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PRESS RELEASE

Group subsidiaries advance; Cap Gemini Ernst & Young's valuation declines sharply

On 26 September 2002, the WENDEL Investissement Board of Directors, chaired by Ernest-Antoine Seillière, approved the interim accounts and reviewed the ongoing Legrand acquisition.

1) First half results

a) Group business sectors' earnings improve by EUR42 million

In the first half of 2002, business sectors' earnings increased to a EUR37 million profit from a EUR5 million loss in the first half 2001, an improvement of EUR42 million. This advance, achieved in a difficult economic climate, was due to good performances by all the consolidated subsidiaries as well as improved contributions by Trader Classified Media and Valeo.

b) Drop in Cap Gemini Ernst & Young share value results in exceptional charge

In view of the sharp stock market decline, the Group decided as a precautionary measure to restate its non-consolidated holdings in Cap Gemini Ernst & Young (CGE&Y) and Valeo and to set aside the corresponding provision. The valuation was based on the average share price since the end of June 2002, which was EUR32 for CGE&Y and EUR37 for Valeo. This resulted in an exceptional charge of EUR574 million.

c) Attributable net loss of EUR313 million

Taking into account the business sector profit, the exceptional result and the minority interests accounted for up to the date of the CGIP/Marine Wendel merger, the group's net loss is EUR313 million.

2) Net assets, financial rating

a) Group restated net assets' performance matches CAC 40

Thanks to the business sectors' good performance, and despite the sharp drop in CGE&Y's stock market valuation, Group restated net assets were EUR2.2billion at end-August (EUR40 per share) compared with EUR2.8 billion at end-May (EUR50.6 per share). Between May and August, the evolution of the revalued net asset value dropped -21% (against -22% for the CAC 40). Restated net assets at end-August include deferred capital gains tax and net financial debt of EUR330 million (EUR1.39 billion financial debt and EUR1.03 billion cash). Debt instalments are spread out regularly between 2004 and 2006.

b) Standard & Poor's awards BBB+ rating

WENDEL Investissement requested a financial rating from Standard & Poor's to assist its future access to capital markets. Standard & Poor's awarded the Group a BBB+ rating, with a stable outlook, after taking into account the Legrand acquisition.

3) Ongoing acquisition of Legrand

WENDEL Investissement linked up with investment fund Kohlberg Kravis Roberts & Co. L.P. (KKR) at the end of July 2002. They formed the WENDEL consortium (at parity) to acquire 98.1% of the share capital of Legrand held by Schneider Electric for EUR3.63 billion.

The acquisition should take place by mid-December 2002 at the latest, pending the decision expected shortly by the EU's Tribunal de Première Instance and approval by the necessary local anti-trust authorities. If the Tribunal cancels the EU Commission's decision to prohibit the Schneider-Legrand merger, Schneider may decide not to sell Legrand. Should this happen, Schneider would pay the WENDEL consortium an indemnity of EUR180 million.

a) An investment of between EUR650 and EUR850 million

The investment by WENDEL Investissement would be between EUR650 million and EUR850 million after syndication, representing around 35% to 45% of Legrand's share capital.

This investment would be accounted for by the equity method in WENDEL Investissement accounts.

b) Around 20% of WENDEL Investissement gross restated assets

Legrand would represent around 20% of WENDEL Investissement gross restated assets at end-August 2002 (EUR3.6 billion). This would increase the share of quoted assets to one-quarter of WENDEL Investissement gross assets.

Consolidated results		
First half (EUR million)	2001	2002
BioMérieux	3	5
Bureau Veritas	12	14
Wheelabrator-Allevar	8	8
Trader Classified Media	(11)	(2)
Stallergènes	0	2
Orange-Nassau	17	17
Consolidated subsidiaries	29	44
Cap Gemini Ernst & Young	14	6
Valeo	(32)	9
Non-consolidated subsidiaries	(18)	15
Financing	(8)	(16)
Goodwill amortisation	(8)	(6)
Business sectors' net profit	(5)	37
Exceptional items	(31)	(574)
Minority interests	20	224
Group's consolidated net results	(16)	(313)

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