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PRESS RELEASE

Limoges, May 4, 2016

Solid 2016 first-quarter achievements:

Healthy organic growth in sales: +1.9%, driven by US performance

Rise in adjusted operating profit: +3.7%

6 acquisitions since the beginning of the year

2016 targets confirmed

Gilles Schnepp, Chairman and CEO of Legrand, commented:

"Solid 2016 first-quarter achievements

Driven by a particularly good relative performance at the start of the year in the United States, where organic growth stood at +6.9%, Group sales at constant scope of consolidation and exchange rates rose +1.9% in the first quarter of 2016. Over the same period, organic change in sales was flat overall in mature European countries and in new economies.

Taking into account the exchange-rate effect and acquisitions, Group sales were up +2.1% in total.

Adjusted operating profit rose +3.7% and adjusted operating margin before acquisitions (at 2015 scope of consolidation) stood at 19.2% of sales compared with 18.8% in the first quarter of 2015. Taking acquisitions into account, adjusted operating margin came to 19.1% in the first quarter of 2016.

Active external growth

As indicated in February, Legrand has an active acquisitions pipeline and has already announced four transactions since the beginning of the year:

- *Pinnacle Architectural Lighting[1], one of the US leaders in architectural lighting solutions for non-residential buildings;*
- *Luxul Wireless[1], the US leader in audio/video infrastructure products for residential buildings and small- to mid-size commercial buildings;*
- *Fluxpower in Germany and Primetech in Italy, both specializing in UPS[2].*

Legrand today announced two additional transactions that together represent annual sales of around €10m: the acquisition of Jontek, specialized in solutions for monitoring assisted living platforms in the United Kingdom, and the signature of a joint venture agreement to purchase Trias[3], an Indonesian specialist in cable management and distribution cabinets.

Since the beginning of the year, Legrand has acquired annual sales totaling around €130m."

2016 targets confirmed

Based on 2016 first-quarter achievements, Legrand confirms its two 2016 targets[4]:

- organic change in sales of between -2% and +2%, and

- adjusted operating margin before acquisitions (at 2015 scope of consolidation) of between 18.5% and 19.5% of sales.

Legrand will also pursue its strategy of value-creating acquisitions.

[1] Subject to standard conditions precedent.
[2] UPS: Uninterruptible Power Supply.
[3] Legrand holds 80% of equity.
[4] Readers are invited to refer to the press release of February 11, 2016 announcing full-year 2015 results for the complete phrasing of Legrand's 2016 targets.

Key figures

Consolidated data (€ millions)[1]	1st quarter 2015	1st quarter 2016
Sales	1,164.7	1,189.6
Adjusted operating profit	218.6	226.7
As % of sales	*18.8%*	*19.1%*
		19.2% before acquisitions[2]
Operating profit	208.5	216.0
As % of sales	*17.9%*	*18.2%*
Net income excluding minorities	127.4[3]	127.4[3]
As % of sales	*10.9%*	*10.7%*
Normalized free cash flow	174.0	155.5
As % of sales	*14.9%*	*13.1%*
Free cash flow	56.8	37.4
As % of sales	*4.9%*	*3.1%*
Net financial debt at March 31	866.9	790.9

(1) See appendices to this press release for definitions and reconciliation tables of indicators presented.
(2) At 2015 scope of consolidation.
(3) Excluding the impact of the foreign-exchange result, net income excluding minorities would come to €130.0m in the first quarter of 2016 compared with €127.7m in the first quarter of 2015, thus showing an increase of close to +2%.

Financial performance at March 31, 2016

Consolidated sales

First-quarter 2016 sales totaled €1,189.6m, up +2.1% from the first quarter of 2015, thanks in particular to the favorable +3.0% impact of the broader scope of consolidation that resulted from acquisitions.

The organic change in Group sales came to +1.9%, reflecting a +2.9% rise in mature countries as a whole, and flat sales (0.0%) in new economies.

Excluding the exchange-rate effect, sales rose +5% in the first quarter of 2016.

The exchange-rate impact was -2.8%. Taking into account exchange rates at April 30, the full-year exchange-rate effect would be close to -3%.

Changes in sales by destination at constant scope of consolidation and exchange rates broke down as follows by region:

	1st quarter 2016 / 1st quarter 2015
France	-4.0% i.e. around **-2%** excluding the announced effect[1]
Italy	+4.7%
Rest of Europe	+5.4%
North and Central America	+7.6%
Rest of the World	-2.4%
Total	**+1.9%**

[1] Readers are reminded that the press release presenting full-year 2015 results specified, concerning sales in France in the fourth quarter of 2015, that "in the fourth quarter of 2015, sales benefited from strong demand from distributors, which was more marked than in the fourth quarter of 2014." The net impact on the change in sales in France in the first quarter of 2016 has been estimated at around -2 points.

These changes at constant scope of consolidation and exchange rates are analyzed below by geographical region:

- **France** (18.1% of Group sales): leading indicators for new residential construction market are improving—a trend that should be reflected in this segment of Legrand's activity (15% to 20% of its sales in France) with a few quarters' lag—and other sectors of the construction market are improving slowly. For Legrand's own business, the organic change in sales in the first quarter of 2016 was -4.0%, and excluding the announced effect[1] was around -2%, in line with the estimated trend in Legrand's market. Readers are reminded that the second quarter of 2015 will be a demanding basis for comparison due to new-product launches then.

- **Italy** (11.7% of Group sales): sales were up +4.7% from the first quarter of 2015 at constant scope of consolidation and exchange rates. 2016 first-quarter performance was driven by commercial successes in energy distribution at the beginning of the year, and benefited from a favorable basis for comparison (reminder: the organic change in sales in the first quarter of 2015 was -1.2%, with 2015 full-year organic growth of +0.8%).

- **Rest of Europe** (17.7% of Group sales): sales were up +5.4% from the first quarter of 2015 at constant scope of consolidation and exchange rates. Several mature countries reported healthy growth, including Germany, Austria and Southern Europe (Spain, Greece and Portugal), as did many new economies—Turkey, Hungary, Slovakia and the Czech Republic. Sales in Russia showed a moderate decline.

- **North and Central America**[2] (27.6% of Group sales): sales in the region rose +7.6% from the first quarter of 2015 at constant scope of consolidation and exchange rates. In the United States alone, Legrand recorded organic growth of +6.9%, outperforming trends in market indicators, and driven in particular by one-off effects linked to the ongoing success of the *Digital Lighting Management* offering in highly energy-efficient lighting control, plus good showings in the non-residential segment. Excluding these one-off effects, sales in the United States showed an organic rise in the neighborhood of +3%, in line with the estimated trend in Legrand's market.
Sales in Mexico, Canada and other countries in the region as a whole were also well-oriented in the first quarter of 2016.

- **Rest of the World** (24.9% of Group sales): sales declined -2.4% from the first quarter of 2015 at constant scope of consolidation and exchange rates. Sales continued to rise in many countries including India, Chile, Colombia and South Africa. Some other countries—including Brazil and most Middle Eastern countries—saw a decline in sales due to unfavorable economic conditions. In China, while the change in sales was positive in the first quarter of 2016 as a result of one-off effects linked to both government measures aimed at supporting housing sales and a favorable basis for comparison, the Chinese market trend is still downward.

Adjusted operating profit and margin

Adjusted operating profit was up +3.7% in the first quarter of 2016, reaching €226.7m and thus reflecting the Group's capacity to create value over the long term.

Adjusted operating margin before acquisitions (at 2015 scope of consolidation) came to 19.2% of sales. Compared with the figure for the first quarter of 2015 (18.8%), the 0.4-point improvement was mainly due to a good operating performance. Mix effect linked to strong growth in the USA/Canada region and inventory build-up of manufactured goods that both impacted margin in 2015 had no material impact on adjusted operating margin in the first quarter of 2016.
Taking acquisitions into account, the Group's adjusted operating margin stood at 19.1% of sales in the first quarter of 2016.

[1] Readers are reminded that the press release presenting full-year 2015 results specified, concerning sales in France in the fourth quarter of 2015, that "in the fourth quarter of 2015, sales benefited from strong demand from distributors, which was more marked than in the fourth quarter of 2014." The net impact on the change in sales in France in the first quarter of 2016 has been estimated at around -2 points.

[2] As announced, "Starting January 1, 2016, the United States/Canada region will become the North and Central America region and will comprise the United States, Canada, Mexico and the other countries in Central America. This change reflects the new organization of Legrand's operations in North America, with all of these countries now headed by the same management which is in keeping with the region's market structure." Historical restated data is available on Legrand's website.
http://www.legrand.com/files/fck/File/News/Finance/2016/autres/Legrand_Historical_Restated_data_NCA_RoW.pdf

Net income excluding minorities

Legrand's net income excluding minorities for the first quarter of 2016 was steady at €127.4m or 10.7% of sales and reflects:

- a good operating performance, with a €7.5m rise in operating profit, offset by:
- a mechanical €3.1m decline in exchange result, a €2.8m rise in net financial expense (that remains under control at less than 2% of sales), and a €1.4m rise in income tax expense (with the income tax rate at 32.6%).

Cash generation

Cash flow from operations for the first quarter of 2016 was robust at €180.8m or 15.2% of sales.

Investments and working capital requirement are under control at respectively 2.0% and 8.9% of sales in the first quarter of 2016. More specifically, working capital requirement at the end of the first quarter of 2016 includes favorable non-recurring impacts linked to non-operating items in particular.

Normalized free cash flow—which is a good measure of free cash flow generation, in particular on a quarterly basis—was 13.1% of sales, in keeping with the Group's ambition of generating normalized free cash flow of between 12% and 13% of sales.

Active external growth

As announced, Legrand has an active acquisitions pipeline in markets offering favorable economic conditions. Within this framework, Legrand has already announced 4 new targeted and self-financed acquisitions since the beginning of the year:

- Pinnacle Architectural Lighting[1], one of the US leaders in architectural lighting solutions for non-residential buildings. Legrand already has a strong presence in lighting control for non-residential buildings in the US. This move thus reinforces its presence in the field in North America with a complementary offering that will allow it to develop customized solutions that can combine the three main technologies used for lighting control (wall, lighting control panels, lighting fixtures)—solutions that are adaptable to all needs and applications. The Group is thus strengthening its positions in a market driven by the regular adoption of new energy codes and, more broadly, by increased demand for energy-efficient solutions. Pinnacle Architectural Lighting has 230 employees and reports annual sales of around $105m;
- Luxul Wireless[1], the US leader in audio/video infrastructure products (wireless routers, access points and switches) for residential buildings and small- to mid-size commercial buildings. Luxul Wireless solutions are in particular an ideal complement to Legrand's generalist US offering of structured cabling for housing (On-Q). Luxul Wireless employs around 30 people and reports annual sales of over $20m;
- Fluxpower in Germany and Primetech in Italy, both specialized in UPS[2], which together employ nearly 60 people and report combined annual sales of nearly €9 million.

Legrand today announced two new transactions:

- the acquisition of Jontek, a UK specialist in solutions for monitoring assisted living platforms. Jontek complements Tynetec's offering and has annual sales of around €4m;
- the signature of a joint venture agreement to purchase Trias[3], an Indonesian specialist in cable management and distribution cabinets. Trias, which strengthens Legrand's positions in Indonesia, has around 200 employees and annual sales of approximately €6m.

Based on acquisitions already announced and their likely date of consolidation, changes in the scope of consolidation should boost Group sales by over +3.5% in 2016.

[1] Subject to standard conditions precedent.
[2] UPS: Uninterruptible Power Supply.
[3] Legrand holds 80% of equity.

Governance

Change in Legrand's Board of Directors

Mr. Gérard Lamarche's term as Director ends in 2016. Mr. Gérard Lamarche, who has served on Legrand's Board of Directors since 2006, did not wish to renew his term as Director.
Acting on the recommendation of the Nominating and Governance Committee, the Board of Directors approved the candidacy of Ms. Isabelle Boccon-Gibod, which will be put to the vote at the Company's annual Combined Ordinary and Extraordinary Shareholders' General Meeting on May 27, 2016. Her experience in manufacturing, notably in the United States and the United Kingdom, as well as her acknowledged expertise in finance, will bring additional skills to the Board.
Subject to the General Meeting's approval of Ms. Boccon-Gibod's appointment on May 27, 2016, Board membership will be evenly divided by gender (five men and five women), with seven independent directors (70% of the total) and four nationalities represented.

Dividend

As announced on February 11, 2016, based on its 2015 achievements and in keeping with its solid balance sheet structure, Legrand will ask the General Meeting of Shareholders to be held on May 27, 2016 to approve a dividend of €1.15 per share, up +4.5% from 2014 and representing a payout of 56%, nearly stable compared with 2014. Ex-dividend date will be May 31, 2016 and the dividend will be paid on June 2, 2016.

Dividend distribution in respect of 2015 will be effected (as was dividend distribution in respect of 2014) by deduction from:

- distributable income in an amount of €0.72[1] per share on the one hand, and
- the "issue premium" account in an amount of €0.43[1] per share on the other.

First integrated report published

In the 2015 Registration Document available at legrand.com, Legrand published its first integrated report, setting out its development strategy, market environment, CSR approach, governance and performance. Publishing this first integrated report in addition to other Group publications reflects Legrand's willingness to provide all of its stakeholders with an overview of its strategy, financial and extra-financial performance, and of its ability to take full advantage of opportunities that arise to pursue sustainable, responsible and profitable development.
Legrand's integrated report is available on the Group's website: www.legrand.com, in the section Investors-Shareholders / Regulated information / 2015 / Annual financial statements.

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[1] Indicative split released for informative purposes only and likely to be amended, depending on the change in number of shares entitling their holders to the distribution by the payment date.

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The Board adopted consolidated financial statements for first-quarter 2016 at its meeting on May 3, 2016. These consolidated financial statements, a presentation of 2016 first-quarter results and the related teleconference (live and replay) are available at www.legrand.com.

Key financial dates

- General Meeting of Shareholders: **May 27, 2016**
- Ex-dividend date: **May 31, 2016**
- Dividend payment: **June 2, 2016**
- Investor Day: **June 30, 2016**
- 2016 first-half results: **August 1, 2016**
- 2016 nine-month results: **November 10, 2016**

ABOUT LEGRAND

Legrand is the global specialist in electrical and digital building infrastructures. Its comprehensive offering of solutions for commercial, industrial and residential markets makes it a benchmark for customers worldwide. Drawing on a nearly 10-year CSR (Corporate Social Responsibility) approach that involves all employees, Legrand is pursuing its strategy of profitable and sustainable growth driven by innovation, with a steady flow of new offerings-—including Eliot connected products that enhance value in use-—and acquisitions. Legrand reported sales of more than €4.8 billion in 2015. The company is listed on Euronext Paris and is a component stock of indexes including the CAC40, FTSE4Good, MSCI World, Corporate Oekom Rating, DJSI, Vigeo Euronext Eurozone 120 and Europe 120 and Ethibel Sustainability Index Excellence.*
(ISIN code FR0010307819)
http://www.legrand.com

**Eliot is a program launched in 2015 by Legrand to speed up deployment of the Internet of Things in its offering. A result of the group's innovation strategy, Eliot aims to develop connected and interoperable solutions that deliver lasting benefits to private individual users and professionals.*
http://www.legrand.com/EN/eliot-program_13238.html

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Appendices

Glossary

Working capital requirement
Working capital requirement is defined as the sum of trade receivables, inventories, other current assets, income tax receivables and short-term deferred tax assets, less the sum of trade payables, other current liabilities, income tax payables, short-term provisions and short-term deferred tax liabilities.

Free cash flow
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.

Normalized free cash flow
Normalized free cash flow is defined as the sum of net cash from operating activities—based on a normalized 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.

Organic growth
Organic growth is defined as the change in sales at constant structure (scope of consolidation) and exchange rates.

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

EBITDA
EBITDA is defined as operating profit plus depreciation and impairment of tangible assets, amortization and impairment of intangible assets (including capitalized development costs) and impairment of goodwill.

Cash flow from operations
Cash flow from operations is defined as net cash from operating activities excluding changes in working capital requirement.

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

Payout
Payout is defined as the ratio between the proposed dividend per share for a given year, divided by the net income excluding minorities per share of the same year, calculated on the basis of the average number of ordinary shares at December 31 of that year, excluding shares held in treasury.

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Calculation of working capital requirement

In € millions	Q1 2015	Q1 2016
Trade receivables	633.8	595.6
Inventories	671.0	684.7
Other current assets	163.6	160.9
Income tax receivables	75.3	26.3
Short-term deferred taxes assets/(liabilities)	82.1	91.0
Trade payables	(513.0)	(507.8)
Other current liabilities	(451.7)	(470.4)
Income tax payables	(40.5)	(59.7)
Short-term provisions	(76.3)	(89.0)
Working capital requirement	**544.3**	**431.6**

Calculation of net financial debt

In € millions	Q1 2015	Q1 2016
Short-term borrowings	82.9	373.9
Long-term borrowings	1 557.7	1 509.0
Cash and cash equivalents	(771.2)	(1 092.0)
Marketable securities	(2.5)	0.0
Net financial debt	**866.9**	**790.9**

Reconciliation of adjusted operating profit with profit for the period

In € millions	Q1 2015	Q1 2016
Profit for the period	**128.0**	**128.2**
Income tax expense	60.7	62.1
Exchange (gains) / losses	0.6	3.7
Financial income	(3.4)	(2.4)
Financial expense	22.6	24.4
Operating profit	**208.5**	**216.0**
Amortization of revaluation of intangible assets at the time of acquisitions and expense/income relating to acquisitions	10.1	10.7
Impairment of goodwill	0.0	0.0
Adjusted operating profit	**218.6**	**226.7**

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Reconciliation of EBITDA with profit for the period

In € millions	Q1 2015	Q1 2016
Profit for the period	**128.0**	**128.2**
Income tax expense	60.7	62.1
Exchange (gains) / losses	0.6	3.7
Financial income	(3.4)	(2.4)
Financial expense	22.6	24.4
Operating profit	**208.5**	**216.0**
Depreciation and impairment of tangible assets	23.3	23.1
Amortization and impairment of intangible assets (including capitalized development costs) and impairment of goodwill	17.2	16.7
EBITDA	**249.0**	**255.8**

Reconciliation of cash flow from operations, free cash flow and normalized free cash flow with profit for the period

In € millions	Q1 2015	Q1 2016
Profit for the period	**128.0**	**128.2**
Adjustments for non-cash movements in assets and liabilities:		
Depreciation, amortization and impairment	41.0	40.4
Changes in other non-current assets and liabilities and long-term deferred taxes	8.0	11.6
Unrealized exchange (gains)/losses	19.6	0.3
(Gains)/losses on sales of assets, net	(0.1)	0.2
Other adjustments	(0.2)	0.1
Cash flow from operations	**196.3**	**180.8**
Decrease (Increase) in working capital requirement	(115.2)	(120.3)
Net cash provided from operating activities	**81.1**	**60.5**
Capital expenditure (including capitalized development costs)	(24.7)	(23.3)
Net proceeds from sales of fixed and financial assets	0.4	0.2
Free cash flow	**56.8**	**37.4**
Increase (Decrease) in working capital requirement	115.2	120.3
(Increase) Decrease in normalized working capital requirement	2.0	(2.2)
Normalized free cash flow	**174.0**	**155.5**

Scope of consolidation

2015	Q1	H1	9M	Full year
Valrack	Balance sheet only	Balance sheet only	Balance sheet only	10 months
IME		Balance sheet only	Balance sheet only	7 months
Raritan		Balance sheet only	Balance sheet only	3 months
QMotion				Balance sheet only

2016	Q1	H1	9M	Full year
Valrack	3 months	6 months	9 months	12 months
IME	3 months	6 months	9 months	12 months
Raritan	3 months	6 months	9 months	12 months
QMotion	3 months	6 months	9 months	12 months
Fluxpower	Balance sheet only	To be determined	To be determined	To be determined
Primetech	Balance sheet only	To be determined	To be determined	To be determined
Pinnacle Architectural Lighting		To be determined	To be determined	To be determined
Luxul Wireless		To be determined	To be determined	To be determined
Jontek		To be determined	To be determined	To be determined
Trias		To be determined	To be determined	To be determined

Disclaimer

This press release may contain forward-looking statements which are not historical data. Although Legrand considers these statements to be based on reasonable assumptions at the time of publication of this release, they are subject to various risks and uncertainties that could cause actual results to differ from those expressed or implied herein.

Details on risks are provided in the Legrand Registration Document filed with the Autorité des marchés financiers (Financial Markets Authority, AMF), which is available on-line on the websites of both AMF (www.amf-france.org) and Legrand (www.legrand.com).

No forward-looking statement contained in this press release is or should be construed as a promise or a guarantee of actual results, which are liable to differ significantly. Therefore, such statements should be used with caution, taking into account their inherent uncertainty.

Subject to applicable regulations, Legrand does not undertake to update these statements to reflect events or circumstances occurring after the date of publication of this release.

This press release does not constitute an offer to sell, or a solicitation of an offer to buy Legrand shares in any jurisdiction.