Wendel releases 2009 Results
Financial flexibility restored to prepare for the future

Consolidated sales: limited decline to €4,865 million (-3.4%).

Net income from business sectors: €153 million, reflecting the significant impact of the crisis on the Group's companies.

Net loss of €-809 million affected by significant reductions in book values, as announced in H1 2009.

Stronger financial structure thanks to debt restructuring, extended and reduced.

Solid cash position of €2,179 million at 31 December 2009, with available cash of €1,496 million (+63% compared with end 2008).

Net asset value doubled compared with 31 December 2008 to €56.9 per share at 23 March 2010.

Stable dividend of €1 per share, to be proposed to the next Shareholders' Meeting.

2009 consolidated net income

(in millions of euros)	2008	2009
Consolidated subsidiaries	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Net income from business sectors[1]	[illegible]	[illegible]
Group share	[illegible]	[illegible]
Non-recurring income (loss)[2]	[illegible]	[illegible]
Net income (loss)	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

(1) Net income before allocation of goodwill and non-recurring items
(2) Including [illegible]

Net income from business sectors

(in millions of euros)	2008	2009
Bureau Veritas	241.8	278.5
Materis	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Stallergenes	19.0	22.2
Editis	(5.3)	-
Oranje-Nassau	78.0	13.8
Saint-Gobain	398.3	[illegible]
[illegible]	[illegible]	[illegible]
Management fees	2.2	(0.2)
Operating expenses (total)	**(41.1)**	**(45.2)**
Net financial expenses	(75.4)	(117.1)
Financing costs linked to Saint-Gobain[2]	(298.9)	(222.1)
Financial expenses (total)	**(374.3)**	**(339.1)**
Net income from business sectors [1]	**519.2**	**152.9**
of which Group share [1]	395.3	6.4

(1) Net income before allocation of goodwill and non-recurring items
(2) The cost of financing the stake in Saint-Gobain previously deducted from Saint-Gobain's contribution to Wendel's income now appears on a separate line

Saint-Gobain – Ahead of action plan objectives

(Equity method)

Saint-Gobain's consolidated sales declined -13.7% to €37,786 million. In 2009, full-year organic growth contracted by -13.2%.
In H2 2009, organic growth stood at -10.8%, indicating a relative improvement compared with H1 2009.
Operating income, which decreased by -39.3% to €2,216 million, benefited from an outperformance from the first half of the year to the second half (+38%). This was also the case for operating margin, which amounted to 6.7% of sales in the second half, compared to 5.0% in the first, mainly thanks to cost cutting.

Action plans implemented by Saint-Gobain in 2009 paid off with:

- emphasis on pricing policy (+0.8%) despite the downward trend in inflation
- amplification of cost-cutting plans across all business lines, resulting in savings of €1.1 billion generated in 2009 compared with 2008, bringing total savings in 2008 and 2009 to €1.5 billion
- continued optimisation of free cash flow generation: free cash flow of €1 billion, sharp reduction of working capital requirements (gain of €+1.4 billion) and a significant contraction in capital expenditure (€-900 million over the year compared with an initial target of €-500 million).

Recurring net income, Group share, amounted to €617 million, representing a dramatic 94% increase from H1 to H2.

Saint-Gobain expects an overall better 2010 than 2009. In line with its 2009 action plans, Saint-Gobain will continue to optimise its pricing policy and expects to generate additional cost savings of €200 million, for a total of €600 million in 2010, compared with 2009, which should enable solid growth in operating income and margin. Concurrently, Saint-Gobain will pursue its strategy of planned development, with priority given to emerging markets, energy efficiency and solar power.

The Board has unanimously expressed its wish to combine the functions of Chairman and Chief Executive Officer of Saint-Gobain. It proposes, subject to the renewal of Pierre-André de Chalendar's mandate as Director at the Shareholders' Meeting of 3 June 2010, to appoint him as Chairman and Chief Executive Officer of Saint-Gobain.

scope of consolidation and exchange rates. Investments in innovation continued into 2009 at an upbeat pace with the launch of new products and a higher level of net R&D expenses in proportion to sales, up from 4.4% in 2008 to 4.8% in 2009.

Net income, Group share, came in at €289.8 million in 2009 compared to €349.9 million in 2008.

Up by €225 million to stand at €655 million, free cash flow came in at an exceptional 18.3% of sales. This figure can be attributed to a healthy margin level, a significant reduction in working capital requirements and rigorous control of net industrial investment reflecting the proceeds of divestments.

In 2009, Legrand reinforced its financial structure by reducing its net debt by €522 million to €1.3 billion and, as such, has the means to finance its acquisition policy, a key feature of its business model.

For 2010, Legrand anticipates a return to sales growth over the year, particularly thanks to a recovery in emerging markets (30% of consolidated sales). Against this backdrop, Legrand considers the adjusted operating margin recorded in 2009 (16.2%) as a new baseline and one that is noticeably higher than those observed in previous business cycles.
In the longer term, Legrand has decided to pursue efforts in innovation to respond to the rising demand for products addressing three fundamental needs in new and existing buildings: reducing energy consumption and increasing the use of renewable energy sources, meeting universal demand for communication and interconnectivity, and addressing the ageing of the world's population.

The Board of Directors will propose to the Shareholders' Meeting of 27 May 2010 a dividend of €0.7 per share, which is identical to the previous financial year.

Stallergenes – Excellent performance and targets exceeded

2009 sales exceeded expectations, increasing 13% on 2008 to €192.8 million. This growth was mainly attributable to Northern European markets and sublingual immunotherapy (which represented more than 85% of 2009 sales), while Southern European markets saw an encouraging improvement in Q4.

Full-year results were up sharply on 2008, with operating margin and net margin of 16.7% and 11.5% respectively (compared with 16.5% and 11.1% respectively in 2008). The 28.9% increase in net R&D spending demonstrates the continued development policy of desensitization tablets.

Against a backdrop of robust investment, free cash flow multiplied by 3.7 compared with 2008, to €17.5 million. Reduced working capital requirements, combined with an excellent 2009 at the operating level, enabled Stallergenes to close the financial year with a positive net cash position of €4.9 million for the first time in 10 years.

Despite a challenging environment, Stallergenes expects to further increase its activity in 2010, by over 8%, in addition to improving its margins. The completion of the mutual recognition process on 27 November 2009, which resulted in a market authorisation for Oralair® in 22 European countries, will provide Stallergenes with an essential short- and medium-term growth driver.

The Board will propose a dividend of €0.55 per share (up +22% compared with the previous financial year) for approval by the Shareholders' Meeting of 28 May 2010.

Materis – Efficient adaptation plans to preserve profitability and generate cash

In 2009, Materis, a leader in specialty chemicals for the construction sector, recorded a -8.7% decline in sales to €1,703.5 million. In the second half of the year, Materis saw a month-on-month

improvement in its activity and accordingly contained the reduction in its organic growth to -5.5%, compared with a -10.9% decline in the first half.

Adjusted operating income contracted -13.9% to €184.9 million; operating margin stood at 10.9% (vs. 11.5% in 2008). Operational profitability was maintained thanks to the effective implementation of substantial and efficient adaptation plans. Accordingly, over the year, Materis benefited from the optimisation of its price range, its improved product offering and cost-cutting programme

Stahl's net debt stood at €335 million at the end of 2009 (before financial restructuring), compared to €317 million one year earlier.

Reinforcement of Wendel's financial flexibility in 2009

The top priority for 2009 was to bolster Wendel's financial flexibility, which initially led to financial debt being reduced by €-1,138 million compared with its high point of March 2009.
Moreover, the Group extended maturities for the financing of the Saint-Gobain stake with margin calls by over one and a half years; average maturity of this debt is now four and a half years at 31 December 2009 and totals €2,986 million, down €-478 million.
In addition, debt without margin calls was reduced by €-547 million to stand at €1,548 million at 31 December 2009.
Lastly, Wendel continued to optimise its bond debt through a partial exchange of its 2011 tranche for a 2014 maturity (€113 million of the 2011 nominal amount) and the issue of €174 million of bonds maturing in 2014. Moreover, Wendel redeemed and then cancelled part of the 2011 tranche. Total bond debt amounted to €2,666 million at 31 December 2010. Wendel continued with this structure optimisation strategy in early 2010, redeeming and cancelling €70 million in bonds maturing in February 2011, thereby reducing bond debt maturing on this date to €396 million.

At 31 December 2009, Wendel's total cash position amounted to €2,179 million. The Group multiplied its portion of cash which is free of any pledges by 1.6 over 2009, bringing it to €1,496 million. Moreover, Wendel has undrawn lines of credit of €2,100 million.

Concurrently, Wendel, an active shareholder, has carried out disposals of €1,059 million, generating

- Deutsch: after obtaining a unanimous agreement in August 2009 for a transition period, a new phase of renegotiation with lenders to review the financial terms of its long-term debt began in the first quarter of 2010. Convinced of Deutsch's strengths, Wendel and Jean-Marie Painvin, shareholders of Deutsch, submitted a proposal which is currently being approved by the lenders. This transaction is expected to be finalised in the second quarter of 2010.

Governance

Appendix 1: Contribution of companies to sales in 2009

Consolidated sales (excluding Editis and Oranje-Nassau Energie in accordance with standard IFRS 5)

(in millions of euros)	2008	2009	Change	Organic growth
Bureau Veritas	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Sales of consolidated companies using the equity method

Appendix 2: NAV at 23/03/2010: €56.9 per share

(1) Average of 20 most recent [...] calculated as of March 2[?], 2010

Appendix 3: Economic and accounting results reconciliation table

2009

(a) including:

- Income from the sale of Oranje-Nassau's oil and gas activities for €346.3M;
- Dilution loss on Saint-Gobain for €-782.2M over financial year 2009;
- Restructuring costs for €-29.2M.

(b) Impairment of Saint-Gobain assets at Wendel for €-225.4M, and at Saint-Gobain for €-64.9M, Materis for €-63.4M, Deutsch for €-19.6M and Legrand for €-5.0M.

(c) Including:

- Income from the sale of the Bureau Veritas block for €118.4M;
- Income from the sale of the Legrand block for €161.6M and €9.2M in dilution income;
- Income from the sale and changes in fair value of Saint-Gobain hedges (puts) for €-225.2M;
- Income from the sale of Saint-Gobain equity subscription warrants for €65.5M;
- Fair value adjustment of VGG/AVR for €-26.2M.