Unaudited consolidated financial information as of March 31, 2011

2011

legrand®

LEGRAND

UNAUDITED CONSOLIDATED FINANCIAL INFORMATION

MARCH 31, 2011

Contents

Consolidated statement of income

(in € millions)	Legrand Three months ended March 31, 2011	 2010*
Revenue	**1,036.4**	**911.7**
Operating expenses		
Cost of sales	(474.7)	(414.5)
Administrative and selling expenses	(286.9)	(252.6)
Research and development costs	(50.9)	(45.3)
Other operating income (expense)	(14.1)	(18.8)
Operating profit	**209.8**	**180.5**
Finance costs	(21.3)	(18.0)
Financial income	3.4	2.5
Exchange gains (losses)	6.0	(25.4)
Finance costs and other financial income and expense, net	(11.9)	(40.9)
Profit before tax	**197.9**	**139.6**
Income tax expense	(70.2)	(48.7)
Profit for the period	**127.7**	**90.9**
Attributable to :		
- Equity holders of Legrand	**127.5**	**90.3**
- Minority interests	**0.2**	**0.6**
Basic earnings per share *(euros)*	0.486	0.344
Diluted earnings per share *(euros)*	0.467	0.334

* 2010 data restated as shown in note 3.

Statement of Comprehensive Income

(in € millions)	March 31, 2011	March 31, 2010
Profit for the period	127.7	90.9
Actuarial gains and losses after deferred taxes	(0.4)	0.0
Current taxes on hedges of net investments in foreign currency	(5.9)	6.5
Translation reserves	(45.9)	73.5
Comprehensive income for the period	**75.5**	**170.9**

Consolidated balance sheet

	Legrand	
(in € millions)	**March 31, 2011**	**December 31, 2010**
ASSETS		
Current assets		
Cash and cash equivalents	639.9	232.3
Income tax receivables	11.0	18.2
Trade receivables (note 4)	551.8	496.4
Other current assets	126.8	127.5
Inventories (note 5)	583.8	549.1
Other current financial assets	0.6	0.6
Total current assets	**1,913.9**	**1,424.1**
Non current assets		
Intangible assets	1,754.0	1,768.0
Goodwill	2,163.7	2,132.2
Property, plant and equipment	594.1	613.4
Other investments (note 6)	14.9	32.3
Deferred tax assets	89.8	90.1
Other non-current assets	4.5	4.6
Total non current assets	**4,621.0**	**4,640.6**
Total Assets	**6,534.9**	**6,064.7**

(in € millions)	Legrand March 31, 2011	Legrand December 31, 2010
LIABILITIES AND EQUITY		
Current liabilities		
Short-term borrowings (note 10)	202.5	216.8
Income tax payable	73.8	46.9
Trade payables	479.8	432.0
Short-term provisions	114.2	113.8
Other current liabilities	410.9	443.2
Other current financial liabilities	1.3	0.3
Total current liabilities	**1,282.5**	**1,253.0**
Non-current liabilities		
Deferred tax liabilities	630.2	633.5
Long-term provisions	90.3	91.6
Other non-current liabilities	0.4	0.7
Provisions for pensions and other post-employment benefits	133.3	136.9
Long-term borrowings (note 9)	1,579.2	1,213.0
Total non-current liabilities	**2,433.4**	**2,075.7**
Equity		
Share capital (note 7)	1,053.1	1,052.6
Retained earnings	1,941.4	1,810.7
Translation reserves	(178.7)	(132.7)
Equity attributable to equity holders of Legrand	2,815.8	2,730.6
Minority interests	3.2	5.4
Total equity	**2,819.0**	**2,736.0**
Total Liabilities and Equity	**6,534.9**	**6,064.7**

Consolidated statement of cash flows

	Legrand Three months ended March 31,	
(in € millions)	**2011**	**2010**
Profit for the period	**127.7**	**90.9**
Reconciliation of profit for the period to net cash provided by operating activities :		
- Depreciation expense	26.3	28.4
- Amortization expense	9.2	10.7
- Amortization of development costs	7.0	5.5
- Amortization of finance costs	0.2	0.4
- Changes in deferred taxes	0.9	(0.6)
- Changes in other non-current assets and liabilities	10.0	1.5
- Exchange (gains)/losses, net	3.6	17.5
- Other adjustments	(0.2)	0.9
(Gains)/losses on sales of assets, net	(1.6)	0.2
Changes in operating assets and liabilities :		
- Inventories	(47.3)	(35.0)
- Trade receivables	(66.1)	(17.9)
- Trade payables	52.4	48.1
- Other operating assets and liabilities	(6.7)	(39.2)
Net cash provided by operating activities	**115.4**	**111.4**
Net proceeds from sales of fixed and financial assets	5.3	0.8
Capital expenditure	(20.5)	(11.1)
Capitalized development costs	(7.0)	(7.0)
Changes in non current financial assets and liabilities	0.2	0.1
Acquisitions of subsidiaries, net of the cash acquired	(39.3)	1.2
Investments in non-consolidated entities	(14.0)	0.0
Net cash used in investing activities	**(75.3)**	**(16.0)**
- Proceeds from issues of share capital and premium (note 7)	0.0	0.3
- Sales (buybacks) of shares and transactions under the liquidity contract (note 7)	1.1	2.3
- Dividends paid to equity holders of Legrand	0.0	0.0
- Dividends paid by Legrand subsidiaries	0.0	0.0
- Proceeds from new borrowings and drawdowns	441.2	300.0
- Repayment of borrowings	(43.5)	(103.9)
- Debt issuance costs	(2.8)	(2.6)
- Increase (reduction) in bank overdrafts	(19.8)	(192.6)
Net cash (used in) provided by financing activities	**376.2**	**3.5**
Effect of exchange rate changes on cash and cash equivalents	(8.7)	8.2
Increase in cash and cash equivalents	**407.6**	**107.1**
Cash and cash equivalents at the beginning of the period	232.3	173.5
Cash and cash equivalents at the end of the period	**639.9**	**280.6**
Items included in cash flows :		
- Free cash flow (note 11)	93.2	94.1
- Interest paid during the period	31.1	18.7
- Income taxes paid during the period	34.9	25.2

NOTES

1) Introduction

This unaudited consolidated financial information of Legrand is presented for a three-months period ending March 31, 2011. This unaudited consolidated financial information should be read in accordance with consolidated financial statements for the year ended December 31, 2010 such as established in “document de référence” deposited under visa no D.11-0375 with the French security regulator (Autorité des Marchés Financiers) on April 27, 2011.

2) Changes in the scope of consolidation

The contributions to the consolidated balance sheets and income statements of companies acquired since January 1, 2010 were as follows:

2010	December 31
Inform	6 months' profit
Indo Asian Switchgear	4 months' profit

2011	March 31
Inform	3 months' profit
Indo Asian Switchgear	3 months' profit
Meta System Energy	3 months' profit
Electrorack	3 months' profit

3) Accounting policies

In order to meet the IFRS developments at best, the Group has decided to reclassify some items between the different lines of the income statement.

Employee profit-sharing, previously shown globally in 'other operating expenses', has been split between the personnel expenses included in cost of sales, administrative and selling expenses or research and development costs.

In the same way, research and development tax incentive have been transferred from 'other operating income' to 'research and development costs' in the income statement.

As shown below, those transfers do not modify either operating profit or profit for the period.

Transfers between lines of the income statement for the three-months period ending March 31, 2010 published and the one shown in comparison can be analyzed as follows

Three months ended March 31, 2010	Published	Transfers	Restated
Revenue	**911.7**		**911.7**
Operating expenses			
Cost of sales	(411.0)	(3.5)	(414.5)
Administrative and selling expenses	(248.2)	(4.4)	(252.6)
Research and development costs	(46.3)	1.0	(45.3)
Other operating income (expense)	(25.7)	6.9	(18.8)
Operating profit	**180.5**	**0.0**	**180.5**
Finance costs	(18.0)		(18.0)
Financial income	2.5		2.5
Exchange gains (losses)	(25.4)		(25.4)
Finance costs and other financial income and expense, net	(40.9)		(40.9)
Profit before tax	**139.6**		**139.6**
Income tax expense	(48.7)		(48.7)
Profit for the period	**90.9**		**90.9**

The transfers above have no significant impact on the balance sheet and no presentation modification has been made to 2010 balance sheet.

4) Trade receivables

Trade receivables are as follows:

(in € millions)	March 31, 2011	December 31, 2010
Trade accounts receivable	549.8	466.5
Notes receivable	61.8	89.2
	611.6	555.7
Less impairment	(59.8)	(59.3)
	551.8	**496.4**

5) Inventories

Inventories are as follows:

(in € millions)	March 31, 2011	December 31, 2010
Purchased raw-materials and components	231.9	222.3
Sub-assemblies, work in progress	99.2	90.0
Finished products	354.0	336.6
	685.1	648.9
Less impairment	(101.3)	(99.8)
	583.8	**549.1**

6) Other investments

(in € millions)	March 31, 2011	December 31, 2010
Other investments	14.9	32.3

Changes in other investments include the consolidation of Meta System Energy at January, 1st 2011, acquired in the fourth quarter of 2010 and the acquisition of Intervox Systèmes acquired in the first quarter of 2011.

7) Share capital

Share capital as of March 31, 2011 amounted to €1,053,134,224 represented by 263,283,556 ordinary shares with a par value of €4 each, for 329,529,770 voting rights.

a) Changes in share capital

Changes in share capital as of March 31, 2011 are as follows:

	Number of shares	Par value	Share capital (euros)	Premiums (euros)
As of December 31, 2010	263,161,346	4	1,052,645,384	1,069,831,301
Exercise of options under the 2010 plan	1,575	4	6,300	28,066
Shares granted under the 2009 plan	120,635	4	482,540	(482,540)
As of March 31, 2011	263,283,556	4	1,053,134,224	1,069,376,827

Shares capital consists exclusively of ordinary shares. The par value of the shares is €4.

Double voting rights may accrue for all shares held in registered form in the name of the same shareholder for at least two years.

In the first quarter 2011, 122,210 shares were issued upon exercise of stock options granted under the 2010 plan and upon share granted under the 2009 plan, resulting in an €0.5 million capital increase with an €(0.5) million premium.

b) Share buyback program and transactions under the liquidity contract

Share buyback program

As of March 31, 2011, the Group held 582,851 shares under the program, acquired at a total cost of €13,255,226. These shares are being held for the following purposes:

- for allocation upon exercise of free shares (577,930 shares purchased at a cost of €13,132,595),

- for allocation to employees who choose to re-invest their profit-shares in Legrand stock through a corporate mutual fund (4,921 shares purchased at a cost of €122,631).

During the first three months of 2011, 24,334 shares acquired at a cost of €702,401 that were allocated to the corporate mutual fund were transferred to the fund.

Also during the period, 450 shares were allocated to employees under share grant plans as described in Note 8.

Liquidity contract

On May 29, 2007, the Group appointed a financial institution to maintain a liquid market for its ordinary shares on the NYSE Euronext™ Paris market under a liquidity contract complying with the Code of Conduct issued by the AMAFI (French Financial Markets Association) approved by the AMF on March 22, 2005.

As of March 31, 2011, the Group held 190,000 shares under this contract, purchased at a total cost of €5,396,161.

During the first three months of 2011, a net 2,500 shares of Legrand stock were sold, generating proceeds, net of purchase costs, of €368,435.

8) Stock option plans and free shares plan

Free shares plan

On May 15, 2007, shareholders authorized the Board of Directors to grant free shares to certain employees or corporate officers of the Company and its subsidiaries, on one or several occasions. The total number of shares is capped at 5% of the capital including the shares to be issued on exercise of stock options.

Information on the free shares plans	**2007 Plan**	**2008 Plan**	**2009 Plan**	**2010 Plan**	**2011 Plan**
Date of Board of Directors Meeting	May 15, 2007	March 5, 2008	March 4, 2009	March 4, 2010	March 3, 2011
Total number of shares granted	533,494	654,058	288,963	896,556	1,592,712
Of which to corporate officers	*26,427*	*47,077*	*23,491*	*62,163*	*127,888*
- Gilles Schnepp	*13,582*	*24,194*	*12,075*	*38,373*	*65,737*
- Olivier Bazil	*12,845*	*22,883*	*11,416*	*23,790*	*62,151*
Vesting/exercise conditions	Options vest after a maximum of 4 years, except in the event of resignation or termination for willful misconduct.				
Free shares cancelled during 2007 and 2008	(16,993)	(6,145)			
Free shares vested during 2008	(546)				
Free shares vested during 2009	(253,880)	(400)			
Free shares cancelled during 2009	(6,428)	(9,905)	(6,281)		
Free shares vested during 2010	(682)	(329,359)	(463)		
Free shares cancelled during 2010	(2,397)	(2,908)	(3,845)	(21,358)	
Free shares vested during 1st quarter 2011			(120,635)	(450)	
Free shares cancelled during 1st quarter 2011	(364)	(406)	(409)	(1,791)	
Total number of free shares outstanding as of March 31, 2011	**252,204**	**304,935**	**157,330**	**872,957**	**1,592,712**

If all these shares were to be definitively granted, the Company's capital would be diluted by 1.2%.

Stock option plan

On May 15, 2007, shareholders authorized the Board of Directors to grant stock options to certain employees or corporate officers of the Company and its subsidiaries, on one or several occasions, entitling them to subscribe new shares or purchase existing shares representing no more than 5% of the capital including the shares to be issued on exercise of options.

Information on stock options	**2007 Plan**	**2008 Plan**	**2009 Plan**	**2010 Plan**
Date of Board of Directors Meeting	May 15, 2007	March 5, 2008	March 4, 2009	March 4, 2010
Total number of options	1,638,137	2,015,239	1,185,812	3,254,726
Of which to corporate officers	*79,281*	*141,231*	*93,964*	*217,646*
- Gilles Schnepp	*40,745*	*72,583*	*48,300*	*134,351*
- Olivier Bazil	*38,536*	*68,648*	*45,664*	*83,295*
Vesting/exercise conditions	Options vest after a maximum of 4 years, except in the event of resignation or termination for willful misconduct.			
Starting date of the option exercise period	May 16, 2011	March 6, 2012	March 5, 2013	March 5, 2014
End of the option exercise period	May 15, 2017	March 5, 2018	March 4, 2019	March 4, 2020
Option exercise price	€25.20	€20.58	€13.12	€21.82
Options cancelled during 2007 and 2008	(55,042)	(20,439)		
Options cancelled during 2009	(25,105)	(32,057)	(21,093)	
Options cancelled during 2010	(13,830)	(19,112)	(18,739)	(75,317)
Options exercised during 2010	(2,046)	(2,853)	(1,852)	
Options cancelled during 1st quarter 2011	(2,114)	(2,361)	(1,636)	(6,268)
Options exercised during 1st quarter 2011				(1,575)
Outstanding options as of March 31, 2011	**1,540,000**	**1,938,417**	**1,142,492**	**3,171,566**

If all these options were to be exercised, the Company's capital would be diluted by a maximum of 3.0% (this maximum dilution as it does not take into account the exercise price of these options).

In accordance with IFRS 2, which requires the cost of stock options to be recognized in the financial statements, a charge of €9.2 million was recorded as of March 31, 2011 (€3.5 million as of March 31, 2010) for all of these plans combined.

9) Long-term borrowings

Long-term borrowings can be analyzed as follows:

(in € millions)	**March 31, 2011**	**December 31, 2010**
Facility Agreement	177.3	227.2
8 ½% debentures	274.9	292.0
Bonds	700.0	300.0
Bank Borrowing	282.5	282.5
Other borrowings	150.2	114.3
	1,584.9	**1,216.0**
Debt issuance costs	(5.7)	(3.0)
	1,579.2	**1,213.0**

In March 2011, the Group issued a €400.0 million bond loan for a period of seven years. The maturity date is March 21, 2018 and the annual coupon is 4.375 %. The bonds will be redeemable at maturity.

10) Short-term borrowings

Short-term borrowings can be analyzed as follows:

(in € millions)	**March 31, 2011**	**December 31, 2010**
Facility Agreement	93.4	87.1
Other borrowings	109.1	129.7
	202.5	**216.8**

11) Information by geographical segment

Legrand is the global specialist in electrical and digital building infrastructures. The following information by geographical segment corresponds to the Group's consolidated reporting system.

3 months ended March 31, 2011 *(in € millions)*	Geographical segments France	Europe Italy	Others	USA/ Canada	Rest of the world	Items not allocated to segments	Total
Total revenue	636.0	243.3	258.4	150.1	286.3		1,574.1
Less intra-group transfers	(351.8)	(55.7)	(71.3)	(10.8)	(48.1)		(537.7)
Revenue	**284.2**	**187.6**	**187.1**	**139.3**	**238.2**		**1,036.4**
Cost of sales	(93.6)	(74.7)	(110.9)	(68.4)	(127.1)		(474.7)
Administrative and selling expenses, R&D costs	(121.0)	(49.0)	(50.1)	(51.5)	(66.2)		(337.8)
Other operating income (expense)	(6.9)	1.3	(5.2)	(1.0)	(2.3)		(14.1)
Operating profit	**62.7**	**65.2**	**20.9**	**18.4**	**42.6**		**209.8**
- of which amortization and costs related to acquisitions*	(2.5)	(0.8)	(0.7)	(2.3)	(2.1)		(8.4)
- of which goodwill impairment							0.0
Adjusted operating profit	**65.2**	**66.0**	**21.6**	**20.7**	**44.7**		**218.2**
- of which depreciation expense	(9.3)	(5.9)	(3.7)	(2.2)	(5.0)		(26.1)
- of which amortization expense	(0.7)	(0.9)	(0.2)	(0.2)	(0.3)		(2.3)
- of which amortization of development costs	(5.2)	(1.5)	0.0	(0.3)	0.0		(7.0)
- of which restructuring costs	(2.7)	1.3	(3.1)	0.0	0.0		(4.5)
Exchange gains (losses)						6.0	6.0
Finance costs and other financial income and expense						(17.9)	(17.9)
Income tax expense						(70.2)	(70.2)
Minority interest and share of (loss)/profit of associates						0.2	0.2
Net cash provided by operating activities						115.4	115.4
Net proceeds from sales of fixed and financial assets						5.3	5.3
Capital expenditure	(4.8)	(5.0)	(2.5)	(1.2)	(7.0)		(20.5)
Capitalized development costs	(4.3)	(1.9)	0.0	(0.5)	(0.3)		(7.0)
Free cash flow**						**93.2**	**93.2**
Total assets						6,534.9	6,534.9
Segment liabilities	364.3	218.0	125.0	89.0	208.6		1,004.9

* Amortization related to acquisitions refer to the amortization of intangible assets revalued in the allocation of the purchase price.

** Free cash flow is defined as the sum of net cash provided by operating activities and net proceeds from sales of fixed and financial assets minus capital expenditure and capitalized development costs.

3 months ended March 31, 2010 *(in € millions)*	France	Geographical segments Europe Italy	Others	USA/ Canada	Rest of the world	Items not allocated to segments	Total
Total revenue	565.8	217.5	226.1	142.2	232.7		1,384.3
Less intra-group transfers	(312.1)	(48.8)	(60.0)	(13.8)	(37.9)		(472.6)
Revenue	**253.7**	**168.7**	**166.1**	**128.4**	**194.8**		**911.7**
Cost of sales (a)	(86.4)	(65.6)	(98.6)	(64.2)	(99.7)		(414.5)
Administrative and selling expenses, R&D costs (a)	(107.9)	(46.2)	(44.2)	(47.8)	(51.8)		(297.9)
Other operating income (expense) (a)	(6.7)	(3.4)	(4.3)	(0.4)	(4.0)		(18.8)
Operating profit	**52.7**	**53.5**	**19.0**	**16.0**	**39.3**		**180.5**
- of which amortization and costs related to acquisitions (b)	(2.9)	(1.2)	(0.7)	(2.4)	(1.3)		(8.5)
- of which goodwill impairment							0.0
Adjusted operating profit	**55.6**	**54.7**	**19.7**	**18.4**	**40.6**		**189.0**
- of which depreciation expense	(10.5)	(6.1)	(4.1)	(2.8)	(4.8)		(28.3)
- of which amortization expense	(0.6)	(1.1)	(0.2)	(0.2)	(0.2)		(2.3)
- of which amortization of development costs	(4.1)	(1.1)	(0.0)	(0.3)	(0.0)		(5.5)
- of which restructuring costs	(3.5)	(0.6)	(3.2)	(0.6)	(1.3)		(9.2)
Exchange gains (losses)						(25.4)	(25.4)
Finance costs and other financial income and expense						(15.5)	(15.5)
Income tax expense						(48.7)	(48.7)
Minority interest and share of (loss)/profit of associates						0.6	0.6
Net cash provided by operating activities						111.4	111.4
Net proceeds from sales of fixed and financial assets						0.8	0.8
Capital expenditure	(3.5)	(2.3)	(1.1)	(1.2)	(3.0)		(11.1)
Capitalized development costs	(4.6)	(1.7)	(0.0)	(0.5)	(0.2)		(7.0)
Free cash flow*						**94.1**	**94.1**
Total assets						5,848.3	5,848.3
Segment liabilities	326.7	197.8	102.2	91.0	162.2		879.9

* Free cash flow is defined as the sum of net cash provided by operating activities and net proceeds from sales of fixed and financial assets minus capital expenditure and capitalized development costs.

(a) Data restated as shown in note 3.

(b) Amortization related to acquisitions refer to the amortization of intangible assets revalued in the allocation of the purchase price.

Restatements that have an impact on the lines (a) and (b) are shown below:

3 months ended March 31, 2010 *(in € millions)*	France	Geographical segments Europe Italy	Others	USA/ France	Rest of Italy	Items not Europe Others	USA/ France
Cost of sales	(3.0)			(0.2)	(0.3)		(3.5)
Administrative and selling expenses, R&D costs	(2.6)			(0.5)	(0.3)		(3.4)
Other operating income (expense)	5.6			0.7	0.6		6.9
Operating profit	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**		**0.0**
- of which amortization and costs related to acquisitions			(0.3)	(0.6)	(1.1)		(2.0)
Adjusted operating profit	**0.0**	**0.0**	**0.3**	**0.6**	**1.1**		**2.0**
- of which amortization expense			0.3	0.6	1.1		2.0

12) Quarterly data

Quarterly revenue by geographical segment (billing region)

(in € millions)	**1st quarter 2011**	**1st quarter 2010**
France	284.2	253.7
Italy	187.6	168.7
Rest of Europe	187.1	166.1
USA/Canada	139.3	128.4
Rest of the world	238.2	194.8
Total	**1,036.4**	**911.7**

13) Subsequent events

In April 2011 the Group entered into interest swap agreements for a notional amount of €275.0 million to convert a part of its fixed-rated debt into a floating-rated one.

In April 2011 the Group announced, subject to the approval of competent authorities, the acquisition of SMS, the market leader for UPS (Uninterruptible Power Supply) in Brazil. SMS operates in the Sao Paulo area and the north of Brazil, with three production sites and a workforce of over 1,100 people. In 2010, SMS sales were close to €80 million.

Headquarters
128, avenue de Lattre de Tassigny
87045 Limoges Cedex
France
Tel. : + 33 (0) 5 55 06 87 87
Fax : + 33 (0) 5 55 06 88 88

www.legrandgroup.com