WENDEL

# H1 2016 results

September 8, 2016

# Dynamic activity to enhance diversification & strengthen financial structure

## INVESTMENTS

**€120m committed in SGI Africa**

€25m already invested to acquire 40% of the capital alongside CFAO

**$46m invested in IHS**

Additional investment to finance company expansion

12/31/15 — 6/30/16 — *Closing dates*

## PROCEEDS

**€241m**

from sale of Parcours, with a c.18% IRR since 2011. Signed in Feb and closed in May.

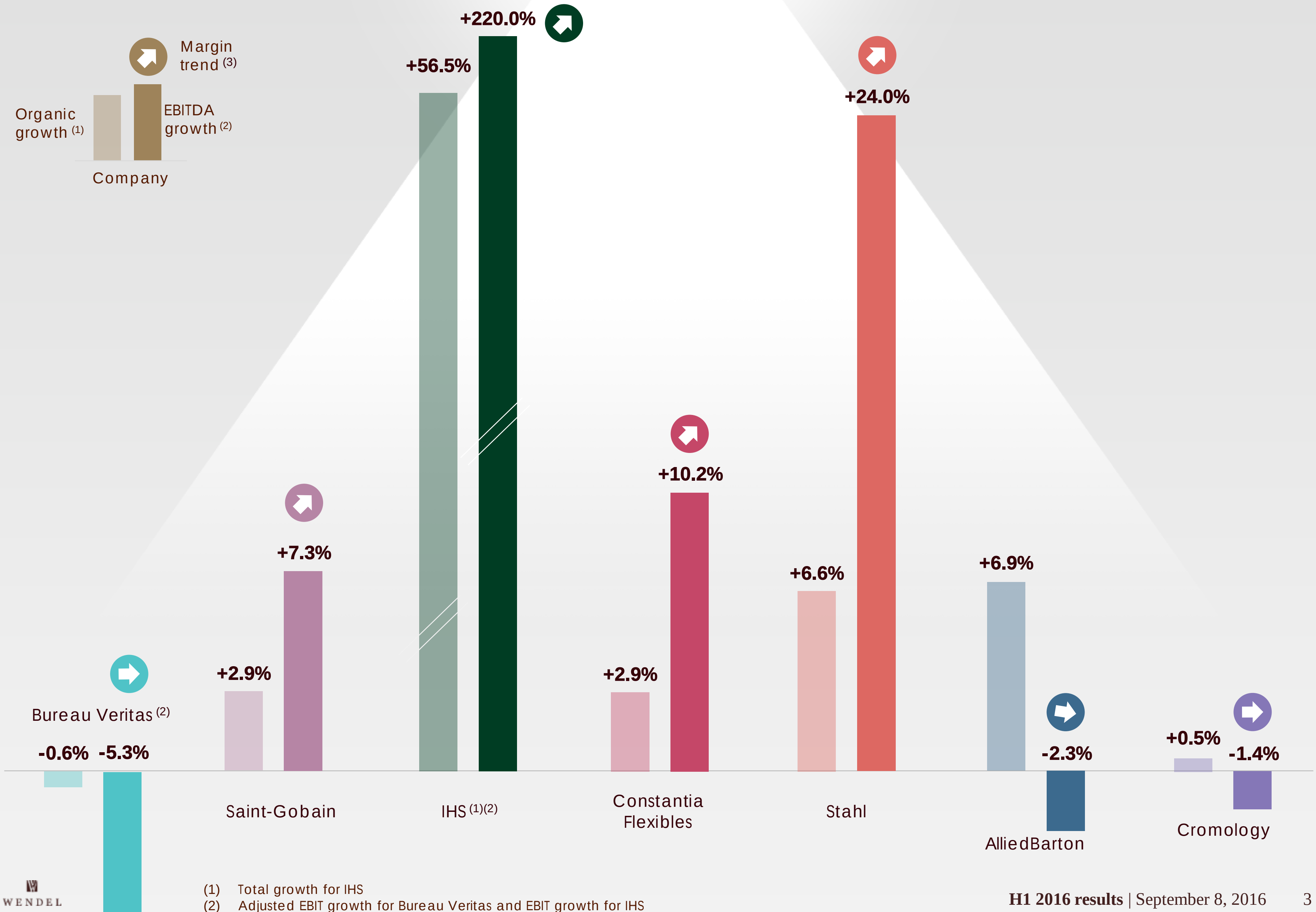
**€1,155m**

from sale of 30 million Saint-Gobain shares, of which 10 million repurchased by Saint-Gobain

**$387m**

following the merger of AlliedBarton & Universal, creating the US leader in Security Services

# Solid operating profitability of major assets




(1) Total growth for IHS
(2) Adjusted EBIT growth for Bureau Veritas and EBIT growth for IHS
(3) At constant exchange rate

# Strong M&A activity of Group companies since the beginning of 2016

**Bureau Veritas**
acquired 6 companies in China (2), UK (2), Australia, and USA

**Saint-Gobain** acquired 5 companies in Brazil (2), France, Slovenia & Albania

**Cromology**
acquired paint business of Jallut in Switzerland

**IHS** and HTN closed the first mobile infrastructure consolidation transaction in Africa

**17**
M&A operations

**Stahl**
reinforced its position in India, Pakistan & Bangladesh

**CSP Technologies**
made its first acquisition, purchasing Maxwell Chase

**Constantia Flexibles**
acquired Oai Hung in Vietnam

**AlliedBarton**
merged with Universal to create the US leader in security services

# H1 2016 key figures

**Consolidated sales** up +13.6%, organic +1.3%

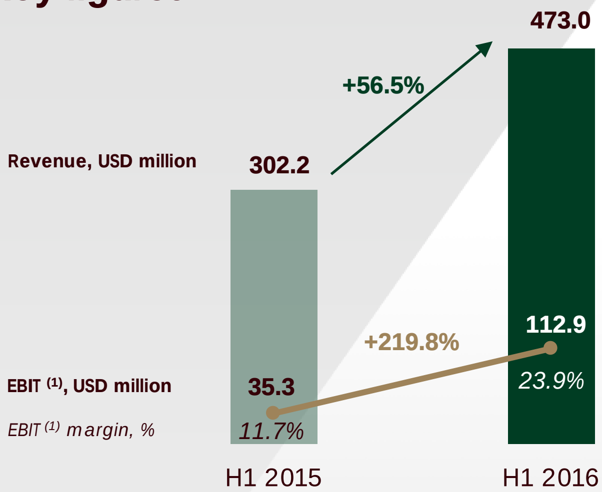
**Net income from business sectors,** up +17.3%

**NAV at €145.8,** up +6.9% since January 1, 2016

# IHS

## Sharp growth boosted by successful integration of acquired towers

### Key figures




| | H1 2015 | H1 2016 |
|---|---|---|
| **Net debt, USDm** | **n.m.** (2) | **1,451.1** |

**>23,000** towers in portfolio (3)

### H1 2016 highlights

**Strong sales growth driven by:**

- Integration of ca. 7,000 towers over the last 12 months
- Further development of the existing portfolio

**EBIT up +220% due to strong collocation demand and cost control measures**

**On June 13, IHS finalized the acquisition of 1,211 sites (4) from Helios Towers Nigeria ("HTN")**

- Diversified portfolio of mostly urban sites
- First in-market consolidation transaction in Africa

**On August 31, IHS carried out a capital increase to finance its development, including the acquisition of HTN Towers, at an additional premium relative to the previous capital increase**

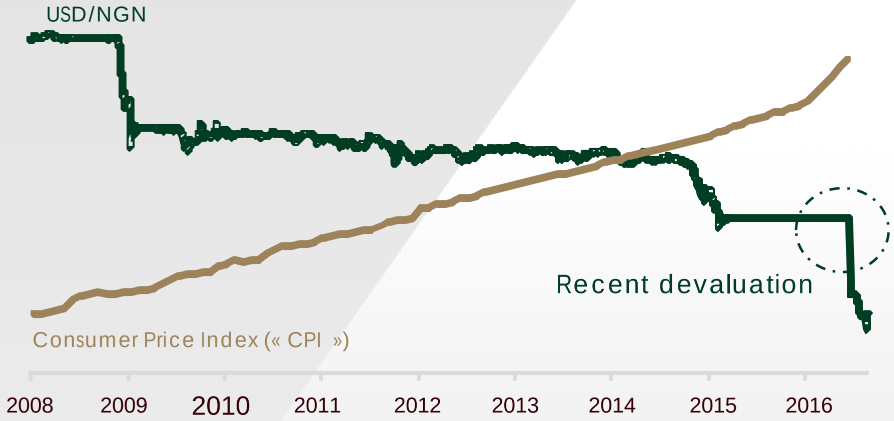
- Wendel has taken up $46 million of this capital increase, thereby bringing its total investment in IHS to $825 million.

(1) EBIT excluding exceptional items
(2) Due to scope changes comparaison with June 30, 2015 not meaningful. Net debt as of December 31, 2015 was $918.3m
(3) Tower count is more than 22,100 excluding managed services and WIP as of June 30, 2016.
(4) 925 live sites.

# IHS

## Depreciation of Nigerian naira generated mainly accounting impacts

### Nigerian naira (NGN) devaluation overtime




- Over the last 8 years **USD vs. NGN increased by +167%** while **CPI increased by +155%**
- Beginning of 2009, NGN depreciation vs. USD absorbed in less than 2 years by CPI increase
- Mid/long-term CPI trend should also overtake the recent Naira devaluation vs. USD in the coming years

### IHS already has natural operational hedging

- More than **half of IHS's tower rental contracts are indexed on USD** (or EUR), with quarterly, biannual or annual revision. The rest of the contracts have indexation clauses mostly based on CPI trend.
- **Running costs** are predominatly **denominated in local currencies.**
- Debt is structured so as to match operational cash flows while taking into account local debt market constraints (ca. 80% of gross debt in USD)

### Accounting impacts derived from the recent drop in naira are non-cash

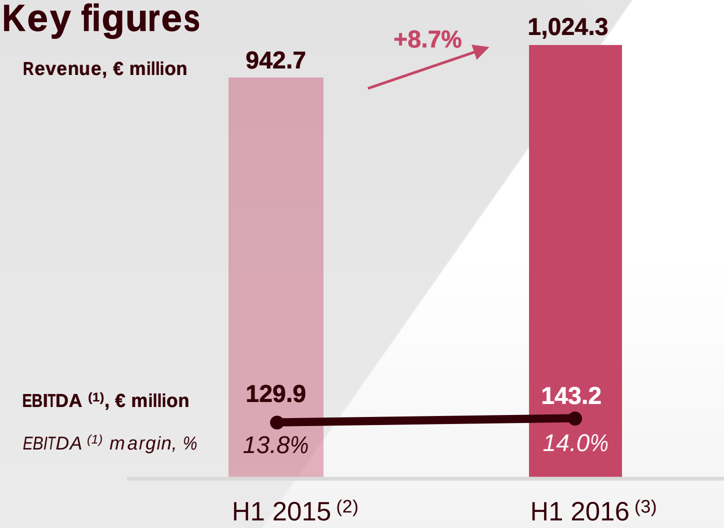
- **€-111.8m impact on Wendel's consolidated P&L** due to a FX loss recognized in IHS Nigeria's P&L on debt denominated in USD (offset by a positive impact accounted for in IHS's consolidated equity hence in Wendel's consolidated equity).

Source: Factset and Central Bank of Nigeria

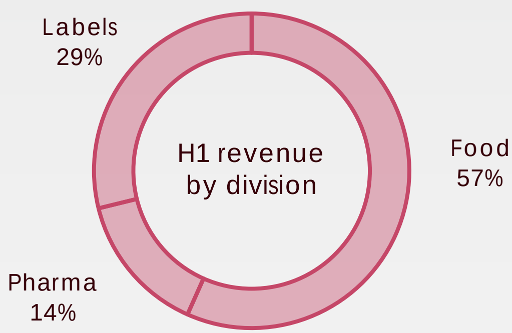
# Constantia Flexibles

## Focus on profitable growth

### Key figures




**Net debt, €m** 1,172.5 → 1,248.4




### H1 2016 highlights

**+2.9% organic growth**

- All divisions developed positively: +1.8% for Food, +2.4% for Pharma, and +4.1% for Labels

**+10.2% EBITDA growth**

- Positive mix impacts: switch from Paper to Pressure Sensitive Labels, portfolio optimization in Europe and growth in high margin Pharma products

**3rd acquisition since Wendel's first investment in Constantia Flexibles:**

- Acquisition of pharmaceutical packaging manufacturer Oai Hung Co., Ltd. in Vietnam finalized on July 7, 2016.

**Appointement of a new CFO: Stephan Künhe** (former CFO of Intersnack Group)

### 2016 Outlook

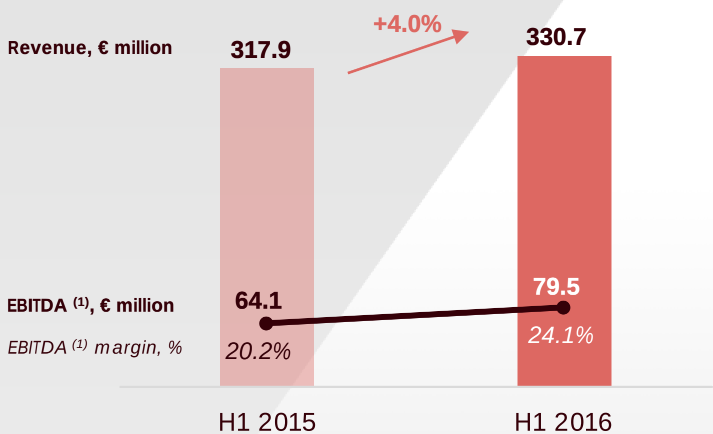
- Operational efficiency improvement through production processes optimization
- Global expansion through further targeted acquisitions
- Organic and volume growth slowdown but margin improvement

(1) EBITDA before goodwill allocation entries, management fees and non-recurring items.
(2) H1 2015 EBITDA before implementation of the acquisition structure.
(3) H1 2016 includes Afripack Group and Pemara Group as of 1st January 2016.

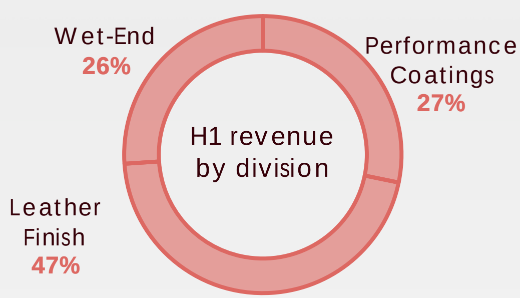
# Stahl

## Dynamic volume growth & record margin

### Key figures




**Net debt, €m** **214.2** → **210.7**




### H1 2016 highlights

**Sales boosted by volume growth**

- +6.6% organic growth, thanks to good volume growth in all divisions
- +1.2% external growth
- -3.7% FX impact

**EBITDA at €79.5m, i.e. a record 24.1% margin up 390 bps thanks to synergies & efficient cost management**

- Ca. €12m of synergies reflected in H1 2016 P&L
- Efficient cost control policy

**Ongoing deleveraging even after dividend payment**

- Leverage ratio @ 1.46x, after dividend payment of €65m in March 2016, down from 1.71x in June 2015

(1) EBITDA before goodwill allocation entries, management fees and non-recurring items.

# AlliedBarton & Universal merged to form the US leader in security services

Announced on May 3, 2016, the transaction was finalized on August 1, 2016

The new company operates as Allied Universal and is **the largest security officer services provider in North America**

Over **140,000** highly skilled **employees**

**Net sales of $4.5 billion** and adjusted pro forma EBITDA of $440 million, including synergies of approximately $100 million

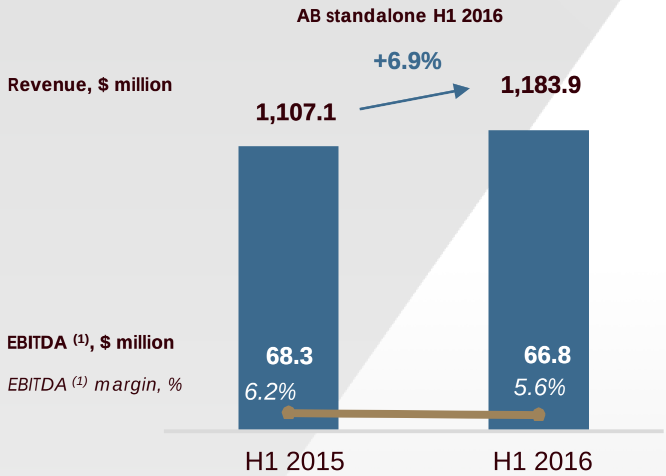
**Wendel holds c.33% of the shares** of Allied Universal and received a cash payment of $387 million at the time of the merger

Figures here above are estimated figures.

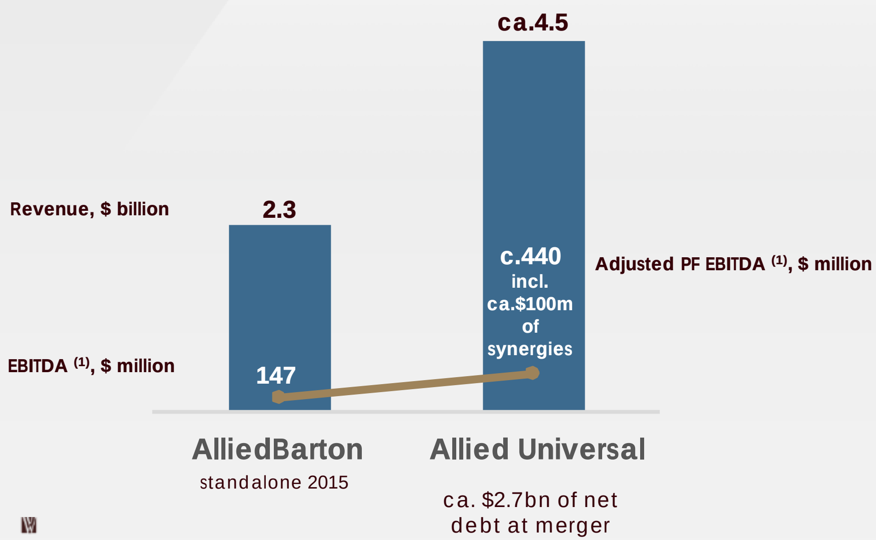
# AlliedBarton

## Strong organic growth & Transformational merger

### Key figures




**Net debt, $m** n.m → 977.1




### AlliedBarton standalone H1 2016 highlights

**Strong organic growth (+6.9%) thanks to new client starts & growth in the existing base business accounts**

- Improved client retention
- Existing business growth induced by increase in hours billed & revenue per hour billed

**Margin impacted by higher direct labor & non- labor costs, business insurance & administrative expenses**

### AlliedBarton is now Allied Universal

- Combination created the leading provider of security services and largest security force in North America
- Greater scale & more diversified customer base & business model (including Security Services, Security Systems)
- Wendel and Warburg Pincus are lead investors with equal voting rights and three Board members each

(1) EBITDA before goodwill allocation entries, management fees and non-recurring items.

# Oranje-Nassau Développement

## Mecatherm

- **Sales at €62.1m,** purely organic growth +61.9% due to favorable base effect
- **Return to positive EBITDA €7.4m** in H1 2016 vs. a loss of €-9.3m in H1 2015
- More **moderate growth expected over the year**

## CSP Technologies

- Sales up +24.8% to **$62.6m**
- **Organic growth +13.3%** driven by increase in volume across all end markets, particularly in diabetes test strips
- **EBIT margin up +830bps to 22.3%** thanks to lower D&A
- Maxwell Chase integration proceeding according to plan

## exceet

- Total sales down by -5.3% to **€65.4m** with stabilization of operation in Q2 (sales up +3.9%) & strong base in 2015
- **EBITDA of €3.5m,** down -2.3%. Q2 EBITDA up 58.8% to €2m.

## Saham Group

- Consolidated revenues up +14% to **MAD 6.0 bn**
- All insurance subsidiaries experienced growth in H1 2016, **insurance activities organic gorwth +8%**
- **Customer relationship centers revenue up +28%** taking into account integration of Ecco (Egypt)

## Nippon Oil Pump

- Sales at **¥2,675m** (€21.5m)**, +0.8**% organic growth
- EBITDA at **¥422m** (€3.4m)**,** margin improvement from 10.1% to 15.8%

## SGI Africa

# Third investment in Africa with the acquisition of 40% of SGI Africa

Around **€25 million invested** in SGI Africa and **up to €120 million** over the next few years.
Wendel and CFAO co-control the company.

SGI Africa develops and operates shopping centers primarily through its **PlaYce** brand. First PlaYce shopping center operated in Abidjan, Côte d'Ivoire, since December 2015.

Over the next 5 to 7 years, SGI Africa plans to build then operate around **20 shopping centers** into **7** other West and Central **African countries**.

Around €500m will be invested to fund the expansion projects (equity and bank debt).

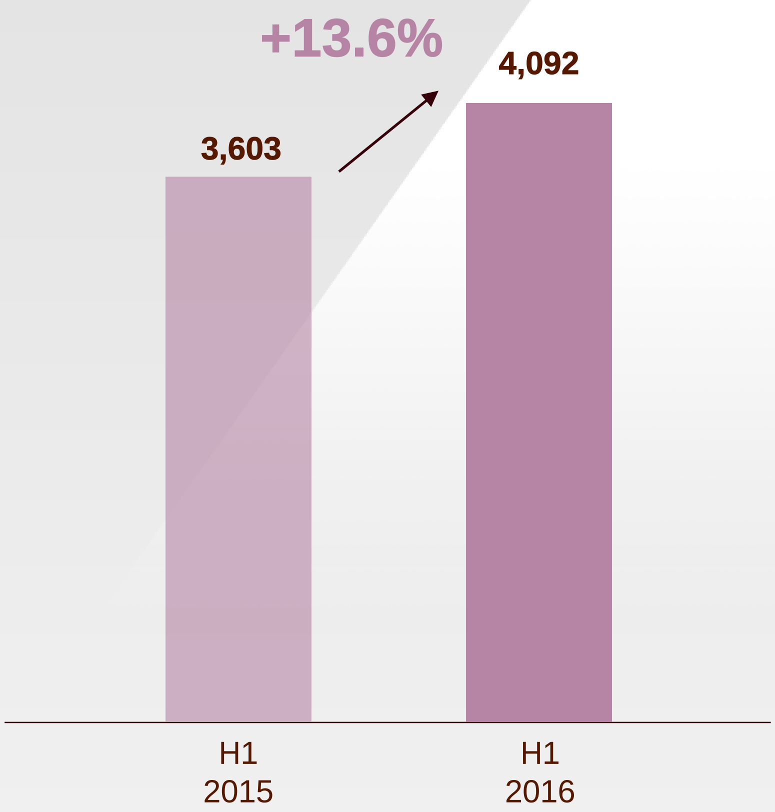
Credits: Raymond Djigla


# Wendel financials

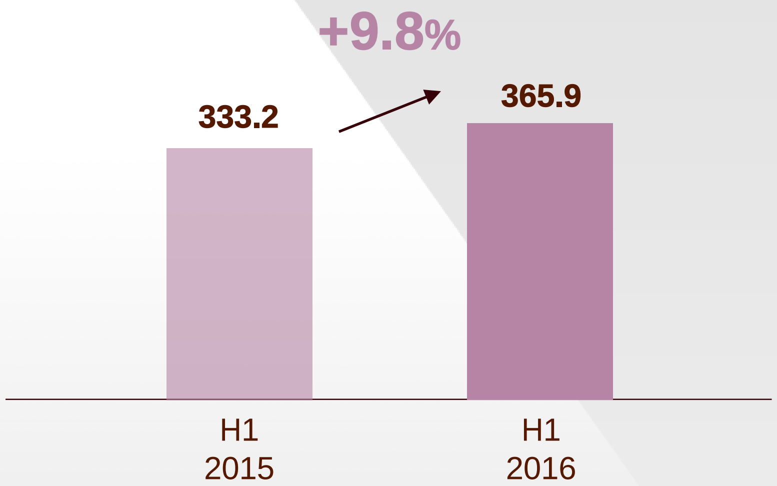
H1 2016

# Consolidated sales up +13.6%

Consolidated sales, in €m




Consolidated subsidiaries' contribution to net income, in €m




2 new companies consolidated:
- Constantia Flexibles since April 2015
- AlliedBarton since December 2015(1)

Mecatherm recovery

*Partially offset by:*

30m SGO shares sold in May 2016

(1) Full consolidation until August 1, 2016, equity method since then.

# H1 2016 consolidated results

| In millions of euros | H1 2015 | H1 2016 | Δ |
|---|---|---|---|
| Consolidated subsidiaries' contribution | 333.2 | 365.9 | +9.8% |
| Financial & operating expenses and taxes | -132.4 | -130.3 | -1.5% |
| **Net income from business sectors[1]** | **200.8** | **235.6** | **+17.3%** |
| *Net income from business sectors,[1] Group share* | *61.7* | *83.7* | *+35.7%* |
| **Non-recurring income** | **-0.9** | **-475.6** | **n.a.** |
| Impact of goodwill allocation | -57.1 | -73.2 | +28.1% |
| **Total net income** | **142.8** | **-313.2** | **n.a.** |
| *Net income, Group share* | *32.2* | *-425.1* | *n.a.* |

WENDEL

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

# H1 2016 Non-recurring income

| In millions of euros | H1 2015 | H1 2016 |
|---|---|---|
| Loss on sale of Saint-Gobain shares | - | -229.6 |
| Accounting gain on sale of Parcours [(1)] | - | 78.3 |
| Bond debt buyback | - | -56.6 |
| AlliedBarton one-off liability items – to be reversed in H2 | - | -44.8 |
| IHS: FX impact and revaluation at fair value of commitments to co-investors resulting from IHS's increase in value | -70.4 | -152.6 |
| SGO shares revaluation | 203.4 | - |
| Asset impairment & other | -133.9 | -70.3 |
| **Non-recurring loss** | **-0.9** | **-475.6** |
| *Non-recurring income (loss), Group share* | *8.7* | *-459.6* |

(1) Investment gain on sale of Parcours is €129.3 million

# Additional improvement in debt cost & maturity

Successful **€400m bond buyback** of 2017 & 2019 maturities

Successful issue of **€500m zero coupon** bond exchangeable into Saint-Gobain shares

Cancellation of undrawn €350m credit line with margin calls maturing December 2019

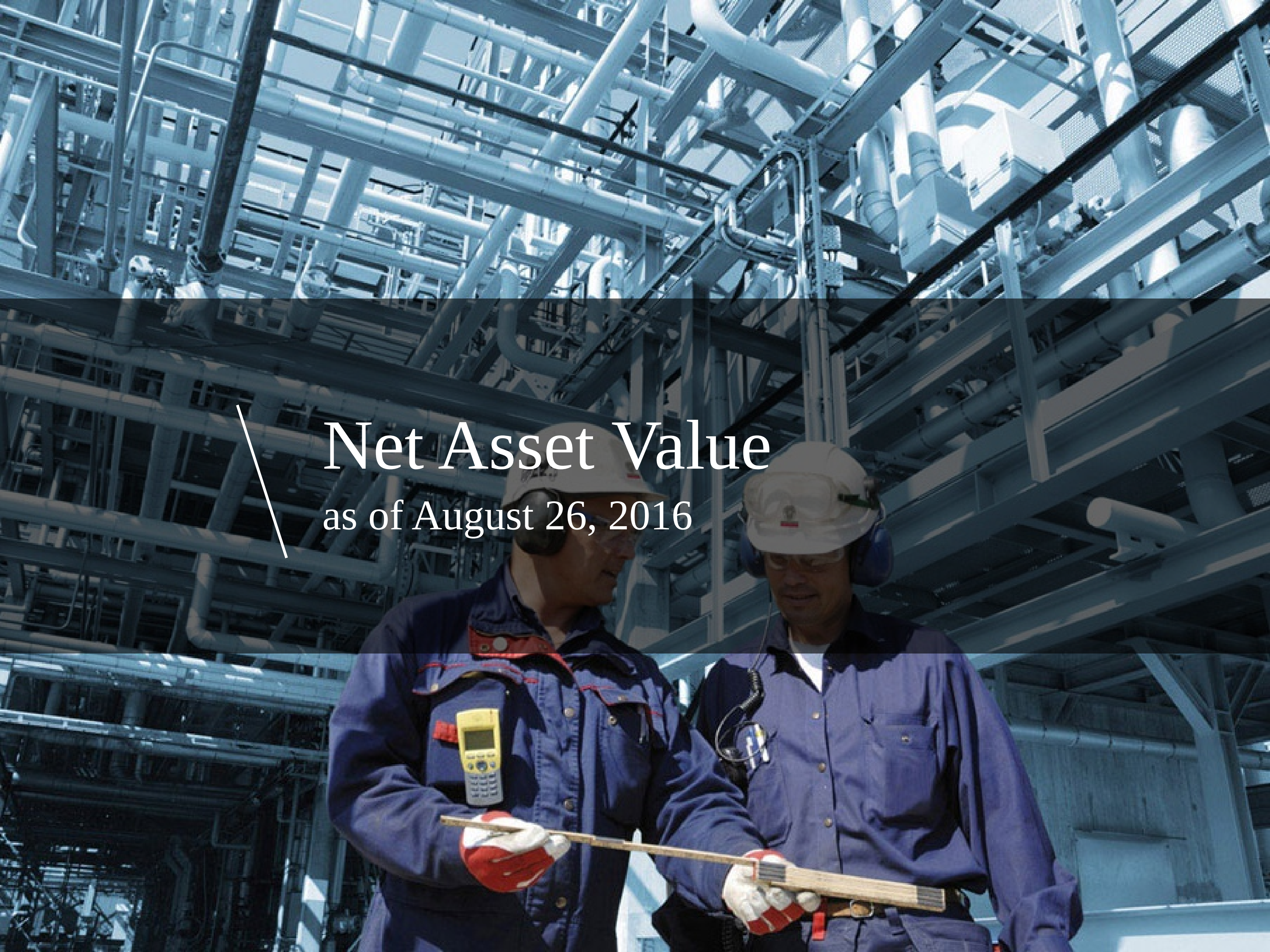
**4.5** years average maturity

Cost of bond debt reduced to **3.5%** vs 5.1% in 2012

LTV ratio: **21.6%** as of August 26, 2016

# Net Asset Value

as of August 26, 2016



# Main impacts of methodology on NAV calculation

**Stahl** - Offers received in 2015 now all excluded from calculation (bid date: May 26, 2015), market multiple valuation only

**IHS** - From last significant capital increase (June 2015) value to market multiple valuation

As announced, part of the hidden value unveiled

**Allied Universal** – Still at initial investment value (i.e. $300m, post merger). Will be valued using market multiples in 2017

**Constantia Flexibles** - Still at initial investment value. Will be valued using market multiples beginning with NAV of November 18, 2016

Hidden value: still above €10 per share(1)

NAV per share increased by cancellation of 2% of capital in July 2016

(1) This is not a forward looking statement.
Parameters such as market multiple may change over time

# NAV of €145.8 as of August 26, 2016

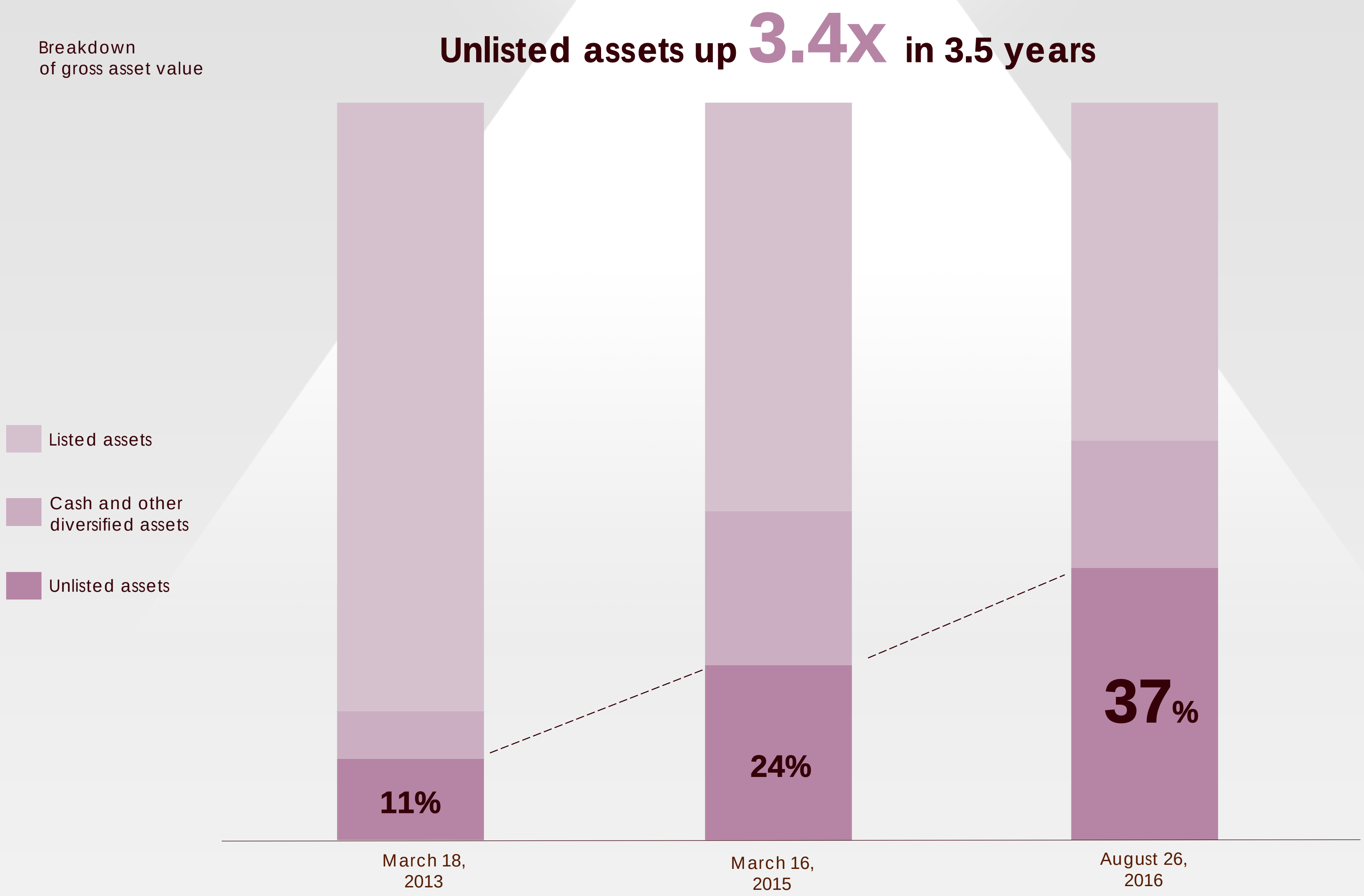
| (in millions of euros) | | | Dec. 31, 2015 | Aug. 26, 2016 |
|---|---|---|---|---|
| Listed equity investments | Number of shares | Share price [1] | 5,883 | 4,838 |
| • Bureau Veritas | 177.2 million | €18.6 / €19.5 | 3,287 | 3,452 |
| • Saint-Gobain | 65.8 / 35.8 million | €39.4 / €38.7 | 2,596 | 1,386 |
| Unlisted equity investments & Oranje-Nassau Développement[2] [3] | | | 3,891 | 3,800 |
| Other assets and liabilities of Wendel and holding companies[4] | | | 204 | 111 |
| Cash and marketable securities[5] | | | 799 | 1,814 |
| **Gross assets, revalued** | | | **10,777** | **10,563** |
| Wendel bond debt | | | -4,230 | -3,701 |
| **Net asset value** | | | **6,547** | **6,863** |
| *Number of shares* | | | *47,992,530* | *47,081,029* |
| **Net asset value per share** | | | **€136.4** | **€145.8** |
| Average of 20 most recent Wendel share prices | | | €107.4 | €97.3 |
| **Premium (Discount) on NAV** | | | **-21.3%** | **-33.2%** |

(1) Average of 20 most recent closing prices, calculated as of August 26, 2016.
(2) Unlisted equity investments (Cromology, Stahl, IHS, Constantia Flexibles and Allied Universal) and Oranje-Nassau Développement (NOP, Saham, Mecatherm, Parcours as of December 31, 2015, exceet, CSP Technologies, indirect investments and debt).
(3) As previously announced and in accordance with the methodology, the value of Stahl was reduced, as it took into account a firm offer received in May 2015. This offer is no longer taken into account in the calculation. As of August 26, 2016, as previously announced and in accordance with the NAV calculation methodology, IHS was valued for the first time based on the multiples of comparable, listed peer-group companies. As an exception to the NAV calculation method, and to reflect the fast-growing nature of IHS's business, only 2016 and 2017 EBITDA were used in IHS's value calculation. In addition, this calculation is based on net debt estimated as of 12/31/2016 (and not as of 06/30/2016) because significant investments are expected in H2 2016. The value of Constantia Flexibles was reduced by €6-8 of NAV per share to take into account the syndication of part of the investment to Maxburg. This investment will be valued by peer-group multiples beginning with the November 18, 2016 NAV. Allied Universal remains valued on the basis of AlliedBarton's acquisition price of $300 million. This company will be valued on the basis of peer-group multiples in 2017.
(4) Including 1,278,555 treasury shares as of August 26, 2016.
(5) Cash and marketable securities owned by Wendel and holding companies, including €1,508 million in cash on hand and €306 million in liquid financial investments.
Assets and liabilities denominated in currencies other than the euro have been converted at exchange rates prevailing on the date of the NAV calculation.

If the co-investment conditions are realized, there could be a dilutive effect on Wendel's percentage ownership. These items have been taken into account when calculating NAV. See page 249 of the 2015 Registration Document.

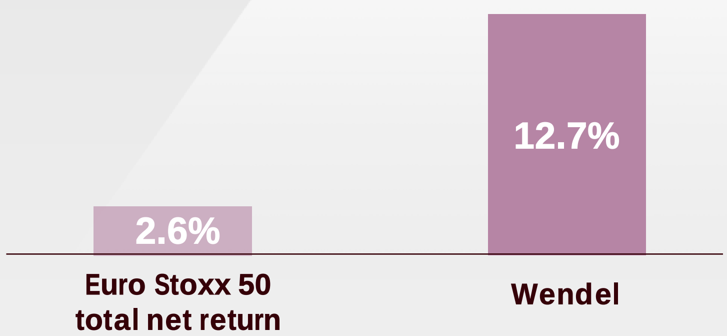
# Acceleration in portfolio rebalancing toward unlisted assets

## Gross asset value, in € million

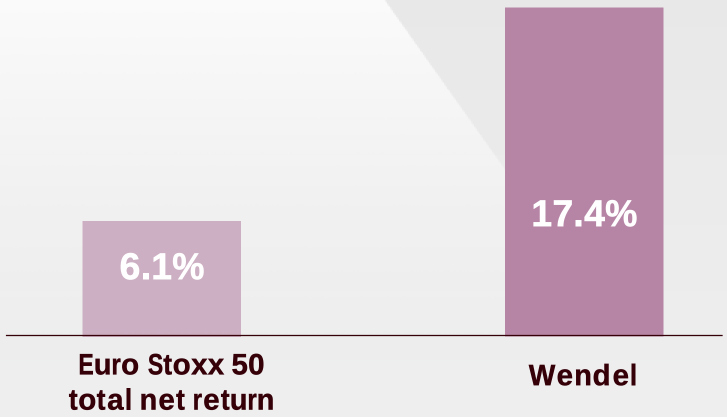


# Double digit annualized shareholder return

**Annualized TSR**
since June 13, 2002




**Annualized TSR**
since January 1, 2009




Source: FactSet TSR as of 08/26/2016

# Share buyback / return to shareholders

## 2016:

€99 million in dividends paid

2% of capital cancelled on July 25, 2016

## Since 2012:

**€448 million** in cumulative dividends paid

**€406 million** returned to shareholders in share buybacks

Since 2012:
4.6 million shares bought back
7.8% of capital cancelled

# Conclusion

# All 2013-17 goals already achieved

## €2BN INVESTED IN UNLISTED ASSETS

IHS

Constantia Flexibles

AlliedBarton

CSP Technologies

NOP

Saham

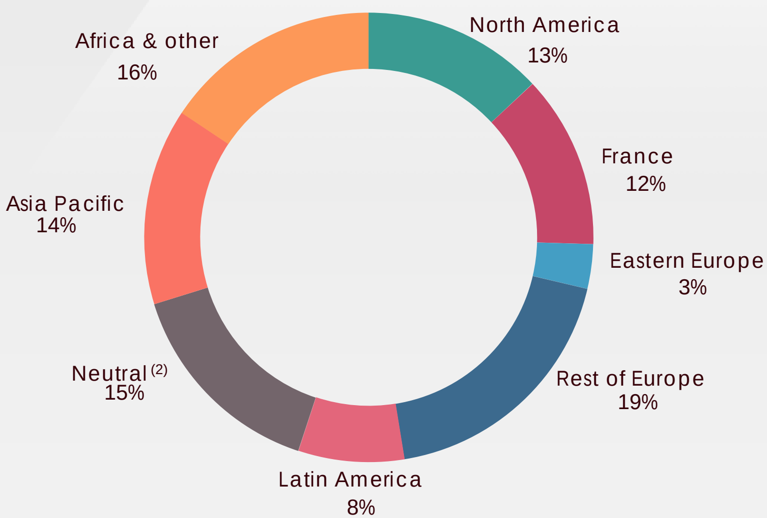
SGI Africa

## STRONG FINANCIAL STRUCTURE

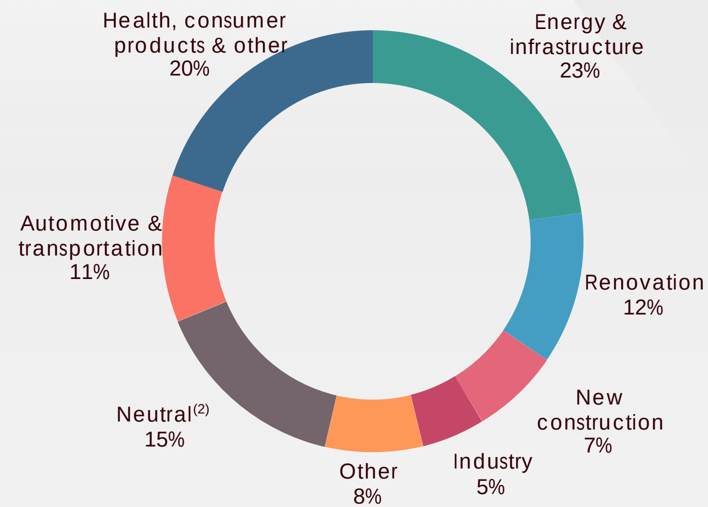
LTV as of August 26, 2016 @

**21.6%**

## GEOGRAPHIC EXPOSURE REBALANCED(1)




## SECTORAL EXPOSURE REBALANCED(1)




(1) Enterprise value exposure of the Group's companies, according to the geographic/sectoral breakdown of 2015 revenues. Enterprise values based on NAV calculations as of August 26, 2016.

(2) Cash and other diversified assets

# Key takeaways

## PORTFOLIO COMPANIES

Good **operational performance**

Dynamic **M&A activity**

## WENDEL

Reorientation towards **unlisted assets**

**LTV ratio decreasing**

NAV growth & part of **hidden value unveiled**

# What's next?

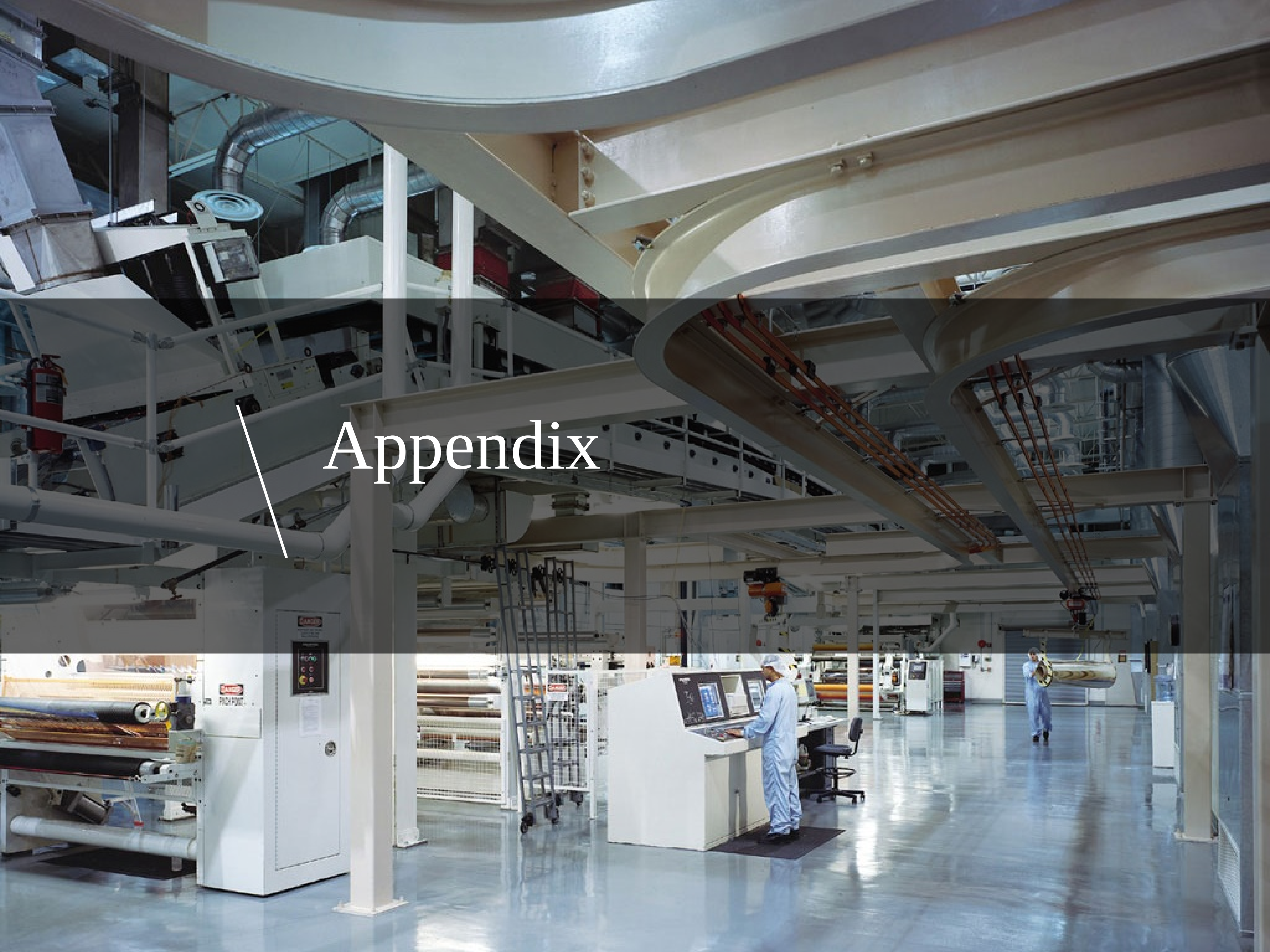
Focus on **operational development**

Continued **Group internationalization**

**Strategic update** at Wendel's Investor Day on December 1, 2016

# Q&A

# Appendix



# Appendix 1

## Group overview

# Portfolio structure

## GROSS ASSET VALUE: €10.6BN

| Unlisted assets | Bureau Veritas | Saint-Gobain | Cash[1] |
|---|---|---|---|
| IHS, Constantia Flexibles, stahl, cromology, AlliedBarton; Oranje-Nassau Développement: Mecatherm, CSP Technologies, Saham Group, exceet, NOP, SGI Africa; +other assets | Certification & verification<br>**40.6%** Equity stake<br>**€4.6bn** sales<br>**€775m** Adj. op. profit<br>*16.7% margin*<br>Date of first investment **January 1995** | Production, transformation and distribution of building materials<br>**6.5%** Equity stake<br>**€39.6bn** sales<br>**€2.6bn** Op. inc.<br>*6.7% margin*<br>Date of first investment **September 2007** | |
| 37.0% | 32.7% | 13.1% | 17.2% |

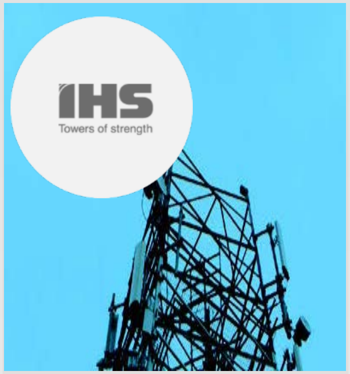
% of GAV(2)

Equity stake as of June 30, 2016. Sales and operating incomes figures refer to the FY 2015.

(1) Cash (and other assets and marketable securities)

(2) Percentage of Gross Asset Value based on NAV calculation on August 26, 2016.

# Portfolio structure – unlisted assets




Mobile telephone Infrastructure in Africa

- **c. 26%** Equity stake
- **US$723.1m** sales
- **US$86.4m** EBIT
  *12.0% margin*
- **+268.8%** EBIT growth
- Date of first investment **March 2013**


Flexible packaging

- **60.5%** Equity stake
- **€1.9bn** sales
- **€263m** EBITDA
  *13.9% margin*
- Date of first investment **March 2015**


High-performance coatings & leather finishing products

- **75.3%** Equity stake
- **€628.1m** sales
- **€128.7m** EBITDA
  *20.5% margin*
- Date of first investment **June 2006**


Manufacture & distribution of paints

- **84.5%** (1) Equity stake
- **€751.9m** sales
- **€67.8m** EBITDA
  *9.0% margin*
- Date of first investment **February 2006**


Security services

- **c.33%** Equity stake
- **c. $4.5bn** PF sales
- **c. $440m** adjusted PF EBITDA (2)
- Date of first investment **December 2015**

Equity stake as of June 30, 2016 except for Allied Universal as of August 1, 2016.
Sales and EBITDA figures refer to the FY 2015 except for Allied Universal 2015 estimted figures.
(1) In July 2016, the Materis managers exercised part of their liquidity. Wendel now holds 87.3% of the company, as opposed to 84.5% as of June 30, 2016.
(2) Including c. $100m of synergies

# Portfolio structure – Oranje-Nassau Développement

**CSP Technologies**
High-performance plastics packaging
**98.4%**

**exceet**
Design of embedded electronic systems
**28.4%**

**Mecatherm**
Industrial bakery equipment
**99.2%**

**Saham Group**
Diversified insurance leader in Africa
**13.3%**

**Nippon Oil Pump**
Market leader in Japan for trochoid pumps and hydraulic motors
**97.7%**

SGI Africa

**SGI Africa**
A fast-growing pan-African property company creating & developing shopping centers in Africa
**40%**

Equity stake as of June 30, 2016 except for SGI Africa.
Wendel committed to invest up to €120 million in SGI Africa, with a first tranche of €25 miilion invested in July 2016.

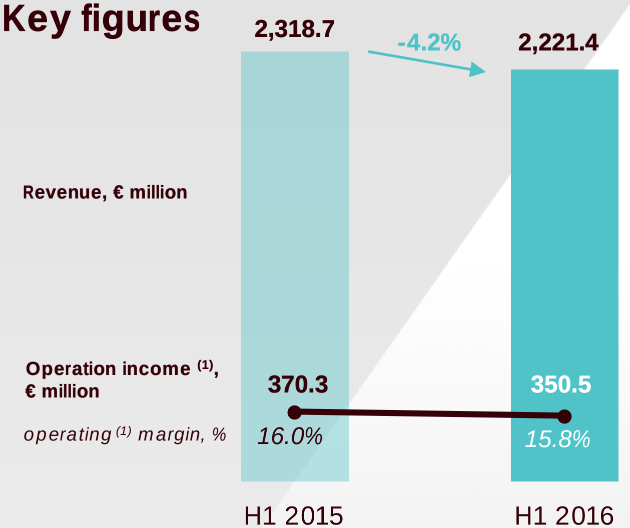
# Appendix 2

## Business activity

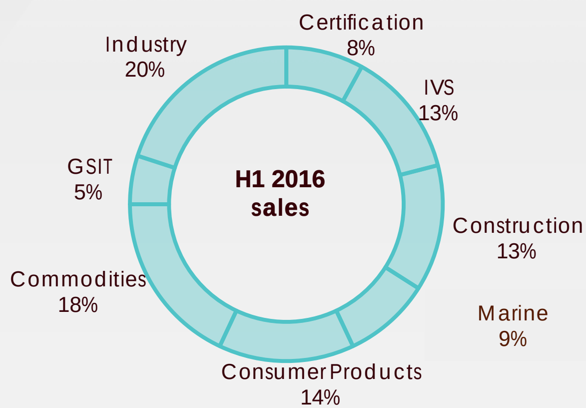
# Bureau Veritas

## Resilient performance – 2020 growth initiatives gaining traction

### Key figures




**Net debt (2), €m** **2,110.6** → **2,184.0**




### 2016: a year of transformation

**Improving momentum in H2**

After a slow start in H1 2016, Bureau Veritas still expects:

- A progressive acceleration of organic growth in H2 leading to low end of the 1 to 3% guidance for the FY 2016;
- high adjusted margin holding at the 16.5% - 17% range; and
- strong cash flow generation.

**Bureau Veritas transformation to execute the 2020 strategic plan**

- New marketing and sales organization in place
- Addressing new growth opportunities / diversification

**Long-term opportunity intact**

- TIC market potential reaffirmed
- High commitment to outperform TIC market

(1) Adjusted operating income before amortization and impairment of intangibles, restructuring, acquisition and disposal related items.
(2) Adjusted net financial debt after currency hedging instruments as set forth in bank covenants.

# Saint-Gobain

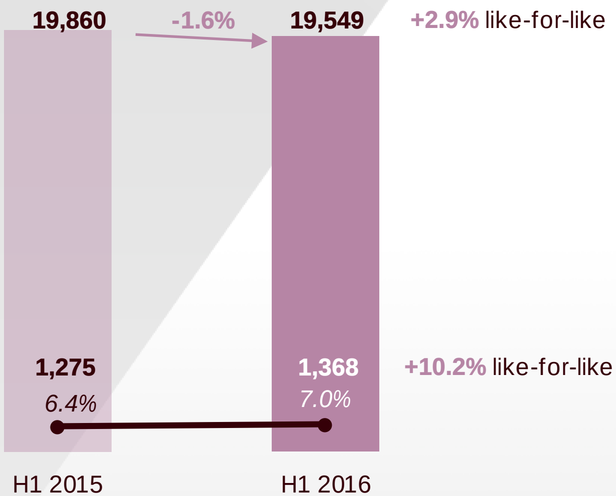
## Significant improvement in results across the board

### Key figures

Revenue, € million

Operating income, € million

*Operating margin, %*




**Net debt, €m** 7,995 → 6,624

**Recurring net income, €m** 552 → 624 (+13.0%)

### Outlook for 2016

#### Economic climate

- Stabilizing trends in France, which should gradually benefit from the recovery in new-builds
- Further growth in other Western European countries, even though the UK could be hit by uncertainties following the Brexit vote
- Advances in construction markets in North America despite uncertainty in industrial markets
- Ongoing good organic growth levels in Asia and emerging countries, except in Brazil

#### Group businesses

- Innovative Materials: further profitability gains for Flat Glass in H2 and continued good margins for HPM
- Construction Products: improved profitability despite the downturn in Pipe
- Margin growth in Building Distribution

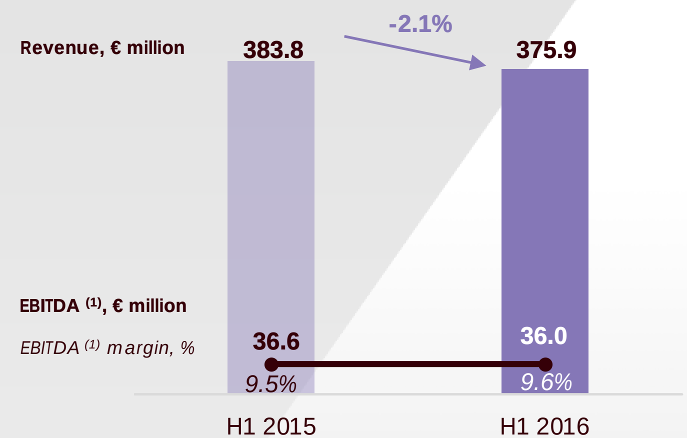
**Saint-Gobain confirms its objectives for 2016 and expects a like-for-like improvement in operating income in H2 vs H2 2015**

Following the sale of the Packaging business and in accordance with IFRS 5, the business (including Verallia North America) was reclassified within "Net income from discontinued operations" in the 2015 income statements.

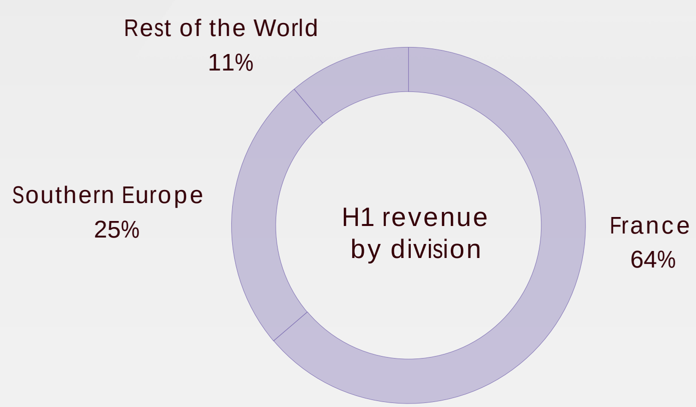
# Cromology

## Difficult environment in France

### Key figures




**Net debt, €m** 270.4 → 269.7




### H1 2016 highlights

**Flat organic growth (+0.5%) due to difficult market conditions in France**

- -1.3% decline in France
- Robust growth in the Rest of the World (excl. Argentina) +4.4%
- Sales in Argentina strongly impacted by peso devaluation

**Sound financial structure**

- Leverage ratio @ 4.0x EBITDA

**Acquisition of Jallut's paints business in Switzerland**

- With this acquisition announced in May, Cromology became the leading distributor of building protection and embellishment products in French-speaking Switzerland

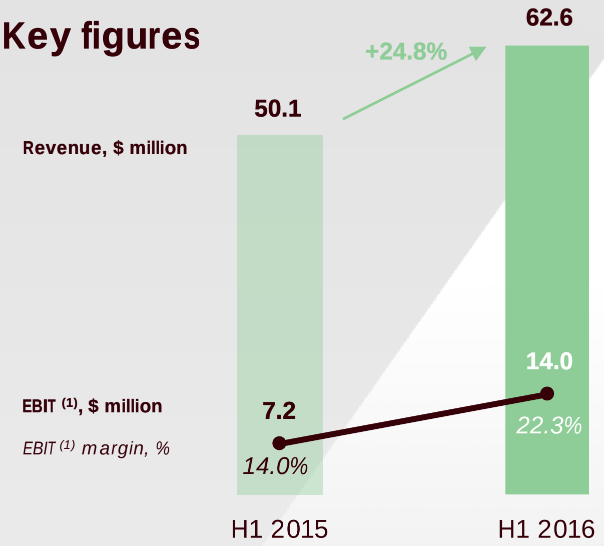
(1) EBITDA before goodwill allocation entries, management fees and non-recurring items.


Oranje-Nassau Développement

# CSP Technologies

## Solid organic growth & Maxwell Chase integration on track

### Key figures




**Net debt, $m** **174.1** → **179.8**


### H1 2016 highlights

**Organic growth +13.3%**

- Increase in volume across all end markets, particularly in diabetes test strips

**EBIT margin up +830bps**

- Reduction in the level of D&A vs. prior period

**Maxwell Chase integration proceeding according to plan**

- On March 16, 2016, CSP Technologies NA announced the acquisition of Maxwell Chase Technologies, a US-based producer of absorbent and non-absorbent packaging solutions for the food industry.
- H1 2016 CSP external growth totaled +11.3%, reflecting c.3.5 months of Maxwell Chase ownership.

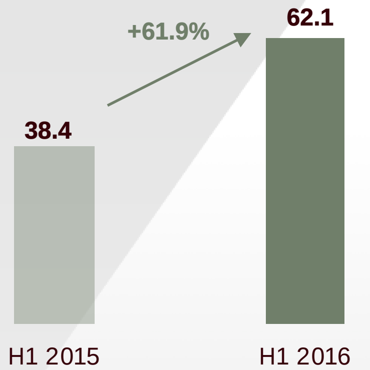
(1) Excluding PPA adjustment

# Mecatherm

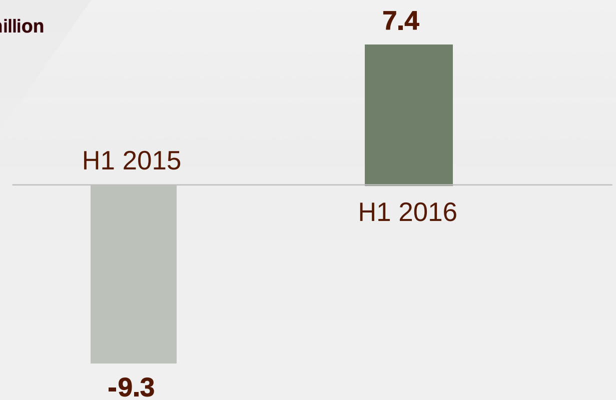
## Return to growth after a difficult 2015

### Key figures

Revenue, € million




EBITDA [1], € million




**Net debt, €m** 53.0 → 52.1

### H1 2016 highlights

**Organic growth +61.9%**

- Favorable base effect, H1 2015 revenue hit by industrial reorganization

**Return to positive EBITDA**

- Succesful recovery action plan
- Action plan continues on multiple fronts (project monitoring, cash management, ERP ...)

**Lower order intake level over the first six months of the year should cause growth and margins to decline in H2 compared with H1**

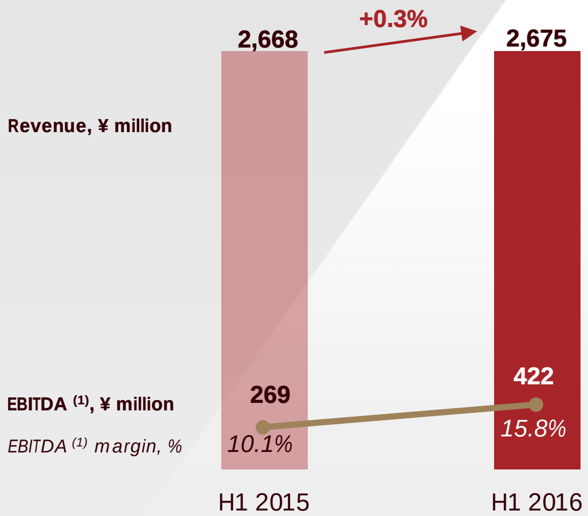
WENDEL

(1) Excluding management fees and non-recurring costs.

# Nippon Oil Pump

Stable sales in a difficult economic environment

## Key figures




**Net debt, ¥m** **3,681** → **3,524**

## H1 2016 highlights

**Limited organic growth +0.8% due to weak demand**

- Trochoid pump sales -0.2%
- Hydraulic motor sales -14.5%
- New strategic product (Vortex pumps) sales doubled

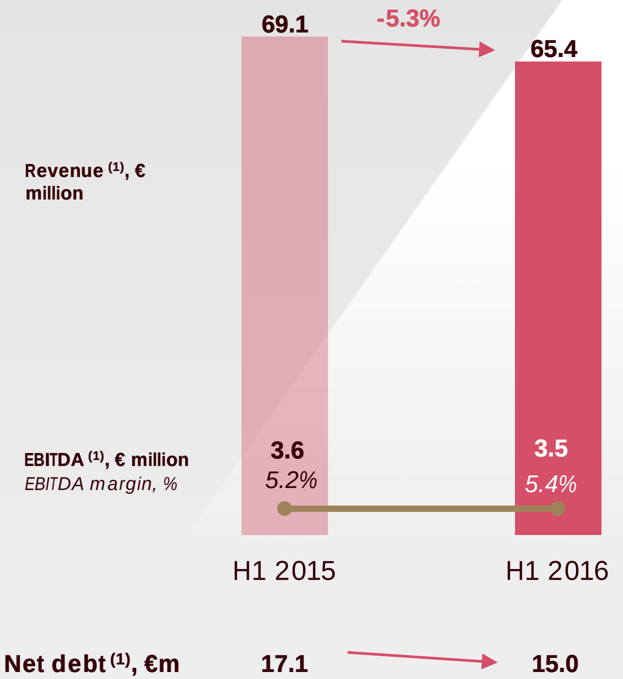
**EBITDA margin up +570bps**

- Very strict cost control policy launched by NOP management to restore profitability level

(1) Excluding management fees and non-recurring costs

# exceet

## Refocusing on the electronic and secure solutions activities. Stabilization of operations in Q2.




### H1 2016 highlights

**Sales down -5.3% in H1, stabilizing in Q2**

- Q2 sales at €44.2m, up +3.9%

**Unsatisfactory EBITDA margin (5.4%)**

- Lower sales level combined with lower efficiency due to restructuring impacted EBITDA

**Refocusing on electronics and secure solutions to shore up profitability and reduce sales volatility**

- At the beginning of March 2016, the Board of Directors decided to launch a procedure to sell the ID Management & Systems business.
- The objective of this transaction is to refocus the company on its Electronics Components Modules and Systems and Secure Solutions businesses and take advantage of the synergies between them.

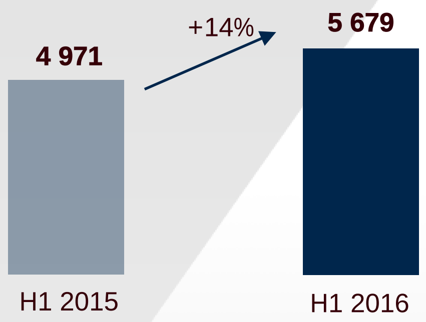
In accordance with IFRS 5, the 2015 and 2016 results of the IDMS division are included in "Net income from discontinued operations and operations held for sale", because a procedure to sell this division has been launched.
[1] Continued operations.

# Saham

## Good growth in H1 2016

### Insurance (Saham Finances): Consolidated revenues up +14%

*in MAD (1) million*

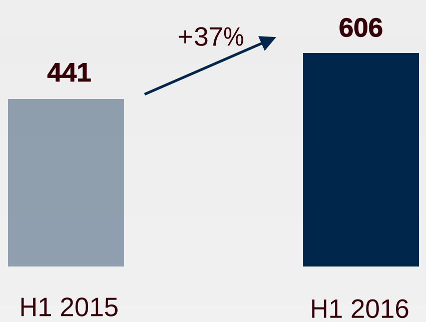



### Insurance: revenues up +14%, organic growth +8%

- All Saham insurance entities saw gross premiums rise in H1 2016
- Organic growth was +7% in Morocco (40% of gross premiums), +6% in Angola and +7% in Rest of Africa
- Continental Re (Nigeria) was acquired in June 2015

### Customer relationship centers: aggregate revenues up +37% taking into account Ecco's integration (Egypt)

*in MAD (1) million*




### Healthcare, Education and Real Estate: continued development in Morocco

- Saham Group is pursuing the development of its Healthcare, Education and Real Estate with a priority on Morocco.
- In Real Estate, marketing continues on two projects in Morocco, Vert Marine and Almaz.
- Opening of three primary and secondary schools in Rabat and Casablanca through SANA Education (JV with Tana Capital)

(1) In H1 2016 average EUR/MAD FX rate = 10.82


# Appendix 3

## Financial information as of June 30, 2015

# H1 2016 consolidated sales

## Consolidated sales

| in millions of euros | H1 2015 | H1 2016 | Δ | Organic Δ |
|---|---|---|---|---|
| Bureau Veritas | 2,318.7 | 2,221.4 | -4.2% | -0.6% |
| Constantia Flexibles (1) | 485.6 | 1,024.3 | n.a. | +2.9%(2) |
| Cromology | 383.8 | 375.9 | -2.1% | +0.5% |
| Stahl | 317.9 | 330.7 | +4.0% | +6.6% |
| Oranje-Nassau Développement (3) | 96.8 | 139.7 | +44.4% | +30.7% |
| Mecatherm | 38.4 | 62.1 | +61.9% | +61.9% |
| Nippon Oil Pump | 19.9 | 21.5 | +8.0% | +0.8% |
| CSP Technologies (4) | 38.5 | 56.1 | n.a. | +13.3%(2) |
| **Consolidated sales** | **3,602.7** | **4,091.9** | **+13.6%** | **+1.3%**(5) |

(1) Company consolidated from April 2015.
(2) 6-month organic growth.
(3) Excludes Parcours group, presented in "Net income from discontinued operations and operations held for sale" in 2015 and 2016, in accordance with IFRS 5.
(4) Company consolidated from February 2015.
(5) Excluding organic growth of Constantia Flexibles for the first quarter; excluding organic growth of CSP Technologies in January.

# H1 2016 consolidated sales

## Sales of equity-accounted companies

| in millions of euros | H12015 | H1 2016 | Δ | Organic Δ |
|---|---|---|---|---|
| Saint-Gobain (1) | 19,860 | 19,549 | -1.6% | +2.9% |
| exceet (2) | 69.1 | 65.4 | -5.3% | -4.1% |
| IHS | 271.0 | 424.1 | +56.5% | n.a. |
| AlliedBarton (3) | - | 1,061.5 | n.a. | +6.9%(4) |

(1) Following the sale of Verallia (Packaging business) and in accordance with IFRS 5, this asset was reclassified in the 2015 income statement to “Net income from discontinued operations and operations held for sale”.

(2) Included in Oranje-Nassau Développement. In accordance with IFRS 5, the 2015 and 2016 results of the IDMS division are included in “Net income from discontinued operations and operations held for sale", because a procedure to sell this division has been launched.

(3) AlliedBarton had announced its intent to merge with Universal Services of America. As of the merger, the new entity will be recognized using the equity method. In accordance with IFRS 5, AlliedBarton activity for the first half 2016 (acquired late December 2015, thus nil for comparative figures for the first half of 2015) is included in a separate line of the Income statement “Net income of operations to be recognized using the equity method".

(4) 6-month organic growth

# Net income from business sector

| in millions of euros | H1 2015 | H1 2016 |
|---|---|---|
| Bureau Veritas | 207.4 | 201.2 |
| Stahl | 41.0 | 44.6 |
| Cromology | 8.0 | 11.4 |
| Constantia Flexibles | 17.5 | 35.4 |
| AlliedBarton | - | 17.1 |
| Saint-Gobain (equity accounted) | 72.2 | 56.6 |
| IHS (equity accounted) | -5.9 | -13.5 |
| Oranje-Nassau Développement | -7.1 | 13.2 |
| Parcours | 8.1 | 4.1 |
| Mecatherm | -12.7 | 4.7 |
| CSP Technologies | -2.7 | 3.1 |
| NOP | 0.6 | 1.5 |
| exceet (equity accounted) | -0.4 | -0.1 |
| **Total business sector contribution** | **333.2** | **365.9** |
| *Total business sector contribution, Group share* | *194.1* | *214.1* |
| Total operating expenses | -34.9 | -31.5 |
| Total financial expense | -97.5 | -98.9 |
| **Net income from business sectors** | **200.8** | **235.6** |
| *Net income from business sectors, Group share* | *61.7* | *83.7* |

# Consolidated income statement

| In millions of euros | H1 2016 | H1 2015 |
|---|---|---|
| Net sales | 4,091.9 | 3,602.7 |
| Other income from operations | 5.4 | 1.9 |
| Operating expenses | -3,684.6 | -3,232.1 |
| ***Income from ordinary activities*** | ***412.7*** | ***372.5*** |
| Other operating income and expenses | -27.8 | -28.5 |
| ***Operating income*** | ***384.9*** | ***344.0*** |
| Income from cash and cash equivalents | 1.7 | 1.4 |
| Finance costs, gross | -200.5 | -190.0 |
| *Finance costs, net* | *-198.8* | *-188.6* |
| Other financial income and expense | -114.0 | -3.1 |
| Tax expense | -114.7 | -106.8 |
| Net income (loss) from equity-method investments | -306.0 | 89.9 |
| ***Net income from continuing operations*** | ***-348.6*** | ***135.3*** |
| Net income from discontinued operations and operations held for sale | 81.7 | 7.5 |
| Net income from operations to be recognized using the equity method | -46.2 | - |
| ***Net income*** | ***-313.2*** | ***142.8*** |
| Net income – non controlling interests | 111.9 | 110.6 |
| **Net income – Group share** | **-425.1** | **32.2** |

# Consolidated balance sheet

| In millions of euros | 6/30/2016 | 12/31/2015 |
|---|---|---|
| Goodwill | 3,543.5 | 4,305.0 |
| Intangible assets, net | 2,240.8 | 2,705.3 |
| Property, plant & equipment, net | 1,577.5 | 1,592.7 |
| Non-current financial assets | 353.4 | 469.6 |
| Pledged cash and cash equivalents | 0.7 | 34.6 |
| Equity-method investments | 2,173.8 | 3,726.8 |
| Deferred tax assets | 210.0 | 196.8 |
| **Total non-current assets** | **10,099.7** | **13,030.8** |
| **Assets of operations held for sale** | **43.7** | **970.8** |
| **Assets of operations to be recognized using the equity method** | **1,751.0** | **-** |
| Inventories | 540.2 | 485.8 |
| Trade receivables | 1,948.2 | 2,044.0 |
| Other current assets | 301.5 | 264.5 |
| Current income tax | 65.7 | 73.1 |
| Other current financial assets | 411.7 | 421.3 |
| Cash and cash equivalents | 1,620.6 | 1,188.6 |
| **Total current assets** | **4,887.9** | **4,477.3** |
| **Total assets** | **16,782.3** | **18,478.9** |

| In millions of euros | 6/30/2016 | 12/31/2015 |
|---|---|---|
| Share capital | 192.0 | 192.0 |
| Premiums | 33.2 | 31.7 |
| Retained earnings & other reserves | 2,560.0 | 2,904.5 |
| Net income for the year - Group share | -425.1 | -146.2 |
| | 2,360.2 | 2,982.0 |
| Non-controlling interests | 922.2 | 972.5 |
| **Total shareholders' equity** | **3,282.4** | **3,954.5** |
| Provisions | 473.5 | 453.4 |
| Financial debt | 7,261.2 | 8,660.9 |
| Other financial liabilities | 727.6 | 748.4 |
| Deferred tax liabilities | 728.8 | 722.0 |
| **Total non-current liabilities** | **9,191.1** | **10,584.6** |
| **Liabilities of operations held for sale** | **11.4** | **794.3** |
| **Liabilities of operations to be recognized using the equity method** | **1,169.8** | **-** |
| Provisions | 66.1 | 136.0 |
| Financial debt | 964.4 | 910.3 |
| Other financial liabilities | 269.5 | 184.6 |
| Trade payables | 830.8 | 785.0 |
| Other current liabilities | 906.1 | 1 034.3 |
| Current income tax | 90.7 | 95.2 |
| **Total current liabilities** | **3,127.6** | **3,145.4** |
| **Total liabilities and shareholders' equity** | **16,782.3** | **18,478.9** |

# Conversion from accounting presentation to economic presentation

| (in millions of euros) | Bureau Veritas | Allied-Barton | Constantia Flexibles | Cromology | Stahl | OND | Equity-method investments | | Wendel holding companies | Group total |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Saint-Gobain | IHS | | |
| **Net income from business sectors** | | | | | | | | | | |
| **Net sales** | **2,221.4** | **-** | **1,024.3** | **375.9** | **330.7** | **139.7** | | | **-** | **4,091.9** |
| **EBITDA [(1)]** | **n.a.** | **-** | **143.2** | **36.0** | **79.5** | **n.a.** | | | **-** | **n.a.** |
| Adjusted operating income [(1)] | 350.5 | - | 92.1 | 19.3 | 70.2 | 21.5 | | | - | |
| Other recurring operating items | - | (1.1) | (1.3) | (0.9) | (3.2) | (1.1) | | | | |
| **Operating income** | **350.5** | **(1.1)** | **90.8** | **18.5** | **67.0** | **20.4** | | | **(28.7)** | **517.4** |
| Finance costs, net | (42.3) | - | (38.0) | (8.9) | (4.2) | (7.6) | | | (98.9) | (199.9) |
| Other financial income and expense | (1.1) | - | (1.3) | (0.4) | - | (0.2) | | | | (3.1) |
| Tax expense | (106.3) | - | (16.2) | 2.2 | (18.2) | (3.4) | | | (2.8) | (144.6) |
| Share in net income of equity-method investments | 0.4 | - | - | - | - | (0.1) | 56.6 | (13.5) | - | 43.4 |
| Net income from discontinued operations and operations held for sale | - | | - | - | - | 4.2 | - | - | - | 4.2 |
| Net income of operations to be recognized using the equity method | - | 18.2 | - | - | - | | - | - | - | 18.2 |
| **Recurring net income from business sectors** | **201.2** | **17.1** | **35.4** | **11.4** | **44.6** | **13.2** | **56.6** | **(13.5)** | **(130.3)** | **235.6** |
| Recurring net income from business sectors – non-controlling interests | 122.6 | 0.9 | 16.7 | 1.0 | 10.6 | 0.1 | - | (0.1) | - | 151.8 |
| **Recurring net income from business sectors – Group share** | **78.6** | **16.3** | **18.7** | **10.3** | **34.0** | **13.0** | **56.6** | **(13.4)** | **(130.3)** | **83.7** |
| **Non-recurring income** | | | | | | | | | | |
| Operating income | (46.9) | - | (34.4) | (7.1) | (12.0) | (9.3) | - | - | (22.8)[(3)] | (132.5) |
| Net financial expense(income) | - | - | (2.1) | (32.9) | 3.5 | - | - | - | (78.3) | (109.8) |
| Tax expense | 12.7 | - | 9.9 | 1.7 | 2.0 | 3.6 | - | - | - | 29.9 |
| Share in net income of equity-method investments | - | - | - | - | - | (3.8) | (4.3) | (111.8) | (229.6)[(4)] | (349.5) |
| Net income from discontinued operations and operations held for sale | - | - | - | - | - | (0.6) | - | - | 78.1[(5)] | 77.5 |
| Net income from operations to be recognize using the equity method | - | (64.4) | - | - | - | - | - | - | - | (64.4) |
| **Non-recurring net income** | **(34.3)** | **(64.4)** | **(26.6)** | **(38.2)** | **(6.5)** | **(10.1)** | **(4.3)** | **(111.8)** | **(252.6)** | **(548.8)** |
| of which: | | | | | | | | | | |
| – Non-recurring items | (11.4) | (50.7)[(2)] | (4.2) | (37.8) | (0.3) | (1.5) | (0.5) | (111.8)[(6)] | (252.6) | (470.8) |
| – Impact of goodwill allocation | (22.9) | (13.7) | (22.4) | (0.4) | (6.1) | (6.2) | (1.4) | - | - | (73.2) |
| – Asset impairment | - | - | - | - | - | (2.4) | (2.4) | - | - | (4.8) |
| Non-recurring net income – non-controlling interests | (20.4) | (3.2) | (10.5) | (3.8) | (1.3) | (0.1) | - | (0.6) | (0.1) | (40.0) |
| **Non-recurring net income – Group share** | **(13.9)** | **(61.2)** | **(16.1)** | **(34.4)** | **(5.1)** | **(10.0)** | **(4.3)** | **(111.2)** | **(252.5)** | **(508.8)** |
| **Consolidated net income** | **166.9** | **(47.3)** | **8.8** | **(26.9)** | **38.1** | **3.0** | **52.3** | **(125.3)** | **(383.0)** | **(313.2)** |
| Consolidated net income – non-controlling interests | 102.2 | (2.4) | 6.2 | (2.8) | 9.2 | - | - | (0.6) | (0.1) | 111.9 |
| **Consolidated net income – Group share** | **64.7** | **(44.9)** | **2.6** | **(24.1)** | **28.9** | **3.0** | **52.3** | **(124.6)** | **(382.9)** | **(425.1)** |

(1) Before the impact of goodwill allocation, non-recurring items and management fees.
(2) This amount includes a €44.8 million expense related to the merger between AlliedBarton and Universal Services of America, which will be offset in H2 by a capital gain of the same amount as a result of the merger.
(3) This amount includes a €21.1 million expense related to co-investor / manager liquidity.
(4) This amount (€-229.6 million) relates to the sale of Saint-Gobain shares.
(5) This amount includes the gain on the sale of Parcours (€78.3 million) as of June 30, 2016, after adjusting for the discontinuation of depreciation.
(6) This amount is composed primarily of a currency loss, which was offset by a change in currency translation reserves of the same amount.

# Appendix 5

## Other financial information

# IHS

## Impacts of Nigerian naira depreciation

### Naira devaluation

On June 20, 2016, the Central Bank of Nigeria authorized Nigerian naira (NGN) devaluation

- NGN fell to 283.5 for 1 USD, ie a ca. 30% decrease.
- Impact for IHS is mainly accounting nature due to natural hedging and contract indexation.

### Natural operational hedging

- More than of IHS's half tower rental contracts are indexed on USD (or EUR), with quarterly, biannual or annual revision. The rest have indexation clauses mostly based on CPI trend.
- Running costs are predominatly denominated in local currencies.
- Debt is structured so as to match operational cash flows while taking into account local debt market constraints (ca. 80% of gross debt in USD).
- Full hedging financial tools are too scarce & expensive to be efficient.

### FX loss recorded in IHS Nigeria P&L

- IHS Nigeria financial statements are in NGN.
- This subsidiary's USD debt was converted into NGN at the FX rate prevailing on June 30, 2016 closing date.
- Given NGN devaluation, the amount of this debt expressed in NGN substantially increased in IHS Nigeria financial statements generating a FX loss in IHS Nigeria's P&L.

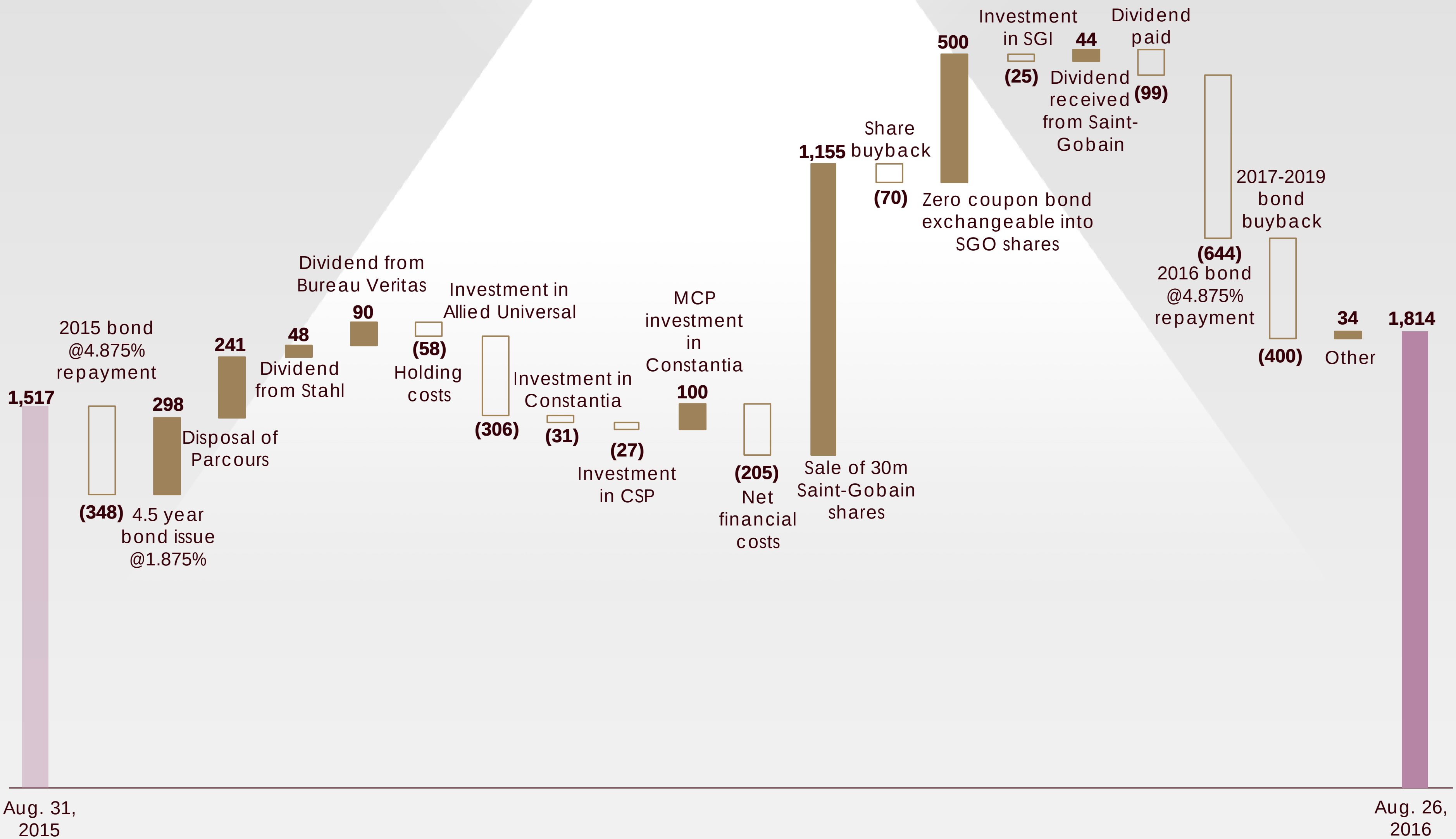
### FX gain recorded in IHS consolidated balance sheet

- IHS's consolidated financial statements are in USD. IHS Nigeria's financial statements are therefore converted into USD before being consolidated.
- In IHS's consolidated balance sheet, IHS Nigeria's USD debt value equals its nominal value in USD. As of June 30, 2016, there was thus no increase in debt value whereas the consolidated P&L was impacted by the FX loss through the consolidation of IHS Nigeria's P&L.
- To balance the consolidated financial statements in accordance with IFRS, the FX loss of the Nigerian subsidiary is offset by a FX gain recognized in shareholder equity, without passing through the P&L.

**THESE ACCOUNTING TREATMENTS HAVE NO CASH IMPACT**

# Cash bridge

## From August 31, 2015 to August 26, 2016



# Bank and bond debt as of June 30, 2016

| In millions of euros | December 31, 2015 | | June 30, 2016 | |
|---|---|---|---|---|
| | Nominal amount | Maturity | Nominal amount | Maturity |
| **Bank debt related to Saint-Gobain** | **Undrawn** | | **Undrawn** | |
| | Undrawn | Dec. 2019/€350m | | |
| | Undrawn | March 2020/€500m | Undrawn | March 2020/€500m |
| **Syndicated credit** | **Undrawn** | Nov. 2019/€650m | **Undrawn** | Nov. 2019/€650m |
| **Wendel bond debt** | **4,136** | | **3,648** | |
| | 644 | May 2016 | | |
| | 692 | August 2017 | 634 | August 2017 |
| | 500 | April 2018 | 500 | April 2018 |
| | | | 500 (1) | July 2019 |
| | 600 | September 2019 | 314 | September 2019 |
| | 300 | April 2020 | 300 | April 2020 |
| | 400 | January 2021 | 400 | January 2021 |
| | 500 | October 2024 | 500 | October 2024 |
| | 500 | February 2027 | 500 | February 2027 |

(1) Exchangeable into Saint-Gobain shares


Financial agenda

# Financial agenda

12/1/2016
**2016 Investor Day** / publication of NAV and trading update (pre-market release)
*Mayfair Millennium Hotel, London - Webcasted*

3/23/2017
**2016 full-year results** / Publication of NAV (pre-market release)
*Pavillon Gabriel, Paris - Webcasted*

5/18/2017
**Shareholders' Meeting** /publication of NAV and trading update (before Shareholders' Meeting)
*Paris - Webcasted*

9/7/2017
**H1 2017 earnings** / Publication of NAV (pre-market release)
*Web and conference call*

11/30/2017
**2017 Investor Day** / publication of NAV and trading update (pre-market release)

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