



W E N D E L

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Wendel to Sell Large Stake in Allied Universal

Today Wendel announced it has entered into an agreement to sell approximately 40% of its equity stake, along with other existing shareholders, in Allied Universal (the “Company”), the leading security services provider in North America, to Caisse de dépôt et placement du Québec (“CDPQ”) at an enterprise value of more than \$7 billion. Simultaneously, Allied Universal has entered into an agreement whereby CDPQ will provide up to approximately \$400 million to support the Company’s growth strategy and acquisition plans. Following the transaction, Wendel will retain an approximately 18% ownership stake in the Company.

Pro forma for the transaction, CDPQ will become the largest shareholder in Allied Universal. The Company will continue to be majority owned by its existing shareholders, including Wendel, Warburg Pincus, and the Company’s management team, whose representatives will continue to constitute a majority of the Company’s Board of Directors. The transaction is expected to close in the third quarter of 2019 subject to customary closing conditions, including regulatory approval.

Wendel is expected to receive approximately \$350 million in cash proceeds as part of the transaction. Following the transaction, Wendel will have received cash proceeds, including prior distributions, in excess of its total initial investment in the Company.

“CDPQ’s agreement to acquire a significant ownership stake and invest in Allied Universal is a strong endorsement of the Company’s strategy and vision for the future and, most importantly, the incredible work of our entire team,” stated **Steve Jones, President and CEO of Allied Universal**. Wendel and Warburg are terrific partners who have supported our rapid growth over the past several years and we look forward to adding CDPQ to our shareholder base. We think CDPQ’s long-term approach is well-suited to our strategy for continued growth in manned guarding and technology services and look forward to working with them as partners.”

“We are extremely proud of the progress that Steve and the entire Allied Universal team have made during our partnership and look forward to the Company’s continued growth with CDPQ’s support,” said **David Darmon and Adam Reinmann, Managing Directors of Wendel North America**.

André François-Poncet, Wendel Group’s CEO, said: “I am delighted to see that CDPQ, a high-quality investor, is joining us to further develop Allied Universal and strengthen its leading position in the industry.

This transaction also provides Wendel with further means to identify new high quality assets and grow its portfolio over the long-term.”

History of Wendel’s Investment in Allied Universal

In December 2015, Wendel acquired AlliedBarton Security Services (“AlliedBarton”) for approximately \$1.68 billion. As part of the transaction, Wendel made an investment of approximately \$687 million, for approximately 95% ownership in the Company, alongside AlliedBarton's management team. In 2016, AlliedBarton merged with Universal Services of America, owned by Warburg Pincus, creating Allied Universal 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 received approximately 33% of the shares of Allied Universal and a cash payment of \$388 million. In October 2018, Wendel invested an additional \$78 million to support Allied Universal’s acquisition of U.S. Security Associates.

About Allied Universal

With annual revenues of over US \$7 billion and more than 210,000 employees at over 38,000 client sites, Allied Universal is the largest security solutions provider in North America, offering a mix of comprehensive manned guarding security services and innovative technology solutions, including systems integration and remote monitoring, to a broad and diversified group of customers.

Advisors

Barclays and Morgan Stanley & Co. LLC acted as financial advisors to Allied Universal in this transaction. Cleary Gottlieb Steen & Hamilton LLP and Skadden, Arps, Slate, Meagher & Flom LLP acted as legal advisors in this transaction.

Agenda

03.21.2019

2018 Full-Year Results / Publication of NAV as of December 31, 2018 (pre-market release).

05.16.2019

2019 Annual General Meeting / Publication of NAV as of March 31, 2019 and Q1 trading update (pre-market release).

07.30.2019

Q2 2019 / Publication of NAV as of June 30, 2019 and trading update (post-market release).

09.06.2019

2019 Half-Year consolidated financial statements / Condensed Half-Year consolidated financial statements (pre-market release) – No NAV publication.

11.07.2019

2019 Investor Day / Publication of NAV of September 30, 2019 and Q3 2019 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 which 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 a controlling or lead shareholder in these companies. We implement 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 Tsebo in Africa.

Wendel is listed on Eurolist by Euronext Paris.

Standard & Poor's ratings: Long-term: BBB, stable outlook – Short-term: A-2 since January 25, 2019

Moody's ratings: Long-term: Baa2, stable outlook – Short-term: P-2 since September 5, 2018

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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