PRESS RELEASE

Limoges, November 7, 2017

Good performance in the first nine months of 2017

Steep rise in total sales: +7.7%

Double-digit growth in adjusted operating profit (+10.0%), net profit attributable to the Group (+11.4%), and normalized free cash flow (+12.2%)

Sharp acceleration in development initiatives

Rise in investments dedicated to new products: +27% in the first nine months of 2017

Strong contribution of acquisitions to sales growth expected: nearly +15% in 2017-2018[1]

2017 minimum targets raised

Organic growth in sales: new target +2% to +3% (initially[2] between 0% and +3%)

Adjusted operating margin before acquisitions[3]: new target 19.8% to 20.1% (initially[2] between 19.3% and 20.1%)

Gilles Schnepp, Chairman and CEO of Legrand, commented:

*"**Steep rise in total sales***

In the first nine months of the year, Group sales were up +7.7% in total, supported by its two growth drivers.

Organic growth in sales thus stood at +2.9%, driven by good showings in new economies (+4.8%) and solid increases in mature countries (+2.1%), despite, as announced[4], unfavorable effects related to calendar impacts and bases for comparison in the third quarter.

The impact of the broader scope of consolidation resulting from acquisitions was +4.4% in the first nine months of the year, and should reach over +7% full year.

Double-digit growth in profit and normalized free cash flow

At the same time, adjusted operating profit rose by +10.0% and adjusted operating margin before acquisitions (at 2016 scope of consolidation) stood at 20.6% of sales compared with 20.0% in the first nine months of 2016, a rise of 0.6 points.

Net profit attributable to the Group and normalized free cash flow increased +11.4% and +12.2%, respectively, compared with the first nine months of 2016.

These very good showings reflect once again Legrand's ability to create value over the long term by expanding its positions.

[1] Taking into account all acquisitions announced and their likely consolidation dates, the expected impact of the broader scope of consolidation is more than +7% per year in 2017 and 2018. Over two years, it should thus stand at close to +15% in 2018, compared with 2016.
[2] Targets announced on February 9, 2017.
[3] At 2016 scope of consolidation.
[4] For more details, see July 31, 2017 press release announcing 2017 first-half results.

Rise in investments dedicated to new products

Legrand remained very active in innovation, with investments dedicated to new products up nearly +27% from the first nine months of 2016. These initiatives help expand the Group's offering, particularly for digital infrastructure products and connected solutions with enhanced value in use under the Eliot program, which is being rolled out in new geographical areas this year.

Strong contribution of acquisitions to sales growth expected

Legrand has stepped up the pace of its external growth since the beginning of the year.

The Group has thus acquired five companies and, in Italy, signed a joint-venture, resulting in stronger positions in business fields buoyed by technological and societal megatrends that represent long term development opportunities.

This sustained acquisition momentum should drive external growth to over +7% in both 2017 and 2018[1], adding nearly +15% to the Group's growth over two years[1]."

2017 minimum targets raised

Based on good performances in the first nine months and taking into account expected effects for the fourth quarter[2], Legrand is raising its minimum targets for the year and setting new targets for 2017:

- organic growth in sales of between +2% and +3% (initially[3] between 0% and +3%) and

- adjusted operating margin before acquisitions (at 2016 scope of consolidation) of between 19.8% and 20.1% of sales (initially[3] between 19.3% and 20.1%).

[1] Taking into account all acquisitions announced and their likely consolidation dates.
[2] Unfavorable calendar impacts and bases for comparison in the United States, as well as usual seasonal pattern of margin.
[3] Targets announced on February 9, 2017.

Key figures

Consolidated data (€ millions)[1]	9 months 2016	9 months 2017	Change
Sales	3,704.6	3,988.3	+7.7%
Adjusted operating profit	740.6	814.9	+10.0%
As % of sales	*20.0%*	*20.4%* *20.6% before acquisitions[(2)]*	
Operating profit	707.5	776.3	+9.7%
As % of sales	*19.1%*	*19.5%*	
Net profit attributable to the Group	425.6	474.3	+11.4%
As % of sales	*11.5%*	*11.9%*	
Normalized free cash flow	482.5	541.5	+12.2%
As % of sales	*13.0%*	*13.6%*	
Free cash flow	424.2	415.0	-2.2%
As % of sales	*11.5%*	*10.4%*	
Net financial debt at September 30	1,149.4	2,284.1	+98.7%

(1) See appendices to this press release for definitions and reconciliation tables of indicators
(2) At 2016 scope of consolidation

Financial performance at September 30, 2017

Consolidated sales

Sales in the first nine months of 2017 totaled €3,988.3 million, up a steep +7.7% from the first nine months of 2016.

Organic growth in sales stood at +2.9% for the period, reflecting good showings in new economies (+4.8%) and solid results in mature economies (+2.1%), despite, as announced, the unfavorable effects related to calendar impacts and bases for comparison in the third quarter, in the United States in particular.

The impact of the broader scope of consolidation resulting from acquisitions was +4.4%. Taking into account all acquisitions announced and their likely consolidation dates, the expected impact of the broader scope of consolidation is more than +7% per year in 2017 and 2018. Over two years, it should thus stand at close to +15% in 2018, compared with 2016.

The exchange-rate effect was +0.1%. Applying average exchange rates for October 2017 to the last three months of the year, the annual exchange-rate effect for 2017 would be around -1%.

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

	9 months 2017 / 9 months 2016	3rd quarter 2017 / 3rd quarter 2016
France	+2.3%	+3.2%
Italy	+3.5%	+4.3%
Rest of Europe	+5.4%	+5.2%
North and Central America[1]	+1.5% *(+8.1% over 2 years)*[2]	-0.7% *(+7.1% over 2 years)*[2]
Rest of the world	+3.4%	+4.0%
Total	**+2.9%**	**+2.4%**

[1] Milestone was not consolidated in the first nine months 2017 statement of income. For more details on the timeline for consolidation of Milestone, the reader is invited to refer to pages 9 and 10 of this press release.
[2] As announced, 2016, and the third quarter in particular, represent demanding bases for comparison. As a result, over two years, organic growth in the North and Central America region was +8.1% compared with the first nine months of 2015 and +7.1% compared with the third quarter of 2015. For more details, the reader is invited to refer to comments on Legrand's performance in North and Central America on page 4 of this press release.

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

- **France** (16.8% of Group sales): organic growth in sales in France stood at +2.3% in the first nine months of 2017.

This increase in sales was driven by healthy growth in new residential construction (between 15% and 20% of French sales). Non-residential new construction activities grew but at an uneven pace, while renovation increased more moderately.

- **Italy** (9.9% of Group sales): at constant scope of consolidation and exchange rates, sales were up +3.5% in Italy.

These good showings were driven in particular by the success of new product offerings including (i) the Classe 300X connected door entry system and the My Home Up home system, both launched in 2016, as well as (ii) the Smarther connected thermostat, introduced in the second quarter of this year.

- **Rest of Europe** (17.4% of Group sales): at constant scope of consolidation and exchange rates, sales were up +5.4% from the first nine months of 2016.

Many countries in new economies recorded good showings. This was the case in Eastern Europe, including Russia, Romania and Hungary.

In Turkey, sales were also up, driven by a third-quarter performance that benefited from a favorable basis for comparison.

Sales growth was also solid in a number of mature countries, including Spain, Greece, Belgium and Austria.

In the United Kingdom (less than 2.5% of Group sales), after a sustained increase in sales in the first half, business retreated slightly in the third quarter alone.

- **North and Central America** (31.2% of Group sales): at constant scope of consolidation and exchange rates, sales were up +1.5% in the first nine months of 2017.

Over two years, organic growth in North and Central America was +8.1% compared with the first nine months of 2015, and +7.1% compared with the third quarter of 2015.
As a reminder, 2016, and the third quarter[1] in particular, represent demanding bases for comparison in the United States, the main country in this region.

As a result, in the United States alone[2], organic growth in the first nine months of the year stood at +0.6% (+7.6% over two years compared with the first nine months of 2015) and the trend in organic sales was -2.2% in the third quarter (+6.9% over two years compared with the third quarter of 2015).

In the rest of the region, Mexico and Canada turned in good showings in the first nine months of 2017.

- **Rest of the World** (24.7% of Group sales): organic growth was up +3.4% from the first nine months of 2016.

A number of countries in Asia turned in solid showings, including China, South Korea and Singapore. The Group also reported robust growth in sales in North African countries[3].

More particularly, in India sales also rose compared with the first nine months of 2016, driven by good third-quarter showings following the temporary slowdown in the second quarter linked to the application of the GST[4].

Lastly, sales retreated in certain countries in the region, including Brazil, Australia, Malaysia and Thailand.

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[1] Excerpt from the comment on the United States performance published on July 31, 2017: "As a reminder (i) the calendar effect should be unfavorable in the third quarter, and (ii) growth stood at +9.3% in the third quarter of 2016, benefiting from favorable one-offs (excluding these effects, the rise in sales would have been in the neighborhood of 3%) hence representing a demanding basis for comparison for the third quarter of 2017.".

[2] Milestone will be consolidated in the Group's statement of income in the fourth quarter for a period of five months. For more information on Milestone, including expected sales growth seasonality in 2017, the reader is invited to refer to pages 9 and 10 of this press release.

[3] North Africa = Algeria + Egypt + Morocco + Tunisia.

[4] GST: Goods and Services Tax.

Adjusted operating profit and margin

Adjusted operating profit stood at €814.9 million in the first nine months of 2017, up +10.0%, reflecting the Group's ability to generate value through profitable growth and an ongoing productivity approach.

Adjusted operating margin before acquisitions[1] was 20.6% of sales in the first nine months of 2017, up 0.6 points from the first nine months of 2016.

This reflects the Group's ongoing good operating performance for +0.5 points as well as a net favorable non-recurring effect of around +0.1 points (coming from the impact of inventory build-up in finished and semi-finished goods estimated at +0.2 points, partially offset by the unfavorable effect of non-recurring items for around -0.1 points).

Taking acquisitions into account, adjusted operating margin stood at 20.4% of sales.

In the first nine months, by reacting quickly to adjust its price lists quarter by quarter, Legrand more than offset, in absolute value, the impact of the marked rise in raw material and component prices – a rise that stabilized in the third quarter.

Net profit attributable to the Group

Over the first nine months of 2017, net profit attributable to the Group rose +11.4% compared with the first nine months of 2016 and stood at €474.3 million, reflecting:

- a good operating performance, with a €68.8 million improvement in operating profit;
- an €11.5 million decrease in net financial expense;
- a €0.7 million decline in profit to minority interests;

partially offset by:

- a €24.9 million rise in income tax expense (the tax rate stood at 33.0%, almost stable compared with that for 2016);
- a €6.1 million unfavorable change in the foreign-exchange result; and
- a €1.3 million decline in the result of equity-accounted entities.

Cash generation

Cash flow from operations stood at €656.1 million and represents 16.5% of sales. It increased by over +12% in the first nine months of 2017.

Working capital requirement as a percentage of sales for the last twelve months remained under control at 8.9% on September 30, 2017.

Industrial investments stood at €105.9 million in the first nine months of 2017, up €11.5 million compared with the first nine months of 2016. The rise should continue, driven in particular by new-product momentum as well as by investments in industrial and commercial productivity.

Normalized free cash flow came to €541.5 million in the first nine months, up +12.2%, and includes €2.9 million realized non-recurring foreign-exchange gains.

At the same time, free cash flow stood at €415.0 million compared with €424.2 million in the first nine months of 2016. This change reflects:

- a strong operating performance with EBITDA improving by €74.6 million;
- a favorable change in the realized foreign-exchange result of €6.9 million, including in particular €2.9 million of realized non-recurring foreign-exchange gains in the first nine months;
- a €9.3 million improvement in other items, mostly long-term items;
- a €10.0 million decline in net financial expense;

offset by:

- a €78.2 million rise in working capital requirement excluding tax items, but as indicated in the announcement of 2016 annual results: "Working capital requirement expressed as a percentage of sales at the end of 2016 was temporarily at an exceptionally low level compared with the past ten years, which makes a challenging basis for comparison in 2017";
- a €20.0 million rise in tax paid; and
- an €11.8 million increase in investments net of sales.

[1] At 2016 scope of consolidation.

Ongoing innovation initiatives

With a rise of close to +27% in investments dedicated to new products compared with the first nine months of 2016, Legrand remained very active in innovation.

The Group thus broadened its offering with new solutions that fuel current and future growth. For example, Legrand has launched:

- Luzica and Clickme, two new user interface ranges for South American markets;
- IRVE 3.0, a new offering of connected charging stations for electric vehicles that track consumption and loading level on smartphones and tablets; and
- LCS3, an innovative high-performance cabling system for copper and fiber optic digital infrastructures, offering datacenters optimized implementation and volume along with easy maintenance.

Legrand is also actively preparing to launch its new “Céliane with Netatmo” range of user interfaces in early 2018. This offering already equips pilot residential real estate programs in France in partnership with BNP Paribas Real Estate and Vinci Immobilier.

Product launches completed and planned testify to the ongoing enhancement of Legrand’s offering, particularly with ranges designed for digital infrastructure, a business driven by the development of connected products. Here Legrand is continuing to strengthen its Eliot program with new higher value-in-use solutions.

Together these initiatives reflect Legrand’s commitment to be a long-term player in the development of the smart building.

External growth

Since the beginning of the year, Legrand has also pursued its strategy of bolt-on acquisitions of companies that round out its activities, in a globally favorable economic environment. This has resulted in five acquisitions and one joint-venture.

The Group has continued a focused drive to build strong positions in segments of its market driven by technological and societal megatrends. On an annual basis, this year’s acquisitions should help raise the share of Group sales made in new business segments[1] to around 38%[2] and the percentage of Group sales made with products ranked #1 or #2 in their respective markets to around 69%[2].

Looking more closely, Legrand has acquired three companies specializing in digital infrastructures, a business sustained by rising data flows and a shift to new uses:

- Milestone AV Technologies LLC[3] (“Milestone”), a frontrunner in audio-video infrastructure and power;
- Server Technology. Inc., a leading player in smart PDUs[4]; and
- AFCO Systems Group, specializing in Voice-Data-Image (VDI) cabinets.

The Group also acquired two companies specializing in specification-grade architectural lighting for non-residential buildings in the US:

- Finelite, an acknowledged US player in linear lighting fixtures; and
- OCL, specialized in lighting solutions for non-residential and high-end residential buildings.

[1] Digital infrastructure, energy efficiency, assisted living and home systems.
[2] Based on 2016 sales including 12 months of acquisitions made in 2016 and 2017.
[3] Milestone will be consolidated in the Group’s statement of income in the fourth quarter for a period of five months. For more information on Milestone, including expected sales growth seasonality in 2017, the reader is invited to refer to pages 9 and 10 of this press release.
[4] PDU: Power Distribution Unit.

Legrand has also signed a joint-venture with Borri[1], an Italian company specializing in three-phase UPS[2].

Taking into account all acquisitions announced and their likely consolidation dates, the expected impact of the broader scope of consolidation is more than +7% per year in 2017 and 2018. Over two years, it should thus stand at close to +15% in 2018, compared with 2016. For 2017 as a whole, dilution of the adjusted operating margin due to acquisitions should be around -0.1 points.

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[1] As Legrand's equity stake is 49%, Borri will be consolidated on the equity method.
[2] Uninterruptible Power Supply.

Consolidated financial statements for the first nine months of 2017 were adopted by the Board at its meeting on November 6, 2017. These consolidated financial statements, a presentation of results for the first nine months of 2017, and the related teleconference (live and replay) are available at www.legrand.com.

KEY FINANCIAL DATES:

- 2017 annual results: **February 8, 2018**
  "Quiet period[1]" starts January 9, 2018
- 2018 first-quarter results: **May 3, 2018**
  "Quiet period[1]" starts April 3, 2018
- General Meeting of Shareholders: **May 30, 2018**

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 an approach that involves all teams and stakeholders, Legrand is pursuing its strategy of profitable and sustainable growth driven by acquisitions and innovation, with a steady flow of new offerings—including Eliot connected products with enhanced value in use. Legrand reported sales of more than €5 billion in 2016. The company is listed on Euronext Paris and is a component stock of indexes including the CAC 40, FTSE4Good, MSCI World, Corporate Oekom Rating, Vigeo Euronext Eurozone 120, Europe 120 and France 20, and Ethibel Sustainability Index Excellence (code ISIN FR0010307819).*
http://www.legrand.com

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

Investor relations
Legrand
François Poisson
Tel: +33 (0)1 49 72 53 53

francois.poisson@legrand.fr

Press relations
Publicis Consultants
Vilizara Lazarova
Tel: +33 (0)1 44 82 46 34
Mob: +33 (0)6 26 72 57 14
vilizara.lazarova@consultants.publicis.fr

Eloi Perrin
Tel: +33 (0)1 44 82 46 36
Mob: +33 (0)6 81 77 76 43
eloi.perrin@consultants.publicis.fr

[1] All communication suspended in the run-up to publication of results.

Appendices

Information on Milestone – Reminder and additional elements (1/2)

Reminder

Milestone 2016 key figures

Sales:	$464 million
Adjusted operating margin[1]:	21% of sales
Normalized free cash flow[1,2]:	12.5% of sales

Tax benefit linked to Milestone acquisition

The tax benefit resulting from standard goodwill amortization over 15 years stands at $400 million.

Annual cash tax benefit (with no impact on the statement of income):	around $30 million per year from 2017 to 2026. This benefit will decrease from 2027 onwards.

All Legrand financial criteria met

2016 EV[3]/EBITDA[1] of around 9.0x
Accretion on earnings per share before Purchase Price Allocation (PPA) from mid to high single digit
Value creation within 3 to 5 years

Synergies

Synergies:	between 1% and 5% of Milestone's 2016 sales

of which medium-term commercial synergies (client coverage, development of operations in other distribution channels and geographical regions) and short- to medium-term cost synergies (purchasing, production and administration).

[1] Excluding non-recurring items.
[2] Excluding cash tax benefit linked to the goodwill amortization.
[3] Enterprise Value of $950 million, net of the discounted tax benefit of $250 million (gross amount: $400 million).

Information on Milestone – Reminder and additional elements (2/2)

Additional elements

Consolidation

September 30, 2017[1]: consolidated only in Group balance sheet.
December 31, 2017: consolidated in Group balance sheet and statement of income for a 5-month period.

Sales

- *Buoyant activity in the long run but fluctuating by nature in the short term*

Milestone operates in a buoyant market driven by both social megatrends (communication, security, distance and collaborative working etc.) and technological megatrends (digitalization, new display technologies, streaming technologies etc.), but with a business that, by its nature, can fluctuate in the short term (projects, retail, etc.):

	January	February	March	April	May	June	July	August	September	October	12 months (estimated)
Organic growth 2017 vs. 2016	+19%	-9%	+16%	+1%	+3%	+7%	+12%	-11%	+3%	-4%	+2% to +3%

- *Estimated 2017 sales growth*

Taking the above series into account and based on annual organic growth estimated at +2% to +3% in 2017 (consistent with 2016), Milestone's 2017 organic growth would be as follows:

January to December estimated:	+2% to +3%
January to July (before acquisition):	+7%
August to December estimated (post-acquisition):	-4% to -1.5%

Annual cash impact (before synergies)

Normalized free cash flow generated by Milestone[2]:	$58 million
Annual cash tax benefit[3]:	+$30 million
Financing costs:	-$12 million
Milestone's annual contribution to Group cash generation:	**=$76 million**

Value creation (before synergies)

In addition to bringing highly valuable positions to the Group in a buoyant market with solid fundamentals that are similar to Legrand's, the acquisition of Milestone is, before synergies, value creative from year one:

Adjusted operating profit (21% of sales)[2]:		$97 million
Income tax (rate of 39%) on adjusted operating profit:		-$38 million
Cash tax benefit resulting from standard goodwill amortization[3]:		+$30 million
Adjusted operating profit after tax + cash tax benefit:	**(a)**	=$89 million
Gross price paid:	**(b)**	$1,200 million
Return (including cash tax benefit) on invested capital	**(a) / (b):**	**7.4%** (i.e. above the 7% WACC used)

Provisional[1] Purchase Price Allocation (PPA) – Non-cash impacts on the statement of income

Recurring non-cash impacts starting in 2017 (5 months) through 2026:	$25 million to $28 million annual amortization of intangible assets, decreasing from 2027 onwards
Non-recurring non-cash impacts (2017 only):	reversal of inventory step-up for around $20 million

These non-cash expenses will have no impact on the Group's adjusted operating profit.

[1] See note 2 to unaudited consolidated financial statements at September 30, 2017.
[2] Based on 2016 Milestone's figures and excluding non-recurring items.
[3] Cash tax benefit with no impact on the statement of income.

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 months' 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 and depreciation of revaluation of assets at the time of acquisitions and for other P&L impacts relating to acquisitions and, where applicable, for impairment of goodwill.

CSR

Corporate Social Responsibility

Payout

Payout is defined as the ratio between the proposed dividend per share for a given year, divided by the net income excluding minority interests 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.

Calculation of working capital requirement

In € millions	9M 2016	9M 2017
Trade receivables	615.2	692.2
Inventories	684.1	751.0
Other current assets	170.2	196.9
Income tax receivables	34.0	27.8
Short-term deferred taxes assets/(liabilities)	95.6	96.3
Trade payables	(519.9)	(571.9)
Other current liabilities	(519.9)	(590.0)
Income tax payables	(70.4)	(63.6)
Short-term provisions	(86.7)	(69.3)
Working capital required	**402.2**	**469.4**

Calculation of net financial debt

In € millions	9M 2016	9M 2017
Short-term borrowings	391.8	916.9
Long-term borrowings	1.509.5	2.070.6
Cash and cash equivalents	(751.9)	(703.4)
Net financial debt	**1,149.4**	**2,284.1**

Reconciliation of adjusted operating profit with profit for the period

In € millions	9M 2016	9M 2017
Profit for the period	**427.8**	**475.8**
Share of profits (losses) of equity-accounted entities	0.8	2.1
Income tax expense	210.1	235.0
Exchange (gains) / losses	0.2	6.3
Financial income	(6.3)	(10.9)
Financial expense	74.9	68.0
Operating profit	**707.5**	**776.3**
Amortization & depreciation of revaluation of assets at the time of acquisitions and other P&L impacts relating to acquisitions	33.1	38.6
Impairment of goodwill	0.0	0.0
Adjusted operating profit	**740.6**	**814.9**

Reconciliation of EBITDA with profit for the period

In € millions	9M 2016	9M 2017
Profit for the period	**427.8**	**475.8**
Share of profits (losses) of equity-accounted entities	0.8	2.1
Income tax expense	210.1	235.0
Exchange (gains) / losses	0.2	6.3
Financial income	(6.3)	(10.9)
Financial expense	74.9	68.0
Operating profit	**707.5**	**776.2**
Depreciation and impairment of tangible assets	70.4	71.2
Amortization and impairment of intangible assets (including capitalized development costs) and impairment of goodwill	53.7	58.7
EBITDA	**831.6**	**906.2**

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

In € millions	9M 2016	9M 2017
Profit for the period	**427.8**	**475.8**
Adjustments for non-cash movements in assets and liabilities:		
Depreciation, amortization and impairment	125.9	131.1
Changes in other non-current assets and liabilities and long-term deferred taxes	31.5	39.5
Unrealized exchange (gains)/losses	(3.8)	9.2
(Gains)/losses on sales of assets, net	0.5	(1.4)
Other adjustments	1.4	1.9
Cash flow from operations	**583.3**	**656.1**
Decrease (Increase) in working capital requirement	(65.9)	(138.0)
Net cash provided from operating activities	**517.4**	**518.1**
Capital expenditure (including capitalized development costs)	(94.4)	(105.9)
Net proceeds from sales of fixed and financial assets	1.2	2.8
Free cash flow	**424.2**	**415.0**
Increase (Decrease) in working capital requirement	65.9	138.0
(Increase) Decrease in normalized working capital requirement	(7.6)	(11.5)
Normalized free cash flow	**482.5**	**541.5**

Scope of consolidation

2016	Q1	H1	9M	Full year
Full consolidation method				
Fluxpower	Balance sheet only	Balance sheet only	8 months	11 months
Primetech	Balance sheet only	Balance sheet only	8 months	11 months
Pinnacle Architectural Lighting		Balance sheet only	5 months	8 months
Luxul Wireless		Balance sheet only	5 months	8 months
Jontek		Balance sheet only	5 months	8 months
Trias		Balance sheet only	Balance sheet only	8 months
CP Electronics		Balance sheet only	Balance sheet only	7 months
Solarfective			Balance sheet only	5 months
Equity method				
TBS(1)		6 months	9 months	12 months

2017	Q1	H1	9M	Full year
Full consolidation method				
Fluxpower	3 months	6 months	9 months	12 months
Primetech	3 months	6 months	9 months	12 months
Pinnacle Architectural Lighting	3 months	6 months	9 months	12 months
Luxul Wireless	3 months	6 months	9 months	12 months
Jontek	3 months	6 months	9 months	12 months
Trias	3 months	6 months	9 months	12 months
CP Electronics	3 months	6 months	9 months	12 months
Solarfective	3 months	6 months	9 months	12 months
OCL	Balance sheet only	5 months	8 months	11 months
AFCO Systems Group		Balance sheet only	5 months	8 months
Finelite		Balance sheet only	4 months	7 months
Milestone			Balance sheet only	5 months
Server technology				Balance sheet only
Equity method				
TBS(1)	3 months	6 months	9 months	12 months
Borri		Balance sheet only	Balance sheet only	8 months

(1) Created together with a partner, TBS is to produce and sell transformers and busbars in the Middle East.

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).

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