



A French *société anonyme* with capital of EUR 1,067,722,408  
Registered at 128, avenue du Maréchal de Lattre de Tassigny - 87000 Limoges, France  
421 259 615 RCS Limoges

Limoges, May 27, 2016

## **SHARE BUYBACK PROGRAM APPROVED BY THE COMBINED ORDINARY AND EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS ON MAY 27, 2016**

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*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>*

The Board of Directors of Legrand (“the **Company**”) met on May 27, 2016 and agreed to set up a share buyback program as authorized by shareholders at the Ordinary and Extraordinary General Meeting held the same day.

Established in accordance with articles 241-1 and following of the General Regulation of the French Financial Markets Authority (*Autorité des Marchés Financiers*), this description is drawn up for the purpose of setting out the objectives and terms of Legrand’s share buyback program set up by the Board of Directors of Legrand met on May 27, 2016 (“**the Share Buyback Program**”), pursuant to the authorization granted by the above-mentioned General Meeting of Shareholders.

### **I. Number of shares and percentage of capital stock held by the Company**

On May 24, 2016, the Company’s capital stock consisted of 267,021,160 shares.

At the same date, the Company held 94,629 of its own shares.

### **II. Allocation by purpose of own shares held by the Company**

On May 24, 2016, the 94,629 own shares held by the Company were allocated by purpose as follows:

- 89,500 shares under a contract to ensure liquidity of trading in shares in accordance with the Charter of Professional Ethics recognized by the French Financial Markets Authority (*Autorité des Marchés Financiers*) through an investment service provider acting independently; and
- 5,129 shares allocated for implementation of performance share plans under the provisions of articles L. 225-197-1 and following of the French Commercial Code;

### **III. Purposes of the new Share Buyback Program**

Legrand envisages conducting or arranging for a share buyback for the purposes of:

- ensuring the liquidity or active operation of the market in Company shares by the intermediary of an investment services provider, acting independently under a liquidity contract in compliance with the Code of Practice recognized by France's Financial Markets Authority (*Autorité des marchés financiers*);
- implementing (i) any and all Company stock options plans in accordance with Articles L.225-177 *et seq.* of the French Commercial Code or any similar plan; (ii) any and all Group employee share-ownership programs in accordance with Articles L.3332-1 *et seq.* of the French Labour Code (*Code du travail*) or to provide for share allocations for employee profit-sharing and/or in lieu of discount according to applicable laws and regulations; (iii) any and all free share allocations pursuant to Articles L.225-197-1 *et seq.* of the French Commercial Code; and any and all share allocations for employee profit-sharing, as well as providing cover for such transactions at such times as the Board of Directors or the person acting on its behalf takes action, (iv) allocation of shares to employees and/or corporate officers of the Company or of the Group, complying with applicable laws and regulations;
- holding and subsequently transferring shares by way of exchange or payment relating to a business acquisition, merger, demerger, or transfer of assets, it being specified that the number of shares acquired by the Company with a view to holding these and employing them at a later date as payment for or in exchange for a merger, demerger or transfer of assets may not exceed 5% of the Company's capital stock;
- delivering shares on the exercise of rights attached to securities providing immediate or future access to the equity of the Company, through redemption, conversion, exchange, presentation of a warrant, or in any other way;
- cancelling all or some of the shares so purchased; or
- carrying out such other practices as may be permitted or recognized by law or by the Financial Markets Authority, or pursuing any other objective complying with applicable laws and regulations.

### **IV. Limit on the percentage of capital stock that may be acquired and maximum number of shares that may be purchased pursuant to the Share Buyback Program, types of securities that may be acquired under the Share Buyback Program, maximum price and terms of purchase**

#### **1. Maximum percentage of capital stock that the Company may acquire and maximum number of shares that may be purchased pursuant to the Share Buyback Program**

The limit on the portion of capital stock that is authorized for purchase under the Share Buyback Program is 10% of the total number of shares representing the capital stock at the date of the Combined Ordinary and Extraordinary General Meeting of Shareholders held on May 27, 2016, with the proviso that, when shares are purchased to ensure the market liquidity of Legrand stock under the conditions described above, the number of shares used to calculate this 10% limit will be the number of shares purchased less the number of shares resold over the duration of the Share Buyback Program.

As provided under articles L. 225-209 and following of the French Commercial Code, the Company may at no time hold, directly or indirectly, Legrand shares representing more than 10% of the total number of shares making up Legrand's capital stock at that date.

#### **2. Types of securities that may be acquired under the Share Buyback Program**

The only securities that may be acquired under this program are Legrand shares. The shares purchased and held by the Company will be deprived of voting rights and will carry no entitlement to payment of a dividend.

#### **3. Maximum authorized unit purchase price**

The maximum price that the Company may pay for shares purchased under the Share Buyback Program is €75 per share (excluding fees), it being specified that this maximum price will be adjusted as necessary to reflect capital transactions, in particular incorporation of reserves or free share allotments and/or share splits or reverse splits.

The maximum amount allowed for the implementation of the Share Buyback Program is €1 billion.

#### 4. Terms of purchase

Shares may be purchased, sold, transferred or exchanged, directly or indirectly, at any time within the limits authorized by law and regulation, except at such times as Company shares may be the object of a tender offer, by any means, on or off any market, including through OTC transactions, trading in blocks of shares or public tender offers, or through the use of any financial instruments or derivatives, including option-based mechanisms such as purchases and sales of put and call options.

#### **V. Duration of the Share Buyback Program**

The Share Buyback Program is to be implemented for a period of eighteen months from the authorization granted by the Combined Ordinary and Extraordinary General Meeting of Shareholders on May 27, 2016, which is to say up to November 27, 2017 at the latest.

#### **VI. Investment service provider**

##### **Implementation of the Share Buyback Program**

The Company will appoint an investment service provider acting independently to assist it in implementing the Share Buyback Program.

##### **Liquidity contract**

Under a contract signed on May 29, 2007 as subsequently amended, Legrand charged Kepler Cheuvreux with providing for the liquidity of Legrand shares and ensuring more regular trading. This contract complies with the Charter of Professional Ethics drawn up by AMAFI (French financial markets association) on March 8, 2011.

The total amount of this liquidity contract is currently €15 million.

#### **VII. Transactions made under the previous share buyback program**

Meeting on May 29, 2015, shareholders at the Combined Ordinary and Extraordinary General Meeting authorized the Board of Directors to implement, or have implemented by delegation, a share buyback program for a period of eighteen months. A detailed description of the program implemented by the Board of Directors on May 29, 2015 within the framework of the authorization mentioned above is published on the Company's website.

The Company made no use of derivative products.

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During the Share Buyback Program, any significant change in any of the information set forth above will be brought to the attention of the public as soon as possible in compliance with the provisions of article 221-3 of the General Regulations of the France's Financial Markets Authority (*Autorité des marchés financiers*).