

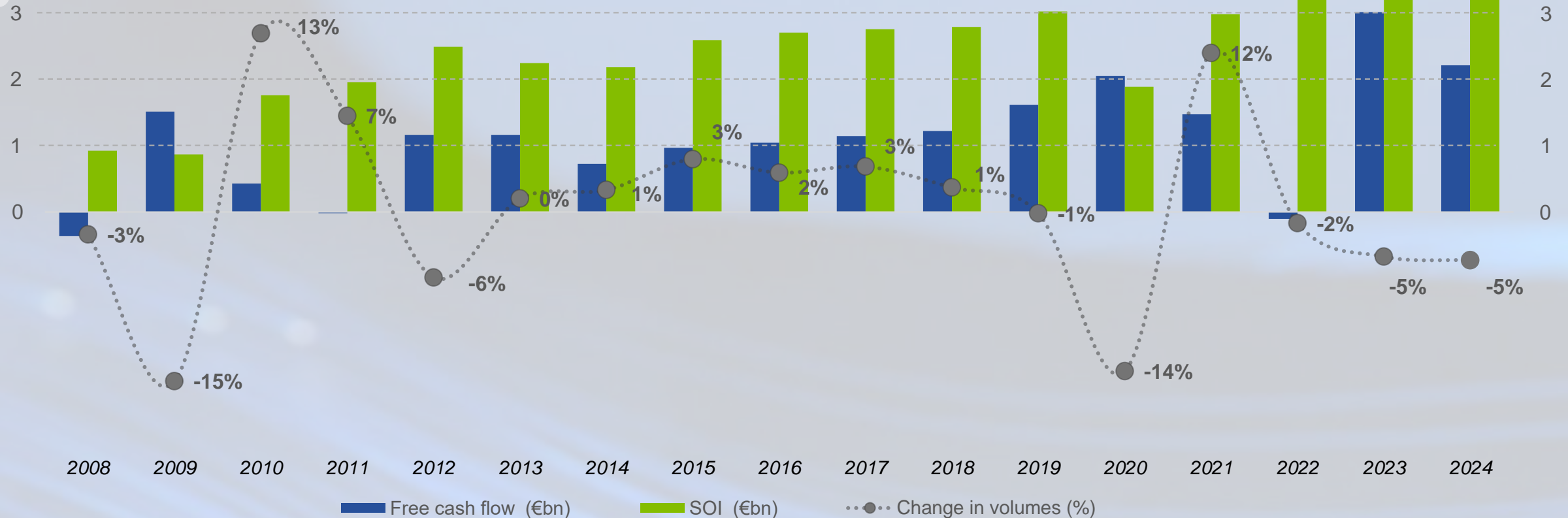
# ***LONDON ROADSHOW SG - BERNSTEIN***

July 1<sup>st</sup> – 2<sup>nd</sup>, 2025



# Increasing cash and margin generation across business cycles

## FCF<sup>(1)</sup> and SOI<sup>(2)</sup> evolution vs. change in volumes



(1) Free cash flow, excluding M&A

(2) Segment operating income



# Solid Group profile fit for turbulences



## Engaged and agile teams

**85%**

Engagement rate



Demonstrated agility



## Financial solidity

**€1.7BN** PER YEAR  
Cash Generation 2019-24 \*

**<17%**

Gearing end of 2024

FitchRatings

**A**

Recently upgraded

S&P Global

**A**

SCOPE | Ratings

**A**

MOODY'S

**A2**

\* Average Free Cash Flow before M&A (2019-2024)



## Local-to-local

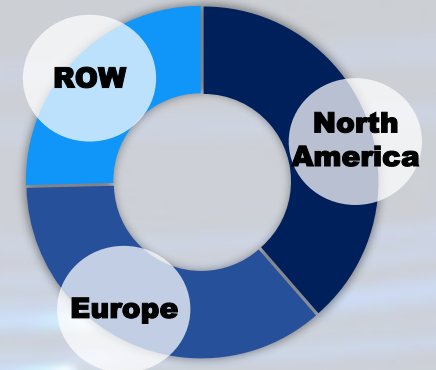
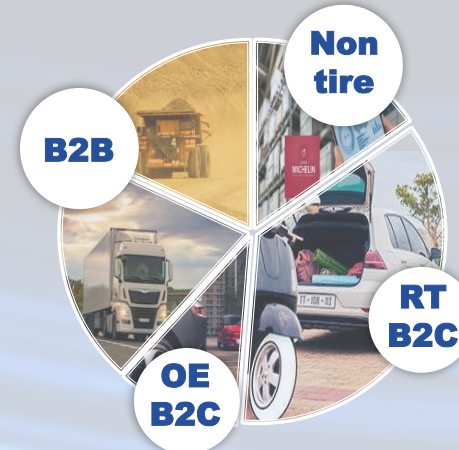


**70%**  
Local-to-Local



## Diverse markets & balanced geographies

2024 sales breakdown (% of revenue)





# At the end of May, Replacement markets are resilient but OE highly negative both Europe and North America



**Passenger car  
& Light truck\***

**-0%**

OE

**+3%**

RT

**-10%**

**+6%**

**-7%**

**+3%**

**+11%**

**-0%**



**Truck\* excl. China**

**-5%**

OE

**+2%**

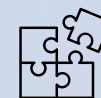
RT

**-6%**

**+2%**

**-18%**

**+1%**



**Specialties\***



**Mining  
tires**



**Beyond-road tires**

OE

RT



**Aircraft  
tires**



**Two-wheel  
tires**



**Polymer  
Composite  
Solutions**



\* Sell-in Tire Markets (excluding Polymer Composite Solutions)



# 2025 Product plan demonstrating innovation leadership



Passenger Car

**BF GOODRICH KO3**



**+5%**  
total AT segment sales

**RANKED  
#1**

**TIRE RACK**  
AT  
segment



Truck

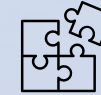
**MICHELIN X LINE ENERGY 3**



**-0.6 L/100KM**  
Fuel savings <sup>(2)</sup>

**ENHANCED  
BY**

**MICHELIN**  
CONNECTED FLEET  
Powered by MASTERNAUT



Specialties

**MICHELIN X-CRANE 2**



**+8%**  
Load capacity <sup>(4)</sup>

**SAFETY &  
EFFICIENCY**



**MICHELIN PRIMACY 5**



**+18%**  
Mileage <sup>(1)</sup>

**TIRE OF  
THE YEAR**

**tire**  
TECHNOLOGY  
IN 2024-2025  
AWARDS

**MICHELIN REMIX 2**



**-33%**  
TCO vs single-life tire <sup>(3)</sup>

**CIRCULAR  
ECONOMY**



**MICHELIN CEREXBIB 2**



**-45%**  
Ground pressure <sup>(5)</sup>

**ULTRAFLEX  
TECHNOLOGY**



(1) Reference: MICHELIN Primacy 3 and MICHELIN Primacy 4, (2) Reference: Premium competitors, (3) Reference: Modeling a cost per kilometer approach

(4) Reference: X-CRANE + and competitors rated 174F, (5) Reference: For 12 000 kg, compared to a 900/60R32 MICHELIN MEGAXBIB



**MICHELIN**

Roadshow Bernstein-SG, London, July 1st - 2nd, 2025

# Key partner to major OE players, innovation powered by data and AI – illustrated



Ferrari F80



Nio ET5



Peugeot 3008



Hyundai IONIQ 5



Ford F150



Toyota Corolla

## MICHELIN SMARTWEAR ALGORITHM

The tire wear monitoring solution for any connected car

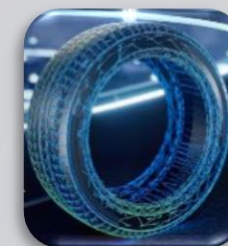


acknowledged as  
**BENCHMARK**  
by major OEMs

**100%**  
**PROPRIETARY**  
software and algorithms



Offering drivers unrivaled levels of safety and comfort



**-4 METERS**  
breaking distance



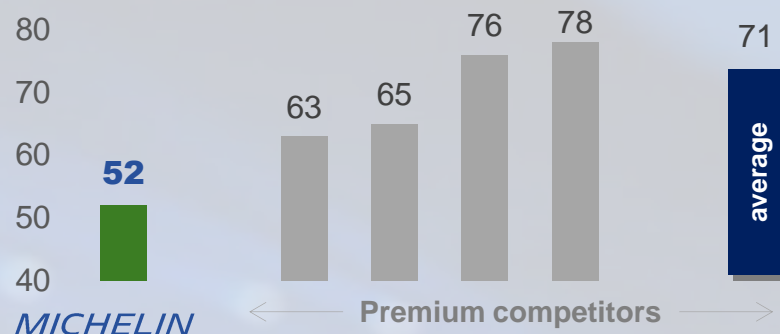


# Tires abrasion: A considerable competitive advantage, without any compromise on safety, confirmed by the most recent reference study (June 2025)

## Particle emissions: Michelin vs. other premium tiremakers<sup>(1)</sup>

Particle per vehicle <sup>(2)</sup>

unit: g/1,000 km/ t of vehicle



**MICHELIN  
WIDENS THE GAP**

**30%  
LOWER EMISSIONS**  
Vs. average of premium competitors

A comparison of all tyre manufacturers represented with at least five tyre models in the tests since 2023 shows that Michelin continues to offer by far the lowest abrasion tyres.

[+ Download the ADAC study](#)

## New ranges setting the standard

**MICHELIN**  
Primacy 5  
launched Q1 2025



**-14%**

Vs

**MICHELIN**  
Primacy 4

**MICHELIN**  
Cross Climate Sport  
launched Q2 2025



**-23%**

Vs

**MICHELIN**  
Pilot Sport 5

(1) Tyre abrasion in the environment, ADAC, June 2025 – 160 sizes tested

(2) The tyre abrasion methodology is defined in UN Regulation No. 117 Annex 10 "Procedure for determining the abrasion performance of tyres of class C1".

# Polymer Composite Solutions: Accelerating innovation synergies for mission-critical applications

## SEALING APPLICATIONS FOR AERO

Flightdeck panel components

Windshield anti-icing valve



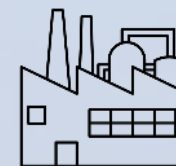
Cargo compartment  
smoke detector

Cargo door sealing  
systems

Engine gearbox fire detection

Hydraulic control  
and anti-ice valves

## 100% PFAS-FREE SOLUTIONS



Addressing  
fugitive emissions  
for petrochemical  
industry

## RESICARE BIOSOURCED & NON-TOXIC RESINS



Industrial facility  
pioneering  
bio-sourced chemistry



# Industrial operations: Adjusting and upscaling to support growth on targeted markets

## Announced capacity adjustments (2023-2025)



Ardmore



Cholet



Querétaro \*



Karlsruhe  
Homburg



Olsztyn



Shenyang



Olsztyn



Midigama\*



Trier



Shanghai



Vannes

*Capacity  
impact*

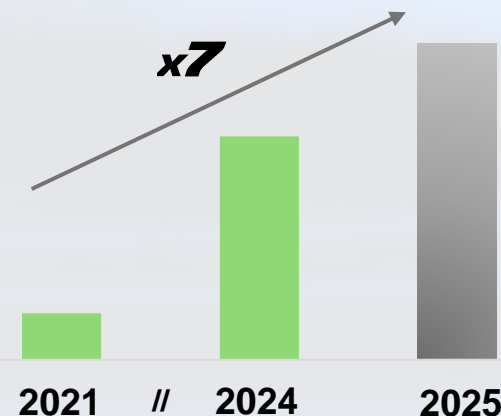
**-10%**  
standard PC

**-15%**  
Truck

**-100%**  
Compact Line *Bias*

Digital and AI applications  
in Manufacturing:  
a growing reality

€ Savings from digital & AI



\* subject to regulatory approvals from the relevant authorities

# Full-year market outlook: OE expected to stabilize in H2, Replacement reflecting moderate global growth

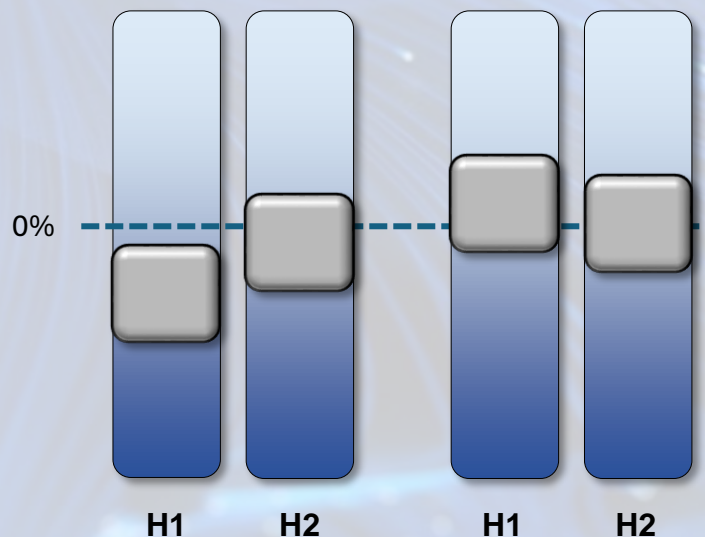


**Passenger car  
& Light truck\***

**-2% / +2%**

**OE**

**RT**

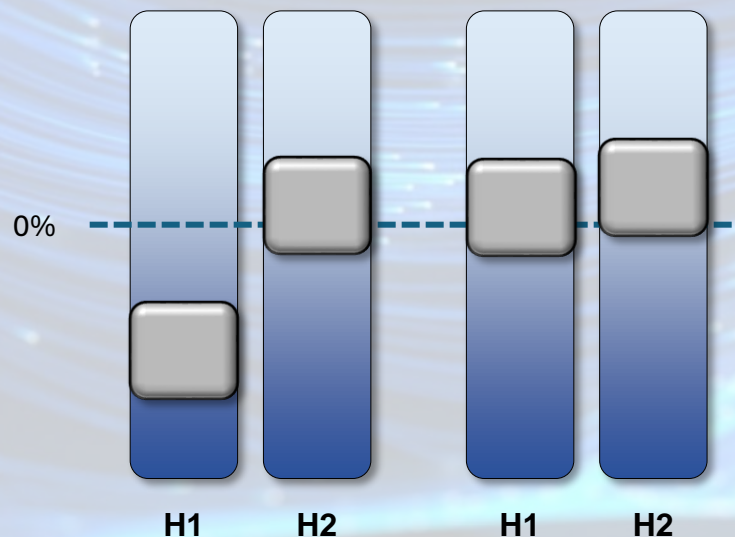


**Truck\* excl. China**

**-2% / +2%**

**OE**

**RT**



**Specialties\***

**-1% / +3%**



**Mining  
tires**



**Beyond-road tires**

**OE**



**RT**



**Aircraft  
tires**



**Two-wheel  
tires**



**Polymer  
Composite  
Solutions**







\* Sell-in Tire Markets (excluding Polymer Composite Solutions)

Caveat : market expectations assuming trade tariffs and regulations as known on date of release










# In an increasingly uncertain context, 2025 Guidance relying on a robust action plan

In a **favorably oriented** but **highly uncertain** context...

-  Underlying growth in most destination markets
-  OE markets gradually reversing
-  Tariffs uncertainties
-  Mining headwinds over

...Michelin is set to **differentiate further**

-  Seizing growth opportunities
-  Strong product plan
-  Local to local
-  Manufacturing roadmap

 confirmed     increasing risk     increasing opportunity

**>2024**

Segment operating income  
@ iso-FX

**>€1.7BN**

Free cash flow  
(before M&A)



# ***QUESTIONS & ANSWERS***

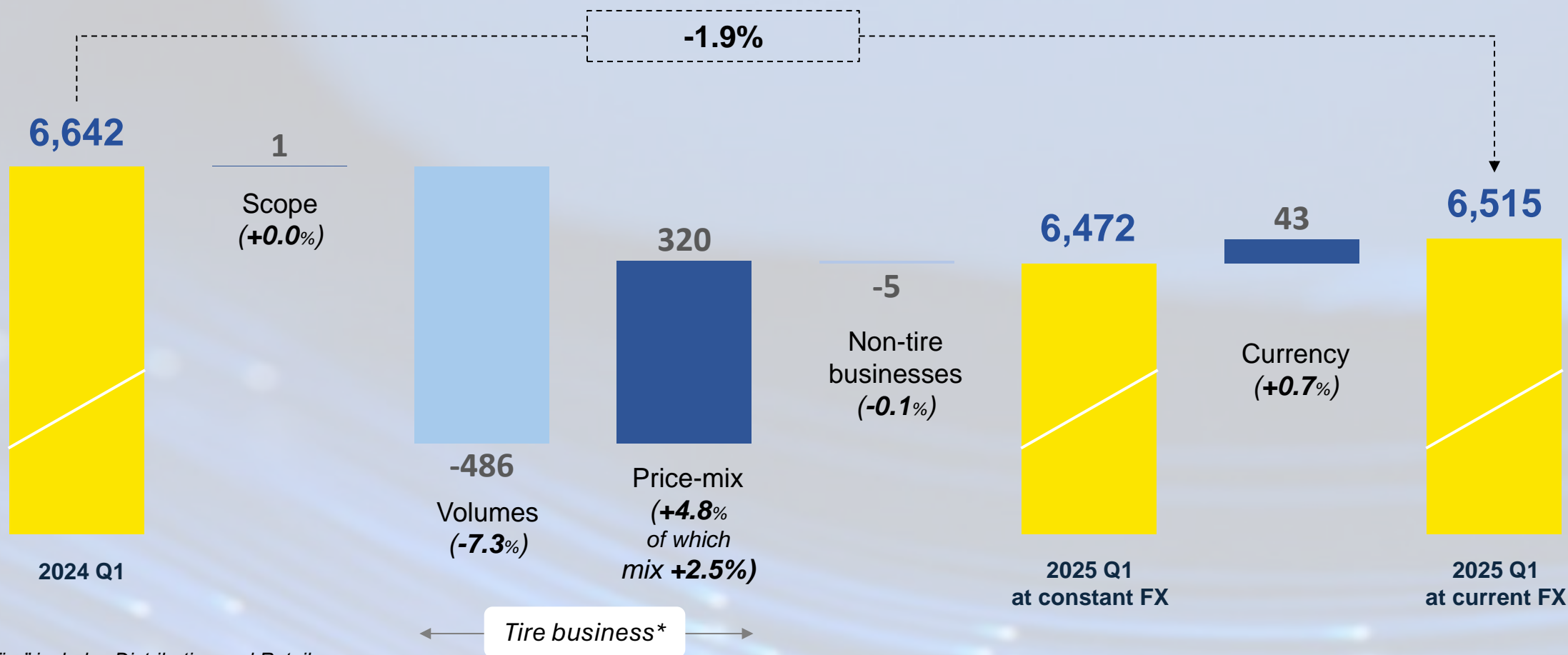


# ***APPENDIX***

# Strong mix and favorable price supported by indexation clauses, volumes down in OE across segments but resilient in RT

## Q1 2025 sales evolution

(€ millions and as a %)



\* "Tire" includes Distribution and Retail








# Group sales penalized by continuing OE downcycle, Replacement sales growing in RS1, RS2, Mining & Aircraft

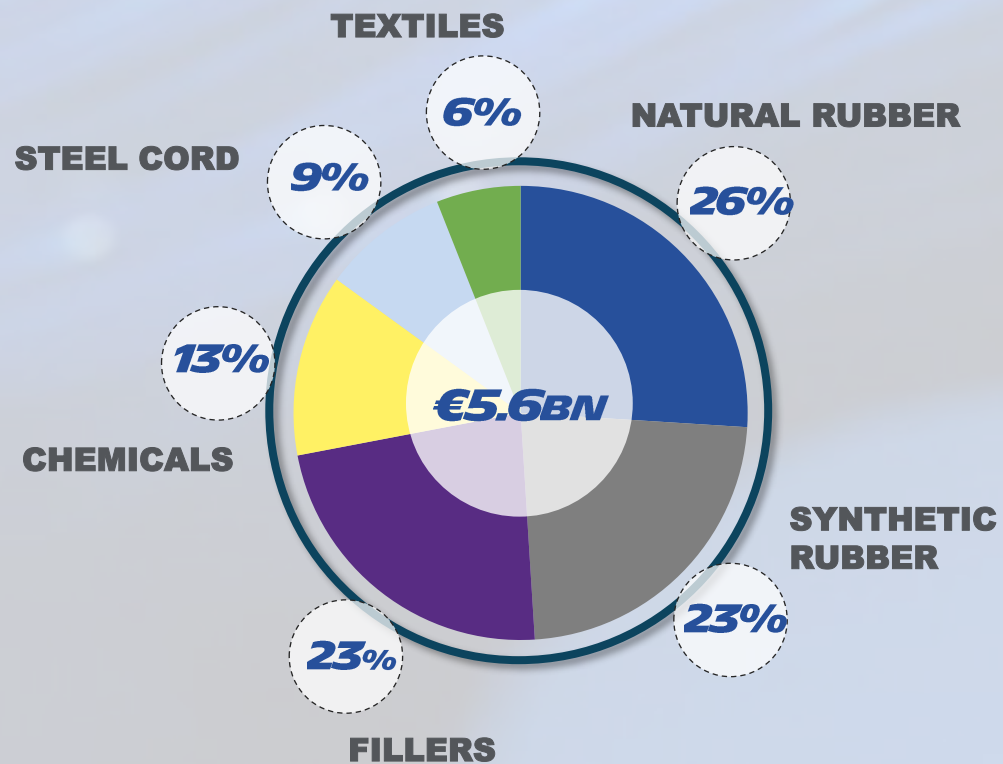
## Sales by reporting segment

(€ millions)

		Q1 25	Q1 24	Δ
<b>RS1</b> 	Sales	3,559	3,518	+1.2%
	<i>o/w volume change</i>	-	-	-3.3%
<b>RS2</b> 	Sales	1,529	1,584	-3.5%
	<i>o/w volume change</i>	-	-	-8.9%
<b>RS3</b> 	Sales	1,427	1,539	-7.3%
	<i>o/w volume change</i>	-	-	-9.6%
<b>GROUP</b>	Sales	6,515	6,642	-1.9%
	<i>o/w volume change</i>	-	-	-7.3%

# Raw materials cost breakdown and evolution

## 2024 Raw materials cost breakdown



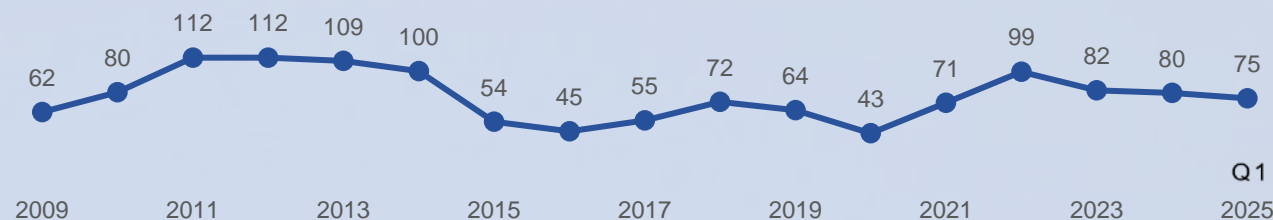
Natural Rubber: TSR20 and RSS3 (SICOM, \$/kg)



Butadiene: Europe contract-market (€/t)



Brent (\$/BBL)



# 2024 Shareholder return sustained at an attractive level

	2021 <sup>(1)</sup>	2022	2023	2024
<b>DIVIDEND</b> PER SHARE(€)	1.13	1.25	1.35	<b>1.38</b>
<b>EARNINGS PER SHARE</b> BASIC(€)	2.58	2.81	2.77	<b>2.65</b>
<b>PAY-OUT RATIO<sup>(2)</sup></b>	44%	44%	49%	<b>52%</b>
<b>DIVIDEND YIELD<sup>(3)</sup></b>	3.1%	4.8%	4.2%	<b>4.3%</b>

## DIVIDEND

- 2024 proposed dividend of €1.38, +2.2% vs 2023

## SHARE BUYBACK

- Program over 2024-2026: up to €1bn
- 2024: execution of €500m tranche

(1) Data prior to 2022 restated for the 4-for-1 stock split of June 2022

(2) Dividend / Net income




(3) Dividend / Share price; based on Dec 31 closing stock price





# ***STRATEGY***

# Strategic Scorecard - 2024 results in line with 2030 ambitions

	AMBITIONS	METRICS	2022	2023	2024	2030 SUCCESS
 People	Be world-class in employee engagement	Engagement Rate	82.5%	83.5%	84.7%	>85%
	Be world-class in employee safety	TCIR*	1.07	1.01	1.03	<0.5
	Be a reference in diversity, equity and inclusion	IMDI	70	72	73	80
	Be best-in-class in value created for customers	NPS	41.6	42.7	40.2	50 (+10pts vs 2020)
 Profit	Deliver substantial growth	Total Sales	28.6 bn€	28.3 bn€	27.2 bn€	5% CAGR 23-30
	Deliver continuous financial value creation	ROCE	10.8%	11.4%	10.5%	>10.5%
	Maintain MICHELIN brand power	Brand Vitality Quotient	68	73	72	65 (+5pts vs 2020)
	Maintain best-in-class innovation pace in products & services	Offer Vitality Index	31.0%	30.8%	29.4%	>30%
 Planet	Reach net zero emissions by 2050 (scopes 1&2)	CO <sub>2</sub> emissions (scopes 1&2), vs 2019	-20%	-28%	-37%	-47%
	Improve the energy efficiency of our products to contribute to net zero emissions	Product energy efficiency (scope 3)	101.8	102.9	104.3	+10% vs 2020
	Be best-in-class in environmental footprint of industrial sites	i-MEP, vs 2019	-11.2%	-16.1%	-17.4%	-1/3
	Increase the proportion of renewable or recycled materials in our tires	Renewable and Recycled Materials Rate	30%	28%	31%	40%

\*in 2025, the TCIR is replaced by the Total Recordable Incident Rate which records the number of incident per 1,000,000 hours. TRIR 2024 stood at 5.01.



# Leveraging unique and differentiating assets across enlarged playground



Highly engaged and talented **teams**



A powerful and widely recognized **brand**



**Innovation** leadership and unique **R&D & industrial capabilities**



Excellent, market defining **products** and **services**

## TIRES



## SERVICES AND EXPERIENCES



**Connected Solutions**



**E-Retail**



**Distribution & Retail**



**Lifestyle**

## POLYMER COMPOSITE SOLUTIONS



**Sealing technologies**



**Conveyors, belting solutions and hoses**



**Engineered fabrics & films**



**Engineered polymers**



# Value-driven strategy: Winning where it matters

Original equipment: Being selective to extract the right value



**Innovation**



**Brand power**



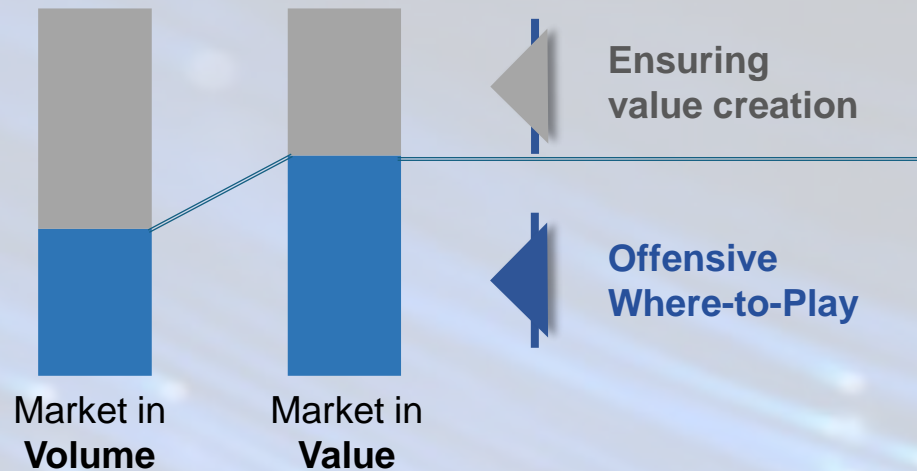
**Strategic  
partnerships**



**Loyalty**

**Maximizing value creation  
for OEMs & for Michelin**

Replacement: Accelerating on value-accretive segments



**Reinforcing leadership:**

**Market share** in value-accretive segments  
**Enhancing** our partners' performance  
**Valorizing** our technology and offers

# Value-driven strategy: Winning where it matters - illustrated



## Long-lasting trend of mix enrichment



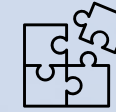
**>100M€**  
per year

Sustainable mix impact  
on EBIT

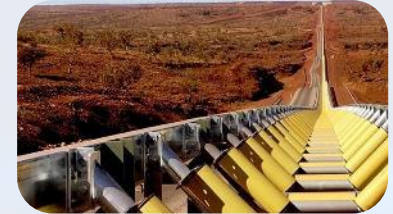
**~9%**  
CAGR\*

Market trend in >18" tires\*

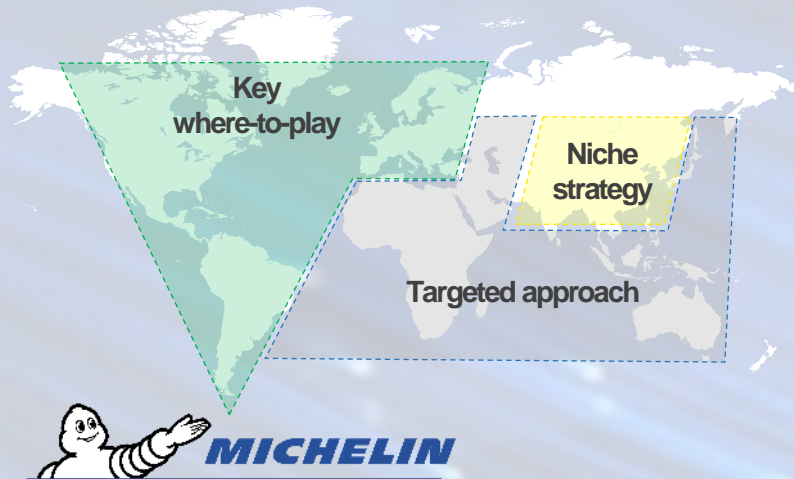
\* 2025 - 2028



## Technological leadership & differentiating service



## Targeting value-accretive market segments



Premium



Tech



Green



**> 50% of market Value**



# ***2024 CMD***

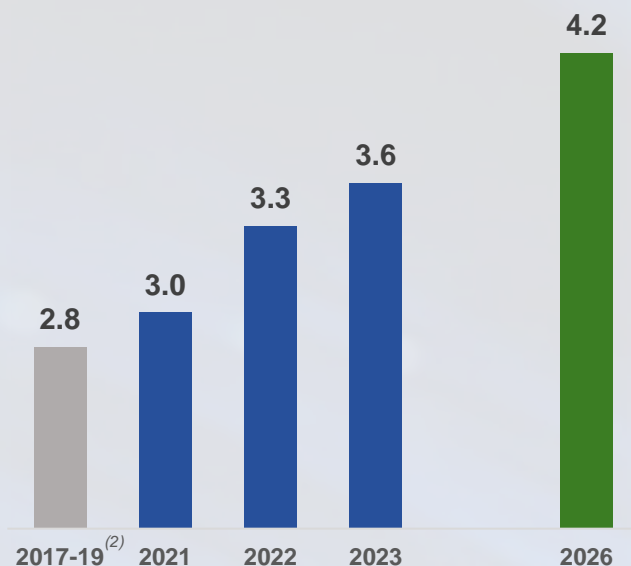
Roadshow Bernstein-SG, London, July 1st - 2nd, 2025



# Driving higher profitability and strong cash generation

## Segment Operating Income

(bn €, excl. substantial (1) M&A, @2023 FX)

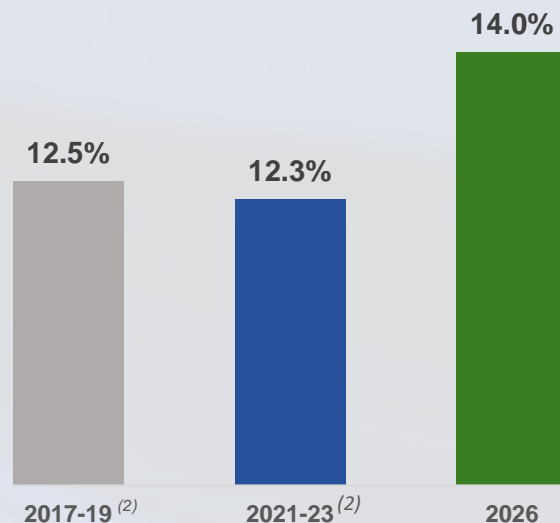


(1) Substantial = leading to structuration of a SR4

(2) Average of the period

## Segment Operating Margin

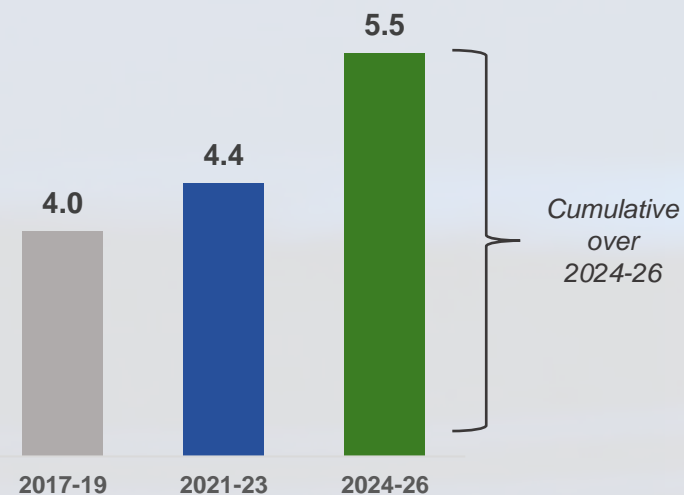
(% of sales)



(2) Average of the period

## FCF before M&A

(bn €, cumulative over the period)



- ✓ Capex level € 2.0-2.4bn/year
- ✓ Optimized working capital

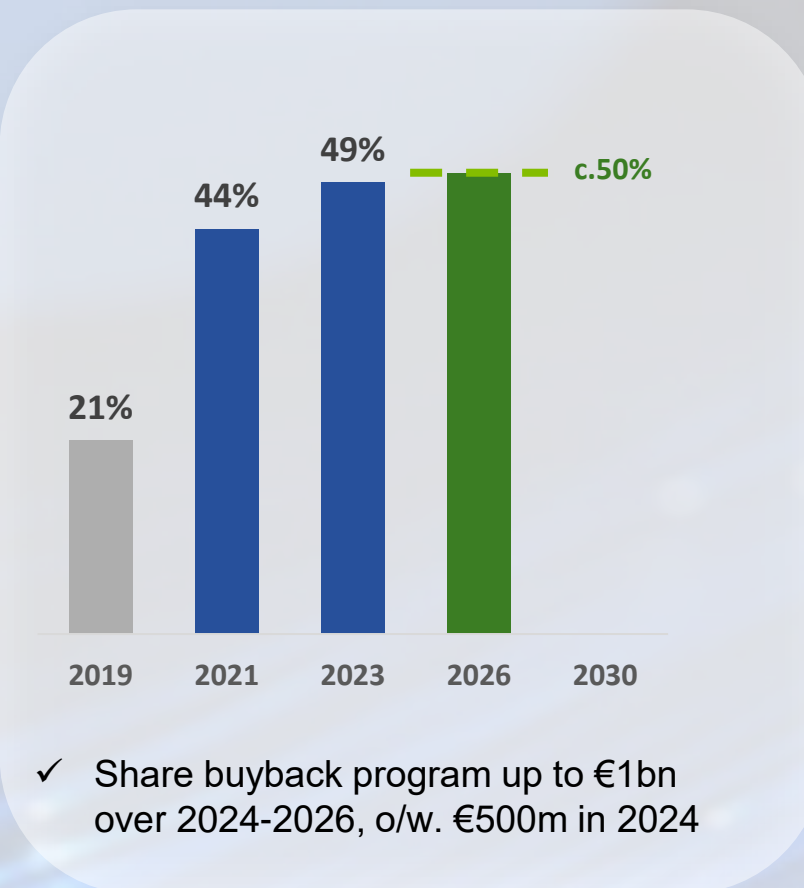
# Confirmed ROCE floor and shareholder return

## Return on Capital Employed



## Payout Ratio

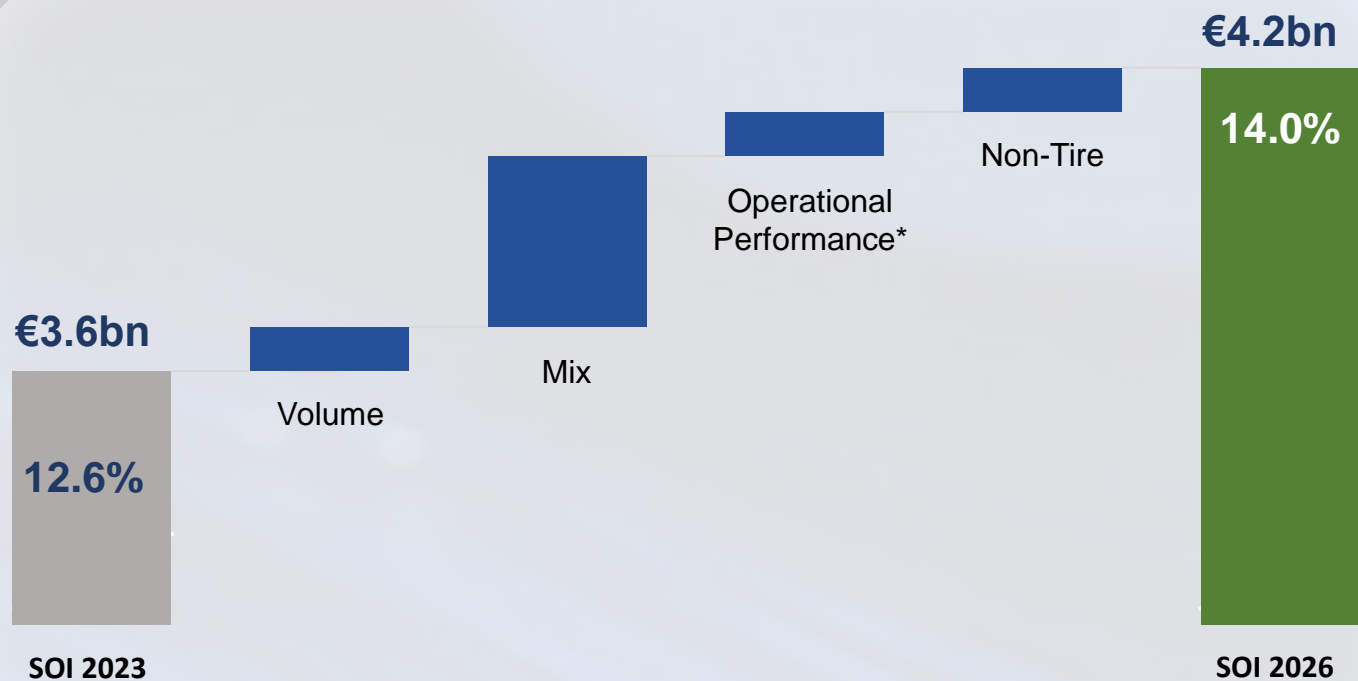
(% of net result)



# Strong mix effect, improved margin across reporting segments

## SOI bridge by lever

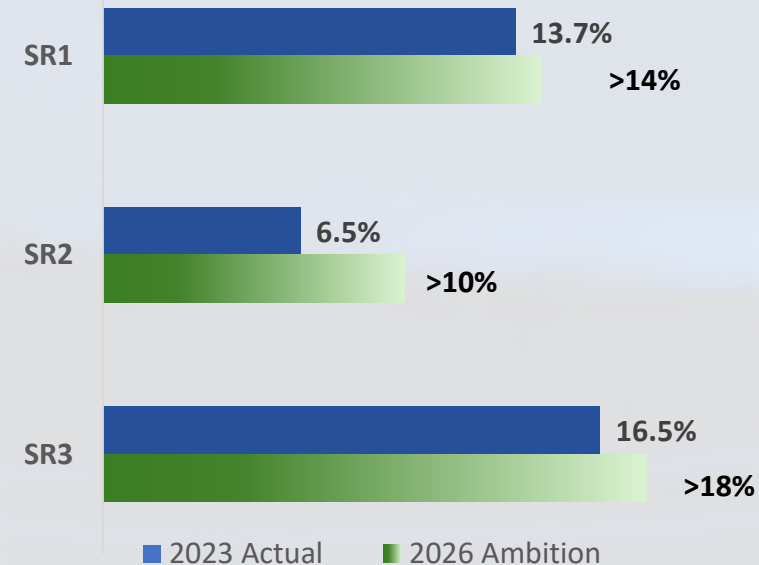
(€bn and % of sales, excl. substantial M&A, @2023 FX)



\* Including economic equation (price effect – inflators)

## Segment Operating Margin - by SR

(% of sales)



SOM ambitions by SR for illustration – commitment applies to Group level only



# Taking Group competitiveness to the next level: Manufacturing

## Strategic levers

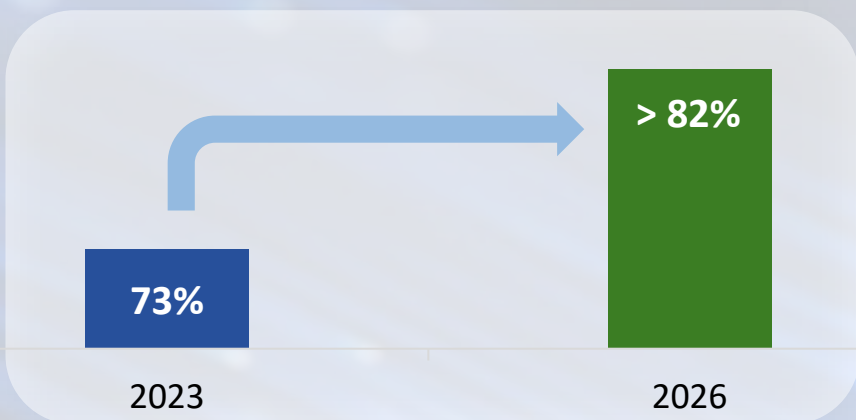
- Local-to-local
- Value-driven production mix
- Lower environmental impact
- Talent attraction & retention

## Tech & Care levers

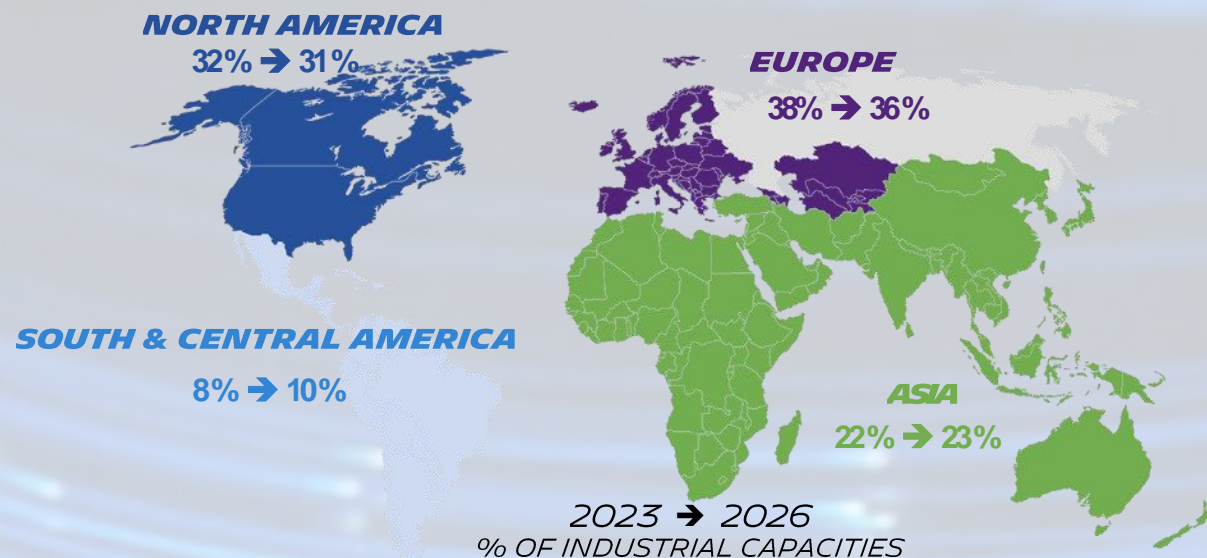
- IA & Digital
- Industrial process optimization
- Reduce water and energy consumption
- Safety, ergonomics and people empowerment

## Industrial loading rate SR1 + SR2

(% of capacity)

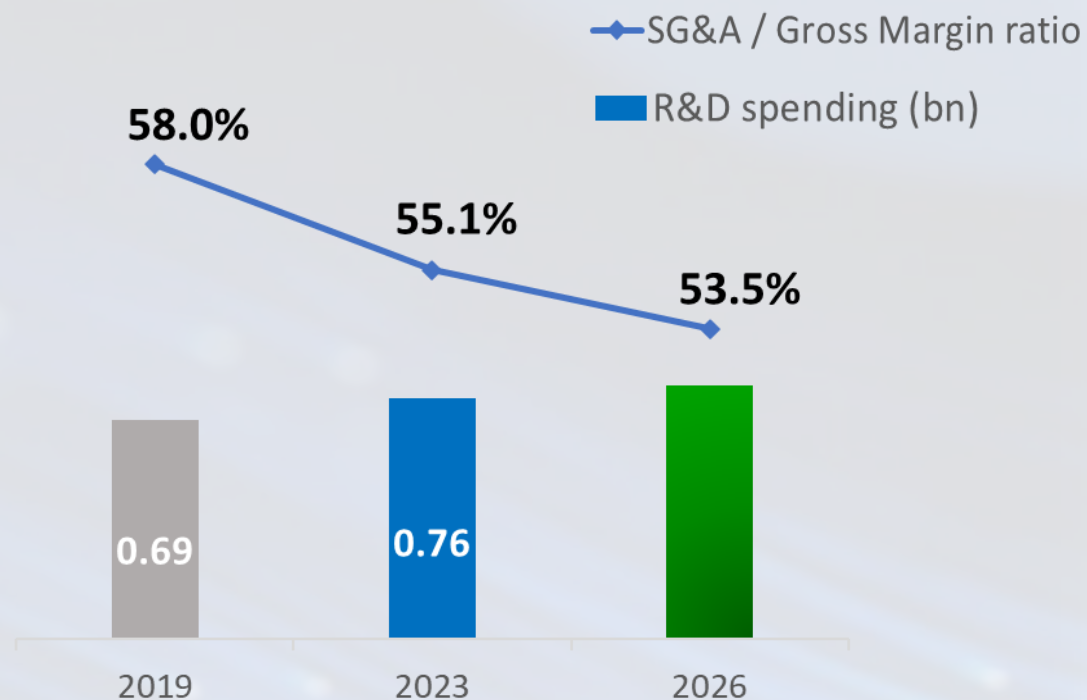


## Industrial capacities breakdown, 2026 vs. 2023



# Taking Group competitiveness to the next level: SG&A & Supply Chain

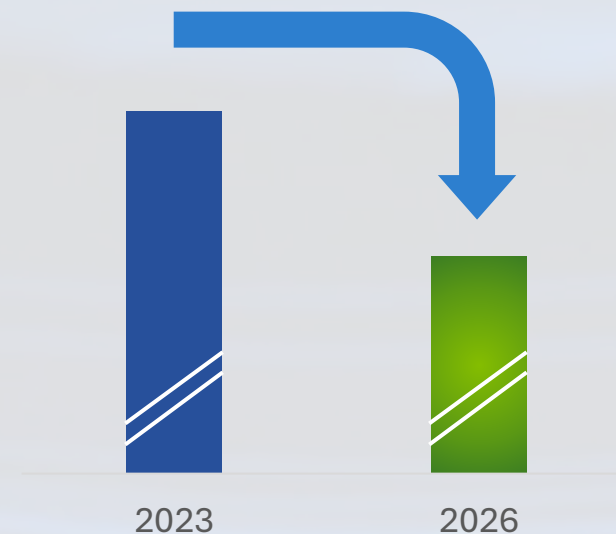
Improving SG&A performance  
and fostering innovation



Reducing inventory levels  
whilst improving customer service

Inventory reduction

€ -0.5bn



# M&A: A proven track record of successful integration

## Multistrada & Camso

- Multistrada EBIT from negative territory in 2019 to SR1 accretive in 2023
- Camso accelerating in AG Tracks

## Retail & Distribution

### TBC (JV with Sumitomo)

- Cash positive since '21
- \$350m shareholder loans fully paid back
- ~160m€ cash proceeds from Retail activities sale (2023)

### Euromaster Denmark sale (2023)

### Tyroola acquisition (2023)

## Fenner

- 9% CAGR 2018-2023 (excl. Solesis)
- 2023 EBIT +4 pts vs 2018
- Solesis capital opened to Altaris based on €450M EV (2021)

## Polymer Composite Solutions

## FCG

- 9% CAGR 2015-2023
- EBIT accretive (> 20%)
- EV/EBITDA 9.0 post-synergies (2028)

## Symbio (est. 2019)

- Michelin 33% | Faurecia 33% | Stellantis 33%
- based on €900m EV (2023)

## Connected Solutions

- **Michelin Connected Fleet** regrouping Sascar & Masternaut & Nextraq offers (2022)
- **RoadBotics** acquisition (2022)
- **Watèa** capital opened to Crédit Agricole (2023)

## Tires

## Active portfolio management

2018-2019 :  
**€4.5bn** net acquisitions

2021-2023 :  
**€1.0bn** acquisitions  
**€0.6bn** divestments

**>60 transactions**  
o/w 13 with cash amount >€50m





# M&A as a growth & value accelerator: Accessing new markets and leveraging Group innovation power

## Clear fundamentals

**Strategic fit**

**Parental advantage  
brought by Michelin**

**Value-accretive  
to Group**

**Cultural fit**

## Strict financial criteria

EPS-accretive  
from year 1

Accelerating  
growth

Group ROCE  
sustained  
above 10.5%

Higher cash  
conversion

Margin-accretive  
(SOI%)

# Glossary

***FREE CASH FLOW BEFORE M&A***

Free cash-flow, which is stated before dividend payments and financing transactions, corresponds to net cash from operating activities less net cash used in investing activities, including JV financing, adjusted for net cash-flows relating to cash management financial assets and borrowing collaterals. M&A-related cash-flows and repayment of IFRS 16 debt are not included.

***ROCE***

Return on capital employed: Net operating profit after tax (NOPAT), calculated at a standard tax rate corresponding to the Group's average effective tax rate; divided by average economic assets employed during the year, i.e., all of the Group's intangible assets, property, plant and equipment, loans and deposits, investments in equity-accounted companies, and net working capital requirement.

***TIRE SALES***

Sales from Michelin's core business, including the Tire-as-a-Service (TaaS) business and Tire distribution operations.

***NON-TIRE SALES***

Sales from the Connected Solutions (excluding TaaS and Distribution), Polymer Composite Solutions businesses, Lifestyle, excluding joint ventures

***IMDI***

Inclusion and Diversities Management Index, see definition p.25 of the 2024 Universal Registration Document

***TCIR***

Total Case Incident Rate, see definition p.271 of the 2024 Universal Registration Document

***I-MEP***

Industrial - Michelin Environmental Performance, see definition p.26 of the 2024 Universal Registration Document

***RENEWABLE OR RECYCLED MATERIALS***

New KPI name for "Sustainable materials", definition unchanged see p.250 of the 2024 Universal Registration Document

***NPS***

Net Promoter Score, see definition p.285 of the 2024 Universal Registration Document



# 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 [Michelin.com](https://www.michelin.com) 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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