



LEGRAND  
UNAUDITED CONSOLIDATED FINANCIAL INFORMATION  
MARCH 31, 2016

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## Consolidated key figures

<i>(in € millions)</i>	1 <sup>st</sup> quarter 2016	1 <sup>st</sup> quarter 2015
Net sales	1,189.6	1,164.7
Adjusted operating profit <sup>(1)</sup>	226.7	218.6
As % of net sales	19.1%	18.8%
	19,2% before Acquisitions*	
Operating profit	216.0	208.5
As % of net sales	18.2%	17.9%
Net income excluding minorities	127.4**	127.4**
As % of net sales	10.7%	10.9%
Normalized free cash flow <sup>(2)</sup>	155.5	174.0
As % of net sales	13.1%	14.9%
Free cash flow <sup>(3)</sup>	37.4	56.8
As % of net sales	3.1%	4.9%
Net financial debt at March 31 <sup>(4)</sup>	790.9	866.9

\* At 2015 scope of consolidation.

\*\* Excluding the impact of foreign exchange result, net income excluding minorities would come to €130.0 million in 1<sup>st</sup> quarter 2016 compared with €127.7 million in 1<sup>st</sup> quarter 2015.

(1) Adjusted operating profit is defined as operating profit adjusted for amortization of revaluation of intangible assets at the time of acquisitions and for expense and income relating to acquisitions and, where applicable, for impairment of goodwill.

(2) Normalized free cash flow is defined as the sum of net cash from operating activities - based on a working capital requirement representing 10% of the last 12 month's sales and whose change at constant scope of consolidation and exchange rates is adjusted for the period considered - and net proceeds of sales from fixed and financial assets, less capital expenditure and capitalized development costs.

(3) Free cash flow is defined as the sum of net cash from operating activities and net proceeds from sales of fixed and financial assets, less capital expenditure and capitalized development costs.

(4) Net financial debt is defined as the sum of short-term borrowings and long-term borrowings, less cash and cash equivalents and marketable securities.

## Consolidated Statement of Income

<i>(in € millions)</i>	3 months ended	
	March 31, 2016	March 31, 2015
<b>Net sales</b>	<b>1,189.6</b>	<b>1,164.7</b>
<b>Operating expenses</b>		
Cost of sales	(559.4)	(565.4)
Administrative and selling expenses	(335.9)	(325.9)
Research and development costs	(59.0)	(53.7)
Other operating income (expenses)	(19.3)	(11.2)
<b>Operating profit</b>	<b>216.0</b>	<b>208.5</b>
Financial expenses	(24.4)	(22.6)
Financial income	2.4	3.4
Exchange gains (losses)	(3.7)	(0.6)
Financial profit (loss)	(25.7)	(19.8)
<b>Profit before tax</b>	<b>190.3</b>	<b>188.7</b>
Income tax expense	(62.1)	(60.7)
<b>Profit for the period</b>	<b>128.2</b>	<b>128.0</b>
<b>Of which:</b>		
- Net income excluding minorities	127.4	127.4
- Minority interests	0.8	0.6
Basic earnings per share (euros)	0.478	0.479
Diluted earnings per share (euros)	0.474	0.474

## Statement of Comprehensive Income

<i>(in € millions)</i>	3 months ended	
	March 31, 2016	March 31, 2015
Profit for the period	128.2	128.0
<i>Items that may be reclassified subsequently to profit or loss</i>		
Translation reserves	(54.4)	193.4
Income tax relating to components of other comprehensive income	(5.9)	15.5
<i>Items that will not be reclassified to profit or loss</i>		
Actuarial gains and losses after deferred taxes	0.0	(0.3)
<b>Comprehensive income for the period</b>	<b>67.9</b>	<b>336.6</b>
<b>Attributable to:</b>		
- Legrand	66.9	335.4
- Minority interests	1.0	1.2

## Consolidated Balance Sheet

<i>(in € millions)</i>	<b>March 31, 2016</b>	<b>December 31, 2015</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	1,804.6	1,822.0
<i>Goodwill</i>	2,742.0	2,776.3
Property, plant and equipment	549.9	562.2
Other investments	18.3	18.3
Other non-current assets	6.1	6.4
Deferred tax assets	111.3	114.9
<b>Total non-current assets</b>	<b>5,232.2</b>	<b>5,300.1</b>
<b>Current assets</b>		
Inventories (Note 3)	684.7	680.3
Trade receivables (Note 4)	595.6	545.4
Income tax receivables	26.3	28.6
Other current assets	160.9	170.0
Marketable securities	0.0	2.5
Other current financial assets	0.0	0.7
Cash and cash equivalents	1,092.0	1,085.9
<b>Total current assets</b>	<b>2,559.5</b>	<b>2,513.4</b>
<b>Total Assets</b>	<b>7,791.7</b>	<b>7,813.5</b>

(in € millions)

March 31, 2016 December 31, 2015

	March 31, 2016	December 31, 2015
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital (Note 5)	1,067.9	1,067.7
Retained earnings	3,106.5	3,006.2
Translation reserves	(330.7)	(276.1)
Equity attributable to equity holders of Legrand	3,843.7	3,797.8
Minority interests	10.6	9.6
<b>Total equity</b>	<b>3,854.3</b>	<b>3,807.4</b>
<b>Non-current liabilities</b>		
Long-term provisions	102.9	108.8
Provisions for post-employment benefits	168.4	170.6
Long-term borrowings (Note 6)	1,509.0	1,823.2
Other non-current liabilities	0.2	0.4
Deferred tax liabilities	655.0	656.4
<b>Total non-current liabilities</b>	<b>2,435.5</b>	<b>2,759.4</b>
<b>Current liabilities</b>		
Trade payables	507.8	531.3
Income tax payables	59.7	41.0
Short-term provisions	89.0	104.8
Other current liabilities	470.4	501.3
Short-term borrowings (Note 6)	373.9	67.9
Other current financial liabilities	1.1	0.4
<b>Total current liabilities</b>	<b>1,501.9</b>	<b>1,246.7</b>
<b>Total Equity and Liabilities</b>	<b>7,791.7</b>	<b>7,813.5</b>

## Consolidated Statement of Cash Flows

<i>(in € millions)</i>	3 months ended	
	March 31, 2016	March 31, 2015
<b>Profit for the period</b>	<b>128.2</b>	<b>128.0</b>
Adjustments for non-cash movements in assets and liabilities:		
– Depreciation and impairment of tangible assets	23.1	23.3
– Amortization and impairment of intangible assets	10.2	10.7
– Amortization and impairment of capitalized development costs	6.5	6.5
– Amortization of financial expenses	0.6	0.5
– Impairment of goodwill	0.0	0.0
– Changes in long-term deferred taxes	4.7	1.6
– Changes in other non-current assets and liabilities	6.9	6.4
– Unrealized exchange (gains)/losses	0.3	19.6
– Other adjustments	0.1	(0.2)
– (Gains)/losses on sales of assets, net	0.2	(0.1)
Changes in working capital requirement:		
– Inventories (Note 3)	(11.6)	(14.0)
– Trade receivables (Note 4)	(59.5)	(102.2)
– Trade payables	(16.2)	7.5
– Other operating assets and liabilities	(33.0)	(6.5)
<b>Net cash from operating activities</b>	<b>60.5</b>	<b>81.1</b>
– Net proceeds from sales of fixed and financial assets	0.2	0.4
– Capital expenditure	(17.0)	(18.4)
– Capitalized development costs	(6.3)	(6.3)
– Changes in non-current financial assets and liabilities	0.3	2.0
– Acquisitions of subsidiaries, net of cash acquired	(11.3)	(11.7)
<b>Net cash from investing activities</b>	<b>(34.1)</b>	<b>(34.0)</b>
– Proceeds from issues of share capital and premium (Note 5)	0.9	10.7
– Net sales (buybacks) of treasury shares and transactions under the liquidity contract (Note 5)	(22.9)	(41.0)
– Dividends paid to equity holders of Legrand	0.0	0.0
– Dividends paid by Legrand subsidiaries	0.0	0.0
– Proceeds from new borrowings and drawdowns	3.4	0.2
– Repayment of borrowings	(0.7)	(3.0)
– Debt issuance costs	0.0	0.0
– Net sales (buybacks) of marketable securities	2.5	0.6
– Increase (reduction) in bank overdrafts	5.2	7.8
– Acquisitions of ownership interests with no gain of control	0.0	0.0
<b>Net cash from financing activities</b>	<b>(11.6)</b>	<b>(24.7)</b>
Effect of exchange rate changes on cash and cash equivalents	(8.7)	22.8
<b>Increase (decrease) in cash and cash equivalents</b>	<b>6.1</b>	<b>45.2</b>
Cash and cash equivalents at the beginning of the period	1,085.9	726.0
<b>Cash and cash equivalents at the end of the period</b>	<b>1,092.0</b>	<b>771.2</b>
Items included in cash flows:		
– Free cash flow (Note 7)	37.4	56.8
– Interest paid* during the period	45.8	45.6
– Income taxes paid during the period	32.0	29.6

\* Interest paid is included in the net cash from operating activities.

## Notes to the consolidated financial statements

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### Note 1 - Introduction

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This unaudited consolidated financial information of Legrand is presented for the three-month period ended March 31, 2016. This unaudited consolidated financial information should be read in accordance with consolidated financial statements for the year ended December 31, 2015 such as established in the Registration Document deposited under visa no D.16-0232 with the French Financial Markets Authority (AMF) on March 30, 2016.

All the amounts are presented in millions of euros unless otherwise indicated. Some totals may include rounding differences.

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations adopted by the European Union and applicable or authorized for early adoption from January 1, 2016.

None of the IFRSs issued by the International Accounting Standards Board (IASB) that have not been adopted for use in the European Union are applicable to the Group.

### Note 2 - Changes in the scope of consolidation

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The contributions to the Group's consolidated financial statements of companies acquired since January 1, 2015 were as follows:

<b>2015</b>	<b>March 31</b>	<b>June 30</b>	<b>September 30</b>	<b>December 31</b>
Valrack	Balance sheet only	Balance sheet only	Balance sheet only	10 months' profit
IME		Balance sheet only	Balance sheet only	7 months' profit
Raritan Inc.			Balance sheet only	3 months' profit
QMotion				Balance sheet only

<b>2016</b>	<b>March 31</b>
Valrack	3 months' profit
IME	3 months' profit
Raritan Inc.	3 months' profit
QMotion	3 months' profit
Fluxpower	Balance sheet only
Primetech	Balance sheet only

The acquisitions made by the Group during the first quarter of 2016 were not material for the Group.

In all, acquisitions of subsidiaries (net of cash acquired) came to a total of €11.3 million in the first three months of 2016, versus €11.7 million in the first three months of 2015.

### Note 3 - Inventories

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Inventories are as follows:

<i>(in € millions)</i>	<b>March 31, 2016</b>	<b>December 31, 2015</b>
Purchased raw materials and components	247.0	238.2
Sub-assemblies, work in progress	89.9	88.1
Finished products	454.5	459.6
<b>Gross value at the end of the period</b>	<b>791.4</b>	<b>785.9</b>
Less impairment	(106.7)	(105.6)
<b>Net value at the end of the period</b>	<b>684.7</b>	<b>680.3</b>

### Note 4 - Trade receivables

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Trade receivables are as follows:

<i>(in € millions)</i>	<b>March 31, 2016</b>	<b>December 31, 2015</b>
Trade accounts and notes receivable	670.0	621.1
Less impairment	(74.4)	(75.7)
<b>Net value at the end of the period</b>	<b>595.6</b>	<b>545.4</b>

### Note 5 - Share capital

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Share capital as of March 31, 2016 amounted to €1,067,883,976 represented by 266,970,994 ordinary shares with a par value of €4 each, for 266,970,994 voting rights.

As of March 31, 2016, the Group held 126,050 shares in treasury, versus 156,595 shares as of December 31, 2015, i.e. 30,545 less shares consequently to:

- the acquisition of 462,290 shares outside of the liquidity contract;
- the transfer of 547,185 shares to employees under performance share plans;
- the net purchase of 54,350 shares under the liquidity contract (Note 5.2.2).

As of March 31, 2016, among the 126,050 shares held in treasury by the Group, 10,050 shares have been allocated according to the allocation objectives described in Note 5.2.1, and 116,000 shares are held under the liquidity contract.



## 5.1 Changes in share capital

	Number of shares	Par value	Share capital (euros)	Premiums (euros)
As of December 31, 2015	266,930,602	4	1,067,722,408	1,055,470,630
Exercise of options under the 2007 plan	8,545	4	34,180	180,670
Exercise of options under the 2008 plan	10,130	4	40,520	167,246
Exercise of options under the 2009 plan	1,566	4	6,264	14,219
Exercise of options under the 2010 plan	20,151	4	80,604	357,680
As of March 31, 2016	266,970,994	4	1,067,883,976	1,056,190,445

In the first three months of 2016 40,392 shares were issued under the 2007 to 2010 stock option plans, resulting in a capital increase representing a total amount of €0.9 million (premiums included).

## 5.2 Share buyback program and transactions under the liquidity contract

As of March 31, 2016, the Group held 126,050 shares in treasury (156,595 as of December 31, 2015, out of which 94,945 under the share buyback program and 61,650 under the liquidity contract) which can be detailed as follows:

### 5.2.1 Share buyback program

During the first three months of 2016, the Group acquired 462,290 shares, at a cost of €20,629,601.

As of March 31, 2016, the Group held 10,050 shares, acquired at a total cost of €360,722. These shares are being held for the following purposes:

- for allocation upon exercise of performance share plans (5,129 shares purchased at a cost of €238,091); and
- for allocation upon sale to employees who choose to re-invest their profit-shares in the Company stock through a corporate mutual fund (4,921 shares purchased at a cost of €122,631).

### 5.2.2 Liquidity contract

On May 29, 2007, the Group appointed a financial institution to maintain a liquid market for its ordinary shares on the Euronext™ Paris market under a liquidity contract complying with the Code of Conduct issued by the AMAFI (French Financial Markets Association) approved by the AMF on March 22, 2005. €15.0 million in cash was allocated by the Group to the liquidity contract.

As of March 31, 2016, the Group held 116,000 shares under this contract, purchased at a total cost of €5,541,983.

During the first three months of 2016, transactions under the liquidity contract led to a cash outflow of €2,280,365 corresponding to net purchases of 54,350 shares.

## Note 6 - Long-term and short-term borrowings

### 6.1 Long-term borrowings

Long-term borrowings can be analyzed as follows:

<i>(in € millions)</i>	<b>March 31, 2016</b>	<b>December 31, 2015</b>
8 ½% debentures	340.8	356.6
Bonds	1,100.0	1,400.0
Other borrowings*	76.6	75.6
	1,517.4	1,832.2
Debt issuance costs	(8.4)	(9.0)
<b>Total</b>	<b>1,509.0</b>	<b>1,823.2</b>

\*Including €44.7 million corresponding to private placement notes held by employees through the "Legrand Obligations Privées" corporate mutual fund (€44.7 million as of December 31, 2015).

### 6.2 Short-term borrowings

Short-term borrowings can be analyzed as follows:

<i>(in € millions)</i>	<b>March 31, 2016</b>	<b>December 31, 2015</b>
Bonds**	300.0	0.0
Commercial paper	15.0	15.0
Other borrowings	58.9	52.9
<b>Total</b>	<b>373.9</b>	<b>67.9</b>

\*\*corresponds to bonds which will be redeemable at maturity on February 24, 2017.

## Note 7 - Segment information

In accordance with IFRS 8, operating segments are determined based on the reporting made available to the chief operating decision maker of the Group and to the Group's management.

Given that Legrand activities are carried out locally, the Group is organized for management purposes by countries which are allocated for internal reporting purposes into five geographical segments:

- France;
- Italy;
- Rest of Europe (mainly including Russia, Turkey, the UK, Spain, Belgium, Netherlands, Germany and Poland);
- North and Central America (including the United States, Canada, Mexico and other Central American countries); and
- Rest of the world (mainly including India, China, Brazil, Australia, Chile, Saudi Arabia and Colombia).

The first 4 segments are under the responsibility of 4 segment managers who are directly accountable to the chief operating decision maker of the Group.

"Rest of the world" is the only segment subject to an aggregation of several operating segments which are under the responsibility of segment managers who are themselves directly accountable to the chief operating decision maker of the Group, knowing that the economic models of subsidiaries within these segments are quite similar. Indeed, sales are made up of electrical and digital building infrastructure products to electrical installers mainly through third-party distributors.

<b>3 months ended March 31, 2016</b>	Geographical segments						Items not allocated to segments	Total
	Europe			North and central America	Rest of the world			
	France	Italy	Others					
<i>(in € millions)</i>								
<b>Net sales to third parties</b>	<b>239.3</b>	<b>147.5</b>	<b>205.0</b>	<b>334.5</b>	<b>263.3</b>		<b>1,189.6</b>	
Cost of sales	(89.0)	(51.0)	(116.5)	(158.9)	(144.0)		(559.4)	
Administrative and selling expenses, R&D costs	(108.4)	(42.0)	(52.7)	(117.2)	(74.6)		(394.9)	
Other operating income (expenses)	(6.2)	(0.6)	(3.3)	(3.9)	(5.3)		(19.3)	
<b>Operating profit</b>	<b>35.7</b>	<b>53.9</b>	<b>32.5</b>	<b>54.5</b>	<b>39.4</b>		<b>216.0</b>	
- of which acquisition-related amortization, expense and income								
• accounted for in administrative and selling expenses, R&D costs	(1.2)	(0.1)	(0.6)	(5.6)	(3.2)		(10.7)	
• accounted for in other operating income (expenses)							0.0	
- of which goodwill impairment							0.0	
<b>Adjusted operating profit</b>	<b>36.9</b>	<b>54.0</b>	<b>33.1</b>	<b>60.1</b>	<b>42.6</b>		<b>226.7</b>	
- of which depreciation expense	(6.3)	(4.2)	(3.6)	(3.0)	(5.9)		(23.0)	
- of which amortization expense	(0.4)	(0.8)	(0.1)	(0.5)	(0.2)		(2.0)	
- of which amortization of development costs	(4.5)	(1.7)	(0.1)	0.0	(0.2)		(6.5)	
- of which restructuring costs	(3.0)	(0.5)	(2.2)	0.0	(1.3)		(7.0)	
Net cash provided by operating activities						60.5	60.5	
Net proceeds from sales of fixed and financial assets						0.2	0.2	
Capital expenditure	(4.6)	(2.7)	(2.4)	(4.2)	(3.1)		(17.0)	
Capitalized development costs	(4.6)	(1.5)	0.0	0.0	(0.2)		(6.3)	
<b>Free cash flow</b>						<b>37.4</b>	<b>37.4</b>	
<b>Normalized free cash flow</b>						<b>155.5</b>	<b>155.5</b>	
<b>Normalized free cash flow as % of sales</b>							<b>13.1%</b>	
Current operating assets excluding taxes	229.4	142.8	278.9	306.4	483.7		1,441.2	
Net tangible assets	171.1	106.4	83.9	65.6	122.9		549.9	
Current operating liabilities excluding taxes	360.6	172.3	110.7	149.0	274.6		1,067.2	

**3 months ended March 31, 2015**

<i>(in € millions)</i>	Geographical segments					Items not allocated to segments	Total
	Europe			North and central America <sup>(1)</sup>	Rest of the world <sup>(1)</sup>		
	France	Italy	Others				
<b>Net sales to third parties</b>	<b>250.3</b>	<b>137.2</b>	<b>200.4</b>	<b>290.3</b>	<b>286.5</b>		<b>1,164.7</b>
Cost of sales	(93.8)	(46.8)	(113.4)	(142.4)	(169.0)		(565.4)
Administrative and selling expenses, R&D costs	(103.4)	(41.6)	(52.3)	(99.8)	(82.5)		(379.6)
Other operating income (expenses)	(5.3)	(0.8)	(1.7)	(2.0)	(1.4)		(11.2)
<b>Operating profit</b>	<b>47.8</b>	<b>48.0</b>	<b>33.0</b>	<b>46.1</b>	<b>33.6</b>		<b>208.5</b>
- of which acquisition-related amortization, expense and income							
• accounted for in administrative and selling expenses, R&D costs	(1.5)	0.0	(0.6)	(3.8)	(4.2)		(10.1)
• accounted for in other operating income (expenses)							0.0
- of which goodwill impairment							0.0
<b>Adjusted operating profit</b>	<b>49.3</b>	<b>48.0</b>	<b>33.6</b>	<b>49.9</b>	<b>37.8</b>		<b>218.6</b>
- of which depreciation expense	(6.6)	(4.6)	(3.6)	(2.9)	(5.5)		(23.2)
- of which amortization expense	(0.4)	(0.8)	(0.2)	(0.5)	(0.4)		(2.3)
- of which amortization of development costs	(4.3)	(2.0)	0.0	(0.1)	(0.1)		(6.5)
- of which restructuring costs	(2.2)	(0.2)	(2.5)	0.0	(0.5)		(5.4)
Net cash provided by operating activities						81.1	81.1
Net proceeds from sales of fixed and financial assets						0.4	0.4
Capital expenditure	(4.0)	(2.4)	(2.5)	(3.9)	(5.6)		(18.4)
Capitalized development costs	(4.9)	(1.4)	0.0	0.0	0.0		(6.3)
<b>Free cash flow</b>						<b>56.8</b>	<b>56.8</b>
<b>Normalized free cash flow</b>						<b>174.0</b>	<b>174.0</b>
<b>Normalized free cash flow as % of sales</b>							<b>14.9%</b>
Current operating assets excluding taxes	218.2	140.6	284.8	303.0	521.8		1,468.4
Net tangible assets	172.4	110.6	90.2	65.6	129.6		568.4
Current operating liabilities excluding taxes	346.0	168.3	107.1	144.6	275.0		1,041.0

(1) For the 3 month period ended March 31, 2015, the published data have been restated to reflect the change in geographical segments starting January 1, 2016.

## Note 8 - Subsequent events

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In April 2016, the Group announced the acquisitions in the United States of:

- Pinnacle Architectural Lighting, one of the US leaders in architectural lighting solutions for non-residential buildings. Pinnacle Architectural Lighting has annual sales of around \$105 million.
- Luxul Wireless, the US leader in audio/video infrastructures products for residential buildings and small- to mid-size commercial buildings. Luxul Wireless has annual sales of over \$20 million.

In May 2016, the Group announced in addition the acquisitions of:

- Jontek, specialist in solutions for monitoring assisted living platforms in United Kingdom. Jontek has annual sales of around €4 million.
- Trias, Indonesian specialist in cable management and distribution cabinets (acquisition of 80% of Trias shares by the Group). Trias has annual sales of around €6 million.