Press Release

Schneider Electric and Fuji Electric Holding enter in a new strategic partnership in Electrical Distribution and Industrial Control

Rueil Malmaison, March 27, 2008 – Schneider Electric and Fuji Electric Holding announced that they have reached an agreement in principle to extend their cooperation in the field of Electrical Distribution and Industrial Control (ED&C) products.

Schneider Electric and Fuji Electric have been operating since 2004 a successful joint venture in China manufacturing circuit breakers. Both Groups have decided to make a step forward in their cooperation and to launch a new and broader joint venture. Fuji Electric will contribute its ED&C operations in Japan as well as in other Asian countries including China while Schneider Electric plans to contribute most of the Schneider Electric Japan Ltd operation and a circuit-breaker production line in Thailand, together with a cash amount of approximately €60 million that will give it a shareholding in the range of 40%, the majority of approximately 60% being held by Fuji Electric Holdings.

The new Joint Venture (the “JV”) will cover product development, manufacturing, marketing and sales with a workforce worldwide of around 3,000 people and revenues of more than ¥70 billion (approximately €450 million). The aim of the JV is to combine Schneider Electric’s and Fuji Electric’s strengths and offers to increase their penetration in the Japanese market and to become the preferred supplier of Japanese customers worldwide. The combination will particularly benefit from Schneider Electric’s global leadership in Electrical Distribution products and solutions and from Fuji Electric’s strong brand awareness, recognized know how and distribution network in Japan.

The parties intend to finalize the negotiation of their different agreements and to obtain the related regulatory approvals towards mid-year.

Along the years, Schneider Electric has demonstrated its commitment to provide the Japanese market with products of highest quality. The other operations of Schneider Electric in Japan, such as Digital Corp, APC Japan or its joint venture in Variable Speed Drive with Toshiba, will pursue their activities independently.
About Fuji Electric Holding

The Fuji Electric Group’s ultimate mission is to contribute to the sustainable growth of its customer’s businesses and society as a whole offering among others Electrical Distribution components, Control Systems, products for Factory automation, Semi-conductors devices, Storage media and images systems or vending machines. Every one of our Group company aims to become an organic business group comprising “foremost specialists in the respective industries they operate” delivering maximum value and satisfaction to customer. Fuji Electric, with 25,351 employees in 46 locations in Japan and 21 operations worldwide, generated in 2006 revenues of ¥908 billion.

About Schneider Electric

Schneider Electric, who helps people and organisations make the most of their energy, anticipates and satisfies its customers’ requirements in the residential, building, data centers and networks, industry, and energy and infrastructure markets. With 120,000 employees, Schneider Electric generated revenue of €17.3 billion in 2007 through 15,000 distributor outlets in 190 countries.

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