6TH ANNUAL AUTO CREDIT DAY
CRÉDIT AGRICOLE CIB

OCT 05, 2021
Back to normative comps in H2...

... in an environment that is highly disrupted across the supply chain

- Health situation Instability
- Maritime shipping crisis
- Truck drivers shortages
- Raw materials and energy costs sharp increase
- Labor shortages
- Etc

Source: Michelin. Market data are regularly adjusted and may be updated following their initial publication.
In 2021, the MICHELIN CrossClimate success story continues with…

**MICHELIN CrossClimate²**

**MASTER OF THE ALL-SEASON CATEGORY**

- **GREATER SAFETY IN ALL WEATHER MADE TO LAST**
- **LEADER IN SNOW**
  - From First To Last Kilometer
- Benefit from a **LOW FUEL CONSUMPTION**

Rolling resistance of MICHELIN CrossClimate² has been decreased by 10% vs MICHELIN CrossClimate. (1)(2)(3)

(1-9) (a-d) See notes slide 57

6TH Annual Auto Credit Day – October 05, 2021
FIRST-HALF 2021 RESULTS & 2021 FY GUIDANCE
MARKETS: PC/LT STILL DOWN ON 2019, TRUCK TIRES HIGHER. SPECIALTIES EXPECTED TO REBOUND OVER THE FULL YEAR.

PC/LT: +22%

TRUCK: +19%

SPECIALTIES*: +10 to +12%

Source: Michelin. Market data are regularly adjusted and may be updated following their initial publication.

* Including Central America.
## TIRE SALES UP, LIFTED BY THE REBOUND IN DEMAND AND A ROBUST PRICE-MIX. NON-TIRE SALES UP €25M, OR 4.6% AT CONSTANT EXCHANGE RATES.

### YoY change in sales
(in € millions and in %)

<table>
<thead>
<tr>
<th>Component</th>
<th>H1 2020 sales</th>
<th>H1 2021 sales at constant exchange rates</th>
<th>H1 2021 sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volumes (+22.8%)</td>
<td>9,357</td>
<td>11,740</td>
<td>11,192</td>
</tr>
<tr>
<td>Price-mix (+2.4% o/w mix +1.0%)</td>
<td>+2,130</td>
<td>+229</td>
<td>11,740</td>
</tr>
<tr>
<td>Non-tire activities (+0.3%)</td>
<td></td>
<td>+25</td>
<td></td>
</tr>
<tr>
<td>Currency (-5.9%)</td>
<td></td>
<td>-548</td>
<td></td>
</tr>
<tr>
<td>Scope of consolidation* (-0.0%)</td>
<td>-1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Deconsolidation of the French Maps & Guides printing, publishing and marketing assets (Michelin Editions), as of February 1, 2021, and of Solesis on May 28, 2021; consolidation of TechnoBalt as of May 1, 2021, ConVeyBelt as of May 1, 2020, and MAV S.p.a. as of December 1, 2020.
**H1 2021 SOI: STRONG GROWTH IN VOLUMES SUPPORTED BY A ROBUST MIX AND RESPONSIVE PRICING MANAGEMENT AT A TIME OF RISING INPUT COSTS**

**YoY change in SOI**
(in € millions)

<table>
<thead>
<tr>
<th>Currency</th>
<th>Non-tire (contribution to change in SOI)</th>
<th>SG&amp;A</th>
<th>Non-tire (increase in SOI)</th>
<th>Other</th>
<th>Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw materials</td>
<td>+126</td>
<td>-103</td>
<td>+229</td>
<td>+9</td>
<td>+56</td>
</tr>
<tr>
<td>Price mix o/w mix</td>
<td>+24</td>
<td>-103</td>
<td>+229</td>
<td>+9</td>
<td>+56</td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>-24</td>
<td>-103</td>
<td>+229</td>
<td>+9</td>
<td>+56</td>
</tr>
<tr>
<td>Manufacturing and logistics performance (2)</td>
<td>-103</td>
<td>+9</td>
<td>+56</td>
<td>-150</td>
<td>-150</td>
</tr>
<tr>
<td>Other</td>
<td>+2</td>
<td>-103</td>
<td>+229</td>
<td>+9</td>
<td>+56</td>
</tr>
<tr>
<td>Non-tire</td>
<td>+9</td>
<td>+56</td>
<td>-150</td>
<td>-150</td>
<td>-150</td>
</tr>
</tbody>
</table>

*YoY change in SOI (in € millions)*

- **H1 2020**: Scope 310 + Volumes (1) 1,195 + Raw materials 1,571
- **H1 2021**: Scope +2 + Volumes (1) 1,195 + Raw materials 1,421

(1) of which €12m in savings from the industrial competitiveness program.

(2) of which €(45)m from the steep increase in maritime shipping costs, i.e. + €21m in industrial and logistics performance.
CLEAR RS1 AND RS2 UPTURN DURING THE FIRST HALF. RESPONSIVE PRICING POLICIES IN EVERY SEGMENT.

<table>
<thead>
<tr>
<th>(in € million)</th>
<th>H1 2021</th>
<th>H1 2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RS1 sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income*</td>
<td>5,562</td>
<td>4,394</td>
<td>+26.6%</td>
</tr>
<tr>
<td>Operating margin*</td>
<td>730</td>
<td>(35)</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>13.1%</td>
<td>-0.8%</td>
<td>+13.9 pts</td>
</tr>
<tr>
<td><strong>RS2 sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income*</td>
<td>2,897</td>
<td>2,411</td>
<td>+20.2%</td>
</tr>
<tr>
<td>Operating margin*</td>
<td>286</td>
<td>(30)</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>9.9%</td>
<td>-1.3%</td>
<td>+11.2 pts</td>
</tr>
<tr>
<td><strong>RS3 sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income*</td>
<td>2,733</td>
<td>2,552</td>
<td>+7.1%</td>
</tr>
<tr>
<td>Operating margin*</td>
<td>405</td>
<td>375</td>
<td>+8.0%</td>
</tr>
<tr>
<td></td>
<td>14.8%</td>
<td>14.7%</td>
<td>+0.1 pt</td>
</tr>
</tbody>
</table>

In an environment shaped by fast rebounding demand:

- **RS1**: sharp improvement in margins led by responsive pricing management, market share gains in 18-inch and larger tires and a favorable OE/RT mix, as OE sales were held back by semiconductors shortage.
- **RS2**: steep margin improvement led by the upturn in demand, particularly in Europe and North America, responsive pricing management and sustained expansion in fleet management solutions.
- **RS3**: from a less favorable base than in RS1 and RS2, first-half volumes were lifted by sales of Construction and Agricultural tires, leading to a negative business mix; rigorous price management on non-indexed activities partially offset negative impact of raw material clauses in first-half; from the second half of the year, these clauses will turn favorable.
### Free Cash Flow Improvement, Reflecting Growth in EBITDA and Still Lower Than Normal Inventory Level

#### Change in free cash flow

*(in € millions, including JV financing and acquisitions)*

<table>
<thead>
<tr>
<th>H1 2020 free cash flow</th>
<th>(351)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Change in:</strong></td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>+1,085</td>
</tr>
<tr>
<td>Trade working capital</td>
<td>-596</td>
</tr>
<tr>
<td>Tax and interest paid</td>
<td>-73</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>+156</td>
</tr>
<tr>
<td><em>incl. JV financing</em></td>
<td></td>
</tr>
<tr>
<td>M&amp;A outlays</td>
<td>+26</td>
</tr>
<tr>
<td>Other items</td>
<td>+99</td>
</tr>
<tr>
<td><strong>H1 2021 free cash flow</strong></td>
<td><strong>346</strong></td>
</tr>
</tbody>
</table>

#### A solid cash position at June 30

- €3.8bn in cash and cash equivalents
- Repayment of €0.6bn worth of commercial paper during first-half 2021
- A €2.5bn confirmed, undrawn line of credit
- No significant bonds falling due before 2022

---

**(1)** see slide 63 for FCF definition.
OE: microchip shortages mitigate the FY outlook

RT: global demand rebounding, pull-up by North America, but still below pre-crisis levels at worldwide level

PC/LT: +8% / +10%

OE: markets rebounding outside China, from higher comparatives in the second half

RT: strong rebound led by rising freight demand in every region

TRUCK: +6% / +8%

Truck tires excl. China: +9% / +11%

SPECIALTIES: +10% / +12%

Mining tires: upturn in demand, from a more favorable base in the second half

Off-the-road tires: fast-growing demand

Two-wheel tires: sustained growth

Aircraft tires: growth in demand from weak comparatives

OE: markets rebounding outside China, from higher comparatives in the second half

RT: strong rebound led by rising freight demand in every region

PC/LT: +8% / +10%

Truck tires excl. China: +9% / +11%

SPECIALTIES: +10% / +12%

Mining tires: upturn in demand, from a more favorable base in the second half

Off-the-road tires: fast-growing demand

Two-wheel tires: sustained growth

Aircraft tires: growth in demand from weak comparatives
## 2021 Scenario

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volumes</td>
<td>Slightly above markets</td>
</tr>
<tr>
<td>Net price-mix/raw materials effect</td>
<td>Positive Neutral on second-half</td>
</tr>
<tr>
<td>Cost impact of raw materials prices and customs duties</td>
<td>Strongly negative</td>
</tr>
<tr>
<td>Currency effect *</td>
<td>Strongly negative</td>
</tr>
</tbody>
</table>

* Voir slide 54
### FULL-YEAR 2021 GUIDANCE *

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment Operating Income</td>
<td>&gt; €2,800m</td>
</tr>
<tr>
<td>at constant exchange rates</td>
<td></td>
</tr>
<tr>
<td>Structural Free Cash Flow**</td>
<td>&gt; €1,000m</td>
</tr>
</tbody>
</table>

* Barring any new systemic effect from Covid-19: deeper supply chain disruptions or tighter restrictions on freedom of movement that would result in a significant drop in the tire markets.
** Structural free cash flow : see slide 56
Net debt
(in € millions)

Net debt
Dec. 31, 2020
FCF
H1 2021 (1)
Net JV financing
M&A
Dividends
Other (2)
Net debt
June 30, 2021

3,531
-367
+410
+84
3,679

-€346m

Gearing
28%

27%

Agency ratings at June 30, 2021
Compagnie Générale des Établissements Michelin

Short term
S&P
Fitch
A-2
F-2

Long term
S&P
Fitch
A-
A-
Moody’s (3)
A3

Outlook
S&P
Fitch
Moody’s (3)
Stable
Stable
Stable

(1) Free cash flow before M&A and JV financing (see slide 63 for FCF definition).
(2) Mainly the impact of new leases, translation adjustments and share buybacks.
(3) Moody’s rating is no longer solicited since July 1, 2020.
NET DEBT EVOLUTION

GEARING
Net debt / equity (in %)

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>22</td>
<td>12</td>
<td>2</td>
<td>7</td>
<td>11</td>
<td>9</td>
<td>6</td>
<td>33</td>
<td>39</td>
<td>28</td>
<td>27</td>
</tr>
</tbody>
</table>

Net Debt /EBITDA

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>0.63</td>
<td>0.31</td>
<td>0.04</td>
<td>0.22</td>
<td>0.26</td>
<td>0.23</td>
<td>0.18</td>
<td>0.98</td>
<td>0.13**</td>
<td>0.97</td>
</tr>
</tbody>
</table>

* 2018 restated for Camso PPA impact on the balance sheet
**IFRS 16 impact
Debt maturities at June 30, 2021
(carrying amount, in € millions)

- Loans from financial institutions
- Securitization
- Bond
- CP
- Derivatives and other
- Cash and cash equivalents
- Cash management Financial Assets
- Confirmed Back-up Facilities
<table>
<thead>
<tr>
<th>Issuer</th>
<th>Issue 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>ISIN</th>
<th>Denomination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compagnie Générale des Établissements MICHELIN</td>
<td>Senior Note</td>
<td>Convertible</td>
<td>$ 500m + TAP $100m</td>
<td>100% &amp; 103.85%</td>
<td>A- (S&amp;P) A3 (Moody's)</td>
<td>ZERO Conv premium 128%</td>
<td>10-jan.-17 &amp; 05-may-17</td>
<td>10-jan.-22</td>
<td>N/A</td>
<td>FR0013230745</td>
<td>$ 200'000 with min. tradable amount $ 200'000</td>
</tr>
<tr>
<td></td>
<td>Senior Note</td>
<td>Bond</td>
<td>$ 300m</td>
<td>99.97%</td>
<td>A- (S&amp;P) A3 (Moody's)</td>
<td>ZERO Conv premium 130%</td>
<td>28-may-15</td>
<td>28-may-22</td>
<td>Annual May 28</td>
<td>XS1233732194</td>
<td>€ 1'000 with min. tradable amount € 1'000</td>
</tr>
<tr>
<td></td>
<td>Senior Note</td>
<td>Convertible</td>
<td>$ 600m</td>
<td>95.50%</td>
<td>A- (S&amp;P) A3 (Moody's)</td>
<td>0.875% p.a</td>
<td>10-jan.-18</td>
<td>10-nov.-23</td>
<td>N/A</td>
<td>FR0013309184</td>
<td>$ 200'000 with min. tradable amount € 200'000</td>
</tr>
<tr>
<td></td>
<td>Senior Note</td>
<td>Bond</td>
<td>$ 750m</td>
<td>99.10%</td>
<td>A- (S&amp;P) A3 (Moody's)</td>
<td>1.750% p.a</td>
<td>3-sep.-18</td>
<td>3-sep.-25</td>
<td>Annual Sept 03</td>
<td>XS1233734562</td>
<td>€ 1'000 with min. tradable amount € 1'000</td>
</tr>
<tr>
<td></td>
<td>Senior Note</td>
<td>Bond</td>
<td>€ 300m</td>
<td>99.01%</td>
<td>A- (S&amp;P) A3 (Moody's)</td>
<td>0.000% p.a</td>
<td>28-may-15</td>
<td>28-may-27</td>
<td>Annual May 28</td>
<td>FR0013357845</td>
<td>€ 100'000 with min. tradable amount € 100'000</td>
</tr>
<tr>
<td></td>
<td>Senior Note</td>
<td>Bond</td>
<td>€ 500m</td>
<td>99.89%</td>
<td>A- (S&amp;P) A3 (Moody's)</td>
<td>1.750% p.a</td>
<td>2-nov.-20</td>
<td>2-nov.-28</td>
<td>Annual Nov 02</td>
<td>FR00140000D31</td>
<td>€ 100'000 with min. tradable amount € 100'000</td>
</tr>
<tr>
<td></td>
<td>Senior Note</td>
<td>Bond</td>
<td>€ 1'000m</td>
<td>99.262%</td>
<td>A- (S&amp;P) A3 (Moody's)</td>
<td>0.250% p.a</td>
<td>3-sep.-18</td>
<td>3-sep.-30</td>
<td>Annual Sept 03</td>
<td>FR0013357852</td>
<td>€ 100'000 with min. tradable amount € 100'000</td>
</tr>
<tr>
<td></td>
<td>Senior Note</td>
<td>Bond</td>
<td>€ 500m</td>
<td>99.54%</td>
<td>A- (S&amp;P) A3 (Moody's)</td>
<td>2.500% p.a</td>
<td>2-nov.-20</td>
<td>2-nov.-32</td>
<td>Annual Nov 02</td>
<td>FR00140000D49</td>
<td>€ 100'000 with min. tradable amount € 100'000</td>
</tr>
<tr>
<td></td>
<td>Senior Note</td>
<td>Bond</td>
<td>€ 750m</td>
<td>99.363%</td>
<td>A- (S&amp;P) A3 (Moody's)</td>
<td>0.625% p.a</td>
<td>3-sep.-18</td>
<td>3-sep.-38</td>
<td>Annual Sept 03</td>
<td>FR0013357860</td>
<td>€ 100'000 with min. tradable amount € 100'000</td>
</tr>
<tr>
<td></td>
<td>Senior Note</td>
<td>Bond</td>
<td>€ 500m</td>
<td>98.926%</td>
<td>A- (S&amp;P) A3 (Moody's)</td>
<td>3.250% p.a</td>
<td>2-nov.-20</td>
<td>2-nov.-40</td>
<td>Annual Nov 02</td>
<td>FR00140000D56</td>
<td>€ 1'000 with min. tradable amount € 1'000</td>
</tr>
<tr>
<td></td>
<td>Senior Note</td>
<td>Bond</td>
<td>€ 302m</td>
<td>99.262%</td>
<td>A- (S&amp;P) A3 (Moody's)</td>
<td>3.250% p.a</td>
<td>30-sep.-15 &amp; 30-sep.-16</td>
<td>30-sep.-45</td>
<td>Annual Sept 30</td>
<td>XS1298728707</td>
<td>€ 100'000 with min. tradable amount € 100'000</td>
</tr>
</tbody>
</table>
• Total cash @ 4’100 Millions € @ June 30, 2021: 3’810 M€ of cash & cash equivalent + 290 M€ of financial assets – treasury management (after repayment of 650 M€ worth of commercial paper during first half 2021)

• 2’500 M€ of an undrawn committed syndicated credit facility refinanced in October/2020 at CGEM with 19 banks for 3+1+1 years (this facility replaces the previous CFM 1’500 M€ facility amended on December 10, 2014):
  - Back-up facility
  - EUR and/or USD
  - No financial covenants

The facility comes with an CSR clause that links its pricing to a set of Sustainability Performance Targets.

• Main short-term debt programs:
  - French Commercial Papers (NEUCP) : maximum @ 2.500 M€ (since May/2019)
  - US Commercial Papers (USCP) : maximum @ 700 M$
  - Pan-European receivables securitization program : total capacity @ 300 M€
  - US receivables securitization program : total capacity @ 200 M$ (+ 350 M$ accordion line)
  - Reverse factoring program
Liquidity risk:
- Secured financing: RCF, undrawn committed syndicated credit facility of 2'500 M€
- Diversified financing sources
- Conservative approach with available short-term instruments much above our needs
- Non-risky cash investment
- Risk managed at diverse horizons: very short term (1-5 d), monthly on a rolling 18m (with a focus @ 3m), 5y financial plan

Interest rate risk:
- Managed by currency at central level only
- Defined fixed/variable thresholds

FX rate risk:
- Accounting FX exposure systematically hedged on a daily basis (with derogation on a weekly basis)

Counterparty risk:
- Duly authorized counterparts (Group banks, CDS, ratings, market cap, …) with defined thresholds in €
- Managed on a weekly basis
Defined benefit plans as at December 31, 2020 (in billions €)

- Defined benefit obligations
  - Present value of unfunded obligations: 3.0
  - Assets ceiling: 7.8
  - Present value of fully or partly funded obligations: 0.1

- Assets & liabilities in Balance Sheet
  - Fair value of plan assets: 7.4
  - Net liability (in balance sheet): 3.5

Estimates of contributions to be paid and benefits to be paid directly:

- 2021e: €178m
- 2022e: €217m
- 2023e: €214m
- 2024e: €221m
- 2025e: €225m
- 2026-2030e: €1,095m
2023 TARGETS & 2030 AMBITIONS
A dedicated page has been created for the event on the www.michelin.com website. It features a number of replayable videos that review the day’s presentations and offer insight into the following themes, which are going to drive the Group’s sustainable growth:

- **Michelin’s Environmental Leadership**: Focus on the Automotive segment
- **Industry 4.0**: a key lever to improve our industrial efficiency
- **Services and Solutions**: understanding customer needs and how our products are used enables us to develop and offer high value-added solutions
- **High-Tech Materials**: leveraging our R&D expertise in materials, to develop new growth avenues
- **Metal 3D Printing**: a unique offering in a very high-potential market
- **Hydrogen**: becoming a global player in hydrogen mobility

The digital version of the 2020 Annual Report is available on the Group's corporate site at the following address: https://www.michelin.com/en/annual-report/
MICHELIN IN MOTION: COMBINING GROWTH AND VALUE CREATION AS OF 2023

SALES GROWTH from 2023

+5% CAGR

ROCE * from 2023

>10.5%

Segment Operating Income in 2023

~13.5%

Threshold by RS
RS1 > 12%
RS2 > 10%
RS3 > 17%

* Return on Capital Employed (definition on slide 63), annual target
### 2030 VISION: DETAILED STRATEGIC SCORECARD

<table>
<thead>
<tr>
<th><strong>AMBICTIONS</strong></th>
<th><strong>METRICS</strong></th>
<th><strong>2030 SUCCESS</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Be world-class in employee engagement</td>
<td>Engagement rate</td>
<td>&gt;85%</td>
</tr>
<tr>
<td>Be world-class in employee safety</td>
<td>TCIR*</td>
<td>&lt;0.5</td>
</tr>
<tr>
<td>Be a reference in diversities and inclusion of teams</td>
<td>IMDI*</td>
<td>80 points over 100</td>
</tr>
<tr>
<td>Be best-in-class in value created for customers</td>
<td>NPS* partners and NPS final customers</td>
<td>+10 and +5 pts respectively</td>
</tr>
<tr>
<td>Deliver substantial growth</td>
<td>Total sales</td>
<td>5% CAGR 23-30</td>
</tr>
<tr>
<td>Deliver continuous financial value creation</td>
<td>ROCE*</td>
<td>&gt;10.5%</td>
</tr>
<tr>
<td>Maintain MICHELIN brand power</td>
<td>Brand vitality quotient</td>
<td>+5 pts vs 2021</td>
</tr>
<tr>
<td>Maintain best-in-class innovation pace in products and services</td>
<td>Offers vitality index</td>
<td>&gt;30%</td>
</tr>
<tr>
<td>Reach carbon neutrality by 2050 (manuf. and energy)</td>
<td>CO2 emissions scopes 1&amp;2</td>
<td>(50%) vs. 2010</td>
</tr>
<tr>
<td>Contribute to reaching carbon neutrality (usage)</td>
<td>Products energy efficiency (scope 3)</td>
<td>+10% vs. 2020</td>
</tr>
<tr>
<td>Be best-in-class in environmental footprint of industrial sites</td>
<td>I-MEP*</td>
<td>-1/3 vs. 2019</td>
</tr>
<tr>
<td>Reach full circularity of products by 2050</td>
<td>Sustainable Material Rate</td>
<td>40%</td>
</tr>
</tbody>
</table>

* TCIR = Total Case Incident Rate ; IMDI = Inclusion and Diversities Management Index ; NPS = Net Promoter Score ; ROCE = Return on Capital Employed ; i-MEP = Industrial - Michelin Environmental Performance, see p.150 of the 2020 Universal Registration Document
2023 TARGET: EXITING THE CRISIS IN A POSITION OF STRENGTH

2020 → 2023

2023 Group target

PROFITABILITY
Segment Operating Income

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
<th>2023 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>% margin</td>
<td>12.5%</td>
<td>~13.5%</td>
<td>~13.5%</td>
</tr>
<tr>
<td>Covid-19 Impact</td>
<td>3.0</td>
<td>1.9</td>
<td>3.3</td>
</tr>
</tbody>
</table>

CASH GENERATION
Structural FCF

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>∑ 2020-2021</th>
<th>2022-2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structural FCF</td>
<td>1.6</td>
<td>~3.0</td>
<td>~3.3</td>
</tr>
</tbody>
</table>

~€80M / YEAR
Manufacturing
Partly reinvested to finance mix enrichment and improve operating leverage

~€20M / YEAR
SG&A
Partly reinvested to finance non-tire businesses expansion, around and beyond tire

Segment operating margin thresholds:
- RS1 > 12%
- RS2 > 10%
- RS3 > 17%

RETURN ON CAPITAL EMPLOYED
Including M&A (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
<th>2023 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROCE</td>
<td>10,0%</td>
<td>6,0%</td>
<td>&gt;10,5%</td>
</tr>
</tbody>
</table>

ROCE > 10.5% from 2023, ensuring 3 points of economic added value* every year

* See section 5.1.6 of 2020 Universal registration document

Cumulated net gain, tire activity
€300M

Cumulated net gain, tire activity
~€80M / YEAR

Cumulated net gain, tire activity
~€20M / YEAR

Cumulated net gain, tire activity

~€6.3bn cumul. structural FCF over 4 years
€100m inventory reduction / year

• Constantly exploring M&A opportunities in both core and new growth avenues

• Value-accretive acquisitions

• Open to partnerships to boost our venture potentials

• Delivering growth and significant synergies

• Very strong execution track record

Financial discipline
2023-2030 ROCE >+10.5%

Strong financial position and ratings
(A- at both Fitch and S&P)
RESETTING OUR SHAREHOLDER RETURN POLICY: INCREASING PAYOUT TO 50%

**HISTORICAL PAYOUT RATIO**

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend (€ p.s.)</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>41%</td>
<td>37%</td>
<td>37%</td>
<td>36%</td>
<td>36%</td>
</tr>
<tr>
<td></td>
<td>Before non-recurring items</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**FUTURE PAYOUT RATIO**

- 50% from 2021

**CONSISTENTLY DELIVERED ABOVE 35% DIVIDEND PAYOUT**
(except in 2020 due to the pandemic)

**INCREASED DIVIDEND PAYOUT RATIO AT 50% P.A. FROM 2021**

Anti-dilutive / opportunistic share buyback program
WITH TIRES

TIRES
STRONG GROWTH OPPORTUNITIES IN A POST COVID WORLD
**PASSENGER CAR MARKETS TREND**

Original equipment world market (unit)

- 2019: 83
- 2020: 93
- 2021: 98
- 2022: 102
- 2023: (estimated)

Replacement world market (Unit)

- 2019: 89
- 2020: 95
- 2021: 101
- 2022: (estimated)
- 2023: (estimated)

**PASSENGER CAR MARKET BY RIM DIAMETER**

Original equipment + Replacement market by diameter (unit)

- 19" and +
  - 2019: 169
  - 2020: 146
  - 2021: (estimated)
  - 2022: (estimated)
  - 2023: (estimated)

- 17" and -
  - 2019: 90
  - 2020: (estimated)
  - 2021: (estimated)
  - 2022: (estimated)
  - 2023: (estimated)

**GROWTH**

- Significant increase in 19"+ tires demand
- 3x more SKUs 19" by 2025

**SIMPLEXITY**

- Cost optimization and simplification of Michelin’s catalog
- Late differentiation in the production process

**MARGIN**

- Strong and sustained mix enrichment
**EV(1) MARKET: A GREAT OPPORTUNITY FOR MICHELIN TO DEMONSTRATE ITS TECHNOLOGICAL LEADERSHIP**

**VEHICLE ELECTRIFICATION CHALLENGES**
- Range: the major challenge for EVs
- Interior noise
- Torque
- Battery weight

**TIRES FOR EV: INCREASE DEMAND FOR PERFORMANCE**

**AN OFFERING FULLY ALIGNED WITH OPPORTUNITY**

- EV OE share / Total OE share
- 1.5 time
- EV > ICE
- OE/RT loyalty rate

**ACOUSTIC TECHNOLOGY**

- 3.1 times for battery electric-vehicles
- 1ST TIRES in the coming weeks

---

(1) EV: Electric Vehicle (hybrid, battery-powered and fuel cell-powered)
(2) ICE: Internal Combustion Engine
TRUCKS: RECOVERY PROSPECTS DRIVING VALUE CREATION FOR MICHELIN

TRUCK TIRE MARKET TREND
Worldwide market (units)

2019 2020 2021 2022 2023
Base=100
93 98 100 102
~ +1% 2019-2023E CAGR

2020 TRUCK TIRE MARKET AND SALES GEOGRAPHICAL DISTRIBUTION

28% 45%
51% 10%

Innovating in new Solutions & Services in Americas and EMEA
Capturing pockets of value creation in Asia

6TH Annual Auto Credit Day – October 05, 2021
TRUCKS: NEW CHALLENGES AHEAD FUELING GROWTH OPPORTUNITIES ON VALUE CREATIVE MARKETS

Fleets in search of increased efficiency
- Additional projects with connected vehicles

Acceleration in sustainable transportation
- Original Equipment with the new VECTO standards

Acceleration in “Last mile delivery”
- E-commerce: +36% of professional vehicles in the city center by 2025*

Connected solutions focused on efficiency
- Uptime optimization
- Reduction of maintenance costs
- Tracking, routing, etc.

Solutions to improve environmental footprint
- New optimized products:
  - Rolling resistance
  - Sustainable material rate
  - Long-lasting performance
- Strengthening of the retreading business
- Michelin Green Mobility / Watea

Targeted offers for “last mile” fleets
- Renewal of the offering
- Bespoke solutions for "last mile" fleets:
  - Tire delegation
  - Fleet management

* Source: Accenture Research
MINING, OFF THE ROAD AND 2-WHEELS TIRES: STRUCTURALLY GROWING MARKETS, INCREASINGLY INFLUENCED BY ENVIRONMENTAL CONCERNS

MINING MARKETS
Worldwide market / underground mining (tons)

- 35% of SR3 sales*

Base=100

2019 2020 2021 2022 2023
84 89 94 100

2019-2030 CAGR: ~+3%

MOTO LEISURE & COMMUTING MARKETS
Worldwide market (units)

- 7% of SR3 sales*

Base=100

2019 2020 2021 2022 2023
90 98 105 112

Volume and value growth: use of bicycles and scooters to increase up to 10% by 2030

AGRICULTURE MARKETS
Worldwide* market (units tires & tracks)

- 12% of SR3 sales*

Base=100

2019 2020 2021 2022 2023
100 106 108

2019-2023E CAGR: ~+2%

Long-term CAGR: ~+5%

CONSTRUCTION MARKETS
Worldwide market (units)

- 12% of SR3 sales*

Base=100

2019 2020 2021 2022 2023
93 100 103 106

2019-2023E CAGR: ~+2%

Recovery following adverse cycle in construction

* 2019 Sales

6TH Annual Auto Credit Day – October 05, 2021
Product Differentiation

- Performance and braking
- Wet grip, for new and used tires
- Tire resistance
- Connected tire (e.g., MEMS or TPMS)
- Increase in loads carried and driving speeds
- Reduced of compaction of agricultural soils
- Lower energy consumption and CO₂ emissions
- Mass efficiency
- Recyclable products

Service Differentiation

SAFETY
- On-site auditing

OPERATIONS CONTINUITY
- On-site inspections and connected preventive maintenance

OPERATIONS PRODUCTIVITY
- Real-time monitoring of mining and agricultural tires
- Engineering (e.g., conveyors)

SUSTAINABILITY
- End-of-life product management

MICHELIN XDR – 63"

MICHELIN CEREXBIB 2

6TH Annual Auto Credit Day – October 05, 2021
COMPETITIVENESS PLAN: REBALANCING OUR INDUSTRIAL FOOTPRINT TO BECOME MORE LOCAL-TO-LOCAL

SEIZING POSITIVE MOMENTUM IN EMERGING MARKETS
(% Manufacturing capacity)

Increase local-to-local ratio
Reducing inventories and CO₂ emissions
Best-in-class supply chain

2020

2023
MANUFACTURING COMPETITIVENESS PLAN: 4.0 PLANTS TO MAKE OUR INDUSTRY MORE PRODUCTIVE AND FLEXIBLE

€80M in productivity gains/year net of inflation 2020-2023

- Automation
- Artificial Intelligence
- Flexibility
- Simplexity
- Process
- Standardization

- Digital Manufacturing
- Operational Excellence
- Massifying Flagship Plants
- Material Cost Reduction
- Responsiveness
- Cost optimum

In 2025, 16 sites will have an average production capacity of 140Kt

Design to cost
Scrap reduction
Upstream gains

6TH Annual Auto Credit Day – October 05, 2021
SG&A Tire Competitiveness Plan: €125M in savings net of inflation over 2020-2025, €65M by 2023

Increasing Productivity

- Leveraging new technologies (AI)
- Digitalizing operations
- Optimizing the industrial footprint

Simplifying Processes

- Standardizing best practices
- Decision making closer to customers
- Developing shared service centers
- Reengineering end to end processes

€65M in SG&A tire gains by 2023 net of inflation
AROUND & BEYOND TIRES
LEVERAGING OUR INNOVATION CAPABILITIES TO DELIVER NEW GROWTH AVENUES
<table>
<thead>
<tr>
<th>ECOSYSTEMS</th>
<th>PROMISING BUSINESSES</th>
<th>RATIONALE</th>
<th>CONTRIBUTION TO PROFITABLE GROWTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>SERVICES &amp; TECH SOLUTIONS</td>
<td>Innovate to capture every new opportunity in IoT and emerging technologies</td>
<td>• Mobility services and digitization: key focus for all Michelin customers</td>
<td>LEADERSHIP POSITION</td>
</tr>
<tr>
<td>HIGH-TECH FLEXIBLE COMPOSITES</td>
<td>Leverage our core business... ...to develop other areas in which we can play an important role</td>
<td>• A solid basis to target attractive and synergetic markets</td>
<td>SIGNIFICANT GROWTH</td>
</tr>
<tr>
<td>Medical</td>
<td>Early-maker in Medical, Hydrogen, and 3D Metal Printing...</td>
<td>• Three promising ecosystems</td>
<td>FINANCIAL VALUE CREATION</td>
</tr>
<tr>
<td>Hydrogen</td>
<td>...with ESG focus and transition towards carbon-free operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3D Metal Printing</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SERVICES AND SOLUTIONS: DEVELOPING AND ENRICHING OUR VALUE PROPOSITION FOR FLEETS AND MOBILITY

Tire as a Service
- Offering bespoke tire-related services

Fleet Management
- Optimizing fleet operations

Other Fleet Services
- Supporting fleets in their daily needs

Digital Services Platform (DSP)
- Providing a one-stop-shop service platform dedicated to fleets

IoT & Data Businesses
- Monetizing specialized mobility-related insights

Expanding our customer base
Reaching new territories
SERVICES AND SOLUTIONS: 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
- ~50 solutions launched per year

**Tire as a Service (Tire business)**
- 2019: €0.4bn → 2023: €0.4bn

**New growth avenues (Non tire businesses)**
- 2019: €0.2bn → 2023: €0.3bn

**Sales 2019**
- €0.6bn

**Sales 2023**
- €0.7bn
CURRENT ACTIVITIES

- Recovered materials
- Sustainable monomers and polymers
- Special adhesives
- Compounding
- Coated fabrics & reinforcements
- High-end polymers
- Conveyors
- Belting products & solutions

TARGET POSITIONING

- Accelerator of differentiating technologies for tires and ‘rubber goods’, in the field of bio-sourced materials and recycling
- Leading player in the field of special adhesives and tailor-made polymers
- Global leading player with significant position (in top 3) in 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

2019 Sales €0.9bn

2023 Sales €1.1bn
HIGH-TECH MATERIALS: ACCELERATING THE DEVELOPMENT OF 3 MAIN ECOSYSTEMS THROUGH PARTNERSHIPS FOR SUSTAINABLE GROWTH

REGENERATIVE MEDICINE & CELLULAR THERAPY

MARKET POTENTIAL
- Cell & gene therapy: +20% CAGR 2020-2030
- Cardio medical devices: >10% CAGR 2020-2030

AMBITIONS
- Becoming a leader in fuel cell stack systems
- Being the manufacturing operator customers’ trust

HYDROGEN MOBILITY

MARKET POTENTIAL
- €0.3bn in 2020
- €1.3bn in 2025
- €6.5bn in 2030

AMBITIONS
- €0.2bn sales in 2025
- €1.5bn sales in 2030

3D METAL PRINTING

MARKET POTENTIAL
- Medical & aerospace are the most industrial-scale end markets
- +23% CAGR 2020-2030
- ~$13bn in 2030

AMBITIONS
- €100m sales and breakeven by 2023
- >€500m sales by 2030

Note 1: Michelin holds a 49% stake in Solesis (equity accounted company)
Note 2: 100% of Symbio - Michelin holds a 50% stake in Symbio (equity accounted company)
Note 3: 100% of AddUp - Michelin holds a 50% stake in AddUp (equity accounted company)
MICHELIN’S SUSTAINABLE LEADERSHIP
## Major sustainability rating (as of September 07, 2021)

<table>
<thead>
<tr>
<th>Status</th>
<th>SUSTAINALYTICS (risk rating) 2021</th>
<th>MSCI 2020</th>
<th>CDP 2020</th>
<th>ECOVADIS 2021</th>
<th>ISS-OEKOM 2021</th>
<th>VIGEO EIRIS Moody’s 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LOW RISK</strong></td>
<td><img src="image" alt="SUSTAINALYTICS" /></td>
<td>AA</td>
<td>LEADERSHIP</td>
<td>PLATINUM</td>
<td>PRIME</td>
<td>A1+</td>
</tr>
</tbody>
</table>

| Rating       | 13.1 | 8.4/10 | A- | 78/100 | B- | 73/100 |

### Ranking / Distribution of ratings

- **Climate change**
  - 37% A
  - 21% BBB
  - 20% BBB
  - 15% AA
  - 14% B
  - 12% BBB
  - 10% BBB
  - 9% AA
  - 7% A
  - 5% B
  - 4% BBB

- **Water security**
  - 37% A
  - 21% BBB
  - 20% BBB
  - 15% AA
  - 14% B
  - 12% BBB
  - 10% BBB
  - 9% AA
  - 7% A
  - 5% B
  - 4% BBB

- **Natural rubber**
  - 37% A
  - 21% BBB
  - 20% BBB
  - 15% AA
  - 14% B
  - 12% BBB
  - 10% BBB
  - 9% AA
  - 7% A
  - 5% B
  - 4% BBB

1st of 39 in the sector
ON THE ROAD TO CARBON NEUTRALITY BY 2050, MICHELIN STARTS TO VALORIZE ITS NEGATIVE EXTERNALITIES IN 2020 AND COMMIT TO A 10% REDUCTION AS EARLY AS 2023

~€330m

<table>
<thead>
<tr>
<th>2019</th>
<th>CO₂ scope 1&amp;2</th>
<th>CO₂ Scope 3*</th>
<th>Water</th>
<th>VOC**</th>
</tr>
</thead>
<tbody>
<tr>
<td>VOC**</td>
<td>Reduce energy consumption</td>
<td>Transport Better Less Differently</td>
<td>Digitize</td>
<td>Deploy best practices Product/Process adaptation</td>
</tr>
<tr>
<td>Water</td>
<td>Shift towards clean energy</td>
<td></td>
<td>Reuse</td>
<td></td>
</tr>
<tr>
<td>CO₂ Scope 3*</td>
<td></td>
<td></td>
<td>Recycle</td>
<td></td>
</tr>
<tr>
<td>CO₂ Scope 1&amp;2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

~€300m

* Only transport and distribution upstream and downstream of Natural Rubber, semi-finished and finished goods
** Volatile organic components

Scopes definition

1. Direct emissions: sources owned or controlled by the company
2. Indirect emissions: purchase of energy for the company
3. Indirect emissions: all other emissions related to the company’s activities and the use of the finished products

2019

2023
ENVIRONMENTAL AWARENESS, THROUGHOUT THE LIFECYCLE OF MICHELIN’S PRODUCT, STARTING FROM R&D DESIGN

RAW MATERIALS
Sustainable natural rubber supply

MANUFACTURING
Reducing impact

LOGISTICS
Reducing the carbon footprint

USE OF PRODUCTS AND SERVICES
63% to 96% of the life cycle impact
Low rolling resistance – reduce CO₂ emissions
Safe when new, safe when worn

MATERIALS RECYCLING
Recycling systems / Circular economy

ENERGY RECOVERY

END OF LIFE

RETREADING
Substantial savings in raw materials
ON THE PATH TO REACH FULL CIRCULARITY OF PRODUCTS WITH 40% OF SUSTAINABLE RAW MATERIALS IN 2030, 100% IN 2050

In 2021, we will race with a Moto E tyre made of 40% sustainable materials

* European project funded by Horizon 2020, project number: 82068
** With the support of ADEME (ADEME: French Environment & Energy Management Agency)
FOR 2030

Replacement of pesticides and fertilizers by mechanical methods combined with other alternative solutions

Biodiversity
2030 ENVIRONMENTAL AMBITION: ON THE PATH TO REACH CARBON NEUTRALITY IN 2050

**Scope 1 & 2**
- Shifting towards clean energy
- Reducing in energy consumption

**2030**
- -50\% CO\(_2\) emissions vs 2010

**2050**
- Carbon Neutrality

**Scope 3 logistic**
- Less, better and differently

**2030**
- -15\% CO\(_2\) emissions vs 2018

**2050**
- Carbon Neutrality

**Scope 3 supply chain**
- 70\% of suppliers have science-based targets
- Suppliers setting ambitious reduction targets

**2024**
- 70\% of suppliers have science-based targets

**2050**
- Carbon Neutrality
CONTINUOUSLY IMPROVING THE ENVIRONMENTAL PERFORMANCE OF OUR PRODUCTION SITES

2030 OBJECTIVES

REDUCTION OF THE INDUSTRIAL ENVIRONMENTAL IMPACT BY 1/3 (1) THROUGH 5 PROGRAMS

- **WATER WITHDRAWALS**
  -33% (1)
  (m³/t weighted by water stress index)

- **GENERATED WASTE**
  -25% (1)
  (kg/t)

- **ORGANIC SOLVENT CONSUMPTION**
  -50% (1)
  (kg/t)

- **ENERGY CONSUMPTION**
  -37% (2)
  (GJ/t)

- **CO₂ EMISSION**
  -50% (2)
  (t)

(1) vs 2019, see p.150 of the 2020 Universal Registration Document
(2) vs 2010
/t = ratio basis on semi-finished or finished products volumes
Every employee can develop his/her talents within the company. Michelin pays particular attention to the internal promotion of manufacturing operators.

Michelin offers career paths to people of all abilities according to its talent development policy.

Achieve parity among Group executives and, by 2030, set the gender balance benchmark in our industry.

(All D&I* aspects, e.g., age, sexual orientation, ethnicity, religion, etc.) Enable every person to be who they really are and to bring their authentic selves to work.

* Diversity & Inclusion

All our host country nationalities and cultures are represented in all corporate functions in the operating regions and at headquarters, in line with the geographical footprint of each business.
APPENDICES
## Sales by Currency and Segment Operating Income (SOI) Impact

<table>
<thead>
<tr>
<th>% of sales (2020)</th>
<th>H1 2021 € change vs. currency</th>
<th>Dropthrough * sales / SOI</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD 36%</td>
<td>+ 9%</td>
<td>35% / 45%</td>
</tr>
<tr>
<td>EUR 32%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>CNY 6%</td>
<td>+ 1%</td>
<td>25% / 30%</td>
</tr>
<tr>
<td>AUD 3%</td>
<td>- 7%</td>
<td>80% / 85%</td>
</tr>
<tr>
<td>GBP 3%</td>
<td>- 1%</td>
<td>25% / 30%</td>
</tr>
<tr>
<td>BRL 3%</td>
<td>+ 22%</td>
<td>-30% / -20%</td>
</tr>
<tr>
<td>CAD 3%</td>
<td>- 0%</td>
<td>25% / 30%</td>
</tr>
<tr>
<td>RUB 1%</td>
<td>+ 18%</td>
<td>25% / 30%</td>
</tr>
<tr>
<td>JPY 1%</td>
<td>+ 9%</td>
<td>80% / 85%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% of sales (2020)</th>
<th>H1 2021 € change vs. currency</th>
<th>Dropthrough * sales / SOI</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLP 1%</td>
<td>- 3%</td>
<td>80% / 85%</td>
</tr>
<tr>
<td>MXN 1%</td>
<td>+ 3%</td>
<td>25% / 30%</td>
</tr>
<tr>
<td>THB 1%</td>
<td>+ 7%</td>
<td>-130% / -100%</td>
</tr>
<tr>
<td>TRY 1%</td>
<td>+ 33%</td>
<td>80% / 85%</td>
</tr>
<tr>
<td>SEK 0.8%</td>
<td>- 5%</td>
<td>80% / 85%</td>
</tr>
<tr>
<td>TWD 0.6%</td>
<td>+ 2%</td>
<td>80% / 85%</td>
</tr>
<tr>
<td>ZAR 0.4%</td>
<td>- 3%</td>
<td>80% / 85%</td>
</tr>
<tr>
<td>ARS 0.3%</td>
<td>+ 55%</td>
<td>80% / 85%</td>
</tr>
<tr>
<td>COP 0.2%</td>
<td>+ 8%</td>
<td>80% / 85%</td>
</tr>
<tr>
<td>Others 5.7%</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

* Dropthrough linked to the export/manufacturing/sales base.
Free cash flow* and CAPEX 2007 - 2020

(in € millions)

* Reported FCF from 2007 to 2010, Structural FCF from 2011 onwards (see slide 63 for Structural FCF definition)
Free cash flow
FCF is stated before dividend payments and financing transactions. It corresponds to net cash from operating activities less net cash used in investing activities, adjusted for net cash flows relating to cash management financial assets and borrowing collaterals.

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 sales of following activities: Services and Solutions (excl. TaaS and Distribution), Conveyor Belts and High-Tech Materials excluding JVs.
Labelling from 01/05/2021:
(a) Fuel efficiency class (from A to E), B for majority dimensions. (b) Wet grip class (from A to E). (c) External rolling noise class (from A to C) and measured value in decibel (dB). (d) Tyre for use in severe snow conditions.

MICHELIN CROSSCLIMATE 2:

(1) Dry braking tests, conducted by TÜV SÜD Product Service on Michelin’s request, between 100 and 0 kph, February 2021, on dimension 205/55 R16 94V XL on VW Golf 7 comparing MICHELIN CrossClimate 2 (100%) versus MICHELIN CrossClimate + (96,2%); BRIDGESTONE Weather Control AO05 EVO (98,1%); CONTINENTAL AllSeasonContact (92,4%); GOODYEAR Vector 4Seasons Gen-3 (89,9%); PIRELLI Cinturato All Season Plus (89,4%) 

(2) Wet braking tests, conducted by TÜV SÜD Product Service on Michelin’s request, between 80 and 20 kph, October 2020-April 2021 (worn means when worn on machine (buffed) to the depth of Tread Wear Indicator according to European regulation: ECE R30(3)F), on dimension 205/55 R16 94V XL on VW Golf 7 comparing MICHELIN CrossClimate 2 (new: 100% - worn: 100%) versus MICHELIN CrossClimate + (new: 98,2% - worn: 101,1%); BRIDGESTONE Weather Control AO05 EVO (new: 103,2% - worn: 99,5%); CONTINENTAL AllSeasonContact (new: 94,9% - worn: 96,1%); GOODYEAR Vector 4Seasons Gen-3 (new: 98% - worn: 93,5%); PIRELLI Cinturato All Season Plus (new: 96,7% - worn: 89%)- Results may vary according to road and weather conditions.

(3) Snow braking tests, conducted by TÜV SÜD Product Service on Michelin’s request, between 30 and 10 kph, February 2021 (on new and 2mm buffed), on dimension 205/55 R16 94V XL on VW Golf 7 comparing MICHELIN CrossClimate 2 (new: 100%- worn: 100%) versus MICHELIN CrossClimate + (new: 95%-worn: 88,1%); BRIDGESTONE Weather Control AO05 EVO (new: 92,4% - worn: 70,9%); CONTINENTAL AllSeasonContact (new: 99,5% - worn: 96,4%); GOODYEAR Vector 4Seasons Gen-3 (new: 97,6% - worn: 94,1%); PIRELLI Cinturato All Season Plus (new: 81,9% - worn: 77,0%)

(4) Snow traction tests, conducted by TÜV SÜD Product Service on Michelin’s request, February 2021 (on 2mm buffed), on dimension 205/55 R16 94V XL comparing MICHELIN CrossClimate 2 (new: 100% - worn: 100%) versus MICHELIN CrossClimate + (new: 95%-worn: 87,5%); BRIDGESTONE Weather Control AO05 EVO (new: 84,6%-worn: 65,2%); CONTINENTAL AllSeasonContact (new: 95,6%-worn: 91,9%); GOODYEAR Vector 4Seasons Gen-3 (new: 94,6%-worn: 90,6%); PIRELLI Cinturato All Season Plus (new: 72,0%-worn: 54,2%)

(5) Longevity test conducted by DEKRA TEST CENTER, on Michelin’s request, December 2020, on dimension 205/55 R16 94V XL on VW Golf 7 comparing MICHELIN CrossClimate 2 (100%); CONTINENTAL AllSeasonContact (100,8%) and GOODYEAR Vector 4Seasons Gen-3 (108,4%); BRIDGESTONE Weather Control AO05 EVO (69,7%); PIRELLI Cinturato All Season Plus (96,9%). Longevity test run in average real usage (D50) with 14.460 km run and extrapolated longevity at 1.6mm.

(6) Rolling Resistance tests conducted on machine by Applus Idiada, on Michelin’s request, August 2020, on dimension 205/55 R16 94V XL, comparing MICHELIN CrossClimate 2 (7,30 kg/t) versus MICHELIN CrossClimate + (8,20 kg/t) Eco-responsible driving depends notably on driving habits, vehicle or tire pressure

(7) MICHELIN CrossClimate 2 is rated “B” on the Rolling Resistance A-B-C-E Item of the European labelling scale.

(8) MICHELIN CrossClimate 2 category of tires is defined as one of the Premium all-season tires such as CONTINENTAL, GOODYEAR, BRIDGESTONE, PIRELLI, DUNLOP brands, and which are not dedicated to Original Equipment application (i.e not designed to achieve car manufacturers specific targets) but tires that can be purchased from retailers.

(9) Balance of performance proven by test conducted in 2020 and 2021 on Longevity, Rolling Resistance, Dry braking, Wet braking new and worn, Snow braking new and worn, Snow traction new and worn - see test details in legal mentions 1,2,3,4,5,6 Results may vary according to road and weather conditions.
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