PRESS RELEASE

Limoges, February 9, 2012

2011 annual results:

Performance in line with annual and medium-term targets

- Total annual growth in sales excluding exchange-rate effects: 11.2%, of which 6.4% organic[1] growth
- Adjusted operating margin 20.2%
- Net income excluding minorities of €479 million and dividend per share of €0.93, up 6%
- Strong cash generation and sound balance sheet

Successful sales initiatives and improved medium-term growth profile

- Very positive response to numerous new product launches
- 35% of sales in new economies
- Close to 22% of sales in fast-growing new market segments

On the closing of full-year accounts for 2011, Gilles Schnepp, Legrand Chairman and CEO commented on group results, targets and fundamentals:

“Successful sales initiatives and 2011 performance in line with targets

Pursuing its strategy of profitable value-creating growth, Legrand stepped up its development in 2011 by strengthening its commercial organization and conquering new market positions.

This approach enabled the group to record 11.2% growth in sales excluding exchange-rate effects (+9.2% including exchange-rate effects), driven by:

- *robust organic[1] growth (+6.4%), buoyed by many successful new product launches, plus vigorous pace in new economies (organic[1] growth over 14%) and new business segments (organic[1] growth of 13%);*
- *targeted, self-financed bolt-on acquisitions of small and mid-size companies with strong positions on high growth potential markets, whose consolidation contributed 4.5% to the group’s growth.*

Against this backdrop, Legrand reported adjusted operating margin of 20.2% of sales (20.6% excluding acquisitions), a performance that reflects the group’s capacity to:

- *fuel growth by investing in innovation and strengthening its commercial organization (sales teams, showrooms, concept stores) in fast-growing markets, while pursuing efforts to enhance its productivity initiatives.*
- *take account of the rising cost of raw materials and components consumed in sales price management.*

Considering these 2011 achievements, the Board of Directors will ask the General Meeting of shareholders to approve a dividend of €0.93 per share (compared with €0.88 per share in 2010) payable on June 5, 2012.

2012 targets

Legrand fully met its 2011 targets, demonstrating both the soundness of its business model and its ability to achieve medium-term targets for growth and profitability.

In 2012, given uncertain macroeconomic expectations, Legrand has retained a target for organic[1] growth in sales of about zero. The group will also pursue growth through acquisitions, while transactions made in 2011 will already raise 2012 sales by 2.6%. In these conditions, the group is targeting an adjusted operating margin for 2012 equaling or exceeding 19% of sales, including acquisitions.[2]

Medium-term targets confirmed and growth profile improved

With 35% of sales generated in new economies and close to 22% in new market segments, leading market positions in 2/3 of its businesses, responsive teams and ongoing efforts to improve

---

[1] Organic growth: at constant scope of consolidation and exchange rates
[2] Small and medium-size bolt-on acquisitions

productivity, Legrand is confident in the soundness of its business model and in its capacity to create value on a sustainable basis through profitable, self-financed growth. As a result, and taking into account 2012 targets mentioned above, Legrand confirms its medium-term objectives:

- *10% total annual average growth in sales*[1]
- *20% average adjusted operating margin, including acquisitions.*[2]*"*

----

[1] Excluding exchange-rate effects or major economic downturn

[2] Small and medium-size bolt-on acquisitions

Key figures

Consolidated data (€ millions)	2009	2010	2011	% change 2011/2010
Sales	3,577.5	3,890.5	4,250.1	+9.2%
Adjusted operating income[(1)]	587.9	797.0	856.7	+7.5%
As % of sales	*16.4%*	*20.5%*	*20.2%*	
Operating income	524.1	757.6	812.3	
As % of sales	*14.6%*	*19.5%*	*19.1%*	
Net income excluding minorities	289.8	418.3	478.6	+14.4%
As % of sales	*8.1%*	*10.8%*	*11.3%*	
Free cash flow[(2)]	654.5	645.5	522.7	
As % of sales	*18.3%*	*16.6%*[(3)]	*12.3%*[(3)]	
Net financial debt at September 30	1,340	1,198	1,269	

(1) Operating income adjusted for amortization of the revaluation of intangible assets and for expense/income relating to acquisitions (respectively in 2009, 2010, 2011: €47.2 million, €39.4 million and €28.5 million) and, if applicable, for impairment of goodwill (€16.6 million in 2009, €0 in 2010 and €15.9 million in 2011).
(2) Free cash flow is defined as the sum of net cash of operating activities and net proceeds of sales of fixed assets less capital expenditure and capitalized development costs.

(3) Based on a constant ratio of working capital requirements to revenues, free cash flow stood at about 13% of sales for both 2011 and 2010.

Results to December 31, 2011

Consolidated sales

Reported figures show a 9.2% year-on-year rise in sales to €4,250.1 million, or 6.4% at constant scope of consolidation and exchange rates. Changes in the scope of consolidation made a 4.5% growth contribution, while exchange rates had a negative impact of 1.7%.

This growth reflects Legrand sales teams' determination to strengthen its market positions in 2011, as well as the group's enhancement of positions in many countries and segments.

Effect of basis for comparison

At constant scope of consolidation and exchange rates, sales in the second half of the year were affected by the reversal in the favorable basis for comparison observed in the first half which had a negative impact in particular in Europe.

Changes in sales at constant scope of consolidation and exchange rates by geographical region

	2011 / 2010	4th quarter 2011 / 4th quarter 2010
France	+5.6%	+2.7%
Italy	+4.2%	-2.3%
Rest of Europe	+5.6%	+2.2%
United States/Canada	+3.6%	+2.4%
Rest of the World	+10.4%	+11.5%
Total	**+6.4%**	**+4.6%**

- **France:** Sales rose 5.6%, driven by very robust performances in digital infrastructures and wire-mesh cable management, as well as strong showings in wiring devices, energy distribution and industrial applications. Business also benefited from successful new-product launches, including the Niloé range of wiring devices and the Puissance[3] energy distribution offering. Moreover, Legrand enhanced its sales organization, opening a new showroom in the Paris region and inaugurating the “Lab by Legrand” in Paris, where individuals, architects, decorators, distributors and electrical contractors can experience the group’s high-end wiring devices in a unique setting.

- **Italy:** Sales were up 4.2% in a sluggish market, driven by robust sales in cable management, industrial applications, energy-performance systems and the newly launched Living&Light ranges of wiring devices. As noted, second-half growth was impacted by the reversal of the particularly favorable basis for comparison effect observed in the first half of the year. The group also opened a new concept store in Milan an innovative, interactive setting that offers a direct experience of Bticino’s many applications and solutions.

- **Rest of Europe:** Sales rose 5.6% for the region as a whole, reflecting very good performances in Russia, Turkey, and Eastern Europe. Combined with strong showings in Austria and Switzerland, these increases offset declining sales in Southern Europe. More generally, new economies account for nearly half of business in this region.

- **United States/Canada:** Sales rose 3.6%, with strong showings overall and particularly in wiring devices and highly energy-efficient lighting controls. These performances were driven by renovation business and dynamic sales teams, whereas the new-construction market continued to lag well below historic levels.

- **Rest of the World:** The group continued to post strong sales growth in new economies, with excellent showings in China, India, the United Arab Emirates, Saudi Arabia, Chile and Peru. Overall sales for the region were up 10.4%.

Strong growth in and an increased contribution from new economies: Overall, sales in new economies grew nearly 18% for the year, or more than 14% at constant scope of consolidation and exchange rates, reflecting Legrand teams’ determination to strengthen its market positions in 2011. Strong performances in Russia, India and China—but also in Turkey, Chile, Peru, Saudi Arabia and the United Arab Emirates—underscored the robust trends in these fast-growing markets.
In ten years, the proportion of Legrand’s sales in new economies has more than doubled to reach 35% of total sales in 2011, as announced, with front-runner positions in 27 countries.

Mature countries: Sales in mature countries benefited from strong showings in digital infrastructures and energy-performance activities, and from residential renovation businesses doing reasonably well. In most countries, new residential and commercial markets have not yet rebounded, and overall sales volumes on construction markets are still around 20% below pre-crisis levels on average.[1]

Vigorous expansion on new business segments: For the year as a whole, digital infrastructures, energy-performance activities, home systems and wire-mesh cable management posted growth of nearly 32%, or 13% at constant scope of consolidation and exchange rates—a performance that confirms the resilience of growth in these new segments, buoyed by powerful changes in technology and society. In 2011, they accounted for nearly 22% of Legrand’s sales, up from 10% a decade ago.

[1] Source: Global Insight

Innovation and new product launches

In 2011 Legrand actively pursued its strategy for innovation, with R&D spending representing nearly 5% of sales. New products accounted for more than half of its investments and 38% of revenues. As part of this strategy, the group launched a large number of new products including:

- major new wiring-device ranges for the international market—Living&Light, Niloé, and Matix;
- dedicated wiring-device ranges—Yi Pin and K2 in China, Myrius in India, Titanium in the US, Newden in South Korea, Zuli in Brazil and Excel Life in Australia;
- the first iPad applications designed to control My Home residential systems;
- the Puissance^3 energy distribution offering in France, soon to be deployed on international markets, including DPX^3 protection systems for commercial buildings, which integrate in particular measurement of energy consumption, the new DX^3 modular program and the XL^3 125 cabinet;
- new LCS^2 and Ortronics enclosures for digital infrastructures;
- new cable management lines for low-end market segments in Turkey and Russia;
- Watt Stopper's energy-efficient Digital Lighting Management solutions in the United States.

The group's policy of innovation will continue in 2012.

Continued external growth

Legrand has actively pursued its strategy of targeted, self-financed acquisitions of small and mid-size companies offering high growth potential and strong market positions. In 2011 the group acquired five companies with total annual sales of over €200 million. These companies are positioned in fast-growing markets such as new economies (48% of sales) and new business segments (84% of sales).
Consolidation of all acquisitions made between April and December 2011 will already contribute 2.6% to growth in consolidated sales in 2012.

Strong cash generation, sound balance sheet and renewed financing

Thanks to sound operational performance in line with objectives and good control of capital employed, free cash flow totaled €522.7 million for the year, or 12.3% of sales, allowing the group to fully self-finance its internal and external growth.
Based on a constant ratio of working capital requirements to revenues, free cash flow stood at about 13% of sales in 2011 and 2010.

Over the past two years, Legrand has also continued to diversify its sources of financing and extend the maturity of its debt, thus reinforcing its already strong balance sheet structure. Following two successful bond issues representing €300 million and €400 million, maturing in February 2017 and March 2018 respectively, the group renewed the revolving facility of its syndicated loan for a total amount of €900 million in the second half of 2011, extending its initial maturity by a maximum of six years.

Legrand joins CAC 40 index

Since April 2006, when Legrand returned to listing, its share price has risen 34% (compared with a 35% decline for the CAC 40). At the same time, the weight of its float has more than quadrupled to account for 84% of total shares. This healthy stock performance, gradual increase in float and regular increase in the stock's liquidity resulted in Legrand becoming a CAC 40 component stock in December 2011.

PRESS RELEASE

The Board Meeting which adopted the audited consolidated financial statements for the year ended December 31, 2011 was held on February 8, 2012. Consolidated financial statements, a presentation of 2011 annual results, and the related teleconference (live and replay) are available at www.legrand.com.

Key financial dates

- 2012 first quarter results: **May 4, 2012**
- General Meeting of Shareholders: **May 25, 2012**
- 2012 first-half results**: July 27, 2012**

ABOUT LEGRAND

Legrand is the global specialist in electrical and digital building infrastructures. Its comprehensive offering of solutions for use in commercial, industrial and residential markets makes it a benchmark for customers worldwide. Innovation for a steady flow of new products with high added value and acquisition are prime vectors for growth. Legrand reported sales of over €4.2 billion in 2011. The company is listed on NYSE Euronext and is a component stock of indexes including the CAC40, FTSE4Good, MSCI World, ASPI and DJSI (ISIN code FR0010307819). ***www.legrand.com***

Investor Relations:
Legrand
Francois Poisson
Tel: +33 (0)1 49 72 53 53
Fax: +33 (0)1 43 60 54 92
francois.poisson@legrand.fr

Press relations:
Publicis Consultants
Vilizara Lazarova
Tel: +33 (0)1 44 82 46 34
Mob: +33 (0)6 26 72 57 14
vilizara.lazarova@consultants.publicis.fr