PRESS RELEASE
Clermont-Ferrand – October 26, 2010

COMPAGNIE GENERALE DES ETABLISSEMENTS MICHELIN

Financial Information for the Nine Months
Ended September 30, 2010

2010 Nine-Month Net Sales Up 19.4% to €13 Billion

- Continued growth across all tire markets, at a faster pace than expected at the start of the year.
- Unit sales up 13.8% for the period, in line with the full-year target, sustained by robust performances across all operating segments.
- 0.5% improvement in the price mix, reflecting the positive impact of price rises implemented since the start of the year, which more than offset the effect of the negative OE/RT mix.

<table>
<thead>
<tr>
<th>NET SALES (€ MILLIONS)</th>
<th>3rd Quarter</th>
<th>% Change</th>
<th>Nine Months</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2010</td>
<td>2009</td>
<td></td>
<td>2010</td>
</tr>
<tr>
<td>Passenger Car and Light Truck Tires and Related Distribution</td>
<td>2,515</td>
<td>2,093</td>
<td>+ 20.2%</td>
<td>7,136</td>
</tr>
<tr>
<td>Truck Tires and Related Distribution</td>
<td>1,530</td>
<td>1,206</td>
<td>+ 26.9%</td>
<td>4,096</td>
</tr>
<tr>
<td>Specialty Businesses¹</td>
<td>603</td>
<td>455</td>
<td>+ 32.5%</td>
<td>1,765</td>
</tr>
<tr>
<td>Group Total</td>
<td>4,648</td>
<td>3,754</td>
<td>+ 23.8%</td>
<td>12,997</td>
</tr>
</tbody>
</table>

¹Earthmover, Agricultural, Two-Wheel and Aircraft tires; Maps and Guides; ViaMichelin and Michelin Lifestyle.

- Based on this performance, Michelin confidently reaffirms its objectives for 2010:
  - Around 12% growth in unit sales.
  - Ongoing responsive pricing to offset the expected rise in raw materials costs (which is likely to drive up expenses for the year by €600 million to €650 million).
  - Close to 9% operating margin before non-recurring items.
  - Positive free cash flow for the year.
Market Review

Passenger Car and Light Truck Tires

<table>
<thead>
<tr>
<th>Nine Months 2010 % Change YoY</th>
<th>Europe*</th>
<th>North America</th>
<th>Asia</th>
<th>South America</th>
<th>Africa/ Middle East</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Equipment</td>
<td>+ 18%</td>
<td>+ 54%</td>
<td>+ 36%</td>
<td>+ 24%</td>
<td>+ 17%</td>
<td>+ 32%</td>
</tr>
<tr>
<td>Replacement</td>
<td>+ 9%</td>
<td>+ 5%</td>
<td>+ 12%</td>
<td>+ 20%</td>
<td>+ 4%</td>
<td>+ 9%</td>
</tr>
</tbody>
</table>

*Including Russia and Turkey

Original Equipment
- European OE markets continued to recover during the first nine months, boosted by higher sales by the region’s carmakers and increasingly buoyant demand in Russia.
- Demand in North America rebounded sharply off of very low prior-year comparatives.
- The Chinese market continued to expand rapidly, supported by government-sponsored carbuying incentives.

Replacement
- In Europe, market growth was led by strong demand for winter tires (up 25%) that was sustained by dealer action to rebuild inventories after last year’s harsh winter. In all, this seasonal effect lifted the Replacement market to a level slightly above that observed in the first nine months of 2007.
- Growth in the North American market was more restrained, in line with the seasonal trend. The US and Mexican markets continued to grow, expanding by 7% and 11% respectively, but the market in Canada was down 14% due to the high basis of comparison created by last year’s new regulations promoting winter tire use.
- In South America, vibrant demand fuelled growth of 28% in Brazil and 15% in Argentina.
- In Asia, demand in China continued to trend upwards, rising by 19% in the first nine months.

Truck Tires

<table>
<thead>
<tr>
<th>Nine Months 2010 % Change YoY</th>
<th>Europe**</th>
<th>North America</th>
<th>Asia</th>
<th>South America</th>
<th>Africa/ Middle East</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Equipment*</td>
<td>+ 45%</td>
<td>+ 26%</td>
<td>+ 38%</td>
<td>+ 57%</td>
<td>+ 8%</td>
<td>+ 38%</td>
</tr>
<tr>
<td>Replacement*</td>
<td>+ 29%</td>
<td>+ 19%</td>
<td>+ 13%</td>
<td>+ 37%</td>
<td>+ 2%</td>
<td>+ 18%</td>
</tr>
</tbody>
</table>

*Radial market only
**Including Russia and Turkey
**ORIGINAL EQUIPMENT**

- All markets rebounded strongly off of low prior-year comparatives, led by mature markets.
- In Europe, orders for new trucks continued to rise, although they were still at less than half the 2007 level. Broadline trailer manufacturers experienced stronger demand than specialist manufacturers. After rebounding in the spring, the tire market went from strength to strength, expanding by more than 80% in the third quarter albeit from a very low basis of comparison.
- In North America, demand remained significantly below 2007 levels.
- In South America, the market continued to grow rapidly, particularly in Brazil where government grants to help finance truck purchases have been maintained.
- In China, demand in the OE market slowed by 4% in the third quarter, after expanding 63% in the first half.

**REPLACEMENT**

- In Europe, the freight market picked up in Germany and Central Europe. Overall it stabilized at a level that was still below that of the pre-crisis years. Growth in tire demand was led by the ending of dealer destocking in Europe and the recovery in Russia, where the market expanded by 71% in the first nine months.
- The North American market was down by just 4% compared with the first nine months of 2007 thanks to the upturn in road freight volumes in the United States.
- In South America, the market continued to recover, led by Brazil where increased truck use and higher freight volumes helped to sustain the market, along with dealer action to rebuild inventories.
- In Asia, the radial market expanded by 13%, lifted by advances of 46% in India and 10% in China.

**SPECIALTY TIRES**

- **EARTHMOVER TIRES:** Global original equipment demand rose strongly, coming close to pre-crisis levels in the third quarter. In the Infrastructure market, demand was up by around 20% overall compared with the year-earlier period which represented a low basis of comparison, particularly in Europe and North America. The Mining segment was alone in enjoying sustained demand during the crisis and the favorable trend continued in the first nine months of 2010, with robust demand for ore in new markets acting as the main growth driver.

- **AGRICULTURAL TIRES:** Demand in the OE market expanded considerably in the third quarter, driven by significant investment capacity among grain producers. In the first nine months, the market was up sharply in North America but remained down year-on-year in Europe. The Replacement market declined in North American but held firm in Europe.

- **TWO-WHEEL TIRES:** The OE market declined in the first nine months but the Replacement market expanded in all geographies except Japan.

- **AIRCRAFT TIRES:** All markets recovered across all geographies, helped by improved aircraft load factors. The shift towards radial tires continued during the period.
Michelin Net Sales

**Overview**

<table>
<thead>
<tr>
<th>(£ millions)</th>
<th>3rd Quarter 2010</th>
<th>Nine Months 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>4,648</td>
<td>12,997</td>
</tr>
<tr>
<td><strong>Year-on-Year Change</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Change</strong></td>
<td>+ 894</td>
<td>+ 2,109</td>
</tr>
<tr>
<td><strong>Of which Volumes</strong></td>
<td>+ 409</td>
<td>+ 1,504</td>
</tr>
<tr>
<td><strong>Price-Mix</strong></td>
<td>+ 147</td>
<td>+ 68</td>
</tr>
<tr>
<td><strong>Currency Effect</strong></td>
<td>+ 338</td>
<td>+ 537</td>
</tr>
<tr>
<td><strong>Year-on-Year Change</strong></td>
<td>+ 23.8%</td>
<td>+ 19.4%</td>
</tr>
<tr>
<td><strong>Of which Volumes</strong></td>
<td>+ 10.9%</td>
<td>+ 13.8%</td>
</tr>
<tr>
<td><strong>Price-Mix</strong></td>
<td>+ 3.5%</td>
<td>+ 0.5%</td>
</tr>
<tr>
<td><strong>Currency Effect</strong></td>
<td>+ 7.8%</td>
<td>+ 4.3%</td>
</tr>
</tbody>
</table>

Net sales totaled €12,997 million in the first nine months of 2010, up 19.4% over the year-earlier period due to the combined impact of the following factors:

- **The 13.8% positive impact of higher volumes**: unit sales were boosted by considerably stronger markets, while prior-year comparatives remained low in the third quarter. The MICHELIN brand profited fully from its technological advance in this improving environment.

- **The 0.5% positive price-mix effect**: net sales were lifted by price increases implemented since the start of the year, including the third-quarter application in the earthmover segment of price indexation clauses based on raw materials costs. This impact was partly offset by the negative OE/RT mix caused by the faster growth in OE sales, even as the size mix continued to move up the value chain.

- **The 4.3% positive currency effect** resulted mainly from favorable changes in exchange rates for the US dollar, Brazilian real, Australian dollar, Canadian dollar and Mexican peso against the euro.

**Net Sales by Reporting Segment**

- **Passenger Car and Light Truck Tires and Related Distribution**

  Net sales climbed 18.1% to €7,136 million in the first nine months of 2010.
  - Unit sales were sharply higher in both OE and RT markets across all geographies.
  - The favorable effect of price increases was partly absorbed by the negative OE/RT mix.
**Truck Tires and Related Distribution**

Net sales for the first nine months amounted to €4,096 million, up 25.0% from the year-earlier period.
- Unit sales rebounded off of the low 2009 comparatives, particularly in the OE segment.
- All truck tire plants delivered healthy manufacturing performances.
- The price effect was increasingly positive, reflecting the impact of price rises in the main geographies.

**Specialty Businesses**

Net sales by the Specialty Businesses rose by 12.4% to €1,765 million in the first nine months of 2010.
- **Earthmover tires:** Net sales increased over the period, with the third-quarter figure lifted by contractual adjustments to OE and Mining prices that are indexed to raw materials costs. Michelin maintained its positions in the Mining segment, while in the Infrastructure segment, it retained its historical positions in Europe and won additional market share in North America.
- **Agricultural tires:** The slight increase in sales was due to contractual adjustments to OE prices that are indexed to raw materials costs. It also reflected the Group’s market positions.
- **Two-wheel tires:** Sales rose over the period thanks to market share gains in Europe and North America and the Group’s very competitive offer in the premium segment.
- **Aircraft tires:** The Group continued to benefit from the gradual shift to radials in the Commercial Aviation segment and Michelin’s deeper presence among European airlines with the signature of a contract with Air France/KLM.
Third-Quarter 2010 Highlights

- €1.2 billion rights issue successfully completed
- MICHELIN Alpin 4 awarded the highest rating of 3 stars by Allgemeiner Deutscher Automobil Club (ADAC), outperforming all the other tires tested
- Michelin and Rodi in talks to form a distribution alliance in Spain
- Michelin celebrates one million X One® wide single truck tires in North America
- MICHELIN aircraft tires make further inroads with aircraft manufacturers and airlines

A full description of third-quarter 2010 highlights may be found on the Michelin website: www.michelin.com/corporate
CONFERENCE CALL
The quarterly information for the period ended September 30, 2010 will be reviewed during a conference call in English later today (Thursday, October 26, 2010) at 6:30 pm CEST (4:30 pm UT). If you wish to participate, please dial one of the following numbers from 6:20 pm CEST:

- In France 01 72 00 09 82
- In the UK 0203 367 94 53
- In the United States +1 866 907 59 23
- From anywhere else +44 203 367 94 53

Please refer to the www.michelin.com/corporate website for practical information concerning the conference call.

INVESTOR CALENDAR

2010 net sales and earnings:
Friday, February 11, 2011 before start of trading

Quarterly information for the three months ending March 31, 2011:
Thursday, April 21, 2011 after close of trading

<table>
<thead>
<tr>
<th>Investor Relations</th>
<th>Media Relations</th>
<th>Individual Shareholders</th>
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<tbody>
<tr>
<td>Valérie Magloire</td>
<td>Fabienne de Brébisson</td>
<td>Jacques Engasser</td>
</tr>
<tr>
<td>+33 (0) 1 45 66 16 15</td>
<td>+33 (0) 1 45 66 10 72</td>
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<tr>
<td>+33 (0) 6 76 21 88 12 (cell)</td>
<td>+33 (0) 6 08 86 18 15 (cell)</td>
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