

POSITIVE FIRST-HALF RESULTS AFFECTED BY CHANGES IN SCOPE AND THE ECONOMIC CLIMATE

- All Group companies reported organic growth in the first half. Consolidated sales were up 3.5% to €2,786 million.
- NAV at August 19, 2014:
 - €129.7 per share
 - Moderate 4.9% decline year-on-year largely due to the fall in equity markets over the past three months
- Positive first-half results overall
 - Positive results mitigated by a decline in Bureau Veritas' contribution, changes in scope, and a decrease in non-recurring income
 - Companies' total contribution to net income from business sectors down 6.8%
 - Non-recurring income of €57.1 million (vs. €267.5 million in H1 2013)
 - Net income, Group share of €70.3 million (vs. €323.4 million in H1 2013)
- Repayment of all debt related to the Saint-Gobain investment in the first half
- Capital transactions:
 - Sale of €1 billion of Saint-Gobain shares at a net price of €42.09 per share
 - An additional \$199 million investment in IHS, bringing Wendel's total investment to \$475 million—with plans to increase the investment further in the coming weeks.
- Wendel's credit rating was upgraded to Investment Grade on July 7, 2014
- Developments at Materis:
 - Divestments of Kerneos and ParexGroup were finalized in the first half
 - Chryso and Materis Paints were successfully refinanced
 - Materis received a firm offer for Chryso from LBO France, which will let Materis slash its debt by a factor of nearly seven and refocus its operations on Materis Paints
- Cancellation of an additional 2% of shares in the coming weeks

Frédéric Lemoine, Chairman of the Executive Board, said:

“Amid the growing uncertainty in today's economic and geopolitical climate, some Wendel companies reported buoyant sales growth—such as Stahl, Mecatherm, and Parcours. Some companies also seized opportunities to make value-creating acquisitions: Bureau Veritas with its acquisition of Maxxam; Stahl with its acquisition of Clariant Leather Services; and IHS with its purchase of over 2,100 telecom towers in Nigeria.

Since the beginning of the year, Wendel successfully resolved the financial problems of the past by adjusting down its stake in Saint-Gobain, scaling down Materis' debt, and returning to Investment Grade status.

Now Wendel is well positioned to reach its other 2017 goals—which include investing €2 billion, primarily in unlisted assets in Europe, North America, and emerging markets, in particular Africa.

Finally, for the third year in a row, Wendel decided to cancel 2% of its shares as part of its return to shareholders policy. The cancellation will take place in the coming weeks.”

Contribution of Group companies to H1 2014 sales

Consolidated sales, H1 2014

(in millions of euros)	H1 2013	H1 2014	Δ	Organic Δ
Bureau Veritas	1,957.5	1,967.4	0.5%	1.8%
Materis Paints ⁽¹⁾	378.1	382.8	1.2%	2.9%
Stahl	175.7	217.5	23.8%	8.0%
Oranje-Nassau Développement				
<i>Parcours</i>	149.7	163.8	9.4%	9.4%
<i>Mecatherm</i>	32.1	36.9	14.8%	14.8%
<i>NOP</i>	-	18.1	NS	NS
Consolidated sales	2,693.0	2,786.4	3.5%	2.9%

(1) The Kerneos (aluminates), Parex (mortars), and Chryso (admixtures) divisions are included in “Net income from discontinued operations and operations held for sale.”

Sales of equity-accounted companies, H1 2014

(in millions of euros)	H1 2013	H1 2014	Δ	Organic Δ
Saint-Gobain	20,651	20,446	-1.0%	4.1%
except	90.8	92.9	2.3%	2.3%
IHS ⁽¹⁾	25.4	95.8	NS	NS

(1) Since May 2013

Consolidated results, H1 2014

(in millions of euros)	H1 2013	H1 2014
Consolidated subsidiaries	309.6	288.7
Financing, operating expenses, and taxes	-122.0	-126.8
Net income from business sectors⁽¹⁾	187.6	161.9
Net income from business sectors⁽¹⁾, Group share	84.7	63.6
Non-recurring income	267.5	57.1
Impact of goodwill allocation	-54.5	-43.4
Total net income	400.6	175.5
Net income, Group share	323.4	70.3

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

Net income from business sectors, H1 2014

(in millions of euros)	H1 2013	H1 2014	Δ
Constant scope			
Bureau Veritas	198.6	184.5	-7.1%
Stahl	13.3	19.9	+49.6%
IHS	-3.0	-9.3	ns
Oranje-Nassau Développement	7.0	7.5	+6.6%
- Parcours	5.9	6.3	+7.8%
- Mecatherm	0.3	0.2	ns
- except (equity accounted)	0.8	0.9	ns
Sub-total	215.9	202.5	-6.2%
Changes in scope			
Materis	8.3	15.0	
Saint-Gobain	71.5	70.0	
Legrand (equity accounted)	13.8	-	
Oranje-Nassau Développement – NOP (fully consolidated since January 2014)	-	1.2	
Sub-total	93.7	86.2	ns
Total contribution of companies	309.6	288.7	-6.8%
- Of which Group share	206.7	190.4	-7.9%
Total operating expenses	-23.1	-26.8	+15.9%
Total financial expense	-98.9	-100.0	+1.1%
Net income from business sectors	187.6	161.9	-13.7%
- Of which Group share	84.7	63.6	-24.9%

The Supervisory Board, chaired by François de Wendel, met on August 27, 2014 to review Wendel's consolidated financial statements as approved by the Executive Board on August 20, 2014. The financial statements were subject to a review by the Statutory Auditors prior to publication.

Wendel's consolidated sales totaled €2,786.4 million in the first half, up 3.5% year-on-year—or up 2.9% at constant scope.

The overall contribution of the Group's companies to net income from business sectors was €288.7 million, down 6.8% from the first half of 2013. The decrease resulted from changes in the scope (the exit from Legrand in mid-2013, a decrease in the share of income from Saint-Gobain after the sale of 24 million Saint-Gobain shares in May 2014, and a smaller scope of consolidation at Materis following the divestment of certain businesses) and a drop in net income at Bureau Veritas and IHS, whose many acquisitions this year resulted in a higher depreciation and amortization charge than in H1 2013.

Non-recurring income was €57.1 million in the first half of 2014, against €267.5 million in the same period last year. Non-recurring income in H1 2013 included a €369.0 million gain from the sale of the remaining stake in Legrand. Non-recurring income in H1 2014 included a €294.0 million gain on Materis' sales of Kerneos and ParexGroup, partially offset by a €106.7 million loss on the sale of 24 million Saint-Gobain shares, €59 million of other non-recurring expenses, and €54.7 million of asset impairment at Wendel companies.

As a result, net income, Group share amounted to €70.3 million in the first half, against €323.4 million in the same period last year.

Results of Group companies

Bureau Veritas – Sales up 0.5% (or 7.0% at constant exchange rates)

(Full consolidation)

Revenue for the first half of 2014 totaled €1,967.4 million, an increase of 0.5% (or 7% at constant exchange rates) compared with the first half of 2013.

- Acquisitions contributed 5.2% to growth. This included the companies acquired in H1 2014, i.e. Maxxam (IVS/Commodities/Consumer Products), Quiktrak and Andes Control (GSIT), DTI (Industry) and Jyutaku (Construction), as well as those acquired in 2013 and consolidated for the full year: Sievert and LVQ-WP (Industry), KBI and CKM (Construction) and OTI (Commodities).
- Organic growth in H1 2014 was 1.8%. It was 0.9% in the second quarter, a level below Bureau Veritas' expectations for three reasons:
 - The unfavorable economic climate in Europe, particularly in France, had a stronger than expected impact on the Industry (organic growth at +3.6% in H1 2014), In-Service Inspection & Verification (+3.5%), Construction (+1.7%) and Certification (-1.0%) businesses;
 - Organic growth in the Commodities business was negative in H1 2014, at -1.3%. The good level of growth in Oil & Petrochemicals (+8.9%) and Agriculture (+11.7%) has been more than offset by a lower than expected "seasonal" recovery in the Metals & Minerals business.
 - Toys and textiles testing activities were affected by low levels of demand from US client retailers. Nevertheless, the Consumer Products business delivered organic growth of 5.4% in H1 2014, driven by the Electrical & Electronics segment (+9.6%), which benefited from strong demand for wireless technologies.

As expected by Bureau Veritas, there was a further contraction in the Government Services & International Trade (GSIT) business (organic growth of -8.4% in H1 2014). The comparison base is unfavorable owing to two contracts (Angola and Côte d'Ivoire) that came to an end in H2 2013. The verification of conformity activity has been disrupted recently due to the conflict in Iraq.

The Marine business posted strong organic growth of 7.8% over the period, in both the ships-in-service and new construction segments.

- Currency fluctuations had a negative impact of 6.5%. Most currencies declined in value against the euro, particularly those of Latin American countries (Brazil, Argentina, Colombia, and Chile) and other major countries (Australia, Japan, Canada, and the United States).

Adjusted operating profit was €310 million, down 1% compared with H1 2013, but up 8% at constant currencies.

The adjusted operating margin was 15.8% in H1 2014, an increase of 10 basis points at constant currencies compared with H1 2013. The negative impact of exchange rates was 30 basis points.

On a constant currency basis, the adjusted operating margin improved in most of the divisions, i.e. in the Marine, Consumer Products, Industry, Construction and IVS businesses. It mainly benefited from the operational excellence initiatives and improvements in the activity mix. The margin contraction in the Certification, Government Services & International Trade (GSIT) and Commodities businesses was due to a reduction in volumes.

Adjusted attributable net profit totaled €177.5 million, up 3.7% on a constant currency basis. Adjusted earnings per share stood at €0.41 in H1 2014, a decrease of 6.8% compared with H1 2013. On a constant currency basis, it increased by 4.5%.

Since the beginning of the year, Bureau Veritas has carried out seven acquisitions, mainly in North and South America. These acquisitions will increase its exposure to the petroleum, offshore, automotive, construction and food sectors. The combined annual revenue for these acquisitions is close to €290 million, equivalent to more than 7% of Bureau Veritas' 2013 revenue.

2014 revenue growth on a constant currency basis should be above 9% with a strong contribution from acquisitions. Profitability should continue to improve on a constant currency basis.

Bureau Veritas confirms its objective to achieve revenue growth above 9% per year on average over the 2012-2015 period, at constant exchange rates, but with a different mix than the one initially contemplated:

- Due to weakness in Metals & Minerals and European markets, the average organic growth should be lower than 6%.
- Based on the current pipeline and acquisitions already carried out, the average external growth should be higher than 4%.

Bureau Veritas could achieve its objective of a 100 basis points margin improvement in 2015 compared with 2011, but has decided recently to invest part of the profitability gains, generated notably through

Excellence@BV, in commercial initiatives to accelerate its future organic growth. As a consequence, the 2015 adjusted operating margin will be around 17%.

In this context, the average growth of adjusted EPS for the period 2012-2015 should be in the +5-7% range per year, due notably to tax rates increase and currency headwinds.

Materis – Good first half at Materis Paints. Divestments of Parex and Kerneos finalized. Materis Paints and Chryso successfully refinanced. Firm offer received for Chryso.

(Full consolidation – Sales at Parex, Kerneos, and Chryso were reclassified under IFRS 5 and are not taken into account.)

Materis Paints recorded sales of €383.3 million in the first half of 2014, up 1.3% or 2.9% organic growth. In emerging markets, which account for 6% of the company's sales, organic growth was 33% in Morocco and 30% in Argentina. Business in the Iberian Peninsula again showed signs of recovery with sales up 13% in Spain and 6% in Portugal; France and Italy saw more moderate growth of 0.3% and 2%, respectively.

Materis Paints continues to reap the benefits of management initiatives to step up marketing efforts and keep a tight rein on costs and WCR. The company's EBITDA rose 10.1% in the first half to reach 9.7% of sales, and the EBITDA-to-cash conversion ratio shot up from 35% to 54%.

On August 13, 2014, Materis carried out two separate refinancing transactions on Materis Paints and Chryso, involving:

- A 7-year senior bullet term loan (€267 million for Materis Paints and €165 million for Chryso) at an interest rate of Euribor+4.75%;
- A 6-year revolving credit facility (€72 million for Materis Paints and €38 million for Chryso) at an interest rates of Euribor+3.75% for Materis Paints and Euribor+4.00% for Chryso, to finance the companies' working capital requirement, acquisitions and capital expenditures;
- Incremental uncommitted facilities of €88 million for Materis Paints and €42 million for Chryso to finance acquisitions and capital expenditures;
- Headroom of c. 30% on quarterly Net debt/EBITDA and EBITDA/cash interest covenants.

This refinancing, based on a reasonable leverage of c. 4x EBITDA for Materis Paints and c. 4.5x EBITDA for Chryso (on a seasonally-adjusted basis), gives both companies the flexibility to ramp up their growth strategies. Wendel has decided to provide additional backing through a €150 million shareholder loan to Materis.

Shortly after completion of this transaction, Materis received a firm offer from LBO France to acquire its Chryso subsidiary in full and entered into exclusive talks to finalize the terms of the sale. The offer values Chryso at c. €290 million (Enterprise Value), or 8.3x 2013 EBITDA. The transaction could take place in the second half of 2014 once the required consultations have been held and the necessary authorizations obtained. The proceeds would enable the repayment of c. €125 million of the shareholder loan provided by Wendel.

After the refinancing transactions and the sales of Chryso (subject to the necessary authorizations), ParexGroup (in June 2014) and Kerneos (in March 2014), Materis will have:

- Generated total proceeds of €1.7 billion;
- Reduced its net debt to €275 million, or c.4x EBITDA (on a seasonally-adjusted basis);
- Reduced its average borrowing cost from Euribor+6% to Euribor+4.75%;
- Fully refocused its operations on its Paints business.

Wendel plans to maintain its role as an active shareholder supporting the Materis Paints management team and will help drive business expansion over the next few years.

Stahl – Strong growth in profitability with EBITDA margin up 80 basis points to 18.0%. The merger with Clariant's Leather Services division is on track and already paying off.

(Full consolidation)

In H1 2014, Stahl posted sales of €217.5 million, up 23.8% compared to H1 2013. This significant increase resulted from the merger with Clariant Leather Services, which accounted for 20.4%, combined with a sustained organic growth of 8.0%. The impact of currency fluctuations was negative (-4.7%).

Organic growth was driven by the **Automotive Leather Chemicals** division on the back of buoyant Automotive Leather markets, and by double-digit growth at **Performance Coatings** across all geographical markets along with successful new product launches in emerging markets.

Initial synergies from the merger, coupled with Stahl's strict fixed-cost control policy, boosted profitability. Stahl's H1 2014 EBITDA rose 29.5% to €39.2 million or 18.0% of sales—up 80 basis points.

Following the merger with Clariant's Leather Services division on April 30, the integration process has exceeded expectations with 50% of the total expected savings already made as of June 30, 2014. Stahl will likely exceed the initially-estimated synergies of €15 million over the 18 months following the transaction.

In parallel with the merger, Stahl carried out a successful refinancing of €295 million (2019 maturity), of which c. €260 million has already been drawn. Stahl's net debt stood at €242 million at end-June 2014.

Saint-Gobain – A strong upswing in performance with operating income up 8.7% (or 14.8% on a like-for-like basis)

(Equity method)

Sales were up 4.1% in first-half 2014 on a like-for-like basis (comparable structure and exchange rates) and rose 1.6% in the second quarter, with volumes gaining 0.5% (including a negative 0.9% impact resulting from fewer working days) and prices advancing 1.1%. The upbeat trends observed as from second-half 2013 continued throughout the six months to June 30, 2014 (volumes up 2.9%), with favorable weather conditions boosting the first-quarter performance. Growth was confirmed in Saint-Gobain's main regions over the first half, even though France was down slightly in the second quarter. Despite a less inflationary cost environment, sales prices gained 1.2% over the first half.

Exchange rates continued to have a strong negative impact of 3.2%. Changes in Saint-Gobain's structure had a negative 1.9% impact and include the disposal of Verallia North America (VNA) as of April 11. Sales were therefore down 1.0% on a reported basis.

Thanks to good operating leverage, Saint-Gobain's like-for-like operating income rose 14.8%. The consolidated operating margin widened to 6.5%, compared to 5.9% in first-half 2013 (based on comparable accounting standards).

- Like-for-like sales at the **Innovative Materials** Business Sector continued to improve, up 3.7%, lifting the Business Sector's operating margin to 9.1% from 6.6% one year earlier. On a like-for-like basis, sales rose 3.4% at the Flat Glass division and 4.0% at the High-Performance Materials division;
- Like-for-like sales at the **Construction Products** Business Sector advanced 5.5%. The operating margin came in at 9.0% versus 8.5% in the same year-ago period. Organic growth was 7.1% at the Interior Solutions division and 3.9% at the External Solutions division;
- **Building Distribution** sales were up 3.6% on a like-for-like basis (up 2.1% on a reported basis, or €188 million). Sales stabilized in the second quarter after the bullish growth reported in the first three months of the year, aided by mild winter weather and a weak comparison basis. The UK, Brazil, Nordic countries and Germany contributed to the good first-half growth performance, while trading in France was virtually stable despite a good first quarter. Thanks to good management of its trade margin and costs, operating income for the Business Sector improved sharply, up to €265 million versus €198 million in first-half 2013. The operating margin rose to 2.9% from 2.2% in the same period one year earlier;
- **Packaging (Verallia)** sales advanced 1.7% on a like-for-like basis, taking into account the disposal of VNA with effect from April 11. Volumes were up slightly in Europe, although prices declined and the mix deteriorated. Latin America posted good organic growth, buoyed chiefly by price trends reflecting the impact of inflation. The operating margin bottomed out at 9.8% due to narrowing margins in Europe and a one-off inventory adjustment.

Saint-Gobain is maintaining its action plan priorities for the year and will keep a close watch on its cash and financial strength:

- priority focus on increasing sales prices amid a small rise in raw material and energy costs;
- €450 million in additional cost savings (calculated on the 2013 cost base), including €240 million in the first half;
- capital expenditure program of around €1,500 million, the priority being growth capex outside Western Europe (around €550 million);
- renewed commitment to invest in R&D in order to support its differentiated, high value-added strategy;
- a selective acquisitions and divestments policy.

Saint-Gobain has confirmed its objectives for full-year 2014 of a clear improvement in operating income on a comparable structure and currency basis and a continuing high level of free cash flow.

IHS – Continued expansion in Africa

(Equity method since May 2013)

With nearly 12,600 towers under management (pro forma with the acquisition of Etisalat's towers in Nigeria), IHS Holding is the leading provider of telecom tower passive infrastructure for mobile phone operators in Africa.

The company furthered its expansion strategy in the first half of 2014 with the acquisition of 550 towers in Rwanda and 719 in Zambia, all from MTN. IHS also scored two new contract wins through leasing agreements with Glo (Nigeria's second-largest mobile network operator) and Viettel (Cameroon's third-largest mobile network operator). The company recorded sales of \$131.5 million for the first half, excluding the pass-through of diesel costs to customers.

In terms of profitability, EBITDA adjusted for non-recurring items came in at \$41 million—or 31.2% of sales—on the back of higher colocation rates and lower energy costs.

On August 7, 2014, IHS announced its acquisition of 2,136 towers from Etisalat in Nigeria. Under the terms of the deal, IHS will invest an additional \$100 million to equip the acquired towers with advanced generators, high-performance batteries, and alternative energy solutions to reduce diesel consumption and improve grid use efficiency. The transaction will further strengthen IHS' leadership position in Nigeria—Africa's biggest economy by GDP.

Oranje-Nassau Développement

Through Oranje-Nassau Développement, Wendel brings together opportunities for investment in growth, diversification, and innovation, and in particular has invested in Parcours (France), except (Germany), Mecatherm (France), Van Gansewinkel Groep (Netherlands), Nippon Oil Pump (Japan) and Saham (Africa).

Parcours – Robust sales growth

(Full consolidation)

Sales at Parcours totaled €163.8 million in the first half, up 9.4% from the same period last year. The number of vehicles managed expanded 10.2% between end-June 2013 and end-June 2014 to reach 53,570 vehicles—growth that is three times faster than the French industry average.

Parcours' rapid sales growth is due to higher business volumes with existing customers and several new contract wins with key accounts in the first half—thereby securing continued top-line performance for the coming months. Pre-tax ordinary income rose 17.9% to €12.5 million, or 7.6% of sales.

The company has made further progress on its initiative to roll out 3D offices. After opening 3D offices in Bordeaux, Lyon, and Paris (which is also the company's headquarters) in 2013, it plans to continue converting existing sites to the 3D model.

except – 2.3% sales growth despite cautious markets

(Equity method)

except's sales increased 2.3% in the first half of 2014—due entirely to organic growth—to reach €92.9 million. EBITDA was €8.9 million, up 8.8% from €8.2 million in the same period last year. The improvement in EBITDA reflects a focus on sales of high-margin products and effective cost controls.

The company continues to work on development projects for the medical industry; its Electronic Components, Modules & Systems (ECMS) division is for instance developing technology together with its customers that improves the resolution of medical images and makes detection more effective. The division is now a development partner of the three biggest companies in the X-ray and tomography imaging market.

except expects its organic growth to continue despite a slight downturn in its markets, and see profit margins improve for the full year 2014.

In the first quarter of 2014, one of except's majority shareholders—Greenock S.à.r.l.—told the company it is considering selling its stake to a third party. However Greenock S.à.r.l. said that no decisions have been made as to the terms or timeframe for any such transaction.

Mecatherm – Sales up 14.8% with a record order intake

(Full consolidation)

Mecatherm's sales rose a sharp 14.8% in the first half to €36.9 million. EBITDA came in at €3.4 million, or an 8.2% increase over H1 2013. The company's order intakes on a sliding 12-month basis reached a record level at end June, of €126 million.

Mecatherm's new management team has introduced a new growth strategy: MECA 2020. The strategy aims to drive sales in emerging markets through prospects in Latin American, Africa, and Asia. The company received kudos for its R&D efforts when it unveiled its latest production line innovations at the European baking and pastry-making trade show in Paris.

Nippon Oil Pump – Promising sales trends

(Full consolidation since January 2014)

Nippon Oil Pump's sales totaled ¥2,543 million in the first half thanks to an upturn in the Japanese economy, robust sales of the company's products in China and new product launches (Vortex).

EBITDA was ¥401 million or 15.8% of sales. Higher raw materials prices in the first half—including higher electricity prices following the Fukushima accident—coupled with increased labor and procurement costs

reduced profit margins during the period. The company successfully refinanced its ¥4.7 billion bridge loan in February 2014.

Saham – Sharp organic growth at its insurance business

(unconsolidated, unaudited)

Sales at Saham's insurance business rose 17% in the first half, with particularly excellent performance in Angola (up 55% at GAAS), Lebanon (up 38% at Lia), and in Sub-Saharan Africa (up 13%). After a challenging 2013 due to a transitioning market, sales at the customer relations center business grew 9% in the first six months of 2014. The company is continuing to invest in its healthcare and real estate businesses with the goal of starting up its healthcare center operations and its activities to market residential units and developed land by end-2014.

Saham recently agreed to purchase and manage clinics and healthcare centers in Côte d'Ivoire, and its Saham Finances subsidiary recently agreed to acquire a non-life insurance company in Nigeria. The corresponding transactions should be finalized by the end of the year.

Wendel is pleased with Saham's growth, especially at its insurance business. Wendel intends to support Saham's development and diversification plans and will consider further investments when Saham needs additional capital to finance its development—which is unlikely to occur by year-end 2014.

Wendel NAV

Wendel's net asset value (NAV) stood at €6,323 million—or €129.7 per share—on August 19, 2014 (see detail in Appendix 1), down 4.9% from €136.4 per share on August 20, 2013. Wendel's NAV has fallen 4.1% since the start of the year; it was €135.2 per share on December 31, 2013. The discount to NAV was 25.1% on August 19, 2014. The decline in NAV mainly reflects the drop in equity markets since early June. The value for listed companies used to calculate NAV is the average share price of the last 20 trading days between July 23 and August 19, 2014.

The calculation methodology was amended in early 2014 to better align with changes in nature of Wendel investments. Starting in the second half, estimates for the upcoming fiscal year will be taken into account for the valuation of unlisted companies. For the first half of the year, the enterprise value will correspond to the average of the values calculated using EBITDA and EBIT of the previous year and the budget (or budget update) for the current year. For the second half of the year, including for the calculation as of December 31, the next year is also taken into account, because there is sufficient visibility on the end of the current year so that the following year can be estimated satisfactorily. For the second half, therefore, the enterprise value is the average of the values calculated for three periods: the most recently audited fiscal year, the entire current year, and the following year.

Other significant events since the beginning of the year

- **Successful €400 million bond issue maturing in January 2021**

On January 13, 2014, Wendel announced the successful issue of a €400 million bond maturing in January 2021. The bond has a coupon rate of 3.75%—the lowest Wendel has ever obtained for a 7-year maturity. The issue was 7.5 times oversubscribed. The bonds were placed with an international investor base, mainly British (20%), German and Austrian (17%), Swiss (11%), and French (25%).

- **New €800 million, undrawn revolving credit line**

Wendel obtained a new, €800 million revolving credit line with margin calls, maturing in 2020.

- **Full repayment of debt related to the investment in Saint-Gobain**

Wendel paid off the remaining €425 million of the debt it incurred to purchase its stake in Saint-Gobain—meaning that debt is now fully repaid—and cancelled its €450 million undrawn credit line with margin calls (2016-2017 maturities).

- **Adjustment of the Saint-Gobain stake**

Wendel sold 24 million of its shares in Saint-Gobain at a net price €42.09 per share, which corresponds to 4.3% of the company's share capital for around €1 billion. Wendel now holds 11.7% of Saint-Gobain's share capital and 19.4% of its voting rights.

- **Upgrade to investment grade status**

On July 7, 2014, Standard & Poor's raised Wendel's long-term credit rating from BB+ to BBB- with a stable outlook, and its short-term credit rating from B to A-3. This marks the third year in a row that Standard & Poor's has lifted Wendel's credit rating and brings the Group back to investment grade status after a six-year hiatus during which its debt level was considered too high.

- **Bond buybacks**

Over the past six months, Wendel has been buying back its 2014, 2015, and 2016 bonds in the nominal amounts of €31.5 million, €20.9 million, and €6 million, respectively.

- **Share buyback: cancellation of a further 2% of shares**

Wendel bought back 417,658 of its own shares in 2014 to take advantage of the sharp discount in its share price relative to NAV. On August 27, 2014 the Supervisory Board authorized the Executive Board to cancel 2% of the Group's share capital. The Executive Board will subsequently reduce Wendel's share capital by cancelling shares in the coming weeks. The Group already cancelled a total of 2,070,873 shares, or 4.1% of its share capital, in 2012 and 2013.

2014 Calendar

Publication of Q3 2014 net sales (pre-market release)
Investor day - publication of NAV (pre-market release)

Friday, November 7, 2014
Thursday, December 4, 2014

About Wendel

Wendel is one of Europe's leading listed investment firms. The Group invests internationally, in companies that are leaders in their field, such as Bureau Veritas, Saint-Gobain, Materis, Stahl and IHS in Africa. Wendel plays an active role as industry shareholder in these companies. It implements long-term development strategies, which involve boosting growth and margins of companies so as to enhance their leading market positions. Through Oranje-Nassau Développement, which brings together opportunities for investment in growth, diversification and innovation, Wendel is also a shareholder of Van Gansewinkel Groep in the Netherlands, except in Germany, Mecatherm and Parcours in France, Nippon Oil Pump in Japan and Saham Group in Africa.

Wendel is listed on Eurolist by Euronext Paris.

Standard & Poor's ratings: Long-term: BBB-, stable outlook – Short-term: A3 since July 7, 2014.

Wendel is the Founding Sponsor of Centre Pompidou-Metz. In recognition of its long-term patronage of the arts, Wendel received the distinction of "Grand Mécène de la Culture" on March 23, 2012.



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Appendix 1. NAV at August 19, 2014: €129.7 per share

(in millions of euros)

			05/23/2014	08/19/2014
	<u>Number of shares (millions)</u>	<u>Share price</u> ⁽¹⁾		
Listed equity investments			7,858	6,808
• Bureau Veritas	225.2	€19.6	5,041	4,406
• Saint-Gobain	65.8	€36.5	2,817	2,402
Unlisted equity investments and Oranje-Nassau Développement ⁽²⁾			1,783	1,922
Other Wendel and holding company assets and liabilities ⁽³⁾			185	207
Cash and marketable securities ⁽⁴⁾			1,447	1,268
Gross assets, revalued			11,272	10,204
Wendel bond debt and accrued interest			(3,747)	(3,724)
Value of puts issued on Saint-Gobain ⁽⁵⁾			(128)	(157)
Net asset value (NAV)			7,397	6,323
Number of shares in capital			48,733,309	48,764,831
NAV per share			€151.8	€129.7
Average of 20 most recent Wendel share prices			€109.2	€97.1
Premium (discount) on NAV			(28.1%)	(25.1%)

(1) Average of last 20 closing share prices as of August 19, 2014

(2) Unlisted equity investments (Materis, Stahl, and IHS), Oranje-Nassau Développement (NOP, SAHAM, Mecatherm, Parcours, VGG, except), indirect investments and the Kerneos loan

(3) Includes 2,305,442 Wendel treasury shares as of August 19, 2014

(4) Cash and marketable securities owned by Wendel and holding companies. Includes €940 million in cash on hand and €328 million in liquid financial investments.

(5) 6,089,778 puts issued (short position)

Appendix 2. Conversion from accounting presentation to economic presentation

In millions of euros	Bureau Veritas	Materis	Stahl	OND	Equity-accounted investments		Holding companies	Total operations
					Saint-Gobain	IHS		
Net income from business sectors								
Sales	1,967.4	⁽²⁾ 382.8	217.5	218.8			-	2,786.4
EBITDA	N/A	⁽²⁾ 31.4	39.2	N/A				
Adjusted operating income⁽¹⁾	310.0	18.0	33.7	21.0				
Other recurring operating items	-	-1.0	-0.5	-0.5				
Operating income	310.0	17.0	33.1	20.6			-26.7	354.1
Finance costs, net	-37.4	-46.3	-5.9	-5.3			-100.0	-194.9
Other financial income and expense	-3.0	-1.5	-	-0.2				-4.7
Tax expense	-85.1	-1.9	-7.5	-7.4			-0.1	-101.9
Share in net income of equity-accounted investments	0.0	-	0.1	0.9	70.0	-9.3	-	61.7
Net income from discontinued operations and operations held for sale	-	47.6	-	-	-	-	-	47.6
Recurring net income from business sectors	184.5	15.0	19.9	8.6	70.0	-9.3	-126.8	161.9
Recurring net income from business sectors - non-controlling interests	93.0	1.7	3.5	0.1	-	-0.0	-	98.3
Recurring net income from business sectors - Group share	91.5	13.3	16.4	8.5	70.0	-9.3	-126.8	63.6
Non-recurring income								
Operating income	-38.0	-9.6	-30.4	-6.6	-	-	-29.9	-114.5
Net financial income	-0.0	-38.7	-4.4	0.2	-	-	36.0	-6.9
Tax expense	10.4	5.3	4.3	2.1	-	-	-	22.1
Share in net income of equity-accounted investments	-	-	-	-1.5	-63.1	-0.8	⁽³⁾ -106.7	-172.1
Net income from discontinued operations and operations held for sale	-	284.8	-	-	-	-	0.3	285.1
Non-recurring net income	-27.5	241.8	-30.5	-5.8	-63.1	-0.8	-100.4	13.6
Of which:		⁽⁴⁾						
- Non-recurring items	-0.3	243.8	-23.9	-1.2	-5.4	-0.8	-100.4	111.8
- Impact of goodwill allocation	-25.8	-2.0	-6.7	-4.5	-4.4	-	-	-43.4
- Asset impairment	-1.5	-	-	-	-53.3	-	-	-54.7
Non-recurring net income - non-controlling interests	-13.3	23.2	-2.9	-0.1	-	-0.0	0.1	7.0
Non-recurring net income - Group share	-14.2	218.6	-27.6	-5.7	-63.1	-0.8	-100.6	6.7
Consolidated net income	156.9	256.8	-10.6	2.9	6.9	-10.2	-227.2	175.5
Consolidated net income - non-controlling interests	79.6	24.9	0.6	0.0	-	-0.0	0.1	105.2
Consolidated net income - Group share	77.3	231.9	-11.2	2.8	6.9	-10.1	-227.3	70.3

(1) Before the impact of goodwill allocation, non-recurring items and management fees.

(2) Excludes Materis holding fees and eliminated transactions with operations held for sale. H1 2014 sales at Materis Paints were €383.3 million and EBITDA was €37.0 million.

(3) From the sale of 24 million Saint-Gobain shares.

(4) Includes a €27.5 million gain on the sale of Kerneos and a €266.5 million gain on the sale of Parex.