

Investor day

November 17, 2010

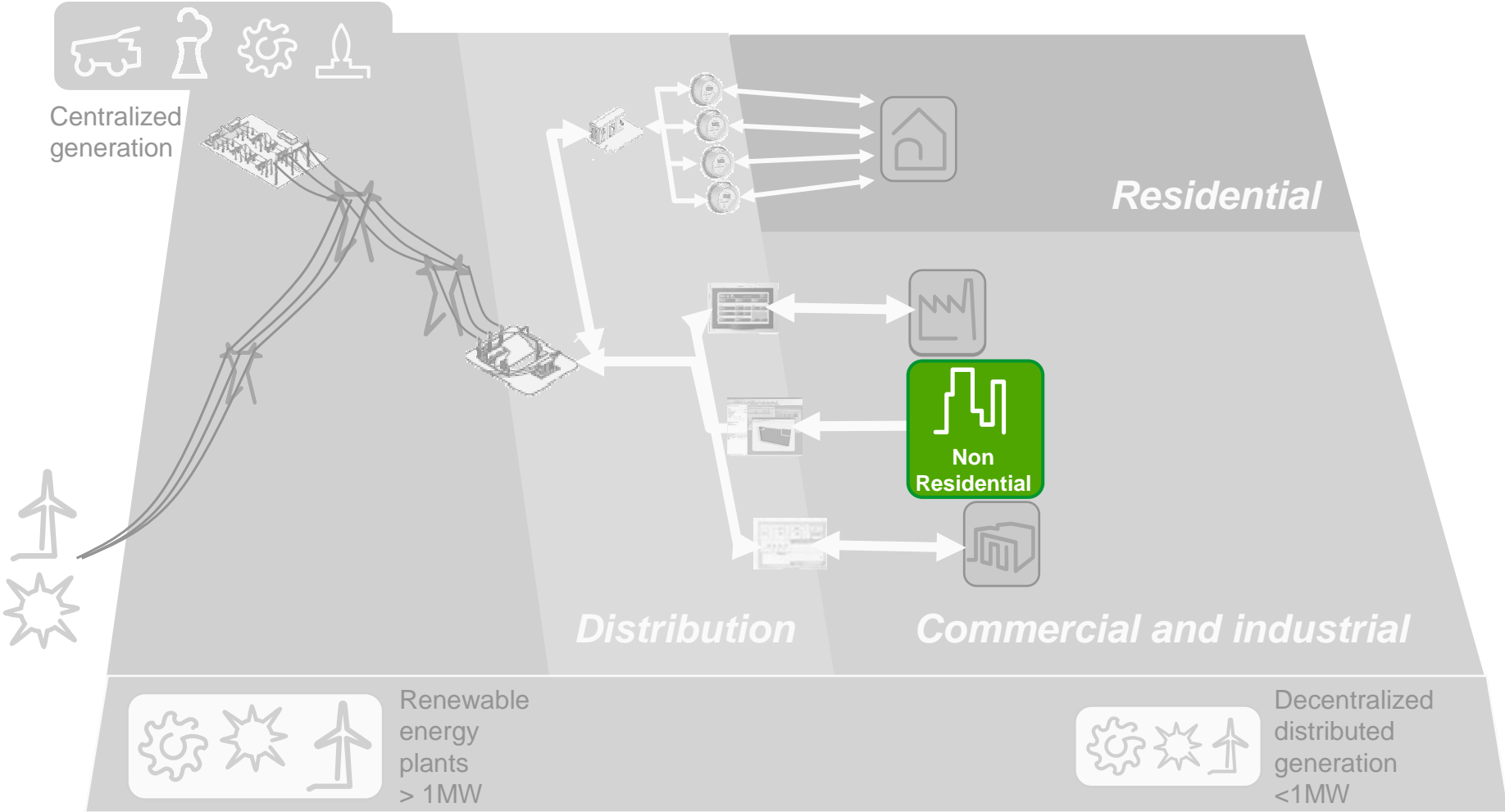
Buildings business

Chris Curtis

Executive Vice President



Buildings: Business strategic domain



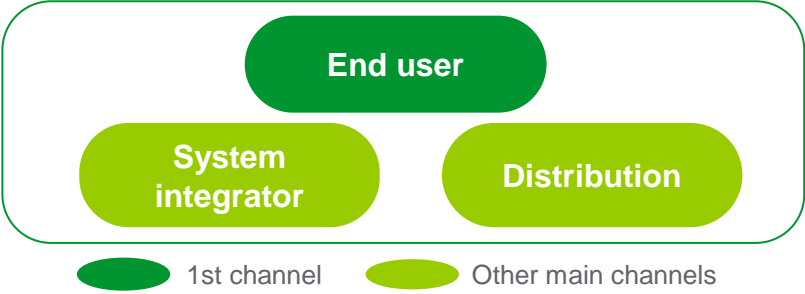
Buildings: Business overview

Business size

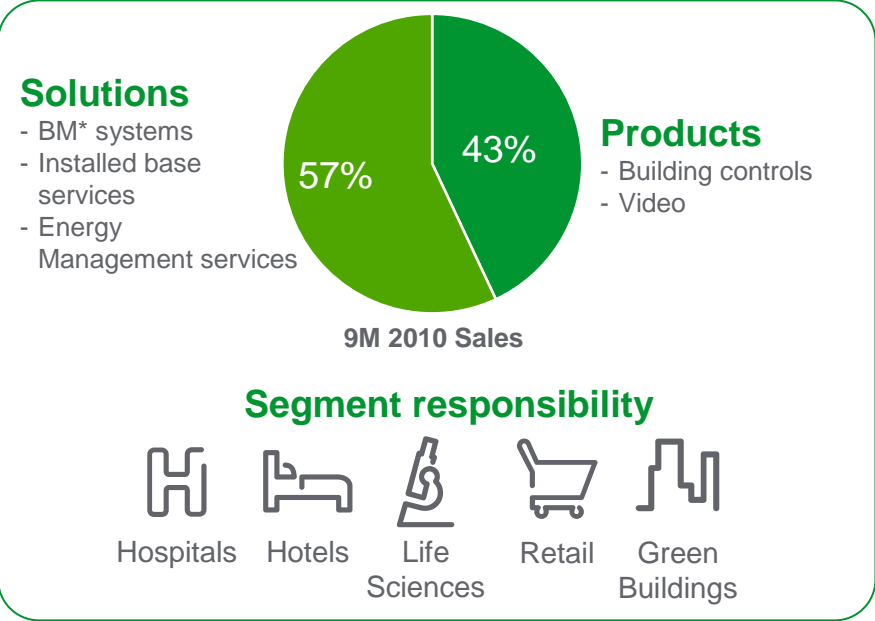
€1.3bn
of LTM sales

Building automation **#4**
worldwide

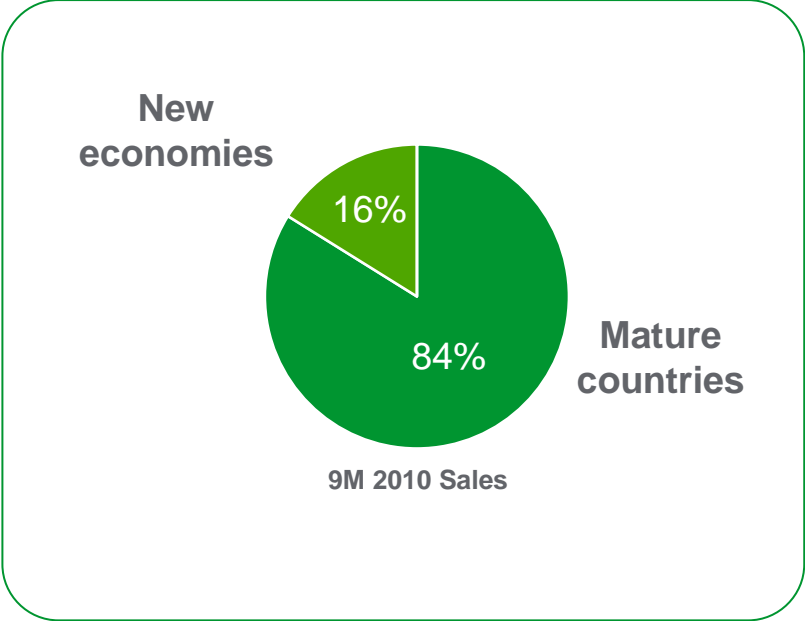
Key Channels



Our offer

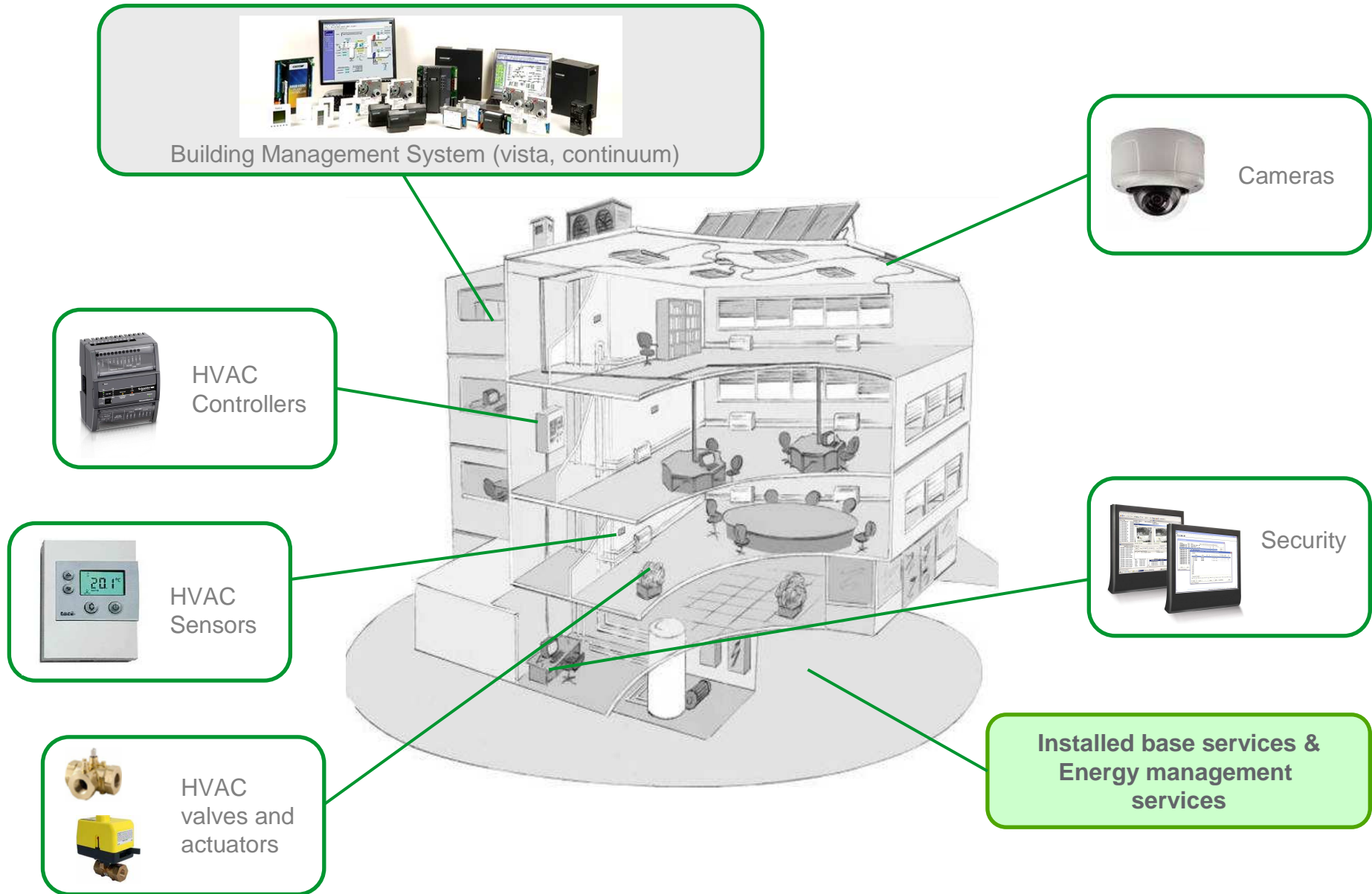


Geographies



* BM: Building Management
Schneider Electric - Investor Relations – Investor Day / Buildings business – 17 November 2010

Buildings business: our technology bricks



Our business benefits from favorable market drivers

Global market drivers

Energy efficiency, new regulations in buildings, CO2 reduction pledge, rising energy cost

There is no smart grid without “smart buildings”

New economies: growing need for security and energy efficiency

Business specific drivers

The “green” push for buildings

- US: 34 states have energy efficient building regulations
- UK & France: new builds to be net zero energy by 2021
- LEED certification

Security concerns

- Changing regulatory environment for security practices
- Human asset protection and tracking

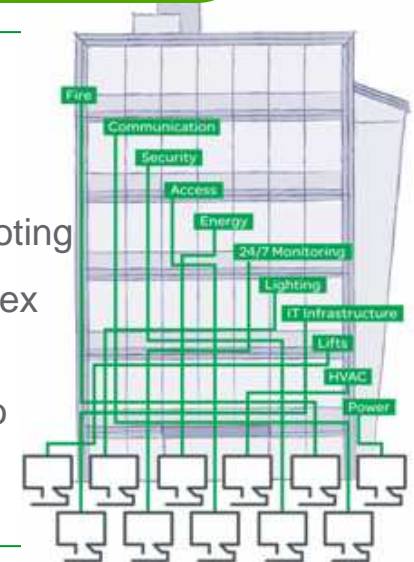


Operating cost of a building

- **75%** of a buildings cost is post construction
- Aged building stock

Complexity created by disparate systems

- Multiple networks
- Complex troubleshooting
- Higher capex and opex
- Obstacle to energy efficiency



We make a difference to our customers

End-user focused

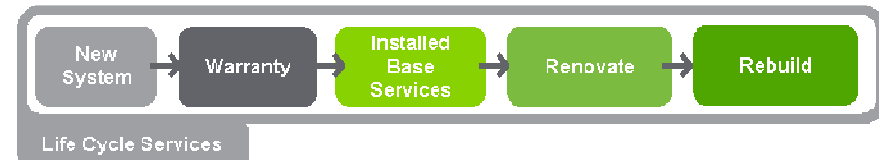


Energy management solutions

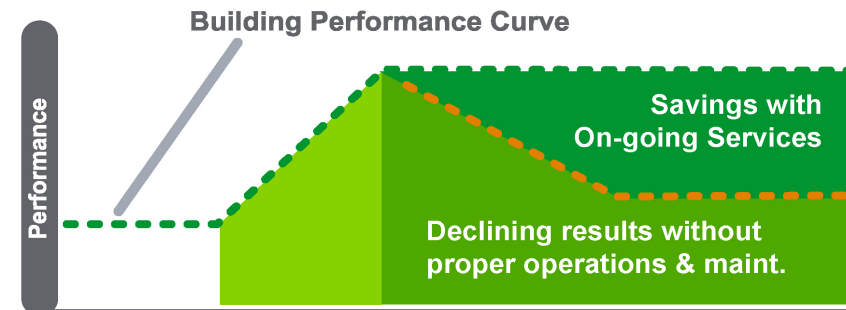
EcoStruxure

- ✓ Open and interoperable system
- ✓ Provides a **common architecture**
- ✓ Offers **simplicity** and **reliability** to customer

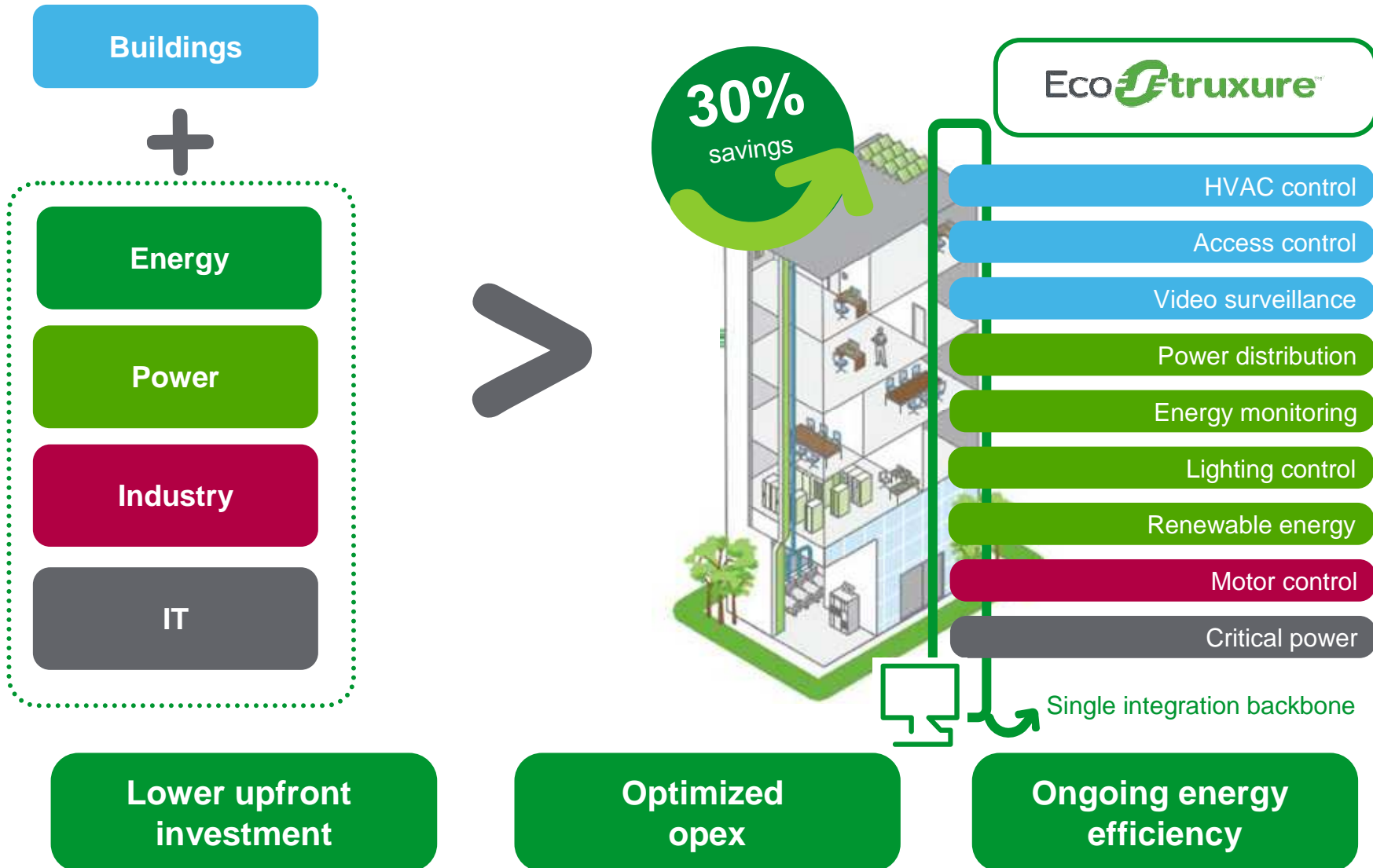
Installed base service



Energy management services



We have a comprehensive view of a building by leveraging the strength of the Group full portfolio



Hesperia Tower, Spain

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University of North Texas (USA)

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Our energy management services enable customers to develop demand response programs



Strong need for Demand response

Emergency reduction

Reduction in consumption


Incentives & economic opportunities

Integrated solutions

Integrated building management solutions

+

Demand management portal



+

Partnerships

Examples



Software

- > Monitor consumption and demand in real time
- > Receive requests from utility for emergency reduction & economic opportunities
- > Initiate load reduction via building management system
- > Significant Incentives

Buildings: solid base for growth

- ✓ Continuous **innovation** for easy to use and IT friendly products and systems
- ✓ Growing **solutions** with **EcoStruxure**™ and the Group's full portfolio for targeted segments
- ✓ Deployment of full **life cycle services**
- ✓ Leader in energy efficiency to benefit from the “Green” push and regulations/legislations
- ✓ Strong **EcoStruxure**™ **alliances** (IBM, Cisco)



Energy Efficiency

- ✓ ~14bn€ building efficiency opportunity in mature market by 2020
- ✓ Prepare ramp-up in systems and services

Smart Grid

- ✓ Leverage demand response incentives to help end users fund upgrades
- ✓ Smart buildings for a smart grid

New economies

- ✓ Accelerate move to new economies
- ✓ Leverage group presence
- ✓ Adapt offers to local market needs

Huge market opportunities ahead of us

Most open and easy-to-use systems

Leverage strengths of full Group portfolio

**Help people make the
most of their energy**

