



JULY 27, 2020

FIRST-HALF 2020 RESULTS



Supported by its diversified offering, engaged employees and robust financial position, Michelin demonstrates its resilience through a crisis of unprecedented intensity

- Quick deployment of all the measures needed to safeguard employees, ensure business continuity and conserve cash
- Despite collapsing markets and a 20.6% contraction in sales, SOI* ended the first half at €310m:
 - 22.4% decline in volumes, leading to a deep fixed cost shortfall
 - 0.3% gain from assertive pricing policy at a time of declining raw material prices
 - 1.6% gain from the still buoyant mix, reflecting market share gains in the 18"+ segment and resilience in the Specialty businesses
 - €192m reduction in SG&A costs, excluding €77m in exceptional outlays directly related to Covid-19
- A robust financial position recognized by the rating agencies, to weather the crisis
- Strategic choices validated during the first half:
 - A global presence and diversified business base (resilience in the Specialty businesses, with a 15% operating margin)
 - CO₂ reduction pathways and objectives approved by the Science Based Targets initiative**
- Expanded CSR governance within the Supervisory Board

* Segment Operating Income

** Initiative launched in 2015, a few months before COP21, SBTi is a collaboration of 4 organizations that offer a voluntary approach to fight against global warming in the private sector

In response to the health crisis, Michelin is taking action to protect its employees and support its host communities worldwide



SAFEGUARDING EMPLOYEES

↓ Production shutdowns, home office solutions introduced

↓ Necessary health precautions deployed to support the reopening of production lines

↓ Production gradually being restarted

↓ Business safely resumed

↓ Sustained, diligent tracking to respond promptly to any resurgence of the epidemic



SUPPORTING COMMUNITIES

↓ Masks (~2.4m), hand sanitizer (~12,000 liters) and other PPE donated

↓ Tires (~4,600) donated and free-of-charge assistance provided for ambulances and other vehicles needed for the crisis

↓ Masks (400k/week) and hand sanitizer being produced in certain Group plants

↓ Financial and in-kind donations made



PRODUCING HEALTHCARE PRODUCTS

↓ 12,000 polycarbonate face shields being fast-track produced for hospitals

↓ Ventilator components and reusable masks being 3D printed

↓ Positioning cushions being produced to help patients breathe

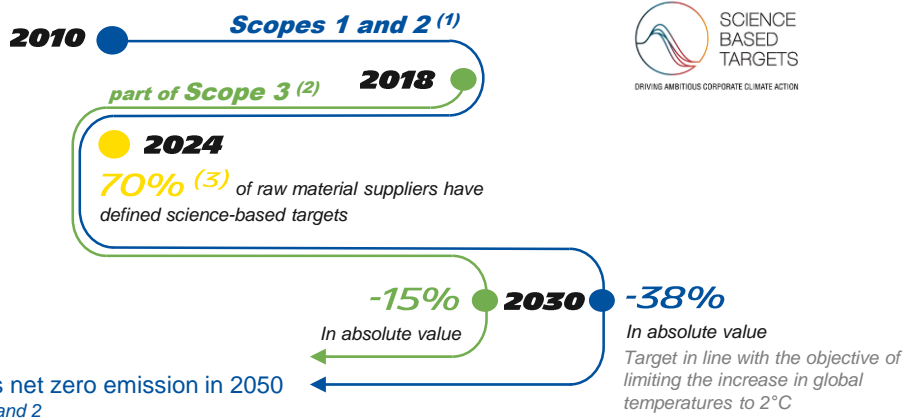
↓ Mask production lines built with our Imeca subsidiary

Michelin sees its CO₂ emissions reduction targets validated by SBTi, and strengthens CSR Governance within the Supervisory Board



ENVIRONMENT

Michelin's CO₂ emissions reduction targets have been approved by the **Science Based Targets** initiative (SBTi)



(1) **Scope 1 and 2** emissions are emissions either from sources owned or controlled by the company or from the generation of energy purchased and consumed by the company.

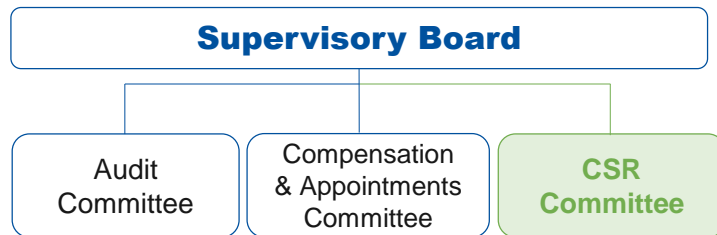
(2) **Scope 3** emissions from fuel- and energy-related activities; upstream and downstream transportation and distribution; and end-of-life treatment of sold products

(3) % in greenhouse gas emissions



GOVERNANCE

A Corporate Social Responsibility Committee (CSRC) has been created within the Supervisory Board



Election of two Supervisory Board members representing employees, effective December 2020, approved by shareholders at the June 23, 2020 AGM



July 27, 2020

First-half 2020 Results

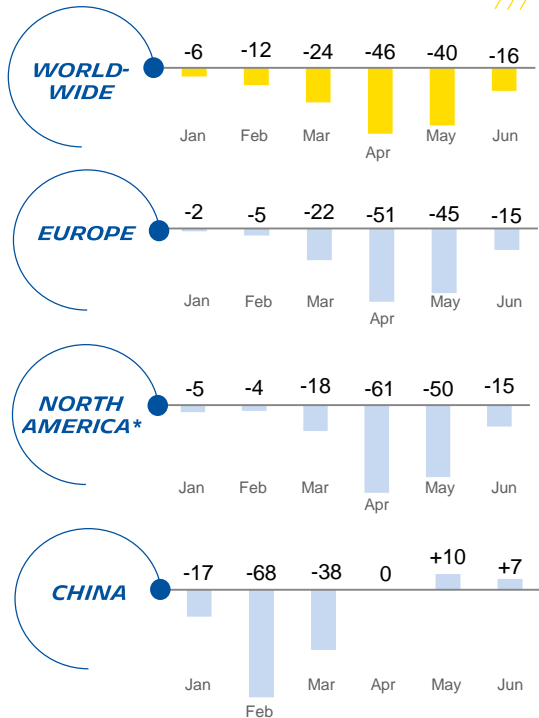
01

First-half 2020 Results

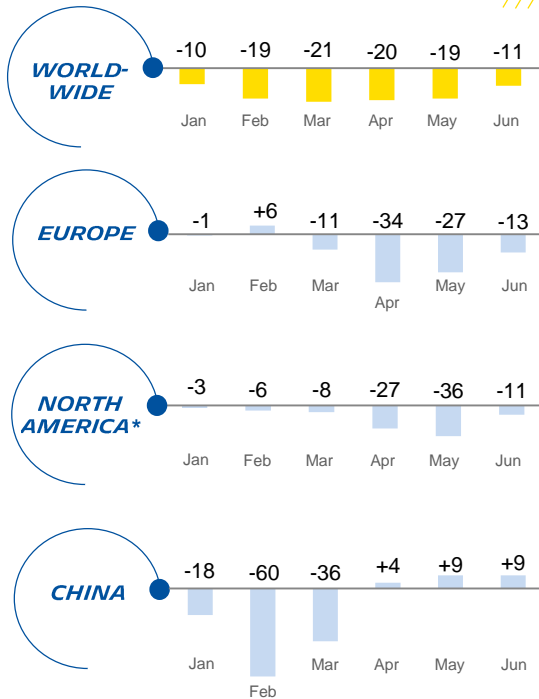
H1 2020: in a world shaken by Covid-19, a steep drop in tire markets followed by an uncertain recovery depending on the region



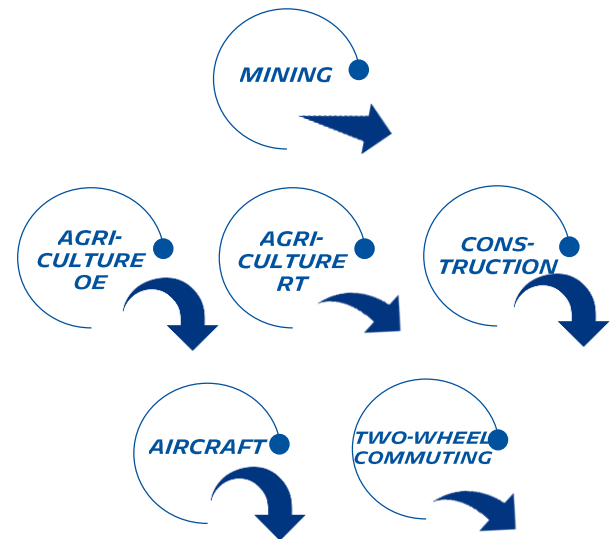
PC/LT: -24%



TRUCK: -18%

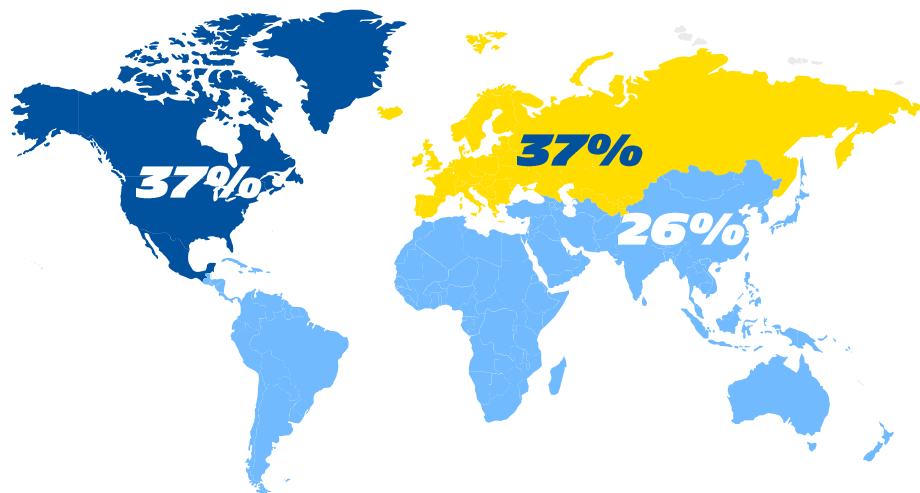


SPECIALTIES



A resilient multidimensional Group in an unprecedented systemic crisis

2019 sales by region



- North America (incl. Mexico)
- Europe (including CIS)
- Asia and Rest of the World

2019 sales by growth driver

CONSUMPTION



COMMODITIES



MANUFACTURING



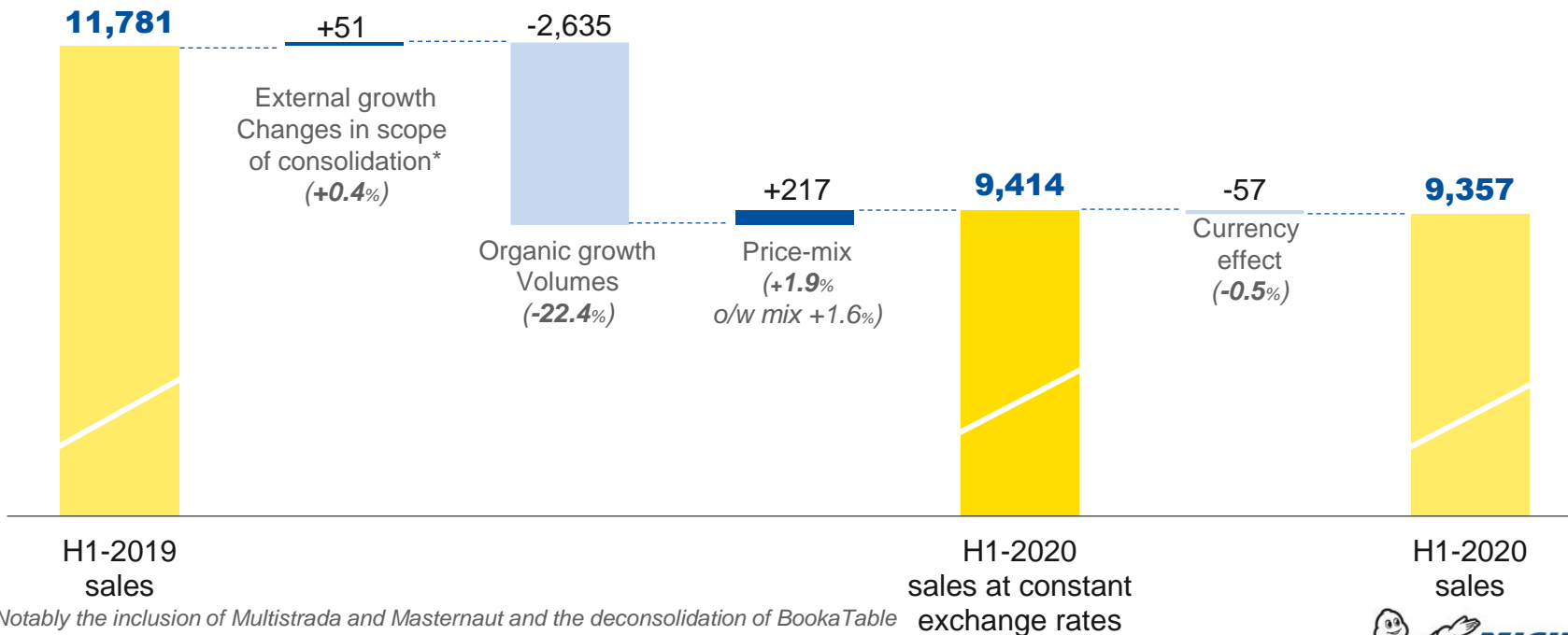
AUTO*



* Auto (PC/LT OE): Passenger car and Light truck tires sold to vehicle manufacturers as Original Equipment

H1 2020 sales: as global tire demand collapsed, sales declined by 20.6%

YoY change (in € millions and %)

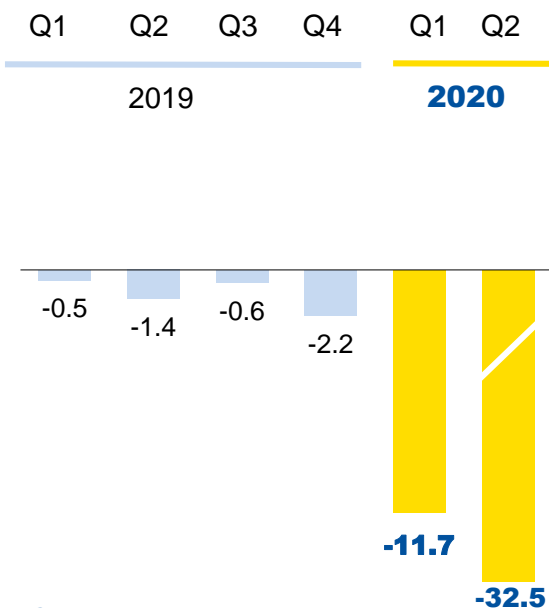


* Notably the inclusion of Multistrada and Masternaut and the deconsolidation of BookaTable

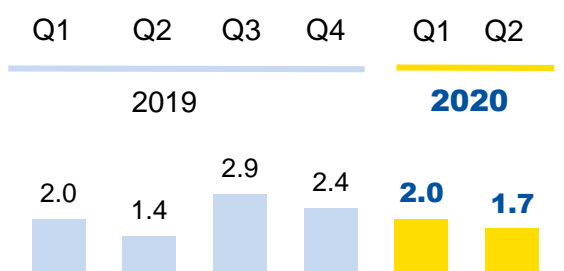
Q2 2020: despite the fall in volumes caused by the health crisis, the Group held prices firm and enhanced the mix

YoY change, by quarter (in %)

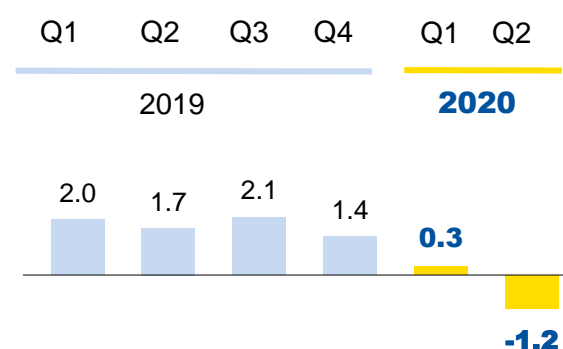
Volumes



Price-mix

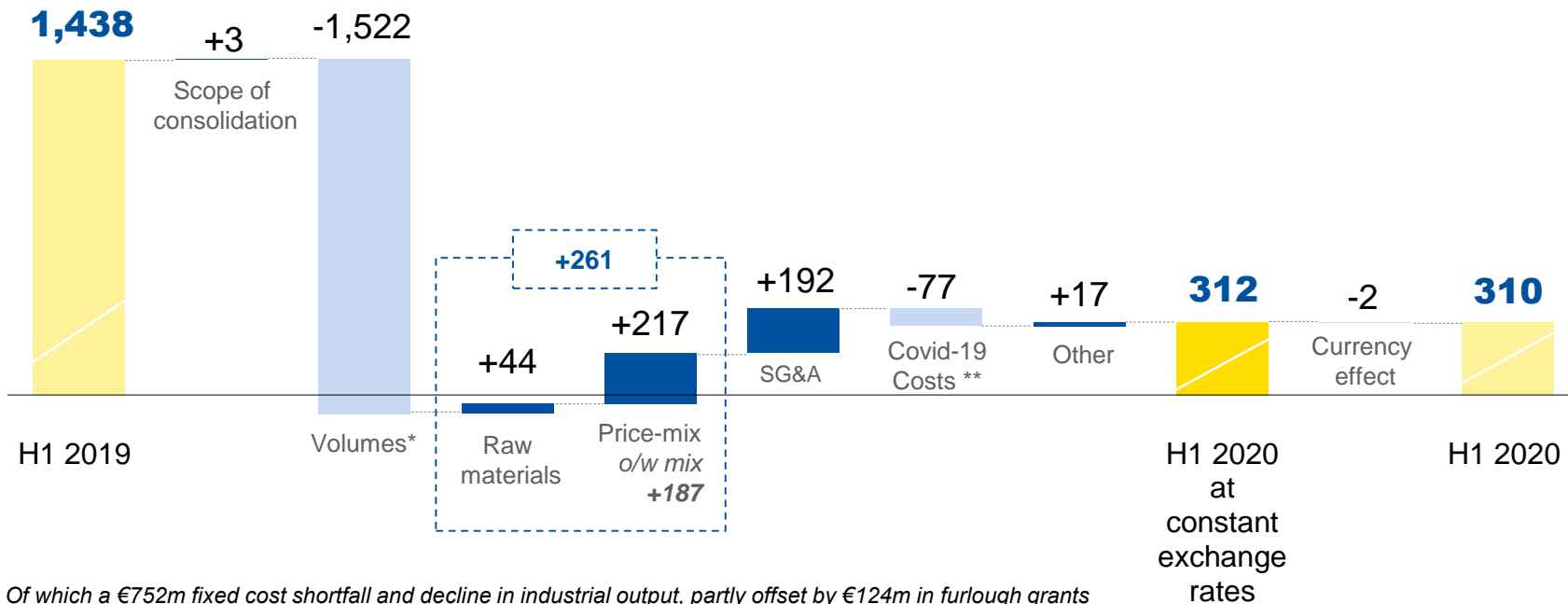


Currency effect



H1 2020 SOI: deep fixed cost shortfall due to the drop in volumes, partially offset by a robust price-mix and lower SG&A expenses




YoY change in SOI (in € millions)



* Of which a €752m fixed cost shortfall and decline in industrial output, partly offset by €124m in furlough grants

** supply and manufacture of masks and gels

At a time of plunging global demand, margin was slightly negative in RS1 and RS2, but highly resilient in RS3

<i>(in € millions)</i>		H1 2020	H1 2019	<i>Change</i>
	RS1 sales	4,394	5,658	-22.3%
	Operating income*	-35	585	-106.0%
	Operating margin*	-0.8%	10.3%	-11.1 pts
	RS2 sales	2,411	3,144	-23.3%
	Operating income*	-30	279	-110.8%
	Operating margin*	-1.3%	8.9%	-10.2 pts
	RS3 sales	2,552	2,979	-14.3%
	Operating income*	375	574	-34.7%
	Operating margin*	14.7%	19.3%	-4.6 pts

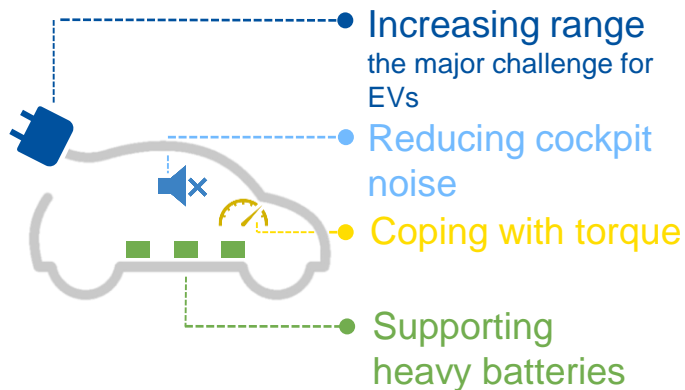
* For the segment

→ Despite the collapse in volumes, the Group continued to enhance the mix across every reporting segment and maintained an assertive pricing policy that more than compensated for the negative impact of indexation clauses, which were applied in particular in the Automotive OE business.

Electric vehicles: by leveraging its technological advance, Michelin is strengthening its leadership in a highly demanding, fast-growing market

High-performance solutions

aligned with EV needs

- 
- Increasing range the major challenge for EVs
 - Reducing cockpit noise
 - Coping with torque
 - Supporting heavy batteries

MICHELIN: THE LEADER IN EV TIRES

Sport passion



Generalist



Premium luxury



New entries



Share of EV sales in the total market

30%
IN 2025

12%
IN 2020

Michelin is deploying its circular economy strategy, notably in urban and highway transportation



LOW ENVIRONMENTAL IMPACT TIRES



Launch of the
**MICHELIN
AGILIS 3**

For light commercial vehicles

On average **1KG LIGHTER** than the previous generation

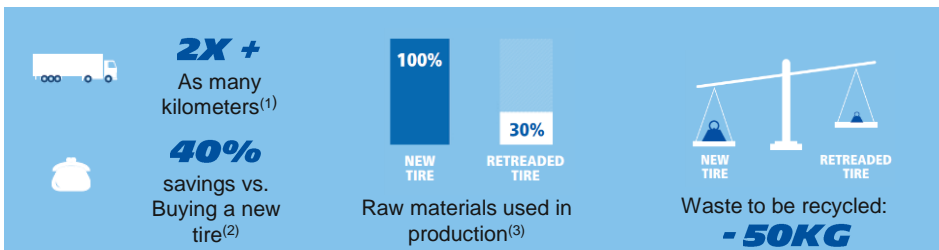
Demonstrating the
LLP* PROMISE

* Long Lasting Performance



MICHELIN: THE LEADER IN RETREADING

/// environment /// economy /// safety



(1) With the same casing. In-house Michelin tests in 2013. The lifespan of a MICHELIN Remix® tire = 97% of the lifespan of a new, same-size MICHELIN tire.

(2) European average, in-house price surveys in 2014 and Internet price surveys conducted by an outside organization in 2014.

(3) MICHELIN Remix® retreading requires only an average 20 kg of raw materials, i.e. 70% less than to make a new tire

- Growth driver for the Group's Road transportation tire business
- Supports Michelin's "All Sustainable" strategy
- Unmatched solutions, thanks to Michelin's robust tire casings
- A profitable business that is more recession-proof than new tires



Resilient Specialty businesses amid a severe recession in the global economy

- The Specialty segment's business performance helped to offset the steep drop in the Automotive and Road transportation segments, with
 - Only a **14%** decline in sales
 - A **15%** operating margin

FENNER CONVEYOR BELTS



AGRICULTURAL **RT**



MINING



TWO-WHEEL



Optimized cash management strengthening the Group's robust financial position and enabling it to deal with the crisis calmly

- Change in free cash flow
(in € millions, including acquisitions and JV financing)

H1 2019 free cash flow	-592
Change in EBITDA	-1,104
Change in trade working capital	+285
Change in tax and interest paid	+281
Change in capital expenditure	+120
Change in M&A and financing for subsidiaries and affiliates	+400
Change in other	+259
H1 2020 free cash flow	-351

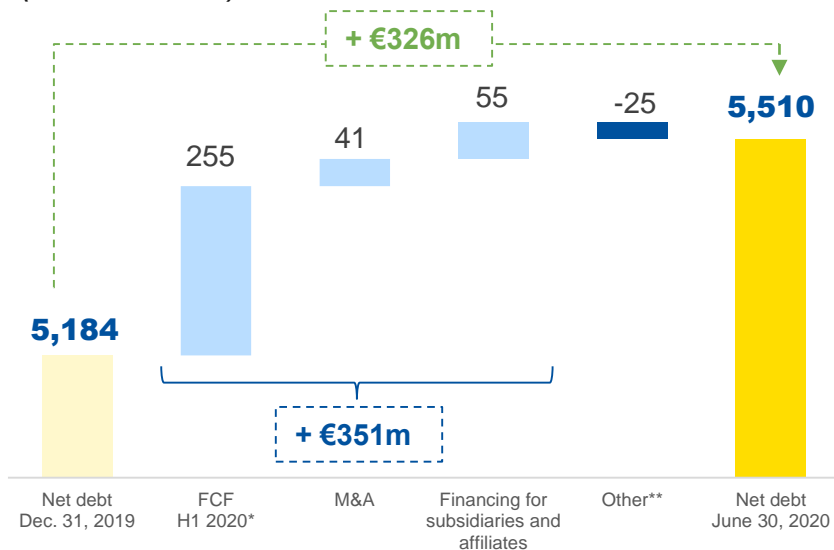
- A solid cash position at June 30, 2020

- €2.8bn in cash and cash equivalents
- €1.4bn in commercial paper issued out of a maximum €3.1bn
- €1.5bn in confirmed, undrawn lines of credit
- No significant bonds falling due before 2022

The Group's available sources of financing enabled it to easily pass the stress tests conducted for a period 18 months out

Despite the crisis, net debt remains under control, thanks to management discipline recognized by the rating agencies

Net debt (in € millions)



* Free cash flow excluding M&A and financing for subsidiaries and affiliates

** Mainly translation adjustments, share buyback and the impact of new leases

Credit ratings reaffirmed in first-half 2020

Short term	S&P Fitch	A-2 F-2
Long term	S&P Fitch Moody's**	A- A- A3
Outlook	S&P Fitch Moody's**	Negative Stable Stable

** Moody's, whose rating is no longer solicited as of July 1, 2020, affirmed the long-term credit ratings of CGEM and CFM on May 14, 2020



02.

July 27, 2020

First-half 2020 Results

2020 Guidance

2020 market scenario: gradual recovery in demand for PC/LT and Truck tires, vulnerable to a high risk of a major recession



PC/LT : - 20% / -15%

- OE: trend-line improvement in H2 vs. H1, led by China's recovery and the effect of government incentives
- RT: post-lockdown upturn in demand occurring at different speeds depending on the region, in a very fragile economic environment



TRUCK: -17% / -13%

- OE: continued decline in global demand in a very uncertain environment
- RT: demand still significantly depressed in every market except China, which is returning to modest growth



SPECIALTIES : -17% / -13%

- Mining: lower demand in a global economy hurt by Covid-19
- Off-the-road: demand relatively resilient in Agricultural RT tires, but down sharply in Agricultural OE and Infrastructure tires
- Two-wheel: market lifted by its image as a safe form of transportation amid the health crisis
- Collapse in demand for Aircraft tires



2020 scenario*



	2020
Volumes	Growth in line with markets excluding the geomix effect
Cost impact of raw materials prices and customs duties	Positive
Currency effect	Slightly negative based on June 2020 rates**
Net price-mix/raw materials effect	Positive Price / Raw materials: positive

* Based on the following average prices and exchange rates for 2020: natural rubber: \$1.267/kg; butadiene (US, Europe and Asia): \$611/t; Brent: \$39.8/bbl; EUR/USD: 1.092

** See slide 54



2020 guidance excluding any new systemic effect from Covid-19



	2020
Segment Operating Income at constant exchange rates	> €1,200m
Structural FCF	> €500m



MICHELIN IS EQUIPPING THE EVs OF THE FUTURE



From left to right: BMW iX, Buick SUV China, Ford Mustang Mach-E, Mercedes EQC, Jaguar XJ-Type, Nissan Ariya, Human Horizon HIPHI 1 and Polestar 2





July 27, 2020

First-half 2020 Results

03.

Appendices



Investor Calendar

- **Coming events:**

- **October 22, 2020 (after close of trading)** : Third-quarter and 9 months 2020 sales
- **February 15, 2021 (after close of trading)** : 2020 Annual Results

- **April 8, 2021**: Investor Day

Reported H1 2020 and H1 2019 financial highlights

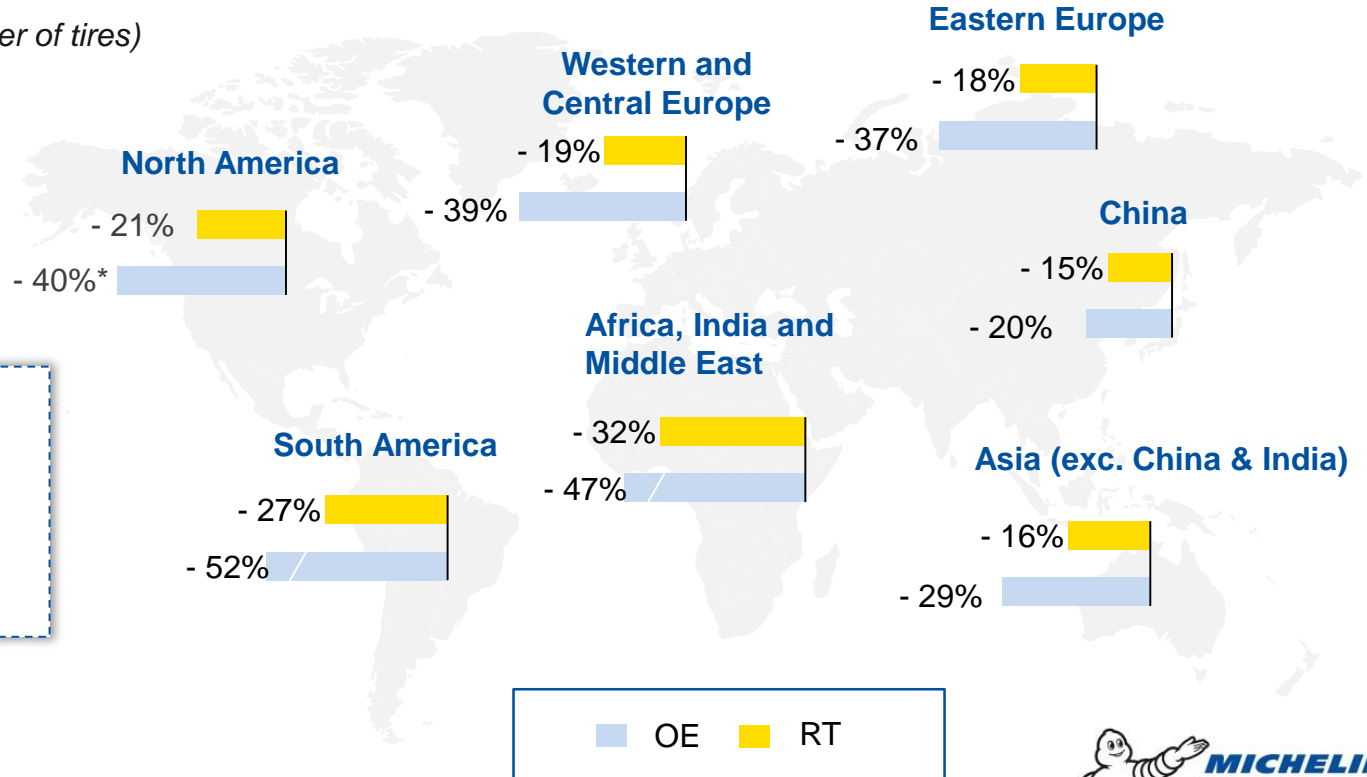
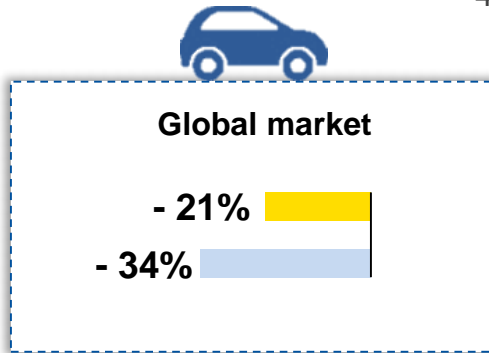
	H1 2020	H1 2019
Sales	9,357	11,781
Segment EBITDA	1,192	2,296
Segment EBITDA margin	12.7%	19.4%
Segment Operating income	310	1,438
Segment Operating margin	3.3%	12.2%
Other Operating income and expenses	(133)	(97)
Net income	(137)	844
Basic earnings per share (in €)	(0.75)	4.74
Capital expenditure	490	665
Free cash flow*	(351)	(592)
Gearing	45 %	54%

* Net cash from operating activities less net cash used in investing activities less net cash from other current financial assets, before distributions.

TC : collapse in OE and Replacement demand in every region, hard hit by the spread of Covid-19 and the ensuing lockdowns

Passenger car tire markets in H1 2020

(% change YoY, in number of tires)



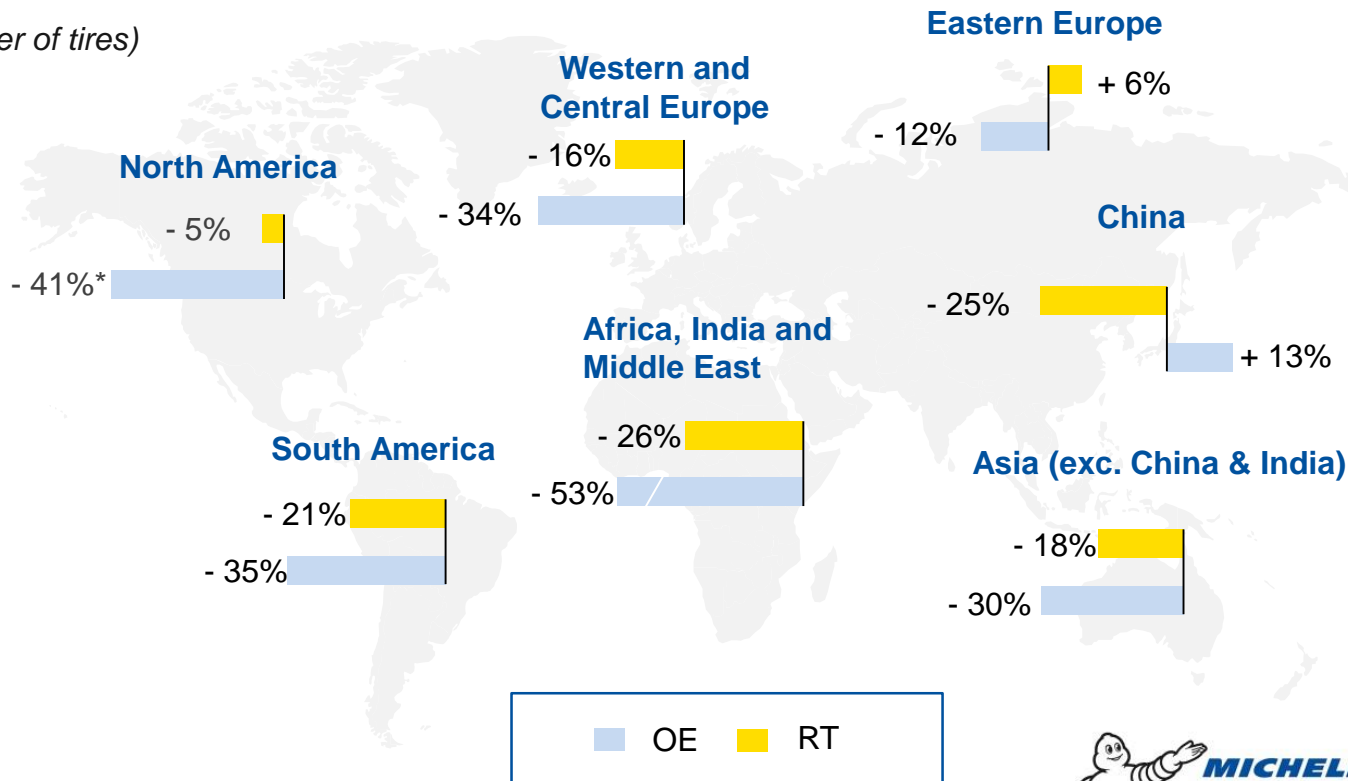
Source : Michelin.

* incl. Central America

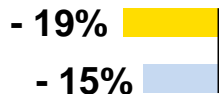
PL : collapse in OE and Replacement demand in every region, hard hit by the spread of Covid-19 and the ensuing lockdowns

Truck tire markets in H1 2020

(% change YoY, in number of tires)



Global market

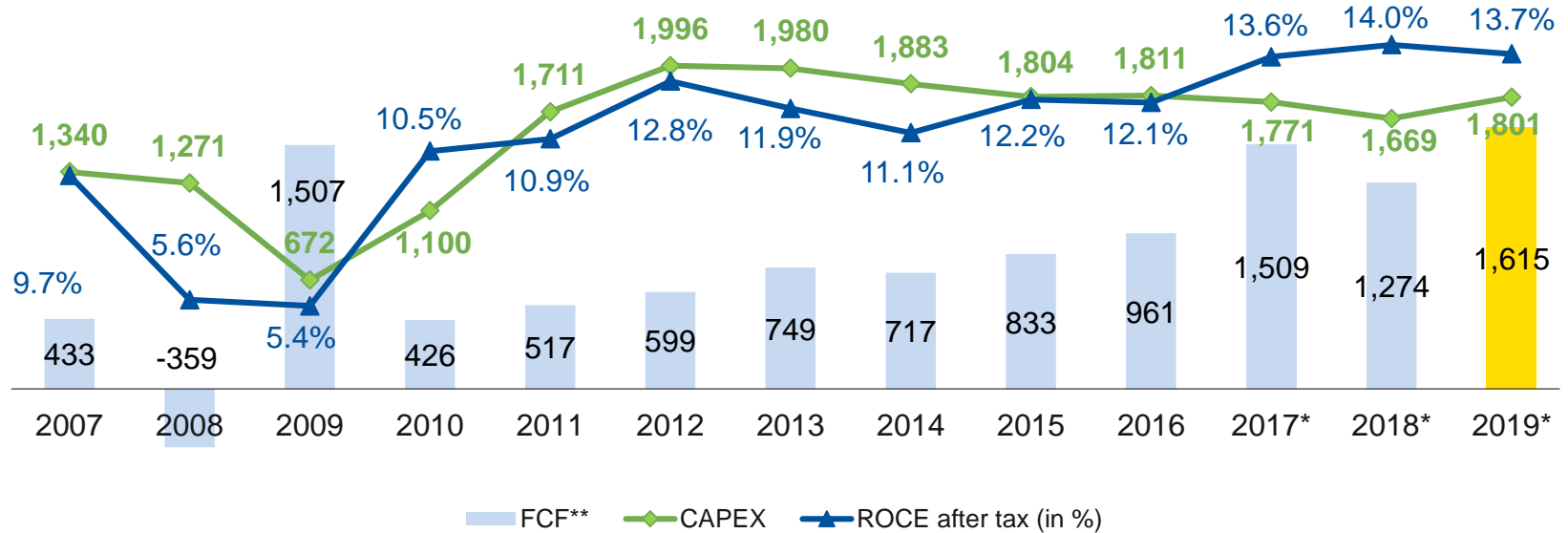


Source : Michelin.

* incl. Central America

2007 – 2019 : Group capacity to protect and improve its Free Cash Flow generation

2007 - 2019 Free Cash Flow, CAPEX & ROCE*



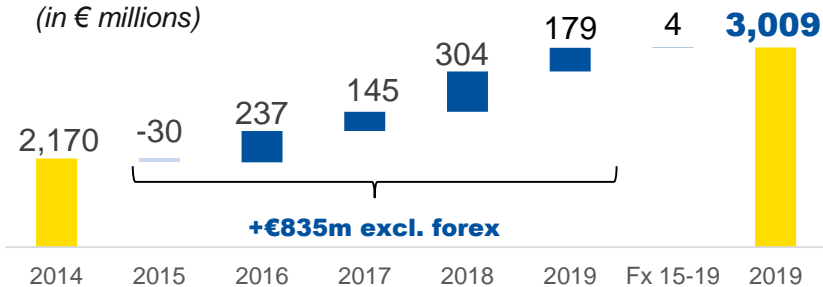
* With standard tax rate at 28% for 2017 and 26% for 2018 & 2019 and excluding goodwill, acquired intangibles, associates and joint ventures for 2017, 2018 & 2019

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

Resilient margins, underlying strengths and robust drivers support confidence in sustainable FCF growth

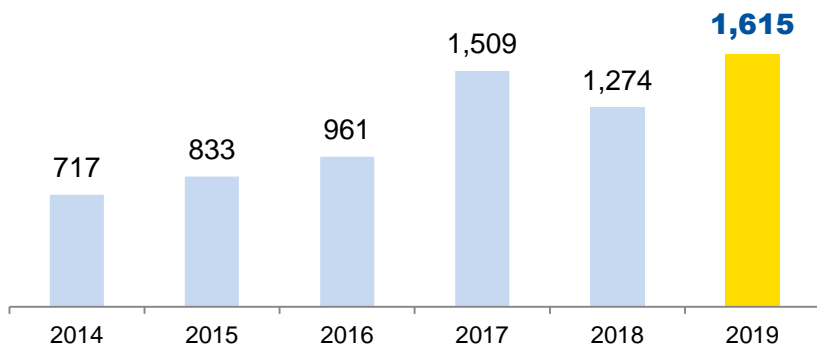
Change in segment operating income 2014 – 2019

(in € millions)



Structural free cash flow 2014 – 2019

(in € millions)



Beyond 2019: Michelin's strengths and drivers for more value creation



A powerful **brand** operating in structurally growing markets



Innovation for better performing, more environmentally friendly products



Tires becoming more **technology** rich



Business **expansion** leveraging our customer base and our unique expertise



Competitiveness plan deployment



Working capital optimization

Leverage on Group's strengths, in four domains of growth, to enhance customers mobility and create value

➔ Michelin's strengths



Michelin brand leadership
Michelin Man named "Icon of the Millennium"*



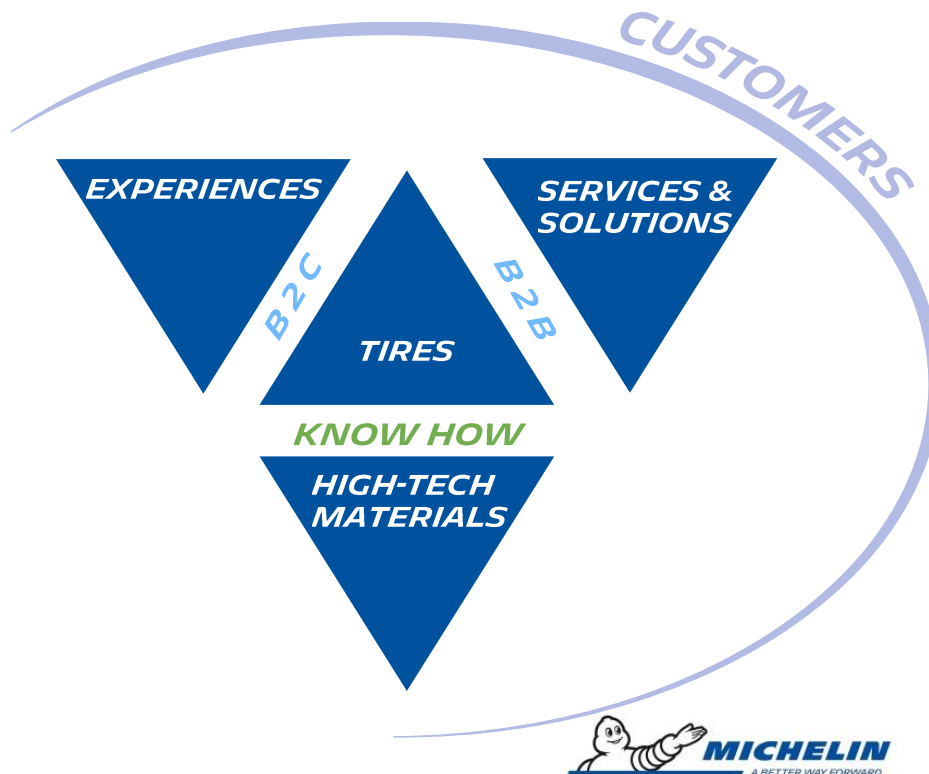
High-tech materials leadership
125 years of competencies and innovations in flexible composite materials and transformation processes



Employee engagement
In 2019, 81% of employees say they are proud and happy to work at Michelin

*By Advertising week

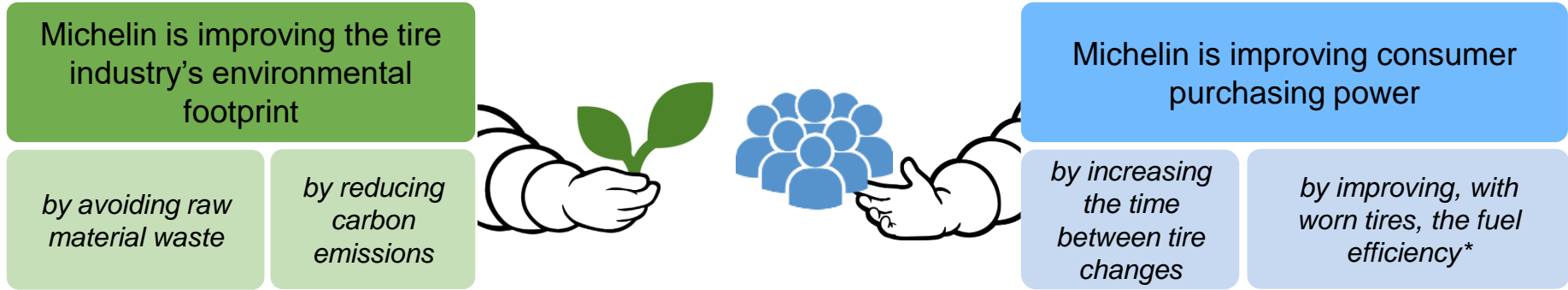
➔ Four areas of growth





Recognition for the economic and environmental benefits of Michelin tires' long-lasting performance

- By offering customers tires that deliver high performance until 1.6mm wear indicators appear



* Up to a 20% reduction in rolling resistance

- Michelin's approach is supported by the automotive industry

2019

*Testing tires at worn stage is introduced into **EU regulation***

2024-2026

In Europe, long-lasting performance should be a prerequisite for tires in the EU

Innovation leader with Uptis: the airless concept, an essential step towards more sustainable mobility

- From ambition to action -

FOR THE NEW C.A.S.E MOBILITY

*(Connected, Autonomous,
Shared, Electric)*

Benefits for car owner

*More serenity during
the journeys*

Benefits for fleet owners and professionals

Productivity optimisation

Benefits for all

*Material savings and
waste reduction*

AIRLESS TECHNOLOGY « PUNCTURE PROOF »

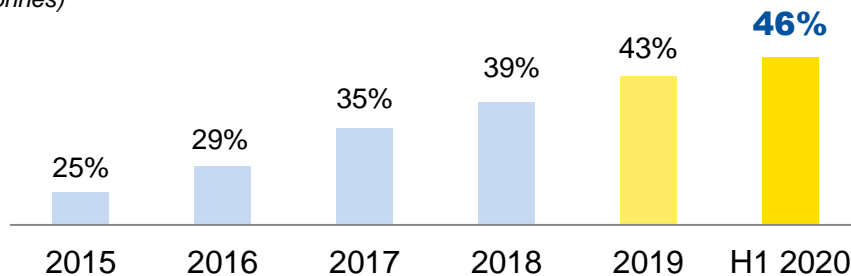
**Co-developed
with General Motors**



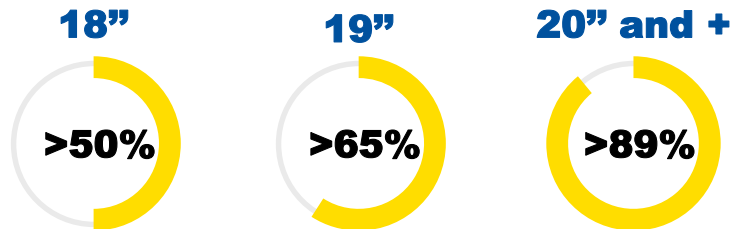
Automotive: market share gains in 18 inch and above, recognition of Michelin's technological leadership



Percentage of ≥18" tires in total MICHELIN-brand sales (in tonnes)



MICHELIN OE/RT loyalty rate in Europe*:



* 1st replacement

Michelin's OE position is unique

	SPORT PASSION	LUXURY PREMIUM	GENERALISTS	NEW ENTRANTS (OEM & Mobility)
OEM BRANDS (examples)				
Who are they	Extreme emotions & passionate drivers	Premium brand focus on consumer experience	WW players mass-market oriented	New OEMs & new offers of mobility
Market weight (Volumes of tires)	2% > in € and image	13% > in € and image	65% =	20% < in €
Main competitors	Pirelli	Continental Pirelli	Bridgestone, Goodyear, Continental, Dunlop, Hankook	All
Michelin position	Leader	Amongst the Top 3	Amongst the Top 3 Overall & WW presence	Leadership Position amongst non Chinese

... with the overall objective of achieving

- a benchmark position in each segment & each geography
- sales growth at least in line with the market
- profitability on a par with the best auto suppliers

The new challenges facing road transportation: opportunities to showcase the value added of Michelin solutions

NEW ENVIRONMENTAL STANDARDS

- Reducing CO₂ emissions
 - Vecto UE 2020 standard for new vehicles
 - Cut CO₂ emissions by 15% by 2025
 - Cut CO₂ emissions by 30% by 2030
 - Greenhouse Gas Protocol applied to company upstream/downstream operations
- Circular economy
 - Preference for retreaded or retreadable tires in government contracts (French legislation)



BUSINESS ISSUES

- Focus on fuel efficiency
- Shortage of drivers and rising wages
- Optimizing asset use

A HIGHLY DIVERSIFIED LINE-UP

- Tires offering the lowest TCO over time
- Innovative solutions to improve the productivity and environmental footprint of trucking companies
- Products with low environmental impact to support truckers in transitioning to zero-emission operation

Michelin strengthens its position in markets with high potential for value creation

Mining tires

→ XDR250 - 57"



→ XDR3 - 63"



→ MICHELIN MEM'S Evolution 4



→ Convoyer belts



Long-term CAGR
~+2%

AN UNRIVALED MICHELIN PORTFOLIO...

Technological leadership
Comprehensive solutions for every customer need
Services & Solutions

... IN HIGH-POTENTIAL MARKETS DRIVEN BY

↓ Trade flows



↓ Urbanization



↓ Population growth



OHT



MICHELIN Zen@terra

MICHELIN AgroPressure

CAMSO tracks and tracks system



Long-term CAGR
~+3%

Partner dealership chains* that showcase the Group's products

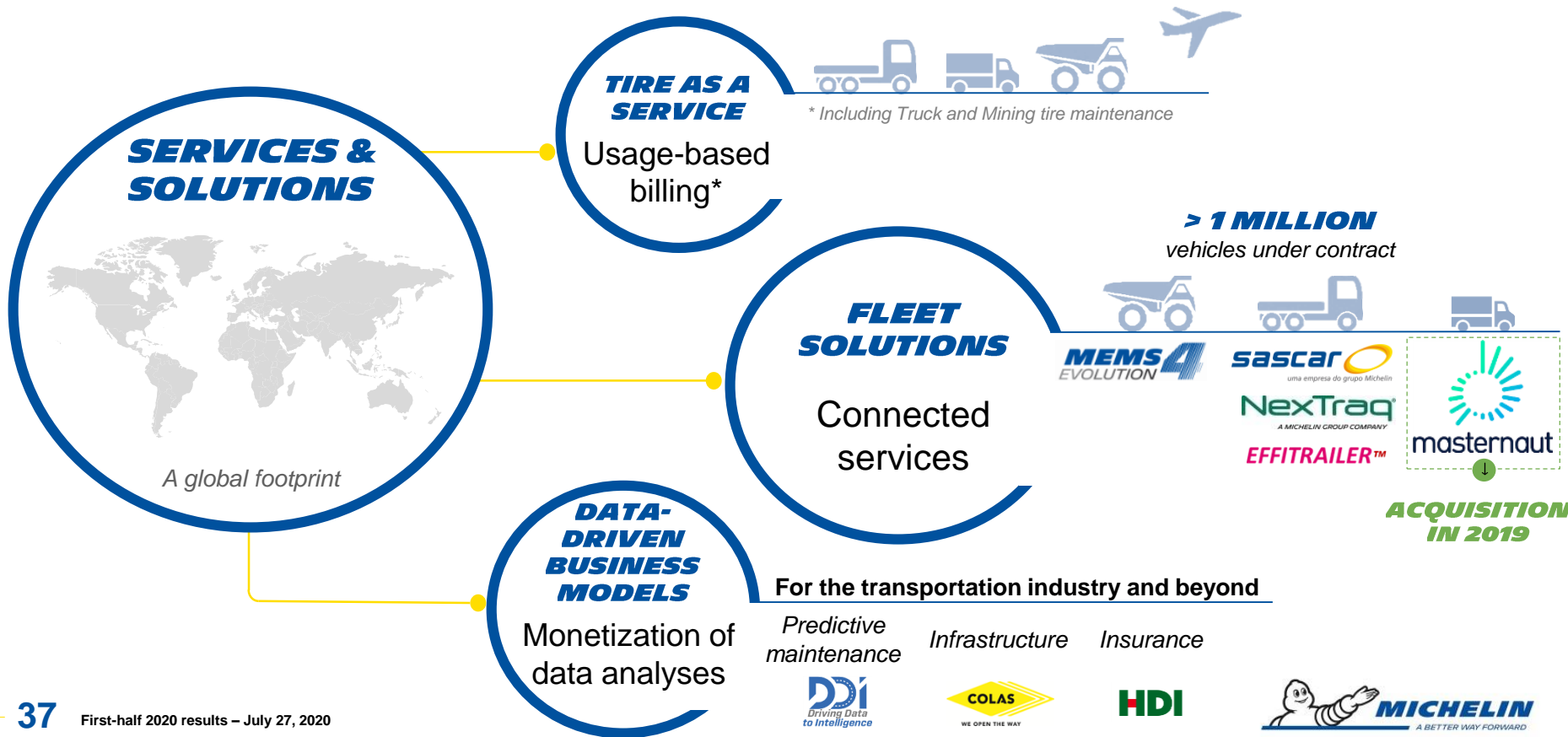
- Michelin boasts industry-leading global coverage



- Partner wholesalers: NTW, Ihle, Meyer Lissendorf
- A vast network of strategic retailers* as of late 2019: ~ 7,500 including Penta in Indonesia following the acquisition of Multistrada

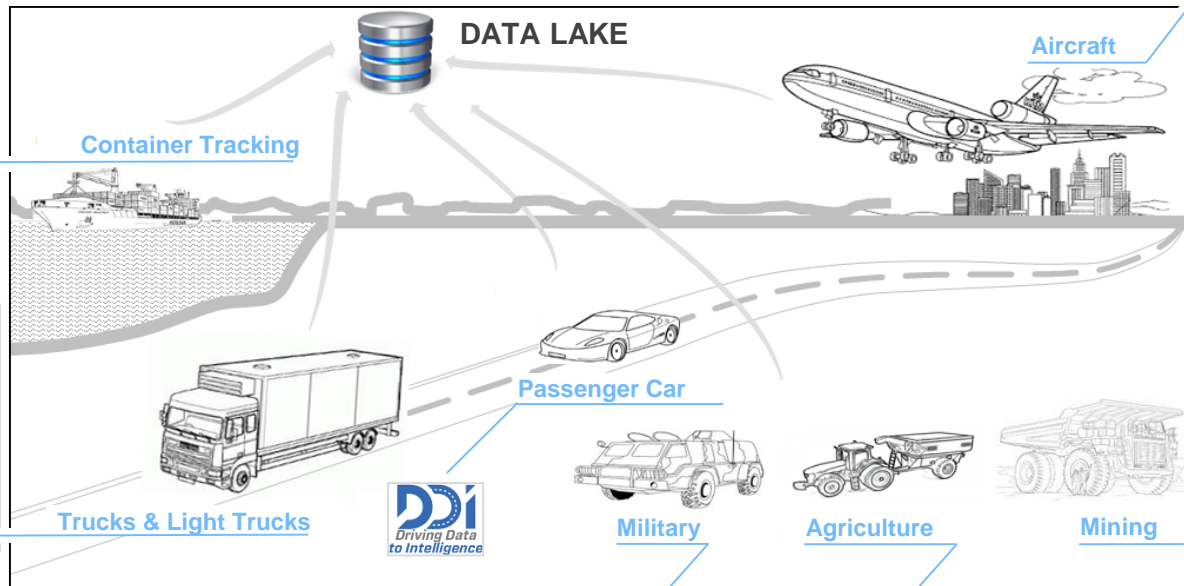
*Proprietary or franchised dealers, plus minority stakes in partners

Services & Solutions: an expansive offering suited to B2B customer needs



Our aim: deeply understand our customers to provide solutions that create greater value for all

- Data collection: a pre-requisite to building **predictive** capabilities
- Michelin begins this journey with a data lake that merges **unique historical data sets**
- Michelin will go much further, ultimately **connecting every single asset**



PRESSENSE PROJECT
with Safran

Safecube
SAFE ROUTES. SAFE GOODS. SAFE ENVIRONMENT
- JV with Sigfox & Argon Consulting -

Sascar
uma empresa do grupo Michelin

NexTraq
A MICHELIN GROUP COMPANY

EFFITRAILER™ masternaut

100% tires with RFID

DDI
Driving Data
to Intelligence

MEMS4
EVOLUTION

Téléflow
La better way to drive

ZEN@TERRA
PTG

MICHELIN
A BETTER WAY FORWARD

Maintaining our brand leadership and strengthening our B2C connection

NURTURING OUR STATUS AS A PREMIUM BRAND



8th most reputable company worldwide
Ranked **no.1** in the automotive sector

BY 2019 GLOBAL REPTRACK@100*



* Reputation Institute



DEVELOPING CURATION ACTIVITIES

that enable our customers to enjoy a unique mobility experience and make Michelin a trusted partner



"BY MICHELIN"

In 2019, a strategic international partnership agreement was signed with the aim of combining:

- The gastronomic selection expertise of the **Michelin Guide**
- The power of **TripAdvisor's** global customer audience
- **TheFork's** leading online restaurant booking platform



High-Tech Materials strategy: addressing 3 main value chains for a sustainable growth

ADDITIVE MANUFACTURING



**HIGH-TECH
MATERIALS**

FLEXIBLE COMPOSITES

→ Rubber goods



→ Bio-based and clean materials



HYDROGEN MOBILITY



→ End of Life Tire recycling



Michelin aims to become a world leader in hydrogen systems

- With its expertise in the hydrogen fuel cell technology, notably with Symbio, Michelin is accelerating the deployment of zero-emission mobility:
 - by partnering with Faurecia to create a leading hydrogen fuel cell system
 - by participating in the Zero Emission Valley project (Hympulsion) in France, involving public-private partners
 - by being a key stakeholder playing and a trusted third party in hydrogen mobility (Hydrogen Europe, Hydrogen Council, MOVIN'ON...)



2030 outlook

230
employees in 2020

€140M
will be committed by
Michelin and Faurecia

3
Production facilities
eventually: Europe,
Asia and USA

÷ 20
the price of a battery +
components in the future,
(due to growing demand)

25%
market share

€1.5BN
in sales

Hydrogen mobility, a solution with significant growth prospects that is particularly suited to professional needs

- A fuel cell car will be able to cover longer distances and offer constant availability for a lighter, smaller system



Hydrogen fill-up



Range

FOR THE SAME SIZE TANK (170 DM3) :



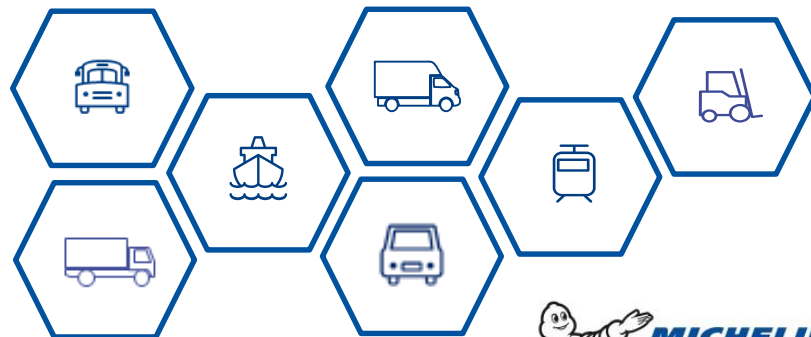
- 2030 market *



* Michelin estimate

- 80% light vehicles (passenger cars and light trucks)
- 20% trucks and buses








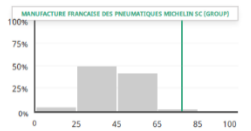
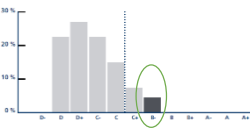
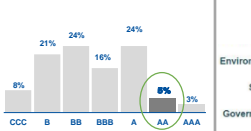


Michelin has decided to target **professional markets** first before approaching passenger cars market





Michelin's non-financial ratings: a leading, and recognized player in sustainable mobility

Major sustainability rating (As of June 30, 2020)

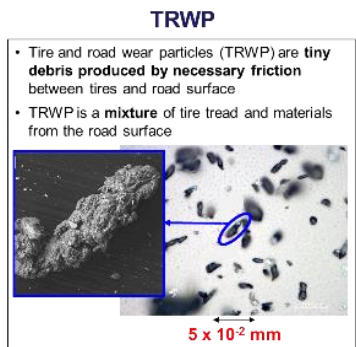
	CDP 2019	ECOVADIS 2019	ISS-OEKOM 2019	MSCI 2019	VIGEO EIRIS 2018	SUSTAINALYTICS 2018
Status	LEADERSHIP 	GOLD 	PRIME 	AA 	A1+ 	OUTPERFORMER
Rating	A-	78/100	B-	7.4/10	68/100	77/100
Ranking / Distribution of ratings	<i>Climate change</i>  <i>Water security</i> 	<i>Top 1%(natural rubber)</i>  <small>© All companies assessed by EcoVadis in this industry</small>			<i>1^{er} of 31 in the sector</i> 	<i>7^{ème} of 54 in the sector</i> 



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
- The particles are a mixture of rubber and road surface minerals
- They have specific characteristics and behaviors
 - High density: 1.8
 - Big diameter: average size 100 μm
 - High degradability rate



- Scientific studies conducted to date at the request of TIP* and ETRMA** suggest that
 - 2% to 5% of TRWPs may 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





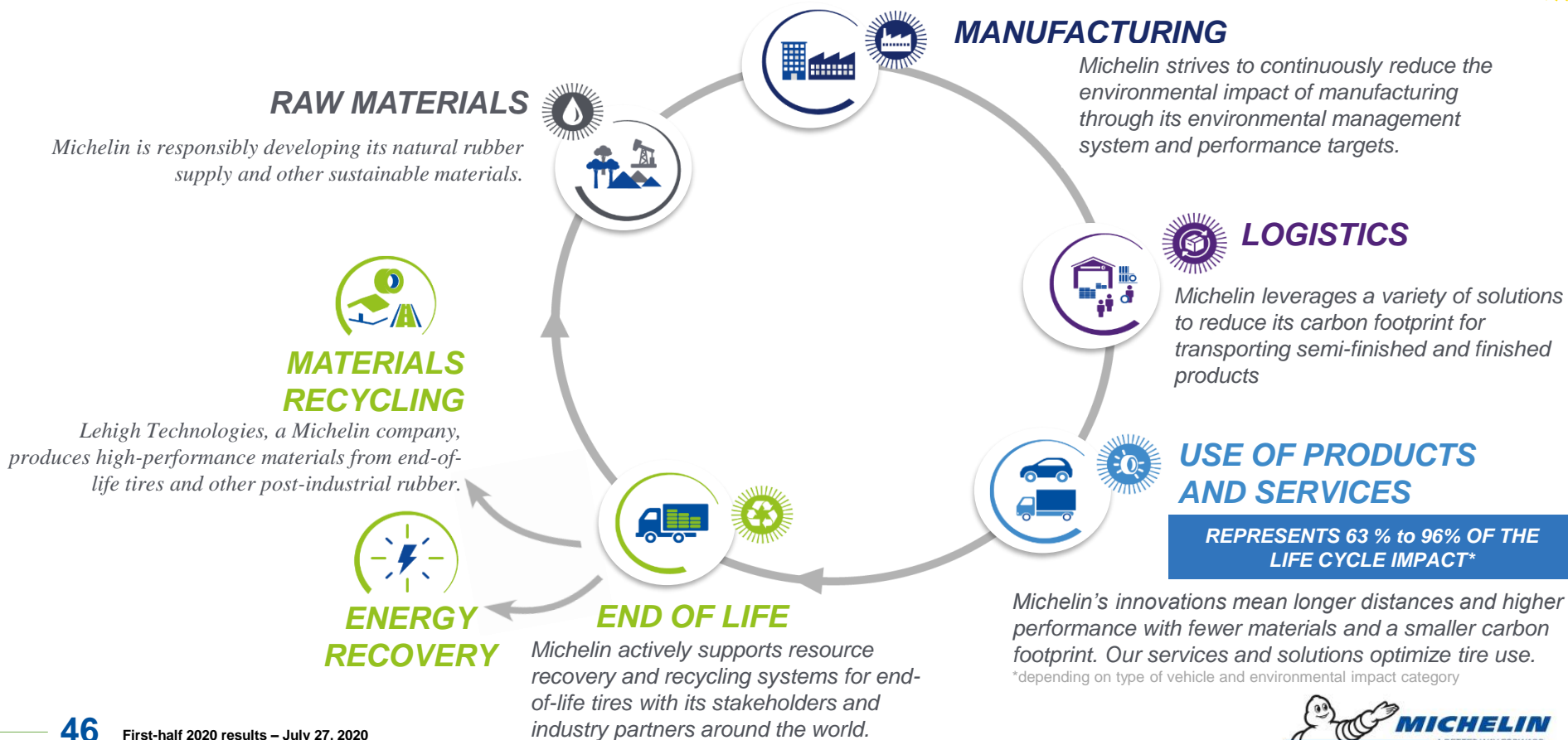
The Group is strongly engaged on the topic of TRWP



The Michelin Group has a dual commitment to reducing abrasion:

- **Individually**, by reducing the abrasion of its own products by leveraging its materials expertise and a design culture/strategy focused on optimizing the use of raw materials and reducing their quantities (less wear, less raw materials)
- **Collectively**, by collaborating with industry and European policy makers to developing a standardized method for measuring tire abrasion suitable for regulatory purposes, while supporting deeper scientific understanding of TRWPs

Life cycle impact: taking action throughout the life cycle of our products





REDUCE

- Tire performances
- Services & Solutions
- Hydrogen fuel cell development
- Uptis & Vision projects
- Coal exit strategy
- Renewable energy purchasing ramp-up
- Global engagement & partnership (SBTi, Movin'On...)
- Biodiversity commitments
- Less transport, better transport and transport in a different way



REUSE

- Repair, regroove and retread tires
- Vision project



RECYCLE

- Recycle energy
- Collective approach: collect and recover tires
 - TIP
 - Regional associations
 - ELT companies
- Individual approach :
 - Recycle tires: Lehigh Technologies
 - Use tires into tires: Enviro, Lehigh Technologies
- Vision project



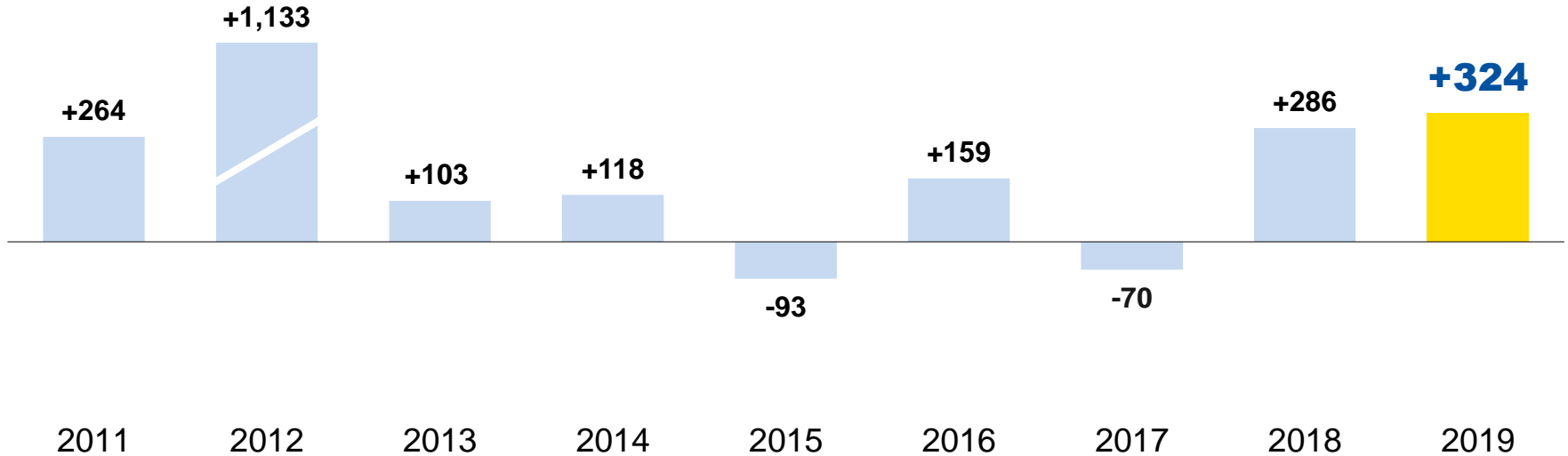
RENEW

- Biodiversity commitments
- Renewable materials projects
 - BioButterfly
 - Biolmpulse
 - Natural rubber
- Vision project



Proven ability to improve unit margin in a highly competitive market environment

- Net impact of changes in the price-mix and raw material prices
(in € millions)



Beyond 2020: set up our manufacturing efficiency, boosting competitiveness gains

/// INDUSTRIAL FOOTPRINT

- Produce locally and increase flexibility
- Multistrada conversion from Tier 3 to Tier 2 production
- Increase the number and utilization of large plants (>100k tonnes)



/// PRODUCTIVITY GAINS

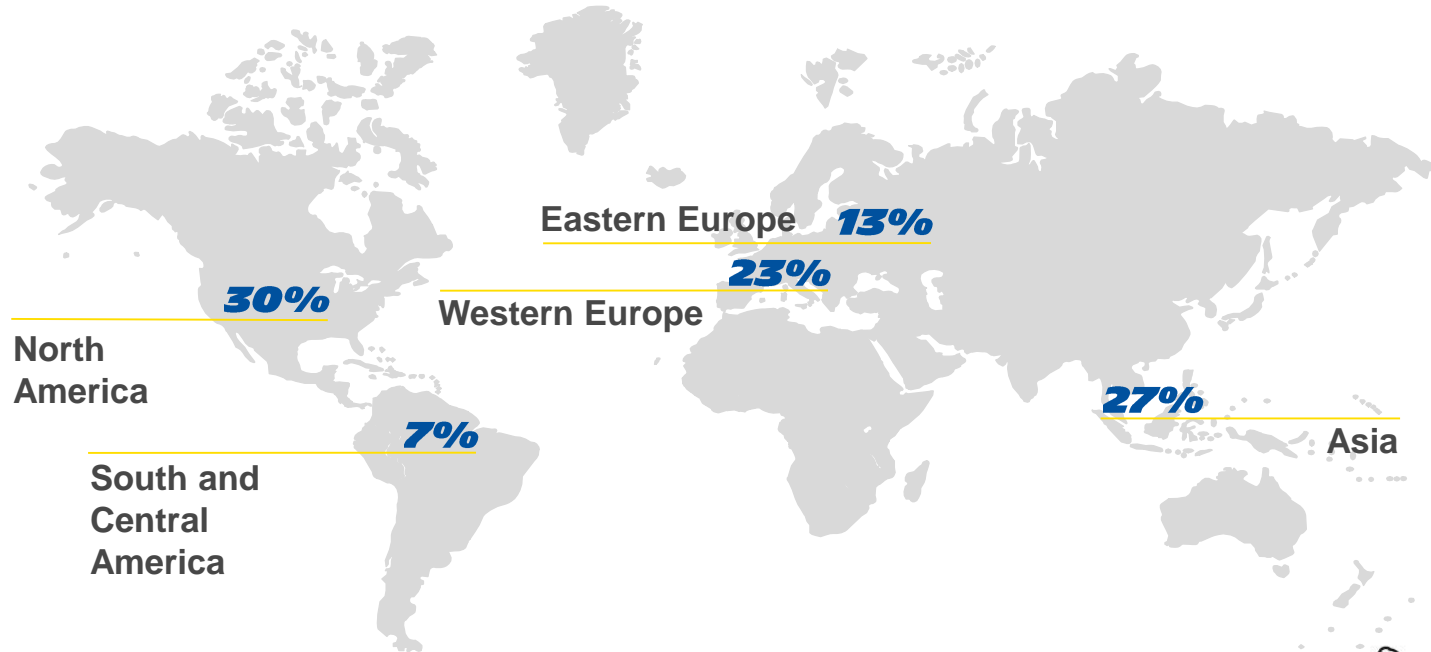
- Process standardization
- Empowerment deployment
- Simplicity
- Digital manufacturing



Continuing to rightsize Michelin's manufacturing footprint

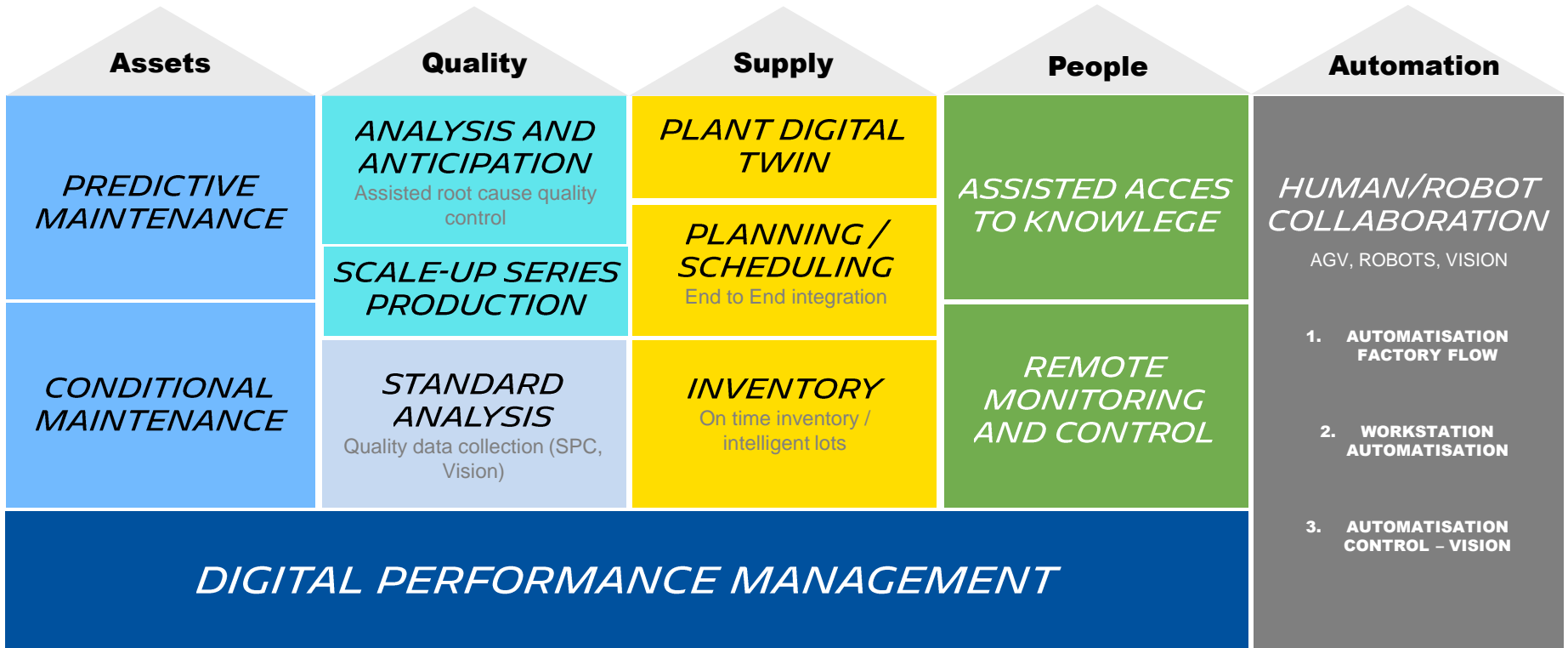
2023 production capacity by region (in kt)

Including Camso and Multistrada



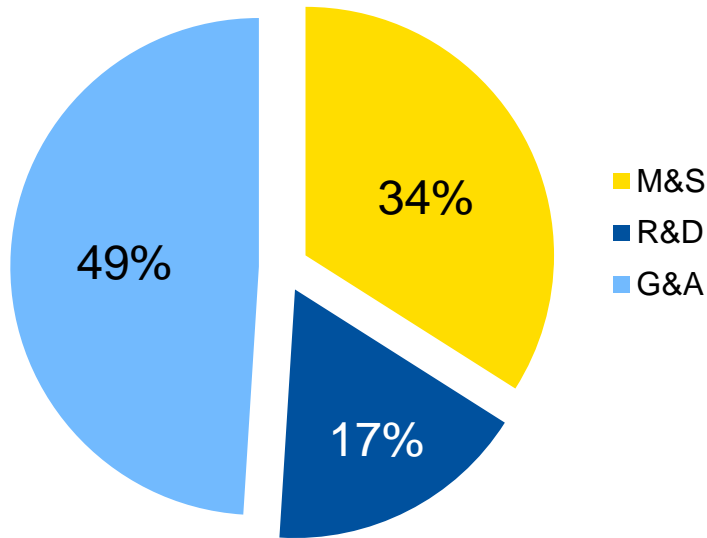


Digital manufacturing: 50 demonstrators launched

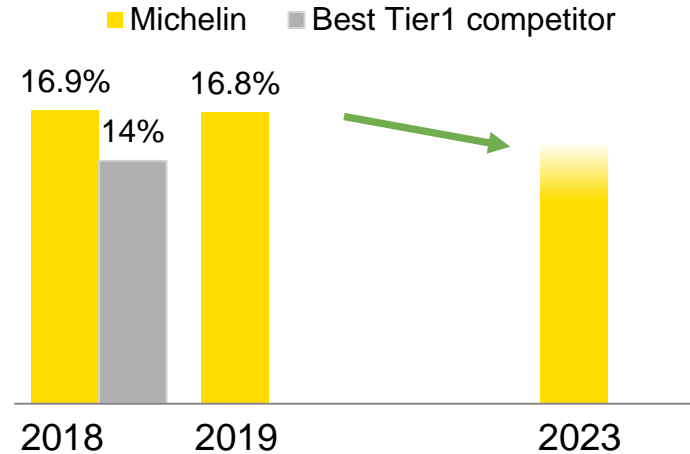


Beyond 2020: continue to target SG&A benchmark levels

2019 SG&A split (in € millions)



Zoom SG&A (in % of sales)



Closing the gap vs. best Tier 1 competitor

Levers to improve our SG&A structure



CORPORATE BUSINESS SERVICE IN BUCHAREST (EUROPE), QUERETARO (AMERICAS) AND, SHENYANG AND BANGKOK (ASIA)

STRENGTHENING OF OUR PURCHASING ORGANIZATION AND PROCESSES



CULTURAL TRANSFORMATION: SIMPLIFICATION AND FRUGALITY

VALUE STREAM MAPPING FOR LARGE CROSS-FUNCTIONAL PROCESSES



COMPLETE THE DEPLOYMENT OF OUR BUSINESS MANAGEMENT PROGRAM (OPE)

DIGITIZATION OF HR AND CRM PROCESSES



CREATION OF MICHELIN TECHNOLOGY AND INNOVATION CENTER IN PUNE (INDIA)



Sales by currency and SOI impact

	% of sales (June 30th LTM)		2020 H1 € change vs. currency	Droptthrough sales / ROS*
USD	37%	-2%	40% / 50%	
EUR	31%	-	-	
CNY	6%	1%	25% / 30%	
AUD	3%	5%	80% / 85%	
GBP	3%	0%	25% / 30%	
BRL	3%	23%	-30% / -20%	
CAD	3%	0%	25% / 30%	
RUB	2%	3%	25% / 30%	
JPY	1%	-4%	80% / 85%	

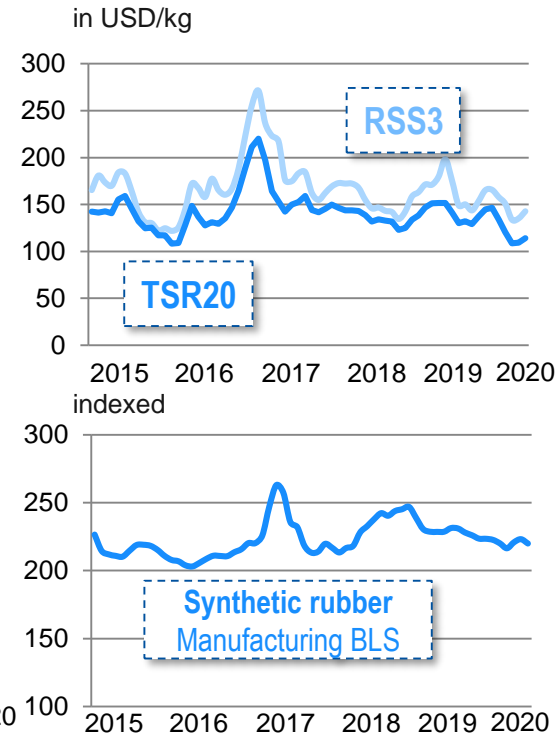
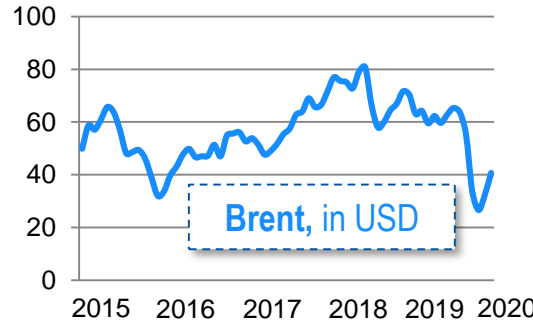
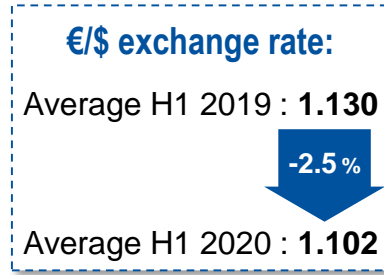
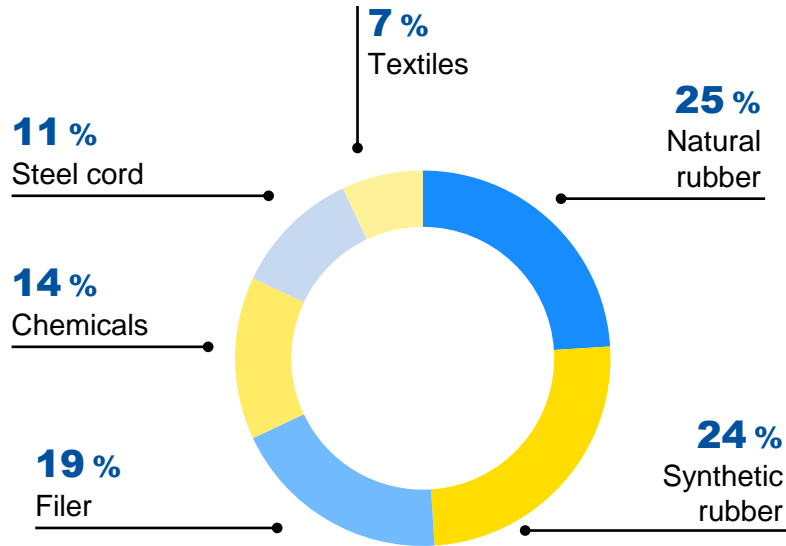
	% of sales (June 30th LTM)		2020 H1 € change vs. currency	Droptthrough sales / ROS*
CLP	1%	17%	80% / 85%	
MXN	1%	9%	25% / 30%	
THB	1%	-3%	-130% / -100%	
TRY	1%	12%	80% / 85%	
SEK	1%	1%	80% / 85%	
TWD	0.6%	-6%	80% / 85%	
ZAR	0.4%	13%	80% / 85%	
ARS	0.4%	52%	80% / 85%	
COP	0.2%	12%	80% / 85%	
Others	4.4%	-	-	

*actual droptthrough linked to the export/manufacturing/sales base



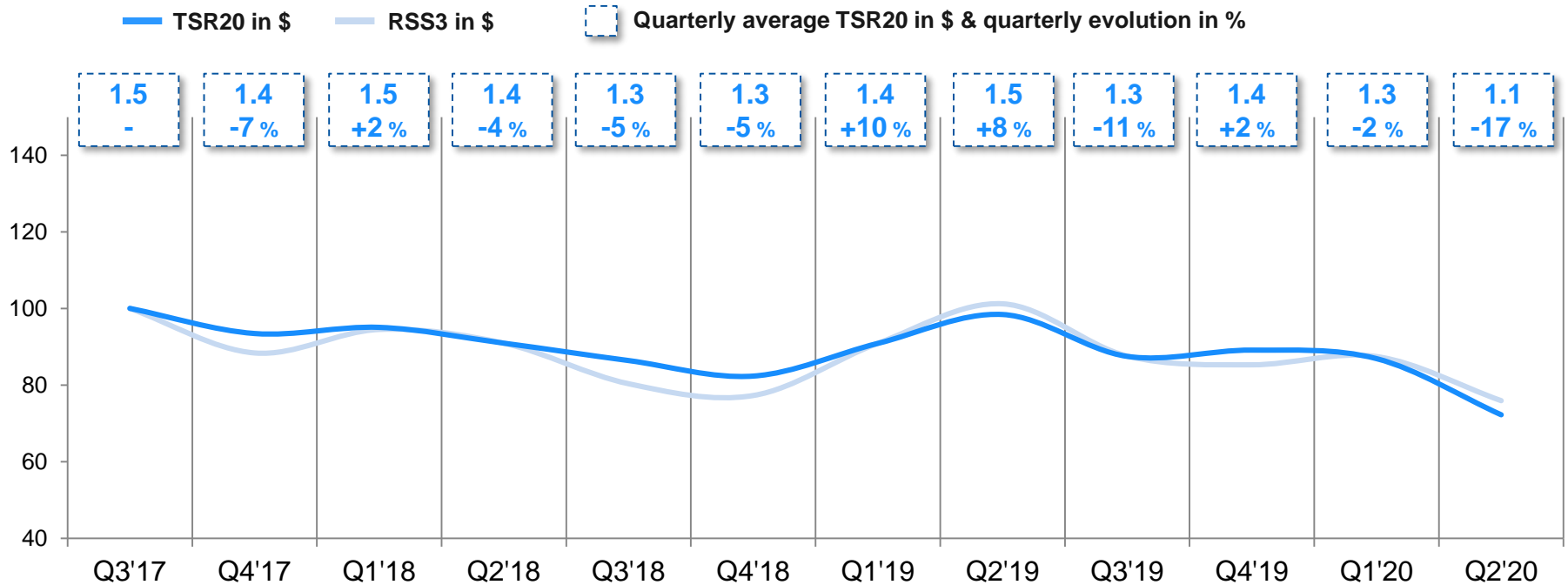
Raw materials

Raw material purchases in H1 2020 (€1.8bn)



Natural Rubber price trend

➔ At end of June 2020 (per kg, base 100 in Q3'17)

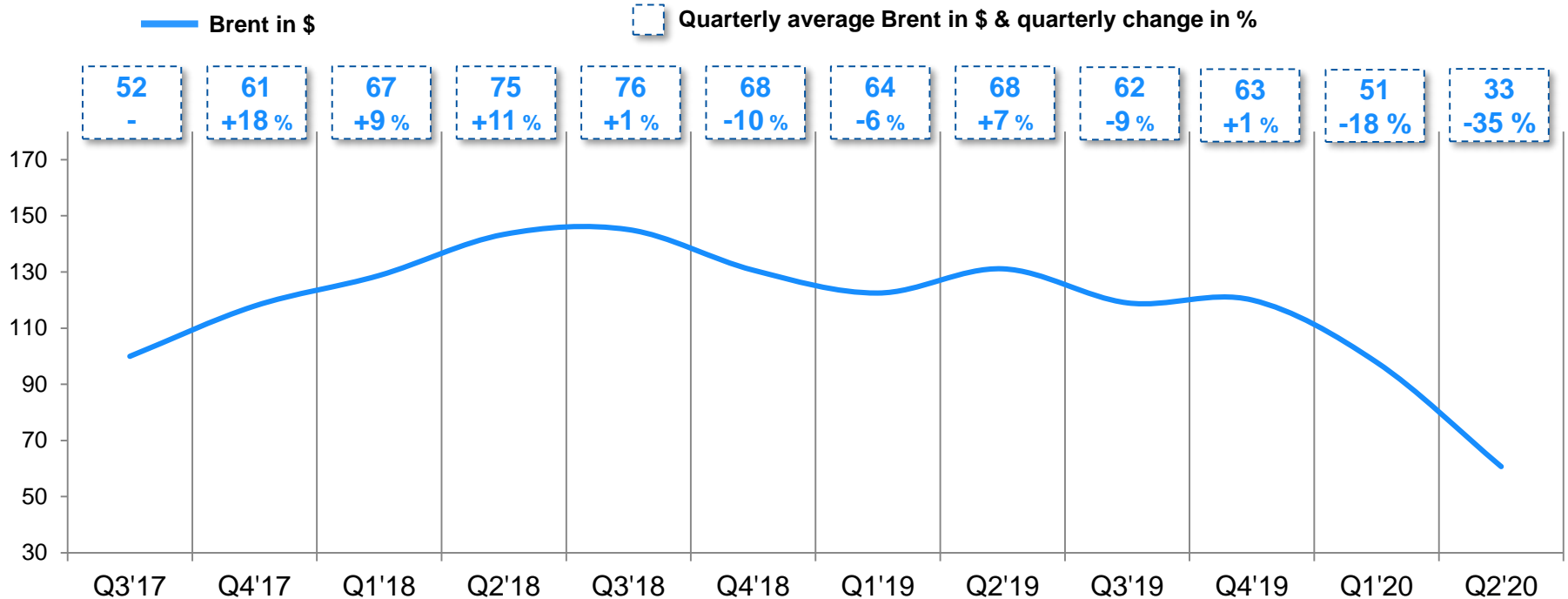


Source : SICOM.



Brent price trend

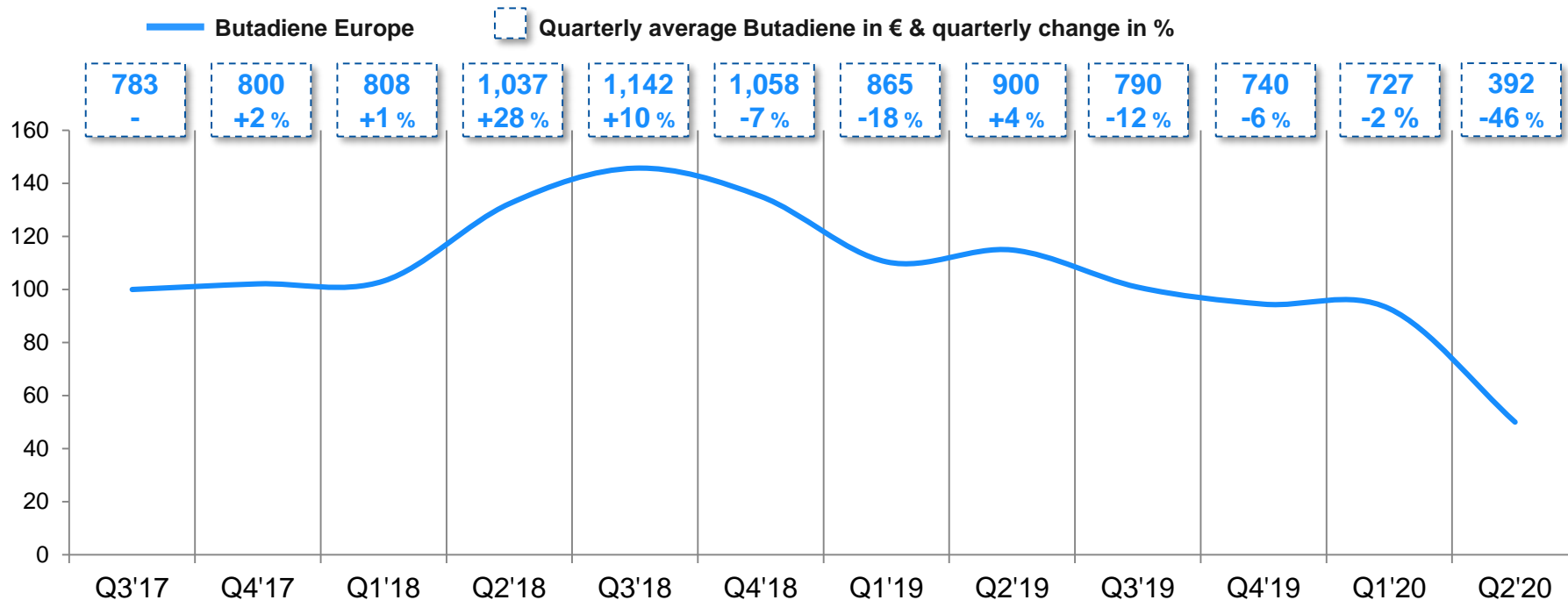
➔ At end of June 2020 (per barrel, base 100 au Q3'17)





Butadiene price trend

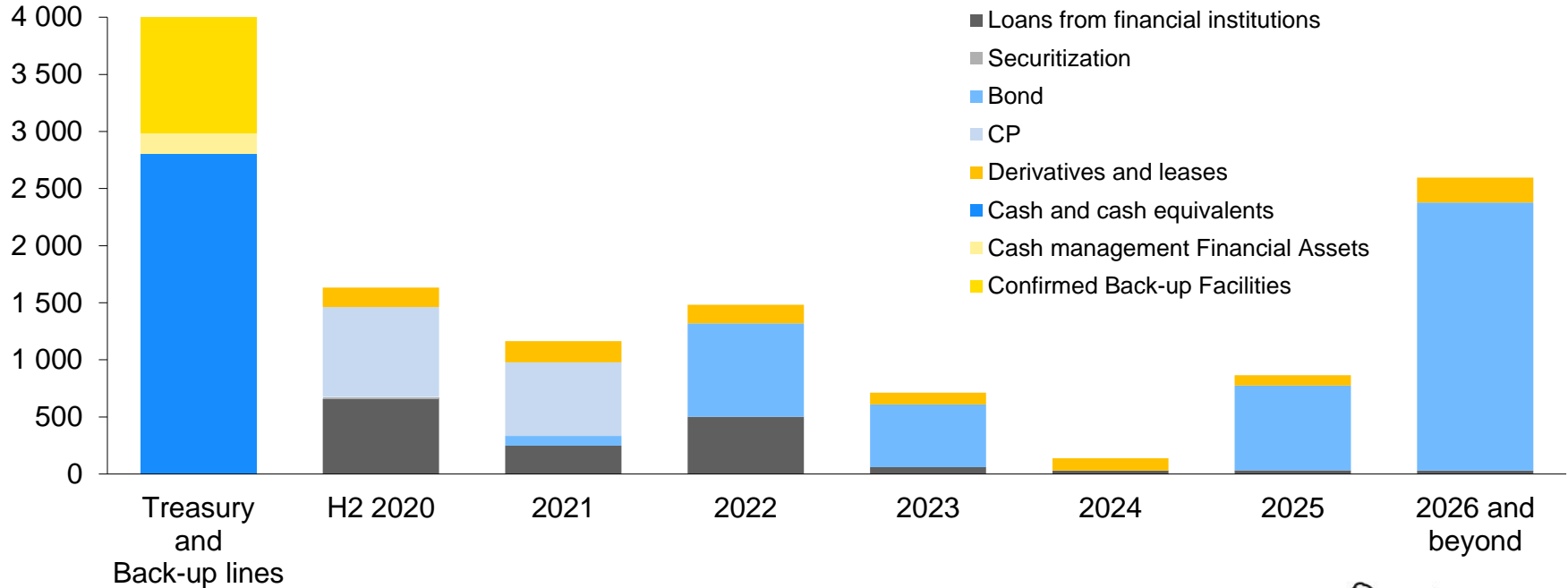
➔ At end of June 2020 (per ton, base 100 in Q3'17)





A comfortable cash position

Debt maturities at June 30, 2020 *(carrying amount, in € millions)*



Outstanding bond issues (as of June 30, 2020)

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	MICHELIN Luxembourg	MICHELIN Luxembourg	MICHELIN Luxembourg
Issue	Senior Note	Senior Note	Senior Note	Senior Note	Senior Note	Senior Note	Senior Note	Senior Note
Type	Bond	Bond	Bond	Convertible	Convertible	Bond	Bond	Bond
Principal Amount	€ 750 mn	€ 1'000 mn	€ 750 mn	\$ 600 mn	\$ 500 mn + TAP \$100 mn	€ 209 mn + TAP € 93 mn	€ 300 mn	€ 300 mn
Offering price	99,099%	99,262%	99,363%	95,50%	100% & 103,85%	98.926% & 118.66 %	99,967%	99,081%
Rating corporation at Issuance date	A- (S&P) A3 (Moody's)	A- (S&P) A3 (Moody's)	A- (S&P) A3 (Moody's)	A- (S&P) A3 (Moody's)	A- (S&P) A3 (Moody's)	at issuance : BBB+ (S&P) A3 (Moody's)	BBB+ (S&P) A3 (Moody's)	BBB+ (S&P) A3 (Moody's)
Current corporation rating	A- (S&P) ; A3 (Moody's) ; A- (Fitch) --- as of 01/July/2020, S&P and Fitch are sollicitated agencies							
Coupon	0,875% p.a	1,75% p.a	2,50% p.a	ZERO Conv premium 130%	ZERO Conv premium 128%	3,25% p.a	1,125% p.a	1,75% p.a
Issue Date	3-Sept.-18	3-Sept.-18	3-Sept.-18	05/Jan/2018	05/Jan/2017 & 25/Apr/2017	21/Sep/2015 & 27/Sep/2016	19-May-15	19-May-15
Maturity	3-Sept.-25	3-Sept.-30	3-Sept.-38	10-Nov.-23	10-Jan.-22	30-Sept.-45	28-May-22	28-May-27
Interest payment	Annual Sept 03	Annual Sept 03	Annual Sept 03	N/A	N/A	Annual Sept 30	Annual May 28	Annual May 28
ISIN	FR0013357845	FR0013357852	FR0013357860	FR0013309184	FR0013230745	XS1298728707	XS1233732194	XS1233734562
Denomination	€ 100'000 with min. tradable amount € 100'000	€ 100'000 with min. tradable amount € 100'000	€ 100'000 with min. tradable amount € 100'000	\$ 200'000 with min. tradable amount \$ 200'000	\$ 200'000 with min. tradable amount \$ 200'000	€ 1'000 with min. tradable amount € 1'000	€ 1'000 with min. tradable amount € 1'000	€ 1'000 with min. tradable amount € 1'000



Disclaimer



"This presentation is not an offer to purchase or a solicitation to recommend the purchase of Michelin shares. To obtain more detailed information on Michelin, please consult the documents filed in France with Autorité des marchés financiers, which are also available from the <http://www.michelin.com/eng/> website.

This presentation 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."

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