PRESS RELEASE

Limoges, August 1, 2016

Robust performance in first-half 2016

Healthy organic growth in sales: +1.9%

Rise in adjusted operating profit: +3.1%

Numerous growth initiatives

Ongoing development in connected offerings

7 acquisitions closed in the first half of 2016

2016 targets fully confirmed

Gilles Schnepp, Chairman and CEO of Legrand, commented:

*"**Robust performance in first-half 2016***

*Legrand's **organic growth in sales** stood at +1.9% in the first half of 2016, as a result of solid performance in the United States (+5.5%), growth in mature European economies (+1.6%) and stability in new economies where conditions vary from one country to the next.*

***Adjusted operating profit** rose +3.1% and adjusted operating margin before acquisitions (at 2015 scope of consolidation) stood at 20.3% of sales compared with 19.8% in the first half of 2015. Taking acquisitions into account, adjusted operating margin came to 20.1% in the first half of 2016.*

***Net income excluding minority interests** was steady at €283m, or 11.6% of sales.*

***Free cash flow generation** was solid, with normalized free cash flow at 13.0% of sales, allowing the Group to continue to self-finance its development in the long term.*

These robust performances illustrate—once again—Legrand's ability to create value.

Numerous growth initiatives

***Legrand is continuing to expand in connected offerings.** The move that began with the launch of the Eliot program and was confirmed in 2015 (when sales of connected products rose 34% in total during the year) has continued successfully. As presented at the Group's Investor Day on June 30, 2016, a wide range of connected offerings have been rolled out since the beginning of the year, including the Class 300X door entry system and the MyHome Play user interface. More generally, the Group is ahead of schedule in implementing targets set in the Eliot program.*

*In addition and as announced, Legrand has been actively pursuing targeted and bolt-on acquisitions, and since the beginning of the year, the Group has already concluded seven transactions, representing annual sales totaling nearly €160m. For 2016 as a whole, **external growth** should account for over +4% of growth in consolidated sales. Legrand thus continues to enhance and expand its market positions."*

2016 targets fully confirmed

Legrand fully confirms its 2016 targets[1]:

- 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] 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.

legrand®

PRESS RELEASE

Key figures

Consolidated data (€ millions)(1)	1st half 2015	1st half 2016
Sales	2,411.7	2,448.4
Adjusted operating profit	478.1	492.7
As % of sales	*19.8%*	*20.1%*
		20.3% before acquisitions(2)
Operating profit	456.6	470.8
As % of sales	*18.9%*	*19.2%*
Net income excluding minority interests	283.4	283.5
As % of sales	*11.8%*	*11.6%*
Normalized free cash flow	326.7	317.6
As % of sales	*13.5%*	*13.0%*
Free cash flow	242.2	191.2
As % of sales	*10.0%*	*7.8%*
Net financial debt at June 30	1,001.2	1,374.8

(1) See appendices to this press release for definitions and reconciliation tables of indicators presented.
(2) At 2015 scope of consolidation.

Financial performance at June 30, 2016

Consolidated sales

First-half 2016 sales totaled €2,448.4m, up +1.5% in total from the first half of 2015.

The organic change in Group sales came to +1.9%, reflecting a +2.9% rise in mature countries as a whole and flat sales overall (+0.1%) in new economies. In the first half, Legrand benefited from a favorable calendar effect estimated at around one day that should be reversed in the second half.

The impact of the broader scope of consolidation that resulted from acquisitions was +3.0%.

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

The exchange-rate impact was -3.3% in the first half. Applying average exchange rates for June 2016 to the rest of the year, 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 half 2016 / 1st half 2015	2nd quarter 2016 / 2nd quarter 2015
France	-2.7%	-1.5%
Italy	+4.3%	+3.9%
Rest of Europe	+6.0%	+6.6%
North and Central America	+5.7%	+4.1%
Rest of the World	-2.0%	-1.5%
Total	**+1.9%**	**+1.9%**

PRESS RELEASE

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

- **France** (18.7% of Group sales): the organic change in sales in the first half of 2016 was -2.7%, including -1.5% in the second quarter, which benefited from a favorable calendar effect. This calendar effect should be reversed in the second half, particularly in the third quarter.
Yet leading indicators for new residential and non-residential construction have improved since the beginning of the year—a trend that should only be reflected in Legrand's activity with several quarters' lag.

- **Italy** (11.1% of Group sales): sales were up +4.3% from the first half of 2015 at constant scope of consolidation and exchange rates. This good performance benefited from the successful launch of the new range of Class 300X connected door entry systems over the first half, along with one-off projects in energy distribution.

- **Rest of Europe** (17.4% of Group sales): sales were up +6.0% from the first half 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—Romania, Hungary, Slovakia and the Czech Republic. More specifically, sales in Russia rose in the first half.
In addition, it is indicated that the United Kingdom, where sales showed a modest rise in the first half of 2016, accounts for around 2.5% of total Group sales.[1]

- **North and Central America**[2] (27.5% of Group sales): sales in the region rose +5.7% in the first half of 2016 at constant scope of consolidation and exchange rates. In the US alone, Legrand recorded organic growth of +5.5%. In a construction market that remains well-oriented, Legrand outperformed trends in market indicators, a good performance driven in particular by the continued success of its 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.
The Group also turned in healthy rise in sales in Mexico and in other countries in the region as a whole.

- **Rest of the World:** (25.3% of Group sales): sales declined -2.0% from the first half of 2015 at constant scope of consolidation and exchange rates. Healthy rise in sales in countries including India, Chile, Colombia and Algeria did not offset the decline in Brazil and in certain countries in Asia and the Middle East. In China more particularly, after the non-recurring positive impact of government measures at the beginning of the year, the market resumed its downward trend, and all in all Legrand’s sales in China were flat in the first half.

Adjusted operating profit and margin

Adjusted operating profit was up +3.1% in the first half of 2016, reaching €492.7m and reflecting the Group's capacity to create value over the long term.

Adjusted operating margin before acquisitions (at 2015 scope of consolidation) came to 20.3% of sales. Compared with the figure for the first half of 2015 (19.8%), the 0.5-point improvement was mainly due to a good operating performance against a backdrop of rising sales.
Taking acquisitions into account, the Group's adjusted operating margin stood at 20.1% of sales in the first half of 2016.

Net income excluding minority interests

Legrand’s net income excluding minority interests for the first half of 2016 came to 11.6% of sales or €283m. Compared with the first half of 2015, this reflects:

- a good operating performance, with a €14.2m rise in operating profit, offset by:
- a €5.9m rise in net financial expense (which remains under control at less than 2% of sales), due in particular to the December 2015 issue of a bond to anticipate refinancing of the bond maturing in February 2017,
- a €6.0m rise in income tax expense (with the income tax rate at 32.9%),
- other items (notably a €1.2m decline in the foreign-exchange result).

---

[1] Based on average exchange rates for the first half of 2016 and annual sales of the last acquisitions.
[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

PRESS RELEASE

Cash generation

In the first half of 2016, cash flow from operations was robust at €381m or 15.5% of sales.

Investments and working capital requirement are under control at respectively 2.4% and 9.5% of sales in the first half of 2016.

Normalized free cash flow—which is a good measure of free cash flow generation—was 13.0% 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 been actively pursuing acquisitions in the first half of 2016, completing seven targeted and self-financed acquisitions since the beginning of the year:

- Pinnacle Architectural Lighting, 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;
- CP Electronics, the UK leader in energy-efficient lighting control, whose solutions round out Legrand's current offering for the commercial market in the United Kingdom, where the group is a market leader in overhead cable management, and in busbars and floor boxes following its 2008 acquisition of Electrak. CP Electronics has over 180 employees and reports annual sales of around £24m;
- Luxul Wireless, 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 a 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[1], which together employ nearly 60 people and report combined annual sales of almost €9m.
- Trias[2], 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.
- Jontek, a UK specialist in solutions for monitoring assisted-living platforms. Jontek complements Tynetec's offering and has annual sales of around £3m.

Based on acquisitions already announced and their likely date of consolidation, changes in the scope of consolidation should boost Group sales by over +4% in 2016.

Investor Day

On June 30, 2016 Legrand organized an Investor Day at Legrand North America's head office in West Hartford, (USA).

- Legrand used the event to review the deployment of its industrial and commercial initiatives, which are aligned with the development plan presented at 2014 Investor Day.
  As announced, Legrand has actively pursued expansion through complementary channels and business models, by strengthening its positions in IT, datacenters and assisted living. At the same time, the Group stepped up the development of new technologies in its offering, launching its Eliot program in July 2015.

[1] UPS: Uninterruptible Power Supply.
[2] Signature of a joint venture agreement, Legrand holds 80% of equity.

Legrand also continued to deploy its industrial initiatives, such as product, electronics and software platforms, and introduced the NEPAT[1] indicator for many countries, in addition to economic income[2]. Finally, Legrand also commented achievement rates for its CSR[3] roadmap over the period 2014-2018, which came to 120% in 2015 and 123% in 2014, ahead of targets.

- The Group also reviewed the success of its business model in the United States/Canada region. Since 2002, relying on its solid US team, Legrand has accessed new channels (audio/video, IT, datacenters, retail and more). It has also strengthened and rounded out its market positions thanks to the acquisition of frontrunners, but also to regular launches of innovative new offerings. From 2002 to 2015, Legrand saw its dollar-denominated sales in the USA/Canada region more than double, with adjusted operating margin expressed as a percentage of sales also more than doubling to nearly 18%. On an annual basis, the USA/Canada region should account for nearly 29% of Group sales.
- Legrand also noted its ongoing initiatives in new technologies, in particular the development of connected offerings, supported by the Group's sound fundamentals. With 34% total growth in sales of connected products in 2015, Legrand's Eliot program—designed to accelerate deployment of the Internet of Things in its offering—is ahead of schedule in reaching the average double-digit annual growth target by 2020.
- Finally, building on robust fundamentals, a relevant organization in view of Legrand's markets (worldwide Back Office and local Front Office), proven processes, indicators shared across the organization, and a strong capacity for execution through very skilled teams, Legrand has turned in good integrated performance since its return to listing and has demonstrated its capacity to create value on a long-term basis.

All Investor Day presentations can be downloaded from www.legrand.com

----

[1] *Net Economic Profit After Tax*: economic income (see note 2 below) after tax
[2] Economic income: adjusted operating profit less cost of capital employed
[3] Corporate Social Responsibility

The consolidated financial statements for the first half of 2016, that were the subject of a limited review by the Group's auditors, were adopted by the Board at its meeting on July 29, 2016. These consolidated financial statements, a presentation of 2016 first-half results and the related teleconference (live and replay) are available at www.legrand.com.

Key financial dates

- 2016 nine-month results: **November 10, 2016**
- Annual results: **February 9, 2017**
- General Meeting of Shareholders: **May 31, 2017**

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™ PROGRAM BY LEGRAND

**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

Investor relations
Legrand
François Poisson
Tel: +33 (1) 49 72 53 53

francois.poisson@legrand.fr

Press Relations
Publicis Consultants
Robert Amady/Vilizara Lazarova
Tel: +33 (0)1 44 82 46 31 / +33 (0)1 44 82 46 34
Mob: +33 (0)6 72 63 08 91 / +33 (0)6 26 72 57 14
robert.amady@consultants.publicis.fr
vilizara.lazarova@consultants.publicis.fr

PRESS RELEASE

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.

PRESS RELEASE

Calculation of working capital requirement

In € millions	H1 2015	H1 2016
Trade receivables	650.2	664.0
Inventories	694.6	684.5
Other current assets	164.2	169.7
Income tax receivables	33.6	23.8
Short-term deferred taxes assets/(liabilities)	82.7	89.2
Trade payables	(553.9)	(525.7)
Other current liabilities	(469.8)	(511.4)
Income tax payables	(32.2)	(54.9)
Short-term provisions	(101.5)	(78.7)
Working capital requirement	**467.9**	**460.5**

Calculation of net financial debt

In € millions	H1 2015	H1 2016
Short-term borrowings	102.1	392.7
Long-term borrowings	1 514.4	1 510.9
Cash and cash equivalents	(612.9)	(528.8)
Marketable securities	(2.4)	0.0
Net financial debt	**1 001.2**	**1 374.8**

Reconciliation of adjusted operating profit with profit for the period

In € millions	H1 2015	H1 2016
Profit for the period	**284.1**	**284.9**
Share of profits (losses) of equity-accounted entities	0.0	0.3
Income tax expense	133.8	139.8
Exchange (gains) / losses	(1.0)	0.2
Financial income	(5.9)	(4.4)
Financial expense	45.6	50.0
Operating profit	**456.6**	**470.8**
Amortization of revaluation of intangible assets at the time of acquisitions and expense/income relating to acquisitions	21.5	21.9
Impairment of goodwill	0.0	0.0
Adjusted operating profit	**478.1**	**492.7**

PRESS RELEASE

Reconciliation of EBITDA with profit for the period

In € millions	H1 2015	H1 2016
Profit for the period	**284.1**	**284.9**
Share of profits (losses) of equity-accounted entities	0.0	0.3
Income tax expense	133.8	139.8
Exchange (gains) / losses	(1.0)	0.2
Financial income	(5.9)	(4.4)
Financial expense	45.6	50.0
Operating profit	**456.6**	**470.8**
Depreciation and impairment of tangible assets	47.7	47.1
Amortization and impairment of intangible assets (including capitalized development costs) and impairment of goodwill	35.9	35.7
EBITDA	**540.2**	**553.6**

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

In € millions	H1 2015	H1 2016
Profit for the period	**284.1**	**284.9**
Adjustments for non-cash movements in assets and liabilities:		
Depreciation, amortization and impairment	84.7	84.0
Changes in other non-current assets and liabilities and long-term deferred taxes	8.4	15.1
Unrealized exchange (gains)/losses	3.5	(4.6)
(Gains)/losses on sales of assets, net	0.3	0.2
Other adjustments	0.3	0.9
Cash flow from operations	**381.3**	**380.5**
Decrease (Increase) in working capital requirement	(84.2)	(130.8)
Net cash provided from operating activities	**297.1**	**249.7**
Capital expenditure (including capitalized development costs)	(55.6)	(59.2)
Net proceeds from sales of fixed and financial assets	0.7	0.7
Free cash flow	**242.2**	**191.2**
Increase (Decrease) in working capital requirement	84.2	130.8
(Increase) Decrease in normalized working capital requirement	0.3	(4.4)
Normalized free cash flow	**326.7**	**317.6**

PRESS RELEASE

Scope of consolidation

2015	Q1	H1	9M	Full year
Full consolidation method				
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	3 months
QMotion				Balance sheet only

2016	Q1	H1	9M	Full year
Full consolidation method				
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	Balance sheet only	To be determined	To be determined
Primetech	Balance sheet only	Balance sheet only	To be determined	To be determined
Pinnacle Architectural Lighting		Balance sheet only	To be determined	To be determined
Luxul Wireless		Balance sheet only	To be determined	To be determined
Jontek		Balance sheet only	To be determined	To be determined
Trias		Balance sheet only	To be determined	To be determined
CP Electronics		Balance sheet only	To be determined	To be determined
Equity method				
TBS[1]		6 months	9 months	12 months

[1]Created together with a partner, TBS is to produce and sell transformers and busways in the Middle East.

PRESS RELEASE

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.