

HIGHLIGHTS: 2017 ANNUAL RESULTS

INNOVATE... TOGETHER



EDITORIAL

TAKING THE LEAD

Uncompromising quality is etched into our DNA and is a promise to our customers to give them the leading edge. We are constantly innovating – MICHELIN Vision, MICHELIN CrossClimate + and MICHELIN Acorus are just a few examples – so everyone can get ahead in their own way. Whether you're a farmer, mine manager or fleet manager, there is a MICHELIN tire to suit your needs.

Our services are also expanding, with MICHELIN RoadConnect, MEMS4, Teleflow and others being rolled out in more and more countries. This year, the best known among them – the MICHELIN Guide – is dedicated to the excellence and diversity of the world's chefs from Singapore to San Francisco.

Giving everyone the best way to get ahead means staying committed to creating tires that go the distance for more sustainable mobility. We will continue to support the COP23 and Movin'On initiatives in 2018. There is still much to accomplish and MICHELIN doesn't plan on just being a sidekick but rather a driver of innovation. We plan on taking the lead.

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1. PERFORMANCE

A GLOBAL REORGANIZATION PROJECT TO BETTER SERVE OUR CUSTOMERS

06/22/2017



On March 16, 2017 Michelin launched a new organization project to reinforce its growth. The objective is to meet new customer expectations, improve satisfaction, simplify our operating methods and accelerate the Group's digital technology. This new organization will encourage close relations with our customers all over the world and will focus on recruiting highly skilled professionals in high-tech and digital equipment.

MICHELIN AND SUMITOMO CORPORATION TO FORM SECOND LARGEST WHOLESALER IN US AND MEXICO

01/03/2018

To ensure better availability of their products and improved delivery to their customers in the United States and Mexico, Michelin and Sumitomo Corporation of Americas are announcing the merger of their wholesale and retail activities. This will create the second largest tire wholesaler on North American soil, in a joint venture held in equal parts. The entity will operate under a new identity, NTW.



1. PERFORMANCE

MICHELIN HAS PURCHASED NEXTRAQ, A TELEMATICS SOLUTION FOR UTILITY VEHICLES **06/14/2017**

NexTraq®

Michelin has purchased NexTraq, a subsidiary of Fleetcor Technologies. NexTraq provides solutions which improve driver safety, fuel management and fleet productivity. It has around 7,000 fleet management customers and 116,000 private subscribers in North America. This purchase bolsters our presence in fleet services, currently a flourishing market.

THE GROUP ANNOUNCED A PRICE INCREASE FOR MICHELIN TIRES FROM END OF APRIL 2017 **02/03/2017**

Michelin announced a price increase for its replacement tires in Europe and North America due to a rise in the cost of raw materials. This increase could reach 8% depending on the tires, for the Passenger car and Light Truck, Truck, Earthmover, Agriculture and 2-Wheel ranges. It will take effect before the end of April 2017.



1. PERFORMANCE

SUCCESS FOR THE NON-DILUTIVE CONVERTIBLE BOND ISSUE BY MICHELIN **01/05/2018**



Michelin announced the launch of another non-dilutive convertible bond issue maturing January 10, 2023 for a nominal amount of 600 million dollars. They will be redeemable in cash only, and will therefore not give rise to the issue of new shares or the hand-over of existing Michelin shares.

CAPITAL REDUCTION **12/14/2017**

In 2017, Michelin continued its share buyback programme for € 101 million.

The redeemed shares have been cancelled in full. On December 15, 2017, the share capital was reduced to 179,438,277 shares.



1. PERFORMANCE

MICHELIN AND ROBERT PARKER'S WINE ADVOCATE JOIN FORCES

07/05/2017



Michelin purchased 40% of Robert Parker's Wine Advocate (RPWA), world leader in wine tasting and scoring. Founded by American Robert Parker in 1978, RPWA is today the international reference for wine reviews with its famous scoring system from 50 to 100 points. With this purchase, Michelin is bolstering its position on the fine food market, beginning with the Asian and North American markets.

THE MICHELIN BRAND: TRUST AND PROGRESS

07/27/2017

For the 3rd consecutive year, the Reputation Institute, which ranks the world's brands according to their reputation, has put Michelin at the head of the French rankings and 13th worldwide. Our reputation is based on several cornerstones: the quality of our products, the fruit of our innovation, the many services designed to make our customers' lives easier and our commitments to a responsible future.



2. INNOVATION

MICHELIN PILOT SPORT^{4S}: : A PREMIUM TIRE IN EVERY SENSE 01/19/2017



Designed on the back of our competition experience and partnerships with manufacturers, the MICHELIN Pilot Sport range is now a benchmark for sports sedans. Today it is joined by a new model, the MICHELIN Pilot Sport^{4S}, which is ahead of all its rivals in track trials. This is a premium tire right down to its look and is available in 35 different sizes.

MICHELIN CROSSCLIMATE+: BETTER PERFORMANCE EVERY SEASON, FOR LONGER 02/27/2017

Like its predecessor, the new MICHELIN CrossClimate+ tire provides the qualities of a summer tire plus greater traction on snow-covered ground thanks to innovative rubber, a unique tread and high performance siping. But is its performance consistent from the first to the last kilometre? The answer is yes!



2. INNOVATION

CONCEPT TIRES: OUR VISION FOR THE FUTURE

06/13/2017



Michelin presented its Vision wheel concept for future tires at Movin'On. This wheel was designed using our latest innovations (3D metal printing, bio-materials and smart solutions). It is an airless wheel, completely connected, with a "rechargeable" tread, produced on demand by 3D printing.

MICHELIN AT THE 67TH FRANKFURT IAA MOTOR SHOW

09/14/2017

At the IAA in Frankfurt, Michelin presented several innovations for safer and more stable mobility. Presented in partnership with Maxion Wheels, MICHELIN Acorus technology helps create light and flexible wheels, making tires more shock-resistant. Developed for Renault's Z33 concept car, the MICHELIN slimline tire combines aesthetics with energy performance thanks to a narrow tread. Finally, MICHELIN's onboard Safe & Drive system adapts to all vehicles and provides access to a Michelin assistance platform. It is also capable of detecting collisions and automatically contacting the emergency services.



2. INNOVATION

MICHELIN ACORUS: A WHEEL THAT BENDS BUT WON'T BREAK

09/27/2017



Our engineers have developed the MICHELIN ACORUS technology to make tires safer and more resistant. Rubber expanders are fitted to a slightly narrower wheel. In partnership with Maxion, world leader in wheels, today we are offering a new “flexible” wheel. It means the wheel-tire block is more shock-resistant and reduces the risks of puncture.

MICHELIN SELLS ITS STAKE IN DOUBLE COIN (ANHUI) WARRIOR TIRE CO. LTD.

11/20/2017

In order to strengthen their respective brands, Michelin and Huayi Group have decided to separate and terminate the joint venture Double Coin (Anhui) Warrior Tire Co.Ltd, established in 2011, to help the Warrior brand improve its competitiveness in the market. This transaction is in the best interests of Michelin, Double Coin and Warrior Tire Co.Ltd and will contribute to the sustainable growth of each.



warrior
tires

2. INNOVATION

MICHELIN X[®] FORCE[™] ZL: THE NEW, GENUINELY TOUGH ALL-TERRAIN TIRE.

02/14/2017



Designed for light civilian and military vehicles (fire trucks, tactical vehicles, etc.), the new MICHELIN X[®] FORCE[™] ZL 335/80R20 tire is the toughest of its kind. More damage-resistant, it can drive flat over 100km and can support up to 3,350kg of load per tire, or 775kg more than its predecessor at identical performance levels!

MICHELIN UNVEILS ITS NEW GENERATION OF CIVIL ENGINEERING TIRE MANAGEMENT SYSTEMS

10/04/2017

Michelin presents the latest generation of its tire management system for the mining industry: MEMS[®]4. Michelin is transforming its current offering into a comprehensive monitoring and reporting platform for tires and trucks integrating vehicle cycle analysis. Based on an approved data capture tool (readable by Android mobile devices) that interfaces with a new web-based software platform, this improvement was made feasible by the addition of real-time accelerometer and GPS data.



2. INNOVATION

MICHELIN X[®]TRA DEFEND : : THE NEW TIRE FOR ARTICULATED DUMP TRUCKS 07/25/2017



Designed for Articulated Dump Trucks from 25 to 45 tons, MICHELIN X[®]TRA DEFEND differentiates itself by an extreme reliability and damage resistance, reducing machine downtime, and by its longevity improved by 15%, optimizing operational costs.

MICHELIN X[®] MULTI[™]: A NEW GENERATION OF HEAVY TRUCK TIRES TO GO EVEN FURTHER 05/22/2017

The MICHELIN X[®] MULTI[™] range of heavy truck tires for short and mid-distance transport companies offers tires designed to combine the lowest cost per mile with exceptional grip in all weather conditions. Equipped with an RFID chip, MICHELIN X[®] MULTI[™] tires provide access to a range of digital services for tracking operations carried out on each tire.



2. INNOVATION

XPO LOGISTICS ENTRUSTS THE MANAGEMENT OF ITS TIRES IN EUROPE TO MICHELIN SOLUTIONS 10/10/2017



MICHELIN Solutions has signed a major contract with XPO Logistics, one of the world's leading suppliers of transport and logistics solutions, entrusting it with the tire management of approximately 80% of its European fleet, or 17,000 vehicles. This three-year agreement is one of the largest and most complex contracts in the logistics sector.

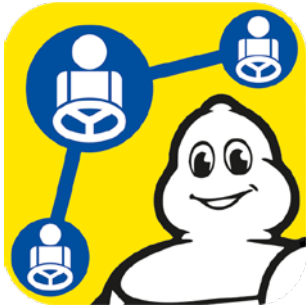
THE ICONIC MICHELIN MAN IS BACK ON TRUCK CABINS 10/13/2017

The brand's symbol since 1898 and voted "best logo of the century" in 2000 by the International Financial Times jury, the iconic Michelin man is getting ready for his big comeback on the roofs of trucks. At the request of transport companies, the new moulded plastic figure with a size of 40 cm will indeed find a prominent place as a benevolent guide for drivers....



2. INNOVATION

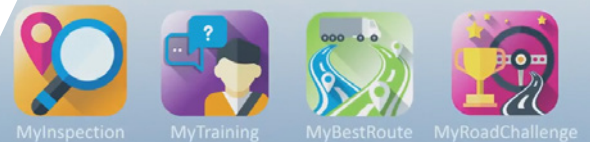
MICHELIN ROADCONNECT - THE FREE APP CREATED FOR TRUCKERS, BY TRUCKERS 10/13/2017



With the MICHELIN RoadConnect mobile app, MICHELIN is innovating to simplify and improve the lives of heavy truck drivers. The app includes four main features: optimized journey planning; the organization of breaks, drivers can view the locations of car parks, restaurants and service stations on their routes...; the ability to voice chat to the community on private and public channels; and lastly, the ability to locate colleagues and friends to meet up for a meal...

MICHELIN SOLUTIONS LAUNCHES 4 DIGITAL SERVICES, REVOLUTIONIZING FLEET MANAGEMENT 11/23/2017

At Solutrans 2017, MICHELIN solutions presented four innovative digital services designed to help drivers and fleet managers get the most out of their assets and their businesses. MyBestRoute chooses the best route; MyInspection digitizes and standardizes vehicle inspections; MyTraining facilitates driver training; MyRoadChallenge makes driving fun and motivates drivers to drive safely.



MICHELIN SASCAR EXPANDS ITS FLEET SERVICES IN MEXICO March 2017



Following the acquisition of the commercial fleet management assets of Copiloto Satelital, Michelin Sascar Mexico has become the service provider for Copiloto's fleet management customers.

Based in Mexico, Copiloto offers fleet management solutions such as surveillance, accident prevention, cost control and other services to commercial fleet customers in Mexico, primarily through its proprietary Internet platform.

2. INNOVATION

MICHELIN® X®TRA LOAD: RECORD PRODUCTIVITY FOR RIGID DUMP TRUCKS 07/03/2017



Productivity is the number one challenge for rigid dump truck users. With the new MICHELIN® X®TRA LOAD range, we offer an increase in load capacity and an extended lifespan. Operators in quarries and mines can therefore transport a tonnage rate never reached before, continuously.

MICHELIN ROADBIB: THE FARMING TIRE FOND OF ROAD 06/13/2017

Michelin has co-designed its new agricultural tire with contractors to meet their specific requirements. The new MICHELIN ROADBIB tire, unique in its category, takes into account the fact that tractors travel on the road 50% of the time for those customers. Its revolutionary tread increases of 60% the footprint on the road compared to a traditional agricultural lugs' tire. This tire provides stability, comfort and 25% more longevity.



2. INNOVATION

MICHELIN ACQUIRES PTG AND TELEFLOW 11/13/2017



Michelin announces the acquisition of PTG and Téléflow, two industry leaders in the field of central tire inflation systems (CTIS), enabling farmers to manage their tire pressures depending on the terrain and conditions of use. With these acquisitions, Michelin is becoming the leader of CTIS, with a huge challenge in terms of soils protection and productivity for agriculture. The first concrete fruit of this collaboration is MICHELIN ZEN@TERRA solution, presented during Agritechnica fair in Hannover.

4 NEW MICHELIN MOUNTAIN BIKE TIRE RANGES 03/13/2017

In terms of mountain bike tires, our philosophy of “one use, one terrain, one tire” has led us to design 4 new ranges, two dedicated to cross-country and two to all mountain. Developed with competition riders, these two type-of-use ranges cutting-edge technology and make sure that everyone can find the best performing and most suitable tire for how they ride their mountain bike.



2. INNOVATION

MICHELIN POWER RS: A MOTORBIKE TIRE FOR THE ROAD THAT WILL GO DOWN IN HISTORY 04/03/2017



MICHELIN motorbike tires have always been recognized for their performances on wet surfaces. With the new MICHELIN Power RS range, they now stand out on dry surfaces too. Designed for sports use on road, they use the MICHELIN Act+ technology, one of the most important innovations since the arrival of the radial motorbike tire in 1987. Available in 13 sizes a large panel of motorbikes, the MICHELIN Power RS is ahead of all its competitors in tests.

MICHELIN ENDURO: A NEW RANGE WITH MORE GRIP FOR THE LONG-TERM 08/28/2017

Rocks, sand, grass... The Enduro is torture for tires. To cope with these tests, Michelin has developed a new range of Enduro bike tires, making good use of our latest innovations. The result: better grip, of course, but also an improved lifespan and greater robustness. Available in medium and hard to adapt to different terrains, they will take you even further.



2. INNOVATION

MICHELIN AND SAFRAN DEVELOP THE FIRST SMART TIRE FOR PLANES

06/20/2017



Inspection operations for plane tires have always been complex. PresSense, a pressure sensor integrated in the tire developed by Michelin and Safran, is changing everything. The tire's pressure information can now be seen on a reader connected to a smartphone and a database. PresSense helps accelerate and simplify all the necessary maintenance operations.

MICHELIN GUIDE - BANGKOK 2018 - FOR ITS FIRST SELECTION, 17 DISTINGUISHED RESTAURANTS!

12/06/2017

Michelin is pleased to unveil the first MICHELIN Bangkok guide selection, including a total of 98 restaurants.

The first guide reveals the extent to which the city has attracted and developed high quality international cuisine while maintaining its own culinary heritage to attract millions of visitors from around the world.



2. INNOVATION

MICHELIN IN THE FOODING® ERA **09/01/2017**



Since 2000, the Guide du Fooding® has offered a different approach to gastronomy, which complements the Michelin Guide. Today, Michelin has acquired a 40% share in the Guide du Fooding®, establishing a natural partnership. We can now recommend exclusive and diverse gastronomic experiences to our customers.

BIBENDUM: A NEW STYLE FOR BETTER COMMUNICATION **11/09/2017**

The Michelin Man who appears on all our tires, products and services, personifies an invitation to travel which Michelin has been offering its customers for over a century. He has always changed with the times. The time has come for him to change once again. For the 9th time since his birth in 1898, the Michelin Man is evolving once again to stay faithful to his timeless modernism and to incarnate the image we want to project as an everyday partner who is discreet, considerate and reassuring. In our advertising, it leaves the leading role to our customers.



3. SUSTAINABLE DEVELOPMENT

GENERAL MOTORS AND MICHELIN: A SHARED VISION OF SUSTAINABLE RUBBER CULTIVATION **05/18/2017**



General Motors has published guidelines to make sure that tire suppliers privilege responsible rubber cultivation. We praise this decision which reflects our own commitments: implementation of a responsible and natural rubber policy, assessment of our suppliers' CSR performance, mapping operators in the sector's value chain, reforestation project in partnership with the WWF... Our approaches converge to lead all of the industry towards virtuous practices.

MICHELIN AND ITS SUPPLIERS: A HIGH-PERFORMING, RESPONSIBLE AND SUSTAINABLE RELATIONSHIP **06/07/2017**

We have demanding relationships with our suppliers who must share our standards in terms of quality and responsibility. But the demands are not only one-way, as proved by the "Responsible Supplier Relations" label the Group has been awarded since 2013. It testifies to the healthy and balanced relationships we have with our suppliers. The label was renewed for 2017 by a unanimous decision from the jury.



3. SUSTAINABLE DEVELOPMENT

RUBBERWAY: AN APP FOR MAPPING GOOD PRACTICES IN THE NATURAL RUBBER INDUSTRY 09/07/2017



Michelin promotes responsible and sustainable natural rubber throughout the world. To measure the application of good practices throughout the value chain - production, processing, transport - we have developed the Rubberway phone app. It picks up information on working methods from all involved in the industry, in complete transparency, encouraging genuine traceability of rubber from plantation to factory.

CLIMATE CHANGE AND WATER MANAGEMENT October 2017

Michelin has been rated at the “Leadership” level by the CDP* for its transparency and performance in addressing climate change and water issues. The 2017 CDP Climate Change and Water questionnaires, returned by over 6000 companies including Michelin, are analyzed each year by the CDP on behalf of 827 institutional investors – representing over US\$100 trillion in assets – as a key information tool for managing portfolio risks & opportunities related to the consequences of climate change.

*formerly the Carbon Disclosure Project



4. COMPETITION

ROBORACE: A RACE FOR INTELLIGENCE 11/25/2017



This year there will be autonomous electric vehicle races in parallel with the Formula-E championship. Michelin is one of the three official partners to the competition called "Roborace". Competition vehicles must use tires that can be fitted to mass-produced vehicles, making this new championship a laboratory for vehicles of the future.

24 HOURS OF LE MANS: 20/20 06/19/2017

With its victory in the 2017 edition of 24 Hours of Le Mans, the n°2 Hybrid Porsche 919 gave Michelin its 20th consecutive win in Sarthe. 20 years of victories testifying to our Motorsports teams' ability to adapt to the constant changes in regulations and vehicles. As it is every year, the 24 Hours of Le Mans race was a forum for successfully testing the latest tire innovations which will be transferred from track to road over the coming years.



4. COMPETITION

FIM MOTO-E WORLD CUP JOINS FORCES WITH MICHELIN 12/14/2017



After MotoGP comes Formula E... Michelin becomes the official tire supplier of the FIM (International Motorcycle Federation) Moto-e World Cup, the first sports discipline for fully electric motorcycles with zero emissions and which will kick off in 2019. This will be a valuable development laboratory for innovations that will be found in the standard Michelin tires of tomorrow.