



A French *société anonyme* with capital of EUR 1,053,555,980  
Registered at 128, avenue du Maréchal de Lattre de Tassigny - 87000 Limoges, France  
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Limoges, May 25, 2012

## **SHARE BUYBACK PROGRAM APPROVED BY THE COMBINED ORDINARY AND EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS ON MAY 25, 2012**

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*Legrand is the global specialist in electrical and digital building infrastructures. Its comprehensive offering of solutions for use in commercial, industrial and residential markets makes it a benchmark for customers worldwide. Innovation, a steady flow of new products with high added value, and acquisitions are prime vectors for growth. Legrand reported sales of over €4.2 billion in 2011. The company is listed on NYSE Euronext and is a component stock of indexes including the CAC 40, FTSE4Good, MSCI World, ASPI and DJSI (ISIN code FR0010307819). [www.legrand.com](http://www.legrand.com)*

The Board of Directors of Legrand (“the **Company**”) met on May 25, 2012 and agreed to set up a share buyback program as authorized by shareholders at the Ordinary and Extraordinary General Meeting held the same day.

Established in accordance with articles 241-1 and following of the General Regulation of French market supervisor AMF (*Autorité des Marchés Financiers*), this description is drawn up for the purpose of setting out the objectives and terms of Legrand’s share buyback program (“**the Share Buyback Program**”) approved by above-mentioned General Meeting of Shareholders.

### **I. Number of shares and percentage of capital stock held by the Company**

On May 22, 2012, the Company’s capital stock consisted of 263,652,671 shares.

At the same date, the Company held 251,584 of its own shares.

### **II. Allocation by purpose of own shares held by the Company**

On May 22, 2012, the 251,584 own shares held by the Company were allocated by purpose as follows:

- 200,000 shares under a contract to ensure liquidity of trading in shares in accordance with the Charter of Professional Ethics recognized by the French market supervisor AMF through an investment service provider acting independently;
- 4,921 shares allocated for implementation of performance share plans under the provisions of articles L. 225-197-1 and following of the French Commercial Code; and
- 46,663 shares allocated to employee profit-sharing through an FCPE fund.

### **III. Purposes of the new Share Buyback Program**

Legrand envisages conducting or arranging for a share buyback for the purposes of:

- ensuring the liquidity and active operation of the market in Company shares by the intermediary of an investment services provider, acting independently under a liquidity contract in compliance with the Code of Practice recognized by French market supervisor (AMF);
- implementing any and all Company stock-option plans in accordance with articles L.225-177 and following of the French Commercial Code; any and all employee share-ownership initiatives to the exclusive benefit of participants in employee savings programs of the Company or Group undertaken in accordance with articles L.3332-1 and following of the French Labor Code (*Code du travail*); any and all share allotments pursuant to articles L.225-197-1 and following of the French Commercial Code; and any and all share allotments for the purpose of employee profit-sharing, as well as any hedging transactions relating to any of the aforesaid transactions, to take place at times decided by the Board of Directors or the person acting on behalf of the Board of Directors;
- holding and subsequently delivering shares by way of exchange or payment relating to equity acquisitions, it being specified that the number of shares acquired by the Company with a view to their conservation and subsequent use in payment or exchange for a merger, split or contribution of assets cannot exceed 5% of the Company's capital stock;
- delivering shares on the exercise of rights attached to securities providing immediate or future access, through redemption, conversion, exchange, presentation of a warrant or in any other manner, to Company shares;
- canceling all or some of the shares so purchased, subject to approval of the eleventh resolution presented to shareholders at the Combined Ordinary and Extraordinary General Meeting of Shareholders on May 25, 2012; or
- any other initiative that may be allowed or recognized by law or by market supervisor AMF, or any other objective that complies with prevailing regulations.

### **IV. Limit on the percentage of capital stock that may be acquired and maximum number of shares that may be purchased pursuant to the Share Buyback Program, types of securities that may be acquired under the Share Buyback Program, maximum price and terms of purchase**

#### **1. Maximum percentage of capital stock that the Company may acquire and maximum number of shares that may be purchased pursuant to the Share Buyback Program**

The limit on the portion of capital stock that is authorized for purchase under the Share Buyback Program is 10% of the total number of shares representing the capital stock at the date of the Combined Ordinary and Extraordinary General Meeting of Shareholders held on May 25, 2012 (26,365,267 shares), it being noted that where shares are purchased for the purpose of ensuring the liquidity of Legrand shares as described above, the total considered for the calculation of this upper limit of 10% corresponds to the number of shares purchased less the number of shares sold over the duration of the Share Buyback Program.

As provided under articles L. 225-209 and following of the French Commercial Code, the Company may at no time hold, directly or indirectly, Legrand shares representing more than 10% of the total number of shares making up Legrand's capital stock at that date.

#### **2. Types of securities that may be acquired under the Share Buyback Program**

The only securities that may be acquired under this program are Legrand shares. The shares purchased and held by the Company will be deprived of voting rights and will carry no entitlement to payment of a dividend.

### 3. Maximum authorized unit purchase price

The maximum price that the Company may pay for shares purchased under the Share Buyback Program is €40 per share (excluding fees), it being stipulated that this price will be adjusted as appropriate in the event of changes in capital stock such as may result in particular from incorporation of reserves, free allotment of shares, and/or a share split or combination.

The maximum amount allowed for the implementation of the Share Buyback Program is €500 million.

### 4. Terms of purchase

The purchase, sale, transfer or exchange of shares may be effected, directly or indirectly, at any time within the limits authorized by legal and regulatory provisions, except at such times as Company shares may be the object of a tender offer, and by any means and on any market including through a private transaction, trading in blocks of shares or public tender offers, through the use of any financial instruments or derivatives, notably option-based mechanisms, such as purchases and sales of put and call options.

### V. Duration of the Share Buyback Program

The Share Buyback Program is to be implemented for a period of eighteen months from the authorization granted by the Combined Ordinary and Extraordinary General Meeting of Shareholders on May 25, 2012, which is to say up to November 25, 2013 at the latest.

### VI. Investment service provider

#### **Implementation of the Share Buyback Program**

The Company will appoint an investment service provider acting independently to assist it in implementing the Share Buyback Program.

#### **Liquidity contract**

Under a contract signed on May 29, 2007 amended on June 30, 2011, Legrand charged Crédit Agricole Cheuvreux with providing for the liquidity of Legrand shares and ensuring more regular trading. This contract complies with the Charter of Professional Ethics drawn up by AMAFI (French financial markets association) on March 8, 2011.

The total amount of this liquidity contract is currently €15 million.

### VII. Transactions made under the previous share buyback program

Meeting on May 26, 2011, shareholders at the Combined Ordinary and Extraordinary General Meeting authorized the Board of Directors to implement, or have implemented by delegation, a share buyback program for a period of eighteen months. A detailed description of the program implemented by the Board of Directors on May 26, 2011 within the framework of the authorization mentioned above is published on the Company's website.

The Company made no use of derivative products.

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During the Share Buyback Program, any significant change in any of the information set forth above will be brought to the attention of the public as soon as possible in compliance with the provisions of article 221-3 of the General Regulations of the French market supervisor (AMF).