
Press Release

PUTTING THE STATUS OF MR. JEAN-PASCAL TRICOIRE INTO COMPLIANCY WITH AFEP/MEDEF RECOMMENDATIONS OF OCTOBER 6, 2008

Rueil-Malmaison (France), February 23, 2009

In compliance with the AFEP/MEDEF recommendations dated October 6th 2008 relative to the remunerations of executives in companies quoted on the stock exchange, Mr Jean-Pascal Tricoire has agreed to hand in his resignation concerning his contract of employment on May 2nd next when his office as chairman of the executive committee is to be renewed.

At its meeting held on February 18th 2009, the supervisory board deliberated in the context of the statutory convention and commitment regimes on a revised status for Mr Jean-Pascal Tricoire, drawn up in agreement with him.

As a result, after deliberation and in application of measures laid down in Article L.225-90-1 of the Commercial Code, the supervisory board unanimously decided that Mr. Jean-Pascal Tricoire should have the right to receive severance pay in the following cases:

- (i) Revocation, non-renewal or resignation from his office as member or Chairman of the Executive Committee within 12 months of any significant capital-intensive change that is notably liable to give rise to a change in the composition of the Supervisory Board.
- (ii) Revocation, non-renewal or resignation from his office as member or Chairman of the Executive Committee in the event of a change of course in the strategy supported and announced by the person concerned until that time, no matter whether this change be the result of a capital-intensive change as referred to above, or not,
- (iii) Revocation, non-renewal or forced resignation from his office as member or Chairman of the Executive Committee if the arithmetical average of ratios for attaining Group objectives (to be differentiated from individual objectives), which determine the variable part of his remuneration, for the last four financial years completed on the date of his departure (or, if this number is less than 4, the number of financial years completed since he came into office as a member and Chairman of the Executive Committee) is at least equal to 50%.

This compensation will be equal at the most to two years' of his last fixed gross annual remuneration plus the "gross target" variable part (the "**Maximum Sum**"). Its benefit will depend on, and its amount modulated by, the arithmetical average of ratios for attaining Group objectives that determine a part of the variable part of the remuneration of Mr. Jean-Pascal Tricoire, for the last three financial years completed at the time the board makes its ruling.

Investor Relations :
Schneider Electric
Carina Ho

Phone : +33 (0) 1 41 29 83 29
Fax : +33 (0) 1 41 29 71 42
www.schneider-electric.com
ISIN : FR0000121972

Press Contact :
Schneider Electric
Véronique Roquet-Montégon

Phone : +33 (0)1 41 29 70 76
Fax : +33 (0)1 41 29 71 95

Press Contact :
DGM
Michel Calzaroni
Olivier Labesse

Phone : +33 (0)1 40 70 11 89
Fax : +33 (0)1 40 70 90 46

Press Release (p. 2)

Therefore, if the arithmetical average of ratios for attaining Group objectives for the last three financial years is:

- < to 50 % of the target: no compensation will be paid;
- = to 50 % of the target: he will receive 75% of the Maximum Sum;
- = to 100 % of the target: he will receive 100% of the Maximum Sum;
- between 50% and 100%: he will receive between 75% and 100% of the Maximum Sum calculated in a linear form pro rata to the ratio of attainment.

In the event of the sum to which he has rights in the form of severance pay and no-compete compensation being over the Maximum Sum, the amount of severance pay will be reduced so that its value together with that of no-compete compensation is not higher than the Maximum Sum.

The supervisory board has also unanimously decided that Mr. Jean-Pascal Tricoire would retain the benefits of share options and free, or performance, shares which have been attributed to him or which will be attributed to him should he leave the company before exercising the options thereon or before the end of the periods allowed for acquiring the shares in question. However, the right to conserve options or free or performance shares that are not yet definitively acquired is subject to the condition that the arithmetical average of ratios for attaining Group objectives, which determine a part of the variable part of Mr. Jean-Pascal Tricoire's remuneration, for the last three financial years completed at the time of his departure, is at least equal to 50% of the target.

Investor Relations :
Schneider Electric
Carina Ho

Phone : +33 (0) 1 41 29 83 29
Fax : +33 (0) 1 41 29 71 42
www.schneider-electric.com
ISIN : FR0000121972

Press Contact :
Schneider Electric
Véronique Roquet-Montégon

Phone : +33 (0)1 41 29 70 76
Fax : +33 (0)1 41 29 71 95

Press Contact :
DGM
Michel Calzaroni
Olivier Labesse

Phone : +33 (0)1 40 70 11 89
Fax : +33 (0)1 40 70 90 46