

COMPAGNIE GÉNÉRALE DES ÉTABLISSEMENTS MICHELIN

**Annual Shareholders Meeting of June 23, 2020**

**The Annual Meeting of Michelin shareholders was held today in Clermont-Ferrand under the chairmanship of the Managing Chairman Florent Menegaux. The Meeting was held behind closed doors to ensure the health and safety of all parties in the context of the Covid-19 pandemic. Votes were cast remotely and the Meeting was broadcast live on [ag2020.michelin.com](https://www.michelin.com/en/finance/individual-shareholders/2020-annual-general-meeting/).**

All of the resolutions submitted for shareholder approval were adopted, including, in particular:

- The payment of a dividend of €2.00 per share, payable in cash as from July 3, 2020.
- The advisory vote on the components of Florent Menegaux and Yves Chapot's compensation as Managers and of Michel Rollier's compensation as Chairman of the Supervisory Board.
- The re-election of Anne-Sophie de la Bigne and Jean-Pierre Duprieu as members of the Supervisory Board for a further four-year term (expiring at the close of the Annual Meeting to be called to approve the financial statements for the year ending December 31, 2023).
- The election of Patrick de la Chevardière as member of the Supervisory Board for a four-year term (expiring at the close of the Annual Meeting to be called to approve the financial statements for the year ending December 31, 2023).
- Amendments to the Bylaws providing for the future appointment of up to two Supervisory Board members representing employees.
- Renewal of financial authorizations.

*Read Florent Menegaux's strategic message in full, the presentations to shareholders, vote totals on the resolutions and a webcast of the entire Annual Meeting on June 23, 2020 on the corporate website (<https://www.michelin.com/en/finance/individual-shareholders/2020-annual-general-meeting/>).*

As underlined by Yves Chapot, Manager and Chief Financial Officer, in his presentation on the financial results, 2019 was shaped by the ongoing climate emergency, further widespread social unrest, and continuing trade wars between the world's economic powers. This past year, thanks to the commitment of its teams, Michelin once again demonstrated its capacity for customer-focused innovation and delivered results that confirm the effectiveness of the Group's strategy.

In 2019, segment operating income increased to €3.0 billion, while structural free cash flow climbed to €1.6 billion for the year. These results further demonstrate the sustained improvement in cash generation achieved in recent years. **Michelin has a healthy balance sheet and remains a major player in sustainable mobility recognized by non-financial ratings agencies.** Michelin is now leveraging all of these fundamentals to tackle the unprecedented crisis currently raging across the globe.

In its initial response to this highly unusual situation, the Group immediately implemented effective health and safety protocols to protect its employees. Michelin then took major financial initiatives, such as tracking supply and demand on a weekly basis to keep inventories under control, maintaining a firm pricing strategy to preserve margins and the brand, and scaling back capital expenditure and structural costs.

In addition, stress tests assuming volume losses of between 20% and 35% were conducted, **confirming that Michelin has sufficient cash and cash equivalents to weather the crisis, without drawing down its confirmed lines of credit.**

In an environment impacted by falling global tire demand, the Group's first-quarter 2020 sales declined by a significant 8.3%, while its pricing policy and the enhancement of its product mix remained nevertheless robust.

Florent Menegaux, Managing Chairman, said the following about his vision of Michelin: **"Michelin is resilient and committed to an 'All Sustainable' vision."**

From the very first signs of the Covid-19 pandemic, Michelin defined two absolute priorities: protecting the health and safety of its employees and doing everything in its power to ensure business continuity.

Supported by the exceptional efforts of its employees, the Group was able to quickly produce surgical masks and hand sanitizer at many manufacturing facilities in Europe, thereby adding to its supplies. Michelin then took steps to make these masks widely available, implementing a donations program to support health authorities and emergency services in all of the Group's locations. Thanks to Michelin's expertise in metal and plastic 3D printing, the Group was also able to launch production of parts for ventilators, thousands of sterilizable polycarbonate visors, as well as hospital beds to enhance breathing for Covid-19 patients.

Florent Menegaux also mentioned the hundreds of outreach initiatives organized by Michelin around the world, including tire donations, free maintenance services for emergency vehicles, financial contributions and individual support.

At the same time, the Group has done everything necessary to ensure business continuity. Apart from the health, safety and financial measures mentioned by Yves Chapot, the Managers have decided to reduce their April, May and June 2020 fixed compensation and their 2019 variable compensation by 25%. The members of the Executive Committee have also decided to temporarily lower their compensation. The Chairman and the independent members of the Supervisory Board have donated 25% of their 2019 compensation to foundations dedicated to fighting Covid-19. Lastly, depending on local situations, wage increases for employees have been frozen.

Since the start of the crisis, the Group has chosen to maintain its commitments to all of its partners, including customers and suppliers, ensuring it protects the most vulnerable among them, such as small rubber producers. In addition, Michelin has supplied masks and safety equipment to its customers and distributors, enabling them to conduct their activities in the best possible conditions.

**Despite the still uncertain outlook, Michelin has already learned three valuable lessons from the crisis:**

- **Being a diversified and multidimensional global group is a major advantage:** Michelin's global footprint has allowed it to anticipate needs and mobilize its teams on a massive scale to answer calls for assistance from communities across the globe. The Group's strategic expansion initiatives and acquisitions have added to its strength, bringing a wide range of expertise, products and solutions to millions of individual and business customers.
- **Having an "All Sustainable" strategic vision is of decisive value:** this crisis should accelerate the transition to a greener, more virtuous economy; Michelin's strategic vision is based on finding the right balance between People, Profit and the Planet. Michelin is

meeting all of its commitments and continuing to achieve progress. The approval of Michelin's CO<sub>2</sub> reduction targets by the Science Based Targets initiative is the latest milestone in the process to achieve net zero emissions at all Michelin sites by 2050. Florent Menegaux also commended the European Green Deal, a major step toward sustainable growth that fosters competitiveness and growth while ensuring the ecological transition is carried out.

- **Encouraging the ecosystem approach and betting on collective intelligence is a priority:** today's crisis has deepened bonds with everyday people and revealed the importance of coordinated action between political leaders and economic actors; this momentum must continue because it contributes to the common good.

**To conclude, Florent Menegaux reiterated that despite the crisis, Michelin has persisted in consolidating its strategy and looking to the future, in a tireless, vital commitment to securing its long-term viability.**

**Michelin will present its 2030 road map at the beginning of 2021.**

<p><b>Investor Relations</b></p> <p>Edouard de Peuffeilhoux +33 (0) 4 73 32 74 47 +33 (0) 6 89 71 93 73 (cell) <a href="mailto:edouard.de-peuffeilhoux@michelin.com">edouard.de-peuffeilhoux@michelin.com</a></p> <p>Humbert de Feydeau +33 (0) 4 73 32 68 39 +33 (0) 6 82 22 39 78 (cell) <a href="mailto:humbert.de-feydeau@michelin.com">humbert.de-feydeau@michelin.com</a></p> <p>Pierre Hassairi +33 (0) 4 73 32 95 27 +33 (0) 6 84 32 90 81 (cell) <a href="mailto:pierre.hassairi@michelin.com">pierre.hassairi@michelin.com</a></p>	<p><b>Individual Shareholder Relations</b></p> <p>Isabelle Maizaud-Aucouturier +33 (0) 4 73 32 23 05 <a href="mailto:isabelle.maizaud-aucouturier@michelin.com">isabelle.maizaud-aucouturier@michelin.com</a></p> <p>Clémence Rodriguez +33 (0) 4 73 32 15 11 <a href="mailto:clemence.daturi-rodriquez@michelin.com">clemence.daturi-rodriquez@michelin.com</a></p> <p><b>Media Relations</b></p> <p>Media Relations +33 (0) 1 45 66 22 22 <a href="mailto:groupe-michelin.service.de.presse@relationpresse.michelin.com">groupe-michelin.service.de.presse@relationpresse.michelin.com</a></p>
--	--

#### 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/eng](http://www.michelin.com/eng) website. This press release may contain a number of forward-looking 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 inferred by these statements.

#### About Michelin:

Michelin, the leading tire company, is dedicated to enhancing its clients' mobility, sustainably. A global mobility leader, Michelin designs, manufactures and distributes the right tire for every customer need and use, as well as services and solutions that improve the efficiency of transportation systems. Michelin also offers its customers opportunities for unique experiences during their trips and travels. In addition, Michelin is developing high-tech materials for use in a wide variety of applications. Headquartered in Clermont-Ferrand, France, Michelin is present in 170 countries, employs more than 127,000 people and operates 69 tire plants that together produced around 200 million tires in 2019. ([www.michelin.com](http://www.michelin.com))