

## **ANNUAL RESULTS FOR 2003: 253 million euros**

### **INCOME FROM BUSINESS SECTORS: +56%**

*At its meeting on Wednesday, March 24, 2004, the Board of Directors of WENDEL Investissement, chaired by Ernest-Antoine Seillière, approved the annual financial statements.*

#### **Strong growth in net income**

Consolidated net income totaled 253 million euros. This result was primarily due to the strong growth in income<sup>(\*)</sup> reported by Group companies (+ 56%) and capital gains from the sale (now almost fully completed) of WENDEL Investissement's equity interest in Cap Gemini Ernst & Young.

#### **Profitable growth and good balance of business sectors**

Income<sup>(\*)</sup> from business sectors totaled 157 million euros compared with 101 million euros in 2002, representing an increase of 56%. This result, which was achieved in spite of a lackluster environment and an unfavorable foreign exchange impact, demonstrates the quality of WENDEL Investissement's assets and reflects the good balance between growth stocks and yield investments accomplished through the implementation of the new investment strategy.

Except for Wheelabrator Allevar, which reported a slight decline in net income, all the Group's subsidiaries significantly increased their contributions to WENDEL Investissement's net income<sup>(\*)</sup>: Oranje-Nassau (+ 52%), Stallergènes (+ 47%), bioMérieux (+26%), Trader Classified Media (+ 23%) and Bureau Veritas (+ 8%).

Included in the Group's financial statements for the first time, Legrand made a major contribution (48 million euros) to WENDEL Investissement's net income<sup>(\*)</sup>. The leader in electrical equipment reduced its indebtedness significantly and more rapidly than planned, while continuing to grow in spite of an unfavorable environment and stepping up its efforts in marketing as well as in Research and Development (launch of new products).

#### **Increased investment capacity**

To be able to seize new opportunities, the Group accelerated its repositioning and organized appropriate financial resources.

The disposal of listed companies is quite advanced.

- WENDEL Investissement now holds only 3 million shares of Cap Gemini Ernst & Young, versus 14 million at the beginning of 2003. It should be noted that this investment assured the Group of an average yield of 15% for 21 years.

- WENDEL Investissement recently sold 10 million Trader Classified Media shares and signed an agreement that should lead to the sale of its remaining shares (21 million) by July for slightly more than 11 euros per share. WENDEL Investissement would thus record capital gains of approximately 140 million euros.

After these transactions have been completed, the Group's portfolio will be composed of unlisted companies for more than 80%, in keeping with the objectives announced in June 2002 when WENDEL Investissement was created.

The divestitures in process will increase available cash. Once the sale of Trader Classified Media shares has been completed, available cash will total approximately 1 billion euros. In addition, the January 2004 bond issue in the amount of 500 million euros extended the maturity of the debt. The ratio of net debt to gross revalued assets stood at 23% before the sale of Trader Classified Media and at 16 % after accounting for this sale.

## Rise in dividend

A dividend of 1.05 euros (after 1 euro paid in June 2003) will be proposed to the Annual Shareholders' Meeting on June 1, 2004, representing a net yield of almost 4% (on the basis of the average share price in 2003), exceeding the average objective of 3%.

Since the creation of WENDEL Investissement in June 2002, the value of Group assets has risen more than 15% per year. Net revalued assets represented 48 euros per share in February 2004. On the basis of this performance, the share price increased by 48% in 2003 and by 64% since July 2002.

<sup>(\*)</sup> before non-recurring items and amortization of goodwill

## Income from business sectors

(millions of euros)	2003	2002	2003/2002
Oranje-Nassau	53.9	35.5	+ 52%
Wheelabrator Allevard	13.9	17.5	- 21%
Bureau Veritas	36.1	33.4	+ 8%
Trader classified media	11.7	9.5	+ 23%
bioMérieux	25.5	20.2	+ 26%
Stallergènes	7.8	5.3	+ 47%
Legrand	48.4	3.4 <sup>(1)</sup>	N M
Financing	(37.7)	(24.0)	+ 57%
Dividends CGEY et Valeo	7.7	11.0	- 30%
Taxes and operating expenses	(10.4)	(11.3)	- 8%
<b>Income from business sectors</b>	<b>156.9</b>	<b>100.5</b>	<b>+ 56%</b>
<i>Before non-recurring items and goodwill amortization</i>			

(1) Acquired Decembre 10, 2002

## Consolidated net income of the Groupe

(millions of euros)	2003	2002
Income from business sectors <sup>(*)</sup>	197	125
Dividends CGEY et Valeo	8	11
Financing	(38)	(24)
Taxes and operating expenses	(10)	(11)
<b>Income from business sectors <sup>(*)</sup></b>	<b>157</b>	<b>101</b>
	<b>+ 56%</b>	
Valuation/Disposal of CGEY shares	156	(739)
Other non-recurring items	(4)	(190)
Goodwill amortization	(74)	(43)
Minority interest	18	221
<b>Net income Group share</b>	<b>253</b>	<b>(650)</b>

<sup>(\*)</sup> Net income before non-recurring items and goodwill amortization

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