

**WENDEL: SHARP RISE IN NET INCOME FROM BUSINESS SECTORS
AND REDUCTION IN DEBT IN 2011**

- **Consolidated 2011 sales: €5,953 million, up 17.5%**
- **Net income from business sectors, Group share, up 25.9% at €321.4 million**
- **Financial structure further strengthened:**
 - **Reduction in gross debt of €1,587 million in 2011**
 - **Sound cash position of €795 million as of March 12, 2012**
 - **Proceeds from the future sale of Deutsch of approximately €960 million**
- **NAV as of March 12, 2012: €5 billion, or €98.6 per share**
- **Dividend of €1.30 per share (up 4%), plus one Legrand share for every 50 Wendel shares held, to be proposed to shareholders at their Annual Meeting on 4 June 2012**

Despite a very volatile financial context, 2011 was another year of growth. The Group's companies, headed by skilled management teams, showed that their business models, based on innovation, rigorous cost control and strict financial discipline, are sound.

The companies in the Group supplemented their organic growth with 31 acquisitions, including 19 in high-growth regions. In parallel, Wendel stepped up its acquisition strategy, while strengthening its financial structure with a reduction in gross debt of approximately €1.6 billion. Moreover, Wendel carried out transactions during the year that were both innovative, such as the Helikos SPAC's successful acquisition of exceet, and unusually large and profitable, such as the two block sales of Legrand shares for a total of €961 million, the largest sales in the French market in 2011.

Frédéric Lemoine, Chairman of Wendel's Executive Board, said:

"In 2011, Wendel maintained the heading set for it three years ago, while adapting very carefully to economic conditions. Wendel was even better able to withstand the challenging monetary and market context since the summer of 2011 in that it has reduced its debt significantly and the companies in the Group have adjusted to an economic environment with very limited visibility.

2011 was also the year in which Wendel began making new investments. Oranje-Nassau Développement was successfully launched and acquired three new companies: Parcours, exceet and Mecatherm.

The projected sale of Deutsch for an enterprise value of more than \$2.1 billion will generate net proceeds of around €960 million or 2.4 times the total investment and enable us to reduce our net debt to less than €3 billion euros.

We have actively responded to the economic situation, our investments are of good quality and our financial structure has been strengthened, and we now have the resources to pursue our medium-to-long-term objectives:

- maintain lasting access to long-term financing at favorable terms;
- create value by developing our existing assets over the long term;
- Hold a portfolio of around ten, primarily unlisted companies, built through larger acquisitions of €200-500 million in equity, and continue to pursue the strategy of Oranje-Nassau Développement.

On the strength of these favorable 2011 results, we will propose a dividend to shareholders consisting of €1.30 per share plus one Legrand share for every 50 Wendel shares held, so as to allow our shareholders to benefit directly from Legrand's success."

Consolidated results

(in millions of euros)	2010	2011	Δ
Consolidated subsidiaries	782.6	824.4	+5.3%
Financing, operating expenses and taxes	(339.3)	(310.7)	-8.5%
Net income from business sectors⁽¹⁾	443.3	513.7	+15.9%
Net income from business sectors⁽¹⁾, Group share	255.3	321.4	+25.9%
Non-recurring income⁽²⁾	700.6	133.8	
Total net income	1,143.9	647.5	
Net income, Group share	1,002.3	525.4	

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

2. Including goodwill allocation entries

Net income from business sectors

(in millions of euros)	2010	2011	Δ
Constant scope			
Bureau Veritas	322.3	355.8	+10.4%
Materis	19.6	29.4	+49.9%
Deutsch	48.4	54.5	+12.6%
Stahl ⁽³⁾	15.6	13.8	-11.8%
Saint-Gobain (equity-accounted)	235.3	296.0	+25.8%
Sub-total	641.3	749.6	+16.9%
Changes in scope			
Legrand (equity accounted)	114.7	60.0	
Oranje-Nassau Développement ⁽²⁾	-	14.8	
- <i>Parcours</i>	-	9.9	
- <i>Mecatherm</i>	-	2.3	
- <i>exceet (equity-accounted)</i>	-	2.6	
Stallergenes	26.6	-	
Sub-total	141.3	74.8	
Total business sector contribution	782.6	824.4	+5.3%
Operating expenses	(37.9)	(37.5)	
Management fees	2.4	3.4	
Sub-total	(35.6)	(34.1)	-4.0%
Amortization, provisions and stock-option expenses	(5.3)	(6.6)	
Total operating expenses	(40.9)	(40.7)	-0.5%
Total financial expenses	(298.4)	(269.9)	-9.5%
Net income from business sectors ⁽¹⁾	443.3	513.7	+15.9%
Net income from business sectors, Group share⁽¹⁾	255.3	321.4	+25.9%

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

2. Including *Parcours*, fully-consolidated from April 1, 2011, and *Mecatherm* from October 1, 2011 and *exceet* from August 1, 2011

3. Full consolidation from March 1, 2010

The Supervisory Board met on March 21, 2012 to review Wendel's consolidated financial statements, as approved by the Executive Board. The financial statements were audited before publication.

Wendel's consolidated sales rose 17.5% to €5,953 million, with organic growth of 6.5%. Overall, the recovery that started in 2010 continued in 2011, despite a financial crisis that slowed the rate of growth in the second half of the year.

The Group's companies contributed a total of €824.4 million to net income from business sectors, up 5.3% from 2010. At constant scope, taking into account the acquisitions and sales carried out in 2010 and 2011, this contribution increased by 16.9%.

Financial structure and operating expenses declined for the second year in a row, by 8.5% to €310.7 million, even though the Group was very active in both investment and divestment during 2011.

This is because since 2009, efforts to reduce costs and debt have led to a 13.5% reduction in operating expenses over two years to €37.5 million and to a 20.4% reduction in interest expense to €269.9 million. As a result, net income from business sectors, Group share, rose by 25.9% to €321.4 million.

Non-recurring income totaled €133.8 million vs. €700.6 million in 2010. In 2011, asset impairments at the level of Group companies reduced this item by €157.4 million, whereas in 2010, revaluation of Saint-Gobain shares had increased it by €408 million. As a result, Wendel's total attributable net income was €525.4 million in 2011, compared with €1,002.3 million in 2010.

2011 net income brought consolidated shareholders' equity to €3,298 million as of December 31, 2011, versus €2,892 million as of December 31, 2010 and €1,581 million as of December 31, 2009.

Sales of Group companies

Bureau Veritas – Sales up 14.6% in 2011. 2007-11 objectives have all been met – New 2015 plan

(Full consolidation)

Amid an economic environment buffeted by sovereign debt crises, Bureau Veritas continued to demonstrate its operational quality and ability to pursue growth.

During 2011, the Group continued its acquisitions policy, acquiring a dozen companies in fast growing countries and in high potential markets. These companies represent combined full-year revenue of approximately €50 million. Against an extremely deteriorated backdrop in Spain, especially in the construction market, Bureau Veritas implemented serious measures to ensure a recovery.

Over full-year 2011, Bureau Veritas generated revenue of €3,359 million. The 14.6% increase compared with 2010 broke down as follows:

- Organic growth of 6.2%, calculated on the pro-forma scope (including the organic contribution from Inspectorate in 2011);
- A 9.5% positive impact from changes in the scope of consolidation, primarily owing to the acquisition of Inspectorate;
- A 1.1% negative impact from currency fluctuations, prompted by weakness in the US dollar and the Hong Kong dollar against the euro.

The highest growth rates were achieved in the Industry, Commodities, Certification and International trade businesses. Revenue generated in fast-growing regions (Latin America, Asia-Pacific excluding Japan, Eastern Europe, Middle-East and Africa) firmed still further to 50% of 2011 revenue.

Adjusted operating income increased 11.0% to €544 million in 2011, vs. €490 million in 2010.

Adjusted operating margin stood at 16.2% of sales, compared with 16.7% in 2010. As expected, this 50-basis point narrowing was primarily due to dilution caused by the full-year consolidation of Inspectorate.

After taking account of other operating expenses, operating profit totaled €480.3 million, up 5.3% relative to 2010. Other operating expense increased to €64.0 million vs. €34.2 million in 2010. These mainly included €36.4 million in amortization of intangibles and €25.5 million in exceptional expense related to Spain (restructuring costs and provisions and impairment of goodwill).

Attributable net profit adjusted for other operating expense net of tax rose by 10.4% to €348.1 million. Attributable net profit stood at €297.6 million, up 2.5%.

On December 31, 2011, adjusted net financial debt (net financial debt after hedging instruments) totaled €983.9 million, or 1.60x EBITDA adjusted for all new entities acquired over the past 12 months, compared with 1.94x on June 30, 2011, and had declined by €67.9 million compared with December 31, 2010 (€1,051.8 million).

The Board of Directors of Bureau Veritas is to propose a dividend of €1.27 per share to shareholders at their May 31, 2012 Annual Meeting, an increase of 10.4%.

In 2012, barring further deterioration in the economy compared with current forecasts, Bureau Veritas should deliver strong growth in revenues (in both organic terms and via acquisitions) and adjusted operating profit, in line with the targets set out in the BV2015 strategic plan. BV's governance was strengthened in early 2012 with the arrival of a highly-skilled executive, Didier Michaud-Daniel, as Chief Executive Officer.

Materis – Robust organic growth in all divisions

(Full consolidation)

Despite a turbulent financial environment, Materis achieved strong organic growth in 2011, driven principally by emerging market countries, as well as by mature markets. Over the past few years, Materis's strategy of targeted acquisitions and its emphasis on sales and marketing have enabled the company's various divisions to figure among the best performers in their respective sectors.

In 2011, Materis's net sales grew by 9% to €2,027 million. The group posted organic growth of 8%, acquired four companies (mortars business in Thailand, Uruguay and the US; independent paints distributors in Europe) and continued its successful integration of a.b.e. in South Africa.

All Materis divisions took advantage of continued high growth in emerging economies (16.9% organic growth) and the improvement in mature economies (5.5% organic growth), resulting from renewed growth in underlying markets and better weather than in the previous year:

- **Kerneos (Aluminates)** advanced significantly (up 6% overall and 7% organically) buoyed by three factors: i) the turnaround in the building industry chemicals sector in France, Germany and Scandinavia, ii) robust growth in the refractories segment (strong growth in Asia, now one of Kerneos' largest markets, in the US and in Europe), and iii) price increases;
- Strong growth at **Chryso (Admixtures)** (up 17% overall and 12% organically) was due to i) favorable conditions in end markets in France and emerging markets (India, Turkey, Eastern Europe), ii) effective sales efforts in the United States, iii) continued improvement in the product mix and in prices and iv) the impact of consolidating a.b.e. over a full year;
- **Parex Group (Mortars)** (up 12% overall and 12% organically) also benefited from favorable conditions in the industry in France, the UK and emerging markets, where it was buoyed by i) growth in end-markets, ii) mix and price improvements, iii) market share gains that more than offset a significant decline in Spain and iv) a very slight decline in the US;
- **Materis Paints** also experienced significant growth (up 7% overall and 4% organic growth), driven essentially by i) price increases, ii) increased activity in French and Moroccan markets, and iii) targeted acquisitions which offset end-market declines in Portugal, Spain and Italy. Confronted with a 75% rise in the cost of titanium dioxide during the course of 2011 and with an economic slowdown in Southern Europe, the paints business vigorously adjusted its prices (price effect up 6%) and initiated a performance improvement program to restore margins (impact of nearly €30 million, including €14 million in 2012).

In 2011, the Aluminates, Admixtures and Mortars businesses continued to generate record industry profitability. In addition, the Paints business is undergoing a vigorous program to restore its margins to offset the increase in the cost of raw materials.

Materis's EBITDA totaled €259 million (12.8% of sales) and its adjusted operating income was €194 million (9.6% of sales), up 4% and 2%, respectively.

More than 18 months in advance of its first repayment dates, Materis launched negotiations with its 200 lenders aimed essentially at postponing 2013-15 maturities and increasing the group's sources of liquidity. In early 2012, nearly 84% of all lenders had agreed to the various requests, and more than 71% had agreed to postpone repayment dates under certain conditions. Discussions are continuing, with the aim of maximizing lender participation in postponing maturity dates.

Finally, Wendel and Materis are prepared to sell one of Materis's divisions in 2012 if an attractive offer is made at favorable financial and operating terms.

Deutsch – Very robust organic growth of 18.7% – Projected sale to TE Connectivity

(discontinued operations held for sale)

Deutsch reported sales of \$675.6 million in 2011, up 20.7% (up 18.7% in organic terms) compared with 2010. Organic growth remained strong over the entire year despite a slowdown in the second half attributable to an unfavorable basis of comparison.

Expansion in the Industry Division was part of the engine behind this growth. The Industry Division posted 24.7% organic growth, with a significant advance in China and growth in the truck market in the United States.

With recovery having started in the European and US markets in the first half, the aerospace and defense division posted robust organic growth of 14.6%.

The Offshore division scored significant successes, obtaining several large new orders. Over the whole year new orders were eight times what they were in the previous year, and a new contract was signed in September 2011, with an initial value of €23.2 million. New orders have since increased the value of this contract, which will generate sales in 2012 and 2013, to €29.5 million.

Adjusted operating income, which had returned to its pre-recession level in 2010, rose a further 29.4% to \$145.7 million, and adjusted operating margin widened by 150 basis points to 21.6%.

On November 29, 2011, Wendel and Jean-Marie Painvin, co-shareholder of Deutsch and Chairman of the Board decided to enter into exclusive negotiations with TE Connectivity, one of the world leaders in connectivity solutions, with a view to selling Deutsch.

TE Connectivity, which place great importance on innovation in its growth strategy, plans to integrate Deutsch's employees into its ambitious R&D policy by making the Le Mans and Evreux sites into global centres of excellence.

TE Connectivity proposes to acquire, in euros, all of the shares of Deutsch at an enterprise value of approximately \$2.1 billion. Net proceeds from the sale will total around €960 million, or 2.4 times Wendel's total investment and representing a capital gain for Wendel on the amount invested of €580 million.

Stahl – Sales growth of 1.3% in 2011, following a record year in 2010

(Full consolidation from February 26, 2010)

In 2011, Stahl posted a 1.3% rise in sales to €334.5 million, even after a strong, 30.2% advance in 2010. In the first half of the year, organic growth was weak, at 0.8%, owing in part to a high 2010 base of comparison in the second quarter, as sales in Q2 2010 had constituted a record high. Stahl returned to more normal organic growth rates in the second half (2.8%). Full-year growth seemed all the more modest compared with the 24.1% organic growth rate achieved in 2010.

The "Leather finishing products" division (55% of sales) suffered a slowdown in the tanning business because of the high price of hides, in particular in China and Latin America. This division was also impacted by the slowdown in demand from the luggage, furniture and clothing markets, which was not fully offset by the healthy automotive market. "High-performance coatings" posted good performance, with organic growth of 5.1% over the full year. This business continued to see strong growth in India and China and consolidated its positions in mature markets owing to market share gains and new product launches.

2011 adjusted operating income came to €38.0 million, down 18%, with a margin of 11.4% (vs. 14.0% in 2010). Margins were affected by increases in the price of raw materials, which could not be fully passed on to customers. Since the third quarter of 2011, however, raw material prices have come down, which should have a favorable impact in 2012. Stahl's net financial debt stood at €185 million as of the end of 2011.

Saint-Gobain – Sales up 5% in 2011

(Equity method on 17% holding)

In a still-fragile economic environment, the Group confirmed its capacity for growth in 2011, delivering a 5.0% rise in like-for-like sales (comparable Group structure and exchange rates) to €42.12 billion.

All of the Group's geographic areas and Business Sectors contributed to this performance, led by vigorous momentum in emerging countries and Asia as well as further advances in markets related to industrial output in both North America and Western Europe. In contrast, markets related to capital spending slowed in the second half, particularly across Western Europe and in Asia and emerging countries.

Sales growth also reflects the gradual upturn in residential construction and renovation markets in most major European countries in which the Group operates: France, Germany and Scandinavia. In particular, the Group's healthy trading on construction markets in Western Europe continues to be powered by high value-added solutions and especially businesses linked to energy efficiency in the Habitat market. These activities reported further strong growth gains throughout the year, buoyed by new applicable regulations and especially thermal regulation "RT 2012" in France. Despite a temporary rebound in renovation reflecting the positive impact of early-year storms, the US construction market remained stable, with trading at a record low. Businesses related to household consumption (Packaging, Verallia) reported moderate growth, spurred chiefly by sales prices.

Overall, the Group reported organic growth of 5.0% (positive volume and price impacts of 2.3% and 2.7%, resp.), of which 6.7% (volume and price impacts of 4.3% and 2.4%, resp.) in the first half of the year on the back of an exceptional first quarter, and 3.4% (volume and price impacts of 0.4% and 3.0%, resp.) in the six months to December 31. Due primarily to fewer working days than in fourth-quarter 2010 (estimated negative impact of 1.7%), organic growth slowed between the third and fourth quarters, from 4.1% to 2.8%.

- Innovative Materials delivered the Group's best organic growth performance, at 5.8% (including 3.1% in the second half, despite a much tougher basis for comparison). Brisk activity in markets related to industrial output continued throughout the year across all geographic areas;
- Construction Products (CP) like-for-like sales advanced 4.4% over the year and 3.9% over the second half. In both periods, this moderate growth chiefly resulted from strong sales gains in Asia and emerging countries and in the US renovation market;

- Building Distribution delivered annual organic growth for the first time since 2007, at 5.5%, including 3.9% in the second half. In line with the six months to June 30, this performance was led especially by Germany (which reported double-digit growth for the year), France, Scandinavia, and to a lesser extent the Netherlands. Growth remained modest in Eastern Europe and the UK, while market conditions continued to be very tough in Southern Europe;
- Packaging (Verallia) reported 3.0% organic growth over the year (1.7% in the second half), spurred by favorable trends in sales prices, which gained 2.7% over the year as a whole and 2.8% in the second half. Sales volumes recovered in the fourth quarter, particularly in Europe and Latin America, after being hit by inventory run-downs in the three months to September 30. The plan to list Verallia on the stock exchange, which was initiated in the fall of 2010, had to be postponed because of very unfavorable market conditions, despite strong interest on the part of both European and American institutional investors.

Other significant events in 2011:

- Financial investments and capital expenditures have been stepped up again, focusing on Saint-Gobain's growth areas: fast-growing economies (~ €1,100 million), energy and energy efficiency markets (~ €900 million) and consolidation in the Construction Products and Building Distribution businesses (~ €300 million).
- Targeted acquisitions promising rapid value creation were carried out. Investment in securities was five times higher than in 2010 (€702 million vs. €129 million) and included the acquisition of the Build Center network and Brossette from Wolesley¹ for around €350 million, as well as the acquisition project of Electrotherm's pipes division² in India for around €135 million.

In line with targets, and despite the impact of spiraling raw material and energy costs, Saint-Gobain reported a double-digit rise in operating income (up 10.4%, or 10.9% at constant exchange rates*) to €3.441 billion. Consequently, the operating margin continued to improve, up to 8.2% of sales (10.9% excluding Building Distribution), versus 7.8% (10.7% excluding Building Distribution) in 2010. The operating margin is virtually back at its 2008 level (8.3% for the Group and 11.0% excluding Building Distribution) despite sales volumes being 11.0% lower than in 2008.

At its meeting of February 16, Saint-Gobain's Board of Directors decided to recommend to shareholders at the June 7, 2012 Annual Meeting a dividend payout of €653 million, representing 38% of recurring net income and 51% of net income, i.e., a dividend of €1.24 per share, up 8% on the 2010 dividend.

Saint-Gobain's targets for 2012:

- moderate organic growth, driven chiefly by sales prices;
- operating income and profitability to prove resilient;
- high levels of free cash flow and capex to stabilize at its 2011 level (around €2 billion);
- a persistently robust balance sheet.

* average exchange rates for 2010

¹Subject to approval by the European competition authorities

²Subject to approval by the Indian competition authorities

Legrand – 9.2% rise in sales. Margin target achieved at 20.2% in 2011.

(Equity method on 6% holding)

Legrand's 2011 sales rose 9.2% year-on-year to €4,250.1 million, or 6.4% at constant scope of consolidation and exchange rates. Adjusted operating income rose 7.5% year-on-year to €856.7 million. Legrand's adjusted operating margin was 20.2% of sales, reflecting the group's ability to:

- fuel growth by investing in innovation and strengthening its commercial organization (sales teams, showrooms, concept stores) in fast-growing markets, while pursuing efforts to enhance its productivity initiatives;
- pass on the rising cost of the raw materials it consumes to its sales prices.

Legrand has thus achieved its 2011 objectives and has strengthened its growth profile over the past few years. Today:

- 35% of sales are generated in new economies, where the group posted growth of nearly 18% in 2011 (14% organically) and has leading positions in 27 of these countries;
- nearly 22% of revenues now derive from new business segments (digital infrastructures, energy performance, home systems, wire-mesh cable management), where group sales increased by 32% in 2011 (up 13% organically).

With R&D spending representing nearly 5% of Legrand's 2011 sales, innovation and new product launches continue to be essential growth drivers. These innovations are in response to high market expectations for optimized electricity consumption and expanding access to electricity in new economies.

Legrand is also actively pursuing its strategy of targeted, self-financed acquisitions to gain access to new markets and expand its product range. In 2011 Legrand acquired five companies with total annual sales of over €200 million. These

companies are positioned in fast-growing markets, be they new economies (48% of sales) or new business segments (84% of sales).

Legrand fully met its 2011 targets, demonstrating both the soundness of its business model and its ability to achieve medium-term targets for growth and profitability.

In light of these achievements, Legrand's Board of Directors will ask the company's shareholders at their General Meeting to approve a dividend of €0.93 per share (compared with €0.88 per share in 2010), payable on June 5, 2012.

In 2012, given uncertain macroeconomic expectations, Legrand has retained a target for organic growth in sales of about zero. The group will also pursue growth through acquisitions, while transactions made in 2011 will already raise 2012 sales by 2.6%. In these conditions, the group is targeting an adjusted operating margin for 2012 at or above 19% of sales, including acquisitions.

With an improved growth profile and ongoing efforts to improve productivity, Legrand is confident in the soundness of its business model and in its capacity to create value on a sustainable basis through profitable, self-financed growth. As a result, and taking into account its 2012 targets, Legrand confirms its medium-term objectives:

- 10% total annual average growth in sales;⁽¹⁾
- 20% average adjusted operating margin, including acquisitions.⁽²⁾

(1) Excluding exchange-rate effects or a major economic downturn. (2) Small and medium-sized, bolt-on acquisitions.

Oranje-Nassau Développement – successfully launched, with three acquisitions in 2011

Through Oranje-Nassau Développement, Wendel brings together opportunities for investment in growth, diversification and innovation, and in particular invests in Parcours (France), exceet (Germany) and Mecatherm (France) as well as in Van Gansewinkel Groep (Netherlands).

Parcours – Robust growth in sales

(Full consolidation since April 2011)

Parcours reported sales of €271.4 million in 2011, up 12% compared with 2010. Over the year, Parcours' fleet of vehicles expanded by 8.8% (from 41,280 to 44,900), faster than that of the industry in France (2.6%). After advancing at a rate of 13.8% in the first half of the year, sales growth tapered off in the second half to 8.5%, in part because vehicle deliveries were delayed due to the Fukushima catastrophe and the impact it had on car makers. As of the end of December 2011, Parcours' portfolio of non-delivered orders amounted to more than 3,700 vehicles, up 14.3% compared with December 2010. Pre-tax ordinary income rose 3% to €17.1 million in 2011, representing a margin of 6.3% of sales.

exceet – 42.7% growth in sales over all of 2011

(Equity method on 28% holding since July 2011)

In 2011, exceet continued its international expansion and its acquisitions, which complemented the company's range of products and services.

Against this background, exceet's sales rose 51.5% over the first nine months of 2011, of which 20% represented organic growth. During the period, sales totaled €128.9 million, while EBITDA surged 64.6% to €21.7 million.

exceet performed particularly well in medical technology and integrated systems for industrial applications.

In 2011 as a whole, sales totaled €170.4 million, up 42.7%. The company is to release its full-year earnings on March 30, 2012.

In 2012, exceet will continue to expand, both organically and by acquisition, despite the uncertainties generated by the European sovereign debt crisis. Owing to the quality of its business model, the company will be able to pursue its growth strategy while maintaining its EBITDA margin target of 18%.

Mecatherm – Acquisition of world leader in equipment for industrial bakeries finalized on October 4

(Full consolidation from 4th quarter of 2011)

In 2011, the Mecatherm group's net sales totaled €85.6 million, down 3.7% from 2010. As expected, growth in the group's sales was slightly curtailed in the fourth quarter of the year, as a result of the accounting impact of a slight offset in the timing of new orders. Adjusted operating income was €15.6 million, down 11% from 2010.

The operating margin came in at 18.3% vs. 19.8% in 2010. Mecatherm's high profitability demonstrates that its industrial model is well-adapted to the market. All equipment is modular and manufacturing is fully outsourced, enabling the company to optimize its cost structure at all times while focusing its expertise on R&D and customer service.

Wendel has further strengthened its financial structure, reducing its gross financial debt by €1,587 million in 2011.

▪ Early repayment of bank debt: €1,301 million with margin calls and €729 million without margin calls

Over the course of 2011, Wendel repaid €1,301 million in debt with margin calls and all of its debt without margin calls. The remaining balance of debt with margin calls is now €1,385 million. Undrawn and available credit lines for the financing of Saint-Gobain shares now total €990 million.

On March 21, 2012, Wendel repaid the €250 million tranche of the syndicated loan in advance of the September 2013 maturity date. As a result, Wendel no longer has any repayment obligations before March 2014.

▪ Maturity extended on puts issued on Saint-Gobain

Maturities on all puts issued on Saint-Gobain have been extended. The 6.1 million puts issued now have maturity dates in September 2012 (2.2 million), December 2012 (2.6 million) and March 2013 (1.3 million). Wendel no longer has any price protection on the Saint-Gobain shares it holds.

▪ Transactions on bond debt

Wendel repaid €335 million in bond debt that matured in February 2011, but also issued €300 million in new bonds, maturing in April 2018.

In late 2011 and early 2012, the Company repurchased €59.5 million in debt on the market, with maturity dates of 2014 (€36.2 million), 2016 (€15.3 million) and 2017 (€8 million).

▪ Legrand shares sold for a total of €961 million

During the course of 2011, Wendel sold 13.6% of the shares of Legrand for €961.5 million. As of March 21, 2012, after KKR's exit from the capital, Wendel held 5.8% of the shares of the company, all of which had double voting rights associated with them.

▪ Projected sale of Deutsch

On November 29, Wendel received a firm bid from TE Connectivity to acquire all of the shares of Deutsch at an enterprise value of approximately \$2.1 billion. Wendel has decided to enter into exclusive negotiations with TE Connectivity to finalize the transaction. For Wendel the net proceeds of the transaction would amount to around €960 million. This would be 2.4 times the total amount Wendel has invested and would include a capital gain on the amount invested of around €580 million.

Wendel's Net Asset Value

Net Asset Value came to €4,981 million or €98.6 per share on March 12, 2012 (see detail in appendix 2 below), compared with €76.6 on November 22, 2011. The discount to NAV was 36.6% as of March 12, 2012.

The calculation methodology was detailed on August 31, 2009 and remains unchanged. It conforms to the recommendations of the European Venture Capital Association.

Dividends

The Executive Board has decided, with authorization from the Supervisory Board to propose to shareholders at their Annual Meeting on June 4, 2012, a cash dividend of €1.30 per share, 4% more than on 2010 earnings, plus one Legrand share for every 50 Wendel shares held. Shareholders who do not hold a multiple of 50 shares will receive a supplementary cash payment.

This distribution of Legrand shares is intended to give Wendel shareholders a direct share in Legrand's success. The sale of Legrand shares contributed greatly to Wendel's earnings in 2011, and this distribution enables Wendel's shareholders to benefit from the company's growth.

After the transaction, Wendel will hold 5.5% of the shares of Legrand, all of which have double voting rights associated with them.

2012 Calendar

May 4 – First-quarter 2012 sales (post-market release)

June 4 – Annual Shareholders' Meeting
– Publication of Net Asset Value

June 19 – Shareholders' meeting, Lyon

August 30 – First half 2012 sales and earnings
(pre-market release) Publication of Net Asset Value

November 13 – Third-quarter 2012 sales (post-market release)

December 6 - Investor Day
– Publication of Net Asset Value



About Wendel

Wendel is one of Europe's leading listed investment firms. The Group invests in France and abroad, in companies that are leaders in their businesses: Bureau Veritas, Legrand, Saint-Gobain, Materis, Deutsch and Stahl. Wendel plays an active role as industry shareholder in these companies. It implements long-term development strategies, which involve boosting growth and margins of companies so as to enhance their leading market positions. Through Oranje-Nassau Développement, which brings together opportunities for investment in growth, diversification and innovation, Wendel also invests in Van Gansewinkel Groep in the Netherlands, except in Germany, and Mecatherm and Parcours in France.

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

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

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



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Appendix 1: Contribution of Group companies to 2011 sales

Consolidated sales⁽³⁾

(in millions of euros)	2010	2011	Δ	organic Δ
Bureau Veritas	2,929.7	3,358.6	+14.6%	+6.2%
Materis	1,854.7	2,027.0	+9.3%	+7.9%
Stahl ⁽¹⁾	284.0	334.5	N/A	N/A
Oranje-Nassau Développement ⁽²⁾	-	233.1	N/A	N/A
Consolidated sales	5,068.3	5,953.1	+17.5%	+6.5%

(1) Full consolidation from March 1, 2010

(2) Including Parcours, fully-consolidated from April 1, 2011, and Mecatherm from October 1, 2011

(3) Deutsch accounted for as discontinued operations held for sale, in accordance with IFRS 5

Sales of companies consolidated using the equity-method

(in millions of euros)	2010	2011	Δ	organic Δ
Saint-Gobain	40,119	42,116	+5.0%	+5.0%
Legrand	3,890.5	4,250.1	+9.2%	+6.4%

Appendix 2: NAV as of March 12, 2012: €98.6 per share

(in €M)			22/11/2011	12/03/2012
Listed equity investments	<u>Number of shares (millions)</u>	<u>Share price</u> ⁽¹⁾	6,291	7,133
• Saint-Gobain	91.7	€35.6	2,869	3,262
• Bureau Veritas	56.3	€61.4	3,042	3,457
• Legrand	15.4	€26.9	381	414
Deutsch (valued at transaction price)			954	958
Unlisted equity investments (Materis, Stahl) and Oranje-Nassau Développement ⁽²⁾			589	891
Other assets and liabilities of Wendel and holding companies ⁽³⁾			82	85
Cash and financial investments ⁽⁴⁾			874	795
Gross assets, revalued			8,791	9,862
Wendel bond debt			(2,840)	(2,818)
Syndicated loan			(501)	(505)
Bank debt related to Saint-Gobain financing			(1,394)	(1,396)
Value of puts issued on Saint-Gobain ⁽⁵⁾			(184)	(161)
Net asset value			3,871	4,981
Number of shares			50,560,975	50,500,000 ⁽⁶⁾
Net asset value per share			€76.6	€98.6
Average of 20 most recent Wendel share prices			€50.4	€62.6
Premium (discount) on NAV			(34.2%)	(36.6%)

(1) Average of 20 most recent closing prices calculated on March 12, 2012.

(2) Mecatherm, Parcours (valued using comparable multiples as of March 12, based on adjusted Profit Before Tax), VGG, except and indirect investments.

(3) Including 1,922,867 treasury shares as of March 12, 2012.

(4) Cash and financial investments of Wendel and Saint-Gobain acquisition holding companies, including €0.7 billion in unpledged cash (€0.4 billion in short-term cash positions and €0.3 billion in liquid financial investments) and €0.1 billion in pledged cash.

(5) 6.1 million puts issued as of March 12, 2012

(6) Proforma from the decision of the Executive Board on February 28, 2012 to cancel treasury shares, approved by the Supervisory Board on March 21, 2012

Conversion from accounting presentation to economic presentation

	Bureau Veritas	Materis	Deutsch	Stahl	Oranje-Nassau Développement	Equity method		Holdings	Total Operations
						Saint-Gobain	Legrand		
Net income from business sector									
Net sales	3,358.6	2,027.0	-	334.5	233.1			-	5,953.1
EBITDA	N/A	259.4	-	45.0	N/A				
Adjusted operating income (1)	544.3	194.3	-	38.0	25.4				
Other recurring operating items	-	(1.0)	-	(1.6)	-				
Operating income	544.3	193.3	-	36.4	25.4			(42.5)	756.9
Finance costs, net	(42.2)	(128.0)	-	(16.2)	(7.8)			(269.8)	(464.0)
Other financial income and expenses	(16.2)	(1.2)	-	-	(0.1)			(0.1)	(17.5)
Tax expenses	(130.4)	(34.7)	-	(6.7)	(5.4)			0.3	(176.9)
Share of net income from equity-method investments	0.3	0.2	-	0.3	2.6	296.0	60.0	-	359.4
Net income from discontinued operations and operations held for sale	-	-	54.5	-	-	-	-	1.4	56.0
Recurring net income from business sector	355.8	29.4	54.5	13.8	14.8	296.0	60.0	(310.7)	513.7
Recurring net income from business sectors - Minority interests	176.6	8.1	5.8	1.2	0.7	-	-	-	192.3
Recurring net income from business sector - Group share	179.3	21.3	48.8	12.6	14.0	296.0	60.0	(310.7)	321.4
Non-recurring income									
Operating income	(77.0)	(107.6)	-	(12.4)	(5.4)	-	-	(0.4)	(202.8)
Net financial income	(0.0)	(41.5)	-	(8.7)	(2.6)	-	-	(2)	(147.3)
Tax expense	17.9	14.8	-	4.1	1.9	-	-	-	38.8
Share of net income from equity-method investments	-	-	-	-	(2.5)	(166.8)	(4.8)	(3)	645.7
Net income from discontinued operations and operations held for sale	-	-	(66.0)	-	-	-	-	-	39.5
Non-recurring net income	(59.1)	(134.3)	(66.0)	(17.0)	(8.5)	(166.8)	(4.8)	590.4	133.8
Of which:									
- Non-recurring items	(8.1)	(44.5)	(50.8)	(9.3)	(5.2)	(17.5)	(0.8)	590.4	454.2
- Impact of goodwill allocation	(34.9)	(19.5)	(14.5)	(7.7)	(3.3)	(80.9)	(2.2)	-	(163.0)
- Asset impairment	(16.1)	(70.3)	(0.8)	-	-	(68.4)	(1.8)	-	(157.4)
Non-recurring net income - Minority interests	(28.7)	(32.9)	(7.0)	(1.5)	(0.4)	-	-	0.2	(70.2)
Non-recurring net income - Group share	(30.4)	(101.5)	(59.1)	(15.5)	(8.1)	(166.8)	(4.8)	590.2	204.1
Consolidated net income	296.7	(104.9)	(11.5)	(3.2)	6.3	129.2	55.3	279.7	647.5
Consolidated net income - Minority interests	147.8	(24.7)	(1.2)	(0.3)	0.4	-	-	0.2	122.1
Consolidated net income - Group share	148.9	(80.2)	(10.3)	(2.9)	5.9	129.2	55.3	279.5	525.4

(1) Before impact of goodwill allocations, non-recurring items and management fees.

(2) Includes a €23.0 million gain on sale of Saint-Gobain share dividends received in 2010. As of December 31, 2010 (these shares were booked under assets held for sale as of December 31, 2011), and a net loss of €108.7 million composed of a gain on the sale of and changes in fair value on Saint-Gobain puts (held and issued by Wendel).

(3) Includes a €631.3 million gain on the sale of a block of Legrand shares.