Half-year report

as of June 30, 2006

Translation from French-for Information Only

Legrand

A French corporation (*Société anonyme*) the share capital of which is € 1,078,773,504

Registered office: 128, avenue du Maréchal de Lattre de Tassigny

87000 Limoges - France

421 259 615 RCS (*Registre du Commerce et des Sociétés* – Registry of Commerce and Companies) Limoges

HALF YEAR REPORT FOR THE SIX MONTHS ENDED AS OF JUNE 30, 2006

Translation from French-for Information Only

SUMMARY

Translation from French-for Information Only

HALF YEAR REPORT FOR THE SIX MONTHS ENDED AS OF JUNE 30, 2006

1. INTRODUCTION

The following discussion of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes for the six month period ended as of June 30, 2006 and other information included the Prospectus filed with the French *Autorité des Marchés Financers* (AMF) on February 21, 2006, under number I.06-009. Our financial statements were prepared in accordance with IFRS standards, as adopted by the European Union. This discussion also includes forward-looking statements based on assumptions about our future business. Our actual results could differ materially from those contained in these forward-looking statements.

All percentages may be calculated on non-rounded figures and, therefore, may vary from percentages calculated on rounded figures.

2. OVERVIEW

We are one of the principal worldwide manufacturers of products and systems for low-voltage electrical installations and data networks used in residential, commercial and industrial buildings. We are a “pure-player”, focused on developing, manufacturing and marketing a complete range of control and command, cable management, energy distribution and Voice, Data and Image (“VDI”) products. We market our products under internationally recognized brand names, including *Legrand*, *Bticino* and *Ortronics*, as well as well-known local brands. We have commercial and industrial facilities in more than 60 countries and sell a wide range of products, consisting of more than 130,000 catalog items, in more than 160 countries. In 2005, we had consolidated net sales of € 3,247.9 million. On average, over each of the last three fiscal years, 73% of our net sales were generated outside of France. In addition, in 2005, approximately 19% of our net sales were generated in emerging markets (Eastern Europe, Asia, excluding Korea, Latin America and Africa-Middle East).

We report our financial condition and results of operations on the basis of five geographic zones. Information concerning the results of operations and financial condition for each of these five geographic zones is presented for the first six months of 2006 and 2005 in Note 26 to our consolidated financial statements for periods ended as of June 30, 2006, and 2005. Each zone represents either a single country or the consolidated results of a number of countries and distinct markets. These five geographic zones are:

- France;
- Italy;
- Rest of Europe (including principally Spain, Portugal, Greece, Turkey, Belgium, the United Kingdom, the Netherlands, Austria, Poland, and Russia);
- United States and Canada; and
- Rest of the World (including principally Brazil, Mexico, Chile, Costa Rica, Colombia, India, South Korea, Egypt, and China).

Since local market characteristics are the determining factor in our performance and net sales by zone, the consolidated financial information for multi-country zones does not always accurately reflect the financial performance of each of the national markets. In fact, operations in our geographic zones vary significantly from one country to the next. Furthermore, products may be manufactured and sold locally or may alternatively be imported from or exported to another member of the Group. These factors may distort the comparison of the results of the various geographic zones. Consequently, with the exception of information and data relating to net sales, the discussion of our results below focuses primarily on our consolidated results, with reference to national markets where they have a material impact on our consolidated accounts.

3. RECENT EVENTS

Within the context of our initial public offering, the *document de base* was registered by the AMF under the number I.06-009 on February 21, 2006. On March 22, 2006, the *note d'opération* received the AMF visa number 06.082. Public trading of our shares began on April 7, 2006, on the Eurolist market of Euronext Paris. The offering of our shares was highly successful with both institutional and individual investors during the subscription period preceding the admission to trading, with the amount of the offering being oversubscribed by approximately 30 times.

Since the beginning of 2006, we have announced self-financed acquisitions of three companies, all leaders in their markets:

- Shidean, the leader in audio and video door entry systems in China. Based in Shenzen, Shidean had net annual sales of approximately € 15 million in 2005 and employs over 900 people. Shidean is the leader in access control systems for the residential market, as a result of sound management of its research and development, manufacturing and marketing operations. This acquisition expands our presence in China, where we are already N°1 in wiring devices and have strong positions in VDI.
- Cemar, the leader in Brazil in consumer units and industrial enclosures. Based in Caxias, in southern Brazil, with approximately 400 employees, Cemar, in 2005, had annual net sales of approximately € 28 million. With this acquisition, our Company, already the leader in electric wiring devices and modular circuit breakers in Brazil, strengthened its positions in a high-potential market, becoming the leader in a new segment and filling out its product offering.
- RM Kabelbaner, the leader in Denmark in metal cable management. RM Kabelbaner, which has net annual sales of more than € 5 million in 2005, has strengthened our worldwide leadership position in cable management and fills out our presence in Northern Europe.

To meet our customers' expectations and anticipate future needs in our markets, we increased our investment in research and development by 12.4% during the first six months of 2006. During this period, more than twenty new product lines were introduced, including:

- For control and command: Cariva range wiring devices in Eastern Europe and Turkey, Valena in Poland, and Galea Life in Spain and Greece, as well as Arcor2 and Baas security products in France;
- For energy distribution: the new DRX range of moulded case circuit breakers for the Asian and Latin American markets, and the XS & XG circuit breakers for Turkey, the CTX range of power contactors for Colombia, Chile, and Turkey, and Marina range of industrial enclosures for France and Italy.
- For cable management: 4000 Designer Series Raceway range of metal trunkings for the United States and high and low current rapid connectors for commercial buildings in France.
- For VDI: 10 Giga SSTP products in France and the Wi-Jack Duo WiFi range, the most compact WiFi access point in the World, in the United States.

4. COMPARISON OF RESULTS OF THE FIRST SIX MONTHS OF 2006 AND FIRST SIX MONTHS OF 2005 (IFRS)

	Legrand Six months ended as of June 30,	
	2006	**2005**
	(in € millions)	
Net sales	**1,893.3**	**1,582.6**
Operating expenses		
Cost of goods sold	(939.8)	(797.0)
Administrative and selling expenses	(496.2)	(414.0)
Research and development expenses	(120.2)	(118.8)
Other operating income (expense)	(54.1)	(39.6)
Operating income	**283.0**	**213.2**
Interest expense	(89.7)	(102.2)
Interest income	15.8	14.5
Foreign exchange gain (loss)	21.7	(24.0)
Loss on extinguishment of debt	(109.0)	0.0
Finance costs	**(161.2)**	**(111.7)**
Share of loss/(profit) of associates	0.5	0.4
Income before taxes	**122.3**	**101.9**
Income taxes	(57.7)	(41.1)
Net income for the year	**64.6**	**60.8**
Net income attributable to:		
– Legrand	**63.3**	**59.6**
– Minority interests	**1.3**	**1.2**

The table below presents the calculation of our adjusted operating income (defined as operating income adjusted for purchase accounting adjustments relating to the acquisition of Legrand France and impairment of goodwill) for the periods under review:

	Legrand Six months ended as of June 30 *(in € millions)*	
	2006	**2005**
	(in € millions)	
Net income for the year	**64.6**	**60.8**
Income taxes	57.7	41.1
Share of loss/(profit) of associates	(0.5)	(0.4)
Loss on extinguishment of debt	109.0	0.0
Foreign exchange gain(loss)	(21.7	24.0
Interest income	(15.8)	(14.5)
Interest expense	89.7	102.2
Operating income	**283.0**	**213.2**
Purchase accounting for acquisition of Legrand France	43.4	51.5
Impairment of goodwill	0.0	0.0
Adjusted operating income	**326.4**	**264.7**
Restructuring charges	9.0	14.5
Recurrent adjusted operating income	**335.4**	**279.2**

Net Sales

Our consolidated net sales increased by 19.6%, to € 1,893.3 million during the first six months of 2006, compared to € 1,582.6 million during the first six months of 2005, reflecting:

- an 8.1% increase in net sales, excluding the effects of changes in the scope of consolidation and using constant exchange rates;
- a 1.8% increase in net sales relating primarily to favorable fluctuations in exchange rates during the period; and

- an 8.7% increase in net sales relating primarily to changes in the scope of consolidation in 2006, compared to 2005, relating in particular to the consolidation of Van Geel, Zucchini, ICM Group, TCL International Electrical, and TCL Building Technology.

The increase in net sales, excluding the effects of changes in the scope of consolidation and using constant exchange rates, reflects an increase in net sales in all zones and, in particular, in the United States and Canada and the Rest of the World zones. On a consolidated basis, demand for our products increased in the residential and commercial market during the first six months of 2006, while recovery in the industrial market remained slow.

Excluding the effects of changes in the scope of consolidation and using constant exchange rates, the growth in net sales by zone of destination (sales by zone of destination means our sales to third parties in a given geographic zone) between the first six months of 2006 and the first six months of 2005 was as follows:

France	+ 3.6%
Italy	+ 9.0%
Rest of Europe	+ 7.4%
United States and Canada	+ 10.2%
Rest of the World	+ 14.4%
Total	**+ 8.1%**

France. Net sales in France increased by 9.3% during the first half-year of 2006 to € 492.4 million, compared to € 450.6 million during the first half-year of 2005. This increase resulted principally from a 3.6% increase in net sales, excluding the effects of changes in the scope of consolidation, during a period of moderate market growth, and from the effects of the consolidation of ICM Group.

Italy. Net sales in Italy increased by 14.6%, to € 374.6 million during the first half-year of 2006, compared to € 326.9 million during the first half-year of 2005, notwithstanding slightly more favorable market conditions. This increase resulted principally from a 9.0% increase in net sales, excluding the effects of changes in the scope of consolidation and essentially resulting from strong performance in sales of control and command products, together with the effects of consolidation of Zucchini for 6 months.

Rest of Europe. Net sales in the Rest of Europe zone increased by 28.4% to € 389.8 million during the first half-year of 2006, compared to € 303.5 million during the first half-year of 2005. This increase resulted from a 7.4% increase in net sales excluding the effects of changes in the scope of consolidation and using constant exchange rates, from the effects of the consolidation of Zucchini, Van Geel, and ICM Group and from a 0.5% increase in net sales due to favorable fluctuations in exchange rates. Our net sales, excluding the effects of changes in the scope of consolidation and using constant exchange rates, grew especially by double-digits in Belgium, Ireland, Greece, Poland, Russia and Turkey which offset less favorable growth in Austria and the United Kingdom.

United States and Canada. Net sales in the United States and Canada zone increased by 17.1%, to € 335.3 million during the first half-year of 2006, compared to € 286.4 million during the first half-year of 2005. This increase resulted primarily from a 10.2% increase in net sales, excluding the effects of changes in the scope of consolidation and using constant exchange rates, due to the ability of our sales and marketing teams to take advantage of generally favorable market conditions, as well as a favorable exchange rate effect of 4.5%. Strong growth was also registered over the whole of our subsidiaries in the United States and Canada zone, especially The Watt Stopper, which recorded growth of more than 20%.

Rest of the World. Net sales in the Rest of the World zone increased by 40.0%, to € 301.2 million, during the first half-year of 2006, compared to €215.2 million, during the first half-year of 2005. This increase resulted from a 14.4% increase in net sales, excluding the effects of changes in the scope of consolidation and using constant exchange rates, due in particular to excellent performance in almost all countries and especially in Latin America, Africa/Middle East, and a 6.0% growth in net sales due to favorable fluctuations in exchange rates and the positive impact of the consolidation of TCL International Electrical and TCL Building Technology.

The table below presents the various components of the evolution in our net sales by **destination zone** (market where sales are recorded).

Net sales in € million, except %	**1st six months 2005**	**1st six months 2006**	**Total variation**	**Changes in scope of consolidation**	**Organic growth (1)**	**Exchange rate effect**
France	450.6	492.4	9.3%	5.5%	3.6%	0.0%
Italy	326.9	374.6	14.6%	5.1%	9.0%	0.0%
Rest of Europe	303.5	389.8	28.4%	19.0%	7.4%	0.5%
USA/Canada	286.4	335.3	17.1%	1.6%	10.2%	4.5%
Rest of the World	215.2	301.2	40.0%	15.4%	14.4%	6.0%
Consolidated total	**1,582.6**	**1,893.3**	**19.6%**	**8.7%**	**8.1%**	**1.8%**

(1) excluding the effects of changes in the scope of consolidation and using constant exchange rates

The table below presents the various components of the evolution in our net sales by **zone of origin** (zone acting as the source of products sold).

Net sales In € million, except %	**1st six months 2005**	**1st six months 2006**	**Total variation**	**Changes in scope of consolidation**	**Organic growth (1)**	**Exchange rate effect**
France	509.3	568.5	11.6%	5.7%	5.6%	0.0%
Italy	333.2	394.4	18.4%	7.0%	10.6%	0.0%
Rest of Europe	291.3	364.1	25.0%	17.4%	6.0%	0.5%
USA/Canada	289.1	340.4	17.7%	2.0%	10.4%	4.5%
Rest of the World	159.7	225.9	41.5%	18.0%	10.9%	8.1%
Consolidated total	**1,582.6**	**1,893.3**	**19.6%**	**8.7%**	**8.1%**	**1.8%**

(1) excluding the effects of changes in the scope of consolidation and using constant exchange rates

Operating Expenses

Cost of Goods Sold

Our consolidated cost of goods sold increased by 17.9%, to € 939.8 million during the first half-year of 2006, compared to € 797.0 million for the first half-year of 2005. Cost of goods sold as a percentage of net sales declined, going from 50.4% during the first six months of 2005 to 49.6% during the first six months of 2006.

Excluding the effects of changes in the scope consolidation, the rise in the cost of goods sold resulted primarily from increases in:

- the volume of raw materials and components consumed due to higher net sales and a growing resort to subcontracting; and
- the price of raw materials and components;

partially offset by:

- a decrease in general expenses and production depreciation resulting from our restructuring initiatives; and
- a decrease in production expenses as a result of continuing efforts in the field of productivity.

Administrative and Selling Expenses

Our consolidated administrative and selling expenses increased by 19.9%, to € 496.2 million in the first half-year of 2006, compared to € 414.0 million in the first half-year of 2005. At constant scope of consolidation, this increase is attributable to:

- an increase in marketing initiatives to develop our market presence in emerging markets, such as India, Brazil, Chile, and Russia, as well as in Belgium, Spain, and the United States. In particular, our average marketing and commercial headcount increased by around 3% between the first six months of 2006, compared to the first six months of 2005. In addition, four subsidiaries or representative offices were opened during the first six months of 2006; and
- higher commercial and administrative expenses resulting from activity levels.

As a percentage of net sales, consolidated administrative and selling expenses remained unchanged, at 26.2%.

Research and Development Expenses

During the first half-year of 2006, we introduced approximately twenty new product ranges, including:

- For control and command: Cariva range of wiring devices in Eastern Europe and in Turkey, Valena in Poland, and Galea Life in Spain and in Greece, as well as Arcor 2 and Baas security products in France
- For energy distribution: the new DRX range of moulded case circuit breakers for Asia and Latin America, the XS & XG range of circuit breaker for Turkey, the CTX range of power contactors for Colombia, Chile, and Turkey, and Marina range of industrial enclosures for France and Italy.
- For cable management: the 4000 Designer Series Raceway range of metal trunkings in the United States and the line of high and low current rapid connectors for commercial buildings in France
- For VDI: 10 Giga SSTP products in France and the Wi-Jack Duo range, the most compact WiFi access point in the World, in the United States.

In accordance with the application of IAS 38 “Intangible Assets”, since January 1, 2004, we implemented an internal measurement and accounting system for development expenses to be recognized as intangible assets. As a result, €12.8 million in development expenses were capitalized during the first half-year of 2006, compared to € 10.7 million during the first half-year of 2005. Amortization charges for capitalized development expenses amounted to €1.6 million during the first six months of 2006 and to € 0.2 million for the first six months of 2005.

Research and development expenditure totaled € 120.2 million during the first half-year of 2006 and € 118.8 million during the first half-year of 2005, which notably consisted of the amortization of intangible assets relating to the acquisition of Legrand France.

Excluding the purchase accounting charge relating to the acquisition of Legrand France and including capitalized development expenses, research and development expenses increased by 12.4% to € 90.8 million during the first half-year of 2006, compared to € 80.8 million during the first half-year of 2005.

	Calculation of research and development expenses six months ended June 30	
	2006	**2005**
	(in € millions)	
Research and development expenses	(120.2)	(118.8)
Amortization of revalued intangible assets relating to the acquisition of Legrand France	40.6	48.5
Depreciation expense for capitalized development expenses	1.6	0.2
Research and development expenses, excluding amortization and amortization of revalued intangible assets relating to the acquisition Legrand France	**(78.0)**	**(70.1)**
Capitalized development expenses	(12.8)	(10.7)
Research and development expenditure for the period	**(90.8)**	**(80.8)**

Other Operating Expenses

During the first half-year of 2006, our other operating income and expenses increased by 36.6%, to € 54.1 million, compared to € 39.6 million during the same period in 2005. This includes, in particular during the first half-year of 2006, a non-recurring charge of around € 9 million incurred in connection with our initial public offering and relating to the implementation of the offering of Legrand shares to employees.

Operating Income

Our consolidated operating income increased by 32.7%, to € 283.0 million during the first half-year of 2006, compared to € 213.2 million during the first half-year of 2005. This increase resulted primarily from:

- a 19.6% increase in net sales;

partially offset by:

- a 17.9% increase in cost of goods sold;
- a 19.9% increase in administrative and selling expenses;
- a 36.6% increase in other operating expenses.

Overall, consolidated operating income as a percentage of net sales increased to 14.9% during the first half-year of 2006 from 13.5% during the first half-year of 2005.

Adjusted Operating Income

We define adjusted operating income as operating income adjusted for purchase accounting charges recorded in connection with the acquisition of Legrand France in 2002 and impairment of goodwill. Our adjusted operating income increased by 23.3%, to € 326.4 million during the first half-year of 2006, compared to € 264.7 million during the first half-year of 2005, resulting from:

- a 12.2% increase to € 110.4 million in France during the first half-year of 2006, compared to € 98.4 million during the first half-year of 2005, which represented 19.4% of net sales for the first six months of 2006, compared to 19.3% for the first six months of 2005;
- an 18.0% increase, to € 112.7 million, in Italy during the first half-year of 2006, compared to € 95.5 million during the first half-year of 2005, which represented 28.6% of net sales for the first six months of 2006 and 28.7% of net sales for the first six months of 2005;
- an increase in certain countries of the Rest of Europe zone, including the Netherlands, Austria, Hungary, Germany, Russia, Poland, and a decrease in Spain due to an increase in selling expenses as well as restructuring charges;
- a strong increase of 48.2%, to € 37.2 million, in the United States and Canada, during the first half-year of 2006, compared to € 25.1 million in 2005, which represented 10.9% of net sales for the first six months of 2006, compared to 8.7% for the first six months of 2005;
- an increase in certain countries of the Rest of the World zone, including Chile, China, Hong Kong, Egypt, India and Mexico, and a decrease in South Korea due to restructuring charges.

Overall, the adjusted consolidated operating income as a percentage of net sales increased to 17.2% during the first six months of 2006 compared to 16.7% during the first half-year of 2005.

Net Interest Expense

Our consolidated net interest expense decreased by 15.7% during the first half-year of 2006 to € 73.9 million compared to € 87.7 million during the first half-year of 2005. Our net interest expense amounted to 3.9% of net sales in the first six months of 2006, compared to 5.5% for the first six months of 2005. The decrease in net interest expense was due to a lower level of indebtedness, as well as more favorable financing conditions obtained after refinancing of debt during the first quarter of 2006, this was achieved despite an increase in market interest rates.

Foreign Exchange and Translation

Foreign exchange and translation gains were € 21.7 million during the first six months of 2006, compared to a loss of € 24.0 million during the first six months of 2005. This € 45.7 million variation in foreign exchange translation gains and losses is essentially due to changes in the exchange rate of the U.S. dollar against the Euro.

Income Tax

Our consolidated income tax expenses amounted to € 57.7 million during the first half-year of 2006, compared to € 41.1 million during the first half-year of 2005.

Net Income

Our consolidated net income amounted to € 64.6 million in the first half-year of 2006, compared to € 60.8 million for the first half-year of 2005 and resulted mainly from:

- a € 69.8 million increase in operating income;
- a € 13.8 million decrease in net interest expense; and
- a € 45.7 million increase resulting from foreign currency translation gains

partially offset by:

- a € 16.6 million increase in income taxes; and
- a € 109.0 million loss on extinguishment of debt

Cash Flow

The table below summarizes our cash flow for the years ended June 30, 2006 and 2005:

	Legrand six months ended June 30	
	2006	**2005**
	(in € million)	
Net cash provided by operating activities	238.6	127.6
Net cash (used in) provided by investing activities	(121.1)	(122.1)
Net cash (used in) provided by financing activities	(62.7)	10.0
Increase (decrease) of cash and cash equivalents	44.1	22.0
Capital expenditure and capitalized development expenses	(74.8)	(60.0)

For a description of our cash flow, see the consolidated statement of cash flow in our consolidated financial statements.

Net Cash Provided by Operating Activities

Net cash provided by operating activities increased to € 238.6 million as of June 30, 2006, compared to € 127.6 million as of June 30, 2005. This increase of € 111.0 million for the first half-year of 2006 was mainly attributable to an increase of 49.3% in cash flow from operations (defined as net cash provided from operations, plus or minus variations in current operating assets or liabilities), amounting to € 338.9 million as of June 30, 2006, compared to € 227.0 million as of June 30, 2005, and which, during the first half-year of 2006, includes an exceptional foreign currency cash gain of around € 30 million.

Net Cash Used in or Provided by Investing Activities

Net cash used in investing activities for the period ended June 30, 2006, amounted to € 121.1 million, compared to € 122.1 million for the period ended June 30, 2005. The increase in capital expenditure and capitalized development expenses net of sales of marketable securities and fixed assets during the first half-year of 2006 was offset by a reduction in investments in unconsolidated entities compared to the first half-year of 2005.

Capital expenditure and capitalized development expenses amounted to € 74.8 million for the period ended as of June 30, 2006 (including € 12.8 million related to capitalized development expenses), an increase of 24.7%, compared to capital expenditures and capitalized development expenses of € 60.0 million during the period ended as of June 30, 2005 (including € 10.7 million related to capitalized development expenses).

Net Cash Provided By or Used In Financing Activities

Net cash used in financing transactions was € 62.7 million during the first half-year of 2006, compared to € 10.0 million of net cash provided from financing activities in 2005. This increase in net cash used in financing activities mainly reflects a decrease in debt as a result of the capital increase at the time of our initial public offering, which was offset by repayment of borrowings from related parties, payment of the penalty resulting from prepayment of the high-yield notes, and payment of a dividend during the second quarter of 2006.

Debt

Our gross debt (defined as the sum of the Subordinated Shareholder PIK Loan, long-term and short-term borrowings, including TSDIs, commercial paper, and bank overdrafts) amounted to € 2,115.3 million as of June 30, 2006, compared to € 3,339.6 million as of June 30, 2005. Our cash and cash equivalent and marketable securities amounted to € 177.7 million as of June 30, 2006, compared to € 92.2 million as of June 30, 2005. No cash was restricted as of June 30, 2006, compared to € 14.6 million as of June 30, 2005. Our total net debt (defined as gross debt less cash and cash equivalents, marketable securities, and restricted cash) amounted to € 1,937.6 million as of June 30, 2006, compared to € 3,232.8 million, as of June 30, 2005.

The ratio of consolidated net debt to consolidated shareholders' equity was 98% as of June 30, 2006, compared to 668% as of June 30, 2005.

As of June 30, 2006, gross aggregate indebtedness consisted principally of:

- € 304.3 million under the Yankee Bonds (See paragraph 6.5.2.4 of the Prospectus);
- € 1,135.4 million under the 2006 Credit Facility (See paragraph 6.5.2.2 of the Prospectus);
- € 19.0 million under the TSDIs (See paragraph 6.5.2.3 of the Prospectus); and
- € 656.6 million of other debt, consisting mainly of current bank overdrafts, commercial paper, capital lease financings and other borrowings.

Subordinated Shareholder PIK Loan

In February 2003, we issued a Subordinated Shareholder PIK Loan in the principal amount of € 1.156 billion subscribed by a subsidiary of our parent company. This loan bore interest at 5% per annum and was payable in full in 2026, together with accrued interest. As of December 31, 2005, the amount of principal and interest outstanding was € 1,334.8 million. On February 15, 2006, we partially repaid the Subordinated Shareholder PIK Loan in the amount corresponding to a vendor loan (made by Schneider in connection with the acquisition of Legrand France) in an aggregate amount of approximately € 178 million and repaid the balance of such shareholder loan at the time of our initial public offering.

5. TREND INFORMATION

Gilles Schnepp, Chairman and CEO of Legrand, comments: “By combining growth initiatives and ongoing improvements in profitability, our business model enabled Legrand to take best advantage of a buoyant economic environment in the first half of 2006 and achieve strong performances in both sales growth and results.

The resulting generation of very substantial free cash flow illustrates Legrand’s ability to maintain good control of capital employed, and provides resources needed for future growth.

With current inflation in raw material prices significantly less favorable than anticipated, Legrand confirms its 2006 targets.”

Headquarters
128, avenue de Lattre de Tassigny
87045 Limoges cedex
France
Tel.: + 33 (0) 5 55 06 87 87
Fax: + 33 (0) 5 55 06 88 88

www.legrandelectric.com