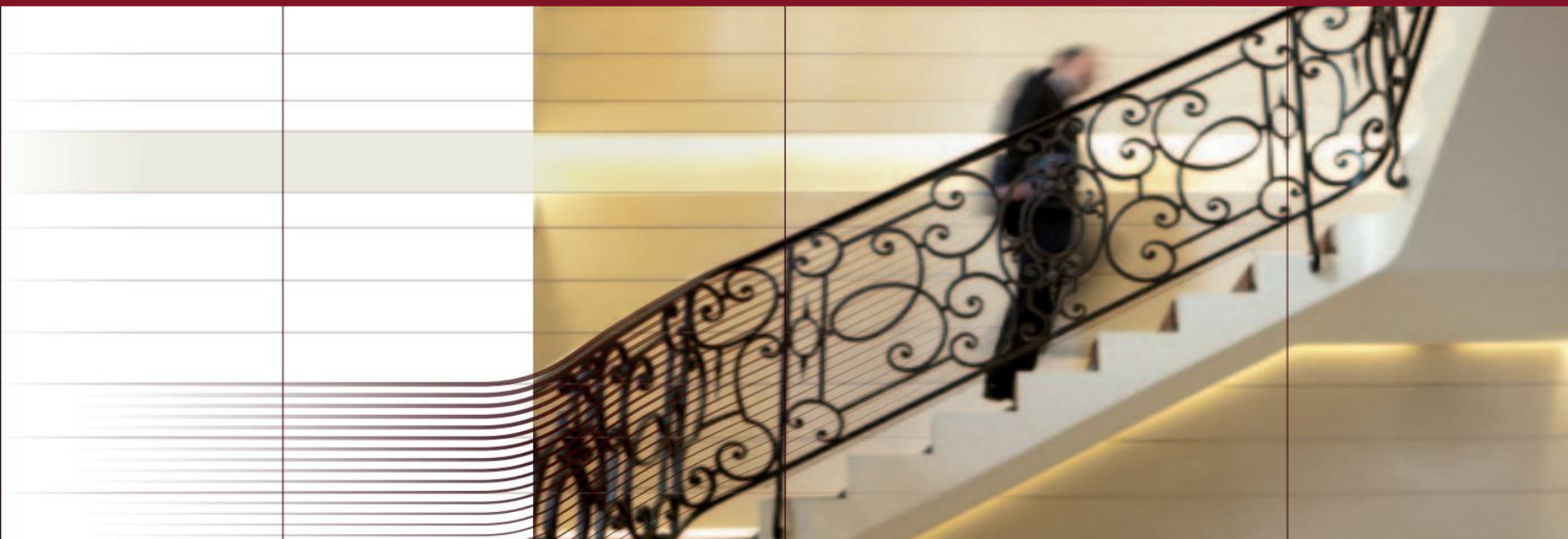




W E N D E L



Mecatherm
Wendel Investor Day

2 December 2011

Mecatherm

Company profile



THE MECATHERM GROUP

- World leader in industrial bakery equipment
- Mecatherm designs, develops, assembles and installs automated production lines exclusively for industrial bakeries
- Mecatherm covers a wide market for production lines with its three complementary solutions:
 - ▶ **High capacity line** for convenience baguettes and crusty bread (i.e subway, quizno's..)
 - ▶ **Premium line** for Artisan quality bread and baguettes (i.e Brioche Dorée, Paul...)
 - ▶ **Variety line** for buns, brioches, loaves of bread, pastries... (i.e Pasquier, Boulangère, Pierre Schmidt...)
- Wide range of bakery products
- A large, diversified and international customer base

High-capacity line: convenience baguettes and crusty bread



"Premium" line: artisan quality bread and baguettes

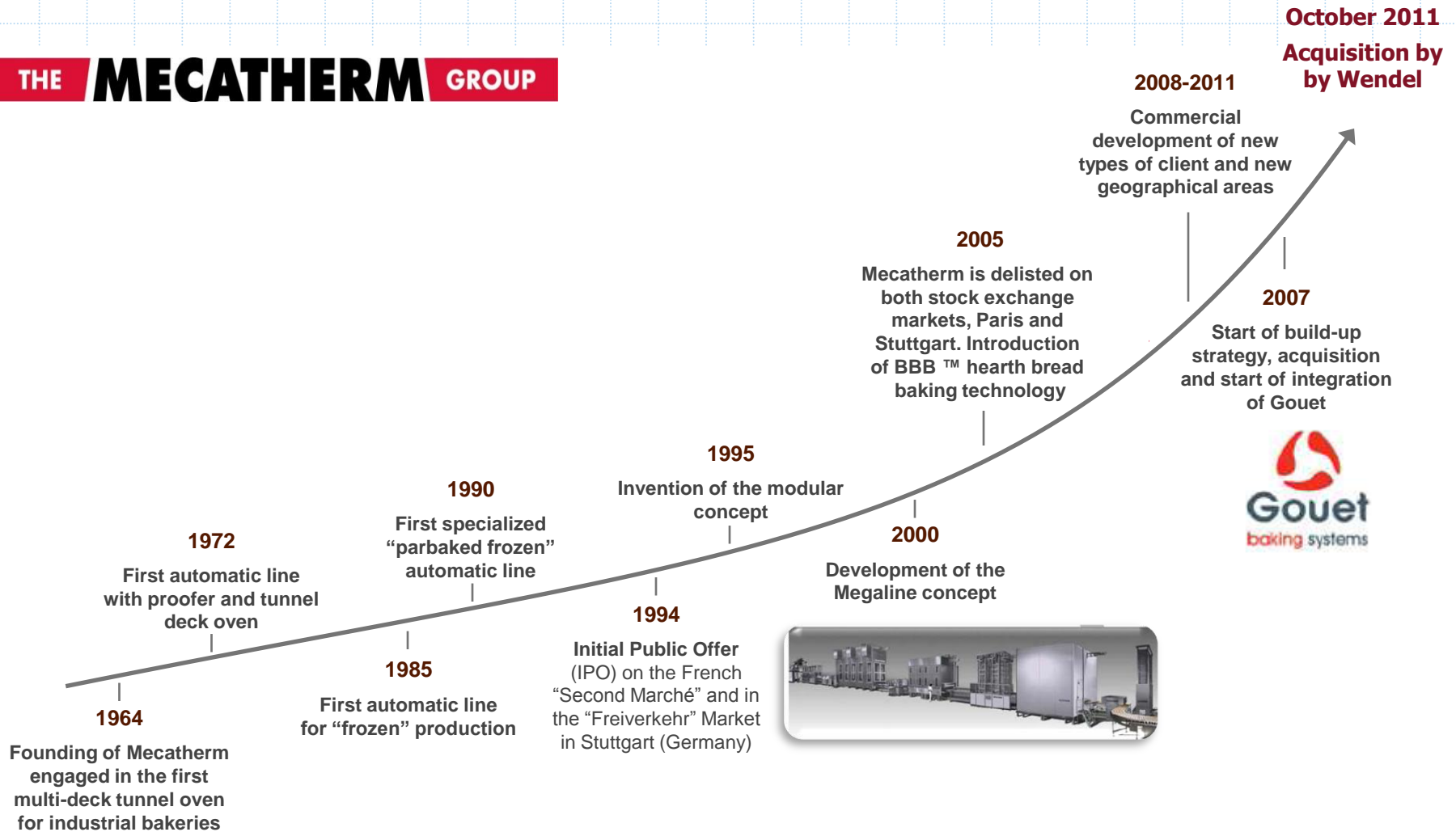


"Variety" line: buns, brioches, loaves of bread, pastries, etc.



Mecatherm History

THE **MECATHERM** GROUP



Mecatherm Organization

Wendel Board Members



Stéphane Bacquaert



Patrick Bendahan



Albrecht
von Alvensleben



Dirk-Jan
van Ommeren



**Bernard
Zorn**
President
At Mecatherm since 1974



**Olivier
Sergent**
Managing Director
At Mecatherm since 2006
At Gouet since 1995



**Natalie
Boehm**
Delegated Managing Director
At Mecatherm since 1985



Cyril Munsch
Customer Manager
At Mecatherm
since 1990



René Tonellier
Supply Chain &
Production Manager
At Mecatherm
since 2006



Vincent Heckmann
CFO
At Mecatherm
since 1999

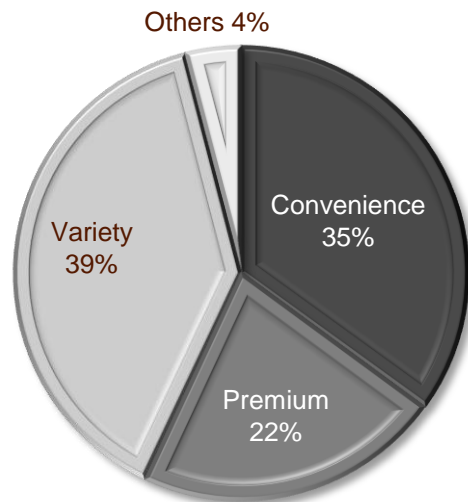
Mecatherm

A robust operating margin

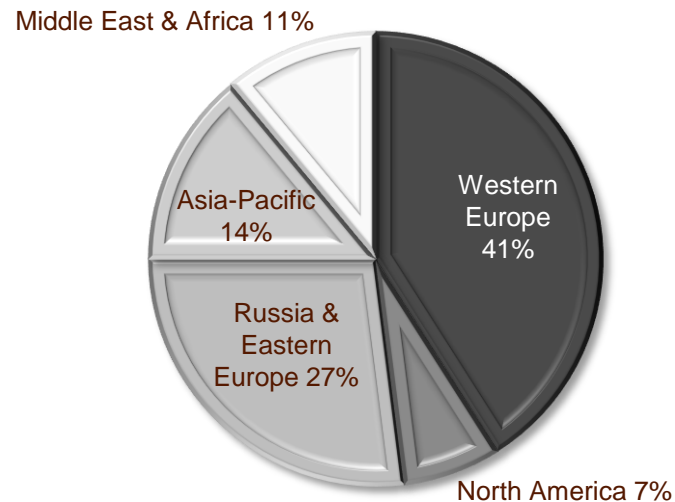
(€M) ⁽¹⁾	FY 2008	FY 2009	FY 2010	H1 2011
Sales	80.6	76.7	91.0	45.8
EBITDA	13.2	14.8	17.1	8.3
<i>As a % of sales</i>	16.4%	19.3%	18.8%	18.1%
Adjusted operating income	10.8	12.5	15.0	7.7
<i>As a % of sales</i>	13.4%	16.3%	16.5%	16.8%

⁽¹⁾ Figures restated and presented in accordance with French GAAP

H1 2011 sales by product

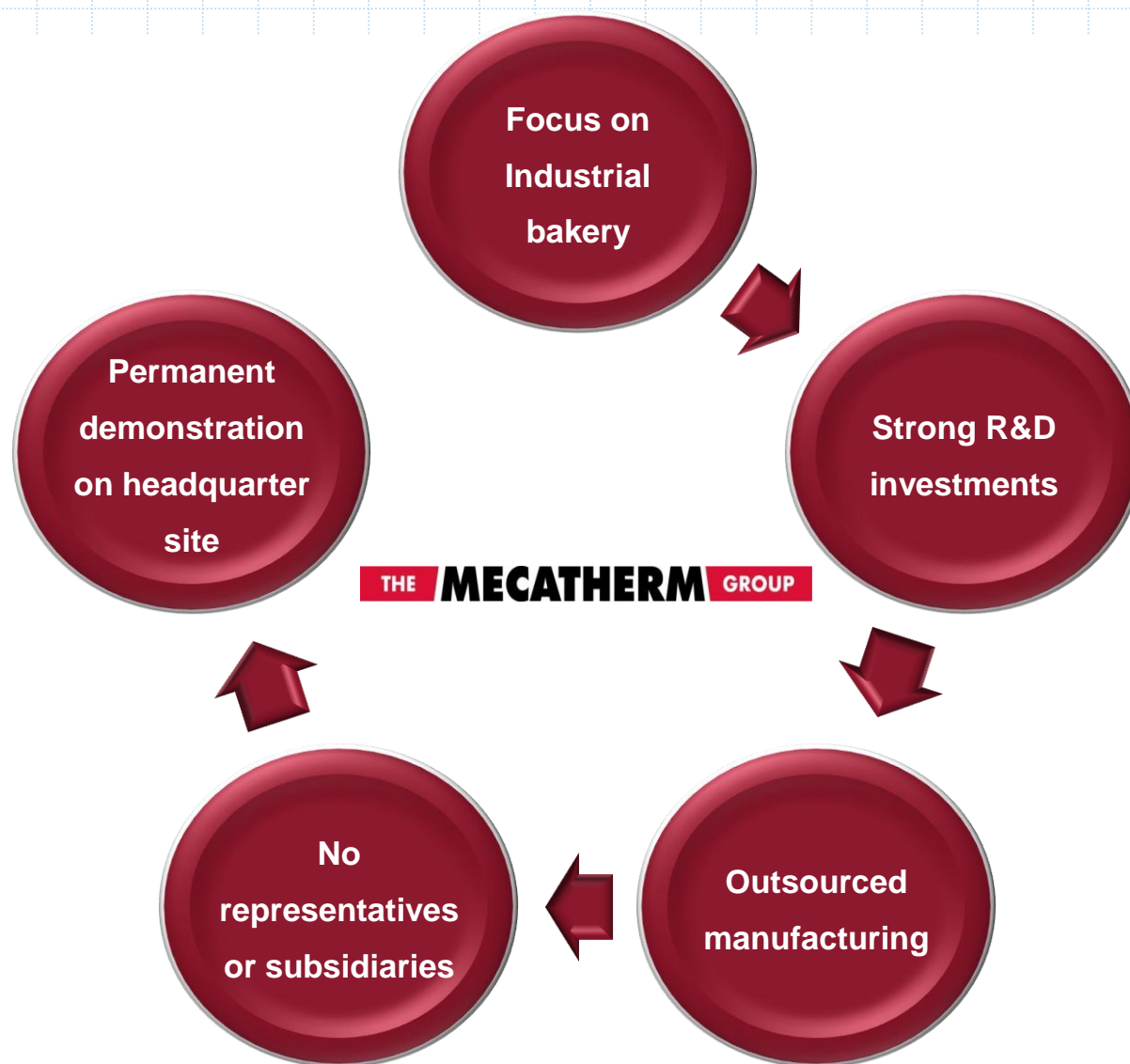


H1 2011 sales by region



Mecatherm

A virtuous Business model



Mecatherm

A virtuous business model

- ➔ **A leadership position**
- ➔ **High barriers to entry**
 - R&D and product innovation
 - Brand and customer loyalty
 - Commercial organization
- ➔ **Resilience in turbulence**

Mecatherm – Leadership position

World leader in automatic lines for industrial bakeries

- **High capacity lines** for convenience bread:
 - ▶ Core offering since 1980 with leading worldwide position (> **60% market share**)
 - ▶ Historical leadership built on innovation in processes and equipments

- **Premium lines** for artisan quality bread:
 - ▶ Launched in 2005 (**15% market share in 2010**)
 - ▶ Growing market share due to development of **Tradivider, Mecaflow, FTM, FTP**

- **Variety lines** for buns, brioches, pastries....:
 - ▶ Recent product, thanks to the acquisition of Gouet in 2007 (**5% market share in 2010**)
 - ▶ Growing position due to **Double Action Oven** offering combined possibility to bake soft and crusty, light or heavy products

Mecatherm – High barriers to entry

1. An efficient and innovative R&D

THE MECATHERM GROUP

R&D milestones

- 1972** First automatic line with proofer and multi-deck tunnel oven
- 1985** First automatic line for “frozen” production
- 1990** First specialized “par-baked frozen” automatic line
- 1995** Invention of the modular concept
- 2000** Development of the Megaline concept, production rate up to 5,000 pieces per hour
- 2003** Invention of new make-up line for highly hydrated dough
- 2004** The FTM tunnel oven is launched, enabling it to reach a quality product close to artisanal bakery production
- 2005** Invention of the Tunnel Oven with BBB™ (Bottom Bake Booster)
- 2006** A new divider is built on the principle of hydraulic division (TraDivider)
- 2007** Launch of FDA oven
- 2010** Launch of the Mecaflow process
- 2011** Launch of the FTM 2500 oven up to 200 m² of baking surface

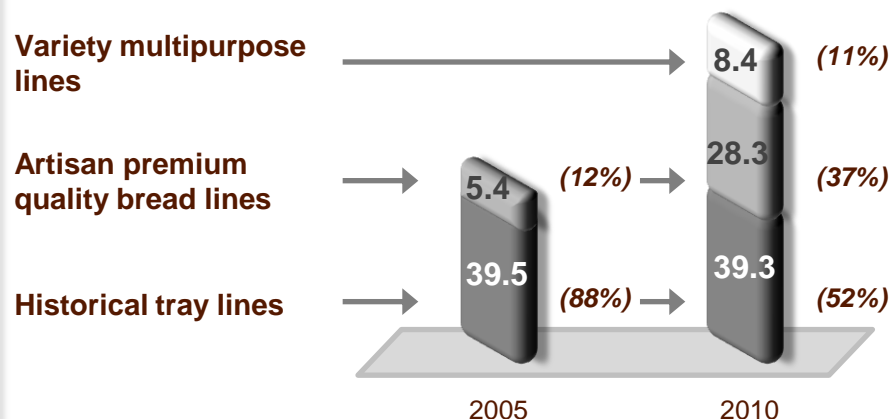
- 23 people in the R&D department
- 20 new products launched since 1995
- 15 proprietary registered patents since 1995

Progressive widening of the product offer

(FY05 & FY10 integrated production lines delivery in €m ⁽¹⁾)

(CAGR 2005-2010: +11.1%)

Total: €44.9m Total: €76.0m



⁽¹⁾ 2005 excluding Gouet / 2010 including Gouet

Efficient and prospective R&D

- New processes for future customer demand
- Equipments allowing efficient processing without quality compromise
- Continuous improvement and increase of line efficiency and hourly output

Mecatherm – High barriers to entry

2. Strong brand reputation and customer loyalty

Mecatherm's installed base: 500 recent production lines

North America

- 43 lines sold ⁽¹⁾:
- 27 FTC
- 9 FMP (Megaline I & II)
- 7 FTM / FTP

Rest of Europe

- 241 lines sold ⁽¹⁾:
- 123 FTC
- 89 FMP (Megaline I & II)
- 23 FTM / FTP
- 6 FDA

Emerging markets

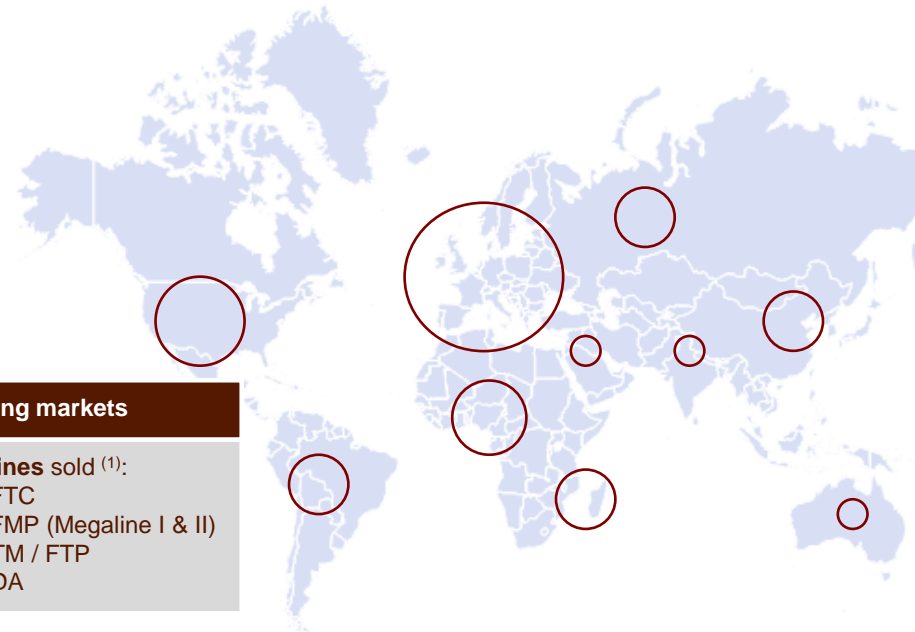
- 46 lines sold ⁽¹⁾:
- 20 FTC
- 14 FMP (Megaline I & II)
- 3 FTM / FTP
- 9 FDA

Germany

- 83 lines sold ⁽¹⁾:
- 33 FTC
- 43 FMP (Megaline I & II)
- 7 FTM / FTP

France

- 91 lines sold ⁽¹⁾:
- 43 FTC
- 10 FMP (Megaline I & II)
- 23 FTM / FTP
- 15 FDA



○ Concentration of Mecatherm installed lines

⁽¹⁾ As of December 2010

50% of the sales are coming from international Bakeries being Mecatherm customers since more than 10 years

THE MECATHERM GROUP

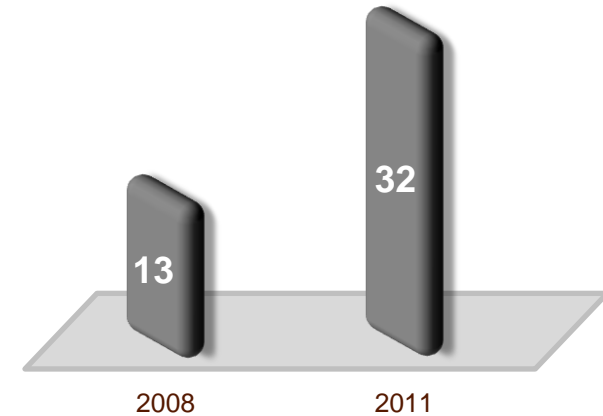
Mecatherm – High barriers to entry

3. A commercial organization to address all client segments

Pillars of commercial organization

- Strong presence on international trade fair through the world
- Excellent information network due to connections with third parties everywhere in the world
- Local support when needed
- Regular contacts with governmental or para-governmental organizations (Africa, Iran, China)
- Strong demonstrating capabilities to value technical know how and/or to serve customer specific requirements
- A team of dedicated world recognized Bakery sales engineers

Sales Team Evolution (Headcount)

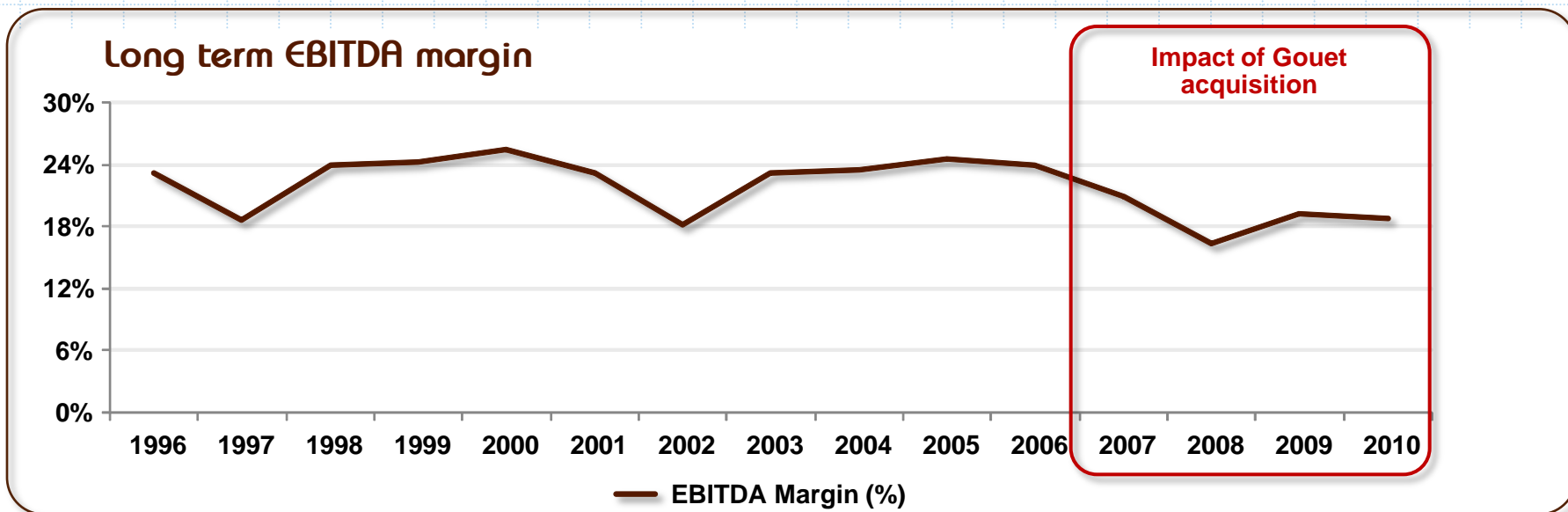


Presence on more than 20 international trade fairs



Mecatherm – Resilience in turbulence

A long term track-record



Operational Excellence

- A strong historical EBITDA margin of around 20%
 - ▶ 1995-2006: average EBITDA margin of 23%
 - ▶ 2007-2010: average EBITDA margin of 19% (22% excl. Gouet)
- Resilience in EBITDA margin resulting from complete production outsourcing and light overhead structure

Mecatherm – Growth strategy

The 4 pillars of Mecatherm's growth strategy

1. Geographic expansion

- ▶ Worldwide growing demand for bread, mainly in emerging and fast-growing economies

2. Product diversification

- ▶ Full coverage of different world bread types (European type, Anglo-Saxon type, Eastern heavy bread type, Arab flat bread type and Asian sweet bread)

3. Focus on automatic lines for industrial clients

- ▶ Increasing market share versus artisans, especially in mature countries
- ▶ Clear strategic focus on automatic production lines

4. Market consolidation

- ▶ Opportunity to acquire complementary technologies and equipment offerings by strategic build-ups in a large and fragmented market

Mecatherm – Growth strategy

1. Emerging markets as a key accelerator

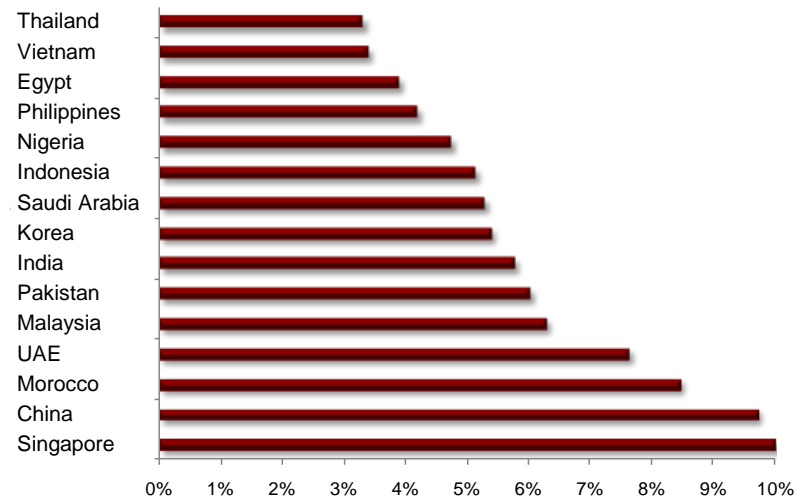
Underlying growth factors in emerging countries

- Need for food becoming a political issue to avoid riots
- Investments in favor of lower cost and better quality (taste and hygiene) bread production
- Westernization of lifestyles and eating habits
- Growth and urbanization of the population
- Increase of living standards

Penetration of industrial bakeries in emerging countries

- High growth in bread consumption
- No existing artisan base for bread production
- Need for cost-efficient and safe bread production infrastructure

Bread consumption in emerging market countries (10-year CAGR per country)



Mecatherm – Growth strategy

2. Demand for quality and variety offers further opportunities



High-capacity
Since 1972



Premium
Since 2005



Variety
Since 2008

Europe
(High crusty consumption)

**North America, UK,
Australia & New Zealand**
(High long-life consumption)

Sub-Saharan Africa
(High crusty consumption)

Latin America
(Low consumption)

Asia
(Very low consumption)

Middle East & North Africa
(High flat consumption)

Large industrials

**Occasionally for
French convenience
bread offer**

New entrants

New entrants

Development

**Mid-size or large
industrials in search
of diversification**

**Occasionally for
French convenience
bread offer**

**Mid-size or large
industrials looking
for diversification**

**Mid-size industrials
for variety products**

**Mid-size industrials
for flat bread
production**

Mecatherm Target

Before 2005

2005-2010

2010-2015

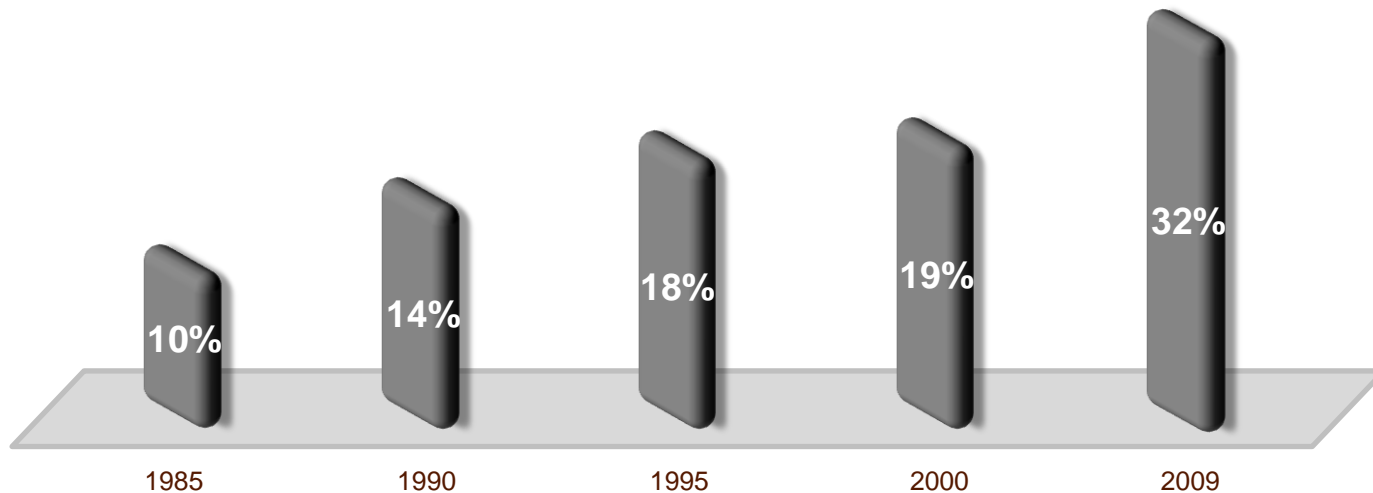
Mecatherm – Growth strategy

3. Shift towards industrial bakeries enables market share gains

Favorable trends in demand for industrial baking lines

- Industrialization allows cost control, security in supply, food safety, efficiency, ...
As a result, as in all other field of consumption, industry is the natural trend
- Former artisan bakers become distributors, re-sellers and/or mid-size industrial bakers

Share of breads, soft breads and pastries in France Made by industrial bakeries (in volumes)



Mecatherm – Growth strategy

4. A fragmented market offers room for consolidation

Global players in automatic lines (Manufacturers)



WP BAKERYGROUP

Upstream line equipments

- *Diosna*
- *Spiromatic*
- *VMI*
- *San cassiano*
- *Esteve*
- *Fritsch*
- *Rademaker*
- *Rondo doge*
- *AMF*
- *Vemag ...*

Oven manufacturers

- *Meincke*
- *Imafori*
- *Mondial Forni*
- *Laser*
- *Babco*
- *Spooner*
- *J4 ...*

Auxillaries equipments

- *Comas*
- *Alimec*
- *Trump*
- *König*
- *Capway ...*

Conclusion

A robust and profitable model

- **A global leader with significant market share (60% in high-capacity lines)**
- **Underlying long-term growth > 5% per year, with:**
 - ▶ Good revenue visibility
 - ▶ High exposure to emerging markets (36% of sales)
 - ▶ Recurring revenue (maintenance and renewals from an installed base of 700 lines which has doubled in 5 years)
- **Flexible cost base** (line design, assembly and installation), production of parts is subcontracted
- **High profitability** (average EBITDA margin ~20% over the last 5 years) **and high percentage of EBITDA converted to cash (~90%)**

Conclusion

High growth potential

Significant growth potential supported by long-term trends

- **Bread consumption in emerging countries** (Asia, Middle East, Africa) **has risen steadily over the last 10 years** (up 3-10% per year)
- **Mecatherm penetrating further into "premium" and "variety" segments** with the acquisition of Gouet in 2007
- **Continuous increase of industrial bakeries market share** to the detriment of artisan bakers, in particular in mature countries
- **A key role to play in consolidating a fragmented market**



