

COMPAGNIE GÉNÉRALE DES ÉTABLISSEMENTS MICHELIN

Compagnie Générale des Etablissements Michelin (hereinafter, the “Company”) announces the launch of a new employee share ownership plan enabling employees of the Michelin group to subscribe to a capital increase reserved to employees on preferential terms.

The subscription period for the share offering will take place from September 19 to October 4, 2018 (inclusive).

ISSUER

Compagnie Générale des Etablissements Michelin
Partnership limited by shares (*société en commandite par actions*)
Registered offices located at: 23, place des Carmes-Déchaux, Clermont-Ferrand (Puy-de-Dôme), France
Share capital: €357.957.682
Clermont-Ferrand Trade and Companies Registry number: 855 200 887
Listing: Compartment A – NYSE Euronext Paris (France)
Ordinary share with ISIN code: FR0000121261 - ML
Security admitted to the Service de Règlement Différé (SRD) (or “Differed Payment Service”)

The main terms and conditions of the offer are described below:

FRAMEWORK OF THE TRANSACTION

The President (le “*Président de la Gérance*”) has decided to implement a capital increase reserved for employees of the Company and of companies related to it in the meaning of Article L. 3344-1 of the French Labour Code and Article L. 225-180 of the French Commercial Code which are members of the Michelin Group Savings Plan (hereinafter, the “Employees”) to involve them more closely to the growth and development of the Group, in a mutual engagement dynamic. This capital increase was authorized by the 20th resolution of the General Meeting of Shareholders on May 18, 2018.

The capital increase is proposed in the following countries:

Argentina, Australia, Austria, Belgium, Brazil, Cameroon, Canada, Chile, China (including Hong Kong and Taiwan), Colombia, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, India, Indonesia, Italy, Japan, Malaysia, Mexico, Netherlands, Nigeria, Peru, Poland, Portugal, Romania, Serbia, Singapore, Slovakia, South Africa, South Korea, Spain, Sweden, Switzerland, Thailand, Turkey, United Arab Emirates and USA.

SECURITIES OFFERED

The President has decided to increase the capital of the Company, up to a maximum ceiling of 600,000 shares.

On September 17, 2018, the President set the subscription price at €82,31 . This subscription price is equal to 80% of the reference price (equal to the average opening share price of the Michelin share on NYSE Euronext (Paris) during the twenty trading days preceding this date); equal to the reference price minus a 20% discount.

TERMS AND CONDITIONS OF THE OFFER

Beneficiaries of the offer

The beneficiaries of the offer are the Employees of those Group companies that are members of Michelin's Group Savings Plan, irrespective of the nature of their employment relationship, and who meet a seniority requirement of at least three months.

Terms and conditions of the subscription of shares

The shares will be subscribed directly by the Employees, except in Hungary where they will be subscribed through the FCPE Bib Invest Relais 2018, approved on April 24, 2018, under the AMF code AMF "FCE20180068". This FCPE is expected to be merged into the FCPE Bib Invest after the completion of the capital increase.

Voting rights

Employees who acquire shares directly may exercise their voting rights individually at Michelin's Shareholders' Meetings. The voting rights attached to the shares acquired via the FCPE Bib Invest Relais 2018 will be exercised by the FCPE's Supervisory Board.

Lock-up period applicable to the Michelin shares

Pursuant to Article L.3332-25 of the French Labor Code, Employees who have subscribed Michelin shares, either directly or via the FCPE Bib Invest Relais 2018, must hold their shares or FCPE units for a lock-up period of five years, from the date of the capital increase, which is expected to be on November 15, 2018 (until November 15, 2023), except in the case of an early release.

Quotation

The admission of the Company's new shares to trading on the Euronext Paris market is expected to take place on November 15, 2018. These new shares will be treated as existing shares.

Other informations

The terms of the company contribution, the minimum and maximum individual subscription, the terms of payment or the modalities of reduction in case of oversubscription are detailed in the documentation of the offer.

SPECIAL NOTE REGARDING THE INTERNATIONAL OFFERING

This press release does not constitute an offer to sell or a solicitation to subscribe Michelin shares. The offering of Michelin shares reserved for Employees will be conducted only in countries where such an offering has been registered with the competent local authorities and/or following the approval of a prospectus by the competent local authorities or in consideration of an exemption of the requirement to prepare a prospectus or register the offering. More generally, the offering will only be conducted in countries where all required filing procedures and/or consultation or information obligations with respect to organizations representing employees and/or notifications have been completed and the authorizations have been obtained. This press release is not destined for, and copies thereof should not be sent to, countries in which such a prospectus has not been approved or such an exemption is not available or where all of the required filing procedures and/or consultation or information obligations with respect to organizations representing employees and/or notifications have not been completed or where the authorizations have not been obtained.

CONTACT PERSON FOR EMPLOYEES

For any question regarding this offering, beneficiaries can contact their human resources department or consult the following internet website: www.bibaction.com.

This press release constitutes the information document required pursuant to Articles 212-4 (paragraph 5) of the AMF's General Regulations and to Article 19 of circular n° 2016-04 of January 15, 2018, published in the form of a press release in accordance with Article 221-3 of the AMF's General Regulations.

Investor Relations Edouard de Peuffelhoux +33 (0) 4 73 32 74 47 +33 (0) 6 89 71 93 73 (cell) edouard.de-peuffelhoux@michelin.com Matthieu Dewavrin +33 (0) 4 73 32 18 02 +33 (0) 6 71 14 17 05 (cell) matthieu.dewavrin@michelin.com Humbert de Feydeau +33 (0) 4 73 32 68 39 +33 (0) 6 82 22 39 78 (cell) humbert.de-feydeau@michelin.com	Media Relations Corinne Meutey +33 (0) 1 78 76 45 27 +33 (0) 6 08 00 13 85 (cell) corinne.meutey@michelin.com Individual Shareholders Isabelle Maizaud-Aucouturier +33 (0) 4 73 98 59 27 isabelle.maizaud-aucouturier@michelin.com
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