



# WENDEL

PRESS RELEASE, FEBRUARY 01, 2017

## Wendel has finalized the acquisition of 65%<sup>1</sup> of the capital of Tsebo.

Following the announcement made in September 2016 of a signed agreement to acquire Tsebo, Wendel is pleased to announce that it has obtained all regulatory approvals and completed the acquisition of 65%<sup>1</sup> of the share capital of Tsebo Solutions Group, the pan-African leader in corporate services, for a total enterprise value of ZAR 5.25 billion (ca. €362 million<sup>2</sup>).

Founded in Johannesburg in 1971, Tsebo is a pan-African company with around 35,000 employees in 23 countries and offering a wide array of high value-added, state-of-the-art services to its customers including facilities management, remote camp management, catering, cleaning, hygiene, protection, energy and procurement. Tsebo's customers outsource the management of their operations to Tsebo's seasoned professionals, enabling them to concentrate on their core business. It deploys its broad range of services at over 7,000 client sites across a variety of industries, in particular in the financial services, construction, mining, leisure, energy, environment and mass retail sectors as well as to universities and public institutions. In FY 2016 (FYE March 31), Tsebo generated sales of ZAR 6,333 million and EBITDA of ZAR 507 million.

In addition, Tsebo's business model is based on a strong, ongoing commitment to sustainable development and on a very strict policy of equality. The company is recognized as a pioneer in sustainable development and corporate social responsibility in Africa, as well as in the continued development of the continent's human capital.

Wendel has invested €159 million<sup>3</sup> in Tsebo, via Oranje-Nassau Développement, and owns 65%<sup>1</sup> of the share capital alongside Capital Group Private Markets (35%<sup>1</sup>). Pursuant to signing, Wendel had put in place a currency hedge which resulted in a €3.5 million net gain.

This transaction is also financed by an acquisition debt financing of ZAR 1.85 billion provided by Standard Chartered Bank, Investec Bank and Nedbank. In addition, Tsebo will benefit from a ZAR 150 million revolving facility and a ZAR 325 million acquisition line to support further development. Wendel and Capital Group Private Markets will continue to support Tsebo's acquisition strategy through additional investments, if necessary.

Our investment in Tsebo is perfectly in line with Wendel's strategy in Africa, where the Group has now invested over one billion euros, demonstrating its continued commitment to the continent since Wendel Africa was established in 2013.

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<sup>1</sup> % ownership before co investment from Tsebo's management for a stake of around 2.5%.

<sup>2</sup> EUR/ZAR= 14.4955 as of January 31, 2017

<sup>3</sup> After taking into account the net gain on the currency hedge.

# Financial calendar

3/23/2017

**2016 full-year earnings** / Publication of NAV (pre-market release)

In Paris

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5/18/2017

**Shareholders' Meeting** / Publication of NAV and trading update (before Shareholders' Meeting)

In Paris

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9/7/2017

**H1 2017 earnings** / Publication of NAV (pre-market release)

By conference call

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11/30/2017

**2017 Investor Day** / Publication of NAV and trading update (pre-market release)

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## 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, Cromology, Stahl, IHS, Constantia Flexibles and Allied Universal. 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 exceed in Germany, Mecatherm in France, Nippon Oil Pump in Japan, Saham Group and SGI Africa in Africa and CSP Technologies in the United States.

Wendel is listed on Eurolist by Euronext Paris.

Standard & Poor's ratings: Long-term: BBB-, stable outlook – Short-term: A-3 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" in 2012.

For more information: [www.wendelgroup.com](http://www.wendelgroup.com)

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