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## PRESS RELEASE

Paris, July 28, 2002 -The Wendel Consortium, which consists of Wendel Investissement and Kohlberg Kravis Roberts & Co. L.P. (KKR), today signed an agreement to purchase the 98,1% of the share capital of Legrand owned by Schneider Electric, for a purchase price of €3.63 billion. Schneider Electric granted the Wendel Consortium a vendor's loan of €150 million for the transaction.

The Legrand group, with 27 000 employees in 54 countries, has a leading position in low voltage electrical equipment. The group's strong development is due in large measure to its outstanding management team, which will continue to lead the group with the total support and confidence of the Wendel Consortium.

The Wendel Consortium has already been recognised as transferee by the European Commission. The completion of the transaction will remain subject to the necessary anti-trust approvals from the EU and from the majority of countries in which Legrand operates. Following these approvals, the sale should close during the fourth quarter of 2002.

The Wendel Consortium has granted Schneider Electric the flexibility to relinquish the transaction if, by October 2002, the Tribunal de Première Instance annuls the decision of the EU dated October 10, 2001, which prohibited the merger of Schneider Electric and Legrand. In that case, and if Schneider Electric decides not to sell Legrand, Schneider Electric would pay the Consortium a break up fee.

Financing is being arranged by Credit Suisse First Boston, Lehman Brothers and The Royal Bank of Scotland. Credit Suisse First Boston and Lehman Brothers acted as M and A advisors to the consortium.

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