MICHELIN, A BETTER WAY FORWARD
AN EXTENSIVE BRAND PORTFOLIO
FOR ALL MARKET SEGMENTS

Michelin offers each customer the right performance at the right price to meet every need with:

- a global premium brand: **MICHELIN**.
- a primary brand dedicated to sports cars and SUVs: **BFGOODRICH**.
- strong regional brands: **UNIROYAL** in North America, **KLEBER** in Europe and **WARRIOR** in China.
- market-leading national brands: **KORMORAN**, **RIKEN**, **SIAMTYRE**, **TAURUS**, **TIGAR**...

**MICHELIN, A KEY MOBILITY ENABLER**

- **Passenger Car & Light Truck**
- **Truck**
- **Two-Wheel**
- **Earthmover**
- **Agricultural**
- **Aircraft**
- **Michelin Travel Partner**
- **Michelin Lifestyle**
HIGHLIGHTS OF THE MICHELIN GROUP

A WORLD MAJOR tire industry player:

13.7% market share

A SALES NETWORK covering:

170 countries

PRODUCTION SITES WITHIN THE MARKETS

68 plants

17 countries

184 million tires

16.5 million maps and guides

2015 production

HIGHLY-QUALIFIED STAFF

111,700 employees of all backgrounds and cultures.

6,000 persons in the global network of R&D sites.

KEY FIGURES

Net sales
In EUR million
21,199

Net income Group share
In EUR million
1,127 1,031 1,163

Operating income\(^{(1)}\)
In EUR million
2013 2014 2015
2,234 2,170 2,577

Operating margin\(^{(1)}\)
As a % of net sales
2013 2014 2015
11.0% 11.1% 12.2%

Cash flow from operating activities
In EUR million
2013 2014 2015
3,089 2,522 2,695

\(^{(1)}\) Before non-recurring items
WORLD MARKET BY MANUFACTURER

- Bridgestone (35.1%)
- Michelin (14.5%)
- Goodyear (13.7%)
- Mid-sized tiremakers* (9.1%)
- Other tiremakers** (27.6%)

* Tiremakers with a 2-6% market share
** Tiremakers with a less than 2% market share


2015 net sales by business
As a % of total in the chart,
In EUR million and % 2015/2014 change below the chart
- 12,028 / +14.6%
  Passenger Car and Light Truck & Related Distribution
- 6,229 / +2.4%
  Truck & Related Distribution
- 2,949 / -1.0%
  Specialty Businesses

2015 operating income(1) by business
As a % of net sales and 2015/2014 change in points below the chart
- 548
  Passenger Car and Light Truck & Related Distribution
- 645
  Truck & Related Distribution
- 1,384
  Specialty Businesses

(1) Before non-recurring items
MICHELIN, ESTABLISHED CLOSE TO ITS CUSTOMERS

68 PLANTS IN 17 COUNTRIES
- Brazil
- Canada
- China
- France
- Germany
- Hungary
- India
- Italy
- Mexico
- Poland
- Romania
- Russia
- Serbia
- Spain
- Thailand
- United Kingdom
- United States

A GLOBAL NETWORK OF R&D SITES
- Brazil
- China
- France
- India
- Japan
- Spain
- Switzerland
- Thailand
- United States

RUBBER TREE FARMING
- Brazil
OUR MISSION

TO MAKE A SUSTAINABLE CONTRIBUTION TO PROGRESS IN THE MOBILITY OF GOODS AND PEOPLE BY CONSTANTLY ENHANCING FREEDOM OF MOVEMENT, SAFETY, EFFICIENCY AND PLEASURE WHEN ON THE MOVE.
THE MICHELIN TIRE
A HIGHLY FUNCTIONAL STRUCTURE

1 Tread
A thick layer of rubber provides contact with the ground. It has to channel water away and last as long as possible.

2 Crown plies
This double or triple reinforced belt has both vertical flexibility and high lateral rigidity. It provides the steering capacity.

3 Sidewalls
These cover and protect the textile casing whose role is to attach the tire tread to the wheel rim.

4 Bead area for attachment to the rim
Its internal bead wire clamps the tire firmly against the wheel rim.

5 Inner liner
This makes the tire almost totally impermeable and maintains the correct inflation pressure.
Tires play several important roles. They carry the vehicle’s weight, transfer braking and driving torque to the road, and guide the vehicle. To fulfill these roles, Michelin systematically aims for the best results in every area of tire performance, including safety, longevity and fuel efficiency. That’s why MICHELIN Total Performance so effectively expresses this feature common to all MICHELIN tires, while also reflecting the success of the Group’s strategy and guiding its research and development. Above all, MICHELIN Total Performance represents a commitment to quality for customers.

Customer-focused innovation has long been a Michelin growth driver and a powerful vector of differentiation. As the inventor of such giant technological leaps as the radial tire and the energy-efficient tire, we are focusing on the technological leadership of our products and services to meet the real needs of our customers. With 6,000 people on the world, an annual R&D budget of more than €600 million and a portfolio of more than 2,000 patent families, Michelin’s capacity for innovation is unrivalled in the global tire industry.
Performance and responsibility are the twin expressions of Michelin’s sustainable development and social responsibility strategy. Impelled by its founders’ vision, Michelin is dedicated to improving mobility through innovation and the quality of its products and services. In fulfilling this mission, we intend to act responsibly with regard to customers, employees and shareholders by addressing the challenges of sustainable economic, environmental and social development. With the launch, in 2011, of the innovative “Moving Forward Together” program, Michelin bases its employee relations on mutual respect and offers every employee opportunities to foster his or her personal and professional growth over time.

Since 1998, the Michelin Challenge Bibendum has been dedicated to promoting and sharing current and emerging solutions that enhance mobility. As the only event that brings together vehicle manufacturers, OEMs, energy engineers, research scientists and government authorities, the Challenge acts as a truly global summit on sustainable mobility. It enables participants to compare the latest generation technologies and exchange views on the future of mobility, which will be widely available, clean, safe and connected.
A BETTER WAY FORWARD

MICHELIN WINNER
IN ALL CATEGORIES

AT THE END OF 2015

LE MANS 24-HOUR RACE
18 consecutive years of victories.

ENDURANCE
Michelin won the WEC championship for the fourth time since its creation four years ago, this time alongside Porsche.

RALLYE WRC
23rd Drivers’ title in the World Rally Championship and 25th Manufacturers’ title (with Volkswagen).

PARIS-DAKAR
Since the beginning of the event, the Michelin Group has equipped the winners in all the categories car, motorbike and truck.

SUPERMOTO
World champion (TM).

ENDURO
World Champion title in E2 and Junior categories.

TRIAL
9th World Champion Indoor and Outdoor consecutive titles.

FORMULA E
Michelin is the official tire supplier of the electric cars Championship.
Michelin Timeline:

- **1832**: Aristide Barbier and Edouard Daubrée open a factory in Clermont-Ferrand for farming equipment and rubber items.
- **1858**: Michel Rollier becomes a joint Managing Partner.
- **1891**: François Michelin becomes a Managing Partner in the Company.
- **1895**: Michelin invents the "Micheline" and the train tire. First release of the tourist Guide.
- **1900**: The first Michelin Guide is published.
- **1914**: Michelin takes part in the war effort by building 2,500 Breguet aircraft.
- **1929**: Michelin fits the first automobile with pneumatic tires: the Eclair.
- **1935**: Michelin acquires a majority stake in Citroën, and retains it until 1975.
- **1938**: Birth of Bibendum, the Michelin Man.
- **1946**: Michelin files a revolutionary patent for radial tires.
- **1952**: Michelin adapts radial technology to truck tires.
- **1955**: Michelin launches the first radial tire for earthmover equipment.
- **1959**: François Michelin becomes a Managing Partner in the Company.
- **1965**: Inauguration of the Ladoux research and testing Center in Clermont-Ferrand (France). Testing Centers in Laurens, South Carolina (USA) and Almeria (Spain) will follow in 1977.
- **1979**: Michelin launches the first radial tire for earthmover equipment.
- **1981**: The first radial tire for aircraft, Michelin Air X, is developed.
- **1984**: Launch of the first Michelin Guide.
- **1991**: François Michelin appoints his son Edouard Michelin as joint Managing Partner.
- **1992**: The marketing of the first low rolling resistance tire will lead to the development of the Michelin Energy™ tire line in 1994.
- **2001**: ViaMichelin launched.
- **2003**: Michel XeoBib, the first agricultural tire to run at a constant low pressure.
- **2005**: Michel Rollier becomes a joint Managing Partner.
- **2012**: Jean-Dominique Senard becomes Managing Partner of the Michelin Group.
- **2014**: Launch of Michelin Premier® A/S in the US.
- **2015**: Launch of Michelin Crossclimate tire.