Press Kit

June 17, 2009

Electrifying the village of Marovato in Madagascar

Schneider Electric affirms its investment in the bottom of the pyramid and its commitment to renewable energies

Schneider Electric

Contents

Press release	03
On the record	04
An energy access solution that responds to Marovato's constraints	05
Schneider Electric's solutions for harnessing renewable energies	06
Schneider Electric's BipBop energy access program	07
Africa's energy access deficit	08
Biographies	09

About Schneider Electric

As a global specialist in energy management with operations in more than 100 countries, Schneider Electric offers integrated solutions across multiple market segments, including leadership positions in energy and infrastructure, industrial processes, building automation, and data centres/networks, as well as a broad presence in residential applications. Focused on making energy safe, reliable, and efficient, the company's 114,000 employees achieved sales of more than 18.3 billion euros in 2008, through an active commitment to help individuals and organisations "Make the most of their energy™".

www.schneider-electric.com

Schneider Electric provides a Madagascan village access to renewable energies through its BipBop program

Rueil-Malmaison (France), June 17, 2009 - On May 27, Schneider Electric presented an off-grid solar photovoltaic facility to local officials in Marovato, on Madagascar's east coast, as part of its in-house BipBop energy access program for people at the bottom of the pyramid.

Schneider Electric deployed its full range of skills and competencies to offer Marovato's 120 residents access to energy that is safe, reliable, efficient, productive and green. To carry out this project, the Group forged an innovative partnership with businesses, associations and residents within the Jirano association, whose mission is to set up a sustainable electricity supply system for isolated villages in Madagascar.

Schneider Electric and its partners developed a dedicated solution tailored to the nature and size of this project. The solution's components ensure that the system operates smoothly, at top efficiency, and protect the solar installation. The Group provided a Xantrex by Schneider Electric photovoltaic inverter and charger, circuit breakers, and remote supervision and monitoring of the electrical enclosure via the GSM network. The facility generates peak power of 1,400 watts. In comparison, the village currently uses 490 watts. Schneider Electric and the Jirano association also developed a program to teach residents how to maintain the facility. In all, 12 jobs in electricity-related fields were created. In 2009, projects supported by Schneider Electric in Madagascar are expected to electrify 1,000 households, train 100 people and create 50 additional jobs.

In a country with a limited power grid where only 20% of the population has access to electricity, off-grid clean energy solutions are a simple and efficient way to meet the development needs of disadvantaged communities. By helping these communities tap into renewable energies, Schneider Electric is reaffirming its socially responsible commitment to helping improve quality of life for people at the bottom of the pyramid and facilitating access to healthcare and education.

The Marovato electrification project is the first initiative to come out of Schneider Electric's BipBop program, which stands for "Business Investment People at the Bottom of the Pyramid". The program covers three strategically-related areas:

- Business - Build and deliver electrical distribution solutions for people at the bottom of the pyramid.
- Investment - Create an investment fund to develop electrical businesses.
- People - Help provide electrical training for young people looking to enter the workforce.

Helping customers consume less, produce more effectively, improve energy efficiency, protect the environment and contribute to the development of renewable energy sources is an integral part of Schneider Electric's business and strategy. The BipBop initiative to electrify Marovato illustrates Schneider Electric's desire to create a virtuous circle combining business, innovation and social responsibility.

On the record

"The electrification of Marovato demonstrates Schneider Electric's ability to deploy a sustainable system that provides access to renewable energies and meets the region's accessibility constraints."

Claude Graff,
Executive Vice President, Renewable Energies
Schneider Electric

"The key success factor in this project lies in a new type of cooperation in which businesses and village associations work together towards a common goal. We intend to pursue this initiative in the new economies that are the target of our BipBop energy access program."

Gilles Vermot Desroches,
Senior Vice President, Sustainable Development
Schneider Electric

See biographies on page 9.

An energy access solution that responds to Marovato's constraints

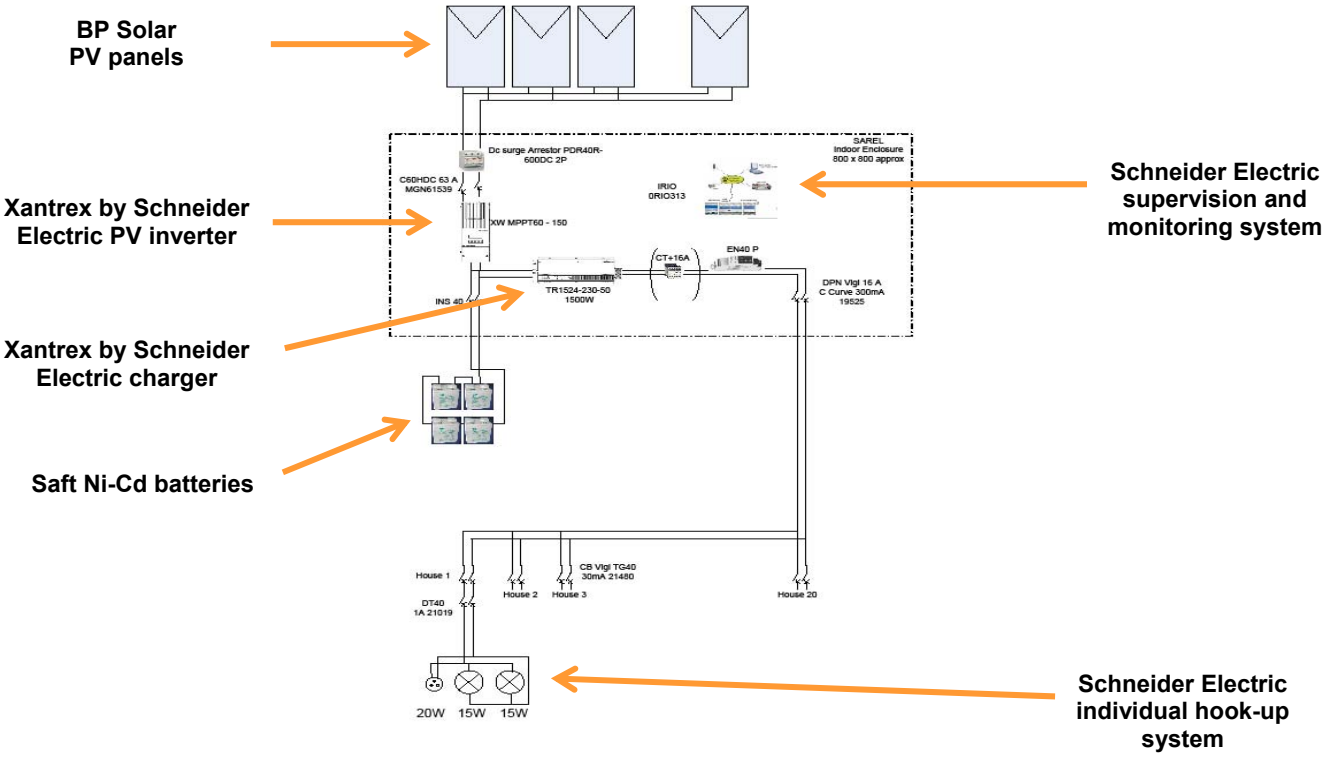
Within the Jirano association, Schneider Electric has leveraged all of its skills to offer the solution that best meets the very specific needs of Marovato's residents.

> Specific needs in a specific environment

Located on Madagascar's east coast, Marovato is made up of 20 households that are geographically isolated from the rest of the world. The village cannot be connected to the island's power grid.

Thanks to the solution devised by Schneider Electric and its partners, the village's 120 residents have access to clean, safe energy for six hours a day.

> Diagram of the solution deployed in Marovato



> Description of the technical solution

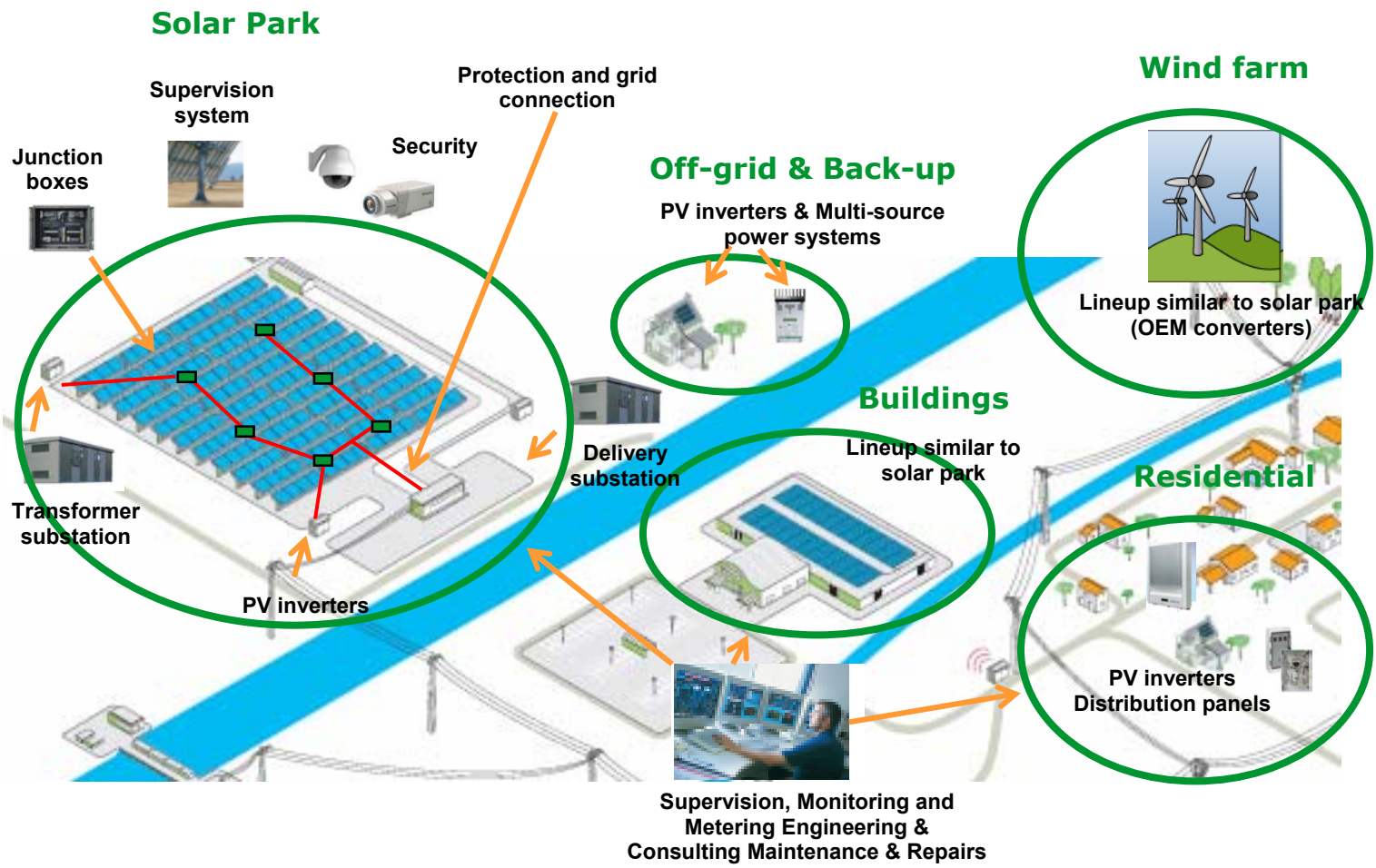
- 24 solar PV panels from BP Solar with an average output of 7kWh.
- One Xantrex by Schneider Electric inverter.
- 18 Ni-Cd batteries from Saft.
- One 1500-watt Xantrex by Schneider Electric charger.
- Schneider Electric circuit breakers to protect the entire facility and each home.
- One Schneider Electric supervision and monitoring system.

Schneider Electric's solutions for harnessing renewable energies

As an end-to-end provider of access to renewable energies, Schneider Electric is developing dedicated solutions for projects of all types and sizes to protect installations and ensure that they operate effectively, at top efficiency.

These solutions can be combined in solar parks or wind farms, in the residential sector and buildings, or in off-grid projects to provide quick and simple access to electricity for residents of disadvantaged communities.

> Different Schneider Electric solutions for harnessing renewable energies



Xantrex has made Schneider Electric a world leader in inverters for the solar and wind markets

With the July 2008 acquisition of Xantrex, Schneider Electric has become a global specialist in inverters, the gateways to solar and wind plants. Inverters convert the direct current generated by PV panels or wind turbines into alternating current. The electricity produced by these "green" sources is of high quality and compatible with the public grid.

Schneider Electric's BipBop energy access program

Access to energy is a major concern for the 1.6 billion people worldwide who currently live without electricity. Access to energy not only improves quality of life, but also facilitates access to healthcare, education and development for those who need it the most. For Schneider Electric, this challenge is an opportunity.

> An integral part of Schneider Electric's strategy

As the world's energy management specialist, Schneider Electric has a major role to play in bringing electricity to people at the bottom of the pyramid.

Through its investments in disadvantaged communities or stakeholders, the Group is focusing on three specific areas:

- **Business** - Build and deliver electrical distribution solutions for people at the bottom of the pyramid.
- **Investment** - Create an investment fund to develop electrical businesses.
- **People** - Help provide electrical training for young people looking to enter the workforce.

The BipBop in-house energy access program illustrates Schneider Electric's desire to create a virtuous circle combining business, innovation and social responsibility.

2008 Facts & Figures

Each day, **1,300 households** worldwide purchased electricity using Conlog pre-payment meters.

Schneider Electric supported **50 business creations** in the field of electricity.

More than **2,300 young people** received electrical training in **22 countries**.

> Regularly measured action plans

Three indicators in Schneider Electric's Planet & Society Barometer measure the BipBop program's success:

- 10,000 young people at the bottom of the pyramid* trained in electricity professions
- 500 contractors at the bottom of the pyramid* set up their activities in the electricity sector
- 1,000,000 households at the bottom of the pyramid* have access to energy thanks to Schneider Electric's solutions

To find out more:

> www.schneider-electric.com
> www.barometre.schneider-electric.com

Africa's energy access deficit

Africa is sorely lacking in electricity. Out of its 930 million people, nearly 530 million do not have access to electric power. With the Marovato project in Madagascar, Schneider Electric is demonstrating its commitment to providing people at the bottom of the pyramid with end-to-end energy access solutions.

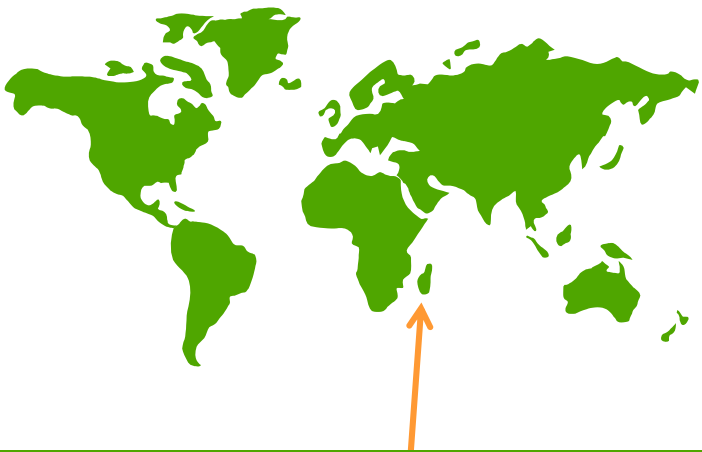
> Electricity use in Africa

According to United Nations Development Programme (UNDP) statistics, electricity consumption in the European Union averages **6,400 kWh per resident per year**. This compares to an annual average of **160 kWh per person in Sub-Saharan Africa**.

In Madagascar, average per capita consumption came to just **56 kWh** in 2008!

A number of programs have been launched to help disadvantaged Africans access the energy they need to develop the continent's economy, provide young people with more educational opportunities and create an effective healthcare system. On May 29, 2009, Jean-Louis Borloo, France's Minister of Ecology, Energy and Sustainable Development, announced a new initiative entitled *"Energizing Africa: From Dream to Reality"*.

> Schneider Electric in Madagascar



Madagascar, located in the Indian Ocean and with a population 20 million, is the world's fifth largest island, covering 587,000 square kilometres. According to the UNDP, less than 3% of the island's rural residents have access to electricity.

Schneider Electric began operating in Madagascar in 2004 and now has around ten employees there. In addition to its sales office in Antanarivo, the Group is providing a comprehensive electrical distribution system for a mining project in Ambatovy.

Schneider Electric managed the Jirano project in Marovato in close cooperation with other Group offices in the Indian Ocean.

Schneider Electric's Madagascar team is headed by Walid Sheta.

Biographies

> Claude Graff

Executive Vice President, Renewable Energies, Schneider Electric

After two years as an engineer in North Africa in the hydroelectric sector, Claude Graff joined Merlin Gerin in 1972. His experience covered the full spectrum of sales and business development in the electrical industry, as manager in Lille, Tours and Paris, France. In 1988, he was appointed Chief Marketing Officer of Schneider Electric in Paris and was also in charge of medium-voltage business nationally and of all negotiations with Électricité de France (EDF).
He joined the UPS division in 1995, as Vice President of Asian and European operations, to be part of the creation of the new spinoff company MGE UPS Systems through a successful leveraged buyout (LBO). In 1999, as Chief Operating Officer, he participated in a second LBO and successfully managed the company through the dot.com bubble. In 2002 he became CEO of MGE UPS, leading the company ($800 million, 4,000 people in over a hundred countries) to years of successful growth. He was a driving force in Schneider Electric's 2006 acquisition of US leader APC and its merger with MGE and joined Schneider Electric's Executive Committee, serving on it through December 2008. Claude Graff has been responsible for developing renewable energies for Schneider Electric since 2007.

He has also been chairman of the French competitiveness cluster Tenerrdis, which aims to develop new energy technologies, since 2005.
Claude Graff is a member of the Corporate Management Committee of Gimelec and participated in that capacity in the Grenelle Environment Forum in France. He is a member of the Board of Directors of Grenoble INP and of Syndicat des Energies Renouvelables (SER).

> Gilles Vermot Desroches

Senior Vice President, Sustainable Development, Schneider Electric

After heading a non-governmental organization and working in a ministerial office, Gilles Vermot Desroches came to Schneider Electric in 1998 to create and develop the Schneider Electric Foundation, under the aegis of Fondation de France. Three years later, he was asked to lead Schneider Electric's sustainable development approach. The Sustainable Development Department is now part of the Group's Strategy Department.

It is responsible for:

- Continuously raising Schneider Electric's overall corporate social responsibility performance.
- Deploying new commitments in the areas of social, community and environmental responsibility.
- Ensuring that internal and external commitments are effectively implemented.
- Designing and managing innovative programs. Examples include energy access with BipBop, the Group's carbon assessment and the new code of conduct.

Gilles Vermot Desroches is a member of the Board of Directors of the French Global Compact network, of the French study center for corporate responsibility (ORSE), Observatoire Social International (OSI) and the Scientific Committee of IMS Entreprendre pour la cité. A senior lecturer at Institut d'Etudes Politiques, Gilles Vermot Desroches is also Chairman of the green recovery group set up by French business organization AFEP and European Partners for the Environment (EPE) to prepare for the United Nations Climate Change Conference in Copenhagen.

A short solar energy glossary

Some useful words and expressions to know when talking about solar energy.

Alternating current: An electric current that reverses direction at regular intervals. Power producers distribute alternating current.

Direct current: An electric current flowing in one direction only. Photovoltaic solar panels generate direct current.

Efficiency: The percentage of energy input an energy system puts out as useful energy. All energy systems suffer losses during operation.

Electrical voltage: The difference in potential between two points of an electrical device or circuit. Voltage is measured in volts.

Instantaneous solar radiation: The solar energy flux hitting the Earth's surface across one square meter at a given instant. It is expressed in watts per square meter (W/m2) and ranges from zero to a maximum of 1,000 W/m2 on the earth's surface.

Integrated solar radiation: The solar energy flux hitting the earth's surface across one square meter in one day. It is expressed in watts per square meter per day (W/m2/day). Also called daily solar energy.

Peak power: Maximum power output of a photovoltaic panel when exposed at a perpendicular angle to 1,000 watts/square meter of sunlight under ideal conditions. Peak power is measured in peak watts (Wp).

Photovoltaic (or PV) solar panels: An assembly of interconnected photovoltaic cells producing enough power to supply a device.

Power: The amount of electricity used instantaneously by a device or delivered instantaneously by an energy source, for a given electrical current and voltage. Power is measured in watts.

Volt: An international unit for measuring voltage, the symbol for which is V. One kV is equal to 1,000 volts.

Watt: The international unit for measuring power, the symbol for which is W. One watt is equivalent to a current of one ampere across a potential difference of one volt. One kW is equal to 1,000 watts.

Learn more about renewable energies at www.schneider-electric.com !

Corporate Press & Public Relations
Véronique Roquet Montégon
Tel: +33 (0)1 41 29 70 76
Email: veronique.roquet-montegon@schneider-electric.com
www.schneider-electric.com

Schneider Electric