

Michelin to invest \$1 billion in French plants

Groupe Michelin has announced plans to invest \$1.06 billion in its French production facilities and research and development center between 2013 and 2019. The project involves:

- * The development of a truck tire plant in La Roche-sur-Yon, which will double output from 800,000 to 1.6 million units per year by 2019;
- * The closure of the truck tire facility at the Joué-lès-Tours plant;
- * Capacity extensions for earthmover and agricultural tires at the Montceau Les Mines, Le Puy and Troyes plants; and
- * Modernization of the worldwide research and innovation center in Clermont Ferrand.

The company says the European truck tire market has become extremely competitive, with demand in the region running 25% below 2007 levels. To preserve the competitiveness of its truck tire production operations in France, Michelin is transforming the La Roche-sur-Yon plant into a manufacturing center capable of producing 1.6 million tires a year. The output of the Joué-lès-Tours and La Roche facilities will be consolidated. The La Roche-sur-Yon plant will export 75% of its output. The Joué-lès-Tours plant, whose truck tire facility will cease production by first-half 2015, will then be specialized in the semi-finished products that it already manufactures. The company also plans to increase earthmover tire capacity at two French plants. Other investments will boost semi-finished product capacity, increase output of agricultural tires, improve competitiveness across the company's facilities in France, and modernize the company's research and development center in Clermont-Ferrand. In addition, Michelin plans to cease production at its truck tire plant in Algeria. The production and marketing of Michelin truck tires in Algeria will be sold to Cevital, the country's largest privately owned manufacturer. For more information, visit the company's website.