

**Materis completes successful refinancing of Materis Paints and Chryso,
and enters into exclusive talks to sell Chryso**

On August 13, 2014, Materis carried out two separate refinancing transactions on Materis Paints and Chryso, involving:

- A 7-year senior bullet term loan (€267 million for Materis Paints and €165 million for Chryso) at an interest rate of Euribor+4.75%;
- A 6-year revolving credit facility (€72 million for Materis Paints and €38 million for Chryso) at an interest rates of Euribor+3.75% for Materis Paints and Euribor+4.00% for Chryso, to finance the companies' working capital requirement, acquisitions and capital expenditures;
- Incremental uncommitted facilities of €88 million for Materis Paints and €42 million for Chryso to finance acquisitions and capital expenditures;
- A headroom of c. 30% on quarterly Net debt/EBITDA and EBITDA/cash interest covenants.

This refinancing, based on a reasonable leverage of c. 4x EBITDA for Materis Paints and c. 4.5x EBITDA for Chryso (on a seasonally-adjusted basis), gives both companies the flexibility to step up their growth strategies. Wendel has decided to provide additional backing through a €150 million shareholder loan to Materis.

Shortly after completion of this transaction, Materis received a firm offer from LBO France to acquire its Chryso subsidiary in full and entered into exclusive talks to finalize the terms of the sale. The offer values Chryso at c. €290 million (Enterprise Value), or 8.3x 2013 EBITDA. The transaction could take place in the second half of 2014 once the required consultations have been held and the necessary authorizations obtained. The proceeds would enable the repayment of a large portion of the shareholder loan provided by Wendel.

After the refinancing transactions and the sales of Chryso (subject to the necessary authorizations), ParexGroup (in June 2014) and Kerneos (in March 2014), Materis will have:

- Generated total proceeds of €1.7 billion;
- Reduced its net debt to €275 million, or c.4x EBITDA (on a seasonally-adjusted basis);
- Reduced its average borrowing cost from Euribor+6% to Euribor+4.75%;
- Fully refocused its operations on its Paints business.

Wendel plans to maintain its role as an active shareholder alongside the Materis Paints management team and will support its business expansion over the coming years. With a moderate amount of debt, recently renegotiated under favorable terms coupled with a fresh focus on topline and operational excellence, Materis Paints is well positioned to continue executing value-creating projects and will therefore benefit from the market recovery.

In the trend of the continuous improvement of its activity since 2013, Materis Paints has delivered strong performance since the start of the year, thanks to its initiatives to boost sales, cut costs, and efficiently manage its working capital.

2014 Calendar

Publication of H1 2014 earnings (pre-market release)

Thursday, August 28, 2014

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

Friday, November 7, 2014

Investor day - publication of NAV (pre-market release)

Thursday, December 4, 2014

About Wendel

Wendel is one of Europe's leading listed investment firms. The Group invests internationally, in companies that are leaders in their field, such as Bureau Veritas, Saint-Gobain, Materis, Stahl and IHS in Africa. Wendel plays an active role as industry shareholder in these companies. It implements long-term development strategies, which involve boosting growth and margins of companies so as to enhance their leading market positions. Through Oranje-Nassau Développement, which brings together opportunities for investment in growth, diversification and innovation, Wendel is also a shareholder of Van Gansewinkel Groep in the Netherlands, except in Germany, Mecatherm and Parcours in France, Nippon Oil Pump in Japan and Saham Group in Africa.

Wendel is listed on Euronext by Euronext Paris.

Standard & Poor's ratings: Long-term: BBB-, stable outlook – Short-term: A3 since July 7, 2014.

Wendel is the Founding Sponsor of Centre Pompidou-Metz. In recognition of its long-term patronage of the arts, Wendel received the distinction of "Grand Mécène de la Culture" on March 23, 2012.



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