

# Legrand - 2008 First-Quarter Results

May 7, 2008



# Contents

	<u>Page</u>
2008 first-quarter highlights	3
Net sales	7
Acquisitions	10
P&L	15
Cash flow	16
Agenda	17
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<u>Appendices</u>	
Quarterly net sales	19
Cash flow reconciliation	21
Scope of consolidation	22

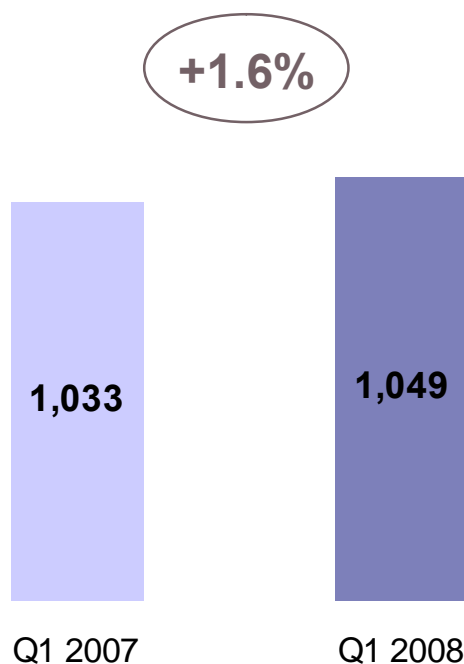
# 2008 First-Quarter Highlights

- **Growth in sales excluding the basis for comparison and currency effects: 7%**  
(includes organic growth 1.4%, basis for comparison +2.7%, impact of acquisitions +2.9%<sup>(1)</sup>)
- **Strong rise in sales in emerging countries: 12%**
- **Acceleration of acquisition-driven growth: four targeted acquisitions since January 2008**
- **Healthy resilience in adjusted operating margin: 17.9% of sales**
- **Firm rise in net income: 23%**

1. *To date, the consolidation of acquisitions should contribute approximately +4.5% to sales growth full year in 2008.*

# Net Sales

Change in net sales (€M)



- 4.1% like-for-like<sup>(1)</sup> growth excluding changes in the basis for comparison<sup>(2)</sup> (1.4% before adjustments)
- Strong like-for-like<sup>(1)</sup> growth in emerging countries: 12%
- Change in the scope of consolidation: +2.9%<sup>(3)</sup>
- Unfavorable FX effect: -2.6%

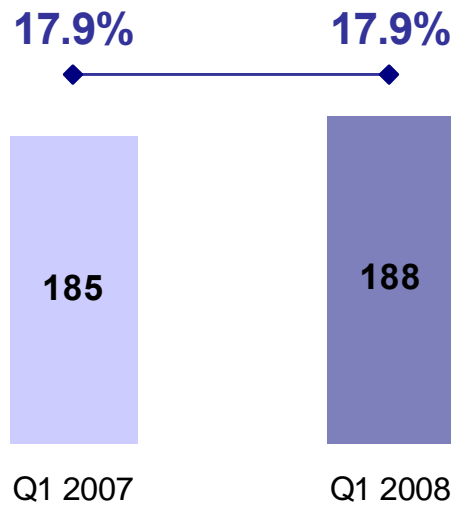
1. Like-for-like: at constant scope of consolidation and exchange rates

2. Excluding the impact on comparisons of calendar effects and the launch of new wiring device ranges in France in early 2007

3. To date, the consolidation of acquisitions should contribute approximately +4.5% to sales growth full year in 2008.

# Healthy Resilience in Adjusted Operating Income

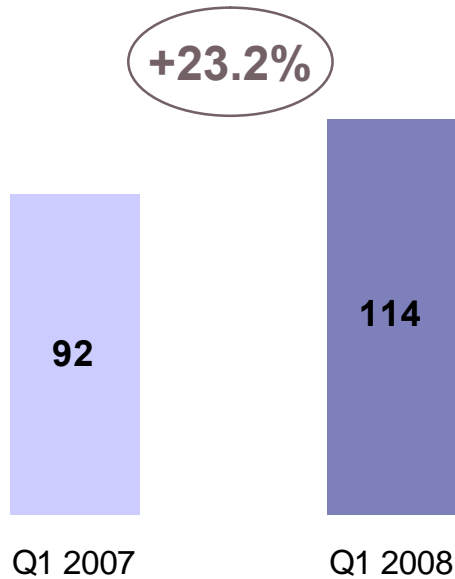
Adjusted EBIT (€M and as % of sales)



- Operating costs under control
- Ongoing manufacturing productivity initiatives including:
  - lean manufacturing
  - “make or buy”
  - specialization of production sites

# Firm Rise in Net Income Group Share

Net income group share (€M)



- Good operating margin
- Non recurrent foreign exchange gains
- Return to normal tax rate

# Change in Net Sales

## Group total €1,049M in 2008 first quarter

- +4.1% LFL<sup>(1)</sup> growth after adjustments<sup>(2)</sup>
- +1.4% LFL<sup>(1)</sup> growth

### France: €255M

- +2.1% LFL<sup>(1)</sup> growth after adjustments<sup>(2)</sup>
  - -3.8% LFL<sup>(1)</sup> change
- Good performance in energy distribution and in industrial applications

### Rest of Europe: €234M

- +2.2% LFL<sup>(1)</sup> growth
- Double-digit growth in Eastern Europe and strong rise in Greece, Portugal and Switzerland offsetting the slowdown in Northern Europe and Spain

### Rest of the World: €210M

- +9.5% LFL<sup>(1)</sup> growth
- Robust increase in sales in Latin America, Africa/Middle-East and Asia

### USA & Canada: €134M

- -3.4% LFL<sup>(1)</sup> change
- Strong increase in sales of energy-efficient lighting control, datacom systems and wire cable trays partly offsetting residential slowdown

### Italy: €216M

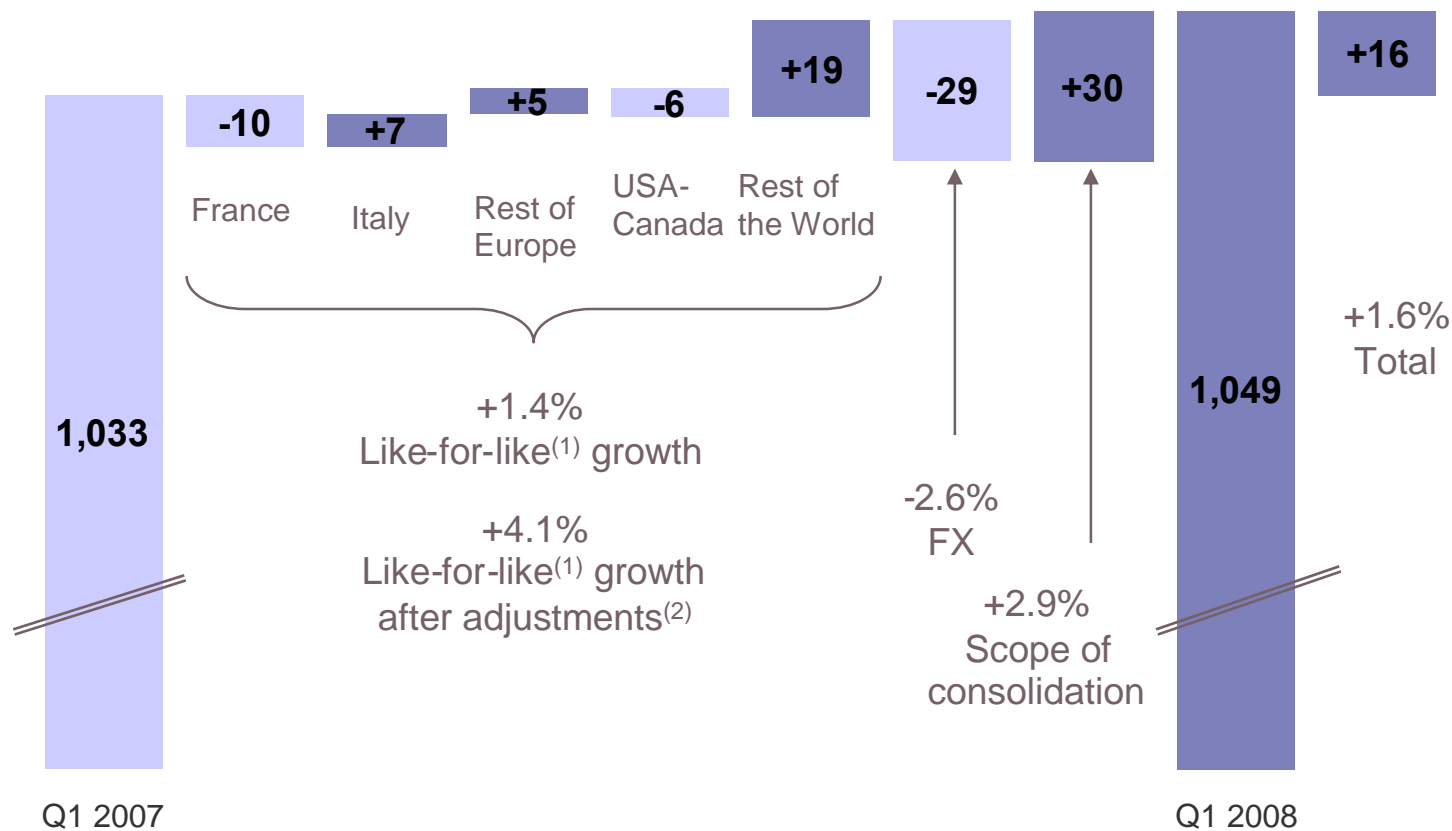
- +3.2% LFL<sup>(1)</sup> growth
- Strong performances in the industrial sector and ongoing success of Axolute offsetting less favourable economic conditions and calendar effect

1. Like-for-like: at constant scope of consolidation and exchange rates

2. Excluding the impact on comparisons of calendar effects and the launch of new wiring device ranges in France in early 2007

# Change in Net Sales

## 2008 first-quarter net sales analysis (€M)

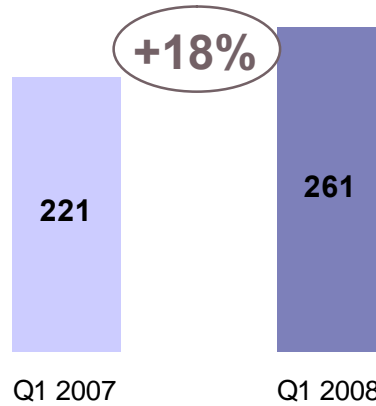


1. Like-for-like: at constant scope of consolidation and exchange rates
2. Excluding the impact on comparisons of calendar effects and the launch of new wiring device ranges in France in early 2007

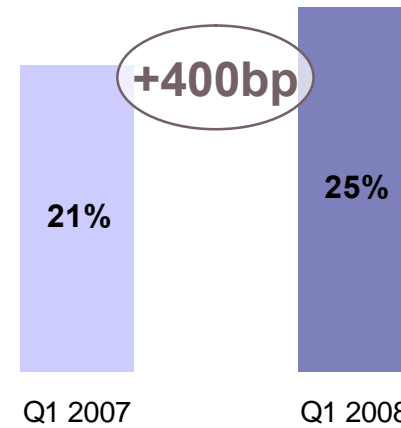


# Ongoing Vigorous Growth in Emerging Countries

Strong rise in net sales (€M)



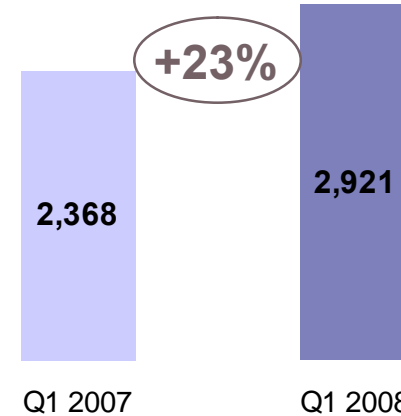
Increasing weight in group sales  
(as % of total sales)



Strong like-for-like growth

**+12%**

Sales and marketing team  
(# of employees)



# Acceleration of Acquisition-Driven Growth

Emerging markets/fast growing segments



- No. 1 for VDI/Datacom enclosures and cabinets in Turkey
- 2007 net sales: about €22M
- 120 employees



- No. 1 in Brazil for audio and video door entry phones
- 2007 net sales: about €20M
- 300 employees



Commercial and industrial markets



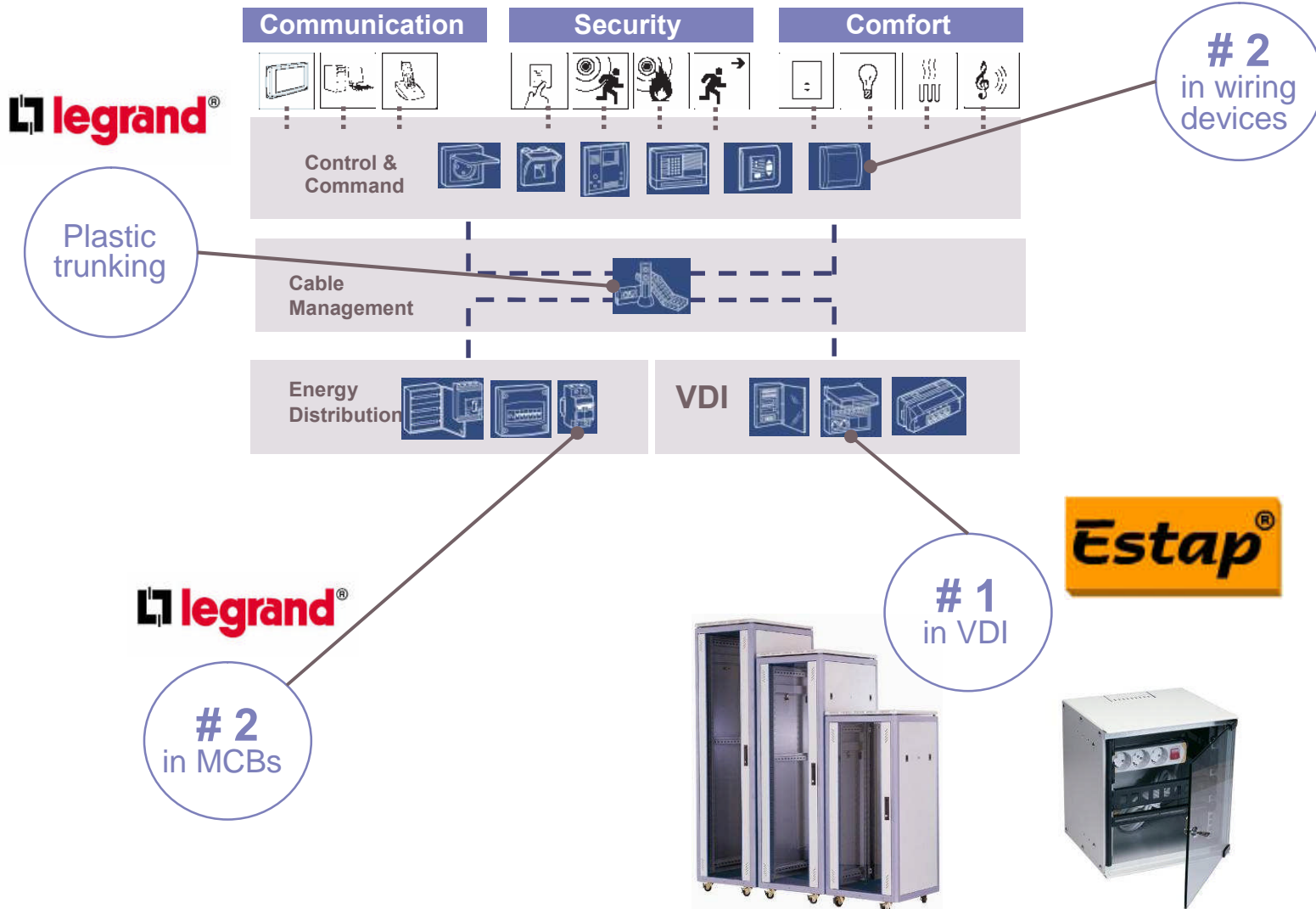
- US specialist in ceiling cable-tray systems for commercial and industrial segments
- 2007 net sales: about \$32M
- 60 employees



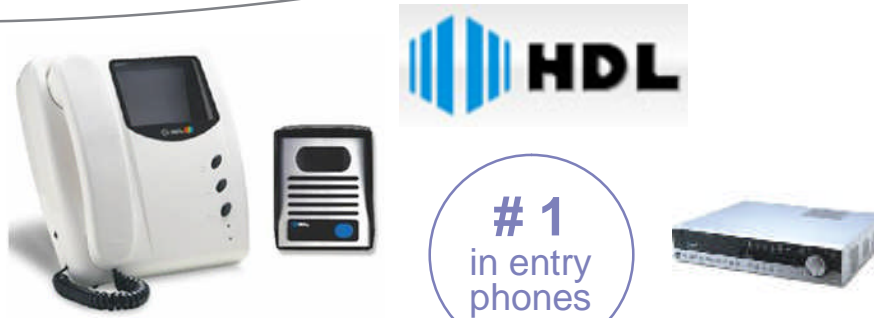
- UK leader in under-floor cable-tray systems for commercial and industrial applications
- 2007 net sales: about €20M
- 130 employees



# Estep: Reinforcing Legrand's Positions in Turkey and VDI/Datacom



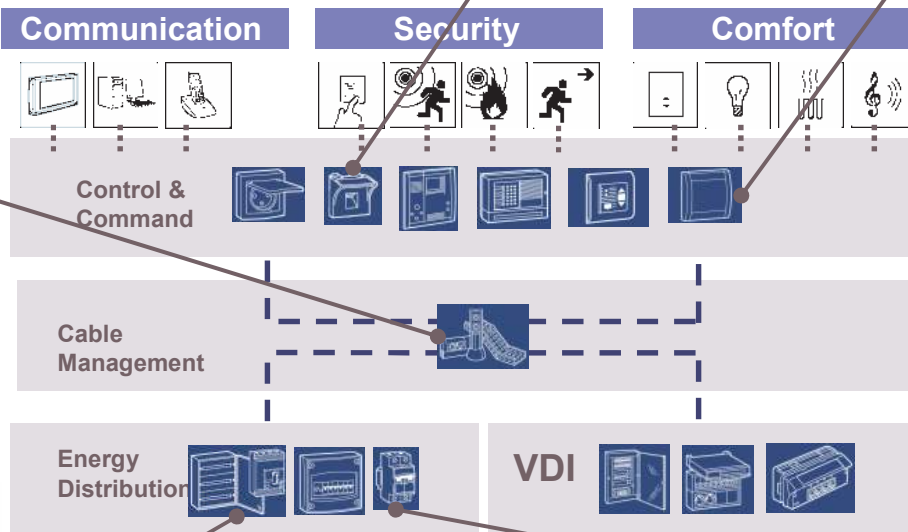
# HDL: Reinforcing Legrand's Positions in Brazil and in Audio and Video Door Entry Phones



# 1  
in entry  
phones

# 1  
in wiring  
devices

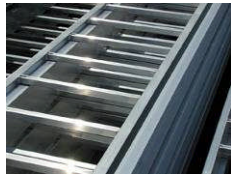
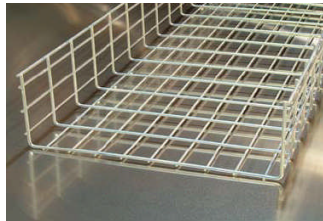
# 1  
in plastic  
trunking



# 1  
in industrial  
enclosures and  
consumer units

# 1  
in MCBs

# PW Industries: Reinforcing Legrand's Leadership in Cable Management in the US



**on·Q**  
legrand

**Pass & Seymour**  
legrand

**# 1**  
in structured  
cabling

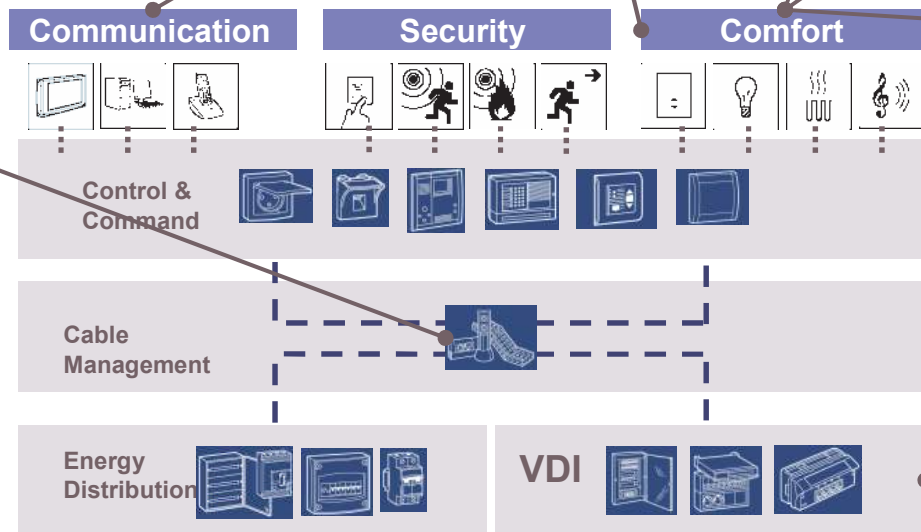
**# 2**  
in high-end  
residential  
lighting  
controls

**# 2**  
in wiring  
devices

**Watt Stopper**  
legrand

**# 1**  
in cable  
management

**# 1**  
in energy-  
efficient  
lighting  
controls



**ORTRONICS**  
legrand

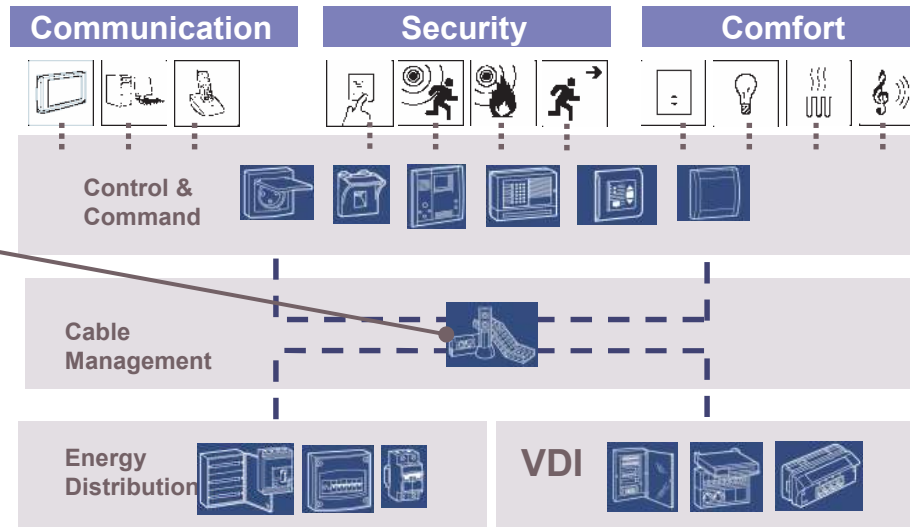
**VDI  
Datacom**

**WIREMOLD**  
legrand

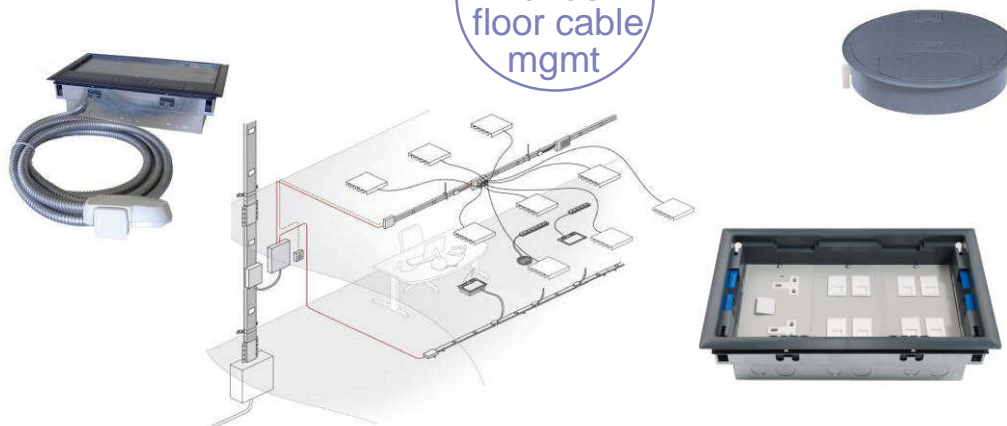
# Electrak: Reinforcing Legrand's Presence on the UK Cable Management Market



Strong positions in cable trays



# 1 in under-floor cable mgmt



# Healthy Resilience of Margins

In M€	Q1 2007	Q1 2008	% of Change
<b>Net Sales</b>	<b>1,032.7</b>	<b>1,049.0</b>	<b>1.6%</b>
Gross Profit	525.4	<b>541.4</b>	3.0%
<i>As % of Sales</i>	50.9%	<b>51.6%</b>	
<b>Adjusted<sup>(1)</sup> Operating Income</b>	<b>185.1</b>	<b>187.6</b>	<b>1.4%</b>
<i>As % of Sales</i>	17.9%	<b>17.9%</b>	
Accounting entries related to the acquisition of Legrand France	(15.7)	<b>(12.6)</b>	
Operating Income	169.4	<b>175.0</b>	3.3%
<i>As % of Sales</i>	16.4%	<b>16.7%</b>	
Net Financial Expenses	(28.5)	<b>(29.2)</b>	
Exchange Gains & Losses	3.1	<b>25.5</b>	
Income Tax Expense	(51.6)	<b>(57.8)</b>	
Net Profit Group Share	92.4	<b>113.8</b>	
<b>Net Profit</b>	<b>92.9</b>	<b>114.1</b>	

1. Figures restated for accounting entries with no cash impact relating to the acquisition of Legrand France in 2002

# Cash Generation

In M€	Q1 2007	Q1 2008
<b>Cash-Flow From Operations <sup>(1)</sup></b>	<b>157.3</b>	<b>149.8</b>
<i>As % of Sales</i>	15.2%	<b>14.3%</b>
Change in Working Capital Requirement	(112.0)	<b>(112.8)</b>
Net Cash Provided by Operating Activities	45.3	<b>37.0</b>
<i>As % of Sales</i>	4.4%	<b>3.5%</b>
Capital Expenditures (including capitalised R&D)	(34.0)	<b>(30.6)</b>
Net Proceeds from Sales of Fixed Assets	6.2	<b>2.6</b>
<b>Free Cash-Flow</b>	<b>17.5</b>	<b>9.0</b>
<i>As % of Sales</i>	1.7%	<b>0.9%</b>

1. Cash flow from operations is defined as the sum of net cash provided by operating activities and change in working capital



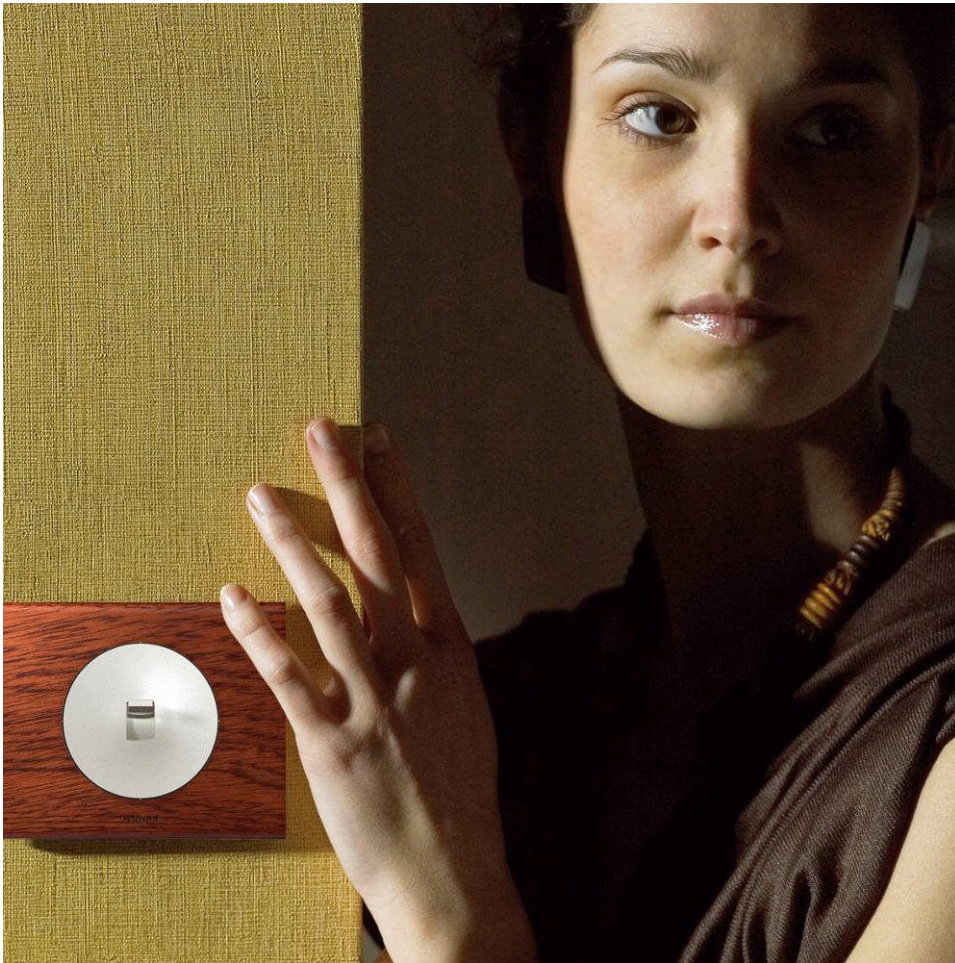
# Agenda & Contacts

## Agenda

- May 22, 2008: Annual General Meeting of Shareholders
- July 30, 2008:  
2008 first-half results
- November 6, 2008:  
2008 nine-month results

## Contacts

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## Appendices

# 2008 First Quarter - Net Sales by Destination (1)

(€M)	Q1 2007	Q1 2008	Total Change	Scope of Consolidation	Like-for-Like Growth	Currency Effect
France	264.4	255.3	-3.4%	0.4%	-3.8%	0.0%
Italy	209.5	216.3	3.2%	0.0%	3.2%	0.0%
Rest of Europe	219.4	233.8	6.6%	5.6%	2.2%	-1.2%
USA/Canada	155.1	134.1	-13.5%	2.4%	-3.4%	-12.6%
Rest of the World	184.3	209.5	13.7%	7.0%	9.5%	-3.0%
<b>Total</b>	<b>1,032.7</b>	<b>1,049.0</b>	<b>1.6%</b>	<b>2.9%</b>	<b>1.4%</b>	<b>-2.6%</b>

1. Market where sales are recorded

# 2008 First Quarter - Net Sales by Origin <sup>(1)</sup>

(€M)	Q1 2007	Q1 2008	Total Change	Scope of Consolidation	Like-for-Like Growth	Currency Effect
France	306.0	293.3	<b>-4.2%</b>	-3.1% <sup>(2)</sup>	<b>-1.1%</b>	0.0%
Italy	223.5	226.5	<b>1.3%</b>	0.0%	<b>1.3%</b>	0.0%
Rest of Europe	198.7	218.3	<b>9.9%</b>	7.3%	<b>3.8%</b>	-1.3%
USA/Canada	158.8	136.0	<b>-14.4%</b>	1.5%	<b>-3.5%</b>	-12.6%
Rest of the World	145.7	174.9	<b>20.0%</b>	15.2% <sup>(2)</sup>	<b>7.7%</b>	-3.3%
<b>Total</b>	<b>1,032.7</b>	<b>1,049.0</b>	<b>1.6%</b>	<b>2.9%</b>	<b>1.4%</b>	<b>-2.6%</b>

1. Zone of origin of the product sold

2. Due to the set-up of a subsidiary in Dubai end of 2007, products sold in Dubai are billed from Dubai in 2008 whereas they were billed from France in 2007

# Reconciliation of Cash-Flow From Operations with Net Profit

IFRS, in M€	Q1 2007	Q1 2008
<b>Net Profit</b>	<b>92.9</b>	<b>114.1</b>
Depreciation & Amortization	54.2	<b>50.4</b>
Change in other non-current assets and liabilities and deferred tax	17.3	<b>(3.2)</b>
Share of loss/(profit) of associates	(0.5)	<b>(0.6)</b>
Exchange (gains)/losses net	(4.2)	<b>(15.7)</b>
(Gains)/losses on fixed asset disposals and sales of securities	(1.8)	<b>(0.4)</b>
Other Adjustments	(0.6)	<b>5.2</b>
<b>Cash-Flow From Operations</b>	<b>157.3</b>	<b>149.8</b>

# Scope of Consolidation

2007	Q1	H1	9M	FY
Cemar	3 months	6 months	9 months	12 months
Shidean	3 months	6 months	9 months	12 months
Vantage	3 months	6 months	9 months	12 months
USTec	3 months	6 months	9 months	12 months
HPM	2 months	5 months	8 months	11 months
Kontaktor			Only in BS <sup>(1)</sup>	Only in BS <sup>(1)</sup>
Macse				Only in BS <sup>(1)</sup>
TCL Wuxi				Only in BS <sup>(1)</sup>
Alpes Technologies				Only in BS <sup>(1)</sup>

2008	Q1	H1	9M	FY
HPM	3 months	6 months	9 months	12 months
Kontaktor	3 months	6 months	9 months	12 months
Macse	3 months	6 months	9 months	12 months
TCL Wuxi	3 months	6 months	9 months	12 months
Alpes Technologies	3 months	6 months	9 months	12 months
PW Industries	2 months	5 months	8 months	11 months
Etap		3 months	6 months	9 months
HDL		3 months	6 months	9 months
Electrak		3 months	6 months	9 months

1. BS: Balance Sheet

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