

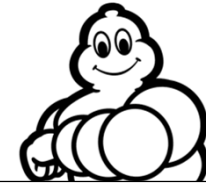


NET SALES AT MARCH 31, 2014

—
April 23, 2014



Volumes up 3.4%



- ▶ **Markets** on the rise except in Eastern Europe
 - Demand was up in both the Passenger and Light truck and Truck segments, in particular in the mature regions off of favorable prior-year comparatives
 - Mining tire customers are drawing down inventory, as expected
- ▶ **Volumes** up 3.4%, reflecting:
 - The performance of the MICHELIN brand
 - The fast momentum in original equipment sales
 - The 8% increase in global truck tire sales
 - The growth in the AG, 2W and AV segments, which offset weak mining tire sales
- ▶ **Price-Mix** down 1%, reflecting:
 - The impact of indexation clauses and managed price repositioning, in a still favorable raw materials cost environment
 - Price increases that attenuated the unfavorable currency effect
 - A favorable mix effect, with the sustained deployment of the premium strategy
- ▶ A negative 4.6% **currency effect**, as expected due to the strong euro



April 23, 2014



NET SALES AT MARCH 31, 2014

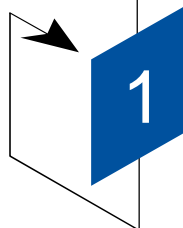
- 1 IMPROVING MARKETS
- 2 NET SALES IN LINE WITH ANNUAL GROWTH TARGET
- 3 REPORTING SEGMENTS
- 4 INNOVATION, GROWTH AND COMPETITIVENESS
- 5 2014 GUIDANCE CONFIRMED



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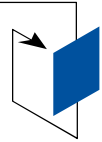
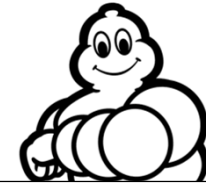
NET SALES AT MARCH 31, 2014



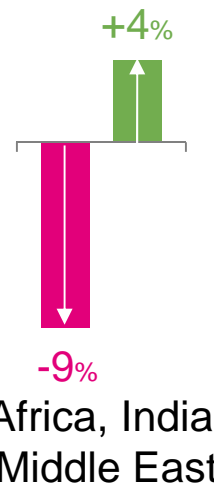
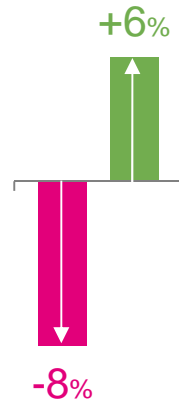
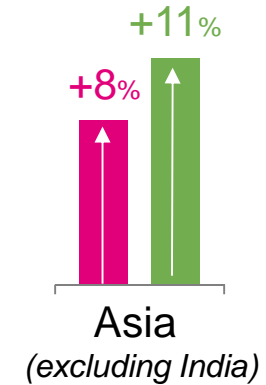
IMPROVING MARKETS



Car and Light truck: Markets up except in Eastern Europe,



Markets at March 31, 2014 (% change YoY, in number of tires)



GLOBAL MARKET

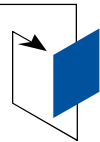


■ Original equipment
■ Replacement

Source: Michelin

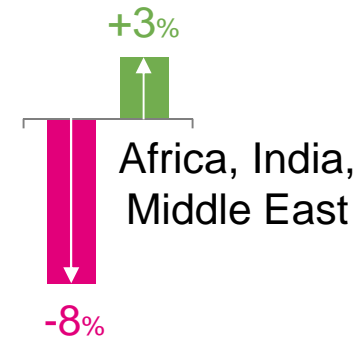
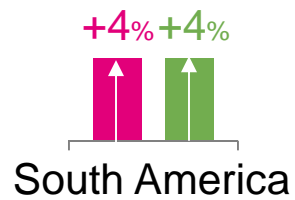
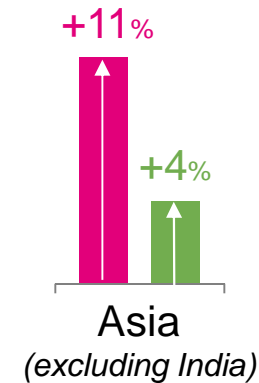
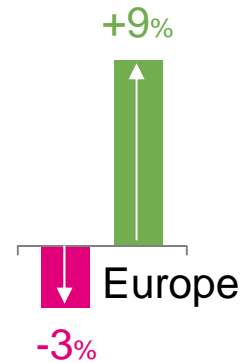
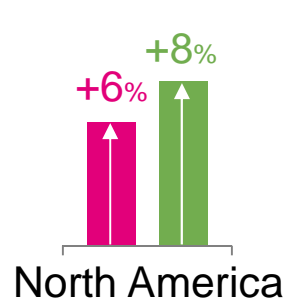


Truck: Technical rebound in bias-ply and radial tire markets, except in Eastern Europe, Southeast Asia and India

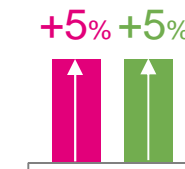


Markets at March 31, 2014

(% change YoY, in number of bias and radial new tires)



GLOBAL MARKET

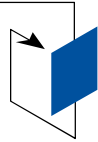


■ Original equipment
■ Replacement

Source: Michelin

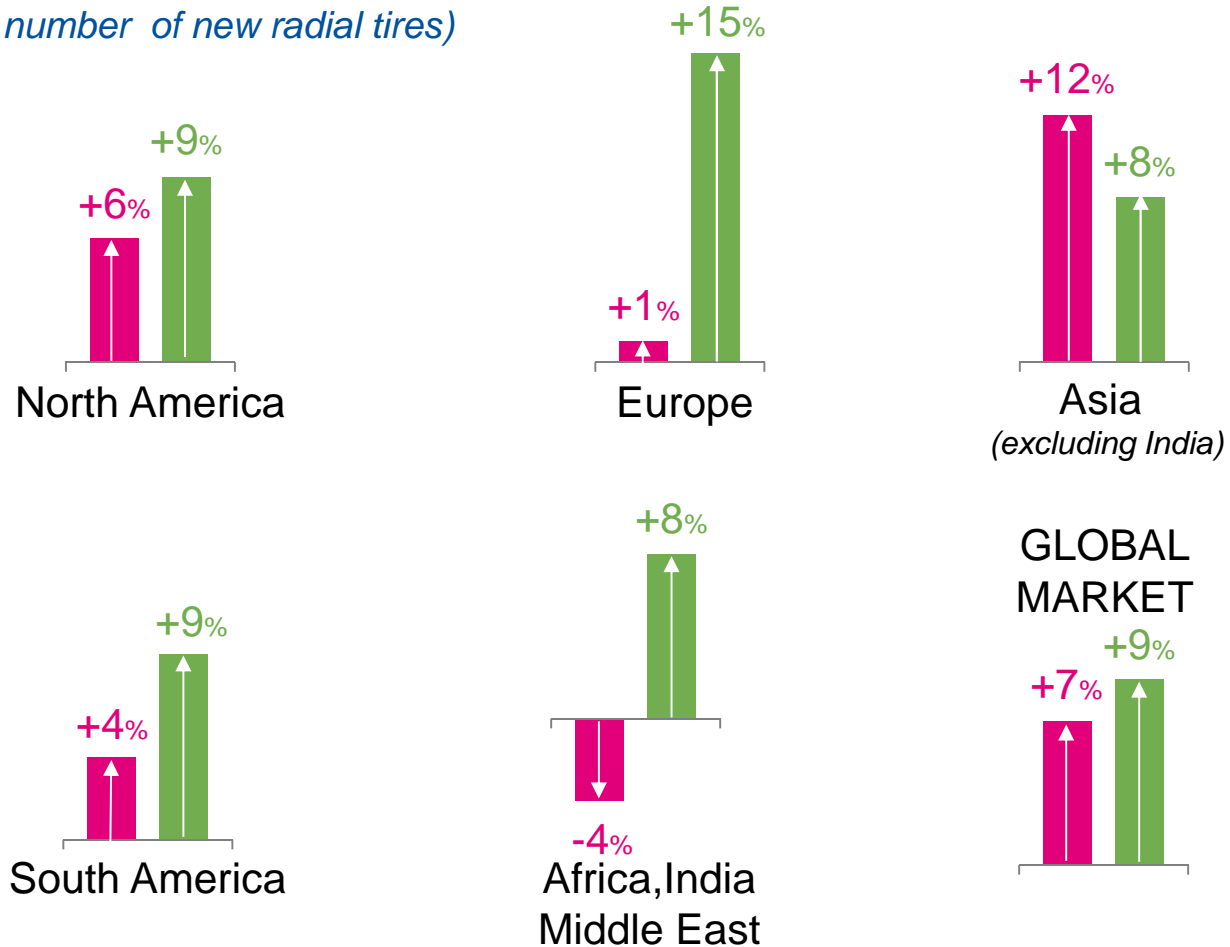


Truck radial: an upturn in demand, especially in North America, lifted by favorable prior-year comparatives



Markets at March 31, 2014

(% change YoY, in number of new radial tires)

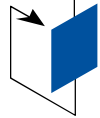
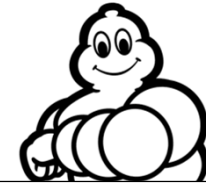


■ Original equipment
■ Replacement

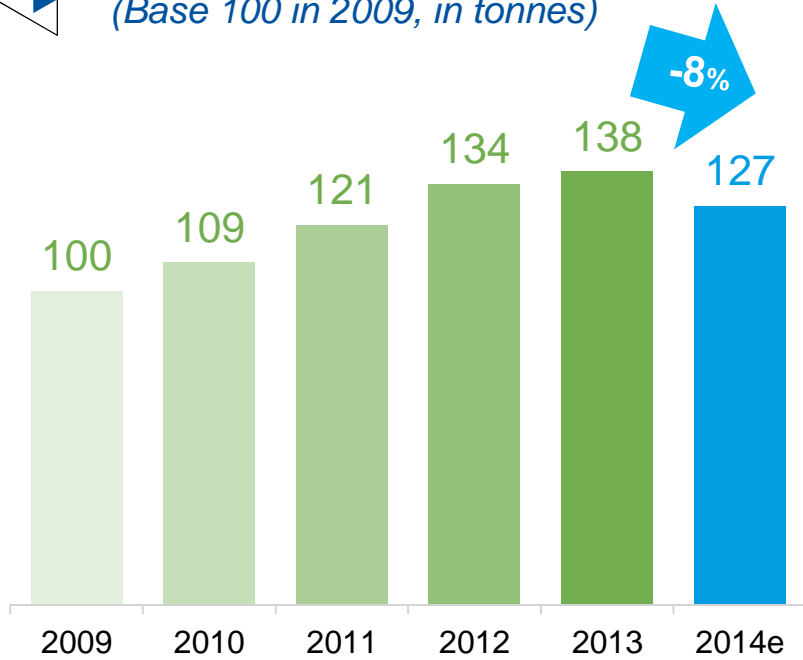
Source: Michelin



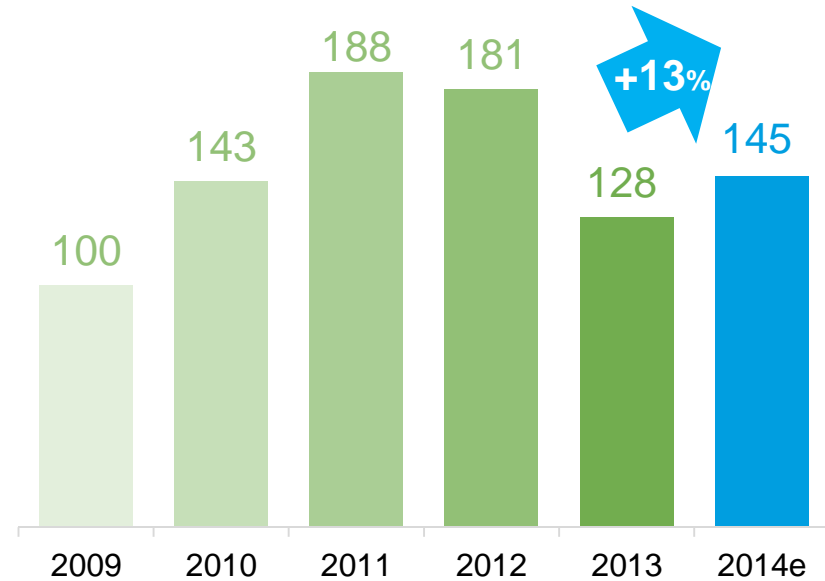
Uneven Earthmover markets



Earthmover markets
(Base 100 in 2009, in tonnes)



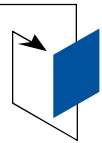
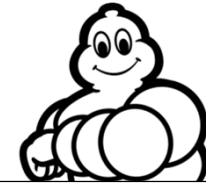
Mining



Infrastructure and original equipment
(Europe and North America)

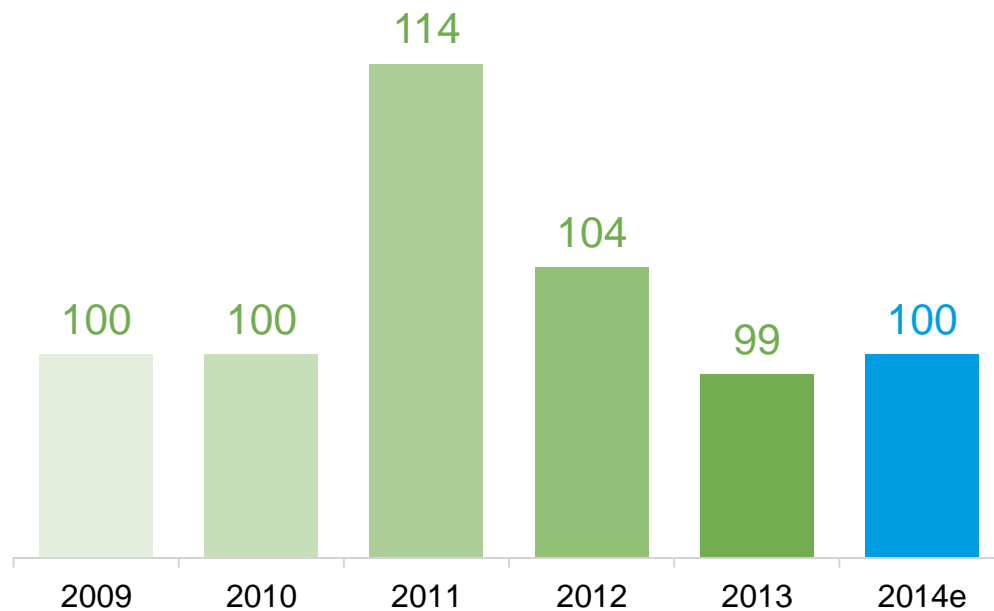


Agricultural: stable overall but robust demand for technical tires



Agricultural tire markets - Europe and North America

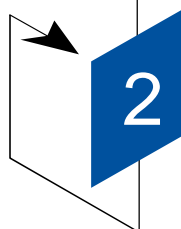
(in number of tires, base 100 in 2009)





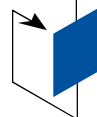
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NET SALES AT MARCH 31, 2014

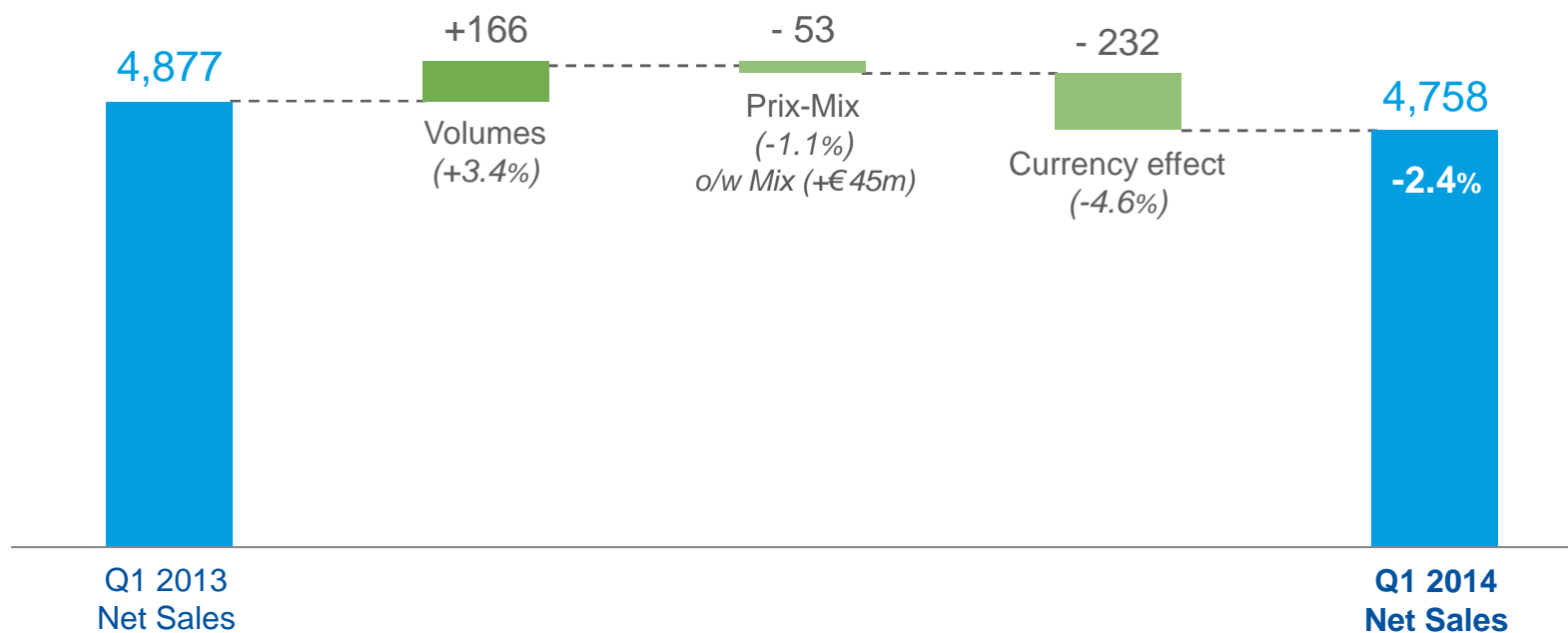


**NET SALES IN LINE WITH ANNUAL
GROWTH TARGET**

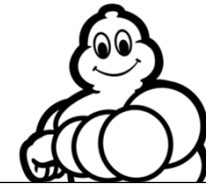
Net sales up 2.5% at constant scope of consolidation and exchange rates



YoY change
(In € millions)

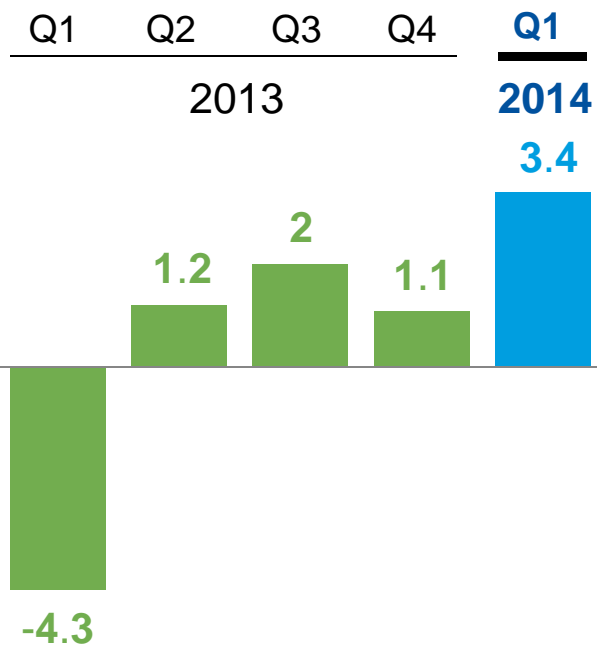


Higher volumes and carefully managed pricing policy

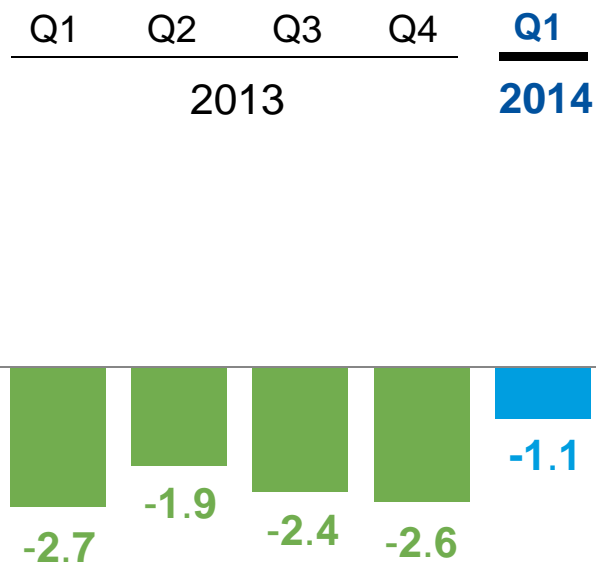


YoY change
(in %)

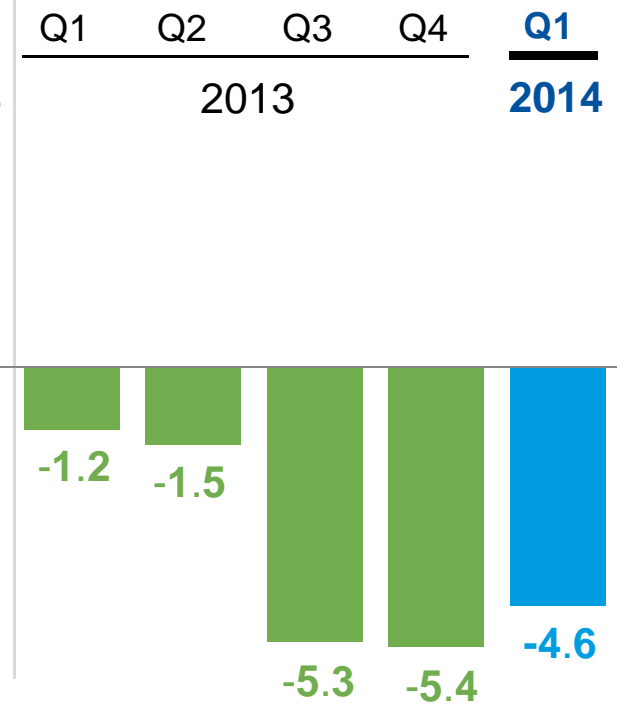
► Volumes



► Price-Mix



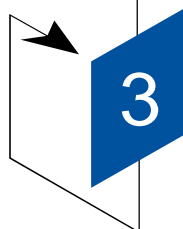
► Currency effect





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NET SALES AT MARCH 31, 2014



REPORTING SEGMENTS

Car and Light truck tires and related distribution: Growth driven by the premium strategy and the MICHELIN brand



Car and Light truck tires (In € millions)



	Q1 2014	Q1 2013	% change
Net sales	2,520	2,582	-2.4%
<i>Volume growth</i>	<i>+2%</i>		

► Unfavorable **currency effect** (-4%)

► Volumes

- Growth in MICHELIN brand tonnages, in line with the market
- BFGoodrich and Kleber brand tonnages down due to the competitive pricing environment

► Price-Mix

- Application of raw materials indexation clauses in OE and selected repositionings in mature RT markets
- Price increases to partly offset the currency effect (Brazil, Argentina, Russia, Japan among others)
- Sustained improvement in the ≥ 17' mix



Truck tires and related distribution: firm momentum in the first quarter



Truck tires (in € millions)



	Q1 2014	Q1 2013	% change
Net sales	1,462	1,477	-1.0%
<i>Volume growth</i>	+8%		

- ▶ Unfavorable **currency effect** (-6%)
- ▶ **Volumes**
 - Growth effectively captured in upwardly trending markets
 - More pronounced growth in OE markets
- ▶ **Price-Mix**
 - Application of raw materials clauses
 - Price increase to partly offset the currency effect
 - Mix effect dampened by the faster growth in OE sales

Specialty businesses: volumes virtually unchanged, as expected



Specialty business (in € millions)



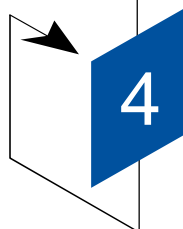
	Q1 2014	Q1 2013	% change
Net sales <i>Volume growth</i>	775 +1%	818	-5.2%

- ▶ Unfavorable **currency effect** (-5%)
- ▶ **Growth** in every segment except mining
 - Mining volumes stable QoQ, reflecting the net impact of ongoing inventory drawdowns by mining customers, as expected, and sustained mining operations
 - Strong growth in Agricultural, 2-Wheel, Aircraft tire volumes
- ▶ **Price:** Application of raw materials clauses



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NET SALES AT MARCH 31, 2014

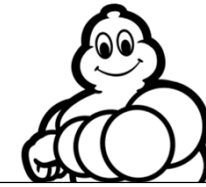


INNOVATION, GROWTH, COMPETITIVENESS

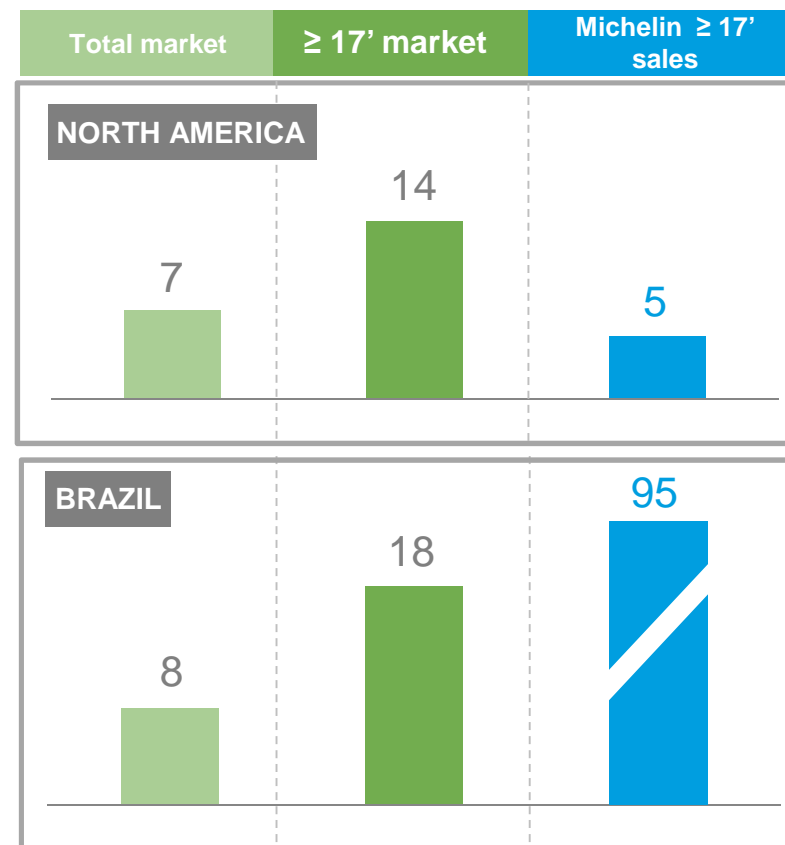
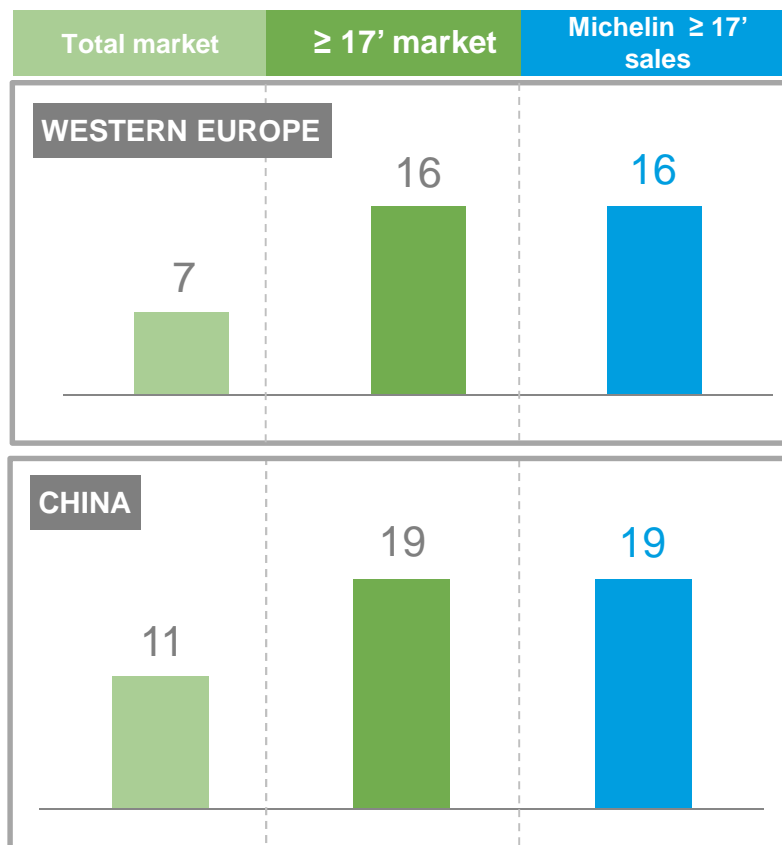
Examples of MICHELIN branded product launches: X-Coach in China and Alpin 5 in Passenger car



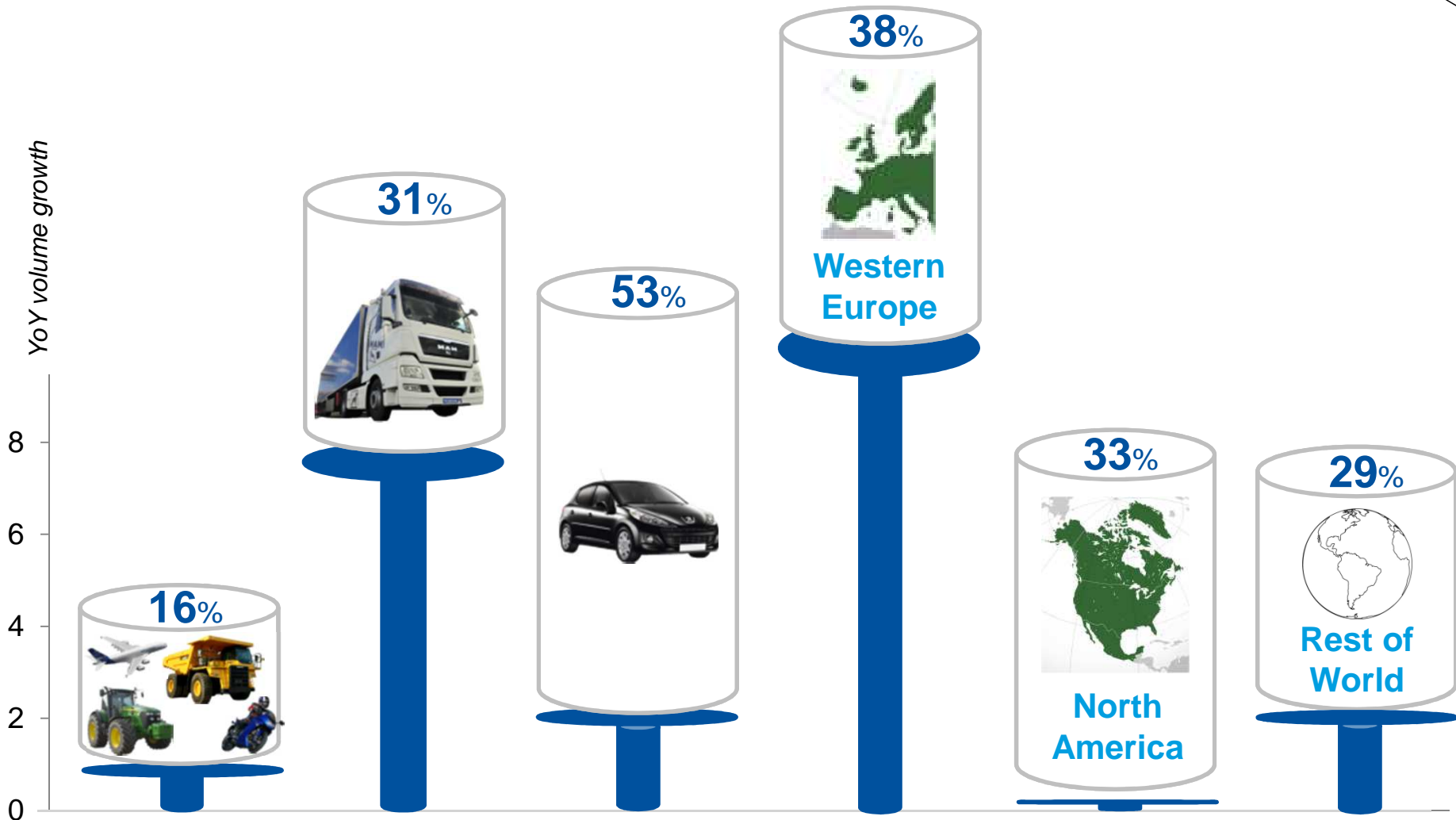
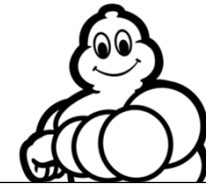
Premium Car and Light truck: technological leadership and the MICHELIN brand



Replacement Car and Light truck markets (% YoY change in Q1 2014, in %)



Natural hedging through a balanced geographic and product mix



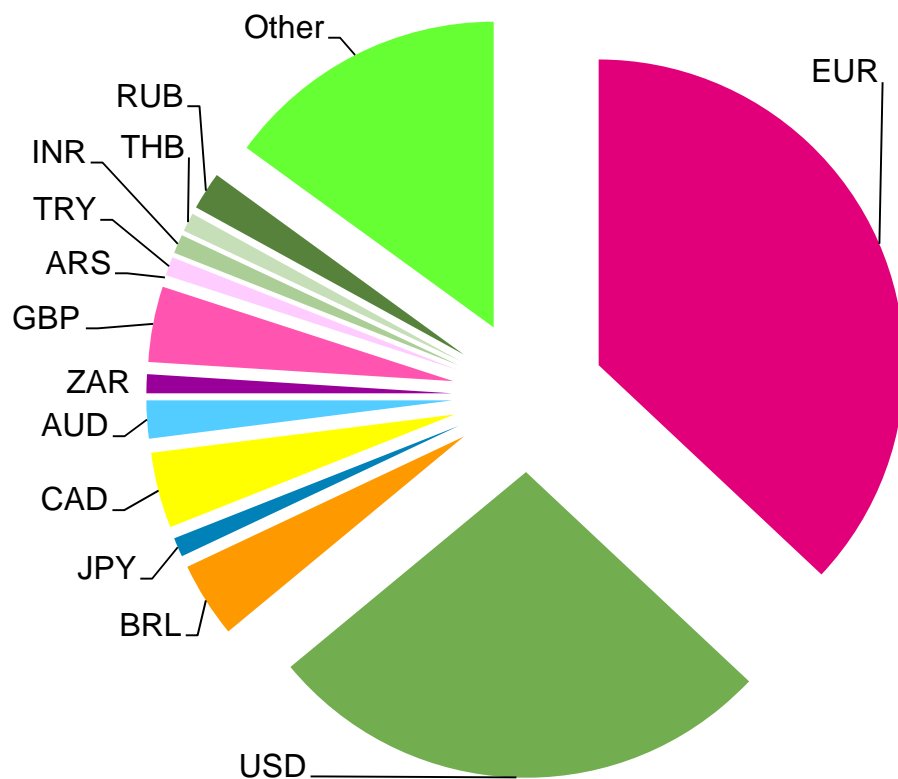
Percentage contribution of each segment/region to total Q1 2014 consolidated net sales



High exposure to currency rates due to the Group's broad global footprint



Q1 net sales by currency



% total net sales by currency		2014 currency assumptions
EUR	37%	
USD	27%	1.38
BRL	4%	3.23
JPY	1%	141.24
CAD	4%	1.53
AUD	2%	1.53
ZAR	1%	14.88
GBP	4%	0.83
ARS	0,5%	10.77
TRY	1%	3.06
INR	1%	84.45
THB	1%	44.78
RUB	2%	49.45
Other	15%	

Pictou (March 2014 announcement): the project will eventually deliver close to CAD 50 million annual gains

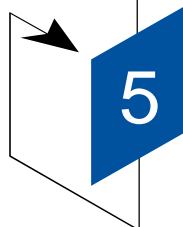


<i>In CAD million</i>	2014	2015	2016	2017	
					Total
Non-recurring expense	(87)	0	0	0	(87)
O/w restructuring cash out	(23)	(27)	(11)	0	(61)
					Annual gains after 2017
Productivity gains	+2	+8	+45	+46	+46



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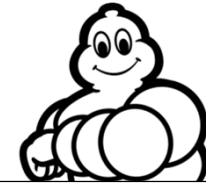
2014 GUIDANCE CONFIRMED

2014 GUIDANCE CONFIRMED



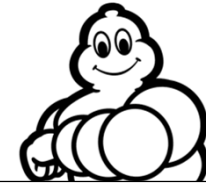
	2013	Guidance 2014	
Volumes	+ 0%	Increase in volumes of around 3%	confirmed
Impact of raw material price	+ €619m	Tailwind (due to the measurement of raw materials inventory at weighted average cost)	confirmed
Price / raw materials	+ €69m	Positive	confirmed
Competitiveness / production costs	+ €30m	Neutral	confirmed
Increase in SG&A expense	- €1m	Slightly higher	confirmed
Operating income before non-recurring items	€2,234m	Lifted by growth, excluding any currency effects	confirmed
Operating margin before non-recurring items – RS1	10.2%	Middle of the 10-12% range	confirmed
Operating margin before non-recurring items – RS2	7.8%	Top of the 7-9% range	confirmed
Operating margin before non-recurring items – RS3	20.6%	Bottom of the 20-24% range	confirmed
ROCE	11.9%	More than 11%	confirmed
CAPEX	€1,980m	Around €2,000m	confirmed
Structural free cash flow	€749m	More than €500m	confirmed

Next events



Once a month	Tire market trends
May 16, 2014	2014 general meeting of shareholders
May 19, 2014	Last day of trading cum-dividend
May 20, 2014	Ex-dividend date
May 22, 2014	Record date
May 23, 2014	Payment date
July 29, 2014	First Half 2014 Results
October 22, 2014	Net sales at September 30, 2014
November 10, 2014	Investor day in Shenyang (China)
February 10, 2015	2014 Results

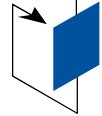
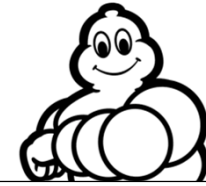
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