



# W E N D E L

## LETTER TO SHAREHOLDERS



### HIGHLIGHTS

**NAV/share: €166.9**

as of 5/2/2018, almost stable  
since March 7, 2018 (€167.3 per share)

Consolidated net sales of

**€2,033.7 million**

in Q1 2018, up 2.2%

Appointment of

**Nicolas ver Hulst**

Chairman of the Supervisory Board

**Gervais Pellissier**

Vice-Chairman of the Supervisory Board

Appointment renewal of

**Guylaine Saucier**

Appointment of

**Franca Bertagnin Benetton**

Ordinary dividend

**up 12.8% to**

**€2.65** per share\*

\*compared with the ordinary dividend  
paid on 2016 earnings

Dear Shareholders,

Your Company held its Annual Meeting on May 17, 2018. This meeting constituted an opportunity to present recent events and to respond to your questions. Regarding the performance of our companies, we are pleased that Bureau Veritas, our flagship investment for more than 20 years, continues to exhibit positive momentum and has confirmed its 2018 forecast for organic sales growth and improvement in its operating margin. Most of our companies reported an increase in organic growth, with the exception of Cromology, whose management we have decided to strengthen.

On the investment side, Wendel has reviewed numerous potential acquisitions in Europe and North America. Prices are currently at record highs by historical standards, and we remain particularly careful in our deal selection. Wendel's divestment from Saham is progressing and will contribute to the ongoing simplification of our portfolio.

In April, we further improved our financial structure by repaying €350 million in bond debt. Thanks to our sound financial condition and our experienced investment team, which we recently strengthened, Bernard Gautier and I remain determined to seize investment opportunities offering the potential for high value creation for Wendel and its shareholders.

Our ambition is to offer you increasing dividends year after year. In this regard, the dividend this year is €2.65 per share, up 12.8% from 2016.

In conclusion, I would like to extend my sincere thanks to Wendel's Supervisory Board for its support and in particular to François de Wendel, who has recently stepped down from his position as Chairman of Wendel's Supervisory Board in favor of Nicolas ver Hulst.

I wish you all a very pleasant summer.

**André François-Poncet, Group CEO**

## 2018 SHAREHOLDERS' MEETING

All the 28 resolutions submitted to the vote of Wendel shareholders during their Combined Annual Meeting on May 17, 2018 were approved.

In particular, the shareholders approved the payment of an ordinary cash dividend of €2.65 per share, an increase of 12.8% compared to 2016. The appointment of Franca Bertagnin Benetton as an independent director of the Supervisory Board and the renewal of Guylaine Saucier's appointment were approved. As of the close of this Shareholders' Meeting, Nicolas ver Hulst became Chairman of Wendel's Supervisory Board and Gervais Pellissier Vice-Chairman.

The ex-dividend date was set at May 22, 2018, and the dividend was paid on May 24, 2018.

Number of shares comprising the share capital: 46,259,146

Number of shares having the voting rights: 45,499,436

The *quorum* reached 70.215% of the shares having the voting right (representing 31,947,660 shares and 52,475,097 votes for 973 shareholders).

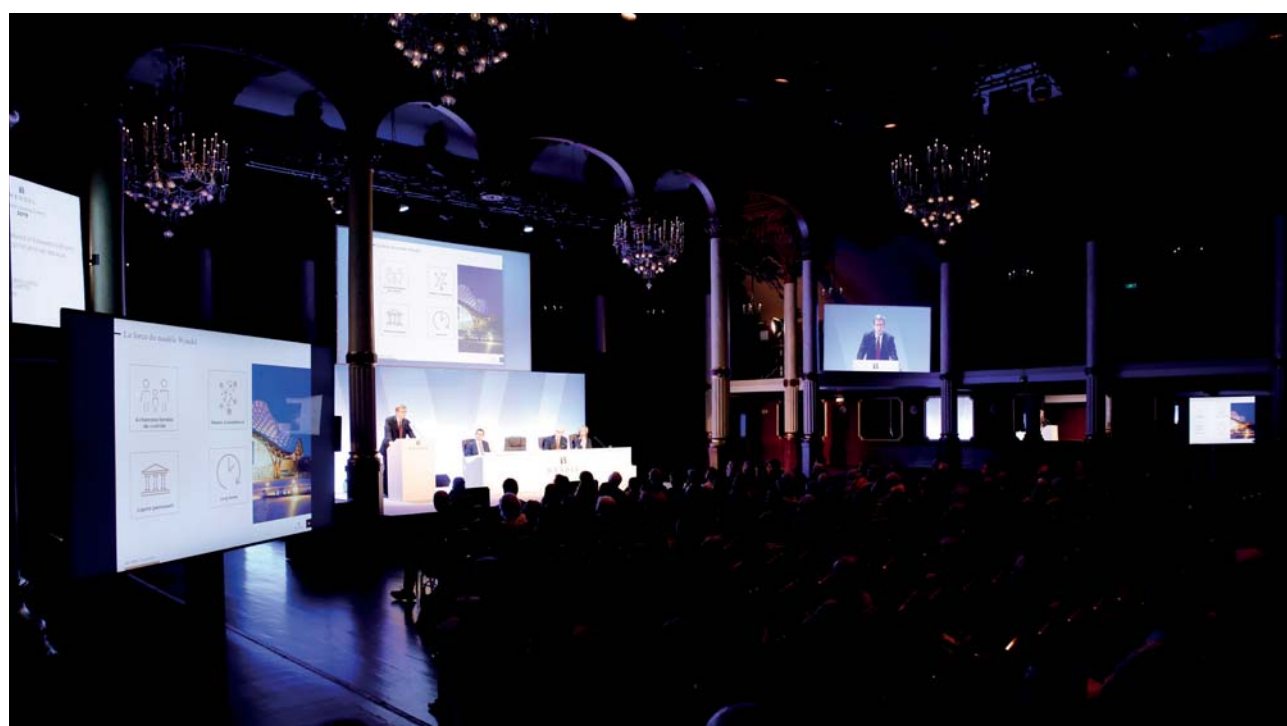
### Results of the voting

As Wendel is a European company, a majority of shareholders is calculated on the basis of votes cast (for or against). Abstentions are not taken into account and are not assimilated with "no" votes.

N°	Resolutions pertaining to the Ordinary Meeting	Result	% "For"	Votes "For"	% "Against"	Votes "Against"	Votes cast
1	Approval of the 2017 parent-company financial statements	Adopted	99.76	52,390,692	0.24	127,254	52,517,946
2	Approval of the 2017 consolidated financial statements	Adopted	99.76	52,416,390	0.24	127,255	52,543,645
3	Net income allocation, dividend approval and payment	Adopted	99.99	52,545,044	< 0.01	37	52,545,081
4	Approval of related-party agreements	Adopted	84.98	44,320,284	15.02	7,836,512	52,156,796
5	Approval of related-party agreements	Adopted	97.84	17,594,675	2.16	387,656	17,982,331
6	Approval of commitments made in the event of the termination of the duties of the Chairman of the Executive Board	Adopted	83.68	43,918,387	16.32	8,565,496	52,483,883
7	Renewal of the appointment of Guylaine Saucier as a member of the Supervisory Board	Adopted	97.16	50,886,553	2.84	1,484,848	52,371,401
8	Appointment of Franca Bertagnin Benetton as an independent member of the Supervisory Board	Adopted	99.77	52,575,975	0.23	119,971	52,695,946
9	Vote on the compensation policy for the Chairman of the Executive Board	Adopted	80.45	42,340,369	19.55	10,289,191	52,629,560
10	Vote on the compensation policy for the Member of the Executive Board	Adopted	80.46	42,167,775	19.54	10,239,689	52,407,464
11	Vote on the compensation policy for Supervisory Board members	Adopted	85.80	45,220,607	14.20	7,487,023	52,707,630
12	Vote on compensation paid or granted in 2017 to the Chairman of the Executive Board	Adopted	84.25	44,152,060	15.75	8,253,610	52,405,670
13	Vote on compensation paid or granted in 2017 to the member of the Executive Board	Adopted	85.25	44,724,018	14.75	7,735,959	52,459,977

## 2018 SHAREHOLDERS' MEETING

N°	Resolutions pertaining to the Ordinary Meeting	Result	% "For"	Votes "For"	% "Against"	Votes "Against"	Votes cast
14	Vote on compensation paid or granted in 2017 to the Chairman of the Supervisory Board	Adopted	99.43	52,308,419	0.57	298,913	52,607,332
15	Authorization granted to the Executive Board to purchase the Company's shares	Adopted	99.91	52,488,243	0.09	47,111	52,535,354
28	Powers for legal formalities	Adopted	99.95	52,378,387	0.05	26,868	52,405,255



## 2018 SHAREHOLDERS' MEETING

N°	Resolutions pertaining to the Extraordinary Meeting	Result	% "For"	Votes "For"	% "Against"	Votes "Against"	Votes cast
16	Delegation of power to the Executive Board to increase share capital through the issue of shares or securities giving access to the capital with preferential subscription rights maintained	Adopted	98.31	51,296,705	1.69	879,651	52,176,356
17	Delegation of power to the Executive Board to increase share capital through the issue of shares or securities giving access to the capital with preferential subscription rights canceled	Adopted	98.85	51,737,488	1.15	603,130	52,340,618
18	Delegation of power to the Executive Board to increase share capital through the issue of shares or securities giving access to the Company's capital with preferential subscription rights canceled, under a private placement as set forth in Article L.411-2 II of the French Monetary and Financial Code	Adopted	98.40	50,910,750	1.60	828,450	51,739,200
19	Authorization for the Executive Board to set the issue price, using the method set forth by shareholders at their Annual Meeting, for shares or securities with preferential subscription rights canceled, up to a yearly limit of 10% of the Company's share capital	Adopted	98.58	51,333,796	1.42	740,224	52,074,020
20	Delegation of power to the Executive Board to increase the number of shares to be issued in the event of excess demand, with preferential subscription rights maintained or canceled	Adopted	97.36	49,800,952	2.64	1,348,619	51,149,571
21	Delegation of power to the Executive Board to increase capital in consideration for contributions of securities, with preferential subscription rights canceled	Adopted	98.91	51,405,227	1.09	564,983	51,970,210
22	Delegation of power to the Executive Board to increase share capital, with preferential subscription rights canceled, by means of a public exchange offer	Adopted	99.17	51,653,823	0.83	432,688	52,086,511
23	Delegation of power to the Executive Board to increase share capital through the capitalization of reserves, profits or premiums	Adopted	99.86	52,091,990	0.14	74,259	52,166,249
24	Maximum aggregate amount of capital increases	Adopted	87.65	45,587,728	12.35	6,426,164	52,013,892
25	Delegation of power to the Executive Board to increase share capital, with preferential subscription rights canceled, through the issue of shares or securities giving access to the capital reserved for members of the Group savings plan	Adopted	99.21	51,708,403	0.79	411,480	52,119,883
26	Authorization granted to the Executive Board to grant stock subscription options, with preferential subscription rights canceled, and/or purchase options, to corporate officers and employees	Adopted	85.26	44,482,312	14.74	7,692,085	52,174,397
27	Authorization granted to the Executive Board to grant performance shares to corporate officers and employees, either to be issued, with preferential subscription rights canceled, or existing	Adopted	95.96	49,957,685	4.04	2,101,321	52,059,006

## Net asset value: €166.9 per share as of May 2, 2018

Net asset value as of May 2, 2018: €7,719 million or €166.9 per share, down 3.5% over 12 months and almost stable since March 7, 2018 (€167.3 per share).

(in millions of euros)			5/2/2018	5/5/2017
<b>Listed equity investments</b>	<u>Number of shares</u>	<u>Share price</u> <sup>(1)</sup>	<b>4,370</b>	<b>5,429</b>
Bureau Veritas	177.2 m / 179.5 m	€21.2 / €20.6	3,754	3,700
Saint-Gobain	14.2 m / 35.8 m	€43.5 / €48.3	615	1,729
<b>Unlisted investments and Oranje-Nassau Développement</b> <sup>(2)</sup>			<b>4,471</b>	<b>4,640</b>
<b>Other assets and liabilities of Wendel and holding companies</b> <sup>(3)</sup>			<b>92</b>	<b>127</b>
Cash and marketable securities <sup>(4)</sup>			1,270	1,380
<b>Gross asset value</b>			<b>10,203</b>	<b>11,576</b>
Wendel bond debt and accrued interest			-2,484	-3,430
<b>Net Asset Value</b>			<b>7,719</b>	<b>8,146</b>
<i>Of which net debt</i>			-1,213	-2,050
<i>Number of shares</i>			46,259,146	47,101,304
<b>Net Asset Value per share</b>			<b>€166.9</b>	<b>€172.9</b>
Average of 20 most recent Wendel share prices			€123.9	€124.6
<b>Premium (discount) on NAV</b>			<b>-25.8%</b>	<b>-27.9%</b>

(1) Average share price of the 20 trading days prior to May 2, 2018 and May 5, 2017.

(2) Unlisted equity investments (Cromology, Stahl, IHS, Constantia Flexibles, Allied Universal) and Oranje-Nassau Développement (NOP, Saham, Mecatherm, exceet, CSP Technologies, PlaYce, Tsebo and indirect investments and debt as of May 2, 2018). For IHS, the valuation is calculated solely on the basis of EBITDA so as to take into account the fast-growing nature of IHS's business. The agreement to sell Saham was signed on March 7, 2018 and reflected in the calculation as of May 2, 2018. For Constantia Flexibles, the shares of MCC held by Constantia were valued in the NAV at the average of the closing price of the last 20 trading days as of May 2, 2018.

(3) Includes 1,441,501 Wendel shares held in treasury as of May 5, 2017 and 778,960 as of May 2, 2018.

(4) Cash and marketable securities owned by Wendel and holding companies as of May 2, 2018 included €897 million in cash on hand and €373 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 co-investment conditions are realized, there could be a dilutive effect on Wendel's percentage ownership. These items have been taken into account in the calculation of NAV. See page 274 of the 2017 Registration Document.

For further information:

<https://www.wendelgroup.com/en/annual-general-meetings> >



## Changes to the composition of the Supervisory Board

As a result of the Combined Annual Meeting of May 17, corporate governance and the composition of the Supervisory Board have changed. François de Wendel has stepped down as Chairman of the Supervisory Board and has been replaced by Nicolas ver Hulst. Gervais Pellissier has been named Vice-Chairman. Dominique Hériard Dubreuil, who previously held that position, has stepped down from the Supervisory Board. The Board thanked her warmly for her contribution over the last eight years. In addition, Guylaine Saucier's term was renewed and Franca Bertagnin Benetton joined the Board as an independent director for a four-year term.

For further information, please visit:

<https://www.wendelgroup.com/en/content/supervisory-board> >



**Nicolas ver Hulst**

*Chairman of the Supervisory Board*

Date appointed to first term:

July 1, 2017

Current term expires:

Annual Meeting to be held in 2022



**Priscilla de Moustier**

Date appointed to first term:

May 28, 2013

Current term expires:

Annual Meeting to be held in 2021



**Gervais Pellissier**

*Vice-Chairman of the Supervisory Board,  
Independent Director*

Date appointed to first term:

June 5, 2015

Current term expires:

Annual Meeting to be held in 2022



**Fabienne Porquier**

*Employee representative*

Date appointed to first term

by the Works Council:

October 1, 2015

Current term expires:

November 20, 2018



**Franca Bertagnin Benetton**

*Independent Director*

Date appointed to first term:

May 17, 2018

Current term expires:

Annual Meeting to be held in 2022



**Guylaine Saucier**

*Chairman of the Audit Committee,  
Independent Director*

Date appointed to first term:

June 4, 2010

Current term expires:

Annual Meeting to be held in 2022



**Bénédicte Coste**

Date appointed to first term:

May 28, 2013

Current term expires:

Annual Meeting to be held in 2021



**Jacqueline Tammenoms Bakker**

*Chairman of the Governance Committee,  
Independent Director*

Date appointed to first term:

June 5, 2015

Current term expires:

Annual Meeting to be held in 2019



**Edouard de l'Espée**

Date appointed to first term:

September 6, 2004

Current term expires:

Annual Meeting to be held in 2021



**François de Wendel**

Date appointed to first term:

May 31, 2005

Current term expires:

Annual Meeting to be held in 2020



**Nicholas Ferguson**

*Independent Director*

Date appointed to first term:

May 18, 2017

Current term expires:

Annual Meeting to be held in 2021



**Humbert de Wendel**

Date appointed to first term:

May 30, 2011

Current term expires:

Annual Meeting to be held in 2019

# The Olympia sways to the sound of **Broken Back** for **Helen Keller International**



On May 28, Helen Keller International held its traditional charity concert at the Olympia in Paris. This year, Broken Back, winner of the «Best Live Newcomer» category at the 2017 «Victoire de la Musique» awards, generously provided the evening's entertainment. For the second year in a row, Wendel supported this non-profit organization that combats blindness and malnutrition. With a presence in 21 countries, Helen Keller International works to improve the daily life of millions of people.

For further information:  
<https://www.hkieurope.org/> >

# The Centre Pompidou-Metz

welcomes  
 you **all**  
 summer



Take advantage of the summer to sample the multi-disciplinary program at the Centre Pompidou-Metz. Experience «The Adventure of Color» through 40 works from the Centre Pompidou's collection. This exhibit is a thematic exploration of color, both as a powerful vector of emotions and sensations and as an infinitely rich medium for reflection on the materiality and spirituality of painting.

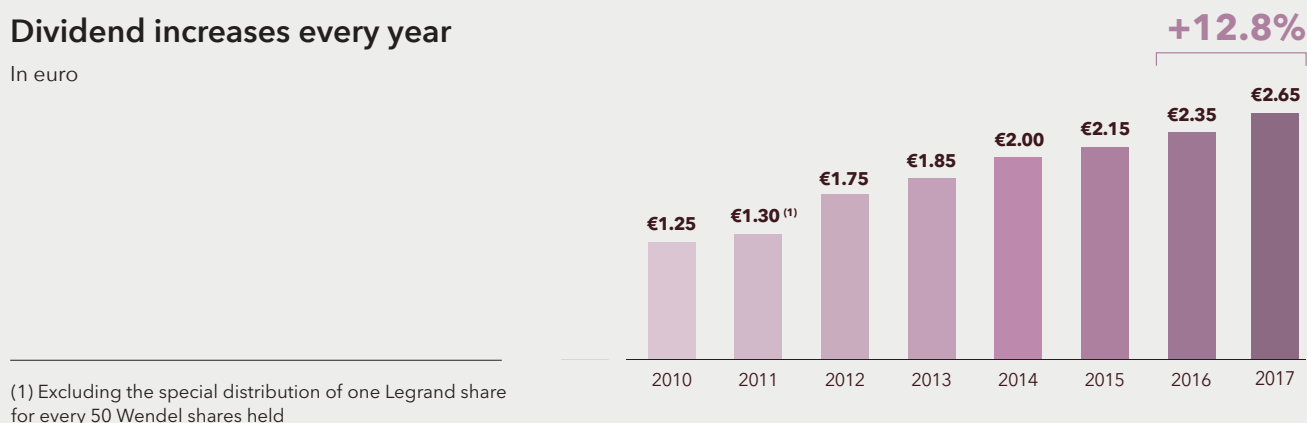
Then peer into the intimate space of famous artist couples at the critically acclaimed «Modern Couples» retrospective. Discover the creative secrets of such legendary couples as Pablo Picasso and Dora Maar, Robert and Sonia Delaunay, and Charles and Ray Eames.

Alongside these two flagship exhibits, come and enjoy numerous live shows, lectures and workshops held at the museum to promote contemporary art in all its forms.

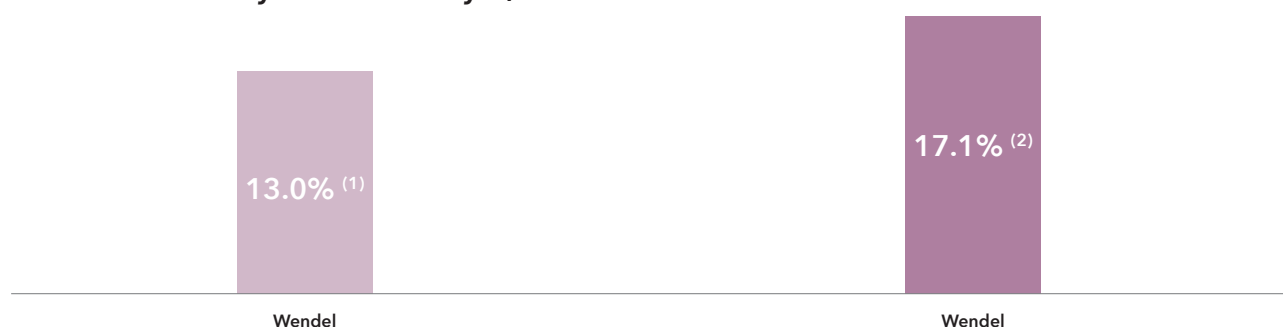
For further information, please visit:  
<https://www.centrepompidou-metz.fr/en/welcome> >

## Dividend increases every year

In euro



## Annualized total yield as of May 2, 2018



(1) Total shareholder return, dividends reinvested, from June 13, 2002 to May 2, 2018

(2) Total shareholder return, dividends reinvested, from January 1, 2009 to May 2, 2018

## Next on the agenda

9/6/2018

H1 2018 earnings / Publication of NAV  
(pre-market release).

11/29/2018

2018 Investor Day / Publication of NAV and trading  
update (pre-market release).

## Contact us

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