

MICHELIN

Capital
Markets
Day **21**

April 8,
2021



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Markets
Day

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4

**LEVERAGING OUR INNOVATION
CAPABILITIES TO DELIVER NEW
GROWTH AVENUES**



LEVERAGING OUR CAPABILITIES TOWARDS PROFITABLE GROWTH






OUR CORE STRENGTHS IN TIRES		
	DEEP UNDERSTANDING OF USAGE	
	STRONG CLIENT INTIMACY	
	MATERIALS AND ENGINEERING EXPERTISE	
	RELIABILITY AND PERFORMANCE	

OUR VALUE CREATION ROADMAP AROUND AND BEYOND TIRES		
	HIGH MARGIN BUSINESSES	
	SYNERGETIC ADJACENCIES	
	NEW GROWTH AVENUES	
	GEOGRAPHICAL EXPANSION	

MORE RESILIENT BUSINESS PROFILE



FIVE ADJACENT ECOSYSTEMS IDENTIFIED AS GROWTH AVENUES

ECOSYSTEMS		PROMISING BUSINESSES	RATIONALE	CONTRIBUTION TO PROFITABLE GROWTH
SERVICES & TECH SOLUTIONS		 <p><i>Innovate to capture every new opportunity in IoT and emerging technologies</i></p>	<ul style="list-style-type: none"> • Mobility services and digitization: key focus for all Michelin customers 	<div style="border: 2px solid yellow; border-radius: 15px; padding: 10px; text-align: center; margin-bottom: 10px;">LEADERSHIP POSITION</div> <div style="border: 2px solid yellow; border-radius: 15px; padding: 10px; text-align: center; margin-bottom: 10px;">SIGNIFICANT GROWTH</div> <div style="border: 2px solid yellow; border-radius: 15px; padding: 10px; text-align: center;">FINANCIAL VALUE CREATION</div>
HIGH-TECH MATERIALS	HIGH-TECH FLEXIBLE COMPOSITES	<p><i>Leverage our core business... ...to develop other areas in which we can play an important role</i></p> 	<ul style="list-style-type: none"> • A solid basis to target attractive and synergetic markets 	
	Medical	 <p><i>Early-maker in Medical, Hydrogen, and 3D Metal Printing...</i></p>	<ul style="list-style-type: none"> • Three promising ecosystems 	
	Hydrogen			
	3D Metal Printing	 <p><i>...with ESG focus and transition towards carbon-free operations</i></p>		



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SERVICES & TECH SOLUTIONS

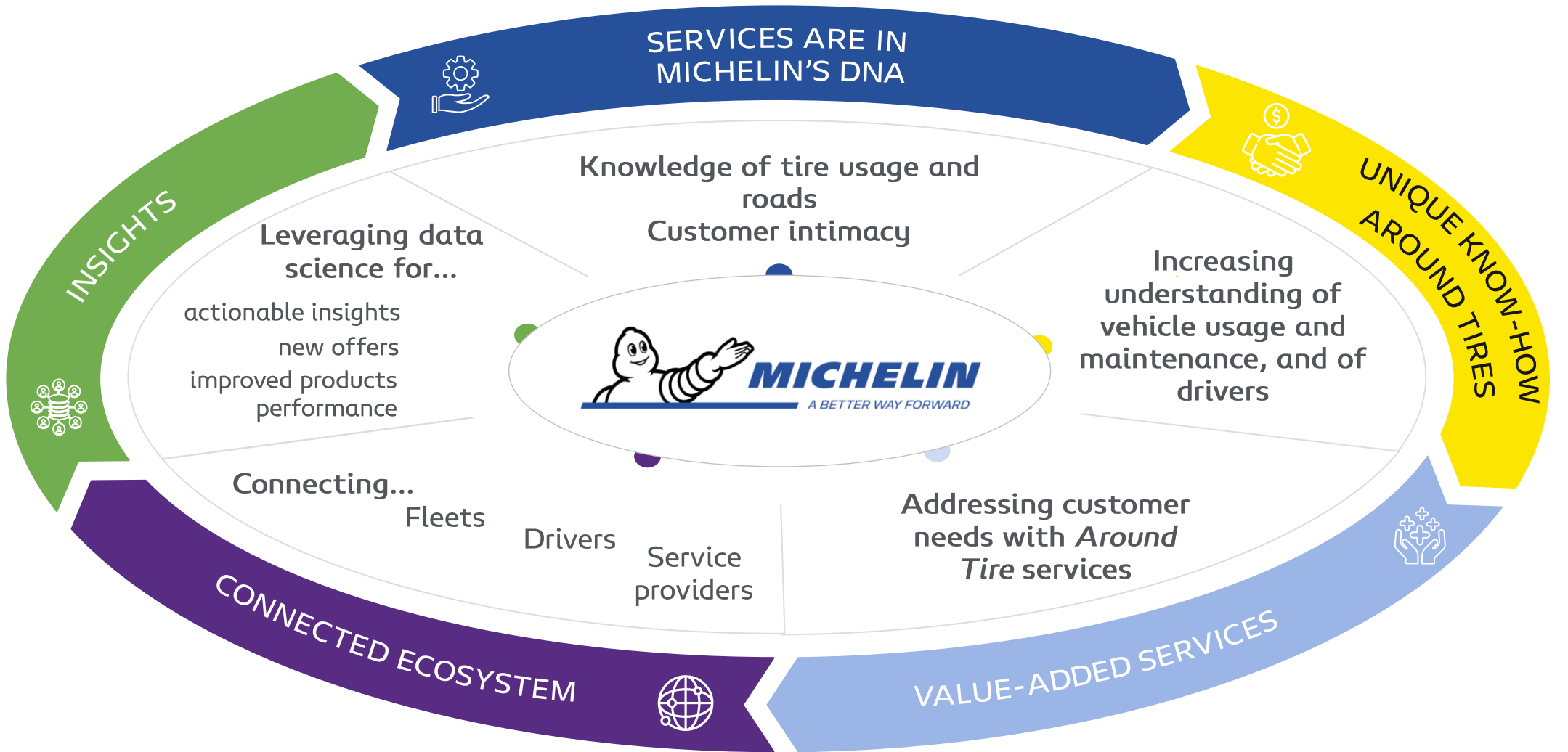


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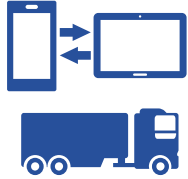
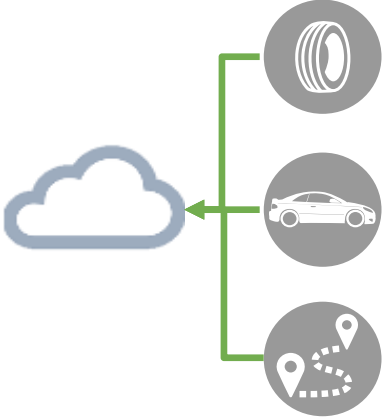


OUR UNDERSTANDING OF CLIENTS' USAGE PATTERNS AND NEEDS ENABLES US TO OFFER HIGH VALUE-ADDED SOLUTIONS





DEVELOPING AND ENRICHING OUR VALUE PROPOSITION FOR FLEETS AND MOBILITY

Tire as a Service	Fleet Management	Other Fleet Services	Digital Services Platform (DSP)	IoT & Data Businesses
Offering bespoke tire-related services	Optimizing fleets operations	Supporting fleets in their daily needs	Providing a one-stop-shop service platform dedicated to fleets	Monetizing specialized mobility-related insights
<p>EFFITIRES™</p> <p>MICHELIN® TIRE CARE</p> 	<p>masternaut sascar</p> <p>NexTraq EFFITRAILER™</p> 	<p>24/7 ONCall</p> <p>EUROMASTER Pneus et Entretien Véhicules</p> <p>MICHELIN COMMERCIAL SERVICE NETWORK</p> <p>TRUCKFLY by Michelin</p>	<p>maestro</p> 	

Expanding our customer base
Reaching new territories



MAKING OUR CLIENTS LIFE EASIER WHILE CREATING NEW BUSINESS OPPORTUNITIES



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FLEET SERVICE ORCHESTRATOR 'ONE-STOP-SHOP'

Unique and differentiated experience for all type of fleets

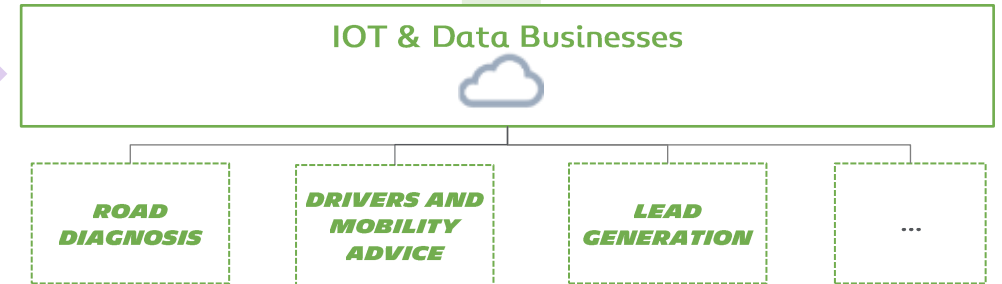
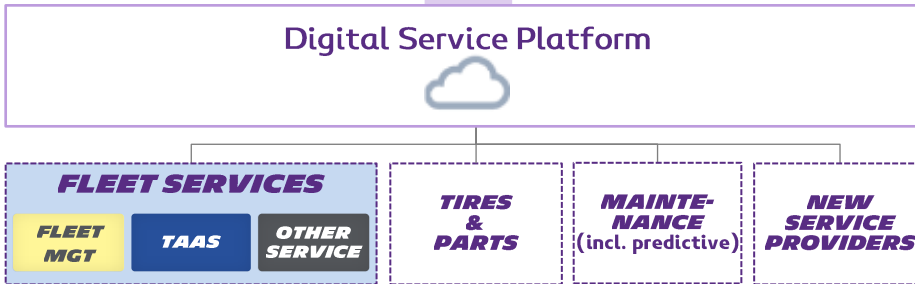


SPECIALIST IN MOBILITY AND USAGE DATA

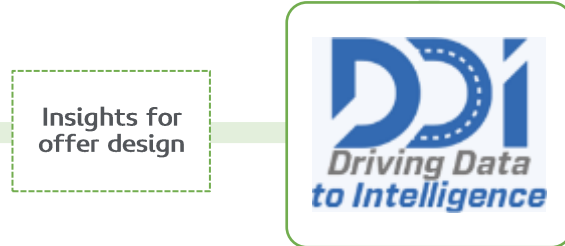
Mobility operators, infrastructure managers, OEMs, insurers...
Customized solutions to transform data into insights

CUSTOMERS

OFFERS & SERVICES



CONTRIBUTORS ILLUSTRATIVE



IOT = Internet Of Things



KEY LEVERS TO REACH OUR AMBITIONS

FLEET SERVICES



DATA CAPTURE
ANALYTICS
SMART INTERFACES
OPERATIONS SERVICE
& SUPPORT



NUMBER OF VEHICLES UNDER CONTRACT: +15% CAGR BY 2030

DIGITAL SERVICES PLATFORM



SCALABLE & ADAPTABLE PLATFORM
LARGE & DIVERSE NETWORK OF PARTNERS



>5M TRANSACTIONS PER YEAR +10K SERVICE PROVIDERS

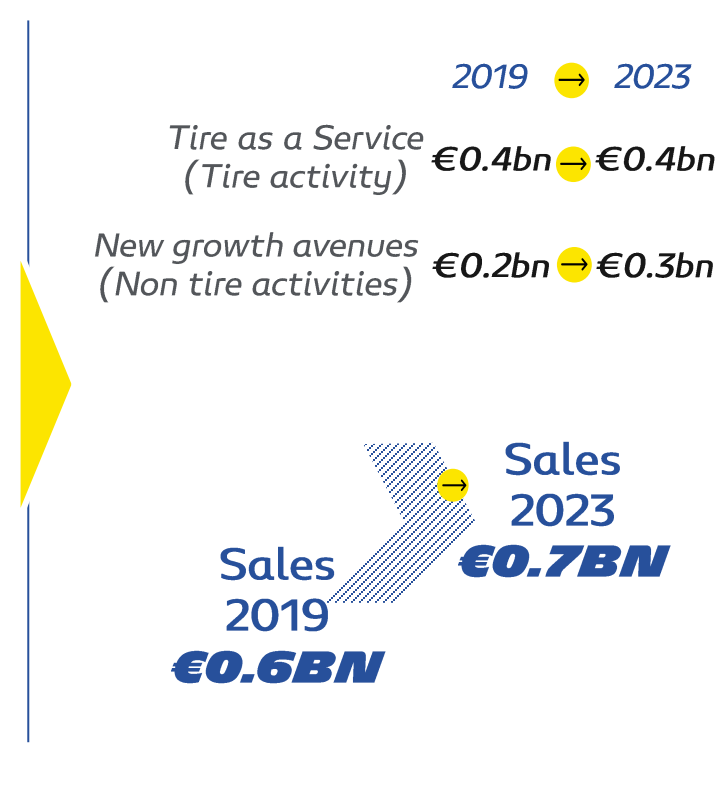
IOT & DATA BUSINESSES



EXPONENTIAL NUMBER OF CONNECTED OBJECTS
DATA SCIENCE



C.50 OFFERS LAUNCHED PER YEAR



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HIGH-TECH MATERIALS



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	3D Metal Printing			



CAPITALIZING ON OUR UNIQUE KNOW-HOW ACROSS THE VALUE CHAIN TO DEVELOP OUR PRODUCT OFFERING

HOLISTIC DESIGN APPROACH
Usage / Product performance/
Materials Property

TECHNICAL MASTERING OF MATERIALS
Polymers / Reinforcement

MASTERING COMPONENTS & FLEXIBLE COMPOSITES MANUFACTURING PROCESS

DIFFERENTIATED SUSTAINABLE APPROACH





REINFORCING OUR POSITIONS ALONG THE VALUE CHAIN



CURRENT ACTIVITIES

Recovered materials

Lehigh TECHNOLOGIES

enviro
SCANDINAVIAN ENVIRO SYSTEMS

Sustainable monomers and polymers

BIOBUTTERFLY

PYROWAVE
CLOSING THE LOOP

Special Adhesives

ResiCare

Compounding

Coated fabrics & Reinforcements

Belting products & solutions

High-End Polymers

Fenner
PRECISION POLYMERS
A Michelin Group Company

Conveyors

Advanced Sealing Technologies
A Michelin High Tech Research Company

FENNER & DUNLOP
ENGINEERED CONVEYOR SOLUTIONS

TARGET POSITIONING

Accelerator of differentiating technologies for tires and 'rubber goods', in the field of bio-sourced materials and recycling

Reference actor in the field of special adhesives and tailor-made polymers

Global leading player with significant position (in top 3) on targeted segments, requiring high level of technicity and demanding balance of performance

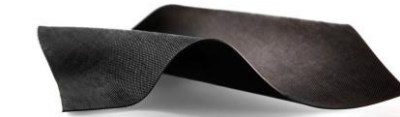
Incubation of new businesses

Partnerships & acquisition of start-ups

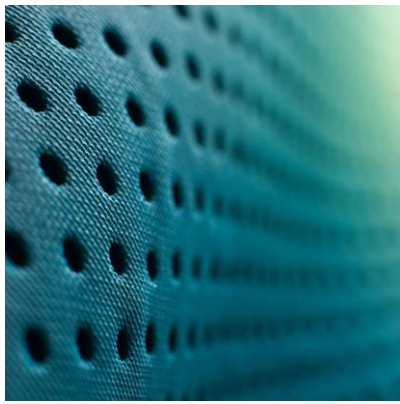
Synergetic M&A to accelerate growth in high value-added markets



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



Coated Fabrics & Reinforcements



Conveyors



Belting Products & Solutions



Hoses



High-End Polymers



Dynamic Market with Numerous Attractive Segments

>~5% CAGR BY 2030



Sales 2019
€0.9BN



Sales 2023
€1.1BN



HIGHER CASH CONVERSION



REGENERATIVE MEDICINE & CELL THERAPY



CURRENT EXPERTISE



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



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



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



MARKET POTENTIAL

CELL & GENE THERAPY

+20%
CAGR 2020-2030

CARDIO MEDICAL DEVICES

>10%
CAGR 2020-2030



AMBITIONS

BECOMING A LEADING INNOVATION AND MANUFACTURING PARTNER

Cell Therapy



Bioresorbables



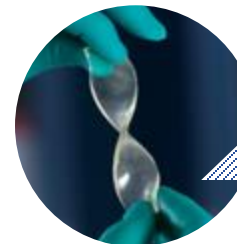
Regenerative medicine



BEING THE TRUSTED CONTRACT MANUFACTURING OPERATOR



DEVELOPING NEW BUSINESSES



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



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



CURRENT EXPERTISE

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



- Full range of stack powers
- System integrations capabilities

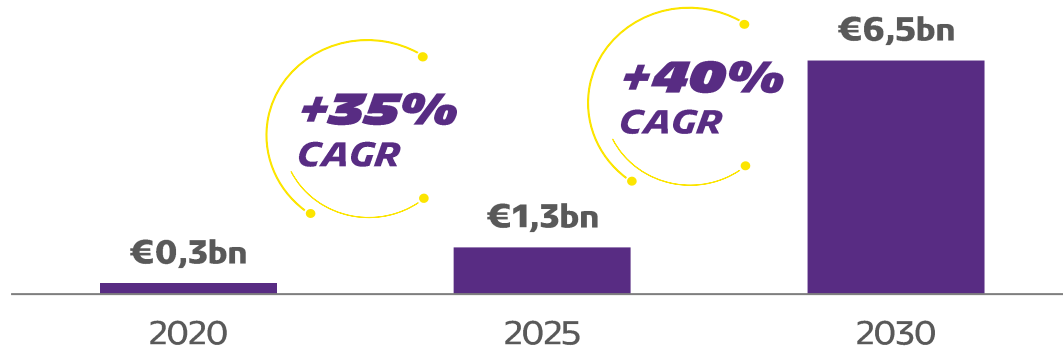


AMBITIONS¹

BECOME A LEADER IN FUEL CELL STACK SYSTEMS



MARKET POTENTIAL



KEY LEVERS



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

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

4 3D METAL PRINTING: BEING WITH OUR JOINT VENTURE ADDUP A LEADER IN A HIGHLY PROMISING MARKET



CURRENT EXPERTISE



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

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

**A
COMPREHENSIVE
OFFER**



AMBITIONS¹

€100M
sales and breakeven
by 2023

>€500M
sales by 2030



MARKET POTENTIAL

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

+23%
CAGR 2020-2030

~\$13BN
in 2030



KEY LEVERS



- Strong complementarities with Fives
- Leverage digital
- Customer centric

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



KEY LEVERS TO SUCCEED

1 THE RIGHT MODELS WITH THE RIGHT PARTNERS

Flexible composites

3D printing	Hydrogen	Medical
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7 QUICKLY INTEGRATING ACQUISITIONS

2 LEVERAGING OUR KNOW-HOW IN MATERIALS

6 ACCELERATING THE DEVELOPMENT OF NEW BUSINESS THROUGH PARTNERSHIPS

3 LEVERAGING MARKET ACCESS SYNERGIES ACROSS THE GROUP

Customers, distribution or service channels



4 ACCELERATING INNOVATION THROUGH PARTNERSHIPS

5 INCUBATING NEW BUSINESSES



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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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GLOSSARY

IoT

Internet of Things

Structural free cash flow

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

ROCE

In the 2016-2020 Plan, ROCE was calculated as

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

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

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

Tire Sales

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

Non Tire sales

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