

# ***EU AUTOS VIRTUAL TRIP CITI***

May 13, 2025



# Global markets stable in Q1, Replacement resilient but OE highly negative both Europe and North America



## Passenger car & Light truck\*

**-1%**

OE

**+4%**

RT

**-13%**

**+6%**

**-8%**

**+1%**

**+10%**

**-1%**



## Two-wheel tires



## Truck\* excl. China

**-6%**

OE

**0%**

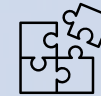
RT

**-12%**

**+1%**

**-14%**

**-3%**



## Specialties\*



### Mining tires



### Beyond-road tires

OE RT



### Aircraft tires



### Polymer Composite Solutions

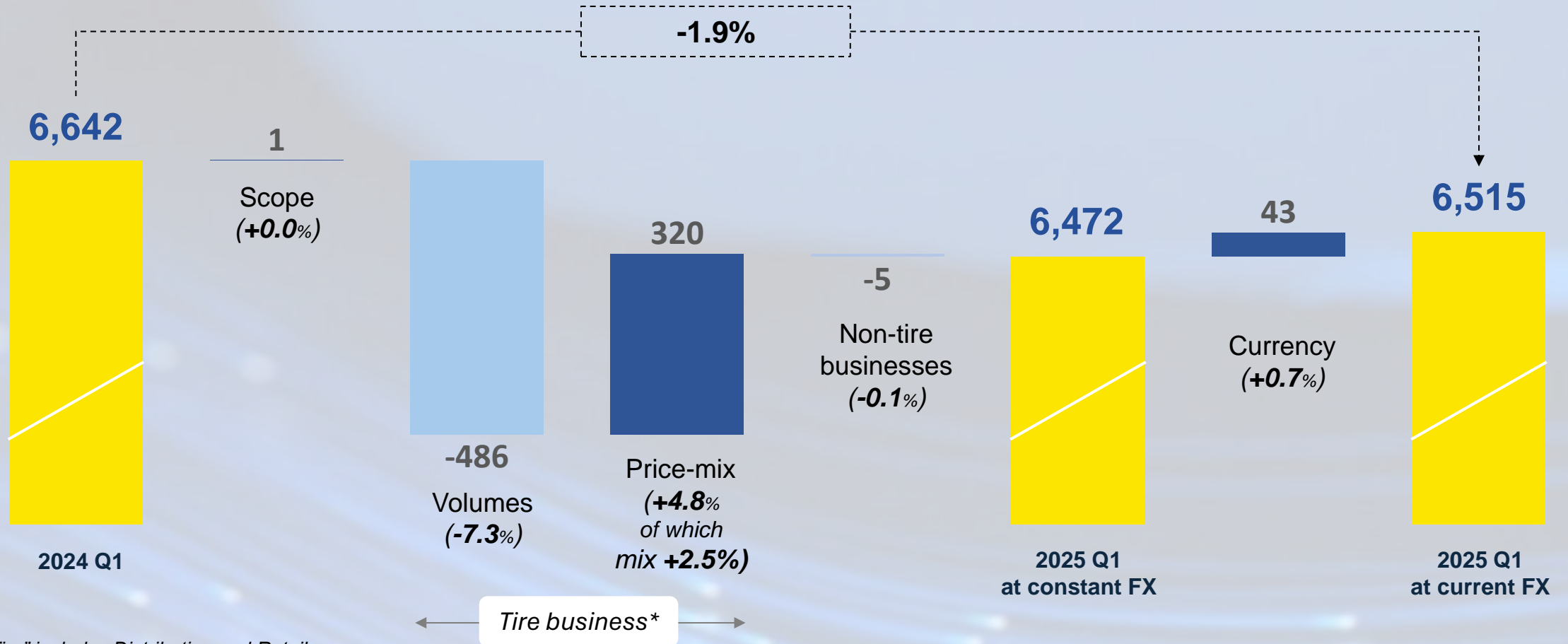


\* Sell-in Tire Markets (excluding Polymer Composite Solutions)

# Strong mix and favorable price supported by indexation clauses, volumes down in OE across segments but resilient in RT

## Q1 2025 sales evolution

(€ millions and as a %)



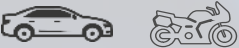


\* "Tire" includes Distribution and Retail



# Group sales penalized by continuing OE downcycle, Replacement sales growing in RS1, RS2, Mining & Aircraft

## Sales by reporting segment

(€ millions)

		Q1 25	Q1 24	Δ
<b>RS1</b> 	Sales	3,559	3,518	+1.2%
	<i>o/w volume change</i>	-	-	-3.3%
<b>RS2</b> 	Sales	1,529	1,584	-3.5%
	<i>o/w volume change</i>	-	-	-8.9%
<b>RS3</b> 	Sales	1,427	1,539	-7.3%
	<i>o/w volume change</i>	-	-	-9.6%
<b>GROUP</b>	Sales	6,515	6,642	-1.9%
	<i>o/w volume change</i>	-	-	-7.3%



# Full-year market outlook: OE expected to stabilize in H2, Replacement reflecting moderate global growth

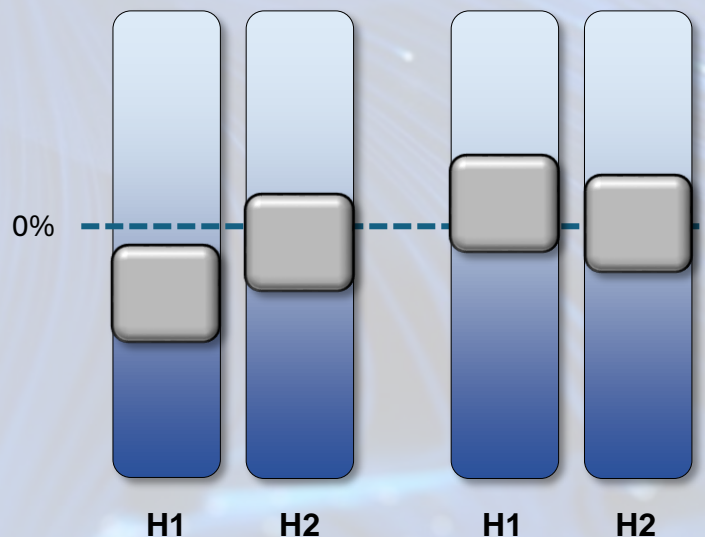


**Passenger car  
& Light truck\***

**-2% / +2%**

OE

RT

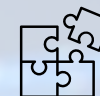
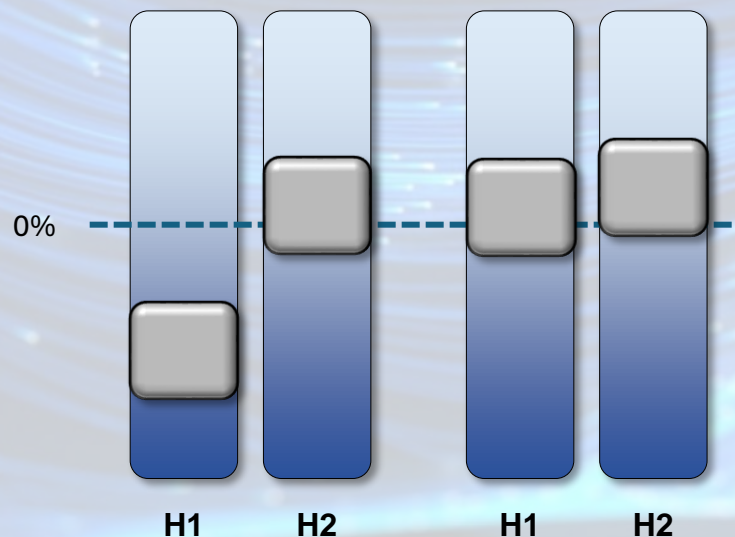


**Truck\* excl. China**

**-2% / +2%**

OE

RT



**Specialties\***

**-1% / +3%**



**Mining  
tires**



**Beyond-road tires**

OE



RT



**Aircraft  
tires**



**Two-wheel  
tires**



**Polymer  
Composite  
Solutions**



\* Sell-in Tire Markets (excluding Polymer Composite Solutions)

Caveat : market expectations assuming trade tariffs and regulations as known on date of release



# 2025 Product plan demonstrating innovation leadership



Passenger Car

**BF GOODRICH KO3**



**+5%**  
total AT segment sales

**RANKED  
#1**

**TIRE RACK**  
AT  
segment



Truck

**MICHELIN X LINE ENERGY 3**



**-0.6 L/100KM**  
Fuel savings <sup>(2)</sup>

**ENHANCED  
BY**

**MICHELIN**  
CONNECTED FLEET  
Powered by MASTERNAUT



Specialties

**MICHELIN X-CRANE 2**



**+8%**  
Load capacity <sup>(4)</sup>

**SAFETY &  
EFFICIENCY**



**MICHELIN PRIMACY 5**



**+18%**  
Mileage <sup>(1)</sup>

**TIRE OF  
THE YEAR**

**tire**  
TECHNOLOGY  
IN 2024-2025  
AWARDS

**MICHELIN REMIX 2**



**-33%**  
TCO vs single-life tire <sup>(3)</sup>

**CIRCULAR  
ECONOMY**



**MICHELIN CEREXBIB 2**



**-45%**  
Ground pressure <sup>(5)</sup>

**ULTRAFLEX  
TECHNOLOGY**



(1) Reference: MICHELIN Primacy 3 and MICHELIN Primacy 4, (2) Reference: Premium competitors, (3) Reference: Modeling a cost per kilometer approach

(4) Reference: X-CRANE + and competitors rated 174F, (5) Reference: For 12 000 kg, compared to a 900/60R32 MICHELIN MEGAXBIB



**MICHELIN**



# Key partner to major OE players, innovation powered by data and AI – illustrated



Ferrari F80



Nio ET5



Peugeot 3008



Hyundai IONIQ 5



Ford F150



Toyota Corolla

## MICHELIN SMARTWEAR ALGORITHM

The tire wear monitoring solution for any connected car

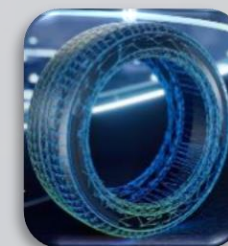


acknowledged as  
**BENCHMARK**  
by major OEMs

**100%**  
**PROPRIETARY**  
software and algorithms



Offering drivers unrivaled levels of safety and comfort



**-4 METERS**  
breaking distance



# Polymer Composite Solutions: Accelerating innovation synergies for mission-critical applications

## ***SEALING APPLICATIONS FOR AERO***

Flightdeck panel components

Windshield anti-icing valve



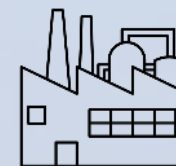
Cargo compartment  
smoke detector

Cargo door sealing  
systems

Engine gearbox fire detection

Hydraulic control  
and anti-ice valves

## ***100% PFAS-FREE SOLUTIONS***



Addressing  
fugitive emissions  
for petrochemical  
industry

## ***RESICARE BIOSOURCED & NON-TOXIC RESINS***



Industrial facility  
pioneering  
bio-sourced chemistry



# Solid Group profile fit for turbulences



Engaged and agile teams

**85%**

Engagement rate



Demonstrated agility



Financial solidity

**€1.7BN** PER YEAR

Cash Generation 2019-24 \*

**<17%**

Gearing end of 2024

FitchRatings

**A**

S&P Global

**A**

SCOPE Ratings

**A**

MOODY'S

**A2**

Recently upgraded

\* Average Free Cash Flow before M&A (2019-2024)

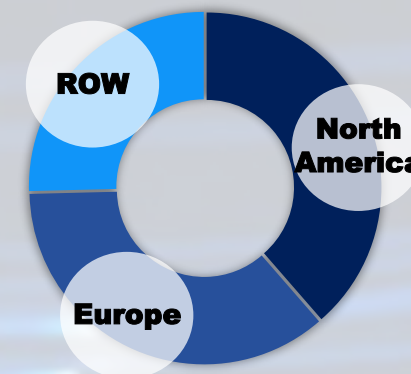
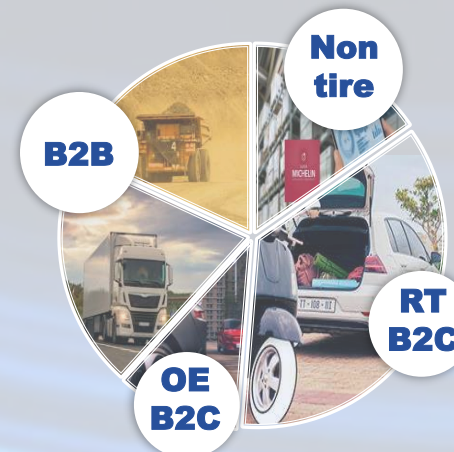


Local-to-local







Diverse markets & balanced geographies

2024 sales breakdown (% of revenue)



# In an increasingly uncertain context, 2025 Guidance relying on a robust action plan





In a **favorably oriented** but **highly uncertain** context...

-  Underlying growth in most destination markets
-  OE markets gradually reversing
-  Tariffs uncertainties
-  Mining headwinds over

**>2024**




Segment operating income  
@ iso-FX

...Michelin is set to **differentiate further**

-  Seizing growth opportunities
-  Strong product plan
-  Local to local
-  Manufacturing roadmap

**>€1.7BN**

Free cash flow  
(before M&A)

 confirmed     increasing risk     increasing opportunity



# 2025 Financial Agenda

## **2025 AGM**

May 16, 2025

## **2025 HALF-YEAR RESULTS**

July 24, 2025 \*

## **2025 Q3 SALES**

October 22, 2025 \*

*\* After close of trading*





# ***APPENDIX***

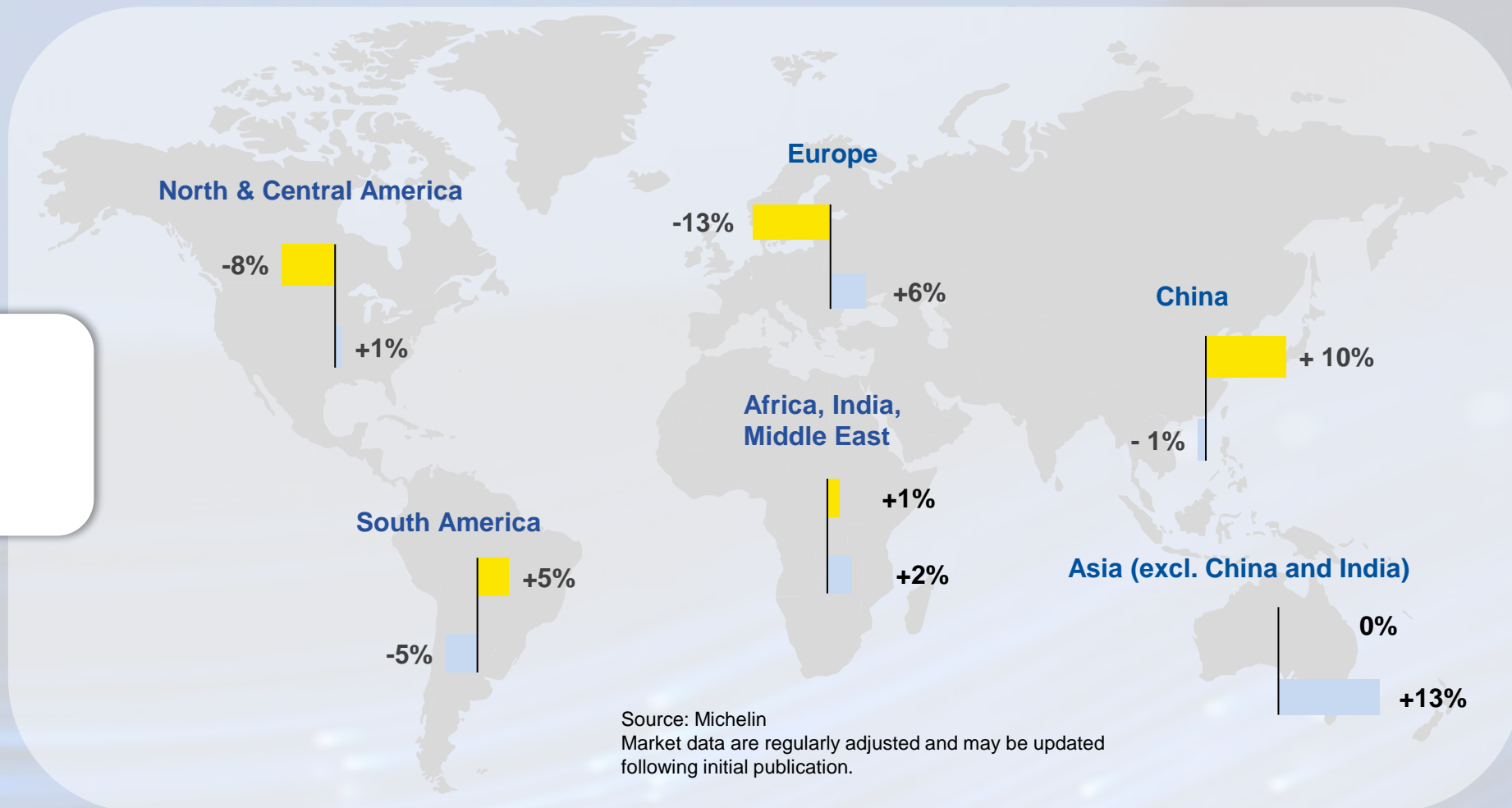
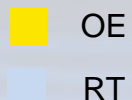
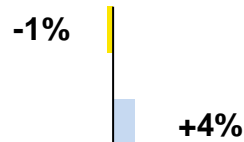
# PC/LT tire: OE markets still depressed in Europe and North America RT resilient overall

## PC/LT tire sell-in market, Q1 2025

(YoY change in number of tires)



### Global market



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

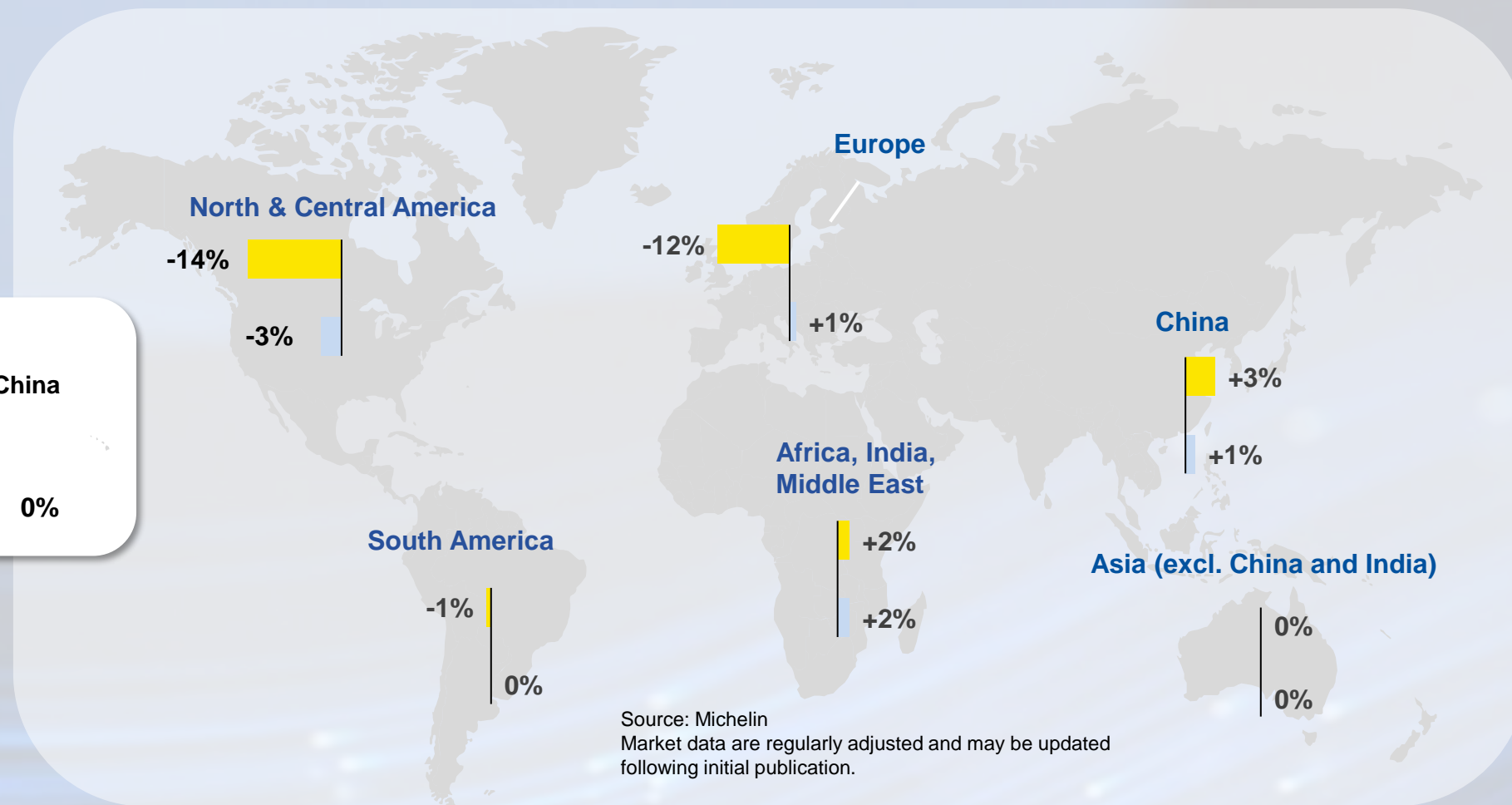
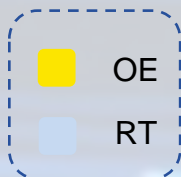
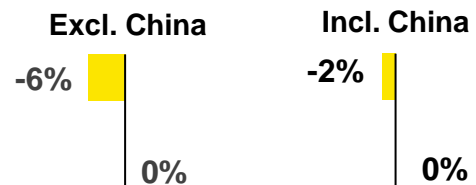
# Truck tire: Strong OE decline in North America & Europe, RT market globally stable

## Truck tire sell-in market, Q1 2025

(YoY change in number of tires)



### Global market



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



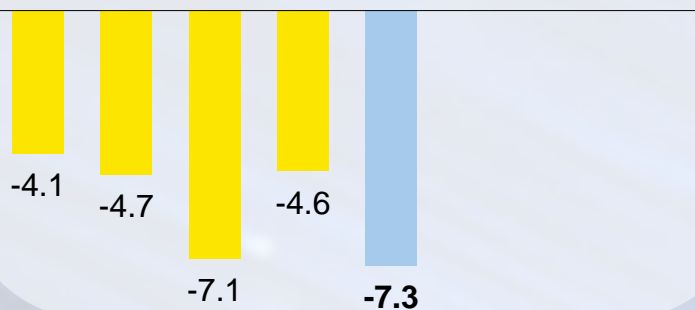
# Strong price-mix in Q1, volumes still hampered by OE sales

## YoY Quarterly change

(% of sales)

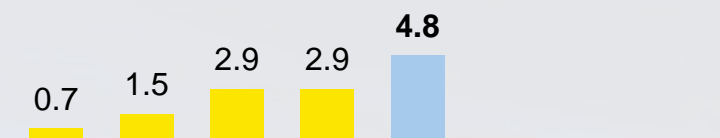
### VOLUMES

Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4  
2024 2025



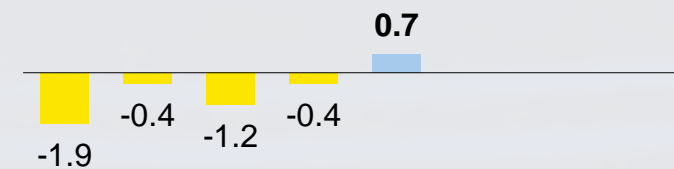
### PRICE-MIX

Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4  
2024 2025



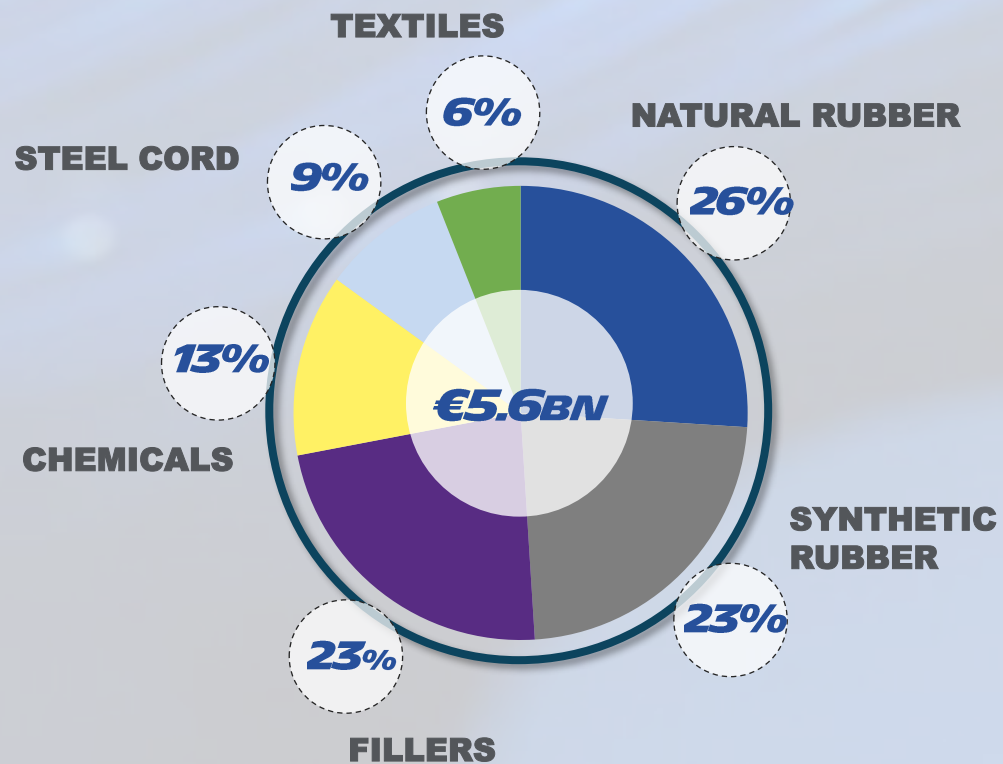
### CURRENCY

Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4  
2024 2025



# Raw materials cost breakdown and evolution

## 2024 Raw materials cost breakdown



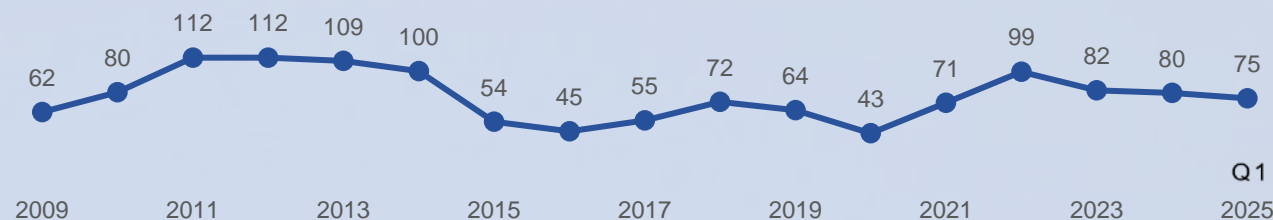
Natural Rubber: TSR20 and RSS3 (SICOM, \$/kg)



Butadiene: Europe contract-market (€/t)



Brent (\$/BBL)



# Sales by currency & impact on Segment operating income

% of sales Q1 2025 12 rolling months		2025 currency change vs. €	Droptthrough* Sales → SOI
USD	39%	+3.4%	20% / 30%
EUR	32%	-	-
CNY	6%	+2.1%	20% / 30%
BRL	4%	-12.7%	-20% / -10%
GBP	3%	+2.6%	20% / 30%
CAD	3%	-2.9%	-20% / -30%
AUD	3%	-1.5%	40% / 50%

% of sales Q1 2025 12 rolling months		2025 currency change vs. €	Droptthrough* Sales → SOI
JPY	1%	+0.4%	60% / 70%
CLP	1%	+1.3%	60% / 70%
THB	1%	+8.4%	-150% / -200%
MXN	1%	-14.1%	50% / 60%
TRY	1%	-11.8%	75% / 85%
SEK	1%	+0.2%	10% / 20%
Other	4%	-	-

*Illustration with impact of USD change on sales and SOI in €:*

Sales x 39% x (3.4%) x ~25% = impact on SOI (+0.33%)

impact on sales  
+1.33%

\* Droptthrough linked to the export/manufacturing/sales base

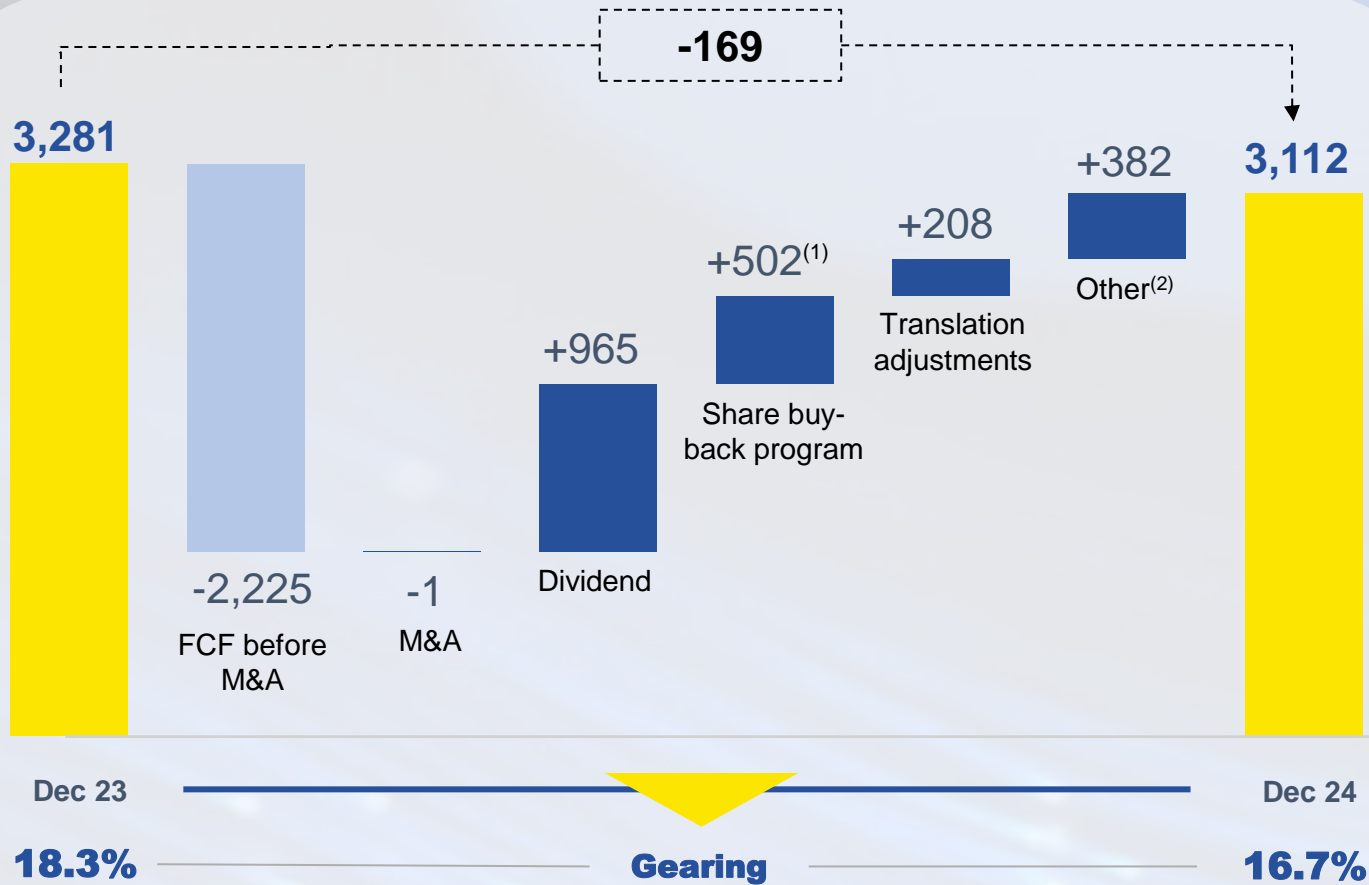




# Gearing improved in 2024, fostered by strong cash generation. Solid credit rating

## Net debt

(€ millions)



## Agency ratings

Compagnie Générale des Établissements Michelin,  
as of April 24, 2025

	Long term	Outlook	Short term
<b>S&amp;P Global</b>	A	stable	A-1
<b>Fitch Ratings</b>	A	stable	F1
<b>SCOPE   Ratings</b>	A	stable	S-1
<b>MOODY'S<sup>(3)</sup></b>	A2	stable	-

(1) incl. € 2m fees and taxes

(2) including new leases

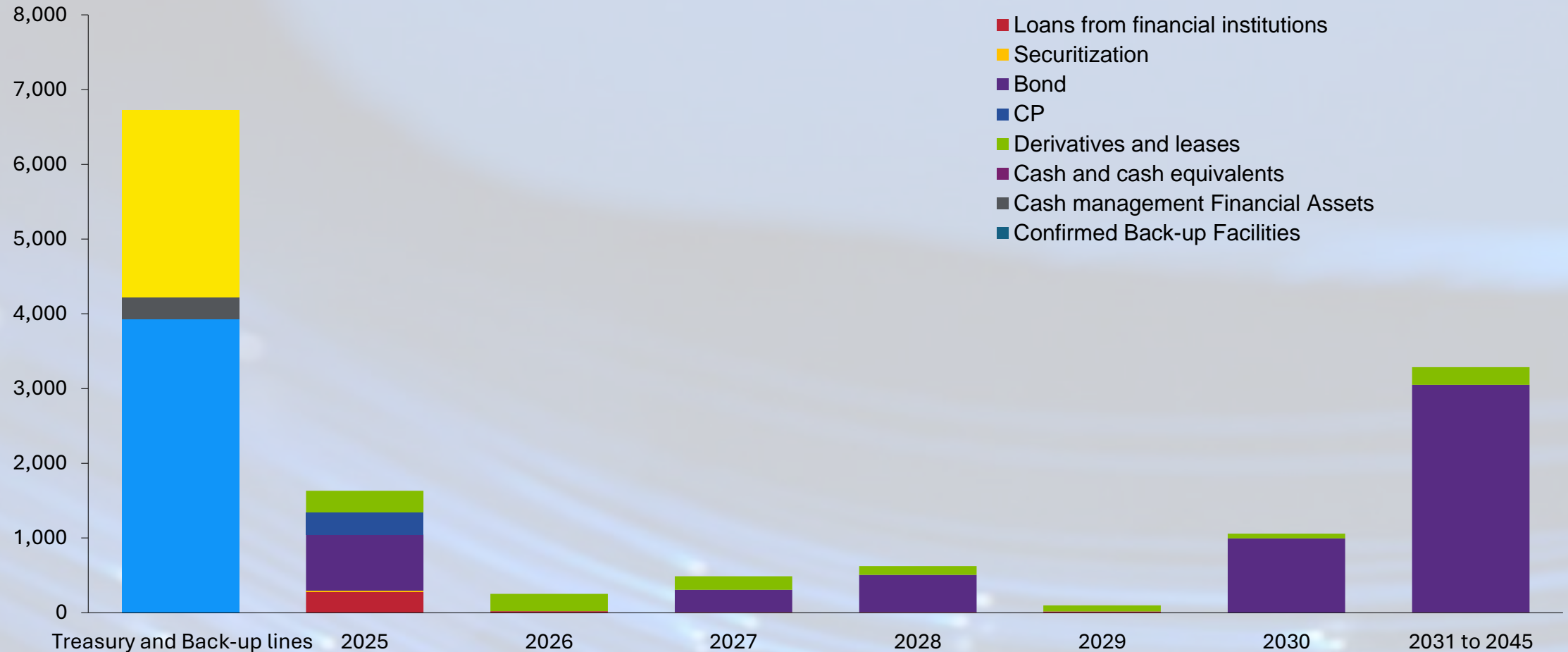
(3) unsolicited rating



# A sound adequate cash position with maturities well spread over time

## Debt maturities as at Dec. 31, 2024

(carrying amount | € millions)



# 2024 Shareholder return sustained at an attractive level

	2021 <sup>(1)</sup>	2022	2023	2024
<b>DIVIDEND</b> PER SHARE(€)	1.13	1.25	1.35	<b>1.38<sup>(4)</sup></b>
<b>EARNINGS PER SHARE</b> BASIC(€)	2.58	2.81	2.77	<b>2.65</b>
<b>PAY-OUT RATIO<sup>(2)</sup></b>	44%	44%	49%	<b>52%</b>
<b>DIVIDEND YIELD<sup>(3)</sup></b>	3.1%	4.8%	4.2%	<b>4.3%</b>

## DIVIDEND

- 2024 proposed dividend of €1.38, +2.2% vs 2023

## SHARE BUYBACK

- Program over 2024-2026: up to €1bn
- 2024: execution of €500m tranche

(1) Data prior to 2022 restated for the 4-for-1 stock split of June 2022

(2) Dividend / Net income

(3) Dividend / Share price; based on Dec 31 closing stock price

(4) Subject to approval by shareholders at 2025 AGM








# Restatement of reporting segments of interim periods 2024

Intermediate restatements following the scope changes of reporting segments implemented in 2024.




(Main change: Two-wheel tire business now consolidated in the RS1 vs RS3 previously)

		Q1 2024		H1 2024		9M 2024		FY 2024
		released	restated	released	restated	released	restated	released (same as restated)
<b>RS1</b> 	Sales	3 376	3 518	6 847	7 151	10 356	10 777	14 667
	SOI			914	946			1 917
	SOI %			13.40%	13.20%			13.10%
<b>RS2</b> 	Sales	1 595	1 584	3 263	3 232	4 933	4 909	6 599
	SOI			300	306			597
	SOI %			9.20%	9.50%			9.00%
<b>RS3</b> 	Sales	1 671	1 539	3 371	3 098	4 882	4 485	5 926
	SOI			568	530			864
	SOI %			16.80%	17.10%			14.60%
<b>GROUP</b>	Sales	6 642		13 481		20 171		27 193
	SOI			1 782				3 378
	SOI %			13.20%				12.40%

# ***STRATEGY***



# Strategic Scorecard - 2024 results in line with 2030 ambitions

	AMBITIONS	METRICS	2022	2023	2024	2030 SUCCESS
 People	Be world-class in employee engagement	Engagement Rate	82.5%	83.5%	84.7%	>85%
	Be world-class in employee safety	TCIR*	1.07	1.01	1.03	<0.5
	Be a reference in diversity, equity and inclusion	IMDI	70	72	73	80
	Be best-in-class in value created for customers	NPS	41.6	42.7	40.2	50 (+10pts vs 2020)
 Profit	Deliver substantial growth	Total Sales	28.6 bn€	28.3 bn€	27.2 bn€	5% CAGR 23-30
	Deliver continuous financial value creation	ROCE	10.8%	11.4%	10.5%	>10.5%
	Maintain MICHELIN brand power	Brand Vitality Quotient	68	73	72	65 (+5pts vs 2020)
	Maintain best-in-class innovation pace in products & services	Offer Vitality Index	31.0%	30.8%	29.4%	>30%
 Planet	Reach net zero emissions by 2050 (scopes 1&2)	CO <sub>2</sub> emissions (scopes 1&2), vs 2019	-20%	-28%	-37%	-47%
	Improve the energy efficiency of our products to contribute to net zero emissions	Product energy efficiency (scope 3)	101.8	102.9	104.3	+10% vs 2020
	Be best-in-class in environmental footprint of industrial sites	i-MEP, vs 2019	-11.2%	-16.1%	-17.4%	-1/3
	Increase the proportion of renewable or recycled materials in our tires	Renewable and Recycled Materials Rate	30%	28%	31%	40%

\*in 2025, the TCIR is replaced by the Total Recordable Incident Rate which records the number of incident per 1,000,000 hours. TRIR 2024 stood at 5.01.



# Leveraging unique and differentiating assets across enlarged playground



Highly engaged and talented **teams**



A powerful and widely recognized **brand**



**Innovation** leadership and unique **R&D & industrial capabilities**



Excellent, market defining **products** and **services**

## TIRES



## SERVICES AND EXPERIENCES



**Connected Solutions**



**E-Retail**



**Distribution & Retail**



**Lifestyle**

## POLYMER COMPOSITE SOLUTIONS



**Sealing technologies**



**Conveyors, belting solutions and hoses**



**Engineered fabrics & films**

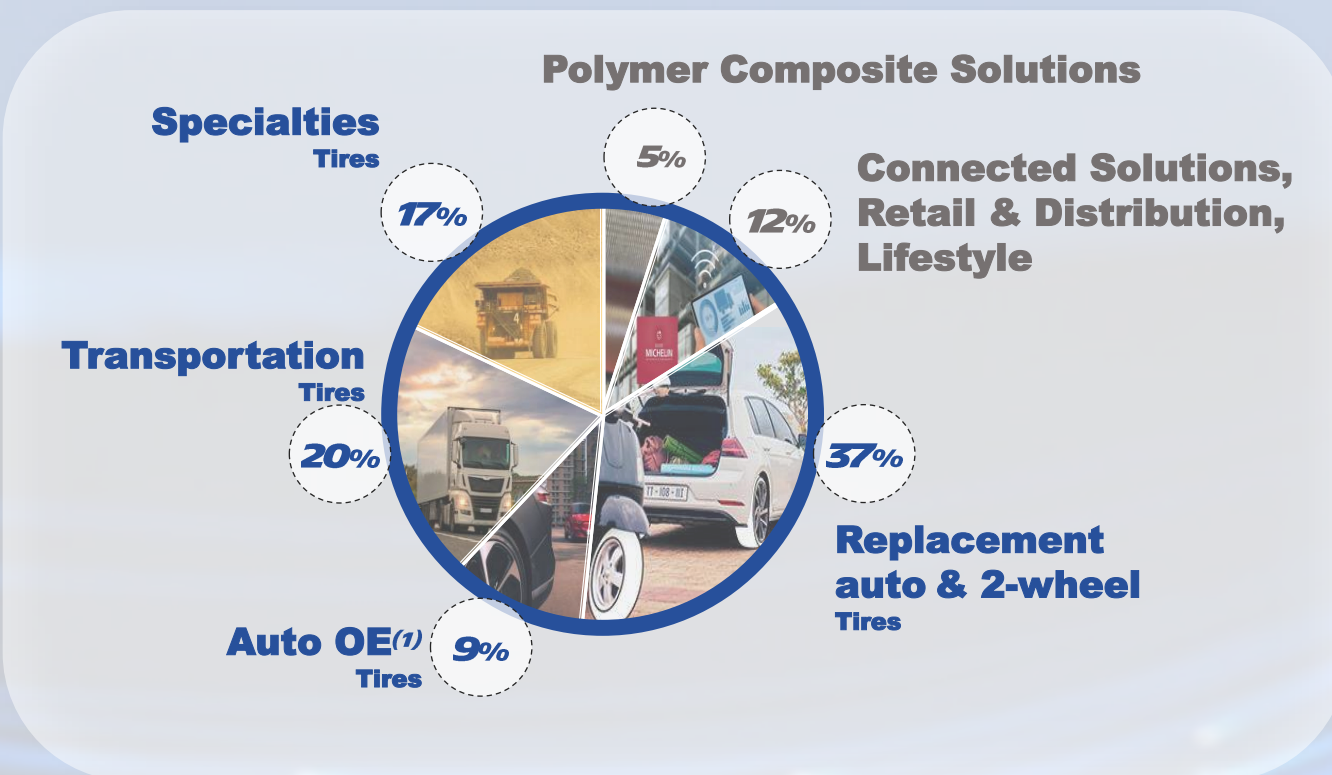


**Engineered polymers**

# Widening range of destination markets ensuring resilience

## Destination markets across diverse verticals

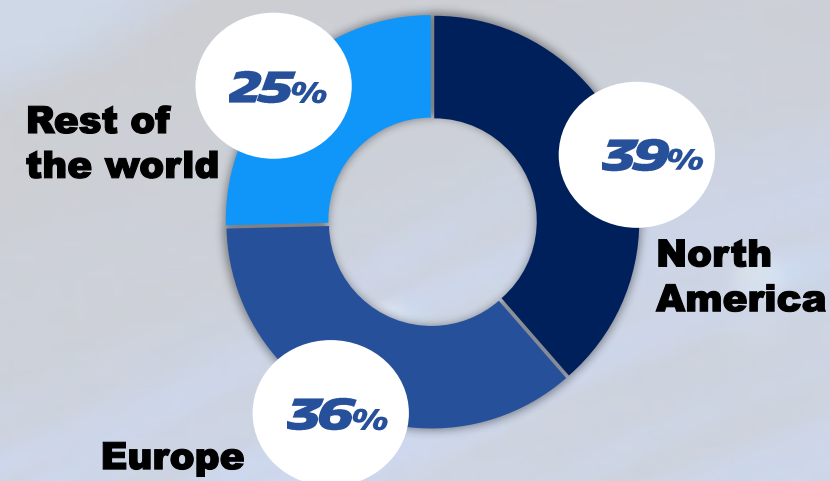
2024 sales breakdown (% of revenue)



(1) Original equipment

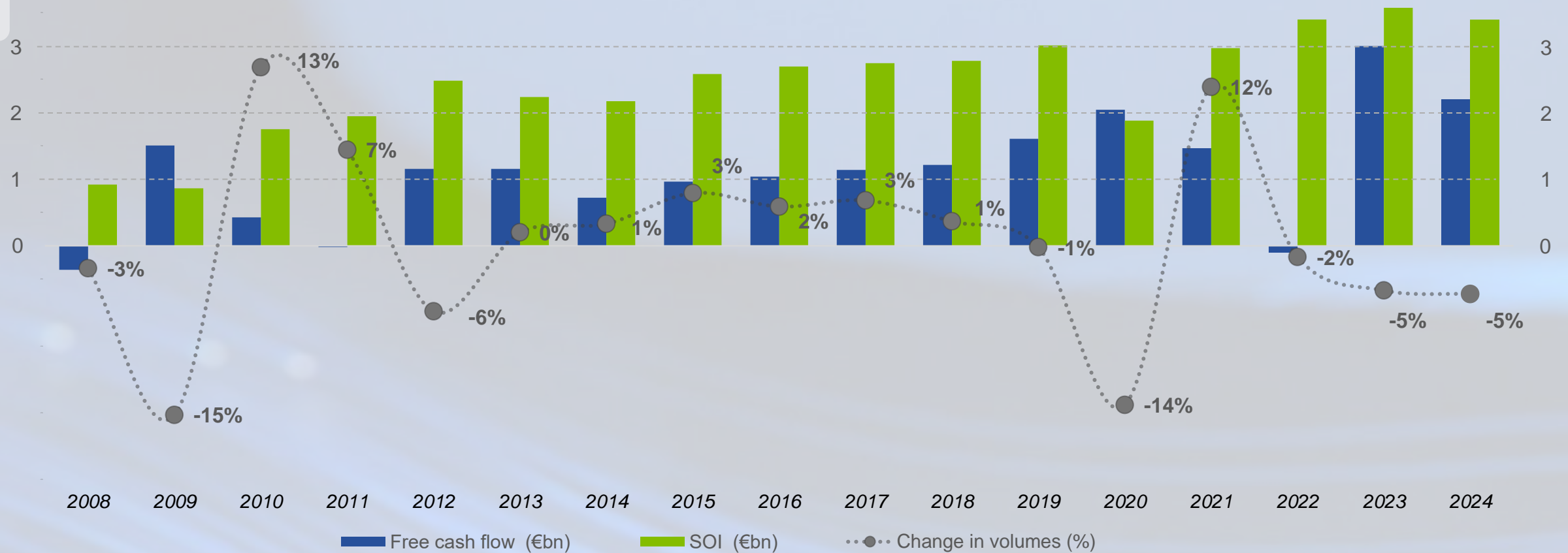
## Balanced geographies

2024 sales breakdown (% of revenue)



# Increasing cash and margin generation across business cycles

## FCF<sup>(1)</sup> and SOI<sup>(2)</sup> evolution vs. change in volumes



(1) Free cash flow, excluding M&A

(2) Segment operating income





# Value-driven strategy: Winning where it matters

Original equipment: Being selective to extract the right value



**Innovation**



**Brand power**



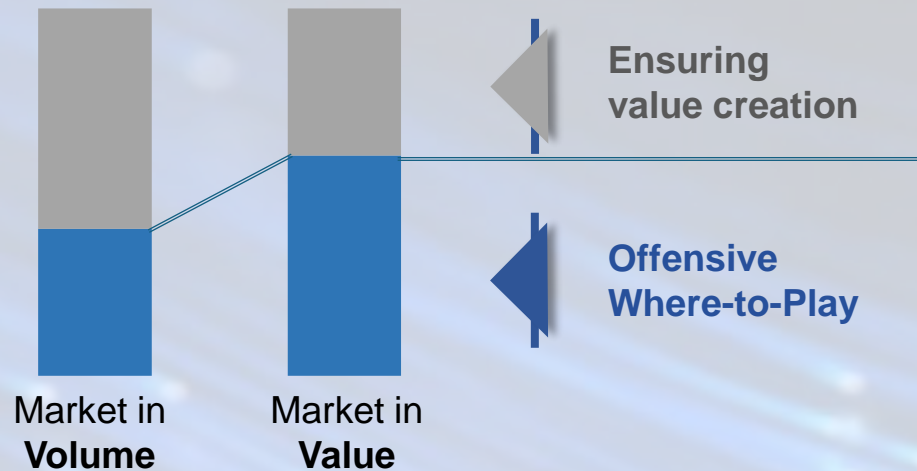
**Strategic  
partnerships**



**Loyalty**

**Maximizing value creation  
for OEMs & for Michelin**

Replacement: Accelerating on value-accretive segments



**Reinforcing leadership:**

**Market share** in value-accretive segments  
**Enhancing** our partners' performance  
**Valorizing** our technology and offers

# Value-driven strategy: Winning where it matters - illustrated



## Long-lasting trend of mix enrichment



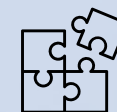
**>100M€**  
per year

Sustainable mix impact  
on EBIT

**~9%**  
CAGR\*

Market trend in >18" tires\*

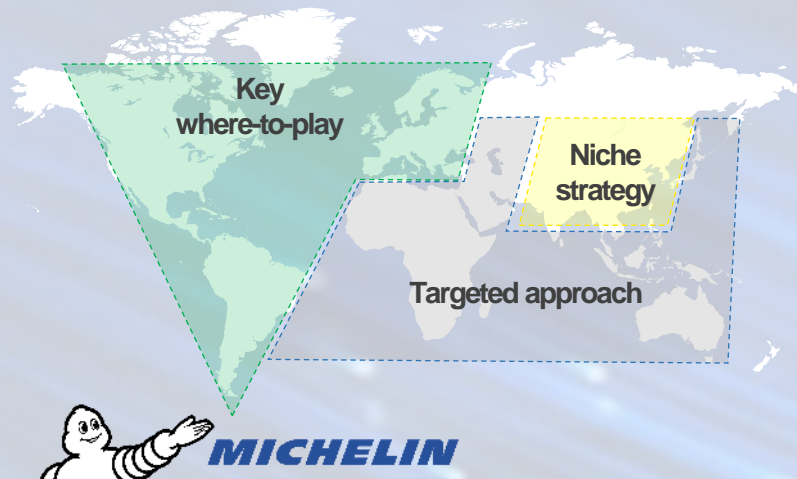
\* 2025 - 2028



## Technological leadership & differentiating service



## Targeting value-accretive market segments



Premium



Tech



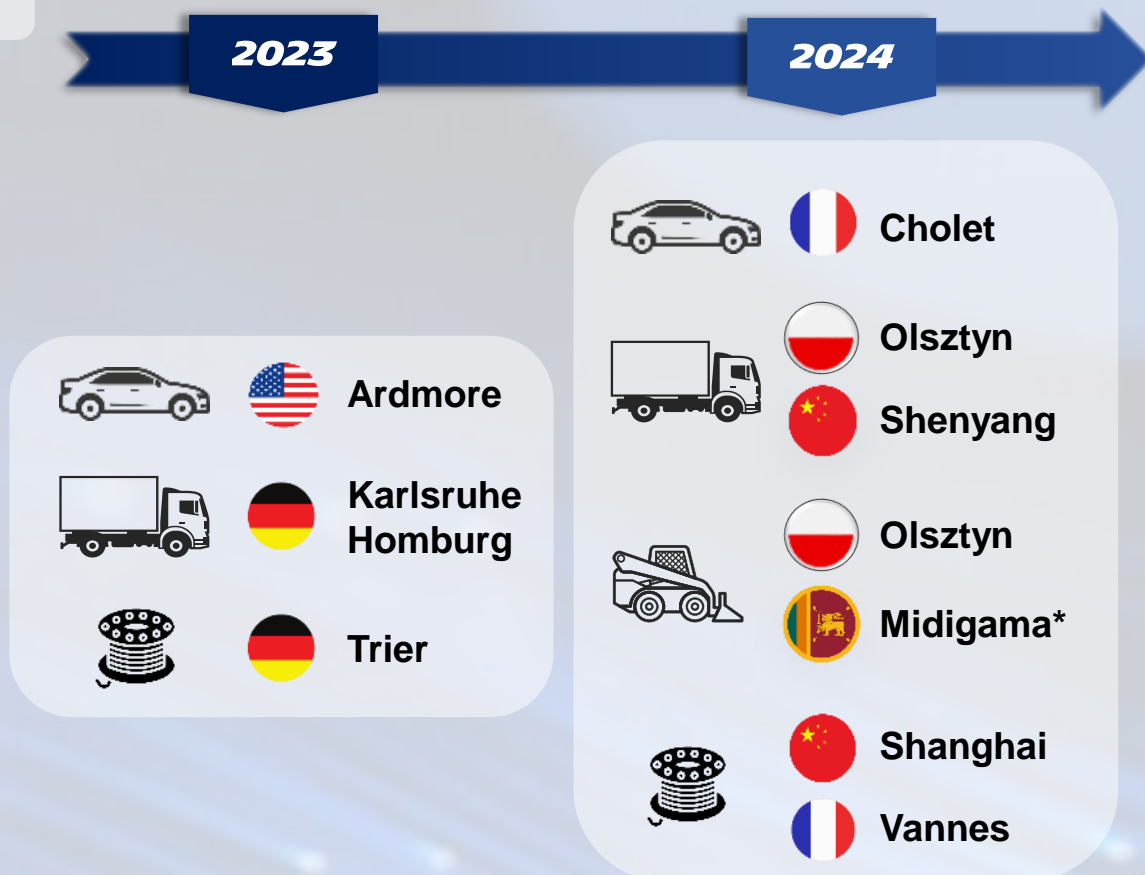
Green



**> 50% of market Value**

# Industrial operations: Adjusting and upscaling to support growth on targeted markets

## Announced capacity adjustments



Capacity  
impact

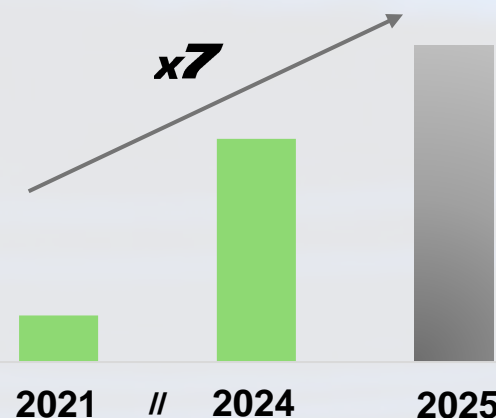
**-10%**  
standard PC

**-15%**  
Truck

**-100%**  
Compact Line *Bias*

Digital and AI applications  
in Manufacturing:  
a growing reality

€ Savings from digital & AI



\* subject to regulatory approvals from the relevant authorities



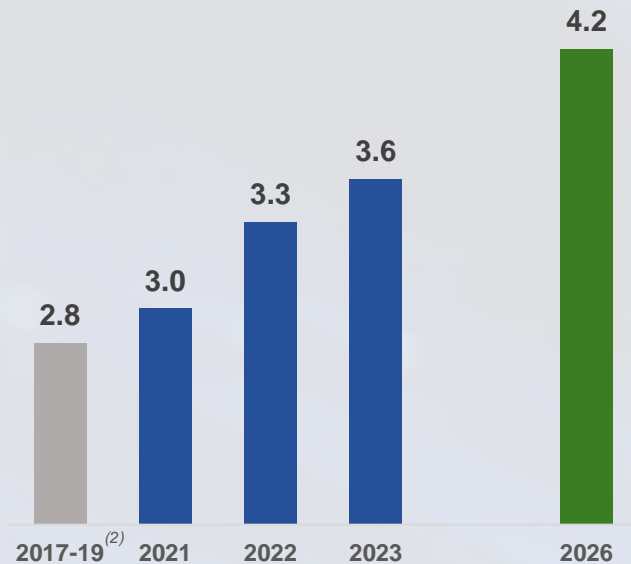


***2024 CMD***

# Driving higher profitability and strong cash generation

## Segment Operating Income

(bn €, excl. substantial (1) M&A, @2023 FX)

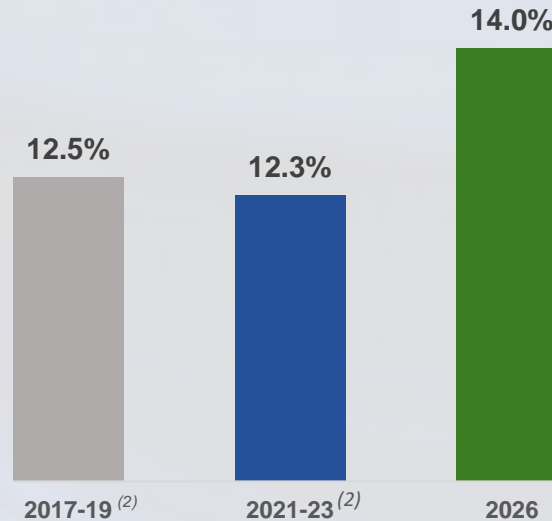


(1) Substantial = leading to structuration of a SR4

(2) Average of the period

## Segment Operating Margin

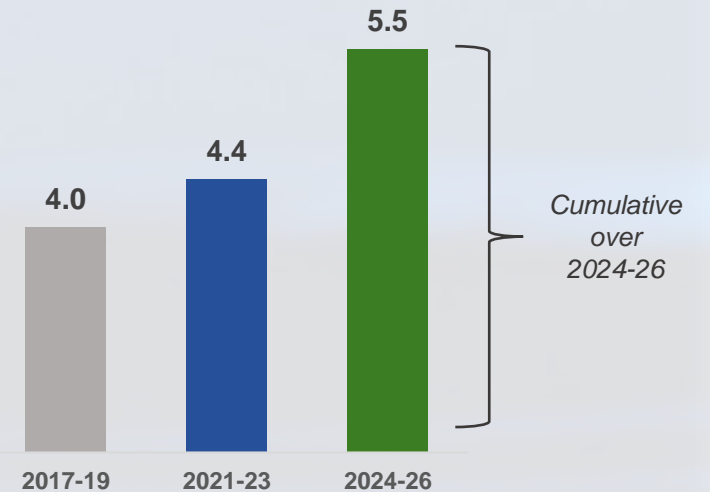
(% of sales)



(2) Average of the period

## FCF before M&A

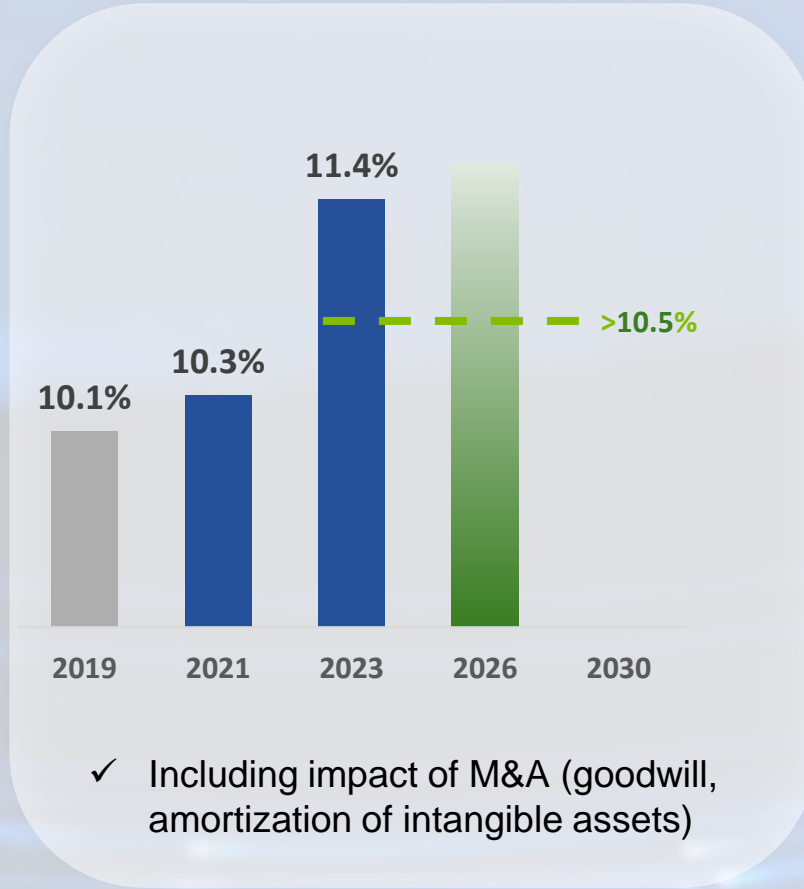
(bn €, cumulative over the period)



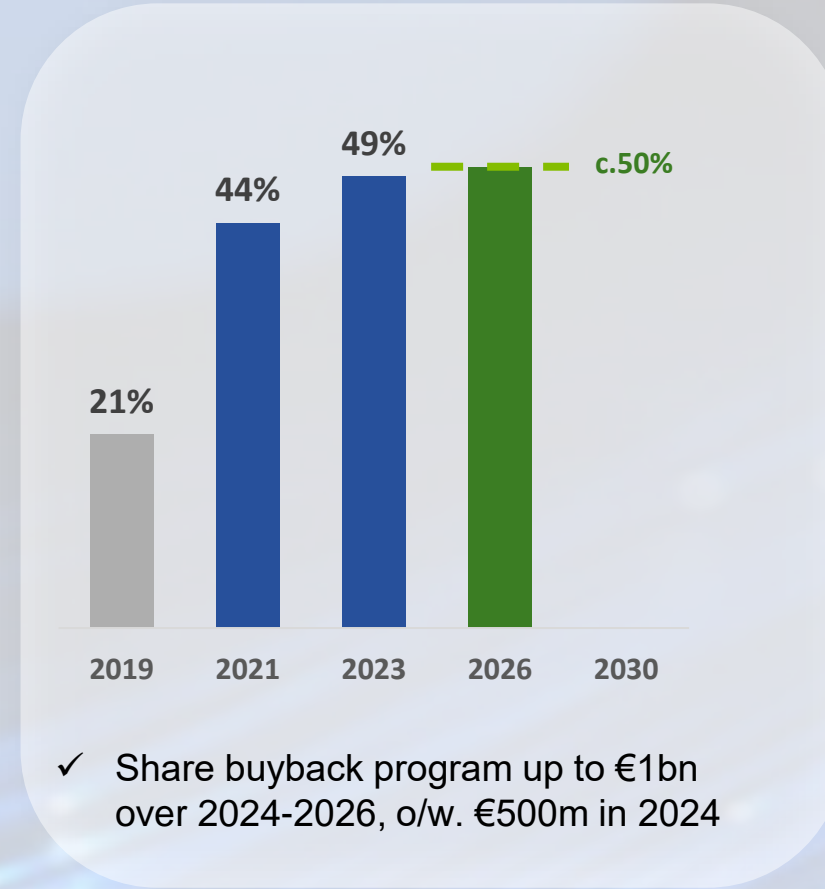
- ✓ Capex level € 2.0-2.4bn/year
- ✓ Optimized working capital

# Confirmed ROCE floor and shareholder return

## Return on Capital Employed



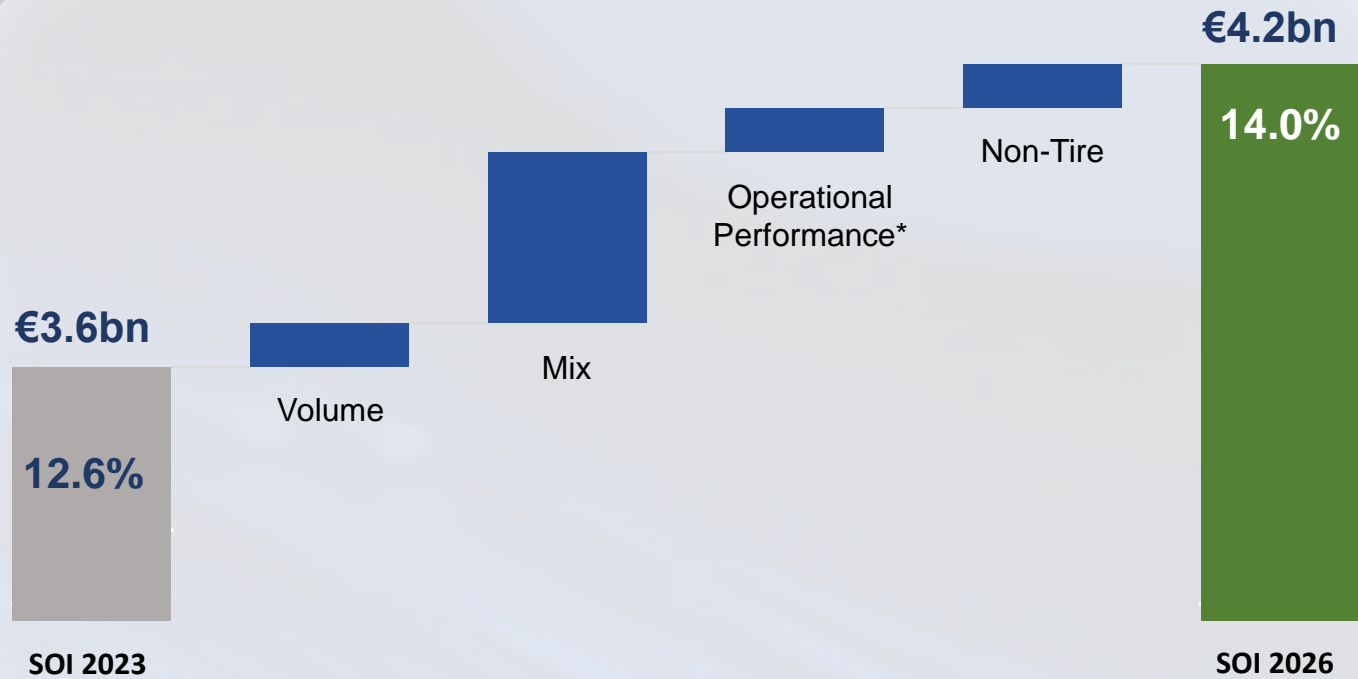
## Payout Ratio (% of net result)



# Strong mix effect, improved margin across reporting segments

## SOI bridge by lever

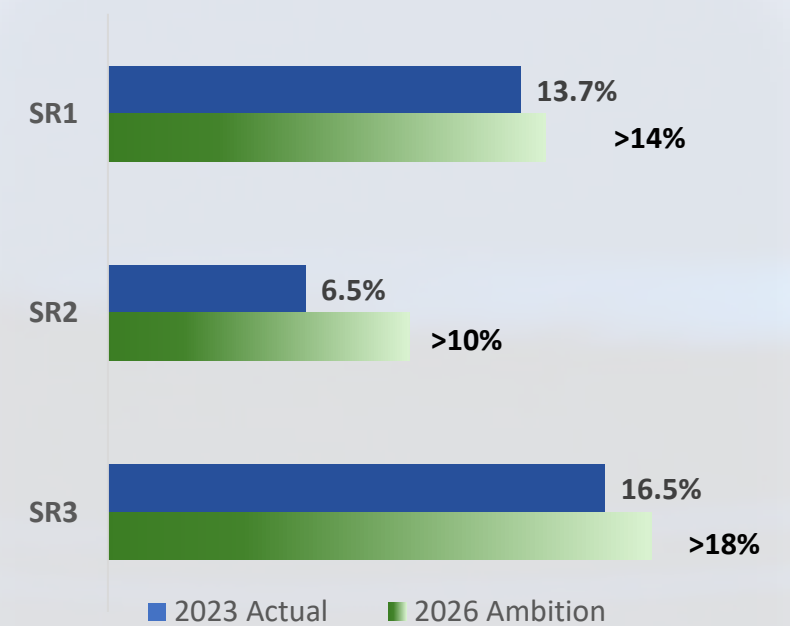
(€bn and % of sales, excl. substantial M&A, @2023 FX)



\* Including economic equation (price effect – inflators)

## Segment Operating Margin - by SR

(% of sales)



SOM ambitions by SR for illustration – commitment applies to Group level only



# Taking Group competitiveness to the next level: Manufacturing

## Strategic levers

- Local-to-local
- Value-driven production mix
- Lower environmental impact
- Talent attraction & retention

## Tech & Care levers

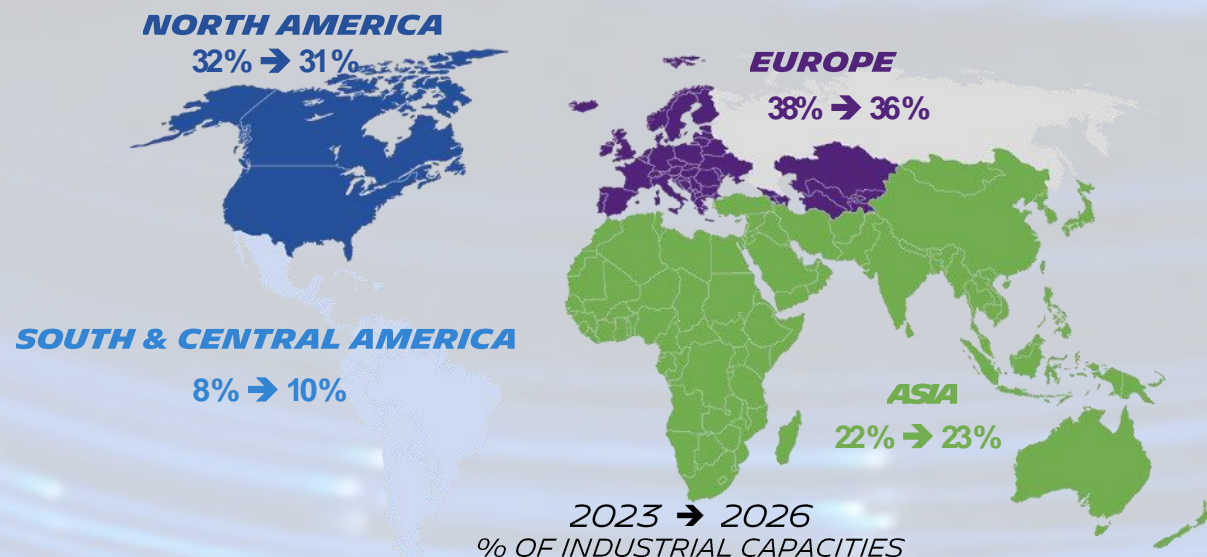
- IA & Digital
- Industrial process optimization
- Reduce water and energy consumption
- Safety, ergonomy and people empowerment

## Industrial loading rate SR1 + SR2

(% of capacity)

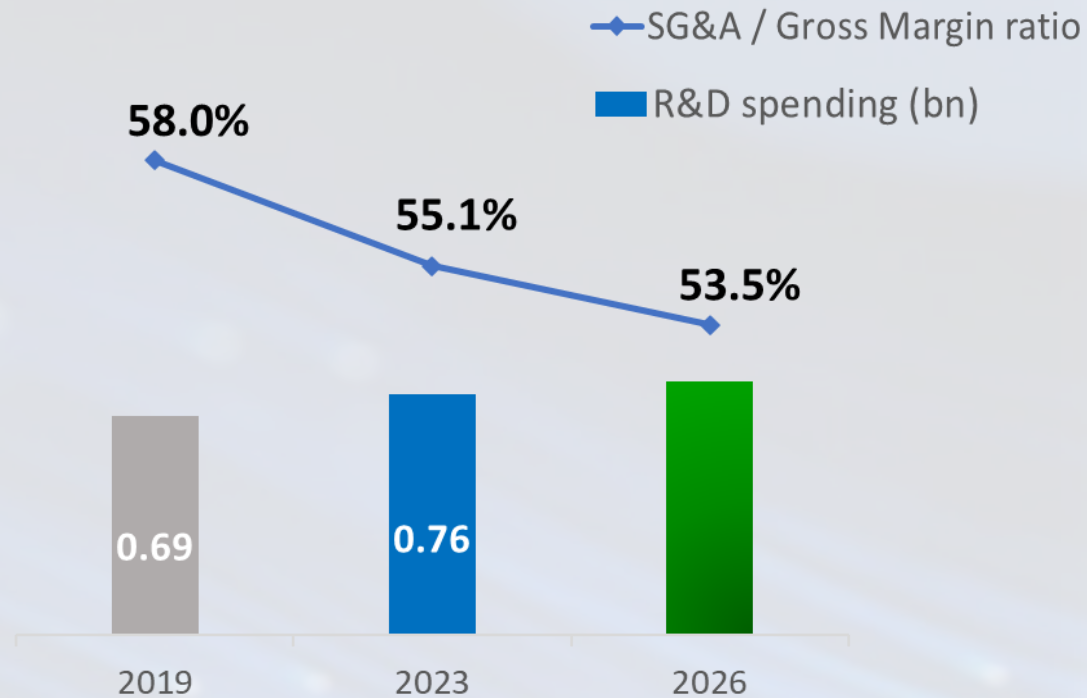


## Industrial capacities breakdown, 2026 vs. 2023



# Taking Group competitiveness to the next level: SG&A & Supply Chain

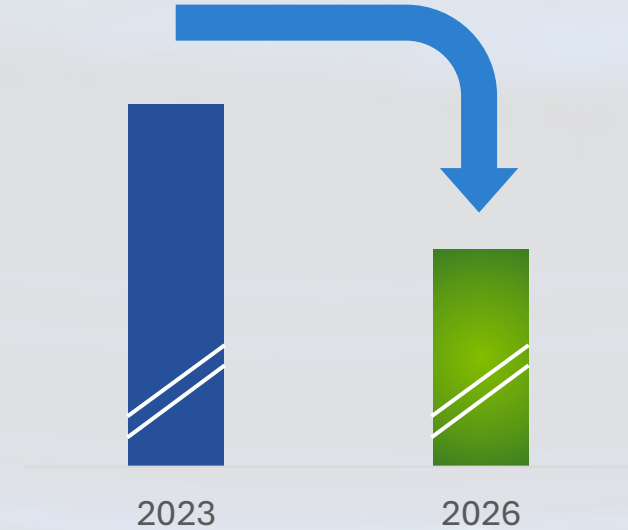
Improving SG&A performance  
and fostering innovation



Reducing inventory levels  
whilst improving customer service

Inventory reduction

€ -0.5bn



# M&A: A proven track record of successful integration

## Multistrada & Camso

- Multistrada EBIT from negative territory in 2019 to SR1 accretive in 2023
- Camso accelerating in AG Tracks

## Retail & Distribution

### TBC (JV with Sumitomo)

- Cash positive since '21
- \$350m shareholder loans fully paid back
- ~160m€ cash proceeds from Retail activities sale (2023)

### Euromaster Denmark sale (2023)

### Tyroola acquisition (2023)

## Fenner

- 9% CAGR 2018-2023 (excl. Solesis)
- 2023 EBIT +4 pts vs 2018
- Solesis capital opened to Altaris based on €450M EV (2021)

## Polymer Composite Solutions

## FCG

- 9% CAGR 2015-2023
- EBIT accretive (> 20%)
- EV/EBITDA 9.0 post-synergies (2028)

## Symbio (est. 2019)

- Michelin 33% | Faurecia 33% | Stellantis 33%
- based on €900m EV (2023)

## Connected Solutions

- **Michelin Connected Fleet** regrouping Sascar & Masternaut & Nextraq offers (2022)
- **RoadBotics** acquisition (2022)
- **Watèa** capital opened to Crédit Agricole (2023)

## Tires

## Active portfolio management

2018-2019 :  
**€4.5bn** net acquisitions

2021-2023 :  
**€1.0bn** acquisitions  
**€0.6bn** divestments

**>60 transactions**  
o/w 13 with cash amount >€50m





# M&A as a growth & value accelerator: Accessing new markets and leveraging Group innovation power

## Clear fundamentals

**Strategic fit**

**Parental advantage  
brought by Michelin**

**Value-accretive  
to Group**

**Cultural fit**

## Strict financial criteria

EPS-accretive  
from year 1

Accelerating  
growth

Group ROCE  
sustained  
above 10.5%

Higher cash  
conversion

Margin-accretive  
(SOI%)

# Glossary

## ***FREE CASH FLOW BEFORE M&A***

Free cash-flow, which is stated before dividend payments and financing transactions, corresponds to net cash from operating activities less net cash used in investing activities, including JV financing, adjusted for net cash-flows relating to cash management financial assets and borrowing collaterals. M&A-related cash-flows and repayment of IFRS 16 debt are not included.

## ***ROCE***

Return on capital employed: Net operating profit after tax (NOPAT), calculated at a standard tax rate corresponding to the Group's average effective tax rate; divided by average economic assets employed during the year, i.e., all of the Group's intangible assets, property, plant and equipment, loans and deposits, investments in equity-accounted companies, and net working capital requirement.

## ***TIRE SALES***

Sales from Michelin's core business, including the Tire-as-a-Service (TaaS) business and Tire distribution operations.

## ***NON-TIRE SALES***

Sales from the Connected Solutions (excluding TaaS and Distribution), Polymer Composite Solutions businesses, Lifestyle, excluding joint ventures

## ***IMDI***

Inclusion and Diversities Management Index, see definition p.25 of the 2024 Universal Registration Document

## ***TCIR***

Total Case Incident Rate, see definition p.271 of the 2024 Universal Registration Document

## ***I-MEP***

Industrial - Michelin Environmental Performance, see definition p.26 of the 2024 Universal Registration Document

## ***RENEWABLE OR RECYCLED MATERIALS***

New KPI name for "Sustainable materials", definition unchanged see p.250 of the 2024 Universal Registration Document

## ***NPS***

Net Promoter Score, see definition p.285 of the 2024 Universal Registration Document



# 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 [Michelin.com](https://www.michelin.com) 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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