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## Press release

# Schneider Electric reinforces its position in India for data centre racks and enclosures

**Rueil-Malmaison (France), January 7, 2011** – Schneider Electric, the global specialist in energy management, announced today that it has signed an agreement to acquire a majority of the shares in APW President Systems Ltd. which designs and manufactures standard and customized racks and enclosure systems in India, serving in particular information technology and telecom end-users.

APW President Systems Ltd. has approximately 380 employees and generated sales of INR 1.08 billion (approx. €18 million) for the twelve months ending September 30, 2010. The Company has manufacturing facilities at Pune and Bangalore and has a broad customer base with sales and marketing offices across India.

This acquisition is another milestone in Schneider Electric's development in India. With APW President Systems Ltd., Schneider Electric is well positioned to capture opportunities in the fast growing Indian IT infrastructure market as well as in international markets, particularly in Asia Pacific and Middle East. The Group will also be able to tap the talent pool and increase its solutions execution capabilities from server rooms to extra large data centres.

Laurent Vernerey, Executive Vice-President of Schneider Electric's IT Business commented: "*APW President Systems Ltd brings to us the expertise to customize racks and enclosures for our global data centre customer base. With this acquisition, Schneider Electric becomes a leading Indian player in integrated data center infrastructure solutions and further accelerates its development in the domain of data centres.*"

Schneider Electric proposes to acquire shares representing a maximum of 75% of the share capital of the company by acquiring a minimum of 55% of the share capital from the promoter shareholders of APW President Systems Ltd. and up to 20% of the share capital of the company pursuant to a mandatory open offer to be made to the other shareholders. Depending on the response to the open offer, additional shares can be acquired from the promoter shareholders, provided that the total number of shares acquired from the promoter shareholders, together with the shares acquired under the open offer do not exceed 75% of the share capital of the company. The maximum price payable by Schneider Electric for the shares to be acquired from the promoter shareholders is INR 195 per share (approx. €3.25 per share), which translates to INR 622 million (approx € 10 million) for 55% of shares from promoter shareholders. Pursuant to the open offer, the cost to acquire up to 20% of the share capital will be in accordance with applicable Indian law.

The completion of the transaction is subject to regulatory approvals and satisfaction of conditions precedent. This acquisition is expected to meet Schneider Electric's Return on Capital Employed criteria.

**Investor Relations:**  
Schneider Electric  
Carina Ho

Phone : +33 (0) 1 41 29 83 29  
Fax : +33 (0) 1 41 29 71 42  
www.schneider-electric.com  
ISIN : FR0000121972

**Press Contact:**  
Schneider Electric  
Véronique Roquet Montegon

Phone : +33 (0)1 41 29 70 76  
Fax : +33 (0)1 41 29 88 14

**Press Contact:**  
DGM  
Michel Calzaroni  
Olivier Labesse

Phone : +33 (0)1 40 70 11 89  
Fax : +33 (0)1 40 70 90 46

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### About Schneider Electric

As a global specialist in energy management with operations in more than 100 countries, Schneider Electric offers integrated solutions across multiple market segments, including leadership positions in energy and infrastructure, industrial processes, building automation, and data centres/networks, as well as a broad presence in residential applications. Focused on making energy safe, reliable, and efficient, the company's 100,000 plus employees achieved sales of 15.8 billion euros in 2009, through an active commitment to help individuals and organizations "Make the most of their energy".

[www.schneider-electric.com/company](http://www.schneider-electric.com/company)

### Safe Harbor

Statements contained in this press release regarding future events or actions and all other statements in this announcement other than recitation of historical facts are forward-looking statements. Statements contained in this press release regarding the benefits of the acquisition, the business outlook, the demand for the products and services, and all other statements in this release other than recitation of historical facts are forward-looking statements. Words such as "expect", "estimate", "project", "budget", "forecast", "anticipate", "intend", "plan", "may", "will", "could", "should", "believes", "predicts", "potential", "continue", and similar expressions are intended to identify such forward-looking statements. Forward-looking statements in this announcement involve known and unknown risks, uncertainties and other factors that may cause actual results, levels of activity, performance or achievements of events or actions to differ materially from results expressed or implied by this press release. Forward-looking statements in this press release include, without limitation, forecasts of market growth, future revenues, benefits of the proposed acquisition, expectations that the acquisition will be accretive to the results, future expectations concerning growth of business, cost competitiveness and expansion of global reach following the acquisition, and other matters that involve known and unknown risks, uncertainties and other factors that may cause actual results, levels of activity, performance or achievements to differ materially from results expressed or implied by this press release. Such risk factors include, among others: difficulties encountered in integrating businesses; uncertainties as to the timing of the acquisition; the satisfaction of the closing conditions to the transaction, including the receipt of regulatory approvals; whether certain market segments grow as anticipated. Actual results may differ materially from those contained in the forward-looking statements in this press release. This press release is not an offer to purchase or the solicitation of an offer to sell shares of APW President. Any offers to purchase or solicitation of offers to sell will be made only pursuant to a formal offer made in accordance with Indian Takeover regulations as applicable to public listed companies. Shareholders are strongly advised to read the terms of the offer carefully when they are available because they will contain important information. Neither the offer to purchase will be made to, nor will tenders pursuant to the offer to purchase be accepted from or on behalf of, holders of shares in any jurisdiction in which making or accepting the offer to purchase would violate that jurisdiction's laws.

**Investor Relations:**  
**Schneider Electric**  
**Carina Ho**

Phone : +33 (0) 1 41 29 83 29  
Fax : +33 (0) 1 41 29 71 42  
[www.schneider-electric.com](http://www.schneider-electric.com)  
ISIN : FR0000121972

**Press Contact:**  
**Schneider Electric**  
**Véronique Roquet Montegon**

Phone : +33 (0)1 41 29 70 76  
Fax : +33 (0)1 41 29 88 14

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Phone : +33 (0)1 40 70 11 89  
Fax : +33 (0)1 40 70 90 46