Subject to standard conditions precedent.
AGENDA

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2. A SYNERGETIC MOVE WITH LEGRAND
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3. FINANCIAL RATIONALE
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MILESTONE – US STRONG LEADING POSITIONS IN HIGH-VALUE SEGMENTS
THE AUDIO-VIDEO (AV) INFRASTRUCTURE AND POWER BUSINESS WITHIN LEGRAND’S WORLDWIDE ACCESSIBLE MARKET

1. Based on Legrand latest estimates.

Legrand’s worldwide accessible market

>$115bn

Electrical infrastructure

<=$100bn

Digital infrastructure

of which AV infrastructure and power >$5bn

>$15bn

>$115bn

<=$100bn

Based on Legrand latest estimates.
TOGETHER LEGRAND & MILESTONE COVER THE AV INFRASTRUCTURE & POWER MARKET

- Full motion mounts
- Tensioned electric screens
- Large and medium flat panel mounts
- Monitor mounts
- Storage & power
- Video content capture
- Enclosures & accessories
- AV power
- Carts
- Connections
- Cable management
- Technical furniture

MILESTONE - US STRONG LEADING POSITIONS IN HIGH-VALUE SEGMENTS
LEADING POSITIONS COMPLEMENTARY TO LEGRAND’S EXISTING AV LEADERSHIPS IN NORTH-AMERICA

- Commercial AV Mounts #1
  - CHIEF

- Residential AV Mounts #1
  - SANUS

- AV Projector Screens #1
  - DA-LITE

- AV Enclosures #1
  - Middle Atlantic Products

- AV Power #2
  - Middle Atlantic Products
KNOWLEDGEABLE AND EXPERIENCED MANAGEMENT TEAM

Experienced management with a comprehensive strategy

- Top management (10+ years average with the company)
- Significant prior relevant experience (deep bench of corporate and segment leaders)
- Good management of a business with increasing complexity from acquisitions

Complementary thinking & operating

- Focus on the customer experience
- Strategic positioning for growth through select acquisitions
- Culture of financial discipline
- Optimization of functional areas & facilities
- Consolidation of sales forces by channel where it makes sense for effectiveness
SUCCESSFUL BUILD-UP IN THE AV INFRASTRUCTURE AND POWER SEGMENT
DIFFERENTIATION THROUGH INNOVATION
DEEP ENGINEERING AND SIGNIFICANT INTELLECTUAL PROPERTY

Commercial & residential AV mounts

AV projection screens

PTZ(1) cameras, conferencing & collaboration

Over 360 patents

>100 engineers & product development professionals

> 5,000 SKUs
CUSTOMER CENTRIC APPROACH (1/2)
DEDICATED COMMERCIAL AND TRAINING TEAMS

100
direct sales & technical support

90
dedicated customer care personnel

Digital best customer training

- On-line and in person training
- Courses counting towards industry certification (CTS)
- Technical and sales oriented webinars
"If I bring the wrong mount to the job, it costs me a fortune. Now, imagine if that happened with a projector that’s hanging 30 feet in the air, or that projector weighs 500 pounds and takes six people to install. I’m not going to risk even $50 to put a mount in there that I don’t know, because of the potential cost to me. I can use pretty much anything, but it’s not worth the risk to save a few dollars.”

**CUSTOMER CENTRIC APPROACH (2/2)**

**EXCELLENT SERVICE DELIVERY**

**Four pillars**

**Responsiveness**
>80% of calls & chats answered in less than 30 seconds

**Quality**
Customer satisfaction surveys
<5% of calls and chats dropped

**Availability**
7 days a week
Real-time situation communication

**Site backup**
Distributed workflow across sites
Coverage for extreme situations

**Best-in-class service delivery**

![Graph showing On-Time Delivery (OTD) performance from 2014 to YTD 2017 for CHIEF and SANUS. The performance metrics are 94%, 95%, 93%, 99%, 88%, 99%, 97%, and 100% respectively.]
MOST PREFERRED BRANDS

Exceptional net promoter scores\(^{(1)}\)

>50%

Brands appreciated by audio-video integrators

Preferred partner to

\(~80\%\)

of the SCN\(^{(2)}\) top 50 audio-video integrators

# STRONG CHANNELS

## Channel Specific Brands

<table>
<thead>
<tr>
<th>Commercial</th>
<th>Residential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pro AV dealers</td>
<td>Retail</td>
</tr>
<tr>
<td>IT/AV distributors</td>
<td>Online</td>
</tr>
<tr>
<td>Others</td>
<td></td>
</tr>
</tbody>
</table>

### Segments, Channels and Customers Overview

<table>
<thead>
<tr>
<th>Highly fragmented (6,000 Pro AV integrators)</th>
<th>Large, diversified equipment distributors</th>
<th>Tech OEMs, custom home AV integrators, and office products dealers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primarily regional or local</td>
<td>End customer is often smaller Pro AV dealers</td>
<td>Consumer electronics retailers, mass merchants and club stores</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>END USERS AND MARKETS</th>
</tr>
</thead>
<tbody>
<tr>
<td>End users demanding integrated solutions and quick turnaround times</td>
</tr>
</tbody>
</table>

| Consumer electronics retailers, mass merchants and club stores |
| Direct to consumers via large online retailers and marketplaces |

<table>
<thead>
<tr>
<th>Global consumers</th>
</tr>
</thead>
</table>
APPLICATION RICH SOLUTIONS

Corporate

Hospitality

Houses of worship

Education

Government

Retail/Restaurant

Public spaces

Households
A SYNERGETIC MOVE WITH LEGRAND
SALES SYNERGIES – MID TERM

- Expand and leverage AV pro customer coverage
  - Milestone – 6,000 / Middle Atlantic – 3,500

- Offer AV solutions to other pro distribution channels
  - Legrand - Electrical, IT & Data Communication distributions

- Cooperate and improve retail presence
  - No overlap of top three retail customers from each company

- Explore potential of AV solutions globally
  - Milestone with locations in the United States, Canada, China, Hong-Kong, Australia and The Netherlands
COST SYNERGIES – SHORT & MID TERM

- Combined purchases offer leverage for better direct and indirect sourcing
- Scope for leveraging existing Asian production facilities
- Opportunities for Milestone products with Legrand manufacturing capabilities
- Optimize administrative areas
### MILESTONE 2016 KEY FIGURES

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>$464M</td>
</tr>
<tr>
<td>Adjusted (^{(1)}) operating margin (^{(2)}) as % of sales</td>
<td>21%</td>
</tr>
<tr>
<td>Free cash flow (^{(2)}) as % of sales</td>
<td>12.5%</td>
</tr>
</tbody>
</table>

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1. Adjusted Legrand definition: Adjusted for amortization and depreciation of revaluation of assets at the time of acquisitions and for other P&L impacts relating to acquisitions and, where applicable, for impairment of goodwill.
2. Excluding non-recurring items.
This transaction triggers a $400M US tax benefit resulting from standard goodwill amortization starting from 2017.

**ANALYSIS OF TAX BENEFIT**

- **Impact of tax benefit on Enterprise Value**
  - Gross Enterprise Value: For cash purposes $1,200, For valuation purposes $1,200
  - Tax benefit: For cash purposes $400, For valuation purposes $250
  - Enterprise Value (EV) net of the tax benefit: For cash purposes $800, For valuation purposes $950

- **Impact of tax benefit on Group metrics**
  - Full benefit of $400M on free cash flow
  - No benefit on IFRS P&L either on income tax or net income

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1. For EBITDA multiple and value creation calculation, see page 21.
2. Cash tax benefit of $400M becomes $250M when discounted at a rate of 7% over a period of 15 years.
3. No impact on P&L when tax benefit is caused by a transaction itself.
ACQUISITION(1) TERMS

Legrand’s financial criteria all met based on a EV (Enterprise Value) of $950M, net of a discounted tax benefit of $250M(2).

- 2016 EV/EBITDA(3) of ~9.0 x
  
- Mid to high single digit accretion on EPS before PPA(4)
  
- Value creation within 3 to 5 years

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1. Subject to standard conditions precedent.
2. $400M discounted at a rate of 7% over a period of 15 years.
3. Excluding non-recurring items.
4. PPA = Purchase Price Allocation.
FINANCING CONSIDERATIONS
A ROBUST POST-DEAL BALANCE SHEET STRUCTURE

Financing

- Ultimately new debt
- Fully secured in the short term by:
  - A commitment letter for a bridge to bond loan
  - Existing Group credit facilities

Expected financial leverage post deal

Net debt/EBITDA\(^{(1)}\) of < 2

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1. Including Milestone’s EBITDA on a full year basis.
MILESTONE TICKS ALL THE BOXES OF LEGRAND’S KEY FUNDAMENTALS
MILESTONE TICKS ALL THE BOXES OF LEGRAND’S KEY FUNDAMENTALS

- Attractive AV infrastructure and power segment
- Leading market positions and brands
- High value attached to products
- Customer loyalty
- Innovation-driven business
- Active CSR\(^{(1)}\) policy

1. CSR = Corporate Social Responsibility.
ATTRACTIVE AV INFRASTRUCTURE AND POWER SEGMENT DRIVEN BY MEGATRENDS

SOCIAL MEGATRENDS

- Communication
- Security
- Distance & collaborative working
- etc.

TECHNOLOGICAL MEGATRENDS

- Digitalization
- New display technologies
- Streaming technologies
- etc.
LEADING MARKET POSITIONS AND BRANDS

% of Milestone sales made with #1 or #2 positions in 2016

Well-known leading brands

Over 75%

US Leaders in their respective segments
HIGH VALUE ATTACHED TO PRODUCTS

Products account for only a small share of total AV-installation costs

Critical products on which AV-integrators can’t compromise

Value brought by products prevails in customers’ choice
CUSTOMER LOYALTY

Product expertise required

- Product breadth
- High quality, easy to use & install products
- Valuable design and functionalities
- Customization

Best-in-class customer relationship

- Strong commercial relationship
- Training & technical support
- Short lead time
Milestone’s R&D to sales ratio consistent with Legrand’s long term average ambition

100% of Milestone sales in new business segments(1)

1. Energy efficiency, digital infrastructure, home systems and assisted living.
ACTIVE CSR\(^{(1)}\) POLICY BUILT ON THREE PILLARS

Environmental responsibility
- Environment friendly business & operations with innovative eco-friendly products development
- 3 primary operating facilities ISO14001 registered
- LEED certified Eden Prairie (Minnesota) headquarters
- Winner of InfoComm sustainable AV award

Social responsible sourcing
- Robust CSR\(^{(1)}\) audit program in place for supplier base
- Ensuring safety and responsible practices by suppliers

Community involvement
- Sponsoring of organizations and events
- Special consideration to programs and activities in which Milestone employees are involved
- Focus on children & youth and poverty & hunger

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1. CSR = Corporate Social Responsibility.
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