

**Wendel announces:**

- **The successful completion of Materis' debt renegotiation with a 91% extension rate**
- **A strategic operation for the Aluminates activity**

Wendel announced the **successful completion of the debt renegotiation of its subsidiary Materis**, marking the end of a process launched in September 2011, 18 months ahead of the first maturities, with the company's pool of 199 lenders.

The extension rate amounts to 90% for the senior debt, 99% for the second lien and 100% for the mezzanine. Pursuant to the amendment, Wendel and Materis have:

- Secured Materis' liquidity until 2015-2016 through:
 - The extension of €1.9 billion of maturities from April 2013/April 2016 to Sept. 2015/Dec. 2016;
 - The ability to issue up to € 700 million of bonds;
 - The ability to issue a further €50 million of revolving credit facility, €20 million of factoring, and €20 million of financial leases;
- Reset the company's covenants to reflect the margin uplift granted as part of the amendment;
- Obtained the ability to dispose of several divisions, should interesting offers be received.

In this context, Wendel and its co-investors have agreed to inject €25 million of equity to finance Materis' development (external growth and industrial investments), of which c€21 million for Wendel and more than €3 million for the managers-investors of Materis. Wendel has also agreed to provide a €25 million interest-bearing liquidity line. This line may be increased to €50 million in 2013 under certain conditions, and would be cancelled and repaid after the sale of one of the company's divisions. Lastly, Materis will pay fees between 25 and 75 bps and will increase margins to 450 bps for the senior debt (with a ratchet to 400 bps under certain conditions).

The performance displayed by Materis' divisions, which is ahead of the business plan presented during the 2009 debt negotiation and among the strongest in their respective industries, played a decisive role in the support received from the lenders through this amendment. Materis posted an organic growth of 8% in 2011 and a first quarter of 2012 better than expected.

The senior debt of Materis is close to €1.6 billion. With this agreement, €118 million will mature in 2013-2014, €546 million end 2015 and €925 million in 2016. The mezzanine debt, which amounts to €422 million, will mature in December 2016.

In parallel, **Materis' Aluminates division completed a strategic operation. Kerneos**, the global leader in calcium aluminates for the building chemistry and refractories industries, became the majority shareholder of **Elmin**, the leading European exporter of monohydrate bauxite, with a 54% stake. This operation, closed on April 30th, allows Kerneos to secure long-term access to one of the key raw materials for its activity.

Frédéric Lemoine, Chairman of the Executive Board of Wendel, commented: "The success of this complex renegotiation demonstrates the high esteem in which Materis is held by its lenders due to its strong performance. Materis, which employs c10,000 people, including 4,000 in France, is a wonderful group which has undeniable strengths to pursue its growth strategy. Wendel reiterates its support to it, injecting again equity for its development."

Olivier Legrain, President of Materis, underlined: "This renegotiation was an "odyssey" during which both the Wendel and Materis teams have continuously displayed, as in 2009, an exceptional ability to work together."

Wendel and Materis have retained BNP Paribas and Rothschild to conduct a **strategic review of Materis' portfolio**, with a view to selling a division in 2012 if an attractive offer is made under favorable financial and industrial terms.

About Materis

Materis, a world leader in specialty chemicals for building and construction, is organized into four businesses: admixtures, aluminates, mortars and paints. In 2011, Materis realized sales of €2 billion and employed 9,800 people worldwide.

About Wendel

Wendel is one of Europe's leading listed investment firms. The Group invests in France and abroad, in companies that are leaders in their businesses: Bureau Veritas, Legrand, Saint-Gobain, Materis and Stahl. 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 also invests in Van Gansewinkel Groep in the Netherlands, except in Germany, and Mecatherm and Parcours in France.

Wendel is listed on Eurolist by Euronext Paris and is included in the Next 20 index.

Standard & Poor's rating: Long term: BB-, negative outlook - Short term: B since October 10, 2011.

Wendel is the founding sponsor of the Centre Pompidou-Metz, which on September 23, 2011, welcomed about 1.2 million visitors since opening its doors in May 2010.

As a result of its commitment for a long time in the field of Culture, Wendel received the title of Major Partner of the French Ministry of Culture on March, 23th 2012.



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