



2011 Operating Highlights

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Strategy - Partnerships - Acquisitions

Michelin at the 2011 Frankfurt International Motor Show

The Citroën Cubik concept car presented at the 64th Frankfurt International Motor Show was equipped with a 22-inch Michelin prototype tire, whose long diameter and relatively narrow width improve its aerodynamic qualities. Because the prototype requires fewer rotations to cover the same distance as a smaller tire, there is less heat build-up, which further improves energy efficiency. The longer diameter also means more rubber in the tread, thereby increasing total mileage and reducing overall operating costs.



Future Mobility Showcased at the 2011 Detroit Motor Show

At the 23rd North American International Auto Show (NAIAS) in Detroit, Michelin unveiled the MICHELIN X-Ice Xi2 and MICHELIN Latitude X-Ice Xi2 winter tires, as well as the all-new high-performance MICHELIN Pilot Super Sport. Michelin was the only tiremaker to participate in NAIAS, North America's most prestigious auto show.

Tire Price Increases Announced in Every Market

In response to rising raw materials costs, Michelin has maintained its firm pricing policy and announced price increases in all of its tire ranges and in every market.

Joint Venture Formed in China with Double Coin and Huayi to Produce Warrior Brand Tires for the Domestic Market

In April, the final agreement was signed with Double Coin Holdings Ltd. and Shanghai Huayi (Group) Company to create a joint venture in China to produce and market WARRIOR brand passenger car and light truck tires for the local market.

Michelin Invests in North America

As demand for its passenger car tires in North America continues to grow, Michelin is investing another \$200 million in its Lexington, SC facility to further expand its tirebuilding capacity. Michelin has already invested more than \$1 billion at the plant since it was first opened in 1981. This latest project, whose equipment will be fully installed by the first half of 2013, will create 270 new jobs, phased in over the next two years.

Another \$50 million is being committed to increase production capacity at the Fort Wayne plant in Indiana, which manufactures Passenger Car and Light Truck tires and employs 1,580 people.

These investments are part of the Group's strategy to enhance plant competitiveness in mature markets.

Major Technology Center Upgrade Project Launched

To strengthen its innovation capabilities and shorten new tire time-to-market, Michelin is upgrading its global research and development center in Ladoux, near Clermont Ferrand. The renovated Center will consolidate all of the R&D teams and laboratories on the same site, enabling the introduction of new, faster and more efficient work processes.

The entire project represents an investment of more than €100 million.

In all, 6,000 Michelin employees are involved in research, development and process engineering, with teams based in Europe, the Americas and Asia. In 2011, Michelin will allocate more than €500 million to its research programs.

Compagnie Générale des Etablissements Michelin Successfully Completes Private Placement by Compagnie Financière Michelin of its Entire Stake in Hankook Tire Co., Ltd.

Compagnie Générale des Etablissements Michelin has successfully completed the private placement to institutional investors by Compagnie Financière Michelin of 15,195,587 shares of Hankook Tire, representing approximately 9.98% of the company's share capital, at a price of €26.64 per share. The estimated gross proceeds from the transaction amounted to €405 million¹, corresponding to a capital gain of approximately €255 million for the Michelin Group.

¹ Source: European Central Bank (foreign exchange reference rate).

Expansion of the Euromaster and TyrePlus Franchise Networks

In Europe, the Euromaster network now serves customers in 15 countries with 1,909 outlets, of which 400 are franchised. In the rest of the world, the TyrePlus comprises 724 franchised dealerships in four countries - China, Saudi Arabia, India and Mexico.

Setting Up Shop in Indonesia

In early April, Michelin opened its first sales agency in Jakarta, with the intention of tapping the full potential of the Indonesian market. In three years, local automobile production has risen 70%, and the country is set to become the biggest market in the Southeast Asia-Australia region.

The target between now and 2015 is to become the country's leading supplier of radial tires and rank among the top five dealers.

Investor Day Held in Cuneo

In October, Michelin held an Investor and Analysts Day in Cuneo, Italy. In line with its new phase of dynamic growth, the Group presented its investment and manufacturing productivity strategy, illustrated in particular by its projects in China. Jean-Dominique Senard confirmed that in light of the favorable medium-term outlook for global mobility markets, the Group was determined to pursue a new phase of growth and value creation.

Michelin Ranks among the World's 11 Most Innovative French Companies

Published in November, the Thomson Reuters 2011 Top 100 Global InnovatorsSM report lists eleven French companies, including Michelin, among the world's most innovative organizations. They were selected on the basis of four criteria - at least 100 "innovative" patents awarded in 2010, the ratio of published applications to granted patents, etc. - that determine their intellectual property performance.

Michelin North America Honored By AARP (American Association of Retired Persons) as One of its 2011 Best Employers for Workers Over 50

The award marks Michelin's fifth such recognition by AARP, the US advocacy group for people over 50. Michelin joins a diverse group of corporations, health systems, universities, non-profits and government agencies on the list as the AARP Best Employers program completed its tenth awards designation since the 2001 launch. The 2011 Best Employers for Workers Over 50 are profiled in the November issue of AARP The Magazine. Accompanying the salute is a feature article by Chris Gardner advising older job seekers and other workers on how to stay competitive in today's difficult job market. Gardner, an entrepreneur and motivational speaker, is the author of "The Pursuit of Happyness" and is AARP's Ambassador of Pursuit and Happyness.

Michelin Man Named "Icon of the Year" by Advertising Week and Joins the Madison Avenue Advertising Walk of Fame

In October, the Michelin Man joined other corporate mascots in a parade in New York after being inducted into Advertising Week's Walk of Fame as "Icon of the Year". The 113-year mascot was celebrated with a bronze plaque on Madison Avenue, the historic home of the top US advertising agencies.



Michelin, One of the World's Most Admired Companies

Once again this year, Michelin was named as having the best reputation among companies listed on France's CAC 40 stock market index. Carried out by US-based Reputation Institute with France's I&E Consultants, the ranking is based on a survey of more than 3,500 customers, suppliers, employees and civil servants in France that was conducted in January and February 2011. The criteria covered product and service quality, corporate governance, employment, innovation, corporate citizenship, business and financial performance, and leadership.



Michelin Wins 2011 "Best Online Investor Relations Award" at French Investor Relations Forum

The website was recently revamped, with a focus on improving clarity and ergonomics. Users can now personalize their Michelin page with content blocks, depending on their interests, such as products, events or corporate governance issues.



Michelin Receives 2011 BoursoScan Award

Leading financial news website Boursorama and its partner OpinionWay presented the 2011 BoursoScan Awards at a ceremony attended by around one hundred representatives from listed companies.

The BoursoScan Awards honor blue-chip companies that actively communicate with their individual investors.

A survey conducted among 7,500 online investors found that the Michelin website plays a key role in its financial communications and meets two essential criteria - it is highly accessible and it provides useful information that is easy to identify.

Michelin Honored for its Anti-Trust Sensitivity Training Game

The "Mission Anti-Trust" serious game was created to train some 3,700 marketing and sales employees in Europe. Designed by Dæsign and launched in September, it received the Judges Special Prize at the 2011 Serious Game Expo.

Products - Services - Innovation

PASSENGER CAR AND LIGHT TRUCK TIRES AND RELATED DISTRIBUTION

The New MICHELIN LATITUDE X-Ice North Offers the Market's Most Extensive Line of 4WD and SUV Winter Tires



The new studded tire for 4WD vehicles and SUVs, purpose-designed for Nordic winters, reduces braking distances on ice and snow by 6% thanks to its Durastud System¹, while its Full Active Tread increases traction in snow by 15%.² The more extensive line-up also means that it can be fitted on 90% of 4WD vehicles and SUVs on the market today.³

¹ On average, compared with its predecessor. World 2011 test on 235/65 R17 T.

² Compared with its predecessor.

³ MICHELIN's studded tire ranges cover more than 90% of the 4WD configurations sold in Europe in 2010 and 2011.

Latest MICHELIN Pilot Super Sport Tires Certified on the New Ferrari FF, Ferrari's First Four-Wheel Drive Supercar

Building on its successful partnerships in the past, Ferrari has chosen Michelin as one of the tire makers to equip the new all-wheel drive Ferrari FF. The supercar will be shod with the recently introduced MICHELIN Pilot Super Sport summer tires, which are the world's fastest commercial tires on track.¹

¹ The tire recorded the fastest lap time in a dry-circuit test conducted against its five leading competitors in 2010 by TÜV SÜD Automotive, an independent organization, using 245/40 ZR 18 Y and 235/35 ZR 19 Y tires.

New BMW M5 Fitted with MICHELIN Pilot Super Sport Tires

The new BMW M5 is fitted exclusively with Michelin's Pilot Super Sport tires, another example of the close cooperation between Michelin and BMW M GmbH. The carmaker appreciated the performance delivered by MICHELIN UHP tires and the responsiveness and reliability of the Group's technical and industrial teams.

Partnering Volkswagen for Energy Efficient Mobility

Shared high standards of energy efficiency and heightened safety consciousness have led Michelin and Volkswagen to combine their technological prowess to create the new Volkswagen One Liter. Premiered at the Qatar Motor Show in Doha in January, the XL1 prototype is equipped with MICHELIN ENERGY™ Saver low rolling resistance tires. This latest generation of the tire is offered in a new narrower, larger diameter size, with an innovative tread compound and special siping technology for the tread pattern.



Launch of the MICHELIN ENERGY™ XM2, especially Designed for Use in Emerging Markets

When developing the all-new MICHELIN ENERGY™ XM2 tire, MICHELIN engineers specifically focused on how it would be used in emerging markets. Backed by the Group's €500 million annual R&D commitment, they developed innovative technologies (such as MICHELIN IRONFlex) that enable the MICHELIN ENERGY™ XM2 tire to deliver superior safety at the lowest total cost of ownership for the largest number of motorists.

The MICHELIN ENERGY™ XM2, which "lasts longer, with maximum safety", focuses first and foremost on the need for a damage-resistant tire on roads in China, Southeast Asia, Russia, India, South America, Africa and the Middle East. The heavy traffic and uneven road quality in these countries definitely put automobile tires to the test. Intended for several categories of vehicles - including city cars, compacts and sedans - the new MICHELIN ENERGY™ XM2 is being marketed in the promising 14, 15 and 16-inch segment.



The MICHELIN Primacy 3: Safety to the Power of 3

Michelin is premiering its new MICHELIN Primacy 3, which will be available in European replacement markets beginning in February 2012. Compared with its four major-brand competitors, the MICHELIN Primacy 3 tire delivers superior grip when braking on dry or wet surfaces and when cornering on wet roads, as demonstrated in tests conducted by two independent organizations, TÜV SÜD Automotive and IDIADA*.

And like all MICHELIN tires, the MICHELIN Primacy 3 also provides high total mileage, while reducing fuel consumption - in this case by 70 liters over the life of the tire.*



** Compared with four market-leading competitors. Tests conducted in 2011 by TÜV Süd Automotive and IDIADA on commercial 205/55 R 16V and 225/45 R 17W tires, purchased in February 2011.*

Products - Services - Innovation

TRUCK TIRES AND RELATED DISTRIBUTION

Michelin Commercial Service Network Launched in the US in February

Michelin has strengthened its dealership network in the United States by consolidating its leading MRT franchisees into a new network that will offer large, nationwide fleets consistent service across the US, highly responsive emergency road service (ERS) and a comprehensive reporting system to track and manage their tires. The MCSN will enable fleets to maximize their tire performance, retread dealers to retain their largest customers and Michelin to capture all of the value of the network's services. Introduced nationwide, the network is expected to act as a powerful driver of Michelin's differentiation and brand awareness among trucking fleets.

New Sizes Introduced for the X One XDA Energy, the Most Fuel-Efficient Drive Tire Available for North American Long-Haul Trucks

Engineered to replace duals for weight savings of approximately 163 kg/tractor, the new X One XDA Energy tires feature:

- Innovative belt design and Advanced Technology compounds, which combine to deliver industry-leading fuel efficiency (additional fuel savings of up to 2.5% when compared to Michelin's fuel efficient dual drive tire offerings) and long tread life (19 mm tread depth).
- Michelin's Infini-Coil technology™, incorporating 400 meters of steel cable to help eliminate casing growth. Matrix Siping technology helps provide exceptional traction on dry and slippery surfaces. The 3D Matrix sipes lock together for the stability normally associated with solid tread blocks.
- Directional tread design, which offers protection against irregular wear while allowing for tire rotation later in life. Approved for use on EPA SmartWaySM certified equipment and meets California's CARB requirements.

X® Multiway 3D™ Tire Line Introduced in Europe

Michelin is offering European regional trucking customers a new multi-purpose tire in the leading market sizes for front and drive axles, that improves fuel economy while increasing mileage potential through optimized wear patterns. Nearly four different types of sipes deliver superior traction, even at 50% wear. These tires are expected to account for most truck tire sales in Europe with the gradual phase-out of the XZE2+ line marketed since 2002.



New 275/70 X InCity XZU Bus Tire Launched in Europe

The new tire is designed to sharply reduce bus fleet operating costs by substantially improving rolling resistance, wear patterns and sidewall resistance. Depending on configuration and use, it can cut fuel consumption by 0.5 to 1.0 liters per 100 km.

The New 315/80 XZE3 R(einforced) Tire for the Chinese Regional Market

The new, more robust tire, which was introduced in August, offers greater resistance to cuts and scrapes, as well as better wear patterns, thereby helping to improve average user mileage. Especially designed for the Chinese market and specifically marked "加强", it has a particularly long-lasting casing and a reinforced crown and bead design. It is also supported by a six-month "worry-free" warranty and a highly optimized claims process.

Michelin Differentiates its Product and Service Portfolio in Russia

Michelin has opened its first retread workshop for heavy truck tires in Davydovo, Russia, with production capacity of 50,000 tires a year. The facility is designed to capitalize on the extraordinary potential of the Russian market, where only 10% of tires are currently retreaded.

MICHELIN X® Works™

With a new tire range and a new service offer, Michelin is introducing a host of truck tire innovations with the goal of creating value for customers.

The system deployed is based on the all-new MICHELIN X® Works™, an all-terrain tire combining robustness and endurance, intended for use on streets and roads as well as in and around worksites and quarries. In addition to bringing to market a tire that delivers unrivalled performance in both of these areas, Michelin has further enhanced its offer with an accidental damage warranty. The new MICHELIN X® Works™ embodies the Group's balanced performance strategy, which consists in simultaneously improving all areas of performance for enhanced safety, greater cost-effectiveness and increased environmental protection.



MICHELIN® XZA3® + Everread™ Tire Line Launched in North America

Introduced in North America on June 1, the MICHELIN® XZA3® + Everread™ tire guarantees 30% better mileage than the competition in long haul applications. Thanks to the use of a Dual Compound Tread, the EPA SmartWay verified tire pushes mileage to never-before-seen levels, while still offering the fuel efficiency, handling and retreadability expected from a MICHELIN® steer tire.

Michelin Japan Increases its Tire Retreading Capacity

Michelin Japan and its partner Takase recently signed a subcontracting agreement to increase the supply of Michelin Retread truck tires. An integral part of the four lives concept of MICHELIN truck tires and a key component of Michelin's strategy in Japan, Michelin Retread is very much appreciated by customers since no other tire maker in the country provides this type of service. With the new agreement, Michelin Japan will be able to meet growing local demand for retread Truck tires, a segment that has expanded by more than 30% since 2004.



Products - Services - Innovation

SPECIALTY BUSINESSES

Earthmover Tires

XDR™2 Tire Introduced for Rigid Dump Trucks



Michelin Earthmover has unveiled the MICHELIN® XDR™2 tire for severe mining and quarry applications. Designed for rigid dump trucks, it offers up to 20% longer treadlife than its predecessor, the MICHELIN XDR™ tire. Introduced at CONEXPO-CON/AGG, in Las Vegas, the MICHELIN® XDR™2 tire is available in 27.00R49, 33.00R51, 37.00R57, 40.00R57 and 53/80R63 sizes.

The MICHELIN® XZM2™+, a New Solution for Reach Stackers

Michelin Earthmover presented its new port equipment tire at the CEMAT logistics trade show held from May 2-6 in Hannover, Germany. Available in two sizes (18R33 and 18R25), the MICHELIN® XZM2™+ tire offers a 15% gain in tread life over its predecessor, increased resistance, as well as unmatched driver comfort and cargo protection.

B² Technology Delivers Cost-Effective Benefits

B² technology offers a new bead architecture with a 30% wider bead wire and a bigger rim contact area to attenuate tire rotation on the rim and improve bead-area endurance. As a result, the B² technology solution delivers such benefits as higher productivity, greater reliability and lower operating costs.

The Panama Canal, a Gigantic Project for Michelin

Michelin is involved in the project to widen the Panama Canal, supplying 95% of the tires used on the site, or a total of 1,564 tires in 2011 alone. The project represents a strategic challenge for the Earthmover tire business in South America, which expects that the contract will considerably increase its market share in the infrastructure segment.



Agricultural Tires

Michelin Participates in the Agritechnica Trade Fair

Held in November in Hannover, the world's leading international farm machinery trade fair offered Michelin the opportunity to present all of its MICHELIN UltraFlex technology-enabled tires, including AxioBib, XeoBib, SprayBib and CerexBib. Now available on tires used across the crop cycle, the technology reduces soil compaction, thereby raising per-hectare yields. The 415,000 visitors gained new insight into the important role played by tires, not only through the demonstrations conducted by Michelin exhibitors, but also by observing Michelin's leadership in equipping nearly 25% of the more than 400 farm machines presented at the fair.



Michelin North & South America Exhibit Technological Superiority with IF/ VF Product Offering at the Farm Progress & Agrishow 2011

Michelin, the pioneer in improved flexion (IF) technology for agricultural tires, showed professional farmers and industry insiders how IF radials help farmers to reduce soil compaction, improve fuel economy, safeguard the environment and, ultimately, build the farmer's bottom line. The Group shared information about the innovative MICHELIN UltraFlex™ Technologies behind its IF and VF-class radials at the US farm show held in Decatur, Illinois, that had an attendance of over 100,000 people, and at the Brazilian farm show held in Ribeirão Preto (150,000 visitors).

MICHELIN radials are designed with an important goal in mind - helping professional farmers to be more productive and more profitable. The improved flexion and very-high flexion technologies have been proven for tractors and sprayers, while the 2011 MICHELIN SprayBib product launch was a huge part of the conversation at the shows, as well as MICHELIN AxioBib. Michelin took advantage of those two major Global Agricultural Fairs to tell professional farmers they can expect the agricultural tire industry to move even further with expanded equipment tire options to meet their production needs in the months and years ahead.

New Product Launches throughout the Year

In 2011, the Agricultural Tire business brought to market a steady stream of new solutions that more effectually addressed customer issues with new sizes and improved performance. These successful launches in the MegaXBib, XeoBib, SprayBib, AgriBib, BibSteel All Terrain and BibSteel Hard Surface lines have all helped to increase farm productivity by delivering enhanced soil protection, fuel savings and longer tread life.

Two-Wheel Tires

MICHELIN Pilot Road 3

Michelin has opened a whole new era in the fast-expanding world of Sport Touring Radial tires with the new MICHELIN Pilot Road 3, designed for on-road use on Sportster, Roadster, Touring and GT bikes. The first tire to integrate X Sipe Technology (XST), the Michelin Pilot Road 3 delivers unprecedented performance, shortening wet braking distance by an average 2.5 meters compared with its predecessor¹, while offering superior total mileage².

¹ Braking test of the MICHELIN Pilot Road 3 compared with the MICHELIN Pilot Road 2 performed on wet pavement at the DEKRA Test Center in January 2011 on 120/70 ZR 17 and 190/50 ZR 17 tires (comparative braking distances in a braking test conducted at 50kph).

² Treadlife test of the MICHELIN Pilot Road 3 compared with the MICHELIN Pilot Road 2 performed at the DEKRA Test Center in 2010 on 120/70 ZR 17 and 180/55 ZR 17 tires.



MICHELIN Commander II Offers More Mileage with No Concessions

In September, Michelin launched a new motorcycle tire offering unrivalled tread life. Independent tests carried out in the United States showed that a rear MICHELIN Commander II is capable of covering up to 40,000 kilometers*. That's nearly twice the distance covered by its direct competitors, and the front tire lasts even longer.

The MICHELIN Commander II sets a new standard with regard to durability, yet without making any concessions in terms of wet grip, maneuverability or stability. This performance balance provides yet another eloquent illustration of Michelin's research and development philosophy - that performance in one area is never improved by making sacrifices in another.

* Based on commissioned third-party tests carried out on public roads in March/April 2011 by Texas Test Fleet (900 N. Transportation Devine, TX 78016). Comparison based on results of the MICHELIN Commander II versus the METZELER ME880 and the DUNLOP D407/D408 in sizes 130/80 B 17 (front) and 180/65 B 16 (rear). Individual results may vary depending on motorcycle type and running conditions.



MICHELIN PRO 4 Service Course Range of Road Bike Tires Introduced

Used during the 2011 Tour de France by the AG2R team, which actively contributed to its development, the MICHELIN PRO 4 Service Course family of products is the first of four that will make up the new MICHELIN PRO4 line of road bike tires. Available since September, MICHELIN PRO 4 Service Course tires are designed to provide a unique combination of sports performance and long tire life.

In addition to being faster and safer, the MICHELIN PRO 4 Service Course also improves cornering speeds* in the wet by an average 16% compared with its predecessor. Its new, more pointed profile optimizes the contact patch when leaning into corners for extra grip, as well as enhanced agility.

At the same time, tread life has been lengthened by the use of the latest dual-compound technology, which provides superior rigidity for the central part of the tread band - the part of the tire that is most in contact with the pavement. Lastly, the presence of a high-density nylon breaker beneath the MICHELIN PRO 4's tread improves resistance to cuts,

** 25.6 kph at a lean angle of 27.5 degrees for PRO4 compared with 22 kph and an angle of 21 degrees in the case of PRO3 Race (test carried out round Michelin's 56-metre circumference circular test track using a special Michelin test bike).*



MICHELIN Protek Max Inner Tube Wins Eurobike Gold Award

At the 2011 Eurobike Awards, a panel of bicycle industry experts presented the MICHELIN Protek Max inner tube with a Gold Award in the accessories category. For the past seven years, the most innovative, practical, environmentally friendly and long-lasting products have received Eurobike awards. In presenting the award, the panel members cited the fact that the inner tube is puncture resistant, easy to mount and maintains tire pressure when the bike is not in use. Thanks to these improvements in bicycle tire technology, the inner tube has effectively been reinvented.

The MICHELIN Protek Max inner tube is available in the two best-selling tire sizes for city, trekking and mountain bikes and can be used with a wide range of tires.



Aircraft Tires

Michelin at the Le Bourget Air Show

Michelin's return to the International Paris Air Show in Le Bourget was highlighted by the presentation of the balanced performance delivered by its aircraft tires thanks to NZG technology, which allows twice as many landings and lowers the risk of cuts by 50%. The technology's benefits have been recognized by Bombardier, which selected it to equip their new environmentally friendly airliner after a highly demanding tender process.

Today, nearly half of all the world's aircraft are fitted with Michelin tires as original equipment. Michelin also presented its partnership with Solar Impulse, the Swiss experimental aircraft powered by solar energy.

Michelin to Supply Tires for China's First Commercial Airliner

Michelin has been chosen to develop and supply tires for the Comac C919, the first commercial airliner designed in China. This is the first time that Michelin will provide tires for a Chinese airliner.

A pioneer in radial aircraft tires since 1981, the Group will supply the Comac C919 with its Michelin Air X radials.



Michelin Travel Partner

Michelin Travel Partner

The Cards, Guides and ViaMichelin operations have been consolidated into a new business unit, Michelin Travel Partner, with shared offices in Boulogne-Billancourt, outside Paris.

The new unit's mission is to develop integrated, multimedia (paper and digital) products and services for consumers and professionals.

App Store Rewind 2011: 3 Michelin Applications among the Year's Best Sellers

Apple's App Store Rewind 2011's list of the best-selling French apps of the year included three Michelin applications - ViaMichelin Mobile, France - Les Restaurants du Guide MICHELIN and Carte MICHELIN France - which together totaled some 1,400,000 downloads.



MICHELIN Maps Come to China

Building on its more than a century of expertise in road maps and tourist information, Michelin has published its first series of nine maps in Chinese covering thirteen European countries.

Specifically created for Chinese tourists dreaming of traveling, preparing a European trip or looking to find their way around from one country to another, the collection covers France, Italy, Germany, Spain, Portugal, Andorra, Belgium, Luxembourg, the Netherlands, the United Kingdom, Ireland, Switzerland and Austria.

MICHELIN Green Guide Japan Receives the Japan Tourism Agency Award

On October 3, 2011 in Tokyo, the MICHELIN Green Guide received the Japan Tourism Agency Award, which recognizes individuals or organizations that made an outstanding contribution to the development of international tourism in Japan. It has been awarded annually since 2008 by the Japan Tourism Agency, a part of the Ministry of Land, Infrastructure, Transport and Tourism.

The second edition of the Green Guide was being printed on March 11, when the earthquake and ensuing tsunami devastated the Tohoku region. However, Michelin decided not to postpone the printing, feeling that the Guide's publication as scheduled would send a powerful message of friendship and encouragement for Japan and the Japanese people. As a result, the Guide was released on May 13 with a simple insert explaining that the Tohoku chapters would be revised at a later date.

Michelin Lifestyle

MICHELIN Wheel & Tire Cleaner Voted Product of the Year 2011 in France



In January, the MICHELIN Wheel & Tire Cleaner won the prestigious "Product of the Year 2011" award in France, based on a polling of 10,000 representative households.



Wiper Blades Advertising Campaign Has Strong Impact on Brand Visibility

In the United States and Canada, a more than €5 million advertising campaign, financed entirely by a Group wiper blades licensee, promoted the MICHELIN brand and the improvement of road safety, all in line with Group communications guidelines.

MICHELIN Footwear Launched in Europe

At the A&A show in Dusseldorf from October 18 to 21, Michelin Lifestyle's new licensee for safety footwear in Europe, Italian-based Socim, launched a range of more than 25 different models of low and mid-cut safety shoes and boots. There was an impressive Michelin-dedicated stand to showcase the range to the trade. Each model has a MICHELIN tire-inspired outsole based on the MICHELIN Energy Saver, Pilot Sport 3, Pilot Sport AS and Alpin 4 tires. Retailer and consumer feedback to the products has been excellent with strong sell through.

Two other important launches in 2011 concerned the Spanish company Kelme, which introduced their futsal (indoor football) shoes worldwide and Germany's Uhlsport, which launched Kempa handball shoes in Europe. All of these shoes incorporate Michelin's technologies in the form of long-lasting, enhanced-grip soles.



Michelin Performance and Responsibility

A Record Turnout for Michelin Challenge Bibendum 2011 in Berlin

More than 16,000 visitors attended the 11th Michelin Challenge Bibendum in Berlin from May 18-22, 2011, with some 650 international journalists covering the event.

The Challenge Bibendum is a forum that seeks to address all the challenges facing sustainable road mobility. This international event combines technical tests and evaluations with demonstrations and test drives to assess improvements made in vehicles, energy and technologies. Public and private-sector decision makers and opinion leaders assess advances made as well as future paths to securing sustainable energy for enhanced mobility, while the general public can indulge their fancies in automobile solutions that are safer, cheaper and more "connected".

For the Berlin event, five booklets were published to stimulate new thinking and dialogue about sustainable mobility by discussing such issues as road safety, electric and hybrid vehicles, biofuels, connected vehicles and the reduction of road transport carbon emissions. They are available in hardcopy in English or may be downloaded in French, English or German from challengebibendum.com.

To find out more, please visit <http://www.michelinchallengebibendum.com>



Partnering Research in Canada

Michelin is an active partner of the Interuniversity Research Centre for the Life Cycle of Products, Processes and Services (CIRAIG), which was founded under the leadership of École Polytechnique de Montréal in collaboration with Université de Montréal and HEC Montréal. The CIRAIG was created to meet the demands of industry and governments to develop leading edge academic expertise in sustainable development tools.

Measuring Community Investment

In 2011, Michelin decided to join the London Benchmarking Group (www.lbg-online.net) in 2011, with the goal of measuring the real value and impact of its community investment. Initially applied as a pilot project prior to being rolled out across the entire organization, the LBG model will be used to measure not only the Group's charitable initiatives but its overall contribution to each host community, thereby helping it to manage this outreach more effectively and maximize the benefits for both the company and its stakeholders. The London Benchmarking Group's membership base includes 120 multinationals. Its methodology is recognized by the Swiss rating agency SAM (Sustainable Asset Management).

Environmental Ratings

Michelin is recognized by the Dow Jones Sustainability Index, ASPI Eurozone and Ethibel Excellence indices as a leader in the global tire industry for its commitment to environmental reporting.

Participation in the Second ADEME Innovation Forum in France



For the second year in a row, Michelin participated in the forum on innovation organized by the French Agency for the Environment and Energy Management (ADEME), held this year in September in Paris. The event offered the Group an opportunity to present four sustainable mobility projects (Forewheel, Velroue, ELLISUP and F-CITY H2) developed by its Advanced Mobility Research Center and carried out in partnership with many manufacturers, thanks to financial support from ADEME and public authorities.

Collaboration with Amyris to Develop and Market Renewable Isoprene

Michelin and Amyris, Inc., a leading renewable chemicals and fuels company, have agreed to collaborate in the development and commercialization of Amyris No Compromise® renewable isoprene, the chemical building block in rubber tires and other products that use synthetic and natural rubbers.

The Le Puy, France Plant Inaugurates 17,000 Rooftop Solar Power Panels

In September, the Blavozy plant near Le Puy-en-Velay inaugurated one of France's largest photovoltaic roof panel installations, built by EDF Energies Nouvelles for Michelin. The plant is the Group's sixth site to install solar power capabilities, and the first in France.

"Michelin is committed to reducing its carbon emissions", said Michel Rollier, Managing Partner, "and applying that commitment at the Le Puy plant demonstrates that environmental stewardship and business performance can go hand in hand thanks to innovative technology"

Global Road Safety Commitment

With the governments of 178 countries calling for action, the United Nations General Assembly adopted a resolution in March 2010 making 2011-2020 the Decade of Action for Road Safety and inviting governments, international organizations, NGOs and private businesses to actively contribute to improving the situation. Managing Partner Jean-Dominique Senard officially signed the global commitment on behalf of Michelin, thereby pledging the Group's active support for this international initiative to promote road safety.

Thanks to its steadfast commitment to promoting road safety, the Group has been recognized as an official partner to the Decade of Action.

Partnering with FIA for Tomorrow's Mobility

Starting in 2011, and for the next two years, the Fédération Internationale de l'Automobile (FIA) and Michelin will be implementing a partnership agreement designed to develop new actions to foster mobility that is safer, more sustainable and more environmentally sensitive. This close working relationship will be built on three policies:

- Improving road safety, in particular through programs to raise the awareness of young people and future motorists around the world.
- Developing innovative racing tires, to help transfer track improvements to the street.
- Developing new motorsports solutions to reduce the environmental footprint of everyday mobility.

Michelin Shines at the World Solar Challenge in Australia

The World Solar Challenge is a 3,000-kilometer race across Australia, from Darwin to Adelaide, for vehicles powered only by solar energy. This year, 39 teams from universities around the world took part in the event.

Michelin provided eight participating teams with tires specially designed for the race. The tires delivered the lowest rolling resistance performance ever achieved - 1.5 kilogram per tonne, or five times less than that of a MICHELIN Energy Saver - while also providing optimal robustness and safety at speeds of more than 160 kilometers an hour. The top three finishers were all equipped with Michelin tires.

Japan's Tokai University won the race in 32 hours and 45 minutes, for an average speed of 91.54 kilometers an hour, followed by the Netherland's Nuon Solar Team and the University of Michigan.



Motorsports

Michelin Takes the 2011 Le Mans 24 Hours

Michelin and Audi won the 2011 edition of the legendary Le Mans 24 Hours endurance race, racking up Michelin's 20th win, including 14 consecutive victories since 1998. Thanks to the performance, longevity and versatility of its tires, Michelin runners were first past the post in the LMP1 category, as well as in the LM GTE Pro class with No. 73 Corvette after a thrilling



battle with AF Corse's No. 51 Ferrari 458 Italia and in the LM GTE Am with the No. 50 Corvette of the Larbre Compétition team. Peugeot took the win in the MICHELIN GREEN X Challenge, which is especially organized to reward the most energy-efficient performance.

Michelin Takes One-Two and One-Two-Three Wins at Silverstone in the Intercontinental Le Mans Cup (ILMC)

In addition to collecting a one-two finish overall thanks to Peugeot and Audi in the fifth round of the 2011 Intercontinental Le Mans Cup, Michelin also monopolized the podium in both the LM GTE Pro and LM GTE Am classes with its partners Ferrari and Porsche who were racing with new and improved tires at Silverstone. After notching up their 20th Le Mans 24 Hours victory in June, the Michelin Motorsports team continued to work on their range of endurance racing tires. Since the inaugural Intercontinental Le Mans Cup race at Silverstone 12 months ago, MICHELIN runners have yet to be beaten in this championship. For the second time in a row, the MICHELIN GREEN X Challenge - which seeks to promote energy-efficient racing - was won by the No. 8 Peugeot.

An Historic Win for Oreca and Michelin at the 12 Hours of Sebring

The Peugeot 908 HDi FAP/MICHELIN entered by Team Oreca-Matmut and shared by Lapierre/Duval/Panis took the surprise win in the 12 Hours of Sebring, round one of the 2011 Intercontinental Le Mans Cup (ILMC). MICHELIN runners monopolized the top-five places overall to hand the Group its 13th consecutive success at Sebring. Committed to auto endurance, Michelin develops technologies for its partners that help to create competitive differentiation and simultaneously deliver performance in three key areas, durability, safety and energy efficiency.



Michelin Wins Three World Titles in Off-Road Disciplines

In 2011, Michelin won six World Champion titles in the three flagship disciplines of all-terrain motorcycle competition, Enduro, Motocross and Trials. It was crowned World Champion in the Enduro E1 and Enduro E2 category, in MX3 Motocross racing, and in Indoor and Outdoor Trials.

Michelin Claims 19th World Rally Championship Title

In 2011, when Michelin returned to the World Rally Championship (WRC) after a five-year absence, Michelin Motorsports had every reason to be happy with the way its tires performed throughout the season. It was a particularly successful comeback, with Michelin and its partners clinching both the Drivers' and Manufacturers' titles for the year.



2011 Super GT500 Success for Michelin and MOLA in Japan

Michelin and the privateer MOLA team secured both the Teams' and Drivers' titles in this year's GT500 series, the flagship class in Japan's Super GT championship. Run exclusively by grand touring cars, Super GT is one of the most fiercely-fought GT race championships, opposing factory teams from Japanese carmakers, as well as the world's major tire manufacturers. The dual victory was a feather in the cap for Michelin's Technology Center and Motorsports Division, which worked closely together to produce a range of versatile, reliable, high-performance tires.



A Sensational Season for Michelin in the Spanish Speed Championship

Michelin runners swept the board in this year's Spanish Speed Championships (CEV), taking every win and monopolizing the final top three in the Stock/Extreme class. The seven-round series saw Michelin riders claim all seven wins and pole positions, plus six one-two-three finishes and 20 podium finishes out of a possible 21.

Corporate Governance

In May, 2011 Michel Rollier Asked Shareholders at the Annual Meeting to Prepare for His Succession and Adjust The Group's Corporate Governance



The Joint Annual Meeting of Michelin shareholders was held on May 13, 2011 in Clermont-Ferrand. In light of Mr. Rollier's intention, announced last February, not to complete his term of office, he proposed that shareholders in Extraordinary Meeting elect Jean-Dominique Senard as Managing General Partner, to serve alongside Mr. Rollier and eventually succeed him when the time comes. Mr. Rollier also invited shareholders to approve an adjustment in the Group's corporate governance as part of the succession process. Shareholders adopted all of the proposed resolutions and the Group's governance procedures have been strengthened, in particular by limiting the term of office of new Managing Partners to four years, clarifying the division of roles within the partnership and enhancing the Supervisory Board's oversight responsibilities.

Mr. Senard warmly thanked shareholders for their confidence. He pledged to remain true to the Group's values and, in exercising his new responsibilities, to fulfill its ambitious vision.

The presentations to shareholders, vote totals on the resolutions and a webcast of the entire Annual Meeting are available at www.michelin.com/corporate.

2010 Dividend Reinvestment Plan

At the Annual Meeting on May 13, 2011 shareholders approved the payment of a dividend of €1.78 a share, with a dividend reinvestment option. The dividend was paid or the shares settled on June 20.

Nearly 60% of the dividend was reinvested in new shares, after more than 78% of shareholders exercised their option between May 20 and June 7. This resulted in the creation of 3.1 million new shares (representing 1.7% of the capital), which were delivered on June 20 and started trading on the NYSE Euronext Paris stock exchange the same day.

The issued shares carry dividend rights from January 1, 2011 and rank pari passu with existing shares. Once the shares were settled, Michelin's share capital was comprised of 179,735,911 shares with a par value of €2.00 each.

The cash dividend was paid of June 20.



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