FEBRUARY 11, 2019

2018 ANNUAL RESULTS
In agitated markets, volumes up 0.9% for the year, of which 2% in the last nine months led by robust growth in the Specialty businesses, the rebound in Truck tire sales in the second half and market share gains in the ≥18” PC/LT segment

SOI* excluding the currency effect up a strong €304m, exceeding the €271m negative impact of exchange rate movements

- The price-mix/raw materials effect added €286m, confirming the Group’s disciplined price management and the strong positive mix
- Competitiveness drive stepped up in the second half, lifting total savings to €317m and offsetting the impact of higher cost inflation (up €38m vs. 2017)

€1,274m in structural FCF, sustaining the improvements delivered in previous years

Faster acquisitions-led growth (Fenner and Camso), in line with Group strategy, and greater access to the North American market (TBC joint venture)

Recommended 2018 dividend of €3.70 a share, for a payout ratio of 36.4%

*Formerly known as operating income from recurring activities, Segment Operating Income is the performance metric for the reporting segments. It is stated before the amortization of brands and customer lists recognized on the acquisition of the corresponding companies, which is included in other operating income and expenses.
2018: disciplined management in H2 and firm volume resistance delivered more than €300m increase in Segment Operating Income at constant exchange rates

<table>
<thead>
<tr>
<th></th>
<th>H1 2018</th>
<th>H2 2018</th>
<th>2018 actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volumes</td>
<td>+0.1%</td>
<td>+1.7%</td>
<td>+0.9%</td>
</tr>
<tr>
<td>Price-mix</td>
<td>+3.0%</td>
<td>+1.1%</td>
<td>+2.0%</td>
</tr>
<tr>
<td>Competitiveness gains vs. inflation</td>
<td>€(42)m</td>
<td>€42m</td>
<td>Neutral</td>
</tr>
<tr>
<td>Segment operating income</td>
<td>€1,327m</td>
<td>€1,448m</td>
<td>€2,775m up €304m at constant exchange rates</td>
</tr>
</tbody>
</table>
Michelin, a leadership in sustainable development and mobility

The “4R” circular economy strategy

Leadership in the “performance over time” concept

Bringing together the sustainable mobility ecosystem

Initiator of a sustainable natural rubber platform

A globally recognized approach

In 2018, 80% of employees say they are proud and happy to work at Michelin

2018 Annual Results – February 11, 2019
2018 SOI: €2,775m, up €304m (11%) at constant exchange rates
Markets in 2018: sharp slowdown in Passenger car and Truck tires in H2; sustained growth in Specialties

- OE: sharp slowdown in the global market in H2
- RT: cooling demand in ≤16” tires, sustained growth in ≥18” tires
- Slowdown in the Chinese market
- Impact of currency weakness against the euro in emerging markets

PC/LT: -0%

<table>
<thead>
<tr>
<th></th>
<th>Q1 2018</th>
<th>Q2 2018</th>
<th>Q3 2018</th>
<th>Q4 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>-0</td>
<td>+3</td>
<td>-0</td>
<td>-1</td>
</tr>
</tbody>
</table>

- OE and RT markets dampened by slowing demand in Asia, particularly in China
- Strong growth in demand in North America
- Impact of currency weakness against the euro in emerging markets

Truck: -1%

<table>
<thead>
<tr>
<th></th>
<th>Q1 2018</th>
<th>Q2 2018</th>
<th>Q3 2018</th>
<th>Q4 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>-0</td>
<td>+2</td>
<td>-4</td>
<td>-3</td>
</tr>
</tbody>
</table>

- Mining tires: sustained demand (up ~10%), led by growth in the global economy and the end of inventory drawdowns
- Off-road OE demand up sharply in Construction, slowing in Agricultural in H2; RT demand stable
- Growth in the Two-wheel, Commuting and Aircraft tire segments

Specialties: +6%

Source: Michelin
Strong volume resilience thanks to Group’s global geographic exposure and wide product offering

2018 sales by region

- Europe incl. Russia & CIS: 39%
- Asia and rest of the world: 35%
- North America incl. Mexico: 26%

2018 sales by growth driver

- Consumption: 43%
- Manufacturing: 25%
- Commodities: 19%

PC OE/RT: Passenger car and light truck tires sold as original equipment (PC OE) or in replacement markets (PC RT)
Sales up 4.1% excluding forex, supported by the Group’s expansion, higher prices and the sustained mix improvement

YoY change (in € millions and %)

21,960
Sales

+267
External growth Changes in scope of consolidation* (+1.2%)

+195
Organic growth Volumes (+0.9%)

+444
Price-mix (+2.0%) o/w mix: +0.9%

22,866
2018 Sales at constant exchange rates

-838
Currency effect (-3.8%)

22,028
2018 Sales

*Fenner, NexTraq, Lehigh, PTG, Teleflow, TCi and Euromaster dealership chains
Q4: Robust price-mix with further growth in volumes

<table>
<thead>
<tr>
<th>Volumes</th>
<th>Price-mix</th>
<th>Currency effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>7.3</td>
<td>2.5</td>
</tr>
<tr>
<td>Q2</td>
<td>0.0</td>
<td>1.3</td>
</tr>
<tr>
<td>Q3</td>
<td>2.2</td>
<td>-3.7</td>
</tr>
<tr>
<td>Q4</td>
<td>2.9</td>
<td>-4.9</td>
</tr>
<tr>
<td></td>
<td>0.5</td>
<td>-5.6</td>
</tr>
</tbody>
</table>

YoY quarterly change (in %)

- Volumes: 7.3% in 2017, 0.0% in 2018
- Price-mix: 2.8 in 2017, 5.0 in Q1 2018, 4.9 in Q2 2018, 3.4 in Q3 2018, 2.6 in Q4 2018, 0.5 in Q1 2019, 1.5 in Q2 2019, 2.5 in Q3 2019, 1.3 in Q4 2019
- Currency effect: 2.5% in 2017, -3.7% in Q1 2018, -4.9% in Q2 2018, -5.6% in Q3 2018, -0.3% in Q4 2018
SOI up a strong €304m (+11%) at constant exchange rates, led by the unit margin

YoY change in SOI (in € millions)

2018 at constant exchange rates: +304
2018 reported: -271

2017 reported: 2,742

-56 Scope of consolidation
+57 Volumes
-158 Raw materials
+444 Prix-mix o/w mix: +189
+317 Competitiveness
-317 Inflation
-81 Start-up costs (-41)
-14 Depreciation and amortization (-40)
0 Other

+286 o/w indexed businesses: neutral

Start-up costs (-41) and Depreciation and amortization (-40) impact other:

2018 Annual Results – February 11, 2019
Proven ability to improve unit margin in a highly competitive market environment

Net impact of changes in the price-mix and raw materials prices

(in € millions)


-266 +264 +1,133 +103 +118 -93 +159 -70 +264 +286 +22

Impact of H2 2017 price increases
Firm pricing
2018 saw a strong growth in the Specialty businesses

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017 **</th>
<th>Variation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RS1 sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income *</td>
<td>11,341</td>
<td>11,953</td>
<td>-5 %</td>
</tr>
<tr>
<td>Operating margin *</td>
<td>1,314</td>
<td>1,464</td>
<td>-10 %</td>
</tr>
<tr>
<td>at 2017 exchange rates</td>
<td>11.6 %</td>
<td>12.3 %</td>
<td>-0.7 pt</td>
</tr>
<tr>
<td></td>
<td>12.3 %</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>RS2 sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income *</td>
<td>5,852</td>
<td>5,946</td>
<td>-2 %</td>
</tr>
<tr>
<td>Operating margin *</td>
<td>513</td>
<td>483</td>
<td>+6 %</td>
</tr>
<tr>
<td>at 2017 exchange rates</td>
<td>8.8 %</td>
<td>8.1 %</td>
<td>+0.7 pt</td>
</tr>
<tr>
<td></td>
<td>9.7 %</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>RS3 sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income *</td>
<td>4,836</td>
<td>4,061</td>
<td>+19 %</td>
</tr>
<tr>
<td>Operating margin *</td>
<td>948</td>
<td>794</td>
<td>+19 %</td>
</tr>
<tr>
<td>at 2017 exchange rates</td>
<td>19.6 %</td>
<td>19.6 %</td>
<td>+0.0 pt</td>
</tr>
</tbody>
</table>

* For the segment
** new organization, see slide 41

- RS1 sales down taking into account exchange rates and the deconsolidation of TCI; unit margin supported by the price/mix
- RS2 sales down due to the currency effect; OI up thanks to a strong net price-mix vs raw materials effect
- RS3 sales and OI up sharply despite the currency effect, lifted by volumes, prices and Fenner consolidation
≥18” PC/LT tires: Four years of market share gains

Growth in ≥18” PC/LT tire sales
(YoY change, markets in units and sales in tons)

- The market recognizes the power of MICHELIN brand tires in the premium segment.
MICHELIN, THE premium brand

Michelin position at Super Sport OEMs

Leader Leader Leader Leader Co-leader Co-leader Top 2

representing 98% of Super Sport OEMs market

Technologies

Acoustic

MICHELIN Acoustic technology enhances the driving experience by significantly reducing vehicle interior noise

Selfseal

A technology that allows the immediate and definitive self-repair of the tire

Track connect

The first connected tire available on the market to upgrade the performance on track

Premium Touch

A unique sidewall with a patented "velvet-effect" finish

Acorus

A flexible wheel that eliminates flat tires due to potholes and curb-shocks, for a hassle-free driving experience
Growth in RS2 volumes, driven by the product/service dynamic

Highly popular with fleet operators

**MICHELIN AGILIS CrossClimate**

"The MICHELIN CrossClimate is setting the standard in both summer and winter tires"

Companies that converted their fleets in 2018

- dalkia Groupe EDF
- Stapletons Tyre Services
- ARVAL BNP PARIBAS GROUP
- **UEHIPOSTE**
- **SNCF**

Deployment of Sascar solutions in the Americas and Europe

More than 850,000 trucks under contract

A growing portfolio of services

*Companies that converted their fleets in 2018*

- The MICHELIN CrossClimate is setting the standard in both summer and winter tires*
Mining tires: a range of high performance products in an expanding market in line with tire consumption

**Surface mining tire market: Sell-in vs. total tire sales, 2012-2019e**

*base 100 in 2012, in tons

**Product offer**

- MICHELIN XDR 3
- MICHELIN MEMS Evolution 4

2018 Annual Results – February 11, 2019
Fenner: successful integration and growth exceeding business plan targets

Products
15 plants
- Heavyweight conveyor belts
- Solid woven belt
- Ply belt
- Steel cord

Services

Products
22 plants
- Seals
- Wear products
- Precision components
- Elastomeric solutions
- Lay-flat hoses
- Medical and biomedical technologies

Advanced Sealing Technologies
- Hallite
- Precision Polymers
- Solesis Medical

Brands
- Oil and gas, construction, energy, manufacturing
- Manufacturing, farming, mining
- Healthcare

Market

Keeping up with growth momentum
Michelin, leader in connected tire solutions recognized by professionals and enthusiasts alike

MEMS Evolution 4

B2B

Michelin leader in connected tires that improve business productivity

Zen@Terra

Project PresSence

Tire Care

Projects with OEM

B2C

Michelin leader in connected tires that improve the customer experience

sport Track Connect

Michelin leader in connected tires that improve business productivity

Michelin leader in connected tires that improve the customer experience
2017-2020 Competitiveness Plan: €632m in gains in two years; on track to deliver the targeted €1.2bn

*Before inflation and including avoided costs.

**Target:** €300m in average annual gains*

<table>
<thead>
<tr>
<th>Category</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>SG&amp;A</td>
<td>83</td>
<td>110</td>
</tr>
<tr>
<td>Raw materials</td>
<td>47</td>
<td>51</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>340</td>
<td>187</td>
</tr>
<tr>
<td>Logistics</td>
<td>153</td>
<td></td>
</tr>
</tbody>
</table>

Net gain, 2017-2018: €36m

- Competitiveness plan: €315m
- Inflation: €279m

Total 632

2017

2018

Total 596
Continuing to adapt Michelin's manufacturing footprint

**Capacity increases 2018-2020**
- Mexico: new PC/LT plant
  - Capacity raised to 60 kt
- PC/LT, China: +20%
  - Capacity raised to 240 kt
- PC/LT, Thailand: +10%
  - Capacity raised to 165 kt
- Truck, Thailand: +24%
  - Capacity raised to 75 kt
- Synthetic rubber, Indonesia: Start-up of a new plant
- PC, Truck and Two-wheel tires, Indonesia: Planned acquisition of Multistrada
  - Capacity up to 180 kt

**Capacity reductions 2016-2021**
- Europe: closure of three retreading centers and a semi-finished products facility
- UK: closure of the Ballymena Truck tire plant (76 kt)
- UK: closure of the ≤16" PC/LT tire plant in Dundee (52 kt)
Successfully deploy our capex projects to drive the Group’s expansion:

- In growth markets: Premium PC/LT tires, in North America and Asia
- In digital services
- In the dealerships
- In high-tech materials

Capital expenditure and depreciation:

<table>
<thead>
<tr>
<th>Year</th>
<th>CAPEX</th>
<th>Depreciation and amortization</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>1.0</td>
<td>1.8</td>
</tr>
<tr>
<td>2017</td>
<td>1.35</td>
<td>1.35</td>
</tr>
<tr>
<td>2018</td>
<td>1.7</td>
<td>1.35</td>
</tr>
<tr>
<td>2019e</td>
<td>1.8</td>
<td>1.5</td>
</tr>
<tr>
<td>2020e</td>
<td>1.9</td>
<td>1.6</td>
</tr>
</tbody>
</table>

*Including Camso and Fenner
Sustained and stronger than expected structural free cash flow, supported in 2018 by disciplined working capital management

<table>
<thead>
<tr>
<th>Structural free cash flow (in € millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>Free cash flow&lt;sup&gt;(1)&lt;/sup&gt;</td>
</tr>
<tr>
<td>Acquisitions&lt;sup&gt;(2)&lt;/sup&gt;</td>
</tr>
<tr>
<td>Working capital impact of raw materials costs&lt;sup&gt;(3)&lt;/sup&gt;</td>
</tr>
<tr>
<td>Capitalized interest on OCEANE bonds, paid upon redemption&lt;sup&gt;(4)&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

Structural free cash flow<sup>(1) – (2) – (3) – (4)</sup>

<table>
<thead>
<tr>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>833</td>
<td>961</td>
<td>1,509</td>
<td>1,274</td>
</tr>
</tbody>
</table>
2018: on the road to our 2020 objectives

Deliver structural FCF > €1,700m as from 2020
(in € millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019e excl. IFRS16 impact</th>
<th>2020 target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>833</td>
<td>961</td>
<td>1,509</td>
<td>1,274</td>
<td>&gt;1,300</td>
<td>&gt;1,450</td>
</tr>
</tbody>
</table>

Deliver an after-tax ROCE ≥ 15% excluding goodwill as from 2020 (in %)

- 2017: 11.9%
- 2017: 13.6%
- 2018: 14.0%
- 2020 target: ≥15.0%

Standard corporate tax rate:
- Including goodwill, acquired intangibles, associates and joint ventures: 31%
- Excluding goodwill, acquired intangibles, associates and joint ventures: 26%
Sustained shareholder return policy

- 2018 dividend of €3.70 per share*, for a payout ratio of 36.4%**

*Subject to shareholder approval at the Annual Meeting on May 17, 2019 - **Of consolidated net income before non-recurring items

Share buyback programs
- 2015-2016: €750m in buybacks and 4.5% of outstanding shares canceled
- 2017: €101m in buybacks and 0.5% of outstanding shares canceled
- 2018: €75m in buybacks and 0.4% of outstanding shares canceled to offset the dilutive impact of share-based compensation
2019 guidance: in line with 2020 objectives
### 2018: faster deployment of the Group’s strategy

<table>
<thead>
<tr>
<th></th>
<th>Tires</th>
<th>Services</th>
<th>Experiences</th>
<th>Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2015-2020 target</strong></td>
<td>Sales +20%</td>
<td>Sales doubled</td>
<td>Sales tripled</td>
<td>Capitalize on our leadership</td>
</tr>
<tr>
<td><strong>Recent partnerships and acquisitions...</strong></td>
<td><img src="image1" alt="Image" /></td>
<td><img src="image2" alt="Image" /></td>
<td><img src="image3" alt="Image" /></td>
<td><img src="image4" alt="Image" /></td>
</tr>
<tr>
<td><strong>...in line with the 2020 strategy</strong></td>
<td>Capital expenditure</td>
<td>Distribution</td>
<td>Telematics and services</td>
<td>High-tech materials</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Reinforced polymers</td>
</tr>
</tbody>
</table>
2019 market scenario: PC/LT slight growth and Truck stable in an uncertain environment; growing in Specialty

- **PC/LT: +0.5% / +1%**
  - OE: lower demand in China, Europe and to a lesser extent in North America
  - RT: Stable demand in mature markets and growing in China and other regions
  - ≥18” : ~10% market growth

- **TRUCK: -0.5% / +0.5%**
  - Demand trending upwards in the mature regions
  - Chinese market down

- **SPECIALTIES: +3% / +5%**
  - Mining: sustained strong demand (+4% to +5%), led by tire consumption
  - Off-road tires: increasing demand in Infrastructure and slight growth in Agricultural
  - Growth in the Two-wheel, Commuting and Aircraft segments
<table>
<thead>
<tr>
<th><strong>2019 scenario</strong>*</th>
<th><strong>2019</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost impact of raw materials prices and customs duties</td>
<td>~ €(100) million</td>
</tr>
<tr>
<td>Currency effect</td>
<td>Slightly positive based on January 2019 rates**</td>
</tr>
<tr>
<td>Effective tax rate</td>
<td>Standard ETR reduced to 26%***</td>
</tr>
<tr>
<td>Net impact of changes in the price-mix and raw materials prices</td>
<td>Positive</td>
</tr>
<tr>
<td>Competitiveness plan gains vs. inflation</td>
<td>Positive</td>
</tr>
</tbody>
</table>

*2019 average prices embedded in the scenario: Natural rubber: $1.37/kg; butadiene (US-Europe-Asia): $1,240/t; Brent: $70/bbl; EUR-USD: 1.14

** See slide 40

***Based on currently available information
### 2019 guidance: in line with 2020 objectives

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volumes</td>
<td>Growth in line with the markets</td>
</tr>
<tr>
<td>Segment Operating Income</td>
<td>&gt; 2018</td>
</tr>
<tr>
<td>at constant exchange rates</td>
<td></td>
</tr>
<tr>
<td></td>
<td>before the estimated €150 million additional contribution from Fenner and Camso</td>
</tr>
<tr>
<td>Structural FCF</td>
<td>&gt; €1,450m</td>
</tr>
<tr>
<td></td>
<td>including the +€150m accounting impact from IFRS 16</td>
</tr>
</tbody>
</table>
Appendices
Investor Calendar

● Coming events:
  – April 04, 2019: Investor day at Almeria, Spain
  – April 24, 2019 (after close of trading): First-quarter 2019 sales
  – May 17, 2019: Annual Shareholders Meeting
  – July 25, 2019 (after close of trading): First-half 2019 results
  – October 24, 2019 (after close of trading): Third-quarter and 9 months 2019 sales

● Dividend dates:
  – May 21, 2019: Ex-dividend date
  – May 22, 2019: Record date
  – May 23, 2019: Payment date
### Reported 2018 and 2017 financial highlights

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>22,028</td>
<td>21,960</td>
</tr>
<tr>
<td><strong>Segment EBITDA</strong></td>
<td>4,119</td>
<td>4,087</td>
</tr>
<tr>
<td><strong>Segment EBITDA margin</strong></td>
<td>18.7%</td>
<td>18.6%</td>
</tr>
<tr>
<td><strong>Segment Operating income</strong></td>
<td>2,775</td>
<td>2,742</td>
</tr>
<tr>
<td><strong>Segment Operating margin</strong></td>
<td>12.6%</td>
<td>12.5%</td>
</tr>
<tr>
<td><strong>Other Operating income and expenses</strong></td>
<td>-225</td>
<td>-111</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>1,660</td>
<td>1,693</td>
</tr>
<tr>
<td><strong>Basic earnings per share (in €)</strong></td>
<td>9,30</td>
<td>9,39</td>
</tr>
<tr>
<td><strong>Capital expenditure</strong></td>
<td>1,669</td>
<td>1,771</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>-2,011</td>
<td>+662</td>
</tr>
<tr>
<td><strong>Gearing</strong></td>
<td>31%</td>
<td>6%</td>
</tr>
</tbody>
</table>

* Net cash from operating activities less net cash used in investing activities less net cash from other current financial assets, before distributions.
PC: OE demand decreasing, RT growing in mature zones; Chinese markets down

Passenger car tire market in 2018 (% change YoY, in number of tires)

North America
-1%  +3%

Europe (excl. Russia & CIS)
-2%  +1%

Europe (incl. Russia & CIS)
-2%  +2%

China
-6%  -3%

Asie (excl. India)
-4%  -2%

South America
+3%  -8%

Africa, India, Middle East
+4%  +0%

Global market
-2%  +1%

Source: Michelin
PL: dynamic OE demand and growth in RT outside of China; sharp decrease in Chinese markets

▲ Truck and bus tire markets in 2018 (% change YoY, in number of tires)

North America
- 6%  - 5%
+19% +7%

South America
- 6%  - 5%
+54% +2%

Europe (excl. Russia & CIS)
- 2%
+ 4%

Europe (incl. Russia & CIS)
+ 3% +0%

Africa, India, Middle East
+ 10% - 1%

China
- 8%  - 7%

Source: Michelin

Global market
+ 1% - 2%
Widening exposure to the fast growing, highly profitable ≥18” PC/LT tire market

Percentage of ≥18” tires in total MICHELIN-brand sales (in tons)

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>OE</td>
<td>25%</td>
<td>29%</td>
<td>35%</td>
<td>39%</td>
</tr>
</tbody>
</table>

The premium segment, which accounts for nearly 40% of MICHELIN-brand PC/LT tire volumes, saw a 10% increase in 2018 in a market that is expected to deliver a CAGR of +10% in between 2017 and 2021

Growth in the ≥18” PC/LT tire market*

- Base 100 in 2017, in units

* CAGR 2017-2021 +10%
China: Michelin brand leadership on a structurally growing market driven by ≥ 18” demand

**PC ≥ 18” tires in China**

- 2017: 100
- 2018: 115
- 2019e: 133
- 2020e: 163
- 2021e: 193

CAGR 18-21: 16%

*base 100 in 2017, in units

- **OE**
- **RT**

**Brand Power Score in China**

- **Michelin**: 42.2%
- **Bridgestone**: 11.8%
- **Goodyear**: 11.7%
- **Dunlop**: 9.8%
- **Pirelli**: 9.0%
- **Continental**: 7.5%
- **Hankook**: 4.9%
- **Kumho**: 3.2%

**BCM study conducted by market research institute Millward Brown, based on the reduced brand list of 8 brands**

**PC tires in China**

- 2017: 100
- 2018: 94
- 2019e: 97
- 2020e: 100
- 2021e: 113

CAGR 18-21: 5%

*base 100 in 2017, in units

- **OE**
- **RT**
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 wholesalers* as of late 2018: ~7,416 including Penta in Indonesia following the acquisition of Multistrada

*Proprietary or franchised dealers, plus minority stakes in partners
Mining business: a growing trend far from peak demand

Parker Bay’s Surface Mining Equipment Index, 2007 – 2018 *

Parker Bay’s Surface Mining Equipment Index
based on value of shipments by quarter in constant $’s; 1Q 2007 = 100

*base 100 in 2007
A new close-to-the-customer organization

Former organization

RS1
Passenger car and Light truck tires & related distribution

RS2
Truck tires & related distribution

RS3
Specialties

Transferring products to serve customers better

New organization

RS1
Automotive & related distribution

RS2
Road transportation & related distribution

RS3
Specialties & related distribution

*And related distribution
## 2017 effects of the new organization by RS

<table>
<thead>
<tr>
<th></th>
<th>2017**</th>
<th>2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RS1 net sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income*</td>
<td>11,953</td>
<td>12,479</td>
<td>- 4 %</td>
</tr>
<tr>
<td>Operating margin*</td>
<td>1,464</td>
<td>1,552</td>
<td>- 6 %</td>
</tr>
<tr>
<td></td>
<td>12.3 %</td>
<td>12.4 %</td>
<td>- 0.1 pt</td>
</tr>
<tr>
<td><strong>RS2 net sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income*</td>
<td>5,964</td>
<td>6,123</td>
<td>- 3 %</td>
</tr>
<tr>
<td>Operating margin*</td>
<td>483</td>
<td>497</td>
<td>- 3 %</td>
</tr>
<tr>
<td></td>
<td>8.1 %</td>
<td>8.1 %</td>
<td>0 pt</td>
</tr>
<tr>
<td><strong>RS3 net sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income*</td>
<td>4,061</td>
<td>3,358</td>
<td>+ 21 %</td>
</tr>
<tr>
<td>Operating margin*</td>
<td>794</td>
<td>693</td>
<td>+ 15 %</td>
</tr>
<tr>
<td></td>
<td>19.6 %</td>
<td>20.6 %</td>
<td>- 1 pt</td>
</tr>
</tbody>
</table>

* for the segment
**new organization
H1 2018 acquisitions and partnerships: aligned with business plans

- **TBC & TCi joint venture:**
  - Create a leading US tire wholesaler
  - Gain access to more than 2,400 retail locations
  - Capitalize on TBC’s expertise in importing Tier 3 and Tier 4 tires
  - Market pioneer, with a clear governance structure and agile management

- **Fenner acquisition:**
  - Leverage the full value of the Group’s technological leadership in materials in non-tire segments
  - Expand the Group’s portfolio for mining customers with a leading conveyor belt manufacturer
  - Estimated synergies raised to £60m from the initially projected £30m by 2022
Acquisition of Camso to create the world leader in off-the-road mobility solutions

- Manufactures and supplies high performance products and services for off-the-road mobility markets
  - Technological leadership in rubber tracks and solid tires
  - Competitive production facilities, particularly in Sri Lanka and Vietnam.
- Up to $55m in identified synergies by 2021 and around $20m in WCR optimization
- Accretive to EPS from year one and creation of major value
- First joined meetings confirming a strong potential

<table>
<thead>
<tr>
<th>Camso* key figures</th>
<th>2018</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>(in $ millions)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Net sales</td>
<td>974</td>
<td>865</td>
</tr>
<tr>
<td>• EBITDA</td>
<td>136</td>
<td>105</td>
</tr>
<tr>
<td>• EBITDA margin</td>
<td>14%</td>
<td>12%</td>
</tr>
</tbody>
</table>

- Fast growth and major improvement in margins
- 7,700 employees in 26 countries, of whom around 5,500 in Sri Lanka and 300 in Magog, Quebec
- 17 plants and 3 research centers

*Fiscal year ends March 31
Multistrada: Michelin gains competitive Tier2/Tier3 production capacity and strengthens its presence in Indonesia

- A very competitive, immediately available plant (a comparable Tier 2 greenfield project of equivalent capacity would have required USD900 million in capex)
- Quickly convertible at limited cost to Tier 2 PC/LT tire production, by leveraging our technical expertise
  - Free up production capacity for the MICHELIN brand in Asia
  - Support growth in Tier 2 PC/LT tire volumes worldwide, by gradually replacing Tier 3 exports with Tier 2
- Strengthening Michelin in Indonesian PC/LT, Truck and 2W markets with high growth potential
  - Enhanced market access with the acquisition of a 20% stake in wholesaler PT Penta
- Around USD70m in synergies in purchasing, sales and manufacturing costs
- Valued at USD700 million (plant, additional land and wholesale operations), i.e., 6.3 times EBITDA after synergies

2018 figures

Net sales
USD313m

EBITDA 13%*

Production capacity by tire segment, in tons

* Rolling 12 months as at end of Sept. 2018
High free cash flow and a robust financial position

The net debt/EBITDA ratio peaked in 2018 due to cash out for acquisitions during the year, but is expected to ease to between 0.4 and 0.6 by 2020.

Moody’s, Standard & Poor's and Fitch all confirmed Michelin’s A-/A3 credit rating.

Two successful bond issues in 2018 totaling €2.9bn (of which a 20-year tranche for €750m).

*See the 2017 Registration Document, notes 3.7.2 and 26 to the consolidated financial statements.
2016-2020: profitability levers

2,692

Volume & Mix

2016

Tire growth in particular in PC Premium and Specialty

Price offsetting Raw materials costs: neutral

Competitiveness plan beating inflation: +€50m per year on average

~ 3,700

2020 excl. forex

Fenner & Camso contribution

Profitable growth from services & solutions

FX headwind 2017-2018

- 366

D&A

Services

Acquisitions
## 2018 net sales by currency and EBIT impact

<table>
<thead>
<tr>
<th>Currency</th>
<th>% of sales</th>
<th>2018 FY € change vs. currency</th>
<th>Dropthrough sales/EBIT*</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARS</td>
<td>1%</td>
<td>+65%</td>
<td>80% - 85%</td>
</tr>
<tr>
<td>AUD</td>
<td>2%</td>
<td>+7%</td>
<td>80% - 85%</td>
</tr>
<tr>
<td>BRL</td>
<td>3%</td>
<td>+20%</td>
<td>-20% / - 30%</td>
</tr>
<tr>
<td>CAD</td>
<td>3%</td>
<td>+4%</td>
<td>25% - 30%</td>
</tr>
<tr>
<td>CNY</td>
<td>6%</td>
<td>+2%</td>
<td>25% - 30%</td>
</tr>
<tr>
<td>EUR</td>
<td>34%</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>GBP</td>
<td>3%</td>
<td>+1%</td>
<td>25% - 30%</td>
</tr>
<tr>
<td>INR</td>
<td>1%</td>
<td>+10%</td>
<td>25% - 30%</td>
</tr>
<tr>
<td>JPY</td>
<td>1%</td>
<td>+3%</td>
<td>80% - 85%</td>
</tr>
<tr>
<td>MXN</td>
<td>1%</td>
<td>+7%</td>
<td>25% - 30%</td>
</tr>
<tr>
<td>PLN</td>
<td>1%</td>
<td>0%</td>
<td>25% - 30%</td>
</tr>
<tr>
<td>RUB</td>
<td>1%</td>
<td>+12%</td>
<td>25% - 30%</td>
</tr>
<tr>
<td>SEK</td>
<td>1%</td>
<td>+6%</td>
<td>80% - 85%</td>
</tr>
<tr>
<td>THB</td>
<td>1%</td>
<td>-0%</td>
<td>-100% / -130%</td>
</tr>
<tr>
<td>TRY</td>
<td>1%</td>
<td>+34%</td>
<td>80% - 85%</td>
</tr>
<tr>
<td>USD</td>
<td>35%</td>
<td>+5%</td>
<td>25% - 30%</td>
</tr>
<tr>
<td>ZAR</td>
<td>1%</td>
<td>+3%</td>
<td>80% - 85%</td>
</tr>
<tr>
<td>Other</td>
<td>4%</td>
<td>80% - 85%</td>
<td></td>
</tr>
</tbody>
</table>

*actual dropthrough linked to the export/manufacturing/sales base
Raw materials in 2018

Raw material purchases in (€4,9bn)

- **Steel cord**: 10%
- **Chemicals**: 15%
- **Filler**: 18%
- **Natural rubber**: 25%
- **Synthétique rubber**: 25%
- **Textiles**: 7%

**€/$ exchange rate:**
- Average 2017: 1,129
- Average 2018: 1,182 (+5%)

**Brent, in USD**

Average price over the year:
- 2013: 100
- 2014: 130
- 2015: 150
- 2016: 170
- 2017: 200
- 2018: 180

**Commodity Indexes**
- **RSS3**: Synthetic rubber manufacturing BLS
- **TSR20**: Synthetic rubber manufacturing BLS

2018 Annual Results – February 11, 2019
Natural Rubber price trend

At end of December 2018 (per kg, base 100 in Q1’16)

Quarterly average TSR20 en $ & évolution trimestrielle en %

Source: SICOM

2018 Annual Results – February 11, 2019
Brent price trend: up 29% in 2018

At end of December 2018 (per barrel, base 100 au Q1’16)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Brent in $</th>
<th>Quarterly change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1’16</td>
<td>35</td>
<td>-21.7%</td>
</tr>
<tr>
<td>Q2’16</td>
<td>47</td>
<td>+33.2%</td>
</tr>
<tr>
<td>Q3’16</td>
<td>47</td>
<td>+0.3%</td>
</tr>
<tr>
<td>Q4’16</td>
<td>51</td>
<td>+8.8%</td>
</tr>
<tr>
<td>Q1’17</td>
<td>55</td>
<td>+7.2%</td>
</tr>
<tr>
<td>Q2’17</td>
<td>51</td>
<td>-7.0%</td>
</tr>
<tr>
<td>Q3’17</td>
<td>52</td>
<td>+2.2%</td>
</tr>
<tr>
<td>Q4’17</td>
<td>61</td>
<td>+17.9%</td>
</tr>
<tr>
<td>Q1’18</td>
<td>67</td>
<td>+9.2%</td>
</tr>
<tr>
<td>Q2’18</td>
<td>75</td>
<td>+11.4%</td>
</tr>
<tr>
<td>Q3’18</td>
<td>76</td>
<td>+1.2%</td>
</tr>
<tr>
<td>Q4’18</td>
<td>68</td>
<td>-9.6%</td>
</tr>
</tbody>
</table>
At end of December 2018 (per ton, base 100 in Q1’16)

Butadiene Europe

Quarterly average Butadiene in $ & quarterly change in %

- Q1’16: 515 (-18%)
- Q2’16: 618 (+20%)
- Q3’16: 670 (+8%)
- Q4’16: 773 (+15%)
- Q1’17: 1363 (+76%)
- Q2’17: 1500 (+10%)
- Q3’17: 783 (-48%)
- Q4’17: 800 (+2%)
- Q1’18: 808 (+1%)
- Q2’18: 1037 (+28%)
- Q3’18: 1142 (+10%)
- Q4’18: 1058 (-7%)
Carbon Black price trend: up 19% in 2018

At end of December 2018 *(base 100 in Q1’16)*

- **Q1’16**: +3.0%
- **Q2’16**: +3.7%
- **Q3’16**: +2.0%
- **Q4’16**: +4.7%
- **Q1’17**: +0.4%
- **Q2’17**: -1.6%
- **Q3’17**: +4.3%
- **Q4’17**: +8.6%
- **Q1’18**: +2.0%
- **Q2’18**: +7.5%
- **Q3’18**: +1.2%
- **Q4’18**: +4.7%

Source: Carbon Black Manufacturing BLS
A robust balance sheet after recent acquisitions, confirmed by the rating agencies

<table>
<thead>
<tr>
<th>Year</th>
<th>Gearing (Net debt/equity, in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>22</td>
</tr>
<tr>
<td>2012</td>
<td>12</td>
</tr>
<tr>
<td>2013</td>
<td>2</td>
</tr>
<tr>
<td>2014</td>
<td>7</td>
</tr>
<tr>
<td>2015</td>
<td>11</td>
</tr>
<tr>
<td>2016</td>
<td>9</td>
</tr>
<tr>
<td>2017</td>
<td>6</td>
</tr>
<tr>
<td>2018</td>
<td>31</td>
</tr>
</tbody>
</table>

Long-term ratings confirmed following the Multistrada acquisition

<table>
<thead>
<tr>
<th></th>
<th>S&amp;P</th>
<th>Moody's</th>
<th>A-2</th>
<th>P-2</th>
<th>A-</th>
<th>A3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short term</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outlook</td>
<td>S&amp;P</td>
<td>Moody's</td>
<td>A-2</td>
<td>P-2</td>
<td>Stable</td>
<td>Stable</td>
</tr>
</tbody>
</table>

2011 - 2018 Annual Results – February 11, 2019
A comfortable cash position

Debt maturities at Dec. 31, 2018 (carrying amount, in € millions)

- Loans from financial institutions
- Securitization
- Bond
- CP
- Derivatives and leases
- Cash and cash equivalents
- Cash management Financial Assets
- Confirmed Back-up Facilities
## Outstanding Bond Issues (as of December 31, 2018)

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Type</th>
<th>Principal Amount</th>
<th>Offering price</th>
<th>Rating corporation at Issuance date</th>
<th>Current corporation rating</th>
<th>Coupon</th>
<th>Issue Date</th>
<th>Maturity</th>
<th>Interest payment</th>
<th>Denomination</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Senior Note</td>
<td>€ 750 mn</td>
<td>A- (S&amp;P) A3 (Moody’s)</td>
<td>A- (S&amp;P) ; A3 (Moody’s) ; unsolicited A- (Fitch)</td>
<td>0,875% p.a</td>
<td>3-sept.-18</td>
<td>3-sept.-25</td>
<td>Annual Sept 03</td>
<td>€ 100'000 with min. tradable amount € 100'000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Senior Note</td>
<td>€ 1'000 mn</td>
<td>A- (S&amp;P) A3 (Moody’s)</td>
<td>A- (S&amp;P) ; A3 (Moody’s) ; unsolicited A- (Fitch)</td>
<td>1,75% p.a</td>
<td>3-sept.-18</td>
<td>3-sept.-30</td>
<td>Annual Sept 03</td>
<td>€ 100'000 with min. tradable amount € 100'000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bond</td>
<td>€ 750 mn</td>
<td>A- (S&amp;P) A3 (Moody’s)</td>
<td>A- (S&amp;P) ; A3 (Moody’s) ; unsolicited A- (Fitch)</td>
<td>2,50% p.a</td>
<td>3-sept.-18</td>
<td>3-sept.-38</td>
<td>Annual Sept 03</td>
<td>€ 100'000 with min. tradable amount € 100'000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Senior Note</td>
<td>€ 500 mn + TAP $100 mn</td>
<td>A- (S&amp;P) A3 (Moody’s)</td>
<td>A- (S&amp;P) ; A3 (Moody’s) ; unsolicited A- (Fitch)</td>
<td>ZERO Conv premium 130%</td>
<td>05/jan/2018</td>
<td>10-nov.-23</td>
<td>N/A</td>
<td>$ 200'000 with min. tradable amount $ 200'000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Convertible</td>
<td>€ 600 mn</td>
<td>95,50% A3 (Moody’s)</td>
<td>A- (S&amp;P) ; A3 (Moody’s) ; unsolicited A- (Fitch)</td>
<td>ZERO Conv premium 128%</td>
<td>05/jan/2017 &amp; 25/apr/2017</td>
<td>10-janv.-22</td>
<td>N/A</td>
<td>$ 200'000 with min. tradable amount $ 200'000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Senior Note</td>
<td>€ 300 mn</td>
<td>100% &amp; 103,85% A (Moody’s)</td>
<td>A- (S&amp;P) ; A3 (Moody’s) ; unsolicited A- (Fitch)</td>
<td>3,25% p.a</td>
<td>21/sep/2015 &amp; 27/sep/2016</td>
<td>30-sept.-45</td>
<td>Annual Sept 30</td>
<td>$ 1'000 with min. tradable amount € 1'000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Convertible</td>
<td>$ 500 mn + TAP $100 mn</td>
<td>100% &amp; 103,85% A (Moody’s)</td>
<td>A- (S&amp;P) ; A3 (Moody’s) ; unsolicited A- (Fitch)</td>
<td>1,125% p.a</td>
<td>19-mai-15</td>
<td>Annual May 28</td>
<td>N/A</td>
<td>€ 1'000 with min. tradable amount € 1'000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Senior Note</td>
<td>€ 300 mn</td>
<td>98,926% A- (S&amp;P) A3 (Moody’s)</td>
<td>A- (S&amp;P) ; A3 (Moody’s) ; unsolicited A- (Fitch)</td>
<td>1,75% p.a</td>
<td>19-mai-15</td>
<td>Annual May 28</td>
<td>N/A</td>
<td>€ 1'000 with min. tradable amount € 1'000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bond</td>
<td>€ 400 mn</td>
<td>99,912% A- (S&amp;P) A3 (Moody’s)</td>
<td>A- (S&amp;P) ; A3 (Moody’s) ; unsolicited A- (Fitch)</td>
<td>2,75% p.a</td>
<td>20-jun-19</td>
<td>Annual June 20</td>
<td>N/A</td>
<td>€ 1'000 with min. tradable amount € 1'000</td>
</tr>
</tbody>
</table>
2018: another year in line with our 2020 roadmap

Group segment operating income and margin & ROCE*

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