

LEGRAND IN 2007



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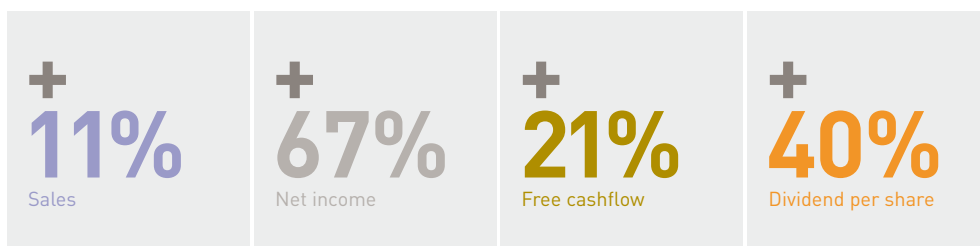
LEGRAND IN 2007

Sales of €4.1 billion from business in nearly 180 countries and 35,000 employees around the globe make Legrand the world specialist for products and systems used in electrical equipment and data networks wherever people live and work. Our comprehensive offering includes 150,000 catalog items that match the needs of commercial, residential and industrial segments and make us a benchmark on international markets.

At Legrand, we focus on customer awareness – with customers including distributors, electricians, architects and end users – and offer a steady flow of innovative new products that create added value with a combination of new technology and design, energy efficiency and easy installation.

Our group is also well aware of its corporate responsibility as a manufacturer, an employer and a member of society at large: we have for several years actively pursued policies in favor of sustainability, as confirmed by our participation in the UN Global Compact.

The excellent performance recorded in 2007, with sales growth again in double digits and both earnings and cash flow showing vigorous rises, reflects a structural change in our business model. Over recent years this has further consolidated our already sound financial base, while at the same time accelerating growth.



(1) Speakers on a porcelain base in the *Céliane* range, designed by Patrick Jouin.

(2) Installing a Legrand electrical cabinet.

(3) The reading room of the Bibliotheca Alexandrina in Egypt. Inaugurated in 2002, it is equipped with Bticino products.

(4) Production site for components of the *Céliane* wiring device range.



INTERVIEW CHAIRMAN & CEO



GILLES SCHNEPP
Chairman and
Chief Executive Officer



We beat our targets for 2007 and exceeded the undertakings given on listing. The firm rises we have seen in all key indicators over the past few years reflect a structural change in our business model.”

How would you sum up 2007 at Legrand?

It was an excellent year in every way. Sales rose nearly 11%, net income was up 67% and free cash flow topped 13% of sales. We beat our targets for 2007 and exceeded the undertakings given on listing. The firm rises we have seen in all key indicators over the past few years reflect a structural change in our business model.

What has that change consisted in?

Over recent years, Legrand has improved the worldwide distribution of sales and industrial resources. Growth has accelerated, particularly on emerging markets, which accounted for around half of our organic growth in 2007 and where we have over 40% of our workforce.

Similarly, we have moved into new high-growth segments where we are seeing double-digit rises in sales; these include home automation, energy efficiency, power distribution, wire mesh cable management, and Voice-Data-Image/datacom networks. Legrand is now a multi-pole business, which means we have many different bases for business development, both in high-growth countries such as Brazil, Russia, India and China, and in rapidly expanding market segments. That reinforces the solidity of our business model and enhances our growth profile.

What are the other vectors for Legrand's growth?

By extending our top-end offering, we not only keep step with demand but also encourage consumers to "trade up" – to shift toward the upper end of the range. We now offer wiring device ranges that combine elegant natural materials with innovative functions to give our customers increasingly high standards of comfort, communications and security. The impact of this trading up strategy accounts for nearly a quarter of our growth in France and Italy.

Alongside that, we are building on our increased capacity to generate free cash flow, accelerating growth with an active strategy of targeted, self-financed acquisitions. In just over three years, 18 companies together representing annual sales of over half a billion euros have joined our group, strengthening our positions in high-growth markets in developing countries and segments such as energy efficiency.

What is Legrand's policy as regards sustainable development?

Our approach to sustainable development is rooted in our four fundamental principles: the ethics of behavior, customer awareness, resource enhancement and innovation. Together these are the bases for profitable, long-term and responsible growth, combined with respect for our employees and the environment. In 2007, all our social and environment indicators were on the rise and we are now working for continued progress towards the new targets we have set for 2010.

In a word, with the support of all our shareholders, the trust of our customers and the commitment of all our employees, we are on course to maintain momentum for business development while respecting our four fundamental values.



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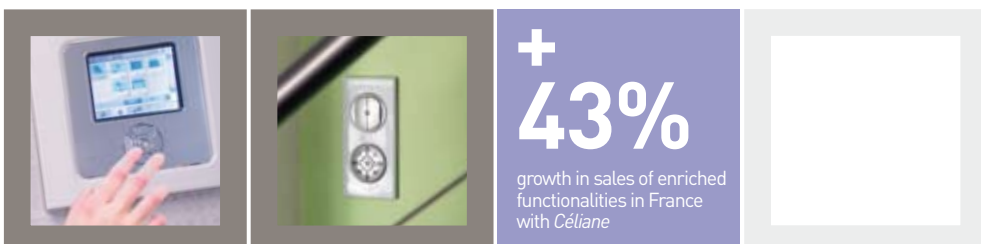
OUR GOAL CREATING VALUE FOR ALL.

(1) & (2) Una Vittoria and Bulgari hotels in Italy are equipped with high value-added products and systems from Bticino. Moves to the upper end of the market accounted for 23% of sales growth in Italy and France in 2007.



2

Premium leather, wood and steel finishes plus innovative new functions including lighting management solutions that adjust to every occasion, remote control of electrical installations, energy optimization, and more – Legrand takes the lead in responding to growing demand for added value. New ranges including *Art* from Arnould, *Axolute* from Bticino, and *Céliane* from Legrand regularly enhance our offering and create value at every stage in the economic cycle.





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STRENGTH MULTIPLE POLES FOR GROWTH AROUND THE WORLD.

(1) Walkway into the Cheung Kong Center in Hong Kong

(2) Burj Al Arab Hotel in Dubai

Legrand's sales on emerging markets are growing twice as fast as the group average.



Legrand has become a multi-pole group, with the geographical distribution of sales and production resources structured around several major poles for growth. These include rapidly expanding markets in countries such as Brazil, Chile, Mexico, China, India, Russia, Poland and Turkey. Today, over 40% of our employees are based in high-growth emerging markets, which already account for 25% of Legrand sales.





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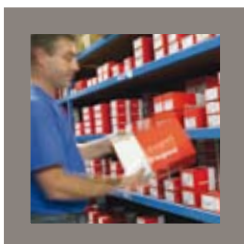
OPPORTUNITIES POSITIONS IN PROMISING NEW MARKET SEGMENTS.

[1] Cablofil cable trays can fit into even the most complex designs, winning success on international markets.

[2] Systems and products for VDI/datacom networks represent a fast-expanding market segment where growth in sales is in double digits.



Legrand's multi-pole profile is also reflected in a methodical approach to opportunities on promising new markets in fast-growing areas that include power distribution, VDI/datacom networks, wire cable-trays, and lighting controls. In this, we stimulate demand – looking ahead to anticipate future trends – with a strategy that has proven its value. Our multi-pole structure is a source of added strength, making for even greater financial solidity as well as long-term improvement in our growth profile.



+
19%

organic growth
in sales of wire
cable-trays in 2007



2007 HIGHLIGHTS CONTINUED MOMENTUM

CONSOLIDATING STRENGTHS

→ **New organization of production and development:**

To maintain momentum for growth and reinforce its capacity for innovation, Legrand has reorganized production and development into four industrial divisions closer to its markets: Wiring Devices and Home Systems, Energy Distribution and Industrial Applications, Building Management, and Cable Management.

→ **Talentis:**

International deployment of our new HR management system Talentis has continued and it is now operational for all subsidiaries, smoothing information flows and facilitating management of careers and staff mobility.

→ **New logistics center opens in Dubai:**

A 4,300 square-meter facility set to make 2,900 catalog items available throughout the Middle East.



A YEAR OF STRONG PROGRESS FOR SOCIETAL AND ENVIRONMENTAL COMMITMENTS

→ **New targets set for 2010** in areas that include waste recycling, reduction of volatile organic compound (VOC) emissions and workplace safety.

→ **Commitment to support Électriciens Sans Frontières** – literally “Electricians Without Borders” – a humanitarian association whose projects include electrification of a dairy, a water bore, a school and a healthcare center in Cameroon.

→ **Legrand became a component of the FTSE4Good index**, made up of stocks meeting strict societal and environmental requirements.

A YEAR OF ROBUST GROWTH

→ Sales rose 10.5% on a year to top €4 billion in 2007, with organic growth reaching 8.6%.

→ Acquisition-driven growth: In just over three years, Legrand has acquired 18 companies with combined sales close to €600 million. Since January 2007, nine new companies have joined the group.

ASIA / TCL Wuxi, a Chinese firm specializing in modular and power circuit breakers.

PACIFIC / HPM Industries, number two for wiring devices in Australia and New Zealand.

NORTH AMERICA / UStec, a US specialist in structured wiring for residential applications and **PW Industries**, specialized in cable trays.

EASTERN EUROPE / Kontaktor, the Russian leader for power circuit breakers and **Estep**, the uncontested leader for VDI/datacom cabinets and enclosures in Turkey.

LATIN AMERICA / Macse, Mexico's leading producer of metal cable trays, and **HDL**, number one in Brazil for audio and door-entry phones.

WESTERN EUROPE / Alpes Technologies, a French leader for the optimization and measurement of the quality of electricity.

ANOTHER YEAR OF INNOVATION

More than 50 new products representing all areas of Legrand's expertise were brought to market in 2007, with the emphasis on high value-added offerings and turnkey solutions.

Examples

→ **Control and command**: *Céliane*, *Mosaic* and *Batibox* lineups made their market debut in France with the support of a high-profile advertising campaign. Other major launches included wiring device ranges *Mallia* in Asia and the Middle East, *Zunis* in South Korea, *Signature* in the US, and *Art* in France.

→ **Energy distribution**: Legrand broke new ground with the launch of its first *Stop & Go* circuit breakers incorporating an automatic rearming function in France, Italy and Spain. Other new departures included *XL Part* systems for optimized distribution in Portugal, and *DRX* molded case circuit breakers in India and Latin America.

→ **Cable management**: The group continued to expand its offering with innovations including *Mosaic* floor boxes in France, *Datamatix* frames in Spain, and *Walkerflex* modular connector solutions in the US.

→ **Voice Data Image (VDI)**: Additions to Legrand ranges included *Mighty Mo* cable management cabinets, 10-giga *Clarity* connectors, and high-density patch panels.



GLOBAL ENERGIES POWERING OUR GROWTH

[1] Construction sites in Dubai, where Legrand has been present since 1996.
Legrand is accelerating expansion on emerging markets and targeting promising new segments.



OLIVER BAZIL
Vice Chairman and
Chief Operating Officer



From design and technology to emerging economies and energy efficiency, Legrand has demonstrated its capacity to identify the most promising potential and extend its offering to keep step with new lifestyle. This is how we fuel growth and enhance our financial solidity.”





DESIGNING PRODUCTS FOR QUALITY OF LIFE

The breadth of Legrand's offering reflects a commitment to adding value for customers, whether they are end users, installers, electricians, distributors, architects or consultants. Our solutions combine innovative functionalities with the best in design wherever people live and work. In 2007, trading up accounted for nearly a quarter of our sales growth in France and Italy.

SINGLE-POINT CONTROL FOR MULTIPLE FUNCTIONS

Legrand has positioned itself as the leading specialist in intelligent control for electrical equipment. Today lighting, heating, electric shutters, alarms and access control can all be brought into a single system that is quickly and easily programmed to create the ideal environment for every hour of the day.

Our approach is well illustrated by *Céliane*, *Mosaic* and *Batibox* lineups already on the market in France and now being deployed internationally. Each meets a specific set of needs: while *Mosaic* products are designed for practical requirements at the workplace, *Céliane* offers top-of-the-range solutions for stylish living and high-prestige venues, and *Batibox* flush-mounting wallboxes provide technical solutions for both, ensuring quick, easy installation. Home-automation offerings that include *In One By Legrand*, *My Home* and *Lubnet*, allow full convergence of functions with single-point command and control.

[1] *In One by Legrand* domestic house features products in their natural environment.

[2] *Axolute* touch-screen scenario manager.



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DESIGN FOR STYLE AND EFFICIENCY

Legrand backs technological innovation with a commitment to ergonomic quality and aesthetic appeal that is integrated into product design from the start. *Céliane* wiring devices come in a choice of 36 colors and six materials – leather, wood, metal, glass, Corian® and porcelain. Similarly, Arnould has brought out a new range under the name *Art* for high-end applications, and Bticino has enriched its Axolute lineup with *Whice* and *Nighter* luxury concepts.

However technical, our products are designed to achieve a good fit with their surroundings, as illustrated by the new *Altis* range of cabinets that combine new styling with improved use of space and easier assembly.



In 2007, Legrand took part in the Paris Designers' Days, with members of the celebrated collectif 5.5 group of designers displaying their versions of *Céliane* switches.



PIERRE-YVES PANIS
Design Studio Manager
Legrand



The way users go about things is an important source of inspiration for fruitful innovation. One example is the design of *Batibox* flush-mounting boxes that factor in the advice we got from installers. The ergonomics and appearance of our products come in for special attention, and designers share our enthusiasm. Several recently had the opportunity to show just that with signed switch plates for our *Céliane* range.”





MOMENTUM ON EMERGING MARKETS

Emerging markets offer long-term potential for continued growth and already account for nearly 25% of total sales. In 2007, almost half of organic growth came from rapidly expanding economies in countries including Russia, Brazil, Mexico, China and India. Legrand is now a front-runner on all the most promising markets.

SALES ORGANIZATION GEARED TO GROWTH

Legrand has actively structured sales organization to win added market share and drive growth forward. We have over 40 showrooms and nearly 60 offices in Asia, the Middle East, Latin America and Eastern Europe, and in 2007 40% of sales and marketing staff were dedicated to emerging markets. To meet customer expectations in these markets, we have developed a wide range of specialized products.

New developments during the year thus included the launches of the *Mallia* wiring device range in Asia and the Middle East, and the *DRX* range of molded case circuit-breakers in Latin America, the Middle East and Asia. New offices and subsidiaries were opened in Southeast Asia, the Middle East and Africa, reinforcing positions on markets with potential and paving the way for continued growth in the future.

ADDED PACE FROM TARGETED ACQUISITIONS

Half of the businesses our group acquired in 2007 are based in emerging economies, illustrating our determination to step up the pace of development in these high potential markets.

Following TCL International Electrical, TCL Building Technology and Shidean in China, and Cemar in Brazil, which joined the group in 2005 and 2006, we acquired Kontaktor, the uncontested leader for power circuit-breakers in Russia; Macse, number one for metal cable trays in Mexico; and TCL Wuxi, a Chinese firm specialized in modular and power circuit-breakers.

There was no letup in the opening months of 2008, when new acquisitions included Estap, number one in Turkey for VDI/datacom cabinets and enclosures, and HDL, number one for audio and door-entry phones in Brazil. These moves consolidate existing strengths on local markets and provide access to new know-how that enables us to serve customers more effectively and, in so doing, lay the foundations for future growth.

(1) Order preparation in France.

(2) On the job at an assembly plant in China.



LEADING THE FIELD

Legrand has leading positions in emerging markets that include wiring devices in Russia, Hungary, China, Egypt, Colombia, Brazil, Chile, Peru, Venezuela and Costa Rica, and modular or power circuit breakers in Russia, Poland, India, Brazil, Chile and Peru, plus cable trays in Russia and Brazil.

These strong positions enable us to offer customers effective support in each country, for international projects with ranges that have won deserved recognition for quality and reliability. The successful deployment of Legrand's business model on emerging markets is illustrated by the nearly 18% organic growth recorded in these countries in 2007, with related margins matching the group average.



DRX – molded case circuit breakers designed specifically for high-growth markets in Asia, Latin America and the Middle East.

ANTONELLA DIANA
General Manager,
Shidean Legrand (China)



China is a major market for Legrand, as reflected in our strong positions: we rank first for wiring devices and audio and video access control. We are also a significant player in VDI/ datacom applications, and recently moved to the front in energy distribution with our acquisition of TCL Wuxi. In addition to strong market growth, rising standards of living mean attractive potential for Legrand, as demand heads up for value-added products that combine innovative functionalities and premium design.”





GROWING DEMANDS FOR ENERGY EFFICIENCY

With 30 eco-design specialists and 250 engineers trained in environmental technologies on staff, Legrand has lengthy experience in developing solutions that enable customers to reduce energy consumption and improve the quality of electric current in their installations.

CONTROLLING ELECTRICITY TO REDUCE ENERGY CONSUMPTION

With buildings accounting for no less than 40% of global energy consumption, Legrand customers in all sectors and regions increasingly demand products that use less power and enhance the quality of electric current. We offer them a comprehensive range of solutions for the control of lighting, heating, electric shutters, hot water supply, home automation, and equipment operating in standby mode.

Our products also enable customers to optimize the quality of electric current through source inversion, reactive energy compensation, energy-efficient transformation and surge protection. In 2007, energy efficiency accounted for some 5% of Legrand sales and related organic growth reached 27% on a year.

THE WATT STOPPER SETTING NEW STANDARDS FOR ENERGY EFFICIENCY

→ Legrand subsidiary The Watt Stopper helps customers choose solutions to meet their specific needs with a Best Practice Guide that spells out the rules of the art in lighting control. This enables them to meet regulatory requirements, keep energy consumption down and, in so doing, reduce environmental impact and operating costs.



MANAGING AND OPTIMIZING CONSUMPTION

Italian subsidiary EdM is a leading European player in the production of cast resin transformers. EdM is attentive to both the full-life environmental impact of its products and their energy efficiency, offering a range of low-loss transformers with significant new scope for business development.

In a related field, the acquisition of Alpes Technologies in France, a leader in the analysis of electricity quality and optimization of electric networks in industry and commercial sectors, has opened new prospects for Legrand on the promising market for reactive energy compensation.

In addition to the traditional approach focused on product quality in terms of insulation and limited power loss, Legrand places special emphasis on active methods to enhance energy efficiency involving users and their practices.

Our subsidiary The Watt Stopper thus offers many lighting control solutions for energy efficiency that can reach a full 50%.

ENVIRONMENTAL AWARD FOR *CÉLIANE*

→ In 2007 a jury representing France's Ministry for the Environment and concerned NGOs presented the 1st Ecoproduit Award for sustainable development to Legrand for its *Interscénario Céliane* switch. This lighting control system can cut electricity consumption by up to 10%, which would mean a saving of 8 tWh – equal to the annual consumption of 400,000 households – if it were in general use in French housing.

(1) *In One* by Legrand home-automation systems help users to cut electricity bills.

(2) *Céliane Interscénario* not only allows users to choose the ideal combination for lighting, heat, electric shutters and other equipment, it also saves up to 10% on electricity consumption.





TARGETING NEW PROGRESS IN INDUSTRIAL AND COMMERCIAL APPLICATIONS

Commercial and industrial applications already account for 60% of Legrand's sales in 2007. Our group is developing even closer ties to professional users so as to offer a comprehensive range of products and services that meet all their needs to the full.

ORGANIZATION REVAMPED WITH AN EYE ON CUSTOMER NEEDS

In 2007, Legrand updated its industrial organization to match market structures and seize growth opportunities in industry and commerce. Production and development are thus now structured around four divisions. The Energy Distribution and Industrial Applications, Building Management and Cable Management Divisions will enable us to meet the specific needs of industrial and commercial customers more effectively.

We aim in particular to step up the pace of development in power distribution, VDI/datacom networks, wire cable management, and commercial lighting controls – sectors where we already posted double-digit sales growth in 2007. The Wiring Devices and Home Systems Division will naturally be continuing to expand, with the development of products for the home that combine premium design and expanded functionality.

EFFECTIVE SUPPORT FOR CUSTOMERS' INTERNATIONAL PROJECTS

Our dedicated International Key Accounts and Project team provides effective support every step of the way for customers with major projects in both industrial and service sectors. Whatever the project – a hospital, office buildings, a hotel or an airport – our experts help identify needs and draw on the resources of a comprehensive offering to develop turnkey solutions matching the specific requirements of each environment.

Every year, the International Key Accounts and Project team organizes four specialized forums for specifiers, and since 2007 Legrand has been a member of the International Union of Architects, which counts 1,300,000 members in close to 120 countries. We thus assist customers every step of the way in developing intelligent solutions for projects in all sectors.





REINFORCED BASES FOR LONG-TERM, PROFITABLE GROWTH

An active and continuing drive to raise productivity, combined with investment of the added resources this frees to fuel growth, together make for added resilience and provide a long-term basis for continued expansion.

A MULTI-POLE STRUCTURE FOR SUCCESS OVER THE LONG TERM

For several years, Legrand has worked to optimize the global distribution of sales and production resources. This, in turn, has led to the emergence of rapidly expanding poles for growth on a significant scale.

Geographically, markets in Latin America (including Brazil, Mexico and Chile), as well as in Asia (in particular China and India) and Eastern Europe (Russia, Poland and Turkey) now make an increasing contribution to sales. In the same way, a systematic approach to developing potential in new, high-growth product areas has been rewarded with double-digit rises in sales. Such developments also hold the promise of long-term acceleration in business growth, with particularly attractive segments including lighting controls, energy efficiency, VDI/datacom networks, power distribution and home automation.

Legrand has thus become a multi-pole group, a structure that makes for greater financial solidity as well as an improved growth profile.

VIGOROUS CASH-FLOW GENERATION

Legrand has optimized global investment needs for the long term through a combination of site specialization, lean manufacturing and a systematic make-or-buy approach. We have also achieved a significant reduction in working capital requirement through rigorous management of inventories, receivables and payables. This tight control of capital employed has brought a structural improvement in our capacity to generate free cash flow, which held at well over 10% of sales from 2002 to 2007 compared with 6% from 1990 to 2001. This structural reinforcement of our capacity to consistently generate high levels of free cash flow gives Legrand much greater leeway to invest in its business, consolidate its balance sheet and reward its shareholders.

MARKET SHARE

15%

No. 1 worldwide
for cable
management

MARKET SHARE

19%

No. 1 worldwide
for wiring
devices



Multi-socket device
for conference rooms.



SHARING VALUES THAT UNDERPIN PROGRESS

(1) Legrand's Innoval Training Center in France – staff members make a continuing contribution to enhancing our corporate culture.



XAVIER COUTURIER
VP, Human Resources,
Legrand Group



The core values defining Legrand's corporate identity are the ethics of behavior, customer awareness, resource enhancement and innovation. These are a critical source of motivation for the men and women making up our business, and are essential bases for the continuity of our environment over time."





INNOVATION THE HALLMARK OF LEGRAND'S OFFERING

With over 4,800 patents to its credit and more than 50 new products brought to market in 2007 alone, Legrand has consistently placed innovation at the center of its strategy. Targeting design quality, enhanced functionalities and simple installation, our development teams create added value at every point along the economic chain – for installers, distributors and architects, as well as end users.

A GROWING PLACE FOR NEW TECHNOLOGIES

Dedicated to cutting-edge innovation, Legrand expands its offering from year to year with a steady flow of products and an ever wider range of functionalities. Examples include universal multimedia sockets for single-point connection of phones, TVs and computers; the first wifi wall outlet with an integrated range; *Stop & Go* circuit-breakers that automatically rearm; and home automation systems for trouble-free control and programming of lighting, security, heating, electric shutters, sound diffusion and more. Altogether, nearly 40% of 2007 sales came from products launched in the past five years.

COMBINING SAFETY AND ACCESSIBILITY

To offer environments suited to the needs of the elderly, Legrand worked with gerontologists for a pilot project aimed at developing solutions to limit the risk of falls at night. The result is an obstacle detector with an LED display that delivers warnings with a sound signal and lets elderly people get around the house safely. Other solutions ease access – these include luminous switches, presence detectors and touch switches to help users find their way in safety. Legrand's offerings in these areas combine user comfort and compliance with the strictest standards for added safety and improved quality of life.

(1) Control display for function management, specially designed by collectif 5.5 designers.

(2) Legrand technology is a natural for stylish environments.





QUALITY OF LIFE FOR ASIAN MARKETS

IN SOUTH KOREA / Legrand's Lubnet offering is a home-automation solution specifically designed for the national market. Using wireless technology, it allows remote control of household equipment over a cell phone or personal organizer.

IN CHINA / Shidean – the uncontested leader for audio and video access controls – is participating in a luxury residential development just outside Shenzhen. The 320 villas on the site are equipped with IP⁽¹⁾ video systems and linked to each other and the security center to ensure the highest levels of security and comfort.

(1) Internet protocol



 <p>Legrand obstacle detectors make people safer with combined sound and light warning signals.</p>	 <p><i>Stop & Go</i>, a circuit-breaker with an automatic rearm function.</p>
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PEOPLE, THE CORE OF OUR BUSINESS MODEL

Today more than ever, people hold the key to our operations. This is reflected in a range of initiatives designed to promote and ensure employee safety and well-being, while developing skills and preparing for change.

ESCULAPE – ACCIDENT PREVENTION WORLDWIDE

Following a thorough review, Legrand's safety policies were set out in a Prevention Charter in June 2004. Since then, we have made continued progress with three priorities: initiatives targeting full compliance with all national laws, integration of safety and environmental priorities in industrial planning, and harmonization of strategies across the group.

Whence the group-wide Esculape project launched in 2005. This involves the deployment by stages of a safety management system based on the International Labor Organization's Guidelines on Occupational Health and Safety Management Systems (ILO-OSH 2001), and has already made for some significant progress:

Regulatory compliance

Group resources include SecuRisk software currently used to assess regulatory compliance in France and Italy, and set for group-wide deployment over time. It is backed up by monitoring of new developments in regulation and case law, allowing regular updates of audit terms of reference.

Making safety an integral part of production processes

As the Esculape project progresses, authority is delegated to provide a clear framework for the responsibilities of managers on the spot for safety at each of our units.

A harmonized approach to prevention

Our human resource information systems now include specifications that define the safety responsibilities associated with each position, easing the management of personal safety certification in related areas. Shared databases also allow consolidation of information to promote best practices throughout the group.

(1) Test laboratory at the Sinnar site in India.

(2) Quality controls for DPX power circuit-breakers at the Varese site in Italy.



SAFETY AND ACCIDENT PREVENTION INDICATORS FOR 2007

	2007
Risk assessment: Percentage of group employees covered by formal risk assessment	77%
Risk control: Percentage of group employees within the scope of consolidated risk data	91%
Health and Safety Committees: Percentage of group employees represented by a committee	86%
Frequency of accidents resulting in absence from work: Number of accidents per million man-hours worked	13,81
Severity of accidents: Number of days lost per thousand man-hours worked	0,22

	2010 targets (including new acquisitions ⁽¹⁾)
Risk assessment: Percentage of group employees covered by formal risk assessment	Rise to over 78%
Risk control: Percentage of group employees within the scope of consolidated risk data	Rise to over 95%
Health and Safety Committees: Percentage of group employees represented by a committee	Maintain rate at over 85%

(1) Assuming no exceptionally large acquisitions.

A LONG TRADITION OF SOLIDARITY WITH THE DISABLED

→ We are convinced that integration of the disabled in the workforce is a source of opportunity, and make this a key component of our social responsibility policy. A first agreement for the employment of the disabled was signed in Legrand's home region around Limoges in 1993, has been renewed every three years since, and expanded to all of France. In 2006 this was followed by an agreement covering the group as a whole.

The agreement sets out clearly defined undertakings to adapt the workplace environment, plus training and partnerships. Legrand thus offers disabled employees an average of 10% more training hours than others. The approach adopted in France, where our group is well above legal requirements and the national average for employment of the disabled, is now being extended to other countries, in particular Italy.

PROMOTING TALENT AND FAVORING MOBILITY

As in previous years, effective human resource management to make the most of talent was naturally a top priority in 2007, as illustrated by a wide variety of initiatives. An important example is the deployment over the past two years of Talentis, a human resource information system for managing competencies that will in time be shared by all group entities, with internet access ensuring worldwide availability. This is particularly effective in career planning that factors in future demand for competencies.

Critical to business efficiency and responsiveness, staff mobility is structured and coordinated through tools including Organization and Staffing Reviews and the group Management Center, which allows management of executive talent on a group-wide basis. This is backed by proactive policies on compensation, training and career development. In 2007, employees benefited from a total of 520,000 hours of training, up 23% from 435,000 hours in 2006.

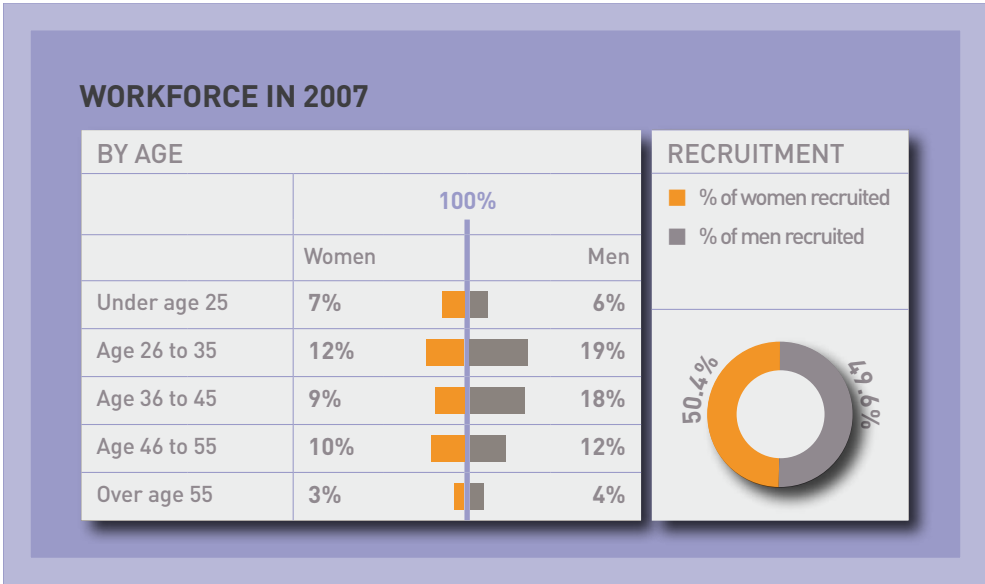
In the broader area of prospective human resource management, Legrand is currently developing new structures and approaches in consultation with unions and employee representative committees in France. The aim is to reinforce our capacity to enhance staff members' employability, optimize staffing and back our group's international expansion.

ISABELLE DESPORT
Managerial Staff Mobility
Development Manager



Legrand's presence in over 70 countries around the world means a raft of opportunities for staff members to develop their skills and take up new challenges. Clearly, this can help them make quicker progress in their careers. For Legrand, a key advantage of staff mobility is its contribution to the development of a common culture, plus effective leverage for the diversity of talent. It also plays an important part in the integration of recently acquired businesses."

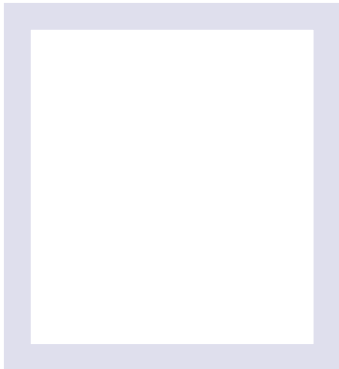




FAVORING DIVERSITY

At the beginning of 2007, Legrand launched a new initiative in favor of diversity as part of its commitment to the principles of sustainable development. In the US, managers received related training and diversity indicators were put in place, while in France roundtables were organized to identify priorities. New ways to promote the position of women in the business are under consideration, the aim being to enable them to acquire additional skills to take on responsibilities at higher levels. Our group aims in particular to increase the proportion of women taking part in mobility and corporate training programs.

[1] Commitment to diversity is part of our broader commitment to sustainable development.



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COMMITMENT TO SOCIETAL AND ENVIRONMENTAL RESPONSIBILITY

At its manufacturing sites as in its products, Legrand systematically favors materials and processes consistent with the well-being of people and their environment, limiting impacts on the eco-system while at the same time enhancing the appeal of our offering and the performance of the business.

MAKING ENVIRONMENTAL MANAGEMENT A PRIORITY

Legrand has for many years outperformed the strict minimum required in regulatory standards. In 2007, 73% of our sites worldwide were certified under ISO 14001, attesting to the quality of their environmental management. This year, two new sites were added to the list: our South Korean production plant in Pyeontaek and the extension of our French logistics hub in Verneuil-en-Halatte.

In 2007, environmental management also became a priority for recently acquired subsidiaries, which are now required to integrate group policies within a year. Environmental managers appointed at each company are charged with conducting a thorough review of the existing situation, then drawing up an action plan for progress.

REGULATORY COMPLIANCE

Already fully compliant with European Directives on the Restriction of Hazardous Substances (RoHS) and Waste Electrical and Electronic Equipment (WEEE), our group is now taking the necessary steps for compliance with REACH, the Directive on Registration, Evaluation, Authorization and Restriction of Chemical Substances. The new requirements this places on producers, importers and users of chemical substances come into force in June 2008, but Legrand has moved to achieve targets ahead of that date.

LEGRAND SHARES INCLUDED IN THE FTSE4GOOD INDEX

→ Developed by the London Stock Exchange and the *Financial Times* and managed by EIRIS (Ethical Investment Research Services), the index is made up of stocks representing listed companies considered ethical and responsible on the basis of strict societal and environmental criteria. Requirements include, in particular, positive relationships with all stakeholders, the promotion of and respect for human rights, and protection of the environment over the long term.

A COMMITMENT TO CURBING GREENHOUSE GAS EMISSIONS

With its ClimAct project, Legrand is making a full contribution to the fight against climate change, reducing emissions of greenhouse gases in its use of transport, energy consumption on its sites and related to its products.

Domaine	Action	Results in CO ₂ equivalent tons (teq CO ₂) *
Transport of finished goods	Preference for rail and sea transport, load optimization, storage close to end markets	Savings of 1,087 teq CO ₂ in 2007
	Limits on air transport	Savings of 3,980 teq CO ₂ in 2007 compared to 2002
Eco-design policies	Redesign of some ranges	Savings of 4,500 teq CO ₂ over full product life cycle in 2007
	New packaging	Savings of 127 teq CO ₂ in 2007
Energy savings on sites	Reduction of electricity consumption (excl. heating)	Saving of over 10,900 MWh from 2005 to 2007 at constant scope of consolidation, equal to 4,345 teq CO ₂
	Reduction of energy consumption for heating	Saving of over 32,160 MWh from 2005 to 2007 at constant scope of consolidation, equal to 12,800 teq CO ₂

* Reductions relating to transport are expressed in metric tons of carbon dioxide equivalent emissions in transport. These are calculated in accordance with the Bilan Carbone® method developed by France's public energy and environmental agency ADEME. Reductions resulting from eco-design and energy savings on sites are expressed in metric tons of carbon dioxide equivalent emissions calculated with the assistance of EIME (Environmental Impact and Management Explorer) software.

CONTROLLING ENERGY CONSUMPTION ON PRODUCTION SITES

→ Reducing energy consumption is an important aspect of Legrand's profitable investments in industrial performance. Campaigns to raise employee awareness also play a role, particularly as regards lighting solutions, which have yielded significant savings.



ECO-DESIGN

Since 2001, our group has made the environment an increasingly important consideration in product design. This means placing special emphasis on total energy consumption, especially in production and use, greenhouse effects, and the choice of materials, the aim being to reduce volumes and avoid hazardous and rare substances. To factor the environment in from the start of the design process, we use EIME (Environmental Impact and Management Explorer) software based on life-cycle assessments in line with the ISO 14040 standard series. Results are set out in a product environmental profile (PEP).

UN GLOBAL COMPACT

In 2006, Legrand became a member of the UN Global Compact, signaling its commitment to the promotion of the Compact's development model group-wide and in relationships with all stakeholders. Membership also entails deployment of societal, social and environmental values in all parts of the world. Among our goals in this area, we want 60% of our strategic suppliers to belong to the Pact and we encourage all to seek ISO 14001 certification.



NATHALIE LACOMBE

Environmental Marketing Manager,
Legrand group



At Legrand, eco-design means that products satisfy four criteria. Firstly, they have to comply with regulatory requirements, present and future. Secondly, they have to be produced at an ISO 14001-certified site. Thirdly, they have to show improved environmental performance in terms of energy consumption and a reduction in raw materials. And, finally, their environmental performance has to be clearly set out and published in transparent form. Initially deployed in France, these eco-design policies are to be fully applied by all development teams in Europe and North America by 2010."



HUMANITARIAN ACTION AND EDUCATION

In 2007 our group was again actively involved in a variety of socially responsible initiatives and partnerships across Europe, Africa, Latin America, Asia and the United States. Highlights included the signature of an agreement with Electriciens Sans Frontières, an association whose projects include working to bring electricity to a village in Cameroon. Our group's action in social responsibility – an issue left up to each subsidiary – is mainly focused on education and humanitarian aid, areas where we can use our special expertise. Subsidiaries in Chile and the US thus provide annual scholarships for students at institutions specialized in the techniques and technology of electricity. Many of our subsidiaries also take initiatives in support of local communities, as illustrated in 2007 in Hungary, the United States, Costa Rica, Mexico, Brazil, Italy and Spain.



ENVIRONMENTAL INDICATORS FOR 2007

Environment-friendly production	2007
ISO 14001 certified sites, %	73
Waste, '000 metric tons	52
% of waste recycled	83
Energy consumption, MWh	527,861
Energy consumption measured by CO ₂ emissions, '000 metric tons of CO ₂ equivalent ⁽¹⁾	210
Water consumption, millions of cubic meters	1.7
Environmental training and awareness campaign, hours	17,516
Number of people in charge of environmental liaison	67

(1) Calculated using EIME (Environmental Impact and Management Explorer) software described in part 6.2.1.6 of our reference document.

ENVIRONMENTAL TARGETS

Environment-friendly products	Targets for 2010, including new acquisitions ⁽¹⁾
ISO 14001 certified sites, %	Hold above 70%
% of waste recycled	Hold above 75%
Elimination of hazardous substances	Eliminate hazardous substances
Emissions of volatile organic compounds	20% reduction relative to 2006
R&D centers applying eco-design principles, % of group total	60% worldwide and 100% in France, Italy and North America
Quicker sales growth for products favoring energy savings and energy efficiency	Double-digit annual growth at constant scope of consolidation and exchange rates
Contribution of products with environmental benefits to sales in France, Italy and North America	50%

(1) Assuming no exceptionally large acquisitions.



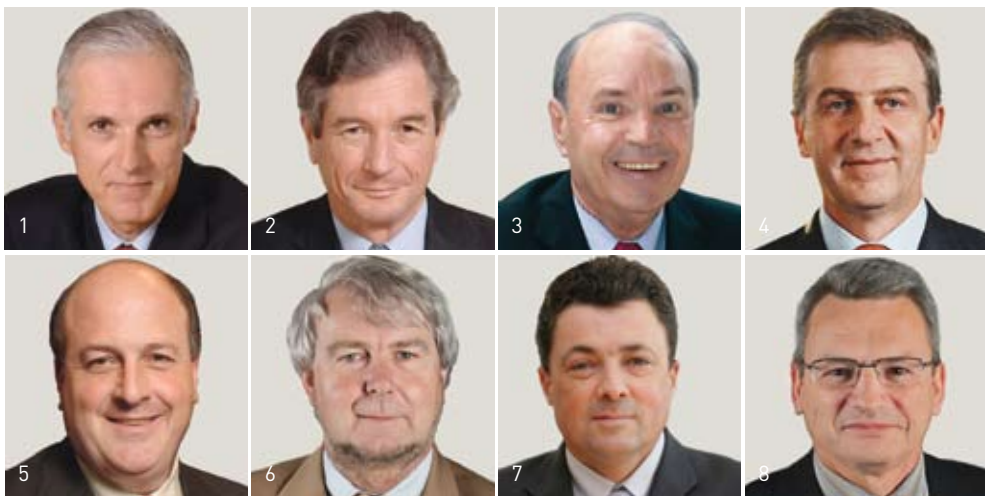
CORPORATE GOVERNANCE

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 rounded out by a Directors' Charter define the makeup, organization and operation of the Board, and the rights and duties of its members. Governance is the object of special attention in 2008 with the appointment of a new member to the Executive Committee and the renewal of nine out of eleven directorships.

EXECUTIVE COMMITTEE

The Committee has welcomed a new member, Patrice Soudan, who was formerly the group's Chief Financial Officer and is now Group Vice-President, Wiring Devices and Home Systems Division. Since January 2008, he has also been Deputy Chief Operating Officer.

- (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) **ERIC SEURIN** VP Purchasing and Logistics
- (7) **PATRICE SOUDAN** Deputy Chief Operating Officer & VP Wiring Devices and Home Systems division
- (8) **PHILIPPE WEBER** Deputy Chief Operating Officer & 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 have expired and are to be renewed at the Annual General Meeting in May 2008.

The Board meets at least five times a year, with representatives of the central works committee in attendance. It defines the directions to be taken and monitors implementation of its decisions. It also considers any other issues relevant to effective operation of the business and takes decisions on the matters it is concerned with by deliberative process.

In 2007, the Board was regularly consulted on issues relating to group accounts, acquisition plans and managers' compensation. It also adopted the conditions for the share buyback provided for in connection with the group's stockmarket listing in 2006 and implemented in March 2007. In keeping with best practice in the field, the Board conducted, as in 2006, a self-assessment of its operation on the basis of a questionnaire sent to all its members.

Attendance was satisfactory, averaging more than 86% for meetings in 2007 (including Committees).

BOARD OF DIRECTORS

GILLES SCHNEPP
Chairman & CEO

OLIVIER BAZIL
Vice-Chairman & COO

ARNAUD FAYET
Director

JACQUES GARAIÏLDE
Director

EDWARD A. GILHULY
Director

FRANÇOIS GRAPPOTTE
Director and Honorary Chairman

MATTIA CAPRIOLI
Coopted Director ⁽¹⁾

JEAN-BERNARD LAFONTA
Director

ERNEST-ANTOINE SEILLIÈRE
Director

THIERRY DE LA TOUR D'ARTAISE
Independent Director

GÉRARD LAMARCHE
Independent Director

(1) Appointment to be ratified by the General Meeting of shareholders on May 22, 2008



STRATEGY COMMITTEE

The Strategy Committee has played an increasingly central role as Legrand steps up the pace of acquisitions, with its main concerns including the validation of the nine acquisitions made since January 2007 in addition to its role in the review of budgets and the group's other investments. Chaired by Jacques Garaialde, a partner in KKR, and counting four members, the Committee met three times in 2007.

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 recruitment and compensation of managers. In 2007, it determined all aspects of management compensation including fixed and variable 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.

The compensation of Legrand managers has for several years been dependent on meeting targets for individual and collective performance. The Committee also approved a plan for the allocation of stock options and free shares to 1,000 group employees.

The Committee set the amount of Directors' fees in relationship with their attendance at meetings of the Board and its Committees. Finally, it approved the proposal for the renewal of the terms of office of nine of the eleven Directors and the cooption of Mattia Caprioli to replace Henry Kravis. The Committee met four times in 2007.

AUDIT COMMITTEE

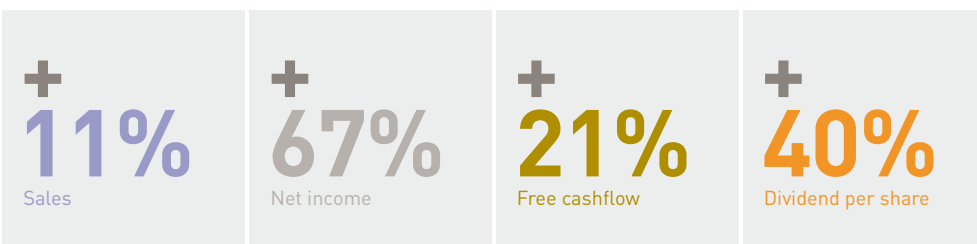
Chaired by Gérard Lamarche, an independent Director who is also Executive VP, Finance (CFO) of Suez, the Committee is charged with ensuring the accuracy and fairness of accounts, the quality of internal controls and risk assessments, and the quality of information provided to shareholders. The Committee 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 met four times in 2007.



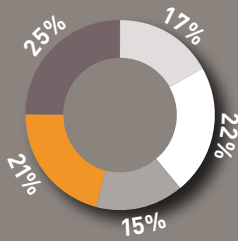
2007 RESULTS



Legrand turned in an excellent performance in 2007. Sales growth was in double digits and margins showed a significant improvement, while net income surged 67% and free cash flow topped half a billion euros.



- France
- Italy
- Rest of Europe
- US and Canada
- Rest of World

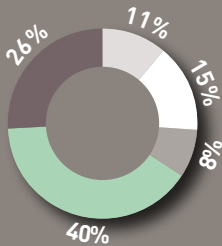


**NET SALES
BY REGION**

25%

**OF NET SALES
IN EMERGING MARKETS**

- France
- Italy
- Rest of Europe
- US and Canada
- Rest of World



**EMPLOYEES
BY REGION**

OVER

40%

**EMPLOYEES
IN EMERGING MARKETS**

ANTOINE BUREL

Group Chief Financial Officer



Legrand posted excellent results amid firm economic trends in 2007. Our sound balance sheet structure and outstanding capacity to generate cash mean that we are well placed to continue expansion through both organic growth and acquisitions.”



FIRM GROWTH IN SALES

Sales rose 10.5% on a year to reach €4,129 million in 2007. The rise at constant scope of consolidation and exchange rates was 8.6% and the growth contribution of recent acquisitions was 3.6%.

CONTINUED EXPANSION ON EMERGING MARKETS

With sales on emerging markets now accounting for nearly 25% of the consolidated total, Legrand has improved its growth profile and diversified its market positions to bring exposure to emerging markets into line with the world economy, thereby reinforcing the solidity of its business model. In 2007, sales on emerging markets rose 18% at constant scope of consolidation and exchange rates to account for some 50% of the group's overall organic growth.

ACCELERATION IN ACQUISITION-DRIVEN GROWTH

Acquisitions financed out of cash flow are a recurrent source of momentum for growth, and have gathered added pace in recent years. Since January 2005, Legrand has thus acquired 15 companies, including 6 in 2007, together representing annual sales of close to €600 million. The trend continued into the opening months of 2008 with the announcements of three acquisitions — PW Industries in the US, Estap in Turkey and HDL in Brazil.

VIGOROUS EARNINGS GROWTH

Adjusted operating income was up 17.5% from 2006 to 2007, reaching 17.5% of sales, and adjusted operating margin thus rose by 100 basis points.

Net income, group share, rose 67% to €421 million, equaling 10.2% of sales. This reflected a combination of excellent operational performance and a reduction in net financial expense.

STEEP RISE IN FREE CASH FLOW

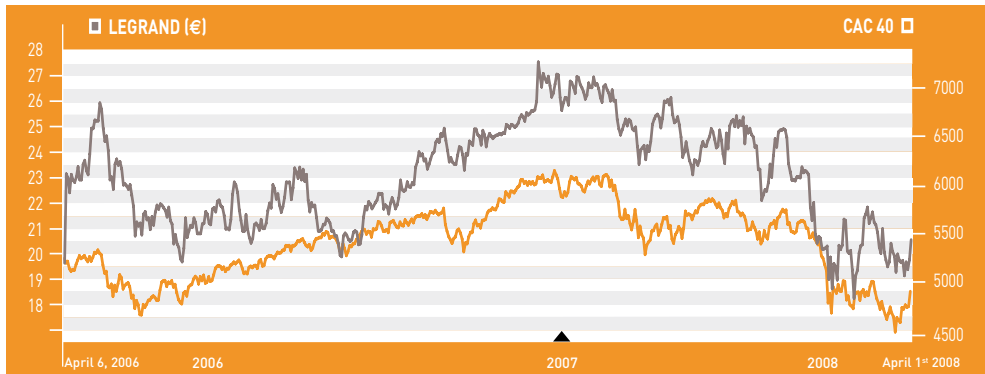
Strong earnings growth and tight control of capital employed made for a 21.2% rise in free cash flow to €553 million, or 13.4% of sales.

Free cash flow was thus well over 10% of sales for the fourth year running, compared with an historical average of 6%. This demonstrates the structural improvement in Legrand's capacity to consistently generate high levels of free cash flow.



SHARE PERFORMANCE

LEGRAND SHARE PRICE



Price on admission	€ 19.75
Highest since the IPO	€ 27.59
Lowest since the IPO	€ 18.38
Price at April 1, 2008	€ 20.65
Change since the IPO	+4.56%

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

SHARE PROFILE

SHAREHOLDER ANNOUNCEMENTS

May 7, 2008

2008 first-quarter results

July 30, 2008

2008 first-half results

May 22, 2008

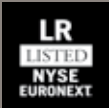
General Meeting

November 6, 2008

2008 nine-month results

SHARE CAPITAL AT APRIL 1, 2008

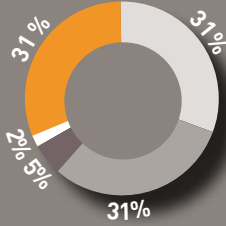
- Market capitalization €5,406,941,154
- Number of shares: 261,837,344
- IPO date: April 6, 2006



Toll-free number for calls in France:
+33 (0) 800 41 42 43

OWNERSHIP

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





CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF INCOME (12 months ended December 31)

	2007	2006	2005
	<i>(in € millions)</i>		
Revenue	4 128.8	3 736.8	3 247.9
Operating expenses			
Cost of sales	(2,060.5)	(1,881.7)	(1,675.4)
Administrative and selling expenses	(1,081.8)	(977.7)	(835.6)
Research and development costs	(219.5)	(237.9)	(238.6)
Other operating income	(105.5)	(109.9)	(92.6)
Operating profit	661.5	529.6	405.7
Finance costs	(152.4)	(157.4)	(206.5)
Financial income	42.5	33.7	25.4
Exchange gains and losses	44.0	40.4	(32.3)
Loss on extinguishment of debt	0.0	(109.0)	0.0
Finance costs and other financial income and expense, net	(65.9)	(192.3)	(213.4)
Share of profit of associates	2.0	0.8	1.3
Profit before tax	597.6	338.1	193.6
Income tax expense	(175.0)	(82.9)	(89.8)
Profit for the period	422.6	255.2	103.8
Attributable to:			
– Legrand	421.0	252.0	101.4
– Minority interests	1.6	3.2	2.4
Basic earnings per share (euros) *	1.584	1.019	0.534
Diluted earnings per share (euros)*	1.573	1.009	0.527

*Basic and diluted earnings per share for 2005 have been adjusted to reflect the impact of the 1-for-4 reverse stock-split carried out on February 24, 2006.

Reported basic and diluted earnings per share for 2005, before the reverse stock-split, amounted to €0.134 and €0.132 respectively.



CONSOLIDATED BALANCE SHEET (December 31)


	2007	2006	2005
	<i>(in € millions)</i>		
ASSETS			
Current assets			
Cash and cash equivalents	221.1	178.9	133.2
Marketable securities	0.2	0.4	0.6
Income tax receivables	12.3	14.2	6.1
Trade receivables	646.2	620.8	563.2
Other current assets	145.5	132.2	127.5
Inventories	624.4	560.1	474.5
Other current financial assets	11.8	22.2	33.4
Total current assets	1 661.5	1 528.8	1 338.5
Non-current assets			
Intangible assets	1,784.3	1,840.0	1,861.3
Goodwill	1,815.9	1,633.2	1,780.0
Property, plant and equipment	756.7	789.2	833.6
Investments in associates	14.0	10.5	9.5
Other investments	8.3	5.0	4.1
Deferred tax assets	64.3	124.6	61.5
Other non-current assets	4.6	4.8	4.6
Total non-current assets	4,448.1	4,407.3	4,554.6
Total Assets	6,109.6	5,936.1	5,893.1
EQUITY AND LIABILITIES			
Current liabilities			
Short-term borrowings	654.7	790.7	319.3
Income tax payable	39.6	32.7	22.3
Trade payables	474.0	454.4	377.0
Short-term provisions and other current liabilities	497.9	436.8	406.9
Other current financial liabilities	86.9	66.6	59.9
Total current liabilities	1,753.1	1,781.2	1,185.4
Non-current liabilities			
Deferred tax liabilities	654.9	663.9	720.3
Long-term provisions and other non-current liabilities	81.0	109.8	134.0
Provisions for pensions and other post-employment benefits	125.1	147.6	139.7
Long-term borrowings	1,364.4	1,055.5	1,803.3
Subordinated perpetual	0.0	9.5	28.5
Related party borrowings	0.0	0.0	1,334.8
Total non-current liabilities	2,225.4	1,986.3	4,160.6
EQUITY			
Share capital	1,083.9	1 078.8	759.4
Retained earnings	1,238.4	1 217.6	(157.1)
Translation reserves	(194.0)	(136.6)	(64.3)
Equity attributable to equity holders of Legrand	2,128.3	2,159.8	538.0
Minority interests	2.8	8.8	9.1
Total equity	2,131.1	2,168.6	547.1
Total Liabilities and Equity	6,109.6	5,936.1	5,893.1


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

	2007	2006	2005
	<i>(in € millions)</i>		
Profit for the period	422.6	255.2	103.8
Reconciliation of profit for the period to net cash provided by operating activities:			
– Depreciation expense	131.5	142.0	144.0
– Amortization expense	76.2	98.0	111.0
– Amortization of development costs	8.2	3.4	0.4
– Amortization of finance costs	1.4	2.1	3.2
– Loss on extinguishment of debt	0.0	109.0	0.0
– Changes in deferred taxes	46.1	(14.5)	12.9
– Changes in other non-current assets and liabilities	(5.8)	0.2	16.4
– Share of profit of associates	(2.0)	(0.8)	(1.3)
– Exchange (gain)/loss, net	(4.0)	(0.9)	18.1
– Other adjustments	6.9	26.1	25.3
(Gains)/losses on sales of assets, net	(12.9)	(1.1)	7.1
(Gains)/losses on sales of securities, net	(0.2)	0.0	0.1
Changes in operating assets and liabilities:			
– Inventories	(32.6)	(74.5)	(6.6)
– Trade receivables	(13.5)	(38.4)	(5.2)
– Trade payables	18.3	62.4	33.9
– Other operating assets and liabilities	45.3	13.3	(12.6)
Net cash provided by operating activities	685.5	581.5	450.5
Net proceeds from sales of fixed assets	38.8	27.5	10.9
Capital expenditure	(149.4)	(130.8)	(112.0)
Capitalized development costs	(22.0)	(22.1)	(21.5)
Changes in non-current financial assets and liabilities	(0.4)	(0.5)	0.0
Proceeds from sales of marketable securities	0.1	0.1	0.3
Purchases of marketable securities	0.0	0.0	40.2
Acquisitions of subsidiaries, net of the cash acquired	(265.1)	(85.9)	(399.8)
Investments in non-consolidated entities	(5.2)	(2.0)	0.0
Net cash used in investing activities	(403.2)	(213.7)	(481.9)
– Proceeds from issues of share capital	5.1	866.2	0.0
– Share buybacks and transactions under the liquidity contract	(280.8)	0.0	0.0
– Dividends paid to equity holders of Legrand	(133.1)	(110.6)	0.0
– Dividends paid by Legrand subsidiaries	(3.0)	(3.2)	(1.2)
– Reduction of subordinated perpetual notes	(9.5)	(19.0)	(40.5)
– Proceeds from new borrowings and drawdowns	418.3	2 255.8	179.2
– Repayment of borrowings	(124.5)	(3 444.9)	0.0
– Debt issuance costs	(0.5)	(6.1)	0.0
– Loss on extinguishment of debt	0.0	(109.0)	0.0
– Increase (reduction) in bank overdrafts	(106.2)	258.5	(49.7)
Net cash (used in) provided by financing activities	(234.2)	(312.3)	87.8
Effect of exchange rate changes on cash and cash equivalents	(5.9)	(9.8)	8.5
Increase in cash and cash equivalents	42.2	45.7	64.9
Cash and cash equivalents at the beginning of the period	178.9	133.2	68.3
Cash and cash equivalents at the end of the period	221.1	178.9	133.2
Items included in cash flows from operating activities			
– Interest paid during the period	102.0	122.1	150.7
– Income taxes paid during the period	109.5	86.3	57.8

Full financial statements are available in our Reference Document registered with French market supervisor AMF, which can be downloaded from www.amf-france.org and www.legrandelectric.com.

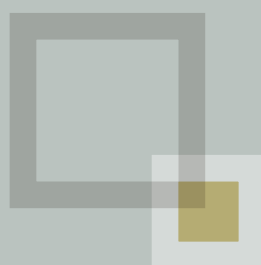
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April 2008



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