2018 Full-Year Results press release, March 21, 2019

Considerable simplification of Wendel
Focused portfolio of 7 companies[1] today vs. 13 at beginning of 2018
Announced disposals of €1.5bn (January 1st 2018 to date)
Net debt pro forma reduced to nearly zero
Launch of a €200 million share buyback
Positioned to redeploy capital

Net Asset Value as of December 31, 2018, at €147.4 per share, up 1.6% relative to November 16, 2018

- NAV was negatively impacted at year-end 2018 reflecting the decrease in the share prices of listed assets and lower market multiples for unlisted assets, and is down 16.4% for the year
- Partially offset by 2018's disposals at attractive prices and by the benefit from the partial sale of Allied Universal in February 2019

Consolidated 2018 sales of €8,389.2 million; net income, Group share of €45.3 million

- Consolidated sales increased 3.9%, with most companies in the portfolio posting organic growth
- Net income from operations up 1.4% despite the significant negative impact of Wendel's scope change
- Net income of €280.4 million and net income Group share of €45.3 million, negatively impacted by non-recurring items and not taking into account the gain of €301.9 million realized on Bureau Veritas share sale which flows into shareholders' equity

Portfolio optimization at attractive terms: c.€720 million accounting gains[2]

2018: c.€1 billion proceeds

- All 4 disposals[3] above their respective Net Asset Values prior to announcements
- 4.73% stake in Bureau Veritas sold for €400 million, with Wendel retaining control of this core asset
- €141 million reinvested by Wendel in its portfolio companies, 10 acquisitions made by Group companies, including Allied Universal's $1 billion acquisition of U.S. Security Associates

2019: c. €480 million additional proceeds

- Since early January 2019, Wendel has been selling Saint-Gobain shares, with 4.64 million shares sold amounting to €143.5 million proceeds as of March 21, 2019
- Disposal of PlaYce in February for €32.2 million
- Partial sale of Allied Universal for approximately $350 million, expected to close in Q3 2019

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[1] Consolidated companies: Bureau Veritas, Constantia Flexibles, Cromology, Stahl, Tsebo, Allied Universal and IHS

[2] Including the capital gain generated on the disposals of Bureau Veritas and Saint-Gobain shares booked in shareholders equity

[3] CSP Technologies, Saham, Mecatherm and Nippon Oil Pump

Wendel's financial structure further strengthened

- LTV ratio at 6.1% as of December 31, 2018
- New rating by Moody's (Baa2) and upgrade to BBB by Standard & Poor's
- Pro forma for disposals announced in 2019, Wendel's net debt and LTV ratio reduced to nearly zero

Return to shareholders

- €200 million (c.4% of capital) share buyback announced today. Subject to regulatory approval, expected to be launched in Q2 2019
- Share buyback in 2018: c. 1.2% of capital repurchased, amounting to €68 million
- Ordinary dividend of €2.80 per share, up 5.7%, to be proposed at the Annual Shareholders' Meeting on May 16, 2019

André François-Poncet, Wendel Group CEO, said:

"In 2018, we took advantage of high private market valuations and streamlined Wendel's portfolio. We also adjusted our overall market exposure through the sale of a significant block of shares in Bureau Veritas. We remain the company's controlling shareholder and continue to support its management team, which has been significantly renewed, in accelerating profitable growth and generating cash. Overall, we collected c. €1 billion in proceeds in 2018, providing means for Wendel to take advantage of opportunities in the future, directly and through our portfolio companies. Most of our companies grew organically in 2018, although performance was uneven in the second half. Bureau Veritas distinguished itself with positive momentum throughout the year.

Looking ahead, current macroeconomic conditions and financial markets remain uncertain and could weigh on some of our companies' growth in coming months, but we are confident in their ability to adapt. We are focused on continuously strengthening their businesses and have added operating resources at Wendel to assist in the acceleration of value creation.

Lastly, we intend to take advantage of Wendel's strong financial profile, which has been further boosted by the partial Allied Universal disposal, to reward shareholders through a growing dividend and the launch of the €200 million share buyback which we are announcing today."

Group companies Contribution to 2018 sales

2018 consolidated sales (1)

(in millions of euros)	2017	2018	Δ	Organic Δ
Bureau Veritas	4,689.4	4,795.5	+2.3%	+4.0%
Constantia Flexibles (2)	1,487.5	1,538.3	+3.4%	+1.7%
Cromology (3)	704.6	665.1	-5.6%	-3.4%
Stahl	733.3	866.9	+18.2%	+2.4%
Tsebo (4)	461.0	523.4	+13.5%	+7.5% (5)
Consolidated net sales	**8,075.8**	**8,389.2**	**+3.9%**	**+3.0%**

The Group has adopted IFRS 15 "Revenue from Contracts with Customers", and the effect of initially applying this standard is recognized from the date of initial application (i.e. 1 January 2018). The information presented for 2017 has not been restated.

(1) Following the disposals of CSP Technologies, Mecatherm and Nippon Oil Pump and in accordance with IFRS 5, the contribution of these three portfolio companies to 2017 and 2018 earnings has been reclassified in "Net income from discontinued operations and operations held for sale".

(2) Following the sale of Labels division and in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", 2017 results of this division are included in "Net income from discontinued operations and operations held for sale" in Constantia Flexibles's consolidated financial statements. Restated of the impact of IFRS 15 "Revenue from Contracts with Customers", the sales variation is +4.6%.

(3) Following the sale of Colorin and in accordance with IFRS 5, 2017 results of this division are included in "Net income from discontinued operations and operations held for sale" in Cromology's consolidated financial statements. Restated of the impact of IFRS 15 "Revenue from Contracts with Customers", the sales variation is -4.7%.

(4) Company consolidated from February 2017.

(5) 12-month organic growth computed on the reporting currency (USD) converted figures. Organic growth of Tsebo for the 11-month period of February to December is +8.1%.

2018 sales of equity-accounted companies[6]

(in millions of euros)	2017	2018	Δ	Organic Δ
Allied Universal	4,704.0	4,937.4	+5.0%	+3.3%
IHS	982.2	989.6	+0.8%	+20.0%

(6) Following the disposal of PlaYce and in accordance with IFRS 5, the contribution of this portfolio company to 12M 2017 and 12M 2018 earnings has been reclassified in “Net income from discontinued operations and operations held for sale”.

2018 consolidated results

(in millions of euros)	2017	2018
Consolidated subsidiaries	703.6	680.5
Financing, operating expenses and taxes	-198.6	-168.4
Net income from operations[1]	**505.0**	**512.1**
Net income from operations,[1] Group share	169.0	152.7
Non-recurring net income	142.7	-56.4
Impact of goodwill allocation	-113.6	-175.3
Total net income	**534.1**	**280.4**
Net income, Group share	200.0	45.3

(1) Net income before goodwill allocation entries and non-recurring items.

2018 net income from operations

(in millions of euros)	2017	2018	Change
Bureau Veritas	437.8	443.7	+1.4%
Stahl	84.0	110.3	+31.3%
Constantia Flexibles	82.9	83.2	+0.3%
Cromology	7.5	-5.2	-168.8%
Allied Universal (equity method)	11.9	11.9	-0.4%
Saint-Gobain (equity method until May 31, 2017)	40.7	-	-100.0%
Saint-Gobain dividend	17.8	18.4	+3.2%
IHS (equity method)	4.1	5.8	+40.9%
Tsebo	2.2	7.4	+243.4%
Mecatherm	3.4	2.0	-40.9%
CSP Technologies	5.0	2.5	-49.0%
Nippon Oil Pump	5.8	1.4	-75.8%
exceet (equity method)	0.8	-	-
PlaYce (equity method)	-0.3	-0.9	N/A
Total contribution from Group companies	**703.6**	**680.5**	**-3.3%**
of which Group share	367.7	321.1	-12.7%
Total operating expenses	**-53.9**	**-69.5**	**+29.0%**
Total financial expense	**-144.8**	**-99.0**	**-31.6%**
Net income from operations	**505.0**	**512.1**	**+1.4%**
of which Group share	169.0	152.7	-9.7%

On March 20, 2019, our Supervisory Board met under the chairmanship of Nicolas ver Hulst and reviewed Wendel's consolidated financial statements, as approved by the Executive Board on March 13, 2019. Financial statements were audited by the Statutory Auditors prior to their publication.

Wendel Group’s consolidated sales totaled €8,389.2 million, up 3.9% overall and up 3.0% organically.

The overall contribution of Group companies to net income from operations amounted to €680.5 million, down 3.3% from 2017. This slight decline largely resulted from deconsolidating Saint-Gobain following the June 2017 sale of shares, from the sale of Constantia Flexibles' Labels division, as well as from the sale of NOP, Mecatherm and CSP Technologies in 2018, results of which have not been fully offset by the improvement in earnings of the main Group companies.

Financial expenses, operating expenses and taxes totaled €168.4 million, down 15.2% from the €198.6 million reported in 2017. This decrease was concentrated in the financial expense line item, down 31.6% and resulted mostly from gross debt reduction. Between 2017 and 2018, borrowing costs declined by 32.9%, i.e. from €94.9 million to €63.6 million. U.S. dollar decline had a €44.5 million negative impact on the Group's cash and financial investments in 2017, versus a negative impact of €10 million in 2018. Total operating expenses increased by €15.6 million in 2018 mainly due to €12 million of dividend tax repayments in 2017.

Non-recurring net result was a loss of €56.4 million in 2018 vs. a gain of €142.7 million in 2017. In 2017, non-recurring items in Wendel's consolidated statements mainly derived from a €318.9 million gain on the sale of Constantia Flexibles' Labels division and from the €84.1 million accounting gain following the deconsolidation of Saint-Gobain, partly offset by a currency loss on IHS's financial debt (€-68.3 million) as well as asset impairments and other non-recurring items (€-192.0 million).

In comparison, the non-recurring loss recognized in 2018 resulted from the following items:

- a €207.8 million cumulated gain on disposals of CSP Technologies, Mecatherm and NOP and change in fair value of the call options on Saint-Gobain shares embedded in the exchangeable bond maturing in 2019;
- a €34.5 million negative FX impact on IHS and Stahl's financial debt
- a cumulated asset impairment at portfolio companies' level of €-92.3 million
- €-137.4 million other non-recurring items mainly at portfolio companies' level

Wendel's net income, was thus €280.4 million in 2018, compared with €534.1 million in 2017. Net income, Group share was €45.3 million, vs. €200.0 million in 2017.

Group companies Results

Bureau Veritas

(full consolidation)

Bureau Veritas' revenue in 2018 amounted to €4,795.5 million, a 2.3% increase compared with 2017 and +7.0% at constant rate. Organic revenue growth amounted to 4.0% in 2018, accelerating in H2 with 4.4% in the last quarter. This is explained by:

- Steady growth generated by the five Growth Initiatives (36% of Bureau Veritas revenue), up 6.3% organically. High single-digit growth was achieved in Opex services, Buildings & Infrastructure and SmartWorld and mid-single digit for Agri-Food and Automotive.
- Improvement over the year in the Base Business (64% of Bureau Veritas revenue), up 2.9% organically with an organic growth of 4.1% in the last quarter. Marine & Offshore (7% of Bureau Veritas revenue) turned to positive organic growth in H2 2018 (up 4.0% versus a 5.4% decrease in H1), following eight negative quarters, a reflection of improving market conditions particularly in China. In addition, Oil & Gas Capex related activities (less than 4% of Bureau Veritas revenue) bottomed out (down 6.6% for FY with a 3.6% organic growth in H2 2018) benefiting from favorable comparables and the ramp-up of contracts in North America and Africa in particular. Bureau Veritas' other activities performed well, notably with Metals & Minerals reporting a full recovery and Certification benefiting from the exceptional workload generated by the revision of standards in 2017/2018.

M&A: six acquisitions in 2018, focused on the Group's Strategic Growth Initiatives

In 2018, Bureau Veritas completed six acquisitions in different countries to strengthen its footprint, representing around €85 million in annualized revenue (or 1.8% of 2018 Bureau Veritas revenue). These acquisitions supported three of the five Growth Initiatives.

The largest acquisition, EMG, a company specializing in technical assessment and project management assistance services, significantly strengthened Bureau Veritas's position in Buildings & Infrastructure in the USA. Since the beginning of 2019, Bureau Veritas has recorded two additional transactions furthering its Agri-Food and Buildings & Infrastructure Growth Initiatives.

Adjusted operating profit up 1.7% to €758 million (+8.4% at constant currency)

Bureau Veritas full year 2018 adjusted operating margin was up 20 basis points organically and at constant exchange rates, to 16.1%. On a reported basis, the adjusted operating margin declined by c. 10 basis points to 15.8% compared to 15.9% in 2017.

Adjusted EPS of €0.96, up 0.4% year-on-year (+15.3% at constant currency)

Net financial expense amounted to €93.2 million compared with €103.7 million in 2017, mostly reflecting reduced foreign exchange losses (€5.7 million vs. €12.1 million in 2017) due to the appreciation of the euro against the U.S. dollar and pegged currencies, but also against currencies of emerging countries.

Strong improvement in free cash flow

Free cash flow (available cash flow after tax, interest expenses and capex) amounted to €478.4 million compared to €349.6 million in 2017, up 36.8% year-on-year and up 45.8% on a constant currency basis. On an organic basis, free cash flow increased by 42.2% in 2018.

Dividend

Bureau Veritas is proposing a dividend of €0.56 per share for 2018, unchanged compared to 2017. Bureau Veritas will offer its shareholders the option to receive the dividend in cash or in shares. In the latter case, a 10% discount will be applied. The issue price of new shares will include the 10% discount on the average opening price of Bureau Veritas shares during the 20 trading days preceding the Combined Shareholders' Meeting. This is subject to the approval of the Combined Shareholders' Meeting to be held on May 14, 2019. In this context, Wendel has informed Bureau Veritas of its intention to opt for a payment of its dividend in shares.

2019 OUTLOOK

For the full year 2019, Bureau Veritas expects:

- Solid organic revenue growth
- Continued adjusted operating margin improvement at constant currency
- Sustained strong cash flow generation

For more information: https://group.bureauveritas.com

Stahl

(full consolidation)

Stahl's sales totaled €866.9 million in 2018, up 18.2% from 2017. This increase in sales resulted from a combination of organic growth (+2.4%) and a strong scope effect (+19.4%) deriving from the consolidation of BASF's Leather Chemicals business over the full year. Fluctuations in exchange rates had a 3.6% negative impact on sales.

Organic sales growth was mainly driven by ongoing double-digit growth within Performance Coatings, partially offset by somewhat weaker performance in Leather Chemicals. Although organic track record was solid over the first half, Stahl was confronted with more challenging market circumstances during Q3 and Q4, particularly within the shoe segment in China and India. In addition, sales within the automotive segment are impacted by lower car sales in China and temporary production stops by some automotive OEMs in Europe in part due to insufficient capacity regarding new testing procedures (“WLTP”).

Despite negative FX impact, rapidly increasing raw materials costs followed by sales prices increases, and more challenging market conditions in the second half, Stahl’s EBITDA rose 14.9% in 2018 compared with 2017, to €196.8 million, representing a 22.7% margin. EBITDA growth was driven by further successful consolidation of the BASF’s Leather Chemicals business, organic sales growth and solid cost control. Synergy roll out in relation to the BASF Leather Chemicals acquisition is well on track with estimated annual synergies and cost savings currently at a run-rate level of €25 million.

As of December 31, 2018, net debt was €415.7 million, down 23% year-on-year due to Stahl’s strong cash generation profile. As a result, Stahl’s leverage ratio strongly improved from 2.8x proforma EBITDA end of 2017 to 2.1x end of 2018.

Lastly, on August 28, 2018, Stahl announced the appointment of Frank Sonnemans as CFO and member of the Board of Stahl Holdings B.V. Frank Sonnemans joined Stahl on February 1st, 2019 to take over the responsibilities of the previous CFO, Bram Drexhage, who has decided to retire from Stahl mid-2019.

Constantia Flexibles

(full consolidation - Following the sale of the Labels division and in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations", 2017 results of this division are included in “Net income from discontinued operations and operations held for sale" in Constantia Flexibles's consolidated financial statements).

Constantia Flexibles’ sales stood at €1.5 billion in 2018, up 3.4%[1]. Organic growth was +1.7%. Fluctuations in exchange rates had a negative impact of 1.6%, mainly deriving from the weakening of the U.S. dollar, Russian rubble, Turkish lira, South African rand and Indian rupee. +4.4% resulted from changes in scope (mainly from the acquisition of Creative Polypack) and the application of IFRS 15 had a 1.1% negative impact.

Consumer division sales increased by 5.8% to €1.2 billion in 2018, mainly due to the consolidation of Creative Polypack.

Pharma division sales rose by 1.5% to €351 million.

Both divisions had similar levels of organic growth (2.1% in the Pharma division and 2.0% in the Consumer division). The main driver of organic growth in the full year was a strong performance in Pharma markets, notably blister lidding, cold form and contact lenses offset by somewhat challenging market conditions in certain Consumer markets. Growth however was strong in the Consumer division in both emerging markets and the USA.

Constantia Flexibles’ 2018 EBITDA was €186.5 million, representing a 60 bps year-on-year decrease in margin to 12.1%. Constantia Flexibles’ profitability suffered mainly during H2 from a time lag to pass through rising prices of key raw materials to as well as temporarily challenging business environments in certain Consumer markets. Raw material prices were also volatile during the year and for example average Aluminum prices were 2% higher in 2018 than in 2017, average BOPP film prices were 7% higher and Ethyl Acetate, a solvent, was 18% higher on average. Lower headquarters costs in 2018 could not fully offset the above-mentioned challenges.

As of December 31, 2018, Constantia Flexibles’ net debt (excluding capitalized transaction costs) was €452.7million, i.e., 2.4x EBITDA.

On February 25, 2019, Multi-Color Corporation (NASDAQ: LABL) announced that it has entered into a definitive merger agreement to be acquired by an affiliate of Platinum Equity LLC (“Platinum Equity”), a leading private equity firm. Under the terms of the agreement, which has been unanimously approved by Multi-Color Corporation’s Board of Directors, Multi-Color Corporation shareholders will receive $50 in cash for each share of common stock they own. Constantia Flexibles Holding GmbH which owns approximately 16.6% of Multi-Color Corporation’s outstanding shares, will receive approximately USD 170 million for its shares, pending completion of the deal.

At completion, this transaction will give additional financial headroom to Constantia Flexibles and will further reduce its leverage to approximately 1.6x EBITDA.

[1] Restated for the impact of IFRS 15 "Revenue from Contracts with Customers", the sales variation is +4.6%

Cromology

(full consolidation - in accordance with IFRS 5, the 2017 contribution from Colorín's activities is included in "Net income from discontinued operations and operations held for sale")

Over the year Cromology posted sales of €665.1 million, down 5.6[1]% compared to 2017. Cromology's business was down 3.4% organically year-on-year, primarily the result of low performance in France (- 3.9%) and Italy (-5.6%). The application of IFRS 15 had a negative 0.9% impact. Changes in scope (primarily explained by the disposal of integrated stores in Italy in 2018) had a negative impact of 1.1%, while changes in exchange rates had a negative 0.2% impact on sales.

Cromology's activities suffered from weak markets mainly in France and Italy, which represent 67% and 13% respectively of Cromology's sales. Top line performance in France was affected in particular by volume decline following the implementation of a new pricing scheme. Titanium dioxide's price, the key component in the paint formula, has increased sharply since Q2 2016, and continued to increase until the end of H1 2018, thus penalizing significantly Cromology's gross margin. Prices started to decline over the summer. To compensate the rise in raw material prices, Cromology increased its paint products selling prices by 2.9% in 2018.

In this context of weak top line performance and high level of raw material prices, Cromology contained its SG&A costs. However, due to reduced leverage effect on its cost base, EBITDA fell by 40.8% to €29.0 million, or a margin of 4.4%.

On February 6, 2018, Cromology finalized the sale of Colorín, its Argentinian subsidiary, which represented around 4% of sales and on March 29, 2018 the disposal of Colori di Tollens, Cromology's integrated stores in Italy, which represented around 2% of sales.

The company's net debt was €250.5 million as of December 31, 2018.

Since Wendel's €25 million cash injection on March 14, 2018, aimed at increasing Cromology's financial flexibility, the situation has deteriorated further. In this context, Cromology has initiated discussions in Q3 2018, with its pool of lenders in order to restructure its balance sheet and support the operational and financial turnaround of the company, under the new leadership of Pierre Pouletty, who took office on June 12, 2018, as Executive Chairman, and Loïc Derrien, who joined as CEO on August 27, 2018.

IHS

(equity method)

IHS sales for 2018 totaled $1,168 million, up 5.5% versus the prior year. Organic growth was +20%, driven by the increase of the total number of owned and managed with license to lease towers – which reached 23,863[2] as of December 31, 2018 (+4.4% vs 2017) – by new tenants, new lease amendments ("technology tenants") and price escalation mechanisms. 2017 Nigerian revenue was translated at the CBN rate (305 NGN for 1 USD) whereas 2018 Nigerian revenue, which represents c.70% of total sales, is translated at the NAFEX rate (c. 363 NGN for 1 USD) thereby negatively impacting reported total USD revenue.

The Point-of-Presence lease-up rate increased to 1.52x while the technology tenancy ratio increased to 2.29x.

With regards to profitability, IHS continued the successful development and rationalization of its installed base of towers. The company also maintained a tight operating cost control policy. EBIT for the year increased by +4.1% to $248.3 million (vs. $238.6 million in 2017[3]), representing a margin of 21.3% in 2018.

In mid-November, the takeover of 9mobile, a customer of IHS in Nigeria, by Teleology has reportedly been approved by the NCC, with a new Board of directors appointed.

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[1] Restated of the impact of IFRS 15 "Revenue from Contracts with Customers", the sales variation is -4.7%.

[2] Tower count excluding managed services and WIP as of December 31, 2018

[3] As per Wendel's definition, EBIT excluding non recurring items. Depreciation for the 2017 financial year has been restated to take effect of the late recording of assets in depreciable asset categories resulting in an increase in previously reported depreciation of $25.7 million.

With regards to external growth, the acquisition of c. 1,600 towers from Zain in Kuwait is still pending regulatory authorizations that should come in the coming months. In addition, IHS has entered into exclusive negotiations with Zain for the acquisition of an additional c 8 000 towers in Saudi Arabia.

Since November 14, 2018, all IHS' banks in Nigeria have released all previously restricted cash in connection with Post No Debit Orders received from the EFCC. As a reminder, to IHS' knowledge, no formal allegation or investigation against IHS has been notified to them as part of the EFCC enquiries.

As of December 31, 2018, IHS' net debt was $1,264.3 million.

Allied Universal

(equity method)

In 2018, Allied Universal generated revenues of $5.8 billion, representing a 9.9% increase over the prior year. This growth includes the benefit of completed acquisitions (U.S. Security Associates ("USSA") is consolidated over two months) and 3.3% organic growth, driven by hourly bill rate increases, net addition of new customers, and growth with existing customers.

Since the beginning of the year, Allied Universal has continued to consolidate its industry, acquiring:

- Covenant Security, a Philadelphia-based security firm, on February 2, 2018. With 1,900 employees and a presence throughout the U.S., Covenant generated approximately $80 million annual revenue.
- U.S. Security Associates on October 26, 2018, for approximately $1.0 billion. Based in Roswell, Georgia, USSA is one of the leading providers of security and related services in the U.S., employing more than 50,000 security professionals serving several thousand clients across a wide range of industries. USSA generated pro forma revenues and adjusted EBITDA of c.$1.5 billion and $95 million, respectively. Allied Universal funded the transaction with a combination of additional indebtedness and $200 million of equity from existing shareholders, including c.$78 million from Wendel, increasing its total investment to c. $378 million. Wendel and Warburg Pincus each maintain approximately one-third economic ownership. As part of the transaction, existing shareholders also committed an additional unfunded equity liquidity line. Wendel's share of the commitment is up to $40 million.

Pro forma for the acquisition, Allied Universal annual revenues amount to approximately $7 billion and employs over 200,000 security professionals. With USSA, Allied Universal enters into the consulting and investigations business as well as event staffing, enhancing its unparalleled and comprehensive security offerings to its customer base throughout its service areas.

Adjusted EBITDA for 2018 increased by 11.8% year-over-year to $422.7 million, or 7.3% of revenue. The improvement was driven by organic growth, acquisitions completed in 2017 and 2018, the realization of synergies from the merger and subsequent acquisitions, and the realization of productivity improvement initiatives, partially offset by the impact of labor costs in the historically tight U.S. employment environment.

As of December 31, 2018, Allied Universal's net debt totaled $3,932 million, or 6.2x EBITDA as defined in the company's credit agreement.

Tsebo

(full consolidation since February 1, 2017)

Tsebo's 2018 sales reached $617.8 million, up 9.7% year-on-year. Tsebo benefitted from strong organic growth (+7.5%) driven by its Cleaning and Facilities Management businesses, and stable exchange rate fluctuations (+0.4%). Growth was also supported by a positive scope change (+1.8%) resulting from the acquisitions of Rapid FM in Nigeria and of Servcor in Zimbabwe. Tsebo's results were delivered in the context of challenging market conditions in South Africa, where real GDP growth slowed to 0.8% in 2018 and business sentiment remains subdued.

Tsebo's EBITDA was $39.0 million in 2018, an increase of 5.4% compared to 2017. EBITDA margin decreased to 6.3% compared to 6.6% in the previous year as a result of substantial investments made to support the company's long-term strategic plan, as well as macroeconomic headwinds.

In October, Tsebo's level 1 BEE rating was confirmed and renewed for 1 year. It is the highest achievable rating on the South African DTI's generic BEE scorecard and offers Tsebo a distinct competitive advantage in the country.

As of December 31, 2018, Tsebo's net debt stood at $118.6 million.

NAV of €147.4 per share as of December 31, 2018

As announced in 2018, Wendel has changed dates for the calculation and publication of its Net Asset Value (NAV) to align them with generally observed market practices. NAV is now calculated at the end of each quarter since December 31, 2018.

Net asset value was €6,823 million or €147.4 per share as of December 31, 2018 (see Appendix 1 below for details), representing a 12-month decrease of 16.4% from €176.4 per share as of December 31, 2017. The discount to the December 31, 2018 NAV was 30.0%, compared with the last 20 trading days average share price as of December 31, 2018.

As per the NAV methodology, the following values have been retrospectively taken into account in the NAV calculation as of December 31, 2018.

- Allied Universal partial stake sale to Caisse de dépôt et placement du Québec
- Disposal of the stake in PlaYce

Highlights of 2018

Portfolio simplification

Disposal of CSP Technologies
On August 27, 2018, Wendel announced it completed the sale of CSP Technologies to AptarGroup, Inc. For Wendel, the transaction generated net proceeds of $342 million or $140 million above CSP's valuation in Wendel's net asset value as of May 2, 2018.

Sale of Wendel's stake in Saham group
Wendel announced on October 11, 2018, it completed the sale of its stake in Saham Group. For Wendel, the transaction generated net proceeds of $155 million. Wendel also gets also an earn-out, equivalent to 13.3% of capital gains, on any disposal of the remaining businesses of Saham Group (Customer relationship centers, Real estate, Healthcare and Education) occurring in the next 24 months at a valuation greater than certain pre-defined thresholds.

Sale of Mecatherm
On July 31, 2018, Wendel announced that it has received a firm offer for 100% of Mecatherm's share capital for an enterprise value of €120 million, or about 10x expected EBITDA for year-end 2018.
The deal was completed on September 27, 2018, and Wendel received net proceeds of c.€85 million, or about €40 million above Mecatherm's valuation in Wendel's net asset value on May 2, 2018.

Sale of NOP
On November 28, 2018, the sale of NOP was completed. Wendel received net proceeds of approximately €85 million, or c. €13 million above NOP's valuation in Wendel's net asset value as of August 24, 2018, and c. 3.5 times the initial equity invested, representing an IRR of c.29% since Wendel's investment in December 2013.

Sale of a 4.73% stake in Bureau Veritas

Wendel completed the sale of 20,920,503 shares in Bureau Veritas, amounting to 4.73% of the share capital for total proceeds of around €400 million on October 30, 2018. The sale resulted in an important increase in Bureau Veritas' free float and improved the liquidity of its shares whilst allowing Wendel to remain Bureau Veritas' majority shareholder. The transaction resulted in a capital gain of approximately 300 million euros which had no impact on Wendel's income statement in accordance with accounting standards applied to majority investments. Wendel retains control of bureau Veritas, a core holding in its portfolio and will support the company's growth.

Portfolio support: €141 million additional investments in group Companies

Cromology

On March 14, 2018, Wendel supported Cromology through a €25 million cash injection, increasing Cromology's financial flexibility to pursue its plans for operational improvement.

Wendel supports Allied Universal's acquisition of USSA

Allied Universal announced in July 2018 it has agreed to acquire U.S. Security Associates ("USSA") for approximately $1.0 billion. Allied Universal funded the transaction with a combination of additional indebtedness and up to $200 million of equity from existing shareholders, including approximately $78 million from Wendel, increasing its total investment to $378 million.

Strengthening of Wendel's position in Stahl

End of 2018, Wendel reached an agreement to acquire 4.8% of Stahl's capital from Clariant for a total cash amount of €50 million. Following this deal, Wendel increases its ownership in Stahl to c. 67%[1] . Clariant now owns c. 14.5%[1] of the capital of Stahl and therefore drops out of its board seat and its specific veto rights. The remainder of Stahl's capital remains held by BASF (c.16%), the company's management and other minority investors. This transaction contributes positively to Wendel's value creation.

Other significant events since the beginning of 2019

Wendel and other existing shareholders to sell large stake in Allied Universal

Wendel and other existing shareholders in Allied Universal ("AU" or the "Company") announced on February 20, 2019, that they entered into an agreement to sell an approximately 40% equity stake in AU to Caisse de dépôt et placement du Québec ("CDPQ") at an enterprise value of more than $7 billion. Simultaneously, Allied Universal entered into an agreement whereby CDPQ will provide up to approximately $400 million of primary capital to support the Company's growth strategy and acquisition plans. Following this transaction, Wendel will approximately retain a 18% ownership stake in the Company.

Pro forma for 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.

Sale of PlaYce

Wendel has agreed to sell its 40% holding in PlaYce (formerly SGI Africa) to CFAO for net proceeds of €32.2 million, following an initial investment of €25.3 million at the end of July 2016.

Improved debt profile

Moody's assigned Baa2 rating to Wendel with a stable outlook

On September 5, 2018, Moody's assigned Baa2 long term issuer rating to Wendel. As stated in Moody's credit opinion, this rating reflects the company's consistent and prudent investment strategy as well as its conservative financial policy as exemplified by a very low point-in-time market value leverage and a commitment to maintain a low market value leverage through market cycles.

S&P Global upgraded Wendel's credit rating to BBB / A-2; outlook stable

In its research update published on January 25, 2019, S&P Global upgraded Wendel's credit rating to BBB / A-2; stable outlook. S&P Global stated "The upgrade reflects our view of Wendel's active portfolio management in

[1] % of economic ownership

the second half of 2018, resulting in successful maintenance of a loan-to-value ratio below 10% despite difficult market conditions”.
Wendel now has two equivalent credit ratings with the two rating agencies.

Successful extension of credit lines
In mid-October 2018, Wendel successfully extended its €750 million undrawn credit facility. Its new maturity is now October 17, 2023.

Dividend for 2018

Wendel is proposing a dividend of €2.80 per share for 2018, up 5.7% compared to 2017. This is subject to the approval of the Shareholders’ Meeting to be held on May 16, 2019.

Share buybacks

In 2018, Wendel repurchased 553,576 of its shares in the market, amounting to €68.2 million. Wendel holds 993,049 of its shares in treasury, or 2.1% of its share capital, as of February 28, 2019.

Wendel announces that it intends to enter into a €200 million share repurchase agreement with Goldman Sachs International (“Goldman Sachs”) to be started once Wendel-Participations SE (“WP”), Wendel’s controlling shareholder, acting in concert with WP’s Chairman (the “Concert”), obtains from the Autorité des Marchés Financiers a definitive exemption to launch a takeover bid on Wendel. In the context of this transaction, the share capital ownership of the Concert might actually increase by 1% or more over a period of 12 months. This request for an exemption is justified by the holding of the majority of the Company’s voting rights by the Concert (WP holds at this date, in concert, 37.71% of the share capital and 50.35% of the voting rights of Wendel). This exemption is expected to be obtained in the coming weeks. This transaction should be completed before the end of 2019.

Upon completion and depending on the effective purchase price, this transaction is expected to reduce Wendel’s outstanding shares count by approximately 4% on the basis of the current share price and demonstrates its continued commitment to value creation and capital return for shareholders. The 993,049 shares currently held in treasury and allocated to other objectives, are not intended to be cancelled.

Wendel will give further information, in an announcement that will be made public on the effective start of the share repurchase agreement.

As of February 28, 2019, Wendel had 46,280,641 million shares outstanding.

This share repurchase will be launched as part of an authorization granted to the Executive Board on May 17, 2018 by the shareholders’ general meeting. The renewal of this authorization will be proposed at the agenda of the next general meeting, to be held on May 16, 2019.

Strategy

Confirmation of the 2017-2020 strategic orientation

- **Develop and crystallize value** by pursuing the long-term growth of our portfolio companies and by taking advantage of opportunities to divest, form partnerships, list companies on the stock exchange or reinvest in our companies;
- **Invest** approximately €750 million in equity per annum, subject to market conditions and attractive terms, in Europe, North America and Africa in leading companies exposed to favorable long-term trends. Part of this amount could derive from partners who share our investment philosophy, as we have done in the past;
- **Remain cautious**, keeping net debt under strict control, under €2.5 billion, while maintaining a balance in the portfolio between listed and unlisted companies;

- **Achieve our ambitious financial objectives**: double-digit average return to shareholders, with dividends increasing year after year, and with regular share repurchases, depending on opportunities.

Agenda

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).

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Appendix 1: NAV as of December 31, 2018: €147.4 per share

(in millions of euros)			12/31/2018	12/31/2017
Listed equity investments	Number of shares	Share price (1)	**3,268**	**4,691**
Bureau Veritas	156.3/177.2 million	€18.2/ €22.7	2,846	4,024
Saint-Gobain	14.2 million	€29.8/ €47.1	422	667
Unlisted investments and Oranje-Nassau Développement (2)			**3,908**	**4,532**
Other assets and liabilities of Wendel and holding companies (3)			89	69
Cash and marketable securities (4)			2,090	1,730
Gross asset value			**9,355**	**11,021**
Wendel bond debt and accrued interest			-2,532	-2,863
Net Asset Value			**6,823**	**8,158**
Of which net debt			*-442*	*-1,133*
Number of shares			*46,280,641*	*46,253,210*
Net Asset Value per share			**€147.4**	**€176.4**
Average of 20 most recent Wendel share prices			€103.2	€142.8
Premium (discount) on NAV			-30.0%	-19.1%

(1) Last 20 trading days average as of December 31, 2017, and December 31, 2018

(2) Investments in non-publicly traded companies (Cromology, Stahl, IHS, Constantia Flexibles, Allied Universal) & Oranje-Nassau Développement (NOP, PlaYce, Tsebo, indirect investments and debts). As per previous NAV calculation as of November 16, 2018, IHS valuation as of December 31, 2018, was solely performed based on EBITDA, which is the most relevant valuation aggregate at this stage. MCC shares owned by Constantia Flexibles are valued at their public offering price of $50 per share. Stake in Allied Universal and PlaYce are valued after the recent deal agreements.

(3) Of which 1,013,074 treasury shares as of December 31, 2018, and 669,402 as of December 31, 2017.

(4) Cash position and financial assets of Wendel & holdings. As of December 31, 2018, this comprises € 1.8 bn of cash and cash equivalents and € 0.3 bn short term financial investment.

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 274 of the 2017 Registration Document.

Appendix 2: Conversion from accounting presentation to economic presentation

(in millions of euros)	Bureau Veritas	Constantia Flexibles	Cromo logy	Stahl	Tsebo	Others	Equity-method investments		Wendel and holding companies	Total Group
							IHS	Allied Universal		
Net income from operations										
Net sales	**4,795.5**	**1,538.3**	**665.1**	**866.9**	**523.4**	-	-	-	-	**8,389.2**
EBITDA (1)	**N/A**	**186.5**	**29.0**	**196.8**	**32.7**	**N/A**	-	-	-	-
Adjusted operating income (1)	**758.0**	**104.3**	**6.6**	**179.4**	**27.7**	-	-	**-0.2**	-	-
Other recurring operating items	-	-2.0	-1.8	-4.7	-0.8	-1.1	-	-	-	-
Operating income	**758.0**	**102.3**	**4.8**	**174.7**	**26.9**	**-1.1**	-	**-0.2**	**-69.0**	**996.5**
Finance costs, net	-82.5	-18.1	-17.2	-29.4	-15.4	-	-	-	-99.0	**-261.6**
Other financial income and expense	-10.7	-2.4	-0.1	1.3	0.9	-	-	-	18.4	**7.5**
Tax expense	-221.6	-6.3	7.9	-36.3	-5.1	-	-	-7.0	-0.5	**-268.9**
Share in net income of equity-method investments	0.5	7.7	-0.1	-	0.2	-	5.8	19.1	-	**33.1**
Net income from discontinued operations and operations held for sale	-0.0	-	-0.5	-	-	6.0	-	-	-	5.6
Recurring net income from operations	**443.7**	**83.2**	**-5.2**	**110.3**	**7.4**	**5.0**	**5.8**	**11.9**	**-150.0**	**512.1**
Recurring net income from operations – non-controlling interests	279.3	34.0	-0.5	41.1	5.4	0.1	-	0.1	-	**359.4**
Recurring net income from operations – Group share	**164.5**	**49.2**	**-4.6**	**69.2**	**2.0**	**4.9**	**5.7**	**11.8**	**-150.0**	**152.7**
Non-recurring net income										
Operating income	-120.8	-51.6	-107.8	-39.5	-10.1	-	-	-	9.3	**-320.5**
Net financial income (expense)	-	-12.1	-97.1	-24.9	2.1	-	-	-	124.4	**-7.6**
Tax expense	32.2	13.8	16.3	16.2	2.7	-	-	13.7	-	**95.0**
Share in net income of equity-method investments	-	-42.3	-	-	-	-	-39.5	-82.8	-	**-164.6**
Net income from discontinued operations and operations held for sale	-	3.2	-	-	-	-11.9	-	-	174.7	**166.1**
Non-recurring net income	**-88.6**	**-88.9**	**-188.7**	**-48.1**	**-5.2**	**-11.9**	**-39.5**	**-69.1**	**308.4**	**-231.6**
of which:										
- Non-recurring items	-32.4	-18.3	-135.2	-27.4	1.3	-6.6	-39.5	-14.4	308.4 (3)	**35.9**
– Impact of goodwill allocation	-56.2	-31.4	-0.4	-20.7	-6.5	-5.3	-	-54.7	-	**-175.3**
- Asset impairment	-	-39.2 (4)	-53.1	-	-	-	-	-	-	**-92.3**
Non-recurring net income – non-controlling interests	-55.3	-35.0	-17.9	-18.6	-2.5	-0.2	-0.2	-0.3	5.8	**-124.3**
Non-recurring net income – Group share	**-33.3**	**-53.9**	**-170.7**	**-29.6**	**-2.7**	**-11.7**	**-39.3**	**-68.8**	**302.6**	**-107.4**
Consolidated net income	**355.1**	**-5.7**	**-193.9**	**62.2**	**2.2**	**-6.9**	**-33.8**	**-57.2**	**158.4**	**280.4**
Consolidated net income – non-controlling interests	224.0	-1.0	-18.5	22.5	2.8	-0.1	-0.1	-0.3	5.8	**235.1**
Consolidated net income – Group share	**131.1**	**-4.7**	**-175.4**	**39.6**	**-0.6**	**-6.8**	**-33.6**	**-57.0**	**152.6**	**45.3**

(1) Before the impact of goodwill allocation, non-recurring items and management fees.
(2) This €18.4 million amount corresponds to dividends received from Saint-Gobain after the date of deconsolidation.
(3) This amount notably includes the gains on the sales of CSP Technologies (€108.8 million), Mecatherm (€11.2 million) and Nippon Oil Pump (€54.4 million) ; in addition to €33.3 million gain from the sale of a call option on St Gobain and a €9.6 million gain on the fair value of cross currency euro-dollar swap.
(4) This impairment relates to Multi-Color accounted for using equity method.