

WENDEL: INCREASE IN CONSOLIDATED Q3 2011 SALES

Increase in sales at all Group companies

Consolidated third-

Consolidated nine-

which 7.6% was organic

Financial structure strengthened still further:

- **Legrand share sales for a total of**
- **in advance in November, bringing the year**

Frédéric Lemoine, Chairman of Wendel's Executive Board said:

"Wendel's companies continued to post organic growth in Q3 2011, in line with their objectives, in hard to read macro-economic conditions and highly volatile financial markets. This performance resulted from their leadership positions on

Deutsch Organic growth remained strong at 21.2% year-to-date, and the Offshore division signed a significant contract.

(Full consolidation)

Deutsch's third-quarter 2011 sales of \$164.5 million were up 12.4% compared with Q3 2010, with organic growth of 9.6% and positive currency effects of 2.8%.

On the back of this strong third-quarter growth, which followed a very buoyant first half, Deutsch posted nine-month sales of \$515.1 million, including organic growth of 21%.

Expansion in the **Industry Division** was part of the engine behind this growth. Industry posted 25% organic growth, with a significant advance in China, as production was expanded in the region, and an increase in truck demand in the United States.

The **Aerospace and Transport Division** saw organic growth of 19%, owing in particular to rapid growth in the United States and Europe.

The **Offshore Division**, which was hit by the Deepwater Horizon catastrophe in Louisiana, succeeded in obtaining some very large new orders. Chief among them was a contract worth €24.4 million signed in September 2011, which will generate revenue in 2012 and 2013. Overall, orders have increased nearly eight-fold since the start of the year.

Deutsch has confirmed its sales growth objective of 12-15% for all of 2011, with continuing growth in the Industrial Division, more recovery in civil aeronautics, a stable or widening operating margin and further reduction in debt.

Stahl Sales growth of 2.2% over nine months, following a record year in 2010.

(Full consolidation from February 26, 2010)

Stahl, world leader in leather finishing products and high-performance coatings, posted sales of €81.3 million in Q3 2011, up 2.3% on Q3 2010. Organic growth for the quarter stood at 5.3%.

Despite a slowdown in growth starting from the second quarter of 2011 and very high comparative figures in the record year of 2010, Stahl posted sales of €253.4 million over the nine-month period, representing overall and organic growth of 2.2%.

H1 trends continued into the third quarter. The **Leather Finishing division** declined 1% as it continued to suffer from the slowdown in the tannery business, owing to the increase in the price of hides and skins, in particular in China and Latin America, and the fall in demand in the leather goods, furniture and clothing industries, which was not fully offset by the vigor of the automotive market.

Stahl's other businesses performed well (up 6.8%), buoyed by the **Permuthane division** (high-performance coatings), which continued its robust growth in India (55% organic growth) and China (14% organic growth) and consolidated its position in mature markets (organic growth of 12% in North America and 2% in Europe).

Stahl confirms that in the second half of 2011, sales will grow organically at a rate gradually approaching the long-term target of 5% p.a.

Saint-Gobain Q3 2011 sales up 2.6% 2011 targets confirmed.

(Equity method on 17% holding)

In the third quarter, Saint-Gobain's consolidated sales caes t1 9(isi)4(o)-2(n)]TJ and -

Parcours continued to gain market share, increasing its fleet of vehicles at a faster pace than its competitors. At the end of September, Parcours' portfolio of non-delivered orders amounted to more than 4,300 vehicles, up 29% from September 2010 as a result of delays carmakers experienced after the catastrophe in Japan.

Parcours' second-hand vehicles business also performed well, with 18% growth in sales (€52.9 million over nine months), owing to brisk sales at Parcours' second-hand vehicle sales sites.

exceet 51% growth in sales in the first nine months.

(Equity method on 28% holding since July 2011)

The unaudited, consolidated sales of exceet, European leader in embedded electronics and security solutions, totaled €128.9 million in the first nine months of 2011, up 51.5% on the year-earlier period. This growth resulted, among other things, from strong organic growth, in particular in medical technologies.

Top line growth also derived from acquisitions, namely Winter AG (electronic security systems), AuthentiDate International AG (digital signature and security systems), Contec GmbH (embedded electronic systems for medical and industrial applications), and The Art of Packaging (packaging with integrated RFID tags).

Excluding any further acquisitions, exceet anticipates steady growth over the whole of 2011.

Mecatherm Acquisition of world leader in equipment for industrial bakeries finalized on October 4.

(not consolidated full consolidation from Q4 2011)

Announced in July 2011, Wendel's acquisition of Mecatherm was finalized in October for an enterprise value of around €170 million. Wendel now holds 98% of the company's shares, alongside management, who hold the balance. This company will be consolidated from the fourth quarter of 2011. The acquisition debt totaled €66 million and was jointly arranged by five French banks with the same terms as those negotiated at the end of July.

Mecatherm also has lines of €30 million to finance future acquisitions and €5 million in revolving credit facilities.

After posting sales of around €91 million in 2010, of which nearly 75% outside France, the Mecatherm group realized a top line of €60.7 million in the first nine months of 2011.

Continued active management of Wendel's financial structure

Legrand share sales for a total of 334 million

Wendel and Kohlberg Kravis Roberts & Co. (together with its affiliates, "KKR") have today successfully completed the joint sale of 24.3 million shares of Legrand, representing 9.2% of Legrand's share capital, at a price of €24 per share.

In this context, Wendel sold approximately 13 million shares or 4.9% of Legrand's share capital for a total of €313 million and a capital gain of around €191 million.

Following the sale of approximately 890,000 Legrand shares at an average price of approximately €24 per share in September and the transaction completed today, Wendel now holds approximately 5.8% of the share capital of Legrand and approximately 10.1% of its voting rights.

In early November 2011, Wendel repaid €140 million in debt with margin calls in advance of the July 2013 maturity date. The remaining balance of debt with margin calls now totals €1,545 million (vs. €1,685 million in August 2011). The repaid borrowings can be reused at any time. Unused and available lines of credit for the financing of Saint-Gobain shares now total €830 million, vs. €690 million at end-August 2011.

Since the beginning of the year, gross financial debt has been reduced by €1,405 million. Having repaid all debt without margin calls, as announced on May 30, 2011, Wendel has no maturity dates before July 2013.

Further extension of maturity on 4 million Saint-Gobain puts.

After extending the maturity of 2.2 million puts over the summer from September 2011 to September 2012, all puts issued on Saint-Gobain were extended in September and October.

The 6.1 million puts issued now have maturity dates in September 2012 (2.2 million), December 2012 (2.6 million) and March 2013 (1.3 million).

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