



W E N D E L

LETTER TO SHAREHOLDERS



JULY 2017

# 2017 Shareholders' Meeting

## HIGHLIGHTS

**€172.9**

NAV/share as of May 5, 2017

**€2.35**

Ordinary dividend per share\*

up

**+ 9.3%**

Renewal of the appointments of

**Bénédicte Coste**  
**Édouard de l'Espée**  
**Priscilla de Moustier**

Appointment of:

**Nicholas Ferguson**  
(independent member)  
**Nicolas ver Hulst**

\*compared with the ordinary dividend paid on 2015 earnings.

Dear Shareholders,

On May 18, 2017, we gathered at the Salons Hoche in Paris for our Annual Shareholders' Meeting. At this traditional annual meeting, we presented the highlights of the past few months and our plans for the future. In line with our commitment to deliver increasing dividends year after year, we proposed a dividend of €2.35 per share, up 9.3% from the previous year.

Our companies have continued to invest at a robust pace since the beginning of the year, with Stahl announcing in particular a very attractive transaction to acquire BASF's leather chemicals business. In the meantime, Wendel carried out several transactions of its own. In February, we finalized the acquisition of Tsebo, the pan-African corporate services leader, and then concluded two other market sales for diverse amounts: we sold 2.8 million Bureau Veritas shares for €21.50 a share (bought for €17.05 in November 2016), and in early June we sold a block of 20 million Saint-Gobain shares, or 3.6% of the company, for a total of around €1 billion. Our stake in Bureau Veritas will remain at 40% for the very long term.

The upturn in the market during the Spring, spurred by the more stable economic and political situation in Europe, allowed us to achieve an all-time high Net Asset Value for Wendel of €172.9 per share, while reducing our loan-to-value ratio to 20.1%\*, thereby continuing to show steady improvement in our financial condition.

These results illustrate our determination to continue creating value for all our shareholders, by playing an active role in the development of our companies and remaining attentive to high-potential investment opportunities.

I wish you all a very pleasant summer.

**Frédéric Lemoine, Chairman of the Executive Board**

\* Loan-to-value ratio calculated before the sale of 20 million Saint-Gobain shares.

## 2017 SHAREHOLDERS' MEETING

All 32 resolutions put to the vote of Wendel shareholders during their Combined Annual Meeting on May 18, 2017 were approved.

In particular, the shareholders approved the payment of an ordinary cash dividend of €2.35 per share, an increase of 9.3% over the ordinary dividend paid on 2015 earnings. The appointments of Nicholas Ferguson, independent member, and Nicolas ver Hulst, as well as the renewal of the appointments of Bénédicte Coste, Édouard de l'Espée and Priscilla de Moustier were approved.

The ex-dividend date was set at May 23, 2017, and the dividend was paid on May 26, 2017.

Number of shares comprising the capital: 47,101,304

Number of shares with voting rights: 45,665,803

Attendance totaled 69.32% (representing 31,654,163 shares and 52,581,846 voting rights of the 1,023 shareholders who attended or were represented).

### 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	Outcome	% «For»	Votes «For»	% «Against»	Votes «Against»	Votes cast
1	Approval of the 2016 parent company financial statements	Adopted	99.95	52,387,516	0.05	25,943	52,413,459
2	Approval of the 2016 consolidated financial statements	Adopted	99.94	52,412,316	0.06	30,568	52,442,884
3	Net income allocation, dividend approval and payment	Adopted	99.99	52,470,745	0.01	5,706	52,476,451
4	Approval of related-party agreements	Adopted	91.88	47,820,388	8.12	4,227,081	52,047,429
5	Approval of the renewal of commitments made to the Chairman of the Executive Board in the event of the termination of his duties	Adopted	86.17	44,937,981	13.83	7,213,947	52,151,928
6	Approval of the renewal of commitments made to the other Executive Board member in the event of the termination of his duties	Adopted	84.76	44,192,388	15.24	7,947,924	52,140,312
8	Renewal of the appointment of Bénédicte Coste as a member of the Supervisory Board	Adopted	96.49	50,557,098	3.51	1,840,085	52,397,183
9	Renewal of the appointment of Priscilla de Moustier as a member of the Supervisory Board	Adopted	95.97	50,198,825	4.03	2,109,447	52,308,272
10	Renewal of the appointment of Édouard de L'Espée as a member of the Supervisory Board	Adopted	97.72	51,319,535	2.28	1,195,849	52,515,384
11	Appointment of Nicholas Ferguson as a member of the Supervisory Board	Adopted	99.33	52,106,659	0.67	351,153	52,457,812
12	Appointment of Nicolas ver Hulst as a member of the Supervisory Board	Adopted	98.52	51,675,476	1.48	777,634	52,453,110
13	Setting of the amount of directors' fees allocated to the Supervisory Board	Adopted	97.26	50,848,696	2.74	1,433,023	52,281,719

## 2017 SHAREHOLDERS' MEETING

N°	Resolutions pertaining to the Ordinary Meeting	Outcome	% «For»	Votes «For»	% «Against»	Votes «Against»	Votes cast
14	Vote on the compensation policy for the Chairman of the Executive Board	Adopted	83.78	43,813,399	16.22	8,481,127	52,294,526
15	Vote on the compensation policy for the other Executive Board member	Adopted	83.96	44,000,665	16.04	8,405,174	52,405,839
16	Vote on the compensation policy for Supervisory Board members	Adopted	97.66	51,210,415	2.34	1,226,213	52,436,628
17	Non-binding vote on compensation owed or granted to Executive Board Chairman Frédéric Lemoine	Adopted	84.02	43,967,325	15.98	8,363,089	52,330,414
18	Non-binding vote on compensation owed or granted to Executive Board member Bernard Gautier	Adopted	86.71	45,481,836	13.29	6,972,480	52,454,316
19	Non-binding vote on compensation owed or granted to François de Wendel, Chairman of the Supervisory Board	Adopted	98.49	51,728,835	1.51	791,420	52,520,255
20	Authorization granted to the Executive Board to purchase the Company's shares at a maximum price of €200	Adopted	99.50	52,220,163	0.50	260,628	52,480,791

N°	Resolutions pertaining to the Extraordinary Meeting	Outcome	% «For»	Votes «For»	% «Against»	Votes «Against»	Votes cast
21	Authorization granted to the Executive Board to reduce share capital through the cancellation of shares for up to 10% of capital in a 24-month period	Adopted	99.62	52,015,728	0.38	196,499	52,212,227
22	Delegation of power to the Executive Board to increase share capital, with preferential subscription rights maintained	Adopted	99.80	52,105,309	0.20	105,026	52,210,335
23	Delegation of power to the Executive Board to increase share capital, with preferential subscription rights canceled and with the possibility of granting a priority period for shareholders	Adopted	99.11	51,621,105	0.89	464,633	52,085,738
24	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	Adopted	98.29	51,142,230	1.71	890,111	52,032,341
25	Authorization for the Executive Board to set the issue price, using the method set forth by shareholders at their Annual Meeting, for shares or other securities, with preferential subscription rights canceled	Adopted	98.12	51,085,163	1.88	977,125	52,062,288

## 2017 SHAREHOLDERS' MEETING

N°	Resolutions pertaining to the Extraordinary Meeting	Outcome	% «For»	Votes «For»	% «Against»	Votes «Against»	Votes cast
26	Delegation of power to the Executive Board to increase the number of shares to be issued in the event of excess demand	Adopted	98.71	51,264,752	1.29	671,606	51,936,358
27	Delegation of power to the Executive Board to increase capital in consideration for contributions of shares, either independently or through a public exchange offer, with preferential subscription rights canceled	Adopted	98.58	51,348,504	1.42	738,511	52,087,015
28	Delegation of power to the Executive Board to increase share capital through the capitalization of reserves, profits or premiums	Adopted	99.95	52,185,166	0.05	23,876	52,209,042
29	Maximum aggregate amount of capital increases	Adopted	91.26	47,643,774	8.74	4,562,357	52,206,131
30	Delegation of power to the Executive Board to increase share capital, with preferential subscription rights canceled, as part of a Group Savings Plan	Adopted	99.33	51,742,434	0.67	347,986	52,090,420
31	Authorization granted to the Executive Board to grant stock subscription and/or purchase options to corporate officers and employees, with preferential subscription rights canceled	Adopted	86.42	45,060,378	13.58	7,082,776	52,143,154
32	Authorization granted to the Executive Board to grant performance shares to corporate officers and employees, with preferential subscription rights canceled	Adopted	85.91	44,853,938	14.09	7,358,483	52,212,421
33	Powers for legal formalities	Adopted	99.96	51,989,086	0.04	22,411	52,011,497



## Net Asset Value: €172.9 per share as of May 5, 2017

NAV published and calculated before the sale of 20 million Saint-Gobain shares.

(in millions of euros)			12/31/2016	05/05/2017
<b>Listed equity investments</b>	<u>Number of shares</u>	<u>Share price</u> <sup>(1)</sup>	<b>4,803</b>	<b>5,429</b>
Bureau Veritas	179.9M / 179.5M	€20.6	3,263	3,700
Saint-Gobain	35.8M	€48.3	1,540	1,729
<b>Unlisted investments and Oranje-Nassau Développement</b> <sup>(2)</sup>			<b>4,473</b>	<b>4,640</b>
<b>Other assets and liabilities of Wendel and holding companies</b> <sup>(3)</sup>			<b>129</b>	<b>127</b>
Cash and marketable securities <sup>(4)</sup>			1,319	1,380
<b>Gross asset value</b>			<b>10,725</b>	<b>11,576</b>
Wendel bond debt and accrued interest			-3,477	-3,430
<b>Net Asset Value</b>			<b>7,248</b>	<b>8,146</b>
<i>Of which net debt</i>			-2,158	-2,050
<i>Number of shares</i>			47,092,379	47,101,304
<b>Net Asset Value per share</b>			<b>€153.9</b>	<b>€172.9</b>
Average of 20 most recent Wendel share prices			€113.7	€124.6
<b>Premium (discount) on NAV</b>			<b>-26.1%</b>	<b>-27.9%</b>

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

(2) Unlisted equity investments (Cromology, Stahl, IHS, Constantia Flexibles, Allied Universal) and Oranje-Nassau Développement (NOP, Saham, Mecatherm, exceet, CSP Technologies, SGI Africa, Tsebo as of May 5, 2017, indirect investments and debt). As an exception to the NAV calculation methodology and to reflect the fast-growing nature of IHS's business, only the 2016 and 2017 EBITDA have been used in the calculation of IHS's valuation. The transaction completed by Sanlam in Saham Finances and finalized on May 10, 2017, has been taken into account in the NAV as of May 5, 2017.

(3) Includes 1,441,501 Wendel shares held in treasury as of March 5, 2017 and 1,446,126 as of December 31, 2016.

(4) Cash and marketable securities owned by Wendel and holding companies as of May 5, 2017, included €1,026 million in cash on hand and €354 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 262 of the 2016 Registration Document.

For further information, please visit:



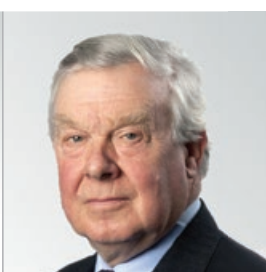




<http://www.wendelgroup.com/en/annual-general-meetings> >





## Changes to the composition of the Supervisory Board

As a result of the Combined Annual Meeting of May 18, 2017, the composition of the Supervisory Board has changed. Laurent Burelle and Christian van Zeller d'Oosthove are no longer members of the Supervisory Board. The terms of Bénédicte Coste, Édouard de l'Espée and Priscilla de Moustier were renewed. Two new members joined the Supervisory Board: Nicholas Ferguson, independent member, and Nicolas ver Hulst, both for four-year terms.

					
François de Wendel Chairman of Wendel's Supervisory Board	Dominique Hériard Dubreuil Independent Director Vice-Chairman of the Supervisory Board	Bénédicte Coste	Édouard de l'Espée	Nicholas Ferguson Independent Director	Nicolas ver Hulst
					
Priscilla de Moustier	Gervais Pellissier Independent Director	Fabienne Porquier Director representing employees as of October 1, 2015	Guylaine Saucier Independent Director Chairman of the Audit Committee	Jacqueline Tammenoms Bakker Independent Director	Humbert de Wendel

### Wendel honored by the World Economic Forum in Africa



From May 3-5, 2017, Frédéric Lemoine co-chaired the World Economic Forum in Durban, South Africa alongside other prominent individuals. This prestigious invitation helped strengthen Wendel's image and role internationally and in particular in Africa. During the Forum, Mr. Lemoine took part in several round-table discussions about Africa's increasing economic importance. He reiterated that Wendel's philosophy is to invest for the long term in order to develop leading companies. He also reaffirmed Wendel's drive to continue investing in Africa, a continent with a wealth of opportunities. This role and these objectives drew support from the German finance minister, Wolfgang Schäuble.

For further information, [watch here >](#)

### Wendel participates in the Helen Keller International gala

On May 22, 2017, the singer Imany performed at the Olympia theater in Paris for the benefit of Helen Keller International, an event to which Wendel contributed. Every year, Helen Keller International organizes a benefit concert to raise public awareness around its two principal objectives: fighting blindness and malnutrition. Founded in Paris in 1915 by Helen Keller, the association is now present in 22 countries. Helen Keller International designs programs that have lasting influence on vulnerable populations by building local ownership and capacity.

For further information, please visit: [www.hkieurope.org](http://www.hkieurope.org) >



### “Fernand Léger. Beauty is everywhere”, showcased at the Centre Pompidou Metz



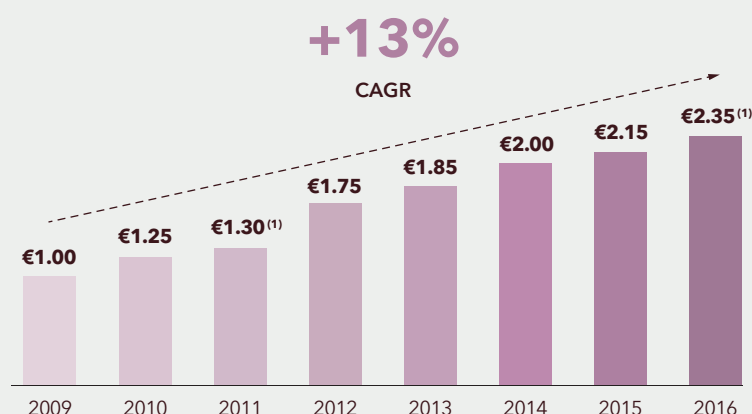
The Fernand Léger retrospective is the new major exhibit at the Centre Pompidou-Metz. “Beauty is everywhere” narrates the life of a painter with multiple influences: poetry, cinema, architecture, the circus and more. More than 100 works are on display, illustrating the artist's lifelong quest to reinvent painting and also his atypical personality. Author of influential texts about painting and a tireless teacher who trained many budding talents, Léger was also a seasoned traveler with a keen sense of observation and an artist with a political stance. A fascinating exhibit that you can see until October 30, 2017. And while you are there, don't miss the very inventive “Infinite Garden. From Giverny to Amazonia”.

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

## Dividend increases every year

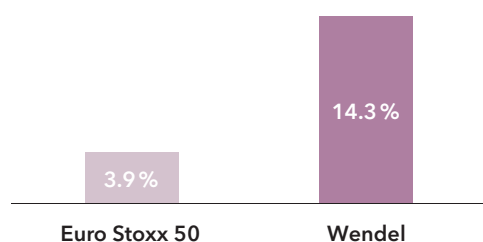
In euro

(1) Excluding the special distribution of one Legrand share for every 50 Wendel shares held

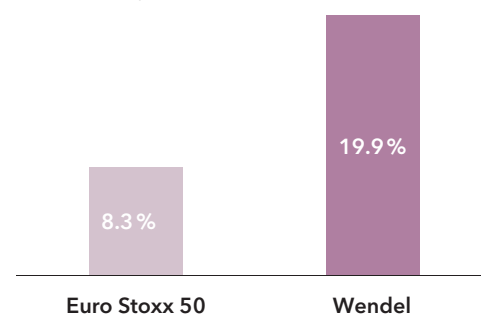


## Annualized return as of 05/05/2017

Since June 13, 2002



Since January 1, 2009



Source: FactSet. TSR as of 05/05/2017 including reinvested dividends.

## Next on the agenda

9/7/2017

H1 2017 earnings / Publication of NAV (pre-market release). By conference call and webcast.

11/30/2017

2017 Investor Day / Publication of NAV and trading update (pre-market release).

3/22/2018

2017 full-year earnings / Publication of NAV (pre-market release).

5/17/2018

2018 Shareholders' Meeting / Publication of NAV and trading update (before Shareholders' Meeting).

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