



Press Release

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Schneider Electric Joins Fix Housing First Coalition, Leads Electrical Industry in Support of Housing Recovery Plan

Palatine, Ill. (USA), January 8, 2009 — The Schneider Electric North American Operating Division (NAOD) announced it has joined Fix Housing First, a coalition of advocates in the home building industry dedicated to creating a housing recovery plan that will help revive the U.S. economy. As part of its ongoing commitment to support the housing industry, Schneider Electric is among the first electrical manufacturers to join the coalition to combat the economic recession, which continues to affect millions of Americans.

“To meet the steep challenges posed by the current U.S. housing crisis, businesses must unite and work together toward a sound recovery plan,” said Chris Curtis, president and CEO of NAOD. “Schneider Electric is proud to be a part of one of the largest coalition efforts of housing advocates ever assembled in the United States and we are confident that our leadership position in the electrical industry will greatly benefit the ongoing efforts of Fix Housing First.”

Fix Housing First, which consists of more than 600 organizations, homebuilding companies and manufacturers, continues to add new members on a daily basis and is pressing for a major stimulus package to stem the decline in home values, stabilize financial markets and reignite consumer demand. The coalition is urging U.S. Congress to support enhancements to the existing homebuyer tax credit and provide below-market, 30-year, fixed-rate mortgages for home purchases.

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“If Congress enacts a meaningful tax credit, coupled with an aggressive interest rate buy-down program, we are confident that these measures will help to stabilize home prices, prevent future foreclosures, restore consumer confidence and start creating jobs,” said Jerry Howard, president and CEO of the National Association of Home Builders (NAHB), a housing trade association that is spearheading the efforts of Fix Housing First.

The coalition cites a similar plan that worked in 1975, when the nation was also in the midst of a recession. Congress then passed a short-term \$2,000 tax credit for all new homes (\$12,000 adjusted for today’s median home prices) along with subsidized mortgage rates. The stimulus jump-started the depressed economy, and the effects continued long after the measure expired.

The Fix Housing First coalition is pushing for the following significant enhancements to the current \$7,500 tax credit for first-time homebuyers:

- Eligibility for all homes purchased between April 9, 2008, and Dec. 31, 2009.
- The credit amount would be increased to 10 percent of the price of the home, capped at 3.5 percent of Federal Housing Administration loan limits, bringing the credit to a range of roughly \$10,000 to \$22,000.
- Eliminating the current recapture provision and requiring repayment only if the home was sold within three years.
- Making the credit available at the time of closing, thus encouraging homebuyers to use the credit as a down payment on a mortgage.

The coalition also has recently announced its support for continuing foreclosure prevention measures to keep Americans in their homes. Schneider Electric supports such efforts to improve the overall economy and believes enacting a comprehensive plan to address the continued decline in home prices marks the first step towards achieving economic progress.

For more information about Fix Housing First, visit www.fixhousingfirst.com.

About Schneider Electric

As a global specialist in energy management with operations in more than 100 countries, Schneider Electric offers integrated solutions across multiple market segments, including leadership positions in energy and infrastructure, industrial processes, building automation, and data centers/networks, as well as a broad presence in residential applications. Focused on making energy safe, reliable, and efficient, the company’s 120,000 employees achieved sales of more than \$23.7 billion in 2007, through an active commitment to help individuals and organizations “Make the most of their energy”.

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This release is submitted for consideration in both print and Web publications.