

Legrand in 2008

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€4.2

BILLION SALES

€643

MILLION OPERATING
PROFIT

€430

MILLION FREE CASH-FLOW

34,800

EMPLOYEES WORLDWIDE

19%

OF THE WORLD MARKET
FOR WIRING DEVICES AND
15% OF THAT FOR CABLE
MANAGEMENT

Legrand in 2008

Legrand is the world **specialist** in products and systems for electrical installations and information networks wherever people live and work. We serve global markets through distributors offering **innovative** solutions to meet the needs of electricians, specifiers and households. In close touch with customers, we develop and produce a range that comprises close to 170,000 catalog items distributed in nearly 180 countries.

As world leader in wiring devices and cable management, we draw on the resources of a global supply chain that combines flexibility and **responsiveness**. No. 1 positions on a large number of local markets give our business a **solid** base.

With 4.4% of sales allocated to R&D in 2008, we make innovation the main lever for growth on markets undergoing constant change. Innovation drives our ambition to combine simplicity with high value added, and innovation is behind new functions with stylish design in solutions that enhance energy efficiency and comfort, by the same token favoring **responsible** consumption of electricity.

Legrand teams are taking active steps to adapt business structures and take up the challenges of the future.

From the Chairman

Mobilized for

Our group has mobilized all its strengths to adapt to the challenges of a business environment rocked by the financial crisis since summer 2008, and we are continuing our self-financed development.

The fundamentals underlying the performance and solidity of our business model remain unchanged: leadership positions on many local markets ensure pricing power and make Legrand a benchmark. At the same time, a steady flow of orders from a large number of decision-makers limits our exposure to the financing

risks that are inherent in large projects. Today 60% of our sales are on maintenance and renovation markets, where demand is by nature recurrent and capital requirements are limited, which makes for added resilience. Finally, some 55% of our costs are variable, while our balance sheet is strong and cash flow vigorous, which means cash flow more than covers our investments.

We have reworked our business structures **in depth** for added flexibility and to reap the benefits of innovation more quickly. Our organization is thus now based on indus-

trial divisions and global management of purchasing, production and logistics to optimize cost structures and capital employed. At the same time, a **marketing strategy** centered on the power of leading brands has given us the leverage to broaden our target market and extend our presence. In this, we also benefit from the strength of a sales force that is close to customers, keeping us in immediate touch with the latest market trends. Together, these moves make our group more flexible and responsive, reinforcing our resilience.

**GILLES SCHNEPP**

Chairman & Chief Executive Officer

success

Against this backdrop we are building on our **multipolar** business model, targeting a wide variety of national markets and promising segments that include power distribution, energy efficiency, multimedia networks (Voice-Data-Image), and wire mesh cable management. In 2008, business in these segments grew 7% like-for-like to account for over 20% of total sales.

Legrand is thus well prepared to deal with the economic downturn and pursue its strategy for innovation with products that are increasingly intel-

ligent and environment friendly. This will enable us to emerge stronger than ever from a period that will be testing over the short term, but will also offer new opportunities over the long term.

Results for 2008 were resilient with sales up 1.8%, while adjusted operating income represented 16.6% of sales and free cash flow €430 million.

In 2009, as in 2008, we will be working hard to adapt costs, working capital and investment to optimize free cash flow. We will also be pursuing launches of new products,

which hold the key to growth and earnings when the economy heads up again. Drawing strength from the encouragement of our shareholders, the support of our customers, and our confidence in the responsiveness of our staff members, Legrand has **mobilized all its forces to succeed.**



Legrand is no.1 for wiring devices in China



We have been present in Russia since 1993



Over the past 12 years, Legrand has consistently posted annual double-digit growth in India

Winning leading positions locally and globally

>> Legrand derived close to 50% of its 2008 sales from products holding number-one places on their markets, and benefits from strong positions in particular in France, Italy, Russia, Brazil, Mexico, China and India. Leadership on these local markets enables us to keep sales-price management well in hand and to report healthy levels of profitability. Worldwide, Legrand is number one in wiring devices and cable management. The global reach and flexibility of our industrial organization and logistics provide a sound basis for optimization of structures and costs.



Céliane switch designed by Karim Rashid for Designer's Days



DMX3 circuit breaker protects low-voltage installations up to 4,000 A



Bticino's Axolute Nighter video station controls *My Home* systems

New ideas, smart solutions and innovative styling

>> Keeping close track of changing lifestyles, Legrand designs products with high value added content, combining new technology, ergonomic quality and aesthetic appeal. Our expertise in effective innovation is illustrated by products such as universal multimedia sockets, WiFi wall outlets integrated into wiring devices, circuit breakers with an automatic reset function, and home automation solutions. Over the past five years, Legrand has launched over 160 new ranges, from the simplest to the most sophisticated products, creating momentum for growth, reinforcing market leadership, and underpinning profitability.



Integration, from design to production...



...to end user, reducing energy consumption all the way



Watt Stopper's Light Saver lighting control cuts energy consumption by up to 50%

Eco-electricity, sustainable solutions for every home

>> In response to growing demand, Legrand offers energy-efficient solutions that keep environmental impact to a minimum at every stage in the product life cycle, from design to recycling. To take just two examples, *Céliane* scenario switches and *Watt Stopper* presence detectors can achieve energy savings of up to 50% in living and working areas. We also offer a special range dedicated to the comfort and safety of the elderly and disabled, providing them with effective communication tools.



Commercial markets generate
47% of sales



Legrand products are at home
in every setting



Applications and solutions that fully meet
the needs of industry and commerce

Unique resilience with a multipolar strategy

>> Legrand operates on fragmented markets driven by a large number of decision-makers. The result is a steady flow of business that is much less exposed to cyclical variations than in the case of large projects. Sixteen countries each represent more than €50 million in sales, and this significant presence in markets around the world reduces our reliance on trends in any single region. Resilience is reinforced by the diversity of the Legrand offering, which ranges from wiring devices and energy distribution to multimedia networks, and encompasses the simplest as well as the most sophisticated products.



Managed development

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Average figures for the past five years show Legrand sales rising by an annual 9%, with adjusted operating margin over 16% and free cash flow topping €400 million a year. Our solidity is now founded on strong leadership positions and a unique capacity to anticipate the future shape of our markets.



Questions to Olivier Bazil,

Vice Chairman and Chief Operating Officer



What are the basic principles of Legrand's strategy for business development?

We are continuing to build market share with the support of strong brands, and with targeted, self-financed investments in promising national markets and new segments. Market leadership is essential to pricing management and profitability. And when the economy is slowing, it is really decisive, since customers turn more readily to the leader.

How is Legrand responding to current economic conditions?

Legrand's management has already had to deal with a good number of economic downturns, and our group has always been able to adapt and come through testing times stronger than ever. Now, following a period of very sustained growth, our priorities are dynamic cost management and rapid adjustment to adapt to new conditions with highly flexible business structures. The current environment is an opportunity to once again demonstrate the effectiveness of our business model and sharpen up our organization even further.

A sound business model and added resilience

Operating on a fragmented market with a large number of decision-makers, Legrand has a broadly diversified range of products and solutions for places where people live and work. Together our business model and the structure of our markets thus make for genuine resilience.

Strong market positions and healthy margins

Legrand is number one for wiring devices and cable management, with respective market shares of 19% and 15%, and draws strength from a global industrial organization favoring optimization of costs. We also hold leading places for one or more

ranges in close to 30 countries, and these accounted for nearly 50% of sales in 2008. Along with our high-profile brands, leading positions on local markets give us scope for sales price management and healthy profitability.

Strategic focus on winning market share

We are building market share with a steady flow of innovative solutions backed by the strength of our sales teams. Today we have over 70 showrooms around the world, and our International Key Accounts and Projects unit has further strengthened our capacity to serve large customers internationally. In 2008, we also continued the strategy of self-financed acquisitions targeting local market leaders that was initiated over 50 years ago. During the year, acquisitions included HDL and Estap, bolstering our market share in emerging markets, as well as Electrak

BRAZIL—A SUCCESS STORY

> Brazil provides a perfect illustration of Legrand's commitment to lasting local ties. Its success began with the acquisition of Pial in 1977 and continued with organic growth backed up by the acquisitions of Lorenzetti in 2000, Cemar in 2006, and HDL in 2008, plus the development of a local production base. Today, our group is number one in Brazil for wiring devices, miniature circuit breakers, industrial cabinets and enclosures, door-entry systems and cable management. The recent acquisition of HDL will enable us to accelerate deployment of high value-added home automation offerings throughout Latin America.



Pial Legrand showroom in São Paulo



Legrand has been present in China since 2000



Turkey—in 2008, Legrand acquired Estap, no. 1 in VDI enclosures and cabinets

and PW Industries, which raised our presence in cable management.

Successful geographical diversification

In 2008, our group extended its presence to over 70 countries, up from under 50 in 2002, and 76% of sales are now outside France. In the past few years, we have branched out, replicating our model to win sizable positions on promising markets with a strategy focused on leadership, close customer relationships and a steady deepening of our ranges. Latin America (Brazil, Chile and Mexico), Asia (China and India), and Eastern Europe (Russia, Poland and Turkey) are thus making growing contributions to our group's growth and earnings. In 2008, emerging markets accounted for 29% of total sales.



Dubai—emerging markets generated 29% of sales

Promising new market segments

Legrand lays the foundations of lasting future growth with investments in high-potential segments—promising markets where 2008 sales showed organic growth of 7% and accounted for over 20% of consolidated revenues.



Showroom in Chile demonstrates power and VDI distribution at work



Céliane's Touchscreen allows remote control of all electrical functions

Multimedia—a rising wave of new demand

VDI (Voice-Data-Image) technology is a fast-expanding market, reflecting growing demand for data transmission and interconnectivity, as well as rising demand for new multimedia applications such as home theater and household video connections. In response, Legrand offers a full range of user-friendly products that combine high standards of performance with fast, flexible installation. This includes pre-cabling for data, TV and video networks, VDI cabinets and controls, and copper and fiber optic network connections.

Energy efficiency opens new opportunities

Buildings account for 40% of the world's total power consumption, making them a natural priority for innovation in energy savings. And Legrand is well placed to respond to these needs through specialized subsidiaries such as *Watt Stopper* and *Alpes Technologies*, with solutions ranging from heating and lighting controls to power for roll-down blinds and the quality of electrical current. To take just one example, a presence detector can cut energy consumption by up to 50%. Applications promoting energy efficiency accounted for 5% of sales in 2008 and are now the focus of a marketing campaign aimed at worldwide deployment.

Smart homes

Home automation covers a wide variety of technologies that include in particular lighting control, audio and video, and security. In this market, which saw double-digit growth in 2008, Legrand is present through





Home automation manages light, heating, security, image and sound systems throughout the house



Cablofil cable management—a smart system that combines high-quality materials and speedy installation

In One By Legrand in France, *My Home* in Italy, *Lubnet* in South Korea, and *Vantage* and *OnQ* in the US—all offerings marketed worldwide. The most recent additions to the lineup are *Axolute's Whice* and *Nighter*, featuring control systems with command screens and elegant styling.

Power systems and wire-mesh cable management for professionals

Sales in wire cable management rose 16% like-for-like in 2008, a success largely attributable to *Cablofil*, the world leader in wire mesh cable trays, with its distinctive offering of modular, easy-to-install products. Legrand also now counts among the top five worldwide in power distribution, a business that accounted for about 8% of sales in 2008, with an offering centered on complete systems integrating circuit breakers, transformers and protection boards. Since 2005, this has been rounded out with ranges sold by *Zucchini*, an Italian firm specialized in power busbars.

“The *Paris Department Store* in Budapest features 5,400 square meters of upscale shops, all under the same roof, and all outfitted with Legrand wiring devices and power distribution systems. The project is distinctly international, with specialist contributions from our subsidiaries in France, Italy (*Zucchini*) and the Netherlands (*Van Geel*) serving local players.”

VÉRONIQUE POISSON-JEMLI, HEAD OF IKAP DEPARTMENT
(INTERNATIONAL KEY ACCOUNTS AND PROJECTS)



Watt Stopper—making energy more efficient for 25 years



Ongoing innovation

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Innovation is central to Legrand's strategy, as illustrated by 5,000 active patents, R&D outlays equal to 4.4% of sales, and investments in new products representing more than 40% of total capital expenditure. Since 2003, over 30 new product ranges have been rolled out each year on average. Our goal is to constantly enhance the levels of comfort and safety available to our customers through products with increasingly intelligent functions and attractive design.

Questions to Jean-Charles Thuard,

Group Executive Vice President,
Marketing & Communications



What do you see as the main trends in demand on your markets?

The defining trends run deep; the most significant are linked to new technologies, calling for sophisticated connection and digital transmission systems. Alongside that, customers are demanding new standards of comfort and style. On mature markets, they are also increasingly attentive to safety and respect for the environment, while aging populations mean growing demand for ergonomic design. At the same time, rising standards of living mean that demand is far from confined to basics on emerging markets.

What does that mean for Legrand?

Clearly, we are looking at immense opportunities and practically unlimited potential for growth. Our R&D is targeting the development of products incorporating a wider range of functions, as well as greater aesthetic appeal in all our ranges. That means anticipating demand in what is a very exciting creative process, involving all our staff. We have already achieved some exceptional results, and these have put us a good length ahead on our market.

Innovation is a shared concern

Innovation is a fundamental value for our group and an integral part of our culture, involving staff at every level. In 2008, the quality of our management in this area was recognized with the Jury's Special Prize in the *Best Innovator* contest.



Showrooms give users around the world a 360° take on brands and systems, promoting new ideas and designs

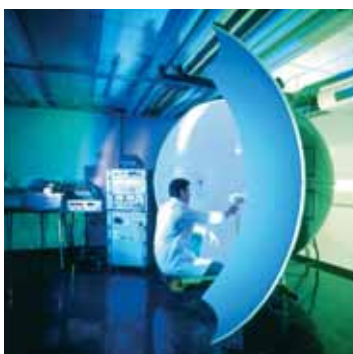
More than 70
showrooms around the world

1,850
employees dedicated to innovation

5,000
active patents



Innovation at every level, from design to production



1,850 experts invent, design, test and validate new ideas on site and in Legrand labs

Innovation driving growth

Innovation management involves all Legrand staff. The process begins upstream with an assessment of customer expectations for factors such as interior comfort, security, accessibility, professional mobility solutions, and the modularity of equipment. In 2008, we thus introduced anticipation plans combining all key resources and functions for innovation—strategic marketing, product marketing, design departments and engineering units—to identify the trends at work in society and define related priorities for innovation. At the same time, they aim to reduce development times while making full allowance for regulatory, technological and environmental constraints. Innovation is thus rooted in a strategy of economic intelligence, with new functions, new styling and optimized ergonomics stimulating a trading-up reflex to products offering the best possible fit with demand.

A strategic focus for sales and productions

Legrand places special emphasis on close relationships with customers and specifiers, regular guests at our many showrooms. We also train many sector professionals, as in France where 1,300 customers take courses at Innoval each year. On the industrial side, our production sites, located in some 30 different countries, all make innovation a constant priority to achieve progress on quality, prices and delivery times in accordance with the

strategic demands of their markets. Continued improvement in processes is favored by the group-wide deployment of our *Lean* program* and in-house communications raising employee awareness, as well as structured channels for suggestions. The results speak for themselves—Legrand has launched more than 160 new product ranges in just five years.

* Legrand's *Lean* program calls on staff participation to enhance quality and eliminate wastage through continuing review of processes in production, administration and other areas to identify shortcomings and make necessary adjustments.

Quality in innovation takes more than a snap of the fingers. And an excellent testimony to the effectiveness of our approach is the Jury's Special Prize for Innovation Management that we won in the 2008 *Best Innovator* contest organized by AT Kearney and Les Échos, where we came in first out of 600 entrants.

ÉRIC BESSAUDOU, INNOVATION SUPPORT PROJECT MANAGER

Technology and design to create new markets

Legrand has won ongoing recognition—also illustrated by a string of awards—for innovation that revolutionizes traditional equipment and sets new standards for aesthetic appeal.



Zucchini's super-compact power-distribution unit for industry



High performance floor box is adaptable to a wide range of building needs



Instant access to appliance controls with the stylish, easy-to-use interface built into the *TouchPoint* screen by *Vantage*

Products that stand for technological progress

Céliane scenario switches, universal multimedia sockets, *Stop & Go* circuit breakers with an automatic reset function, and touch screens are just some of the innovative products that enable users to vary temperatures, lighting, decoration and sound for the setting they want, all in complete safety.

These contribute to the optimization of communication, comfort, accessibility and energy consumption, and have also given Legrand the opportunity to set itself apart with new and stylish design. Our *Arteor*, *Céliane* and

Axolute switches are thus components of interior decoration in their own right, offering quality finishings and a wide choice of materials as well as varied applications. With *Céliane*, users can choose eight different ways to switch lights on and off, and no less than 40 finishes. From basics to the top of the range, where we are winning a growing place with home automation products, Legrand is opening new perspectives on its markets.

Breaking new ground for professionals

Alongside users' comfort, Legrand makes easy installation a top priority. This is illustrated in particular by the development of modular products, including quick-fit connection boxes, *Cablofil* cable trays, *Push & Learn* switches and *DLP* clip-on fastener. The approach can yield significant time savings, even as it makes life easier for installers. Legrand also provides support for professionals in the form of technical and sales literature, presentation kits, showroom



Céliane switches add a personal touch to any home or workplace, with distinctive styling, colors and materials



Art touchscreens—ergonomics for intuitive navigation

demonstrations, and software to design systems and calculate equipment costs. This presence in the field plays an important part in building trust in relationships with installers.

New products worldwide

In 2008 we launched over 20 new product ranges. Promising results are expected from *Arteor*, a high-end range of wiring devices for residential markets and hotels and from *Light Saver*, a lighting management system that reduces power consumption. Other striking new products include *Evolution* floor boxes and *Uralight* lighting systems.

ARTEOR—NEW RANGE, NEW SCOPE

> The roll-out of Arteor underscores our group's fundamental expertise: the ability to match up cutting-edge technology with the needs of specifiers, investors, architects, electricians and consumers. This striking new range stands out for the sheer scope of its applications, its stylish design and materials, and its distinctly international flavor and positioning. With Arteor, Legrand brings a new dimension to the world market for wiring devices and residential automation.

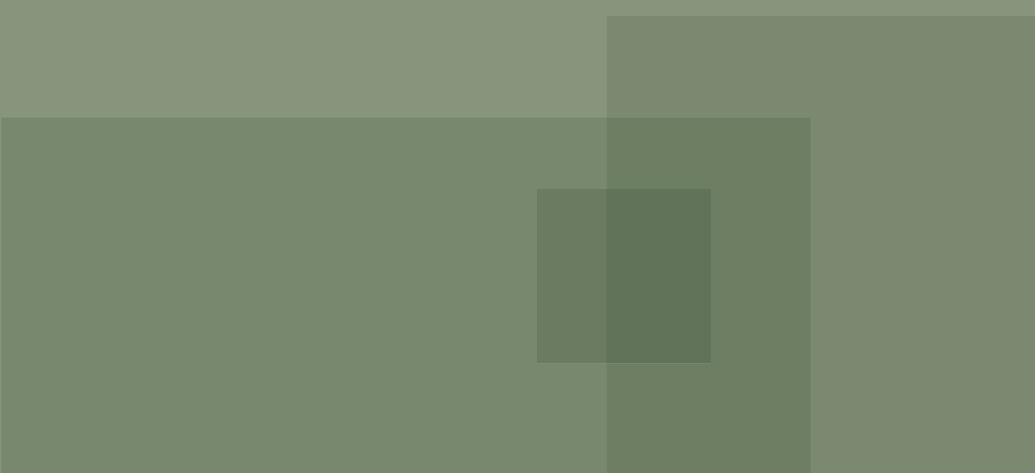




Taking responsibility

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Today energy savings, the reduction of environmental impacts and the well-being of the elderly and disabled are increasingly important issues. In response, Legrand offers solutions that optimize energy consumption and improve comfort, safety and communications wherever people live and work.



Questions to
Nelly Navarro,
Sustainable Development Coordinator
and Nathalie Lacombe,
Sustainable Development Business Developer



How is Legrand taking up its responsibilities as an industrial operator?

Nelly Navarro: We focus on all three aspects of development: environmental, social and economic. In each area, we aim to go beyond the bare bones of regulatory compliance and promote innovation, which can really mobilize people at Legrand. As regards our special responsibilities within our sector, we not only design our products for environmental quality but also work alongside our suppliers, the users of our products and professional associations to promote sustainability in electricity consumption.

Doesn't sustainability also mean new opportunities?

Nathalie Lacombe: It certainly does. For us, today's environmental and societal challenges mean new scope for value creation, opening up new perspectives to develop our products and businesses. A good example of this is *Watt Stopper* and its range of lighting-control systems, which help reduce energy consumption in buildings. And we also offer ranges meeting the needs of people with disabilities of various kinds—visual, auditive or mental.

Environment-friendly manufacturing

Legrand aims for exemplary environmental standards in product design, the choice of materials used, and related industrial processes.



Legrand puts 84% of its waste to use, with a preference for waste reclamation



In 2010, 100% of R&D units in France, Italy and the US will deploy an eco-design program

Production sites geared to effective environmental management

In 2005, we set out our commitments in an Environment Charter, providing a framework for the deployment of responsible environmental management at all our industrial sites. This proactive approach has led to a steady rise in the number of sites with ISO 14001 certification—in 2008, 81% of all our sites were certified, with the total up 11% from the previous year, and in Europe alone the proportion reached 92%.

“Let’s go green!”

This project, launched in 2008 in the US, shows how our businesses are appropriating sustainability issues. A strategic priority for Legrand North America, it not only led to a saving of 5.8 million kWh in electricity consumption, but also favored new awareness among all staff members, leading them to cut back on their own power utilization. The launch of a dedicated Intranet site encourages participants to share their experience.

At our Donguan production site in China, the *Lean* program launched in 2008 led to savings of 600,000 kWh or more than 6% of total annual energy consumption. Measures included improved insulation, optimization of machinery use and more efficient management of lighting.

FRÉDÉRIC RABIER, CORPORATE ENVIRONMENTAL MANAGER,
HEAD OF THE LEGRAND CLIMACT PROJECT



92% of our European sites are ISO-14001 certified

Responsibility end to end

Since 2001, our group has placed special emphasis on factoring environmental concerns into product design, using 11 parameters that include total energy consumption, greenhouse impacts and the choice of materials. Designed in accordance with these principles, the new *Altis* range of electrical cabinets thus achieves significant improvements in environmental performance with reductions of 60% in the use of natural resources, 32% in energy consumption, and 25% in greenhouse gas emissions. Legrand also remains committed to its target of at least 80% of waste reclaimed by 2010, and in 2008 the proportion reached 84%.

2008 environmental indicators and targets*

| | 2007 | 2008** | 2010 target |
|--|---------------------------|---------------------------|--|
| ISO 14001 certified sites, % | 73% | 81% | > 70% |
| Waste, '000 metric tons | 52 | 54 | ---- |
| % of waste reclaimed | 83% | 84% | > 80% |
| Energy consumption (T.eq.CO ₂) | 210 | 216 | -10% T.eq.CO ₂ (compared with 2006) |
| Water consumption, millions of cubic meters | 1.7 | 1.5 | ---- |
| Environmental training and awareness campaign, hours | 17,516 | 22,547 | ---- |
| % of research units using eco-design principles | 57% (group) | 63% (group) | 60% (group) |
| | 38% (France, Italy & USA) | 59% (France, Italy & USA) | 100% (France, Italy & USA) |
| Contribution of products with Product Environmental Profiles to sales in France, Italy and the United States | 7% | 9% | 50% |

* See also safety and risk prevention indicators, page 31.

** At current scope of consolidation.

Legrand Climact indicators in 2008

The Climact project was launched in 2007. Its aim: reduce carbon dioxide emissions throughout the group through a combination of controlled energy consumption, eco-design and a responsible approach to the transport of goods and people. From 2006 to 2008, measured like-for-like and limited to energy consumption at our sites, the project resulted in savings totaling 14,774 teq CO₂, a reduction of 6.4%.

| Action | 2008 savings (T.eq. CO ₂ *) |
|--|---|
| Preference for rail and sea transport, load optimization, storage close to end markets | 1,550 (or around 2% of total transport of goods by Legrand) |
| Redesign of some ranges | 5,850 |
| New packaging | 22 |
| Reduction of electricity consumption (excl. heating) | 7,516 (8% reduction**) |
| Reduction of energy consumption for heating | 7,258 (5% reduction**) |

* Results expressed in metric tons of carbon dioxide equivalent emissions (teq CO₂).

** Compared with 2006.

Backing responsible electricity consumption

At Legrand, we do all we can to involve our customers and the electricity sector as a whole in action to combat global warming and promote responsible practices. Reflecting this commitment, we adhere to the UN Global Compact and our shares are included in the FTSE4Good index.



Legrand promotes awareness of sustainable development throughout the industry



Marketing campaign for energy savings backed by Legrand subsidiaries

Responsible purchasing

In 2007 our group adopted a structured framework for responsible purchasing, and today over half of our strategic suppliers meet specifications that include environmental and societal standards and risk prevention. Suppliers adhering to the UN Global Compact account for 55% of purchases and we are currently in the process of reviewing our criteria for the assessment and approval of suppliers.

An active player in the industry

Experts from Legrand are involved in the development of international standards through their participation in the International Electrotechnical Commission, and support European Union initiatives backing the competitiveness of our industry through CENELEC, the European Committee for Electrotechnical Standardization. In Brazil, Legrand has for the past ten years contributed to the work of COBEL, the

national committee for electricity, electronics, lighting and telecommunications, helping to promote reliable solutions, define appropriate standards and train installers.

Promoting a sustainable offering

Our group designs solutions favoring energy savings, as illustrated in particular by *Watt Stopper*, number one in the US for energy-efficient lighting. Legrand actively encourages customers to participate in the drive for more responsible consumption. This is also the goal of our "1+1+1+1 = Less" campaign, launched in 2008 and promoting the energy savings available with Legrand solutions. In the same spirit, we offer our customers Product Environmental Profiles (PEP), providing a clear view of the environmental features of all our products. In line with key aspects of current green building initiatives, this approach plays a critically important role in guiding customer choices and reinforcing the competitive appeal of our products on



Legrand offers products designed especially for people with reduced mobility



A CREE Téléthèse module linked to an *In One* by Legrand unit for people with visual and cognitive disabilities

world markets. We now aim to have PEPs for 50% of our lineup in France, Italy and the USA by 2010.

Electrical solutions for every need

Legrand aims for ergonomic design in products suited to people in all situations, including the ill, the elderly and the disabled, focusing on comfort, autonomy and the means to maintain links to family and others. One example is the *Céliane* switch, which responds to the lightest touch. Our partnership with CREE, the French center for ergo-therapy and ergonomics, illustrates our commitment to helping people with disabilities, as does our support for Partenaires Handicap, a nationwide network of electricians with special expertise in adapting and installing products to take users' disabilities into account.

VOLUNTEER ELECTRICIANS LEND A HELPING HAND IN LAOS

> Through its support for the humanitarian association *Electriciens Sans Frontières* ("electricians without borders"), Legrand participated in a complete overhaul of electrical systems at the faculty of pharmacy in the Laotian capital Vientiane, donating equipment and funding. In 2008, Legrand contributed equipment for a total of eight projects conducted by the association in Africa and Asia, and also contributed €100,000 in cash.





Momentum from people

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As a global group, Legrand draws strength from the diversity of our 34,800 employees' origins, competencies, and career paths, with 54% of our workforce in Europe, 24% in Asia/Oceania, 19% in the Americas and 3% in Africa/Middle East. Our values are reinforced by human resource policies centered on promoting talent and staff mobility, and act as powerful levers for integration.



Questions to Xavier Couturier, Vice President, Human Resources



How has Legrand faced up to the challenges of rapid expansion over recent years?

For our Human Resource unit, the main challenge is to identify and develop the talent we need to win new markets and at the same time integrate acquisitions effectively. Which means building the profiles we need with targeted training and career management. It also means defining made-to-measure career paths to make the most of the diversity that is such a precious asset. But of course we cannot do without common processes and shared resources to ensure the needed convergence towards a group identity defined in terms of our values. It is a special sort of alchemy that we have managed to bring off.

What would you say are the main characteristics of Legrand teams?

Simplicity, to begin with. And pragmatism at all times. You can see that in the way we are able to work cross-functionally, in a relatively flat management structure, and respond quickly and effectively. Then there is our enthusiasm, our will to win and our commitment to innovation; this enables us to seize opportunities as they arise and turn them into commercial successes.

Energy fueled by diversity, with support for talent

Legrand has multiple origins, with its business structure reflecting the acquisition strategy pursued over many years. This also means that we draw special strength from the diversity of talent within our teams, which we promote with a respect for differences that allows full scope for individual progress.



Legrand makes career-path management a priority, building on employees' individual skills

A multifaceted company that makes diversity an asset

In a period of over 50 years, Legrand has acquired 125 businesses, including 19 in the past five years alone. To ensure overall cohesion in these conditions of constant change, we deploy HR models and procedures on a world-wide scale, as exemplified by our Organization and Staffing Reviews, and platforms for staff mobility. These help to make Legrand a business that offers multiple opportunities for all employees to progress. And in keeping with our commitment to the cause of sustainable development, we do all we can to make diversity an opportunity. Concrete recognition for progress achieved came in the Black Economic Empowerment (BEE) certification awarded to us in South Africa in 2008, bearing witness to efforts favoring the integration of historically disadvantaged people.

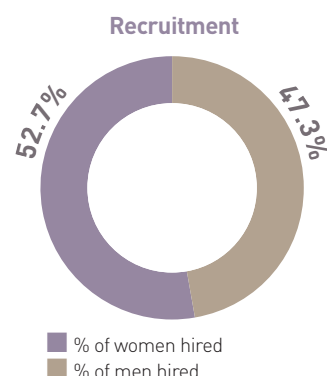




Throughout their career, Legrand employees are encouraged to enhance their skills with training courses



Diversity pays—varied profiles and cultures are valued resources at Legrand



Human Resource policy building new talent

Legrand encourages employees to share in a culture of innovation and individual commitment backed by management recognition of capacities. We also place special emphasis on the continuing enhancement of our capacity to attract talent and help recruits progress. A main priority for human resource managers is thus to identify and develop potential through initiatives and programs that enable staff to acquire additional professional capabilities. This was illustrated by the launch of an advanced logistics training program in France in 2008. Taking 18 months to complete, this aims to provide the equivalent of a post-graduate qualification in the field, enabling graduates to take up a variety of positions along the logistic chain.

OUR FOUR GROUP VALUES

- > **Innovation**—Develop ongoing innovation in all areas.
- > **Resource enhancement**—Optimize the use of our resources to conquer new markets, while constantly seeking to increase our profitability by improved use of capital employed in a perspective of sustainable development.
- > **Ethics of Behavior**—Foster lasting relationships of respect and trust between the men and women who make up the group, thus encouraging straightforward in-house contacts and reliability in outside exchanges.
- > **Customer Awareness**—Highlight the quality of our commitments and services towards our customers, to boost Legrand's image as a premium partner with innovative solutions.

Workforce in 2008

| By age | women | 100% | men |
|---------------|-------|------|-----|
| < age 26 | 7% | | 7% |
| ≥ age 26 – 35 | 12% | | 18% |
| ≥ age 36 – 45 | 9% | | 19% |
| ≥ age 46 – 55 | 9% | | 12% |
| > age 55 | 3% | | 4% |

Responsive management, attentive to staff members

In an economic environment subject to continual change, our group has set clear priorities with optimum processes for human resource management. These are designed to favor responsiveness, staff mobility across the group and unswerving attention to risk prevention.



At Legrand, personal development and business efficiency go hand in hand

Flexibility and responsiveness around the globe

At Legrand, we aim for continuing improvement in human resource management. To achieve this, we have steadily extended the scope of our Organization and Staffing Reviews and regular personal interviews with management to units in all parts of the world. These methods are

designed to ensure effective HR management within the framework of dynamic policies that favor professional development.

Separately, in 2008 our Talentis human-resource information system, now being deployed, was awarded the prize for the most innovative intranet of the year by training group Cegos together with HR weekly *Entreprise & Carrières* and *lesechos.fr*, the business news site. Talentis breaks new ground with a shared portal for operational managers and human resource management, which will soon be open to all staff members.

Effective support for international mobility

Present in more than 70 countries, Legrand actively encourages international careers as an effective path to both individual progress and business performance. In this area, the Organization and Staffing Review and special mobility committees are the main channels used to match staff aspirations and business needs. Candidates selected for international postings

BUSINESS VOLUNTEERS— TALENT AND OPPORTUNITIES

➤ In 2008, Legrand doubled to around 30 the number of contracts offered to participants in France's government-backed program for international business volunteers (Volontaires Internationaux en Entreprise or VIE).

This initiative allows businesses to send graduates aged under 28 abroad on assignments lasting from six months to two years. It not only helps our group identify skilled talent in different parts of the world, but also offers genuine opportunities for participants to enhance their skills and employability.





Legrand encourages staff to take initiatives, and actively seeks out their ideas and feedback



We encourage staff mobility—to new sites and new areas of professional expertise

receive personalized support that includes training in the language, culture and business context of the destination country, as well as reconnaissance trips.

Continuing reinforcement of risk prevention

In 2005 Legrand launched its Esculape project for deployment of a safety management system based on the International Labour Organization's Guidelines on Occupational Safety and Health Management Systems (ILO-OSH 2001). Momentum continued in 2008 with the adoption of a common directive on health at the workplace. This provides in particular for systematic paramedical visits backed up by a new management indicator tracking the number of staff members having had checkups within the past five years. In addition, a common reference document describing safety management systems was drawn up to facilitate internal safety audits. This is underpinned by SecuRisk software to assess regulatory compliance.



Risk prevention is a constant priority, and part of an ongoing process at Legrand

2008 safety and risk prevention indicators*

| | | 2007 | 2008 | 2010 target |
|---|---|-------|-------------|--------------------|
| Risk assessment | Percentage of group employees covered by formal risk assessment | 77% | 88% | Maintain above 80% |
| Risk control | Percentage of group employees within the scope of consolidated risk data | 91% | 93% | Raise to over 95% |
| Health and Safety Committees | Percentage of group employees represented by a committee | 86% | 86% | Maintain above 85% |
| Health at the workplace | Percentage of group employees undergoing a medical checkup in the past five years | --- | 80% | ---- |
| Frequency of accidents resulting in absence from work | Number of accidents per million man-hours worked | 13.81 | 8.95 | ---- |
| Severity of accidents | Number of days lost per thousand man-hours worked | 0.22 | 0.24 | ---- |

* See also environmental indicators, page 23.



Focus on performance

>>

Legrand's financial results were on a firm track in 2008, with adjusted operating income reaching €698 million, net sales €4,202 million, and free cash flow representing 10% of sales. This clearly illustrates the resilience of our business model and the capacity to adapt that goes with our common culture centered on performance.

Questions to Antoine Burel, Group Chief Financial Officer



What is Legrand's culture of performance based on?

In the Finance Department, responsive structures and high levels of personal responsibility within our teams are a given. Over the years, these have enabled us to build up what have become very precise methods to oversee operating units using frequent, detailed reporting to exacting standards—a key asset in the current environment. As a result, our cultural focus on economic performance has become widely shared and structures the way managers go about their jobs. Annual assessments of these managers are also partly based on the operating income generated by their business, less the cost of the capital they decide to employ—in other words, on their capacity to generate free cash flow.

How does financial management allow for the specifics of different business areas?

There is a lot of to-and-fro between staffing at operating units and headquarters. To take my own example, I held several positions in the financial management of subsidiaries before I moved on to the Wiring Devices Division, then Finance Department. That smoothes the way for dialog with local managers, since our department is in touch with operating issues and in a position to make proposals.

2008 Results

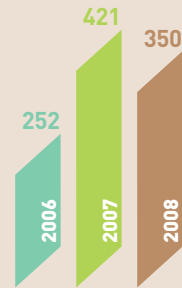
Legrand turned in a sound performance in 2008, with operations and finances holding firm. Figures testify to the responsiveness of our teams and their ability to adapt, along with the resilience of our business model.



SALES
(€ millions)

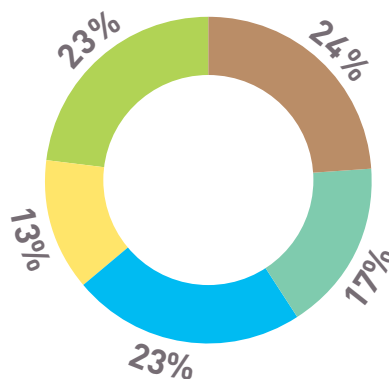


OPERATING INCOME
(€ millions)

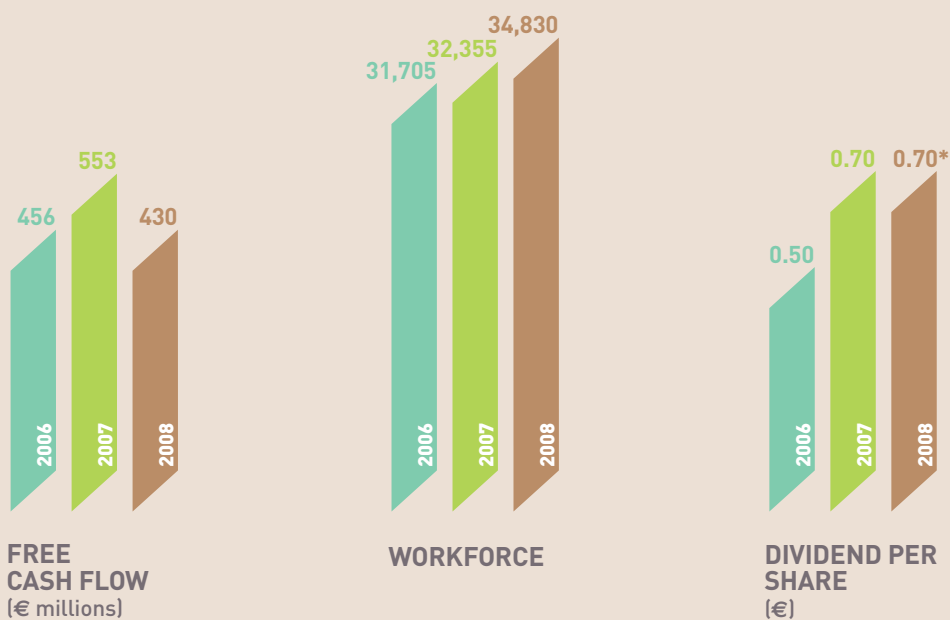


NET INCOME, GROUP SHARE
(€ millions)

NET SALES BY REGION

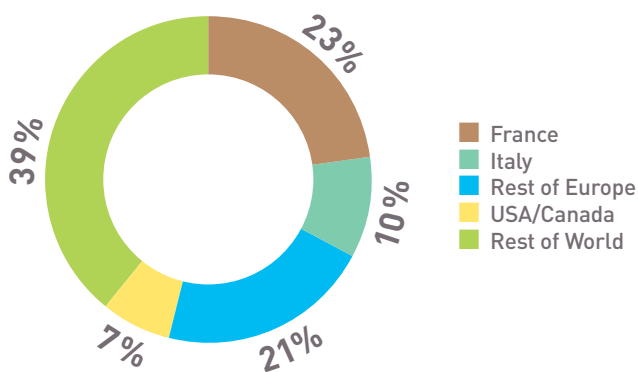


- France
- Italy
- Rest of Europe
- USA/Canada
- Rest of World



* Subject to the approval of the General Meeting of shareholders on May 26, 2009.

WORKFORCE BY REGION



Sales

Full-year sales were up 1.8% from 2007, for a 4.1% rise excluding exchange-rate effects. In France, a general market slowdown was partly offset by good progress in Voice-Data-Image solutions, cable management, power distribution and the *Céliane* range of wiring devices. In Italy, the residential market deteriorated and trends slackened in the commercial sector, but wire-mesh cable management and transformers continued to do well, as did *Axolute* wiring devices and *My Home* home automation solutions. In the Rest of Europe region, growth in Belgium, the Netherlands, Poland, Russia and Romania did not offset declines in other European countries. In North America, faltering residential markets weighed on business, but sales held on a strong track for *Watt Stopper*, market leader for energy-efficient lighting controls, and for cable-management specialists *PW Industries* and *Cablofil*. In the Rest of the World, sales

pace remained brisk, showing a rise of 7.3%, with Latin America, the Middle East and India doing particularly well.

Resilient margins

Adjusted operating margin came to 16.6% of sales, or 17.7% excluding restructuring expense, i.e., identical to 2007. Measures to adapt business structures to new market trends were adopted very early in 2008 and this cushioned the impact of the sharp slowdown observed over the year. At the same time, Legrand maintained its commitment to innovation, investing 4.4% of sales in R&D.

Effective cost-cutting program

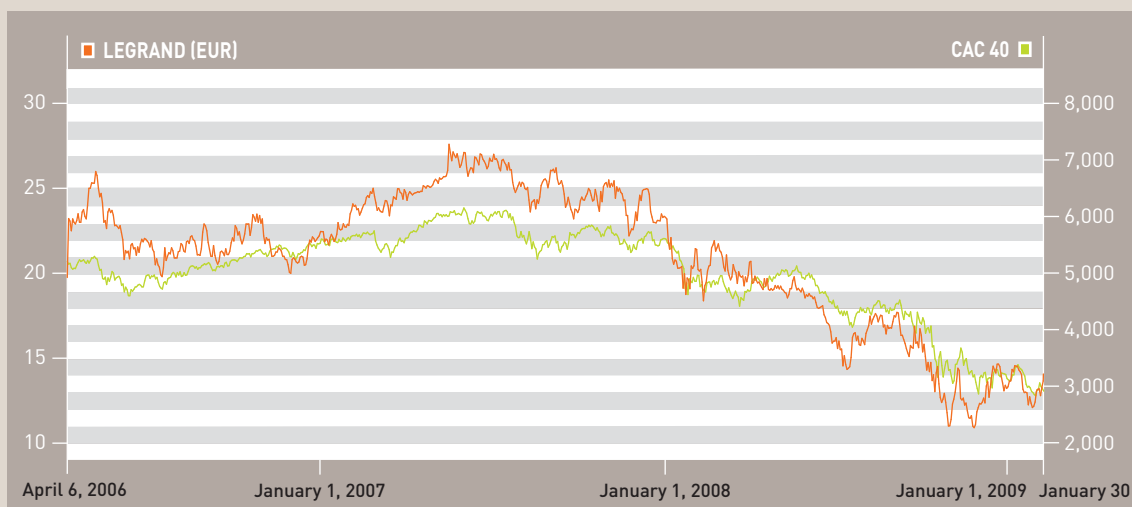
Legrand doubled the annual pace of its cost-cutting program in 2008, raising restructuring charges from €23 million to €48 million. Priorities include adapting production capacity as well as administrative and commercial expense to the new business environment.

Robust free cash flow generation

Free cash flow came to 10.2% of sales, after, in particular, industrial investment of €160 million (3.8% of sales). Good control of capital employed, notably working capital requirement, was and remains a clear priority. Net debt was €1.86 billion, 100% backed by credit lines running through to 2013 at the earliest and 2025 at the latest.

Share performance

LEGRAND SHARE PRICE



| | |
|---------------------------|--------|
| Price on listing | €19.75 |
| Highest since the IPO | €27.59 |
| Lowest since the IPO | €10.91 |
| Close on January 30, 2009 | €13.20 |

SHARE PROFILE

- > ISIN Code: FR0010307819
- > Mnemonic code: LR
- > Listed on: Euronext Paris
- > Market: Euronext Paris – Eurolist
- > Compartment A (Blue Chips)
- > PEA: eligible
- > SRD: eligible

SHAREHOLDER ANNOUNCEMENTS

May 6, 2009

2009 first-quarter results

July 29, 2009

2009 first-half results

May 26, 2009

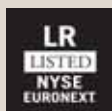
General Meeting of shareholders

November 5, 2009

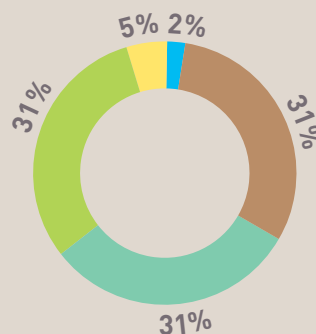
2009 nine-month results

Share capital at January 30, 2009

- > Market capitalization: €3,469,159,690
- > Number of shares: 262,815,128
- > IPO date: April 6, 2006



Ownership



- Wendel
- KKR
- Float
- Management and staff
- Held by the Company

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+33 800 41 42 43

Corporate governance

Legrand's commitment to the principles of good corporate governance is reflected in an efficient structure organized around the Executive Committee and the Board of Directors, assisted by three specialized committees. Internal regulations are rounded out by a Directors' Charter that defines the makeup, organization and operation of the Board, and the rights and duties of its members.

Executive Committee

The Committee counts eight members.

- (1) **GILLES SCHNEPP** Chairman & CEO
- (2) **OLIVIER BAZIL** Vice Chairman & COO
- (3) **GÉRARD PELLETIER** VP Sales, France
- (4) **PAOLO PERINO** Managing Director & CEO, Bticino
- (5) **JOHN SELLDORFF** President & CEO, Legrand North America
- (6) **ÉRIC SEURIN** Group VP Purchasing and Logistics
- (7) **PATRICE SOUDAN** Deputy Chief Operating Officer & Group VP Wiring Devices and Home Systems Division
- (8) **PHILIPPE WEBER** Deputy Chief Operating Officer & Group VP Energy Distribution and Industrial Applications Division



Board of directors

Chaired by Gilles Schnepf, the Legrand Board of Directors counts eleven members, including two independent directors, appointed for renewable terms of six years. Nine directorships were renewed at the Annual General Meeting on May 22, 2008.

In 2008, the Board was regularly consulted on accounts, acquisition plans and managers' compensation. It also reviewed issues relating to the deployment of the risk management function. The Board was associated with the implementation of the group's sustainability policies and related communications to shareholders. Finally, at the request of Directors a number of presentations were made by operational managers on strategic issues for the business. These included pricing policies, defense against counterfeiting, and market

monitoring for the entry of non-compliant products.

In November 2008, a questionnaire was mailed to Directors for the purpose of assessing the operation of the Board and its Committees in the 2008 financial year. An item on the Board's agenda provided for a review of responses to the questionnaire at the beginning of 2009.

The Board met seven times in 2008 and the attendance rate was a satisfactory 84%. Representatives of the group's central works committee attend meetings of the Board.

Board of Directors

GILLES SCHNEPP

Chairman

OLIVIER BAZIL

Vice Chairman

MATTIA CAPRIOLI

Director

ARNAUD FAYET

Director

JACQUES GARAÏALDE

Director

EDWARD A. GILHULY

Director

FRANÇOIS GRAPPOTTE

Director and
Honorary Chairman

JEAN-BERNARD LAFONTA

Director

GÉRARD LAMARCHE

Independent Director

THIERRY DE LA TOUR D'ARTEISE

Independent Director

ERNEST-ANTOINE SEILLIÈRE

Director

Audit Committee

Chaired by Gérard Lamarche, an independent Director who is also Executive VP of GDF Suez, Chief Financial Officer, the Audit Committee is made up of three members.

It is charged with assisting the Board of Directors by ensuring the accuracy and fairness of accounts, the quality of internal controls and risk assessments, and the quality of information provided to shareholders.

The Committee meets at least once a quarter to validate the group's quarterly accounts with Statutory Auditors in attendance.

It is particularly attentive to the consistent application of accounting policies and trends in key financial indicators. The Committee also reviewed schedules and results of internal and external audit assignments, as well as the implementation of risk management during the year. The Committee met four times in 2008.

Nominating and Compensation Committee

Chaired by Jean-Bernard Lafonta, Chairman of the Executive Board of Wendel, the Committee is made up of four members and is charged with assisting the Board of Directors as regards the recruitment and compensation of managers. In 2008, it determined all aspects of management compensation including fixed and variable components of salaries, and allocations of free shares and stock options. To this end, it called on the assistance of a consultancy specialized in executive compensation to verify that the levels of compensation involved were in line with market practice. It ensured that, as in previous years, compensation of Legrand managers reflected their success in meeting targets for individual and collective performance. The Committee also considered the joint recommendations on compensation published by business associations Afep and Medef in October 2008,

and the related proposals it presented were approved by the Board. In March 2009, the Committee confirmed that the independent Directors on the Legrand Board satisfied, among others, the criteria for independence set out in the "Code de gouvernement d'entreprise" report published by Afep and Medef. The Committee also approved a plan for the allocation of free shares and stock options to nearly 1,000 group employees, and set the amount of Directors' fees in relationship with their attendance at meetings of the Board and its Committees. It met two times in 2008.

Strategy Committee

Chaired by Jacques Garaialde, a partner at KKR, the Strategy Committee counts four members. In addition to discussing and validating acquisition policies, in particular as regards the four acquisitions made in 2008, the Committee reviewed the group's budget and investments in the course of the year. The Committee met five times in 2008.

Consolidated financial statements

CONSOLIDATED STATEMENT OF INCOME (12 months ended December 31)

| | 2008 | 2007 | 2006 |
|--|-----------------|----------------|----------------|
| | (in € millions) | | |
| REVENUE | 4,202.4 | 4,128.8 | 3,736.8 |
| Operating expenses | | | |
| Cost of sales | (2,070.0) | (2,060.5) | (1,881.7) |
| Administrative and selling expenses | (1,144.6) | (1,081.8) | (977.7) |
| Research and development costs | (208.3) | (219.5) | (237.9) |
| Other operating income (expense) | (136.7) | (105.5) | (109.9) |
| OPERATING PROFIT | 642.8 | 661.5 | 529.6 |
| Finance costs | (151.7) | (152.4) | (157.4) |
| Financial income | 29.1 | 42.5 | 33.7 |
| Exchange gains (losses) | (25.3) | 44.0 | 40.4 |
| Loss on extinguishment of debt | 0.0 | 0.0 | (109.0) |
| FINANCE COSTS AND OTHER FINANCIAL INCOME AND EXPENSE, NET | (147.9) | (65.9) | (192.3) |
| Share of profit of associates | 0.0 | 2.0 | 0.8 |
| PROFIT BEFORE TAX | 494.9 | 597.6 | 338.1 |
| Income tax expense | (143.4) | (175.0) | (82.9) |
| PROFIT FOR THE PERIOD | 351.5 | 422.6 | 255.2 |
| Attributable to: | | | |
| – Legrand | 349.9 | 421.0 | 252.0 |
| – Minority interests | 1.6 | 1.6 | 3.2 |
| BASIC EARNINGS PER SHARE (EUROS) | 1.365 | 1.584 | 1.019 |
| Diluted earnings per share (euros) | 1.357 | 1.573 | 1.009 |

CONSOLIDATED BALANCE SHEET (December 31)


| | 2008 | 2007 | 2006 |
|--|-----------------|----------------|----------------|
| | (in € millions) | | |
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 254.4 | 221.1 | 178.9 |
| Marketable securities | 305.3 | 0.2 | 0.4 |
| Income tax receivables | 11.0 | 12.3 | 14.2 |
| Trade receivables | 621.7 | 646.2 | 620.8 |
| Other current assets | 139.8 | 145.5 | 132.2 |
| Inventories | 602.9 | 624.4 | 560.1 |
| Other current financial assets | 5.0 | 11.8 | 22.2 |
| Total current assets | 1,940.1 | 1,661.5 | 1,528.8 |
| Non-current assets | | | |
| Intangible assets | 1,772.7 | 1,784.3 | 1,840.0 |
| Goodwill | 1,854.3 | 1,815.9 | 1,633.2 |
| Property, plant and equipment | 722.2 | 756.7 | 789.2 |
| Investments in associates | 0.0 | 14.0 | 10.5 |
| Other investments | 13.1 | 8.3 | 5.0 |
| Deferred tax assets | 76.4 | 64.3 | 124.6 |
| Other non-current assets | 4.9 | 4.6 | 4.8 |
| Total non-current assets | 4,443.6 | 4,448.1 | 4,407.3 |
| Total Assets | 6,383.7 | 6,109.6 | 5,936.1 |
| EQUITY AND LIABILITIES | | | |
| Current liabilities | | | |
| Short-term borrowings | 401.3 | 654.7 | 790.7 |
| Income tax payable | 12.1 | 39.6 | 32.7 |
| Trade payables | 410.4 | 474.0 | 454.4 |
| Short-term provisions and other current liabilities | 508.4 | 497.9 | 436.8 |
| Other current financial liabilities | 0.0 | 86.9 | 66.6 |
| Total current liabilities | 1,332.2 | 1,753.1 | 1,781.2 |
| Non-current liabilities | | | |
| Deferred tax liabilities | 638.9 | 654.9 | 663.9 |
| Long-term provisions and other non-current liabilities | 62.5 | 81.0 | 109.8 |
| Provisions for pensions and other post-employment benefits | 144.1 | 125.1 | 147.6 |
| Long-term borrowings | 2,020.2 | 1,364.4 | 1,055.5 |
| Subordinated perpetual Notes | 0.0 | 0.0 | 9.5 |
| Total non-current liabilities | 2,865.7 | 2,225.4 | 1,986.3 |
| Equity | | | |
| Share capital | 1,051.3 | 1,083.9 | 1,078.8 |
| Retained earnings | 1,378.3 | 1,238.4 | 1,217.6 |
| Translation reserves | (249.4) | (194.0) | (136.6) |
| Equity attributable to equity holders of Legrand | 2,180.2 | 2,128.3 | 2,159.8 |
| Minority interests | 5.6 | 2.8 | 8.8 |
| Total equity | 2,185.8 | 2,131.1 | 2,168.6 |
| Total Liabilities and Equity | 6,383.7 | 6,109.6 | 5,936.1 |

CONSOLIDATED STATEMENT OF CASH FLOWS (12 months ended December 31)

| | 2008 | 2007 | 2006 |
|---|-----------------|----------------|----------------|
| | (in € millions) | | |
| Profit for the period | 351.5 | 422.6 | 255.2 |
| Reconciliation of profit for the period to net cash provided by operating activities: | | | |
| – Depreciation expense | 136.1 | 131.5 | 142.0 |
| – Amortization expense | 71.8 | 76.2 | 98.0 |
| – Amortization of development costs | 9.2 | 8.2 | 3.4 |
| – Amortization of finance costs | 1.4 | 1.4 | 2.1 |
| – Loss on extinguishment of debt | 0.0 | 0.0 | 109.0 |
| – Changes in deferred taxes | (15.0) | 46.1 | (14.5) |
| – Changes in other non-current assets and liabilities | 9.0 | (5.8) | 0.2 |
| – Share of profit of associates | 0.0 | (2.0) | (0.8) |
| – Exchange (gain)/loss, net | 20.2 | (4.0) | (0.9) |
| – Other adjustments | 8.2 | 6.9 | 26.1 |
| (Gains)/losses on sales of assets, net | 3.6 | (12.9) | (1.1) |
| (Gains)/losses on sales of securities, net | 0.0 | (0.2) | 0.0 |
| Changes in operating assets and liabilities | | | |
| – Inventories | 22.7 | (32.6) | (74.5) |
| – Trade receivables | 24.0 | (13.5) | (38.4) |
| – Trade payables | (65.6) | 18.3 | 62.4 |
| – Other operating assets and liabilities | 0.4 | 45.3 | 13.3 |
| Net cash provided by operating activities | 577.5 | 685.5 | 581.5 |
| Net proceeds from sales of fixed and financial assets | 12.5 | 38.8 | 27.5 |
| Capital expenditure | (131.0) | (149.4) | (130.8) |
| Capitalized development costs | (29.4) | (22.0) | (22.1) |
| Changes in non-current financial assets and liabilities | (0.3) | (0.4) | (0.5) |
| Proceeds from sales of marketable securities | 0.0 | 0.1 | 0.1 |
| Acquisitions of subsidiaries, net of the cash acquired | (123.6) | (265.1) | (85.9) |
| Investments in non-consolidated entities | (8.7) | (5.2) | (2.0) |
| Net cash used in investing activities | (280.5) | (403.2) | (213.7) |
| – Proceeds from issues of share capital | 3.9 | 5.1 | 866.2 |
| – Share buybacks and transactions under the liquidity contract | (85.5) | (280.8) | 0.0 |
| – Dividends paid to equity holders of Legrand | (180.0) | (133.1) | (110.6) |
| – Dividends paid by Legrand subsidiaries | (1.4) | (3.0) | (3.2) |
| – Reduction of subordinated perpetual Notes | 0.0 | (9.5) | (19.0) |
| – Proceeds from new borrowings and drawdowns | 770.9 | 418.3 | 2,255.8 |
| – Repayment of borrowings | (102.1) | (124.5) | (3,444.9) |
| – Debt issuance costs | 0.0 | (0.5) | (6.1) |
| – Loss on extinguishment of debt | 0.0 | 0.0 | (109.0) |
| – Purchases of marketable securities | (304.7) | 0.0 | 0.0 |
| – Increase (reduction) in bank overdrafts | (357.4) | (106.2) | 258.5 |
| Net cash (used in) provided by financing activities | (256.3) | (234.2) | (312.3) |
| Effect of exchange rate changes on cash and cash equivalents | (7.4) | (5.9) | (9.8) |
| Increase in cash and cash equivalents | 33.3 | 42.2 | 45.7 |
| Cash and cash equivalents at the beginning of the period | 221.1 | 178.9 | 133.2 |
| Cash and cash equivalents at the end of the period | 254.4 | 221.1 | 178.9 |
| Items included in cash flows : | | | |
| – Free cash flow | 429.6 | 552.9 | 456.1 |
| – Interest paid during the period | 101.7 | 102.0 | 122.1 |
| – Income taxes paid during the period | 177.4 | 109.5 | 86.3 |

Full financial statements are available in our Reference Document registered with French market supervisor AMF.

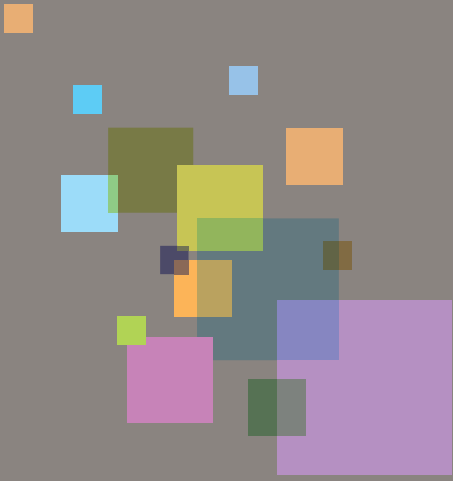
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March 2009



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