

Investor Day

February 20, 2014

IT Business

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EVP, IT Business



IT business: a leader in Critical Power & Cooling



A global business with leadership position

Business size

€3.4bn

2013
revenues

Critical Power,
Cooling & Services **#1**
worldwide

Key Channels

IT Distribution

End users

Value added
resellers

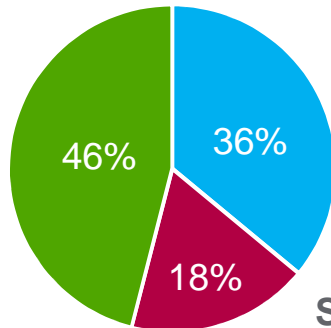
Electrical
Distribution &
contractors

 1st channel  Other key channel

Our offer

Products

One Phase UPS
Inverters



Systems

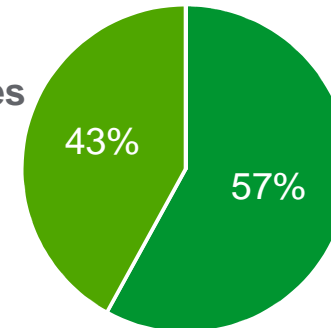
Three Phase UPS
Racks & PDUs
Cooling & Chillers
Modular Solutions
Management software

Services

Installed base services
Life cycle services

Geographies

New
economies



Mature
countries

End markets



Data centers &
networks



Industrial &
Machines



Non-residential &
Residential Buildings

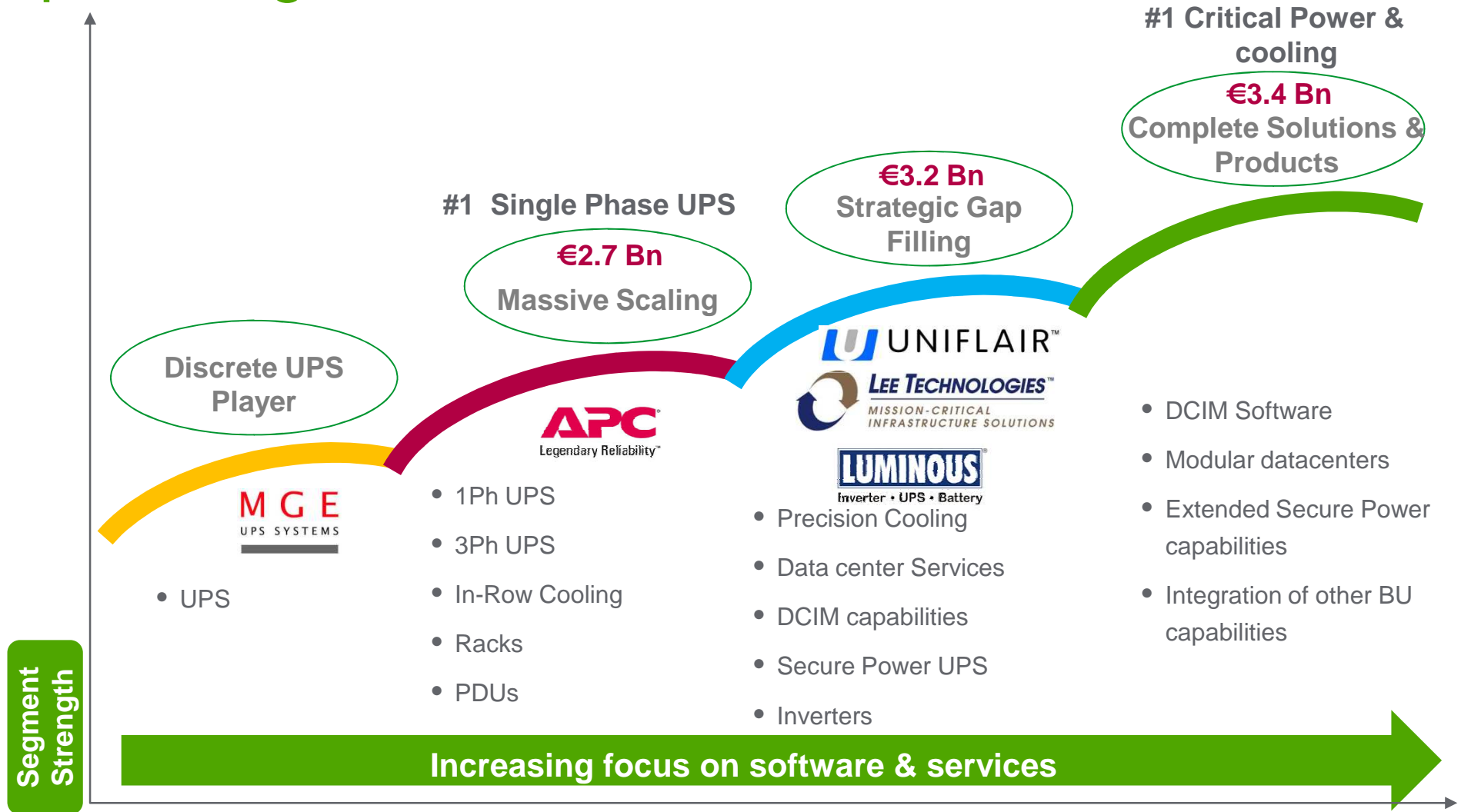


Utilities &
Infrastructure

 Primary end market

 Other end markets

Transformed from a UPS product company to providing solutions in all end markets



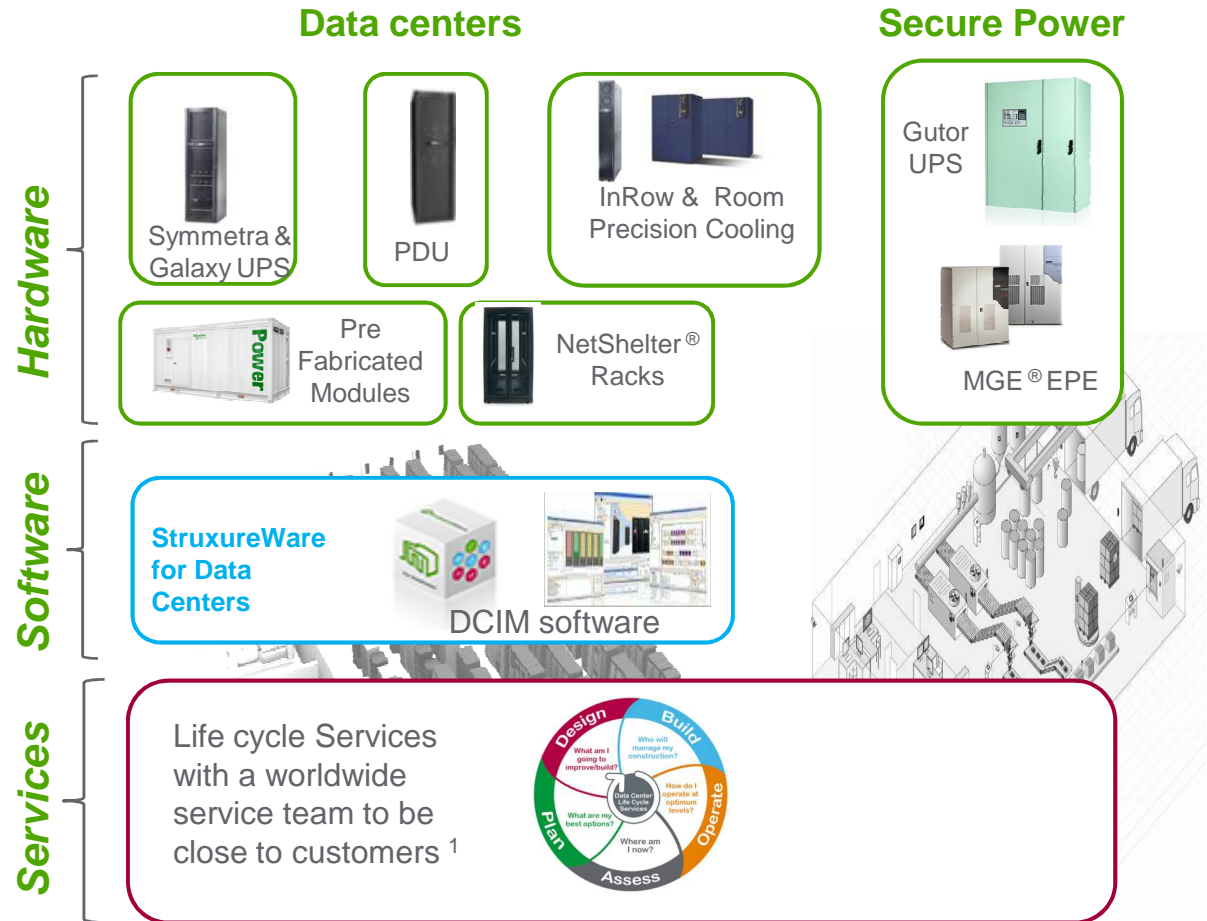
1 SE MV 2010 Revenues before Areva Distribution
 2 Proforma including Areva Distribution acquisition on a 12-month 2010 basis
 Schneider Electric – Investor Day – IT Business - 20 February 2014

We provide customers best-in-class products, integrated systems and value-added service

Home & Business Networks



Enterprise Systems & Services



1. Operate: supporting both Data Centers and Secure Power

External trends continue to be favorable despite short term turbulence



We experienced turbulences in 2013 from macro economy and market transition...

Macro Environment

USA

Governmental slowdown
Debt ceiling and QE tapering uncertainty
IT spending stop and go

Europe

Russia: Slowdown in IT spending
Western Europe: Economic situation worse than initially expected

India

Adverse weather conditions and economic slowdown impacting inverter market growth

Addressing a Datacenter Transition

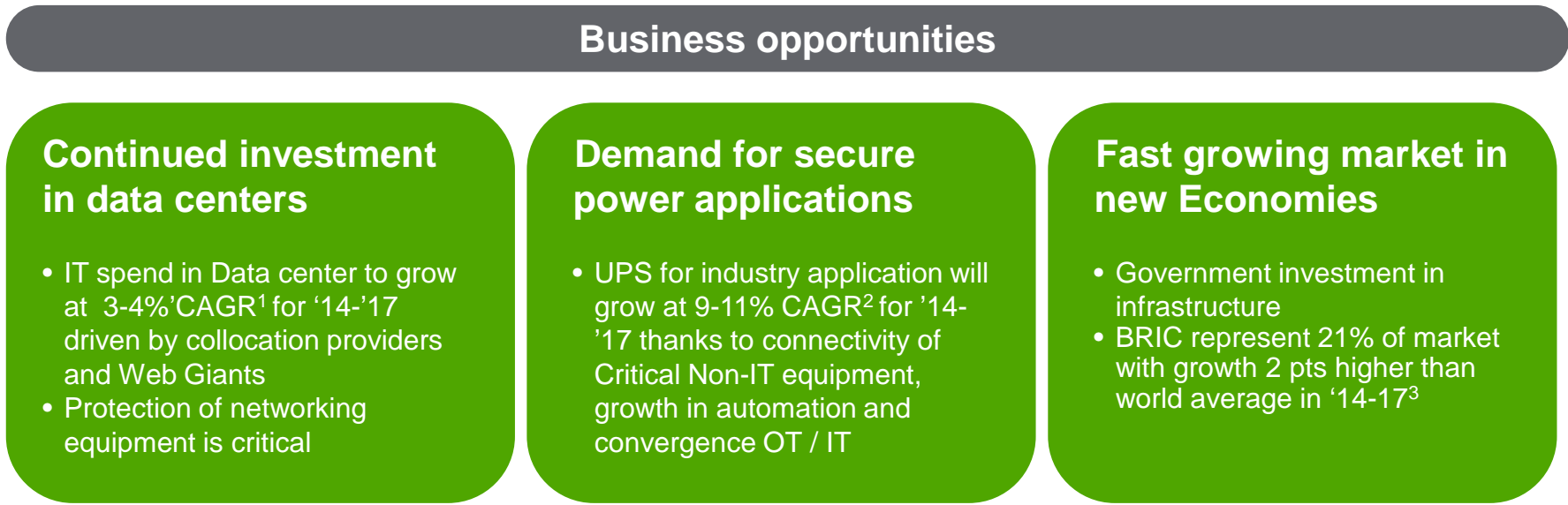
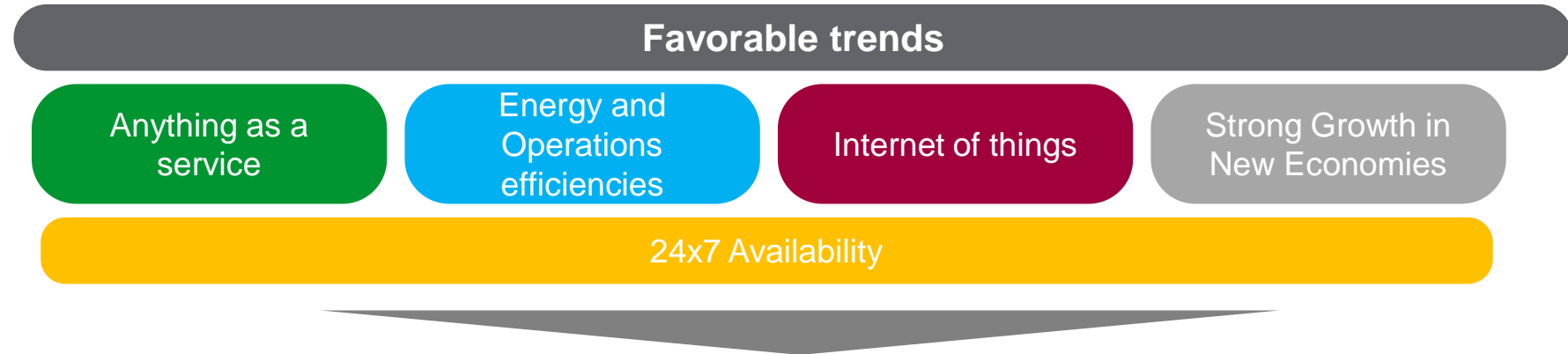
Shift to:

- Large / extra large data center
- Modular data center
- Cloud and service providers

Currently adapting our offers and engagement models to capture future growth

Long term outlook remains positive

... but this does not undermine the favorable trends



¹ IDC, Gartner and Internal analysis




² ARC (Industrial UPS Report – Includes 1Ph and 3Ph, Software and Services), IMS and internal analysis

³ IMS (UPS, Services, Racks) and Internal analysis

Clear initiatives to capture
opportunities from
favorable environments



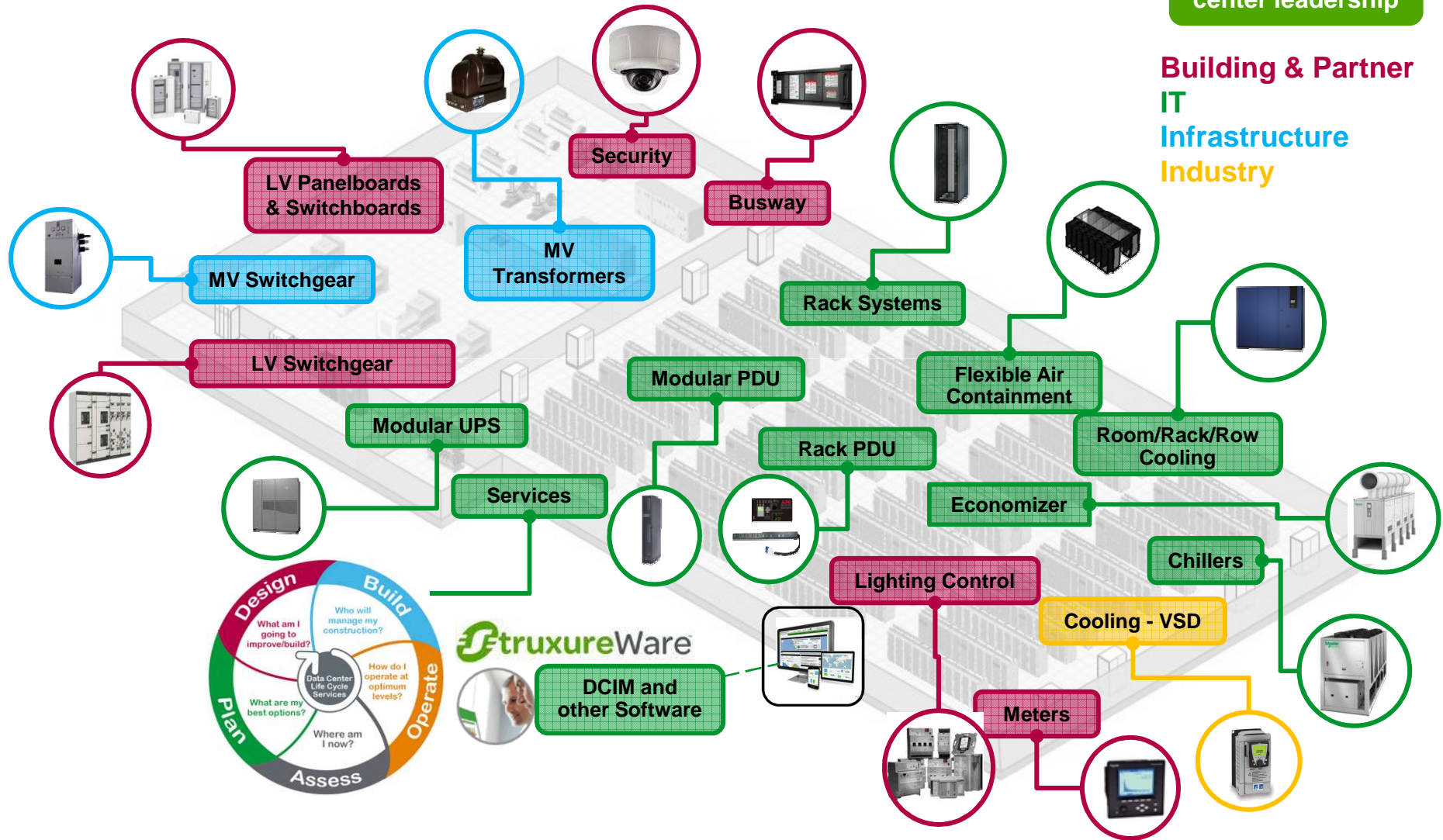
Focused initiatives to embrace growth across the board

- Enhance data center market leadership**
 - Leverage total business of the Group, especially in Cloud & Service Providers
 - Ramp up modular offer
 - Expand service
 - Accelerate software
- Grow in non datacenter segments**
 - Grow secure power application and service in targeted segments
- Strengthen product portfolio**
 - Develop local offer for new economies

We are uniquely positioned to capture the opportunities in data centers

Enhance data center leadership

Building & Partner
IT
Infrastructure
Industry



Green data center for major service provider in South East Asia

Enhance data center leadership

Large Schneider multi business units win 11.7M€ project - 6,100 sqm2, 2 floors

Customer Benefits:

- One stop services & Strong local presence
- Expertise in mission critical application design
- Integrated design compliant with Data Center standard
- Best in class Energy Efficiency using StruxtureWare
- Optimised TCO by reducing intermediaries

Scope of Work:

- Design (Conceptual & Detailed)
- Equipment supply
- Services:
 - Installation & Integration
 - Commissioning & System Test

Scope of ITB Supply:

- Secure Power: Galaxy UPS (10 x G7000, 500kva)
- Precision Air: Uniflair CRAC (x18 units)

Schneider Intra-Group supply:

Building & Partner

- Electrical Distribution with LV SwitchGear (BLOKSET)
- BMS System: Smart Structure
- Lighting Control
- Security System (Pelco) & Access Control (TAC)

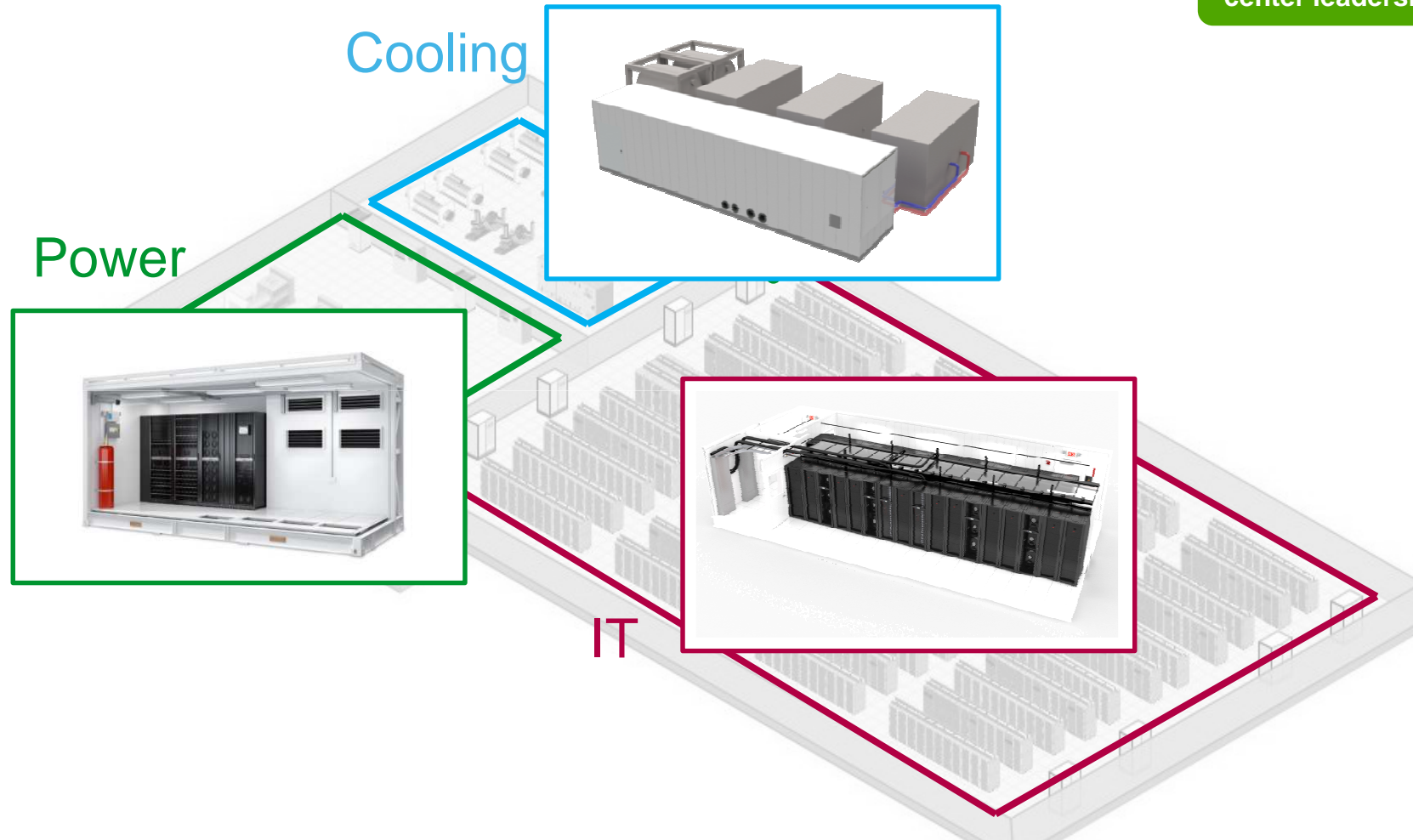
Infrastructure

- Electrical Distribution with MV SwitchGear (RM6)



Data center components can be delivered as prefabricated functional building blocks

Enhance data center leadership



SE Best-in-class efficiency solutions can save up to 30% Energy Opex

Data Center Lifecycle Services

Building a long term relationship with our customers

Enhance data center leadership

Key value creators:

- Increased client intimacy and touch points
- Higher customer engagement through 2-3 update cycles over 20 years
- Best business model to drive additional solution sales & services
- More predictable revenues with recurring services



DCIM software enables data center management and improves efficiency

Enhance data center leadership

Across All Domains

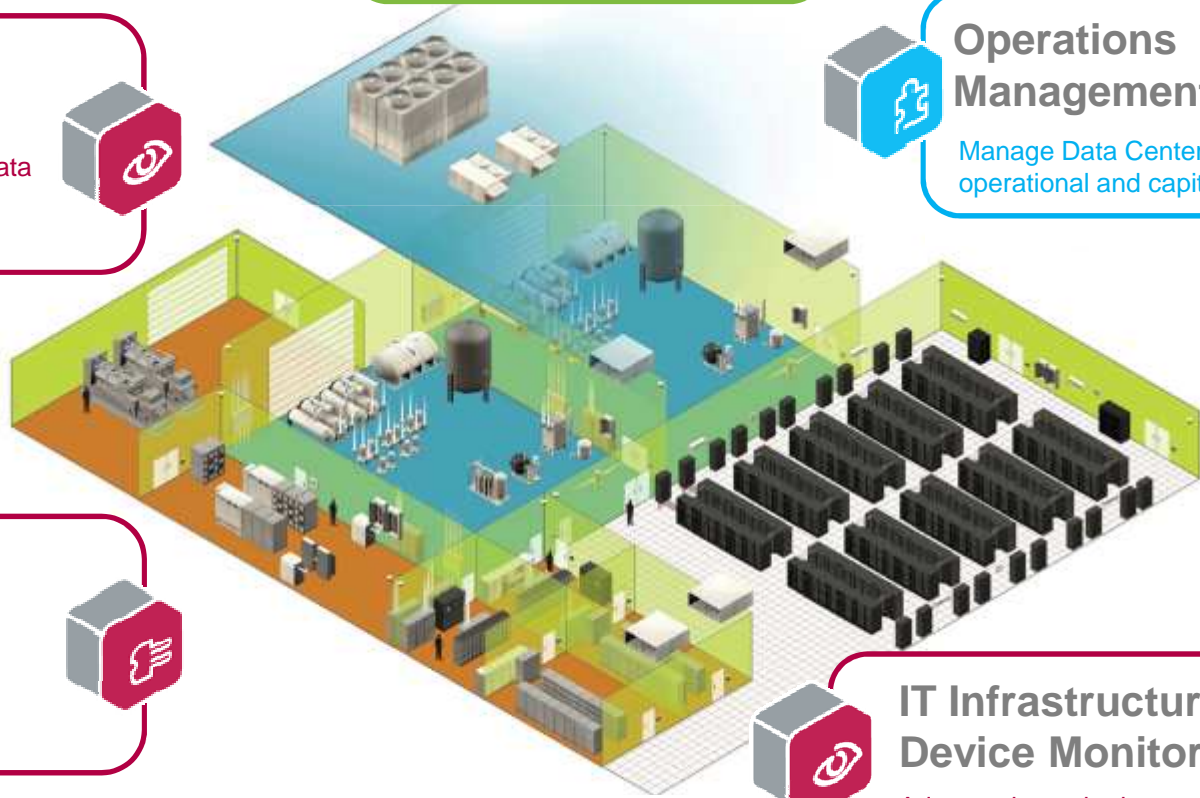
Energy and Sustainability
Track and manage enterprise energy and carbon costs

Operations Management
Manage Data Center assets, operational and capital costs

Cooling Monitoring
Monitor and control data center cooling

Power Monitoring
Advanced power monitoring control and analysis

IT Infrastructure and Device Monitoring
Advanced monitoring and automation



Focused efforts in mission critical segments to accelerate secure power growth

Grow in non data center segments

Highlights of Secure Power Projects



Water

Tuen Mun Sludge Treatment Facility

- Hong Kong

Applications

- ✓ Process Control & SCADA
- ✓ Incinerator
- ✓ PLCs



Solutions:

- ✓ Gutor PDW 120kVA
- ✓ Gutor PXP 120kVA



Hospital

Valencia Hospital – Spain

Applications

- ✓ Operating Theaters
- ✓ Intensive Care Units



Solutions:

- ✓ Smart UPS On-Line
- ✓ Long back up time battery packs

Oil & Gas



Wheatstone LNG Project – Australia,

Applications:

- ✓ SCADA & DCS
- ✓ Security systems



Solutions:

- ✓ Gutor PXW Systems in dual redundant mode
- ✓ Various models from 25 KVA-230 KVA

Transportation



Delhi Metro- India

Applications:

- ✓ Signaling systems
- ✓ Station Control Room
- ✓ Automatic Fare control



Solutions

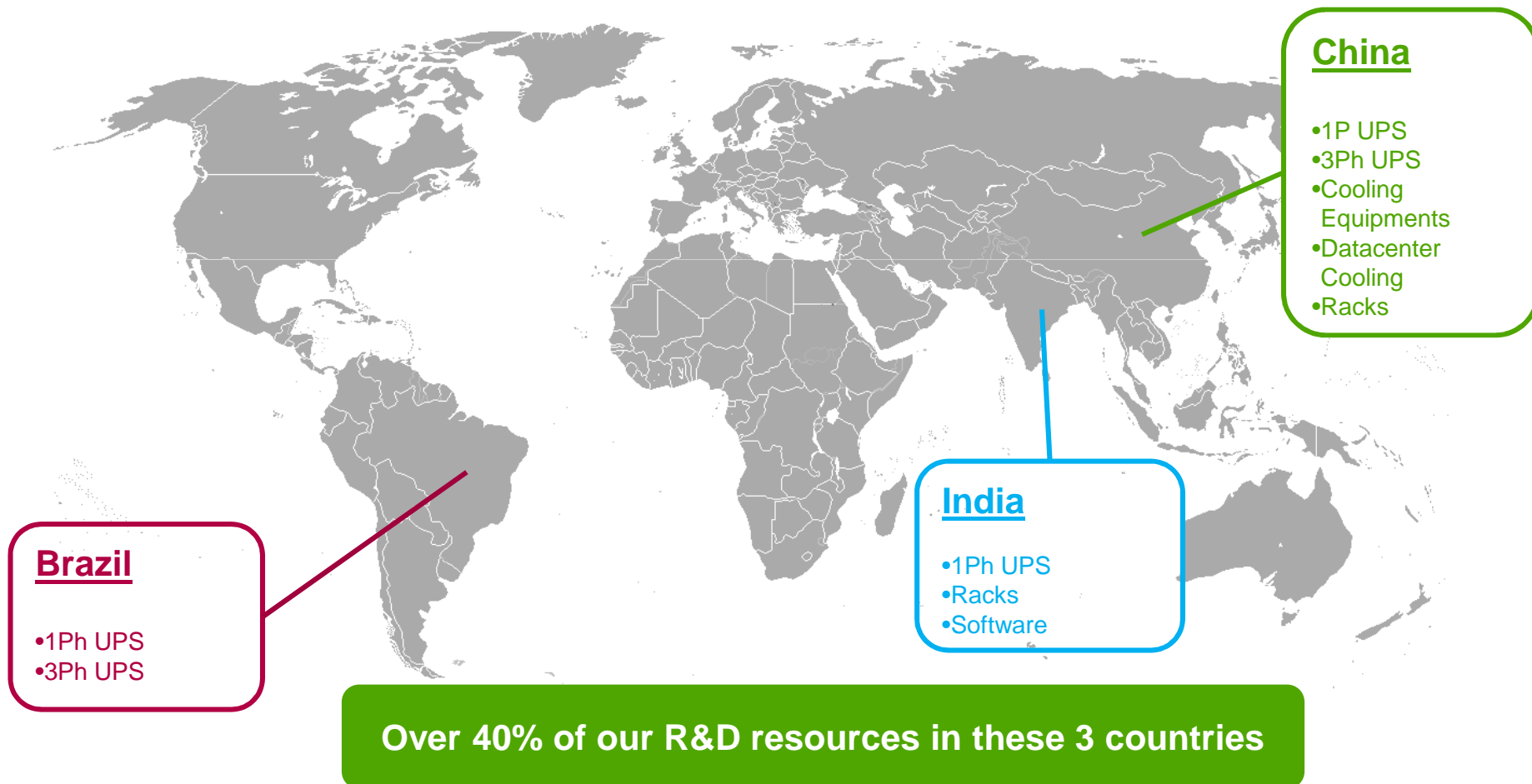
- ✓ 80 kVA MGE Galaxy 5500

Installed base services provided to each customers

We develop offers locally to capture growth in new economies

Grow in new economies

Key R&D centers in New Economies



Conclusion



Despite turbulence in 2013, we are well positioned for growth



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

