

Annual results 2007**Net income from subsidiaries: 408 M€, up +13%****Net income, Group share: 879 M€****Ordinary dividend: 2€****Results**

For 2007, Wendel reported a further improvement in the Company's results. Net income from subsidiaries, which translates the economic performance of the Group's companies, totaled 408 M€, up 13% from 2006. All of the Group's subsidiaries reported good performance and contributed to the quality of the year's results.

Bureau Veritas contributed 188 M€ to net income. This 20% increase over the previous year was due to sustained growth boosted by the improvement in the group's operating margin, which exceeded 15%. **Legrand's** contribution amounted to 129 M€ with an operating margin of 17.7%, up 60 basis points, thus offsetting the rise in the cost of raw materials. **Stallergènes** contributed 16 M€, up 11%. These good results were achieved in a context of a sharp rise in R&D costs and marketing expenses linked to the anti-allergic tablet program. **Editis** made a contribution of 49 M€, representing an increase of 18%. The operating margin rose 160 basis points, reflecting the operational leverage provided by acquisitions, and new gains in productivity. The contribution of **Materis** was 46 M€, with an operating margin of 12.6%. Operating income rose 10%, with solid growth in net sales and 7% organic growth). **Deutsch** and **Stahl** respectively reported net income of 10 M€ and 3 M€. The cost-optimization programs introduced in these two companies in 2007 are expected to produce their full effect in 2008. **Oranje-Nassau** generated income of 59 M€ and the level of operating cash flow remained high at 123 M€. The startup of operations at the Buzzard field at the beginning of 2007 resulted in increased oil production and depreciation.

Non-recurring income totaled 486 M€ in 2007, and was mainly comprised of the capital gains on the sale of Bureau Veritas shares on the occasion of the company's IPO and of the costs linked to the investment in Saint-Gobain.

Altogether, net income, Group share, stood at 879 M€.

The year 2007 was marked by a major change in Wendel's equity holdings.

IPO for Bureau Veritas

Bureau Veritas's October 2007 IPO was a success. It represents a major stage in the development of Bureau Veritas, which aims to double its size in the next five years. The IPO generated 1.2 B€ for Wendel, which remains the controlling shareholder with 63% of the capital.

Divestment of Neuf Cegetel

In September 2007, Wendel sold all of its equity interest in Neuf Cegetel, i.e. 2.4% of the capital, for a total of 148 M€.

Investment in Saint-Gobain

- Principal shareholder

Wendel decided to invest in Saint-Gobain and to become its principal shareholder. Wendel entered the group's capital at the end of September 2007 and has now crossed the threshold of 20% of the capital of Saint-Gobain to hold, as of March 26, 2008, 20.6% of the capital and 19.6% of the voting rights of Saint-Gobain.

- Modalities of governance

Wendel determined with Saint-Gobain the modalities of its participation in the governance of the group. These modalities acknowledge that Wendel plays an active role in the strategy and identification of areas in which there is a potential for improvement, and enables Wendel to exercise its position as principal shareholder with significant influence in Shareholders' Meetings and on the Board of Directors, accompanied by the creation of a Strategic Committee. These modalities were the subject of an agreement approved by the Board of Directors of Saint-Gobain on March 20, 2008.

- Modalities of financing and protection from a decline in the share price

Wendel structured its financing in order to increase its holding to a maximum of 21.5% of the capital of Saint-Gobain, while optimizing its risk profile. For 21.5% of the capital, the investment in shares will be approximately 5.5 B€.

Wendel acquired protection from a decline in the price of Saint-Gobain shares (maturity 2011-2012) covering approximately 40% of its investment for a total of 0.4 B€.

Wendel recalls that the complete acquisition of Saint-Gobain shares and of protection from a decline in the share price for a part of its position was financed using the Group's own resources and financing without recourse on Wendel.

1- the Group's own resources used to finance the purchase of Saint-Gobain shares and protection from a decline in the share price totaled 1.6 B€;

2- financing without recourse on Wendel totaled 4.3 B€ with maturities between 2010 and 2012, of which 2.3 B€ may be subject to margin calls^(*). On the basis of the current share price, accounting for margin calls in cash and in shares of listed companies already mobilized, the maximum level of residual margin calls totals 1.5 B€

Following its acquisition of an equity interest in Saint-Gobain, Wendel maintains significant liquidity and a solid financial base.

1. As of March 26, Wendel has, free of pledges, 1.3 B€ in net cash and 3.3 B€ in listed assets other than Saint-Gobain, as well as a syndicated five-year loan of 1.25 B€ that has not been used.
2. In accordance with its character as a long-term investor, Wendel has a financial structure that is mainly based on bond investments with long maturities (six years and an half on an average) with bond maturities ranging from 2011 to 2017.

() Margin calls are additional guarantees granted to banks to offset any decrease in the value of the Saint-Gobain shares. They do not imply a specific additional cost, and are returned to Wendel as soon as the price of Saint-Gobain stock has risen above the price level that triggered them. The margin calls included in certain financing arrangements negotiated by the Wendel Group to acquire Saint-Gobain shares may be paid in cash or in shares of listed companies of which Wendel is a shareholder.*

Dividend: 2 €

Wendel's share price which was affected by the financial crisis in the summer of 2007 nevertheless multiplied by 3 over the last five years, while the CAC 40 grew at a rate that was two times less rapid over the same period.

Reflecting the growth in net income from subsidiaries, which translates the good performance of all of the Group's companies, Wendel will propose that the Shareholders' Meeting of June 9 approve an ordinary dividend of 2€. In the last five years, the dividend has increased by 15% per year.

"In an environment that is more uncertain and more difficult, the diversification of our subsidiaries, the dynamism of their marketing and innovation policies, and the focused thrust of their acquisition strategies are more than ever essential advantages. We believe that our development model, the quality of our assets and our strategy to renew and diversify our holdings should allow us to achieve a new year of growth in 2008," Jean-Bernard Lafonta, Chairman of the Executive Board.

Net income from subsidiaries

(millions of euros)	2007	2006
Bureau Veritas	188.4	157.2
Legrand	129.0	120.5
Materis	46.4	36.6
Stallergènes	16.0	14.5
Editis	48.9	41.5
Deutsch	10.1	(0.2)
Stahl	3.4	(3.9)
Oranje-Nassau	58.9	69.8
Subtotal	501.1	443.8
Operating expense	(29.0)	(26.7)
Taxes	12.0	15.7
Financing	(76.2)	(70.3)
Subtotal	(93.0)	(81.3)
Net income from subsidiaries ⁽¹⁾	408.1	362.5

(1) Net income before the allocation of goodwill and non-recurring items

Consolidated results 2007

(millions of euros)	2007	2006	Δ
Consolidated subsidiaries	501	444	+13%
Financing, operating expense and taxes	(93)	(81)	
Net income from subsidiaries ⁽¹⁾	408	363	+13%
Non-recurring income	486	-	
Total net income	894	363	+146%
Net income, Group share	879	365	+141%

(1) Net income before the allocation of goodwill and non-recurring items

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