Limoges, February 8, 2007

Firm growth in 2006 results

Sales up a steep 15%
Healthy 7.8% organic rise reinforced with the contribution of acquisitions adding 6.6%

Adjusted operating income rises a strong 21%
Margin up 80 basis points

Net income group share more than doubled
Robust operating performance and reduced financial expense

Free cash flow increases a vigorous 39%
Rise in cash flow from operations combined with effective control of capital employed

A significantly higher dividend, up 22%
Increase matches rise in operating income

PRESS RELEASE

Gilles Schnepp, Chairman and CEO, comments: *"Legrand turned in an excellent performance in 2006. Sales showed a strong rise driven by a combination of organic and acquisition-driven growth. Operating margins increased significantly following the consolidation of a large number of acquisitions and net income more than doubled, while free cash flow generation was vigorous.*

Legrand thus exceeded the targets announced on its initial public offering, demonstrating its capacity to create value for its shareholders through a combination of organic growth and acquisition-led expansion financed out of cash flow, high margins and tight control of capital employed.

In view of these good results, and subject to the approval of shareholders at the General Meeting on May 15, 2007, Legrand will pay a 2006 dividend of €0.50 a share, 22% more than for the previous year.

Looking ahead, Legrand is confident in its capacity to raise sales in 2007 by 7 to 10%, excluding the impact of exchange rates, with organic growth accounting for around 4 to 5%. We are also confident that we will be able to maintain adjusted operating margin after consolidation of recent acquisitions at a high level comparable to that recorded in 2006."

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Consolidated data (€ millions, IFRS)	2006	2005	% change 2006/2005
Sales	3,736.8	3,247.9	+ 15.1%
Adjusted operating income [1]	616.2	509.0	+ 21.1%
as % of sales	*16.5%*	*15.7%*	
Operating income	529.6	405.7	+ 30.5%
as % of sales	*14.2%*	*12.5%*	
Net income [2]	252.0	101.4	+ 149%
as % of sales	*6.7%*	*3.1%*	
Free cash flow[3]	456.1	327.9	+ 39.1%
as % of sales	*12.2%*	*10.1%*	
Net financial debt at December 31[4]	1,676	2,017	-16.9%

(1) Figures restated for accounting entries relating to the acquisition of Legrand France in 2002 with no cash impact, which consisted of additional depreciation of revalued assets (€86.6 million and €103.3 million in 2006 and 2005, respectively).
(2) Net income group share. Including an exceptional €109 million charge in 2006 for refinancing of debt.
(3) Free cash flow is defined as the sum of net cash provided by operating activities and net proceeds from sales of fixed assets, less capital expenditure and capitalized development costs.
(4) Net financial debt is defined as the sum of long-term borrowings, short-term borrowings and subordinated perpetual notes, less cash and cash equivalent and marketable securities.

Good performances to December 31, 2006

Steep rise in sales: Legrand reported 2006 sales of €3,736.8 million, up **15.1%** from the previous year and up 7.8% at constant scope of consolidation and exchange rates.

Consolidation of recent acquisitions contributed 6.6% and exchange-rate variations had a favorable impact of 0.1%.

Sales growth at constant scope and exchange rates broke down as follows by geographical region:

	2006 / 2005	Q4 2006 / Q4 2005
France	+ 4.7%	+ 9.3%
Italy	+ 7.5%	+ 5.4%
Rest of Europe	+ 9.0%	+ 13.8%
United States/Canada	+ 3.4%	-4.1%
Rest of the world	+ 16.2%	+ 19.3%
Total	**+ 7.8%**	**+ 9.3%**

- In France, a good performance from sales teams lifted pace in the fourth quarter and the full-year rise in sales reached 4.7% against a backdrop of generally favorable market trends.
- In Italy, 7.5% sales growth reflected the impact of new product launches (in particular, the Axolute wiring devices range) and good performances on both residential and industrial markets.

- In the Rest of Europe area, growth accelerated in the fourth quarter to set the full-year rise in sales at 9.0%, with business doing particularly well in Russia, Poland, Romania, Slovakia and Ukraine in Eastern Europe, as well as in Southern Europe and the Benelux.
- Sales in the US and Canada were up 3.4%. After an excellent first half, the weakening in business in the residential market observed in September continued into the fourth quarter, as already announced.
- In the Rest of the World area, fourth-quarter acceleration confirmed the momentum of Legrand's business in this zone, which showed a 16.2% rise in sales in 2006, the strongest in ten years.

More broadly, growth in emerging markets, which together account for nearly 22% of total group sales, was close to 20% at constant scope of consolidation and exchange rates. The favorable trends in these countries, whose contribution to group sales rose by nearly 500 basis points in two years, more than offset a slowdown in the US.

Numerous acquisitions: Legrand has continued to boost growth through targeted acquisitions that create value and are financed out of cash flow. Since January 1, 2006 the group has announced the acquisition of six such businesses, generating annual sales totaling over €170 million.

- Shidean, no. 1 in China for audio and video door entry systems, with Legrand taking a 51% interest
- Cemar, no. 1 in Brazil for consumer units and industrial enclosures
- RM Kabelbaner, the leader in Denmark for metal cable management
- Vantage, number-two on the US market for top-of-the-range lighting controls and a specialist in residential automation
- HPM, number-two for wiring devices in Australia and New Zealand
- UStec, a US firm specialized in structured wiring for residential buildings

Strong rise in earnings: adjusted operating income, defined as operating income before accounting entries relating to the acquisition of Legrand France in 2002, was up 21.1% from 2005. This vigorous rise reflects the contributions of both organic growth and acquisition-driven expansion combined with the effects of a productivity drive that offset the cost of numerous initiatives to boost growth. Rises in selling prices over the course of the year offset rises in prices for raw materials.

Net income group share more than doubled, benefiting from healthy operating performances and declines in financial expense as well as in tax charges. This was despite a €109 million exceptional loss on extinguishment of debt recorded in the first quarter of 2006.

Vigorous increase in free cash flow: a 40% rise in cash flow from operations[1], rigorous management of working capital requirement and disciplined capital spending set free cash flow at €456.1 million, showing a rise of 39.1% from 2005 and equaling 12.2% of sales. This led to a temporary decline in net debt, which amounted to €1,676 million at December 31, 2006.

Innovation drives growth

Research and development outlays rose 8.1% in the year and capital expenditures dedicated to new products was up 16%, setting total investment in the development and production of new solutions at over €250 million.

[1] Cash flow from operations is defined as net cash provided by operating activities plus changes in working capital requirement

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Over the same period more than 40 new product ranges were launched, including:

- Control and command: Cariva wiring devices in Eastern Europe and Turkey, Valena in Poland, Vela in South America, Plexo in France and Galea Life in Spain, Greece and Eastern Europe, as well as Arcor2 and Baas security products in France, InFusion home automation, new TWS presence detectors and Ultimate Music Solution sound diffusion offerings in the US.
- Energy distribution: the new DRX range of molded case circuit breakers for the Asian and Latin American markets, XS and XG circuit breakers for Turkey, CTX power contactors for Colombia, Chile, and Turkey, remote monitoring systems for DPX, DMX and Lexic circuit breakers in France and the Marina range of industrial enclosures for France and Italy.
- Cable management: 4000 Designer Series metal trunkings for the United States, and high and low-current rapid connectors for commercial buildings in France.
- VDI: 10 Giga SSTP products in France, 10 Giga UTP products in Europe and the Middle East and the Wi-Jack Duo WiFi range, the world's most compact WiFi access point, in the United States.

In the first quarter of 2007, Legrand followed up with the launch of three major new offerings in wiring devices for the French market: Céliane, Mosaïc and Batibox. These have been very well received by distributors, installers and specifiers.

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Consolidated financial statements and a presentation of 2006 results are available at www.legrandelectric.com

Key dates

- First-quarter 2007 results: 3 May 2007
- General Meeting of Shareholders: 15 May 2007
- First-half 2007 results: 26 July 2007
- 9-month 2007 results: 8 November 2007

ABOUT LEGRAND

Legrand (www.legrandelectric.com) is the world specialist in products and systems for electrical installations and information networks, offering solutions for use in residential, commercial and industrial buildings. Operating in over 60 countries with sales of €3.7 billion, it employs about 33,000 people and its catalogues list more than 130,000 products. At Legrand, innovation drives growth: with nearly 5% of sales invested in R&D every year, the group brings out a steady stream of new, high added-value products.

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