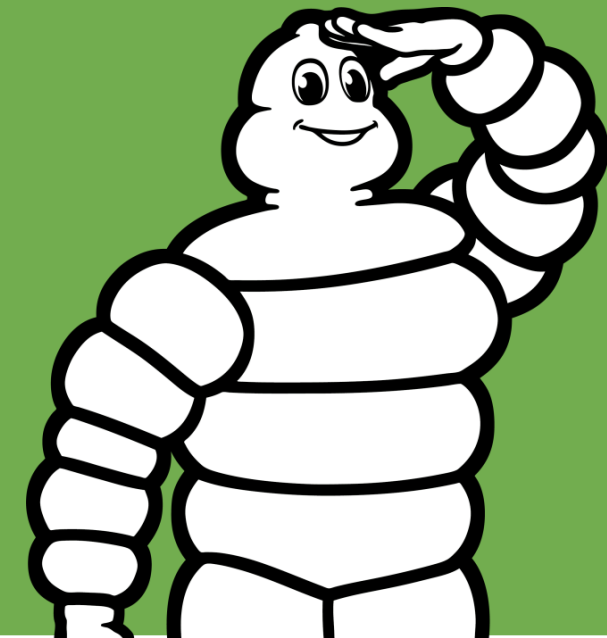
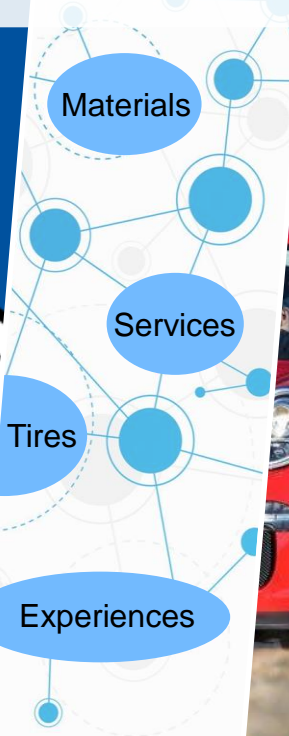
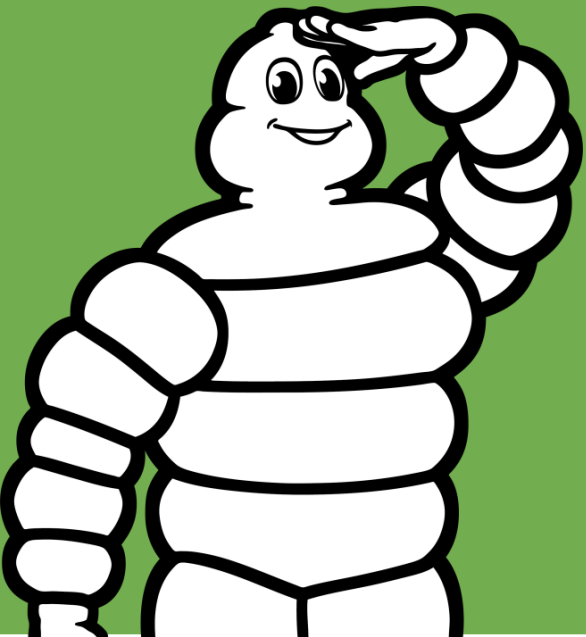


Investor Day in Almeria – April 04, 2019

2020 Strategic plan milestone

Marc HENRY, Chief Financial Officer





2020 TARGETS : WHERE ARE WE AT MID POINT?



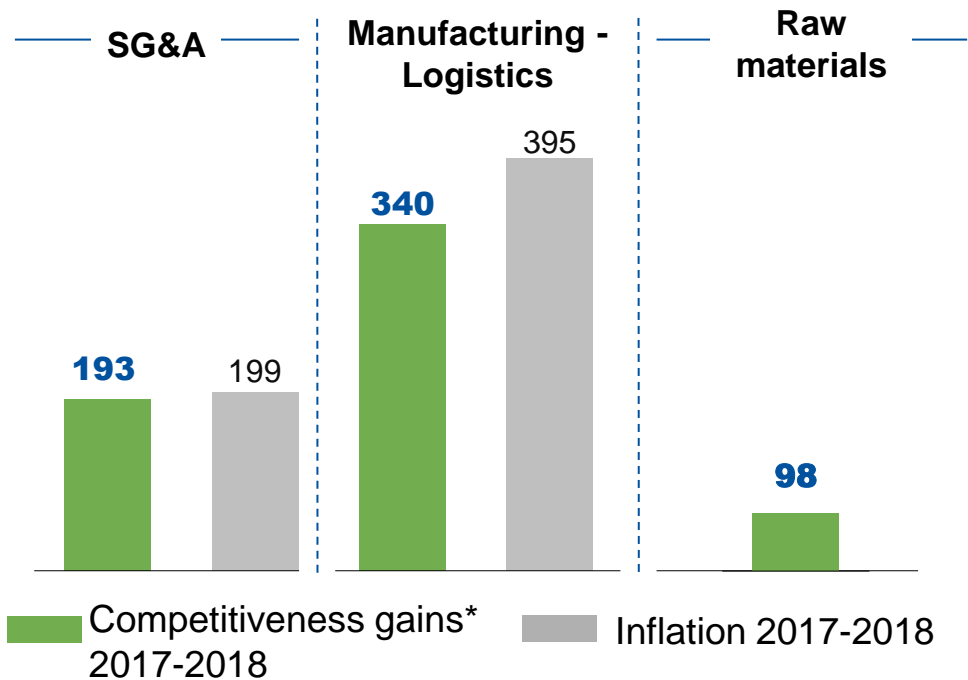
Sales 2020 ambitions: on target on the main tire objective

	Tires	Services	Experiences	Materials
2015-2020 Target*	Sales +20%	Sales doubled	Sales tripled	Capitalize on our leadership
2018 vs 2015 achievements*	+11%	+26%	+73%	€240m of sales (Fenner AEP and LeHigh)

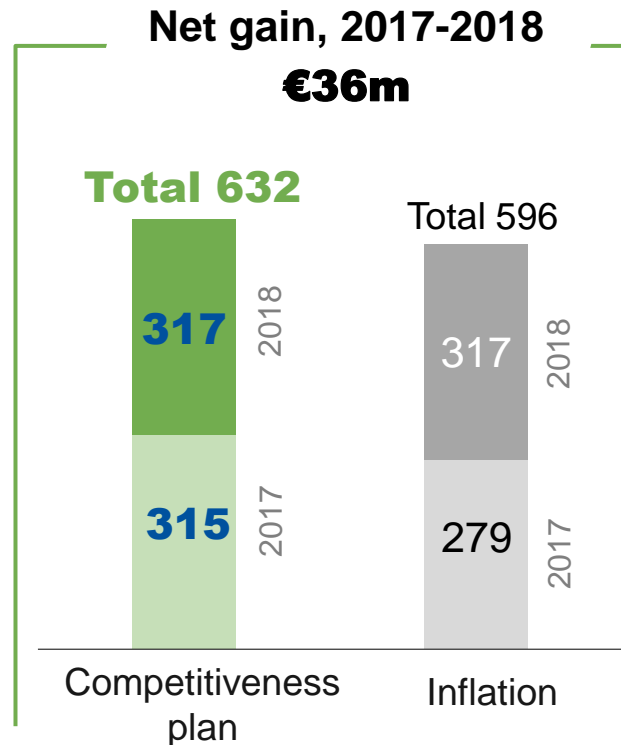
* at constant exchange rate



Competitiveness plan vs inflation 2017-2018 results



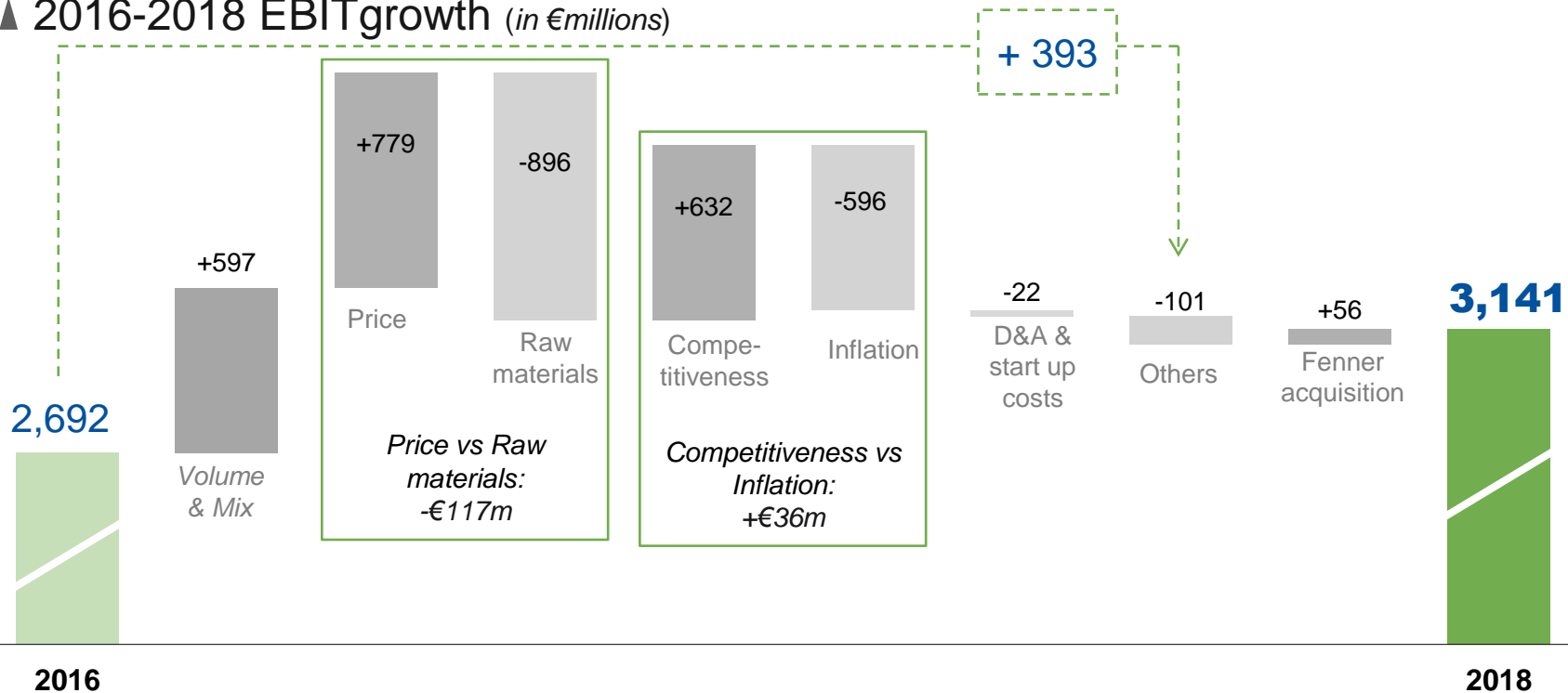
* before inflation and including avoided costs





2016-2018: +€200m/year organic EBIT growth

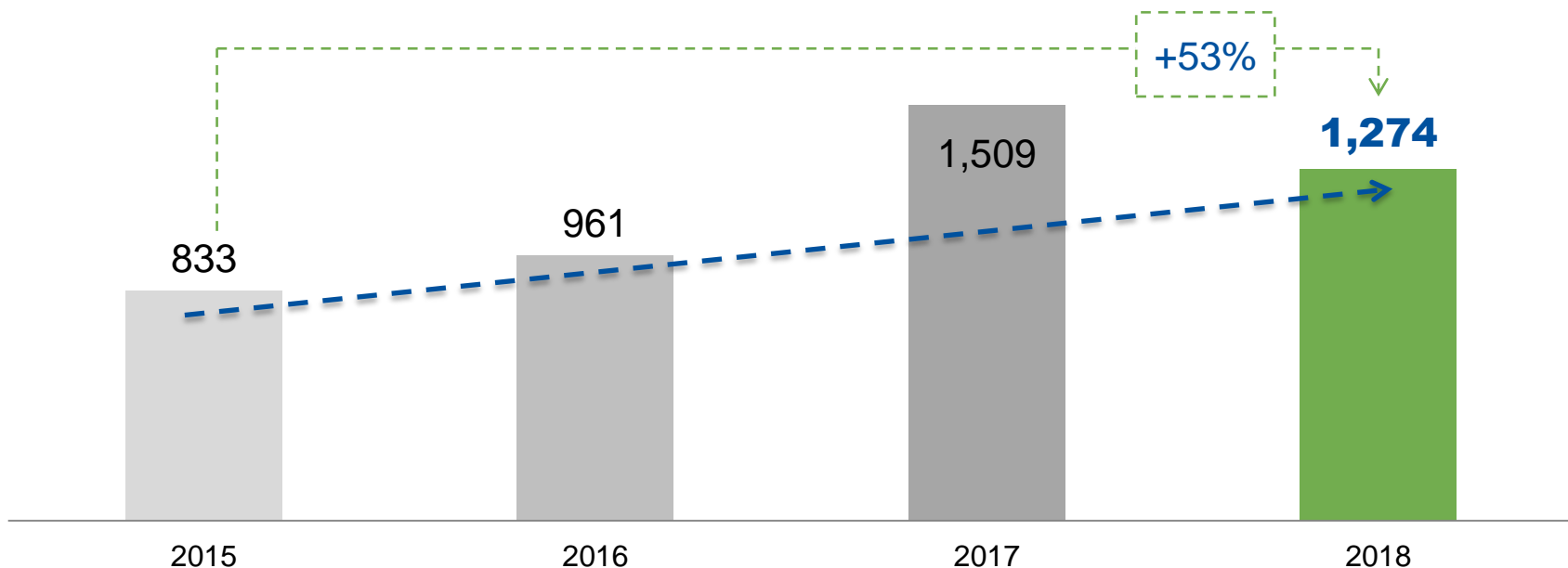
▲ 2016-2018 EBIT growth (in €millions)





Structural FCF: up €441m in 3 years including €258m exceptional pension contribution

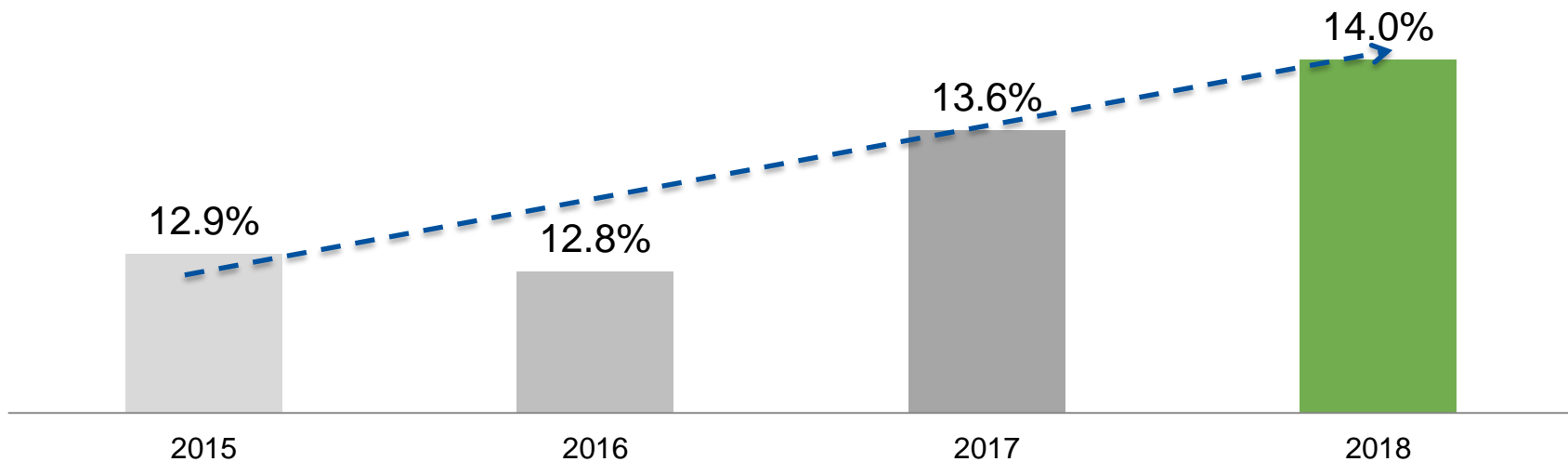
▲ Structurally growing FCF (in €millions)



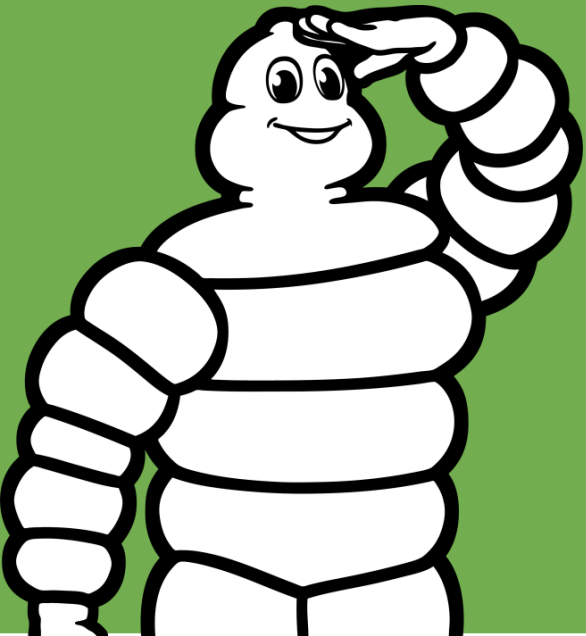


ROCE: reaching 14%

▲ ROCE after taxes



with 31% tax rate in 2015-2016; 28% in 2017 and 26% in 2018 and excluding Goodwill



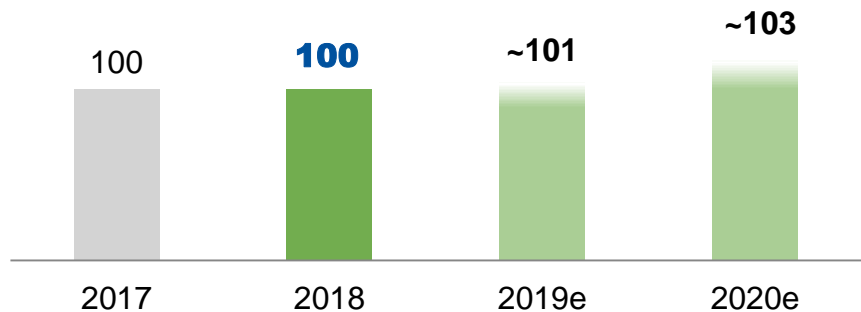
CONFIRMING 2020 AMBITIONS: WHAT IS TO BE ACHIEVED IN 2019-2020?



Passenger car tire market: capturing growth expectations



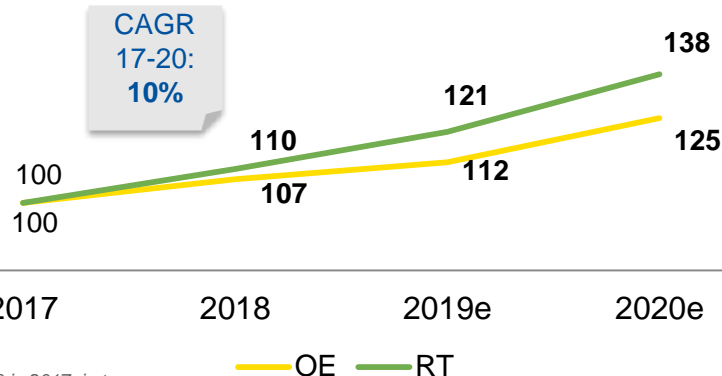
▲ PC worldwide tire market*



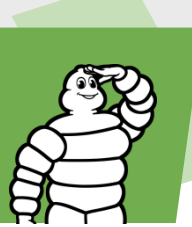
*base 100 in 2017, in tons



▲ PC worldwide ≥ 18' tire market*



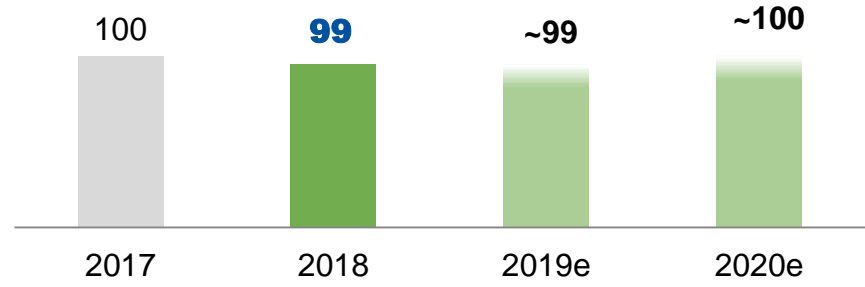
*base 100 in 2017, in tons



B2B tire market: capturing growth expectations



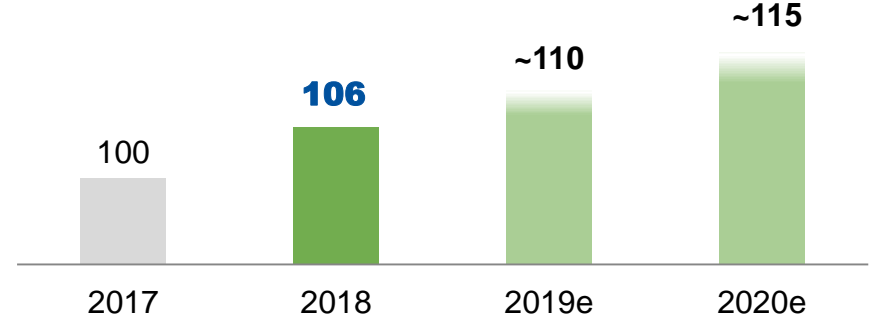
▲ Truck worldwide tire market*



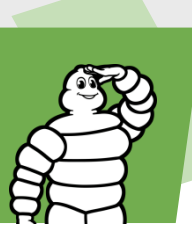
*base 100 in 2017, in tons



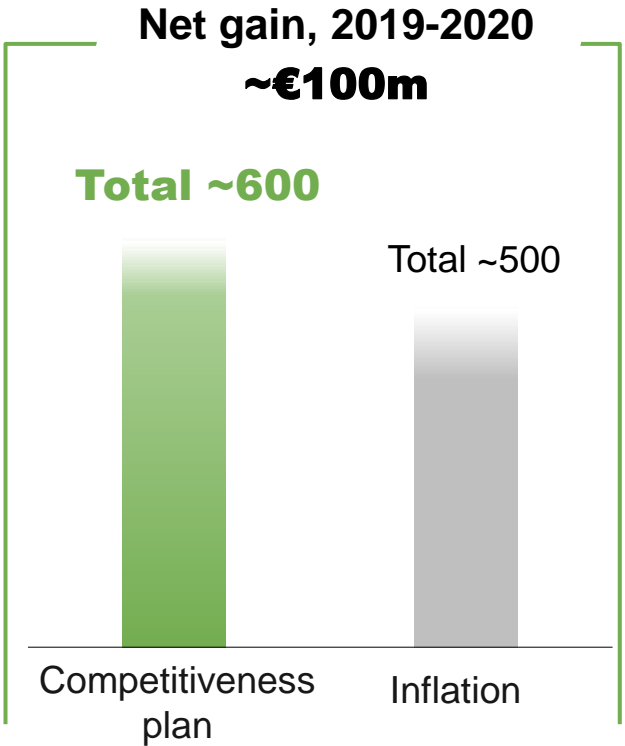
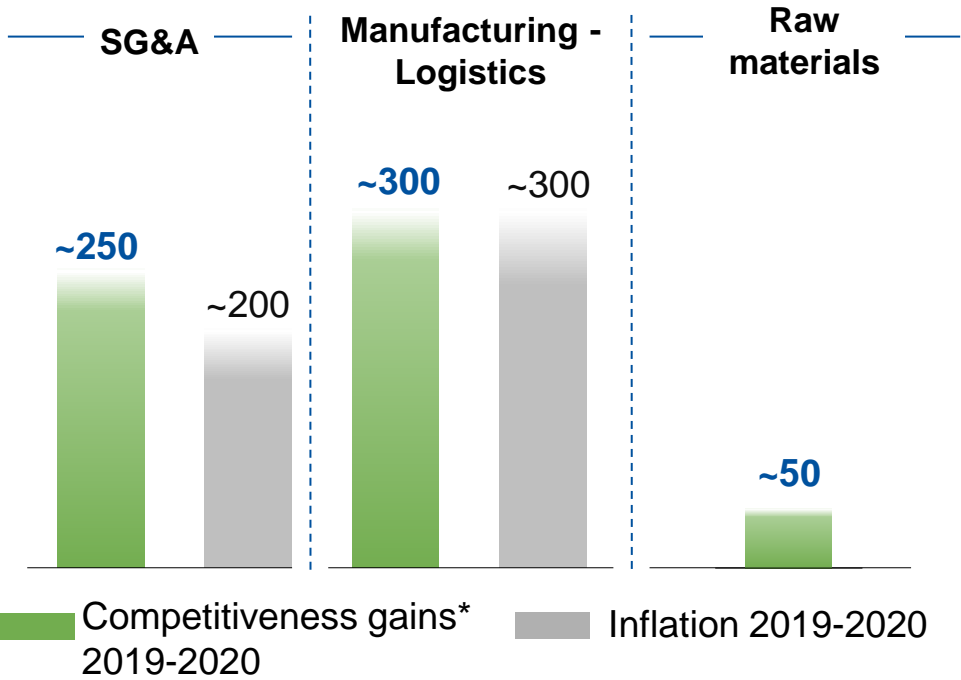
▲ Specialty worldwide tire market*



*base 100 in 2017, in tons



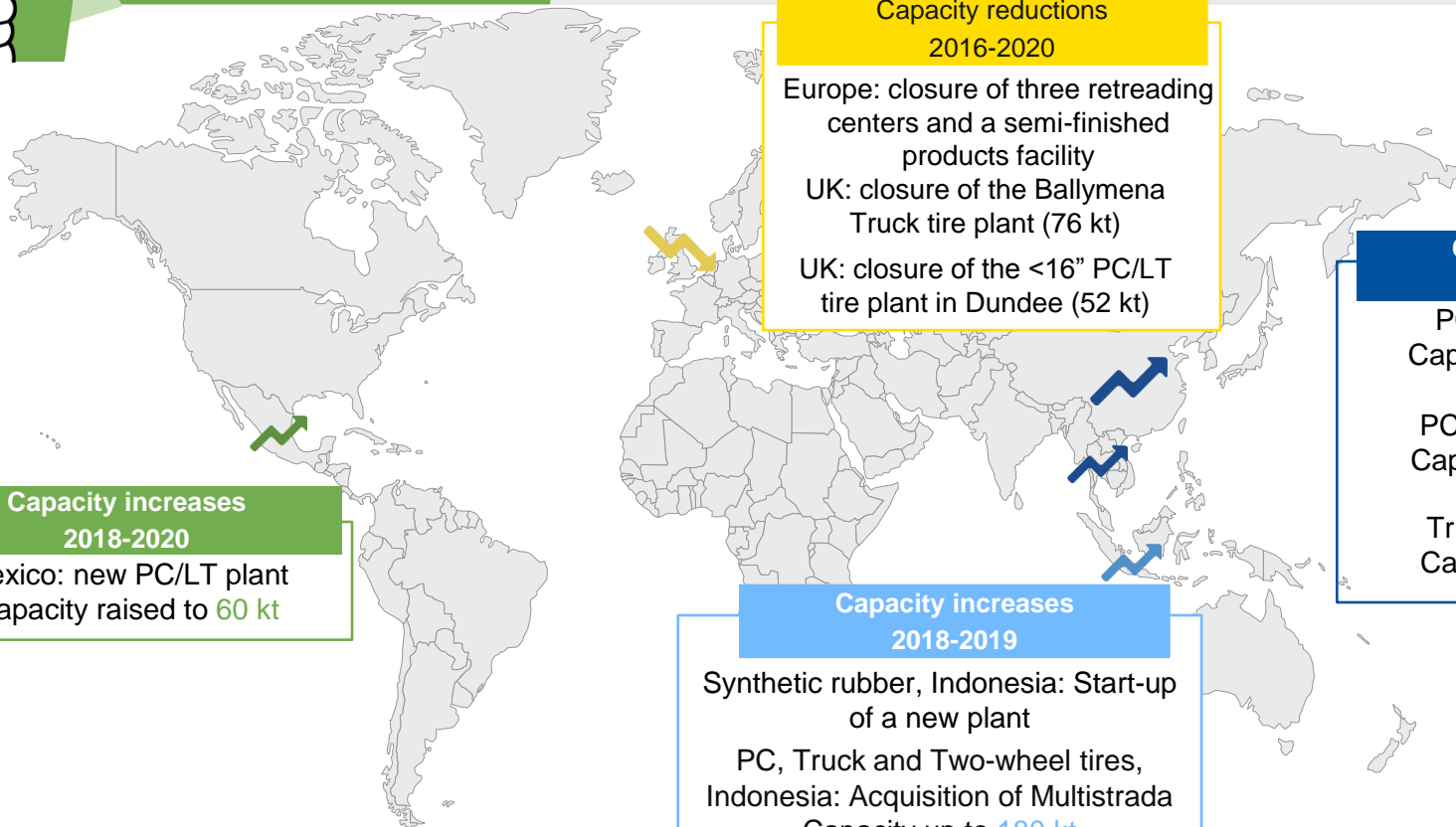
Competitiveness plan vs inflation 2019-2020 ambitions



* before inflation and including avoided costs



Optimizing footprint to catch growth opportunities



Capacity reductions 2016-2020

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)

Capacity increases 2016-2020

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

Capacity increases 2018-2020

Mexico: new PC/LT plant
Capacity raised to 60 kt

Capacity increases 2018-2019

Synthetic rubber, Indonesia: Start-up of a new plant
PC, Truck and Two-wheel tires, Indonesia: Acquisition of Multistrada
Capacity up to 180 kt






2018-2020: profitability levers to reach around €3.7bn EBIT in 2020 at constant forex

▲ 2018-2020 EBIT growth (in €millions)





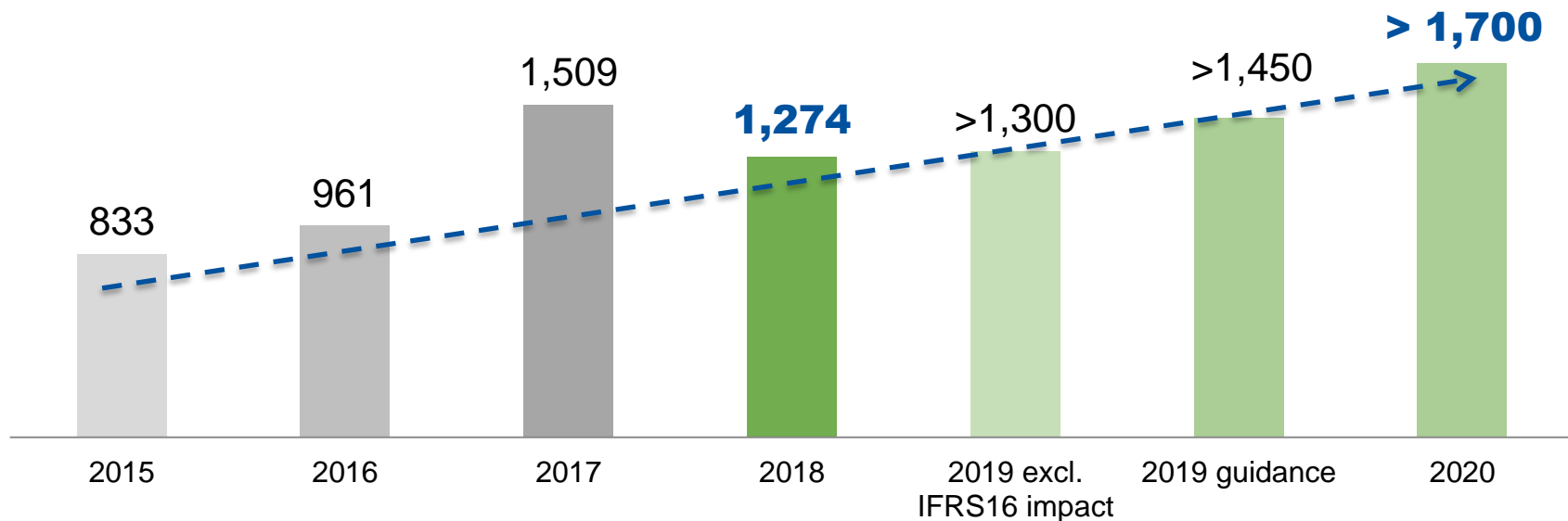
Confirming Segment Operating Income margins ranges beyond 2018

	 SR1	 SR2	 SR3
Target ranges confirmed	Between 11% and 15%	Between 9% and 13%	Between 17% and 24%



Structural FCF: confirming at least €1.7bn in 2020

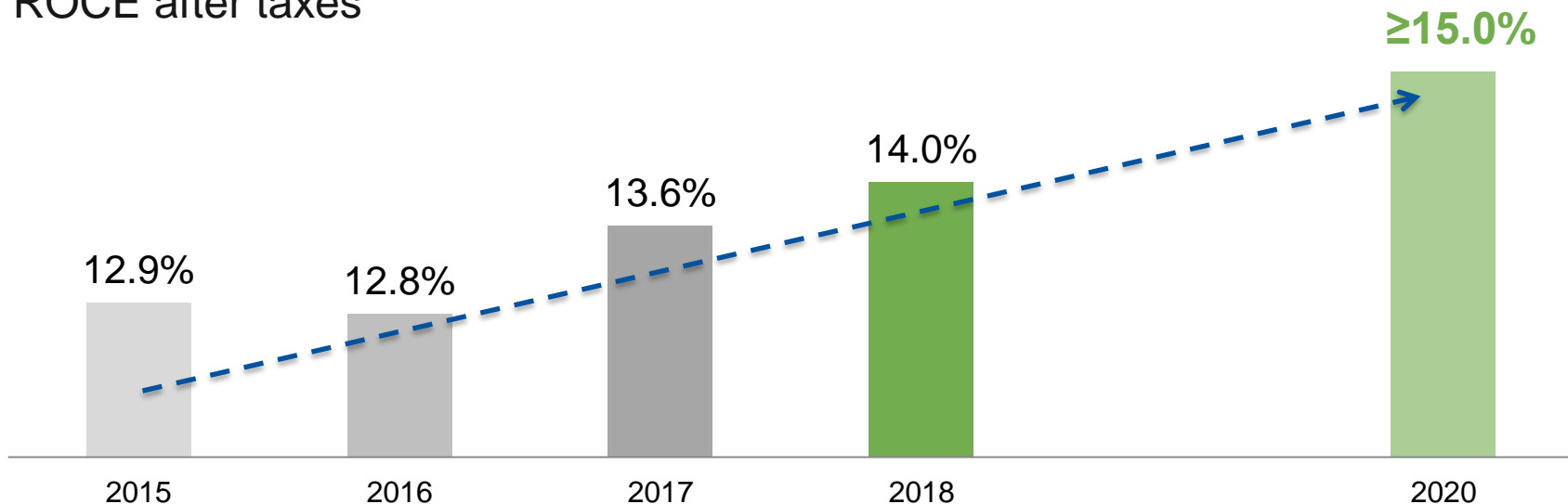
▲ Structurally growing FCF (in €millions)



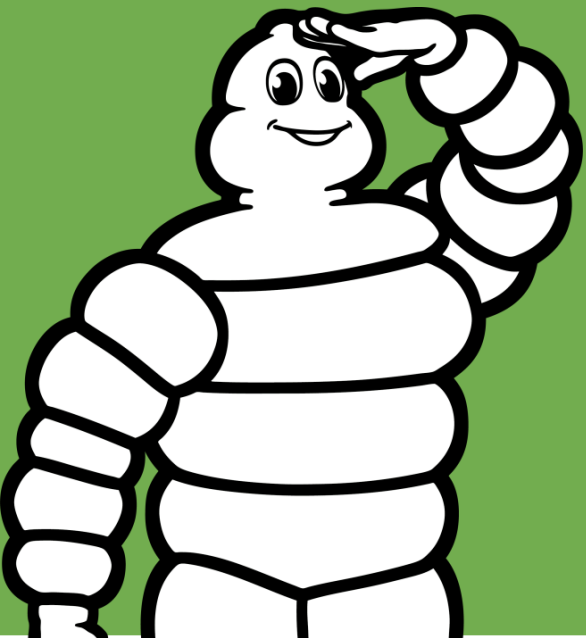


ROCE: confirming $\geq 15\%$ in 2020

▲ ROCE after taxes



with 31% tax rate in 2015-2016; 28% in 2017 and 26% in 2018 and excluding Goodwill

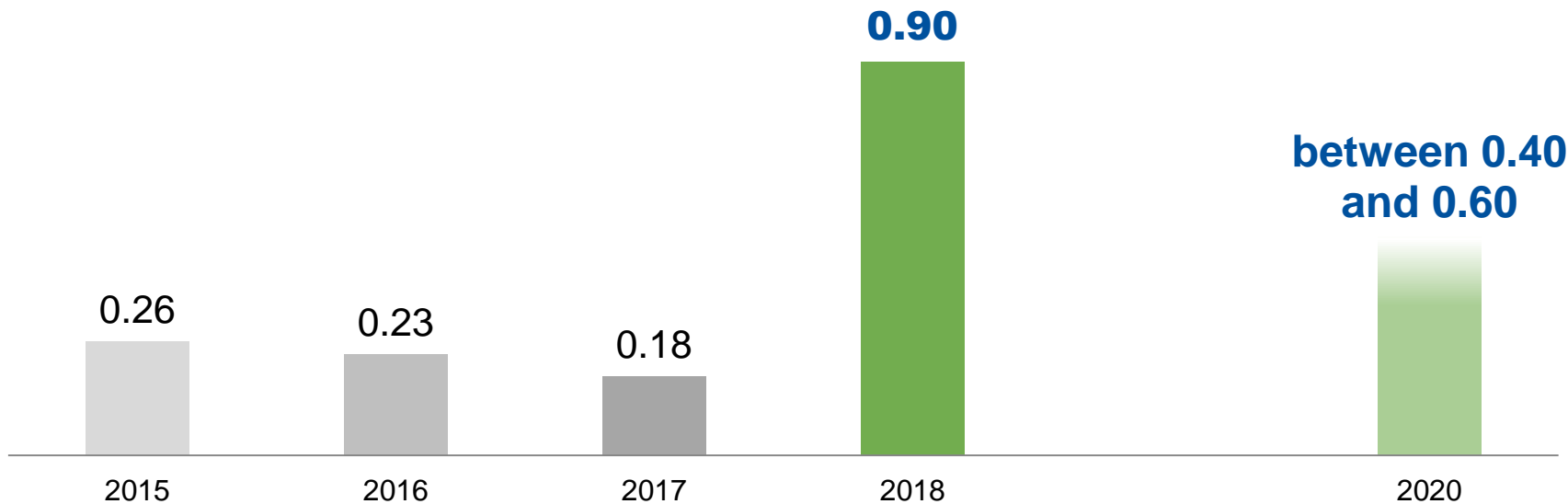


APPENDICES



Michelin 2020 Net debt/EBITDA ratio

▲ Net debt/EBITDA ratio





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 <http://www.michelin.com/en/> 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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