



W E N D E L

PRESS RELEASE, JULY 16, 2018

Allied Universal to acquire U.S. Security Associates for approximately \$1 billion

Santa Ana, CA, and Roswell, GA, July 16, 2018 – Allied Universal today announced it has agreed to acquire U.S. Security Associates (“USSA”) for approximately \$1.0 billion. Based in Roswell, Georgia, USSA is one of the leading providers of security and related services in the United States, employing more than 50,000 security professionals serving several thousand clients across a wide range of industries. USSA generated 2017 pro forma revenues and Adjusted EBITDA of c. \$1.5 billion and \$95 million, respectively. The transaction is expected to close by the end of 2018, subject to customary regulatory approvals.

Allied Universal intends to fund the transaction with a combination of additional indebtedness and up to \$200 million of equity from existing shareholders, including up to \$80 million from Wendel, increasing its total investment to \$380 million. Wendel and Warburg Pincus are expected to each maintain approximately one-third economic ownership.

The combination is expected to significantly enhance Allied Universal’s national presence and customer service capabilities and to generate approximately \$55 million in annual synergies over the next 24 months. It will also enhance Allied Universal’s presence in Canada, as well as expand its footprint to Central America and the United Kingdom.

Pro forma for the transaction, Allied Universal will employ approximately 200,000 security professionals and generate combined pro forma revenues of \$7 billion. Including anticipated synergies, the Company’s leverage ratio per its financing documentation is expected to improve to below 6.5x.

“I am excited to welcome the USSA team to the Allied Universal family,” said **Steve Jones, Chief Executive Officer of Allied Universal**. “USSA has built itself into one of the leaders in the security industry over the years and provides a unique suite of security solutions to a wide array of clients across industry verticals. This transaction aligns with our long-term growth strategy of acquiring scalable businesses with significant potential when combined with the Allied Universal platform. I look forward to collaborating with the USSA team to maximize the value that together we will bring to our customers and in identifying new ideas in the security space,” said Jones.

Wendel North America CEO David Darmon said, “As one of the two principal shareholders of Allied Universal, Wendel is supporting the Company’s continued growth as the industry continues to evolve. This is consistent with our original investment thesis and we think will further enhance the Company’s leadership position.”

About Allied Universal

Allied Universal, a leading facility services company and the largest security force in North America with over 160,000 employees, provides unparalleled security services and solutions. With headquarters in Santa Ana, Calif., and Conshohocken, Pa., Allied Universal combines people and technology to deliver evolving, tailored solutions that allow our clients to focus on their core business. An unrelenting focus on clients’ success creates partnerships rooted in quality and value, and is supported by experience gained from being in business for over 60 years. Through our people and leading services, systems and solutions...Allied Universal is there for you. For more information, please visit www.aus.com.

About U.S. Security Associates

U.S. Security Associates (USSA) is a full-service safety and security solutions provider. With over 160 locally-responsive offices, international locations and over 50,000 dedicated professionals, USSA offers a complete array of physical security, remote surveillance, and global consulting and investigations to ensure better outcomes for thousands of clients and a range of industries. For more information, please visit www.ussecurityassociates.com.

Key milestones of Wendel's investment in Allied Universal

Wendel acquired AlliedBarton Security Services in December 2015 for approximately \$1.68 billion. As part of the transaction, Wendel made an equity investment of approximately \$687 million, for an approximate 95% ownership in the company, alongside AlliedBarton's management team.

In 2016, AlliedBarton Security Services merged with Universal Services of America, owned by Warburg Pincus, creating the leading security company in North America. Following completion of the merger, in exchange for its contribution of its shareholding in AlliedBarton Security Services Wendel SE received approximately 33% of the shares of Allied Universal and a cash payment of \$388 million.

Following the USSA transaction in which Wendel will invest up to an additional \$80 million, Wendel's total equity investment will increase to \$380 million.

Agenda

09.06.2018

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

By conference call

11.29.2018

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

About Wendel

Wendel is one of Europe's leading listed investment firms. The Group invests in Europe, North America and Africa in companies that are leaders in their field, such as Bureau Veritas, Saint-Gobain, Cromology, Stahl, IHS, Constantia Flexibles and Allied Universal. 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 Mecatherm in France, Nippon Oil Pump in Japan, PlaYce and Tsebo in Africa, and CSP Technologies in the United States.

Wendel is listed on Eurolist by Euronext Paris.

Standard & Poor's ratings: Long-term: BBB-, stable outlook – Short-term: A-3 since July 7, 2014. 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" in 2012.

For more information:

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