

MICHELIN
A better way
forward



KEY FIGURES

Michelin sites Environmental
Footprint reduced by

-33%

Employees

115,000

New hires

14,036

Hours of employee training

7.2 million

Lost-time incidents

0 In **26** Group
plants

Net sales

€20.7bn

In volume

Up **6.7%**

In value

Up **15.8%**

Operating income

€1.945bn

Before non recurring items

Net debt-to-equity
ratio

22%

Capital expenditure

€1.7bn

EVERYWHERE AROUND THE WORLD,

WE EQUIP EVERYTHING ON WHEELS, TO SERVE EVERY MOBILITY NEED

184m

TIRES PRODUCED
69 PRODUCTION FACILITIES
IN 18 COUNTRIES

170

MARKETING OPERATIONS IN
MORE THAN 170 COUNTRIES

14.8%

SHARE OF THE GLOBAL
TIRE MARKET BY VALUE

Tire Business 2011 Global Tire Company Rankings

No.1

IN THE WORLD IN
HIGHPERFORMANCE
TIRES FOR CARS

No.1

IN THE WORLD IN RADIAL TIRES
FOR TRUCKS, EARTHMOVERS,
AIRCRAFTS

No.1

IN EUROPE IN TIRES FOR
FARM MACHINERY,
MOTORCYCLES



ACTING LOCALLY,

WE FACILITATE MOBILITY FOR EVERYONE, EVERYWHERE
AND IN EVERY WAY

3.300

PRODUCT AND SERVICE
DEALERSHIPS
IN 27 COUNTRIES

10m

MAPS AND GUIDES IN
15 LANGUAGES PUBLISHED
IN 2011



No.1

IN RETREADING

950m

ITINERARIES CALCULATED
BY VIAMICHELIN



No.1

IN SERVICE CONTRACTS
FOR TRUCKS, EARTHMOVERS
AND AIRCRAFT FLEETS



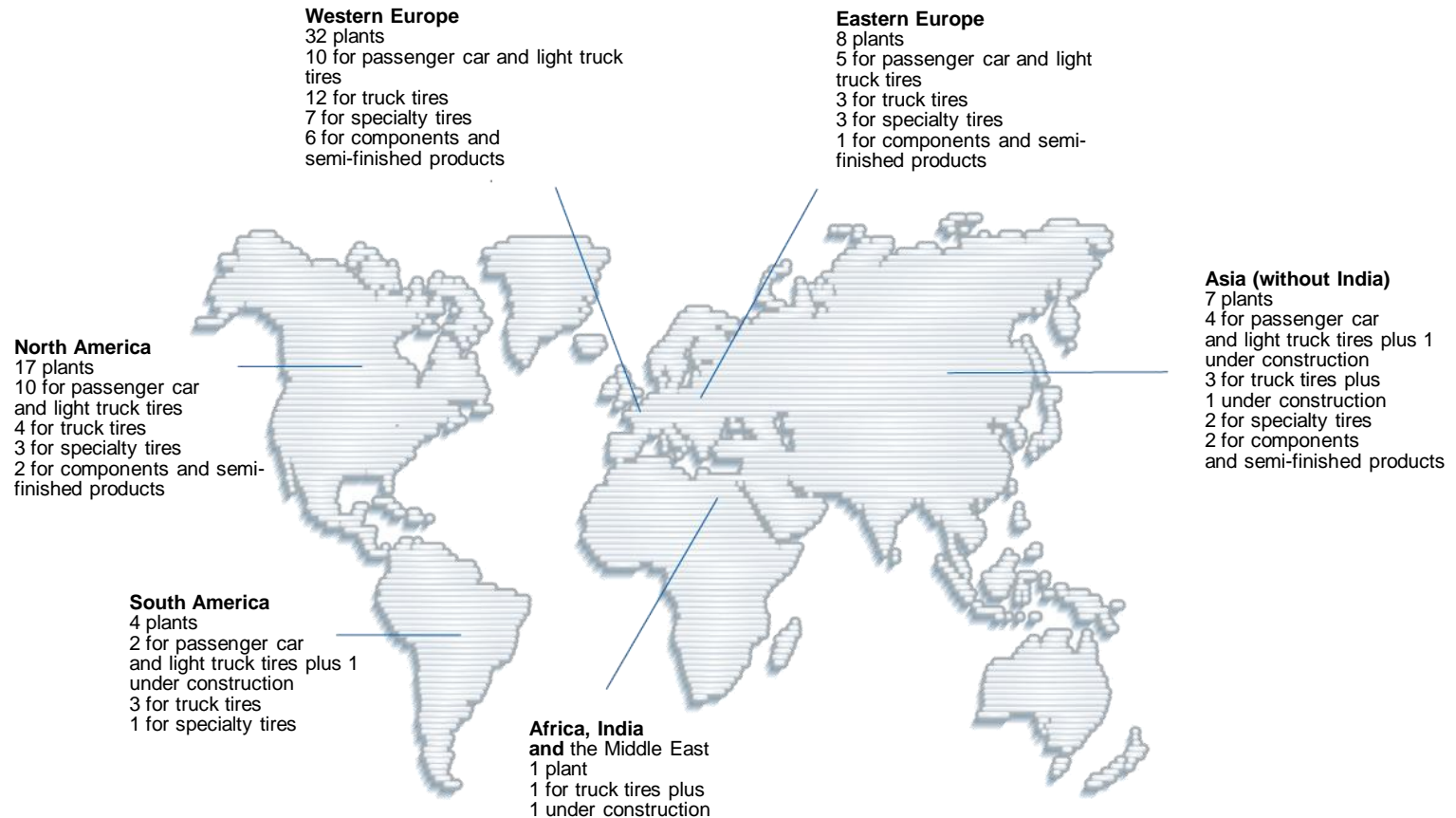
MICHELIN ESTABLISHED CLOSE TO ITS CUSTOMERS

115 000

employees (108 300 Full-time
equivalent employees)

69

production facilities
in 18 countries



• TC : Tourisme camionnette • PL : Poids lourd • SP : Pneus de spécialités

MICHELIN IT MISSION STATEMENT

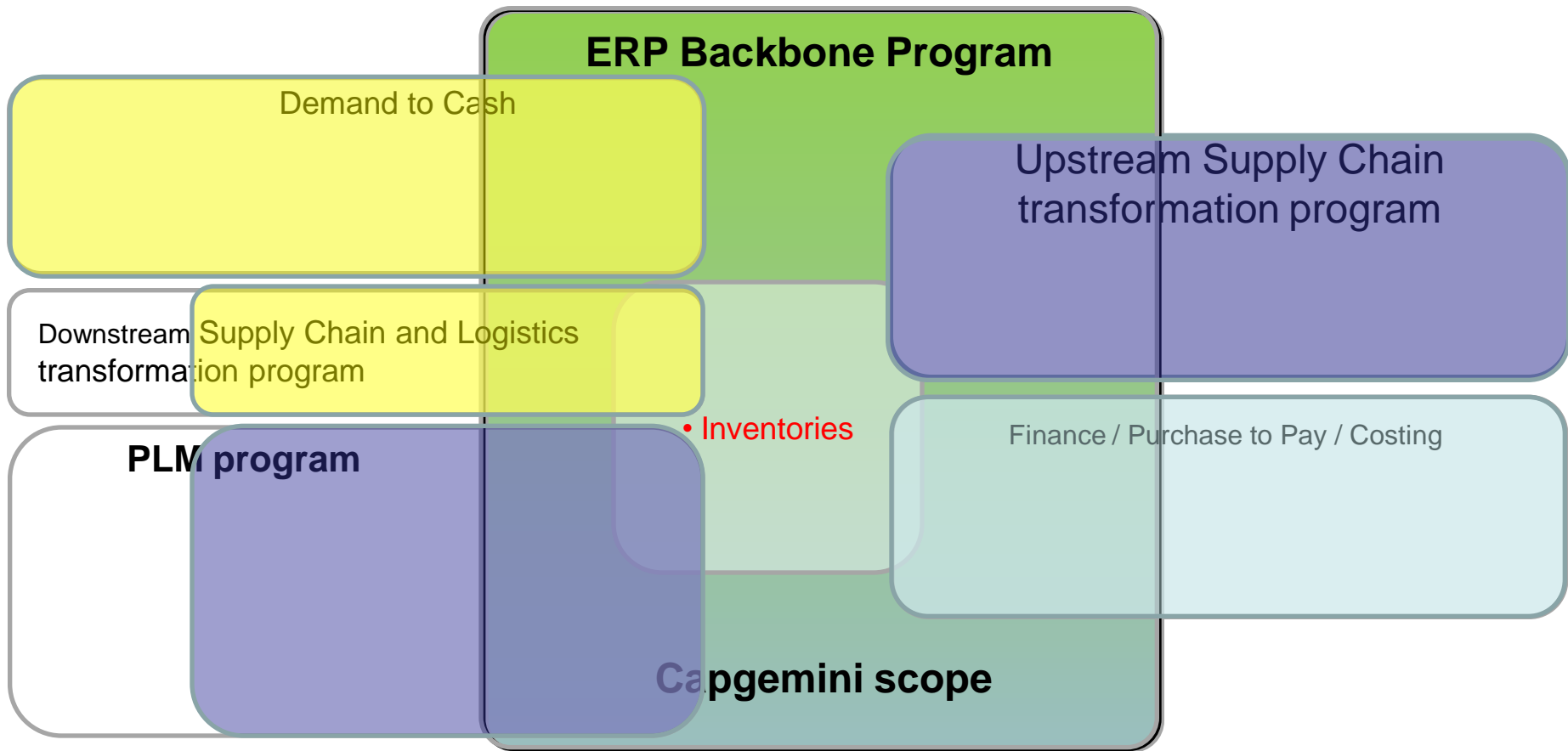
Improve business and IS/IT processes efficiency by delivering :

- 1. simplified, standardized, innovative and easy to use solutions, in accelerated cycles**
- 2. up to date, effective and collaborative work environments for individuals and communities**

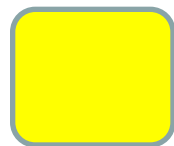
at a competitive cost while ensuring information security.



THE MICHELIN TRANSFORMATION PROGRAM SUPPORTED BY IT



Upstream



Customer / D2C / Downstream



Finance / P2P



THE PARTNERSHIP WITH Capgemini

- **Delivery model :**
 - **Front office in a co-management mode : USA, France**
 - **Back Office : India**
 - **Capgemini scope of work :**
 - **Pre-design, high level design, project management office: Capgemini Consulting**
 - **Build / test / roll out / support : Capgemini Technology + India**
- ➔ A distributed and industrialized delivery model able to ask for expertise when needed**



THE PARTNERSHIP WITH Capgemini

- **Key points :**
 - **A global project requiring international teams**
 - **Agility through “flying squad” when needed**
 - **An original partnership through the “co-management” principle**
- **First results :**
 - **A successful Go Live at the planned date in North America**
- **Next steps :**
 - **Deployment in Poland and India**
 - **Build of the next release (China, Western Europe) and deployment**
 - **Further deployments in Asia, South America**



Co-management : a real partnership spirit

- **Alignment of all suppliers on MICHELIN objectives to make them co-responsible for**
 - application development and deployment, support
 - continuous improvement of processes, methodologies and tools
 - 5% of their revenue as risk or reward through 10 KPIs (o/w Michelin satisfaction : value created, resource adequacy with the needs)

- **“Transparency” with the partners to enable anticipation: visibility on the project portfolio**



Co-management : the benefits

	Before	After
# development sites	15	5
# suppliers	80	5
Commitment on results	10%	30%-50%
Development process	Diversified	Unified
Suppliers' relationships	Client-supplier Short term	Co-management Long term
Flexibility	Variable	Structural
Cost	> benchmark	= benchmark





**Thank you
for your attention!**

