



W E N D E L



LONG-TERM INVESTOR

# Shareholders' Meeting

May 18, 2017

# Principal legal documents provided to you

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- BALO (Bulletin of Mandatory Legal Announcements) of April 10, 2017 for the publication of the notice of meeting
- *Petites Affiches* of April 27, 2017 for the publication of the invitation to the meeting
- Invitation booklet addressed to shareholders
- List of registered shareholders
- Form for voting by mail or proxy
- The Statutory Auditors' reports
- The registration document, including the management and financial reports
- The Shareholders' Meeting attendance sheet
- The register of the minutes of the last three Shareholders' Meetings
- The Company's bylaws
- The number of shares and voting rights as of April 10, 2017

# Agenda for the Shareholders' Meeting of May 18, 2017

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## **2016 in review**

*by Frédéric Lemoine, Chairman of the Executive Board*

## **2017: performance and recent transactions**

*by Bernard Gautier, Member of the Executive Board*

## **Corporate governance**

*by Dominique Hériard Dubreuil, Chairwoman of the Governance Committee*

## **Resolutions**

*by Caroline Bertin Delacour, General Secretary*

## **Reports of the Supervisory Board and the Statutory Auditors**

## **Questions from shareholders**

## **Vote on resolutions**



2016 in review

Resilient performance, mid-term ambition intact, with timing delayed by one year



## 2016:

Revenue of **€4.55 billion**, 9 bolt-on acquisitions  
Organic growth of **-0.6%**, confirming low growth since mid-2015  
Operating margin of **16.2%**, ahead of SGS and Intertek



## Wendel's view:

Updated strategic plan, **more focused and adapted** to the market environment

**Digitalization** is key to the future

Very favorable **long-term trends** supporting the TIC industry



Purchase of **2.8 million** Bureau Veritas shares at €17.05 per share in November 2016, shares sold in May 2017 at €21.50



**Dividend** up 7.8% to **€0.55**, with an increased pay-out ratio





**BUREAU  
VERITAS**





## 2016:

Revenue of €39.1 billion, growing +2.6% like-for-like  
Recurring net income +20%



## Wendel's view for 2017:

**Construction rebound** underway in Europe and the United States  
Strong automotive market  
Strengths in **HPM & emerging markets** still undervalued



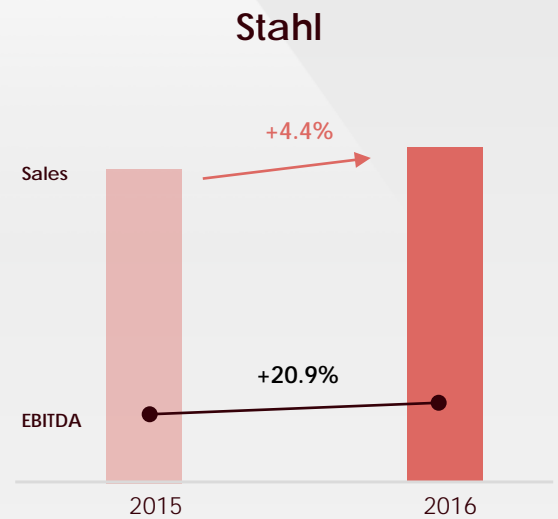
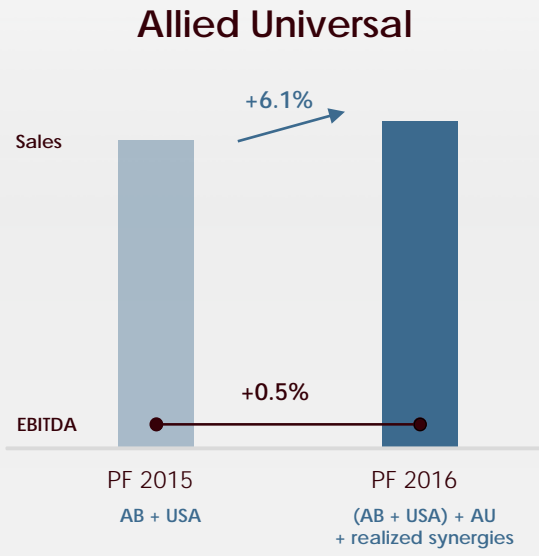
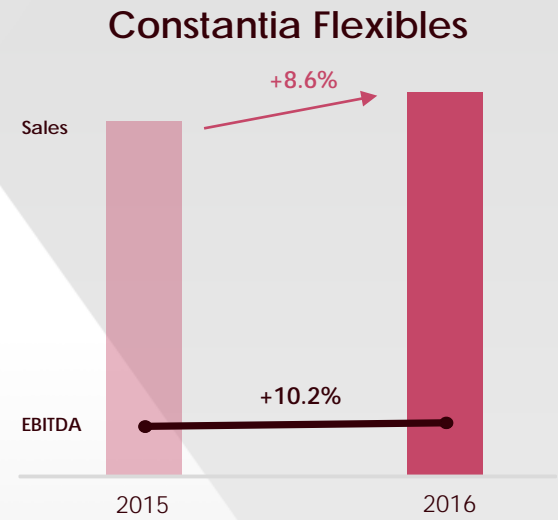
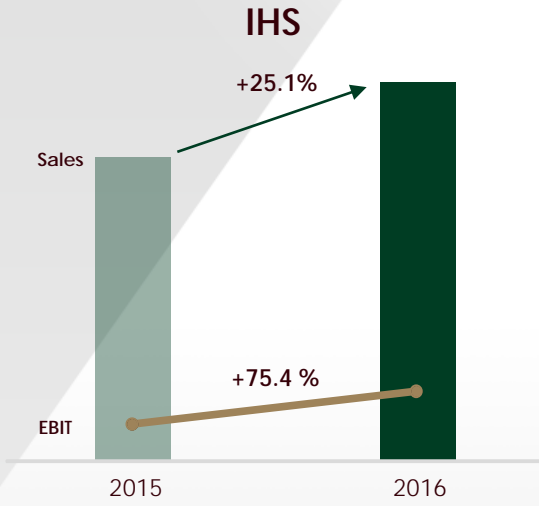
**Sale of 30 million Saint-Gobain shares**, for total proceeds of €1,155 million in May 2016  
Successful issue of **€500 million zero coupon** bonds exchangeable into Saint-Gobain shares



**Dividend** increased to **€1.26** versus €1.24, fully paid in cash



# Group's main unlisted companies: performance in 2016





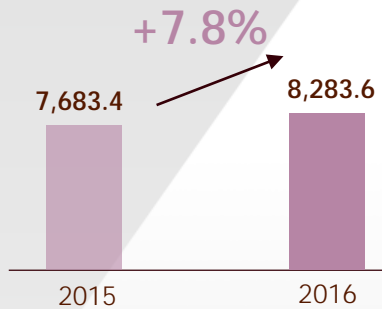


2016 consolidated earnings

# Full-year total net income impacted by non-recurring items in H1

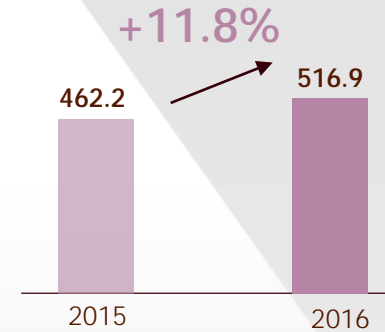
## Consolidated net sales

in millions of euros



## Net income from operations

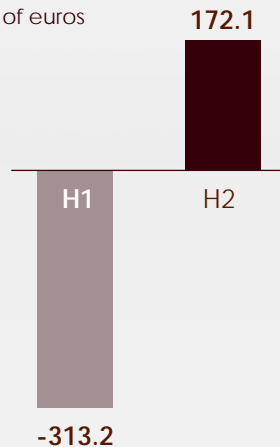
in millions of euros



## Total net income €-141 million, positive in H2

Net income, Group share: €-366.8 million

Total net income, in millions of euros



## Non-recurring net income

Before goodwill allocation impacts

In millions of euros	2015	2016	H1 2016	H2 2016
Non-recurring net income	-295.2	-537.9	-475.6	-62.3
Non-recurring net income, Group share	-217.5	-495.0	-459.6	-35.4

# Debt optimization carried out over the last 12 months to take advantage of the low interest rate environment

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## At the Wendel level:

Average cost of bond debt reduced from **4.3%** as of December 31, 2015 to less than **3.0%** as of December 31, 2016

## At Group company level:



### Bureau Veritas

€700 million raised in August 2016 through 7-year and 10-year bond issues with coupons of 1.25% and 2%, respectively



### Saint-Gobain

Issuance of a 3.5-year zero-coupon bond for €1 billion in September 2016 and an 8-year bond with a coupon of 1% for €750 million in March 2017



### Constantia Flexibles

Renegotiation of the terms of its senior debt in September 2016, leading to annual gross savings of €7 million



### Stahl

Dividend recap and payment at end-March 2016, with moderate leverage of ca. 3 x EBITDA 2016



### CSP

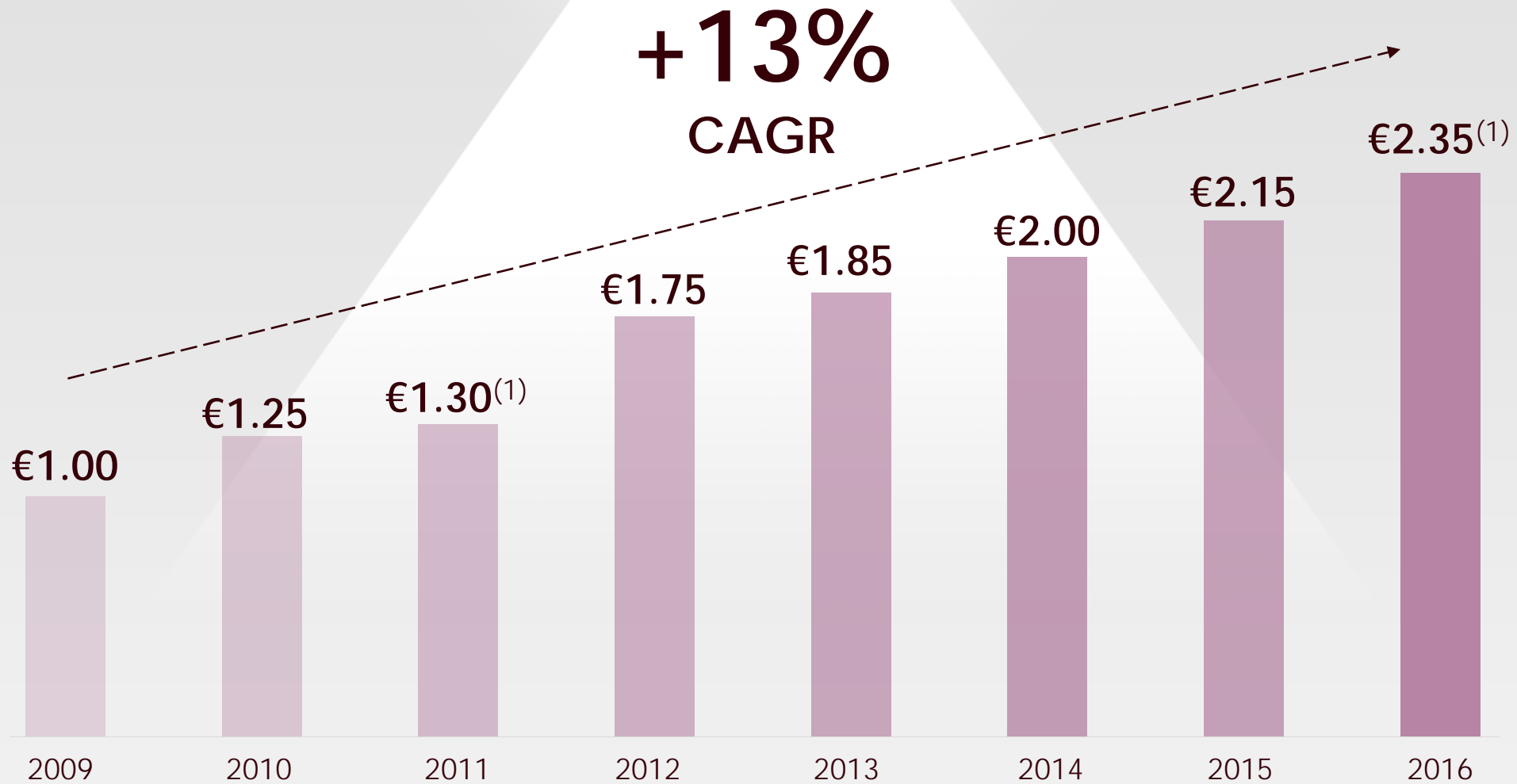
Repricing of the terms of its debt in March 2017 leading to a \$1.3 million reduction in annual interest expense



### Allied Universal

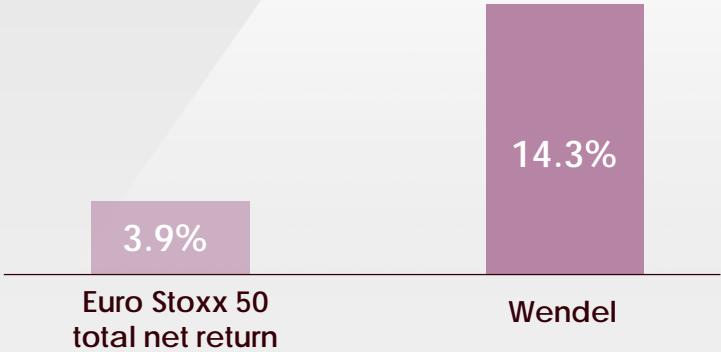
Repricing of the terms of its debt in April 2017 leading to a \$11 million reduction in annual interest expense

# Dividend increases every year

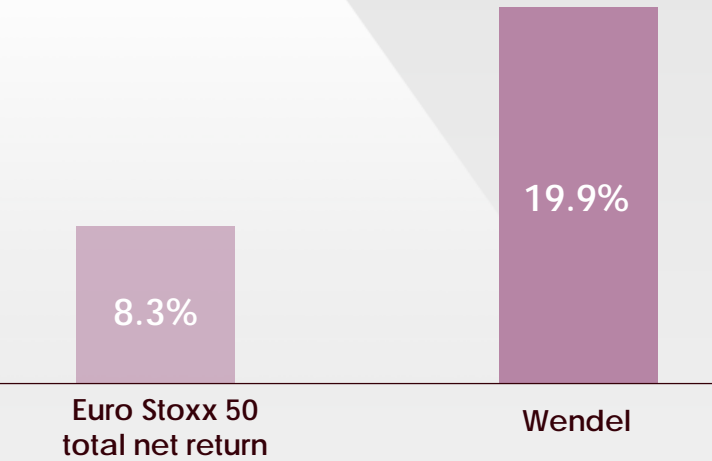


# Double digit annualized shareholder return

## Annualized TSR since June 13, 2002



## Annualized TSR since January 1, 2009







Your Company's 2017-20  
strategic orientations





Our **2013-2016 targets were achieved 18 months ahead of schedule**, enabling a rebalancing toward unlisted assets and a greater diversification of geographic and sectoral exposure



Continuing in the same direction, the **2017-20 plan** and the value-creation targets it includes seek to deliver **double-digit average return<sup>(1)</sup>** to shareholders, together with increased dividends every year and share buybacks

(1) 2017-2020 average annualized TSR with dividends reinvested, calculated on the basis of the average share price in the second half of 2016.

# Which investments?

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**In unlisted companies offering** high potential for long-term profitable growth, through both organic growth and accretive acquisitions.



## Based on long-term trends

Such as: demographic changes, urbanization, sustainable growth, need for trust and security, digitalization ...



## With a significant size but enabling to build a diversified portfolio

In Europe, North America, and Africa, initial equity investments of between €200 million and €500 million.

Oranje-Nassau Développement will be active principally in Africa and Southeast Asia on investments < €200 million.

# Continued development of Group companies to create value

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## Organic growth

- Long-term trends
  - Market share
  - Innovation / R&D
- 



## External growth

- Bolt-on acquisitions
  - Transformational mergers
- 



## Human Resources

- Talent and succession plans
  - Management packages & LTIP
- 



## Sustainable development

- Safety / Health / Community / Responsibility
  - Environment
-

# 2017-2020 main targets

## INVEST

If Wendel invests €3-4bn total equity, depending on markets conditions, in Europe, Africa, North America & South-East Asia in companies offering exposure to long-term mega trends, €500m to 1bn could come from partners that share our vision of the proposed investments. Wendel also contemplates making deals alone.

## DEVELOP & CRYSTALLIZE VALUE

Long-term development of our portfolio companies around Bureau Veritas, Stahl, IHS, Constantia Flexibles and Allied Universal

Monitor & accelerate our portfolio digitalization

Organize portfolio rotation: seize opportunities for potential IPOs, disposals, partnerships and reinvestments.


DOUBLE-DIGIT TSR  
~50% OF UNLISTED ASSETS  
NET DEBT < €3BN  
AVERAGE CASH FLOW<sup>(2)</sup> >0

## RETURN VALUE TO SHAREHOLDERS

Continue to produce double-digit TSR <sup>(1)</sup>, raise the dividend every year (in line with TSR target) and continue a regular and opportunistic policy of share buybacks whenever the discount exceeds 20%.

## BE CAUTIOUS

Maintain our debt under strict control & much lower than in the past, keep a balanced portfolio of listed and unlisted assets and target average positive cash flow<sup>(2)</sup> at the holding company level, over 2017-2020.

 (1) 2017-2020 average annualized TSR with dividends reinvested, calculated on the basis of the average share price in the second half of 2016.

(2) Average cash flow over the next 4 years calculated as Dividend received - financing costs - holding costs + management fees received.



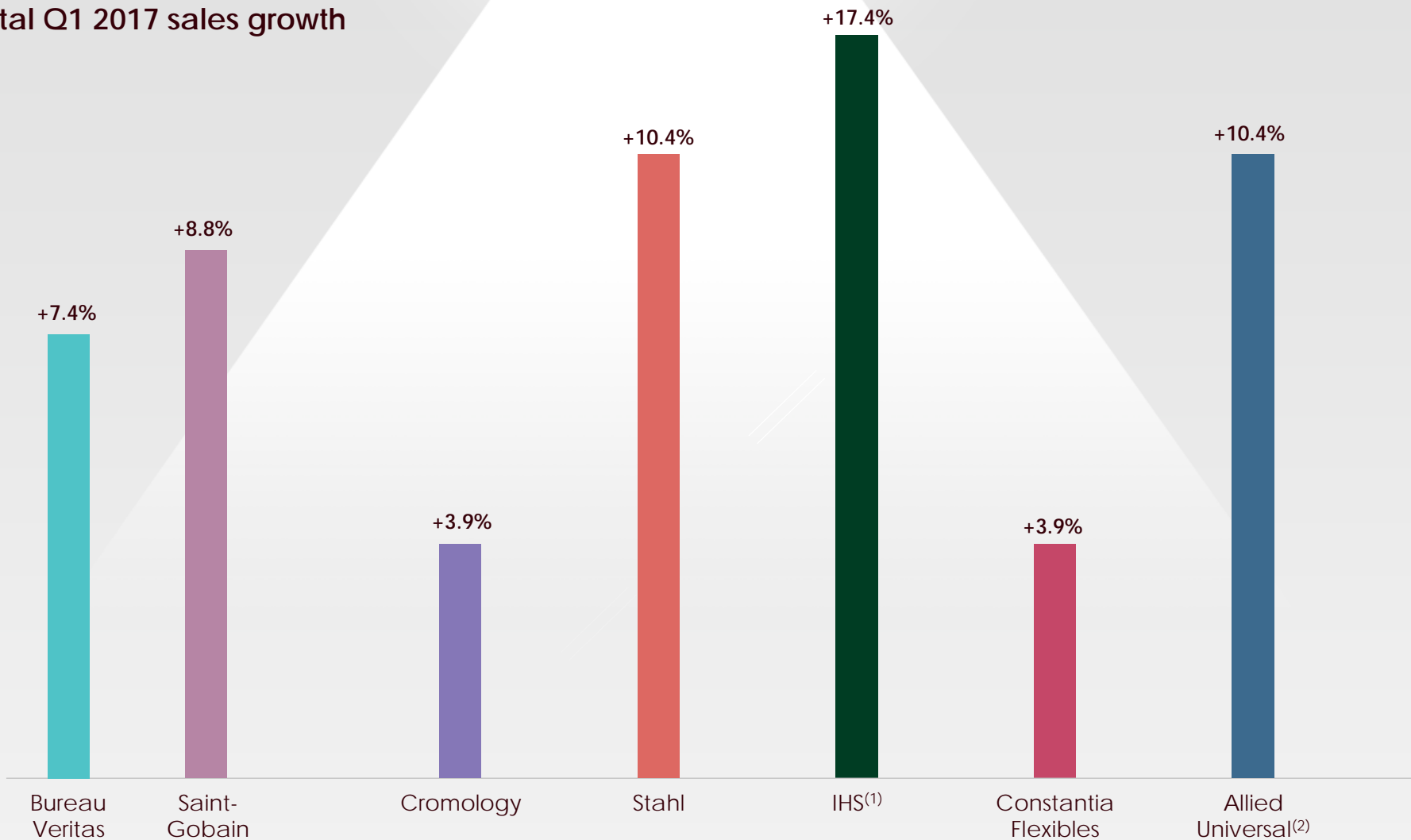
A photograph of two industrial workers in blue uniforms and hard hats. They are standing in a complex industrial environment with a dense network of pipes and metal structures. The worker on the left is holding a long wooden tool, and the worker on the right is looking at it. The scene is lit with a cool, blue-toned light.

2017

Recent developments and performance

# Good performance of main Group companies

## Total Q1 2017 sales growth



(1) Growth rate calculated on the basis of financial information reported in USD by IHS.

(2) Reflects pro forma growth as if the merger had been completed on January 1, 2016 and adjusted for the calendar effect.



# Stahl : strong cash generation and external growth



**NEW DIVIDEND PAYMENT IN 2017 OF €242,7 MILLION TO WENDEL**

## **BASF LEATHER CHEMICALS BUSINESS TO BECOME PART OF THE STAHL GROUP<sup>(1)</sup>**

Stahl continues to play a leading role in consolidating the leather chemical market

It is strengthening its position in this market, in particular on the upstream part of the value chain

Further improves its cash generation profile



**Wendel (ca. 63 %) will remain the sole controlling shareholder of the company, alongside BASF (16%), Clariant (ca. 19%) and other minority shareholders**



## Investing in the leading pan-African facilities services provider

**~159 M€<sup>(1)</sup>** of equity  
invested in February 2017

**~65%<sup>(2)</sup>** of share capital held  
alongside Capital Group  
Private Market (~35%)

**Unrivalled footprint in Africa,**  
with a presence in 23 African countries

**Attractive growth prospects**  
organically and through acquisitions

**Strong cash generation**

**Resilient** business model





# Other developments since the start of 2017

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## SGI Africa: two new shopping centers to open

- One in Douala and another in Abidjan



## Continued external growth of our companies



Allied Universal: Yale



Bureau Veritas: Shanghai Project Management, SIEMIC, Shutter Group

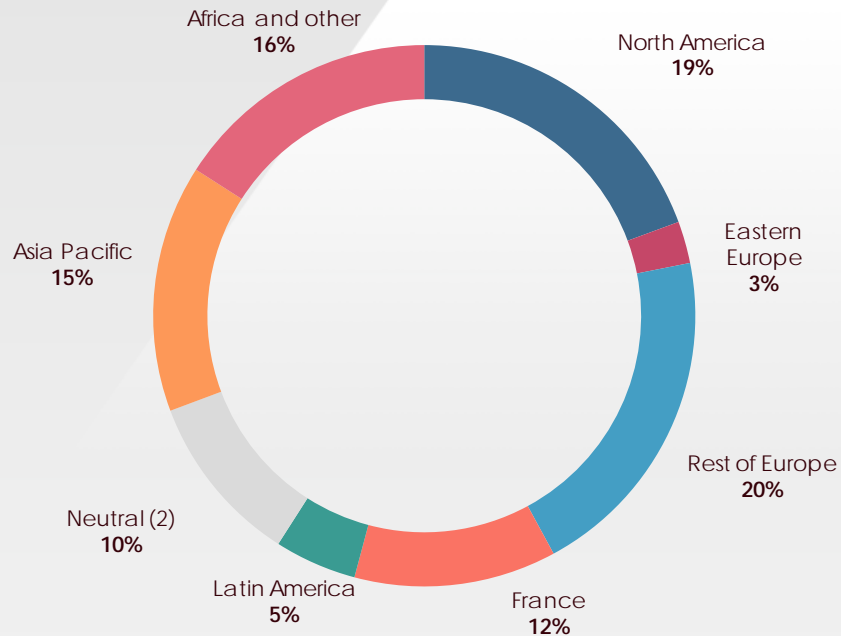


Constantia Flexibles: TR Alucap

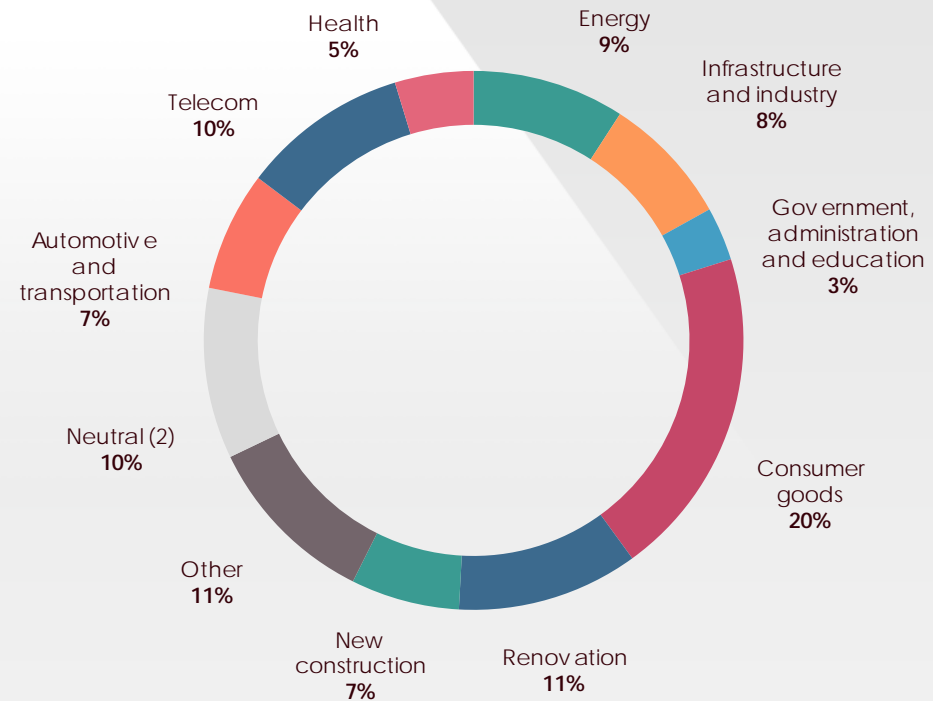
Saint-Gobain: Tumelero Materiais de Construção

# A diversified geographic & sectoral exposure

## REBALANCED GEOGRAPHIC EXPOSURE (1)



## REBALANCED SECTORAL EXPOSURE (1)



(1) Enterprise value exposure of Group companies, according to the breakdown of 2016 revenues. Enterprise values are based on NAV calculations as of May 5, 2017.

(2) Cash and other diversified assets.

# NAV of €172.9 as of May 5, 2017

(in millions of euros)

			Dec. 31, 2016	May 5, 2017
Listed equity investments	<u>Number of shares</u>	<u>Share price</u> <sup>(1)</sup>	4,803	5,429
• Bureau Veritas	179.9 million / 179.5 million	€20.6	3,263	3,700
• Saint-Gobain	35.8 million	€48.3	1,540	1,729
Unlisted investments and Oranje-Nassau Développement <sup>(2)</sup>			4,473	4,640
Other assets and liabilities of Wendel and holding companies <sup>(3)</sup>			129	127
Cash and marketable securities <sup>(4)</sup>			1,319	1,380
<b>Gross asset value</b>			<b>10,725</b>	<b>11,576</b>
Wendel bond debt			-3,477	-3,430
<b>Net asset value</b>			<b>7,248</b>	<b>8,146</b>
<i>Of which net debt</i>			-2,158	-2,050
<i>Number of shares</i>			47,092,379	47,101,304
<b>Net asset value per share</b>			<b>€153.9</b>	<b>€172.9</b>
Average of 20 most recent Wendel share prices			€113.7	€124.6
<b>Premium (discount) on NAV</b>			<b>-26.1%</b>	<b>-27.9%</b>

(1) Average share price of the 20 trading days prior to May 5, 2017.

(2) Unlisted equity investments (Cromology, Stahl, IHS, Constantia Flexibles and Allied Universal) and Oranje-Nassau Développement (NOP, Saham, Mecatherm, except, CSP Technologies, SGI Africa, Tsebo as of May 5, indirect investments and debt). As an exception to the NAV calculation methodology and to reflect the fast-growing nature of IHS's business, only the 2016 and 2017 EBITDA have been used in the calculation of IHS's valuation. The Sanlam transaction involving Saham Finances, which closed on May 10, 2017, was taken into account in calculating NAV as of May 5, 2017.

(3) Includes 1,441,501 Wendel shares held in treasury as of March 5, 2017 and 1,446,126 as of December 31, 2016.

(4) Cash and marketable securities owned by Wendel and holding companies as of March 5, 2017, included €1,026 million in cash on hand and €354 million in liquid financial investments. Assets and liabilities denominated in currencies other than the euro have been converted at exchange rates prevailing on the date of the NAV calculation.

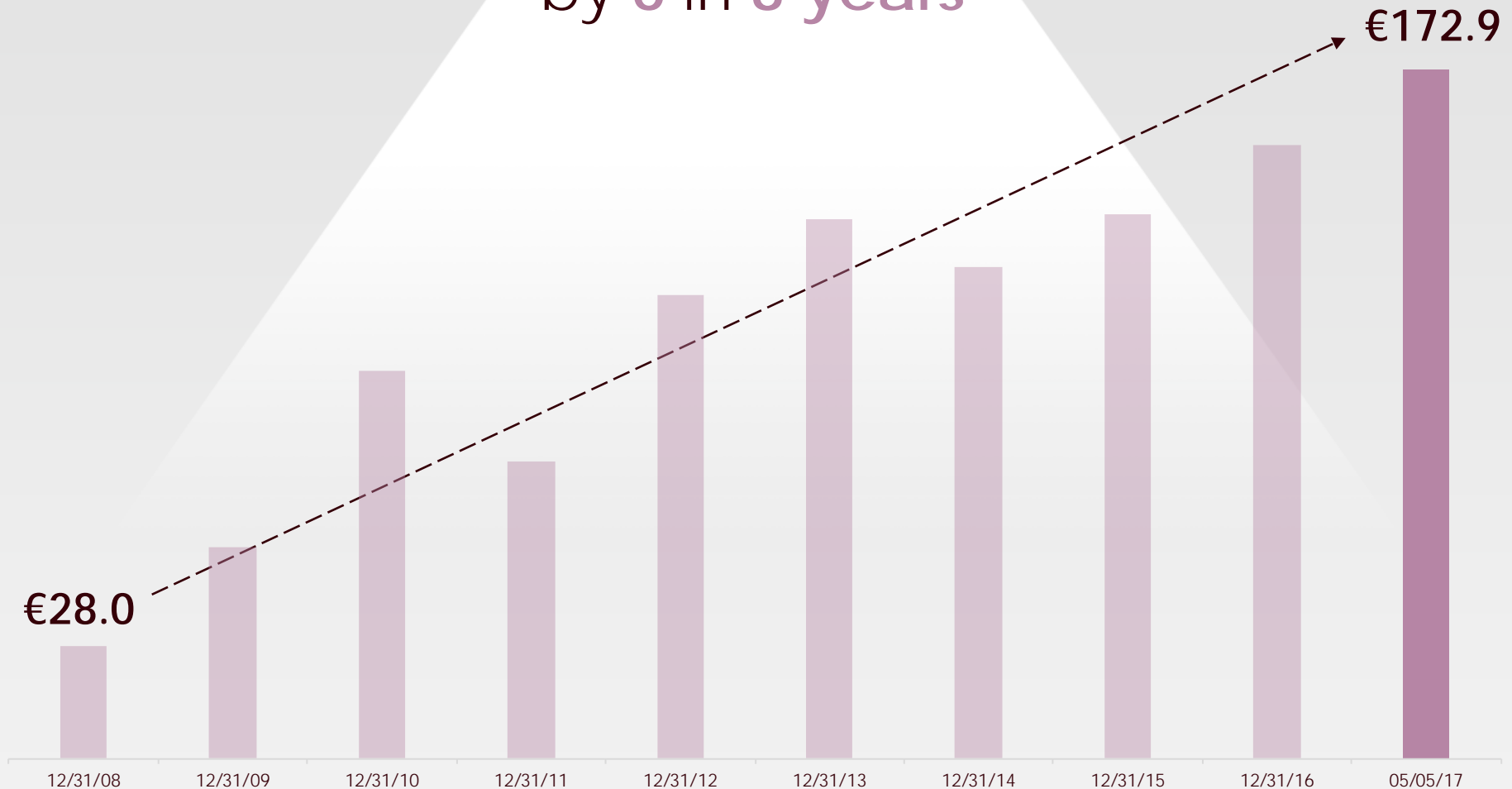
If co-investment conditions are realized, there could be a dilutive effect on Wendel's percentage ownership.

These items have been taken into account in the calculation of NAV. See page 262 of the 2016 Registration Document.



NAV per share multiplied  
by **6** in **8** years

NAV per share (€)





# Corporate governance

by Dominique Hériard Dubreuil,  
Chairwoman of the Governance Committee

# The Supervisory Board before the Shareholders' Meeting



François de Wendel  
*Chairman of the Board*

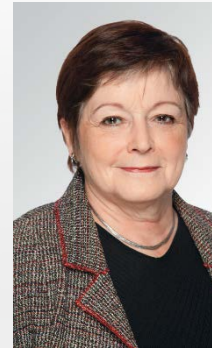
Dominique Hériard Dubreuil\*  
*Vice-Chairwoman*

Laurent Burelle\*

Bénédicte Coste

Edouard de l'Espée

Priscilla de Moustier



Christian d'Oosthove

Gervais Pellissier\*

Fabienne Porquier  
*Employee representative*

Guylaine Saucier\*

Jacqueline Tammenoms Bakker\*

Humbert de Wendel

45% independent members (5/11) - 45% women (5/11)  
These percentages exceed requirements

9 meetings in 2016

# Composition of the Committees before the Shareholders' Meeting

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## Governance Committee

<b>Dominique Hériard Dubreuil,</b> Chairwoman
<b>Priscilla de Moustier</b>
<b>Christian d'Oosthove</b>
<b>Guylaine Saucier</b>
<b>Jacqueline Tammenoms Bakker</b>

3 independent members out of 5  
8 meetings in 2016

## Audit Committee

<b>Guylaine Saucier,</b> Chairwoman
<b>Bénédicte Coste</b>
<b>Dominique Hériard Dubreuil</b>
<b>Edouard de l'Espée</b>
<b>Gervais Pellissier</b>
<b>Humbert de Wendel</b>

3 independent members out of 6  
6 meetings in 2016

# Renewal of the appointments of members of the Supervisory Board

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**Bénédicte  
Coste**



**Edouard de  
l'Espée**



**Priscilla de  
Moustier**

Duration: 4 years, until the Shareholders' Meeting to be held in  
2021

# Changes to the composition of the Supervisory Board

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- Non-renewal of the appointment of **Laurent Burelle**
- Resignation of **Christian d'Oosthove** at the close of the Shareholders' Meeting of May 18, 2017
- Proposed appointment of two new members for four years, until the Shareholders' Meeting to be held in 2021:
  - **Nicholas Ferguson**, independent member
  - **Nicolas ver Hulst**, as of July 1, 2017



# Appointment of Nicholas Ferguson subject to your approval

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- Chairman of Savills plc (listed company)
- Chairman of Kilfinan Group
- Former Chairman of Sky plc (2012-2015)
- Former Chairman of SVG Capital (2001-2012)
- Former Chairman of Schroder Ventures, now Permira (1983-2001)
  
- Beacon Award for Philanthropy (2013)
  
- University of Edinburgh – MBA Harvard
  
- British nationality
  
- Independent member

# Appointment of Nicolas ver Hulst subject to your approval

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- Director of Wendel-Participations
- Former Chairman of Alpha Group (1989-2017)
- Head of Business Development, CGIP now Wendel (1985-1995)
- BNP, Large Companies Division, Consulting Engineer (1983-1985)
- France Telecom, New Products and Services (1979-1983)
  
- Ecole Polytechnique – MBA Insead
  
- Appointment as of July 1, 2017 (His role at Alpha will end on June 30, 2017)

Subject to your approval, the Supervisory Board will be made up of:

12 members, including:

**45% of women,  
45% of independent members,  
and 1 member representing employees.**

# Supervisory Board and Executive Board compensation

- Pages 108-120 and 398-40 of the Registration Document
- Pages 16-20 of the invitation booklet

# Supervisory Board compensation

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## ■ Director's fees

Maximum total annual amount up to 2016	€750,000
Proposed increase subject to your approval	€900,000

*Current amount unchanged since 2010*

*Flexibility for the composition of the Audit and Governance Committees*

## ■ Breakdown of directors' fees in 2016

Basic director's fee	€35,000
Double director's fee for the Chairman of each Committee	€70,000
Additional fee for committee membership	€15,000

## ■ Compensation for the Chairman of the Supervisory Board €70,000

# Executive Board variable compensation in 2016

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- Variable compensation is contingent upon achieving quantitative and qualitative objectives and can amount to 100% of fixed compensation
- **70% on quantitative objectives, based on very specific scenarios and mathematical formulas, enabling precise calculation**
  - 30% on the operating income of Group companies
  - 15% on the use of cash
  - 15% on debt management
  - 10% on the increase in Net Asset Value
- **30% on qualitative objectives based on a performance report with numerous factual items, enabling strict assessment**
  - Development of IHS
  - Successful integration of new companies

## Executive Board compensation in 2016

		Payable to 2016	Comments
<b>Frédéric Lemoine</b>	Fixed compensation	1,200,000	No increase since his appointment in 2009
	Variable compensation	1,022,760	<b>Targets 85.23% met</b>
<b>Bernard Gautier</b>	Fixed compensation	800,000	No increase since his appointment in 2008
	Variable compensation	681,840	<b>Targets 85.23% met</b>

- Frédéric Lemoine and Bernard Gautier receive benefits of €36,964 and €24,556, respectively: Group savings plan contribution matching and collective performance plan; unemployment insurance for Frédéric Lemoine
- Directors' fees paid by Group companies – €253,615 to Frédéric Lemoine and €173,241 to Bernard Gautier – are deducted from the amount of fixed compensation paid by Wendel



## 2016 stock options and performance shares

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- No stock options granted in 2016
- Performance share grants

	<b>Frédéric Lemoine</b>	<b>Bernard Gautier</b>
Number of performance shares granted*	34,572	23,048

\* The amount granted to Executive Board members is 36% of the overall ceiling approved by the shareholders

- A two-year presence condition
- A challenging performance condition over two years:
  - NAV must increase by at least 10.25%
  - This condition was not fulfilled in 2014 and all allocations for that year were canceled
- A holding period condition:
  - 25,000 Company shares must be held during the entire term

# Executive Board compensation policy: components proposed to the vote in 2017 (1/2)

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Within the context of the renewal of the Executive Board members' terms of office as from April 7, 2017, the Governance Committee reviewed all components of their compensation. Based on the Committee's recommendations, the Supervisory Board set the following elements of the two Executive Board members' compensation:

- A 5% increase in fixed compensation
- Variable compensation
  - raised to a maximum upper limit of 115% (instead of 100%) of fixed compensation
  - based on four challenging objectives, each weighted 25%
    - 3 quantitative objectives:
      - performance of one or more of the Group's long-term holdings
      - development over the year of unlisted companies
      - maximum debt level
    - 1 qualitative objective:
      - set each year by the Supervisory Board

## Executive Board compensation policy: components proposed to the vote in 2017 (2/2)

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- As in the past, stock options and performance shares are granted to Executive Board members to encourage achievement of the Group's medium- and long-term goals and the resulting creation of value for shareholders
  - up to 36% of the overall ceiling approved by the shareholders
  - subject to presence and performance conditions
  - and a holding period condition
- Starting in 2017, the performance condition will no longer be based on an increase in NAV but an increase in share price:
  - the share price must increase by 5% over one year or by 10.25% over two years
  - the increase in share price is calculated over the 50 trading days prior to the Annual Shareholders' Meeting

## Renewal of the terms of Executive Board severance pay

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- Severance pay for Executive Board members has remained unchanged since 2010 (the Shareholders' Meeting of June 4, 2010).
- It must be re-examined whenever the term of office of the Executive Board is renewed.
- When the Executive Board was first renewed in 2013, severance pay was unchanged (Supervisory Board meeting of March 27, 2013 and Shareholders' Meeting of May 28, 2013).
- When it renewed the Executive Board for the second time at its meeting of March 22, 2017, the Supervisory Board considered that the amount and conditions of severance pay was still appropriate.
- You are therefore asked to approve the previous terms of this pay.
- Detailed information in the Registration document, page 110 (for Frédéric Lemoine) and page 111 (for Bernard Gautier).



# Resolutions

# Overview of resolutions

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Ordinary/Extraordinary  
meeting resolutions

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## 2016

Financial statements  
Related-party agreements

1 - 6

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## Governance

Appointments to the Supervisory Board  
Director's fees  
Say on pay

8 - 12

13

14 - 19

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## Financial authorizations

Buyback programme  
Other financial authorizations

20 and 21

22 - 29

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## Employee shareholders

30 - 32

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# Approval of the financial statements and dividend

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## 1<sup>st</sup> resolution

Approval of the parent company financial statements

Net income: **€135.5 million**

## 2<sup>nd</sup> resolution

Approval of the consolidated financial statements

Net income, Group share: **€-366.7 million**

## 3<sup>rd</sup> resolution

Proposed dividend of **€2.35** per share

- > Ex-dividend date: May 23, 2017
- > Dividend payment: May 26, 2017

# Related-party agreements

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**4<sup>th</sup> resolution**

Approval of related-party agreements

**5<sup>th</sup> and 6<sup>th</sup>  
resolutions**

Renewal of termination payments for Executive Board members

## 8<sup>th</sup> to 12<sup>th</sup> resolutions

- **Renewal of the appointments of:**
  - Bénédicte Coste
  - Priscilla de Moustier
  - Edouard de l'Espée
  
- **Appointment of:**
  - Nicholas Ferguson
  - Nicolas ver Hulst (as of July 1, 2017)

# Director's fees and votes on the compensation of corporate officers

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## 13<sup>th</sup> resolution

Setting of the amount of directors' fees at  
**€900,000**

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## 14<sup>th</sup>, 15<sup>th</sup> and 16<sup>th</sup> resolutions

Binding vote on the compensation policy for  
Executive Board and Supervisory Board members  
for 2017

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## 17<sup>th</sup>, 18<sup>th</sup> and 19<sup>th</sup> resolutions

Non-binding vote on compensation owed or  
granted to Frédéric Lemoine, Bernard Gautier  
and François de Wendel for 2016

# Financial authorizations - Buyback programme

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## 20<sup>th</sup> resolution

Authorization to the Executive Board to trade in the Company's shares at a maximum price of **€200**, for up to **10%** of the Company's share capital for **14 months**

## 21<sup>st</sup> resolution

Authorization to the Executive Board to reduce the Company's capital by a maximum of **10%**, for **26 months** through the cancellation of repurchased shares

# Financial authorizations: Capital increases

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## 22<sup>nd</sup> resolution

With preferential subscription rights maintained: **€75 million**

## 26<sup>th</sup> resolution

In the event of excess demand, by up to **15%** of the initial issue

## 28<sup>th</sup> resolution

Through the capitalization of reserves, net income or premiums, by up to **€80 million**

## 23<sup>rd</sup>, 24<sup>th</sup> and 25<sup>th</sup> resolutions

With preferential subscription rights canceled: **€18 million**

## 27<sup>th</sup> resolution

In consideration for contributions in kind consisting of shares, for up to **10%** of the capital, or in connection with a public exchange offer, up to a maximum par value of **€18 million**, included in the maximum set in the 23<sup>rd</sup> resolution

## 29<sup>th</sup> resolution

Overall ceiling: **€190 million**

Duration of authorizations: **14 months**

**Cannot be used during a takeover bid**

**All capital increases are subject to the prior authorization of the Supervisory Board**



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## **30<sup>th</sup> resolution**

### **Capital increase reserved for members of the Group savings plan**

Maximum amount: €150,000

Duration: 14 months

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## **31<sup>st</sup> and 32<sup>nd</sup> resolutions**

### **Grants of stock subscription and/or purchase options and performance shares to corporate officers and employees**

Ceiling: 1% of capital for options  
or 0.33% for performance shares

Sub-limit for corporate officers: 36% of the overall ceiling

Duration: 14 months

A large, illuminated glass structure at night, possibly a modern building or art installation, with a city skyline in the background. The structure is composed of many vertical glass panels, some of which are lit from within, creating a vibrant glow. The colors transition from red on the left to blue on the right. The background shows a city skyline at night, with various buildings and lights. A prominent tower with a spherical top is visible on the right side of the image.

# Observations from the Supervisory Board

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[François de Wendel speaks]





The Statutory Auditors'  
reports

## To shareholders at their Ordinary Meeting

- on the parent company financial statements
- on the consolidated financial statements
- on regulated-party agreements and commitments
- on the report of the Chairman of the Supervisory Board

## To shareholders at their Extraordinary Meeting

- on the issue of shares and various securities with or without cancellation of preferential subscription rights
- on the authorization to grant subscription- or purchase-type options
- on the authorization to award free existing shares or shares to be issued
- on the reduction of capital





Q&A



Vote on resolutions

# Resolution 1

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## Approval of the 2016 parent company financial statements

Net income: **€135,542,523.06**

# Parent company income statement (2016)

(page 332 of the 2016 Registration Document)

In thousands of euros		2016	2015
<b>Income from investments in subsidiaries, associates, and long-term equity portfolio</b>	<b>11</b>	<b>400,014</b>	<b>1,500,019</b>
<b>Other financial income and expense</b>	<b>12</b>		
Income			
■ Income from loans and invested cash		53,592	141,020
■ Provisions reversed		22,774	18,532
Expenses			
■ Interest and similar expenses		175,566	280,388
■ Depreciation, amortization, and provisions		24,137	14,344
<b>NET FINANCIAL INCOME</b>		<b>276,678</b>	<b>1,364,839</b>
<b>Operating revenue</b>	<b>13</b>		
Other income		13,312	11,400
Provisions reversed and expenses transferred		6,067	3,571
<b>Operating expenses</b>			
Purchases and external services		19,949	17,017
Taxes other than income taxes		2,332	2,318
Wages and salaries	14	12,314	11,939
Social security costs		7,218	9,071
Depreciation & amortization and deferred expenses		4,128	1,578
Miscellaneous expenses		695	695
<b>OPERATING INCOME</b>		<b>-27,257</b>	<b>-27,646</b>
<b>NET INCOME BEFORE EXCEPTIONAL ITEMS AND TAX</b>		<b>249,421</b>	<b>1,337,193</b>
<b>Exceptional income</b>			
On operating transactions		53	980
On capital transactions		2	2,876
Provisions reversed		-	499
<b>Exceptional expenses</b>			
On operating transactions		121,914	501
On capital transactions		-	-
Provisions recognized		1,354	-
<b>EXCEPTIONAL ITEMS</b>	<b>15</b>	<b>-123,213</b>	<b>3,854</b>
<b>INCOME TAXES</b>	<b>16</b>	<b>9,335</b>	<b>-2,456</b>
<b>NET INCOME (LOSS)</b>		<b>135,543</b>	<b>1,338,591</b>

## Resolution 2

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### Approval of the 2016 consolidated financial statements

Net income, Group share: **€-366,757,000**

# Consolidated income statement (2016)

(page 238 of the 2016 Registration Document)

In millions of euros	Note	2016	2015
Net sales	6 and 17	8,283.6	7,683.4
Other income from operations		20.9	9.6
Operating expenses		-7,484.3	-6,921.2
Gains/losses on divestments		3.0	-4.1
Assets impairment		1.2	-105.9
Other income and expense	18	-99.6	-94.3
<b>OPERATING INCOME</b>	<b>6 AND 18</b>	<b>724.8</b>	<b>567.5</b>
Income from cash and cash equivalents		26.8	43.9
Finance costs, gross		-391.0	-399.2
<i>Finance costs, net</i>	<i>6 and 19</i>	<i>-364.2</i>	<i>-355.3</i>
Other financial income and expense	6 and 20	-131.4	-10.5
Tax expense	6 and 21	-199.8	-211.0
Net income (loss) from equity-method investments	6 and 22	-268.6	25.6
<b>NET INCOME (LOSS) FROM CONTINUING OPERATIONS</b>		<b>-239.2</b>	<b>16.4</b>
Net income from discontinued operations and operations held for sale	23	98.2	8.1
<b>NET INCOME</b>		<b>-141.1</b>	<b>24.5</b>
Net income - non-controlling interests		225.7	170.7
<b>NET INCOME - GROUP SHARE</b>		<b>-366.8</b>	<b>-146.2</b>



### Net income allocation, dividend approval and payment

- Dividend of **€2.35** per share
- Ex-dividend date: May 23, 2017
- Dividend payment date: May 26, 2017

### Approval of related-party agreements

- Co-investments by Executive Board members in Tsebo
- Principles of the 2017-2020 co-investment plan
- Bernard Gauthier's fixed and variable compensation

## Resolution 5

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**Renewal of commitments made to the Chairman of the Executive Board in the event of the termination of his duties**

## Resolution 6

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**Renewal of commitments made to the other Executive Board member in the event of the termination of his duties**

## Resolution 8

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### Renewal of the appointment of Bénédicte Coste as a member of the Supervisory Board

**Bénédicte Coste**

Term of office: 4 years



## Resolution 9

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### Renewal of the appointment of Priscilla de Moustier as a member of the Supervisory Board

**Priscilla de Moustier**

Term of office: 4 years



## Resolution 10

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### Renewal of the appointment of Édouard de L'Espée as a member of the Supervisory Board

Edouard de l'Espée

Term of office: 4 years





## Appointment of Nicholas Ferguson as a member of the Supervisory Board

**Nicholas Ferguson**

Term of office: 4 years

Independent Member



### Appointment of Nicholas ver Hulst as a member of the Supervisory Board

**Nicholas ver Hulst**

As of July 1, 2017

Term of office: 4 years



## Resolution 13

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**Setting of the amount of directors' fees at €900,000**

## Resolution 14

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### **Binding vote on the compensation policy for the Chairman of the Executive Board for 2017**

## Resolution 15

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### **Binding vote on the compensation policy for the Executive Board Member for 2017**

## Resolution 16

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**Binding vote on the compensation policy for Supervisory Board members for 2017**

### Non-binding vote on compensation owed or granted to Frédéric Lemoine for 2016



## Resolution 18

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### Non-binding vote on compensation owed or granted to Bernard Gautier for 2016

## Resolution 19

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### Non-binding vote on compensation owed or granted to François de Wendel for 2016

## Resolution 20

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**Authorization granted to the Executive Board to purchase the Company's shares at a maximum price of €200, up to a maximum of 10% of the Company's share capital**

Duration: 14 months

## Resolution 21

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**Authorization granted to the Executive Board to reduce share capital through the cancellation of shares for up to 10% of capital**

Duration: 26 months

## Resolution 22

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**Delegation of power to the Executive Board to increase share capital, with preferential subscription rights maintained, for a maximum par value of €75 million**

Duration: 14 months

## Resolution 23

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**Delegation of power to the Executive Board to increase share capital, with preferential subscription rights canceled but with the possibility of granting a priority period for shareholders, for a maximum par value of €18 million**

Duration: 14 months



## Resolution 24

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**Delegation of power to the Executive Board to increase share capital through the issue of shares or securities giving access to the Company's capital with preferential subscription rights canceled, under a private placement**

Duration: 14 months

## Resolution 25

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**Authorization for the Executive Board to set the issue price, using the method set forth by shareholders at their Annual Meeting, for shares or securities with preferential subscription rights canceled, up to a yearly limit of 10% of the Company's share capital**

Duration: 14 months

## Resolution 26

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**Delegation of power to the Executive Board to increase the number of shares to be issued in the event of excess demand, by up to 15% of the initial issue, with preferential subscription rights maintained or canceled**

Duration: 14 months

## Resolution 27

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**Delegation of power to the Executive Board to increase capital in consideration for contributions of shares, by up to €18 million, with preferential subscription rights canceled**

Duration: 14 months

## Resolution 28

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**Delegation of power to the Executive Board to increase share capital through the capitalization of reserves, profits or premiums, by up to €80 million**

Duration: 14 months

## Resolution 29

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### **Maximum aggregate amount of capital increases**

Ceiling: €190 million par value

Duration: 14 months

## Resolution 30

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**Delegation of power to the Executive Board to increase share capital, with preferential subscription rights canceled, through the issue of shares or securities giving access to the capital reserved for members of the Group savings plan, up to a maximum par value of €150,000**

Duration: 14 months

## Resolution 31

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**Authorization granted to the Executive Board to grant stock subscription and/or purchase options to corporate officers and employees, with preferential subscription rights canceled, up to a maximum of 1% of the share capital**

Sub-limit for members of the Executive Board: 36% of the overall ceiling

Overall ceiling shared by the 31st and 32nd resolutions

Duration: 14 months



## Resolution 32

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**Authorization granted to the Executive Board to grant performance shares to corporate officers and employees, with preferential subscription rights canceled, up to maximum of 0.3333% of the share capital**

Sub-limit for members of the Executive Board: 36% of the overall ceiling

Overall ceiling shared by the 31st and 32nd resolutions

Duration: 14 months

# Resolution 33

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## Powers for legal formalities

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