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Wendel to adjust down its stake in Saint-Gobain

Paris, May 6th 2014. Wendel announces its intention to sell 4.3% of Saint-Gobain's share capital through an accelerated bookbuild of 24 million shares in the market, for total proceeds of approximately €1.0bn. Following this transaction, Wendel will retain a stake of approximately 12% in Saint-Gobain's share capital and 20% of its voting rights. Wendel's stake will stabilise at around 11.5% of total shares and 19% of total voting rights, given the expected upcoming dilution related to the payment of the scrip dividend and to the employee savings plan.

At this level of ownership, Wendel's intention is to remain Saint-Gobain's largest shareholder for the long term, through the unaffected governance structure that has successfully been implemented for several years. This level of ownership is durably compatible with Wendel's investment strategy, focused on new non-listed investments diversified by geography and by sector. After the disposal of Wendel's stake in Legrand and disposals of activities within Materis (already achieved for Kerneos and in progress for Parex), this portfolio recalibration enables Wendel to trim down its exposure to the construction industry while still benefiting from the rebound of those markets.

Proceeds from the sale will allow Wendel to strengthen its cash position, which amounted to €547m as of March 17th 2014, and to have appropriate leeway to implement its investment plan while returning to an Investment Grade rating. In the short and medium term, Wendel has the possibility to invest an additional €400m in IHS and Saham. In addition, Wendel has been working actively in order to invest by the end of 2016 a portion of the additional €1.2bn dedicated to investments in North America and Europe. Lastly, Wendel will repay its €477m bond due in November 2014.

Wendel reaffirms its long-term support to Saint-Gobain's strategy announced on November 27th 2013 that makes it one of the strongest and best-positioned companies in materials and construction technologies:

- A solid Group, with three complementary Business Sectors positioned on fast-growing habitat and industrial markets,
- Strong assets to benefit from the U.S. housing upturn and from the improved economic environment in Europe,
- Continuous progress on strategic priorities, in particular innovation, technology and emerging countries, and,
- Strict financial discipline

Finally, Wendel reiterates its full confidence in Pierre-André de Chalendar, and intends to vote in favour of his renewal as a Director at the next Annual General Meeting on June 5th 2014.

There will be no change to the governance or to the composition of Saint-Gobain's board as a result of the sale. Post transaction, Wendel will remain the largest shareholder of Saint-Gobain and will keep its three Directors on the board. The current agreements between Wendel and Saint-Gobain remain unchanged and will be in place until 2021.

The transaction will result in an income statement loss of approximately €100m for Wendel.

Given its long term perspective in Saint-Gobain, Wendel has agreed with the bookrunners a particularly long lock-up commitment not to proceed with a similar transaction in the market for the next 12 months.

Frédéric Lemoine, Chairman of the Executive Board of Wendel, stated: *«After more than 6 years as shareholders of Saint-Gobain, we remain convinced of the quality and strength of this leading industrial group, and have been impressed by the strong ability of adaptation demonstrated by the Saint-Gobain teams during the crisis, under the leadership of Pierre-André de Chalendar. Thanks to its strategy, the Group is perfectly positioned today to benefit from the recovery of its underlying markets, in both the construction and industrial sectors. Our position of largest shareholder of Saint-Gobain will allow Wendel to support the company in the next stages of its development. »*

The transaction will be carried out through an accelerated book building to institutional investors. Book building will start immediately. Wendel intends to issue an additional press release upon completion of the transaction.

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About Wendel

Wendel is one of Europe's leading listed investment firms. The Group invests internationally, in companies that are leaders in their field, such as Bureau Veritas, Saint-Gobain, Materis, Stahl and IHS in Africa. 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 is also a shareholder of Van Gansewinkel Groep in the Netherlands, except in Germany, Mecatherm and Parcours in France, and Saham Group in Africa.

Wendel is listed on Eurolist by Euronext Paris.

Standard & Poor's ratings: Long term: BB+, stable outlook; short term: B since April 24, 2013.

Wendel is the Founding Sponsor of Centre Pompidou-Metz. In recognition of its long-term patronage of the arts, Wendel received the distinction of "Grand Mécène de la Culture" on March 23, 2012.



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