

Letter to shareholders

SPECIAL EDITION INVESTOR DAY 2013

January 2014

Key figures

- Record-level NAV at €140.3 per share as November 25, 2013
- Publication of Q3 2013 sales: 1,707.6 million, up 4.6% organically
- Wendel is now a shareholder in Saham Group, the leading African insurance group
- Nippon Oil Pump: investment in Japan
- Sale of Kerneos announced



Bernard Gautier, Member of the Executive Board - Frédéric Lemoine, Chairman of the Executive Board

Dear Shareholders,

Our 12th annual Investor Day was an opportunity for participants to appreciate the quality of Wendel's companies, which all posted positive organic growth in the 3rd quarter. This growth is reflected in our net asset value, with a record high of €140.3 per share posted on November 25, 2013.

The Senior Managers of Wendel's companies shared their plans, ambitions and passion for entrepreneurship with the financial community. I would like to thank Moulay Hafid Elalamy, founding Chairman of the Saham Group, Huub van Beijeren (Stahl), Olivier Sergent (Mecatherm) and Issam Darwish (IHS) for the part they played in making the day a success. We carried out several transactions during 2013. We increased our investment in IHS to \$276 million at the end of July 2013, actively supported Stahl in its acquisition⁽¹⁾ of Clariant Leather Services, acquired Nippon Oil Pumps, our first investment in Japan, and invested €100 million to acquire 13.3% of Saham Group SA alongside its founder. Saham Group is a diversified pan-African group and Africa's largest insurer (excluding South Africa). This investment gives Wendel exceptional exposure to this continent's growth.

Lastly, Materis has entered exclusive negotiations with Astorg with a view to selling Kerneos for €610 million. Wendel fully supports this transaction, reinvesting €60 million in the form of high-yield subordinated debt, so as to continue supporting Kerneos in its development. These transactions illustrate the new strategy we implemented at the start of 2013 and our intention to invest €2 billion by 2017, even while returning to investment grade status. Bernard Gautier and I would like to thank you for the trust you have placed in us and wish you and those close to you all the very best for this new year.

Frédéric Lemoine, Chairman of the Executive Board

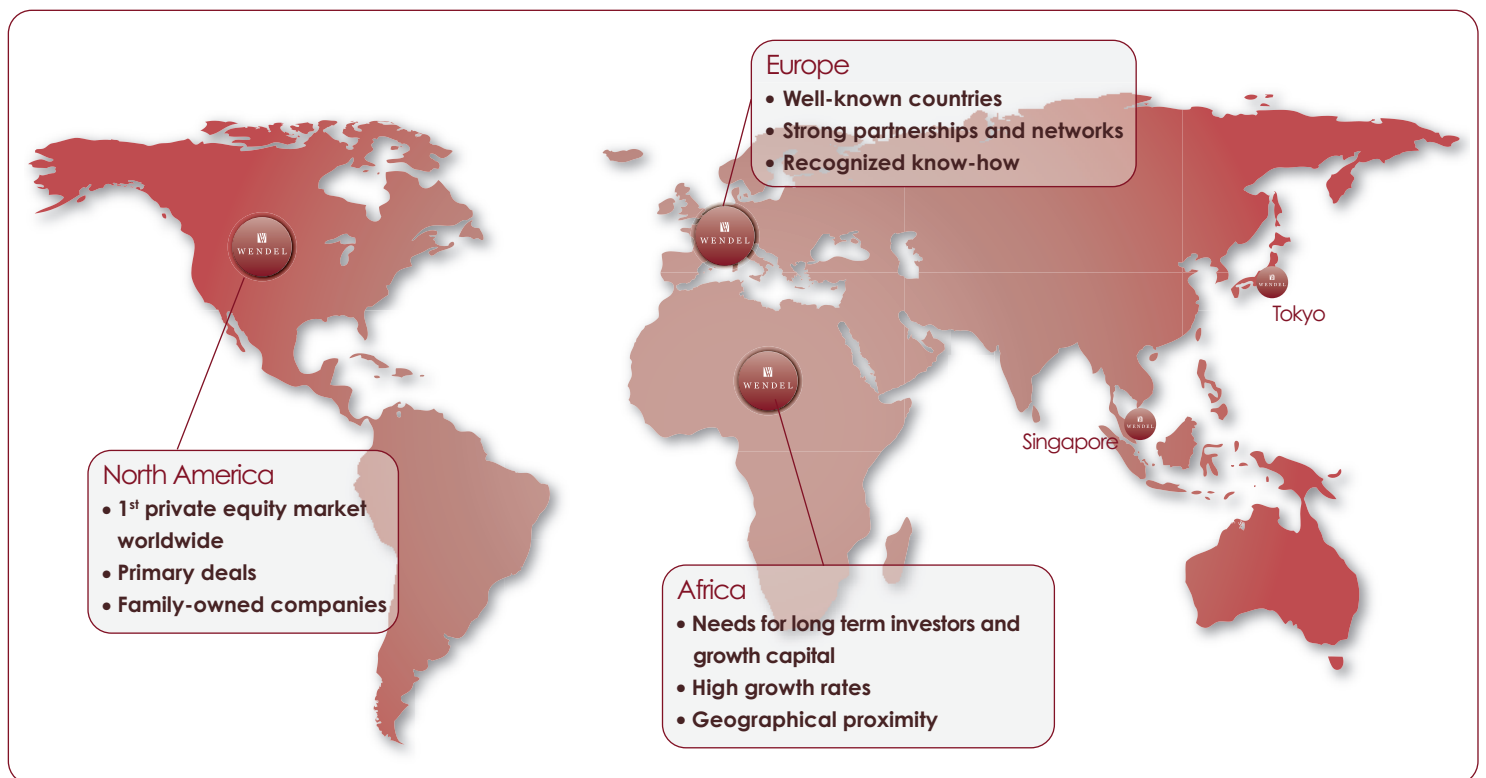
(1) The transaction is expected to be finalized in the first half of 2014, after consultation with the employee representative bodies and subject to the necessary regulatory approvals.

At the 12th investor day, dedicated to presenting Wendel's international investment strategy and the activity of its unlisted companies, Frédéric Lemoine commented on the new strategy implemented at the start of 2013 and his intention to invest €2 billion by 2017, even while returning to investment grade status.

► Profile of new investments



► International development Ready to seize the best opportunities



► €2bn to be invested over 4 years in Africa, North America and Europe

- Managing Director in charge of Africa based in Casablanca
- Opening of the New York office
- Reinforcement of our German team
- Building long-term franchise in Asia: Business development office opened in Singapore & first investment in Japan made by our Tokyo office, open since 2008.



Moulay Hafid Elalamy

“Wendel and Saham share the same values” (Moulay Hafid Elalamy)

Moulay Hafid Elalamy came to present Saham Group, a company in which Wendel acquired a 13.3% stake on November 28, 2013 in order to provide long-term support during its next stages of development. The pan-African group Saham, is based in Morocco and majority-held by its founder and CEO, Moulay Hafid Elalamy.

Moulay Hafid Elalamy is a Moroccan entrepreneur who enjoys a very strong reputation in Africa. Since 1995 he has successfully built a multiservices group operating in insurance, customer relationship centers, healthcare and real estate. Saham has leadership positions in its markets and now employs around 6,000 people.

Wendel and Saham Group conducted in-depth negotiations for nearly a year, with the goal of announcing a partnership before the end of 2013. Recently, on October 10, 2013, Moulay Hafid Elalamy was named Minister of Industry, Commerce, Investment and the Digital Economy in the government of His Majesty the King of Morocco. The Board of Directors of Saham has hired Saad Bendidi as Deputy CEO of the holding company to provide operational support to Moulay Hafid Elalamy.

Initially, Wendel is to invest €100 million in return for 13.3% of the share capital in the form of a capital increase, so as to strengthen the Group’s resources and step up its rate of expansion in Africa and the Middle East. Wendel will take part in the governance of the Group via its board of directors, enabling it to fully carry out its role of shareholder in contributing to Saham’s development.

Founded in 1995, Saham is a diversified, pan-African group with two historical businesses: insurance and customer relationship centers. It is also expanding in real estate and healthcare so as to take advantage of synergies with its insurance activities.

Insurance - Saham Finances is the largest insurer in Africa (excluding South Africa). The group is present principally in non-life insurance in 19 African and Middle Eastern countries, via 26 companies. The Group’s principal insurance companies include:

- in Morocco, CNIA SAADA, the leading property & casualty insurer, and Isaaf, the leading provider of assistance services;
- in Africa, Colina, the leading insurer in Africa’s CIMA region (Inter African Conference for the Insurance Market);
- in Lebanon, LIA Insurance, with a strong presence in automotive, health and life insurance;
- and in Angola, GA Angola Seguros, the leading private company in the country with 16% of a very fast-growing market.

Saham Finances employs 1,900 people and reported gross premiums written of €640 million in 2012.

Customer relationship centers - Phone Group (40% held by Saham, alongside Bertelsmann) was a pioneer in customer relationship centers in Morocco. Phone Group now operates ten platforms in Africa, including eight in Morocco, has 3,800 employees and operates on behalf of large international companies.

Healthcare - With **Asisa**, a Spanish leader in health insurance and care centers, Saham offers a unique range of services in its diagnostic centers, which it intends to deploy in Africa. The Group also aims to develop an international network of clinics.

Real estate - Leveraging its experience in insurance, Saham manages residential and social real estate development projects in Morocco and Côte d’Ivoire.

Saham Group leverages the broad sectoral and geographic diversification of its activities and its highly experienced management, which has been strengthened by the recent appointment of Saad Bendidi to the position of General Manager of the Group.

Saham is benefiting fully from the macro-economic trends underpinning the long-term growth of the African continent:

- the standard of living is increasing, and an African middle class made up of first-time home buyers is emerging;
- the penetration rate of financial services, which is still very low in most of the countries where Saham is active, is increasing;
- infrastructure and medical services need to be expanded, and it is difficult to access good quality care in most African countries;
- urbanization is progressing rapidly, and there is a need for affordable housing on the outskirts of cities.

As every year, Wendel wished to spotlight its unlisted investments by handing the floor to their CEOs.

Stahl : « The acquisition of the Leather Services division of Clariant is an important milestone in the development of Stahl » (Huub Van Beijeren)



Huub Van Beijeren presented the latest developments at Stahl and more specifically, its recent acquisition of the Leather Services division of Clariant, which will strengthen Stahl's leadership position in leather-finishing products, both in terms of its market share and its range of technical solutions. This transaction will expand Stahl's geographic coverage - in particular in the Asia-Pacific region - and its product range even further, so as to respond even better to customer needs. « *With this acquisition, Stahl will change category, but not its philosophy* », said Mr. Beijeren. Following this acquisition, Stahl will have total sales of €616 million and EBITDA of €77 million before synergies (2012 basis). After harnessing synergies, estimated at more than €15 million at the EBITDA level and to be deployed over 18 months, Stahl should achieve an EBITDA margin in excess of 15%.

Stahl's sales improved in the 3rd quarter of 2013 after two quarters of negative organic growth, partly caused by adjustment plans carried out on low-margin business. Over the first nine months of 2013, sales totaled €264.1 million.

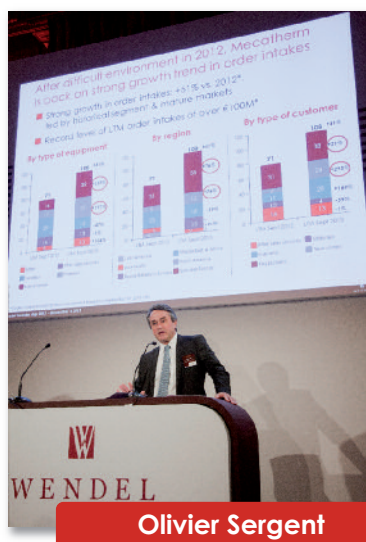
The Leather products business saw improvement in the 3rd quarter with +3.6% organic growth. Sound performance in the Leather Finish Automotive division (up >20% vs. Q3 2012) offset the decline in revenue from other divisions and the unfavorable impact of currency fluctuations. High Performance Coatings experienced a mixed 3rd quarter, as strong growth in North America, South America and Asia did not offset slower sales activity within the European markets.

Selective fixed cost measures launched in the last few years, together with self initiated actions to eliminate lower margin business, have significantly improved Stahl's margins and profitability levels since the beginning of the year.

For more information on this acquisition, please visit:

http://www.wendelgroup.com/admin/Images/element_liste_libre_fr/2013_octobre_30_wendel_stahl_fr.pdf

Mecatherm: « 80% of our sales come from exports » (Olivier Sergent)



« *Following a difficult 2012, 2013 was the year of recovery for Mecatherm* », said Olivier Sergent, CEO, present alongside Bernard Zorn, Chairman. In 2013, orders were up by more than 51% as of September 30. For the first nine months of the year, sales stood at €52.4 million, up 15.4% over the year-earlier period. The recovery in orders observed since Q3 2012 appears to be a durable one. Firm orders over the past 12 months have reached a record level of €108 million. Growth was particularly significant among the "newcomers", ie. Mecatherm's clients which are not from the industrial bakeries sector, but are private or institutional investors. In 2013, Mecatherm successfully invested in new regions, signing large contracts in Algeria (in particular with Groupe Benamor) and is seeking opportunities in India and Brazil, countries which offer significant development potential for Mecatherm.

In 2013, Mecatherm prioritized innovation and presented three new products at the IBIE trade show in Las Vegas, including the HQ line that can be used to make premium quality bread for the cost of an entry-level product. The presentation of these innovations has caught the attention of prospective customers in the Americas and in Asia. Mecatherm is reaping the benefits of the reorganization and its intensive sales & marketing efforts. It is continuing to expand on new markets. In addition, Mecatherm has opened its first foreign branch, in Dubai, which will enable it to better cover Africa and the Middle East.

In December, Mecatherm was one of the French companies chosen to accompany the Prime Minister on an official trip to Algeria.

IHS: « Telecom operators see IHS as a mark of excellence » (Issam Darwish)



Issam Darwish

Wendel announced its investment in IHS in October 2012. IHS growth and speed of development are such that Wendel has twice reinvested in the company, for a total of \$276 million. Founded in 2001 by a group of engineers including Issam Darwish, IHS now has more than 1,000 employees - 80% of whom are technicians - in five African countries. In its early days, it only built towers for mobile telephone operators. Now it is present in three telecom-tower segments: tower construction, leasing and maintenance.

« IHS's core business is co-leasing », said Mr. Darwish. In Nigeria, where IHS maintains a leadership position, towers have a leasing rate of 1.7 lessees each. Mr. Darwish explained that given IHS's many years in Africa and its in-depth experience of specific local technical imperatives, it was particularly well positioned in comparison with its competitors. The IHS tower portfolio has grown from 3,500 towers in January 2013 to more than 9,000 towers under management, positioning IHS Holding as the leader in mobile telecom tower infrastructure in Africa.

Sales for the 3rd quarter of 2013 came in at \$55.4 million, vs. \$25.6 million in the 3rd quarter of 2012, representing a surge of 116%.

Since the beginning of the year, sales have risen by nearly 83%. This growth has been driven by the Company's acquisition of MTN's towers in Cameroon and Côte d'Ivoire in April and May 2013, the strong organic growth in Nigeria and the contract secured with Orange in the same two countries. IHS will pursue its rapid growth in Nigeria, Côte d'Ivoire and Cameroon and will develop in other African markets.

THIS JUST IN



IHS acquires mobile network towers from MTN Group Limited in Rwanda and Zambia

MTN Group Limited announced on December 20 that it has agreed to sell its tower portfolios in Rwanda and Zambia to IHS Holding Limited ("IHS").

MTN will sell a total of 1,228 towers to IHS's subsidiaries in Rwanda and Zambia, comprised of 524 and 704 towers respectively. The transactions bring the total number of towers managed by IHS to 10,500, extending the company's geographical reach and its leadership in the African market.

These transactions are expected to be finalized during the first half of 2014.





Materis enters exclusive negotiations with a view to selling Kerneos for €610 million

Materis has received a firm bid from Astorg with a view for the acquisition of the entire capital of its subsidiary Materis Aluminates, the holding company of Kerneos. In this context, Materis has decided to enter into exclusive negotiations with Astorg with a view to finalizing the terms of the transaction. This transaction would value Kerneos at €610 million, representing a multiple of 8.4x LTM EBITDA as of the end of September. Materis would use the proceeds of the sale to partially pay down debt. The proposed transaction will soon be submitted to the Kerneos' Central Works Council for information and consultation purposes. The deal should close in the first half of 2014, subject to the necessary regulatory approvals.

Kerneos is the world leader in calcium aluminates for the building chemistry and refractory segments. Since 2006, Wendel and Materis have actively supported this business' strategy and staff, enabling it to develop a portfolio of innovative, high value-added products used in its customers' complex formulations in more than 100 countries. In particular, Kerneos has significantly increased its presence in emerging economies, which currently account for nearly a third of its top line. It has also secured long-term access to one of its business' key raw materials by taking control of Elmin, Europe's largest exporter of monohydrate bauxite. Kerneos achieved sales of €366 million and EBITDA of €73 million over the 12 months to end-September 2013.

Astorg intends to pursue Kerneos' growth and development, supporting in particular its geographic expansion, its growth plan and the development of new, innovative products.

Wendel intends to take part in this transaction by reinvesting €60 million in subordinated debt, earning interest of 10.5%.

Wendel makes its first investment in Japan with the acquisition of Nippon Oil Pump (NOP)

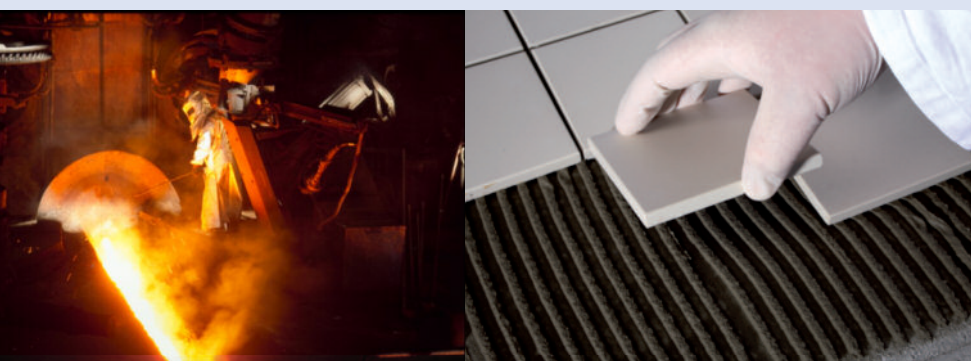
On December 20, 2013, Wendel announced the acquisition of Nippon Oil Pump Co., Ltd. (NOP), held by the fund managed by Japanese company Polaris Capital Group Co. Ltd.

The Wendel Group invested ¥3.2 billion (ca. €24 million), subject to price adjustments, and will hold 98% of the company, alongside management.

A Japanese company founded 94 years ago, NOP leads the Japanese market for the design, development and manufacture of trochoid pumps, water pumps and hydraulic motors. It also has worldwide leadership positions in the trochoid pump segment. These pumps are used principally for oil circulation in machine tools, for the purposes of lubrication and cooling. In 2012, the company achieved sales of ¥5.0 billion and EBITDA of ¥1.1 billion, representing a margin of 22% (estimated IFRS amounts).



This is the Wendel Group's first investment in Japan since opening an office there in 2008. Although very small, the size of this investment corresponds to Wendel's strategy in Japan: build a reputation over time as a long-term industrial investor with a three-century industrial heritage. Until now, Wendel Japan has served primarily as a springboard for the development of Group companies in the region. Henceforth it will also support NOP in its international growth.





Wendel connects with shareholders at the Centre Pompidou-Metz, of which it is the founding patron.

Frédéric Lemoine, Chairman of Wendel's Executive Board, and Jean-Michel Ropert, CFO, met Wendel's shareholders and readers of *Investir – Le Journal des Finances* in Metz and the surrounding region on October 29, 2013. They extend their warmest thanks to the many who came. During discussions, Mr. Lemoine explained Wendel's business model: a long-term investor with permanent capital, of which more than one-third is held by a family with a passion for entrepreneurship. This event, held in the auditorium of the Centre Pompidou-Metz, was an opportunity for Frédéric Lemoine to show how much importance Wendel places on communicating with its 37,000 individual shareholders, representing almost 25% of its capital. Frédéric Lemoine told the audience that he is a founding member of the Observatory for promoting individual shareholders, and that, consequently, Wendel was one of the first companies to sign the petition against the retroactive surtax on French Equity Savings Plans (PEA).

NEXT ON THE AGENDA

Thursday, March 27, 2014

Publication of 2013 full-year results and NAV
(pre-market release)

Tuesday, May 13, 2014

Publication of Q1 2014 net sales
(pre-market release)

Friday, June 6, 2014

Shareholders' Meeting and publication of NAV

Thursday, August 28, 2014

Publication of first-half 2014 earnings
(pre-market release)

Friday, November 7, 2014

Publication of Q3 2014 net sales
(pre-market release)

Thursday December 4, 2014

Investor Day Publication of NAV
(pre-market release)

Contacts

Individual shareholders

Wendel - Individual shareholder relations
89, rue Taitbout, 75312 Paris Cedex 09 (France)
Tel.: +33 (0)1 42 85 30 00
Fax: +33 (0)1 42 80 68 67
Toll-free no.: 0 800 89 70 67 (from within France)
From outside France: +33(0)1 42 85 63 95
communication@wendelgroup.com

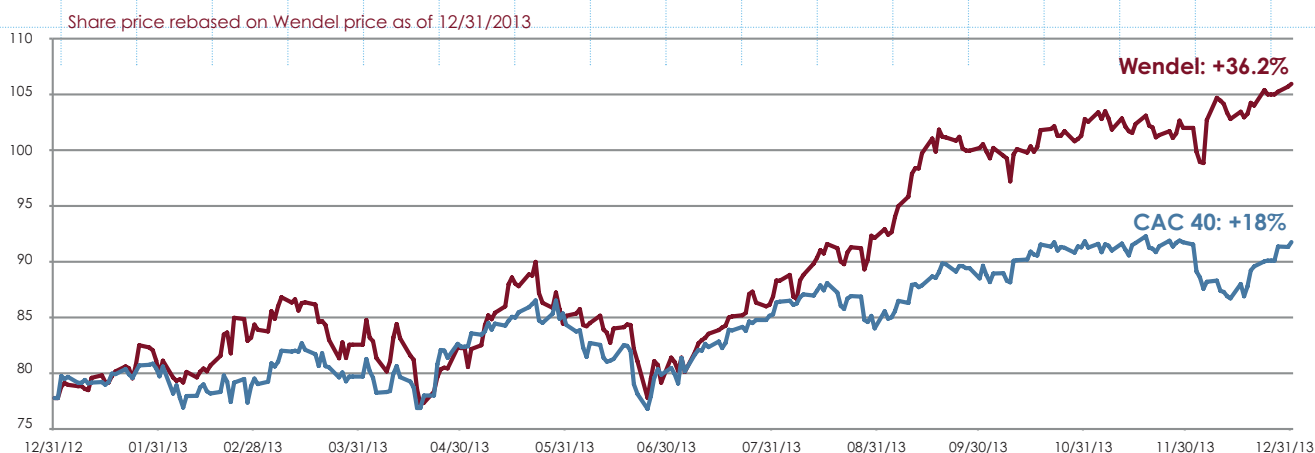
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Shareholder information

Share price over the last 12 months



December 31, 2013	Share price performance		Total Shareholder Return (annualized)
	12 months	since 2002*	since 2002*
Wendel	+36.2%	+315.0%	15.9%
CAC 40	+18.0%	+8.6%	4.2%

Source: FactSet

* Since June 13, 2002, date of the Marine Wendel/CGIP merger

NAV of €140.3 as of November 25, 2013

(in millions of euros)

	11/25/2013	8/20/2013
Listed equity investments	8.395	8.237
• Bureau Veritas	4.910	5.061
• Saint-Gobain	3.485	3.176
Unlisted equity investments ⁽⁵⁾ (Materis, Stahl & IHS) & Oranje-Nassau Développement ⁽²⁾	1.316	1.289
Other assets and liabilities of Wendel and holding companies ⁽³⁾	149	202
Cash and marketable securities ⁽⁴⁾	884	1.122
Gross assets, revalued	10.743	10.850
Wendel bond debt	(3.343)	(3.396)
Bank debt related to Saint-Gobain financing	(428)	(528)
Value of puts issued on Saint-Gobain ⁽⁶⁾	(151)	(162)
Net asset value	6.821	6.765
Number of shares	48.630.216	49.592.990
Net asset value per share	€140.3	€136.4
Average of 20 most recent Wendel share prices	€102.2	€88.5
Premium (discount) on NAV	(27.1%)	(35.1%)

(1) Average of 20 most recent closing prices, calculated as of November 25, 2013

(2) Mecatherm, Parcours, VGG, excoet and indirect investments

(3) Includes 1,710,830 shares held in treasury as of November 25, 2013

(4) Cash and financial investments of Wendel and Saint-Gobain acquisition holding companies include €557 million in short-term cash positions, €319 million in liquid financial investments and €7 million in pledged cash.

(5) Purchase offers received, if any, may complement listed peer-group multiples

(6) 6,089,755 puts issued (position short)

