

Press Release

Schneider Electric Finalizes Acquisition of Pelco, Worldwide Leader in Video Security Systems

Rueil-Malmaison, October 17th, 2007 – Schneider Electric completed yesterday the acquisition of Pelco, a worldwide leader in the design, development and manufacturing of video security systems.

With the acquisition of Pelco, Schneider Electric significantly reinforces the offering of its Building Automation business, which encompasses power and HVAC control, electronic security and fire safety, and increases its ability to provide integrated solutions.

Schneider Electric has acquired all shares of Pelco for a total consideration of \$1,540 million, including an enterprise value on a cash-free debt-free basis of \$1,220 million and the net present value of a tax benefit resulting from the step-up of Pelco's assets of \$320 million.

Pelco will be consolidated in Schneider Electric's accounts as of October 16th, 2007.

About Pelco

Pelco is a world leader in the design, development and manufacture of video security systems and supporting equipment. The company is based in Clovis, US-California and has 2,200 employees worldwide. Its key products include Domes, IP Systems, Digital Video Recorders. It recorded sales of \$506 million in 2006, of which 36% outside the US, with an EBITDA of \$46 million and an EBITA of \$30 million. www.pelco.com

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Schneider Electric is the world's power and control specialist. It anticipates and satisfies its customers' requirements in the residential, building, industry and energy and infrastructure markets. With 112,000 employees and operations in 190 countries, Schneider Electric generated sales of €13.7 billion in 2006 through more than 15,000 distributor outlets. www.schneider-electric.com



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