



WENDEL
INVESTISSEMENT



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Forum on Unlisted Companies

Legrand

December 7, 2004

Legrand

Key Figures

<u>In € million, restated, in US GAAP</u>	<u>9M 04</u>
Net Sales	2,203
Maintainable⁽¹⁾ EBITDA	494
as % of sales	22.4%
Maintainable⁽¹⁾ EBITA before purchase accounting⁽²⁾	380
as % of sales	17.3%
Operating Free Cash Flow ⁽³⁾	449
as % of sales	20.4%
Weighted Average Headcount	25,300

(1) before restructuring charges

(2) after elimination of depreciation of reevaluated tangible and intangible assets and of financing charges amortization due to the acquisition

(3) operating Free Cash Flow: Maintainable EBITDA – capex – ΔWCR

**Legrand is the world specialist in
products and systems
for electrical installations and data
networks in residential housing and
office buildings and in industry**

Legrand's Solutions

For housing and the "home office" (43% of total sales)



Distribution

of electric power and data



Cable management



Distribution panel

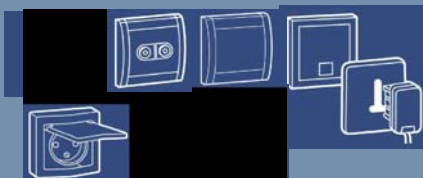


VDI panel

Power

DATA

Control and connection



Switches and sockets, comfort automation



Safety systems

for people and property



Intruder alarm



Prevention of domestic hazards



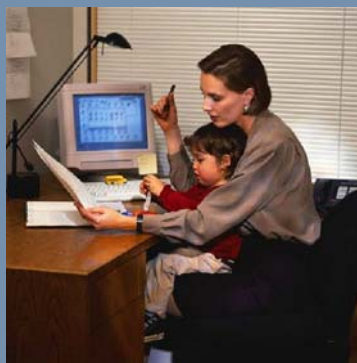
Entry phone



Installation control

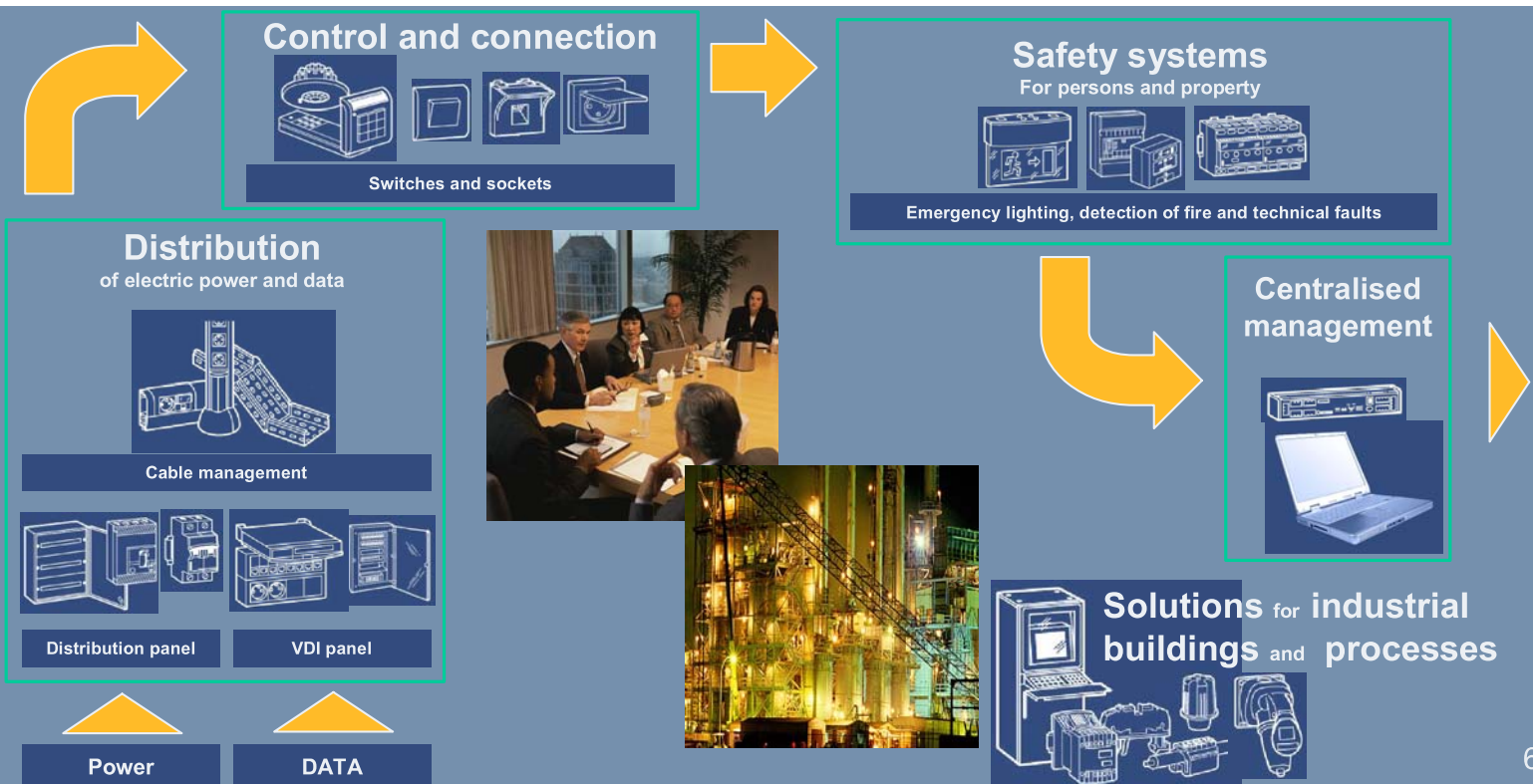


Internet server



Legrand's Solutions

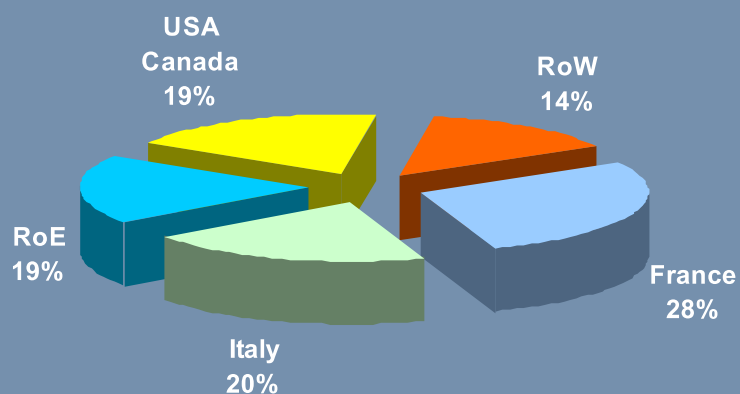
For the commercial sector (43% of total sales) and industry (14% of total sales)



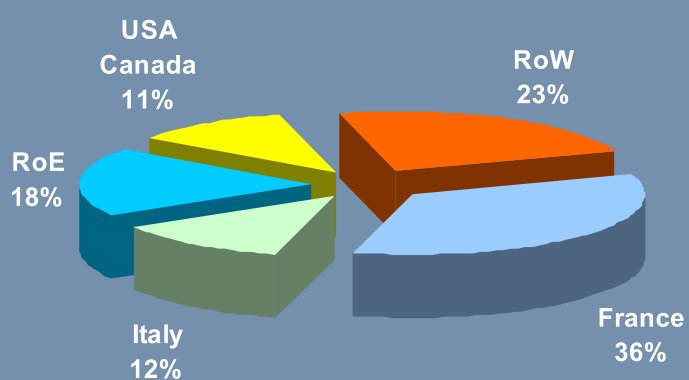
Geographical analysis (1)

Sales and headcount

2003 net sales by geographical area



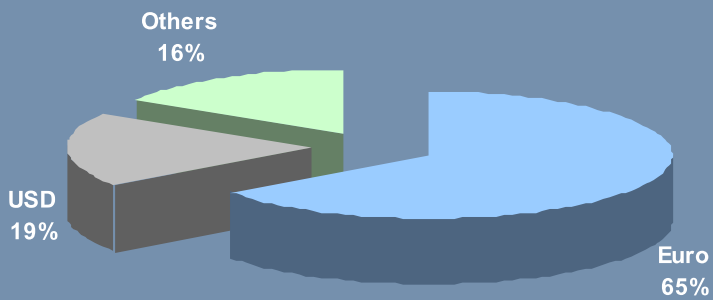
2003 weighted average headcount by geographical area



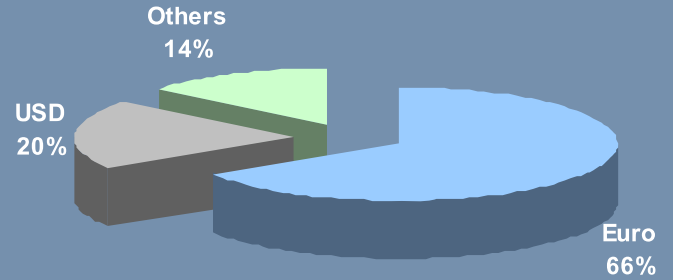
Geographical analysis (2)

Currencies and Exchange Rates

2003 net sales by currencies



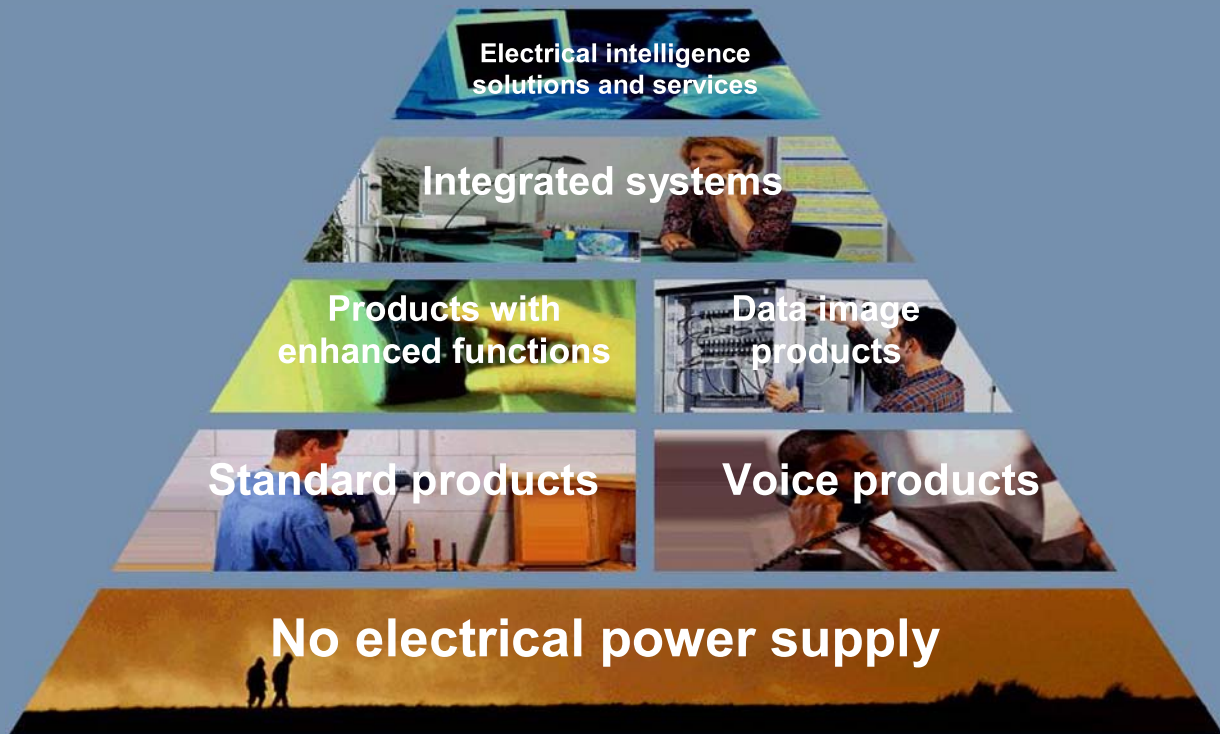
2003 operating costs by currencies



⇒ Comparable impact of exchange rate on sales and EBITDA and subsequently limited impact on margins

Growth Markets

Accessible market valued at €48 billion, with high growth potential
Legrand's market share : 6%



Leading Positions

Legrand manufactures 130,000 items in 5 product families

1 Power Protection



2 End-User Power Control



18%

Nr 1

3 Wire Management



15%

Nr 1

4 VDI, Communications and Security



Audio & Video Entry phone in Europe
18%

Nr 1

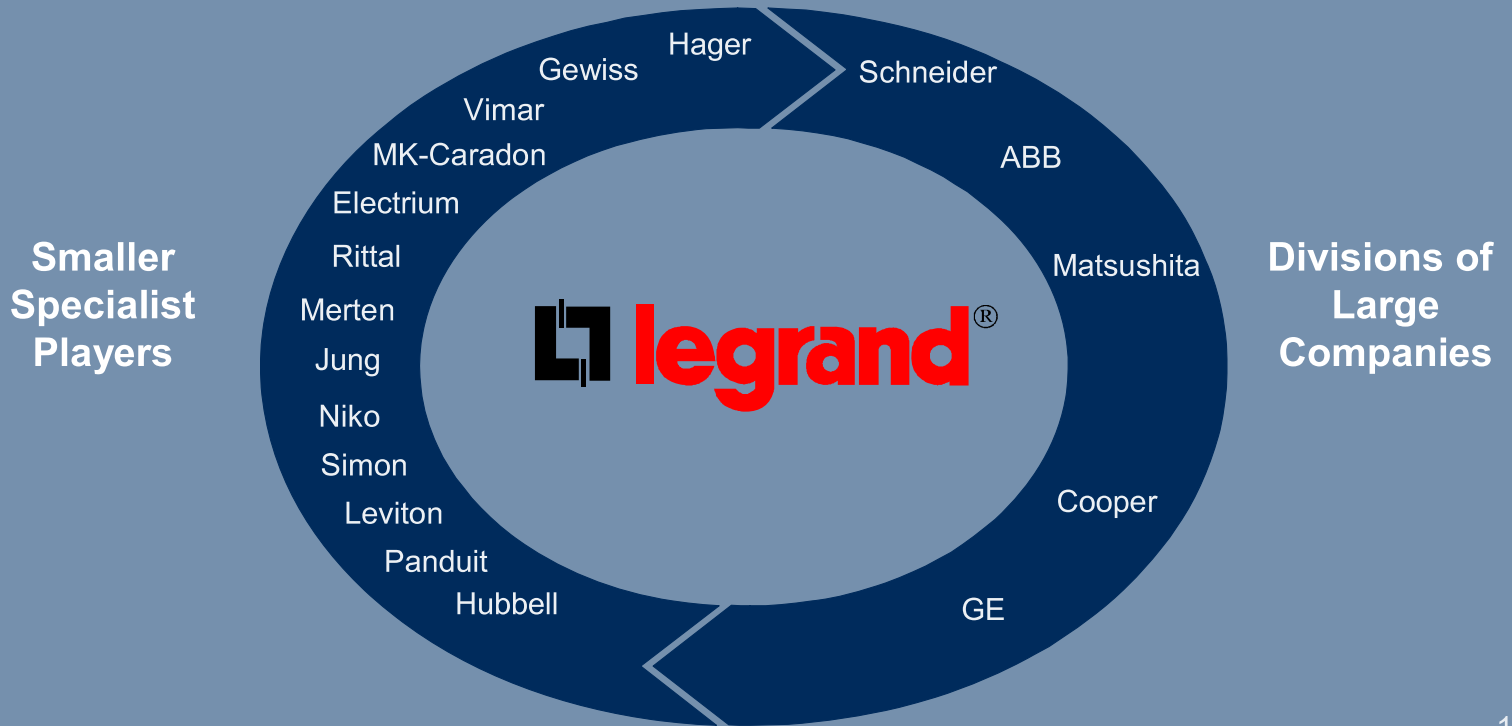
5 Industrial Products



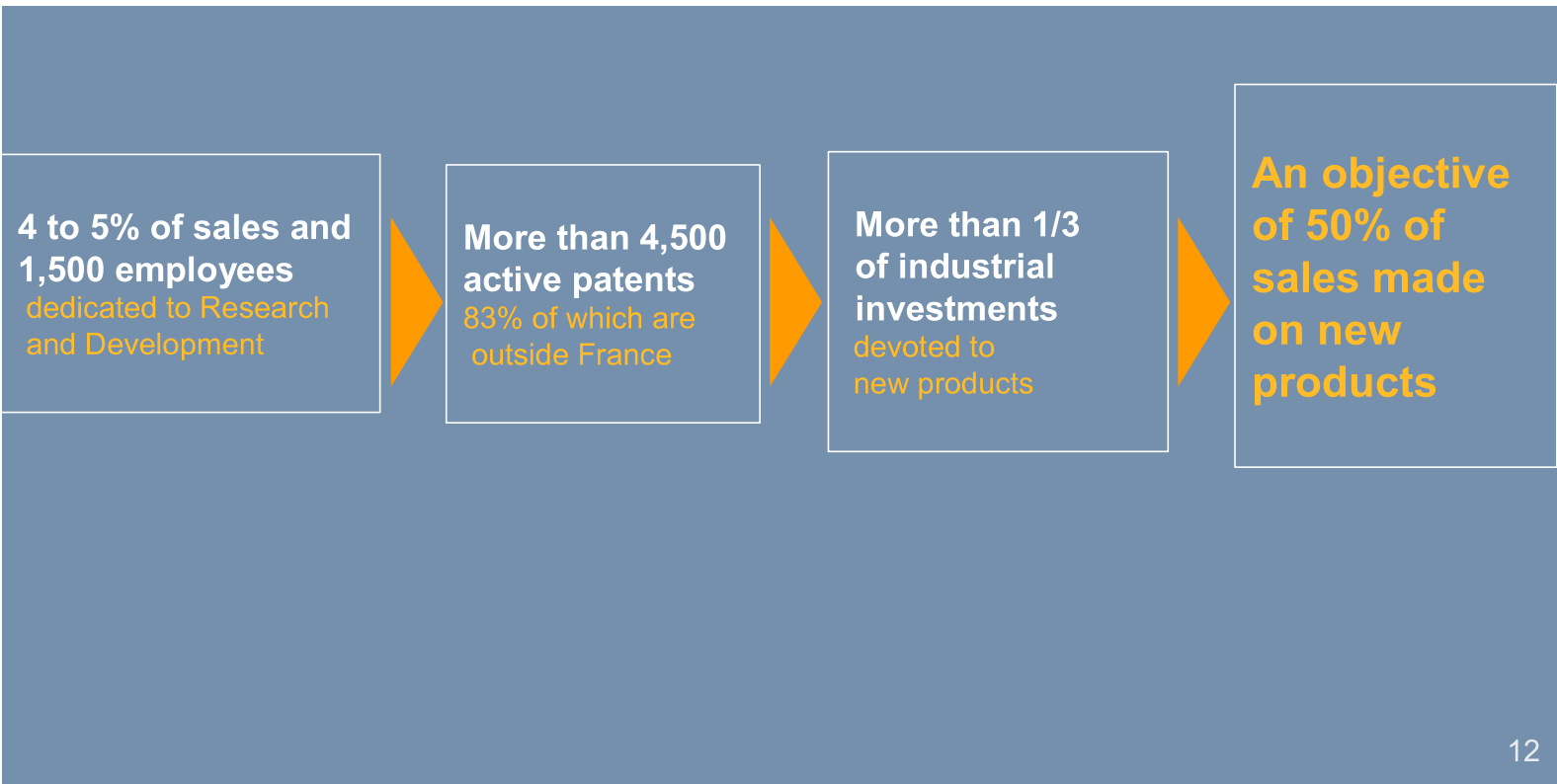
High Value Added Product Portfolio

“The Specialist Player of Scale”

Legrand’s direct competitors include smaller specialist players and divisions of large companies



A Technological Leadership Approach



Three main drivers for growth and profitability:

- Boosting sales
- Reducing costs
- Optimizing capital employed

(in € million US GAAP)	1999	2000	2001	2002	2003 ⁽¹⁾	9M 04
Net sales	2,275	2,768	3,057	2,933	2,762	2,203
<i>Organic growth (%)</i>	4.8%	5.8%	-1.6%	-0.9%	1.2%	9.4%
Maintainable⁽²⁾ EBITDA	502	595	589	578	567	494
<i>as % of sales</i>	22.1%	21.5%	19.3%	19.7%	20.5%	22.4%
Maintainable⁽²⁾ EBITA	362	430	400	389	398	380
<i>before purchase accounting⁽³⁾</i>	15.9%	15.5%	13.1%	13.3%	14.4%	17.3%
Pro forma net debt	N/A	N/A	N/A	2701	2280	2022

(1) 2003 figures restated from a €126m non-recurring non-cash charge related to the revaluation of inventories due to the acquisition

(2) before restructuring charges

(3) after elimination of depreciation of reevaluated tangible and intangible assets and of financing charges amortization due to the acquisition

Boosting Sales (1)

- **More selective approach to target high-potential markets**
 - **Products and systems**
 - **Geographical focus**
 - **Markets**

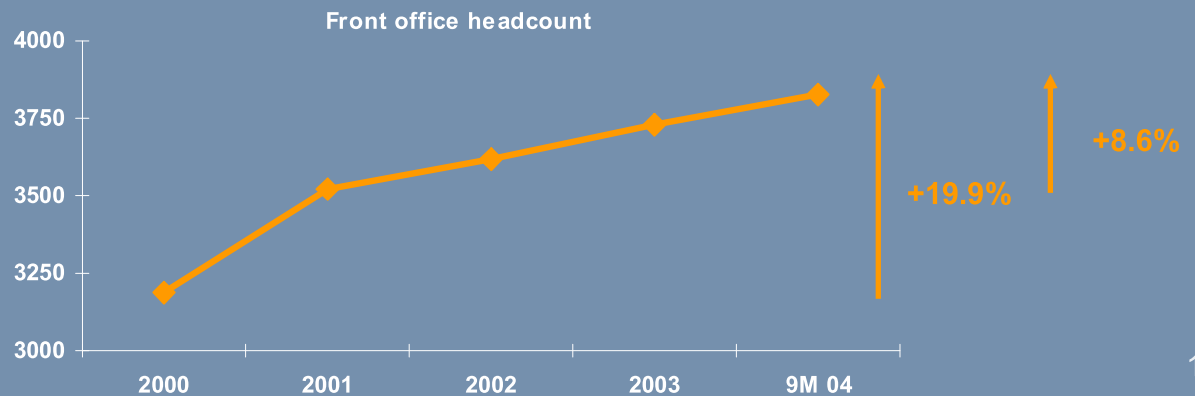
- **More formal business plans by product, market and country**
 - **Aggressive targets and regular performance monitoring**
 - **Performance based management compensation**

Boosting Sales (2)

■ New product development and launches

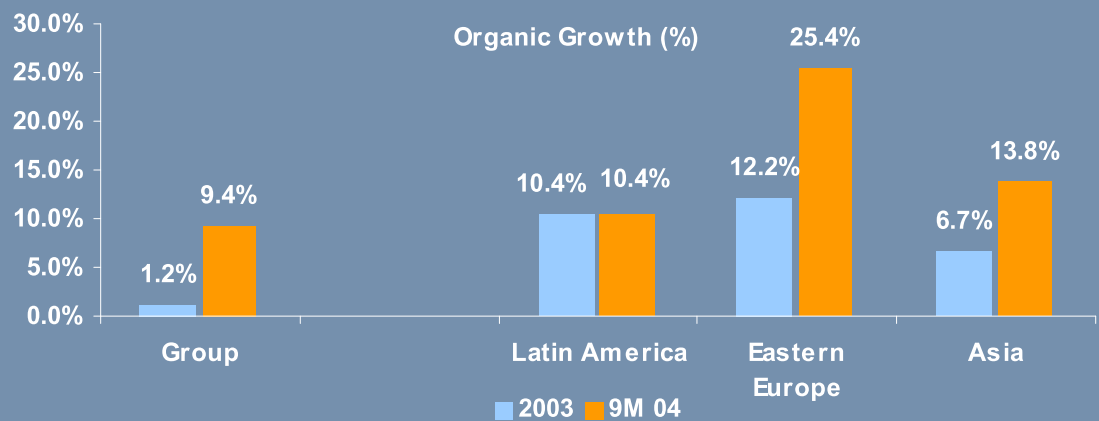
- 46% of total investments devoted to new products in the first nine months of 2004
- Renewed pace in the first nine months of 2004:
 - Fifteen new ranges launched around the world
 - Numerous additions to existing ranges in all product categories
- Sharp acceleration expected in 2005 and in 2006

■ Consolidating sales and marketing teams



Boosting Sales (3)

- Expanding presence on high growth potential countries such as India, South Korea, Thailand, Russia, Turkey, Poland, Brazil, Chile...



- External growth

Cost Reduction (1)

Organization by Division and Industrial Productivity

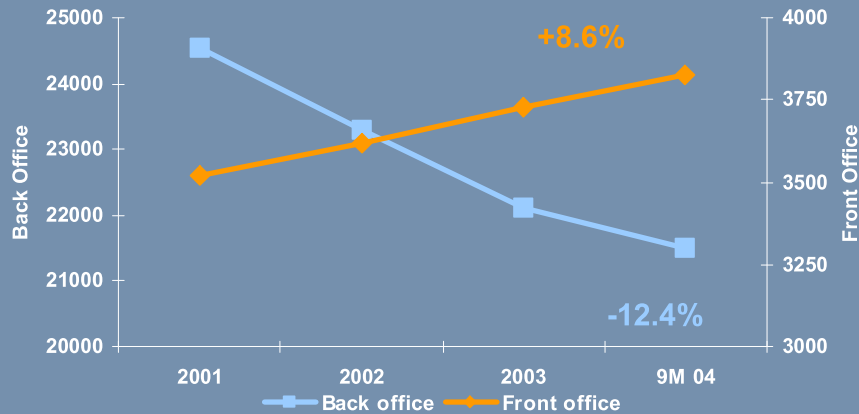
- **Systematic make-or-buy analysis**
- **Specialization of production sites**
- **Transfer of production to low-cost units**

Cost Reduction (2)

Organization by Division and Industrial Productivity

⇒ Closing of plants in Austria, United Kingdom, Italy, Poland, Singapore, US, Mexico and Brazil.

⇒ Decreasing back office headcount



⇒ Over 20 projects initiated since 2002 for cumulative cost of €78 million to the end of September 2004

Impact: full payback within two years

Cost Reduction (3)

Purchasing Plan: launched in 2003, full impact in 2006

Optimisation of purchasing

- Globalisation, internationalisation and standardization
- General adoption of best practices

Reorganization of purchasing at group level

- Line of command
- New purchaser/user “spend teams”

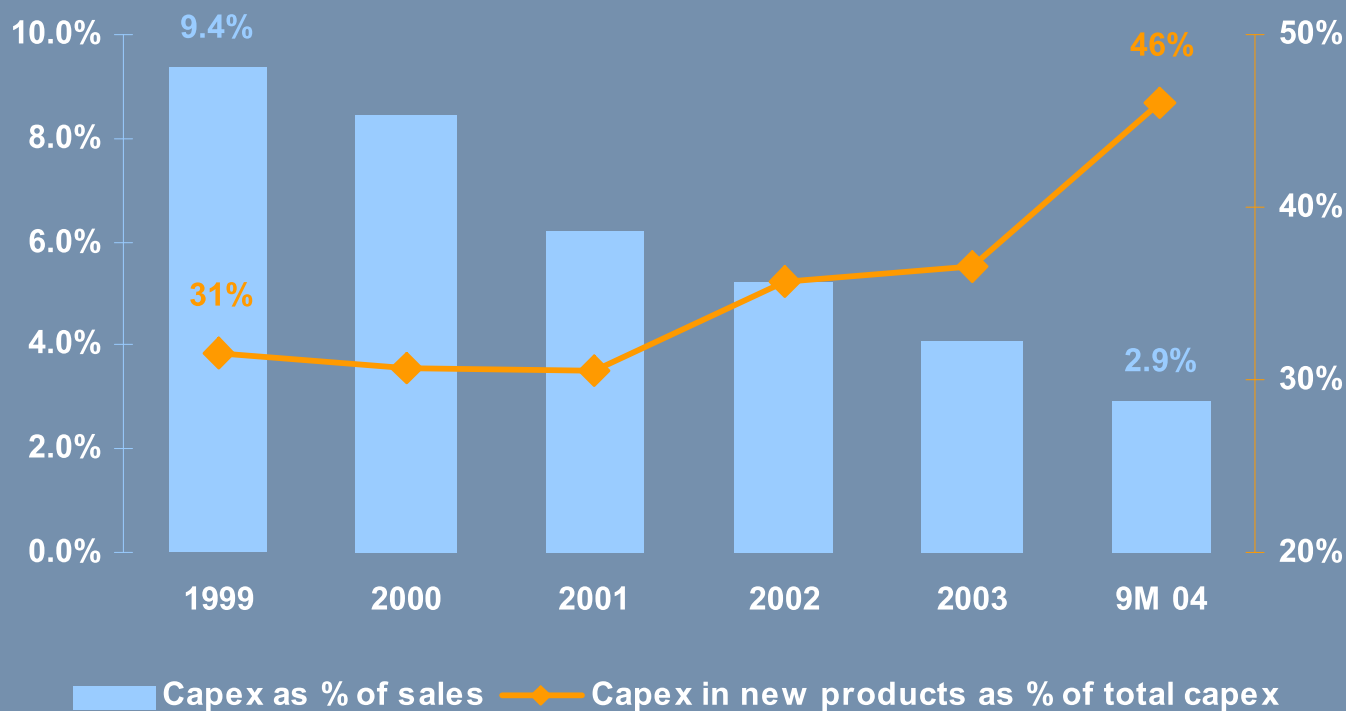
Staff commitment

- Over 400 staff members involved
- Progress in line with the schedule

Impact: increase by about 2 percentage points in 2006 operating margins compared with 2003

Efficient use of Capital Employed (1)

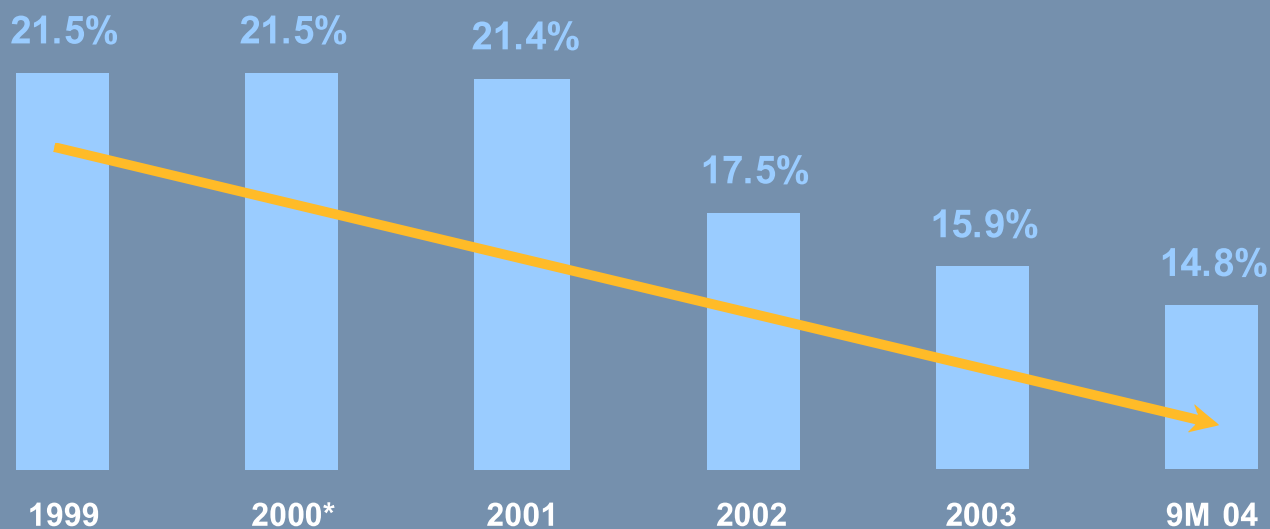
Optimization of Capital Expenditure



Efficient use of Capital Employed (2)

Reduced Working Capital Requirement

WCR as % of sales (last quarter sales x 4)

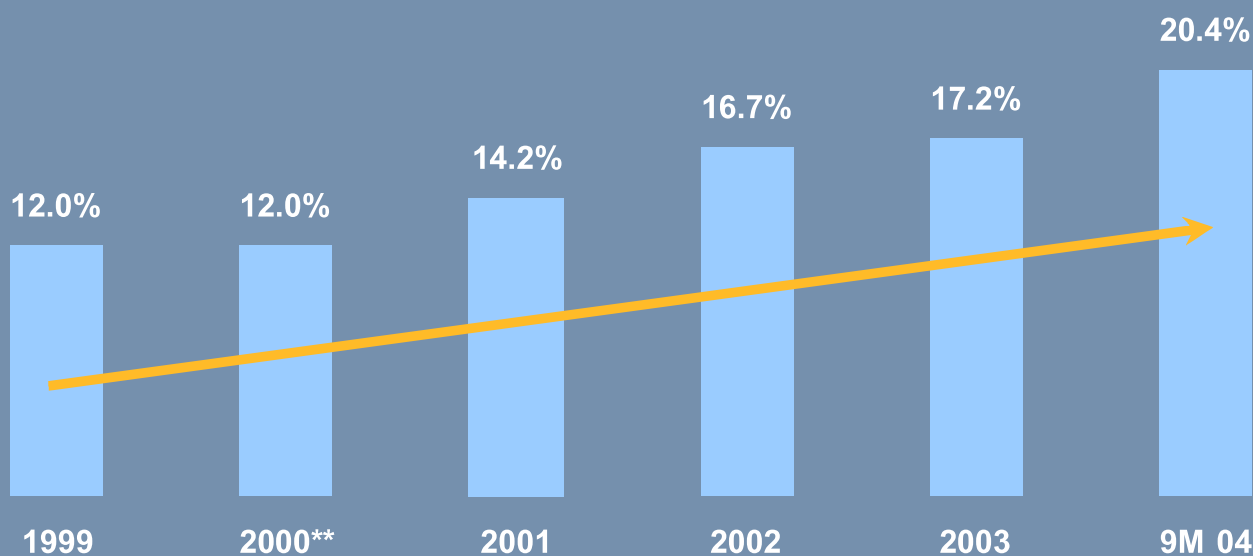


* 2000 excluding the impact of the acquisition of Wiremold

Efficient use of Capital Employed (3)

Strong Cash Flow

Operating Free Cash Flow* as % of sales

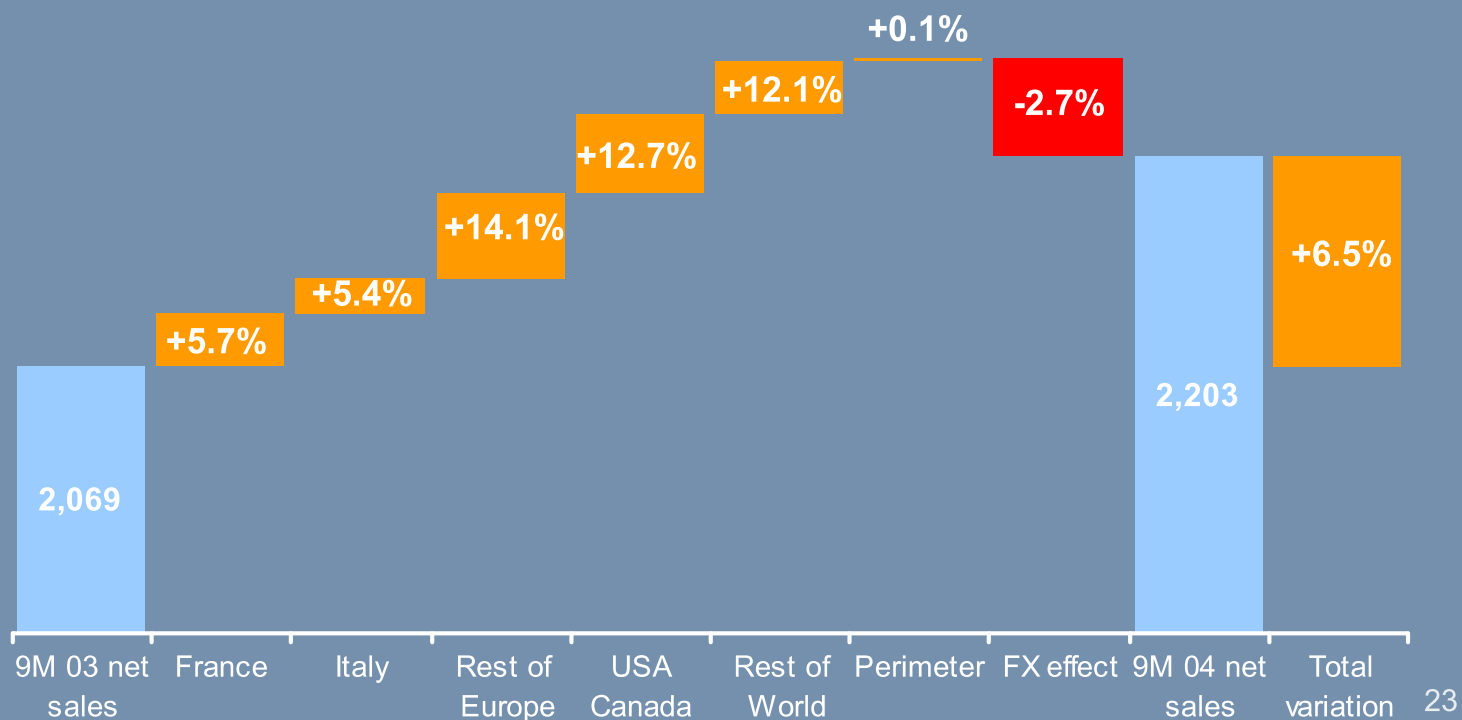


*Operating Free Cash Flow: Maintainable EBITDA – capex – ΔWCR

** 2000 excluding the impact of the acquisition of Wiremold

2004 Nine Month Results (1)

Strong Organic Sales Growth : **+9.4%**



2004 Nine Month Results (2)

Increase in margins

(in € millions, US GAAP)	FY 02	FY 03 ⁽¹⁾	% var 03/02	9M 03 ⁽¹⁾	9M 04	% var 04/03
net sales <i>variation like for like</i>	2933	2762 + 1.2%	- 5.8%	2069	2203 + 9.4%	+ 6.5%
gross profit <i>% net sales</i>	1284 43.8%	1247 45.2%	- 2.9%	946 45.7%	1028 46.7%	+ 8.7%
EBITDA <i>% net sales</i>	548 18.7%	535 19.4%	- 2.3%	413 20.0%	484 22.0%	+ 17.3%
maintainable⁽²⁾ EBITDA <i>% net sales</i>	577.9 19.7%	567.4 20.5%	- 1.8%	433 20.9%	494 22.4%	+ 14.1%
EBITA before purchase accounting⁽³⁾ <i>% net sales</i>	359 12.3%	366 13.2%	+ 1.8%	286 13.8%	370 16.8%	+ 29.4%
maintainable⁽²⁾ EBITA before purchase accounting⁽³⁾ <i>% net sales</i>	389 13.3%	398 14.4%	+ 2.2%	306 14.8%	380 17.3%	+ 24.1%

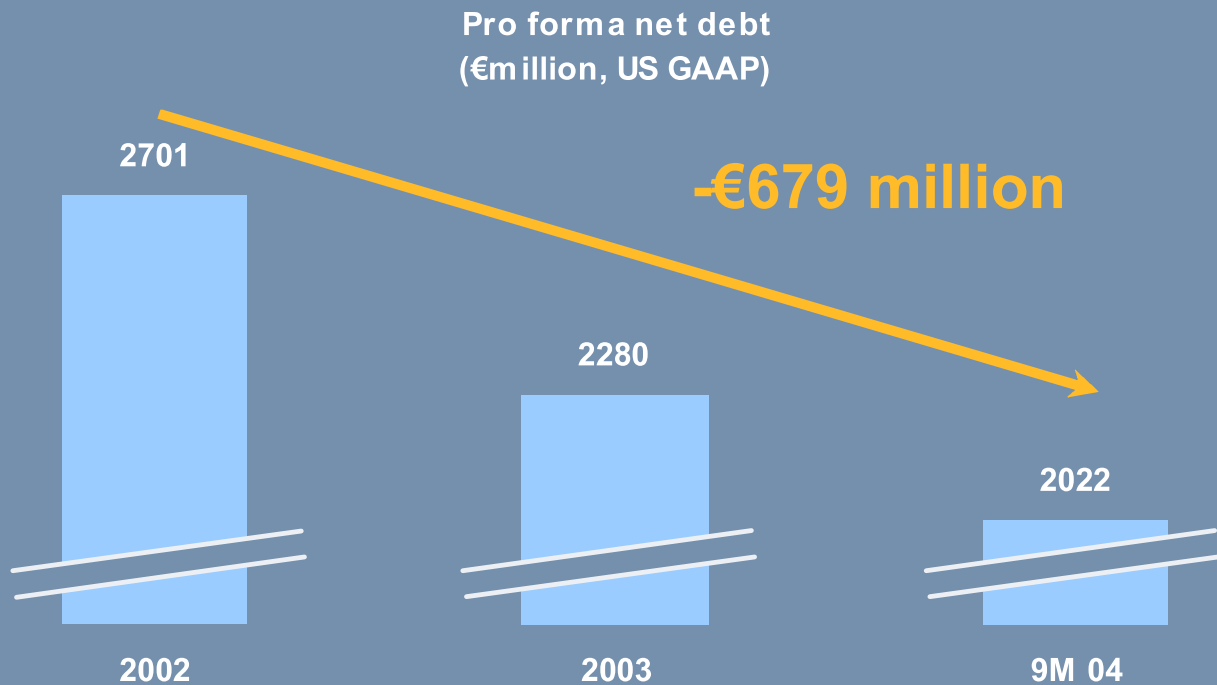
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2004 Nine Month Results (3)

Debt down 25% less than two years after the LBO



2004 Full Year

- Strong organic growth
- Return to historically high margin
- Pro forma net debt at around €2bn

Questions & Answers

Forward looking statements:

This document contains forward-looking statements within the meaning of the “safe harbor” provision of the Private Securities Litigation Reform Act of 1995. These statements are based on management’s current expectations or beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Actual results may differ from those set forth in the forward-looking statements as a result of various factors (including, but not limited to, future global economic conditions, market conditions affecting the building sector, foreign exchange rates, intense competition in the markets where we operate, potential environmental liability and capital costs of compliance with applicable laws, regulations and standards in the markets where we operate, diverse political, legal, economic and other conditions affecting the markets where we operate, our ability to successfully integrate business acquisitions and our ability to service our debt requirements). Many of these factors are beyond our control.

Investors are urged to read the registration statement of Legrand Holding filed with the US Securities and Exchange Commission on Form F-4 on August 8, 2003, as amended and other relevant documents filed by Legrand Holding with the US Securities and Exchange Commission because they contain important information. Investors are able to view these documents, as well as other documents filed by Legrand Holding with the US Securities and Exchange Commission, free of charge at the US Securities and Exchange Commission’s website, www.sec.gov. Legrand Holding disclaims any obligation to publicly update or revise any forward-looking information.