

## COMPAGNIE GENERALE DES ETABLISSEMENTS MICHELIN

### PRESS RELEASE

Compagnie Générale des Etablissements Michelin (hereinafter, the “Company”) is carrying out an offering of shares reserved for current employees of the Company and companies related to it in accordance with the conditions set forth in Article 3344-1 of the French Labor Code and in Article L. 225-180 of the French Code of Commerce, and who are members of the *Plan d’Epargne Groupe* (or “Group Savings Plan”) (the Company and such companies are hereinafter collectively referred to as the “Group”).

The subscription period of the offering of shares will take place from November 4, 2013 to November 18, 2013 (inclusive).

### ISSUER

Compagnie Générale des Etablissements Michelin  
Partnership limited by shares (*société en commandite par actions*)  
Registered offices located at: 12, cours Sablon, Clermont-Ferrand (Puy-de-Dôme), France  
Share capital: €374,368,640  
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”)

### FRAMEWORK OF THE TRANSACTION

The Managing Chairman has decided to implement an offer of existing shares in favor of employees of the Group who are members of Michelin Group Savings Plan (hereinafter, the “Employees”), in order to offer them the possibility to be more closely associated with the Group’s future growth and development, as part as a mutual commitment dynamic.

This offering of shares is reserved exclusively for the Employees of the Company and of the participating French and foreign companies in which the Company holds, directly or indirectly, at least 50% of the share capital and that are members of the Group Savings Plan.

The shares to be sold to Employees are shares acquired by the Company through its repurchase program as authorized by the 7<sup>th</sup> resolution of the Shareholder’s Meeting of May 17, 2013.

### SECURITIES OFFERED

The Managing Chairman has decided to sell shares to the Employees of the Group, up to a maximum ceiling of 1,500,000 shares.

On October 24, 2013, the Managing Chairman set the subscription price at €64.05. This purchase 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); otherwise stated, the reference price minus a 20% discount.

## **SUBSCRIPTION CONDITIONS**

### Beneficiaries of the offering

The beneficiaries of the offering 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 at the last day of the subscription period.

In the United Kingdom and in Ireland, the shares will be sold within the framework of a UK Share Incentive Plan (hereinafter referred to as "SIP"), the offer price and timing of which shall be determined pursuant to local laws.

### Terms and conditions of the acquisition of shares

The shares will be acquired directly by the Employees, except in Hungary where they will be acquired through the FCPE Bib Invest Relais 2013, an employee shareholding fund approved by the *Autorité des Marchés Financiers* (the French securities regulator, hereinafter referred to as the "AMF") on May 7, 2013, under the AMF code FCE 20130042. This FCPE is expected to be merged into the FCPE Bib Invest after the completion of the sale of shares.

### Employer Matching Contribution (*Abondement*)

The employer matching contribution for the purchase of shares or of FCPE units will be as follows:

- from 1 to 5 shares, 75% of the subscription price is paid by the employer;
- from 6 to 10 shares, 50% of the subscription price is paid by the employer;
- from 11 to 15 shares, 25% of the subscription price is paid by the employer.

In Italy, the United Kingdom and Ireland, specific rules regarding the employer matching contribution apply, which differ from the ones presented above.

### 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 2013 will be exercised at Michelin's shareholders' meetings by the FCPE's Supervisory Board.

Individual minimum and maximum amounts

In order to participate in the offering, an Employee must purchase at least one share, either directly or via the FCPE Bib Invest Relais 2013.

The total amount of shares requested by each Employee may not exceed 10% of his or her gross annual remuneration.

Furthermore, the individual request for shares, taken together with all other payments made within the framework of their Company and/or the Group Savings Plan over the year, shall not exceed 25 % of the Employee's gross annual remuneration.

Lock-up applicable to the Michelin shares

Pursuant to Article 3332-25 of the French Labor Code, Employees who have purchased Michelin shares, either directly or via the FCPE Bib Invest Relais 2013, must hold their shares or FCPE units for a lock-up period of five years, from the date of the sale of shares, which is expected to be on December 16, 2013 (until December 18, 2008), except in the case of an early release. .

Terms and conditions of payment for the shares

In France, the acquired shares may be paid for either:

- in a one-time withdrawal from the employee's monthly salary (to take place in December 2013);
- in 12 monthly installments withdrawn from the employee's monthly salary (to take place between December 2013 and November 2014).

Outside of France, specific terms and conditions for payment have been decided locally.

Reduction of subscription requests

If at the end of the subscription period of the offering, the requests to purchase shares from all of the Employees (regardless of whether direct or via an FCPE) exceed the set ceiling of 1,500,000 shares, a reduction will be carried out according to the following provisions:

- the requests to purchase shares by each employee via BIB'Action 2013 will be fully served up to 15 shares;
- above this number, the shares will be evenly allocated, in tranches of one share, up to the number of shares available to be purchased.

For this purpose, an estimate of the demand for shares within the Share Incentive Plan may also be taken into account.

## **SPECIAL NOTE REGARDING THE INTERNATIONAL OFFERING**

This press release does not constitute an offer to sell or a solicitation to purchase 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.

The securities mentioned in this press release have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States absent such registration or an applicable exemption from the registration requirements of the Securities Act. Michelin does not intend to register any portion of the planned offering in the United States or to conduct a public offering of securities in the United States.

## **CONTACT PERSON FOR EMPLOYEES**

For any question regarding this offering, beneficiaries can contact their human resources department or consult the following website: internet [www.bibaction2013.com](http://www.bibaction2013.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 14 of circular n° 2005-11 of December 13, 2005, published in the form of a press release in accordance with Article 221-3 of the AMF's General Regulations.*