2017 First-Quarter Results

May 10, 2017

AGENDA

1

HIGHLIGHTS

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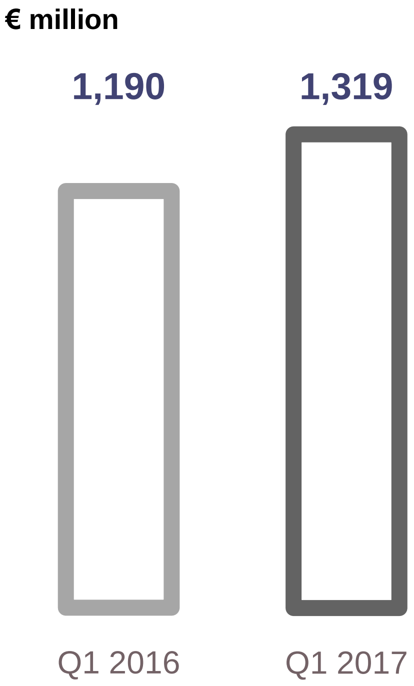
- **Sustained, profitable growth in Q1 2017**
  - Organic[1] growth: +4.6%
    - ✓ Driven by all geographic regions
    - ✓ But also benefiting from a favorable calendar effect of around +1 day (+1.6 points of Q1 sales growth) and from orders placed in advance by distributors in some countries following Group announcement of rise in sales prices in Q2 2017 related to the increase in raw material prices observed at the beginning of 2017.
  - Total sales up +10.9%
  - Adjusted operating profit: up +14.5%
  - Net income excluding minority interests: +17.0%
- **Ongoing active external growth (3 acquisitions and 1 joint venture announced in 2017)**
- **2017 targets confirmed**

1. *Organic: at constant scope of consolidation and exchange rates.*

2

SUSTAINED, PROFITABLE GROWTH IN Q1 2017

Q1 2017 CHANGE IN NET SALES



- Organic[1] growth: +4.6%
- External growth: +3.9%[2]
- Exchange rate: +2.0%[3]

Total growth: +10.9%

1. *Organic: at constant scope of consolidation and exchange rates.*
2. *Based on acquisitions announced and their likely date of consolidation, changes in scope of consolidation should boost Group sales by more than +3.5% in 2017.*
3. *When average April exchange rates are applied to the last eight months of the year, the annual exchange-rate effect for 2017 is +1.8%.*

Q1 2017 ORGANIC(1) CHANGE IN NET SALES BY GEOGRAPHICAL REGION (1/2)

France

(17.0% of total Group sales)

- +4.1% organic(1) growth
- Benefiting from a one-day favorable calendar effect
- Reminder: an unfavorable calendar effect should impact sales evolution for the rest of the year. This will be particularly marked in Q2 2017, with an estimated impact of -2 days
- As anticipated, new construction activity (~40% of sales in France) is increasing while renovation business remained almost flat

Italy

(10.8% of total Group sales)

- +1.9% organic(1) growth
- Good showings, particularly in home systems, energy distribution and cable management
- Reminder: Q2 and Q3 2016 represent a demanding basis for comparison

1. *Organic: at constant scope of consolidation and exchange rates.*

Q1 2017 ORGANIC[1] CHANGE IN NET SALES BY GEOGRAPHICAL REGION (2/2)

Rest of Europe
(18.1% of total Group sales)

- +8.8% organic[1] growth
- Good performance driven by mature countries recording double digit organic growth as a whole with strong sales increases in Spain and the United Kingdom in particular
- Strong rise in sales in new economies also, as in Russia, which recorded a solid performance over the period
- Nearly stable sales in Turkey

North & Central America
(29.4% of total Group sales)

- +4.0% organic[1] growth
- +3.5% organic growth in the US alone.

  Reminder:
  - the calendar effect should be unfavorable for the rest of the year
  - sales in Q2 and - even more - Q3 2016 had benefited from favorable one-offs, and represent a demanding basis for comparison for 2017
- Moreover, Mexico recorded double digit growth in sales

Rest of the World
(24.7% of total Group sales)

- +4.0% organic[1] change in sales
- As in 2016, trends varied significantly from one country to the next:
  - good start to the year in India and China. These good performances helped more than compensate for the retreat in activity in Australia and Malaysia
  - business in the Middle East recorded a slight decrease

1. *Organic: at constant scope of consolidation and exchange rates.*

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Q1 2017 ADJUSTED[1] OPERATING MARGIN

Q1 2016	**adjusted operating margin**	**19.1%**
	good operating performance against a backdrop of rising sales	+0.7 pt
Q1 2017	**adjusted operating margin before acquisitions[2]**	**19.8%**
	impact of acquisitions	-0.1 pt
Q1 2017	**adjusted operating margin**	**19.7%**

1. *Operating profit adjusted for amortization of revaluation of intangible assets at the time of acquisitions and for expense/income relating to acquisitions (€10.7 million in Q1 2016 and €12.6 million in Q1 2017) and, where applicable, for impairment of goodwill (€0 in Q1 2016 and Q1 2017).*
2. *At 2016 scope of consolidation.*

Q1 2017 ADJUSTED(1) OPERATING PROFIT

Adjusted(1) operating profit at

€259.5m

up

+14.5%

i.e. +€32.8m

- Adjusted(1) operating profit increase reflects Legrand's capacity to create value through profitable growth
- More specifically, by reacting quickly to adjust sales prices at the beginning of the year, Legrand was able in Q1 2017 to offset in absolute value the impact of a marked rise in raw material prices
- Further sales prices increases are scheduled for Q2 2017 to take into account the ongoing rise in raw material prices

1. *Operating profit adjusted for amortization of revaluation of intangible assets at the time of acquisitions and for expense/income relating to acquisitions (€10.7 million in Q1 2016 and €12.6 million in Q1 2017) and, where applicable, for impairment of goodwill (€0 in Q1 2016 and Q1 2017).*

Q1 2017 NET INCOME EXCLUDING MINORITY INTERESTS

- Good operating performance: €30.9m improvement in operating profit
- Decline in financial expense (€1.8m) and favorable change in foreign-exchange result (€1.7m)

partially offset by

- A €12.0m rise in income tax expense (tax rate at 33.0%, almost stable vs. FY16)
- The result of equity-accounted entities (-€0.8m)

Net income excluding minority interests up

+17.0%

at

€149.0m

i.e. 11.3% of sales

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Q1 2017 FREE CASH FLOW GENERATION

- Cash flow from operations in Q1 2017 up over 20%, reaching €217.3m, i.e. 16.5% of sales
- Working capital requirement under control at 8.0% of the last twelve months sales
- Capex at €32.6m (of which close to 58% dedicated to new products) up +€9m vs. Q1 2016, reflecting the pace of innovation fueling current and future Group growth

Normalized[(1)] free cash flow at

€180.8m

in Q1 2017

1. Based on a working capital requirement representing 10% of the last 12 months' sales, and whose change at constant scope of consolidation and exchange rates is adjusted for the quarter.

Normalized free cash flow is a good measure of free cash flow generation, in particular on a quarterly basis.

3

ONGOING
ACTIVE EXTERNAL GROWTH

Q1 2017 EXTERNAL GROWTH

	Business	Country	Annual sales of
FINELITE Better Lighting (1)	Lighting solutions	United States	~$200m
AFCO Systems Cabinet & Containment Solutions	Audio/video infrastructure	United States	~$23m
OCL Architectural Lighting	Lighting solutions	United States	~$15m
BORRI (2)	UPS	Italy	~€60m

- **3 acquisitions announced totalling ~$238m in annual sales and 1 joint venture**
- **2017 FY sales already boosted by more than +3.5% scope-of-consolidation effect(3)**
- **Dilution from acquisitions impact on adjusted(4) operating margin should be around -0.2 points**

1. *Subject to standard conditions precedent.*
2. *Joint Venture. As Legrand holds 49% of equity, Borri will be consolidated on the equity method.*
3. *Based on acquisitions already announced and their likely date of consolidation.*
4. *Operating profit adjusted for amortization of revaluation of intangible assets at the time of acquisitions and for expense/income relating to acquisitions and, where applicable, for impairment of goodwill.*

4

2017 TARGETS CONFIRMED

2017 TARGETS[1] CONFIRMED

- Based on Legrand strong showings in Q1 2017 but taking into account unfavorable effects on sales growth in coming quarters (the counterpart of orders placed in advance by some distributors in Q1 and as announced (i) high basis for comparison in Italy and the United States and (ii) calendar effects), Legrand confirms its two targets for 2017[1].

- Reminder: these two targets are organic growth in sales of between 0% and +3%, and adjusted operating margin before acquisitions (at 2016 scope of consolidation) of between 19.3% and 20.1% of sales.

- Legrand will also pursue its strategy of value-creating acquisitions.

1. *See Appendix on page 18 for the complete wording of Legrand's 2017 targets.*

5

APPENDICES

2017 TARGETS

Excerpt of 2016 full-year results presentation

5 APPENDICES

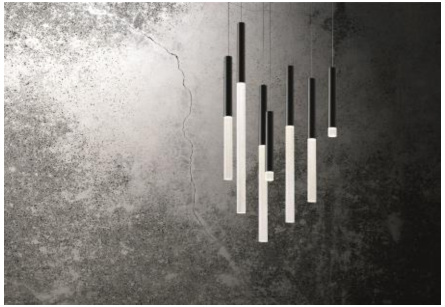
2017 TARGETS

- Macroeconomic projections for 2017 call for a gradual improvement in the economic environment. Against this backdrop but taking into account high bases for comparison for business in the United States and Italy, the Group intends to pursue its strategy of growth and sets 2017 target for:
  - organic growth in sales of between 0% and +3%; and
  - adjusted operating margin before acquisitions (at 2016 scope of consolidation) of between 19.3% and 20.1% of sales.
- Legrand will also pursue its strategy of value-creating acquisitions.

46

ACQUISITIONS
OCL[1]

- North American specialist in architectural lighting solutions for commercial and high-end residential buildings
- Annual sales of around $15m
- Some 60 employees



- Complements Legrand's positions in lighting solutions in the United States
- Allows Legrand to further develop its offering of customized solutions in lighting control and fixtures

1. *Original Cast Lighting*

ACQUISITIONS
AFCO SYSTEMS GROUP

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AFCO Systems
Cabinet & Containment Solutions

- US provider of Voice-Data-Image (VDI) cabinets for datacenters specialized in customized solutions
- Annual sales of around $23m
- Approximately 110 employees

- Highly complementary solutions to the Group's existing datacenter offerings in the US
- Allows Legrand to strengthen its presence in a market underpinned by favorable increasing dataflow volumes

ACQUISITIONS
FINELITE[1]

FINELITE
Better Lighting

- Acknowledged US player in specification-grade linear lighting fixtures for non-residential buildings
- Annual sales of approximately $200m
- Around 465 employees

- Bolt-on[2] targeted acquisition that rounds out Legrand's presence in lighting solutions for non-residential buildings in the United States
- Allows Legrand to further develop its offering of lighting control solutions (including wall-mounted control, lighting control panels, architectural lighting and management systems for light intensity and chromatic quality[3])

1. *Subject to usual conditions precedent*
2. *Small to mid-size acquisitions complementary to Legrand's activities.*
3. *Through partnerships with Lumenetix and Bios Lighting, two US lighting startups respectively specialized in color management and biological cycles consideration.*

JOINT VENTURE AGREEMENT BORRI[1]

Uninterruptible Power Solutions

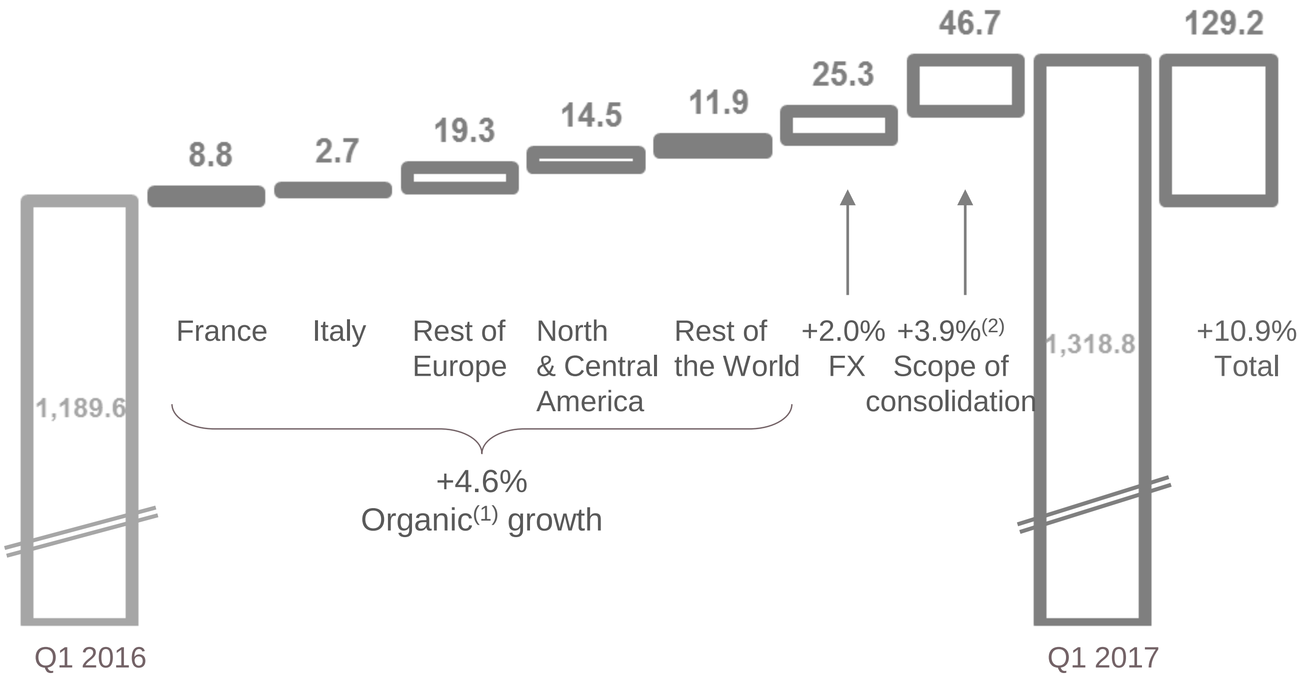
- An Italian three-phase UPS[2] producer known for its customized solutions
- Annual sales of around €60m
- Around 200 employees


- Complements Legrand’s existing solutions with an acknowledged know-how in three-phase customized UPS[2]
- Allows Legrand in particular to further strengthen its offer on the growing datacenter market

1. *Joint Venture. As Legrand holds 49% of equity, Borri will be consolidated on the equity method.*
2. *Uninterruptible Power Supply.*

CHANGE IN NET SALES

Breakdown of change in Q1 2017 net sales by destination (€m)



1. *Organic: at constant scope of consolidation and exchange rates.*
2. *Due to the consolidation of FluxPower, Primetech, Pinnacle, Luxul Wireless, Jontek, Trias, CP Electronics and Solarfective.*

2017 FIRST QUARTER – NET SALES BY DESTINATION[1]

In € millions	Q1 2016	Q1 2017	Total Change	Scope of Consolidation	Like-for-Like Growth	Currency Effect
France	215.9	224.8	**4.1%**	0.0%	**4.1%**	0.0%
Italy	139.4	142.8	**2.4%**	0.5%	**1.9%**	0.0%
Rest of Europe	210.2	239.1	**13.7%**	4.7%	**8.8%**	-0.1%
North and Central America	328.1	387.2	**18.0%**	10.3%	**4.0%**	2.9%
Rest of the World	296.0	324.9	**9.8%**	0.7%	**4.0%**	4.8%
Total	**1,189.6**	**1,318.8**	**10.9%**	**3.9%**	**4.6%**	**2.0%**

1. *Market where sales are recorded.*

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2017 FIRST QUARTER – NET SALES BY ORIGIN[(1)]

In € millions	Q1 2016	Q1 2017	Total Change	Scope of Consolidation	Like-for-Like Growth	Currency Effect
France	239.3	247.9	**3.6%**	0.0%	**3.6%**	0.0%
Italy	147.5	150.3	**1.9%**	0.5%	**1.4%**	0.0%
Rest of Europe	205.0	231.5	**12.9%**	5.0%	**8.0%**	-0.4%
North and Central America	334.5	395.6	**18.3%**	10.2%	**4.3%**	2.9%
Rest of the World	263.3	293.5	**11.5%**	0.6%	**5.1%**	5.5%
Total	**1,189.6**	**1,318.8**	**10.9%**	**3.9%**	**4.6%**	**2.0%**

1. *Zone of origin of the product sold.*

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2017 FIRST QUARTER – P&L

In € millions	Q1 2016	**Q1 2017**	% change
Net sales	**1,189.6**	**1,318.8**	**+10.9%**
Gross profit	630.2	700.7	+11.2%
as % of sales	*53.0%*	*53.1%*	
Adjusted operating profit[(1)]	**226.7**	**259.5**	**+14.5%**
as % of sales	***19.1%***	***19.7%[(2)]***	
Amortization of revaluation of intangible assets at the time of acquisitions and expense/income relating to acquisitions	(10.7)	(12.6)	
Operating profit	216.0	246.9	+14.3%
as % of sales	*18.2%*	*18.7%*	
Financial income (costs)	(22.0)	(20.2)	
Exchange gains (losses)	(3.7)	(2.0)	
Income tax expense	(62.1)	(74.1)	
Share of profits (losses) of equity-accounted entities	0.0	(0.8)	
Profit	128.2	149.8	+16.8%
Profit excluding minority interests	**127.4**	**149.0**	**+17.0%**

1. *Operating profit adjusted for amortization of revaluation of intangible assets at the time of acquisitions and for expense/income relating to acquisitions (€10.7 million in Q1 2016 and €12.6 million in Q1 2017) and, where applicable, for impairment of goodwill (€0 in Q1 2016 and Q1 2017).*
2. *19.8% excluding acquisitions (at 2016 scope of consolidation).*

2017 FIRST QUARTER – ADJUSTED OPERATING PROFIT BEFORE AND AFTER OTHER OPERATING INCOME (EXPENSE) BY GEOGRAPHICAL REGION

Q1 2017 (in € millions)	France	Italy	Rest of Europe	North and Central America	Rest of the World	Total
Net sales	**247.9**	**150.3**	**231.5**	**395.6**	**293.5**	**1,318.8**
Cost of sales	(91.2)	(48.5)	(128.9)	(186.5)	(163.0)	(618.1)
Administrative and selling expenses, R&D costs	(109.3)	(43.2)	(57.3)	(142.2)	(80.7)	(432.7)
Reversal of acquisition-related amortization, expense and income accounted for in administrative and selling expenses, R&D costs	(1.2)	(0.1)	(1.0)	(7.1)	(3.2)	(12.6)
Adjusted operating profit before other operating income (expense)	**48.6**	**58.7**	**46.3**	**74.0**	**53.0**	**280.6**
as % of sales	***19.6%***	***39.1%***	***20.0%***	***18.7%***	***18.1%***	***21.3%***
Other operating income (expense)	(7.7)	(1.8)	(4.3)	(3.3)	(4.0)	(21.1) (1)
Reversal of acquisition-related amortization, expense and income accounted for in other operating income (expense)	0.0	0.0	0.0	0.0	0.0	0.0
Adjusted operating profit	**40.9**	**56.9**	**42.0**	**70.7**	**49.0**	**259.5**
as % of sales	***16.5%***	***37.9%***	***18.1%***	***17.9%***	***16.7%***	***19.7%***

1. *Restructuring (€4.0m) and other miscellaneous items (€17.1m).*

2016 FIRST QUARTER – ADJUSTED OPERATING PROFIT BEFORE AND AFTER OTHER OPERATING INCOME (EXPENSE) BY GEOGRAPHICAL REGION

Q1 2016 (in € millions)	France	Italy	Rest of Europe	North and Central America	Rest of the World	Total
Net sales	**239.3**	**147.5**	**205.0**	**334.5**	**263.3**	**1,189.6**
Cost of sales	(89.0)	(51.0)	(116.5)	(158.9)	(144.0)	(559.4)
Administrative and selling expenses, R&D costs	(108.4)	(42.0)	(52.7)	(117.2)	(74.6)	(394.9)
Reversal of acquisition-related amortization, expense and income accounted for in administrative and selling expenses, R&D costs	(1.2)	(0.1)	(0.6)	(5.6)	(3.2)	(10.7)
Adjusted operating profit before other operating income (expense)	**43.1**	**54.6**	**36.4**	**64.0**	**47.9**	**246.0**
as % of sales	***18.0%***	***37.0%***	***17.8%***	***19.1%***	***18.2%***	***20.7%***
Other operating income (expense)	(6.2)	(0.6)	(3.3)	(3.9)	(5.3)	(19.3) [1]
Reversal of acquisition-related amortization, expense and income accounted for in other operating income (expense)	0.0	0.0	0.0	0.0	0.0	0.0
Adjusted operating profit	**36.9**	**54.0**	**33.1**	**60.1**	**42.6**	**226.7**
as % of sales	***15.4%***	***36.6%***	***16.1%***	***18.0%***	***16.2%***	***19.1%***

1. *Restructuring (€7.0m) and other miscellaneous items (€12.3m).*

2017 FIRST QUARTER – RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH PROFIT

In € millions	Q1 2016	**Q1 2017**
Profit	**128.2**	**149.8**
Depreciation, amortization and impairment	40.4	43.1
Changes in other non-current assets and liabilities and long-term deferred taxes	11.6	17.6
Unrealized exchange (gains)/losses	0.3	6.6
(Gains)/losses on sales of assets, net	0.2	(0.5)
Other adjustments	0.1	0.7
Cash flow from operations	**180.8**	**217.3**

2017 FIRST QUARTER – RECONCILIATION OF FREE CASH FLOW AND NORMALIZED FREE CASH FLOW WITH CASH FLOW FROM OPERATIONS

In € millions	Q1 2016	**Q1 2017**	% change
Cash flow from operations[1]	**180.8**	**217.3**	**+20.2%**
as % of sales	***15.2%***	***16.5%***	
Decrease (Increase) in working capital requirement	(120.3)	(103.6)	
Net cash provided from operating activities	**60.5**	**113.7**	**+87.9%**
as % of sales	***5.1%***	***8.6%***	
Capital expenditure (including capitalized development costs)	(23.3)	(32.6)	
Net proceeds from sales of fixed and financial assets	0.2	2.0	
Free cash flow	**37.4**	**83.1**	**+122.2%**
as % of sales	***3.1%***	***6.3%***	
Increase (Decrease) in working capital requirement	120.3	103.6	
(Increase) Decrease in normalized working capital requirement	(2.2)	(5.9)	
Normalized[2] free cash flow	**155.5**	**180.8**	**+16.3%**
as % of sales	***13.1%***	***13.7%***	

1. *Cash flow from operations is defined as net cash from operating activities excluding changes in working capital requirement.*
2. *Based on a working capital requirement representing 10% of the last 12 months' sales, and whose change at constant scope of consolidation and exchange rates is adjusted for the quarter.*

SCOPE OF CONSOLIDATION (1/2)

2016	Q1	H1	9M	FY
Full consolidation method				
Fluxpower & Primetech	Balance sheet only	Balance sheet only	8 months	11 months
Pinnacle Architectural Lighting		Balance sheet only	5 months	8 months
Luxul Wireless		Balance sheet only	5 months	8 months
Jontek		Balance sheet only	5 months	8 months
Trias		Balance sheet only	Balance sheet only	8 months
CP Electronics		Balance sheet only	Balance sheet only	7 months
Solarfective			Balance sheet only	5 months
Equity method				
TBS(1)		6 months	9 months	12 months

1. *Created together with a partner, TBS is to produce and sell transformers and busways in the Middle East.*

SCOPE OF CONSOLIDATION (2/2)

2017	Q1	H1	9M	FY
Full consolidation method				
Fluxpower & Primetech	3 months	6 months	9 months	12 months
Pinnacle Architectural Lighting	3 months	6 months	9 months	12 months
Luxul Wireless	3 months	6 months	9 months	12 months
Jontek	3 months	6 months	9 months	12 months
Trias	3 months	6 months	9 months	12 months
CP Electronics	3 months	6 months	9 months	12 months
Solarfective	3 months	6 months	9 months	12 months
Original Cast Lighting	Balance sheet only	5 months	8 months	11 months
AFCO Systems Group		To be determined	To be determined	To be determined
Finelite		To be determined	To be determined	To be determined
Equity method				
TBS[1]	3 months	6 months	9 months	12 months
Borri		To be determined	To be determined	To be determined

1. *Created together with a partner, TBS is to produce and sell transformers and busways in the Middle East.*

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