR PLAYER OF CLEAN MOBILITY WITH OUR JOINT VENTURE SYMBIO



CURRENT EXPERTISE

20 YEARS OF ADVANCED R&D ON STACKS AND FC SYSTEMS



- Full range of stack powers
- System integrations capabilities



AMBITIONS¹

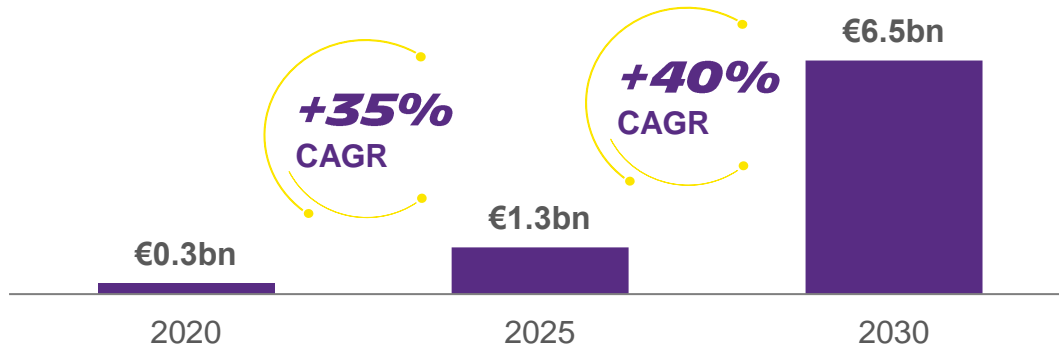
BECOME A LEADER IN FUEL CELL STACK SYSTEMS

€0.2BN
sales in 2025

€1.5BN
sales in 2030



MARKET POTENTIAL



Note: Symbio is present in Fuel Cell Stack system (bipolar plates, MEA, endplate, etc.) and Auxiliaries (Interfaces, Electric & Electronics, supply unit, etc.)
1: 100% of Symbio
Michelin holds a 50% stake in Symbio (consolidation based on equity method)



KEY LEVERS



- Strong complementaries with Faurecia
- Strong leverage of Michelin R&D
- Customer intimacy and innovative business model



3D METAL PRINTING: BEING WITH OUR JOINT VENTURE ADDUP A LEADER IN A HIGHLY PROMISING MARKET



CURRENT EXPERTISE



- Complete offer of consulting, parts design and production and machines in 3D metal printing

- Ability to address diverse customer needs and to provide tailor-made solutions to accelerate technology adoption
- Health and safety solutions

A COMPREHENSIVE
OFFER



MARKET POTENTIAL

MEDICAL & AEROSPACE ARE THE MOST
INDUSTRIAL-SCALE END-MARKETS

+23%
CAGR 2020-2030

~\$13BN
in 2030



AMBITIONS ¹

€100M
sales and breakeven by
2023



>€500M
sales by 2030



KEY LEVERS



- Strong complementarities with Fives
- Leverage digital
- Customer centric

Note: Michelin holds a 50% stake in AddUp (consolidation based on equity method)
1: 100% of AddUp



2030 ENVIRONMENTAL AMBITION: ON THE PATH TO REACH CARBON NEUTRALITY



Scope 1 & 2

Shifting towards clean energy



Reduction in energy consumption

2030

-50%
CO₂ emissions
vs 2010

2050

Carbon
Neutrality

Scope 3
logistic

Less, better and differently

2030

-15%
CO₂ emissions
vs 2018

2050

Carbon
Neutrality

Scope 3
supply chain

2024

70%
of suppliers having
science-based targets

2050

Carbon
Neutrality

Suppliers setting ambitious reduction targets

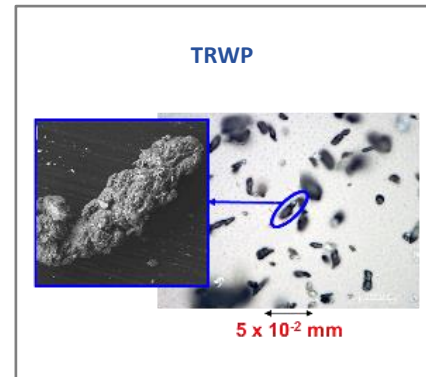


WHAT ARE TIRE AND ROAD WEAR PARTICLES (TRWPS)?

- TRWPs are tiny debris produced by the friction between tires and the road; **this friction is what ensures grip and safety on the road**

- TRWP:

- Characteristics: mixture of rubber and road surface minerals
- High density: 1,8
- Diameter : ~100 μm
- Degradability rate: **High**
50% of TRWP disappeared in 16 months



≠



- Microplastics :

- Characteristics: bits of plastics floating / suspended in water
- Diameter: ~ 5mm
- Degradability rate: **very low**

- Scientific studies conducted to date by the TIP*, the ETRMA** and l'EAA*** suggest that:
 - 2% to 5% of TRWPs reach estuaries
 - TRWPs represent only a minor fraction of airborne particulate matter (PM10 and PM2.5)

* TIP - Tire Industry Project

** ETRMA – European Tyre & Rubber Manufacturers Association

*** Agence Européenne de l'Environnement EEA report 10/2019

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IoT

Internet of Things

Structural free cash flow

It corresponds to free cash flow before acquisitions, adjusted for the impact of changes in raw material costs on trade payables, trade receivables and inventories

ROCE

In the 2016-2020 Plan, ROCE was calculated as

- Net operating profit after tax (NOPAT), calculated at a standard tax rate of 25% in 2020 and 26% in 2019, corresponding to the Group's average effective tax rate;
- Divided by the average economic assets employed during the year (excluding equity-accounted companies), i.e., all of the Group's intangible assets (excluding acquired intangible assets), property, plant and equipment, loans and deposits, and net working capital.

As from 2021, ROCE will be measured by the Group by adding back

- Amortization of acquired intangible assets and profit from equity-accounted companies to the numerator and
- Goodwill, acquired intangible assets and investments in equity-accounted companies to economic assets in the denominator.

Tire Sales

Correspond to sales related to the core activity of Michelin including Tire as a Service (TaaS) and Distribution

Non Tire sales

Correspond to Services and Solutions sales (excl. TaaS and Distribution), and High-Tech Materials activities sales excluding JVs