2014 EARNINGS
Investment activity stepped up
and numerous strategic objectives already achieved in 2014

- **Portfolio rebalancing**
  - Investments of €1.2 billion in unlisted companies
  - Acquisition of Austrian group Constantia Flexibles: authorizations obtained, with closing beginning today
  - Exposure to listed equities optimized, with sale of €1 billion in Saint-Gobain shares in 2014 and €975 million in Bureau Veritas shares in 2015

- **Further extension of debt maturities and further reduction in cost of debt:**
  - Return to Investment Grade status in July 2014
  - Three successful bond placements in 2014, totaling €900 million, with maturities in January 2021 and October 2024
  - Successful issue of €500 million in bonds maturing in February 2027, bearing interest at 2.50%
  - All debt related to the investment in Saint-Gobain repaid and all puts written on Saint-Gobain unwound

- **Positive 2014 net income, despite changes in scope and currency fluctuations:**
  - Consolidated sales of €5,914 million, up 8.5%, with all consolidated companies seeing organic growth
  - Contribution of Group companies to net income from business sectors of €599 million, down 8.4%, impacted by the smaller scope of consolidation
  - Non-recurring items represented a net loss of €56.0 million.
  - Consolidated net income of €197.8 million; Group share €19.6 million

- **NAV as of March 16, 2015 more than €7 billion:**
  - €147.4 per share, up 2.4% over 12 months

- **Return to shareholders:**
  - 2.7% of capital repurchased during the year and 2% of shares cancelled on September 16, 2014
  - Ordinary dividend up 8.1% to €2 per share, to be proposed at the Annual Shareholder’s Meeting on June 5, 2015.

Frédéric Lemoine, Chairman of Wendel’s Executive Board, said,

“I am very pleased with 2014 and the beginning of 2015 and the major transactions that have taken place. Wendel has invested €1.2 billion in very promising unlisted companies: IHS in Africa, CSP Technologies in the United States and France, and Constantia Flexibles in Austria. Our 2013-17 investment strategy is thus well underway, and our priority is now on North America. We have also been able to reduce our exposure to listed equities while maintaining the same influence over these promising companies. Now that Wendel has returned to investment grade status, we have been able to refinance at exceptionally favorable terms. Our companies have also successfully carried out major transformations. IHS has become a world leader in telecom towers in the space of 18 months, Materis has completely refocused on its Paints activity, and Stahl has exceeded expectations in the integration of Clariant Leather Services.”
## Contribution of Group companies to 2014 sales

### 2014 consolidated sales

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>Δ</th>
<th>Organic Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bureau Veritas</strong></td>
<td>3,933.1</td>
<td>4,171.5</td>
<td>+6.1%</td>
<td>+2.5%</td>
</tr>
<tr>
<td><strong>Materis Paints</strong></td>
<td>757.7</td>
<td>747.6</td>
<td>-1.3%</td>
<td>+0.8%</td>
</tr>
<tr>
<td><strong>Stahl</strong></td>
<td>356.3</td>
<td>512.6</td>
<td>+43.9%</td>
<td>+4.0%</td>
</tr>
<tr>
<td><strong>Oranje-Nassau Développement</strong></td>
<td>405.8</td>
<td>482.5</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td><strong>Parcours</strong></td>
<td>309.6</td>
<td>339.7</td>
<td>+9.7%</td>
<td>+9.7%</td>
</tr>
<tr>
<td><strong>Mecatherm</strong></td>
<td>96.1</td>
<td>104.7</td>
<td>+8.9%</td>
<td>+8.9%</td>
</tr>
<tr>
<td><strong>Nippon Oil Pump</strong></td>
<td>-</td>
<td>38.2</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td><strong>Consolidated sales</strong></td>
<td>5,452.9</td>
<td>5,914.2</td>
<td>+8.5%</td>
<td>+2.9%</td>
</tr>
</tbody>
</table>

1. The Kerneos (Aluminates), Parex (Mortars) and Chryso (Admixtures) divisions, are presented in "Net income from discontinued operations and operations held for sale", in accordance with IFRS 5.
2. Consolidated from January 2014.

### Sales of companies accounted for by the equity method in 2014

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>Δ</th>
<th>Organic Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Saint-Gobain</strong></td>
<td>41,761</td>
<td>41,054</td>
<td>-1.7%</td>
<td>+2.2%</td>
</tr>
<tr>
<td><strong>exceet</strong></td>
<td>190.8</td>
<td>185.3</td>
<td>-2.9%</td>
<td>-3.4%</td>
</tr>
<tr>
<td><strong>IHS</strong></td>
<td>97.3</td>
<td>235.5</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
</tbody>
</table>

1. IHS for eight months in 2013, as the investment has been consolidated since May 2013.
# 2014 consolidated results

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated subsidiaries</td>
<td>653.7</td>
<td>599.0</td>
</tr>
<tr>
<td>Financing, operating expenses, and taxes</td>
<td>(244.0)</td>
<td>(226.5)</td>
</tr>
<tr>
<td>Net income from business sectors</td>
<td>409.7</td>
<td>372.5</td>
</tr>
<tr>
<td>Net income from business sectors, Group share</td>
<td>199.3</td>
<td>154.9</td>
</tr>
<tr>
<td>Non-recurring income</td>
<td>186.5</td>
<td>(56.0)</td>
</tr>
<tr>
<td>Impact of goodwill allocation</td>
<td>(106.2)</td>
<td>(118.8)</td>
</tr>
<tr>
<td>Total net income</td>
<td>490.0</td>
<td>197.8</td>
</tr>
<tr>
<td>Net income, Group share</td>
<td>333.7</td>
<td>19.6</td>
</tr>
</tbody>
</table>

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

## 2014 Net income from business sectors

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bureau Veritas</td>
<td>408.4</td>
<td>404.2</td>
<td>-1.0%</td>
</tr>
<tr>
<td>Stahl</td>
<td>31.3</td>
<td>52.0</td>
<td>+66.2%</td>
</tr>
<tr>
<td>Materis</td>
<td>13.0</td>
<td>21.5</td>
<td>+65.4%</td>
</tr>
<tr>
<td>Saint-Gobain (equity method)</td>
<td>171.4</td>
<td>139.3</td>
<td>-18.7%</td>
</tr>
<tr>
<td>Legrand (equity method)</td>
<td>13.8</td>
<td>-</td>
<td>n.s.</td>
</tr>
<tr>
<td>IHS (equity method)</td>
<td>(5.8)</td>
<td>(42.2)</td>
<td>n.s.</td>
</tr>
<tr>
<td>Oranje-Nassau Développement</td>
<td>21.5</td>
<td>24.2</td>
<td>+12.6%</td>
</tr>
<tr>
<td>- Parcours</td>
<td>13.0</td>
<td>15.3</td>
<td>+17.9%</td>
</tr>
<tr>
<td>- Mecatherm</td>
<td>6.5</td>
<td>4.1</td>
<td>-37.2%</td>
</tr>
<tr>
<td>- Nippon Oil Pump</td>
<td>-</td>
<td>2.8</td>
<td>n.s.</td>
</tr>
<tr>
<td>- exceet (equity method)</td>
<td>2.0</td>
<td>2.1</td>
<td>+2.3%</td>
</tr>
<tr>
<td>Total contribution from Group companies</td>
<td>653.7</td>
<td>599.0</td>
<td>-8.4%</td>
</tr>
<tr>
<td>of which Group share</td>
<td>443.3</td>
<td>381.3</td>
<td>-14.0%</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>(45.8)</td>
<td>(55.6)</td>
<td>+21.4%</td>
</tr>
<tr>
<td>Total financial expense</td>
<td>(198.3)</td>
<td>(170.9)</td>
<td>-13.8%</td>
</tr>
<tr>
<td>Net income from business sectors</td>
<td>409.7</td>
<td>372.5</td>
<td>-9.1%</td>
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<td>-22.3%</td>
</tr>
</tbody>
</table>

The Supervisory Board met on March 25, 2015, under the chairmanship of François de Wendel, to review Wendel's consolidated financial statements, as approved by the Executive Board on March 16, 2015. The financial statements were audited by the Statutory Auditors prior to publication.

Wendel's consolidated sales totaled €5,914.2 million, up 8.5% overall and up 2.9% organically. The overall contribution of the Group's companies to net income from business sectors was €599.0 million, down 8.4% from 2013. This decline resulted from changes in Wendel's scope of consolidation. Wendel sold 24 million Saint-Gobain shares in May 2014, reducing that company's contribution, and sold all of the remaining Legrand shares in 2013. In addition, IHS generated very high depreciation expense as a result of acquiring a large number of telecom towers, and the company posted a net contribution of €-42.2 million.

The total of finance costs, operating expenses, and taxes was €226.5 million, down compared with 2013 (€244.0 million). This came about because reduced finance costs and currency gains (€21.2 million) more than offset the structural costs.
related to greater investment activity in 2014 and the opening of Wendel's new offices in Africa, North America and Singapore to support its investment strategy.

Net non-recurring items totaled €56.0 million vs. €186.5 million in 2013. In 2013, non-recurring items had included principally a €369.0 million gain from the sale of Legrand shares and a dilution loss on Saint-Gobain shares of €97 million. In 2014, the €329.6 million gain on the sale of three divisions of Materis did not offset the €106.7 million loss on the sale of Saint-Gobain shares, plus asset impairment of €127.3 million and other non-recurring expenses of €151.6 million.

Wendel's net income, Group share, was thus €19.6 million in 2014, compared with €333.7 million in 2013.

Results of Group companies

Bureau Veritas – Organic growth improvement in Q4 and strong cash flow generation

(Full consolidation)

Revenue in 2014 totaled €4,171.5 million, an increase of 6.1% compared with 2013.

Organic growth was 2.5% over the full year, improving to 3.4% in the last quarter.

Three businesses, representing 45% of revenue, posted organic growth above 5%:
- Marine & Offshore benefited from the rebound in new construction activity;
- Industry benefited from its well-balanced geographical presence, posting double-digit growth in the United States, the Middle East and Asia. The oil price drop had almost no impact on the business in 2014;
- Consumer Products, where growth was driven by Wireless/Smartworld and Food testing.

Organic growth was slightly positive in four other businesses:
- declining revenue in Europe for the Construction and In-Service Inspection & Verification (IVS) businesses was compensated by expansion in fast-growing geographies, namely China and South America;
- after a negative first half, the Commodities business turned positive, due to continuous strong growth in the Oil & Petrochemicals and Agriculture segments, and the stabilization of the Metals & Minerals segment.
- the Certification business was slightly up, despite the end of the Kyoto protocol program.

The Government Services & International Trade (GSIT) business, which was hit by the conflict in Iraq and the termination of contracts, posted an organic revenue decrease.

2014 was a busy year in terms of external growth: acquisitions contributed 6.9% to growth.

Currency fluctuations had a negative impact of 3.3% as most currencies declined in value against the euro, from January to September. This trend has reversed since September due to the strengthening of the US dollar vs. the euro.

Adjusted operating profit was €694 million, up 5.6% compared to 2013, and up 9.7% at constant currencies. The adjusted operating margin was 16.6% in 2014, stable at constant currencies compared with 2013.

Bureau Veritas was able to maintain or grow its margin at constant currencies in five businesses (Commodities, IVS, Certification, Construction and Consumer Products), by improving the mix, rolling out Lean initiatives and restructuring measures. The Marine & Offshore business benefited from increased volume of activity but this was offset by investments made in technical centers. The Industry margin has slightly declined, due to the reduction of activity in France and in South Africa. The GSIT business margin was impacted by the reduction in volumes.

Attributable net profit for the period was €294.6 million, vs. €345.1 million in 2013. Earnings per share (EPS) stood at €0.67 compared with €0.79 in 2013. Tax and currencies had a negative impact of €0.09 on EPS. Adjusted attributable net profit totaled €391.3 million, up 3.7% from 2013 on a constant currency basis. Adjusted EPS reached €0.90 in 2014, vs. €0.91 in 2013. It was up 3.3% on a constant currency basis. Tax and currencies had a negative impact of €0.08 on adjusted EPS.

Cash generation was very strong in 2014. Operating cash flow rose by €78.7 million to €606.6 million, representing a 14.9% increase vs. 2013.

The amount spent on the purchase of property, plant and equipment and intangible assets, net of disposals (Net Capex), was €143.5 million in 2014 vs. €141.1 million in 2013. This limited increase reflects the reduction in capex related to the Metals & Minerals segment and an increase in other businesses. BV's capex-to-revenue ratio stood at 3.4%, slightly below the 2013 level (3.6%).

Free cash flow (cash flow available after tax, interest expenses and capex) totaled €402 million, up 24% relative to 2013.

In 2015, Bureau Veritas expects a slight improvement in organic growth over 2014, taking into account the current oil market conditions. The operating margin should also improve moderately thanks to ongoing operational excellence initiatives. The Group will continue to generate strong cash flow. Acquisitions in attractive markets will contribute to overall growth.

Bureau Veritas will propose a dividend of €0.48 per share at its Shareholders' Meeting to be held on May 20, 2015. This dividend represents 53% of the adjusted EPS for 2014.
**Materis – Organic growth of 0.8% at Materis Paints. Group now fully refocused on Paints business.**  
*(Full consolidation – the earnings of the "Kerneos" aluminates, "Parex" mortars, and "Chryso" admixtures divisions, sold in 2014, are included in "Net income from discontinued operations and operations held for sale", in accordance with IFRS 5.)*

In 2014, Materis Paints reported organic growth of 0.8% vs. a contraction of 1% in 2013. Nevertheless, sales were impacted by both currency fluctuations (-1.9%) and changes in scope (-0.2%) and totaled €747.6 million, down 1.3%. Organic growth was driven by the recovery in southern Europe (2%) and by robust growth in emerging markets, including, in particular, organic growth of 25% in Morocco and 30% in Argentina. However, in France (66% of sales), given the difficult economic climate, sales at Materis Paints contracted by 2%.

Materis Paints continued to reap the benefits of management initiatives to step up marketing efforts, product innovation, improvement in the customer/product/distribution channel mix and a tight rein on costs and WCR. As a result, EBITDA rose 9.1%, representing a margin of 9.0% in 2014 (up 90 basis points), and the EBITDA-to-cash conversion ratio also increased from 63% in 2013 to 75% in 2014 thanks to working capital improvement.

Finally, following the refocus on the Paints business, Materis Paints displayed a strong financial structure, with debt leverage of less than 4x EBITDA.

After selling Kerneos, ParexGroup and Chryso in March, June and October 2014, respectively, and refinancing over the summer, Materis has completed its debt paydown program and fully refocused 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 in the coming years.

**Stahl – organic growth of 4.0% in 2014 and total growth of 43.9%, resulting from the consolidation of Clariant Leather Services.**  
*(Full consolidation)*

Stahl's sales totaled €512.6 million in 2014, up 43.9% from 2013. This sharp increase resulted from the merger with Clariant Leather Services business, which accounted for 41.7% growth, combined with healthy organic growth of 4.0%. Fluctuations in exchange rates had a negative impact of 1.8% on full-year sales.

Performance Coatings posted organic growth of 10.4% which is well above the 30-year organic sales CAGR track record of 7%, driven by strong performance in continental Europe, China, Japan and India.

Stahl's EBITDA rose 41% in 2014 compared with 2013, to €91.4 million, representing a margin of 17.8%. In addition to the increase in EBITDA driven by the merger with Clariant Leather Services, profitability was boosted by organic growth and synergies harnessed in 2014.

Stahl's run rate EBITDA, including the full year impact of Clariant Leather Services Business and realized/planned synergies, amounted to EUR 114m for 2014. The integration process is ahead of schedule and the annualized impact of realized synergies achieved during the year exceeded the €15m initially projected for the 18 months following the transaction. Once integration is complete, Stahl should achieve annualized synergies well above €20m.

In parallel with the merger, Stahl successfully refinanced €295m in debt (2019 maturity), of which c. €265m has been drawn down. Stahl's net debt stood at €221m as of December 31, 2014.

With the successful integration of Clariant Leather Services, robust growth in Stahl’s business and low debt, Wendel is studying all options for crystallizing all or part of the value that has been created.

**IHS – IHS becomes one of the world’s leaders in telecom towers.**  
*(Equity method since May 2013)*

In 2014, with nearly 23,000 towers under management (pro forma with the acquisition of MTN’s towers in Nigeria), IHS Holding became one of the world's leading providers of telecom tower passive infrastructure for mobile phone operators and the leader in EMEA regions (Europe, Middle East, and Africa) in number of towers under management.

Throughout 2014, IHS pursued its telecom tower acquisition strategy and has already begun to reap the benefits of its network pooling business model. Over the full year, IHS acquired more than 13,000 towers in Nigeria, Rwanda and Zambia. These new towers are gradually entering the group's scope of consolidation:

- 1,300 towers acquired from MTN in Rwanda and Zambia were consolidated in April and May 2014;
- 2,100 towers acquired from Elsalat in Nigeria were consolidated in November 2014;
- 4,150 of the 9,100 towers acquired from NTN in Nigeria were consolidated in December 2014; the remaining towers will be consolidated at the end of H1 2015.

As a result, IHS’s revenue, before pass-through of diesel fuel costs to customers, almost doubled, totaling $312.4 million.

In terms of profitability, IHS used its expertise to attract new customers to its towers (increasing the rate of collocation on existing sites), and EBITDA advanced to $100.8m in 2014, up 129.9% and representing a margin of 32.2%.
To finance this rapid growth, IHS successfully raised more than $3 billion in 2014 through capital increases and debt issues to top-tier investors:

- In March and April 2014, IHS carried out a capital increase of $550 million, reflecting a premium of 30% compared with the previous capital increase in July 2013.
- In November, IHS announced it was raising a total of $2.6 billion, including $600 million in the form of a credit facility. These funds are intended to finance IHS's development in the five African countries in which it operates, including in particular the acquisition of towers from MTN in Zambia and Rwanda as well as the acquisition of towers in Nigeria. The first tranche of the capital increase was carried out in 2014 at a premium of 25% compared with the previous capital increase in April 2014. A second tranche of $600m will be issued in mid-2015.

**Saint-Gobain – Operating income up 7.0% on a like-for-like basis, excluding Verallia North America (Equity method)**

Sales climbed 2.2% on a like-for-like basis in 2014. Based on reported figures, sales were down 1.7% due to the negative 1.5% currency impact and the negative 2.4% impact resulting from changes in group structure – chiefly related to the disposal of Verallia North America (VNA).

Volumes moved up 1.1% over the year despite retreating 0.7% in the second half. Sales prices rose 1.1% over the year, in spite of a less inflationary environment and declining prices for Exterior Products in the United States in the second half.

All of Saint-Gobain’s businesses reported organic growth in 2014. In the second half, Exterior Solutions were affected by the contraction in the Roofing business, while Building Distribution and Interior Solutions were hit by the downturn in construction in France and Germany.

Out of Saint-Gobain's four regions, only France failed to advance, down 1.3% year-on-year.

Operating income rose 1.6%, despite the negative currency and group structure impact (up 7.0% like-for-like excluding VNA). This drove a rise in the operating margin, which came in at 6.8% of sales, up 0.2% in the prior-year period, bolstered by cost cutting efforts. Excluding Building Distribution, the operating margin increased from 8.9% to 9.3% in 2014.

Saint-Gobain’s focus on its action plan priorities continues to pay off:

- sales prices increased despite a less inflationary environment;
- costs were scaled back by €450 million in 2014 compared to 2013, with a significant impact in Flat Glass which saw its margin rally at 5.9% versus 2.6% in the previous year;
- capital expenditure remained in check at €1.4 billion, with a strong focus on growth capex outside Western Europe;
- net debt was reduced to €7.2 billion thanks to an ongoing tight rein on cash.

**Innovative Materials** sales moved up 3.9% in 2014 on a like-for-like basis, and advanced 4.2% in the second half. The operating margin for the business sector widened, from 7.2% to 9.4% (9.6% in the second half), driven by the improved performance for Flat Glass.

Boosted by its first-half performance, **Construction Products (CP)** sales moved up 2.9% on a like-for-like basis in 2014 and 0.4% in the second half, owing chiefly to a deterioration in the US Exterior Solutions market. The operating margin improved slightly, at 9.0% versus 8.8% in 2013.

**Building Distribution** posted 0.8% organic growth, helped by mild winter weather in the first quarter and despite a 1.8% decline in the second half due to the downturn in the French and German markets.

**Packaging (Verallia)** sales were up 1.6% on a like-for-like basis. In Europe, volumes rose 1.4% over the year, thereby confirming the recovery begun in the six months to June 30 in a competitive pricing environment. Latin America continued to deliver good growth, with price trends reflecting the impact of inflation.

Recurring net income (excluding capital gains and losses, asset write-downs and material non-recurring provisions) jumped 7.4% to €1,103 million.

In 2015, Saint-Gobain should benefit from continued upbeat trading in the United States as well as in Asia and emerging markets. In Western Europe, the recovery will be dampened by the decline in France. The first half will be impacted by a tough 2014 basis for comparison. Household consumption is expected to remain firm.

Saint-Gobain will continue to keep a close watch on cash and financial strength and aims to maintain a high level of free cash flow. In particular, it will:

- keep its priority focus on increasing sales prices amid a small rise in raw material costs and energy deflation;
- unlock additional savings of €400 million (calculated on the 2014 cost base) thanks to its ongoing cost cutting program;
• pursue a capital expenditure program of under €1,600 million, focused on growth capex outside Western Europe;
• renew its commitment to invest in R&D in order to support its differentiated, high value-added strategy.

In this setting, the Group is targeting a further like-for-like improvement in operating income for 2015 and a continuing high level of free cash flow.

At its meeting of February 25, 2015, Saint-Gobain's Board of Directors decided to recommend to the June 4, 2015 Shareholders’ Meeting a dividend of €1.24 per share, 50% payable in cash and 50% in cash or in shares, at shareholders’ discretion.

On December 8, 2014, Saint-Gobain announced its plans to acquire control of Sika and to sell Verallia. Wendel is in full support of these plans.

**Oranje-Nassau Développement**

Through Oranje-Nassau Développement, Wendel brings together opportunities for investment in growth, diversification and innovation, and in particular has invested in France (Parcours and Mecatherm), Germany (exceet), Japan (Nippon Oil Pump), the United States (CSP Technologies), as well as in the Netherlands (Van Gansewinkel Groep) and Africa (Saham), where it has unconsolidated holdings.

**Parcours – continued robust and profitable growth**

*(Full consolidation)*

Parcours reported sales of €339.7 million, up 9.7% compared with 2013. Vehicle leasing and maintenance revenues advanced by 10.8% to €246.2 million. In a market that saw moderate growth, Parcours’ businesses were underpinned by a 11.3% year-on-year increase in its fleet of managed vehicles, which now number 56,500. Sales of pre-owned vehicles increased by 6.8% in 2014 to reach €93.5 million. Pre-tax ordinary income rose 15.6% to €25.2 million, representing a 38-basis-point improvement in its margin. In 2014, Parcours continued to convert its branches in France to the “3D” model, inaugurating a new 3D branch in Tours in November 2014. In addition, Parcours acquired land in Strasbourg and Annecy with the intention of building 3D sites that should open in 2015. Parcours also further developed its business internationally: the fleet of leased vehicles outside France grew 27% in 2014.

**exceet – further improvement in profitability in a difficult economic environment**

*(Equity method)*

In 2014, exceet posted sales of €185.3 million, a slight, 2.9% decrease (a 3.4% decline organically). However, exceet was able to extend the share of high-margin business, thus improving profitability further in 2014. This was reflected in its EBITDA of €19.0 million, representing a margin of 10.3% (vs. €18.3 million or 9.6% in 2013). The company is pursuing a strategy of broadening and improving its range of products and services. For example, the ECMS (Electronic Components, Modules and Systems) division won a development and production order for a new, wearable patient-monitoring device. With this project, ECMS is expanding its portfolio in the field of digital health.

For 2015, exceet is confident that the combination of an optimized project mix and a further streamlining of the organization will support growth and improve margins.

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

**Mecatherm – Record level of new business but lower profitability in 2014**

*(Full consolidation)*

Mecatherm’s sales totaled a record €104.7 million in 2014, up 8.9% from the previous year.

Following on from the first half of 2014, new firm orders over 12 months were up 26% and totaled €132 million as of December 31, 2014, a record high. Mecatherm’s business is benefiting from the recovery of investment in Europe, the successful launch of new products (S-Line and Mecaflow) and significant commercial successes in the rest of the world.
In this context of record business growth, Mecatherm invested in restructuring the group (new IT system, production reorganization) and strengthened its management team by bringing on three new executives (Operations, Finance, Marketing & Business Development). These efforts are set to continue in 2015.

In 2014, recurrent EBITDA declined by 13.3% to €14.4 million, before €3.2 million in exceptional costs related to the restructuring. Profitability was impacted by the record inflow of new orders, in particular in new segments, which necessitated additional operational and commercial costs.

**Nippon Oil Pump – 10.2% rise in sales**  
*(Full consolidation since January 2014; the figures below are in Japanese GAAP)*

In 2014, Nippon Oil Pump's sales totaled ¥5,339 million, up 10.2%, owing to improved sales of trochoid pumps (up 11%), and from the excellent performance of new products (Vortex and hydraulic pumps), whose sales nearly doubled during the year.

EBITDA increased by 5.1% in 2014 to ¥891 million. Nevertheless, the margin contracted by 80 basis points from 17.5% to 16.7%. Increases in raw material prices (higher electricity costs since the Fukushima accident), labor costs and procurement costs reduced Nippon Oil Pump's profitability slightly.

Nippon Oil Pump's net debt totaled ¥3,804 million as of December 31, 2014, representing leverage of less than 4.5 times EBITDA.

**Saham - Robust organic growth in the insurance businesses, recovery in customer relations centers and continued development in Healthcare**  
*(Unconsolidated, unaudited)*

In the insurance segment, all Saham Group entities saw net premiums rise in 2014, with an overall increase of 10.4% in net premiums written. Premium income grew by more than 5% in Morocco (c. 50% of net premiums), and growth was particularly robust in Angola (GAAS up 72.6%), owing to good performance in the Automotive, Technical Risks and Maritime Transport divisions. Saham made acquisitions in several countries through its Saham Finances subsidiary (non-life insurance in Nigeria, life and non-life insurance in Rwanda, as well as in Saudi Arabia) and is considering several other deals in Africa and the Middle East.

After a more challenging 2013, revenue from the customer relations center business grew 9.8% in 2014. In addition, Saham has recently acquired the segment leader in Egypt.

Finally, Saham is pursuing the growth and development of its Healthcare and Real Estate businesses. In Healthcare, the group pursued several private hospital and diagnostic & pathology lab projects (acquisitions and greenfield operations) in Morocco, Côte d'Ivoire and Egypt.

**Net asset value per share: €147.4**

Net asset value was €7,054 million or €147.4 per share as of March 16, 2015 (see Appendix 1 below for detail), a 2.4% rise from €144.0 per share as of March 17, 2014. The discount to NAV was 26.1% as of March 16, 2015.

**Other significant events since the beginning of 2014**

- **Principal changes in the portfolio**

- **Materis: Sales of Kerneos, ParexGroup and Chryso. Refocus on Materis Paints**

Following the sales of Kerneos, ParexGroup and Chryso in March, June and October 2014, respectively, and the summer's refinancing transactions, Materis has:
  - generated total sale proceeds of €1.7 billion;
  - reduced its net debt to c. €275 million, or c. 4x EBITDA (seasonally-adjusted);
  - reduced its average borrowing cost from Euribor+6% to Euribor+4.75%;
  - fully refocused on the Paints business, which posted sales of €747.6 million and EBITDA of €67.1 million in 2014.

- **Increase in our investment in IHS**

As part of IHS’s two programs to raise a total of $3 billion in equity and debt (capital increases of $420 billion and $2 billion and a credit facility of $600 million), Wendel has committed to investing an additional $503 million in additional equity, which will bring its total investment in IHS Holding to $779 million.
The first capital increase of $420 million was finalized in April 2014 at a premium of 30% compared with the previous capital increase. The transaction is taking place in several stages. First, Wendel invested $195 million in IHS as part of a capital increase finalized in December 2014, at a premium of 25% compared with the previous capital increase in April 2014. A second tranche will be issued in mid-2015. In addition, Wendel has brought together four US and European family investors (incl. FFP, Sofina and Luxempart) to invest alongside it in IHS. In addition to the $779 million it has invested, Wendel has thus raised an additional $181 million through an IHS co-investment vehicle that Wendel will manage and whose voting rights Wendel will exercise. When these two tranches are complete, Wendel will hold c. 26% of the share capital directly, will remain the company's principal shareholder and will represent, together with its co-investors, 36% of the voting rights.

- **Acquisition of CSP Technologies**

  On January 30, 2015, Wendel announced it had finalized the acquisition of US-based CSP Technologies, for an enterprise value of $360 million. Pursuant to this transaction, Wendel invested $198 million in equity and holds 98% of the share capital of the company. CSP is the leading supplier of innovative plastic packaging for the pharmaceutical and agri-food industries. The company is the world’s leading manufacturer of high-performance plastic desiccant vials used, notably, to store test strips for diabetics.

  In planning for this transaction, Wendel had converted €160 million into dollars at an exchange rate of 1.23 USD/EUR when it entered exclusive negotiations in December 2014.

- **Acquisition of Constantia Flexibles**

  On December 23, Wendel announced it had signed an acquisition agreement to become the majority shareholder of Constantia Flexibles, a global leader in flexible packaging. Wendel’s offer values the company at €2.3 billion, i.e. around nine times its estimated 2014 EBITDA.

  All necessary authorizations have been obtained, and the closing began as of today. When the transaction is complete, and before any other co-investor, Wendel will have invested €640 million in equity and will hold 73% of the capital of the company alongside the Herbert Turnauer Foundation, which will invest €240 million and hold 27% of the capital.

  Founded by Herbert Turnauer in the 1960s, the Vienna-based Constantia Flexibles group produces flexible packaging solutions and labels, primarily for the agri-food and pharmaceutical industries. Constantia Flexibles has successfully developed its activity outside Europe and, over the last five years, has become a global leader in flexible packaging. Constantia Flexibles now has more than 3,000 customers worldwide, over 8,000 employees and 43 manufacturing sites in 18 countries. Its products are sold in more than 115 countries.

- **Wendel Group companies have made 19 acquisitions**

  After carrying out 16 acquisitions over all of 2013, Wendel Group companies have already made 19 acquisitions, including nine in emerging economies.

  In 2014, Bureau Veritas was the most active company in the portfolio, completing eight acquisitions, representing €315 million in annual sales. The acquired companies are principally in North America (incl. Maxxam) and South America. Stahl's and more recently IHS's major transactions have been among the most noteworthy, adding a new dimension to the respective companies.

  - **Investment grade status obtained**

    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.

  - **Debt maturity extended and cost reduced**

    In 2014, Wendel continued to renew its borrowing facilities so as to reduce its financing costs and extend the maturity of its debt.

    Accordingly, Wendel announced three successful bond placements in 2014: €400 million with a coupon of 3.75% maturing in January 2021, and €300 million and €200 million with a coupon of 2.75% maturing in October 2024. Wendel also repaid the entire issue maturing in November 2014 (par value: €445 million), bearing interest at 4.875%.

    In addition, Wendel has entered into an agreement with seven banks for a €650 million syndicated line of credit maturing in November 2019. This financing replaces the undrawn €600 million syndicated line of credit maturing in May 2018.

    This momentum continued into early 2015, with a €500 million issue (par value) of 12-year bonds bearing interest at 2.5%.
Finally, Wendel has simplified its debt structure by repaying all of the debt related to Saint-Gobain in 2014 and unwinding the puts written on Saint-Gobain at an average price of €40.19, representing a total payment for Wendel of €136 million.

- **Share buyback: cancellation of 2% of the shares in 2014**

In 2014, Wendel repurchased 1,294,974 of its own shares so as to take advantage of the significant 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. In accordance with this authorization, Wendel's Executive Board decided to cancel 975,296 shares held in treasury, with effect from September 16, 2014. The Group had already cancelled a total of 2,070,873 shares, or 4.1% of its share capital, in 2012 and 2013.

**Dividend**

The Executive Board, with authorization from the Supervisory Board, will propose to shareholders at their Annual Meeting on June 5, 2015, a cash dividend of €2 per share, an increase of 8.1% over the ordinary dividend paid in 2014 on 2013 earnings.

**2015 Calendar**

- **Shareholders’ Meeting** / publication of NAV and trading update (pre-market release)  
  Friday, June 5, 2015
- **H1 2015 earnings** / Publication of NAV (pre-market release)  
  Thursday, September 10, 2015
- **2015 Investor Day** / publication of NAV and trading update (pre-market release)  
  Thursday, December 3, 2015

**About Wendel**

Wendel is one of Europe’s leading listed investment firms. The Group invests in Europe, North America and Africa in companies that are leaders in their field, such as Bureau Veritas, Saint-Gobain, Materis Paints, Stahl and IHS. 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, Saham Group in Africa and CSP Technologies in the United States.

Wendel is listed on Eurolist by Euronext Paris.


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.

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Appendix 1: NAV as of March 16, 2015: €147.4 per share

(in millions of euros)  

<table>
<thead>
<tr>
<th>Listed equity investments</th>
<th>Number of shares (millions)</th>
<th>Share price (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bureau Veritas</td>
<td>177.2</td>
<td>€20.3</td>
</tr>
<tr>
<td>Saint-Gobain</td>
<td>65.8</td>
<td>€40.5</td>
</tr>
</tbody>
</table>

Unlisted equity investments (Materis Paints, Stahl and IHS) and Oranje-Nassau Développement (2) 2,542

Other assets and liabilities of Wendel and holding companies (3)  164

Cash and marketable securities (4)  2,371

Gross Assets, revalued  11,344

Wendel bond debt and accrued interest (4,290)

Value of puts issued on Saint-Gobain (5) -

Net Asset Value  7,054

Net Asset Value per share  €147.4

Average of 20 most recent Wendel share prices  €108.9

Premium (discount) on NAV (26.1%)

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(1) Average of 20 most recent closing prices calculated on March 16, 2015
(2) NOP, Saham, Mecatherm, Parcours, VGG, exceet, CSP Technologies, indirect investments and unlisted debt (Kerneos)
(3) Includes 1,637,554 Wendel treasury shares as of March 16, 2015.
(4) Cash and marketable securities owned by Wendel and holding companies. Includes €2,034 million in cash on hand (after accounting for the amounts to be paid in connection with unwinding of puts written, finalized on March 16, 2015) and €337 million in liquid financial investments.
(5) This position was unwound on March 16, 2015.
Appendix 2: Conversion from accounting presentation to economic presentation

<table>
<thead>
<tr>
<th>In millions of euros</th>
<th>Bureau Veritas</th>
<th>Materis</th>
<th>Stahl</th>
<th>Oranje-Nassau Développement</th>
<th>Equity-method investments</th>
<th>Holding companies</th>
<th>TOTAL Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income from business sectors</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net sales</td>
<td>4,171.5</td>
<td>(2) 747.6</td>
<td>512.6</td>
<td>482.5</td>
<td></td>
<td></td>
<td>5,914.2</td>
</tr>
<tr>
<td>EBITDA (1)</td>
<td>n.a.</td>
<td>(2) 67.1</td>
<td>91.4</td>
<td>n.a.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted operating income (1)</td>
<td>694.0</td>
<td>40.2</td>
<td>76.7</td>
<td>47.3</td>
<td></td>
<td></td>
<td>797.7</td>
</tr>
<tr>
<td>Other recurring operating items</td>
<td>-</td>
<td>(2.1)</td>
<td>(3.5)</td>
<td>(0.9)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income</td>
<td>694.0</td>
<td>38.1</td>
<td>75.2</td>
<td>46.4</td>
<td>(55.9)</td>
<td></td>
<td>797.7</td>
</tr>
<tr>
<td>Finance costs, net</td>
<td>(77.1)</td>
<td>(60.1)</td>
<td>(13.3)</td>
<td>(10.7)</td>
<td>(170.9)</td>
<td></td>
<td>(332.1)</td>
</tr>
<tr>
<td>Other financial income and expense</td>
<td>(3.7)</td>
<td>3.1</td>
<td>13.1</td>
<td>(0.5)</td>
<td></td>
<td></td>
<td>11.9</td>
</tr>
<tr>
<td>Tax expense</td>
<td>(209.6)</td>
<td>(5.9)</td>
<td>(22.6)</td>
<td>(13.0)</td>
<td>0.4</td>
<td></td>
<td>(250.8)</td>
</tr>
<tr>
<td>Share in net income of equity-method investments</td>
<td>0.7</td>
<td>0.2</td>
<td>(0.3)</td>
<td>2.1</td>
<td>139.3</td>
<td>(42.2)</td>
<td>99.7</td>
</tr>
<tr>
<td>Net income from discontinued operations and operations held for sale</td>
<td>-</td>
<td>46.2</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Recurring net income from business sectors</td>
<td>404.2</td>
<td>21.5</td>
<td>52.0</td>
<td>24.2</td>
<td>139.3</td>
<td>(42.2)</td>
<td>(226.5)</td>
</tr>
<tr>
<td>Recurring net income from business sectors – non-controlling interests</td>
<td>202.8</td>
<td>2.5</td>
<td>12.2</td>
<td>0.3</td>
<td>-</td>
<td>(0.2)</td>
<td>-</td>
</tr>
<tr>
<td>Recurring net income from business sectors – Group share</td>
<td>201.4</td>
<td>19.0</td>
<td>39.7</td>
<td>23.9</td>
<td>139.3</td>
<td>(42.0)</td>
<td>(226.5)</td>
</tr>
</tbody>
</table>

Non-recurring income

| Operating income | (143.8) | (26.8) | (30.6) | (11.9) | - | - | (60.4) | (273.7) |
| Net financial income (expense) | (0.0) | (69.5) | (28.7) | 0.5 | - | - | (11.3) | (109.0) |
| Tax expense | 39.1 | 5.1    | 14.2  | 3.3  | - | - | - | 61.7 |
| Share in net income of equity-method investments | - | - | - | (2.7) | (97.6) | 31.3 | (3) (106.7) | (175.7) |
| Net income from discontinued operations and operations held for sale | - | 322.0 | - | - | - | - | (0.1) | 321.9 |
| Non-recurring net income | (104.7) | 230.8 | (45.2) | (10.8) | (97.6) | 31.3 | (178.6) | (174.8) |
| of which: | | | | | | | | |
| – Non-recurring items | (18.3) | (4) 232.9 | (29.6) | (2.8) | 5.0 | (5) 31.3 | (6) (147.3) | 71.3 |
| – Impact of goodwill allocation | (84.9) | (2.1) | (15.6) | (8.0) | (8.1) | - | - | (118.8) |
| – Asset impairment | (1.5) | - | - | - | (94.5) | - | (7) (31.3) | (127.3) |
| Non-recurring net income, non-controlling interests | (50.8) | 22.5 | (11.1) | (0.1) | - | (0.0) | 0.1 | (39.5) |
| Non-recurring net income, Group share | (53.9) | 208.3 | (34.2) | (10.6) | (97.6) | 31.3 | (176.6) | (135.3) |

Consolidated net income

| Consolidated net income | 299.5 | 252.3 | 6.7 | 13.5 | 41.7 | (10.9) | (405.0) | 197.8 |
| Consolidated net income, non-controlling interests | 152.0 | 25.0 | 1.2 | 0.2 | - | (0.2) | 0.1 | 178.2 |
| Consolidated net income, Group share | 147.5 | 227.3 | 5.6 | 13.3 | 41.7 | (10.7) | (405.1) | 19.6 |

(1) Before the impact of goodwill allocation, non-recurring items and management fees.
(2) Sales and EBITDA of the Materis Paints division in 2014, excluding Materis holding company expenses and elimination of transactions with divested divisions. Holding company expenses totaled €8.1 million and are reflected in adjusted operating income.
(3) Represents the loss on the sale of 24 million Saint-Gobain shares.
(4) Includes the €27.4 million gain on Kerneos, the €266.5 million gain on Parex, the €35.6 million in gain on Chryso, restructuring costs, divestment costs and interest expense on shareholder loans.
(5) Represents the dilution gain recognized on IHS.
(6) Includes, in particular, the change in the fair value of Saint-Gobain puts of €22.5 million, expenses related to co-shareholder liquidity arrangements and the loss on the sale of the Saint-Gobain block of shares.
(7) Corresponds to the change in fair value of Saham.