



Wendel announces on the occasion of its Investor Day in Paris on December 3, 2009, with the theme "Innovation: a springboard for recovery", the following items:

- More than 95% of lenders support the proposed Stahl debt restructuring
- Wendel has increased its economic exposure to Saint-Gobain shares from 64% to 73% via the sale of some of its puts for €163.4 million,
- Exposure to the construction sector has been optimized, following the sale of 15 million Legrand shares. Wendel and KKR remain the controlling shareholders, with 25% of the shares and 32.5% of the voting rights each
- €1,231 million in bank debt and a €300 million undrawn credit line have been extended, on top of the extensions already announced
- Gross debt has been reduced by €667.5 million, including €467.5 million in early repayment
- Net Asset Value is €52,2 per share as of November 30, 2009, up 40,3% from August 26, 2009

Frédéric Lemoine, Chairman of the Executive Board, said:

*"Wendel is ahead of schedule on its action plan.*

*Our efforts in the last eight months to stabilize our financial situation are paying off. Wendel has abundant cash, has no debt to reimburse until 2011, and has now rescheduled all its bank financing with margin calls to between 2012 and 2015. This has allowed us to support the successful restructuring of Materis and Stahl, to confidently step up our involvement in Saint-Gobain, and to begin cautiously looking into new investments in long-term growth sectors from 2010 on.*

*With our full support, each of the Group's companies continues with determination to implement demanding and ambitious operating plans, in order to adjust to the economic context and to develop new growth strategies, based mainly on innovation. The most recent proof of this is the marketing approval for 23 European countries that Stallergenes obtained on November 27 for Oralair<sup>®</sup>, its pollen allergy tablet for adult and child use."*

### **Support of more than 95% of lenders for Stahl's debt restructuring**

The proposal that Wendel presented to the banks early in the fourth quarter has already received the support of 95% of its senior and second-lien lenders and 100% of its mezzanine lenders. This proposal means that Wendel, which is reinvesting €60 million in Stahl, will hold around 92% of Stahl's equity once this process has been completed. Mezzanine lenders, second-lien lenders, and management will hold the rest.

This will reduce Stahl's debt by almost 40%, from €360 million to less than €200 million, which will give it a financial structure suited to fully exploiting the new business plan presented to the banks. The closing of the deal is scheduled for the first quarter of 2010.

### **Successful accelerated book building of Legrand shares**

On November 23 and 24, 2009, Wendel sold 15 million Legrand shares for net proceeds of €275.8 million, generating a capital gain of around €170 million. The transaction expanded Legrand's free float from 31% of its shares to 42%.

Wendel has been a Legrand shareholder since 2002 and intends to remain active and closely involved. It is a core shareholder, alongside KKR, with its stake now about 25% of the shares and 32.5% of its voting rights. Under their shareholders' agreement, the terms of which remain unchanged, the two shareholders jointly control the company and have majority representation on the Board of Directors.

### **Sale of some of the protection related to the financing of the Saint-Gobain stake**

8.551 million Saint-Gobain put options have been sold in recent weeks. This protection had been set up on part of the financing to acquire a stake in Saint-Gobain. As a result of these recent transactions, Wendel's exposure to fluctuations in the price of its 89.8 million Saint-Gobain shares has increased from 64% to 73%.

€163.4 million in proceeds from the sale was used to repay €462.5 million in financing without margin calls. The rest derived from Wendel's cash holdings. Following this transaction, the bank financing without margin calls contracted to finance the acquisition of Saint-Gobain shares comes to €1,632.7 million. It is guaranteed by Saint-Gobain shares and the puts that Wendel still owns. Maturities on all bank financing without margins calls now extend from March 2011 to March 2012, vs. December 2010 to March 2012 initially.

In the coming year, Wendel will continue to enhance the protection linked to this debt by using, together or separately, the three options it has selected: rollover of puts and the corresponding debt, sale of puts and repayment of the corresponding debt, resetting of strike prices of puts and adjustment of the corresponding debt.

## **Maturity extension and bank & bond debt reduction**

As part of the drive towards greater financial flexibility that it began in April 2009, Wendel today announces new transactions undertaken in recent weeks that will allow it to improve its financial leeway even further:

- The extension of two tranches of Saint-Gobain financing with margin calls:
  - €930.6 million in bank debt maturing in April 2012 has been broken down into four tranches of €232.65 million each, maturing in April 2012, April 2013, April 2014 and April 2015<sup>(1)</sup>;
  - €1,000 million in bank debt maturing in July 2013 has been reduced to €800 million. Moreover, it will be repaid in three tranches of €266.6 million each in July 2013, March 2014 and December 2014.
- The extension and reduction of an undrawn line for Saint-Gobain financing of €500 million, maturity 2011.  
After repaying €107 million of this line in the third quarter of 2009 and renegotiating the terms of the contract, Wendel now has an undrawn line for Saint-Gobain financing of €300 million with maturity extended by two years and a half. It is composed of three €100 million tranches maturing in November 2013, May 2014 and November 2014.
- The €600 million undrawn line for Saint-Gobain financing and Wendel's €1,200 million undrawn syndicated credit line, meanwhile, are unchanged.
- More buybacks of bond debt:  
The par value of bond debt maturing in 2011 has been reduced to €466 million following the market buyback of €5 million in bonds, bringing to €21 million the amount of market buybacks of debt to date, and following the exchange last September of €112.8 million in 2011 bonds for 2014 bonds.

In all, since the beginning of 2009, Wendel has extended all its bank debt with margin calls by more than two years, bringing the average maturity to four and a half years. Moreover Wendel has repaid or reduced bond and bank debt by €946 million, including repayment of financing without margin calls in connection with the sale of the puts. As a result of this major restructuring of its financing, the Group no longer has any debt maturities until February 2011.

<sup>(1)</sup> *subject to implementation of the final contractual documentation*

## Net Asset Value per share of €52,2, up by 40,3% since August 26, 2009

Net Asset Value came to €55,2 per share on November 30, 2009, vs. €37.2 on August 26, 2009. Note that the calculation methodology remains unchanged and complies with the recommendations of the European Venture Capital Association.

| (in €M)                                                                      |                                 |                             | 30/11/2009    | 26/08/2009    |
|------------------------------------------------------------------------------|---------------------------------|-----------------------------|---------------|---------------|
| <u>Listed investments by company</u>                                         | <u>Number of shares</u>         | <u>Price <sup>(1)</sup></u> | 6,895         | 6,243         |
| • Saint-Gobain                                                               | 89.8 millions                   | €37.19                      | 3,341         | 2,679         |
| • Bureau Veritas                                                             | 56.3 millions                   | €34.09                      | 1,919         | 1,867         |
| • Legrand                                                                    | 65.6 m (11/09) / 80.6 m (08/09) | €19.29                      | 1,265         | 1,395         |
| • Stallergenes                                                               | 6.1 millions                    | €60.80                      | 370           | 302           |
| Unlisted investments and others <sup>(2)</sup>                               |                                 |                             | 336           | 180           |
| Cash <sup>(3) (5)</sup>                                                      |                                 |                             | 2,248         | 2,562         |
| <b>Gross Asset Value</b>                                                     |                                 |                             | <b>9,479</b>  | <b>8,985</b>  |
| Wendel bonds                                                                 |                                 |                             | (2,692)       | (2,531)       |
| Bank debt related to Saint-Gobain financing <sup>(5)</sup>                   |                                 |                             | (4,645)       | (5,418)       |
| Net value of protection related to Saint-Gobain financing <sup>(4) (5)</sup> |                                 |                             | 492           | 839           |
| <b>Net Asset Value <sup>(5)</sup></b>                                        |                                 |                             | <b>2,633</b>  | <b>1,875</b>  |
| Number of shares                                                             |                                 |                             | 50,436,175    | 50,436,175    |
| <b>Net Asset Value per share <sup>(5)</sup></b>                              |                                 |                             | <b>€52.2</b>  | <b>€37.2</b>  |
| Wendel share price: average of 20 most recent closing prices                 |                                 |                             | €39.81        | €29.89        |
| <b>Premium (Discount) to NAV</b>                                             |                                 |                             | <b>-23.8%</b> | <b>-19.6%</b> |

(1) Average of 20 most recent closing share prices calculated as of November 30, 2009

(2) Including 590,005 Wendel treasury shares as of November 30, 2009

(3) Cash of Wendel and Saint-Gobain acquisition holding company, including €1.5bn in unpledged cash as of December 2, 2009

(4) The hedges (purchases and sales of puts) cover close to 27% of Saint-Gobain shares held as of December 2, 2009

(5) Proforma of puts sale and debt repayments made on December 1 and 2, 2009

## Investor Day: "Innovation, a springboard for recovery":

Our Investor Day, which over the last eight years has customarily been held near year-end, will be given over in the morning to a review of Wendel by its Executive Board and to the presentation of unlisted companies and their long-term growth potential. Next, Pascal Morand, Dean of ESCP Europe, and Delphine Manceau, Professor at ESCP Europe, will present the report entitled "Pour une nouvelle vision de l'innovation" ("A new way to look at innovation"), which they have submitted to Christine Lagarde, the French Minister of Finance. Following these presentations, the afternoon will feature a round table on innovation with Frank Piedelièvre, Chairman and CEO of Bureau Veritas; François Rachline, Director of the Institut Montaigne and economics professor at "Sciences Po" Paris; Didier Roux, Saint-Gobain's Director of R&D and Innovation; Gilles Schnepf, Chairman and CEO of Legrand; and Albert Saporta, Chairman and CEO of Stallergenes.

The Investor Day will be held today from 10:30 a.m. to 4:30 p.m. at the Pavillon Cambon, 46, rue Cambon, in Paris, France.

All presentations will be available live and on a deferred basis by webcast on Wendel's website ([www.wendelgroup.com](http://www.wendelgroup.com)).

### Next on the financial communications agenda:

- March 30, 2010: Full-year results (before the market opens)
- Publications of NAV: March 30, June 4, August 31, December 2 2010

#### About Wendel

Wendel is one of Europe's leading listed investment firms. The Group invests in France and abroad, in companies that are leaders in their businesses: Bureau Veritas, Legrand, Saint-Gobain, Materis, Deutsch, Stallergenes, Oranje-Nassau and Stahl. Wendel plays an active role as industry shareholder. It implements long-term development strategies, which involve boosting growth and margins of companies so as to enhance their leading market positions.

Wendel's consolidated 2008 sales totaled €5.4 billion. Wendel is listed on Eurolist by Euronext Paris.



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