



WENDEL
INVESTISSEMENT



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ANNUAL RESULTS 2004

Investment firm with a long-term entrepreneurial investment strategy

Industrial vision

+

Sound financial base :

- ▶ cost of capital
- ▶ liquidity for shareholders

+

Dynamic management

■ From a holding company to an investment firm

- ▶ WENDEL outperforms the CAC 40
- ▶ Reduction of discount

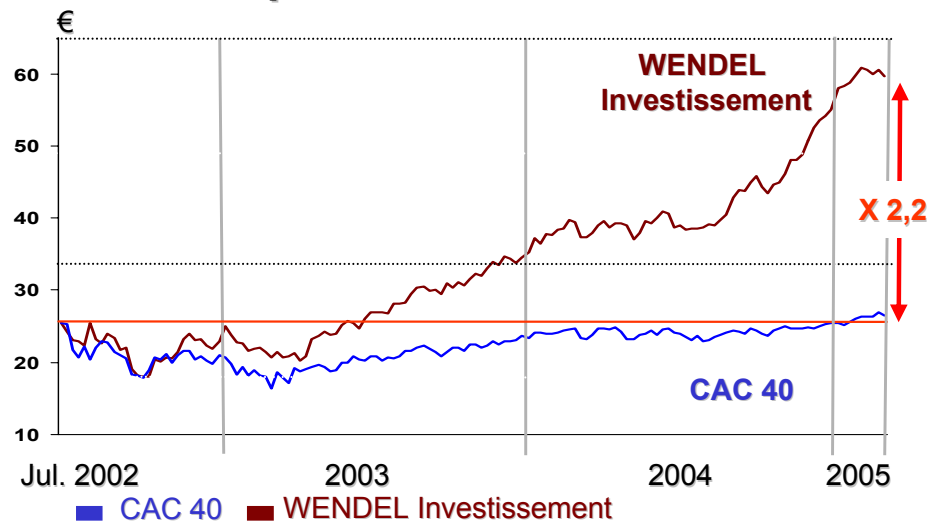
■ Limited use of financial leverage

- ▶ WENDEL Investissement : **BBB+**
- ▶ Long-term financing : **2/3 maturity > 5 years**

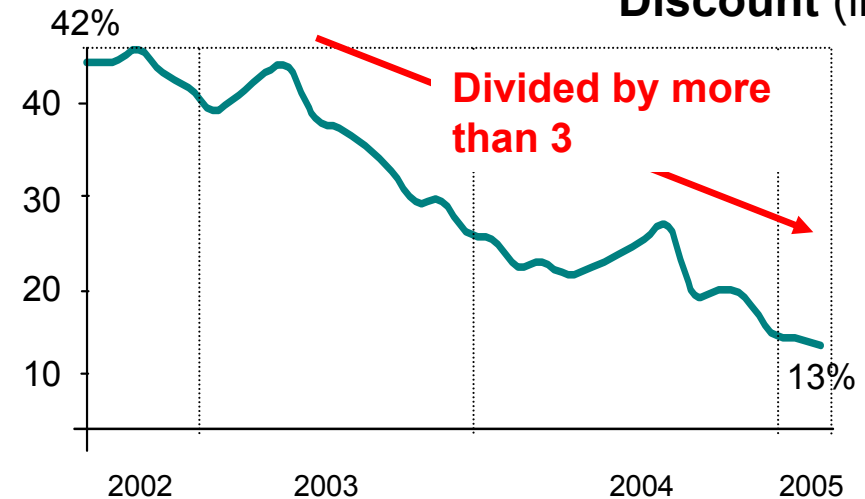
■ Dynamic asset turnover

- ▶ Acquisitions **1.5 billion euros** and disposals **1.4 billion euros**
- ▶ Diversification

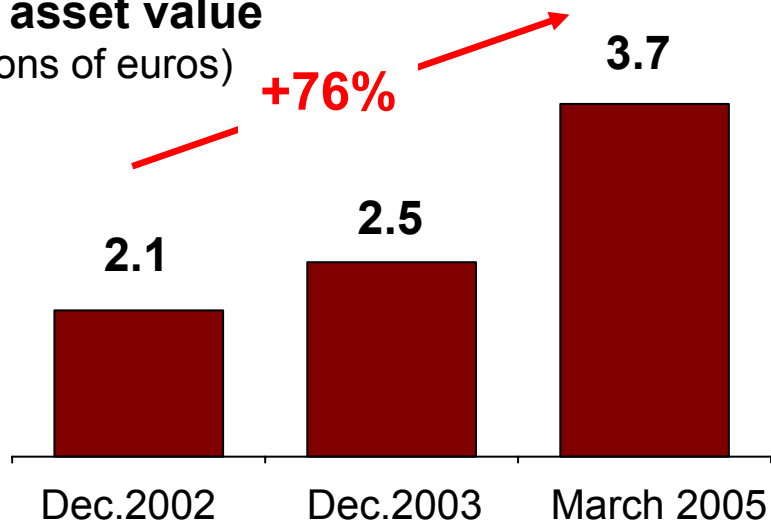
WENDEL outperforms CAC 40



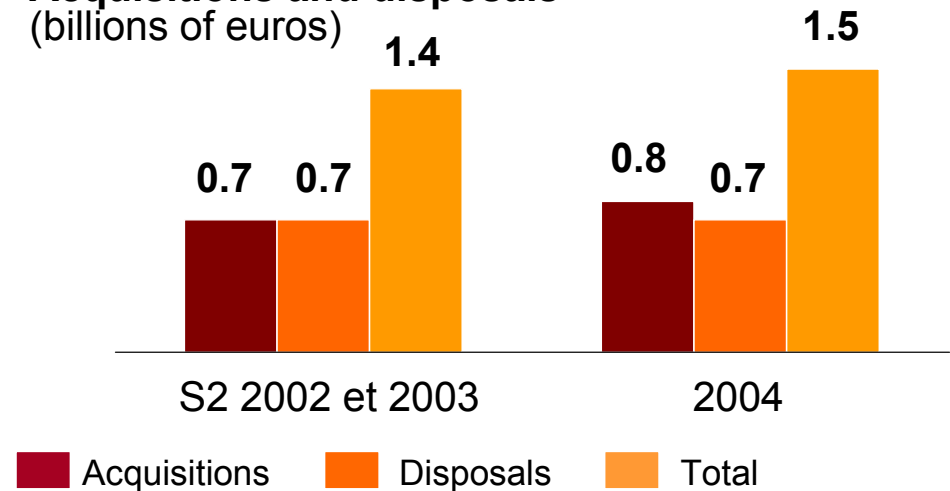
Discount (in %)



Net asset value (billions of euros)



Asset turnover Acquisitions and disposals (billions of euros)



- Bureau Veritas
 - ▶ Acquisition of 32% held by Poincaré for **660 million euros**
 - ▶ Success of the purchase/exchange offer to minority shareholders for **685 million euros** (cash + WENDEL shares)
- Acquisition of Editis for **620 million euros**, including 180 million euros in WENDEL equity
- bioMérieux floated on the stock exchange : **378 million euros**
- Disposal of Trader Classified Media : **321 million euros**
- Share buyback offer for 2.5 millions WENDEL shares : **138 million euros**
- Bond issues : **1,000 million euros**

- Share price : **+ 58%**
- Net Asset Value (NAV) in March 2005 : **3,670 million euros**
up **42%** from January 01, 2004
- Investments of **820 million euros** in equity
and **2 billion euros** in enterprise value
- Disposals of **700 million euros**
- Income from business sectors : **203 million euros : +29%**
(and **+53%** on a comparable basis)



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APPLICATION OF IFRS



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RESULTS IN 2004

WENDEL INVESTISSEMENT		Type of consolidation	% holding
Industry	Legrand	E	37.4%
	Oranje-Nassau	FC	100%
	Wheelabrator Allevard	FC	100%
	Stallergènes ⁽²⁾	FC	47.5%
Media & Services	Bureau Veritas ⁽¹⁾	FC	99.2%
	Editis	FC	100%
Non-strategic holdings	Valeo ⁽²⁾	U	9.9%
	Capgemini ⁽²⁾	U	2.4%
	neuf telecom	U	4.2%
	bioMérieux ⁽²⁾	U	3.0%

⁽¹⁾ : accounted for by the equity method in 2004

⁽²⁾ : listed

E : Equity method

IG : Full consolidation

U : Unconsolidated



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INCOME FROM BUSINESS SECTORS : **203 million euros**

+ 29% in one year

+ 53% on a constant consolidation basis

+ 102% in two years

2004 CONSOLIDATED NET INCOME : **281 million euros**

(millions of euros)	2004	2003	2002
Income from consolidated business sectors ^(*)	253	197	125
Dividends from unconsolidated companies	8	8	11
Financing	(46)	(38)	(24)
Operating expense and tax	(12)	(10)	(11)
Income from business sectors	203	157	101
	+29%		
Non-recurring items	138	152	(929)
Minority interests and goodwill	(60)	(56)	178
Net income - Group share	281	253	(650)

(*) Net income before non-recurring items and amortization of goodwill

Income from business sectors

(millions of euros)	2004	2003	2004/2003	2002
Legrand	99.1	48.4	105%	3.4
Oranje-Nassau	59.9	53.9	11%	35.5
Bureau Veritas	41.5	36.1	15%	33.4
Wheelabrator Allevar	22.1	13.9	59%	17.5
Stallergènes	10.3	7.8	32%	5.3
Dividends from unconsolidated companies	8.6	7.7	12%	11.0
Financing costs, operating expense and tax	(58.6)	(48.1)	22%	(35.3)
Constant consolidation basis	182.9	119.7	+53%	70.8
Editis	6.7	-		-
bioMérieux	13.3	25.5	n.c.	20.2
Trader Classified Media	-	11.7		9.5
Income from business sectors (*)	202.9	156.9	+29%	100.5

(*) before non-recurring items and amortization of goodwill

(millions of euros)	2004
Capital gains on bioMérieux	108
Capital gains on Trader Classified Media	152
Impairment of Capgemini	(41)
Impairment of Valeo	(13)
Subtotal cash or cash equivalent	206
Amortization of Legrand patents	(47)
Amortization / restructuring of Editis	(19)
Other	(2)
Subtotal	(68)
Non-recurring items	138



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GOOD PERFORMANCE OF SUBSIDIARIES

■ Financial reporting

- ▶ Monthly financial reporting
- ▶ Annual budgets and multi-year strategic plan

■ Monthly meetings with management

- ▶ Definition of focused work programs
- ▶ Visits to main sites
- ▶ Reinforcement of strategic priorities
- ▶ Regular follow-up on implementation

■ Unlisted companies presentation day



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BUREAU VERITAS

(millions of euros)	2004	2003
Net sales	1,422	1,284
	+11%	
Operating income (*)	200.1	170.1
% of net sales	14.1%	13.2 %
	+17%	
Net income (*)	123.0	107.1
Net debt in BV	271	(37)
Residual net debt from acquisition	366	-

- Organic growth (**) : + 10.2%
- Change in consolidation : + 4.8% (Graham Marcus, B&H, One CIS)
- Improvement in operating margin : 90 basis points
- Of the 709 million euros of acquisition debt, without recourse on WENDEL until June 2006, 343 million euros were taken over by Bureau Veritas on December 30, 2004

(*) Before non-recurring items and amortization of goodwill

(**) Excluding the impact of foreign exchange and on a comparable basis

2004

(millions of euros)	Net Sales	Organic growth
Industry and infrastructures	920.7	5.7%
Government contracts	169.6	23.7%
Consumer goods	166.7	17.0%
Maritime	164.9	11.9%
	1,421.9	10.2%

- Industry and infrastructures : reinforcement in the USA and eastern Europe
- Government contracts : new contracts
- Consumer goods : continued strong growth
- Maritime : dynamic shipbuilding industry

- **Development of basic markets**
 - ▶ Increasing number of local, European and international regulations
 - ▶ Government outsourcing
- **Development of emerging markets**
 - ▶ Increased in control needs :
textile / toys / electric equipment
 - ▶ Re-exports to Europe and the USA
- **Growing demand from companies**
 - ▶ Comprehensive risk management
 - ▶ Protection of employees, assets, the environment

■ **Strategic objective : double the size of Bureau Veritas**

- ▶ Double net sales in 5 years
 - Organic growth > 6%
 - External growth : acquisition ~ 100 million euros per year
- ▶ Diversification of activities in developed countries
- ▶ Major investments in emerging countries
- ▶ Operating margin > 15%

■ **Human resources / Organization**

- ▶ Recruitment of skills and expertise
- ▶ Adaptation of the organization to its size
- ▶ Code of conduct incorporating fundamental values



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LEGRAND

(millions of euros) <i>French GAAP</i>	2004	2003
Net sales	2,926	2,762
	+ 6%	
EBITDA excluding non-recurring items	630.1	574.8
<i>% of net sales</i>	21.5%	20.8%
EBITA * excluding non-recurring items	479.0	405.4
<i>% of net sales</i>	16.4%	14.7%

- Organic growth ** : **+8.8%**
- Growth in EBITA margin excluding non-recurring items : **+170 basis points**

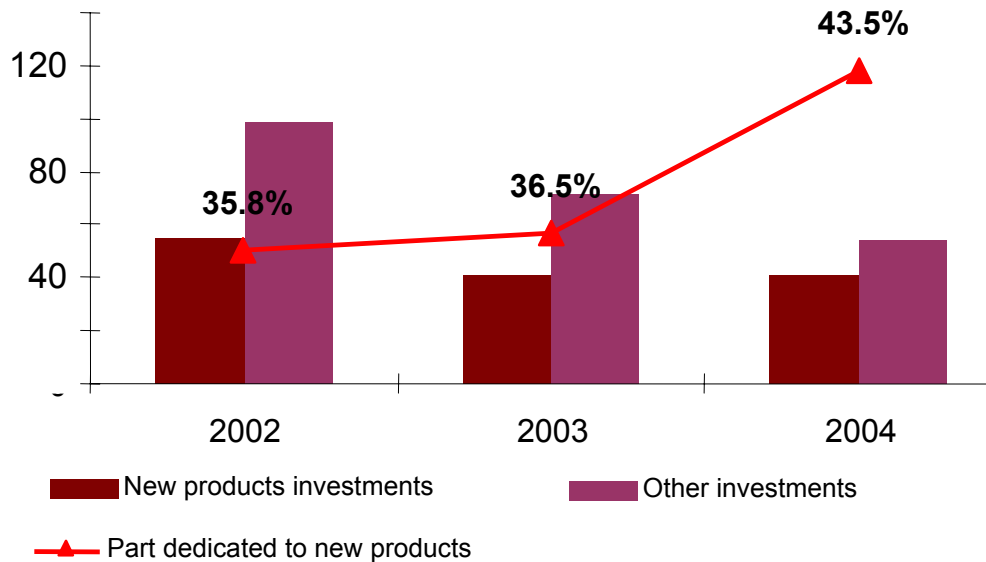
(*) *Before accounting for the acquisition*

(**) *Excluding the impact of foreign change and on a comparable basis*

	2004		2003
(millions of euros)	Net sales	Organic growth	Organic growth
France	815.5	+ 5.1%	- 0.8%
Italy	577.8	+ 3.7%	+1.8%
Rest of Europe	591.4	+ 13.8%	+4.5%
USA - Canada	533.6	+ 12.8%	- 1.8%
Rest of the world	408.0	+ 11.7%	+4.8%
	2,926.3	+ 8.8%	+1.2%

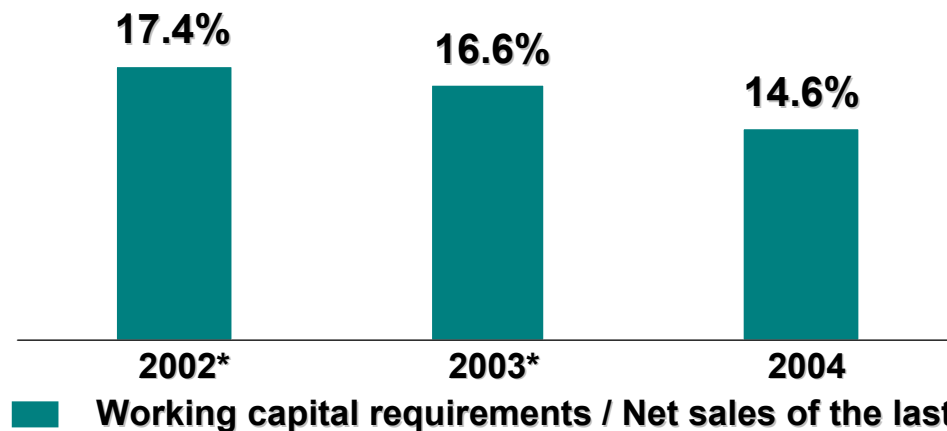
- Best rate ever in the Rest of Europe
- Best performance in ten years in France and USA - Canada
- Growth > 10% in Asia, Latin America, Africa and the Middle East

Investments



- ▶ New products given priority
- ▶ Optimization of investments (make or buy)
- ▶ Cyclical nature of investments
- ▶ Recurring level of investment between 5% and 6% of net sales

Working capital requirements



(*) before accounting for the acquisition

- ▶ Better management of working capital requirements

■ **Build sales**

- ▶ Launch of 15 new products lines
- ▶ More than 40% of investments dedicated to new products
- ▶ Bolstering of marketing and sales teams
- ▶ External growth

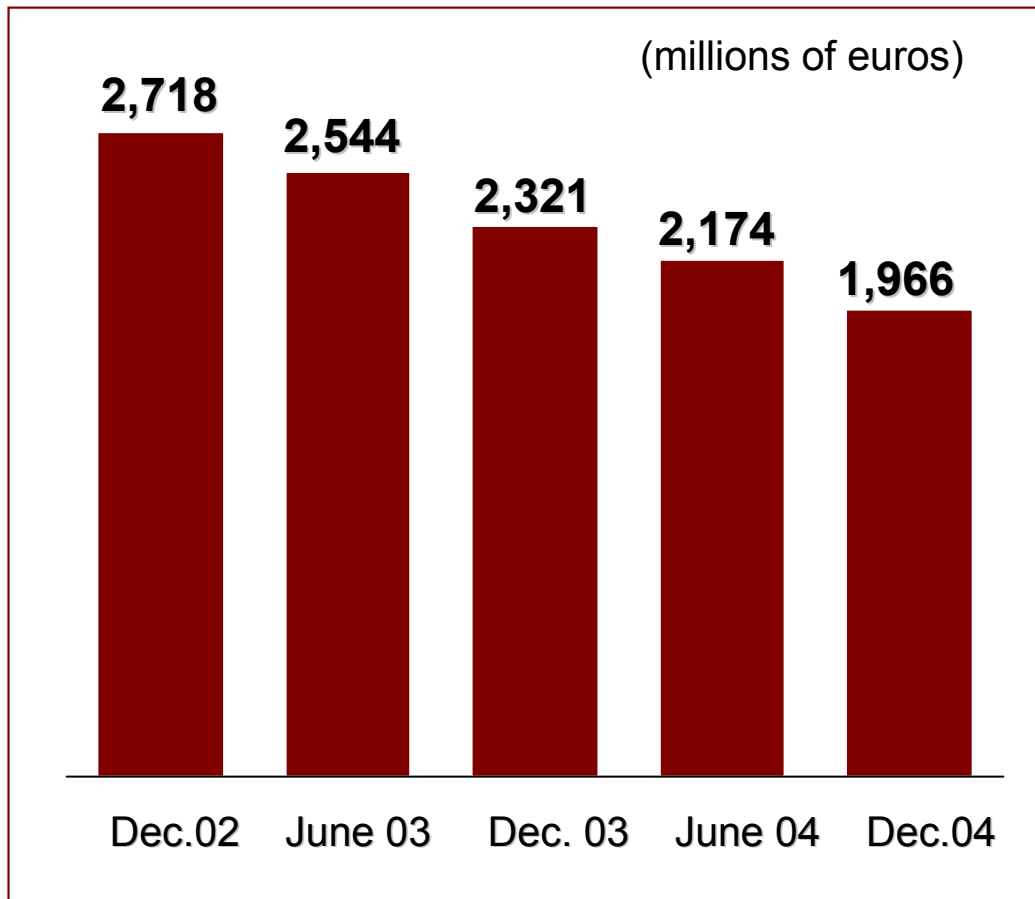
■ **Increase productivity**

- ▶ Specialization at production sites
- ▶ Transfer of production to low-cost units
- ▶ Optimization of procurement productivity

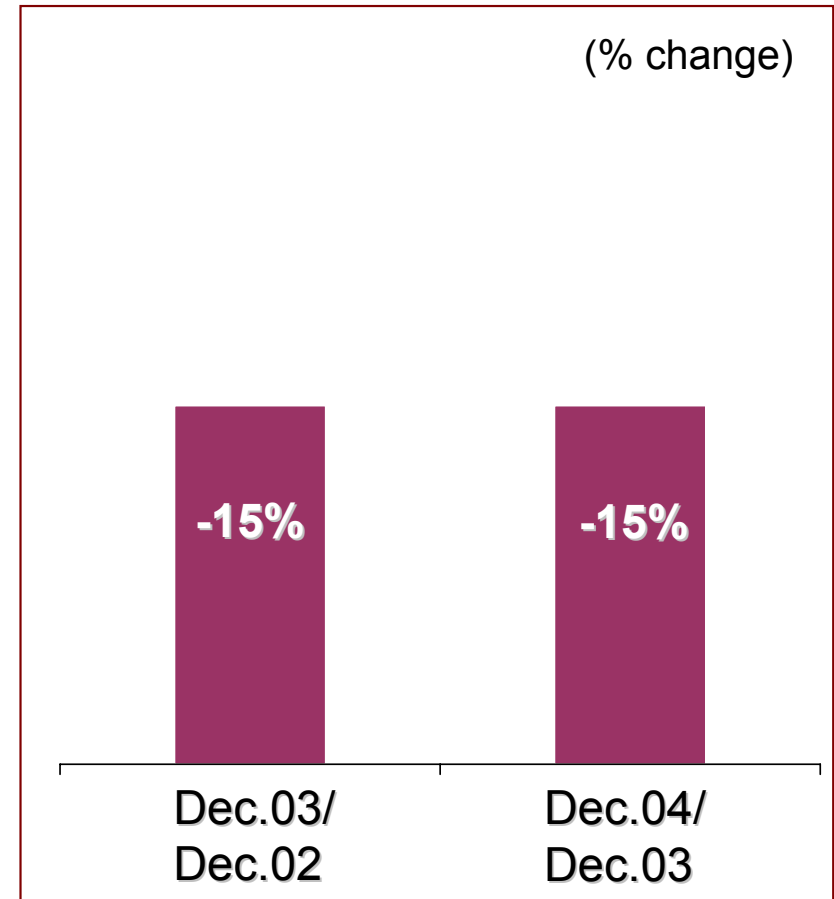
■ **Optimization of capital employed**

- ▶ Make or Buy
- ▶ Working capital requirements

Net debt French GAAP



Reduction in net debt > **€ 350 M** /year in 2003 and 2004



(millions of euros)	2004
Net debt as of 31 December 2003	2,321
Operating cash flow	412
Investments	(96)
Disposal of assets	45
Other	(28)
Impact of currency translation on debt	22
Net debt as of 31 December 2004	1,966
Change in net debt	(355)

■ **3 transactions :**

- ▶ VAN GEEL : metallic cable management systems
Net sales 60 million euros
- ▶ ZUCCHINI : prefabricated busbar systems
Net sales 50 million euros
- ▶ OnQ : structured wiring for residential buildings
Net sales 22 million dollars

■ **Debt restructuring :**

- ▶ Reduction in annual interest expense of approximately **16 million euros**
- ▶ Flexibility for new acquisitions



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EDITIS

Growth in operating margin

(millions of euros)	2004 4Q	2004 Pro forma	2003 Pro forma
Net sales	213	717 + 3%	696
Operating income	18.0	57.8 + 6%	54.7
% of net sales	8.4%	8.1%	7.9%
Net debt : at closing September 30	459		
as of December 31	402		

- Business growth
 - ▶ Launch of new activities
 - ▶ Development of distribution
- Growth in operating margin : + 20 basis points
 - ▶ Relative growth of distribution
 - ▶ Ongoing efforts to control costs; decline in headquarters costs

(millions of euros)	2004 Pro forma	2003 Pro forma
Education and Reference	213	214
Literature	230	229
Distribution	274	253
	<hr/> 717	<hr/> 696
	+3%	

- **Education and Reference** : Stable performance in line with expectations; good performance in books for young people
- **Literature** : Repeat of good performance observed in 2003 (launch of Fitway, Lonely Planet)
- **Distribution** : Growth of **6.7%** of which **3%** linked to the **11** new contracts signed in 2004 (Réunion des Musées Nationaux, Panini, Lonely Planet, Editions Privées, ...)

- **Develop the Interforum distribution platform**

Continue dynamic development

- **Develop the growth potential of strong, recognized brands**

For example : **Nathan and Bordas** with the reform of elementary school programs for the 2005-2006 school year

Lonely Planet in tourist guides with **Presse Solar Belfond**

- **Optimize operating costs**

For example : Relocation of headquarters in December 2004



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OTHER CONSOLIDATED COMPANIES

(millions of euros)	2004	2003
Net sales	215	221
Energy	204	209
Production (boe millions)	7.8	8.5
Price per barrel (euros)	30.6	25.4
Real Estate	11	12
Net income (*)	59.9	53.9
Net debt	(28)	18

- Energy : Growth in net margin
- Real Estate : 3 buildings sold in 2003 et 2004
- Investment : disposal of assets with capital gains of **29 million euros**

(*) before non-recurring and amortization of goodwill and excluding Group companies held via Oranje-Nassau

(millions of euros)	2004	2003
Net sales	94.9	85.7
	+ 11%	
Operating income	16.3	13.3
<i>% of net sales</i>	17.1%	15.5%
Net income (*)	10.3	7.8
Net debt	0.8	8.7

- Organic growth (**): **11%**
Very strong growth **+ 15%** in France linked to under-the-tongue treatments
- Increase in operating margin : **+160 basis points**
- R&D investment doubled in 2 years : program on grass pollens tablet
- Net debt reduced to approximately **0**

(*) Before non-recurring items and amortization of goodwill

(**) Excluding the impact of foreign exchange and on a comparable basis

(millions of euros)	2004	2003
Net sales	349	289
	+21%	
Operating income	36.5	26.5
% of net sales	10.5%	9.2%
	+38%	
Net income (*)	22.1	13.9
Net debt	54	77

Improvement in operating margin : **120 basis points**

Abrasive pellets : Organic growth (**) : **+6.5%** with gains in market share, particularly in Asia

Diamond tools :

- ▶ Good integration of WINTERSTONE with upturn in sales **+5%** and margin recovery
- ▶ Technical difficulties on diamond wire about to be resolved

(*) before non-recurring items and amortization of goodwill

(**) excluding the impact of foreign exchange and on a comparable basis

Legrand :

- Growth
- Competitiveness
- Debt reduction

Bureau Veritas :

- Acquisitions : objective ~ 100 million euros
- Active development of business with major clients

Editis :

- Development of the Interforum platform
- Development of Nathan and Bordas
- Increased editorial activity

Oranje Nassau :

- Oil investments under attractive conditions

Stallergènes :

- Program on grass pollens tablet

Wheelabrator Allevard :

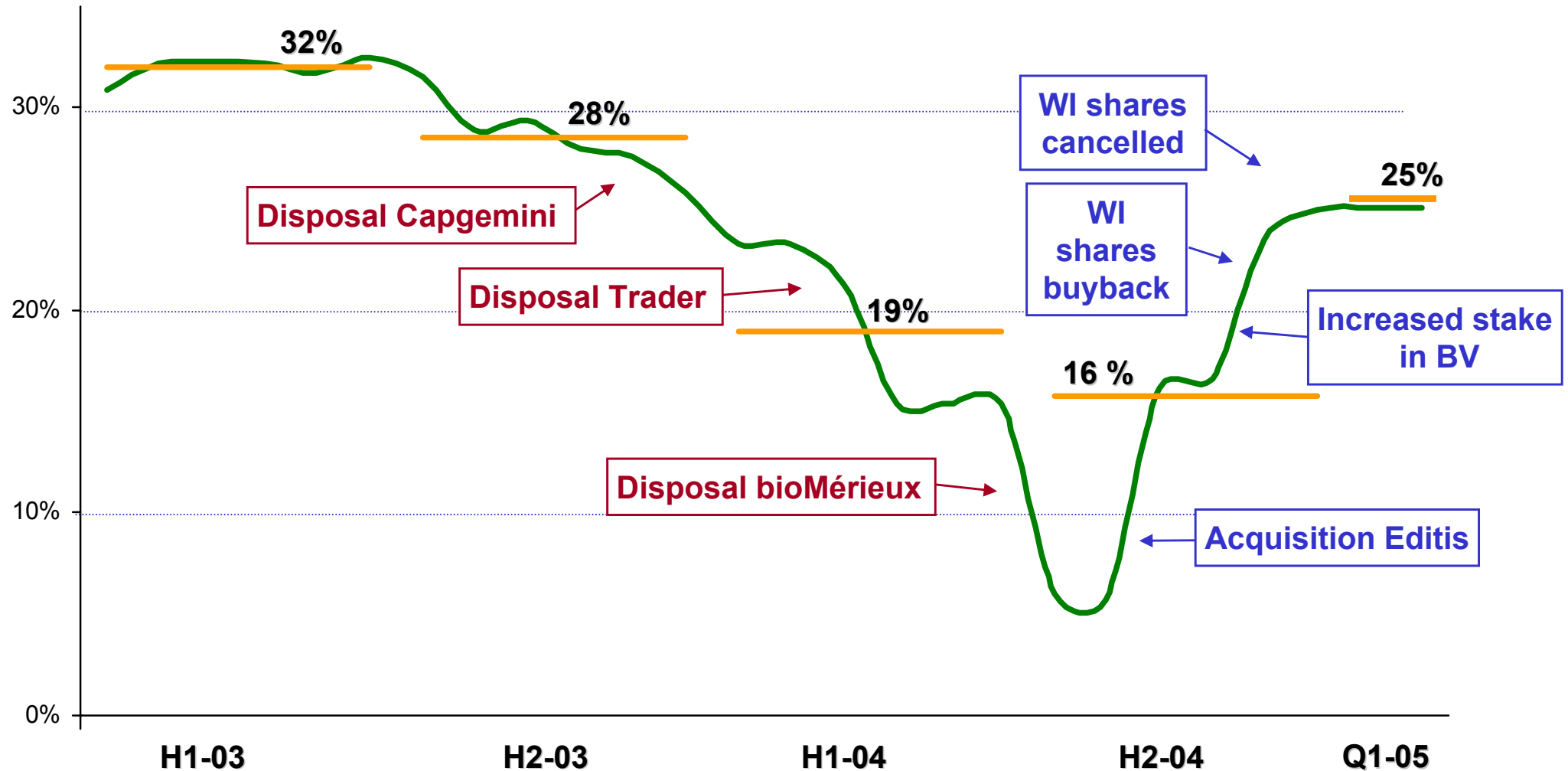
- Abrasive Pellets : continuation of sales impetus
- Diamond tools : Integration and continuation of external growth



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WENDEL Investissement NET DEBT AND CASH FLOW

Net debt (*)
GAV



(*) Financial debt minus net cash of WENDEL Investissement and holding companies excluding those whose debt is without recourse on WENDEL Investissement

Amounts in millions of euros		Interest rate	Maturity years
600	Bond	5%	6
400	Bond	4.875%	9
279	Exchangeable bond CGEY	2%	4
370	Exchangeable bond Valeo	3.75%	—
—	Syndicated loan (*)	28 bp	7
1,649	Gross debt		

Average maturity : 6.5 years

94% of gross debt is fixed rate or capped

80% fixed rate - 20% floating rate in March 2003

(*) 500 million euros negotiated in January 2005

(millions of euros)	2004	2003
Cash flow of fully consolidated business sectors	168	145
Change in working capital requirements	75	10
Investments	(21)	(14)
Free cash flow	222	141
Share of Legrand free cash flow	124	62
Dividends received (unconsolidated companies)	30	30
WENDEL Investissement (operating costs and financial expenses)	(55)	(45)
Cash flow available* before acquisitions / disposals and dividends	321	188

* Free cash flow of fully consolidated business sectors plus WENDEL Investissement's share of Legrand's free cash flow (co-owned by WENDEL Investissement and KKR)

■ Business sectors : estimated investment potential over 5 years

- ▶ Legrand
 - ▶ Bureau Veritas
 - ▶ Editis
- }
- 1.3 billion euros

■ WENDEL Investissement

- ▶ Since the creation of WENDEL : 4.0 billion euros in enterprise value
1.5 billion euros invested in equity
- ▶ Cash resources immediately available : 500 million euros
- ▶ Investment potential over 5 years > 1.5 billion euros

■ Investment criteria

- ▶ More than 100 million euros in equity and equity interest > 34%
- ▶ Focus on the long term : external growth policy
- ▶ Amplify organic growth

■ **Resources**

- ▶ Diversified high-quality assets
- ▶ Available cash flow
- ▶ Sound financial structure

■ **Active management of opportunities**

- ▶ Responsive team
- ▶ Consistent deal flow
- ▶ Proven disposal policy

- **Confirmation of objective of IRR > 15%**
 - ▶ On the basis of the Group's current consolidation basis
 - ▶ In a general environment of low market yield
 - ▶ Amplification possible with future acquisitions



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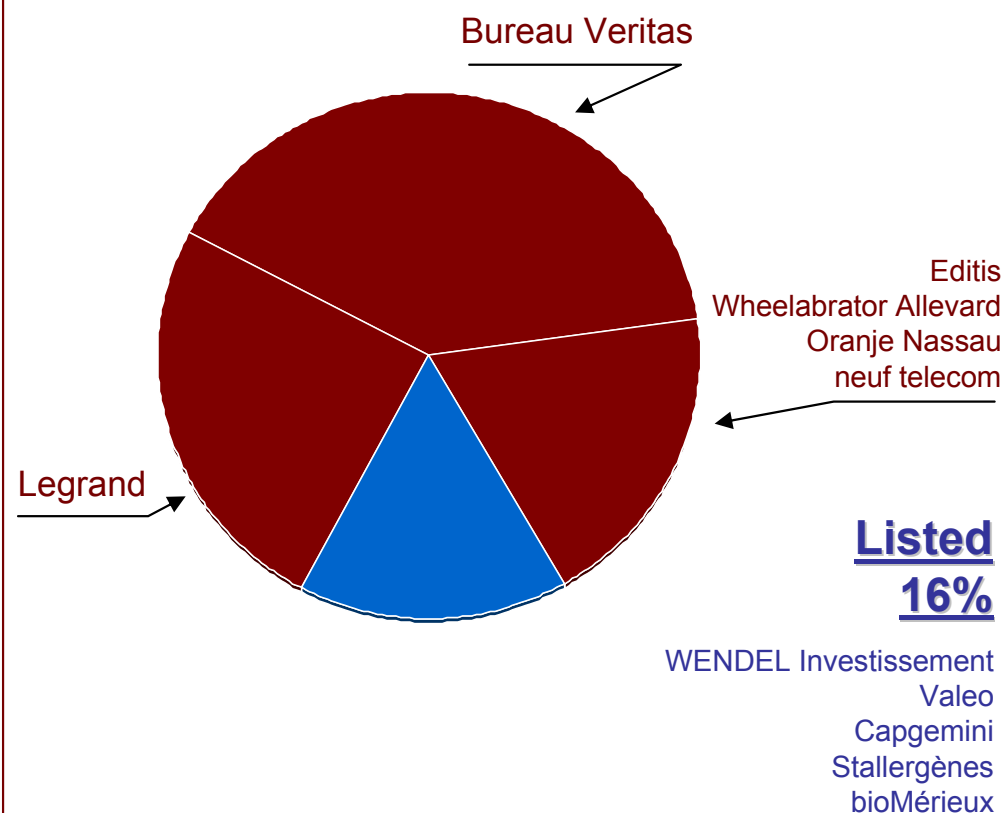
INCREASE IN 2004 OF THE VALUE OF WENDEL Investissement AND OF THE DIVIDEND

- Medium-term internal rate of return **> 15%** per year
- Net yield **~ 3%**
- Balance and diversification of assets

(millions of euros)

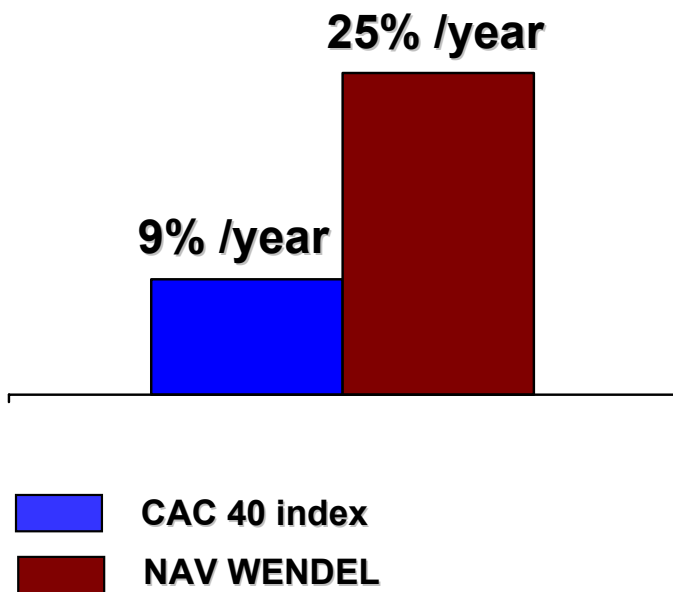
Unlisted assets	4,120
Listed assets	800
Gross asset value	4,920
Net cash	420
Financial debt	(1,670)
Net Asset Value	3,670
Net Asset Value per share	€ 68

Unlisted : 84%

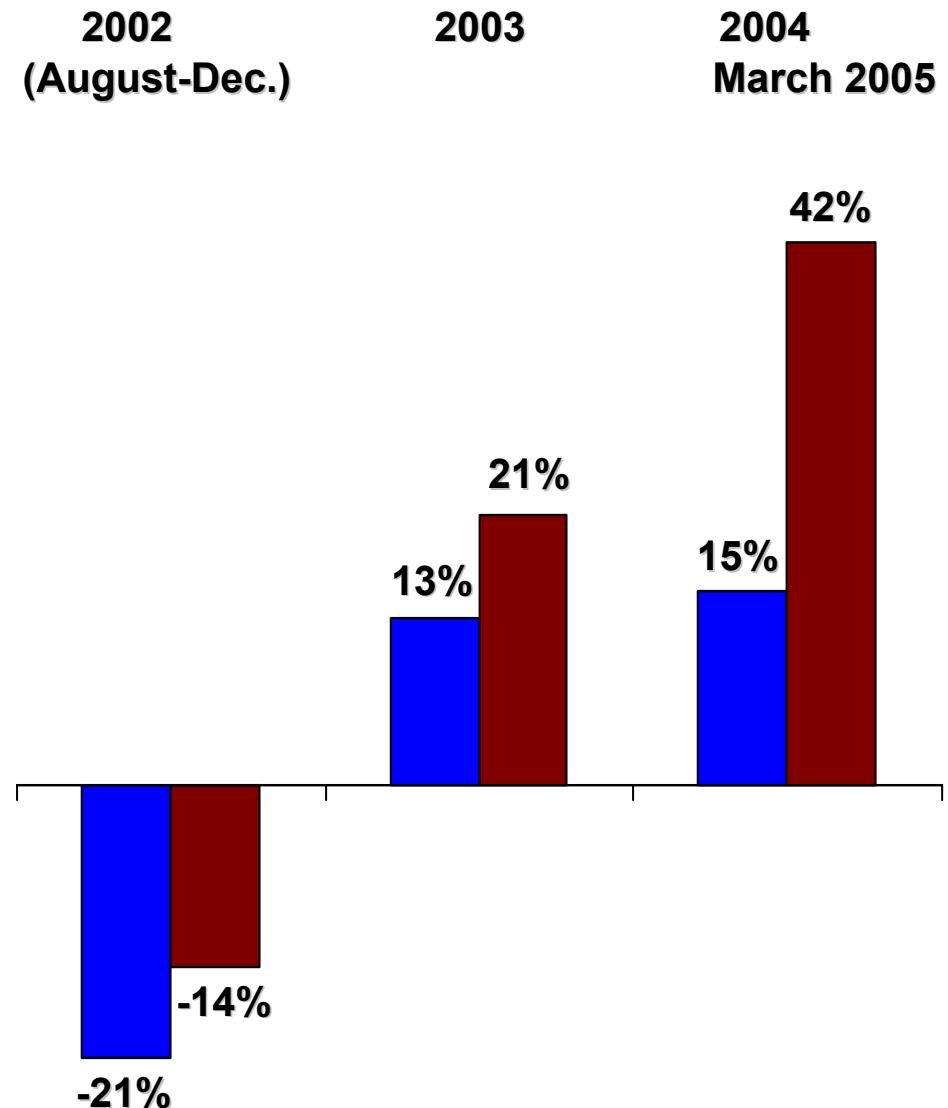


Latent tax negligible

Annual average between August 02 and March 05



(*) on an yearly base and with dividends reinvested

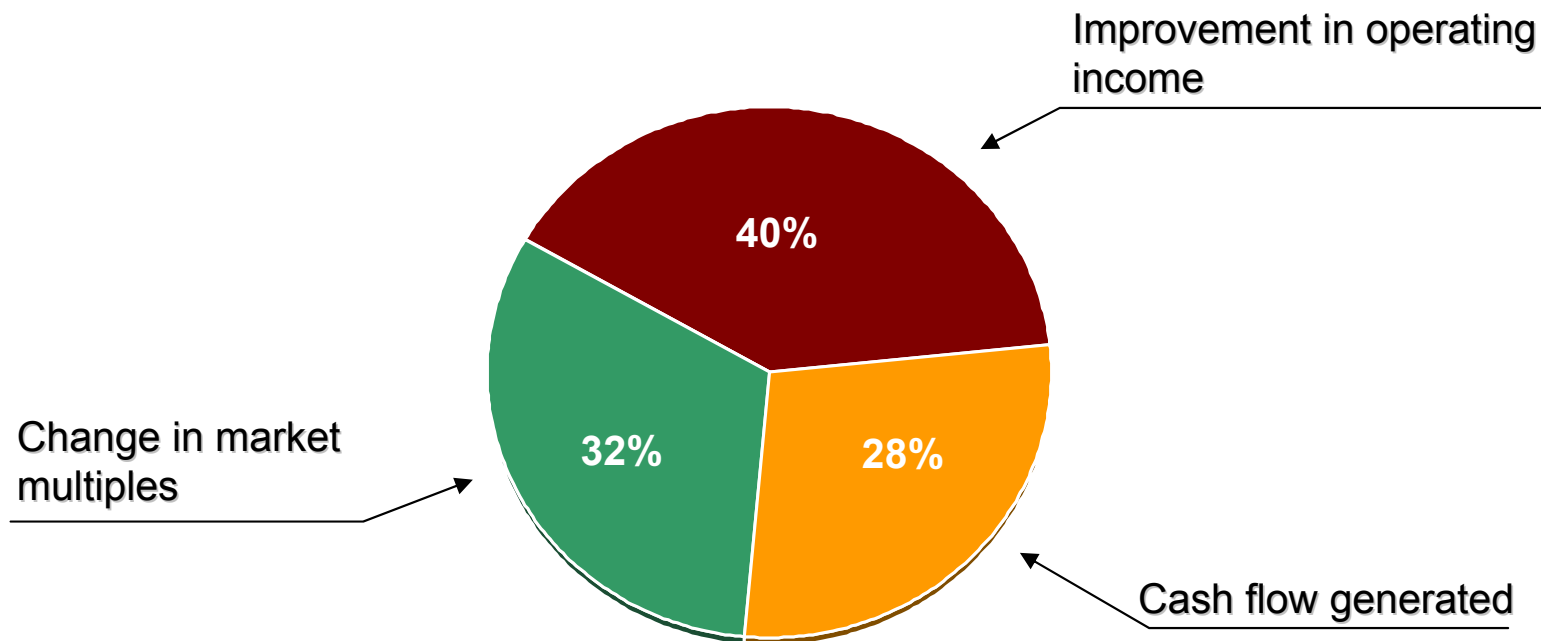


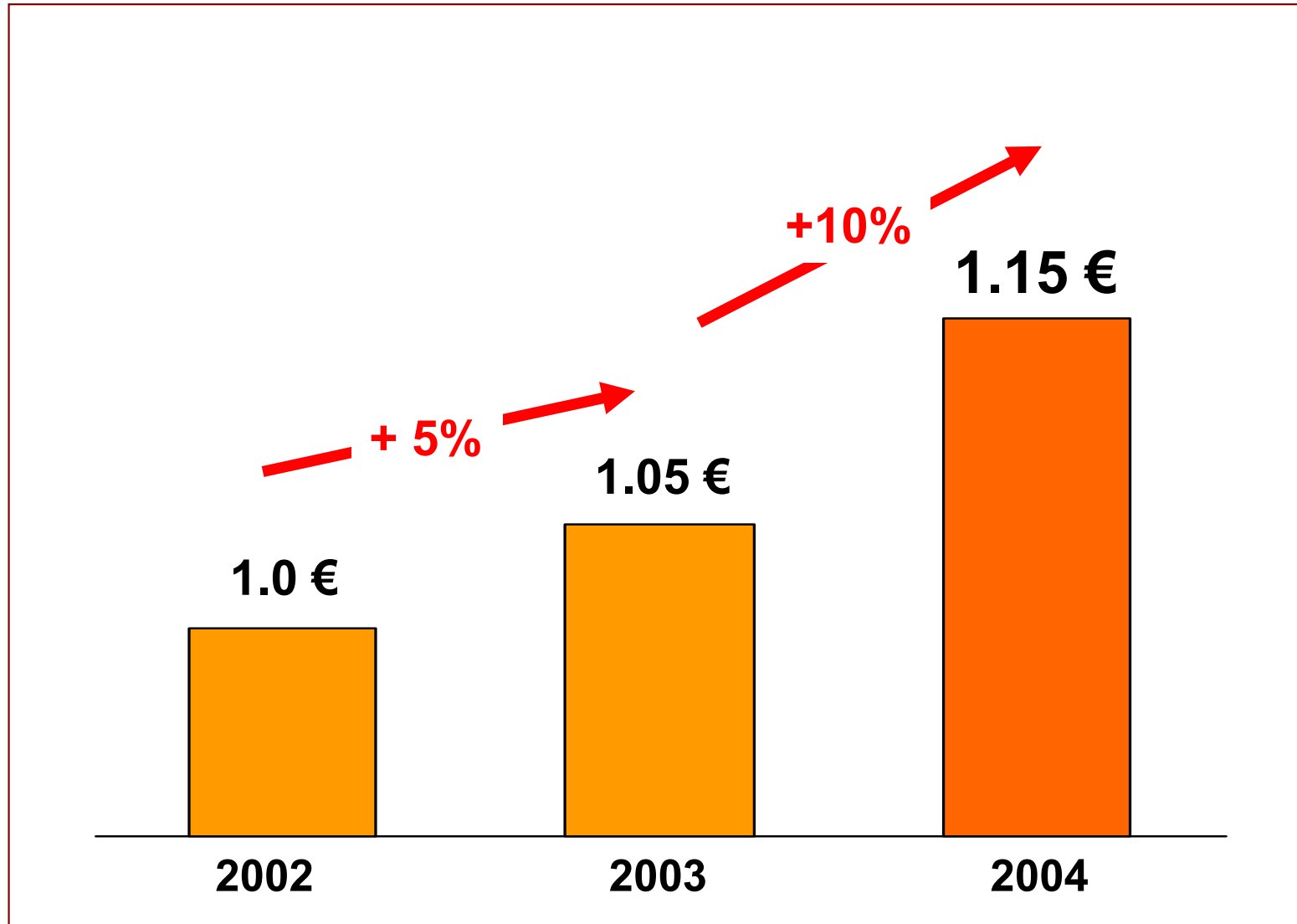
Analysis of growth in NAV between the end of 2002 and the end of 2004

Increased between 2002 and 2004 : + 1,3 billion euros

2/3 linked to improvements in management and cash flow

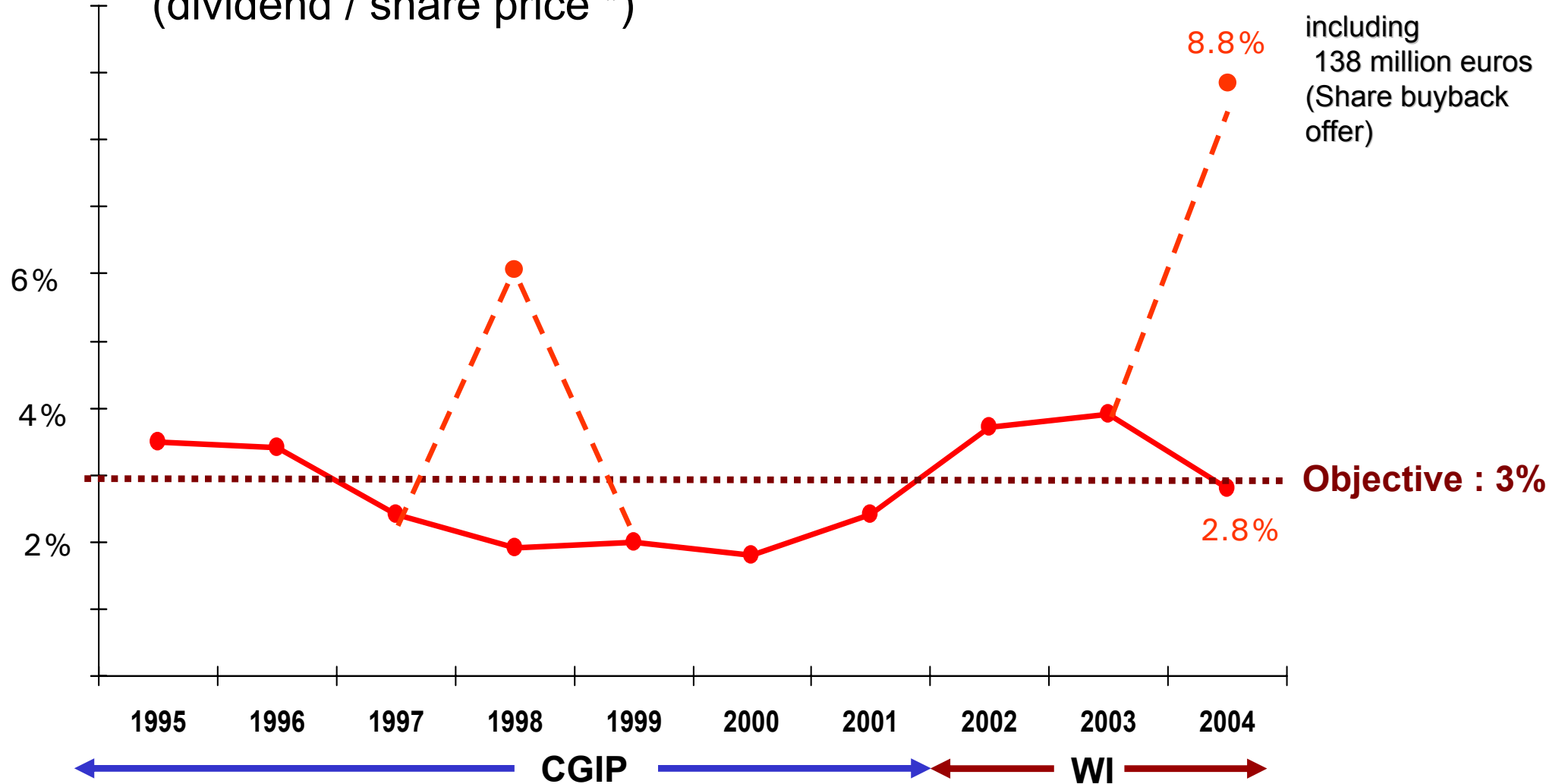
1/3 linked to improvements in market multiples





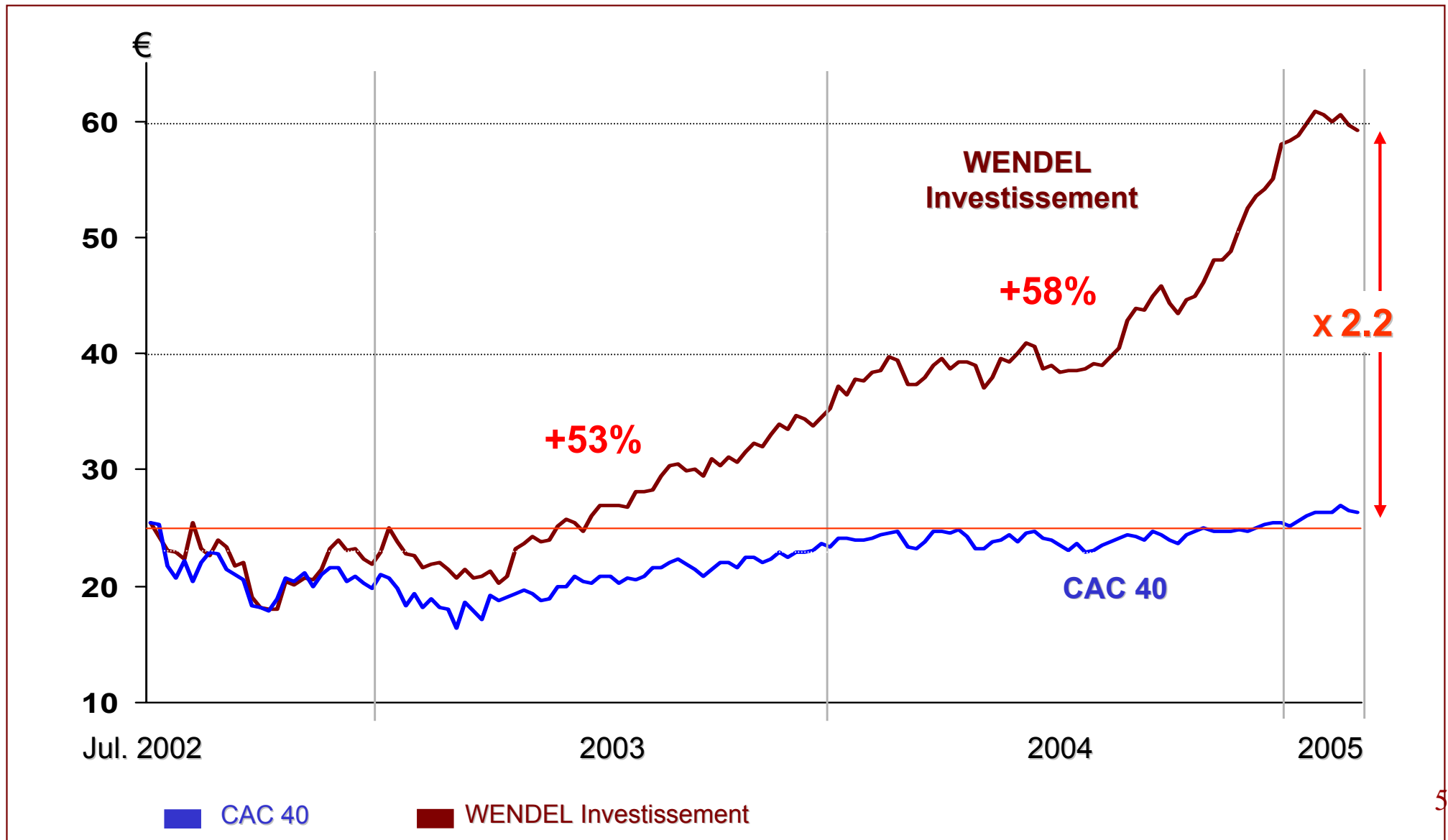
Net yield

(dividend / share price *)



(*) Annual average share price in the year to which the dividend corresponds

Share price since the creation of WENDEL Investissement





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NEW CORPORATE GOVERNANCE

■ Objectives :

- ▶ Distinguish the responsibilities of the shareholders / management
- ▶ Foster a community of interests between the shareholders / management
- ▶ Translate the collegiality of WENDEL management

Supervisory Board
Chairman : Ernest-Antoine SEILLIÈRE

+

Executive Board
Chairman : Jean-Bernard LAFONTA

May 31, 2005

Annual Shareholders' Meeting

Publication of 2004 financial statements in IFRS format

Indication on 2005 and publication of NAV

June 2, 2005

Payment of the dividend

September 22, 2005

Information meeting on the first half

Results as of June 30, 2005 in IFRS format with comparable figures as of June 30, 2004

December 6, 2005

Presentation of unlisted companies



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APPENDIXES

Simplified balance sheet and net debt

(millions of euros)	2004	2003
ASSET		
Tangible assets	367	300
Goodwill	2,113	421
Long-term investments	1,140	1,679
Working capital requirements	206	59
TOTAL ASSETS	3,826	2,459
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	1,454	1,309
Loss contingencies	314	127
Net debt	2,058	1,023
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3,826	2,459

(millions of euros)

December 2004

Net debt WENDEL Investissement * 994

Net debt of business sectors with no recourse on WENDEL

Bureau Veritas (and acquisition debt)	637
Editis	402
Wheelabrator Allevar	54
Oranje-Nassau	(28)
Stallergènes	(1)
Total	1,064

Consolidated net debt **2,058**

(*) Financial debt minus net cash of WENDEL Investment and holding companies excluding those whose debt is without recourse on WENDEL Investissement



Consolidated financial statement

- ▶ Statement of income
- ▶ Balance sheet

(milliers d'euros)	2004	2003	2002
Produits d'exploitation	889 847	596 733	561 617
Charges d'exploitation	-744 731	-469 344	-446 191
Résultat d'exploitation	145 116	127 389	115 426
Résultat financier net	-5 002	-27 965	-59 944
Résultat courant des sociétés intégrées	140 114	99 424	55 482
Net des plus et moins values sur cessions d'actifs immobilisés	205 134	-807 638	22 872
Net des autres produits et charges exceptionnels	-3 154	1 020 589	-878 390
Impôts sur les sociétés	-66 074	-75 821	7 646
Résultat net des sociétés intégrées	276 020	236 554	-792 390
Part dans les résultats des sociétés mises en équivalence	38 549	34 345	-57 618
Amortissement des écarts d'acquisition	-27 879	-36 299	-21 077
Résultat net total	286 690	234 600	-871 085
dont part des minoritaires	5 676	-18 041	-221 528
Résultat net - Part du Groupe	281 014	252 641	-649 557
Nombre moyen d'actions	55 929 054	55 929 054	45 632 175
Résultat net par action (en euros)	5.02	4.52	-14.23
Résultat net dilué par action (en euros)	4.42	4.42	-13.88

ACTIF (milliers d'euros)	31.12.2004	31.12.2003	31.12.2002	PASSIF	31.12.2004	31.12.2003	31.12.2002
Ecarts d'acquisition nets	2 044 632	388 754	411 434	Capital	224 732	223 928	223 727
Immobilisations incorporelles nettes	68 123	32 640	34 079	Primes	281 688	127 099	226 422
Immobilisations corporelles nettes	366 740	299 560	393 261	Réserves consolidées	576 940	625 317	1 293 030
Immobilisations financières	600 847	708 190	743 413	Résultat de l'exercice	281 014	252 641	-649 557
Titres mis en équivalence	539 091	970 405	979 621	Capitaux propres : part du groupe	1 364 374	1 228 985	1 093 622
	1 139 938	1 678 595	1 723 034	Intérêts minoritaires	89 954	80 236	98 835
Total de l'actif immobilisé	3 619 433	2 399 549	2 561 808	Provisions	314 180	126 903	500 311
Actif circulant				Dettes financières	3 048 945	1 167 792	1 207 382
Stocks	159 797	62 472	63 733	Autres dettes			
Clients et comptes rattachés	606 239	126 005	110 902	Dettes fournisseurs et comptes rattachés	359 154	56 067	51 343
Autres créances	302 225	69 900	112 513	Autres dettes	501 990	142 657	285 777
Valeurs mobilières de placement et disponibilités	990 903	144 714	388 314		861 144	198 724	337 120
	2 059 164	403 091	675 462				
TOTAL DE L'ACTIF	5 678 597	2 802 640	3 237 270	TOTAL DU PASSIF	5 678 597	2 802 640	3 237 270