



OCTOBER 22, 2020

**SALES AT
SEPTEMBER 30, 2020**

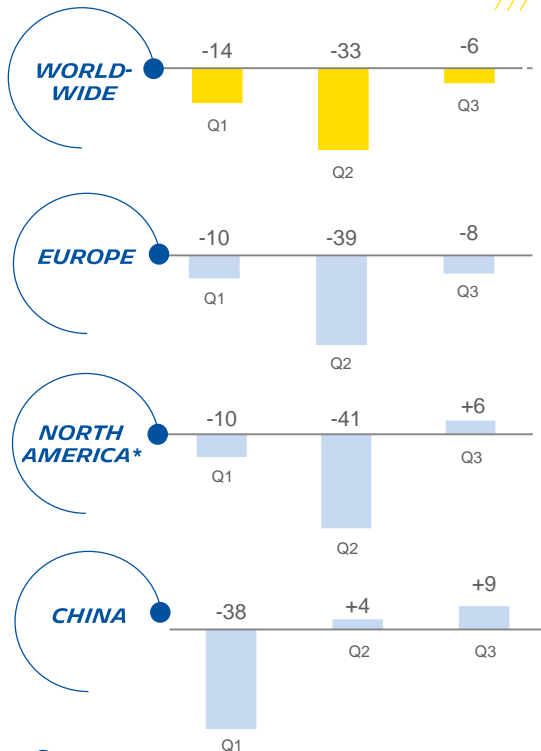
Nine months 2020: €14.9bn in sales, down 15% at constant exchange rates, with a turnaround in Q3 (down 5% at constant exchange rates)

- After falling steeply in Q2 due to the health crisis, global tire demand picked up in Q3:
 - PC/LT: demand plunged 17% over the first nine months, with a 6% decline in Q3 reflecting a better-than-expected recovery.
 - Truck: markets ended the first nine months down 14%, with strong OE demand in China in particular limiting the Q3 decline to 6%.
 - Specialties: markets remained in line with H1 trends, with the rebound in Agricultural and 2W offsetting a slowdown in the Mining business, which felt the effects of the health crisis with a lag of a few months.
- Sales for the full nine months were down by 16.8% year-on-year (including a 1.7% decline from the currency effect), reflecting:
 - A 17% decline in volumes, cushioned by a stronger than expected third quarter (down 6.7%). The Automotive and Specialty businesses gained market share, but the Road Transportation business was hurt by an unfavorable geographic mix.
 - A 1.7% improvement in the price-mix, attributable to:
 - the strength of the MICHELIN brand in a crisis environment and market share gains in the 18"+ segment
 - disciplined price management in response to declines in certain currencies, which offset the negative impact of raw materials-based price indexation clauses
 - A 0.3% net increase from changes in the scope of consolidation (first-time inclusion of Multistrada and Masternaut and deconsolidation of BookaTable)
- Michelin refinanced its syndicated credit line and raised it to €2.5bn. Actual cost will depend on the Group's ability to meet social and environmental targets.
- The Group is revising its guidance for 2020 upwards, taking into consideration new market forecasts and the cost reductions linked to the circumstances.

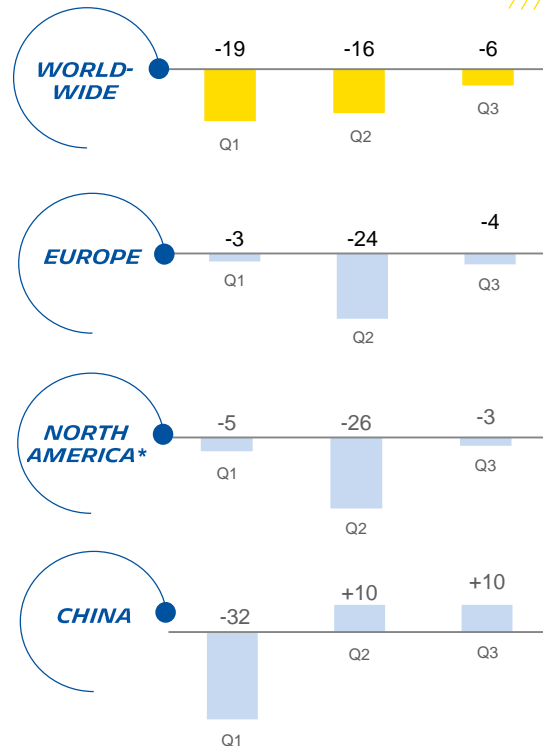
Q3 2020: global demand picked up, particularly in China, but remained relatively weak in the mature regions



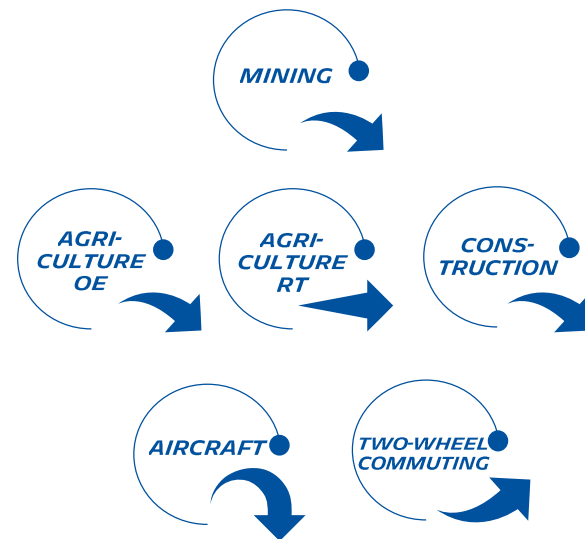
PC/LT: -17%



TRUCK: -14%



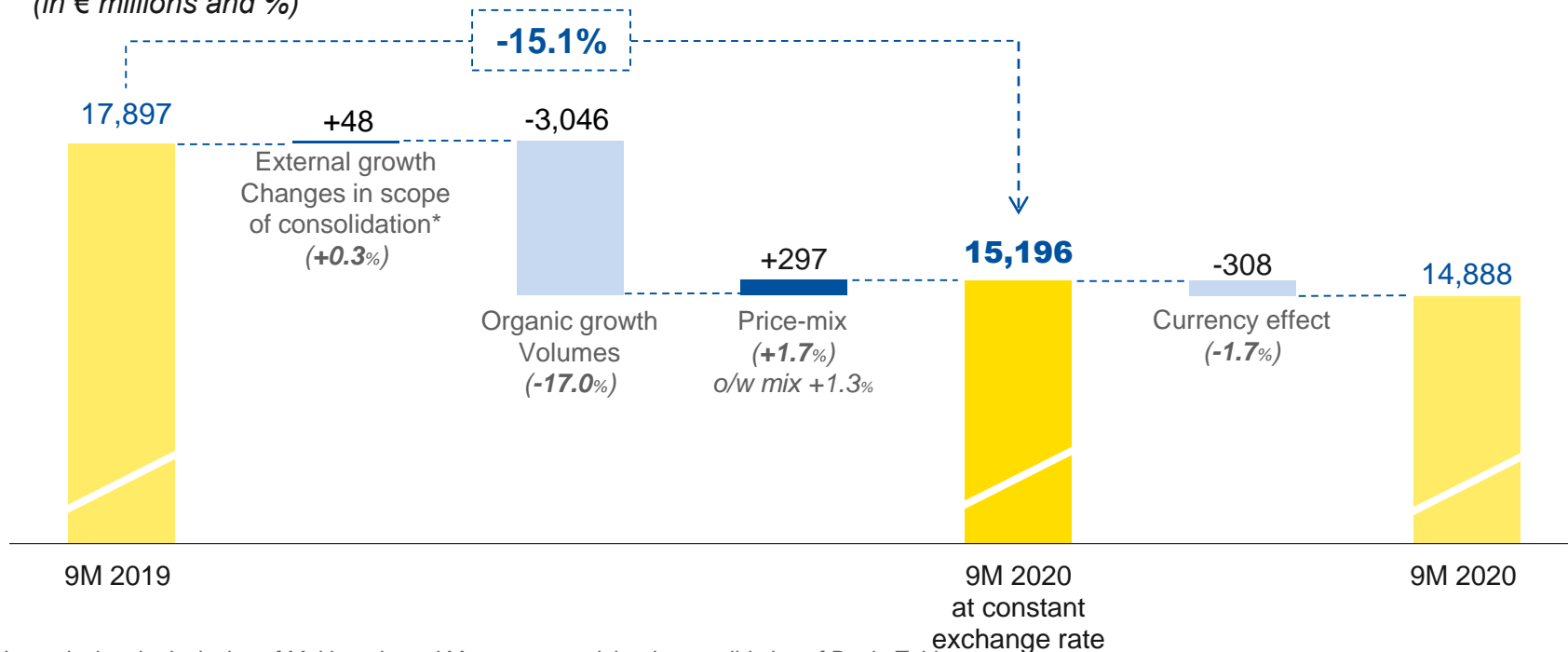
SPECIALTIES



Nine-month sales were hard hit by the fall-off in volumes; firm prices and the enhancement of the mix offset unfavorable exchange rate movements

Sales, 9 Months 2020 vs. 9 Months 2019

(in € millions and %)

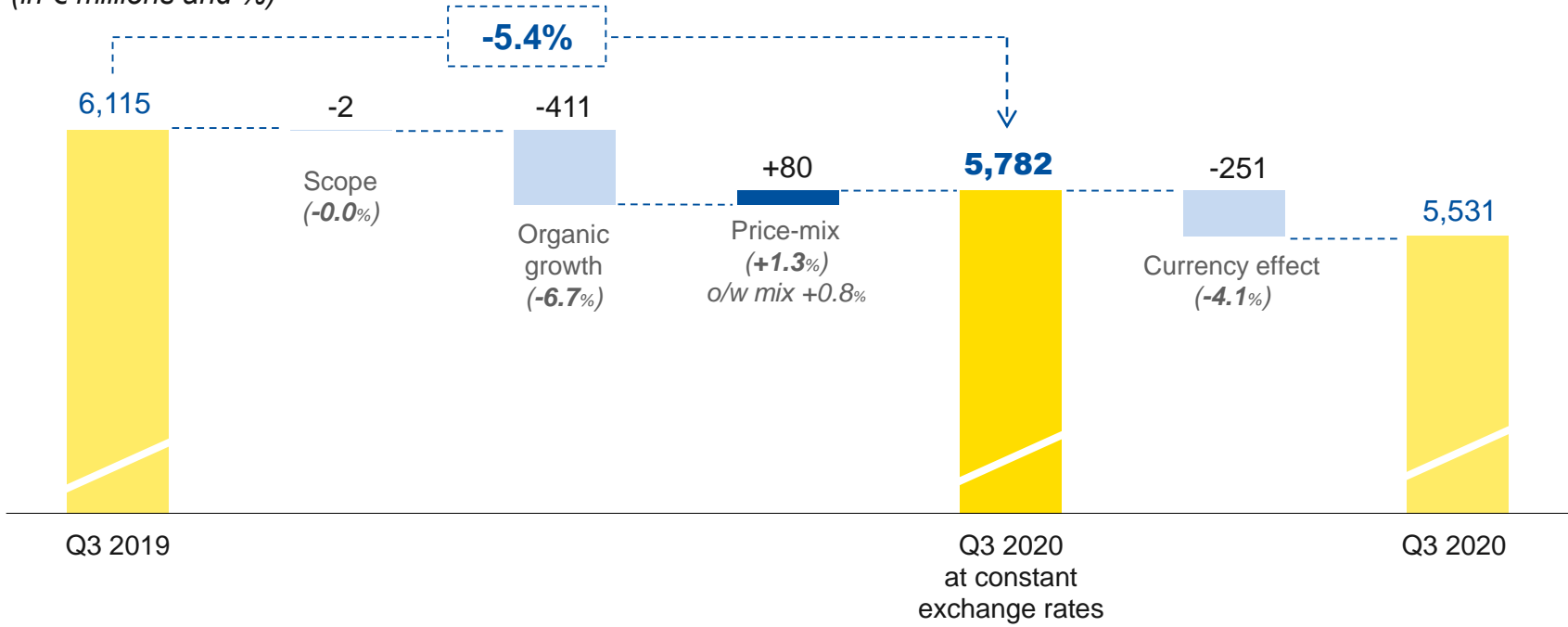


* In particular, the inclusion of Multistrada and Masternaut and the deconsolidation of BookaTable

Sales down 9.5%, impacted by exchange rate movements and volumes, but with a clear improvement in the market environment compared to Q2

▲ Sales, Q3 2020 vs. Q3 2019

(in € millions and %)



Q3 2020: market share gains; robust mix and assertive pricing policies to offset the depreciation of certain currencies

(in € millions)		9M 2020	9M 2019	Change	Sales change in %, 2020 vs. 2019
	RS1 sales <i>Volumes</i>	7,236	8,634	-16% -17%	
	RS2 sales <i>Volumes</i>	3,870	4,833	-20% -20%	
	RS3 sales <i>Volumes</i>	3,782	4,430	-15% -13%	

- **RS1 – Q3:** the performance of the MICHELIN brand and market share gains in the 18”+ segment attenuated the negative impact of raw materials indexation clauses and currency movements, while volumes returned to near-2019 levels.
- **RS2 – Q3:** the gradual upturn in demand, assertive pricing policies to offset the depreciation of currencies, and the MICHELIN brand’s very firm resilience were all sharply offset by exchange rate movements and an unfavorable market geographic mix.
- **RS3 – Q3:** the slowdown in the Mining tire business, which felt the effects of the health crisis with a delay of a few months, is partially offset by the recovery in Agriculture and 2-Wheel tires sales.



Strong cash and liquidity reserve and a financial strategy linked to Michelin's All Sustainable vision



- €2.9bn in total cash and cash equivalents as at September 30, 2020
- €180m in financial assets – treasury management
- Main short-term debt programs:
 - French Commercial Paper: maximum of €2.5bn, of which €1,4bn has been used
 - US Commercial Paper: maximum of \$0.7bn (unused)
 - Receivables securitization: maximum of €0.5bn, of which €15m has been used
- On October 16, 2020, Michelin refinanced its revolving credit facility in an amount of €2.5bn over 5 years with:
 - Back-up facility in EUR and/or USD
 - No financial covenants but actual cost depending on achievement of social and environmental targets, i.e.:
 - Group employees engagement rate.
 - Reduction of Michelin's Scope 1&2 greenhouse gas emissions.
 - Reduction of the environmental impact of the Group's sites.

2020 market scenario: gradual recovery in PC/LT and Truck tire demand in H2, in an environment shaped by persistent crisis conditions



PC/LT: - 15 % / -13 %

vs -20% / -15%

- OE: Further improvement in demand, led by the recovery in China, government incentives in Europe and inventory rebuilding in North America
- RT: sustained post-lockdown upturn in demand occurring at varying speeds depending on the region, in a very vulnerable economic and health environment



TRUCK: -14 % / -12 %

vs -17% / -13%

- OE: steep fall-off in demand in every region except China, where the market is rebounding strongly
- RT: H2 demand close to 2019 levels in Europe and North America, up slightly YoY in China, and still sharply down in other regions



SPECIALITIES: -19 % / -15%

vs -17% / -13%

- Mining tires: slowdown in demand as the recession begins to bite after a time lag of several months
- Off-the-road: demand relatively resilient in Agricultural RT tires, but down sharply in Agricultural OE and Infrastructure tires
- 2W: 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 the markets, excluding any impact from the geographic mix
Cost impact of raw materials prices and customs duties	Positive
Currency effect	Negative based on September 2020 rates**
Net price-mix/raw materials effect	Positive, H2 in line with H1 Price-mix/Raw materials: positive

* Based on the following average prices and exchange rates for 2020: Natural rubber: \$1.337/kg; butadiene (US, Europe and Asia): \$589/t; Brent: \$43.5/bbl; EUR/USD: 1.139

** See slide 52



2020 guidance upgrade, excluding any new systemic effect of Covid-19*



	2020
Segment Operating Income at constant exchange rates	> €1,600m
Structural free cash flow**	> €1,200m

* Restrictions on freedom of movement that would result in a significant drop in the tire markets.

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



***Our purpose:
OFFERING EVERYONE
A BETTER WAY
FORWARD***

“Because we believe that mobility is essential for human development, we are innovating passionately to make it safer, more efficient and more environmentally friendly.

Our priority and firm commitment is to offer our customers uncompromising quality(...).”



October 22, 2020

Sales at September 30, 2020

01.

Appendices



2021 Investor Calendar

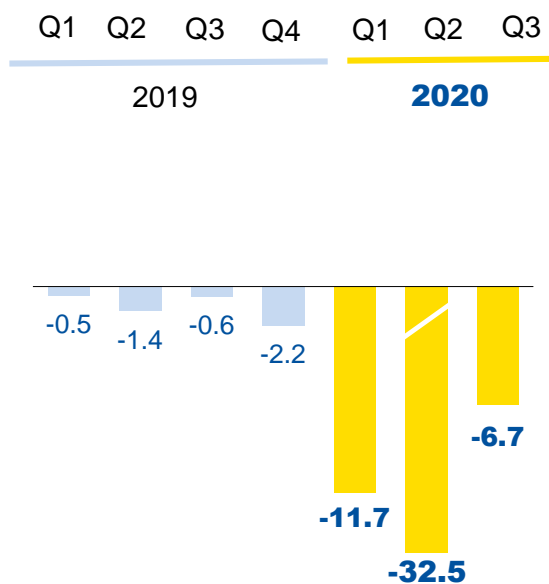


- **Coming events:**
 - **February 15, 2021** (after close of trading): 2020 Annual Results
 - **April 8, 2021:** Capital Markets Day
 - **April 26, 2021** (after close of trading): 2021 Q1 Sales

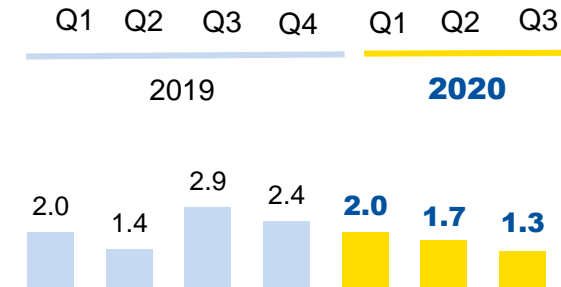
Q3 2020: quarter-on-quarter improvement in volumes, firm prices and enhancement of the mix, impact of the depreciation of emerging markets currencies

▲ YoY change, by quarter (in %)

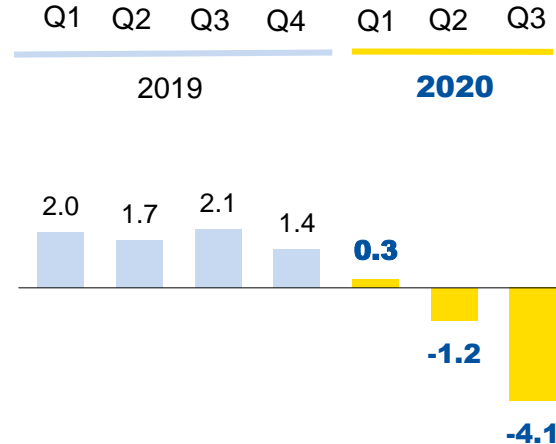
Volumes



Price-mix



Currency effect



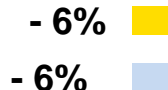
PC/LT – Q3 2020: in a still uncertain economic environment, market upturns in Europe and North America, strong growth in China and further steep declines in demand in the other regions

PC/LT tire market, Q3 2020

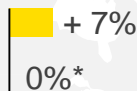
(% change YoY, in number of tires)



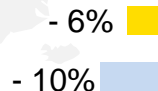
Global market



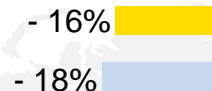
North America



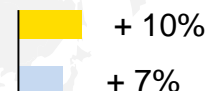
Western and Central Europe



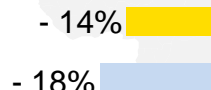
Eastern Europe



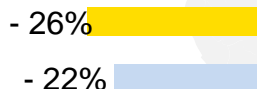
China



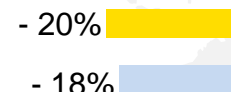
Africa, India, Middle East



South America



Asia (excl. China and India)



RT OE

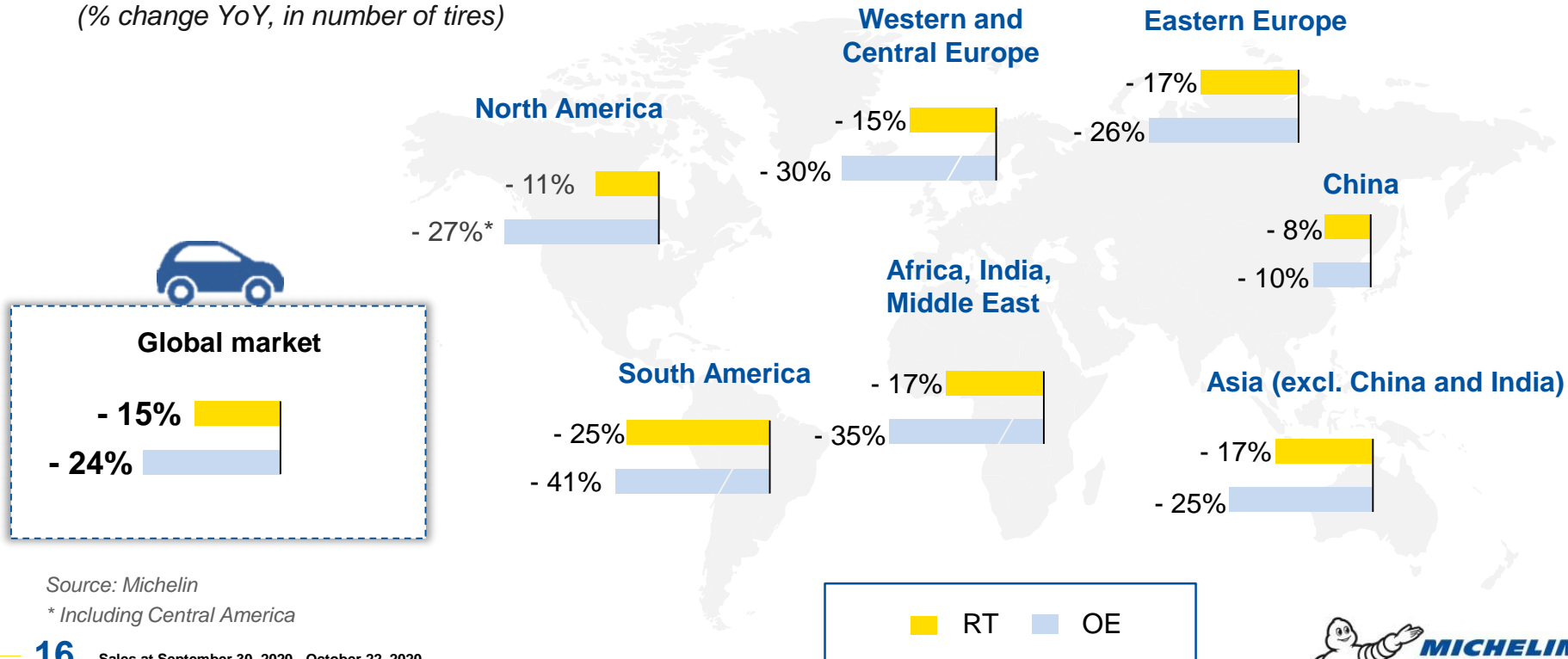
Source: Michelin

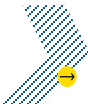
* Including Central America

PC/LT – 9M 2020: global tire demand hard hit by the lockdown measures enforced to limit the spread of Covid-19.

PC/LT tire market, 9M 2020

(% change YoY, in number of tires)



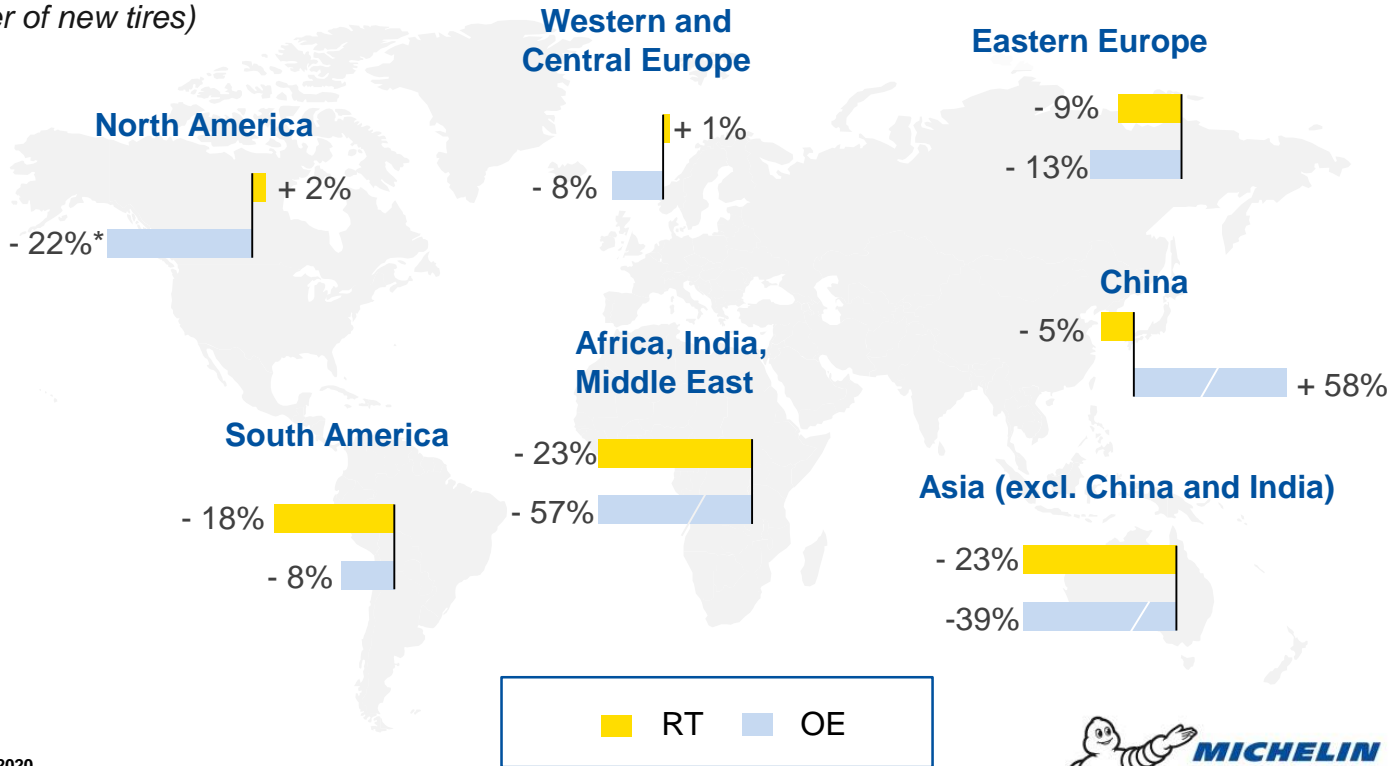
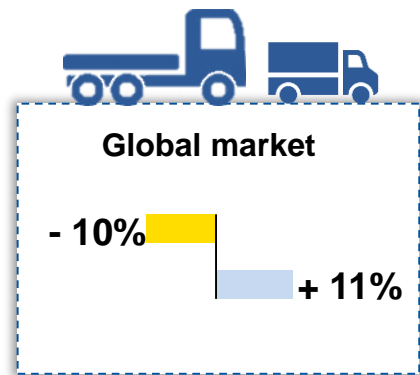


Truck – Q3 2020: after plummeting worldwide in H1, demand is gradually recovering in the Americas, Europe and China



Truck tire market, Q3 2020

(% change YoY, in number of new tires)



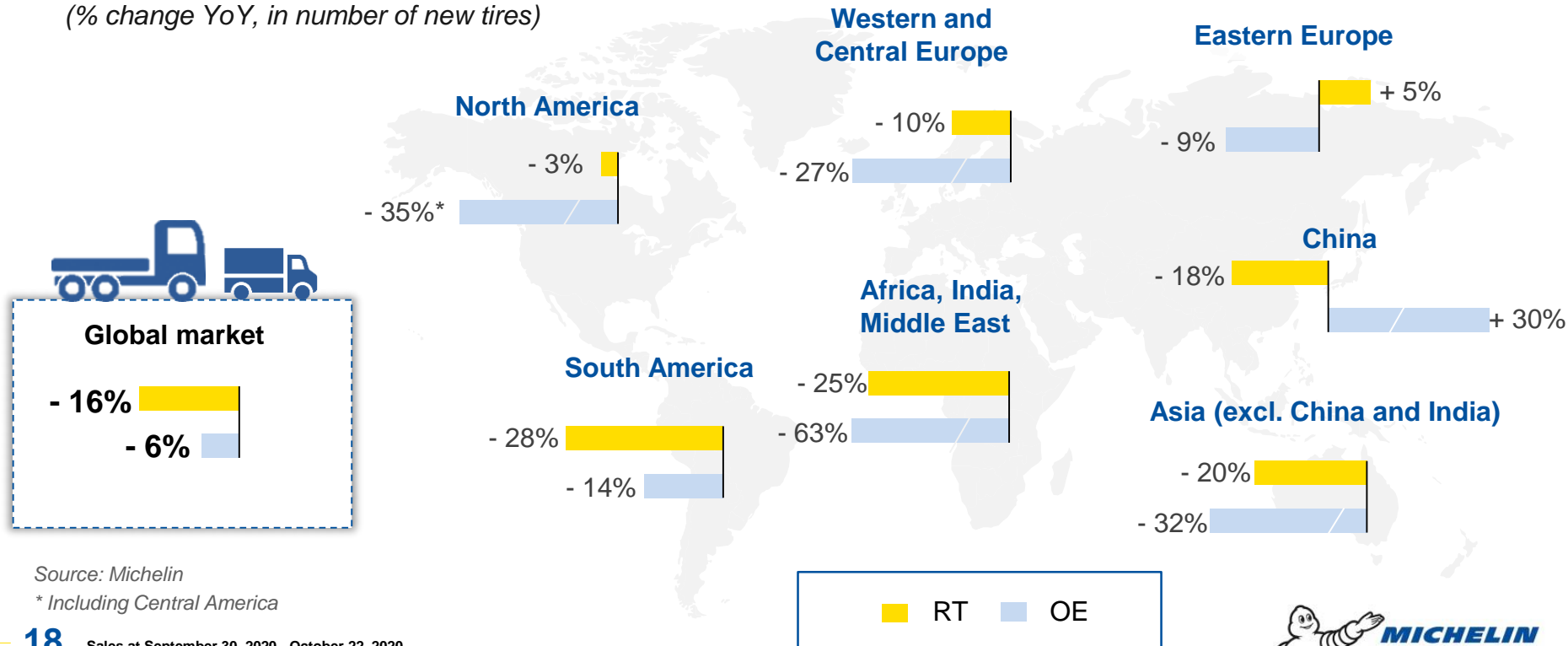
Source: Michelin

* Including Central America

Truck – 9M 2020: steep drop in global demand resulting from the systemic economic crisis caused by the Covid-19 pandemic

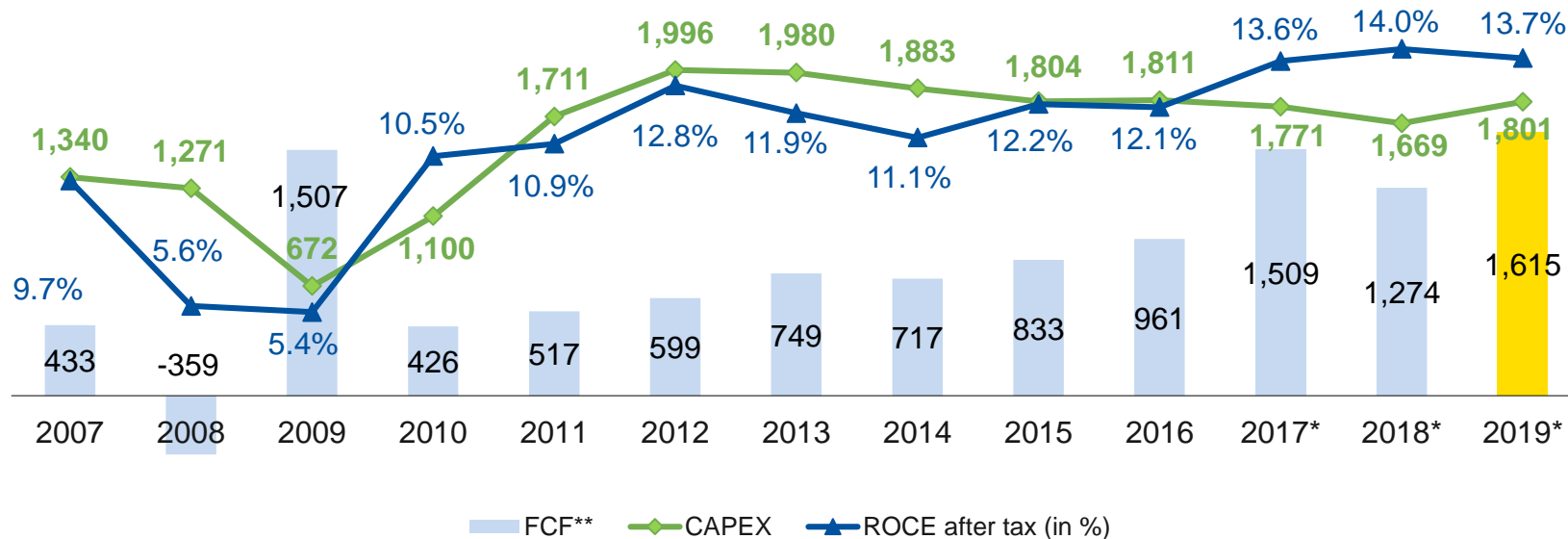
Truck tire markets, 9M 2020

(% change YoY, in number of new tires)



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

2007 - 2019 Free Cash Flow, CAPEX & ROCE*



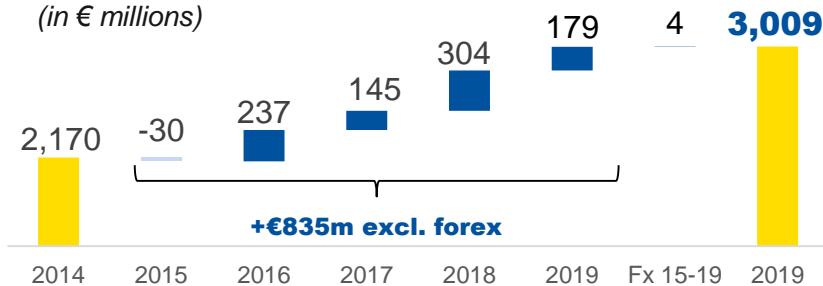
* With standard tax rate at 28% for 2017 and 26% for 2018 & 2019 and excluding goodwill, acquired intangibles, associates and joint ventures for 2017, 2018 & 2019

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

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

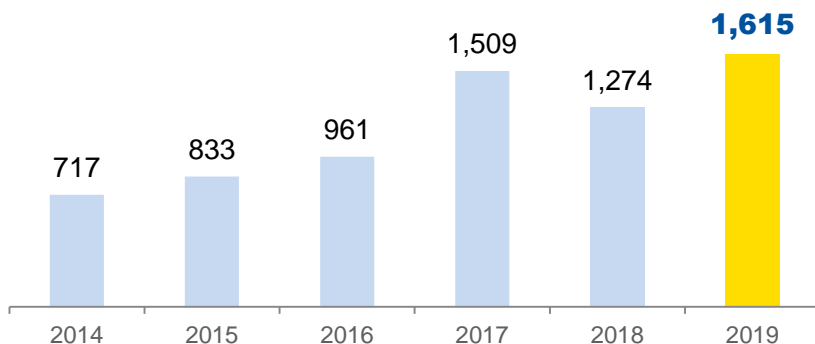
Change in segment operating income 2014 – 2019

(in € millions)



Structural free cash flow 2014 – 2019

(in € millions)



20

Sales at September 30, 2020 - October 22, 2020

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

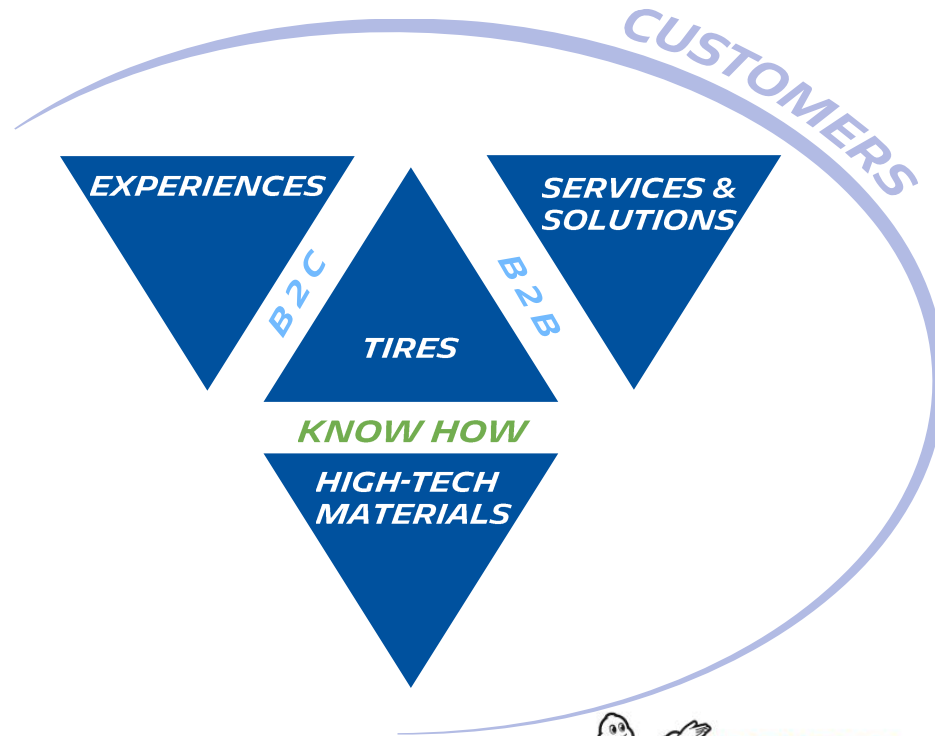


Employee engagement

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

**By Advertising week*

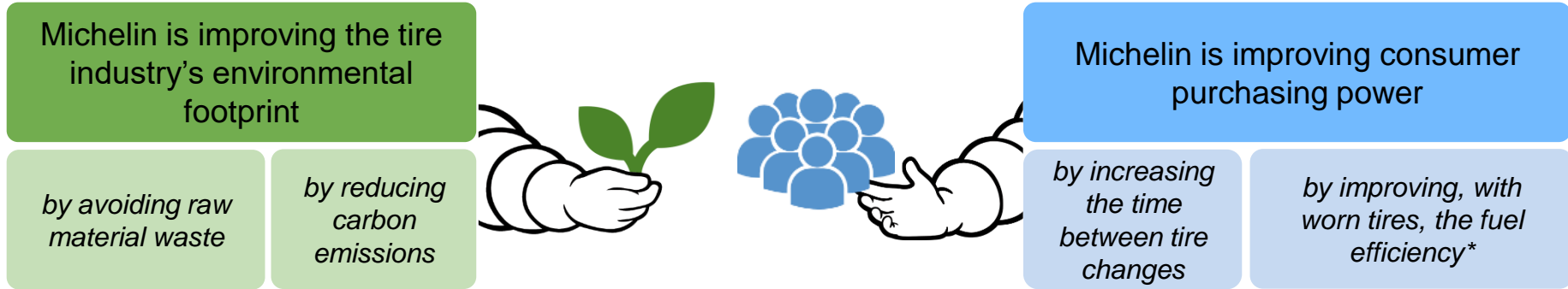
➔ Four areas of growth





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



- 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

AIRLESS TECHNOLOGY « PUNCTURE PROOF »

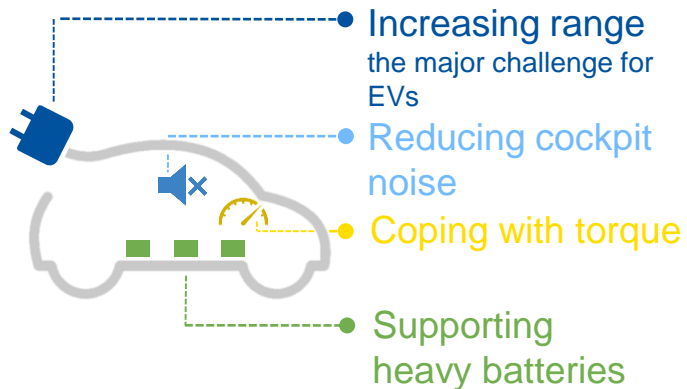
**Co-developed
with General Motors**

Benefits for all
Material savings and
waste reduction

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



MICHELIN: THE LEADER IN EV TIRES

Sport passion



Generalist



Premium luxury



New entries



Share of EV sales in the total market

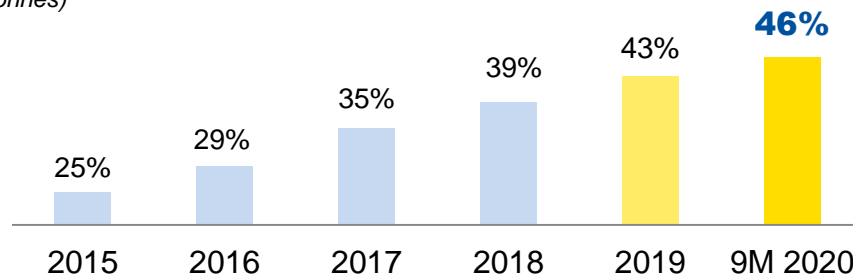
30%
IN 2025

12%
IN 2020

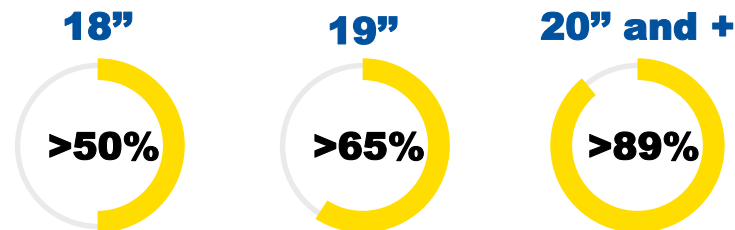
Automotive: market share gains in 18 inch and above, recognition of Michelin's technological leadership



Percentage of $\geq 18''$ 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

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

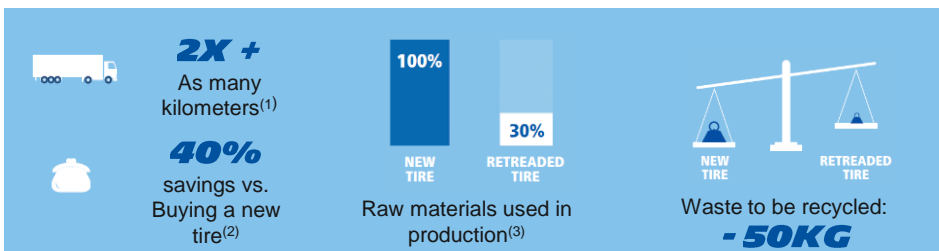


MICHELIN: THE LEADER IN RETRADING

/// 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

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

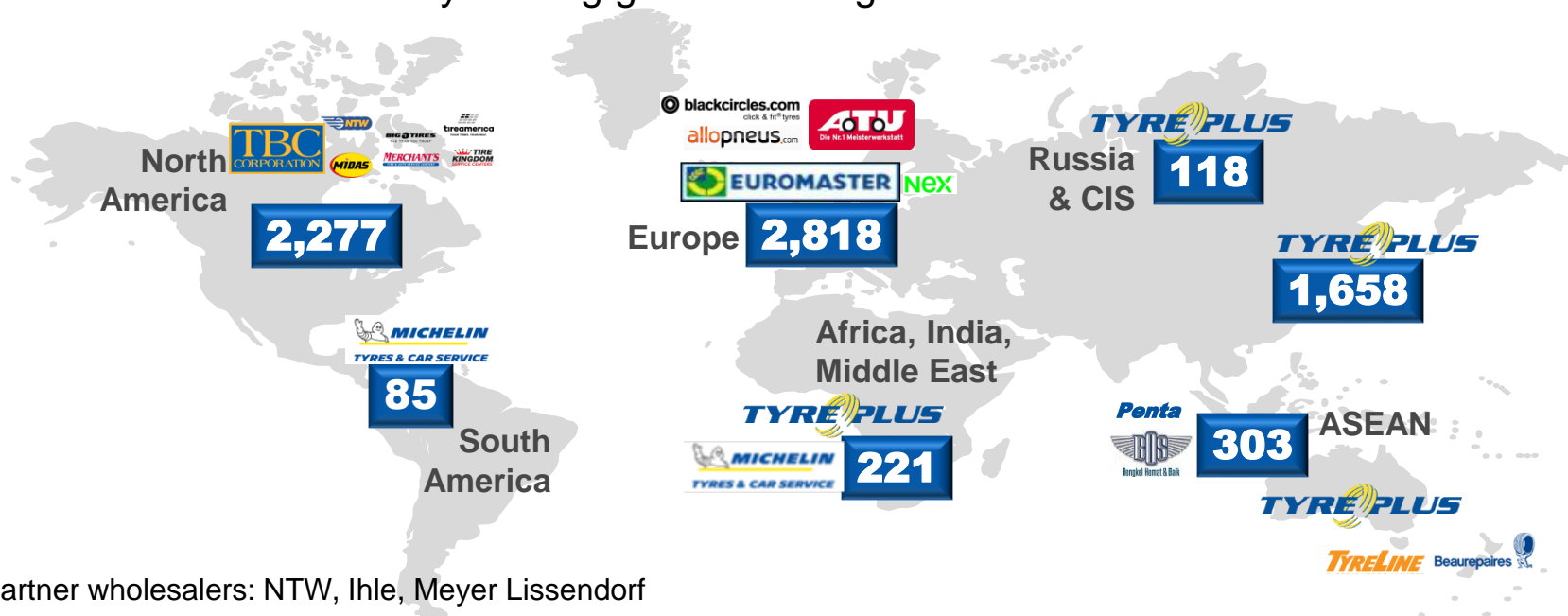
CAMSO tracks and tracks system



Long-term CAGR
~+3%

Partner dealership chains* that showcase the Group's products

- Michelin boasts industry-leading global coverage

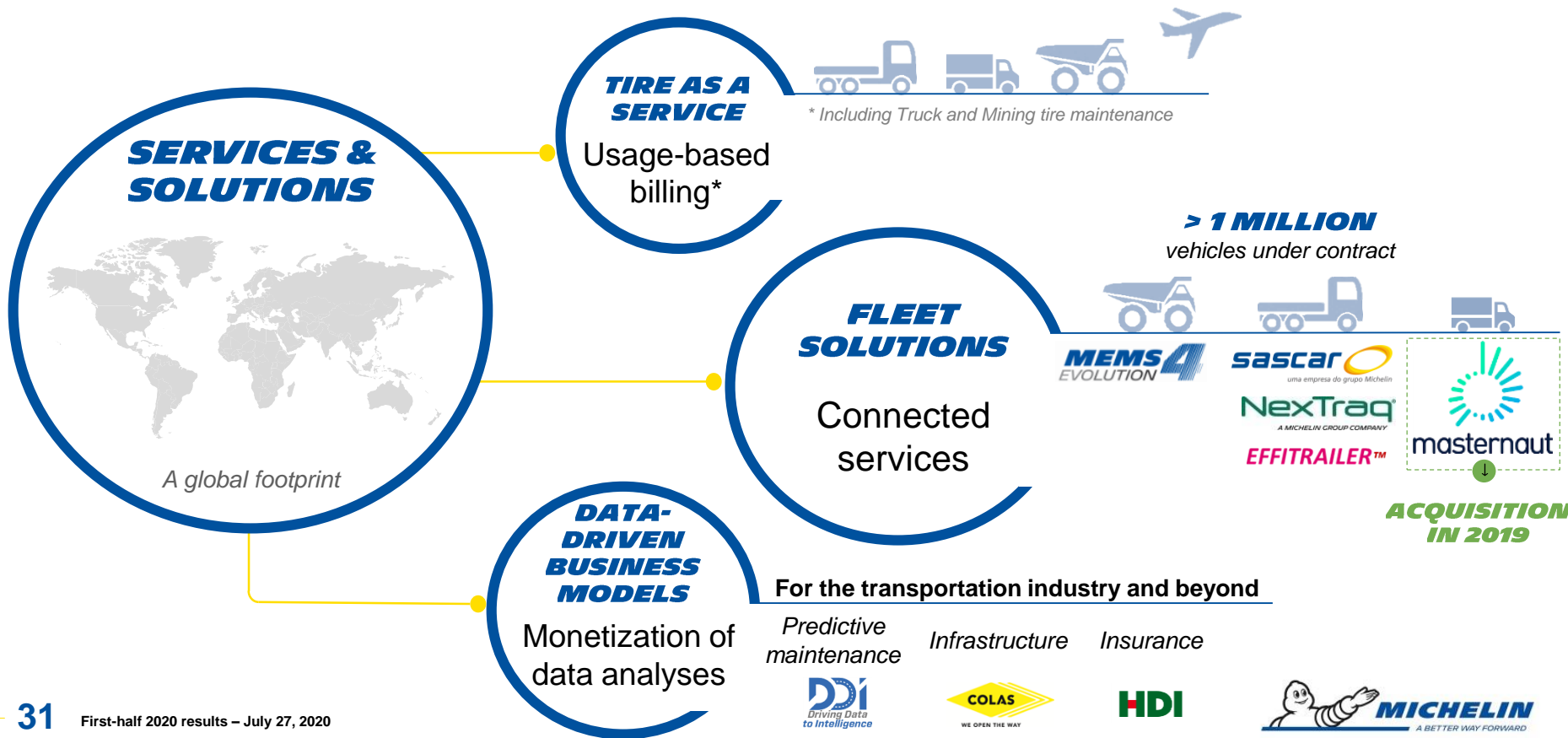


- Partner wholesalers: NTW, Ihle, Meyer Lissendorf
- A vast network of strategic retailers* as of late 2019: ~ 7,500 including Penta in Indonesia following the acquisition of Multistrada

**Proprietary or franchised dealers, plus minority stakes in partners*

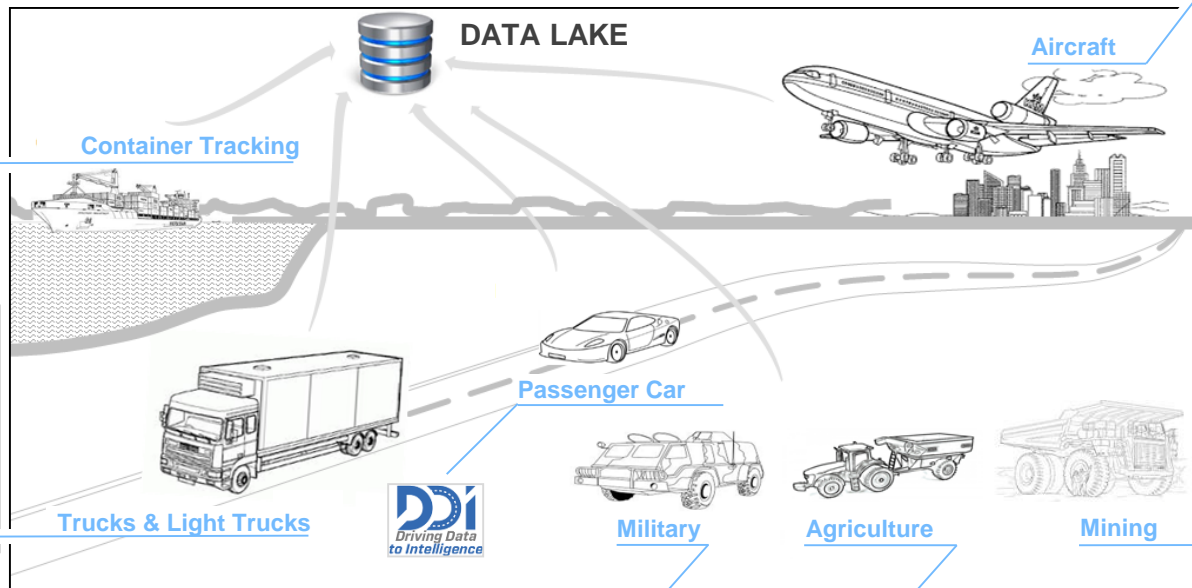


Services & Solutions: an expansive offering suited to B2B customer needs



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



- JV with Sigfox & Argon Consulting -



uma empresa do grupo Michelin



masterNaut

EFFITRAILER™

100% tires with RFID



MEMS4
EVOLUTION



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



Tablet®

Robert Parker
WINE ADVOCATE



"BY MICHELIN"

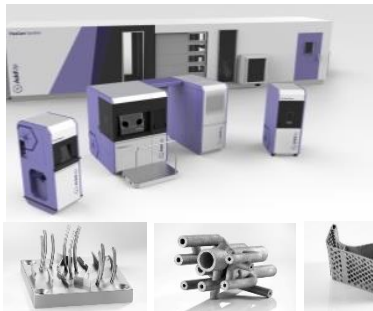
In 2019, a strategic international partnership agreement was signed with the aim of combining:

- 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



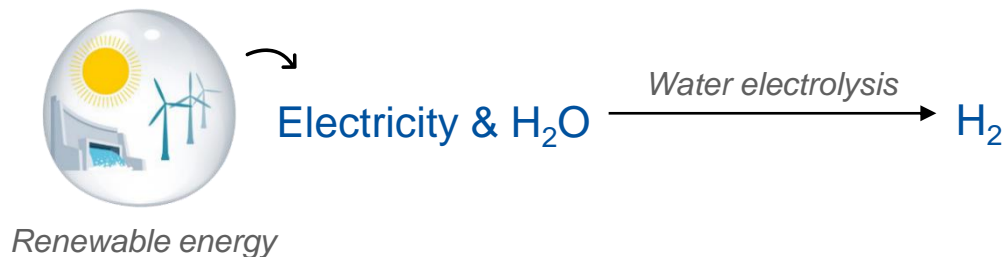
→ End of Life Tire recycling



Hydrogen mobility is the only solution capable of tackling three challenges simultaneously: pollution, greenhouse gases and the energy transition



▶ **GREEN H₂ PRODUCTION** (zero CO₂ emissions)

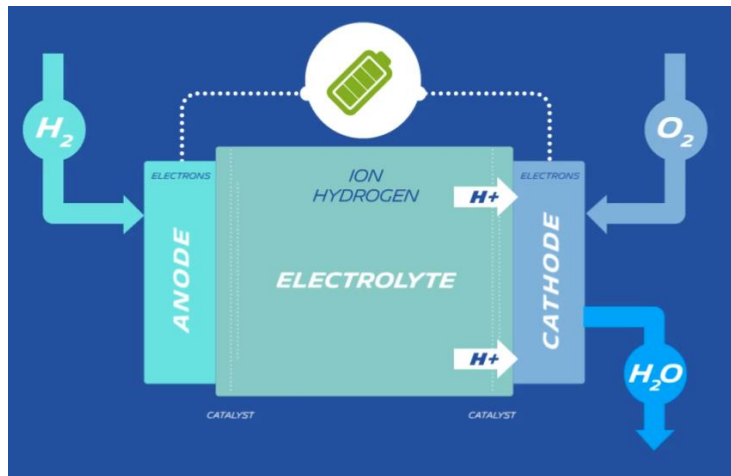


▶ **MAIN USES OF H₂**

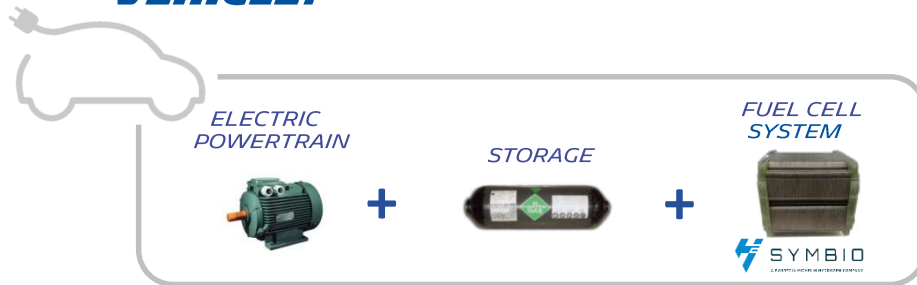
- storing intermittent energy (wind, solar, etc.) and surplus electricity through electrolysis
- helping decarbonize transportation: hydrogen vehicles only produce water

3 questions about fuel cells

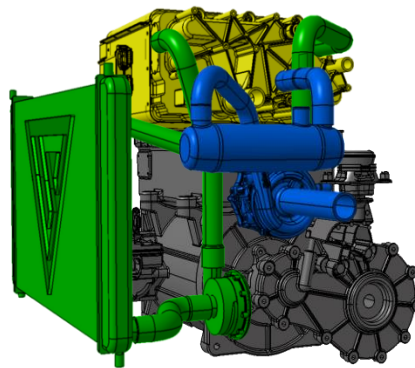
HOW DOES A FUEL CELL WORK?



WHAT IS A FUEL CELL ELECTRIC VEHICLE?



WHAT IS A FUEL CELL SYSTEM?



Electric transmission

Stack

Air system

Cooling system

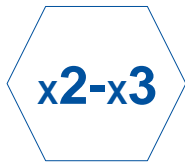
+ transformer and controller

Hydrogen mobility, with its significant growth prospects, is particularly well suited to professional needs

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

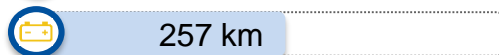


Hydrogen fill-up



Range

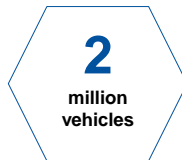
FOR THE SAME SIZE TANK (170 DM³)



FOR THE SAME AMOUNT OF ENERGY
+ SAME STORAGE (125 KG)



- 2030 market*



* Michelin estimate

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

Before taking on the passenger car market, **Michelin** has decided to first target **professional markets**, as hydrogen is the most appropriate energy for **heavy and long-distance transportation**



Michelin aims to become a world leader in hydrogen systems

WITH its expertise in hydrogen fuel cell technology, notably in coated membrane technology, **Michelin** is accelerating the deployment of zero-emission mobility:

→ by partnering with Faurecia to create a leading hydrogen fuel cell system



Photo Renault



→ by participating in the Zero Emission Valley project (Hympulsion) in France, involving public-private partners

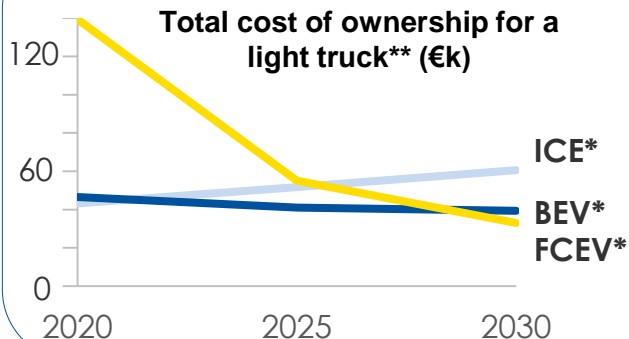
→ by being the major player in hydrogen fuel cell power for motor racing, a solution accelerator, with the Mission H24 partnership

→ by being a key stakeholder and a trusted third party in hydrogen mobility (Hydrogen Europe, Hydrogen Council, Movin'on, etc.)



Symbio's big ambitions on a growing, and high value creation market

FCEV TCO ON A PAR WITH BEV FROM 2027

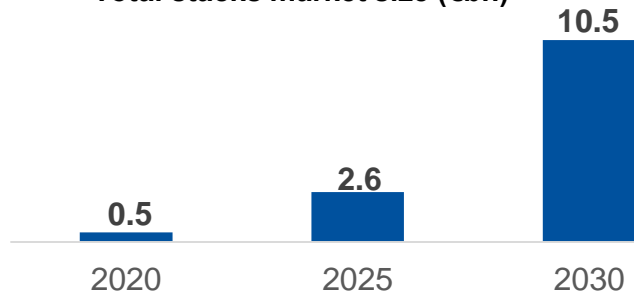


* FCEV: Fuel Cell Electric Vehicle,
BEV: Battery Electric Vehicle,
ICE: Internal Combustion Engine

** Assumptions:
Light trucks, EU region, Max range 500 km, 80,00 km/year, 3 years of ownership

A FAST-GROWING MARKET

Total stacks market size (€bn)



SYMBIO
A FAURECIA MICHELIN HYDROGEN COMPANY

250

employees in 2020

€140M

will be committed by Michelin and Faurecia

3

production facilities in the future: Europe, Asia and the US

ONE TENTH

the price of a fuel cell stack + components in the future, (due to growing demand)

2030 outlook

12%

market share






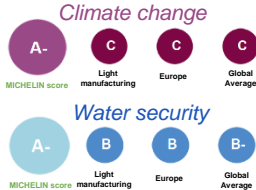
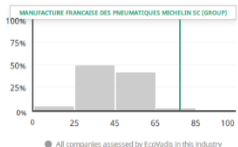
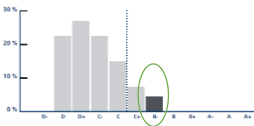
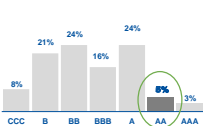


~€1.5BN

in sales



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

Major sustainability rating (As of September 30, 2020)

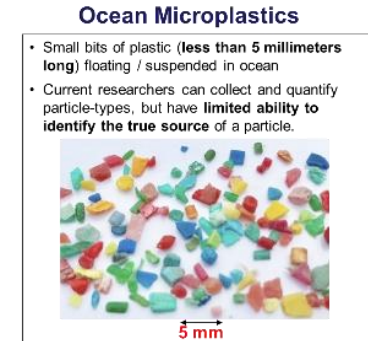
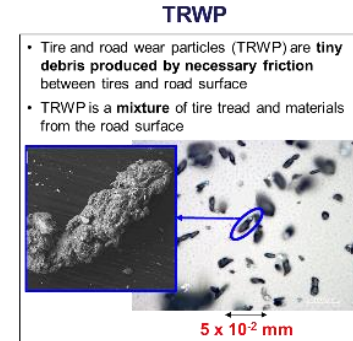
	CDP 2019	ECOVADIS 2019	ISS-OEKOM 2019	MSCI 2019	VIGEO EIRIS 2018	SUSTAINALYTICS 2018
Status	LEADERSHIP 	GOLD 	PRIME 	AA 	A1+ 	OUTPERFORMER
Rating	A-	78/100	B-	7.4/10	68/100	77/100
Ranking / Distribution of ratings	 Climate change: A- (MICHELIN score), C (Light manufacturing), C (Europe), C (Global Average) Water security: A- (MICHELIN score), B (Light manufacturing), B (Europe), B- (Global Average)	Top 1%(natural rubber)  MANUFACTURE FRANCAISE DES PNEUMATIQUES MICHELIN (SC GROUPE) All companies assessed by Ecovadis in this industry			1^{er} of 31 in the sector 	7^{ème} of 54 in the sector 



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



RAW MATERIALS

Michelin is responsibly developing its natural rubber supply and other sustainable materials.



MATERIALS RECYCLING

Lehigh Technologies, a Michelin company, produces high-performance materials from end-of-life tires and other post-industrial rubber.



ENERGY RECOVERY

END OF LIFE

Michelin actively supports resource recovery and recycling systems for end-of-life tires with its stakeholders and industry partners around the world.



MANUFACTURING

Michelin strives to continuously reduce the environmental impact of manufacturing through its environmental management system and performance targets.



LOGISTICS

Michelin leverages a variety of solutions to reduce its carbon footprint for transporting semi-finished and finished products



USE OF PRODUCTS AND SERVICES

REPRESENTS 63 % to 96 % OF THE LIFE CYCLE IMPACT*

Michelin's innovations mean longer distances and higher performance with fewer materials and a smaller carbon footprint. Our services and solutions optimize tire use.

*depending on type of vehicle and environmental impact category



MICHELIN
A BETTER WAY FORWARD



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

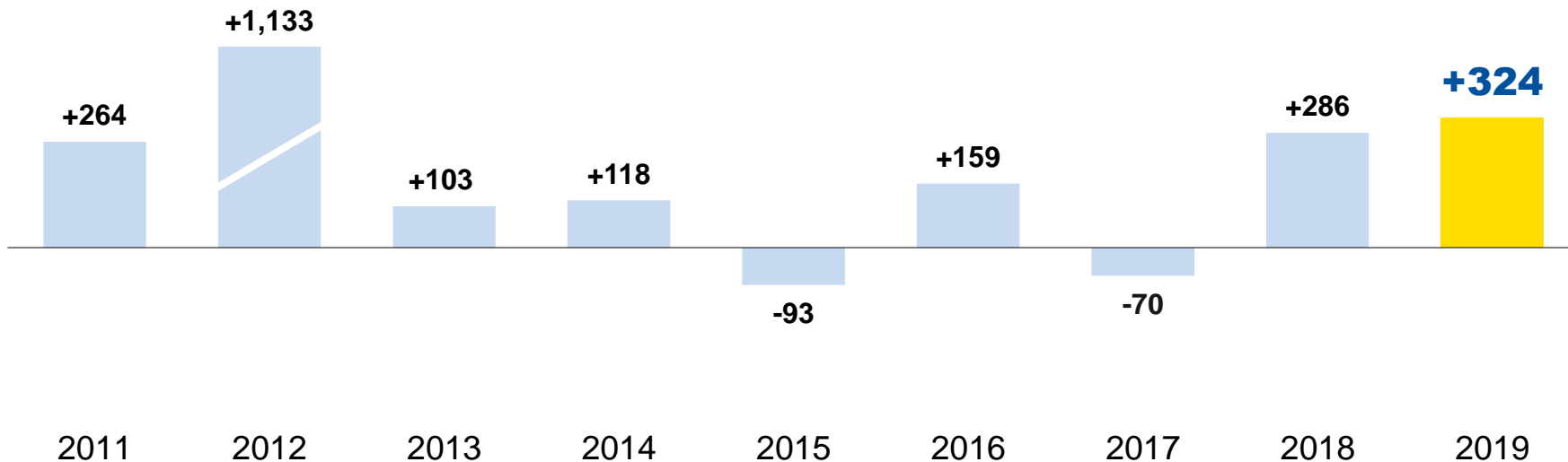
- Biodiversity commitments
- Renewable materials projects
 - BioButterfly
 - BioImpulse
 - Natural rubber
- Vision project



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

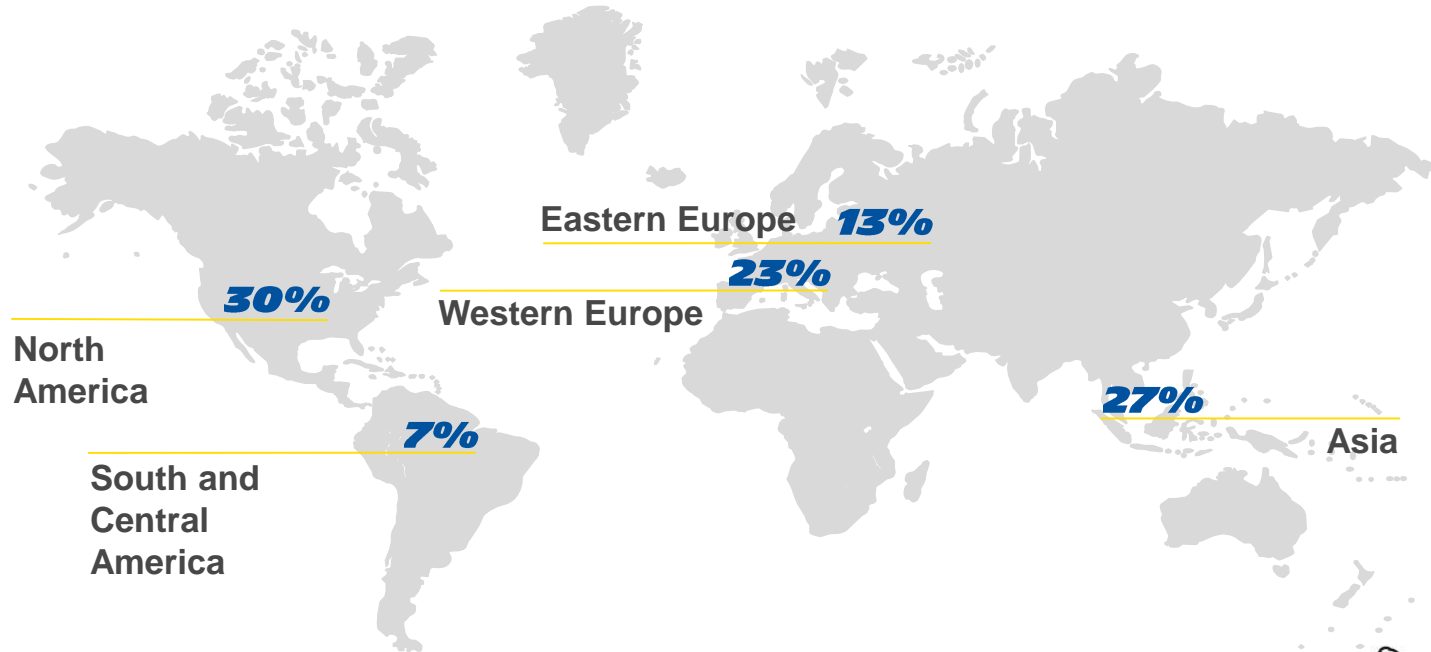
- Process standardization
- Empowerment deployment
- Simplicity
- Digital manufacturing



Continuing to rightsize Michelin's manufacturing footprint

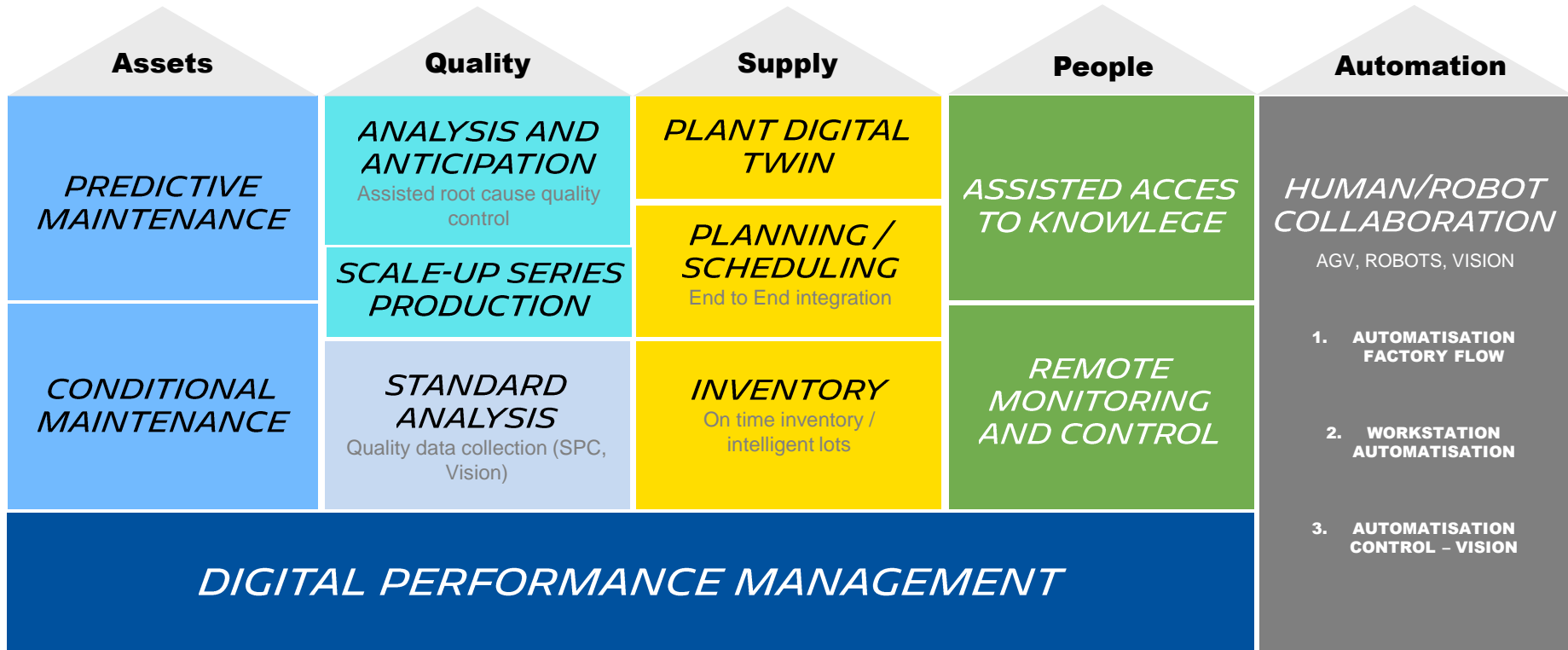
2023 production capacity by region (in kt)

Including Camso and Multistrada



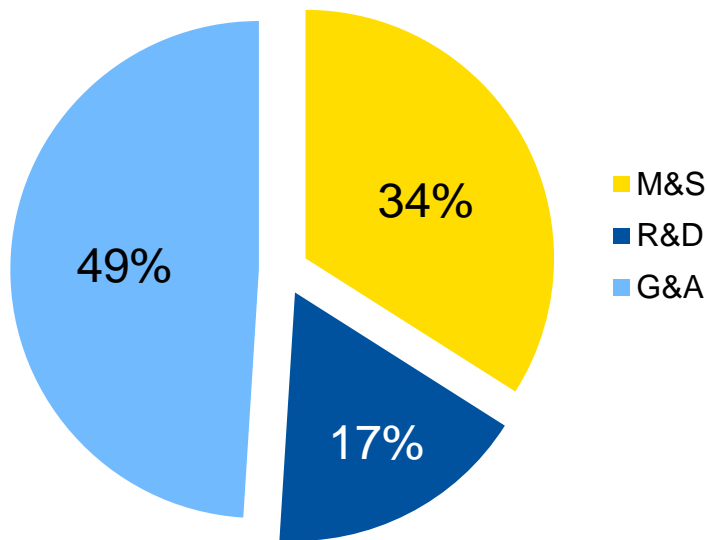


Digital manufacturing: 50 demonstrators launched

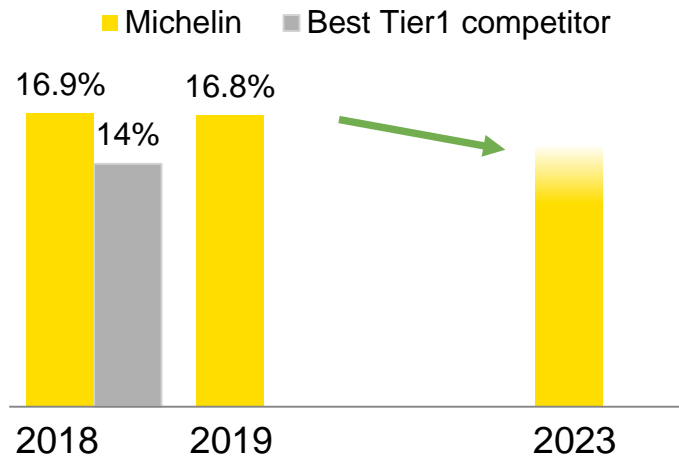


Beyond 2020: continue to target SG&A benchmark levels

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)*



*CULTURAL TRANSFORMATION:
SIMPLIFICATION AND FRUGALITY*



*COMPLETE THE DEPLOYMENT OF
OUR BUSINESS MANAGEMENT
PROGRAM (OPE)*



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

*STRENGTHENING OF OUR
PURCHASING ORGANIZATION
AND PROCESSES*



*VALUE STREAM MAPPING FOR
LARGE CROSS-FUNCTIONAL
PROCESSES*



*DIGITIZATION OF HR AND CRM
PROCESSES*



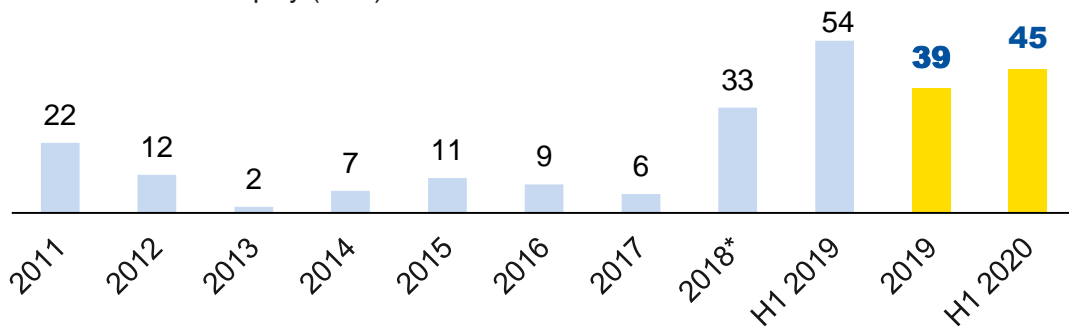
inTouch



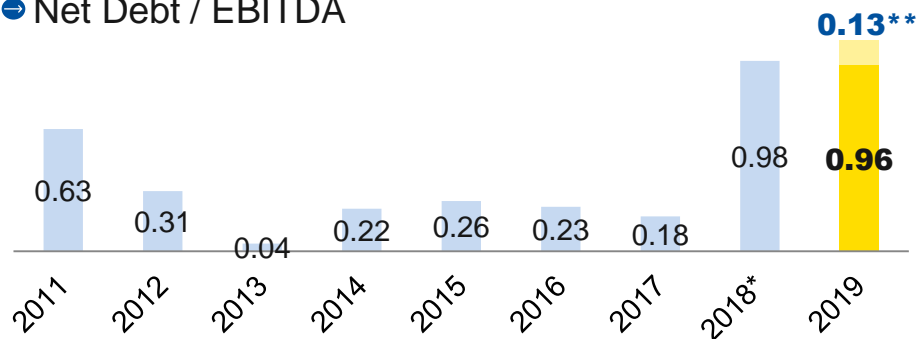
Thanks to a solid financial structure, recognized by rating agencies, Michelin is going through the crisis with confidence

➔ Gearing

Net debt / equity (in %)



➔ Net Debt / EBITDA



* 2018 restated for Camso PPA impact on the balance sheet

**IFRS 16 impact

Sales at September 30, 2020 - October 22, 2020

➔ 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

● Last rating actions:

- May 18, 2020 : Moody's, whose ratings is no longer solicited as of July 1, 2020
- May 19, 2020 : S&P
- May 29, 2020: Fitch



Sales by currency and SOI impact



	% of sales (Sep. 30th LTM)		2020 9M € change vs. currency	Droptthrough sales / ROS*
	USD	37%	0%	40% / 50%
	EUR	31%	-	-
	CNY	6%	2%	25% / 30%
	AUD	3%	3%	80% / 85%
	GBP	3%	0%	25% / 30%
	BRL	3%	29%	-30% / -20%
	CAD	3%	2%	25% / 30%
	RUB	2%	8%	25% / 30%
	JPY	1%	-1%	80% / 85%

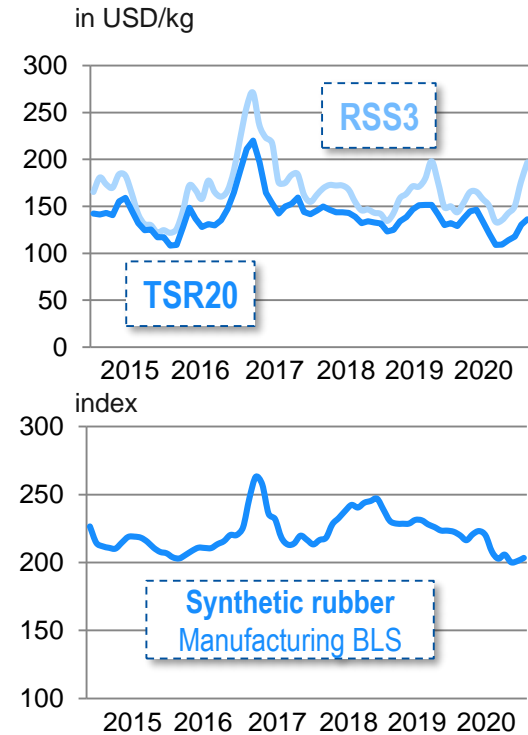
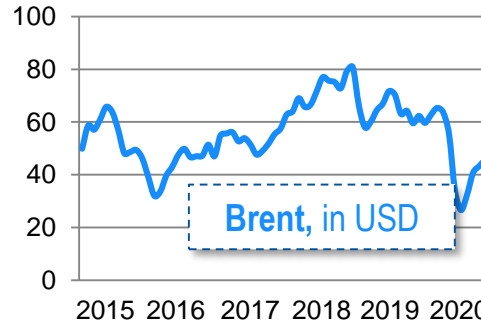
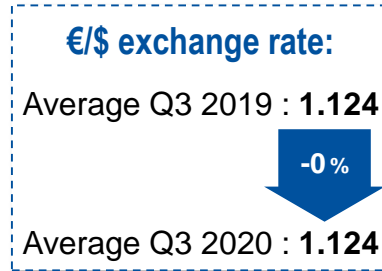
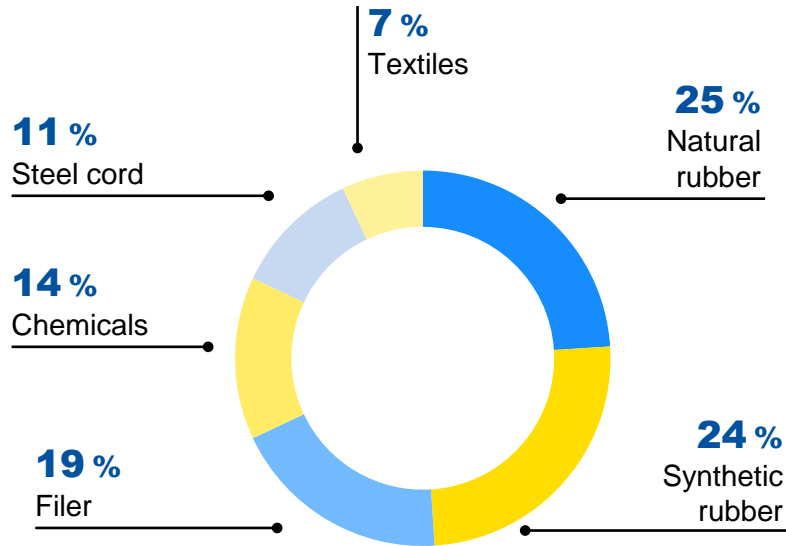
	% of sales (Sep. 30th LTM)		2020 9M € change vs. currency	Droptthrough sales / ROS*
	CLP	1%	17%	80% / 85%
	MXN	1%	12%	25% / 30%
	THB	1%	1%	-130% / -100%
	TRY	1%	19%	80% / 85%
	SEK	1%	0%	80% / 85%
	TWD	0.6%	-4%	80% / 85%
	ZAR	0.4%	16%	80% / 85%
	ARS	0.4%	54%	80% / 85%
	COP	0.2%	14%	80% / 85%
	Others	4.4%	-	-

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



Raw materials

Raw material purchases in H1 2020 (€1.8bn)

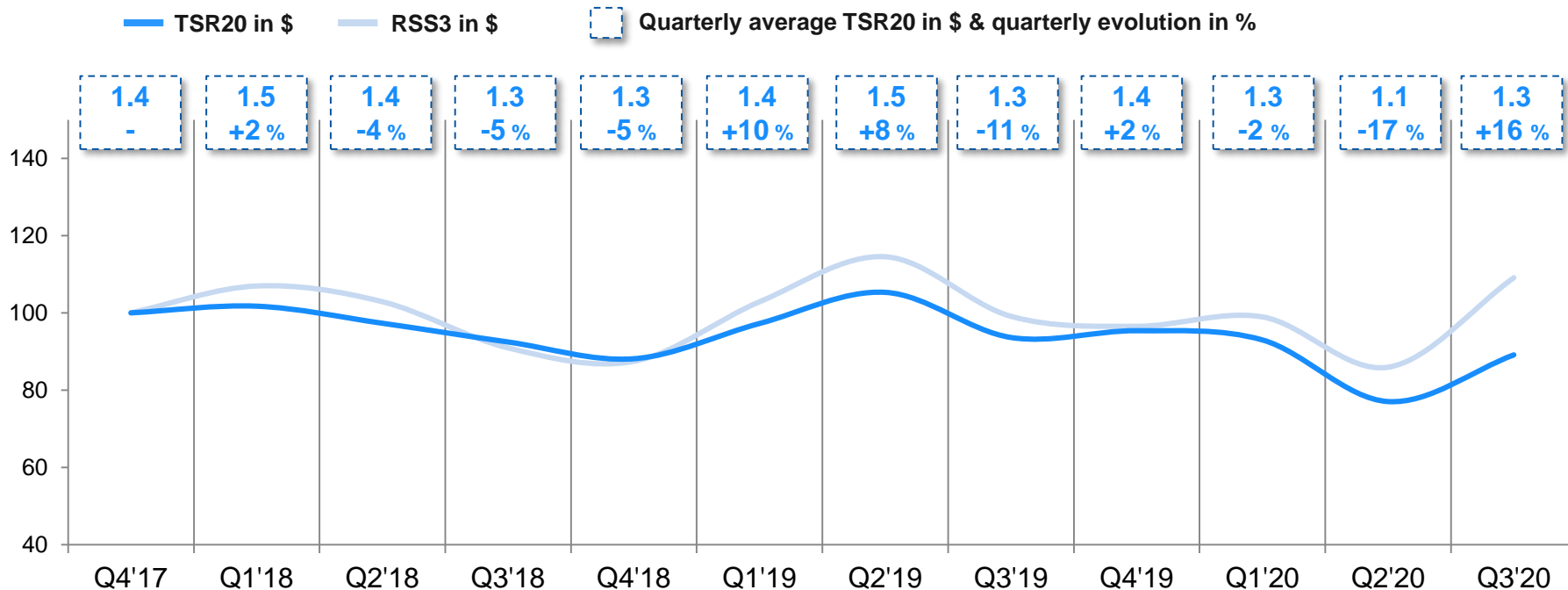




Natural Rubber price trend



➔ At end of September 2020 (per kg, base 100 in Q4'17)



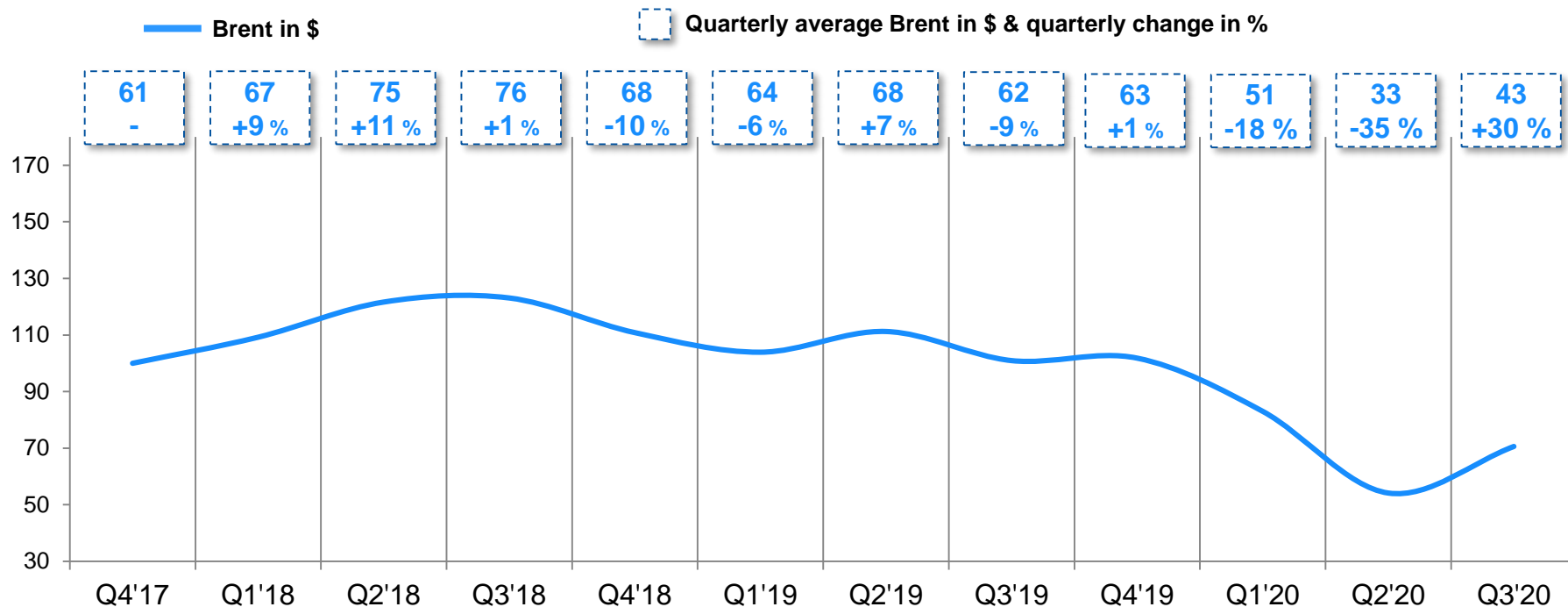
Source : SICOM.



Brent price trend



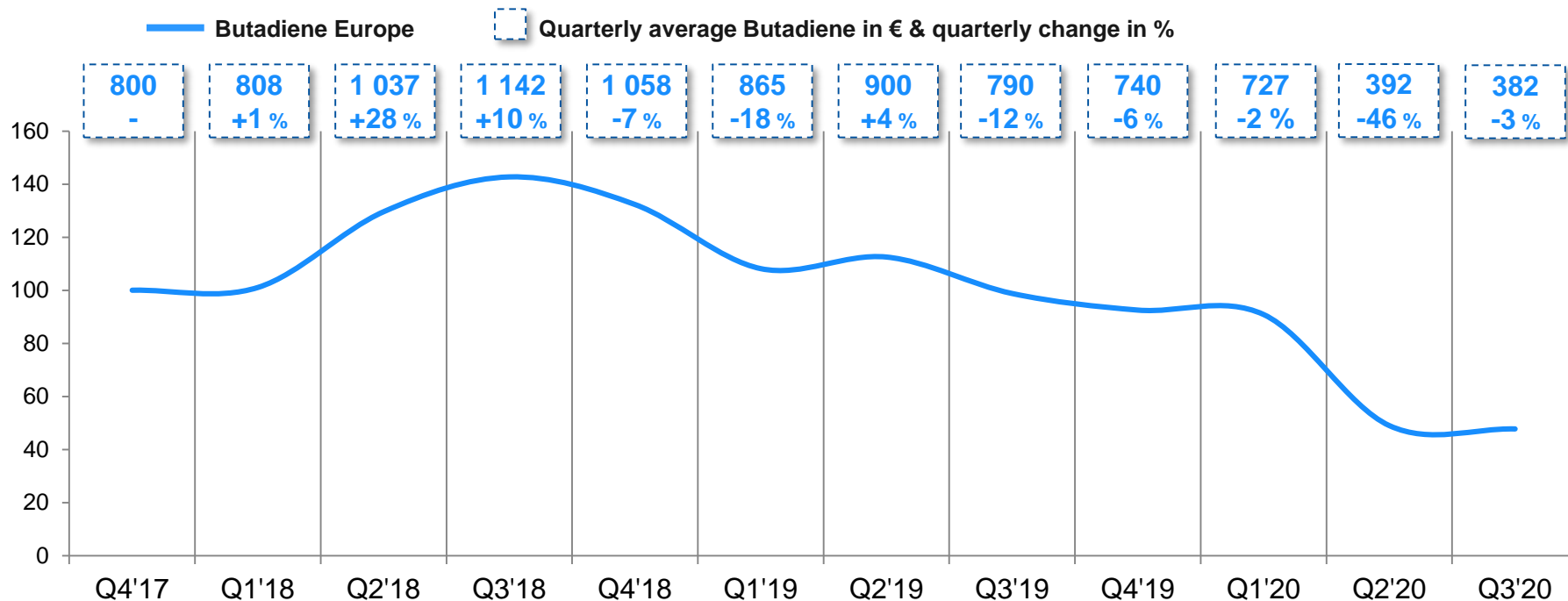
➔ At end of September 2020 (per barrel, base 100 au Q4'17)





Butadiene price trend

➔ At end of September 2020 (per ton, base 100 in Q4'17)

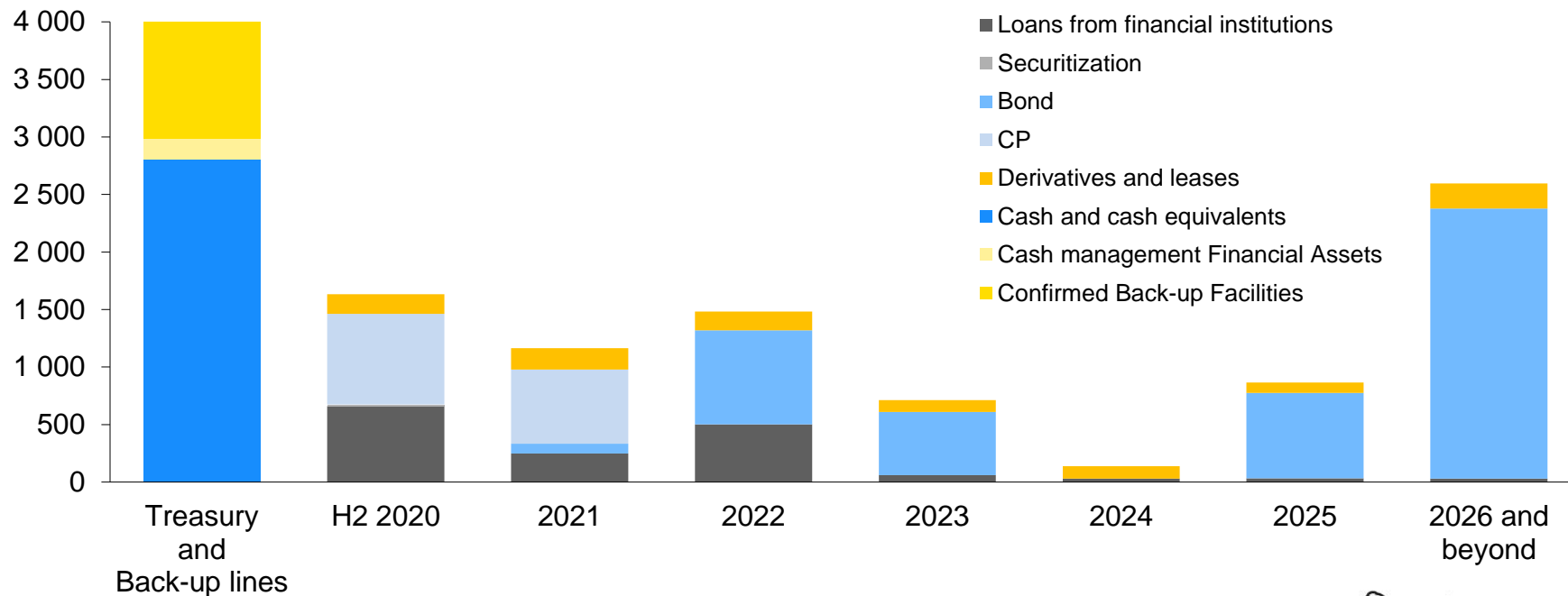


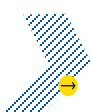


A comfortable cash position



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





Outstanding bond issues (as of October 13, 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	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN	Compagnie Générale des Etablissements MICHELIN
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-mai-15	19-mai-15
Maturity	3-sept.-25	3-sept.-30	3-sept.-38	10-nov.-23	10-janv.-22	30-sept.-45	28-mai-22	28-mai-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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