

NOTICE OF MEETING

Combined Ordinary and Extraordinary Annual Meeting

Of April 21th 2008

To be held at 3:00 p.m. at

Salle Léonard de Vinci

92800 CNIT PARIS-LA DEFENSE

Toll-free number for investors in France:

0800 20 55 14

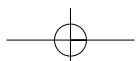
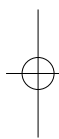
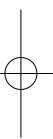
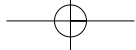
www.schneider-electric.com

SCHNEIDER ELECTRIC SA

Incorporated in France with limited liability and issued capital of 1,962,394,928 Euros

Registered Office: **43-45, boulevard Franklin Roosevelt, 92500 RUEIL-MALMAISON**

Registered in Nanterre 542 048 574



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Nota : the request for the admission card can be found in the attached form.

The shareholders of Schneider Electric SA are hereby called to meeting on **April 21, 2008**. The Combined Annual and Extraordinary Meeting will be held **at 3:00 p.m.** at:

**Salle Léonard de Vinci
92800 CNIT PARIS-LA DEFENSE**

to consider the items below. The draft resolutions to be tabled at the meeting are provided on pages 22-30.

Agenda

Reports and resolutions to be presented in Annual Meeting

- Reports of the Management Board, the Supervisory Board and the Statutory Auditors on the financial statements for the year ended December 31, 2007
- Approval of the 2007 parent company financial statements
- Approval of the 2007 consolidated financial statements
- Appropriation of profit, deduction from the share premium account and dividend payment
- Approval of the report on regulated agreements signed in a previous year
- Approval of a regulated agreement concerning compensation payable to Jean-Pascal Tricoire in the event of termination
- Election of Léo Apotheke as a member of the Supervisory Board
- Re-election of Jérôme Gallot, Willy Kissling and Piero Sierra (for one year) as members of the Supervisory Board
- Ratification of G. Richard Thoman's appointment as a member of the Supervisory Board
- Election to the Supervisory Board of a representative of employee shareholders, in accordance with article 11-c of the bylaws
- Authorization to be granted to the Management Board to trade in the Company's shares

Resolutions to be presented in Extraordinary Meeting

- Amendment of the bylaws concerning attendance and voting procedures at shareholders' meetings
- Authorization to cancel shares purchased under the shareholder-approved buyback program, within the limit of 10% of the capital
- Authorization to be granted to the Management Board to issue shares to employees who are members of an employee stock purchase plan
- Authorization to be granted to the Management Board to issue shares to entities set up to hold shares on behalf of employees
- Powers

WHO MAY ATTEND

All shareholders, no matter how many shares they hold, have the right to take part in the assembly in person, be represented by a third party or vote by mail, after providing evidence of their status as shareholder. However, to be allowed to take part in the assembly, to vote by mail or be represented:

- a) Shareholders owning registered shares must be registered in the “pure” or “administered” accounts by midnight, Paris time on the third working day before the assembly, i.e. April 16th 2008.
- b) Shareholders owning bearer shares must be registered by midnight, Paris time, on the third working day before the assembly, i.e. April 16th 2008. Book entry or registration of shares in bearer share accounts held by the authorised intermediary will be confirmed by a participation certificate issued by the latter, appended to the distance or proxy voting form or to the request for an entry pass drawn up in the name of the shareholder. A certificate may also be issued to any shareholder wishing to take part in the assembly in person and who has not received his or her entry pass by midnight, Paris time on the third working day before the assembly.

Shareholders may obtain the single form referred to above on request by mail to their financial intermediary or to the SOCIETE GENERALE, Service des Assemblées, 32 rue du Champ de Tir, BP 81236, 44312 NANTES Cedex 3 to be received by the bank at least six days before the date of the assembly.

PROCEDURES

You wish to attend the meeting

If you wish to attend and vote at the meeting, you must apply for an admission card* by checking box A on the enclosed form, dating and signing it in the space provided at the bottom.

As in previous years, voting will be done electronically. You are asked to:

1. Present your admission card and sign the attendance sheet at the registration desk starting at 2:15 p.m.
2. Enter the meeting room only with the electronic voting terminal provided upon signing the attendance sheet.
3. Carefully follow all the instructions for using the terminal given during the meeting.

No voting terminals will be handed out after 2:50 p.m.

You are unable to attend the meeting

Please fill out the enclosed form and select one of the following options:

1. **Vote by mail.**
2. **Appoint your spouse or another shareholder (person or legal entity) as your proxy.**
3. **Give the chairman of the meeting power to vote on your behalf.**

The Management board

*Note: *If you do not receive your admission card in time for the meeting, you may still attend if you can show that your shares are registered or, in the case of bearer shares, blocked until the date of the meeting. You should check in at the registration desk starting at 2:15 p.m.*

HOW TO TAKE PART IN THE MEETING ?

• To attend the meeting:
Tick box A, date and sign

• To vote by mail or by proxy (B)

• To vote by mail:
Tick the box, in the boxes containing the numbers of the resolutions, if any, which you disagree, and then date and sign*

• To appoint the Chairman of the meeting as your proxy:
Date and sign*

• To appoint your spouse or another individual or corporate shareholder as your proxy:
Tick the box, indicate the surname of your proxy, date and sign*

• Double voting right for those shareholders with registered shares held for at least two years

Single voting right

* If the shares are jointly owned, all the joint owners must sign the form.

Whatever choice you have made, please return the form, filled out and signed at the bottom of the form, using the special envelope enclosed as soon as possible. Please note that postage is prepaid ("Libre reponse") in France only: if you are posting the form outside France, you must pay postage. The form should be sent as follows:

• if you hold registered shares:
Société Générale
Service des Assemblées
BP 81236
32, rue du Champ-de-Tir
44132 Nantes Cedex 3

• if you hold bearer shares:
to your authorized share account manager

Corporate Governance

Supervisory Board (as of December 31, 2007)

Chairman of the Supervisory Board

Henri LACHMANN

Age : 69

Business address: Schneider Electric, 43-45 boulevard Franklin Roosevelt - 92500 Rueil-Malmaison, France

15,159 Schneider Electric SA shares (1)

First elected: 1996 / Term ends: 2010

Other directorships and functions in French or foreign companies

- Currently: Chairman of the Supervisory Board of **Schneider Electric SA**; Member of the Supervisory Boards of **Vivendi**, **AXA** and **Norbert Dentressangle**; Director of various AXA subsidiaries; Non-voting director of **Fimalac** and **Tajan**; Chairman of the Board of Directors of Centre Chirurgical Marie Lannelongue; Chairman of Fondation pour le Droit Continental; Member of Conseil des Prélèvements Obligatoires; Member of the Steering Committee of Institut de l'Entreprise; Director of Association Nationale des Sociétés par Actions, Chairman of Fondation Télémaque, Vice-Chairman and Treasurer of Institut Montaigne.
- Previous directorships and functions held in the past five years: Chairman and Chief Executive Officer of **Schneider Electric SA**; Chairman of **Schneider Electric Industries SAS**.; Director of a number of Schneider Electric Group subsidiaries, **Vivendi Universal**, **Etablissements de Dietrich & Cie**, **Finaxa**, Fimalac Investissements; Member of the International Committee of **Daimler Benz**.

Expertise and experience

A graduate of Hautes Etudes Commerciales (HEC), Henri Lachmann began his career in 1963 with Arthur Andersen. In 1970, he joined Compagnie Industrielle et Financière de Pompey. In 1971 he became Chief Executive Officer of Financière Strafor (later Strafor Facom), where from 1981 to 1997 he served as Chairman and Chief Executive Officer. He was elected to the Schneider Electric SA Board of Directors in 1996 and was appointed Chairman on February 25, 1999. On May 3, 2006, he became Chairman of the Supervisory Board of Schneider Electric SA.

Vice Chairman of the Supervisory Board

Serge WEINBERG*

Age: 57

Business address: Weinberg Capital Partners, 40 rue de la Boétie - 75008 Paris, France

500 Schneider Electric SA shares

First elected: 2005 / Term ends: 2010

Other directorships and functions in French or foreign companies

- Currently: Vice Chairman of the Supervisory Board of **Schneider Electric SA**; Chairman of the Board of Directors of **Accor**; Chairman and Chief Executive Officer of Weinberg Capital Partners; Vice Chairman and Director of Financières SASA; Member of the Supervisory Board of Gucci Group; Director of FNAC, RASEC (since February 2006), Team Partners Group (since November 20, 2006), Alliance Industrie (since October 5,

Note: boldface type indicates companies whose shares trade on a regulated market

(1): held directly or through a corporate mutual fund

2006), Financière Poinsetia (since September 11, 2006), VL Holding and SASA Industrie; General Manager of Adoval, Maremma and Serole.

- Previous directorships and functions held in the past five years: Chairman of the Management Board of **Pinault-Printemps-Redoute**; Chairman of the Supervisory Boards of France Printemps, Conforama Holding, Guilbert SA and Redcats; Member of the Supervisory Boards of Yves Saint-Laurent Parfum, Boucheron Holding and PPR Interactive (PPR's permanent representative); Director of **Schneider Electric SA**, **Rexel** and PPR Asia; Tennessee's permanent representative on the Board of Directors of **Bouygues**; General Manager of Serole.

Expertise and experience

After graduating from Ecole Nationale d'Administration, Serge Weinberg held several positions in the civil service and ministerial offices. He then served as Chief Operating Officer of French television channel FR3, Chief Executive Officer and then Chairman of the Management Board of Havas Tourisme, and Managing Director of Banque Pallas Finance. In 1990, Serge Weinberg joined what would become Pinault-Printemps-Redoute (PPR) when he became Chief Executive of CFAO. Within PPR, he served as Chairman of Rexel (formerly CDME), an electrical equipment distributor. In 1995, he was appointed Chairman of the PPR Management Board, a position he held until early 2005. In March 2005 he founded Weinberg Capital Partners, a company that manages an investment fund specialized in leveraged buyouts. In 2006, he was appointed Chairman of the Board of Directors of Accor.

Members of the Supervisory Board

Alain BURQ

Age: 54

Business address: Schneider Electric Industries SAS, 89 bd Franklin Roosevelt - 92500 Rueil-Malmaison, France

1,738 Schneider Electric SA shares (1)

First elected: 2000 / Term ends: 2008

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Boards of **Schneider Electric SA** and the "Schneider Actionnariat" corporate mutual fund; responsible for special projects at Schneider Electric's Finance Department.
- Previous directorships and functions held in the past five years: Director of **Schneider Electric SA** and President of Ordosoftware, a Schneider Electric subsidiary.

Expertise and experience

A graduate of Ecole Supérieure de Commerce de Paris, Alain Burq also has an MBA from the Wharton School of the University of Pennsylvania. After initial experience in the energy industry, with Total in Germany and GDF in Iran, Mr. Burq joined Schneider Electric subsidiary Spie Batignolles in 1982, where he held various positions until 1998, when he moved to Schneider Electric. He is currently in charge of managing the parent company's assets and liabilities within the Finance Department.

*Note: boldface type indicates companies whose shares trade on a regulated market
(1): held directly or through a corporate mutual fund*

G rard de La MARTINI RE*

Age: 64

Business address: F d ration Fran aise des Assurances, 26 boulevard Haussmann - 75008 Paris, France

3,176 Schneider Electric SA shares

First elected: 1998 / Term ends: 2010

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Board of **Schneider Electric SA**; Chairman of F d ration Fran aise des Soci t s d'Assurances (F.F.S.A.) and of the European Insurance Committee (CEA); Director of **Air Liquide** and of Banque d'Orsay.
- Previous directorships and functions held in the past five years: Member of the Management Board of **AXA**; Director and Chief Executive Officer of **Finaxa**; Director of **Cr dit Lyonnais**; Director of various AXA subsidiaries, including Compagnie Financiere de Paris and Ateliers de Construction du Nord de la France (ANF); Chairman of the Board of Directors of LCH Clearent Group Ltd., London; Member of the Supervisory Boards of **Air Liquide** and European Financial Reporting Advisory Group (EFRAG).

Expertise and experience

A graduate of Ecole Polytechnique and Ecole Nationale d'Administration, G rard de La Martini re held several positions in the French Finance Ministry before serving as Secretary General of Commission des Op rations de Bourse and General Manager of Soci t  des Bourses Fran aises. In 1989, he joined AXA, where he was appointed Executive Vice-President, Holding Companies and Corporate Functions in 1993, member of the Management Board in 1997 and Executive Vice-President, Finance, Budget Control and Strategy in 2000. He left AXA in 2003 to become Chairman of F d ration Fran aise des Soci t s d'Assurances (F.F.S.A.).

Ren  Barbier de La SERRE*

Age: 67

Business address: Compagnie Financiere Edmond de Rotchschild, 47 rue Faubourg Saint-Honor  - 75008 Paris, France

2,000 Schneider Electric SA shares

First elected: 2002 / Term ends: 2008

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Board of **Schneider Electric SA**; Director of **Nord-Est, Sanofi-Aventis, Pinault-Printemps-Redoute** and Harwanne Compagnie de Participations Industrielles et Financieres S.A. (Geneva); Member of the Supervisory Boards of Compagnie Financiere Saint-Honor , La Compagnie Financiere Edmond de Rothschild Banque and Euronext NV (Amsterdam); Non-voting director of **Fimalac**; Chairman of the consultative committee on governance at Caisse des D p ts et Consignations.
- Previous directorships and functions held in the past five years: Chairman of the Supervisory Board of Edmond de Rothschild Private Equity Partners; Chairman of the Board of Directors of Tawa UK Ltd (London); Member of the Supervisory Board of **Pinault Printemps Redoute**; Director of **Schneider Electric SA**, Calyon, and **Cr dit Lyonnais**; Non-voting director of **Nord-Est**; Compagnie Financiere Saint-Honor 's permanent representative on the Supervisory Board of Compagnie Financiere Edmond de Rothschild Banque.

Note: boldface type indicates companies whose shares trade on a regulated market

Expertise and experience

After graduating from Ecole Polytechnique and Institut d'Etudes Politiques de Paris, René Barbier de La Serre joined Banque de l'Union Européenne in 1963, later becoming Deputy Director. In 1973, he moved to Crédit Commercial de France (CCF), where he was appointed Managing Director in 1987 and Vice Chairman and Chief Executive Officer in 1993. He left CCF in 1999. From 1988 to 1998, René Barbier de La Serre was a member of Conseil des Marchés Financiers (formerly Conseil des Bourses de Valeurs), serving as Chairman from 1994 to 1998. In this capacity, he was a member of the Collège de la Commission des Opérations de Bourse.

Noël FORGEARD*

 Age: 61

 Business address: 85 avenue Wagram - 75017 Paris, France

 250 Schneider Electric SA shares

 First elected: 2005 / Term ends: 2010

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Board of **Schneider Electric SA**; Director of Ecole Polytechnique; Member of the Committee of France Galop.
- Previous directorships and functions held in the past five years: Chairman and Chief Executive Officer of Airbus SAS; Chairman of the Board of Directors of Airbus France; Chairman or Director of various Airbus subsidiaries; Director of **EADS (Netherlands)**, **Schneider Electric SA**, **Arcelor** and IMS S.A.; Chief Executive Officer of EADS.

Expertise and experience

A graduate of Ecole Polytechnique and Ecole des Mines, Noël Forgeard began his career in the French civil service before joining Usinor subsidiary Compagnie Française des Aciers Spéciaux. In 1986, he served as an advisor on industrial issues in Prime Minister Jacques Chirac's office. In 1987, he joined Lagardère, where he headed Matra's defense and space divisions. Five years later, he became Chairman and Chief Executive Officer of Matra Haute Technologie and joint Chief Executive Officer of the Lagardère Group. In 1998, he was appointed Director and General manager of GIE Airbus-Industrie, and in 2000, CEO of Airbus S.A.S. From July 1, 2005 to July 1, 2006 he was co-Executive Chairman of EADS.

Jérôme GALLOT*

 Age: 48

 Business address: CDC Entreprises, 33 avenue du Maine - BP 174 - 75755 Paris Cedex 15, France

 250 Schneider Electric SA shares

 First elected: 2005 / Term ends: 2008

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Boards of **Schneider Electric SA** and **NRJ Group**; Chairman of CDC Entreprises; Director of **Nexans**, **ICADE**, Caixa Seguros, **Plastic Omnium** and Caisse Nationale de Prévoyance (**CNP Assurances**); Non-voting director of OSEO.
- Previous directorships and functions held in the past five years: Senior Executive Vice President, Caisse des Dépôts et Consignations; Director of **Schneider Electric SA**, Crédit Foncier de France, Galaxy Fund and Galaxy Management Services; Chairman of Sicav Austral; Member of the Supervisory Board of Compagnie Nationale de Rhône (CNR).

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Expertise and experience

Jérôme Gallot is a graduate of Institut d'Etudes Politiques de Paris and Ecole Nationale d'Administration. After three years with the Cour des Comptes, he served as an advisor to the Secretary General of the interministerial committee for European economic cooperation, from 1989 to 1992, and then moved the Budget department. He was then Chief of Staff in a number of French ministries, from 1993 to 1997. In 1997, he was appointed Director of the Competition, Consumer Affairs and Anti-Fraud Division of the Ministry of the Economy and Finance. He left this position in 2003 to become Senior Executive Vice President at Caisse des Dépôts et Consignations. He was appointed Chairman of CDC Entreprises in September 2006.

Willy R. KISSLING*

 Age: 63

 Business address: Poststrasse no. 4 - BP - 8808 Pfaeffikon, Switzerland

 724 Schneider Electric SA shares

 First elected: 2001 / Term ends: 2008

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Board of **Schneider Electric SA**; Director of **Holcim Ltd** (cement) and **Kühne + Nagel International AG** (logistics); Chairman of the Board of Directors of Grand Hotels Bad Ragaz AG; Member of the European Advisory board of Booz Allen Hamilton.
- Previous directorships and functions held in the past five years: Director of **Schneider Electric SA**; Chairman of the Board of Directors and Chairman and CEO of **Unaxis Corporation** (renamed **OC Oerlikon Corp.**); Vice Chairman and later Chairman of **Forbo Holding AG** and **SIG Holding Ltd**.

Expertise and experience

Willy Kissling, a Swiss citizen, holds diplomas from the University of Bern and Harvard University. He began his career at Amiantus Corporation and then joined Rigips, a plasterboard manufacturer, in 1978. He was appointed to the Rigips Executive Committee in 1981 and subsequently became Chairman. From 1987 to 1996, Mr. Kissling served as Chairman and Chief Executive Officer of Landis & Gyr Corporation, a provider of services, systems and equipment for building technology, electrical contracting and pay phones. From 1998 to 2005, he was Chairman of Unaxis Corporation (since renamed OC Oerlikon Corp.), also serving as Chairman and Chief Executive Officer from 1998 to 2002.

Cathy KOPP*

 Age: 58

 Business address: ACCOR, 33 avenue du Maine - 75015 Paris, France

 250 Schneider Electric SA shares

 First elected: 2005 / Term ends: 2010

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Board of **Schneider Electric SA**; Director of **Dexia** (as from February 2008); Executive Vice President, Human Resources and Sustainable Development, **Accor**; Member of the Board of Ecole Normale Supérieure (Paris); Member of the Board of Fondation SNCF.
- Previous directorships and functions held in the past five years: Non-voting Director of **Schneider Electric SA**; Vice-President, Corporate Human Resources and member of the Executive Committee of **LVMH**.

Note: boldface type indicates companies whose shares trade on a regulated market

Expertise and experience

After earning a degree in mathematics, Cathy Kopp joined IBM France in 1973. In 1992, she became Human Resources Director at IBM France. In 1996, she was appointed Vice-President Human Resources at IBM Corp.'s Storage Systems Division. In 2000, Cathy Kopp became Chairman and CEO of IBM France. She joined Accor in 2002 as Human Resources General Manager. She is a member of the board of Haute Autorité de Lutte contre les Discriminations (Halde), France's equal opportunities commission, and Chairman of the employee relations commission of the Service Industry Group of the French employers' federation (Medef). She led the Medef's inter-industry negotiations on diversity in 2006 and on modernizing the labor market in 2007.

James ROSS*

 Age: 69

 Business address: Flat 4 - 55, Onslow Square - London SW7 3LR England

 300 Schneider Electric SA shares

 First elected: 1997 / Term ends: 2010

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Board of **Schneider Electric SA**; Director of **McGraw-Hill Inc.**, Datacard Inc., and **Prudential plc**; Chairman of Leadership Foundation for Higher Education; Chairman of Liverpool School of Tropical Medicine.
- Previous directorships and functions held in the past five years: Director of **Schneider Electric SA** and of Datacard Inc.; Chairman of Littlewoods plc; Chairman of **National Grid**; Vice-Chairman of National Grid Transco.

Expertise and experience

James Ross, a British subject, is a graduate of Oxford University. In 1959 he joined BP, where he held several positions before becoming a Managing Director in 1991. He was appointed Managing Director of Cable & Wireless plc in 1992, Chairman of Littlewoods plc in 1996 and Chairman of National Grid plc in 1999.

G. Richard THOMAN *

 Age: 63

 Business address: Corporate Perspectives, LLC, 126 East 56th Street, 9th Floor - New York NY 10022 (USA)

 250 Schneider Electric SA shares

 First elected: 2007 / Term ends: 2008

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Board of **Schneider Electric SA**; Managing Partner of Corporate Perspectives (consulting); Member of the Board of Advisors of INSEAD, the French American Foundation, the Americas Society, the Council of the Americas, McGill University School of Management and the Fletcher School; Member of the Trilateral Commission.
- Previous directorships and functions held in the past five years: Member of the Supervisory Board of Daimler-Chrysler; Member of the Board of Directors of Union Bancaire Privée (Geneva); Senior Advisor of Evercore Patners; Member of the Advisory Board of Deutsche Bank Capital Partners.

Note: boldface type indicates companies whose shares trade on a regulated market

Expertise and experience

G. Richard Thoman has a unique background as one of the top five CEOs of four Fortune 75 companies in three different industries: financial services, food and beverages and technology.

Mr. Thoman began his career at Citibank after receiving his BA from McGill University in Montreal and MA, MALD and PhD from Fletcher School of Law and Diplomacy. After working with Exxon Finance and McKinsey, he became Chairman and co-CEO of American Express Travel Related Services. In 1992, he was appointed President and CEO of Nabisco International. In 1993, he joined IBM as Senior Vice President, Personal Systems Group, later becoming CFO. He served as President and CEO of Xerox from April 1999 to May 2000. Mr. Thoman is currently Managing Partner of Corporate Perspectives and on the faculty of several US universities and INSEAD.

Piero SIERRA*

Age: 73

Business address: Pirelli SpA, Viale Sarca 222 - 20126 Milan, Italy

1,000 Schneider Electric SA shares

First elected: 1997 / Term ends: 2008

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Board of **Schneider Electric SA**; Director of Pirelli Group companies: Alexandria Tire Corp., Pirelli Deutschland AG, Pirelli UK Tyres and Turk Pirelli Lastikleri AS.
- Previous directorships and functions held in the past five years: Director of **Schneider Electric SA**, Pirelli Cables et Systemes SA, Pirelli Armstrong Tire Corp, Pirelli Cable Corporation, Pirelli Cables Ltd, Pirelli Cables Saic, Pirelli Cabos SA, Pirelli Canada Inc, Pirelli Tyre Holding NV, Pirelli UK Tyres and Turk Pirelli Lastikleri AS.

Expertise and experience

Piero Sierra, an Italian citizen with a degree in humanities from the University of Lyon, joined the Pirelli Group in 1962. He held management positions in Italy and abroad before becoming Director and Chief Executive Officer of Pirelli SpA from 1991 to 1995. Since then he has served as a Director for Pirelli's international companies. Mr. Sierra is also Chairman of A.I.R.C. (Italian Association for Cancer Research) and F.I.R.C. (Italian Foundation for Cancer Research).

Note: boldface type indicates companies whose shares trade on a regulated market

**Independent Supervisory Board member, as defined in the Bouton report on corporate governance*

Non-voting Members of the Supervisory Board

Léo APOTHEKER

Age: 54

Business address: SAP, 141 Boulevard Haussmann – 75008 Paris, France

250 Schneider Electric SA shares

First elected: 2007 / Term ends: 2008

Other directorships and functions in French or foreign companies

- Currently: Non-voting Director of **Schneider Electric SA**; President Global Customer Solutions & Operations and Deputy CEO of **SAP AG**; Director and Member of the Boards of **AXA**, SAP America Inc. (USA), SAP Global Marketing Inc. (USA), SAP Asia Pte. Ltd. (Singapore), SAP Japan Co. Ltd. (Japan), SAP France SA, SAP Italia Sistemi, applicazioni, prodotti in data processing s.p.a. (Italy), SAP Hellas Systems Application and Data Processing SA (Greece) and SAP (Beijing) Software System Co. Ltd. (China).
- Previous directorships and functions held in the past five years: Director of Ginger SA, Enigma Inc. (USA), SAP Manage Ltd. (Israel), SAP Finland Oy (Finland) and SAP Danmark A/S (Denmark).

Expertise and experience

Léo Apotheker began his career in 1978 in management control after graduating with a degree in international relations and economics from the Hebrew University in Jerusalem. He then held management and executive responsibilities in several IT firms including SAP France and SAP Belgium, where he was President and CEO between 1988 and 1991. Mr. Apotheker was founding president and COO of ECsoft. In 1995, he came back to SAP as President of SAP France. After serving in various capacities within SAP as president of regional operations, he became a member of the SAP AG Executive Board and President of Global Customer Solutions & Operations in 2002. In 2007, Mr. Apotheker was appointed President CSO and Deputy CEO of SAP AG.

Claude BÉBÉAR

Age: 72

Business address: AXA, 25 avenue Matignon - 75008 Paris, France

264 Schneider Electric SA shares

First elected: 2004 / Term ends: 2010

Other directorships and functions in French or foreign companies

- Currently: Non-voting Director of **Schneider Electric SA**; Chairman of the Supervisory Board of **AXA**; Director of various **AXA** subsidiaries and **BNP-Paribas**; Member of the Supervisory Board of **Vivendi**.
- Previous directorships and functions held in the past five years: Chairman and Director of various **AXA** subsidiaries, including AXA Financial; Chairman and Chief Executive Officer of **Finaxa**; Director of **Schneider Electric SA** and **Vivendi Universal**.

Expertise and experience

A graduate of Ecole Polytechnique, Claude Bébéar joined in 1958 the mutual insurance company that would become AXA in 1985. He was appointed Chairman and Chief Executive Officer of the company in 1975.

From late 1996, when AXA merged with UAP, until 2000, when he was appointed Chairman of the Supervisory Board, Mr. Bébéar served as Chairman of AXA's Management Board and Chairman of its Executive Committee.

Note: boldface type indicates companies whose shares trade on a regulated market

Management Board (as of December 31, 2007)

Chairman of the Management Board

Jean-Pascal TRICOIRE

Age: 44

Business address: Schneider Electric, 43-45 boulevard Franklin Roosevelt - 92500 Rueil-Malmaison, France

4,561 Schneider Electric SA shares (1)

First elected: 2006 / Term ends: 2009

Other directorships and functions in French or foreign companies

- Currently: Chairman of the Management Board of **Schneider Electric SA**, Chairman and Chief Executive Officer of Schneider Electric Industries SAS., Director of Square D (USA).
- Previous directorships and functions held in the past five years: Director of Clipsal Asia Holding Limited, Digital Electronics Corporation, Schneider Electric (Australia) Pty Limited, Schneider Electric New Zealand Holding Limited, PT Schneider Indonesia, Schneider Electric Japan Ltd, Schneider Electric Japan Holding Ltd, Schneider Electric Venezuela SA, Schneider Toshiba Inverter S.A.S. and PDL Holding Ltd.

Expertise and experience

After graduating from ESEO Angers and obtaining an MBA from EM Lyon, Jean-Pascal Tricoire spent his early career with Alcatel, Schlumberger and Saint Gobain. He joined the Schneider Electric Group (Merlin Gerin) in 1986. Between 1988 and 1999, he held a variety of line positions with international subsidiaries in Italy (five years), China (five years) and South Africa (one year). On his return to France, he joined the headquarters team, serving from 1999 to 2001 as Vice President, Strategic Global Accounts with specific responsibility for the Schneider 2000+ program. From January 2002 to the end of 2003, he was Executive Vice-President of Schneider Electric's International Division. In October 2003, he was appointed Chief Operating Officer, before becoming Chairman of the Schneider Electric Management Board on May 3, 2006.

Member of the Management Board

Pierre BOUCHUT

Age: 53

Business address: Schneider Electric, 43-45 boulevard Franklin Roosevelt - 92500 Rueil-Malmaison, France

42,289 Schneider Electric SA shares (1)

First elected: 2006 / Term ends: 2009

Other directorships and functions in French or foreign companies

- Currently: Member of the Management Board of **Schneider Electric SA** ; Chairman of the Board of Directors of Schneider Electric Services International; Director of Schneider Electric Industries SAS., Schneider Electric France, Square D and France Transfo and **Du Pareil au Môme**.
- Previous directorships and functions held in the past five years: Director of **Havas**, **Casino** (and various other functions within the Group), Laurus (Netherlands), Smart & Final (USA), CBD (Brazil) and Big C (Thailand).

Expertise and experience

A graduate of Hautes Etudes Commerciales and holder of a masters degree in applied economics from Paris Dauphine University, Pierre Bouchut began his career in 1979 with Citibank Paris, before moving to Bankers Trust France S.A. in 1987 as Vice President, Finance. In 1988, he joined McKinsey & Company as a consultant. In 1990, he accepted the position of Chief Financial Officer of the Casino Group, subsequently becoming the Group's Chief Executive Officer. In May 2005, he joined Schneider Electric as Executive Vice-President Finance & Control – Legal Affairs. He has been a member of the Management Board since May 3, 2006.

Summary Overview of the Company's Financial Situation and Business Activity in 2007

• SALES

Schneider Electric sales rose 26.1% on a current structure and exchange rate basis to **€17,309 million** in 2007, double the Group's sales in 2003. Organic growth for the full year set a **new record** at **13.9%**.

Operations in emerging countries continued to fuel growth, with an increase of **20%**, and contributed to 50% of Group growth in 2007. In addition, in-depth repositioning of the business portfolio has allowed the Group to develop unique positions in high potential businesses such as energy efficiency and services.

Acquisitions contributed a net **€2,154 million** (or 15.7%). This primarily included APC (consolidated as from February 15, 2007), for **€1,736 million**, GET in ultra terminal, for **€116 million**, and Pelco, a world leader in video security systems (consolidated since October 16, 2007), for **€89 million**. The currency effect had a negative impact of **€421 million** (or 3.5%).

• OPERATING INCOME

EBITA also rose sharply in 2007, by **27%** to **€2,562 million**. The following factors contributed to the organic increase of **€357 million**:

- Record sales growth generated a strong volume effect of **€620 million**, partially offset by an unfavorable product mix effect of **€191 million** stemming from expansion in services, projects and solutions.
- The Group demonstrated a robust pricing power during the year, lifting sales by 2.2% or **€307 million**. This amply offset the **€199 million** increase in raw material costs.
- Efficiency plans, notably related to purchasing and to geographic rebalancing of production, again generated significant industrial productivity gains, of **€295 million** (4.0% of products' cost of goods sold).

Acquisitions contributed **€289 million** to EBITA, of which **€247 million** from APC, the world leader in Critical Power & Cooling Services.

Lastly, the currency effects reduced EBITA by **€103 million**, notably due to the dollar's significant decline against the euro. Thanks to the production rebalancing plans, the negative impact on EBITA margin was limited to 0.2 point.

• OPERATING MARGIN

EBITA margin came to the record level of **14.8%** in 2007. This represents a **1.2 point** increase from 2006 including APC on a pro forma basis (including APC data over 10,5 months in 2006).

All **regions** (Europe, North America, Asia-Pacific and Rest of the World) showed an increase in profitability. Among the **businesses**, the largest contributions to EBITA growth came from Electrical Distribution and Critical Power, thanks to APC's turnaround.

• NET INCOME

Net income grew by a strong 21% to **€1,583 million**. This reflects a 1.4-point decline in the effective tax rate to 27.1% and good interest expense management during a sharp increase in net debt to finance the acquisition of APC. The net debt-to-equity ratio stood at 48% at December 31, 2007, compared with 21% at the previous year-end.

• BNPA

Earnings per share rose **14%** to **€6.78**. The increase was smaller than for net income due in particular to the early-2007 share issue to finance part of the APC acquisition.

• OPERATING CASH FLOW

Operating cash flow totaled **€2,211 million**. Thanks to tight control over working capital and net investment, free cash flow rose a remarkable **38%** to **€1,530 million**.

• ROCE

Lastly, Return on Capital Employed (ROCE) reached 11.0% in 2007, up **1.7 point** on a pro forma basis (including APC data over 10,5 months in 2006).

• Outlook

Schneider Electric's excellent performance in 2007 demonstrates the success of new2's action plans as the Company Program draws into its final year.

Thanks to the in-depth repositioning of its business portfolio towards the most promising markets—32% of revenue now comes from emerging markets and 20% from energy efficiency—Schneider Electric can be confident in the structural improvement of its growth profile. Assuming current economic and business conditions, Schneider Electric anticipates organic revenue growth of between 6% and 8% for 2008. In addition, geographic rebalancing of the production base, combined with globalized operations and simplified operating procedures, should help lift EBITA by 15%.

Five-year Financial Summary

Nature of indications	2003	2004	2005	2006	2007
Capital and Potential Capital at December 31					
Capital stock (<i>in thousands of Euros</i>)	1 854 737	1 809 553	1 812 954	1 821 587	1 962 395
Shares in issue	231 842 170	226 194 177	226 619 227	227 698 348	245 299 366
Convertible bonds in issue (<i>in thousands</i>)	-	-	-	-	-
Maximum number of shares to be created (<i>in thousands</i>):					
• through conversion of bonds	-	-	-	-	-
• through exercise of rights	5 707	7 140	10 126	10 174	9 382
Results of Operations (<i>in thousands of Euros</i>)					
Sales net of VAT	1 896	1 208	2 868	1 735	946
Investment revenue, interest income and other revenue	640 884	627 389	507 001	812 373	747 914
Income before tax, depreciation, amortization and provisions	395 143	547 381	411 950	683 335	136 259
Income tax	5 835	4 156	278	4 304	11 099
Net income	474 732	558 768	450 793	887 825	226 643
Dividends paid ⁽¹⁾ excluding précompte equalization tax and tax credit	255 026	⁽²⁾ 407 150	509 893	683 095	⁽³⁾ 809 488
Per Share Data (<i>in Euros</i>)					
Net income before depreciation, amortization and provisions	1,79	2,51	2,12	3,92	0,51
Earnings per share	2,05	2,47	1,99	3,90	0,92
Dividend per share, net of tax credit	1,10	1,80	2,25	3,00	⁽³⁾ 3,30
Employees					
Average number of employees during the year	3	3	3	2	2
Total payroll for the year (<i>in thousands of Euros</i>)	2 213	2 443	4 446	3 648	4 291
Total employee benefits paid over the year (payroll taxes, other benefits) (<i>in thousands of Euros</i>)	416	534	690	1 194	2 606

⁽¹⁾ Dividends paid to shares held in treasury on the dividend payment date and the associated précompte tax are credited to retained earnings.

⁽²⁾ We to the abolition of both précompte equalization tax and tax credit, a one-off tax of 25 % of the net amount of distributions made in 2005 is introduced as a substitute. This tax is creditable against the corporate income tax (one third for each of the 3 following years). The excess credit for each year is refunded.

⁽³⁾ Subject to the shareholders' approval.

Presentation of the agenda for the Annual General Meeting

Agenda Combined Annual and Extraordinary Shareholders' Meeting

The Management Board has decided to call a combined Annual and Extraordinary Shareholders' Meeting to approve the financial statements and regulated agreements for the year ended December 31, 2007 and set the dividend (I), elect members to the Supervisory Board (II), and renew financial authorizations to trade in the Company's shares, cancel shares, and issue shares to employees (III). Shareholders will also be asked to amend the bylaws concerning attendance and voting at shareholders' meetings in line with new regulations in the French Commercial Code (IV).

I. Approval of the annual financial statements and regulated agreements, profit appropriation and payment of a dividend (resolutions one through five)

In the first two resolutions, shareholders are asked to approve the parent company's financial statements and the consolidated financial statements for the year ended December 31, 2007. Schneider Electric SA recorded net profit of €483.8 million for the year. Profit attributable to equity holders of the parent grew 21% to €1,583 million in 2007.

In the third resolution, shareholders are asked to appropriate profit available for distribution and €102,642,216.05 deducted from the share premium account to the payment of a dividend of €3.30 per share. Individuals shareholders resident in France will be entitled to:

- deduct 40% from the amount included in taxable income, as provided for in Article 153-8-2 of the French Tax Code.
- deduct an annual total of (i) €1,525 for persons who are single, divorced, widowed, or married and filing separately, or (ii) €3,050 for married or legally recognized couples filing a joint tax return, in accordance with the new provisions of Article 158-3-5 of the French Tax Code.

The dividend will be paid as from **April 30, 2008**.

In the fourth resolution, shareholders are asked to take note of regulated agreements signed in a previous year (2006). These include:

- the shareholders' agreement with AXA concerning cross-shareholdings between AXA and Schneider Electric authorized by the Board of Directors on January 6, 2006.
- measures decided by the Supervisory Board at its meeting on May 3, 2006 to ensure that Jean-Pascal Tricoire would continue to be entitled to all the pension and other benefits provided for in his service contract with Schneider Electric Industries SAS, which was suspended on his appointment to the Management Board as Chairman.
- an addendum to Mr. Tricoire's service contract defining the terms under which it will resume or be terminated. This addendum has been brought into compliance with the provisions of France's "TEPA" law of August 21, 2007, and the ensuing modification is presented in the fifth resolution.

In the fifth resolution, shareholders are asked to approve an addendum to Jean-Pascal Tricoire's service contract which, in accordance with the provisions of France's "TEPA" law, details the compensation payable to Mr. Tricoire in the event of termination and makes such compensation contingent on performance. Under the terms of the addendum, Mr. Tricoire is entitled to the following:

- In the event of termination for reasons other than serious or gross misconduct, compensation defined by the collective bargaining agreement plus a contractually agreed payment that increases with seniority. In light of Mr. Tricoire's seniority, the total compensation currently corresponds to 24 months of his target remuneration (fixed salary and target bonus).

- In the event of resignation due to a change in the company's ownership structure that could materially modify the membership of the Supervisory Board, compensation corresponding to 24 months of his target remuneration.

However, payment of said compensation will depend on the mathematical average of the rate of achievement of performance objectives used to determine the variable portion of Mr. Tricoire's remuneration for the three full years preceding the date of the Board Meeting at which the decision is made, ie If the mathematical average is:

- less than 50%, no compensation will be paid.
- equal to 50%, 75% of the compensation will be paid.
- equal to or greater than 100%, 100% of the compensation will be paid.
- between 50% and 100%, compensation will be calculated on a straight line basis at a rate of between 75% and 100%.

II. Election of members to the Supervisory Board (resolutions six through sixteen)

In accordance with AFEP/MEDEF recommendations on corporate governance, the bylaws stipulate that half of the members of the Supervisory Board elected in 2006 must stand for re-election at the Annual Meeting called in 2008. In consequence, the terms of the following members expire at the end of today's meeting: Alain Burq, Jérôme Gallot, Willy Kissling, René de la Serre, Richard Thoman (co-opted in April 2007 to replace Chris Richardson) and Piero Sierra. As Mr. Burq was elected as a member representing employee shareholders, his re-election or the election of a successor is governed by the provisions of article 11-c of the bylaws, as described below. Mr. de La Serre did not wish to renew his term for personal reasons. Mr. Sierra will reach the statutory age limit in 2009.

In resolutions six through ten, shareholders are asked to:

- Re-elect Messrs. Gallot and Kissling, who are considered independent members as defined in the Bouton report on corporate governance, for a period of four years and Mr. Sierra for a period of one year.
- Ratify Mr. Thoman's appointment and elect him for a period of four years.
- Elect Léo Apotheker to replace Mr. de La Serre for a period of four years.

Biographical details are provided in the presentation of the Supervisory Board (pages 7-13).

In the eleventh through sixteenth resolutions, shareholders are asked to elect a representative of employee shareholders to the Supervisory Board. In accordance with article 11-c of Schneider Electric SA's bylaws, when more than 3% of the issued capital is held by employee shareholders at the end of a fiscal year, the Supervisory Board must include a representative of employee shareholders among its members. The General Meeting shall vote on a list of candidates presented directly or indirectly by employee shareholders. The candidates presented for election are:

Roland Barrier (57)

A graduate of Institut d'Administration des Entreprises in Grenoble, Roland Barrier joined Crouzet in 1970, a company acquired by Schneider Electric in 2000. Mr. Barrier has been in charge of the export zone, sales and marketing, customer satisfaction and international distribution. Since 2005, he has managed Université Crouzet. Mr. Barrier is also treasurer of the company's local works committee, chairman of the economic commission of Crouzet Automatismes' central works committee, and the central works committee's representative on Crouzet Automatismes' Board of Directors.

Claude Briquet (47)

An engineering graduate of Ecole Nationale d'Ingénieurs in Tarbes and ENSEEIHT in Toulouse, Claude Briquet joined Schneider Electric in 1985. He began his career in development, quality and production. Mr. Briquet managed the Pacy I plant from 1992 to 1996 and the Vaudreuil plant from 1996 to 1999. He was appointed General Manager of Mafelec in 1999 and of Alombard in 2001. Mr. Briquet is currently responsible for trading in Europe within the Industry department of Schneider Electric's European Operating Division.

Alain Burq (54)

A graduate of Ecole Supérieure de Commerce de Paris, Alain Burq also has an MBA from the Wharton School of the University of Pennsylvania. After initial experience in the energy industry, with Total in Germany and GDF in Iran, Mr. Burq joined Schneider Electric subsidiary Spie Batignolles in 1982, where he held various positions until 1998, when he moved to Schneider Electric. He is currently in charge of managing the parent company's assets and liabilities within the Finance Department.

Rüdiger Gilbert (41)

Rüdiger Gilbert, a German citizen, received training as an electronic technician. After working as a consultant in high voltage, he joined Schneider Electric Germany's strategic accounts division in 1996 to manage metalworking accounts. In 1998, he was appointed head of sales for the buildings and energy markets in Germany. He has served as Marketing Director of Schneider Electric Germany since 2004.

Cam Moffatt (45)

Cam Moffatt, a Canadian national, holds a degree in electrical engineering from Queen's University in Ontario, Canada. He joined Schneider Canada Inc. in 1985 and served in various marketing and sales positions before being appointed to develop services in 1999. That same year, he earned an MBA from Richard Ivey School of Business. Mr. Moffatt headed Schneider Canada Inc.'s industrial sales division for the province of Ontario from 2001 to 2003. He is currently Director of electrical distribution product marketing and development.

Virender Shankar (49)

An Indian national with a degree in business from the University of Delhi, Virender Shankar began his career with A.F. Ferguson & Co. and Eternet Everest Ltd. He joined Schneider Electric India in 1995 and became Vice President in 1999. He has successively managed the Finance, Legal Affairs, Logistics and IT departments. Mr. Shankar is currently management controller for Schneider Electric's India zone. He is a member of the Institute of Chartered Accounts of India and the Institute of Company Secretaries of India.

The candidate with the most votes from shareholders present or represented at the General Meeting shall be elected to the single seat on the Supervisory Board reserved for a representative of employee shareholders.

The Management Board has approved the twelfth resolution, which calls for the election of Claude Briquet as member of the Supervisory Board representing employee shareholders. As a result, the Management Board recommends that shareholders approve the twelfth resolution and abstain from voting on the eleventh, thirteenth, fourteenth, fifteenth and sixteenth resolutions.

III. Renewal of financial authorizations (resolutions seventeen, nineteen, twenty and twenty-one)**a) Authorizations to buy back and cancel shares**

In the seventeenth resolution, shareholders are asked to renew the authorization given to the Company to buy back its shares in accordance with the provisions of articles L.225-209 et seq. of the French Commercial Code. The shares could be bought back to reduce the issued capital, or in connection with stock option plans, or plans to grant shares without consideration, or to permit the conversion of convertible debt securities, or to finance an acquisition, or for the purpose of market making under a liquidity agreement. The maximum purchase price is set at €130 per share. Pursuant to the authorization granted by shareholders in 2007, the Company set up a liquidity contract with a broker, under which the broker purchased 3,242,553 shares at an average unit price of €96.41 in 2007 and sold 3,205,053 shares at an average unit price of €96.79.

In the nineteenth resolution, shareholders are asked to renew the authorization granted to the Management Board to cancel shares of the Company acquired under the shareholder-approved buyback program. The total number of shares that could be cancelled pursuant to this 24-month authorization may not exceed 10% of the total number of shares outstanding. The Management Board did not use the authorization granted by shareholders at the General Meeting of May 3, 2006.

b) Authorizations to issue shares to employees and entities set up to hold shares on behalf of employees

Issuance of shares to employees

In the twentieth resolution, shareholders are asked to grant the Management Board the necessary powers to issue shares to employees who are members of the Company Savings Plan within a limit of 5% of the Company's issued capital. Under this five-year authorization, the maximum discount at which shares may be offered under the Company Savings Plan is set at 20%.

The twenty-first resolution involves making employee share ownership possible in certain countries where legislation or local practices are incompatible with the rules of the Company Savings Plan. In this resolution, shareholders are asked to authorize the Management Board to issue shares and/or share equivalents to entities set up to hold shares on behalf of employees in Group companies outside France. The shares issued under the authorization would not exceed 0.5% of the capital. They would be deducted from the ceiling of 5% of the capital set for the issuance of shares to employees who are members of the Company Savings Plan. The shares could be issued at a maximum discount of 20% to the quoted price of Schneider Electric shares. The authorization would be given for a period of 18 months.

These authorizations would cancel and replace the unused portion of the similar authorizations approved by shareholders at the General Meeting of April 26, 2007. The Supervisory Board has authorized the Management Board to issue new shares to members of the Company Savings Plan, within a limit of 1% of the Company's issued capital. These issues are scheduled to be carried out on May 30, 2008.

IV. Amendment of the bylaws (resolution 18)

In the eighteenth resolution, shareholders are asked to modify article 23 of the bylaws to:

- 1) Comply with the new provisions of the French Commercial Code, under which shareholders must place their shares on record by midnight CET three days before the General Meeting date to participate in the meeting.
- 2) Specify the type of electronic signature that may be used in remote voting at General Meetings if the Management Board authorizes shareholders to participate in this manner.

Resolutions

RESOLUTIONS TO BE VOTED ON IN ANNUAL MEETING

■ FIRST RESOLUTION

(2007 parent company financial statements)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, having heard the reports of the Management Board and the Auditors, and noting the Supervisory Board's comments on the Management Board's report and on the parent company financial statements, approves the transactions and parent company financial statements for the year ended December 31, 2007, as presented by the Management Board. These financial statements show a net profit for the year of €226,643,349.81 euros.

■ SECOND RESOLUTION

(2007 consolidated financial statements)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, having heard the reports of the Management Board and the Auditors, and noting the Supervisory Board's comments on the Management Board's report and on the consolidated financial statements, approves the transactions and consolidated financial statements for the year ended December 31, 2007, as presented by the Management Board.

■ THIRD RESOLUTION

(Appropriation of profit, deduction from the share premium account and dividend payment)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, approves the Management Board's recommendations and resolves accordingly to appropriate:

- Profit available for distribution in an amount of €706,845,691.75, consisting of profit for the year of €226,643,349.81 million, less the statutory allocation to the legal reserve of €3,589,169, plus retained earnings of €483,791,510.94,
- And €102,642,216.05 deducted from the share premium account, corresponding to issue premiums relating to Square D convertible bonds, to merger premiums, to the SGTE merger premium, and to the Legrand share premium,

to the payment of a €3.30 dividend for the 245,299,366 €8 par value shares cum dividend January 1, 2007 that were outstanding on December 31, 2007.

The full dividend will be eligible for the 40% deduction for individuals resident in France as of January 1, 2008, provided for in Article 153-8-2° of the French Tax Code. This deduction will not apply for dividends received as from January 1, 2008 if the shareholder has chosen the flat-rate withholding tax option.

The General Meeting specifies that unpaid dividends on shares held in treasury as of the dividend payment date will be allocated to retained earnings.

No amounts eligible or not eligible for the 40% deduction provided for in Article 158-3-2° of the French Tax Code will be distributed, other than the dividend described above.

Dividend payments for the last three years were as follows:

	Dividend €	Total revenue €
2004	1.80	1.80 (1)
2005	2.25	2.25 (2)
2006	3.00	3.00 (2)

- (1) Full dividend eligible for a 50% deduction for individuals resident in France as of January 1, 2004. No non-eligible dividends were distributed for 2004.
- (2) Full dividend eligible for a 40% deduction for individuals resident in France as of January 1, 2005 and 2006. No non-eligible dividends were distributed for 2005.

■ **FOURTH RESOLUTION**

(Report on regulated agreements signed in a previous year)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings and having heard the Auditors' Special Report on agreements governed by articles L.225-38, 225-86 and 225-90-1 of the French Commercial Code, presented in accordance with article L.225-40 of said Code, takes note of the agreements signed and commitments made in a previous year, as presented in this report.

■ **FIFTH RESOLUTION**

(Approval of a regulated agreement concerning compensation payable to Jean-Pascal Tricoire in the event of termination)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings and having heard the Auditors' Special Report on agreements governed by articles L.225-86, L.225-90-1 and L.225-79-1 of the French Commercial Code, presented in accordance with article L.225-88 of said Code, approves the agreement presented in this report concerning the compensation payable to Jean-Pascal Tricoire should he be revoked or resign following a change in the company's ownership structure.

■ **SIXTH RESOLUTION**

(Election of Mr Léo Apotheker as a member of the Supervisory Board)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, elects Mr Léo Apotheker to replace Mr René de la Serre, who did not wish to serve another term, as a member of the Supervisory Board for a period of four years, expiring at the close of the Annual Shareholders' Meeting to be called in 2012 to approve the 2011 financial statements.

■ SEVENTH RESOLUTION

(Re-election of Mr Jérôme Gallot as a member of the Supervisory Board)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, re-elects Mr Jérôme Gallot as a member of the Supervisory Board for a period of four years, expiring at the close of the Annual Shareholders' Meeting to be called in 2012 to approve the 2011 financial statements.

■ EIGHTH RESOLUTION

(Re-election of Mr Willy Kissling as a member of the Supervisory Board)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, re-elects Mr Willy Kissling as a member of the Supervisory Board for a period of four years, expiring at the close of the Annual Shareholders' Meeting to be called in 2012 to approve the 2011 financial statements.

■ NINTH RESOLUTION

(Re-election of Mr Piero Sierra as a member of the Supervisory Board)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, re-elects Mr Piero Sierra as a member of the Supervisory Board for a period of one year, due to the statutory age limit, expiring at the close of the Annual Shareholders' Meeting to be called in 2009 to approve the 2008 financial statements.

■ TENTH RESOLUTION

(Ratification of Mr G. Richard Thoman's appointment as a member of the Supervisory Board)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, ratifies the decision of April 26, 2007 to co-opt Mr G. Richard Thoman as a member of the Supervisory Board and elects him as a member of the Supervisory Board for a period of four years, expiring at the close of the Annual Shareholders' Meeting to be called in 2012 to approve the 2011 financial statements.

■ ELEVENTH RESOLUTION*

(Election to the Supervisory Board of a representative of employee shareholders, in accordance with article 11-c of the bylaws)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, elects Mr Roland Barrier as a member of the Supervisory Board representing employee shareholders, in accordance with article 11-c of the bylaws, to replace Mr Alain Burq, whose term has expired, for a period of four years, expiring at the close of the Annual Shareholders' Meeting to be called in 2012 to approve the 2011 financial statements.

■ TWELFTH RESOLUTION*

(Election to the Supervisory Board of a representative of employee shareholders, in accordance with article 11-c of the bylaws)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, elects Mr Claude Briquet as a member of the Supervisory Board representing employee shareholders, in accordance with article 11-c of the bylaws, to replace Mr Alain Burq, whose term has expired, for a period of four years, expiring at the close of the Annual Shareholders' Meeting to be called in 2012 to approve the 2011 financial statements.

■ THIRTEENTH RESOLUTION*

(Election to the Supervisory Board of a representative of employee shareholders, in accordance with article 11-c of the bylaws)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, re-elects Mr Alain Burq as a member of the Supervisory Board representing employee shareholders, in accordance with article 11-c of the bylaws, for a period of four years, expiring at the close of the Annual Shareholders' Meeting to be called in 2012 to approve the 2011 financial statements.

■ FOURTEENTH RESOLUTION*

(Election to the Supervisory Board of a representative of employee shareholders, in accordance with article 11-c of the bylaws)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, elects Mr Rüdiger Gilbert as a member of the Supervisory Board representing employee shareholders, in accordance with article 11-c of the bylaws, to replace Mr Alain Burq, whose term has expired, for a period of four years, expiring at the close of the Annual Shareholders' Meeting to be called in 2012 to approve the 2011 financial statements.

■ FIFTEENTH RESOLUTION*

(Election to the Supervisory Board of a representative of employee shareholders, in accordance with article 11-c of the bylaws)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, elects Mr Cam Moffatt as a member of the Supervisory Board representing employee shareholders, in accordance with article 11-c of the bylaws, to replace Mr Alain Burq, whose term has expired, for a period of four years, expiring at the close of the Annual Shareholders' Meeting to be called in 2012 to approve the 2011 financial statements.

■ SIXTEENTH RESOLUTION*

(Election to the Supervisory Board of a representative of employee shareholders, in accordance with article 11-c of the bylaws)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, elects Mr Virender Shankar as a member of the Supervisory Board representing employee shareholders, in accordance with article 11-c of the bylaws, to replace Mr Alain Burq, whose term has expired, for a period of four years, expiring at the close of the Annual Shareholders' Meeting to be called in 2012 to approve the 2011 financial statements.

* Eleventh through sixteenth resolutions: in accordance with article 11-c of the bylaws, the candidate with the most votes from shareholders present or represented at the General Meeting shall be elected to the single seat on the Supervisory Board reserved for a representative of employee shareholders. The Management Board recommends that shareholders approve the twelfth resolution and vote against the eleventh, thirteenth, fourteenth, fifteenth and sixteenth resolutions.

■ SEVENTEENTH RESOLUTION

(Authorization to trade in the Company's shares – maximum purchase price: €130)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, having heard the report of the Management Board drawn up in accordance with article L.225-209 of the French Commercial Code, authorizes the Management Board, in accordance with article L.225-209 of the French Commercial Code, to buy back Company shares in order to reduce the capital, or in connection with stock option plans, or plans to grant shares without consideration, or to permit the conversion of convertible debt securities, or to finance an acquisition, or for the purpose of market making under a liquidity agreement.

- The maximum number of shares that may be acquired pursuant to this authorization may not exceed 10 percent of the issued share capital as of the date of this Meeting (representing 24,529,936 shares on the basis of the number of shares outstanding at the last official count on December 31, 2007).
- The maximum purchase price is set at €130. However, if all or some of the shares acquired pursuant to this authorization are intended to be allotted on exercise of stock options, in application of articles L.225-177 et seq. of the French Commercial Code, the selling price will be determined in accordance with the provisions of the law governing stock options.
- As a consequence of the aforementioned limits, share purchases may not exceed an aggregate maximum amount of €3,188,891,680.
- The shares may be acquired, sold or otherwise transferred by any appropriate method, and in compliance with current legislation, on the market or over the counter, including through block purchases or sales, the use of all forms of derivatives traded on a regulated market or over the counter, or the use of put or call options including combined puts and calls.
- Shares acquired may also be canceled, subject to compliance with the provisions of articles L.225-204 and L.225-205 of the French Commercial Code and in accordance with the nineteenth resolution tabled at this Annual Meeting.
- The Management Board may adjust the maximum and/or minimum prices set above in the following cases: 1) an issue of bonus shares or increase in the par value of existing shares paid up by capitalizing reserves or earnings, 2) a stock split or reverse stock split, or 3) more generally, any transaction affecting equity, to account for the impact of such transactions on the share price. The adjustment will be determined by multiplying the price by the ratio between the number of shares outstanding before and after the transaction.
- This authorization will expire at the end of a period of eighteen months from the date of this Meeting.

RESOLUTIONS TO BE VOTED ON IN EXTRAORDINARY MEETING

■ EIGHTEENTH RESOLUTION

(Amendment of the bylaws concerning attendance and voting at shareholders' meetings)

The General Meeting, acting with the quorum and majority required for extraordinary General Meetings and having heard the report of the Management Board, resolves to amend article 23 of the Company's bylaws concerning attendance and voting procedures at shareholders' meetings in line with new regulations in the French Commercial Code. Consequently, paragraphs 3 to 5 of article 23, currently written as follows:

"Attendance and exercise of voting rights at both Ordinary and Extraordinary General Meetings are subject to certain conditions:

- Holders of registered shares must have such shares recorded in the Company's share register.
- Holders of bearer shares must file at the address specified in the notice of meeting a certificate issued by the bank or broker that manages their securities account stating that the shares will not be sold in the period up to the date of the Meeting. Where appropriate, such shareholders must also provide proof of their identity in accordance with the applicable law and regulations.

These formalities must be completed five clear days before the date of the Meeting. However, the Management Board may reduce such period and may accept documents filed outside the applicable period.

When the decision is made to call a General Meeting, the Management Board may also decide to allow shareholders to participate or vote at General Meetings using videoconferencing facilities and/or any other telecommunication medium allowed under the applicable legislation."

Shall be replaced by the following:

"All shareholders may attend personally or be represented at General Meetings after providing proof of their identity and share ownership in accordance with the applicable laws and regulations.

When the decision is made to call a General Meeting, the Management Board may also decide to allow shareholders to participate or vote at General Meetings using videoconferencing facilities and/or any other telecommunication medium allowed under the applicable legislation.

Remote voting procedures are governed by the applicable laws and regulations. In particular, shareholders may send proxy and postal voting forms before General Meetings either in paper form or, if approved by the Management Board and stated in the Meeting Announcement and/or Notice, electronically.

When the decision is made to call a General Meeting, the Management Board may authorize shareholders to fill out and sign these forms electronically through a secure site set up by the General Meeting organizer using a process that complies with article 1316-4, paragraph 2, line 1 of the French Civil Code, for example by entering an ID and a password.

Proxies or votes submitted electronically before the General Meeting, as well as the related acknowledgements of receipt, will be considered irrevocable and binding documents. However, in the event that shares are sold before the applicable record date (i.e., midnight CET three days before the Meeting date), the Company will cancel or amend, as appropriate, any related proxies or votes submitted electronically before the General Meeting."

■ NINETEENTH RESOLUTION

(Authorization to cancel shares purchased under the shareholder-approved buyback program, within the limit of 10% of the capital)

The General Meeting, acting with the quorum and majority required for extraordinary General Meetings, and having heard the report of the Management Board and the Auditors' special report, resolves, in accordance with article L.225-209 of the French Commercial Code, to authorize the Management Board to cancel the shares of the Company acquired under the shareholder-approved buyback program, as provided for in article L.225-209 of the French Commercial Code, as follows:

- . The Management Board shall have full discretionary authority to cancel, on one or several occasions, all or some of the shares purchased under the shareholder approved buyback program, provided that the total number of shares canceled in the 24 months following the date of this Meeting does not exceed 10% of the total number of shares outstanding, and to reduce the Company's capital accordingly;
- . The difference between the purchase price of the shares and their par value will be charged against additional paid-in capital and, if appropriate, against the legal reserve for the portion of the difference representing 10% of the capital reduction.

This authorization is given for a period of 24 months from the date of this Meeting, to the Management Board which shall have full powers to carry out any and all actions, formalities and filings required to cancel the shares, reduce the capital and amend the bylaws accordingly, either directly or through a duly authorized representative.

■ TWENTIETH RESOLUTION

(Issuance of shares to employees who are members of an Employee Stock Purchase Plan)

The General Meeting, acting with the quorum and majority required for extraordinary General Meetings, having heard the report of the Management Board and the Auditors' special report, resolves, pursuant to articles L.443-1 et seq. of the French Labor Code and L.225.129-6 and L.225-138-1 of the French Commercial Code, and in accordance with said Commercial Code:

1. To give the Management Board a five-year authorization from the date of this Meeting to increase the share capital on one or several occasions, at its discretion, by issuing shares and share equivalents to the members of an Employee Company Savings Plan set up by French or foreign related companies, in accordance with article L.225-180 of the French Commercial Code and article L.444-3 of the French Labor Code. The maximum nominal amount by which the capital may be increased may not exceed 5% of the issued capital as of the date on which this authorization is used.
2. To set the maximum discount at which shares may be offered under the Employee Company Savings Plan at 20% of the average of the opening prices quoted for Schneider Electric shares on Euronext Paris over the twenty trading days preceding the date on which the decision is made to launch the employee share issue. However, the General Meeting specifically authorizes the Management Board to reduce the above discount, within legal and regulatory limits.
3. That in the case of an issue of share equivalents, the characteristics of these securities will be determined in accordance with the applicable regulations by the Management Board.
4. That shareholders shall waive their pre-emptive right to subscribe the shares and share equivalents to be issued under this authorization.
5. That shareholders shall waive their pre-emptive right to subscribe the shares issued on redemption, conversion, exchange or exercise of share equivalents attributed in application of this resolution.

6. That, effective June 30, 2008, this authorization shall cancel and replace the unused portion of the authorization given in the fourteenth resolution at the General Meeting of April 26, 2007.
7. That the Management Board shall have full powers to use this authorization, including the powers of delegation provided for by law, subject to the limits and conditions described above. In particular, the Board shall have full powers to:
 - decide the characteristics of the securities to be issued, the amounts of the issues, the issue price, the subscription date or period, the terms and conditions of subscription, payment and delivery of the securities, as well as the cum-dividend or cum-interest date, subject to compliance with the applicable laws and regulations;
 - place on record the capital increases corresponding to the aggregate par value of the shares subscribed directly or on redemption, conversion, exchange or exercise of share equivalents;
 - where appropriate, charge the share issue costs to the related premiums and credit all or part of the remaining premiums to the legal reserve as needed in order to raise this reserve to one-tenth of the new capital after each increase;
 - enter into any and all agreements, carry out any and all operations and formalities, directly or through a representative, including the formalities related to the capital increase and the corresponding amendment of the bylaws, and generally do whatever is necessary.
 - generally, enter into any and all underwriting or other agreements, take any and all measures and perform any and all formalities related to the issue, quotation and servicing of the securities issued under this authorization and the exercise of the related rights.

■ TWENTY-FIRST RESOLUTION

(Issuance of shares to entities set up to hold shares on behalf of employees)

The General Meeting, acting with the quorum and majority required for extraordinary General Meetings and having heard the report of the Management Board and the Auditors' special report, resolves, in accordance with articles L.225-129 to L. 225-129-2 and L. 225-138-1 of the French Commercial Code:

1. To authorize the Management Board, directly or through a representative, to increase the share capital on one or several occasions, at its discretion, by issuing shares or share equivalents to the persons falling into the category defined below. Said shares or share equivalents will rank *pari passu* with existing shares. The maximum nominal amount by which the capital may be increased may not exceed 0.5% of the issued capital as of the date of this Meeting. The amount of any capital increase carried out under this authorization shall be deducted from the aggregate amount by which the capital may be increased under the tenth resolution approved by shareholders at the General Meeting of April 26, 2007 and the twentieth resolution tabled at this Meeting.
2. That shareholders shall waive their pre-emptive right to subscribe the shares and/or share equivalents issued under this authorization and that the said shares and/or share equivalents shall be subscribed by the following categories of beneficiaries: (i) employees and legal representatives of companies belonging to the Schneider Electric Group, as defined in article L.225-180 of the French Commercial Code and article L.444-3 of the French Labor Code, whose headquarters are located outside France; and/or (ii) mutual funds or other incorporated and unincorporated entities created to subscribe Schneider Electric shares or share equivalents for the purpose of a stock purchase plan set up for employees and legal representatives of companies belonging to the Schneider Electric Group; and/or (iii) banks or bank subsidiaries mandated by the Company to set up a stock purchase plan or savings plan for employees and legal representatives of companies belonging to the Schneider Electric Group where such a system would allow employees of subsidiaries outside France to benefit from stock purchase plans and savings plans with equivalent economic benefits as those applicable to other Group employees.

3. That the issue price of shares issued under this resolution will be set by the Management Board based on the price quoted for the Company's shares on the Eurolist market of Euronext Paris. At the discretion of the Management Board, said price will be equal to either (i) the closing price of the Company's shares quoted on the trading day preceding the decision of the Management Board setting the issue price, or (ii) the average of the opening prices quoted for the Company's shares over the twenty trading days preceding the decision of the Management Board setting the issue price. When setting the issue price for these shares, the Management Board may apply a maximum discount of 20% to the quoted price of Schneider Electric shares as determined in accordance with either (i) or (ii) above. The discount will be determined by the Management Board taking into consideration any specific foreign legal, regulatory or tax provisions that may apply to any beneficiary governed by foreign law.
4. That the Management Board shall have full powers to use this authorization as provided for by law, including the powers of delegation, subject to the limits and conditions described above. The Management Board shall have full powers to draw up the list of beneficiaries within the categories defined in this resolution and set the number of shares to be offered to each beneficiary. It may decide to limit the issue to the number of shares subscribed, providing that no less than 75% of the shares or share equivalents offered have been subscribed. In particular, the Management Board shall have full powers to:
 - decide the characteristics of the securities to be issued, the issue price, the subscription date or period, the terms and conditions of subscription, payment and delivery of the securities, as well as the cum-dividend or cum-interest date, subject to compliance with the applicable laws and regulations;
 - place the share issue on record, issue shares and share equivalents and amend the bylaws accordingly.
 - generally, enter into any and all underwriting or other agreements, take any and all measures and perform any and all formalities related to the issue, quotation and servicing of the securities issued under this authorization and the exercise of the related rights.
5. That, effective June 30, 2008, this authorization shall cancel and replace the unused portion of the authorization given in the fifteenth resolution at the General Meeting of April 26, 2007.

This authorization is given for a period of eighteen months from the date of this Meeting.

The Management Board shall report to the next General Meeting on its use of this authorization, as provided for by law.

■ TWENTY-SECOND RESOLUTION

(Powers)

The General Meeting gives full powers to the bearer of a copy or extract of the minutes of the meeting to carry out all legal filing and other formalities.

Request for documents and Additional information

Pursuant to Article R.225-83 on commercial companies

Combined General Meeting of April 21th, 2008
SCHNEIDER ELECTRIC SA

I undersigned:

Ms, Mr,

NAME (or company name): _____

First name: _____

Address: _____

Postal Code: _____

City: _____

Owner of: _____ Registered shares

and/or _____ bearer shares,

Request a copy of the documents and information relating to the Annual General Meeting of Shareholders as provided by Article R.225-81, on commercial companies.

Place _____ Date _____ 2008

Signature

Note : Pursuant to Article R.225-88 paragraph 3 on commercial companies, the owners of registered shares may obtain copies of the documents and information covered by Articles R.225-81 and R.225-83 of the afore-mentioned Decree for each subsequent General Meeting by making a single request.
In the event that shareholder wants to take up this opinion, he or she should mention this fact on this form.



