

PRESS RELEASE
Clermont-Ferrand, August 29, 2018

COMPAGNIE GENERALE DES ETABLISSEMENTS MICHELIN

Michelin announces the success of its three-tranche bond offering for a total amount of €2.5 billion

Michelin has successfully placed today a three-tranche bond offering for a total amount of €2.5 billion, with 7-year, 12-year and 20-year maturities respectively.

The 7-year tranche amounts to 750 million euros. It will bear a coupon of 0.875% per annum and will be issued at 99.099% of the nominal value.

The 12-year tranche amounts to 1 billion euros. It will bear a coupon of 1.75% per annum and will be issued at 99.262% of the nominal value.

The 20-year tranche amounts to 750 million euros. It will bear a coupon of 2.50% per annum and will be issued at 99.363% of the nominal value.

The net proceeds from the issue of the bonds will be used for general corporate purposes.

The issue was largely oversubscribed, reflecting institutional investors' confidence in Michelin's credit quality, rated A- by Standard & Poor's and A3 by Moody's. The issue has been rated A- by Standard & Poor's and A3 by Moody's.

The issue supports the Group's strategy of actively managing its debt and strengthening its liquidity. It helps to diversify Michelin's sources of financing and enhance its financial flexibility by lengthening the average maturity of its debt.

The settlement of the offering is expected to take place on September 3, 2018, once the listing prospectus has received the visa of the French Financial Market Authority (*Autorité des Marchés financiers*) (AMF). The bonds will then be admitted to trading on Euronext Paris.

Citigroup acted as Global Coordinator and active Joint Bookrunner for the 7-year tranche and the 12-year tranche and as Structuring Advisor and active Joint Bookrunner for the 20-year tranche.

Credit Agricole CIB acted as Global Coordinator and active Joint Bookrunner for the 20-year tranche and as Structuring Advisor and active Joint Bookrunner the 7-year tranche and for the 12-year tranche.

Banco Santander, S.A., Commerzbank Aktiengesellschaft, MUFG Securities EMEA plc, Natixis and Société Générale acted as active Joint Bookrunners for the three-tranche bond offering.

This press release does not constitute or form part of any offer or solicitation to purchase or subscribe for or to sell the bonds and the offering of the bonds is not an offer to the public in any jurisdiction, including France.

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This press release is an advertisement and not a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council of November 4, 2003 as amended (the "**Prospectus Directive**").

The bonds have been offered only by way of a private placement in France to persons referred to in Article L.411-2-II of the French monetary and financial code (*Code monétaire et financier*) and outside France (excluding the United States of America, Australia, Canada and Japan), and there will be no public offering in any country (including France). This press release does not constitute a recommendation concerning the issue of the bonds. The value of the bonds can decrease as well as increase. Potential investors should consult a professional adviser as to the suitability of the bonds for the person concerned.

Prohibition of sales to European Economic Area retail investors

No action has been undertaken or will be undertaken to make available any bonds to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MIFID II**"); or
 - (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a “qualified investor” as defined in the Prospectus Directive; and

(b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the bonds to be offered so as to enable an investor to decide to purchase or subscribe the bonds.

Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIPs Regulation**”) for offering or selling the bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

France

The bonds have not been and will not be offered or sold or cause to be offered or sold, directly or indirectly, to the public in France. Any offer or sale of the bonds and distribution of any offering material relating to the bonds have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d’investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D. 411-1 of the French monetary and financial Code (*Code monétaire et financier*).

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Australia, Canada and Japan

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