



2010 first-quarter results

May 6, 2010



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Highlights

■ 2010 first-quarter results

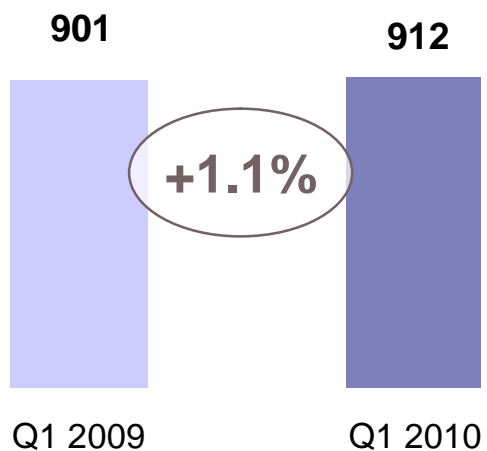
- Performance in emerging countries
- Ongoing success of new products
- 2010 adjusted operating margin target raised to over 18%

■ Drivers for medium-term profitable growth

- Replicating our efficient business model in emerging countries
- Promising opportunities for electrical and digital building infrastructures

Rise in Net Sales

Net sales (in € millions)



- 0.5% like-for-like⁽¹⁾ growth
 - 13.4% rise in emerging countries
 - **Success** of new products
- Change in the scope of consolidation: +0.2%⁽²⁾
- FX effect: +0.4%

1. Like-for-like: at constant scope of consolidation and exchange rates

2. Due to the first consolidation of entities

Rise in Net Sales

Group total: €912m

- +1.1%
- +0.5% LFL⁽¹⁾

USA & Canada: €125m

- +1.4% LFL⁽¹⁾
- Good performance of Pass & Seymour and Ortronics, as well as in Canada
- Residential market gradually bottoming out
- Commercial market in decline

Rest of the World: €227m

- +15.7% LFL⁽¹⁾
- Back to pre-crisis growth rates in emerging countries (Brazil, India, China, Egypt, Chile, etc.)
- Soundness and effectiveness of Legrand's expansion strategy in emerging countries confirmed

France: €227m

- -3.9% LFL⁽¹⁾
- Good performance in wiring devices, notably Celiane
- Success of new LCS² digital interconnection solutions
- Steady level of renovation activities partly offsetting the slowdown in non-residential activity

Italy: €160m

- -0.9% LFL⁽¹⁾
- Good showings in wiring devices and video surveillance
- Difficult market conditions overall, notably in non-residential business

Rest of Europe: €173m

- -8.8% LFL⁽¹⁾
- Global market slowdown
- Ongoing recovery in Turkey and improving activity in Russia

1. Like-for-like: at constant scope of consolidation and exchange rates

Rise in Net Sales

2009 – 2010 launches of new products, including:

Control and command

Arteor



Mallia



Digital Lighting Management



Nereya



Energy distribution

DMX³



Worksite combined units



Voice data image

LCS²



Btnet



Cable management

GTL Viadis



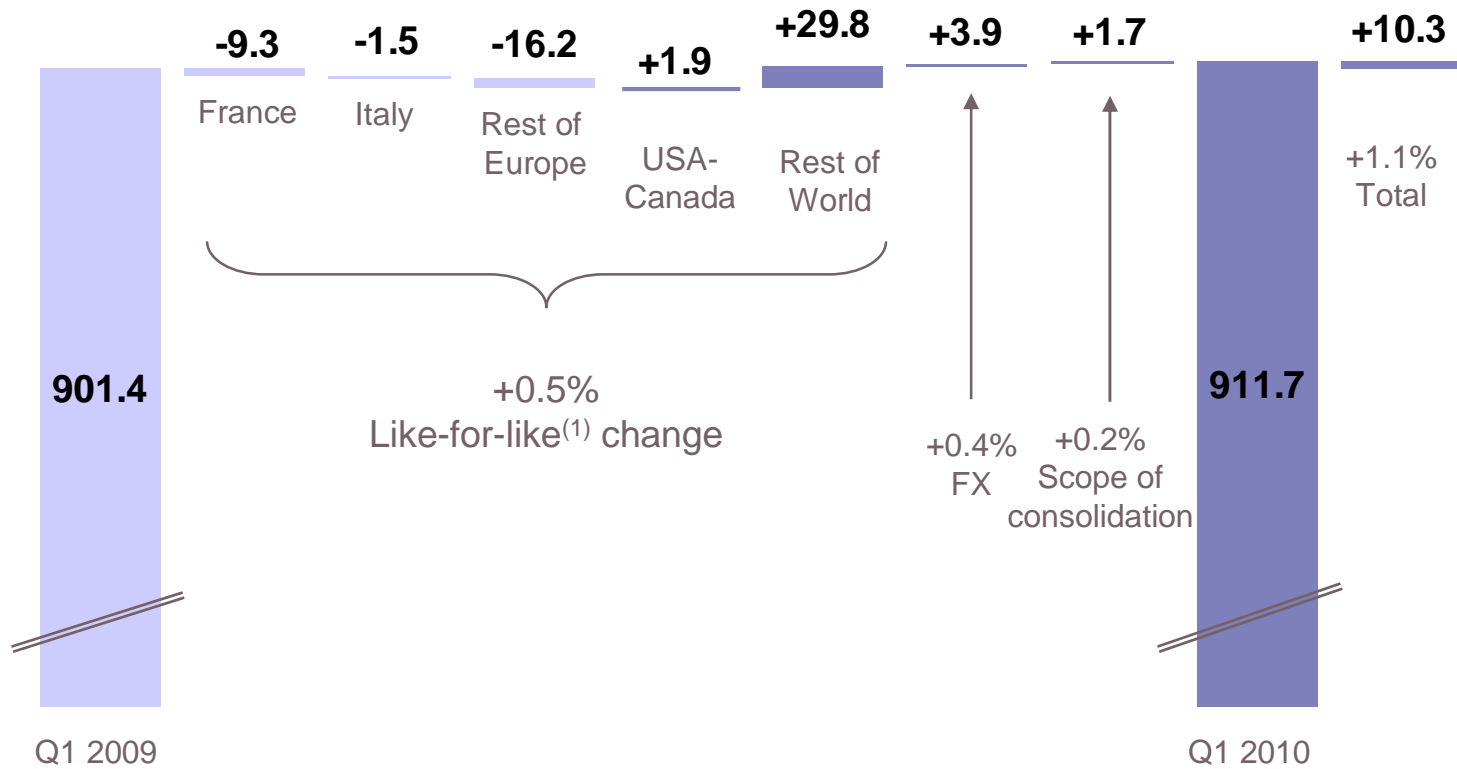
Logix



2010
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results

Rise in Net Sales

Breakdown of change in 2010 first-quarter net sales (in € millions)

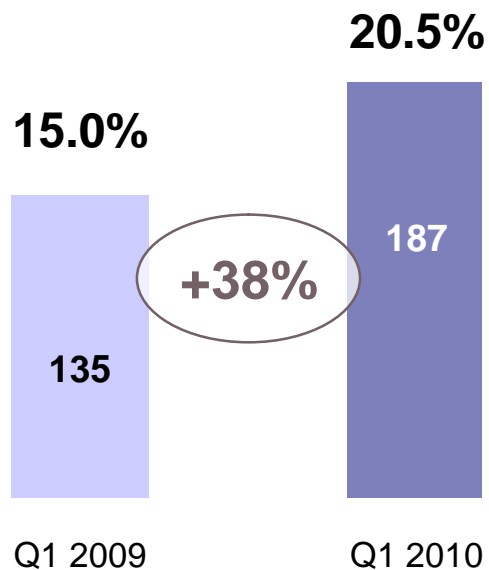


2010
First-quarter
results

1. At constant scope of consolidation and exchange rates

Strong Increase in Adjusted Operating Income

Adjusted⁽¹⁾ operating income (in € millions and as % of sales)



Steep improvement resulted from, by descending order of importance:

- Strong performance for operating costs
 - Full impact of reorganization already deployed
 - Ongoing efforts in countries where business continues to ease
 - Leverage effect in emerging countries
- Other
 - Miscellaneous operating items and restructuring
 - Inventory build-up
- Input costs
 - Raw material and component productivity
 - Pricing versus raw material and component inflation

2010
First-quarter
results

1. Figures restated for accounting entries with no cash impact relating to the acquisition of Legrand France in 2002 and impairment of goodwill

Strong Increase in Adjusted Operating Income

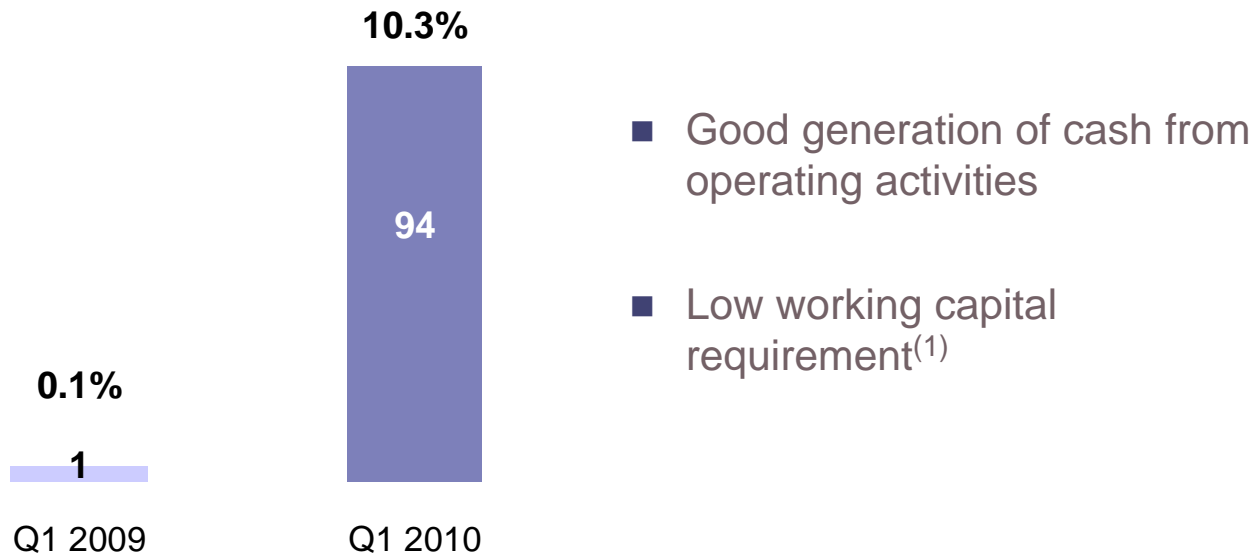
In € millions	Q1 2009	Q1 2010	% change
Net sales	901.4	911.7	1.1%
Gross profit	467.5	500.7	7.1%
<i>As % of sales</i>	51.9%	54.9%	
Maintainable ⁽¹⁾ adjusted ⁽²⁾ operating income	143.2	196.2	
<i>As % of sales</i>	15.9%	21.5%	
Restructuring charges	(8.0)	(9.2)	
Adjusted⁽²⁾ operating income	135.2	187.0	38.3%
<i>As % of sales</i>	15.0%	20.5%	
Accounting entries related to the acquisition of Legrand France	(9.7)	(6.5)	
Operating income	125.5	180.5	43.8%
<i>As % of sales</i>	13.9%	19.8%	
Net financial expense	(30.2)	(15.5)	
Exchange gains & losses	(11.4)	(25.4)	
Income-tax expense	(27.2)	(48.7)	
Net profit	56.7	90.9	60.3%
Net profit excluding minorities	56.5	90.3	59.8%

1. Excluding restructuring charges

2. Figures restated for accounting entries with no cash impact relating to the acquisition of Legrand France in 2002 and impairment of goodwill

Robust Cash Generation

Free cash flow (in € millions and as % of sales)



2010
First-quarter
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1. Although this has risen gradually and which the group aims to limit to 11% of sales.

Robust Cash Generation

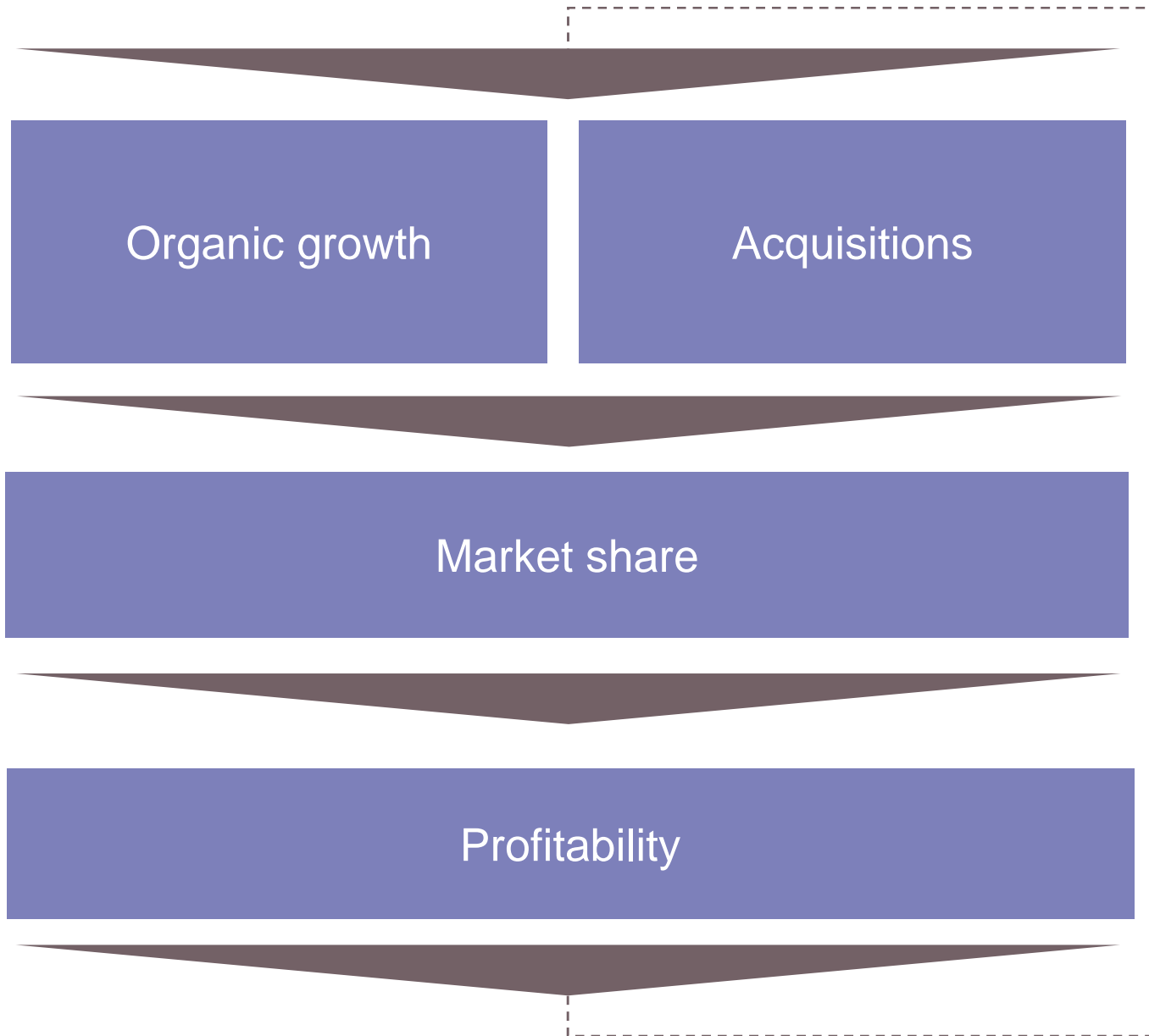
In € millions	Q1 2009	Q1 2010	% change
Cash flow from operations ⁽¹⁾	103.3	155.4	50.4%
<i>As % of sales</i>	11.5%	17.0%	
Change in working capital requirement	(82.6)	(44.0)	-46.7%
Net cash provided by operating activities	20.7	111.4	
<i>As % of sales</i>	2.3%	12.2%	
Capital expenditures (including capitalized R&D)	(26.9)	(18.1)	
Net proceeds of sales of fixed assets	7.2	0.8	
Capital expenditures net of proceeds of sales of fixed assets	(19.7)	(17.3)	-12.2%
Free cash-flow	1.0	94.1	
<i>As % of sales</i>	0.1%	10.3%	

1. Cash flow from operations is defined as the sum of net cash provided by operating activities and change in working capital requirement

Significant Drivers for Medium-Term Profitable Growth

- Replicating our efficient business model in emerging countries
- Promising opportunities for electrical and digital building infrastructures

Efficient Business Model



**Drivers for
medium-term
profitable
growth**

Replicating Legrand Business Model in Emerging Countries with Success



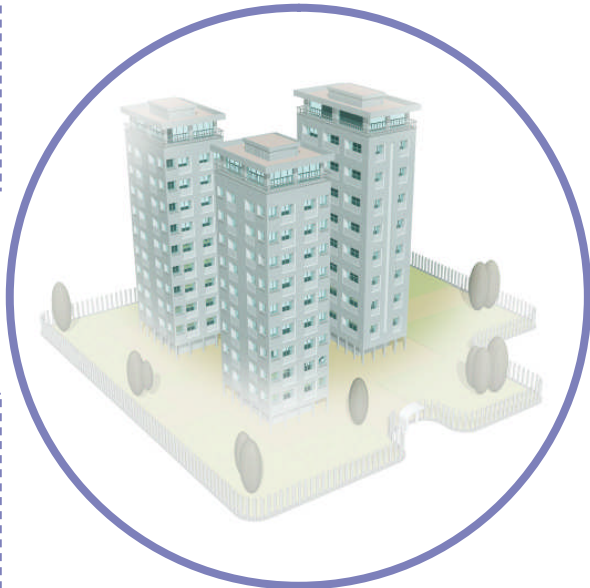
Drivers for medium-term profitable growth

Promising Opportunities for Electrical and Digital Building Infrastructures

Opportunities for today

Opportunities for tomorrow

Energy efficiency
Buildings alone account for
40%
of all energy used



Communication & connectivity
Growing
needs in digital infrastructures

Ageing of the population
4-fold
increase in world population over 80 in slightly more than one generation ⁽¹⁾

Drivers for medium-term profitable growth

1. Source: UN

Energy Efficiency – A Comprehensive Offering Addressing All Needs in Buildings

Drivers for medium-term profitable growth

Temperature management



Up to 12% savings on heating.

Solar-cell protection & mgmt



Secured operation of commercial and residential solar installations.

Consumption monitoring



Energy consumption display system: up to 15% savings.

Living scenarios



Up to 10% savings on energy consumption.



Energy distribution



Programmable switches: up to 12% savings on heating.

Shutter management



Savings of up to 10% on heating and 80% on air-conditioning

Lighting management



Automatic switches: up to 55% savings on lighting costs.

Airtight flush-mounting boxes



Up to 7 kWh/m² savings per year, return on investment within 2 years.

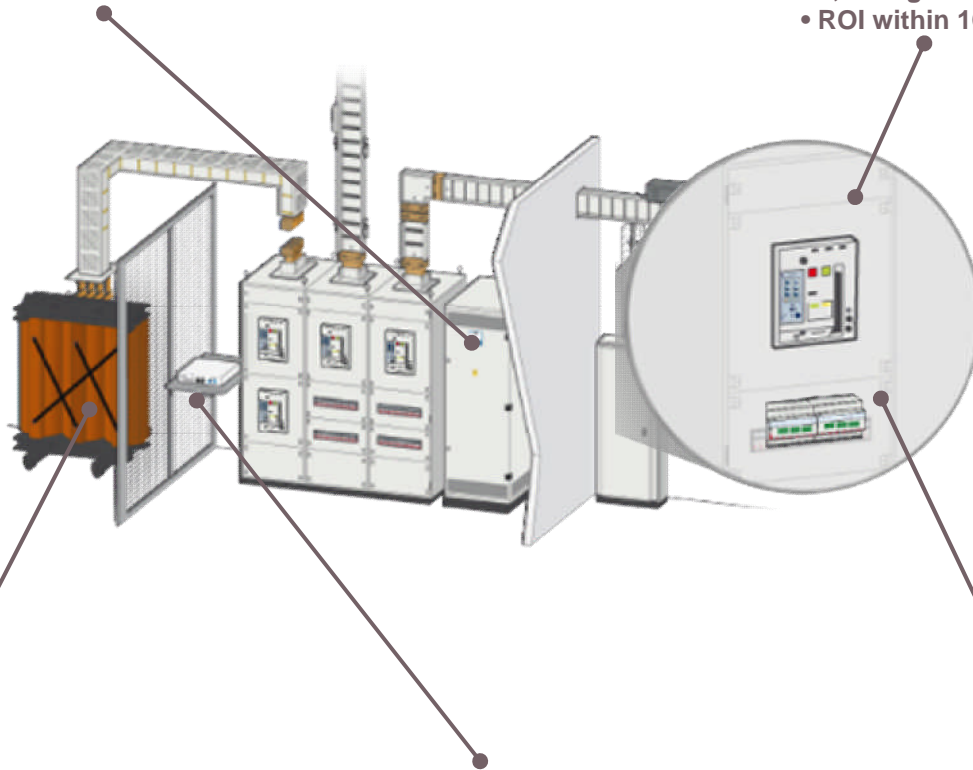
Energy Efficiency – A Comprehensive Offering Addressing All Needs in Buildings

Compensation of reactive energy

- Savings:
- €1,128 per year
 - 1.6 T of CO₂ per year
 - ROI within 2 years

Measurement devices

- Savings:
- €799 per year
 - 1,000 kg of CO₂ per year
 - ROI within 16 months



Transformers

- Savings:
- €540 per year
 - 816 kg of CO₂ per year
 - ROI within 5 years

Network analyzers

Energy quality fueling energy performance

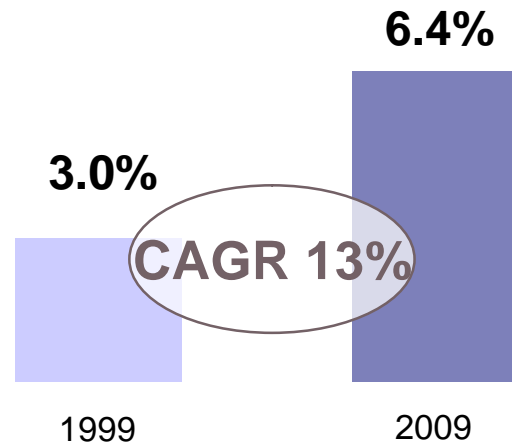
Time switches

- Savings:
- €500 per year
 - 760 kg of CO₂ per year
 - ROI within 4 years

Drivers for medium-term profitable growth

Energy Efficiency – Bright Prospects and a Rising Contribution

Sales of energy efficient solutions as % of total sales



Drivers for medium-term profitable growth

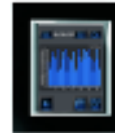
Communication and Connectivity – A Comprehensive Offering Addressing All Needs in Building

Communication



Phone and data networks, door entry system, IP protocol, etc.

Metering

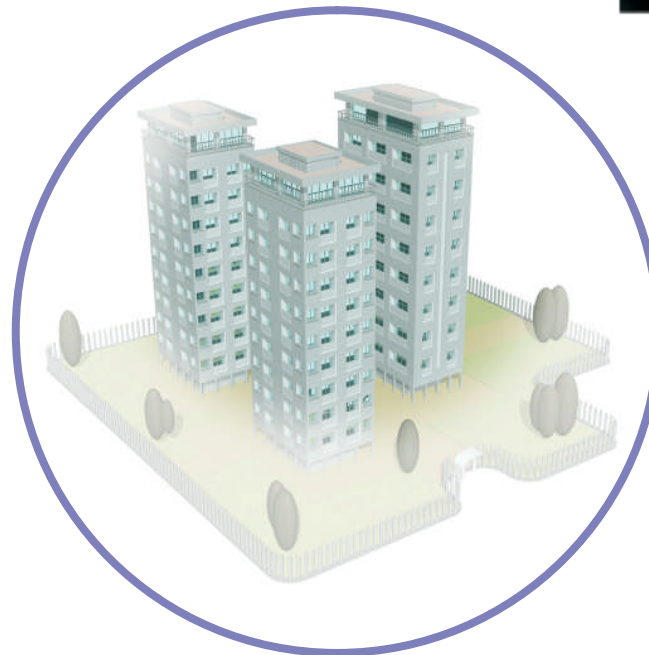


Measuring and monitoring energy consumption.

Safety



Access control, CCTV, alarm, etc.



Infrastructure



Centralized control of installations and networks.

Connectivity

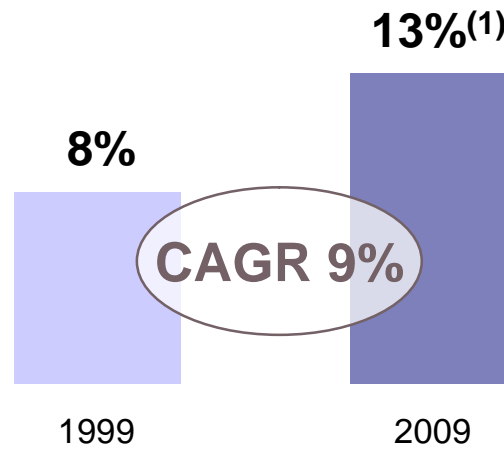


Fiber optic or copper high-performance connectors

Drivers for medium-term profitable growth

Communication and Connectivity – Bright Prospects and a Rising Contribution

Sales of digital infrastructures as % of total group sales



Drivers for medium-term profitable growth

1. 22% including home systems, smart lighting management etc.

Ageing of World Population – Addressing Future Needs

- Preventing falls
- Preventing home risks
- Hand-free monitoring
- Remote communication



Drivers for medium-term profitable growth

1 In partnership with a third party company



Appendices

2010 First Quarter – Net Sales by Destination ⁽¹⁾

(€M)	Q1 2009	Q1 2010	Total Change	Scope of Consolidation	Like-for-Like Growth	Currency Effect
France	235.9	226.5	-4.0%	-0.1%	-3.9%	0.0%
Italy	161.6	160.2	-0.9%	0.0%	-0.9%	0.0%
Rest of Europe	183.6	172.5	-6.0%	0.7% ⁽²⁾	-8.8%	2.3%
USA/Canada	130.8	125.1	-4.4%	-0.1%	1.4%	-5.6%
Rest of the World	189.5	227.4	20.0%	0.3%	15.7%	3.4%
Total	901.4	911.7	1.1%	0.2%	0.5%	0.4%

1. Market where sales are recorded
2. Due to first consolidation of entities

2010 First Quarter – Net Sales by Origin (1)

(€M)	Q1 2009	Q1 2010	Total Change	Scope of Consolidation	Like-for-Like Growth	Currency Effect
France	260.0	253.7	-2.4%	0.4%	-2.8%	0.0%
Italy	173.4	168.7	-2.7%	-0.2%	-2.5%	0.0%
Rest of Europe	170.4	166.1	-2.5%	2.4% ⁽²⁾	-7.0%	2.4%
USA/Canada	132.5	128.4	-3.1%	0.1%	2.7%	-5.7%
Rest of the World	165.1	194.8	18.0%	-1.8%	15.4%	4.1%
Total	901.4	911.7	1.1%	0.2%	0.5%	0.4%

1. Zone of origin of the product sold

2. Due to first consolidation of entities

Reconciliation of Cash-Flow From Operations with Net Profit

In € millions	Q1 2009	Q1 2010
Net Profit	56.7	90.9
Depreciation & Amortization	47.9	45.0
Change in other non-current assets and liabilities and deferred tax	(1.0)	0.9
Exchange (gains)/losses net	3.3	17.5
(Gains)/losses on fixed asset disposals and sales of securities	(3.2)	0.2
Other Adjustments	(0.4)	0.9
Cash flow from operations	103.3	155.4

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