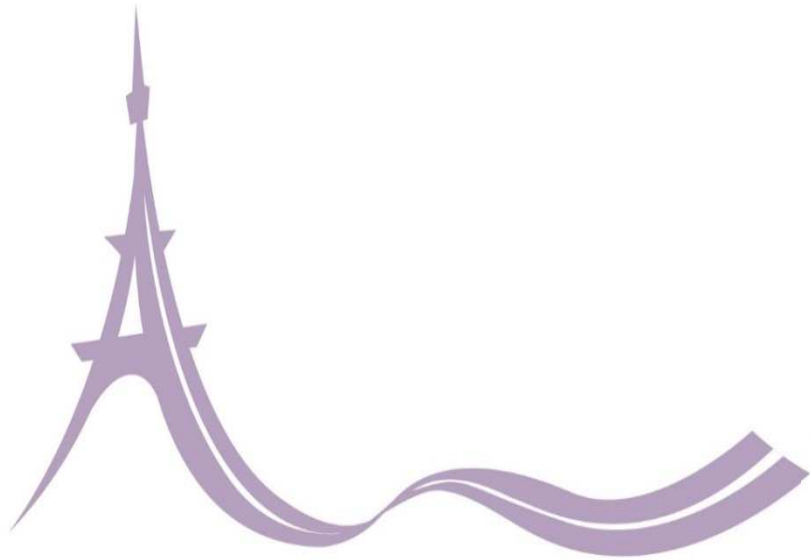


Why does industry need good roads?

The Michelin example



PAVEMENT PRESERVATION & RECYCLING SUMMIT

PPRS PARIS 2015
FEBRUARY 22-25



Eric Le Corre

*Corporate Vice-President
Public Affairs*



MICHELIN PERFORMANCE AND RESPONSIBILITY

**MICHELIN IS DEDICATED TO HELPING
TO ENHANCE MOBILITY AND CREATE VALUE WHILE
DEMONSTRATING RESPECT FOR CUSTOMERS,
PEOPLE, SHAREHOLDERS, THE ENVIRONMENT
AND FACTS.**

**SINCE 1889, MICHELIN HAS CONSTANTLY INNOVATED
TO FACILITATE THE MOBILITY OF PEOPLE AND GOODS.
TODAY, IT IS SETTING THE BENCHMARK
ACROSS EVERY TIRE AND TRAVEL-RELATED SERVICES
MARKET, WHILE LEADING A GLOBAL STRATEGY
TO DRIVE SUSTAINABLE, PROFITABLE GROWTH.**

Two markets



➤ **B to C**

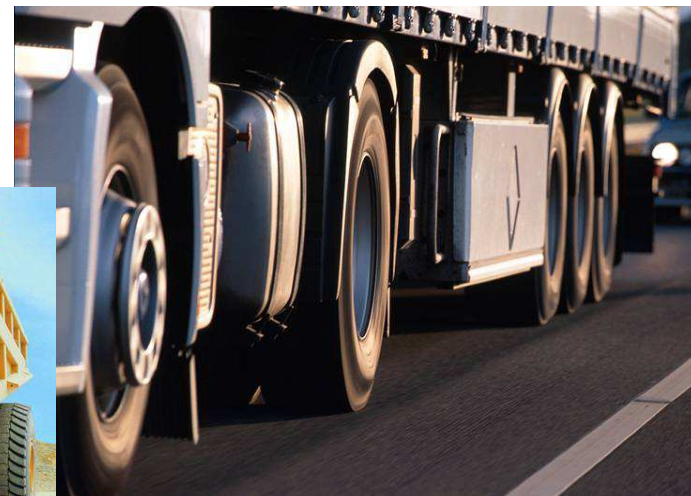
- **Différentiation**
- **Brands**

➤ **B to B**

- **Performances**
- **Services**

The global tire market:

60% light vehicles,
30% trucks,
10% others (AG,GC,planes)

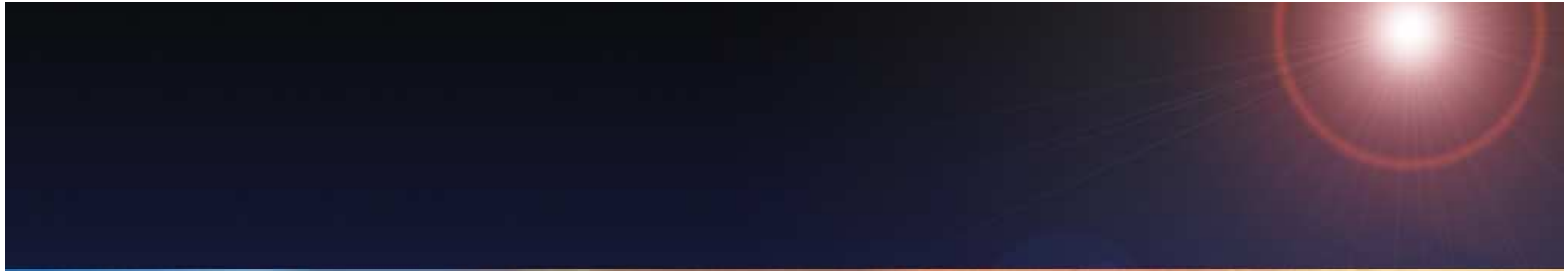


Brands

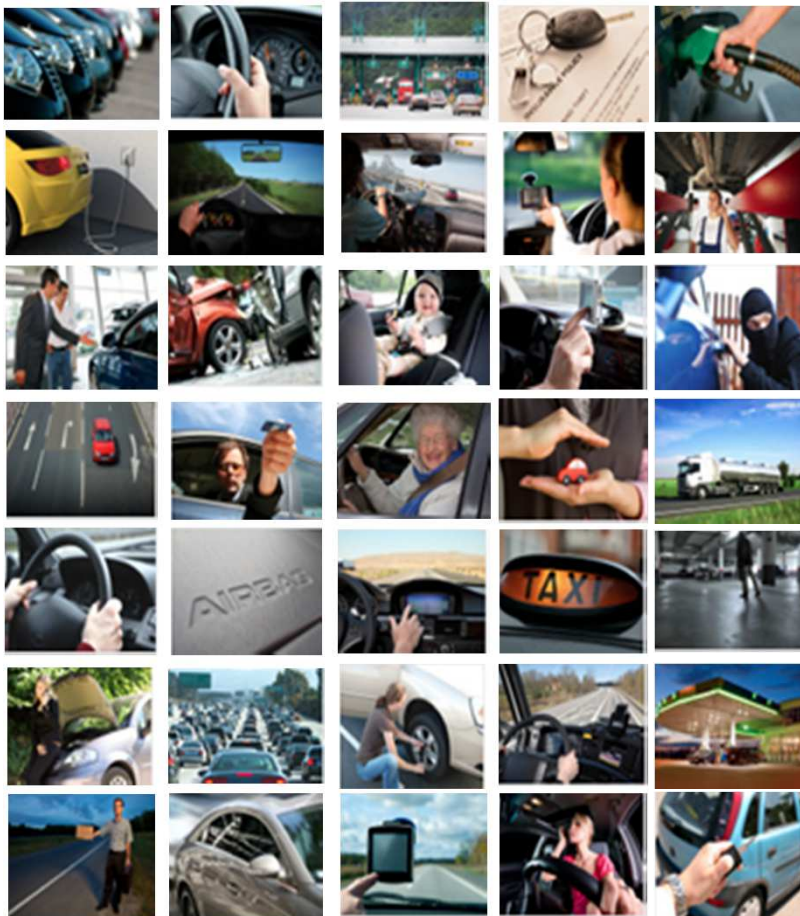








The environment is changing





MICHELIN ESTABLISHED CLOSE TO ITS CUSTOMERS

111200

employees (105,724 Full-time
equivalent employees)

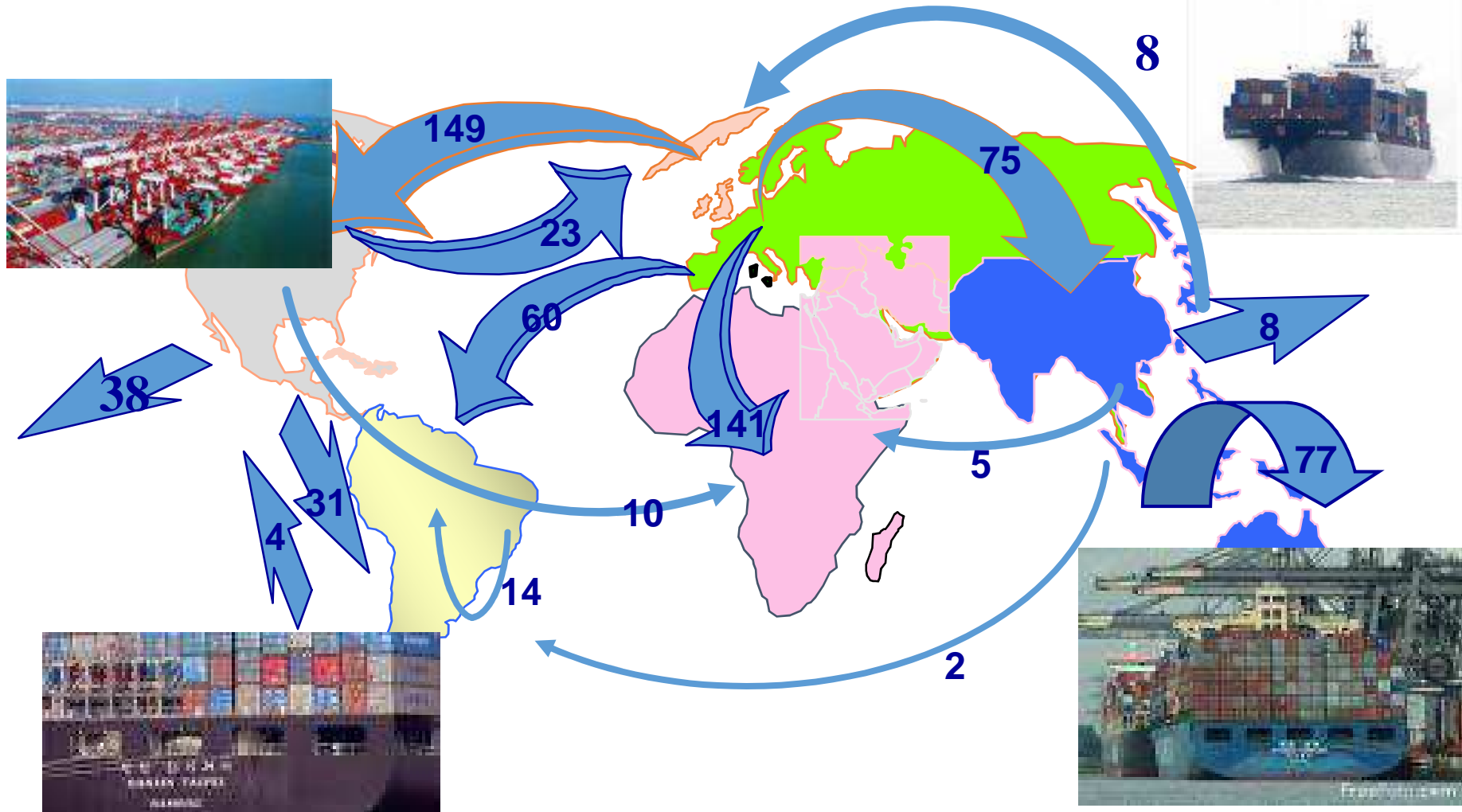
67

production facilities
in 17 countries



Net sales by region:
Europe 40%, North America 35%, other regions: 25%

Intercontinental Flows



Oversee flows (finished products), in kTons

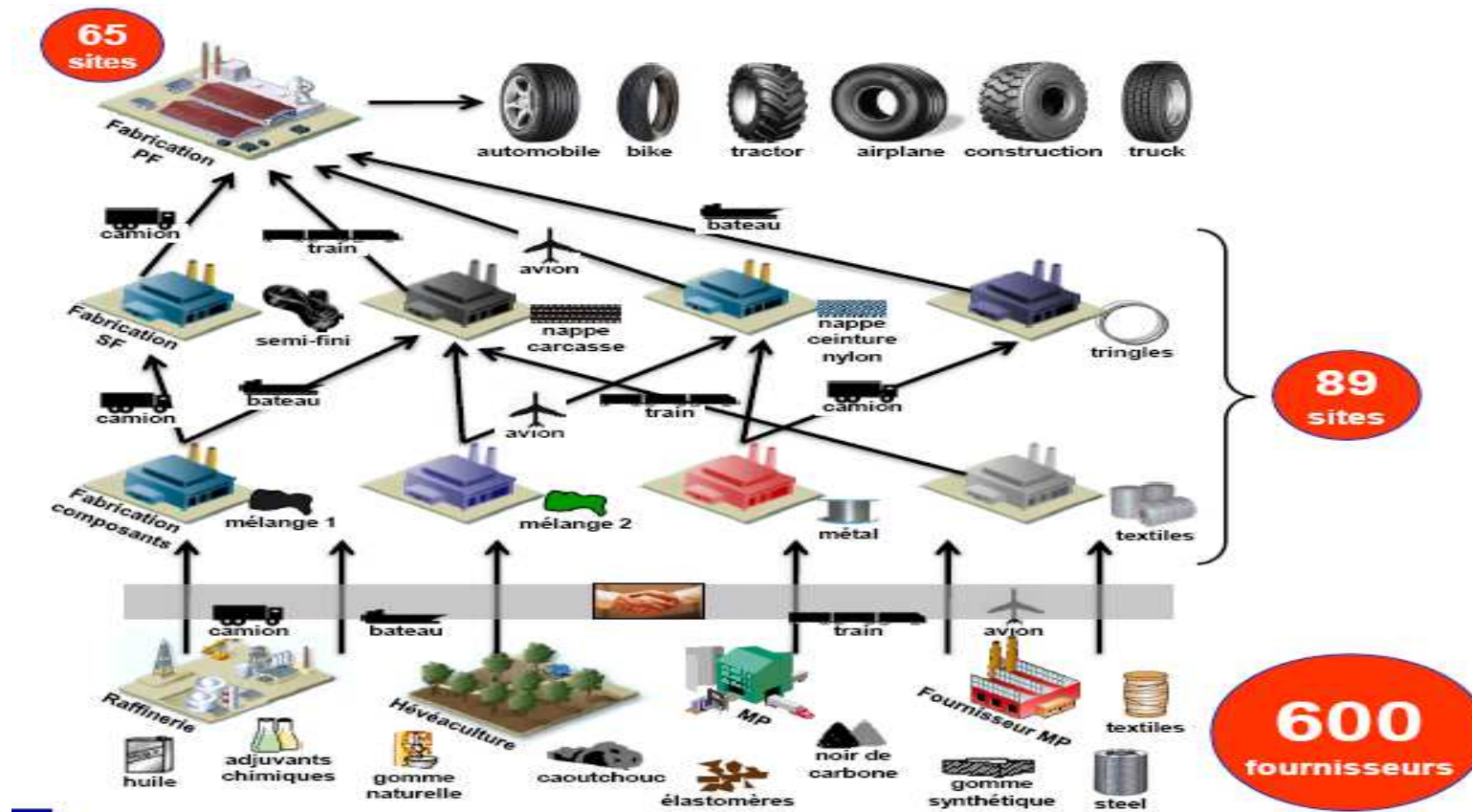
Logistic Key facts...

- 1,7 bn€ Logistic cost
- 4,5 bn€ Inventory,
- 65% to 75% Service level (TSD)
- Over 1,100 SC professionals
- Over 3,000 Logistics professionals
20,000+ subcontractors
- 20,000+ references managed,
(+ 5 to 10% additional references each year)



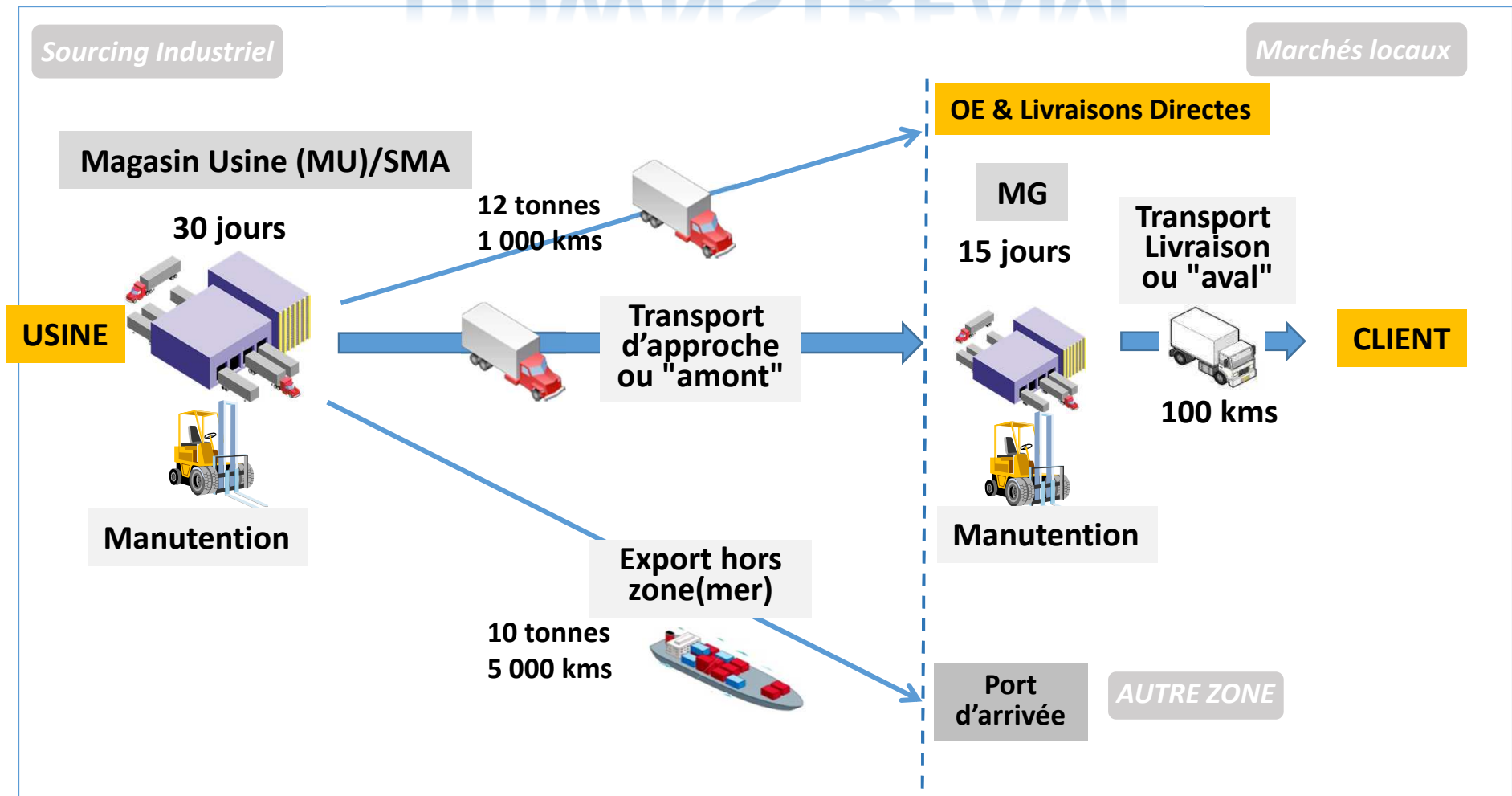


2 supply chains



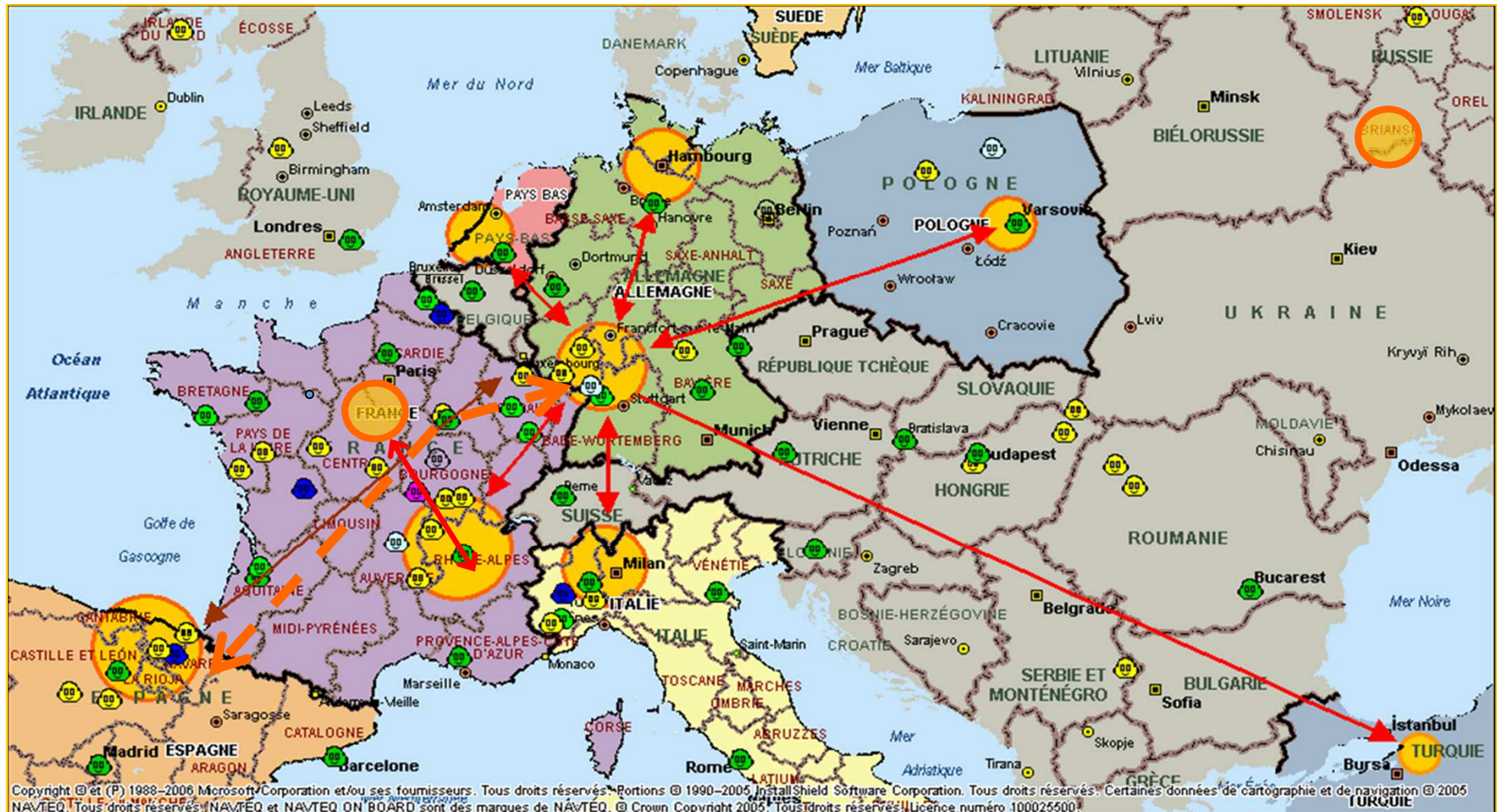
UPSTREAM

DOWNSTREAM





- The road is strategic for our logistics and supply chain, in Europe...





,,, as well as in North America



And we operate under several key constraints

› Semi-finished products :

must be used within 7 days after their production → Road

› Transport of tyres : volume is the essence !

- 1.400 PC tyres in a truck, 2,5 FTE and 3 hours to load the truck
- Pallet of 40 PC tyres, compacted with plastic film, but requires specific clark, not available every where....





Thank you for your attention !

