

03 December 02

PRESS RELEASE

Acquisition of Legrand by the WENDEL Consortium

The Wendel Consortium, consisting of Wendel Investissement and Kohlberg Kravis Roberts & Co. (KKR) will purchase from Schneider Electric its 98,1% stake in Legrand for € 3.63 billion, corresponding to a value of €3.7 billion for 100% of the capital. This follows the announcement by the Schneider Electric Group that it would no longer seek to take control of Legrand.

Immediately following this acquisition, the WENDEL Consortium will file the necessary documents with the French market authorities to effect a standing market offer for the remaining shares outstanding ("garantie de cours") followed by a squeeze-out offer ("offre publique de retrait assortie d'un retrait obligatoire").

The delayed completion of the transaction, combined with the performance of Legrand, which withstood this year's economic situation, enabled the company to reduce its financial debt at the date of this transaction and consequently reduced the funds to be furnished by the consortium.

The funds brought by the consortium amount to approximately 1.8 billion euros:

- Wendel Investissement and KKR are investing equally around € 1 350 billion, and will hold 75% of the capital. The price paid by Wendel Investissement is financed through its own available funds.
- The remaining capital of Legrand is attributed to different investors interested in participating in the Wendel consortium: West LB (€ 200 million), HSBC Private Equity Ltd. (€ 115 million), Goldman Sachs Capital partners (€ 100 million), and the Verspieren and Decoster families, founders of Legrand (€ 29 million).

The balance of the transaction is financed through debt. Terms of the debt issue will be described when the deal closes.

The WENDEL consortium will reinforce the leading position of Legrand in the low voltage electrical equipment, and will implement the principal strategic orientations defined by the management team, respecting the integrity of the group.

The acquisition of Legrand meets the strategic objectives of Wendel Investissements announced last June during the merger of CGIP and Marine-Wendel: making investments of more than € 100 million each, strengthening the proportion of non listed companies in the group and enabling the company to exercise its role as active partner by holding more than 34% of the capital.

To continue its strategy, Wendel Investissements will have available funds of nearly € 400 million available. Legrand will be the main non listed shareholding of Wendel Investissements. Legrand will represent around 20% of its gross reevaluated assets, diversified in a balanced manner. Legrand will be consolidated by the equity method in the consolidated statements of Wendel Investissement.

Through this transaction, KKR is pleased to make its first investment in France. This operation follows numerous investments made in Europe during the last few years. This transaction corresponds to KKR's investment policy of taking majority or minority participation in companies that have a strong potential of development. KKR works closely with management over the long term to design and implement value creating strategies.

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