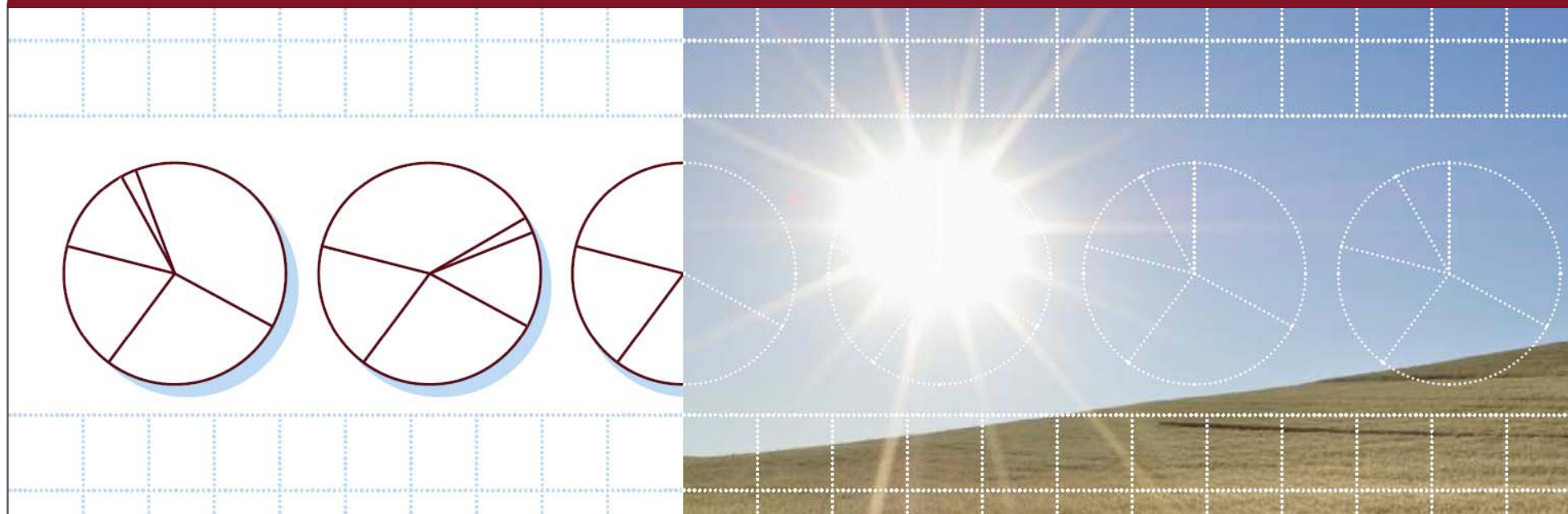




W E N D E L

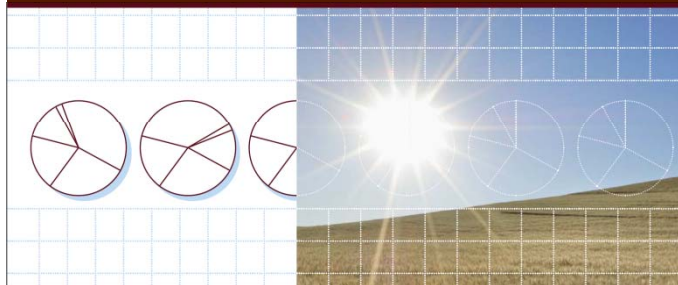


Materis Wendel Investor Day

2 December 2010



W E N D E L



Olivier Legrain
Chairman



Materis

Company strengths profile

Leading position

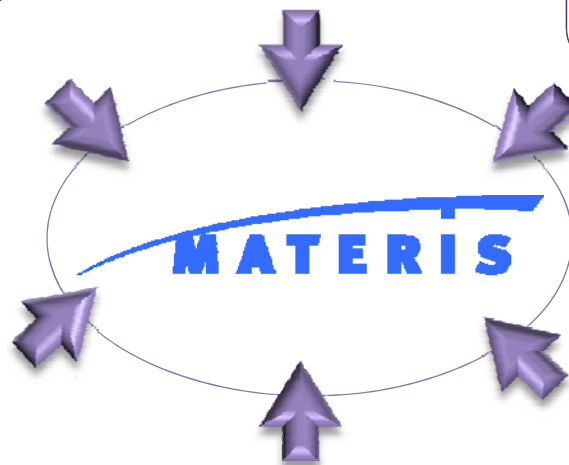
Kerneos: Worldwide leader
Chryso: N° 4 Worldwide, N°1 in France
Parex Goup: N° 4 Worldwide,
co-leader in France
Materis Paints: N° 4 in Europe,
N° 1 in South Europe

Management quality

Experienced management team
Proven track record of
add-ons acquisitions
Outstanding capital
increase operation

Barriers to entry

True global market coverage (**Kerneos**)
Innovative proprietary formulae (**Chryso**)
Close relationship with clients (**Chryso**)
High-value added products (**Parex Group**)
Close relationship with clients (**Parex Group**)
Premium brands (**Materis Paints**)
Integrated distribution network (**Materis Paints**)



Growing strategy

Organic growth fuelled by
emerging markets positions
Innovation driven by demand for
more engineered, healthier, safer
and easier to use products
Increased demand for energy saving
construction solutions
Acceleration of product ranges
internationalisation

Resilience in turbulence

Limited sales decrease in 2009
High margin % maintained during crisis
Proven capacity to deliver action plans

Strong brands

Aluminates: Secar®, Ternal®
Admixtures: Chryso
Mortars: ParexLanko, Davco, Klaukol
Paints: Tollens, Zolpan,
Max Meyer, Ducco, Robbialac

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Key competitive advantages

	Market position	Key competitive advantage
Aluminates	Worldwide leader	<ul style="list-style-type: none"> ■ Only player with a true global market coverage (products and countries)
Admixtures	<p>N° 3 in Europe N° 4 Worldwide N° 1 in France</p>	<ul style="list-style-type: none"> ■ Innovative proprietary formulae ■ Close relationship with clients (co-development at the R&D stage, onsite dispensers, local support)
Paints	<p>N° 4 in Europe N° 2 in France & Portugal N° 1 in Italy N° 4 in Spain & Morocco N°5 in Argentina</p>	<ul style="list-style-type: none"> ■ Premium paints / brands ■ High density integrated distribution network
Mortars	<p>N° 4 worldwide Co-leader in France N° 1 in Argentina and Australia N° 3 in Spain</p>	<ul style="list-style-type: none"> ■ Positioning on high-value added products ■ High local market share



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Materis Organization

Wendel Board Members



Bernard Gautier



Jean-Michel Ropert



Stéphane Bacquaert



Patrick Bendahan

Management



**Olivier
Legrain**
CEO

Support



**Georges
Nordmann**
Finances



**Jean
Curis**
Strategy



**Arnaud
Lay**
Legal

Business Divisions



**Chistian
Sacchetti**
PSOM



**Eric
Bergé**
Chryso



**Jean-Marc
Bianchi**
Kerneos



**Richard
Seguin**
Parex Group



**René
Riu**
MaterisPaints

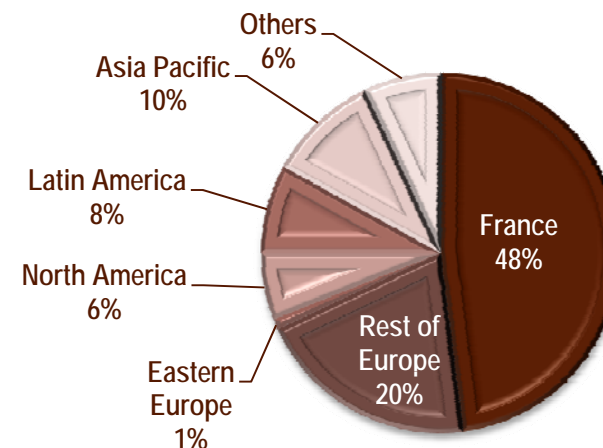
Materis

A very robust adjusted operating margin

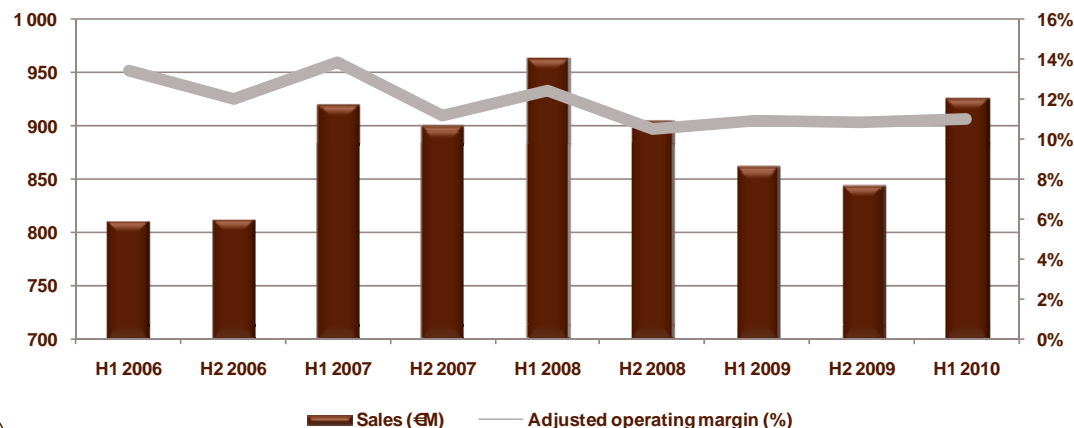
(€ m)	H1 2009	FY 2009	H1 2010
Sales	860.7	1 703.5	925.3
Operating income ⁽¹⁾	94.0	184.9	101.5
As a % of sales	10.9%	10.9%	11.0%
Net financial debt	1,820	1,757	1,832

⁽¹⁾ Adjusted operating income before goodwill, management fees and non-recurring items

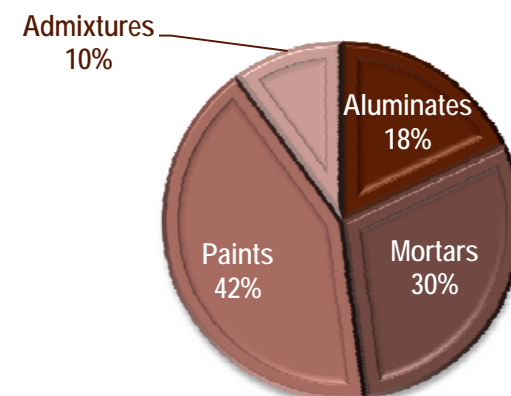
H1 2010 sales by region



Interim sales & operating margin



H1 2010 sales by division



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Strong resilience during the crisis

A challenging market environment

- **Strong decrease in residential construction**
 - ▶ Spain -87% between 2006 and 2009
 - ▶ US -73% between 2005 and 2009
 - ▶ France -35% between 2006 and 2009
- **Steel production down -34% in the EU between 2007 and 2009 (aluminates)**
- **Increase in raw material and freight costs**
- **Impact of the LME law on WCR**



A strong resilience

- **A limited drop of revenues (-9%) and EBITDA (-12%) between 2008 and 2009, due to a resilient portfolio**
 - ▶ 60% of revenues in renovation markets and infrastructures
 - ▶ Leading positions in major markets
- **Vigorous action plans implemented early in the cycle**
 - ▶ Development in high growth areas and new product segments
 - ▶ Price improvements (€91m)
 - ▶ Cost savings (€60m)
 - ▶ Working capital optimisation

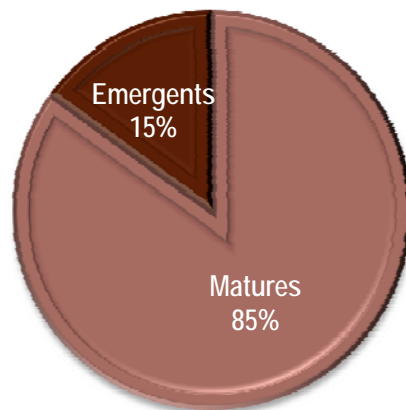


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Growth countries, fuel for growth & profitability

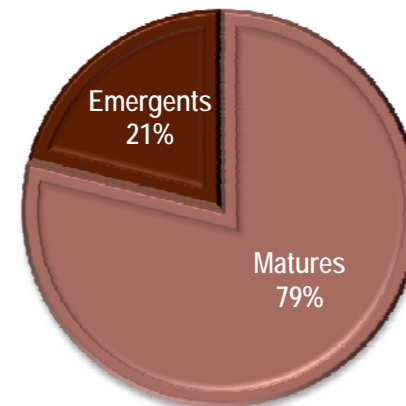
2006 sales



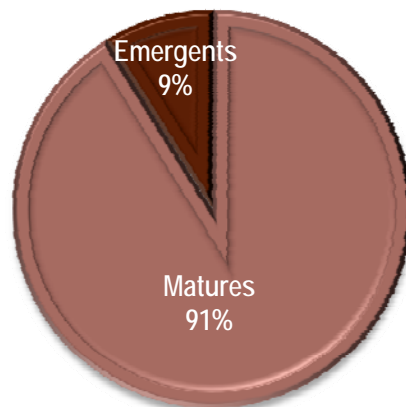
CAGR:

- Emerging: +14%
- Mature: -2%

2009 sales



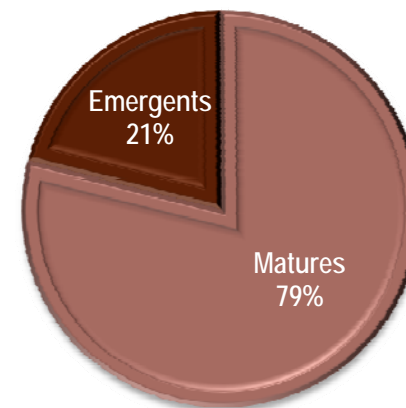
2006 €BITDA



€BITDA margin:

- Emerging: +500bps
- Mature: -300bps

2009 €BITDA



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Action plans on growth countries

Market environment

- **Growing economies**
- **High demand for new housing**
 - ▶ Urbanization
 - ▶ Middle class emerging with new housing needs
- **Strong construction growth expected in coming years**
- **Increasing cost of labor**



Our action plans

- **Accelerate organic growth through geographic coverage**
 - ▶ Leverage geographic presence for both Chryso and ParexGroup
 - ▶ Addition of new local capacities
 - ▶ Develop export from local positions
- **Accelerate organic growth through Innovation**
 - ▶ Product ranges internationalisation
 - ▶ New products development adapted to local markets
- **Accelerate growth through selective acquisitions**
 - ▶ South Africa / Malaysia



Materis: Growing with business adjacencies

a.b.e. acquisition in South Africa

From Chryso leadership in Admixtures

- Waterproofing is the second largest Construction Chemicals market



a.b.e. Construction Chemicals Limited

- a.b.e. is the leader in Waterproofing
- Leading brand and reputation
- Sales of 25 M€
- Attractive acquisition multiple:
x5 EBITDA

To Chryso leadership in Construction Chemicals

- Strengthening of Chryso structure
- A platform for product development
 - ▶ Construction
 - ▶ Distribution
 - ▶ Export
- Synergies
 - ▶ Formulation and know-how
 - ▶ Management
 - ▶ Purchasing



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Aluminates development in China

A ten years developing experience

- Tianjin plant greenfield project launched in 1998
- Acquisition completed in 2005 and 2006 of 4 plants in Henan and Guizhou provinces
- 16% of Kerneos worldwide turnover realised in China now

Leading market position in Refractories

Good development of construction and wastewater markets



Tianjin Plant



Zhengzhou Great Wall
Special Cements Plant



Yindu Plant

10th Anniversary
celebration
of Kerneos China



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Channel development in growth countries: Parex Group

Red Flag project, create leading network for waterproofing products in China

- Unique concept of dedicated small shops (close to 500 shops end-2009)
- Geomarketing to target city district and mapping
- More than one new shop each day (target of 300 new shops in 2011)
- A great potential for further product cross selling



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Long term growth story intact and reinforced

Positive long term drivers for the business

- Structural need for new housing
- Regular increase of housing stock to be renovated
- Increased renovation driven by new energy savings standards
- Continuous evolution of product mix driven by demand for healthier, safer and easier to place products

Organic growth rebounding in 2010 with positive perspectives

- Increased exposure to growth markets
- Resilience of our positions in mature markets
- Expected improvements in US market in coming years

Build-up opportunities will continue in coming years

