ANNUAL SHAREHOLDERS MEETING
MAY 17, 2019
2018: in a challenging environment, another year of progress

1st Quater 2019: Q1 2019 sales up 11.3% to €5.8 billion

2019 guidance confirmed

Shareholder commitment
2018: in a challenging environment, another year of progress
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>
Markets in 2018: sharp slowdown in Passenger car and Truck tires in H2; sustained growth in Specialties

- OE: -2%
- RT: +1%

PC/LT: -0%

-0 +3 -0 -1
Q1 2018 Q2 2018 Q3 2018 Q4 2018

Truck: -1%

-0 +2 -4 -3
Q1 2018 Q2 2018 Q3 2018 Q4 2018

Specialties: +6%

- Mining tires: sustained demand (up ~10%)
- 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

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)
SOI up a strong €304m (+11%) at constant exchange rates, led by the unit margin

YoY change in SOI (in € millions)

- Scope of consolidation: +56
- Volumes: +57
- Raw materials: -158
- Prix-mix o/w mix: +444
- Competitiveness: +317
- Inflation: -317
- Start-up costs: -81
- Depreciation and amortization: -14
- Other: -113
- Currency effect: +286
- o/w indexed businesses: neutral

2017 reported

2018 at constant exchange rates

2018 reported
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><em>Operating income</em></td>
<td>11,341</td>
<td>11,953</td>
<td>-5 %</td>
</tr>
<tr>
<td><em>Operating margin</em></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><strong>RS2 sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>Operating income</em></td>
<td>5,852</td>
<td>5,946</td>
<td>-2 %</td>
</tr>
<tr>
<td><em>Operating margin</em></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><strong>RS3 sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>Operating income</em></td>
<td>4,836</td>
<td>4,061</td>
<td>+19 %</td>
</tr>
<tr>
<td><em>Operating margin</em></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

- 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
### 2018: faster deployment of the Group’s strategy

<table>
<thead>
<tr>
<th>Tires</th>
<th>Services</th>
<th>Experiences</th>
<th>Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-2020 target</td>
<td>Sales +20%</td>
<td>Sales doubled</td>
<td>Capitalize on our leadership</td>
</tr>
<tr>
<td></td>
<td>Sales doubled</td>
<td>Sales tripled</td>
<td></td>
</tr>
</tbody>
</table>

**Recent partnerships and acquisitions...**

**...in line with the 2020 strategy**

- Tires: Distribution
  - Capital expenditure

- Services: Experiences
  - Telematics and services
  - Experiences: travel and fine dining

- Materials: High-tech materials
  - Reinforced polymers
2017-2020 Competitiveness Plan: €632m in gains in two years; on track to deliver the targeted €1.2bn

Target: €300m in average annual gains*

- SG&A
  - Total 193
    - 2017: 83
    - 2018: 110

- Raw materials
  - Total 98
    - 2017: 47
    - 2018: 51

- Manufacturing - Logistics
  - Total 340
    - 2017: 187
    - 2018: 153

Net gain, 2017-2018

- Total 632
  - 2017: 315
  - 2018: 317

- Total 596
  - 2017: 279
  - 2018: 317

*Before inflation and including avoided costs.
Deliver structural FCF > €1 700m as from 2020

(in € millions)
Q1 2019 sales up 11.3% to €5.8 billion
Markets in Q1 2019: PC/LT tire markets dampened by the OE segment and RT demand in Europe; Truck tire markets stable

**PC/LT Q1 2019: -2%**

- Q1 2018: 0%
- Q2 2018: +3%
- Q3 2018: 0%
- Q4 2018: -1%
- Q1 2019: -2%

**TRUCK Q1 2019: 0%**

- Q1 2018: 0%
- Q2 2018: +2%
- Q3 2018: -4%
- Q4 2018: -3%
- Q1 2019: 0%

**SPECIALTIES*: +3% / +5%**

- Mining tires: sustained growth in demand (+4% to +5%)
- Off-road tires: higher Infrastructure tire sales, Agricultural tires slightly up
- Growth in the Two-Wheel Commuting and Aircraft segments

* Full-year market estimate

Source: Michelin
Sales up 9.3% at constant exchange rates, lifted by the contribution from acquisitions, strong prices and the sustained improvement in the mix

YoY change
(in € millions and %)

- Group growth: +7.3%
- Organic growth: +409 (Volumes: -25)
- Price-mix: +104 (+2.0% o/w mix: +0.7%)
- Currency effect: +103 (+2.0%)

Q1 2018 Sales: 5,218
Q1 2019 Sales at constant exchange rates: 5,706
Q1 2019 Sales: 5,809

* consolidation of Fenner and Camso, deconsolidation of TCi
Fenner: successful integration and growth exceeding business plan targets

**Services**

- ECS Engineered Solutions
- AEP Advanced Engineered Products

**Record backlog**

**Products**

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

- 22 plants
  - Seals
  - Wear products
  - Precision components
  - Lay-flat hoses

**Brands**

- Advanced Sealing Technologies
  - Hallite
  - CDT
  - Solesis
  - Medical

- Precision Polymers
  - Precision Polymers US
  - Precision Polymers UK

- Solesis Medical
  - Chart Medical

**Market**

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

- Manufacturing, farming, mining
- Medical and biomedical technologies

**Keeping up with growth momentum**
Camso: sales up +9% in Q1 2019

- **Material handling**
  - Tires, wheels and services
  - Sales up +8%

- **Construction**
  - Tires, wheels and tracks
  - Sales up +5%

- **Agriculture**
  - Tracks and track systems
  - Sales up +9%

- **PowerSport**
  - Tracks and track systems
  - Sales up +29%

* Source: Camso 2018
Multistrada: with leading Indonesian tire manufacturer, Michelin gains competitive Tier 2/Tier 3 production capacity

**Productivity gain vs. 2016-2018:**

- **21%**

**Breakdown of production capacity in KT**

- **Passenger car tires:** 79%
- **Two-wheel tires:** 14%
- **Truck tires:** 7%

**Distribution**

- **24 dealerships** in Indonesia
- **more than 400 partners** in 100 countries

**Financial indicators**

- **Net sales of USD313 million**
- **EBITDA of 13%**
- **3,900 employees**

*Rolling 12 months as at end of Sept. 2018*
2019 guidance confirmed
### 2019 Scenario*

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
</tr>
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<tbody>
<tr>
<td>Cost impact of raw material prices and customs duties <em>(primarily in H1)</em></td>
<td>~ €(100) million</td>
</tr>
<tr>
<td>Currency effect</td>
<td>Slightly positive based on March 2019 rates</td>
</tr>
<tr>
<td>Effective tax rate</td>
<td>Standard ETR reduced to 26%**</td>
</tr>
<tr>
<td>Net price-mix/raw materials effect</td>
<td>Positive</td>
</tr>
<tr>
<td>Competitiveness plan gains vs. inflation</td>
<td>Positive</td>
</tr>
</tbody>
</table>

*Based on the following average prices and exchange rates for the year: Natural rubber: $1.43/kg; butadiene (US, Europe and Asia): $1,174/t; Brent: $65/bbl; EUR/USD: 1.14

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

<table>
<thead>
<tr>
<th>Volumes</th>
<th>Growth in line with the markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment operating income at constant exchange rates</td>
<td>&gt;2018</td>
</tr>
<tr>
<td>before the estimated €150m additional contribution from Camso and Fenner</td>
<td></td>
</tr>
<tr>
<td>Structural FCF</td>
<td>&gt;€1,450m</td>
</tr>
<tr>
<td>including the positive €150m accounting impact of IFRS 16</td>
<td></td>
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</tbody>
</table>
May 17, 2019

ANNUAL SHAREHOLDERS MEETING

Shareholder commitment
Sustained shareholder return policy

- 2018 dividend of €3.70 per share*, for a payout ratio of 36.4%**
- 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
  - 2019-2023: €500m share buyback program over the next five years

- Dividend per share (in €)

- Total Shareholder Return (in €)

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