



WENDEL

LETTER TO SHAREHOLDERS

MAY 2016

Results 2015

Frédéric Lemoine,
Chairman of the Executive Board

KEY FIGURES

ANR/share at €136.4
as of 12/31/2015

ANR/share at €128.2
as of 03/17/2016

close to €8 billion
in net sales

Net income from business sectors
up 24.1%
to €462.2 million

Dividends up
7.5% to €2.15
per share^(*)

Shareholders' equity
€4.0 billion

^(*)To be proposed at the Annual Meeting of June 1, 2016

Dear Shareholders,

2015 was a very important year for Wendel on many fronts. Our investment business was particularly active and we achieved all the investment objectives we announced for the 2013-17 period two years ahead of schedule, investing in unlisted companies with great potential: IHS, now operating in five countries in Africa, CSP Technologies and AlliedBarton Security Services in the United States, and Constantia Flexibles, a highly innovative company of Austrian origin. Our principal companies turned in very strong performances in 2015, in particular Constantia Flexibles, Stahl and IHS, as well as Bureau Veritas and Saint-Gobain, two global companies whose growth is nonetheless being held back by current economic turbulence.

Despite the first part of 2016 being characterized by severe market turbulence and high volatility in commodities, the positive developments in our portfolio are continuing. Constantia Flexibles and CSP Technologies have already made strategic acquisitions. In March, IHS carried out the first consolidation transaction in the African market, signing an agreement to acquire the telecom tower fleet held by Helios Towers Nigeria Limited ("HTN") in Nigeria. The highlight of early May was the announcement of AlliedBarton's merger with Universal Services of America*, which will give rise to AlliedUniversal Security Services, North America's market leader in security. Our initial reason for investing in AlliedBarton Security Services was based on our vision of a consolidation of the North American security market. We are pleased to note that within just six months of acquiring an equity stake, our analysis has proven to be correct. Another event of early May was that we adjusted our stake in Saint-Gobain to around 6.4%** of its share capital and around 11.1%** of its voting rights by selling 30 million of our shares in Saint-Gobain for approximately €1.2 billion. As part of existing governance agreements, Wendel will remain a significant shareholder of Saint-Gobain and intends to participate in its sound future prospects. Having achieved our objectives 18 months ahead of schedule, this transaction gives us increased flexibility to take advantage of high-potential investment opportunities in unlisted assets identified by our investment team, while strengthening our financial structure.

I will revisit this topic at greater length when I present the review of 2015 and Wendel's future plans on June 1 at our Shareholders' Meeting, at which a dividend of €2.15 per share will be proposed to shareholders.

Frédéric Lemoine, Chairman of the Executive Board

* The transaction is expected to be finalized in the third quarter of 2016, once the necessary authorizations have been obtained.
** After future cancellation of shares repurchased by Saint-Gobain.

RESULTS

On March 31, 2016, Wendel published its full-year 2015 earnings and net asset value.

Wendel's net asset value was €136.4 per share as of 12/31/2015, up 10.7% over 2015.

NAV was €128.2 per share as of 3/17/2016, impacted by the market decline in the early part of 2016.

(in millions of euros)			12/31/2015	3/17/2016
Listed equity investments	<u>Number of shares (millions)</u>	Share price ⁽¹⁾	5,883	5,681
Bureau Veritas	€177.2	€18.6 / €18.4	3,287	3,267
Saint-Gobain	€65.8	€39.4 / €36.7	2,596	2,414
Unlisted equity investments and Oranje-Nassau Développement ⁽²⁾⁽³⁾			3,891	3,743
Other assets and liabilities of Wendel and holding companies ⁽⁴⁾			204	203
Cash and marketable securities ⁽⁵⁾			799	748
Gross assets, revalued			10,777	10,375
Wendel bond debt and accrued interest			-4,230	-4,222
Net Asset Value			6,547	6,153
<i>Number of shares</i>			47 992,530	47 992,530
Net Asset Value per share			€136.4	€128.2
Average Wendel share price over the previous 20 trading days			€107.4	€88.8
Premium (discount) on NAV			-21.3%	-30.7%

(1) Average share price of the 20 trading days prior to December 31, 2015 and March 17, 2016.

(2) Unlisted equity investments (Cromology, Stahl, IHS, Constantia Flexibles and AlliedBarton) and Oranje-Nassau Développement (NOP, Saham, Mecatherm, Parcours, except CSP Technologies, indirect investments and debt).

(3) The values of Constantia Flexibles, IHS and Stahl have been reduced by the full or partial application of completed transaction valuations (acquisitions, capital increases) over a 12-month period or of offers received and not accepted. This had an impact of several euros per share on the valuation of each of these companies, which will be integrated into the NAV at the end of the 12-month period. Parcours was valued on the basis of peer-group multiples as of December 31, 2015 and on the basis of its sale price as of March 17, 2016. CSP Technologies has been valued on the basis of peer-group multiples beginning with the NAV of March 17, 2016.

(4) Includes 1,963,301 Wendel shares held in treasury as of December 31, 2015 and 2,196,753 as of March 17, 2016.

(5) Cash and marketable securities owned by Wendel and holding companies included €470 million in cash and €329 million in available, liquid financial investments as of December 31, 2015 and €445 million in cash and €303 million in available, liquid financial investments as of March 17, 2016.

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 the co-investment conditions are realized, there could be a dilutive effect on Wendel's percentage ownership. These items have been taken into account when calculating NAV. See page 199 of the 2014 Registration Document.

For more information :
<http://www.wendelgroup.com/en/content/results> >

2015 Full-Year Results

Wendel's consolidated net sales totaled €7,867.1 million, up 41.1% overall and up 1.4% organically (total organic growth excludes the combined organic growth of AlliedBarton, Constantia Flexibles and CSP Technologies, which represented 5.5%).

The contribution of all of the Group's companies to net income from business sectors was €679.5 million, up 13.4% from 2014. The rise resulted from changes in the scope of consolidation, both at Wendel and at the level of certain subsidiaries. Principally, at Wendel, Constantia Flexibles was consolidated from April 1, 2015, and at the subsidiary level, Stahl became a much larger company with the acquisition of Clariant Leather Services. In addition, good performance at Bureau Veritas and Saint-Gobain offset the decline in their contribution to net income from business sectors resulting from the sale of Saint-Gobain shares in May 2014 and of Bureau Veritas shares in March 2015.

Net non-recurring items totaled €-295.2 million. It was primarily made up of the following items:

- revaluation of Saint-Gobain shares on Wendel's balance sheet for a total of €+203.4 million;
- loss in Wendel's consolidated statements on the sale of Verallia (€-96.5 million);
- currency translation loss recognized by IHS following the devaluation of the Nigerian naira related to dollar-denominated debt (€-56.1 million);
- asset impairment (€-235.1 million including €-90 million on intangible assets of Bureau Veritas' Commodities business) and other non-recurring items (€-110.9 million).

The €727.5 million of the capital gain on the sale of Bureau Veritas shares in March 2015 was not recognized in Wendel's income statement, in line with IFRS 10, but rather in "changes in shareholders' equity". As a result, Wendel's shareholders' equity as of December 31, 2015 rose to €4.0 billion.

Wendel's net income was thus €+24.5 million in 2015, compared with €+197.8 million in 2014, and net income Group share was €-146.2 million, vs. €+19.6 million in 2014.

2015 consolidated results

(in millions of euros)	2014	2015
Consolidated subsidiaries	599.0	679.5
Financing, operating expenses and tax	-226.5	-217.3
Net income from business sectors ⁽¹⁾	372.5	462.2
<i>of which Group share</i>	154.9	158.3
Non-recurring income	-56.0	-295.2
Impact of goodwill	-118.8	-142.5
Total net income	197.8	24.5
<i>of which Group share</i>	19.6	-146.2

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

2015 Registration Document

The 2015 Wendel Registration Document was filed with the French Financial Markets Authority (AMF) on Friday April 8, 2016, under number D.16-0308. It is available to the public pursuant to the terms provided for in the regulations in force and can be viewed under "Regulated Information" in the «Finance» section of the website.

http://www.wendelgroup.com/sites/default/files/wendel_registration_document_en_2015_april_2016.pdf >

CSP Technologies makes first acquisition



On March 16, 2016, CSP Technologies announced its acquisition of Maxwell Chase Technologies, a US-based producer of absorbent and non-absorbent packaging solutions for the food industry. Maxwell Chase is CSP Technologies' first acquisition since Wendel's initial investment in January 2015 and constitutes a springboard for the development of its activities in the agri-food industry, in line with its diversification and growth strategy.

Wendel supported CSP Technologies in this strategic acquisition by making an additional investment of ca. \$29 million, bringing its total equity investment in the company to \$227 million.

For further information, please visit: www.maxwellchase.com >

Did you know ?

Almost **90%** of the paints produced by **Cromology** are water-based.



Stahl notches up another success

On April 25, 2016, during a visit to the Hanover trade show, US president Barack Obama and German Chancellor Angela Merkel were both able to appreciate the vision behind "Etos", an autonomous concept car designed by Swiss constructor Rinspeed. The glow-in-the-dark interior leather and dashboard surface finishes were created by Stahl.



Parcours takes a new route

On May 3, 2016, Wendel announced it had finalized the sale of all of Parcours' share capital to ALD Automotive, Société Générale's long-term leasing subsidiary, for €300 million.

~ **€240M**
net proceeds of the sale

IRR ~ **18%** per year
since April 2011

~ **2.2** times
Wendel's initial investment

Vehicle fleet managed
by Parcours
Close to **+10%** per year
on average since 2010



+100%
increase in staff numbers
since 2010



Serge Kampf

1934-2016

Tribute to Serge Kampf

On March 16, 2016, after the passing of Serge Kampf, Wendel paid a profound, respectful and heartfelt tribute to the man who founded and built Capgemini and whose exceptional human qualities call for admiration and loyalty. He was an outstanding leader and a phenomenal person.

Serge Kampf created ex nihilo a world leader in consulting and IT services employing more than 180,000 people. Capgemini has grown over more than 48 years in line with Mr. Kampf's founding vision to combine information and corporate management in innovative ways. It was this vision that prompted him

to create Sogeti (Société pour la Gestion de l'Entreprise et le Traitement de l'Information) in 1967, at a time when the IT industry was still using punch cards.

In 1982, Wendel, then known as CGIP, invested in Capgemini, a future-oriented company if there ever was one, marking the beginning of its renaissance after the steel industry era. The rapport between Ernest-Antoine Seillière and Serge Kampf and the bonds that formed between the two men gave rise to an alliance that remained steadfast until 2006.

Wendel is proud to have helped Serge Kampf build the European leader in IT services, safeguard the company's independence and win an enviable position in the US market. Wendel is grateful to Mr. Kampf for having demonstrated by his spectacular success the virtues of audacity, innovation, and entrepreneurship and the importance of empowering management and motivating staff by enabling them to participate in the financial success of the company.

Wendel's strategy is still focused today on developing these values within its companies and on finding and supporting the Serge Kampfs of tomorrow that the world so dearly needs.

AlliedUniversal, North America's new leader in security



On May 3, 2016, Wendel announced the merger between AlliedBarton's Security Services and Universal Services of America, the third- and second-largest security services companies in the United States, respectively. Once finalized, this merger will create AlliedUniversal, North America's new leader in security.

With cutting edge technologies and around 140,000 qualified security officers, the company will serve its customers both locally and nationally. AlliedUniversal is expected to generate revenues of around \$4.5 billion and adjusted pro forma EBITDA of around \$440 million including approximately \$100 million in synergies.

When the transaction is finalized, in exchange for its share in the capital of AlliedBarton Security Services, Wendel will hold around 33% of the capital of AlliedUniversal and will receive around \$387 million in cash. Warburg Pincus and Partners Group, the other two principal shareholders, will hold around 33% and 17% of the share capital, respectively.

* The transaction is expected to be finalized in the third quarter of 2016, once the necessary authorizations have been obtained.

ALLIEDBARTON SECURITY SERVICES

in brief

- Founded in 1957
 - 2015 pro forma revenues: €2.3 bn
 - More than 65,000 employees
 - Customers in the United States: 3,400
 - Market share: 9%
 - Number three in market
 - Share capital held by Wendel: approx. 95% ⁽¹⁾
 - Amount invested by Wendel in 2015: \$687M ⁽¹⁾
- (1) Before merger.

UNIVERSAL SERVICES OF AMERICA

in brief

- Founded in 1965
- 2015 revenues: €2.5 bn
- More than 80,000 employees
- Customers in the United States: over 3,500
- Market share: 10%
- Number two in market

Wendel pursued its strategic reorientation toward unlisted companies and expressed its confidence in Saint-Gobain

On May 4, Wendel sold 30 million shares, or 5.3% of its share capital in Saint-Gobain, of which 10 million were repurchased by Saint-Gobain for ca. €1.2 billion.

Wendel also carried out a simultaneous issue of ca. €500 million of zero-coupon bonds exchangeable into Saint-Gobain shares at a premium of 35% over the share price at which the sale transaction was carried out, i.e. €51.98 per share. The issue was very well received by investors and was two times oversubscribed.

The sale and bond issue form part of Wendel's strategy to increase its exposure to unlisted assets.

Wendel plans to use the freed-up resources to invest in unlisted companies in Europe, North America and Africa and help develop its portfolio companies. These transactions will also strengthen Wendel's financial structure. All other things being equal, this transaction will improve Wendel's debt ratio by around nine percentage points.



The 24th Paris Half-Marathon: 12 runners representing Wendel took their place at the starting line

On March 6, 2016, Wendel cheered on 12 of its employees as they lined up at the starting line to take part in the 24th Paris Half Marathon. We congratulate them on their excellent performance, finishing 41st out of 112 teams.

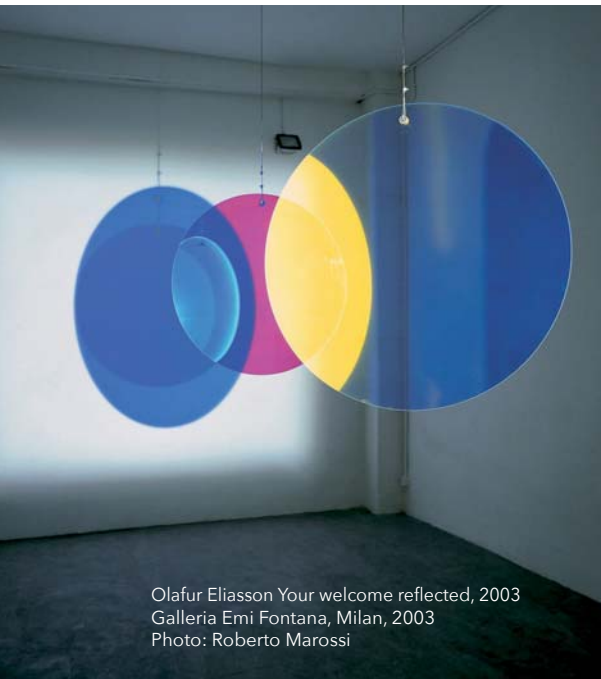


Centre Pompidou-Metz: Musicircus April 20, 2016 - July 17, 2017

The Musicircus exhibition explores the relationship between visual arts and music, with around 40 major works of art from the Centre Pompidou, France's national museum of modern art, on display.

Musicircus takes visitors on a journey exploring the history of modern and contemporary art through the prism of music and its influence on the work of famous artists, who were themselves amateur musicians. Visitors are immersed in the abundance of ideas and creativity that prevailed at the dawn of the 20th century. They will discover or revisit the work of artists such as Marc Chagall, Vassily Kandinsky, Sonia Delaunay, Igor Stravinsky and Guillaume Apollinaire.

For further information, please visit: www.centrepompidou-metz.fr >



Olafur Eliasson Your welcome reflected, 2003
Galleria Emi Fontana, Milan, 2003
Photo: Roberto Marossi

INSEAD ranked #1 “Global MBA program” by the Financial Times

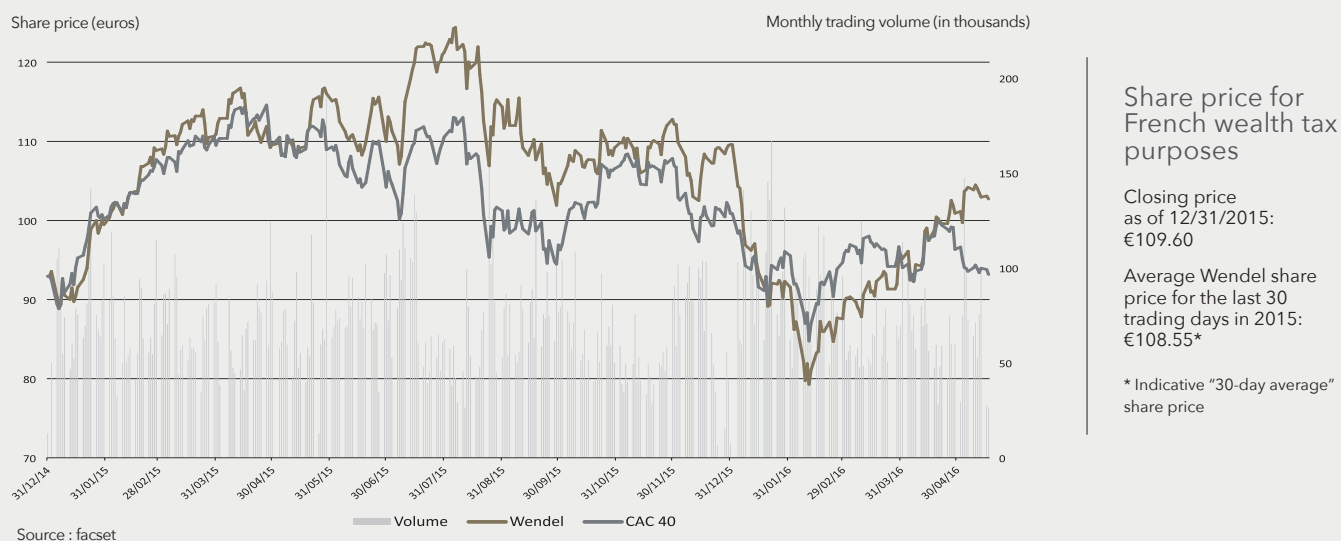
Wendel has supported INSEAD since 1996. In that year, the prestigious business school created a center for family-owned businesses, and Wendel has been a partner in this initiative from the start. In early 2016, INSEAD's Global MBA program was ranked number one by the Financial Times, making it the first international management school to have three MBA programs ranked in the top spot by the Financial Times.

For further information, please visit:
<http://centres.insead.edu/family-enterprise/> >



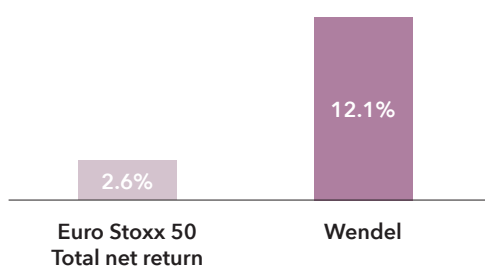
Singapore building Matt Stuart

Change in Wendel share price and CAC 40 rebased to compare with the Wendel share price

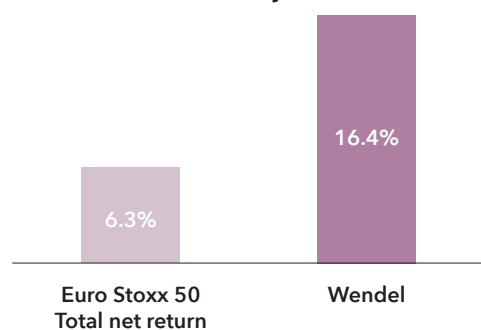


Total return of Wendel shares vs. the Euro Stoxx 50 as of March 17, 2016

since June 13, 2002



since January 1, 2009



Source : facset - Performance, dividends reinvested .

Next on the agenda

Wednesday June 1, 2016

Shareholders' Meeting / Publication of NAV and *trading update* (before the Shareholders' meeting)
at 3:30 PM, Palais Brongniart, Place de la Bourse, 75002 Paris

Wednesday June 8, 2016

Dividend payment

Thursday September 8, 2016

H1 2016 earnings / Publication of NAV (pre-market release) By conference call

Thursday December 1, 2016

2016 Investor Day / Publication of NAV and *trading update* (pre-market release) In London

Contact us

Individual shareholders

Wendel - Individual shareholder relations
89, rue Taitbout - 75312 Paris Cedex 09 (France)

www.wendelgroup.com

@WendelGroup

Tel: +33 (0)1 42 85 30 00
Fax: +33 (0)1 42 80 68 67
Toll-free number (in France): 0 800 89 70 67
From abroad : +33 (0)1 42 85 63 95
communication@wendelgroup.com

