



# W E N D E L

PRESS RELEASE – SEPTEMBER 19, 2016

## Wendel has signed an agreement with a view to acquiring Tsebo, the leading pan-African facilities services provider.

Wendel today announced that it has signed an agreement with Rockwood Private Equity and other minority shareholders to acquire Tsebo Solutions Group, the leading pan-African facilities services provider, for an enterprise value of ZAR 5.25 billion (equivalent to EUR 331 million<sup>1</sup>).

Employing c. 34,000 people across 23 countries, Tsebo provides solutions such as facilities management, catering, cleaning and security services, as well as remote camp services to clients across Africa. During FY 2016 (March-end), Tsebo generated ZAR 6,333 million of sales and ZAR 507 million of EBITDA.

Wendel is currently negotiating co-investment terms with management and prospective co-investors. In South Africa, the future ownership structure will include a B-BBEE<sup>2</sup> consortium that will partner with Wendel and maintain Tsebo's Level 1 B-BBEE status on the amended ("new") codes.

The transaction is expected to close by the end of 2016, subject to customary conditions and regulatory approvals.

Founded in 1971 in Johannesburg (South Africa), Tsebo has developed into a pan-African enterprise of stature, enjoying a strong presence in a wide range of local and international business sectors. Today, the Tsebo offers market-leading contracted services in Facilities Management, Remote Camps, Catering, Cleaning, Hygiene, Security, Energy and Procurement. This extensive range of hard, soft and infrastructure management services are enjoyed by over 3,000 clients across a number of sectors including financial services, manufacturing, mining, leisure, energy, environment, retail as well as universities and other public services. Tsebo's clients have found significant benefits in contracting their "non-core" functions to its experienced professionals. Tsebo delivers improved value, consistent innovation and continuous efficiency to clients in every economic sector. Underpinning Tsebo's successful business model is a constant and robust dedication to sustainable development and equal opportunity employment. Tsebo is widely recognized as one of Africa's most progressive corporate entities for its involvement in sustainable development actions and the continuous growth of its human capital, its business, industry and society.

**Frédéric Lemoine, Chairman of Wendel's Executive Board, said.** "Tsebo responds to the growing need of African companies and Africa-based international companies to outsource non-core – yet essential – activities outside of their expertise, in order to focus on their core business. Tsebo is a 'homegrown' African success story with 45 years of African operating experience, delivering international quality standards to a diversified client base, in over 20 countries. We very much look forward to working with Clive Smith and his teams to continue growing Tsebo across Africa and over the long term. This company is perfectly in line with Wendel's strategy in Africa, where we have now invested over one billion euros, demonstrating our continued commitment to the continent since Wendel Africa was established in 2013. Tsebo,

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<sup>1</sup> EUR/ZAR = 15.8680 as of September 16, 2016.

<sup>2</sup> Broad Based Black Economic Empowerment

a company developing from South Africa across the rest of the continent, complements very well IHS, Saham and SGI Africa which are positioned on different sectors and different country mixes."

**Clive Smith, Chief Executive Officer of Tsebo, said.** "Tsebo has a proud history of supporting its clients through the unique combination of delivering global standards with a deep African expertise. We are delighted to be able to partner with Wendel, as they bring a true global capacity whilst maintaining our entrepreneurial culture that enables us to exceed our customers' expectations. With huge opportunity to expand our services in a fast developing African landscape, Wendel's reach, experience and long-term commitment to the continent will be a significant enabler to Tsebo. We believe that together with our local partners, communities, employees, suppliers and other stakeholders, and with the backing of Wendel, Tsebo will reach new highs that will benefit all parties. Tsebo and Wendel are inspired to build a legacy of economic and social growth in Africa, and make a valuable contribution to the next African generation and beyond."

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#### 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, Cromology, Stahl, IHS, Constantia Flexibles and Allied Universal. 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 exect in Germany, Mecatherm in France, Nippon Oil Pump in Japan, Saham Group and SGI Africa in Africa and CSP Technologies in the United States.

Wendel is listed on Eurolist by Euronext Paris.

Standard & Poor's ratings: Long-term: BBB-, stable outlook – Short-term: A-3 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" in 2012.

For more information: [www.wendelgroup.com](http://www.wendelgroup.com)

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## Financial calendar

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12/1/2016

**2016 Investor Day / publication of NAV and trading update (pre-market release)**

In London

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