

## 9.2. STATUTORY AUDITORS

### 9.2.1. STATUTORY AUDITORS

Under French law, the accounts of listed companies are required to be audited by two independent Statutory Auditors. The purpose of this requirement is to provide assurance that the financial statements have been properly prepared and comply with the true and fair view principle.

The Statutory Auditors are appointed by the Annual Shareholders Meeting for a six-year term, based on a recommendation made by the Supervisory Board following a selection process overseen by the Audit Committee. They may be re-appointed for successive terms. They test the fairness of financial statements and carry out all of the statutory audit work required by law. Michelin does not ask them to perform any other engagements that might impair their independence.

The Statutory Auditors of Compagnie Générale des Établissements Michelin, Michelin's holding Company are:

#### **PricewaterhouseCoopers Audit**

Registered member of the *Compagnie régionale des Commissaires aux Comptes de Versailles*

63, rue de Villiers

92200 Neuilly-sur-Seine, France

Represented by Christian Marcellin, Partner

Substitute Statutory Auditor, Pierre Coll, Partner, PricewaterhouseCoopers Audit

#### **Deloitte & Associés**

Registered member of the *Compagnie régionale des Commissaires aux Comptes de Versailles*

185, avenue Charles-de-Gaulle

92524 Neuilly-sur-Seine

Represented by Dominique Descours, Partner

Substitute Statutory Auditor, BEAS,

195, avenue Charles-de-Gaulle,

92524 Neuilly-sur-Seine

There are no legal or financial ties of any sort between the two accounting firms or the lead partners.

In line with the proposal made by the Supervisory Board based on the Audit Committee's recommendation, the Annual Shareholders Meeting of May 7, 2010 decided to:

- renew the appointment for six years of PricewaterhouseCoopers Audit, represented by Christian Marcellin, as Statutory Auditor of CGEM, and of Pierre Coll as substitute Auditor;
- appoint for six years Deloitte & Associés, represented by Dominique Descours, as Statutory Auditor of CGEM, and B.E.A.S. as substitute Auditor.

The Statutory Auditors' term of office will expire at the end of the Annual Shareholders Meeting to be held in 2016 to approve the 2015 accounts.

## 9.2.2. FEES PAID TO THE STATUTORY AUDITORS OF COMPAGNIE GÉNÉRALE DES ÉTABLISSEMENTS MICHELIN (CGEM)

The following tables set out the details of fees, excluding tax, paid in 2010 and 2011 by the Michelin Group to its Statutory Auditors.

### 2011 FEES TO THE STATUTORY AUDITORS OF COMPAGNIE GÉNÉRALE DES ÉTABLISSEMENTS MICHELIN (CGEM)

| YEARS 2011 AND 2010   | PRICEWATERHOUSECOOPERS |              |               |               | DELOITTE         |              |               |               | TOTAL            |              |               |               |
|---|------------------------|--------------|---------------|---------------|------------------|--------------|---------------|---------------|------------------|--------------|---------------|---------------|
|   | (in thousands €)       |              | (%)           |               | (in thousands €) |              | (%)           |               | (in thousands €) |              | (%)           |               |
|   | 2011                   | 2010         | 2011          | 2010          | 2011             | 2010         | 2011          | 2010          | 2011             | 2010         | 2011          | 2010          |
| <b>Audit</b>  |                        |              |               |               |                  |              |               |               |                  |              |               |               |
| Statutory audits, opinions, reviews of standalone and consolidated financial statements |                        |              |               |               |                  |              |               |               |                  |              |               |               |
| • CGEM  | 210                    | 206          | 5.3%          | 5.7%          | 210              | 206          | 7.4%          | 7.5%          | 420              | 412          | 6.2%          | 6.5%          |
| • French subsidiaries   | 563                    | 527          | 14.2%         | 14.5%         | 557              | 549          | 19.7%         | 20.0%         | 1,120            | 1,076        | 16.5%         | 16.9%         |
| • Foreign subsidiaries  | 2,335                  | 2,395        | 58.8%         | 65.7%         | 1,747            | 1,690        | 61.9%         | 61.7%         | 4,082            | 4,085        | 60.1%         | 64.0%         |
| Other services directly linked to the statutory audit work                              |                        |              |               |               |                  |              |               |               |                  |              |               |               |
| • CGEM  | -                      | 55           | 0.0%          | 1.5%          | -                | 50           | 0.0%          | 1.8%          | -                | 105          | 0.0%          | 1.6%          |
| • Subsidiaries  | 586                    | 34           | 14.7%         | 0.8%          | 45               | 64           | 1.6%          | 2.4%          | 631              | 98           | 9.2%          | 1.5%          |
| <b>Sub-total Audit</b>  | <b>3,694</b>           | <b>3,217</b> | <b>93.0%</b>  | <b>88.2%</b>  | <b>2,559</b>     | <b>2,559</b> | <b>90.6%</b>  | <b>93.4%</b>  | <b>6,253</b>     | <b>5,776</b> | <b>92.0%</b>  | <b>90.5%</b>  |
| <b>Other services rendered by Auditors networks to subsidiaries</b>                     |                        |              |               |               |                  |              |               |               |                  |              |               |               |
| Legal, tax and social   | 254                    | 260          | 6.4%          | 7.1%          | 105              | 169          | 3.7%          | 6.2%          | 359              | 429          | 5.3%          | 6.7%          |
| Others  | 26                     | 169          | 0.6%          | 4.7%          | 159              | 11           | 5.7%          | 0.4%          | 185              | 180          | 2.7%          | 2.8%          |
| <b>Sub-total Others</b>   | <b>280</b>             | <b>429</b>   | <b>7.0%</b>   | <b>11.8%</b>  | <b>264</b>       | <b>180</b>   | <b>9.4%</b>   | <b>6.6%</b>   | <b>544</b>       | <b>609</b>   | <b>8.0%</b>   | <b>9.5%</b>   |
| <b>TOTAL</b>  | <b>3,974</b>           | <b>3,646</b> | <b>100.0%</b> | <b>100.0%</b> | <b>2,823</b>     | <b>2,739</b> | <b>100.0%</b> | <b>100.0%</b> | <b>6,797</b>     | <b>6,385</b> | <b>100.0%</b> | <b>100.0%</b> |

The other services directly linked to the statutory audit work relate essentially to:

- financial and accounting procedures;
- a review of the sustainable development report; as well as
- sundry certificates (notably linked to government grants).

The other services rendered by Auditors networks to subsidiaries relate essentially to:

- conformity reviews of the transfer pricing documentation or the tax returns; as well as
- a tax review of some legal restructuring.