

**Michelin pursues its strategy of modernizing
and reorganizing its operations in Italy**

(Paris – October 28, 2008) - Michelin today announced a plan intended to make its operations in Italy more competitive. The Group will invest more than 200 million euros between now and 2013 to upgrade its production facilities in the country.

Michelin intends to reorganize its Italian plants to make them more productive and more specialized.

- Production capacity will be significantly increased at the Cuneo plant, as to make it Europe's largest premium passenger car tire production facility.
- The Stura workshop in Turin will terminate car tire production at year-end 2009. It will continue to manufacture semi-finished products and operate its logistics center, following the transfer of the Vercelli warehouse.

The Michelin Group has pledged to offer a new position to each employee concerned by these measures and to create the same number of jobs in the local area as will be eliminated. A program to support job creation will be deployed to reconvert the Stura facility and help revitalize the Turin job catchment area.

The modernization and reorganization plan will enable Michelin to strengthen its industrial position in Italy, a country that is and will remain a powerful production base for the Group.

With operations in Italy since 1907, Michelin today has more than 5,000 employees at four industrial sites in Alessandria, Cuneo, Fossano and Turin.

The modernization and reorganization plan will involve a non-recurring expense whose impact on the Group's 2008 financial statements will be communicated at a later date.

Due to the upcoming release of the Group's quarterly financial information, answers to any questions concerning this announcement will be provided as of 6:30p.m. on Wednesday, October 29.

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