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PRESS RELEASE

Limoges, July 31, 2024

2024 first-half results

Good resilience in the first half, including sales growth in the second quarter and very firm margins

H1 sales trends: -2.0%, i.e. -0.7% excluding exchange rates and Russia
Adjusted operating margin: 20.7%
Net profit attributable to the Group:13.7% of sales

5 acquisitions announced since the beginning of the year, including 3 in datacenters

More than €200 million additional revenue on an annual basis

Strong product innovation momentum

2024 full-year targets unchanged

Benoît Coquart, Legrand's Chief Executive Officer, commented:

"Our first-half results for 2024 show a limited retreat in sales and very firm margins and free cash flow.

In the second quarter alone, a moderate rebound in sales (+1.5% organic growth) stemmed notably from datacenter business, while the building market remained depressed. Margins and free cash flow hold steady at very good levels.

This performance highlights once again the relevance of our business model, and we stand by the annual targets announced in early February.

We are continuing to roll out our strategy, as illustrated by the very strong pace of external growth since the beginning of the year, with five acquisitions including three in the datacenter segment. This momentum will continue in the quarters to come. We are innovating relentlessly, with launches of a large number of new products including the new Céliane iconic range of wiring devices in France."

2024 full-year targets unchanged[1]

In 2024, the Group is pursuing the profitable and responsible development laid out in its strategic roadmap.

Taking into account the world's current macroeconomic outlook, with confidence in its model for creating integrated value, Legrand has set the following full-year targets for 2024:

- low single-digit sales growth (organic and through acquisitions[2]);
- an adjusted operating margin before acquisitions between 20.0% and 20.8%;
- at least 100% CSR achievement rate for the third year of the 2022-2024 roadmap.

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[1] For more information, see Legrand press releases dated February 15 and May 3, 2024
[2] Excluding exchange-rate effect and impacts linked to the Group's disengagement from Russia

Financial performance at June 30, 2024

Key figures

Consolidated data (€ millions)[1]	1st half 2023	1st half 2024	Change
Sales	4,294.8	4,210.3	-2.0%
Adjusted operating profit	954.7	873.1	-8.5%
As % of sales	*22.2%*	*20.7%*	
		20.8% before acquisitions [2]	
Operating profit	892.3	811.5	-9.1%
As % of sales	*20.8%*	*19.3%*	
Net profit attributable to the Group	650.9	577.6	-11.3%
As % of sales	*15.2%*	*13.7%*	
Normalized free cash flow	766.9	734.6	-4.2%
As % of sales	*17.9%*	*17.4%*	
Free cash flow	813.8	468.1	-42.5 %
As % of sales	*18.9%*	*11.1%*	
Net financial debt at June 30	2,415.5	3,429.9	+42.0%

(1) See appendices to this press release for definitions and indicator reconciliation tables
(2) At 2023 scope of consolidation

Consolidated sales

In the first half of 2024, sales were down a total of -2.0% from the same period of 2023, reaching €4,210.3 million.

In a building market which remains depressed in many geographies, the organic decline in sales was -2.0% over the period, including -0.9% in mature countries and -5.1% in new economies.

The impact of broader scope of consolidation was +0.4%, including +1.3% linked to acquisitions and -0.9% to the impact of the Group’s disengagement from Russia. Based on acquisitions made and their likely dates of consolidation, their overall impact should be close to +2% full year, of which nearly +2.5% linked to acquisitions and -0.6% to the impact of disengagement from Russia as of October 4, 2023.

The exchange-rate effect on sales in the first half of 2024 was -0.4%. Based on average exchange rates in June 2024 alone, the full-year effect should be close to -0.5% in 2024.

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

	1st half 2024 / 1st half 2023	2nd quarter 2024 / 2nd quarter 2023
Europe	-3.2%	-1.5%
North and Central America	+0.0%	+5.8%
Rest of the world	-3.1%	-0.7%
Total	**-2.0%**	**+1.5%**

These changes are analyzed below by geographical region:

- **Europe** (41.5% of Group revenue): in a persistently tough building market in most countries, sales at constant scope of consolidation and exchange rates fell -3.2% in the first half of 2024.

In Europe’s mature countries (36.3% of Group revenue), sales decreased organically by -3.1% in the first half of 2024, including -0.9% in the second quarter alone, with robust resilience in the first six months notably in Italy, the United Kingdom, Spain and Scandinavia.

Sales in Europe’s new economies declined by -3.8% in the first half. In the second quarter alone, sales decreased -5.5%, including a marked decline in Central Europe.

- **North and Central America** (38.9% of Group revenue): sales were stable from the first half of 2023 at constant scope of consolidation and exchange rates.

In the United States alone (35.6% of Group revenue), sales rose +1.0% in the first six months of the year, including a steep +7.9% rise in the second quarter alone. This solid performance in the second quarter was driven by marked growth in the datacenter segment and an increase in non-residential applications.

Over the first half, sales declined in Canada and Mexico.

- **Rest of the world** (19.6% of Group revenue): sales marked an organic decline of -3.1% in the first half of 2024.

In Asia-Pacific (12.2% of Group revenue), sales declined by -4.1% in the first half of the year and by -2.6% in the second quarter alone. This downward momentum reflects growth in India offset by a strong decline in China where building markets are in a sharp slump.

In Africa and the Middle East (3.4% of Group revenue), sales were down -5.3% in the first six months of the year and -4.2% in the second quarter. Over six months, sales trends were sustained in the Middle East and showed a double-digit decline in Africa.

In South America (4.0% of Group revenue), sales were up +1.9 % in the first half, with marked growth in Brazil, and advanced a strong +9.8% in the second quarter alone.

Adjusted operating profit and margin

Adjusted operating profit for the first half of 2024 stood at €873.1 million, down -8.5% from the first half of 2023. This corresponds to an adjusted operating margin equal to 20.7% of sales for the period.

Before acquisitions, adjusted operating margin for the first half of 2024 stood at 20.8% of sales, down -1.4 points from the first half of 2023.

Over this period, Group profitability confirmed the ability of Legrand to hold margins high despite a decrease in sales.

Value creation and solid balance sheet

Net profit attributable to the Group came to €577.6 million, down -11.3% from the first half of 2023 and equal to 13.7% of sales. This trend was due primarily to a decline in operating profit, the negative impact of financial results and exchange-rate effects, and a corporate income tax rate of 27.0% for the first half of 2024.

Free cash flow came to 11.1% of sales over the period, to total €468.1 million.

The ratio of net debt to EBITDA[1] stood at 1.8 on June 30, 2024, a level that reflects the pace of acquisitions since the beginning of the year, as well as a solid free cash flow generation, and is fully consistent with the Group's credit rating.

Following a €600 million bond issue in June 2024, Legrand Group's cash position stood at €2.1 billion on June 30, 2024, and the maturity of gross debt — with close to 90% in fixed-rate instruments — was 4.8 years.

Accelerating acquisitions strategy

In the first half of 2024, Legrand continued and accelerated its bolt-on external growth strategy through 5 operations, bringing acquired sales on an annual basis to more than €200 million:

- in the buoyant datacenters segment, the acquisition of **Netrack** (Indian specialist in racks), **Davenham** (Irish specialist in low-voltage power distribution systems) and **Vass** (Australian leader in busbars);
- in the assisted living segment, **Enovation,** the Dutch leader in connected health software;
- lastly, in the cable management segment, New Zealand specialist **MSS**.

Legrand intends to continue to strengthen its positions with targeted, complementary acquisitions in the coming quarters.

Strong product innovation momentum

As announced at the beginning of the year, the launch of numerous new products during the first half demonstrates the Group's continued robust capacity for innovation, with, for example:

- **Core infrastructure products** including new wiring device ranges: Céliane (in France), Ultra Thin and Eco Full Rocker (in China), Seano (in Germany and Austria), the extension of lighting solutions ranges Seem 1 and Rev families extension as well as Seem Sweep 2 and TruTile (in the USA), and the increased proportion of recycled material in tri-layer conduits Standard and Octogliss ranges (in France);

- **In faster expanding segments**, Linkeo DC and NX1 PDUs (datacenters, energy efficiency and connected products), DPX3 et DMX3 connected power breakers, KNX Mallia Senses lighting and temperature touch screens control panels (energy efficiency and connected products), Cable Bus cable management solutions, and M70 critical power monitors (datacenters and connected products), new LCS3 accIAIM and OM5 fibre digital infrastructure solutions and Cablobend cable management offer (datacenters), Green'Up metering cabinets for electric vehicle infrastructure (energy efficiency), renewal of the NMR dynamization IOT connected wiring range in China, and 4-Wires Kit new video door entry system range for India (connected products).

[1] Based on EBITDA for the past 12 months

The consolidated financial statements for the first half of 2024 were subject to a limited review by the Group's auditors and were adopted by the Board of Directors at its meeting on July 30, 2024. These consolidated financial statements, a presentation of 2024 first-half results, and the related teleconference (live and replay) are available at www.legrandgroup.com.

KEY FINANCIAL DATES

- 2024 Capital Markets Day : **September 24, 2024** – London (UK)
- 2024 nine-month results : **November 7, 2024**
  "Quiet period[1]" starts : October 8, 2024
- 2024 annual results : **February 13, 2025**
  "Quiet period[1]" starts : January 14, 2025
- General Meeting of Shareholders : **May 27, 2025**

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.

The Group harnesses technological and societal trends with lasting impacts on buildings with the purpose of improving life by transforming the spaces where people live, work and meet with electrical, digital infrastructures and connected solutions that are simple, innovative and sustainable.

Drawing on an approach that involves all teams and stakeholders, Legrand is pursuing its strategy of profitable and responsible growth driven by acquisitions and innovation, with a steady flow of new offerings—including products with enhanced value in use (faster expanding segments: datacenters, connected offerings and energy efficiency programs).

Legrand reported sales of €8.4 billion in 2023. The company is listed on Euronext Paris and is notably a component stock of the CAC 40, CAC 40 ESG and CAC SBT 1.5 indexes. (code ISIN FR0010307819).
https://www.legrandgroup.com

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[1] Period of time when all communication is suspended in the run-up to publication of results

Appendices

Glossary

Adjusted operating profit: Adjusted operating profit is defined as operating profit adjusted for: i/ amortization and depreciation of revaluation of assets at the time of acquisitions and for other P&L impacts relating to acquisitions, ii/ impacts related to disengagement from Russia (impairment of assets and effective disposal) and, iii/ where applicable, impairment of goodwill.

Busways: electric power distribution systems based on metal busbars.

Cash flow from operations: Cash flow from operations is defined as net cash from operating activities excluding changes in working capital requirement.

CSR: Corporate Social Responsibility.

EBITDA: EBITDA is defined as operating profit plus depreciation and impairment of tangible and right of use assets, amortization and impairment of intangible assets (including capitalized development costs), reversal of inventory step-up and impairment of goodwill.

ESG: Environmental, Societal and Governance.

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.

KVM: Keyboard, Video and Mouse.

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.

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.

Payout: Payout is defined as the ratio between the proposed dividend per share for a given year, divided by the net profit attributable to the Group 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.

PDU: Power Distribution Units.

UPS: Uninterruptible Power Supply.

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.

Calculation of working capital requirement

In € millions	H1 2023	H1 2024
Trade receivables	1,074.1	1,160.0
Inventories	1,331.3	1,332.2
Other current assets	310.3	322.4
Income tax receivables	142.7	226.6
Short-term deferred taxes assets/(liabilities)	103.0	109.9
Trade payables	(944.8)	(967.2)
Other current liabilities	(840.9)	(897.4)
Income tax payables	(68.0)	(118.4)
Short-term provisions	(147.0)	(173.3)
Working capital required	**960.7**	**994.8**

Calculation of net financial debt

In € millions	H1 2023	H1 2024
Short-term borrowings	639.0	929.7
Long-term borrowings	4,630.9	4,622.1
Cash and cash equivalents	(2,854.4)	(2,121.9)
Net financial debt	**2,415.5**	**3,429.9**

Reconciliation of adjusted operating profit with profit for the period

In € millions	H1 2023	H1 2024
Profit for the period	**651.0**	**577.7**
Share of profits (losses) of equity-accounted entities	0.0	0.0
Income tax expense	229.2	213.4
Exchange (gains) / losses	3.2	8.7
Financial income	(31.9)	(60.1)
Financial expense	40.8	71.8
Operating profit	**892.3**	**811.5**
i) Amortization & depreciation of revaluation of assets at the time of acquisitions, other P&L impacts relating to acquisitions and ii) impacts related to disengagement from Russia (impairment of assets and effective disposal)	62.4	61.6
Impairment of goodwill	0.0	0.0
Adjusted operating profit	**954.7**	**873.1**

Reconciliation of EBITDA with profit for the period

In € millions	H1 2023	H1 2024
Profit for the period	**651.0**	**577.7**
Share of profits (losses) of equity-accounted entities	0.0	0.0
Income tax expense	229.2	213.4
Exchange (gains) / losses	3.2	8.7
Financial income	(31.9)	(60.1)
Financial expense	40.8	71.8
Operating profit	**892.3**	**811.5**
Depreciation and impairment of tangible assets (including right-of-use assets)	98.8	109.0
Amortization and impairment of intangible assets (including capitalized development costs)	75.0	67.8
Impairment of goodwill	0.0	0.0
EBITDA	**1,066.1**	**988.3**

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

In € millions	H1 2023	H1 2024
Profit for the period	**651.0**	**577.7**
Adjustments for non-cash movements in assets and liabilities:		
Depreciation, amortization and impairment	175.5	179.2
Changes in other non-current assets and liabilities and long-term deferred Taxes	26.2	38.8
Unrealized exchange (gains)/losses	9.4	0.3
(Gains)/losses on sales of assets, net	1.1	2.7
Other adjustments	0.1	5.7
Cash flow from operations	**863.3**	**804.4**
Decrease (Increase) in working capital requirement	29.4	(258.1)
Net cash provided from operating activities	**892.7**	**546.3**
Capital expenditure (including capitalized development costs)	(79.6)	(78.6)
Net proceeds from sales of fixed and financial assets	0.7	0.4
Free cash flow	**813.8**	**468.1**
Increase (Decrease) in working capital requirement	(29.4)	258.1
(Increase) Decrease in normalized working capital requirement	(17.5)	8.4
Normalized free cash flow	**766.9**	**734.6**

Scope of consolidation

2023	Q1	H1	9M	Full-year
Full consolidation method				
Geiger	3 months	6 months	9 months	12 months
Emos	3 months	6 months	9 months	12 months
Usystems	3 months	6 months	9 months	12 months
Voltadis	Balance sheet only	6 months	9 months	12 months
A. & H. Meyer	Balance sheet only	6 months	9 months	12 months
Power Control	Balance sheet only	Balance sheet only	9 months	12 months
Encelium	Balance sheet only	6 months	9 months	12 months
Clamper	Balance sheet only	Balance sheet only	Balance sheet only	11 months
Teknica			Balance sheet only	4 months
MSS				Balance sheet only

2024	Q1	H1	9M	Full-year
Full consolidation method				
Voltadis	3 months	6 months	9 months	12 months
A. & H. Meyer	3 months	6 months	9 months	12 months
Power Control	3 months	6 months	9 months	12 months
Encelium	3 months	6 months	9 months	12 months
Clamper	3 months	6 months	9 months	12 months
Teknica	3 months	6 months	9 months	12 months
MSS	Balance sheet only	6 months	9 months	12 months
ZPE Systems	Balance sheet only	Balance sheet only	To be determined	To be determined
Enovation		Balance sheet only	To be determined	To be determined
Netrack		Balance sheet only	To be determined	To be determined
Davenham		Balance sheet only	To be determined	To be determined
Vass		Balance sheet only	To be determined	To be determined

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 most recent version of Legrand Universal 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.legrandgroup.com).

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