

Deutsch Organic growth in industrial activity remains solid and recovery confirmed within the

Legrand Fully in line with 2011 targets. Firm growth in sales, up 13.7%, and adjusted operating income, up 15.4%. Targeted acquisitions and innovation.
(Equity method)

Reported figures show a 13.7% year-on-consolidation and exchange rates was 9.0%. Changes in the scope of consolidation made a 2.6% growth contribution, while exchange rates had a positive impact of 1.6%.

This level of activity is the result of both vigorous growth in new economies (nearly 16% at constant scope of consolidation and exchange rates) and firm expansion in new business segments, including in particular digital infrastructures, energy performance and home systems (close to 17% growth in sales at constant scope of consolidation and exchange rates).

The strong rise in first-quarter sales at constant scope of consolidation and exchange rates reflects, among other things, a particularly favourable base for year-on-year comparisons in France and Italy. This positive effect of more than three percentage points will be reversed by stages over the year. Corrected for the impact of the base for comparison, first-year target of 5%.

Against a backdrop of steep rises in prices for raw materials and components, adjusted operating income was up 15.4% to represent 21.1% of sales. Allowing for the usual seasonality, this result is fully in line with the 2011 full-year target which calls for adjusted operating margin equalling or exceeding 20%, including the impact of acquisitions. It also confirms the structural nature of the level of profitability achieved in 2010 (20.5% in 2010 FY compared to an average of 16% in the years from 2003 to 2009).

With R&D investments representing close to 5% of sales, Legrand is actively pursuing a strategy of innovation and new product launches. Legrand is also stepping up the pace of its development through bolt-on acquisitions of small to medium-size businesses with strong market positions. Following the acquisitions during the second half of 2010 (Inform, Indo Asian Switchgear, Meta System Energy), Legrand recently acquired SMS¹, number one in Brazil for UPS, Electrorack, a US company specialised in VDI (Voice-Data-Image) cabinets, and Intervox, the market leader in connected security systems in France.

⁽¹⁾ Subject to the approval of competent authorities in Brazil

With around an 11.1% in
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following this transaction,
, based on ongoing innovation, rapid .68 493.75 Tm[,)-106(nu)4(m)-2

First-quarter activity at Parcours

million and was wholly financed through equity, with no additional debt. Parcours will be consolidated as of April 2011. The independent specialist

