

# Schneider Electric First Quarter 2025 Revenues

## Financial Information

### Q1 2025 – Strong growth amid uncertain macroeconomic backdrop Full Year target reaffirmed



Rueil-Malmaison (France), April 28, 2025

## Financial Highlights

- **Group revenues of €9.3 billion, up +7.4% organic:**
  - **Energy Management up +9.6% organic; led by continued strong growth in Data Center**
  - **Industrial Automation down -0.9% organic; with progressive recovery in Discrete automation led by China**
- **Growth led by North America and Asia Pacific:**
  - **North America – up +15.2% org., led by Systems business in the U.S.**
  - **Asia Pacific – up +9.3% org., led by strong performance in India**
- **Portfolio reinforced through closing of Motivair Corp. and JV with StarCharge**
- **Good start to 2025 on Schneider Sustainability Impact**
- **2025 Target reaffirmed**

Olivier Blum, Chief Executive Officer, commented:

*“We started 2025 strongly, delivering high-single digit organic sales growth in the first quarter, thanks to focused execution and teamwork across the organization. Sales growth was strongest in our Systems business model, which continued to be driven by strong traction in the Data Center end-market, recognizing the benefit that our complete portfolio, now inclusive of Motivair, can bring to all customers. Motivair helps us to create a strong positioning in liquid cooling to deliver a full solution in Data Centers. We saw further evidence of demand recovery in Discrete automation in Q1, with a progressive improvement in sales growth aligned with our expectations.*

*Recent macroeconomic and geopolitical developments have added a layer of uncertainty across all markets, including those we operate in, but we are confident in our structural growth drivers including electrification, automation and digitalization, which remain high on our customers’ agenda. Our balanced end-market and geographic exposure, as well as our multi-hub setup, positions us well to respond with agility. While we do recognize we are in an environment of heightened uncertainty, we remain confident in our ability to deliver our FY25 financial target, which we reaffirm today”*

## I. FIRST QUARTER REVENUES WERE UP +7% ORGANIC

2025 Q1 revenues were €9,325 million, up +7.4% organic and up +8.4% on a reported basis.

**Products (50% of Q1 revenues)** grew +1% organic in Q1. Product revenues were up low-single digit in Energy Management with good growth in sales of electrical distribution products across many end-markets and segments, though partly offset by softness in the Residential buildings market. Industrial Automation product revenues were down slightly, contrasted between sales growth in certain offers such as contactors and signaling, while other offers primarily linked with the OEM channel had not yet returned to growth. The Group

faced a headwind from fewer working days in Q1'25 vs. Q1'24, equivalent to c.-1pt of growth at Group level, primarily impacting Products sales.

**Systems (31% of Q1 revenues)** grew +21% organic in Q1, with strong double-digit sales growth in Energy Management with contribution from across many end-markets and segments, most notably in Data Centers. In Industrial Automation, Systems growth was down low-single digit with sales into Process & Hybrid markets around flat, impacted by delayed investment decisions at customers in an uncertain market environment, while sales into Discrete automation had not yet returned to growth.

**Software & Services (19% of Q1 revenues)** grew +5% organic in Q1, of which Software & Digital Services (8% of Q1 revenues) grew +3% organic and Field Services (11% of Q1 revenues) grew +7% organic.

Agnostic Software (comprising AVEVA, ETAP and RIB Software)

AVEVA delivered strong growth in Annualized Recurring Revenue (ARR), up +14% as of 31 March 2025, with strong uptake for Software as a Service (SaaS) offers contributing to the growth. ARR growth was broad-based by geography and was driven by strong upsell to existing customers, with particular traction for the PI System offer. Perpetual license revenues declined, as expected, due to the ongoing subscription transition which remains on-track, while on-premise subscription saw a lower quarter due to a combination of normal seasonality and a lower proportion of contracts available for renewal in Q1.

Energy Management agnostic Software offers (ETAP and RIB Software) delivered double-digit organic sales growth in Q1, against a mid-single digit base of comparison. The Group's eCAD offer (ETAP) led the strong performance, with growth in multi-year on-premise subscription contracts outweighing the expected drag from a fall in perpetual license revenues as the transition to subscription continues. The Group's software offer for the construction market (RIB Software) also delivered strong growth against a low base of comparison.

Services (comprising Digital and Field Services offers) grew high-single digit organic in Q1

Digital Services delivered double-digit growth in Q1, driven by strong growth in EcoStruxure Advisors and offers supporting Grid digitalization and modernization, alongside strong take-up for the Group's cybersecurity offering. The Group's Digital Services offering comprises its internally generated EcoStruxure solutions and advisors, including Sustainability advisory offers, and its digital offers for prosumers.

Field Services grew high-single digit in Q1, led by strong growth in Energy Management services, while Industrial Automation services declined. In Energy Management, growth was led by the Data Center end-market, including commissioning, modernization and maintenance, while also seeing traction in Non-residential buildings and Infrastructure end-markets. Industrial Automation saw declines in both Discrete and Process & Hybrid automation markets. The Group's Field Services offering includes safety, efficiency, sustainability and resiliency services across all four end-markets served by the Group, including its efficiency offers for Sustainability.

The breakdown of revenue by business and geography was as follows:

Region	Q1 2025		
	Revenues € million	Reported Growth	Organic Growth
North America	3,122	+19.8%	+17.3%
Western Europe	1,658	-1.0%	-3.2%
Asia Pacific	1,987	+12.9%	+12.9%
Rest of the World	803	-1.9%	+3.4%
<b>Total Energy Management</b>	<b>7,570</b>	<b>+10.4%</b>	<b>+9.6%</b>
North America	391	+2.2%	+0.5%
Western Europe	471	-4.5%	-4.8%
Asia Pacific	591	+2.3%	-1.4%
Rest of the World	302	+3.1%	+4.7%
<b>Total Industrial Automation</b>	<b>1,755</b>	<b>+0.5%</b>	<b>-0.9%</b>
North America	3,513	+17.5%	+15.2%
Western Europe	2,129	-1.8%	-3.6%
Asia Pacific	2,578	+10.2%	+9.3%
Rest of the World	1,105	-0.6%	+3.8%
<b>Total Group</b>	<b>9,325</b>	<b>+8.4%</b>	<b>+7.4%</b>

## Q1 2025 PERFORMANCE BY END-MARKET

Schneider Electric sells its integrated portfolio into four end-markets: Buildings, Data Center & Networks, Infrastructure and Industry, leveraging the unique combination of Energy Management and Industrial Automation complementary offers and technologies supported by the focus on electrification, automation and digitalization to enable a sustainable future.

- **Buildings** – Residential building demand and sales were down slightly, though varied by geography, as macro uncertainty and continued high interest rates began to weigh on consumer confidence towards the end of the quarter. The Group's largest exposure in this end-market is to non-residential buildings, which saw sales growth in the quarter, with contributions across many segments including Healthcare, retail chains and public/institutional buildings, with demand relatively stronger than that of Residential markets. EcoStruxure digital architectures including Building Management Systems (BMS) continue to see strong uptake as customers seek efficiency savings, decarbonization of existing buildings and to incorporate all-electric designs in new buildings.
- **Data Center & Networks** – In Q1 both demand and sales grew strong double-digit. The pure Data Center segment continued to be relatively stronger in demand and sales growth than the Distributed IT segment, where demand and sales growth continued positive, but at more modest levels. Data Center demand in the quarter was driven by colocation providers with traction in prefab and cooling, led by customers in North America and East Asia. In Western Europe, demand continued to be adversely impacted by several factors including power availability, AI-design and broader macroeconomic uncertainty. Sales growth was led by North America and the Asia Pacific region which saw execution on projects both with internet giants and colocation providers. The Group continues to benefit from its best in class, end-to-end complete portfolio and underlying trends driving strong traditional data center growth, with AI-driven solutions now spreading across customer types and geographies.

- **Infrastructure** – There was strong sales growth in the Infrastructure end-market across Power & Grid operators, Transportation and Water & Wastewater (WWW) segments. Pressure on Grid operators due to aging infrastructure, extra load demands and the increasing deployment of renewables continues to drive strong growth for the Group's digital offers and strong traction for SF<sub>6</sub>-free solutions. WWW continues to see strong demand mainly due to services and large projects, including good traction for Industrial Automation offers. In Transportation, major airport projects were a feature of continued demand and supported the sales growth in the quarter.
- **Industry** – Sales into the Industry end-market were down slightly overall with a varied performance across Discrete automation segments and with growth in Process & Hybrid automation segments. In Discrete, sales into the Machinery segment grew while the Industrial Manufacturing segment experienced declines, while both showed demand improvement. In Process & Hybrid there was sales growth in Energies & Chemicals (E&C), Metals, Mining & Minerals (MMM) and Consumer Packaged Goods (CPG) while demand in E&C and MMM softened due to weaker commodity prices contributing to delays in customer investment decisions. The Group's cybersecurity offer delivered strong sales growth.

## Group trends by geography:

**North America** (38% of Q1 2025 revenues) grew +15.2% organic in Q1.

Energy Management grew +17.3% organic. The U.S. grew double-digit, with continued strong growth in Systems, led by growth in the Data Center end-market and supported by execution on a transportation project within the Infrastructure end-market. Services were up double-digit, benefitting from the strong growth of Systems in recent quarters, notably in the Data Center end-market. Product sales were more challenged, particularly in Residential markets, where sales were down, reflecting ongoing uncertainty driven by the broader macroeconomic environment and higher interest rates. Canada grew double-digit, following similar end-market trends to the U.S., though more resilient in Residential buildings. Mexico was up high-single digit with strength in Systems offers sold into the Non-Residential buildings market and growth in Residential.

Industrial Automation was up +0.5% organic, supported by strong growth at AVEVA in the U.S. Overall, the U.S. was up low-single digit, with growth in software including from E&C customers and in Process & Hybrid markets partly offset by continued weakness in Discrete automation. Canada declined against a high base of comparison in Process & Hybrid markets while delivering growth in Discrete automation.

**Western Europe** (23% of Q1 2025 revenues) contracted -3.6% organic in Q1.

Energy Management was down -3.2% organic. Across the region, Product growth remained subdued, notably for Residential buildings markets, which deteriorated due to market uncertainty weighing on consumer confidence, while Non-residential buildings markets were more resilient, with good traction for digital offers. Systems growth was impacted by a strong base of comparison and delays in customer investment decisions, with multiple factors contributing to delays in Data Center project deployment. There was good growth in Services against a strong base of comparison, continuing to benefit from trends of modernization and renovation. Overall, France and Spain each delivered growth, with France seeing growth in the Infrastructure end-market and Spain seeing growth in Data Center and Residential buildings. Italy saw a contraction against a double-digit base of comparison, while Germany and the U.K. saw more substantial declines, in part due to Data Center project execution in the prior year. Beyond the major economies, there was particularly strong growth from execution on an Infrastructure project in Belgium, while sales in the Nordics declined against a high base of comparison.



Industrial Automation declined -4.8% organic, primarily due to a low double-digit decline at AVEVA, which faced a high base of comparison in France and the Nordics. Discrete automation sales were down slightly across the region, although improving sequentially vs. Q4'24, with Germany around flat against a low base of comparison, while France and Italy remained down, as the expected progressive recovery continued. Sales into Process & Hybrid automation markets were down due to weakness in the E&C segment in Germany, with the rest of the region positive in aggregate.

**Asia Pacific** (27% of Q1 2025 revenues) grew +9.3% organic in Q1.

Energy Management grew +12.9% organic. India delivered strong double-digit growth with strength across offers and end-markets led by the Data Center and Buildings end-markets. China was up low-single digit, with growth driven by the Data Center end-market, across customer segments such as digital retail and telecoms, including customer investment in AI. There was sales growth in power generation and renewables within the Infrastructure end-market and in certain Industry segments, while the Buildings market remained impacted by weakness in construction activity. Australia grew strong double-digit driven by continued strong execution on Data Center projects, while sales into the Residential building markets were muted. There was double-digit growth in aggregate across the rest of the region. This was primarily driven by the Data Center end-market in Indonesia and Singapore, which also saw growth in Transportation and for digital offers in Non-Residential buildings, respectively. Japan, South Korea and Vietnam also made important growth contributions.

Industrial Automation contracted -1.4% organic. China grew low-single digit, with good growth in Discrete automation markets showing sequential improvement as expected, while timing impacted sales in Process & Hybrid automation markets and for software. India declined low-single digit with growth in Discrete automation markets around flat, while sales into Process & Hybrid automation markets were down due to timing and against a strong base of comparison. Australia, Japan and South Korea each saw declines overall primarily tied to timing at AVEVA, though partly offset by growth in Discrete automation in Australia.

**Rest of the World** (12% of Q1 2025 revenues) grew +3.8% organic against a high base of comparison mainly in Middle East & Africa in Q1'24. The positive growth contribution from high inflation countries did not have a significant impact on the growth rate of the region in Q1.

Energy Management grew +3.4% organic against a strong double-digit base of comparison. Growth was led by South America up strong double-digit, where Chile saw strong project execution in the MMM segment and Buildings end-market, while Brazil contributed double-digit growth, primarily in the Data Center and Buildings end-markets. The Middle East & Africa was around flat against a strong double-digit base of comparison which mainly related to Saudi Arabia with several large projects in the baseline, while continued execution on projects for customers across all four end-markets delivered growth in the U.A.E., Qatar and in multiple countries across Africa. Central & Eastern Europe saw a small contraction following similar trends to Western Europe.

Industrial Automation grew +4.7% organic. There was strong growth in South America and good growth across Middle East & Africa. South America saw strength in Process & Hybrid markets driven by project execution in Brazil and Colombia, while Discrete Automation markets and AVEVA also delivered positive sales growth. The Middle East saw double-digit sales growth into Process & Hybrid markets driven by project execution in Qatar, Saudi Arabia and the U.A.E. while sales into Discrete Automation markets declined. Software sales grew due to E&C and MMM customers in Saudi Arabia. Central & Eastern Europe was down primarily due to renewal timing in software while sales into Discrete Automation markets grew slightly.

## SCOPE<sup>1</sup> AND FOREIGN EXCHANGE<sup>2</sup> IMPACTS IN Q1

In Q1, net acquisitions/disposals had an impact of **+€25 million** or **+0.3%** of Group revenues, including the acquisition of Planon combined with the impacts of some smaller disposals.

Based on transactions completed to-date, the Scope impact on FY 2025 revenues is estimated to be **around +€250 million**. The Scope impact on adjusted EBITA margin for FY 2025 is estimated to be **around flat**.

In Q1, the impact of foreign exchange fluctuations was positive at **+€51 million** or **+0.6%** of Group revenues, mostly driven by the strengthening of the U.S. Dollar against the Euro.

Based on current rates<sup>3</sup>, the FX impact on FY 2025 revenues is estimated to be **between -€1.15 billion to -€1.25 billion**. The FX impact at current rates on adjusted EBITA margin for FY 2025 could be **around -40bps**.

## II. SCHNEIDER SUSTAINABILITY IMPACT

[Schneider Electric](#) today announced that its Schneider Sustainability Impact (SSI) program achieved a score of 7.95 out of 10 for the first quarter of 2025, toward a target of 8.80/10 by the end of the year. Recognized in January as the [world's most sustainable corporation](#) by Corporate Knights, Schneider Electric remains committed to driving significant progress toward its sustainability goals as it embarks on the final year of its current SSI program.

Throughout the first quarter, Schneider Electric has made substantial progress in various areas:

- The company has helped its customers save and avoid nearly 700 million tonnes of CO<sub>2</sub> emissions through its solutions. This coincides with the launch of the second [Energize Power Purchase Agreement \(PPA\) cohort](#), enabling four global healthcare companies to buy 245 GWh of renewable electricity annually for the next 10 years. Efforts to reduce upstream carbon emissions have also been accelerated, achieving a 42% decrease from the company's top 1,000 suppliers.
- Despite surpassing targets more than a year in advance, Schneider Electric's commitment to fighting poverty and supporting communities remains strong. To date, 56 million people have gained access to energy through initiatives that develop clean energy solutions for education, healthcare, agriculture, and small businesses. Moreover, by signing the [Rise Ahead Pledge](#) recently, Schneider Electric is also working to expand access to essential services and promote socio-economic development, by focusing on energy poverty and impact investing in underserved markets.
- Zone and Country presidents continue to drive local impact initiatives, following the advancement of over 200 initiatives started in 2021. These programs aim to enhance the company's sustainable impact by supporting and empowering local communities with training and mentoring, energy resiliency, environmental action, and more. For example, Schneider Electric U.K. and the Tottenham Hotspur Foundation have recently [launched a STEM educational program](#) to inspire local pupils with interactive workshops and digital resources,

1. Changes in scope of consolidation also include some minor reclassifications of offers among different businesses.

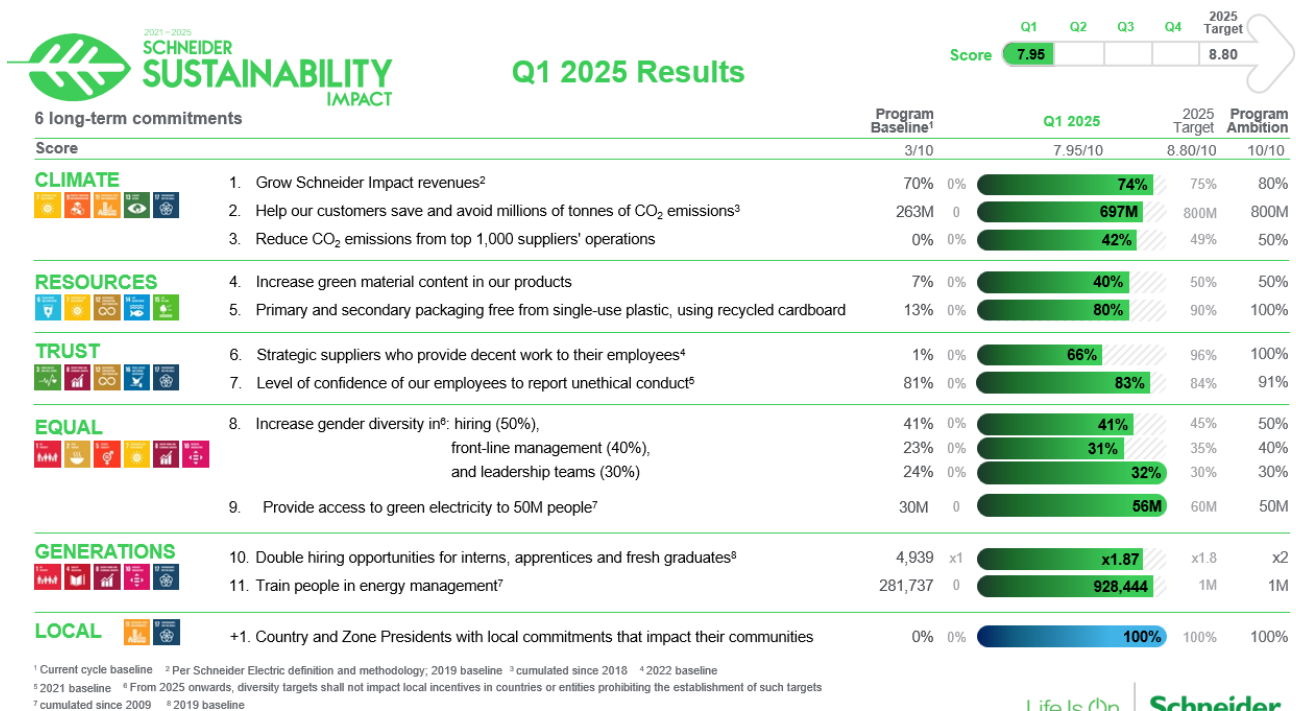
2. For those currencies meeting the criteria to be considered hyperinflationary under IAS 29, such as Argentina and Turkey, an IFRS technical adjustment for hyperinflation impact is reflected as FX and therefore excluded from the organic growth calculation. The effect of operational actions taken in these countries such as increased pricing to mitigate the inflationary impact is reflected as part of the organic growth.

3. Forward exchange rates are volatile and difficult to predict. Consequently, the impact of such movement and possible impacts from hyperinflation technical accounting (IAS29) are not factored at this stage.

equipping them with essential skills for a sustainable future.

“At Schneider, we believe in strong partnerships with corporations, governments, local partners, and communities to uplift livelihoods, boost incomes, and expand access to education and reliable, clean energy,” said Chris Leong, Chief Sustainability Officer. “I’m especially proud of our people’s relentless pursuit to turn ambition into action, from innovating solutions for environmental impact to giving back to our communities. Together, we’re making progress and sustainability a reality for all.”

For more details, please refer to the [Q1 2025 report](#) of Schneider’s Sustainability Impact program, including the progress dashboard:



## III. PORTFOLIO UPDATES

### Acquisition

- **Motivair**

As separately announced on February 28, 2025, Schneider Electric has completed the transaction to acquire a controlling interest in Motivair Corporation (“Motivair”), a company specialized in liquid cooling and advanced thermal management solutions for high performance computing systems.

### Joint Venture

- **Schneider eStar: European prosumer JV with StarCharge**

The previously announced transaction to create a joint venture with StarCharge (a global leader in electric vehicle (EV) charging infrastructure and microgrid solutions), to deliver EV charging infrastructure, photovoltaic inverters, AC and DC chargers, and storage systems to the European market was completed on April 1, 2025.

The joint venture will create a leading European prosumer hardware company, combining the complementary strengths of Schneider Electric, with its deep knowledge of the European market, extensive footprint and leading energy management solution technologies, and StarCharge, with its recognized EV charging and energy storage technologies and production capability.

Schneider Electric is the majority shareholder in the company, which will be consolidated within the Energy Management business.

## IV. EXPECTED TRENDS IN 2025

Amid an environment of heightened uncertainty, the Group currently expects:

- Continued market demand to drive growth, with contribution from across end-markets (Data Center & Networks, Buildings, Industry and Infrastructure), despite weakness in Residential
- Continued strong demand for Systems offers, led by the Data Center and Infrastructure end-markets
- A demand recovery in Discrete automation, with sales growth weighted towards H2
- Further progress on subscription transition in Software; strong growth in Services
- Commercial and supply chain actions to counter the impacts of tariffs; leverage multi-hub setup to ensure agile and responsible management of profitability, capital investments and cash flow
- All four regions to contribute to growth, led by U.S., India, Middle East & Africa



## V. 2025 TARGET REAFFIRMED

The Group reaffirms its 2025 financial target as follows:

**2025 Adjusted EBITA growth of between +10% and +15% organic.**

The target would be achieved through a combination of organic revenue growth and margin improvement, currently expected to be:

- Revenue growth of **+7% to +10% organic**
- Adjusted EBITA margin up **+50bps to +80bps organic**

This implies Adjusted EBITA margin of **around 18.7% to 19.0%** (including scope based on transactions completed to-date and FX based on current estimation).

*Further notes on 2025 available in appendix*

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***The 2025 Q1 Revenues presentation is available at [www.se.com](http://www.se.com)***

***The Annual General Meeting will take place on May 7, 2025.***

***The 2025 Half-Year Results will be presented on July 31, 2025.***

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**Disclaimer:** All forward-looking statements are Schneider Electric management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. For a detailed description of these factors and uncertainties, please refer to the section "Risk Factors" in our Universal Registration Document (which is available on [www.se.com](http://www.se.com)). Schneider Electric undertakes no obligation to publicly update or revise any of these forward-looking statements.

## About Schneider Electric:

Schneider's **purpose is to create Impact** by empowering all to **make the most of our energy and resources**, bridging progress and sustainability for all. At Schneider, we call this **Life Is On**.

Our mission is to be the trusted partner in **Sustainability and Efficiency**.

We are a **global industrial technology leader** bringing world-leading expertise in electrification, automation and digitalization to smart **industries**, resilient **infrastructure**, future-proof **data centers**, intelligent **buildings**, and intuitive **homes**. Anchored by our deep domain expertise, we provide integrated end-to-end lifecycle AI enabled Industrial IoT solutions with connected products, automation, software and services, delivering digital twins to enable profitable growth **for our customers**.

We are a **people company** with an ecosystem of 150,000 colleagues and more than a million partners operating in over 100 countries to ensure proximity to our customers and stakeholders. We embrace **diversity and inclusion** in everything we do, guided by our meaningful purpose of a **sustainable future for all**.

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## Appendix – Further notes on 2025

- **Foreign Exchange impact:** Based on current rates<sup>4</sup>, the FX impact on FY 2025 revenues is estimated to be **between -€1.15 billion to -€1.25 billion**. The FX impact at current rates on adjusted EBITA margin for FY 2025 could be **around -40bps**
- **Scope:** around **+€250 million** on 2025 revenues and **around flat** on 2025 adjusted EBITA margin, based on transactions completed to-date
- **Tax rate:** The ETR is expected to be in a **23-25%** range in 2025
- **Free cashflow:** Free Cashflow generation **approaching 100% conversion** of Net Income (Group share), to be **weighted towards H2** as in past years, accentuated due to payment in H1 of the fine relating to the French Competition Authority finding of October 29, 2024
- **Update on India investor event:** The Group had disclosed 2023 India revenues at its Dec. 2024 India Investor Event. In 2024, **sales in India were €2.5 billion across subsidiaries**, while its 65% owned JV entity Schneider Electric India Private Limited had statutory revenues of €1.8 billion (including export sales).

## Appendix – Revenues breakdown by business

Q1 2025 revenues by business were as follows:

	Q1 2025				
	Revenues € million	Organic growth	Changes in scope of consolidation	Currency effect	Reported growth
<b>Energy Management</b>	7,570	+9.6%	+0.1%	+0.7%	+10.4%
<b>Industrial Automation</b>	1,755	-0.9%	+1.2%	+0.2%	+0.5%
<b>Group</b>	<b>9,325</b>	<b>+7.4%</b>	<b>+0.3%</b>	<b>+0.6%</b>	<b>+8.4%</b>

Throughout this document growth percentage calculations are compared to the same period of the prior year, unless stated otherwise.

4. Forward exchange rates are volatile and difficult to predict. Consequently, the impact of such movement and possible impacts from hyperinflation technical accounting (IAS29) are not factored at this stage.

## Appendix – Scope of Consolidation

Number of months in scope	Acquisition / Disposal	2024				2025			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>EcoAct</b> Energy Management Business	Acquisition	3m	3m	3m	3m				
<b>Planon</b> Energy Management Business	Acquisition				2m	3m	3m	3m	1m
<b>Motivair Corporation</b> Energy Management Business	Acquisition					1m	3m	3m	3m
<b>Autogrid</b> Energy Management Business	Disposal	1m							