

Stahl launched the refinancing of its debt

Stahl, the market leader in process chemicals for leather products and performance coatings for flexible substrates, launched the refinancing of its current debt for a maximum amount of €585 million, involving a €540 million term loan B and a €45 million revolving credit facility.

Stahl's free cash flow conversion rate¹ of ca. 90 % enables the company to bear a higher leverage than the current one. Indeed, over the last 14 months Stahl's net debt level has very significantly decreased from 3.0x EBITDA after the successful merger with Clariant Leather Services to a current leverage lower than 2.0x EBITDA.

This new covenant light senior debt financing will raise Stahl's leverage to a reasonable level of c. 4.1x LTM run rate EBITDA² and involves:

- A 7-year bullet term loan B amounting to USD equivalent of €540 million ;
- A 6-year multi-currency revolving credit facility amounting to USD equivalent of €45 million ; and
- An incremental uncommitted facility amounting to USD equivalent of €50 million.

After the completion of this refinancing transaction, Stahl intends to pay an exceptional dividend of c. €280 million to its shareholders of which Wendel should receive approximately €210 million.

With the distribution announced today and the €50 million received by Wendel after the merger with Clariant Leather Services, Wendel will already have received c.€260 million in cash i.e. c.1.6 time its investment since 2006.

Stahl will pursue its strategy of profitable growth through organic growth as well as selective build-up acquisitions. The group will also continue to capitalize on its strengths, which are emerging markets exposure, innovation capabilities and active cost management.

2015 Calendar

H1 2015 earnings / Publication of NAV (pre-market release)

Thursday, September 10, 2015

2015 Investor Day / publication of NAV and trading update (pre-market release)

Thursday, December 3, 2015

1 - Defined as adjusted free cash flow divided by adjusted EBITDA

2 - LTM run rate EBITDA including full year effect of implemented and planned synergies

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 Paints, Stahl, IHS and Constantia Flexibles. 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 excecet in Germany, Mecatherm and Parcours in France, Nippon Oil Pump in Japan, Saham Group 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, please visit <http://www.wendelgroup.com/en>



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