

2015



**MICHELIN,
A BETTER WAY
FORWARD**



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

BFGoodrich

Kleber

回力 子午線輪胎
WARRIOR

kormoran

RIKEN

SIAMTYRE

TAURUS

TIGAR

UNIROYAL

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

Tire Business September 2014. Data 2013

A SALES NETWORK
covering:

170
countries

PRODUCTION SITES WITHIN THE MARKETS

68
plants

17
countries



2014 production

HIGHLY-QUALIFIED STAFF

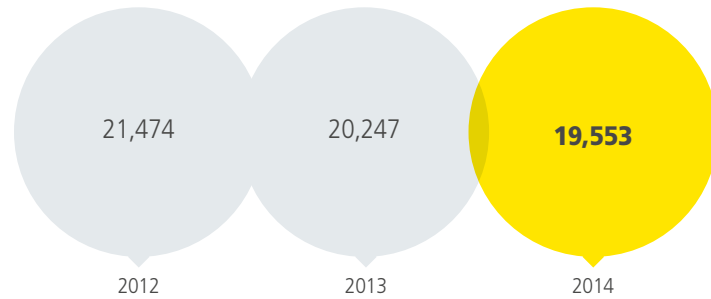
112,300
employees of all backgrounds
and cultures.

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

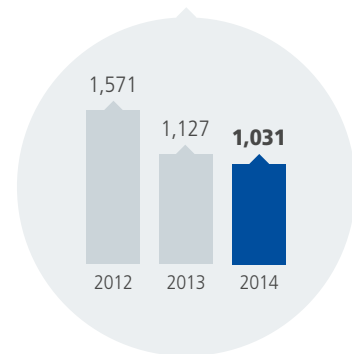
KEY FIGURES

Net sales In EUR million

19,553

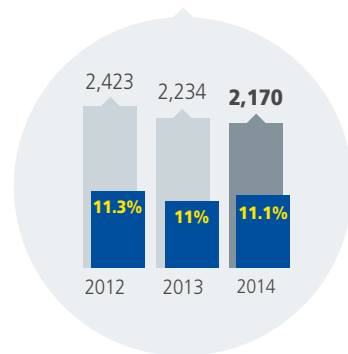


Net income Group share In EUR million

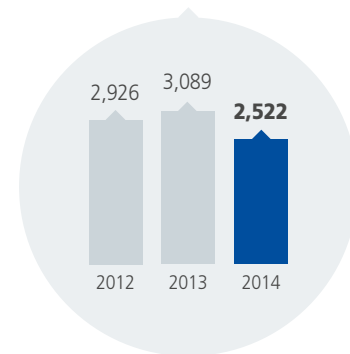


Operating income⁽¹⁾ In EUR million

Operating margin⁽¹⁾
As a % of net sales



Cash flow from operating activities In EUR million

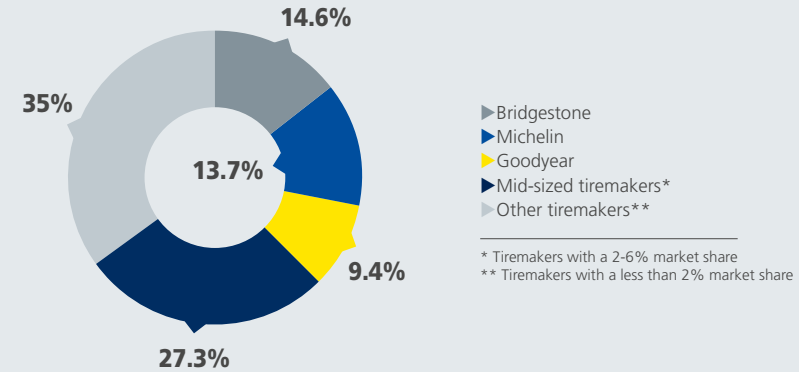


€1,031^{MN} €2,170^{MN} €2,522^{MN}

(1) Before non-recurring items

WORLD MARKET BY MANUFACTURER

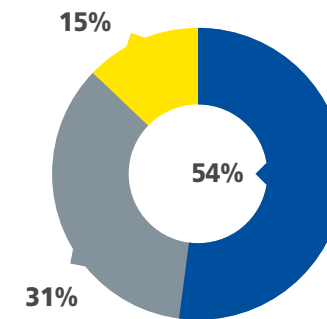
In value (US dollars)



Source : Tire Business, septembre 2014. Ventes 2013.

2014 net sales by business

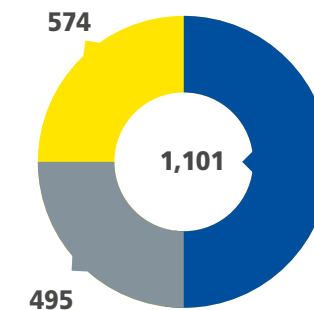
As a % of total in the chart,
In EUR million and % 2014/2013 change below the chart



▶ **10,498 / -1.8%**
Passenger Car and Light Truck & Related Distribution
▶ **6,082 / -5.3%**
Truck & Related Distribution
▶ **2,973 / -5.0%**
Specialty Businesses

2014 operating income⁽¹⁾ by business

In EUR million in the chart,
As a % of net sales and 2014/2013 change in points below the chart



▶ **10.5% / +0.3 pt**
Passenger Car and Light Truck & Related Distribution
▶ **8.1% / +0.3 pt**
Truck & Related Distribution
▶ **19.3% / -1.3 pt**
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

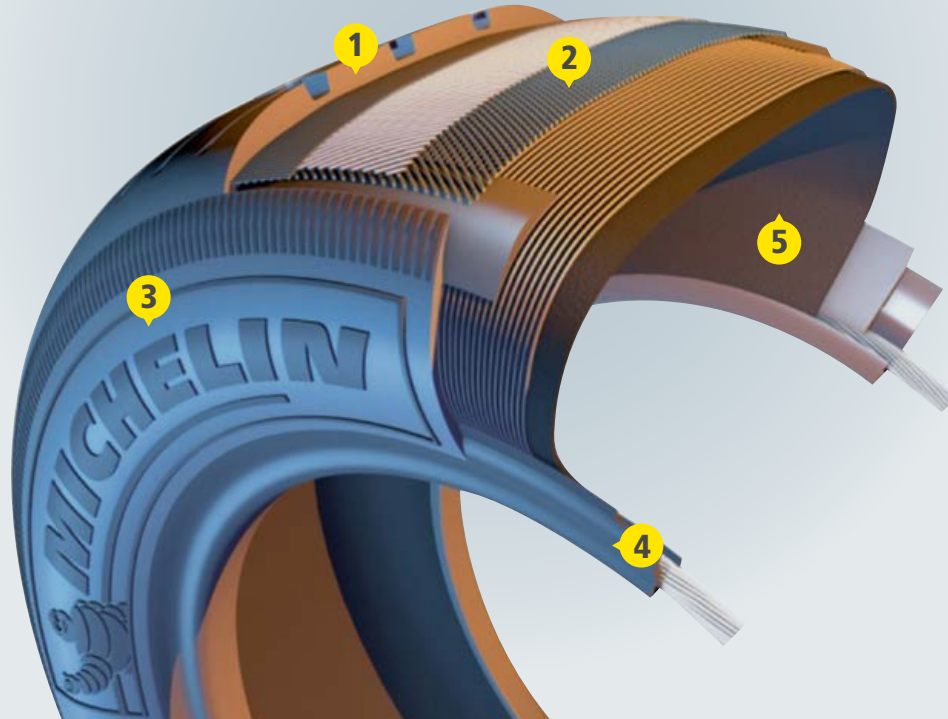
These cover and protect the textile casing whose role is to attach the tire tread to the wheel rim.

4 Bead area for attachment to the rim

Its internal bead wire clamps the tire firmly against the wheel rim.

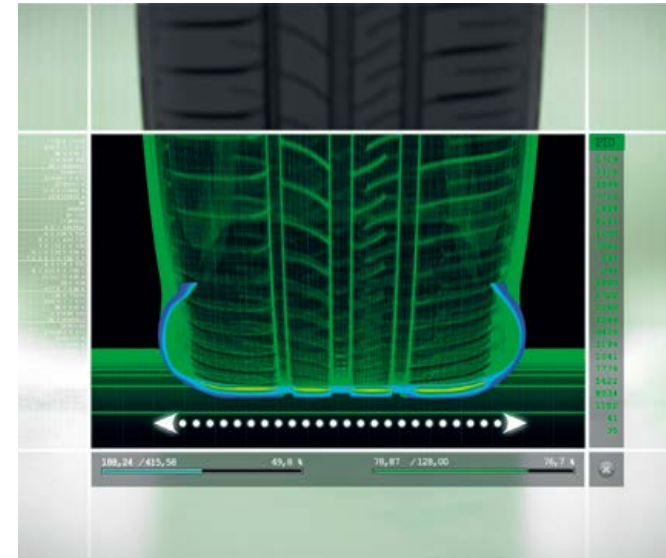
5 Inner liner

This makes the tire almost totally impermeable and maintains the correct inflation pressure.



INNOVATION THE HEART OF WHAT MAKES MICHELIN DIFFERENT

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.



MICHELIN TOTAL PERFORMANCE ENHANCED PERFORMANCE ACROSS THE BOARD

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.





GETTING EVERYONE INVOLVED WITH THE MICHELIN PERFORMANCE AND RESPONSIBILITY PROCESS

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.



MICHELIN CHALLENGE BIBENDUM

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.



Fostering a better life
through sustainable mobility



MICHELIN WINNER IN ALL CATEGORIES



AT THE END OF 2014

LE MANS 24-HOUR RACE

17 consecutive years of victories.

ENDURANCE

Michelin and Toyota won the 3rd straight FIA World Endurance Championship title.

RALLYE WRC

22nd Drivers' title in the World Rally Championship and 24th 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.

MOTO ENDURANCE

15th world title (with Yamaha Racing GMT 94).

ENDURO

World Champion title in E2 categorie.

TRIAL

8th World Champion Indoor and Outdoor consecutive titles.



FORMULA E

Michelin is the official tire supplier of the electric cars Championship.

2014 LAUNCH OF MICHELIN PREMIER® A/S IN THE US. ▶



THREE NEW MAJOR PLANTS OPEN IN BRASIL, CHINA AND INDIA. **2013**

2012 JEAN-DOMINIQUE SENARD BECOMES MANAGING PARTNER OF THE MICHELIN GROUP. ▶



◀ FOR THE FIRST TIME IN ITS HISTORY, MICHELIN LAUNCHED A GLOBAL ADVERTISING CAMPAIGN. **2009**



MICHEL ROLLIER BECOMES A JOINT MANAGING PARTNER. **2005**

2003 MICHELIN XEOBIB, THE FIRST AGRICULTURAL TIRE TO RUN AT A CONSTANT LOW PRESSURE.

◀ MICHELIN DEVELOPS THE WORLD'S LARGEST EARTHMOVER TIRE. VIAMICHELIN LAUNCHED. **2001**



1992 THE MARKETING OF THE FIRST LOW ROLLING RESISTANCE TIRE WILL LEAD TO THE DEVELOPMENT OF THE MICHELIN ENERGY™ TIRE LINE IN 1994.

◀ FRANÇOIS MICHELIN APPOINTS HIS SON EDOUARD MICHELIN AS JOINT MANAGING PARTNER. **1991**



1984 LAUNCH OF THE FIRST RADIAL TIRES FOR MOTORCYCLES, MARKETED IN 1987.

1981 THE FIRST RADIAL TIRE FOR AIRCRAFT, MICHELIN AIR X, IS DEVELOPED.

WITH FERRARI, THE MICHELIN RADIAL TIRE WINS THE WORLD CHAMPIONSHIP IN FORMULA 1 RACING. **1979**

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. ▶



MICHELIN LAUNCHES THE FIRST RADIAL TIRE FOR EARTHMOVER EQUIPMENT. **1965**

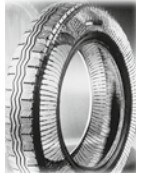
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◀ FRANÇOIS MICHELIN BECOMES A MANAGING PARTNER IN THE COMPANY. **1959**



MICHELIN ADAPTS RADIAL TECHNOLOGY TO TRUCK TIRES. **1952**

1946 MICHELIN FILED A REVOLUTIONARY PATENT FOR RADIAL TIRES. ▶

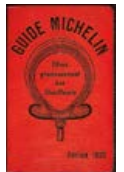


INTRODUCTION OF "MICHELIN METALIC" THE FIRST EVER TIRE WITH A STEEL CASING. EDOUARD MICHELIN APPOINTS ROBERT PUISEUX AND PIERRE BOULANGER JOINT MANAGING PARTNERS. **1938**

1935 MICHELIN ACQUIRED A MAJORITY STAKE IN CITROEN, AND RETAINED IT UNTIL 1975. **1929**

MICHELIN INVENTS THE "MICHELINE" AND THE TRAIN TIRE. FIRST RELEASE OF THE TOURIST GUIDE. **1929**

1900 THE FIRST MICHELIN GUIDE IS PUBLISHED. ▶



◀ MICHELIN TAKES PART IN THE WAR EFFORT BY BUILDING 2,500 BREGUET AIRCRAFT. **1914**



1898 BIRTH OF BIBENDUM, THE MICHELIN MAN. ▶



MICHELIN FITS THE FIRST AUTOMOBILE WITH PNEUMATIC TIRES: THE ECLAIR. **1895**

◀ MICHELIN DEVELOPS THE DETACHABLE TIRE FOR BICYCLES. **1891**



1889 EDOUARD MICHELIN BECOMES MANAGER OF THE COMPANY RENAMED "MICHELIN ET CIE".

1832 ARISTIDE BARBIER AND EDOUARD DAUBRÉE OPEN IN CLERMONT-FERRAND A FACTORY FOR FARMING EQUIPMENT AND RUBBER ITEMS.