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**SQUARE D® FILES SUIT AGAINST GAFFNEY-KROESE
FOR SELLING COUNTERFEIT SQUARE D PRODUCTS**

PALATINE, Ill – July 31, 2007, Square D®, best known in the United States as the flagship brand for the Schneider Electric North American Operating Division, announced today that it has filed suit against Gaffney-Kroese Supply Corporation in the U.S. District Court in Chicago, Ill. The lawsuit asserts that Gaffney Kroese, a nationwide wholesale distributor of electrical equipment, has knowingly sold counterfeit Square D circuit breakers and has infringed the Square D trademarks in violation of federal law. Square D seeks to enjoin Gaffney-Kroese’s continued distribution of counterfeit products and seeks to recover profits made by Gaffney-Kroese on its sales of counterfeit products, along with treble damages, attorney fees and costs.

“In the past 14 months, Square D has filed nine lawsuits to put a stop to the importation, sale and distribution of counterfeit circuit breakers. Nineteen separate defendants have been named in those cases. We have obtained consent orders against many of the defendants requiring product recalls and barring them from importing, selling or distributing counterfeit products and, in some cases, genuine products bearing the Square D trademarks,” said Bill Snyder, vice president channel development for the Schneider Electric North American Operating Division. “Square D has every intention of pursuing counterfeiters up and down the distribution chain. We’ll stop at nothing to preserve the integrity of our products and protect innocent customers from the serious health and safety hazards associated with counterfeit products. Through this lawsuit and others like it, Square D has demonstrated its ongoing commitment to prevent counterfeiting and protect Square D’s customers, trademarks and designs.”

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SQUARE D SUES NATIONWIDE WHOLESALE DISTRIBUTOR

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“Distributors need to be aware that there are hidden and potentially deadly hazards associated with counterfeit circuit breakers being distributed on the market today,” said Jim Pauley, vice president of industry and government relations for the Schneider Electric North American Operating Division. “By identifying counterfeit products and reporting counterfeiters, distributors can save lives. Accordingly, we urge anyone with information regarding sale or distribution of the counterfeits of our products to contact us immediately.”

To prevent the potential purchase of counterfeit products, customers should continue to purchase their Square D products from authorized Square D distributors. Authorized distributors will have the skill, expertise and know-how to provide customers with authentic Square D products and services that meet their needs and specifications.

Square D is a market-leading global brand of Schneider Electric for National Electrical Manufacturing Association (NEMA) type electrical distribution and industrial control products, systems and services. Square D products are found in all types of residential, commercial and industrial construction, in a wide range of manufacturing and processing facilities, and in or on the products of other manufacturers.

For any inquiries related to the lawsuit, to obtain a copy of the lawsuit, or to report the sale or distribution of counterfeits, contact Stephen Litchfield, assistant general counsel, Square D Company, Palatine, Ill. at (847) 925-3516.

About Schneider Electric

Headquartered in Palatine, Ill., the North American Operating Division of Schneider Electric had sales of \$3.7 billion (U.S.) in 2006. The North American Operating Division is one of four operating divisions of Schneider Electric, headquartered in Paris, France, and markets the Square D[®], Telemecanique[®] and Merlin Gerin[®] brand products to customers in the United States, Canada and Mexico. In the United States, Schneider Electric is best known by its flagship Square D brand, with Telemecanique becoming increasingly known in the industrial control and automation markets and supported by many Square D distributors. For 100 years, Square D has been a market-leading brand of electrical distribution and industrial control products, systems and services. Schneider Electric is a global electrical industry leader with 2006 sales of approximately \$17.2 billion (U.S.). Visit Schneider Electric on the Internet at:

- Corporate – <http://www.us.schneider-electric.com>
- Telemecanique Products – <http://www.us.telemecanique.com>
- Square D Products – <http://www.us.squared.com>
- Merlin Gerin Products – <http://www.us.merlengerin.com>

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