Schneider Electric

Advancing Energy Tech

## Half Year 2026 Results

# Record H1 driven by strong execution and broad-based demand

# Full Year Target upgraded

**Rueil-Malmaison (France), July 30, 2026**

## Financial Highlights

- **Q2'26 revenues up +17% organic to €11.5 billion, a record high quarter**
  - **Strong growth in Energy Management, up +18% organic**
  - **Acceleration in Industrial Automation, up +11% organic**
  - **Growth led by North America up +23% org. and China & East Asia up +20% org.**
  - **Strong demand across all end-markets, led by Data Center**
- **Record H1 Group revenues of €21.2 billion, up +14% organic**
- **Record H1 Adj. EBITA of €4.1 billion, up +22% organic**
- **Strong progression in adj. EBITA margin of +120bps org., reaching 19.3%**
- **Net Income of €2.5 billion, up +30%**
- **Free Cash Flow of €1.6 billion, up +244%[1]**
- **Ranked as World's Most Sustainable Company for 3rd consecutive year[2]**
- **Sustainability Impact 2030 program underway, reaching a score of 3.69**
- **2026 Financial Target upgraded**

| Key figures (€ million) | 2025 H1 | 2026 H1 | Reported Change | Organic Change |
|---|---|---|---|---|
| Revenues | 19,336 | 21,226 | +9.8% | +14.0% |
| Adjusted EBITA | 3,510 | 4,093 | +16.6% | +22.1% |
| *% of revenues* | *18.2%* | *19.3%* | *+110bps* | *+120bps* |
| Net Income (Group share) | 1,913 | 2,488 | +30.1% | |
| Free Cash Flow | 474 | 1,631 | +244.1%[1] | |
| Adjusted Earnings Per Share[3] (€) | 3.97 | 4.79 | +20.7% | +28.5% |

Olivier Blum, Chief Executive Officer, commented:

*"Our record first-half revenues, adjusted EBITA margin and free cash flow reflect the consistent and disciplined execution of our new company program launched in Q4 2025. Backed by sustained demand across end markets and the strength of our uniquely balanced portfolio, we delivered another strong set of results, including growth across all geographies. While demand in Data Centers remained at a very high level, Energy Management delivered broad-based growth in H1 across all end markets, reflecting the diversity of its segment exposure. Industrial Automation gained further momentum, supported by improving trends across both Discrete and Process Automation.*

*1. +140% when adjusted for the one-time impact of a fine paid in relation to a legal case in France in H1 2025.*
*2. By TIME magazine and Statista, June 2026.*
*3. See appendix Adjusted Net Income & Adjusted EPS.*

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*We are advancing Energy Tech through disciplined capital allocation. The proposed acquisitions of Cognite and AiDASH strengthen our AI-native capabilities, further enhancing our ability to connect the physical and digital worlds through Energy & Industrial Intelligence in open and diverse ecosystems.*

*Supported by strong demand in Electrification, Automation and Digital solutions across businesses and geographies, a record backlog, and the disciplined execution of our company program, we are upgrading our 2026 target and reaffirm our confidence in our ability to create long-term value."*

## I. SECOND QUARTER REVENUES WERE UP +17% ORGANIC

2026 Q2 revenues were €11,459 million, up +16.5% organic and up +14.5% on a reported basis.

**Q2 2026 PERFORMANCE BY BUSINESS MODEL**

**Products** (47% of Q2 revenues) grew +13% organic in Q2. While the majority of growth came from volume, price contribution increased sequentially vs. Q1 as expected, with the realization of price increases passed proactively at the start of the year accelerating through the quarter, and with further price actions taken in Q2. Product revenues grew double-digit in Energy Management, with strong growth in electrical power distribution across all four end-markets and geographies. Product revenues in Industrial Automation also grew double-digit, as the recovery in Discrete automation accelerated in Q2, driving strong growth across multiple product categories among broad-based growth in both the Industry and Infrastructure end-markets.

**Systems** (35% of Q2 revenues) grew +28% organic in Q2. Energy Management was up strong double-digit, where the Data Center end-market continues to lead the growth, with prefabricated solutions, cooling technologies and 3-phase UPS all seeing significant growth. Outside of Data Center, the Infrastructure and Buildings end-markets also made good contributions to growth. Industrial Automation systems sales grew mid-single digit, including growth in both Discrete and Process & Hybrid automation. In Discrete automation markets, there was good growth with industrial OEMs while Process & Hybrid markets saw strong growth against a low base of comparison, as the improved demand seen since H2'25 began to translate into sales growth.

**Software & Services** (18% of Q2 revenues) grew +6% organic in Q2, of which Software & Digital Services (8% of Q2 revenues) grew +7% organic and Field Services (10% of Q2 revenues) grew +5% organic.

Agnostic Software (comprising AVEVA, ETAP and RIB Software)

AVEVA delivered strong growth in Annualized Recurring Revenue (ARR), up +11% as of June 30, 2026 led by upsell to existing customers supported by new logo wins including in Power & Grid (P&G), Transportation, Energy & Chemicals (E&C), Paper & Packaging (P&P) and discrete manufacturing. High-single digit organic revenue growth was mainly driven by strong growth in subscription, with cloud-based SaaS growing at a faster rate than on-premise rental. Subscription revenues continue to advance as a proportion of total revenues as AVEVA nears completion of its transition away from a perpetual license model.

Energy Management agnostic software offers (ETAP and RIB Software) were around flat in the quarter against a double-digit base of comparison, as they continued their transition to a subscription-based model. ETAP saw strong growth in on-premise subscription revenues, while perpetual license revenues declined, as expected. ETAP continues to see strong traction with customers for multi-year subscription, driving an increased proportion of recurring revenues. RIB Software also saw strong growth in subscription revenues (both on-premise and SaaS), while perpetual license revenues declined.

Services (comprising Digital and Field Services offers) grew mid-single digit organic in Q2

Field Services grew +5% organic in Q2 against a double-digit base of comparison, with mid-single digit growth in both Energy Management and Industrial Automation. In Energy Management, growth was led by installation & commissioning services, linked to continued strong momentum in the Data Center end-market, partly offset by weakness in the Group's efficiency and sustainability program offers.

Digital Services delivered high-single digit organic growth in Q2 driven by strong growth in EcoStruxure advisors, including power monitoring offers and condition-based maintenance through EcoCare. Digital offers for Grid customers and workplace management solutions at Planon supported growth, partly offset by performance in sustainability advisory offers.

## Q2 2026 PERFORMANCE BY END-MARKET

Schneider Electric sells its integrated portfolio into four end-markets: Data Center & Networks, Buildings, Industry and Infrastructure, leveraging the unique combination of Energy Management and Industrial Automation complementary offers and technologies supported by the focus on electrification, automation and digitalization to enable a sustainable future.

• **Data Center & Networks** – The Data Center & Networks end-market continues to see sustained high demand, up triple-digit in Q2. In the pure Data Center segment, there was strong traction for both AI-enabled and traditional cloud infrastructures across hyperscale, co-location, sovereign and regional operators. While triple-digit demand in the pure Data Center segment was broad-based with strength in all four regions, North America remained strongest, as expected, and with notable contribution from China & East Asia. Sales in Data Center & Networks grew strong double-digit in the quarter, driven by the pure Data Center segment, while Distributed IT sales were up low-single digit, with an improving demand trend in the segment.

• **Buildings** – The Buildings end-market saw a second consecutive quarter of strong demand. Demand was driven by both the Non-residential and Residential segments. Non-residential demand was strongest in technical buildings, including Healthcare, Public administration and Real Estate. Residential demand accelerated sequentially in Q2 and was strongest in India. Sales into the Buildings end-market saw strong growth, led by Non-residential in Europe. Residential also grew though varied by geography, with India remaining strong and Europe improving, while the U.S. and China remained negatively impacted as macroeconomic and interest-rate uncertainties continue to weigh on consumer sentiment.

• **Industry** – Demand in the Industry end-market was strong. In particular, strong demand in Hybrid automation was driven by the Semiconductor segment, which was up triple-digit, led by China & East Asia and North America, with the Group benefitting from the complementary strengths of its Energy Management and Industrial Automation portfolio. In Discrete automation the recovery continued, with strong demand overall led by India and the U.S. and with sustained momentum in China & East Asia. Process automation markets saw strong demand supported by momentum in E&C, including in the Middle East, and in Metals, Mining & Minerals (MMM). Sales in the Industry end-market were strong, led by the Semiconductor segment and sales of Industrial Automation offers into Discrete industries, while Process industries returned to growth.

• **Infrastructure** – The Infrastructure end-market saw strong demand, led by the P&G and Transportation segments. The P&G segment continued to benefit from electrification, connection of renewable projects to the grid and growing distribution requirements across multiple geographies, supported by traction in the Group's $SF_6$-free technologies. There was good momentum in the Transportation segment, with strong demand across several geographies. In Water & Wastewater (WWW), demand was slightly down against a strong base of comparison. Infrastructure sales grew strongly, driven by the P&G and Transportation segments.

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## Q2 2026 PERFORMANCE BY BUSINESS AND GEOGRAPHY

The breakdown of revenue by business and geography was as follows:

| Region | Q2 2026 | | | H1 2026 | | |
|---|---|---|---|---|---|---|
| | Revenues € million | Reported Growth | Organic Growth | Revenues € million | Reported Growth | Organic Growth |
| North America | 4,174 | +21.0% | +24.8% | 7,545 | +14.8% | +20.7% |
| Europe | 2,178 | +7.3% | +7.8% | 4,188 | +8.3% | +8.4% |
| China & East Asia | 1,565 | +19.7% | +19.7% | 2,865 | +14.6% | +18.7% |
| South Asia & International | 1,677 | +9.1% | +13.2% | 3,043 | +3.0% | +10.4% |
| **Total Energy Management** | **9,594** | **+15.3%** | **+17.7%** | **17,641** | **+11.0%** | **+15.4%** |
| North America | 402 | +6.0% | +7.7% | 767 | -0.4% | +5.4% |
| Europe | 570 | +8.7% | +8.2% | 1,117 | +6.9% | +6.9% |
| China & East Asia | 493 | +21.1% | +19.6% | 931 | +8.9% | +12.3% |
| South Asia & International | 400 | +5.6% | +8.8% | 770 | -0.5% | +6.2% |
| **Total Industrial Automation** | **1,865** | **+10.4%** | **+11.0%** | **3,585** | **+4.1%** | **+7.7%** |
| North America | 4,576 | +19.5% | +23.1% | 8,312 | +13.2% | +19.1% |
| Europe | 2,748 | +7.6% | +7.9% | 5,305 | +8.0% | +8.1% |
| China & East Asia | 2,058 | +20.1% | +19.7% | 3,796 | +13.1% | +17.1% |
| South Asia & International | 2,077 | +8.4% | +12.3% | 3,813 | +2.3% | +9.6% |
| **Total Group** | **11,459** | **+14.5%** | **+16.5%** | **21,226** | **+9.8%** | **+14.0%** |

**North America** (40% of Q2 revenues) grew +23.1% organic in Q2, primarily driven by volume but with an accelerating contribution from price, as expected.

Energy Management grew +24.8% organic. The U.S. grew strong double-digit, led by momentum in the Data Center segment, with very strong growth in prefabricated solutions, cooling and UPS offers, particularly with hyperscale and other large colocation customers. Industry and Infrastructure were down overall, though growth was contrasted across segments, with strong traction in Semiconductor and E&C, and with P&G stable. Buildings, which grew overall, remained contrasted between solid growth in Non-residential, while Residential continued to be weak. Canada grew double-digit, primarily driven by continued strength in Data Center across both colocation and emerging AI-related investments. Mexico remained impacted by macroeconomic and trade uncertainty that began in Q2 2025, declining mid-single digit, representing an improvement when compared to the sharp declines of previous quarters, due to distributor stock normalization and the lower base of comparison.

Industrial Automation grew +7.7% organic. The U.S. delivered good growth, up mid-single digit against a modest base of comparison, mainly driven by strong momentum in Discrete Automation including activity through e-Commerce and with Data Center customers. Process & Hybrid returned to growth, led by customers in the E&C and P&P segments. Canada grew double-digit, led by customers in E&C and transportation segments, alongside positive momentum in Services. Mexico was up double-digit against a low base of comparison, supported by sales of drives for customers in the Consumer Packaged Goods and WWW segments.

**Europe** (24% of Q2 revenues) grew +7.9% organic in Q2.

Energy Management grew +7.8% organic. Growth was led by the Infrastructure end-market, notably with strong momentum in Grid modernization and digitalization to enable the energy transition across the region. Buildings delivered strong growth, driven by Non-residential and supported by further improvement in Residential. Sales in Data Center declined, with several countries having seen strong project execution in Q2'25, though market momentum continues to improve. By country, growth was led by Italy, up double-digit, and supported by Germany, up high-single digit, with both seeing strong growth in Infrastructure. France, the U.K. and Spain each delivered mid-single digit growth, driven by Non-residential buildings and the P&G segment. There was high-single digit growth in aggregate across the rest of the region, led by the Netherlands and Central & Eastern Europe, driven by Data Center project execution and growth in the Buildings end-market.

Industrial Automation grew +8.2% organic, led by strong double-digit growth at AVEVA, which saw renewals of several multi-year subscription contracts (both on-premise and SaaS), notably in Sweden, Italy, Netherlands and Spain. Sales into Discrete automation markets grew mid-single digit, while Process & Hybrid markets saw low-single digit growth. Spain and Italy both grew double-digit, supported by AVEVA, with Italy also benefitting from strong growth in Discrete Automation. Germany and the U.K. delivered high-single digit growth, with Germany seeing growth in both Discrete and Process & Hybrid automation, while performance in the U.K. was driven by AVEVA. France was down low-single digit, reflecting timing of renewals at AVEVA and continued weakness in Process & Hybrid markets, partly offset by solid growth in Discrete Automation. The rest of Europe grew double-digit in aggregate.

**China & East Asia** (18% of Q2 revenues) grew +19.7% organic in Q2.

Energy Management grew +19.7% organic. China grew double-digit led by Data Center, across large customers in social media, e-commerce and technology providers. Strong growth in Industry was led by Semiconductor, while Infrastructure saw good momentum in renewable power generation, including increased traction for Direct Current offers. The Buildings end-market remains challenged, particularly in Residential, though exposure is now relatively limited. East Asia grew strong double-digit, driven by strength in Data Center and Semiconductor. Growth was led by Indonesia and Malaysia, benefitting from execution on data center projects, which also drove growth in Thailand and Japan. Singapore saw strong and broad-based growth, while several countries saw growth linked with Semiconductor.

Industrial Automation grew +19.6% organic, led by strong double-digit growth in Discrete automation, supported by growth in Process & Hybrid markets and solid performance at AVEVA. China was up strong double-digit, primarily due to growth in Discrete automation markets, which accelerated in the quarter with strong traction in the Packaging and Material Handling segments and with customers serving export markets. East Asia grew double-digit, with Japan seeing strong growth in Semiconductor and more generally from the recovery in Discrete automation, while Korea benefitted from a contract renewal at AVEVA in the Transportation segment.

**South Asia & International** (18% of Q2 revenues) grew +12.3% organic in Q2. The Middle East (which represented less than 5% of 2025 revenues) showed resilience and grew mid-single digit in Q2, despite conflict-related headwinds.

Energy Management grew +13.2% organic. India grew strong double-digit, with strong contributions from across all four end-markets, including backup power and storage for residential markets which contributed strongly to growth. Australia was up strong double-digit, driven by Data Center project execution. Middle East & Africa grew low-single digit in an environment of heightened geopolitical and macroeconomic tensions, driving increased uncertainty in the Middle East, while Africa faced a high base of comparison from project execution in the prior year. South America was up mid-single digit, driven by project execution in the P&G segment, while product sales declined.

Industrial Automation grew +8.8% organic. India grew strong double-digit, driven by Discrete automation, due to strategic initiatives including offer platforming and good traction with channel partners. Australia was up high-single digit, driven by strength at AVEVA. The Middle East & Africa was around flat, in an environment of heightened geopolitical and macroeconomic tensions, driving increased uncertainty. South America was down slightly overall, with both Discrete and Process & Hybrid automation around flat, and with AVEVA down slightly due to timing of renewals.

## SCOPE[4] AND FOREIGN EXCHANGE[5] IMPACTS IN Q2

In Q2, net acquisitions/disposals had an impact of **-€61 million** or **-0.6%** of Group revenues, mainly reflecting the consolidation of Motivair into Schneider Electric financials from Q2'25 and the impact of some small disposals. Effective from Q2'26, Motivair now forms part of the organic performance of Energy Management and the Group.

Based on transactions completed to-date, the Scope impact on FY 2026 revenues is estimated to be **around flat**. The Scope impact on adjusted EBITA margin for FY 2026 is estimated to be **around flat**.

In Q2, the impact of foreign exchange fluctuations was negative at -**€124 million** or **-1.2%** of Group revenues, mostly driven by the weakening of the U.S. Dollar and the Indian Rupee against the Euro, partly offset by the strengthening of the Chinese Yuan against the Euro.

Based on current rates[6], the FX impact on FY 2026 revenues is estimated to be **between -€400 million to -€500 million**. The FX impact at current rates on adjusted EBITA margin for FY 2026 could be **around flat**.

*4. Changes in scope of consolidation also include some minor reclassifications of offers among different businesses.*
*5. For those currencies meeting the criteria to be considered hyperinflationary under IAS 29, such as Argentina and Türkiye, an IFRS technical adjustment for hyperinflation impact is reflected as FX and therefore excluded from the organic growth calculation. The effect of operational actions taken in these countries such as increased pricing to mitigate the inflationary impact is reflected as part of the organic growth.*
*6. Forward exchange rates are volatile and difficult to predict. Consequently, the impact of such movement and possible impacts from hyperinflation technical accounting (IAS29) are not factored at this stage.*

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## II. HALF YEAR 2026 KEY RESULTS

| € million | 2025 H1 | 2026 H1 | Reported change | Organic change |
|---|---|---|---|---|
| **Revenues** | **19,336** | **21,226** | **+9.8%** | **+14.0%** |
| **Gross Profit** | **8,202** | **9,014** | **+9.9%** | **+14.2%** |
| *Gross profit margin* | *42.4%* | *42.5%* | *+10bps* | *+10bps* |
| **Support Function Costs** | **(4,692)** | **(4,921)** | **+4.9%** | **+8.3%** |
| *SFC ratio (% of revenues)* | *-24.3%* | *-23.2%* | *+110bps* | *+110bps* |
| **Adjusted EBITA** | **3,510** | **4,093** | **+16.6%** | **+22.1%** |
| *Adjusted EBITA margin* | *18.2%* | *19.3%* | *+110bps* | *+120bps* |
| Other operating income & expenses | 9 | (147) | | |
| Restructuring costs | (63) | (127) | | |
| **EBITA** | **3,456** | **3,819** | **+10.5%** | |
| Amortization & impairment of purchase accounting intangibles | (233) | (206) | | |
| **Net Income (Group share)** | **1,913** | **2,488** | **+30.1%** | |
| **Adjusted Net Income (Group share)**[7] | **2,228** | **2,696** | **+21.0%** | **+28.8%** |
| **Adjusted EPS**[7] (€) | **3.97** | **4.79** | **+20.7%** | **+28.5%** |
| **Free Cash Flow** | **474** | **1,631** | **+244.1%**[8] | |

**ADJUSTED EBITA MARGIN AT 19.3%, UP +120BPS ORGANIC, DRIVEN BY INDUSTRIAL PRODUCTIVITY AND STRONG OPERATING LEVERAGE AS GROUP EXECUTES ON OPERATIONAL EXCELLENCE PILLAR**

**Gross profit** was up **+14.2%** organic with Gross margin up **+10bps** organic, to be at **42.5%** in H1. Gross margin benefitted from strong Industrial Productivity, an accelerating contribution from gross pricing on products and some tariff refunds received at the end of H1, while negatively impacted by raw material cost inflation and tariff charges. Mix also adversely impacted the Gross margin, given the relative strength of Systems growth, though this dilution is mitigated at the adjusted EBITA level.

H1 Adjusted EBITA reached **€4,093 million**, increasing organically by **+22.1%** and the Adjusted EBITA margin expanded by **+120bps** organic to **19.3%** primarily as a consequence of the strong operating leverage, while Gross Margin saw a small positive evolution. SFC costs decreased as a percentage of revenues by +110bps to 23.2%, with a positive organic evolution of +110bps as the Group executed on the operational excellence pillar of its new company program.

Overall investment in R&D, including in cost of goods sold and support function costs, remained stable at 5.8% of H1 revenues, representing around €1.2 billion investment in innovation during H1, up 13.6% organic.

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*7. See appendix Adjusted Net Income & Adjusted EPS.*

*8. +140% when adjusted for the one-time impact of a fine paid in relation to a legal case in France in H1 2025.*

The key drivers contributing to the earnings change were the following:

| € million | Adj. EBITA | YoY change | Comments |
|---|---|---|---|
| **Adj. EBITA H1 2025** | **3,510** | | |
| **Volume impact** | | **+987** | Positive impact from higher sales volumes. |
| **Industrial productivity** | | **+535** | The Group's industrial productivity was +€535m in H1 showing a strong improvement against a low base of comparison year-over-year, but also demonstrating good sequential progression vs. H2'25. The strong result was driven by technical productivity, supplier negotiation and labor productivity from prior capacity investments. The Group will face a more challenging base of comparison in H2. |
| **Net price[9]** | | **-154** | The net price impact was negative at -€154m in H1. Gross pricing on products accelerated in Q2 to reach +€280m in H1, while in total, RMI was a headwind at -€330m, linked with the higher price of copper and silver. Net tariff impacts were -€104m. |
| *Gross pricing on products* | | *+280* | |
| *Raw Material Impact* | | *-330* | |
| *Net tariff impact* | | *-104* | |
| **Cost of Goods Sold inflation** | | **-31** | Cost of Goods Sold inflation was -€31m in H1, of which the production labor cost and other cost inflation was -€56m, and a decrease in R&D in Cost of Goods Sold was +€25m. |
| *Production labor cost and other cost inflation* | | *-56* | |
| *R&D in Cost of Goods Sold* | | *+25* | |
| **Support function costs** | | **-377** | Support Function Costs increased organically by -€377m, or +8.3% org. in H1. The Group was impacted by inflation for -€129m and made strategic investments of -€160m mainly linked to R&D including Software & Digital Services innovation, digital and AI-enabled transformation. The Group delivered +€182m of cost savings, mainly relating to headcount. Other cost increases of -€271m consisted of impact from bonus accruals and miscellaneous small items. |
| **Mix** | | **-148** | H1 performance resulted in an adverse mix effect of -€148m mainly due to the relatively faster growth of Systems revenues compared to Products and Software. |
| **Foreign currency impact[10]** | | **-173** | The impact of FX was to decrease the adjusted EBITA by -€173m, or around -20bps of adj. EBITA margin in H1. |
| **Scope and Others** | | **-56** | Scope & others was -€56m in H1, with net Scope impacts representing a +10bps adj. EBITA margin tailwind. Others consisted of miscellaneous small items. |
| **Adj. EBITA H1 2026** | **4,093** | | |

*9. Price on products, total raw material impact and tariffs.*

*10. For those currencies meeting the criteria to be considered hyperinflationary under IAS 29, such as Argentina and Turkey, an IFRS technical adjustment for hyperinflation impact is reflected as FX and therefore excluded from the organic growth calculation. The effect of operational actions taken in these countries such as increased pricing to mitigate the inflationary impact is reflected as part of the organic growth.*

The H1 2026 adjusted EBITA for each business was as follows:

- **Energy Management** generated an adjusted EBITA of **€3,957 million**, or **22.4%** of revenues, up c.+100bps organically (up +90bps reported). Gross Margin improved slightly, where strong industrial productivity and gross pricing on products more than offset raw material inflation, net tariff charges and negative mix. SFC/Sales ratio showed strong improvement, delivering leverage on a strong volume contribution.

- **Industrial Automation** generated an adjusted EBITA of **€501 million**, or **14.0%** of revenues, up c.+50bps organically (up +30bps reported). Gross Margin was down slightly, where strong industrial productivity, gross pricing on products and positive mix, was not sufficient to fully offset raw material inflation and net tariff charges. SFC/Sales ratio showed good improvement, delivering leverage on a good volume contribution, combined with strategic initiatives as outlined at CMD.

- **Central Costs** in H1 2026 amounted to **€365 million** (€373 million in H1 2025), decreasing to 1.7% of Group revenues (from 1.9% of Group revenues in H1 last year).

- **ADJUSTED NET INCOME UP +29% ORGANIC**

| € million | 2025 H1 | 2026 H1 | Comments |
|---|---|---|---|
| **Adj. EBITA** | **3,510** | **4,093** | |
| Other operating income and expenses | 9 | (147) | Other operating income and expenses were -€147m in H1, primarily consisting of an impairment of capitalized development costs resulting from the decision to simplify the Industrial Automation offer range and some M&A and integration costs. H1'25 included a gain on Qmerit minority buyout, partly offset by M&A and integration costs. |
| Restructuring costs | (63) | (127) | Restructuring costs were -€127m in H1, €64m higher than H1'25, aligned with the expectation of incremental charges to drive operational excellence as previously communicated. |
| Amortization and impairment of purchase accounting intangibles | (233) | (206) | Amortization and impairment of intangibles linked to acquisitions was -€206m in H1, €27m lower than H1'25 due to certain intangible assets from prior acquisitions becoming fully amortized. |
| Net financial income/(loss) | (248) | (286) | Net financial expenses were -€286m in H1, €38m higher than H1'25, mainly driven by higher cost of debt associated with bond issuance in 2025. |
| Income tax expense | (714) | (799) | Income tax amounted to -€799m, higher than last year by €85m. The Effective Tax Rate was 24.0%, in line with the expected range of 23-25% for FY26, and in line with the 24.0% ETR in H1'25. |
| Profit/(loss) of associates and non-controlling interests | (74) | (40) | Share of profit of associates decreased to +€20m, down -€3m compared to H1'25. Amounts attributable to non-controlling interests decreased to -€60m compared to -€97m in H1'25, mainly due to taking 100% ownership of Schneider Electric India Private Limited in Dec'25. |
| Impairment of investments in associates | (274) | - | Nil in H1'26. H1'25 represented a non-cash impairment charge against the carrying value of the investment in Uplight. |
| **Net Income (Group share)** | **1,913** | **2,488** | Net Income (Group share) was €2,488m in H1, up +30% vs. last year. |
| **Adjusted Net Income (Group share)[11]** | **2,228** | **2,696** | Adjusted Net Income (Group share) was €2,696m in H1, up +21% vs. H1'25 and up +29% at constant currency. |

11. *See appendix Adjusted Net Income & Adjusted EPS.*

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- **FREE CASH FLOW OF €1.6 BILLION**

The Group delivered Free Cash Flow of **€1,631 million** in H1, up 244%[12] vs. H1'25

Operating cash flow was strong at €3,755 million, up +€811 million vs. H1'25 primarily due to the strong growth in EBITDA.

Net capital expenditure decreased to -€669 million (€48 million lower than in H1'25) representing around 3.2% of revenues, with 2.3% relating to net tangible capex and 0.9% to intangible capex (mainly capitalized development costs).

Total R&D cash costs (in operating cash flow and intangible capex) amounted to €1,235 million, declining slightly as a percentage of revenues to 5.8% due to capex timing.

Trade working capital buildup impacted the free cash flow in H1 by -€1,208 million (compared to -€976 million in H1'25). The year-over-year variance is explained by DSO evolution 4 days adverse in H1'26 due to some factoring undertaken at H1'25. DPO evolution was 1 day adverse, while DIN evolution was stable, reflecting the expected inventory build in H1 of both years.

Non-trade working capital impacted the free cash flow in H1 by -€247 million (compared to -€777 million in H1'25) with the year-on-year variance due to a fine of -€207 million paid in H1'25 in relation to a previously disclosed legal case in France, and the relative impact of bonus accruals and payments, due to stronger performance in H1'26.

The cash conversion ratio (Free Cash Flow as a percentage of Net Income Group Share) was 66% in H1 2026, compared to an underlying ratio of 31% in the first half of last year (excluding significant non-cash charges and one-time items). As was the case in recent years, the Group expects a higher cash conversion ratio in H2.

- **BALANCE SHEET REMAINS STRONG**

Schneider Electric's net debt at June 30, 2026 amounted to **€15,360 million** (up from €13,721 million at December 31, 2025) after payment of -€2.4 billion to fulfill the 2025 dividend, amounts of -€0.6 billion in relation to share buyback incorporating a cash payment of -€0.2 billion in H1 and a further purchase commitment of -€0.4 billion for H2, offset by the strong Free Cash Flow performance of +€1.6 billion.

The Group remains committed to retaining its A-grade credit ratings, which were recently re-affirmed by S&P Ratings and Moody's following announcement on June 30th of the proposed acquisition of Cognite.

*12. +140% when adjusted for the one-time impact of a fine paid in relation to a legal case in France in H1 2025.*

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## III. SUSTAINABILITY IMPACT 2030

Six months after launching its new sustainability roadmap, Impact 2030, Schneider Electric’s Impact score reached 3.69/10, on track toward the Group’s annual 2026 target of 4.20/10 (10/10 being the 2030 ambition). The score reflects traction across several key programs, combining progress in Schneider Electric’s own operations with scalable outcomes delivered for customers, suppliers and communities, across four strategic pillars.

**Electrifying the World:** Invest in breakthrough solutions and lead the Energy Tech transition by deploying electrification and digitalization, starting with ourselves and scaling for all.

- Schneider Electric continued to decarbonize its operations in H1, with Scopes 1 and 2 $CO_2$ emissions reduced by 82% compared to 2017. Scope 3 emissions were reduced by 12% compared to 2021.
- Schneider Electric's solutions enabled customers to save or electrify 129.5 million MWh[13].
- These continued efforts translated into more than 50 million tonnes of saved and avoided emissions for customers in H1, bringing the cumulative total to 913 million tonnes since 2018. 29% of applicable Schneider Electric software delivered energy and carbon insights to support customer decision-making in H1, reflecting a strong start for this new program, building on the Group's foundational energy intelligence capabilities.

**Reinventing our Industry:** Engage and elevate the entire value chain to set new standards in the industry by rethinking how we design, source and promote, and engaging suppliers for decent work and decarbonization.

- 27% of Schneider Electric’s major offers in the design phase met circular and environmental excellence criteria in H1, through the Group’s new Future-designed approach. This reflects strong momentum driven by Energy Management and Industrial Automation offers. Introduced as a new program under Impact 2030, Future-designed broadens the Group’s ambition to make sustainability an integral part of its offers’ value proposition. The program draws on more than 20 years of Schneider Electric's ecodesign practice, with EcoDesign Way, Green Premium and Environment Data Program deployed under previous sustainability roadmaps.

**Unlocking Human Potential:** Open the way to progress and shared prosperity by securing energy access for all and investing in skills and people opportunities.

- 67 million people benefited from access to sustainable electricity through Schneider Electric's support since 2009. Q2 2026 alone enabled access for more than 2.2 million people, with strong contributions from Africa and India. Since 2009, Schneider Electric has helped equip 1.37 million young people with skills in electrification and sustainability, driving more inclusive progress.

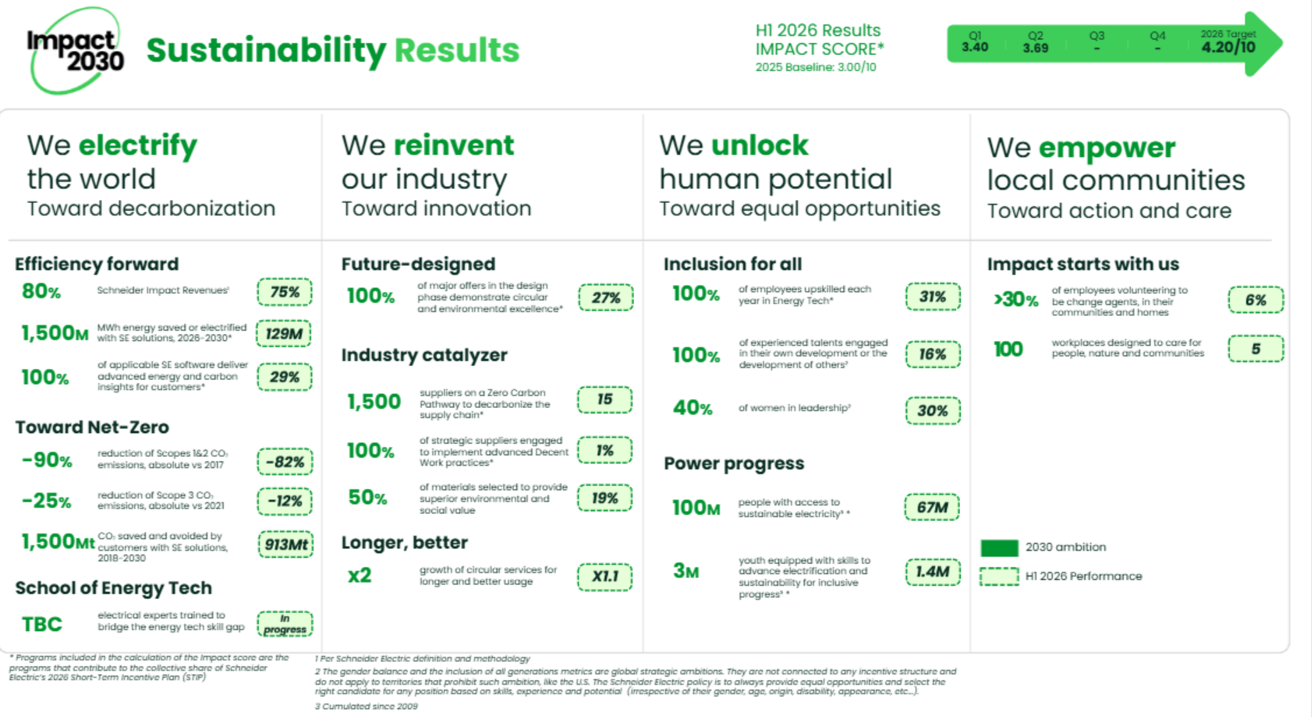
13. *As of June 30, 2026.*

**Empowering local communities:** Promote local ecosystems and amplify grassroots voices by turning sites into community anchors and empowering our people to be agents of change.

- 5 sites qualified under the Group's Impact Workplaces multi-criteria framework. A new program under Impact 2030, Impact Workplaces builds on two decades of sustainability leadership across Schneider Electric's sites, including ambitious criteria relating to energy efficiency, decarbonization and circularity. This program further expands ambitions to include biodiversity and local community impact.

"*Six months into Impact 2030, we are making encouraging progress in turning ambition into action*", said Esther Finidori, Chief Sustainability Officer at Schneider Electric. "*We were honored to be named as the World's Most Sustainable Company for the third consecutive year. This further reflects the tangible impact we are driving and the dedication of our people around the world. Sustainability is a journey of continuous transformation. With Impact 2030, we are raising our ambitions once again; building on a strong foundation while accelerating the integration of sustainability in every aspect of our business to power progress for all.*"

The detailed sustainability results and highlights are available in Schneider Electric's H1 sustainability report, published alongside the Group's financial first half results.



## IV. PORTFOLIO UPDATES

### Acquisitions

- Cognite Holding B.V. ("Cognite")

As separately announced, on June 30, 2026, Schneider Electric entered into a definitive agreement to acquire 100% of the share capital of Cognite, a leading provider of industrial data and AI software, in an all-cash transaction valued at $3.1 billion.

Cognite's core technologies will act as a powerful data foundation and AI enabler to support Schneider and AVEVA's digital portfolio. Cognite's Data Fusion and knowledge graph enable the integration, modelling and contextualization of engineering, operational and enterprise data at scale. The Atlas AI platform introduces advanced modelling capabilities, generative and agentic AI, enabling automation of industrial workflows combined with accelerated and improved decision-making. Combining our existing strengths together with Cognite, we will form a unique agnostic and unified platform built for the next phase of intelligence for Energy & industrial AI.

Completion of the transaction remains subject to customary closing conditions including the receipt of required regulatory approvals. The transaction is expected to be completed in the coming quarters.

- AiDash Inc. ("AiDASH")

On June 20, 2026, Schneider Electric entered into a definitive agreement to acquire c.90% of the share capital of AiDASH, in an all-cash transaction with an implied Enterprise Value of $350 million. Following an initial investment by SE Ventures, the agreement to acquire a majority shareholding demonstrates Schneider's agile and disciplined approach to inorganic growth with early-stage, pioneering enterprises.

AiDASH is a cloud-native software company that provides AI-driven vegetation, asset, and climate risk intelligence to utilities and other critical infrastructure operators. AiDASH delivers a highly differentiated, satellite-first remote inspection and monitoring platform used to identify and address vegetation, storm and wildfire risks to critical infrastructure, directly addressing a critical and growing need for utilities globally. This helps operators to substantially reduce operating costs and to improve the reliability of their assets and networks. Founded in 2019, and headquartered in Palo Alto, AiDASH works with over 185 customers globally, employing c.335 people, primarily across the U.S., India and the U.K.

The acquisition will strengthen Schneider Electric's leadership in Energy Intelligence. The addition of AiDASH to Schneider's existing digital solutions for Grid customers, including ArcFM, ADMS and DERMS, will provide an end-to-end solution under the Group's One Digital Grid integrated platform.

Frederic Godemel, EVP Energy Management, commented *"Combining AiDASH's differentiated satellite- and AI-powered vegetation, wildfire, storm, and asset management solutions with Schneider Electric's portfolio, global footprint, and installed base, will create an end-to-end platform for critical infrastructure operators to improve grid reliability, resilience, and operational efficiency. The proposed transaction represents an important step in accelerating Schneider's Energy Intelligence leadership in AI-powered solutions for critical infrastructure."*

Completion of the transaction remains subject to customary closing conditions including the receipt of required regulatory approvals. The transaction is expected to be completed in the coming quarters, upon which AiDASH would be fully consolidated and reported within the Energy Management business of Schneider Electric.

- Shelly Group SE ("Shelly Group")

  Following recent media reports concerning a potential transaction involving Shelly Group, Schneider Electric acknowledges the statement released by Shelly Group on July 29, and will not be commenting further.

## V. FINANCING UPDATE

Schneider Electric continues to take steps to increase its debt maturity profile and strengthen its liquidity position. Since reporting on Q1 2026, Schneider engaged in the following operations:

- On June 4, 2026, the Group announced the success of its offering of bonds convertible into new shares and/or exchangeable for existing shares (OCEANEs) due 2034 for a nominal amount of €850 million, alongside the concurrent repurchase of approximately 94% of its outstanding OCEANEs due 2030.

- On July 1, 2026, the Group issued a €1.5 billion EMTN (Euro Medium Term Note) in two tranches: a floating rate tranche maturing in July 2028 for €800 million, and a fixed rate tranche with a 3.375% coupon maturing in December 2033 for €700 million.

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## VI. SHARE BUYBACK

In March 2026, Schneider Electric appointed Natixis to execute a share buyback program with a target amount of €600 million, to be completed by November 2026. Execution is progressing in line with expectations and remains on track for completion by the end of November.

As of June 30, 2026, the Group had purchased 1.0 million shares for €249 million at an average price of €261 per share.

As of July 27, 2026 (the latest practicable date before this release), the Group has purchased 1.2 million shares for €310 million at an average price of €262 per share.

As of June 30, 2026, the Group recognized a liability of €353 million in respect of the remaining commitment under this share buyback program, in accordance with IFRS requirements applicable to share buyback programs executed under an irrevocable mandate.

## VII. GOVERNANCE

The Board of Directors has decided on July 29 to appoint Julia Liuson as observer with the intent to propose her appointment as Director at the 2027 Annual General Meeting.

Julia Liuson, based in Kirkland, WA, served as President of Microsoft's Developer Division from 2021 to 2026. Having joined Microsoft in 1992 as a software design engineer, she built a distinguished 30-year career through a succession of senior engineering, product and business leadership roles. During her tenure, she led the modernization and expansion of Microsoft's developer ecosystem, pioneering Microsoft's open-source journey, driving the growth of platforms such as Visual Studio, Visual Studio Code, Azure developer services and GitHub, and helping position Microsoft as a leader in developer tools and AI-enabled software development.

She will bring to the Board deep expertise in software, artificial intelligence, cloud technologies and digital platforms, together with extensive experience leading innovation, transformation and large-scale technology organizations. Julia Liuson will qualify as an independent Director with regard to all the criteria set by Article 10.5 of the AFEP-MEDEF Corporate Governance Code and will join the Digital Committee.

## VIII. DIVIDEND

The dividend of €4.20 per share for Fiscal Year 2025 was paid on May 13, 2026.

The dividend payment for Fiscal Year 2026 will be on May 12, 2027.

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## IX. EXPECTED TRENDS IN H2 2026

Amid an environment of continued uncertainty, the Group currently expects:

- Strong market demand to drive growth, with positive contribution from all four end-markets
- Data Center & Networks to sustain strong momentum, supported by a robust backlog and continued demand; Industry and Infrastructure to contribute strongly; Buildings to track macroeconomic trends
- Systems to lead growth; Products to deliver strong contribution accelerated by price realization
- Sustained momentum in recurring software revenues alongside an improved growth contribution from Services
- All four regions to contribute to growth, with the U.S. and India driving the strongest growth
- Disruption in the Middle East to impact H2, with potential for pressure on global supply chains and increased inflation dependent on duration of conflict
- Disciplined execution of new Company program to continue in H2
- The Group expects to be Net Price positive in value (price to offset raw material impact and tariffs)
- Productivity and operating leverage are expected to contribute positively to adj. EBITA margin in H2

## X. 2026 TARGET UPGRADED

The Group upgrades its 2026 financial target as follows:

**2026 Adjusted EBITA growth of between +14% and +19% organic.**

The target would be achieved through a combination of organic revenue growth and margin improvement, currently expected to be:

- Revenue growth of **+10% to +13% organic**

- Adjusted EBITA margin up **+70bps to +100bps organic**

This implies Adjusted EBITA margin of **around 19.4% to 19.7%** (including scope based on transactions completed to-date and FX based on current estimation).

*Further notes on 2026 available in appendix*

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***The financial statements of the period ending June 30, 2026 were established by the Board of Directors on July 29, 2026 and reviewed by the Group auditors on that date.***

***The Q2 2026 & H1 2026 Results presentation is available at www.se.com***

***Q3 2026 Revenues will be presented on October 29, 2026.***

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**Disclaimer:** All forward-looking statements are Schneider Electric management's present expectations of future events 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. For a detailed description of these factors and uncertainties, please refer to the section "Risk Factors" in our Universal Registration Document (which is available on www.se.com). Schneider Electric undertakes no obligation to publicly update or revise any of these forward-looking statements.

**About Schneider Electric**

Schneider Electric is a global energy technology leader, driving efficiency and sustainability by electrifying, automating, and digitalizing industries, businesses, and homes. Its technologies enable buildings, data centers, factories, infrastructure, and grids to operate as open, interconnected ecosystems, enhancing performance, resilience, and sustainability. The portfolio includes intelligent devices, software-defined architectures, AI-powered systems, digital services, and expert advisory. With 160,000 employees and 1 million partners in over 100 countries, Schneider Electric is consistently ranked among the world's most sustainable companies.

www.se.com

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Appendix – Further notes on 2026

- **Foreign Exchange impact:** Based on current rates[14], the FX impact on FY 2026 revenues is estimated to be **between -€400 million to -€500 million**. The FX impact at current rates on adjusted EBITA margin for FY 2026 could be **around flat**
- **Scope impact: Around flat** on 2026 revenues and **around flat** on 2026 adjusted EBITA margin, based on transactions completed to-date
- **Tax rate:** The ETR is expected to be in a **23-25%** range in 2026
- **Restructuring:** The Group expects **cumulative incremental restructuring costs of €500 million in the years 2025-2027**, above a normalized rate of c. €100 - €150 million per year, with the expectation that in FY26 restructuring costs reach around €450 million in total.

Appendix – Revenues breakdown by business

Q2 2026 revenues by business were as follows:

| | Q2 2026 | | | | |
|---|---|---|---|---|---|
| | **Revenues € million** | **Organic growth** | **Changes in scope of consolidation** | **Currency effect** | **Reported growth** |
| **Energy Management** | 9,594 | +17.7% | -0.7% | -1.4% | +15.3% |
| **Industrial Automation** | 1,865 | +11.0% | -0.1% | -0.5% | +10.4% |
| **Group** | **11,459** | **+16.5%** | **-0.6%** | **-1.2%** | **+14.5%** |

H1 2026 revenues by business were as follows:

| | H1 2026 | | | | |
|---|---|---|---|---|---|
| | **Revenues € million** | **Organic growth** | **Changes in scope of consolidation** | **Currency effect** | **Reported growth** |
| **Energy Management** | 17,641 | +15.4% | +0.2% | -4.0% | +11.0% |
| **Industrial Automation** | 3,585 | +7.7% | 0.0% | -3.4% | +4.1% |
| **Group** | **21,226** | **+14.0%** | **+0.2%** | **-3.9%** | **+9.8%** |

*Throughout this document growth percentage calculations are compared to the same period of the prior year, unless stated otherwise.*

14. *Forward exchange rates are volatile and difficult to predict. Consequently, the impact of such movement and possible impacts from hyperinflation technical accounting (IAS29) are not factored at this stage.*

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## Appendix – Scope of Consolidation

| Number of months in scope | Acquisition / Disposal | 2025 | | | | 2026 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| **Planon**<br>Energy Management Business | Acquisition | 3m | 3m | 3m | 1m | | | | |
| **Motivair Corporation**<br>Energy Management Business | Acquisition | 1m | 3m | 3m | 3m | 2m | | | |

## Appendix – Gross Margin, Analysis of Change

| | **H1 Gross Margin** |
|---|---|
| H1 2025 Gross Margin | 42.4% |
| Volume | 0.0pts |
| Net Price[15] | -1.2pts |
| Productivity | +2.4pts |
| Mix | -0.7pts |
| R&D & Production Labor Inflation | -0.1pts |
| FX | 0.0pts |
| Scope & Other | -0.3pts |
| **H1 2026 Gross Margin** | **42.5%** |

*15. Price on products, raw material impact and tariffs.*

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## Appendix - Results breakdown by division

| € million | | H1 2025 | H1 2026 | Organic |
|---|---|---|---|---|
| Energy Management | Revenues | 15,892 | 17,641 | |
| | Adjusted EBITA | 3,412 | 3,957 | |
| | Adjusted EBITA margin | 21.5% | 22.4% | c. +100 bps |
| Industrial Automation | Revenues | 3,444 | 3,585 | |
| | Adjusted EBITA | 471 | 501 | |
| | Adjusted EBITA margin | 13.7% | 14.0% | c. +50 bps |
| Corporate | Central Costs | (373) | (365) | |
| Total Group | Revenues | 19,336 | 21,226 | |
| | Adjusted EBITA | 3,510 | 4,093 | |
| | Adjusted EBITA margin | 18.2% | 19.3% | +120 bps |

## Appendix – Adjusted Net Income & Adjusted EPS

| Key figures (€ million) | H1 2025 | H1 2026 | Reported Change | Organic Change |
|---|---|---|---|---|
| **Adjusted EBITA** | **3,510** | **4,093** | **+17%** | **+22.1%** |
| Amortization of purchase accounting | (233) | (206) | | |
| Net financial income/(loss) | (248) | (286) | | |
| Income tax with impact from adjusted | (727) | (865) | | |
| Profit/(loss) of associates and non-controlling interests | (74) | (40) | | |
| **Adjusted Net Income (Group share)** | **2,228** | **2,696** | **+21%** | **+28.8%** |
| **Adjusted EPS (€)** | **3.97** | **4.79** | **+21%** | **+28.5%** |

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Appendix – Free Cash Flow and Net Debt

| Analysis of net debt change in € million | H1 2025 | H1 2026 |
|---|---|---|
| **Net debt at opening at Dec. 31** | **(8,147)** | **(13,721)** |
| Operating cash flow | 2,944 | 3,755 |
| Capital expenditure – net | (717) | (669) |
| **Operating cash flow, net of capex** | **2,227** | **3,086** |
| Change in trade working capital | (976) | (1,208) |
| Change in non-trade working capital | (777) | (247) |
| **Free cash flow** | **474** | **1,631** |
| Dividends | (2,209) | (2,411) |
| Acquisitions – net | (1,096) | 23 |
| Net capital increase / (decrease) | (87) | (602) |
| Transactions with non-controlling interests | (301) | (55) |
| FX & other (incl. IFRS 16) | (618) | (225) |
| **(Increase) / Decrease in net debt** | **(3,837)** | **(1,639)** |
| **Net debt at June 30** | **(11,984)** | **(15,360)** |