

**Michelin Strengthens R&D Operations  
and Further Specializes Production Facilities in France**

(Clermont-Ferrand – June 17, 2009) - Michelin today announced that it will upgrade its global research and development center in Clermont-Ferrand and continue to specialize a number of its industrial operations in France.

The project reflects the Group's commitment to strengthening France's role as Michelin's strategic hub and innovation center and to enhancing the productivity of its manufacturing operations in an increasingly competitive global marketplace.

As part of this commitment, the Group has announced that it will invest more than €100 million in its Clermont-Ferrand research and development center. The upgrade program is designed to shorten time-to-market cycles for tires and services and to enable the development of more innovative manufacturing processes.

Moreover, to enhance the specialization of its production sites, Michelin plans to:

- Develop the Montceau plant into a high-performance facility for earthmover tires and one of the two largest rubber compound centers in Europe, with the deployment of a €50 million capital spending program. The facility's current car tire operations will be consolidated with those of other Group plants in Western Europe.
- Make the Tours plant a benchmark for high-tech truck tires in Europe, with the investment of an additional €15 million to continue upgrading plant installations. To make the facility more competitive, operations will be reorganized and specialized, leading to the closing of the rubber compound unit and the transfer of its production to its plants in Montceau and Cholet.
- Continue to produce premium tires in France by transferring production at the Seclin facility to Les Gravanches plant near Clermont-Ferrand.
- Strengthen light truck and SUV tire manufacturing operations at the Cholet plant by integrating light truck tire production from one of the Group's European plants.

Michelin intends to carry out this reorganization without any layoffs.

As a result, the Group has announced a voluntary separation plan open to all employees that mainly involves pre-retirement working arrangements.

The plan will enable nearly 495 of the 1,093 employees impacted by the reorganization to take advantage of special early-retirement measures and the other 598 to benefit from internal placement opportunities.

Michelin would like all of these employees to remain with the Group, which is why each of them will be offered a choice of at least two positions at its plants in France.

At the same time, Michelin Development will launch a program to revitalize the regions impacted by the reorganization.

In a highly competitive business environment exacerbated by the current crisis, these decisions further demonstrate the Group's commitment to maintaining a solid manufacturing base in France. Michelin plans to hire approximately 500 people a year over the next three years to refresh its age pyramid.

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