

Legrand reinforces its business model for the long term and adapts organization

As the quality of results to September 30, 2007 shows, **Legrand benefits from two reliable and profitable growth drivers that are already consolidating the strength of its business model:**

- **“Trading-up” strategy:** firm rises in sales of products and systems with high value-added content have been borne out with excellent showings from the *Axolute* offering in Italy and *Celiane* in France, as well as a favorable reception for the *Mallia* lineup in Asia and the Middle East. This strategy of focusing on value-added offerings also contributes to the remarkable resilience of the Group's business in the US, with *The Watt Stopper*, *OnQ* and *Vantage*.
- **Ongoing reinforcement of positions on emerging markets:** some 25% of the world's population still has no access to electricity, and standards of living are rising steadily in the developing world — factors which mean that emerging markets offer outstanding potential for growth. This is reflected in their contribution to Group sales, up from 17 to 24% over three years. In particular, in the first nine months of 2007, sales growth on emerging markets was 18% at constant scope of consolidation and exchange rates.

To maintain this momentum for growth over the long term, in particular through the reinforcement of its capacity for innovation, **the Group is adapting its organization and renewing its management team.**

Following the deployment in 2001 of a division-based structure for industrial operations — an approach which has proven its effectiveness in recent years — **Legrand will now be able to draw on an industrial organization closer to its markets, with four divisions:**

- **Wiring Devices and Home Systems Division**, to accelerate the development of offerings that combine comfort, security and communications functions, and promote products designed for strong aesthetic appeal.
- **Energy Distribution and Industrial Applications Division**, charged with the development of a broader offering of products and services to better meet needs in industrial and commercial markets.
- **Building Management Division**, to accelerate the development of offerings for commercial buildings (lighting control, Voice-Data-Image, security and energy savings).
- **Cable Management Division**, with unchanged scope, dedicated to the full range of products for secure distribution of electricity and data flows inside buildings.

Considering the retirement of a number of senior staff members, and with a view to keeping step with changes in industrial organization — and, by the same token, making for a younger team and added dynamism at the head of the Group — Legrand has appointed several managers with in-depth experience of its international business and markets:

- **Patrice Soudan**, formerly Group Chief Financial Officer, becomes **Group Vice-President, Wiring Devices & Home Systems**. He also joins the **Group's Executive Committee**.
- The **Energy Distribution and Industrial Applications Division** is to be headed by **Philippe Weber**.

Patrice Soudan and Philippe Weber have also been named Deputy Chief Operating Officers.

- **Fabrizio Fabrizi** is to head the **Building Management Division**, at the same time remaining **Deputy Managing Director of Bticino**.
- **Antoine Burel**, previously in charge of Group Finance Control is named **Group Chief Financial Officer**.
- **Xavier Couturier**, formerly in charge of Group management development and training is named **Group Vice-President, Human Resources**.
- **Joël Mercelat** is named **Group Vice-President, Technical Department**.

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Key dates

- 2007 annual results: February 7, 2008
- 2008 first-quarter results: May 7, 2008
- General Meeting of Shareholders: May 22, 2008

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 in 2006, 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.

Financial Communication:

Legrand
François Poisson
Tel: +33 (0)1 49 72 53 53
Fax: +33 (0)1 43 60 54 92
E-mail : francois.poisson@legrand.fr

Press Contact:

Publicis Consultants
Raphaëlle Rico
Tel: +33 (0)1 44 43 73 11
Fax: +33 (0)1 44 43 75 65
E-mail: raphaelle.rico@consultants.publicis.fr